



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 965 599 614
Organisasjonsform: Aksjeselskap
Foretaksnavn: NOVARTIS NORGE AS
Forretningsadresse: Nydalsveien 28
0484 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

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: Veronika Barrabes
Dato for fastsettelse av årsregnskapet: 26.06.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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, 06.07.2025



Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Net sales	2	1 327 393 621	1 205 677 162
Other operating income		50 720 153	70 579 853
Sum inntekter		1 378 113 774	1 276 257 015
Kostnader			
Cost of sales		1 073 120 688	974 467 528
Salaries and other personnel expenses	3	156 393 276	147 900 506
Depreciation and amortization	4	866 138	647 585
Annen driftskostnad		92 313 973	111 764 316
Sum kostnader		1 322 694 075	1 234 779 935
Driftsresultat		55 419 699	41 477 080
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	5	429 805	1 250 309
Annen renteinntekt	5	305 085	0
Other financial income	5	29	77 334
Sum finansinntekter		734 919	1 327 643
Rentekostnad til foretak i samme konsern	5	1 404 337	951 386
Annen rentekostnad	5	42 726	182 015
Other financial expenses	5	610 226	567 147
Sum finanskostnader		2 057 289	1 700 548
Netto finans	5	-1 322 370	-372 905
Resultat før skattekostnad		54 097 329	41 104 175
Income tax expense		11 758 981	9 146 383
Årsresultat		42 338 348	31 957 792



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Maskiner og anlegg	4	2 915 784	697 064
Operating equipment	4	1 000 632	853 519
Construction in progress	4	111 080	
Sum varige driftsmidler	4	4 027 496	1 550 583
Sum anleggsmidler		4 027 496	1 550 583
Omløpsmidler			
Varer			
Varer	9	347 983 491	273 660 032
Sum varer		347 983 491	273 660 032
Fordringer			
Kundefordringer	8,10	255 622 473	202 987 417
Andre fordringer		2 241 875	9 416 006
Konsernfordringer	10	9 824 074	9 061 325
Sum fordringer		267 688 422	221 464 748
Sum omløpsmidler		615 671 913	495 124 780
SUM EIENDELER		619 699 409	496 675 363
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	7	1 500 000	1 500 000
Annen innskutt egenkapital	7	10 302 649	10 302 649
Sum innskutt egenkapital		11 802 649	11 802 649



Balanse

Beløp i: NOK	Note	2024	2023
Opptjent egenkapital			
Retained earnings	7	320 845 278	278 506 928
Sum opptjent egenkapital	7	320 845 278	278 506 928
Sum egenkapital	7	332 647 927	290 309 577
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6	12 464 426	1 653 505
Andre avsetninger for forpliktelser		1 404 404	277 266
Sum avsetninger for forpliktelser		13 868 830	1 930 771
Annen langsiktig gjeld			
Sum langsiktig gjeld		13 868 830	1 930 771
Kortsiktig gjeld			
Leverandørgjeld		17 118 895	24 237 119
Betalbar skatt	6	948 058	0
Skyldige offentlige avgifter		76 960 575	59 840 017
Kortsiktig konserngjeld	10	127 921 580	37 922 603
Annen kortsiktig gjeld		50 233 545	82 435 276
Sum kortsiktig gjeld		273 182 653	204 435 015
Sum gjeld		287 051 483	206 365 786
SUM EGENKAPITAL OG GJELD		619 699 410	496 675 363



Skatteetaten

Vår dato
07.09.2023

Din/Deres dato

Saksbehandler
Robin Ingebrigtsen

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
99778267

Org.nr
974761076

Vår referanse
2023/5455899

Postadresse
Postboks 9200 Grønland
0134 OSLO

NOVARTIS NORGE AS
Postboks 4284 Nydalen
0401 OSLO

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til Novartis Norge AS (org.nr. 965 599 614) sin søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller 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 søknaden siteres:

Novartis Norge AS apply to develop Annual Accounts (Årsregnskap) and Annual Report (Årsberetning) in English. Circumstances for this is that Novartis Norge AS is owned by Novartis AG in Switzerland to make it possible for stakeholders to review the reports.

