

# **Toyota Logistics Services Denmark ApS**

Fynsvej 9, DK-5500 Middelfart

Annual Report for 1 April 2021 - 31 March 2022

CVR No: 26 28 20 55

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 20/9 2022

Matthew Harrison  
Chairman of the General Meeting

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## **Management's Statement**

The Executive Board has today considered and adopted the Annual Report of Toyota Logistics Services Denmark ApS for the financial year 1 April 2021 - 31 March 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the financial position on 31 March 2022 of the Company and of the results of the Company operations for 2021/22.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Middelfart, 14 September 2022

### **Executive Board**

Andrew Mark Sinton  
Executive Officer

## Independent Auditor's Report

To the Shareholder of Toyota Logistics Services Denmark ApS

### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company on 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 - 31 March 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Toyota Logistics Services Denmark ApS for the financial year 1 April 2021 - 31 March 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Financial Statements.

# Independent Auditor's Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 14 September 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Leif Ulbæk Jensen  
State Authorized Public Accountant  
mne23327

Anders Røjleskov  
State Authorized Public Accountant  
mne28699

## Company Information

### The Company

Toyota Logistics Services Denmark ApS  
Fynsvej 9  
DK-5500 Middelfart

Telephone: + 45 6020 9100

CVR No: 26 28 20 55

Financial period: 1 April - 31 March

Municipality of reg. office: Middelfart

### Executive Board

Andrew Mark Sinton

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

### Bankers

Danske Bank  
Holmens Kanal 2  
1092 København K

Citibank  
Vesterbrogade 1L, 5  
1620 København V

## Income Statement 1 April 2021 - 31 March 2022

|   | <u>Note</u> | <u>2021/22</u><br>DKK    | <u>2020/21</u><br>DKK    |
|---|-------------|--------------------------|--------------------------|
| <b>Revenue</b>  |             | <u><b>32,109,821</b></u> | <u><b>32,337,619</b></u> |
| Other operating income  | 2           | 0                        | 380,099                  |
| Other external expenses   |             | <u>-8,812,837</u>        | <u>-11,532,503</u>       |
| <b>Gross profit/loss</b>  |             | <u><b>23,296,984</b></u> | <u><b>21,185,215</b></u> |
| Staff expenses  | 3           | -20,310,535              | -18,206,793              |
| Depreciation, amortisation and impairment of property, plant, and equipment | 4           | <u>-543,895</u>          | <u>-529,535</u>          |
| <b>Profit/loss before financial income and expenses</b>                     |             | <u><b>2,442,554</b></u>  | <u><b>2,448,887</b></u>  |
| Financial income  | 5           | 456                      | 1,521                    |
| Financial expenses  |             | <u>-69,629</u>           | <u>-60,420</u>           |
| <b>Profit/loss before tax</b>   |             | <u><b>2,373,381</b></u>  | <u><b>2,389,988</b></u>  |
| Tax on profit/loss for the year   | 6           | <u>-520,043</u>          | <u>-525,798</u>          |
| <b>Net profit/loss for the year</b>   |             | <u><b>1,853,338</b></u>  | <u><b>1,864,190</b></u>  |

## Distribution of profit

### Proposed distribution of profit

|                                |  |                         |                         |
|--------------------------------|--|-------------------------|-------------------------|
| Proposed dividend for the year |  | <u>1,853,338</u>        | <u>1,864,190</u>        |
|                                |  | <u><b>1,853,338</b></u> | <u><b>1,864,190</b></u> |

## Balance Sheet on 31 March 2022

### Assets

|   | <u>Note</u> | <u>2021/22</u><br>DKK    | <u>2020/21</u><br>DKK    |
|---|-------------|--------------------------|--------------------------|
| Other fixtures and fittings, tools, and equipment |             | 2,225,343                | 2,433,044                |
| Leasehold improvements                            |             | 367,603                  | 409,679                  |
| Prepayments for property, plant, and equipment    |             | <u>440,999</u>           | <u>305,968</u>           |
| <b>Property, plant, and equipment</b>             | 7           | <u><b>3,033,945</b></u>  | <u><b>3,148,691</b></u>  |
| <b>Fixed assets</b>                               |             | <u><b>3,033,945</b></u>  | <u><b>3,148,691</b></u>  |
| Receivables from group enterprises                |             | 5,631,784                | 9,324,602                |
| Other receivables                                 |             | 522,200                  | 687,908                  |
| Prepayments                                       |             | <u>1,282,539</u>         | <u>1,212,971</u>         |
| <b>Receivables</b>                                |             | <u><b>7,436,523</b></u>  | <u><b>11,225,481</b></u> |
| <b>Cash at bank and in hand</b>                   |             | <u><b>670,413</b></u>    | <u><b>7,531</b></u>      |
| <b>Current assets</b>                             |             | <u><b>8,106,936</b></u>  | <u><b>11,233,012</b></u> |
| <b>Assets</b>                                     |             | <u><b>11,140,881</b></u> | <u><b>14,381,703</b></u> |



