

Boehringer Ingelheim Danmark A/S

Strødamvej 52
2100 Copenhagen
Denmark

CVR no. 14 45 08 07

Annual report 2019

The annual report was presented and approved at
the Company's annual general meeting on

27 May 2020

Stefan Helmut Kilian
chairman

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Boehringer Ingelheim Danmark A/S
Annual report 2019
CVR no. 14 45 08 07

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Boehringer Ingelheim Danmark A/S for the financial year 1 January – 31 December 2019.

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 Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 27 May 2020
Executive Board:

Nicolas Charles Dumoulin

Board of Directors:

Stefan Helmut Kilian
Chairman

Thomas Heinrich

Nicolas Charles Dumoulin



Independent auditor's report

To the shareholders of Boehringer Ingelheim Danmark A/S

Opinion

We have audited the financial statements of Boehringer Ingelheim Danmark A/S for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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



Independent auditor's report

- involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
 - conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 27 May 2020

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Lau Bent Baun
State Authorised
Public Accountant
mne26708

Henrik Kyhnau
State Authorised
Public Accountant
mne40028

Boehringer Ingelheim Danmark A/S
Annual report 2019
CVR no. 14 45 08 07

Management's review

Company details

Boehringer Ingelheim Danmark A/S
Strødamvej 52
2100 Copenhagen
Denmark

CVR no.: 14 45 08 07
Registered office: Copenhagen
Financial year: 1 January – 31 December

Board of Directors

Stefan Helmut Kilian, Chairman
Thomas Heinrich
Nicolas Charles Dumoulin

Executive Board

Nicolas Charles Dumoulin

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen
Denmark

Management's review

Financial highlights

DKK'000	2019	2018	2017	2016	2015
Key figures					
Revenue	422,704	395,282	325,630	770,374	771,447
Gross profit/loss	114,382	76,166	81,319	183,660	204,883
Ordinary operating profit/loss	31,466	-1,246	10,170	30,209	56,678
Profit/loss from financial income and expenses	-9,594	583	1,554	2,490	526
Profit/loss for the year	-26,713	-1,461	10,113	22,119	43,864
Total assets	145,215	147,428	120,600	363,458	366,012
Equity	-6,904	19,809	31,383	85,060	104,285
Investment in property, plant and equipment	0	94	0	5,627	18,769
Ratios					
Gross margin	27.1%	19.3%	25.0%	23.8%	26.6%
Operating margin	7.4%	-0.3%	3.1%	3.9%	7.3%
Return on invested capital	8.1%	-5.3%	17.9%	32.4%	54.3%
Current ratio	93.8%	113.5%	132.2%	115.8%	122.5%
Return on equity	-252.7%	-5.7%	17.4%	23.4%	41.1%
Solvency ratio	-4.8%	13.4%	26.0%	23.4%	28.5%
Average number of full-time employees	86	82	92	171	177

Financial ratios are calculated in accordance with the guidelines "Recomendations and Ratios" issued by the Danish Society of Financial Analysts. The financial ratios have been calculated as follows:

Gross margin
$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Operating margin
$$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$$

Return on invested capital
$$\frac{\text{Operating profit/loss} \times 100}{\text{Average invested capital}}$$

Current ratio
$$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$$

Return on equity
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio
$$\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$$

Management's review

Operating review

Principal activities

The Company's main activities are sales and marketing of Human Pharmaceuticals (HP) in Denmark.

The Company do not have its own research projects within human pharmaceuticals. Overall, the Company is engaged significantly in clinical development programmes and contributes to the overall R&D activities of the Group.

Events after the balance sheet date

Management have, based on COVID-19 and the measurements from the Danish Government, assessed that these do not have an adjusting effect on the financial position as of 31 December 2019. No other events materially affecting the annual report have occurred.

Development in activities and financial position

Revenue amounted to DKK 422,703 thousand in 2019, a 7% increase compared to last year. Revenue in 2019 were higher than expected as the Company could better defend its prices in a context of reduced parallel imports but also due to positive volume development of new products like Jardiance, Spiolto and Ofev. The pre-tax profit reached DKK 21,873 thousand compared to DKK -663 thousand in 2018.