Customers to Novartis Norge AS are only companies.

Skattekontorets 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 mv., 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, kunder og lokalsamfunnet.

Det er etter skattekontorets 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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at selskapets eiere er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Magrit Kilen Stoebner
underdirektør
Innsats, storbedrift
Skatteetaten

Robin Ingebrigtsen

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



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Financial statement 2024

Novartis Norge AS

Nydalsveien 28, 0484 OSLO

Organization number: 965599614



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Novartis Norge AS Statement of income

01 January - 31 December 2024

<i>Amounts in NOK</i>	Note	2024	2023
Net Sales	2	1 327 393 621	1 205 677 162
Other operating income		50 720 153	70 579 853
Total income		1 378 113 774	1 276 257 015
Cost of sales		-1 073 120 688	-974 467 528
Salaries and other personnel expenses	3	-156 393 276	-147 900 506
Depreciation and amortization	4	-866 138	-647 585
Other operating expenses		-92 313 973	-111 764 316
Operating profit / loss (-)		55 419 699	41 477 080
Net financial items	5	-1 322 370	-372 905
Profit / loss (-) before tax		54 097 329	41 104 175
Income tax expense	6	-11 758 981	-9 146 383
Profit / loss (-) for the year		42 338 347	31 957 792
<i>Allocated to/from:</i>			
Retained earnings	7	42 338 347	31 957 792
Profit / loss (-) for the year		42 338 347	31 957 792



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Novartis Norge AS balance sheet

as of 31 December 2024

Amounts in NOK	Note	2024	2023
ASSETS			
Property, plant, and equipment	4	4 027 496	1 550 583
Contract assets	8	90 394 793	42 598 826
Total non-current assets		94 422 290	44 149 409
Inventories	9	347 983 491	273 660 032
Trade receivables		165 227 680	160 388 591
Intercompany receivables	10	9 824 074	9 061 325
Other receivables		2 241 875	9 416 006
Total current assets		525 277 121	452 525 954
Total assets		619 699 410	496 675 363
EQUITY AND LIABILITIES			
Share capital		1 500 000	1 500 000
Other paid-in capital		10 302 649	10 302 649
Retained earnings		320 845 297	278 506 928
Total equity	7	332 647 928	290 309 577
Deferred tax liability	6	12 464 426	1 653 505
Provisions and obligations LT		1 404 404	277 266
Total non-current liabilities		13 868 830	1 930 771
Trade payables		17 118 895	24 237 119
Intercompany payables	10	127 921 580	37 922 603
Current tax payables	6	948 058	0
Public charges due		76 960 575	59 840 017
Other payables		46 385 981	78 713 827
Provisions ST		3 847 564	3 721 449
Total current liabilities		273 182 653	204 435 014
Total liabilities		287 051 483	206 365 785
Total equity and liabilities		619 699 410	496 675 362

DocuSigned by:

 Veronika Barrabes
 00DFD9DEAB27427
 Managing Director/Board member

June 26, 2025 Oslo
 DocuSigned by:

 Frances Clare Milnes
 1996E8436494
 Chair of the Board

Signed by:

 Rolf Roerhing
 1FFB120E325C482
 Board member



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Statement of cash flow Novartis Norge AS

01 January - 31 December 2024

<i>Amounts in NOK</i>	2024	2023
Profit / (loss) before income tax	54 097 329	41 104 175
Income taxes paid	-	14 687 675
Depreciation, amortization and impairment losses	866 138	647 585
Changes in inventories	- 74 323 459	15 943 043
Changes in trade and intercompany receivables	- 5 601 838	17 628 139
Changes in trade and intercompany payables	76 477 431	71 881 120
Changes in other net operating working capital	- 54 575 871	108 509 934
Net cash flow from operating activities	- 3 060 271	186 898 151
Purchases of property, plant, and equipment	- 3 343 052	182 709
Net cash flows from investing activities	- 3 343 052	182 709
Change in cash pool account	6 403 323	187 080 860
Net cash flows from financing activities	6 403 323	187 080 860
Net change in cash and cash equivalents	-	-



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Notes to the Financial statement Novartis Norge AS

Note 1 Accounting principles

Revenue recognition

Revenue is generally recognized when the products are delivered to customers in their warehouse.