## Balance Sheet on 31 March 2022

### Liabilities and equity

|   | <u>Note</u> | <u>2021/22</u><br>DKK    | <u>2020/21</u><br>DKK    |
|---|-------------|--------------------------|--------------------------|
| Share capital   |             | 125,000                  | 125,000                  |
| Retained earnings   |             | 3,784,525                | 3,784,525                |
| Proposed dividend for the year                                  |             | <u>1,853,338</u>         | <u>1,864,190</u>         |
| <b>Equity</b>   |             | <b><u>5,762,863</u></b>  | <b><u>5,773,715</u></b>  |
| Provision for deferred tax                                      |             | <u>221,829</u>           | <u>212,242</u>           |
| <b>Provisions</b>   |             | <b><u>221,829</u></b>    | <b><u>212,242</u></b>    |
| Other payables  |             | <u>0</u>                 | <u>1,767,224</u>         |
| <b>Long-term debt</b>   | 8           | <b><u>0</u></b>          | <b><u>1,767,224</u></b>  |
| Credit institutions   |             | 0                        | 445,836                  |
| Trade payables  |             | 878,336                  | 1,521,316                |
| Payables to group enterprises                                   |             | 2,200,023                | 2,189,658                |
| Corporation tax   |             | 10,456                   | 7,635                    |
| Other payables  | 8           | <u>2,067,374</u>         | <u>2,464,077</u>         |
| <b>Short-term debt</b>  |             | <b><u>5,156,189</u></b>  | <b><u>6,628,522</u></b>  |
| <b>Debt</b>   |             | <b><u>5,156,189</u></b>  | <b><u>8,395,746</u></b>  |
| <b>Liabilities and equity</b>                                   |             | <b><u>11,140,881</u></b> | <b><u>14,381,703</u></b> |
| Key activities  | 1           |                          |                          |
| Contingent assets, liabilities, and other financial obligations | 9           |                          |                          |
| Related parties   | 10          |                          |                          |
| Subsequent events   | 11          |                          |                          |
| Accounting Policies   | 12          |                          |                          |

## Statement of Changes in Equity

|                              | <u>Share capital</u><br>DKK | <u>Retained earnings</u><br>DKK | <u>Proposed dividend for the</u><br><u>year</u><br>DKK | <u>Total</u><br>DKK     |
|------------------------------|-----------------------------|---------------------------------|--|-------------------------|
| <b>2021/22</b>               |                             |                                 |  |                         |
| Equity on 1 April            | 125,000                     | 3,784,525                       | 1,864,190  | 5,773,715               |
| Ordinary dividend paid       | 0                           | 0                               | -1,864,190   | -1,864,190              |
| Net profit/loss for the year | 0                           | 0                               | 1,853,338  | 1,853,338               |
| <b>Equity on 31 March</b>    | <b><u>125,000</u></b>       | <b><u>3,784,525</u></b>         | <b><u>1,853,338</u></b>                                | <b><u>5,762,863</u></b> |

## Notes to the Financial Statements

### 1 Key activities

The Company's main activity is carryon storage and logistics activities in relation to original spare parts and ancillary equipment for Toyota and Lexus automobiles in Denmark, Sweden and other places and any related activities within the automobile industry.

|  | <u>2021/22</u><br>DKK | <u>2020/21</u><br>DKK |
|--|-----------------------|-----------------------|
| <b>2 Special items</b>   |                       |                       |
| Covid-19 salary compensation   | <u>0</u>              | <u>380,099</u>        |
|  | <u>0</u>              | <u>380,099</u>        |
| <b>3 Staff expenses</b>  |                       |                       |
| Wages and salaries   | 18,378,102            | 16,332,417            |
| Pensions, employer's contribution  | 1,839,491             | 1,602,001             |
| Other social security expenses   | <u>92,942</u>         | <u>272,375</u>        |
|  | <u>20,310,535</u>     | <u>18,206,793</u>     |
| <b>Average number of employees</b>   | <u>44</u>             | <u>41</u>             |
| <b>4 Depreciation, amortisation and impairment of property, plant, and equipment</b> |                       |                       |
| Depreciation of property, plant, and equipment                                       | <u>543,895</u>        | <u>529,535</u>        |
|  | <u>543,895</u>        | <u>529,535</u>        |
| Which is specified as follows:   |                       |                       |
| Other fixtures and fittings, tools, and equipment                                    | 501,819               | 491,986               |
| Leasehold improvements   | <u>42,076</u>         | <u>37,549</u>         |
|  | <u>543,895</u>        | <u>529,535</u>        |
| <b>5 Financial income</b>  |                       |                       |
| Interest received from group   | 456                   | 301                   |
| Exchange gains   | <u>0</u>              | <u>1,220</u>          |
|  | <u>456</u>            | <u>1,521</u>          |