However, the income statement of the Company for 2019 shows a loss of DKK 26,713 thousand. Due to the outcome from transferpricing audit 2013 - 2016 resulting in an additional tax payment of DKK 41,085 thousand in 2019.

At 31 December 2019 the balance sheet of the Company shows equity of DKK -6,904 thousand compared to DKK 19,809 thousand at 31 December 2018.

It is Management's expectation that equity will be re-established through the Company's own earnings. The Company has received a letter of support from Boehringer Ingelheim International GmbH confirming, Boehringer Ingelheim International GmbH will provide financial support necessary to enable Boehringer Ingelheim Danmark A/S to continue operating as a going concern for the financial year 2020.

Outlook

The main strategy for BI HP business in Denmark rests on the following pillars:

- Expanding market leadership within diabetes with Jardiance® Family (launched July 2014) and defend the rest of BI's diabetes portfolio. Progressively prepare the arrival of the new Heart Failure indication.
- Further increase Ofev® (launched Q1 2015) use in Idiopathic Pulmonary Fibrosis and launch the new indications of the product
- Continue to develop the COPD franchise by increasing Spiolto® use (launched Q3 2015) and by promoting the advantages of RespiMAT reusable device (used across the portfolio)
- Initiatives both with Healthcare Professionals and payors (regions) to stabilise Pradaxa usage decline.

Based on the above, we expect a turnover and result in 2020 above 2019 and the negative equity will be re-established accordingly.

Management's review

Operating review

Intellectual capital

Boehringer Ingelheim Danmark A/S holds a significant Human Capital with highly trained and experienced employees. We believe that we have superior know how on digital activities as well as on Real World Evidence than the average of the local pharma industry. The Company also holds a significant Relational Capital with Healthcare Professionals, many of whom gave permission for digital interactions with the Company.

Research and development activities

The Company does not have any research and development projects but takes part in the overall clinical development programmes and contributes to the R&D activities of the corporation.

Particular risks

Operating risks

A significant risk continues to be fluctuating parallel import in Denmark of Human Pharma products from other EU countries, which generate uncertainty in the assessment of the sales development. This depends on the development of European prices, as government-led price reductions are part of the agenda in a number of European countries.

Corporate social responsibility

The Company's main activities are sales and marketing of Human Pharmaceuticals (HP) in Denmark.

The Company has no own research projects within human pharmaceuticals. Overall, the Company is engaged significantly in clinical development programmes and contributes to the overall R&D activities of the group.

The company does not have any local policy for the following areas:

- Environmental impact
- Climate impact
- Anti-corruption
- Social and Staff matters
- Human rights

After careful consideration and performed risk assessment we have not identified any material risks to our business model.

Goals and policies for the underrepresented gender

Boehringer Ingelheim Danmark A/S strives – at all times – to achieve (whenever possible in relation to skills) a state of equilibrium between men and women in Management, as we are convinced that diversity improves work quality and cooperation in top management through, for example, different approaches to management tasks. *Boehringer Ingelheim Danmark A/S* believes that the best innovative ideas and results comes out of ensuring equal opportunities and non-discrimination behavior, and our aspiration is to have all management teams as diverse as possible.

Management's review

Operating review

Target figure for the Board of Directors: Boehringer Ingelheim Danmark A/S' target figure for the underrepresented gender (in this case women) on the Board of Directors is set at 1:3. BIDK strives to maintain a balanced composition of women and men on the Board of Directors whenever possible in relation to skills. The current composition is three men. The aspiration is – in case of a vacancy in the Board of Directors – to elect a woman.

Target figure for other management levels: At 31 December 2019, there were 7 female and 7 male managers, of which 4 men are members of the daily Board of Managers (Local Management Team (LMT)). LMT consists of 4 members from Boehringer Ingelheim Danmark A/S and 1 from the associated company Boehringer Ingelheim Animal Health Denmark A/S CVR: 13 52 69 90. Disregarding members of the Board of Managers, the management levels below then consist of 7 female and 3 male managers at 31 December 2019, giving a distribution of 70/30. Successor planning will always take diversity into consideration whenever possible in relation to competencies. BIDK has focus on the equal distribution between genders, not wishing to give one gender any preferential position compared to the other gender in relation to job and career options.