The consideration Novartis receives in exchange for its goods or services may be fixed or variable. Variable consideration is recognized when it is highly probable that a significant reversal will not occur. In certain cases, a variable element is dependent on future outcome events (i.e. Outcome based arrangements that are resolved over a period of up to 5 years) and these are provisioned and recorded as a revenue deduction at the time the related sales are recorded. The provision represents estimates of the related obligations, requiring the use of judgment when estimating the effect of these revenue deductions. They are calculated on the basis of historical experience and clinical data available for the product, as well as specific terms of the individual agreements. The provisions for revenue deductions under the Outcome based agreements are adjusted periodically based on established processes and actual experience, including the products actual outcomes achieved compared with the anticipated predefined targets.

This method was applied to sales for Zolgensma representing 5,2% of total entity sales.

Significant judgements and estimates

Management has applied significant judgement and used estimates and assumptions that have affected assets, liabilities, income, expenses, and information about potential liabilities in accordance with generally accepted accounting principles in Norway.

For revenue including variable elements, management have applied considerable judgement in determining whether a constraint is present to preclude revenue from being recognized. In assessing whether it is highly probable that a significant revenue reversal will not occur once the uncertainty related to the outcome events is subsequently resolved, i.e. a constraint is present, management has assessed whether factors outside of the entity's influence, uncertainty about the amount is not expected to be resolved for a long period of time, experience with similar types of contracts, broad range of price concessions, broad range of possible consideration amounts and other relevant factors.

The uncertain estimate relating to the recognition of revenue from certain drugs and the contract assets in the balance sheet relating to variable consideration is calculated in an actuarial model that considers both clinical studies and experiences from patient illness recoveries on a worldwide basis within the Novartis group.

Accounting judgements, estimates and assumptions are continuously reviewed, are based on historical experience and various other factors that are believed to be reasonable and appropriate under the circumstances. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affecting future accounting periods.



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Property, plant and equipment

Fixed assets are entered on the balance sheet and depreciated in a straight line over the assets' expected lifetime if they have a lifespan of 3 years or more and have a cost price that exceeds NOK 30,000. Direct maintenance of fixed assets is expensed on an ongoing basis under operating costs. Expenses or improvements are added to the asset's cost price and depreciated in line with the asset.

Leasing

The company has leasing agreements that can be considered operational leasing agreements. Leasing of real estate and machinery is treated as ordinary rent for accounting purposes.

Inventory

Inventories are valued at the lower of acquisition cost (according to the FIFO principle) and fair value. Fair value is the estimated selling price minus costs for completion and sale. An obsolescence adjustment is recorded for expired products and products with inventory levels in excess of forecasted demand.

Receivables

Accounts receivable and other receivables are entered in the balance sheet after deductions for provisions for doubtful accounts. Allowances are set up on a case by case basis after review of the ageing list.

Foreign currency

Receivables and liabilities in foreign currency are assessed according to the exchange rate at the end of the financial year. Transactions in foreign currency are converted at the exchange rate at the time of the transaction. Exchange rate changes are recognized in the income statement as they occur during the accounting period.

Pensions

The company has a defined contribution pension scheme. The cost is entered on an ongoing basis in the accounts.

Income tax

The tax expense in the income statement includes both the period's payable tax and changes in deferred tax. Deferred tax is calculated at 22% of temporary differences that exist between the book value and tax value of assets and liabilities. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are offset. The net deferred tax is recognized in the balance sheet.

Cash flow statement

The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term liquid investments that can be converted immediately and with insignificant exchange rate risk into known cash amounts and with a maturity date shorter than three months from the acquisition date.