## Notes to the Financial Statements

|  | <u>2021/22</u><br>DKK   | <u>2020/21</u><br>DKK                |  |                         |
|--|---|--------------------------------------|--|-------------------------|
| <b>6 Tax on profit/loss for the year</b>       |   |                                      |  |                         |
| Current tax for the year                       | 510,456   | 507,635                              |  |                         |
| Deferred tax for the year                      | <u>9,587</u>  | <u>18,163</u>                        |  |                         |
|  | <b><u>520,043</u></b>   | <b><u>525,798</u></b>                |  |                         |
| <br><b>7 Property, plant, and equipment</b>    |   |                                      |  |                         |
|  | <u>Other fixtures and fittings, tools, and equipment</u><br>DKK | <u>Leasehold improvements</u><br>DKK | <u>Prepayments for property, plant, and equipment</u><br>DKK | <u>Total</u><br>DKK     |
| Cost on 1 April                                | 7,181,420   | 844,157                              | 305,968  | 8,331,545               |
| Additions for the year                         | 0   | 0                                    | 429,149  | 429,149                 |
| Transfers for the year                         | <u>294,118</u>  | <u>0</u>                             | <u>-294,118</u>  | <u>0</u>                |
| Cost on 31 March                               | <u>7,475,538</u>  | <u>844,157</u>                       | <u>440,999</u>   | <u>8,760,694</u>        |
| Impairment losses and depreciation on 1 April  | 4,748,376   | 434,478                              | 0  | 5,182,854               |
| Depreciation for the year                      | <u>501,819</u>  | <u>42,076</u>                        | <u>0</u>   | <u>543,895</u>          |
| Impairment losses and depreciation on 31 March | <u>5,250,195</u>  | <u>476,554</u>                       | <u>0</u>   | <u>5,726,749</u>        |
| <b>Carrying amount on 31 March</b>             | <b><u>2,225,343</u></b>   | <b><u>367,603</u></b>                | <b><u>440,999</u></b>  | <b><u>3,033,945</u></b> |
| Depreciated over                               | <u>3-10 years</u>   | <u>20 years</u>                      |  |                         |

## Notes to the Financial Statements

### 8 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

|                           | <u>2021/22</u><br>DKK   | <u>2020/21</u><br>DKK   |
|---------------------------|-------------------------|-------------------------|
| <b>Other payables</b>     |                         |                         |
| Between 1 and 5 years     | <u>0</u>                | <u>1,767,224</u>        |
| Long-term part            | <u>0</u>                | <u>1,767,224</u>        |
| Other short-term payables | <u>2,067,374</u>        | <u>2,464,077</u>        |
|                           | <b><u>2,067,374</u></b> | <b><u>4,231,301</u></b> |

### 9 Contingent assets, liabilities, and other financial obligations

#### Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:

|                       |                          |                          |
|-----------------------|--------------------------|--------------------------|
| Within 1 year         | 4,152,928                | 4,072,144                |
| Between 1 and 5 years | <u>11,162,719</u>        | <u>15,132,510</u>        |
|                       | <b><u>15,315,647</u></b> | <b><u>19,204,654</u></b> |

The Company has provided a bank guaranty for the rent commitment of DKK 2,823,121.

#### Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

## Notes to the Financial Statements

### 10 Related parties

The Company is included in the Group Annual Report of the Parent Company Toyota Motor Europe NV/SA, Belgium, and Toyota Motor Co. Japan.

The Group Annual Report of Toyota Motor Corporation may be obtained at the following address: Toyota Motor Corporation, Japan, Toyota-Cho, Toyota City, Aichi Prefecture 471-8571.

| <u>Name</u>               | <u>Place of registered office</u> |
|---------------------------|-----------------------------------|
| Toyota Motor Corporation  | Japan                             |
| Toyota Motor Europe NV/SA | Belgium                           |

### 11 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

## Notes to the Financial Statements

### 12 Accounting Policies

The Annual Report of Toyota Logistics Services Denmark ApS for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021/22 are presented in DKK.

#### 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.

#### Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term. The company's liabilities relating to operating leases are disclosed under 'Contingent liabilities'

#### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

## Notes to the Financial Statements

### 12 Accounting Policies (continued)

#### Income Statement

##### Revenue

Income from the supply of services is recognised as revenue when the service is delivered.

##### Other external expenses

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

##### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

##### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant, and equipment. Depreciation is provided based on current assessments of the depreciation method, useful life, and residual value of the assets.

##### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant, and equipment and compensation from the covid-19 help packages.

##### Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments as well as extra payments and repayment under the on account taxation scheme.

##### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. 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.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.



## Notes to the Financial Statements

### 12 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:

|   |            |
|---|------------|
| Leasehold improvements                              | 20 years   |
| Other fixtures and fittings,<br>tools and equipment | 3-10 years |

Depreciation period and residual value are reassessed annually.

##### Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, the asset is written down to its lower recoverable amount.

##### Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

##### Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums etc.

##### Equity

###### *Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

##### Deferred tax assets and liabilities

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

## Notes to the Financial Statements

### 12 Accounting Policies (continued)

Deferred tax is measured based on the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

#### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

#### **Financial debts**

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