In 2013/14, our parent company put Diversity and Inclusion on the agenda. All things considered, this will create more focus on various initiatives to promote equality at the corporation's management levels both globally and locally. In order to reach the above target figures/objectives for more females at management level, the Company has since 2013 focused on and implemented a number of initiatives to foster the development and support of female leaders. Since the setting of the 2013/14 objectives, initiatives like mentor schemes and regional as well as global leadership development programmes could be mentioned.

The target figure for the share of female leaders at board level for this year regarding 'a balanced composition of women and men on the board of managers' is not regarded as fulfilled, since all 3 seats are taken by men. The reason for the lack of development is a.o. the absence of changes among these management positions, which naturally limits the development. However, there will continue to be focus on this topic in case of any change of these positions.

Still, the target figure for female leaders on other management levels is highly satisfactory with a stable development. The (positive) constant development is based on the Company's ongoing focus on the gender distribution in terms of internal activities to maintain and develop existing, female talents, which will also be a focus area in 2020.

The timeframe for meeting our targets is set to be in 2022 at the latest.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2019	2018
Revenue		422,704	395,282
Costs of raw materials and consumables		-261,874	-268,761
Other operating income		21,809	27,473
Other external costs		-68,257	-77,828
Gross profit		114,382	76,166
Staff costs	4	-82,798	-77,092
Depreciation		-118	-320
Operating profit/loss		31,466	-1,246
Financial income		91	1,126
Financial expenses		-9,685	-543
Profit/loss before tax		21,872	-663
Tax on profit/loss for the year	5	-48,585	-798
Loss for the year	6	-26,713	-1,461

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2019	31/12 2018
ASSETS			
Fixed assets			
Property, plant and equipment			
	7		
Land and buildings		69	98
Fixtures and fittings, tools and equipment		288	251
		<u>357</u>	<u>349</u>
Financial fixed assets			
	8		
Deposits		2,233	2,232
Total fixed assets		<u>2,590</u>	<u>2,581</u>
Current assets			
Inventories			
Finished goods		88,326	66,274
Receivables			
Trade receivables		37,591	37,033
Receivables from group entities		14,344	38,903
Other receivables		393	1,128
Deferred tax asset		133	177
Corporation tax		1,797	1,275
Prepayments		0	55
		<u>54,258</u>	<u>78,571</u>
Cash at bank and in hand		<u>41</u>	<u>2</u>
Total current assets		<u>142,625</u>	<u>144,847</u>
TOTAL ASSETS		<u><u>145,215</u></u>	<u><u>147,428</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2019	31/12 2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital	9	6,000	6,000
Retained earnings		-12,904	13,809
Total equity		<u>-6,904</u>	<u>19,809</u>
Liabilities			
Current liabilities			
Trade payables		9,423	3,904
Payables to group entities		108,443	92,200
Other payables		34,253	31,515
		<u>152,119</u>	<u>127,619</u>
Total liabilities		<u>152,119</u>	<u>127,619</u>
TOTAL EQUITY AND LIABILITIES		<u>145,215</u>	<u>147,428</u>
Fees to auditor appointed at the general meeting	10		
Contractual obligations, contingencies, etc.	11		
Related party disclosures	12		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2019	6,000	13,809	19,809
Transferred over the distribution of loss	0	-26,713	-26,713
Equity at 31 December 2019	6,000	-12,904	-6,904

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Boehringer Ingelheim Danmark A/S for 2019 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Boehringer Ingelheim Auslandsbeteiligung GmbH.

Foreign currency translation

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Income statement

Revenue

Revenue from the sale of human pharmaceuticals is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Costs of raw materials and consumables

Cost of sales comprise the raw materials and consumables consumed to achieve revenue for the year.

Other operating income

Other operating income comprises items secondary to the activities of the entity.

Other external costs

Other external costs comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff costs

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

Depreciation

Depreciation on Fixed assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year, changes in deferred tax for the year and adjustment of tax concerning previous years. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	20 years
Fixtures and fittings, tools and equipment	3-5 years

Depreciation period and residual value are reassessed annually.

Financial fixed assets

Financial fixed assets consist of rental deposit.