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Restatement of comparative figures

For the financial year 2024 the following changes have been made:

- other payables and short term provisions are presented separately
- financial income and expense are presented as a net item in the income statement and specified in the note
- the restructuring provision reversal to offset the payment via payroll run is presented under Salaries total instead of Other remunerations category for 2024

The comparative figures have been updated to reflect these changes, affecting the balance sheet, income statement and related note disclosures.

Note 2 Net sales

Business segment	2024	2023
Innovative medicines	1 327 393 621	1 065 024 815
Gene therapy		140 652 347
Total	1 327 393 621	1 205 677 162

The Gene therapy segment has been integrated into Innovative medicines during 2024

Geographical distribution	2024	2023
Norway	1 327 393 621	1 205 677 162
Total	1 327 393 621	1 205 677 162

Note 3 Salaries and other personnel expenses

	2024	2023
Salaries	102 670 728	105 334 805
Employer's contributions	23 593 353	23 530 575
Pensions	15 458 536	-314 309
Other remunerations	14 670 659	19 349 434
Total	156 393 276	147 900 506

The company employed 90 man-years in the financial year (102 in 2023).

No board fee has been paid in 2024.

Salary and other allowances for the managing director in 2024:

Salary	1 808 003
Bonus	532 641
Pension	183 707
Stock options	416 502
Other benefits	175 859
Total	3 116 802

No loans/collateral have been given to the general manager, chairman of the board or other related parties.

There are no single loans/collaterals that amount to more than 5% of the company's equity.



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Novartis offers an equity settled option scheme for senior employees, granting equity awards in the form of shares or restricted shares, with a three-year vesting period.

	2024	2023
Restricted stock units	2 943 604	1 509 752
Total	2 943 604	1 509 752
Booked liability related to options	-4 019 319	-2 998 845
Total	-4 019 319	-2 998 845

Pensions

The company is obliged to have a mandatory occupational pension scheme.

The company has a defined contribution pension scheme which, at the end of the year, covers 82 people

The contribution plan amounts to between 7% and 20.1% of the salary.

The pension cost for 2024 is NOK 15,458,535

Auditor's remuneration

	2024	2023
Audit of financial statement	422 483	321 000
Review of tax return	133 600	
Other fees	82 150	132 750
Total Auditor's remuneration (excluding VAT)	638 233	453 750



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Note 6 Income taxes

	2024	2023
Temporary differences		
Property, plant, and equipment	-259 587	-900 906
Inventory	-33 535 056	-11 327 324
Profit/loss account	916 155	1 145 194
Restructuring provision	0	-5 559 003
Accounting accruals not allowed for tax	-638 263	0
Contract assets	90 394 793	42 598 826
Other differences	-221 562	-277 266
Loss carry forward	0	-18 163 596
Total temporary differences	56 656 480	7 515 925
Deferred tax asset (-)/liability (+)	12 464 426	1 653 504
Profit before tax	54 097 329	41 104 175
Permanent differences	-647 420	470 291
Basis for tax expense	53 449 909	41 574 466
Change temporary differences	-49 140 555	-59 738 061
Basis for tax expense	4 309 354	-18 163 595
Taxable profit/loss(-)	4 309 354	-18 163 595
Payable income tax	-948 058	0
Total payable tax	-948 058	0
Change deferred tax	-10 810 922	-9 146 384
Tax expense	-11 758 980	-9 146 384
Payable tax balance sheet	948 058	0
Payable tax	948 058	0



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Note 7 Equity

<i>Amounts in NOK</i>	Share capital	Other paid-in capital	Retained earnings	Total equity
Equity at 01.01.2024	1 500 000	10 302 649	278 506 928	290 309 577
Profit/loss (-) for the year			42 338 347	42 338 347
Equity at 31.12.2024	1 500 000	10 302 649	320 845 275	332 647 924

The share capital of NOK 1,500,000 consists of 150 shares of NOK. 10,000. All shares have equal rights.

Novartis Norge AS is part of the Novartis group with Novartis AG serving as the ultimate parent. The consolidated accounts can be obtained by contacting Novartis AG, Lichtstrasse 35, CH-4056 Basel, Switzerland.

A change in ownership by a dividend in kind from the direct shareholder Novartis Holding AG to Novartis Pharma AG is planned for Q3 2025.

Guarantees

The company has established a bank guarantee to safeguard its responsibility for tax withholding.

Novartis Norge AS does not own any securities.

Novartis Norge AS is included in the international cash pool of Novartis Investments S.a.r.l. in Luxembourg with a credit facility of

Note 8 Contract assets

As of December 31, 2024, contract assets are recognized when the obligation under the sales contract has been performed (i.e. transfer control of goods); and the receipt is conditional on a future event not in the control of Novartis or the customer, such as a clinical outcome. Contract assets for a total amount of 102,7 MNOK are recognized, reduced with 12,3 MNOK provision for expected future reversals. These contract assets are expected to be realized gradually over a period of 5 years.

	2024	2023
Contract assets – non-current	85 131 542	40 062 609
Contract asset - current	17 532 650	10 018 657
Outcome based provision	-12 269 399	-7 482 441
Total	90 394 793	42 598 826

Note 9 Inventories

	2024	2023
Finished goods	381 518 547	284 987 355
Obsolescence	-33 535 056	-11 327 324
Total	347 983 491	273 660 032



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Note 10 Intercompany payables and receivables

	2024	2023
Intercompany Trade receivables	9 824 074	9 061 325
Intercompany Trade payables	-103 738 335	-20 142 680
Cash-pool	-24 183 246	-17 779 923
Total	-118 097 506	-28 861 278

Note 11 Transactions with related parties

	2024	2023
Purchase of goods	-1 073 120 688	-1 035 914 799
Purchase of services	-26 433 731	-24 019 897
Purchase of shares and stock options	-3 907 756	-1 217 401
Sale of services	50 997 190	70 579 853
Sale of fixed assets	208 737	0
Interest expenses from In-house Bank	-1 404 337	-951 386
Interest income from In-house Bank	429 805	1 250 309
Total	-1 053 230 781	-990 273 321



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Annual Report 2024

NOVARTIS NORGE AS

ORGANIZATION NUMBER: 965599614 MVA

The nature of the business

Novartis Norge AS engages in the marketing and sale of pharmaceuticals. The company has business premises at Nydalsveien 28 in Oslo.

Going concern

Annual accounts have been issued under the assumption of continued operations, and it is confirmed that the assumption is present.

Work environment

The board believes that the working environment in the company is satisfactory.

In 2024, total sickness absence in the company was 0,76%. We consider this to be satisfactory, and no special measures have been implemented in this area.

The company has had no injuries or accidents in 2024.

Diversity is one of the cornerstones of Novartis and the company works actively with diversity and inclusion. Novartis is also a member of Diversity Charter Sweden, which is a non-profit organization. The association works through its members to demonstrate how successful diversity management can look in practice. Through our membership of the Diversity Charter, we undertake to work actively with diversity and an inclusive approach in our own organization.

To operate successfully as a global organization, it is important that our employees reflect the rich diversity of cultures, ethnicities, and genders in our markets.

Diversity in the workforce improves customer insight and our ability to meet the needs of patients and other stakeholders. Retaining the most qualified talent adds value to our company, our customers, our employees, our shareholders, our suppliers and the communities where we live and work.

We consider diversity and inclusion to include, but not be limited to:

- Ethnicity
- Gender
- Religion and outlook on life
- Sexual orientation
- Age
- Education
- Nationality
- Life experiences



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At Novartis, we strive to go beyond stereotypes, assumptions and prejudices to bring these differences together every day, so we can see the world through the eyes of our patients and customers, in our quest to make life longer and healthier.

Transparency Act

Novartis Norge is compliant with the Norwegian Transparency Act, which came into effect on July 1, 2022. The Act aims to promote respect for fundamental human rights and decent working conditions within organizations, while also ensuring public access to information.