Inventories

Finished goods are measured at cost, comprising purchase price plus delivery costs. Where the net realisable value is lower than cost, inventories are written down to this lower value.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Cash at bank and in hand

Cash and cash equivalents comprise of cash in banks.

Liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

2 Going Concern

At 31 December 2019, the Company's equity amounts to DKK -6,904 thousand. It is Management's expectation that equity will be re-established through the Company's own earnings. The Company has received a letter of support from Boehringer Ingelheim International GmbH confirming, Boehringer Ingelheim International GmbH will provide financial support necessary to enable Boehringer Ingelheim Danmark A/S to continue operating as a going concern for the financial year 2020.

Financial statements 1 January – 31 December

Notes

3 Revenue - Segment information

Information on business segments and geographical segments is based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

DKK'000	<u>2019</u>	<u>2018</u>
Geographical segments		
Revenue, Denmark	415,124	387,469
Revenue, exports	<u>7,580</u>	<u>7,813</u>
	<u>422,704</u>	<u>395,282</u>

Business segments

Business segments consists of only one segment.

4 Staff costs

Wages and salaries	76,012	71,034
Pensions	5,534	5,396
Other social security costs	1,072	450
Other staff costs	<u>180</u>	<u>212</u>
	<u>82,798</u>	<u>77,092</u>

Average number of full-time employees	<u>86</u>	<u>82</u>
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Staff costs include remuneration of the Executive Board of DKK 3,864 thousand (2018: DKK 4,792 thousand).

5 Tax on profit/loss for the year

Current tax for the year	7,455	695
Deferred tax for the year	45	66
Adjustment of tax concerning previous years	<u>41,085</u>	<u>37</u>
	<u>48,585</u>	<u>798</u>

6 Proposed distribution of loss

Retained earnings	<u>-26,713</u>	<u>-1,461</u>
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Financial statements 1 January – 31 December

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7 Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2019	477	41	4,550	4,211	9,279
Additions for the year	0	0	126	0	126
Cost at 31 December 2019	477	41	4,676	4,211	9,405
Depreciation at 1 January 2019	-379	-41	-4,299	-4,211	-8,930
Depreciation for the year	-29	0	-89	0	-118
Depreciation at 31 December 2019	-408	-41	-4,388	-4,211	-9,048
Carrying amount at 31 December 2019	69	0	288	0	357

8 Financial fixed assets

DKK'000	Deposits
Cost at 1 January 2019	2,232
Additions for the year	1
Cost at 31 December 2019	2,233
Carrying amount at 31 December 2019	2,233

9 Equity

The contributed capital consists of 60 shares of a nominal value of DKK 100,000 each.

All shares rank equally.

10 Fees to auditor appointed at the general meeting

The fee to the auditor is not disclosed in accordance with the Danish Financial Statement Act section 96(3).

11 Contractual obligations, contingencies, etc.

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income as well as for Danish withholding taxes through dividend tax and tax on unearned income. The total amount of tax payables is included in the annual report of Boehringer Ingelheim Danmark A/S which is the administration company in relation to the joint taxation.

Furthermore, the Company has assumed those for the branch customary repurchase commitments in respect of goods sold.

Financial statements 1 January – 31 December

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DKK'000	<u>2019</u>	<u>2018</u>
Operating lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	10,642	9,496
Between 1 and 5	<u>5,578</u>	<u>3,209</u>
	<u>16,220</u>	<u>12,705</u>

12 Related party disclosures

Related party transactions

Sales of services to group entities	69,756	69,886
Interest income from group enterprises	0	184
Purchase of goods from group entities	282,717	286,434
Purchase of services from group entities	24,129	12,581
Dividend payment to parent company	0	10,113
Interest expense to group enterprises	218	286

Remuneration to the Parent Company's Executive Board and Board of Directors is disclosed in note 4.
Payables to associates and subsidiaries are disclosed in the balance sheet.

Consolidated financial statements

The Company is a part of the consolidated financial statements of Boehringer Ingelheim Auslandsbeteiligung GmbH.

The consolidated financial statements can be obtained from the Group's website at:
www.boehringeringelheim.com/annual-results-press-conference