This statement is available on Novartis Norge AS website: [Novartis Norwegian Transparency Act Statement 2024](#)

Environmental

The company has a limited impact on the external environment.

Research and development

Novartis Norway is only involved in sale and distribution and does not carry out any research and development. Research and development is carried out by the other group companies.

Equality

In 2024, the company employed a total of 90, and the board had 3 members. The distribution among the employees has been 67 women and 23 men. Of these, 4 are temporary employees, 1 man and 3 women.

The board consists of 2 men and 1 woman.

The average number of weeks of parental leave has been 23 for women and 17 for men.

A total of 6 women and 2 men have had parental leave.

The company has a policy that there should be no discrimination based on gender in terms of salary, promotion, and recruitment.

In FY2024, Novartis Norge AS carried out a survey of differences in salary between women and men. Outcome of the survey in total for the company is that women's wages make up 95,72% of men's wages. (2023 number was 92%) Fixed salary, bonus and other remunerations included.

Development in results and position

The income statement shows an annual profit after tax of NOK 42 338 347. The annual profit in 2023 was NOK 31 957 791. Sales has increased by 10,1% from 2023.

The board believes that the presented annual accounts give a fair picture of the company's position and operations during the year. For the pharmaceutical industry in general, the greatest uncertainty is linked to the authorities' handling of regulations that aim to limit public expenditure on pharmaceuticals. However, Novartis is well equipped with regards to patent protection and the launch of several new medicines in the coming years. Costs related to product development are borne by Novartis internationally, and Novartis Norway has no risk related to such costs.

Cash flow from operational activities was -3 MNOK, and the operating profit for the year was +55.4 MNOK. The discrepancy between cash flow and operating profit is entirely due to ordinary fluctuations in associated balance sheet items.



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The company's short-term debt accounted for 95.2% of the company's total debt as of December 31, 2024. Compared to 99.9% on December 31, 2023.

The inventory obsolescence provision of -33.5 MNOK represents a significant increase versus 2023 (-11,3 MNOK) due to regulatory change of shelf life leading to write-offs and lower tender sales, caused by reduced safety stocks with Novartis customers.

Board liability insurance

Novartis Norge AS has not taken out insurance for the board members and managing director for their possible liability towards the company and third parties.

Financial Risk

Financial risk is assessed to be low. Novartis Norge AS is owned by the Novartis group.

Market risk

The company has no significant transactions in foreign currency, and hedging transactions are considered unnecessary.

Credit risk

The company considers its credit risk to be good. The company has 3 customers which make up 93.6% of the outstanding credit as of December 31, 2024. The customers are wholesalers who control the pharmacy chains in Norway. Novartis Norge AS has no history with these 3 customers or other customers that indicate insolvency.

Liquidity risk

The company considers the liquidity in the company to be good and has not decided to introduce measures that change the liquidity risk. Due dates for customers are maintained. The company has a granted overdraft of NOK 20 million.

Future outlook

The board considers the company's future to be good. In addition to good development for existing products in the market, Novartis will launch more products in the coming years.

Distribution of results

The profit in Novartis Norge AS of NOK 42 388 347 (2023: 31 957 791) is proposed to be allocated in its entirety to other equity. Total equity will then amount to NOK 332 647 928 (2023: NOK 290 309 577.)

The Board of Directors of Novartis Norge AS

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Frances Clare Milnes Chair of the board	Veronika Barrabés Managing Director/ Board member	Rolf Roenning Board member



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To the General Meeting of Novartis Norge AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Novartis Norge AS (the Company), which comprise the balance sheet as at 31 December 2024, 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 financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, 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 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 relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

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Statsautor sette revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Everum	Mo Rana	Tromsø
Aix	Finnes	Moje	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodo	Karvik	Stord	Åsund
Drammen	Kristiansand	Stein	



- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view 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 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 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.

Oslo, 26 June 2025

KPMG AS

John Thomas Sørhaug
State Authorised Public Accountant