

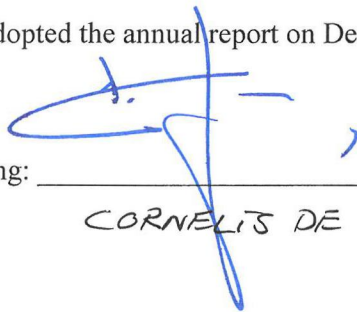
Annual report 2015/16
(Financial year September 1, 2015 – August 31, 2016)

Chr. Hansen Properties A/S
Bøge Allé 10-12
DK-2970 Hørsholm

Business registration no. 28 89 08 18

The Annual General Meeting adopted the annual report on December 7, 2016

Chairman of the General Meeting: _____



CORNELIS DE JONG

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Statement by Management on the Annual Report

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Chr. Hansen Properties A/S for the financial year September 1, 2015 – August 31, 2016.

The Annual Report is 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 financial position at August 31 2016 and of the results of its operations for the financial year September 1, 2015 – August 31, 2016.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein, and describes the company's most significant risks and uncertainties.

We recommend adoption of the Annual Report at the Annual General Meeting.

Hørsholm, December 7, 2016

Executive Board



Knud Vindfeldt

Chief Executive Officer

Board of Directors

Cornelis de Jong

Chairman

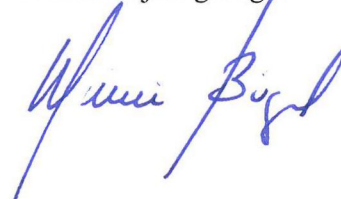


Søren Westh Lonning

Vice Chairman



Winnie Højvang Bügel



Independent Auditor's Report

To the shareholders of Chr. Hansen Properties A/S

Report on the Financial Statements

We have audited the Financial Statements of Chr. Hansen Properties A/S for the financial year September 1 2015 – August 31 2016, which comprise summary of significant accounting policies, income statement, balance sheet and notes. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

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 as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

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

The audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 August 2016 and of the results of the Company operations for the financial year September 1 2015 - August 31 2016 in accordance with the Danish Financial Statements Act.

Statement on the management commentary

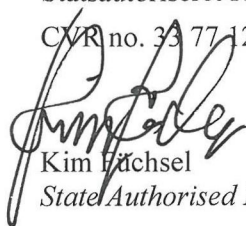
We have read the management commentary in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in the management commentary is consistent with the Financial Statements.

Hellerup, December 7, 2016

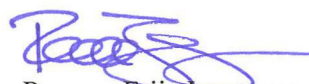
PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no. 33 77 12 31



Kim Fichsel
State Authorised Public Accountant



Rasmus Friis Jørgensen
State Authorised Public Accountant

Company information

Chr. Hansen Properties A/S

Business registration no.: 28 89 08 18

District: Rudersdal Kommune

Phone: +45 45 74 74 74

Board of Directors:	Cornelis de Jong, Chairman Søren Westh Lonning, Vice Chairman Winnie Højvang Bügel
Executive Board:	Knud Vindfeldt, Chief Executive Officer
Auditors:	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

Management commentary

Primary activities

The company's main activity is rent out of domicile properties etc. to other companies in the Group.

Development in activities and finances

The company's properties have been rent out to companies in the Group for the whole accounting year.

The results for the year are considered satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date until today's date, which would influence the evaluation of the annual report.

Accounting Policies

Basis of preparation

The Annual Report of Chr. Hansen Properties A/S for 2015/16 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies are consistent with those applied last year.

The Annual Report for 2015/16 is presented in DKK.

Recognition and measurement

Assets are recognized 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 recognized 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.

Anticipated risks and losses that arise before the time of presentation of the Annual Report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement. Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date. Exchange rate differences that arise between the rate at the transaction date and the one in effect at the payment date, or the balance sheet date, are recognized in the income statement as financial income or financial expenses.

Accounting Policies

Income statement

Revenue

Revenue consists of rental income and is recognized in the income statement as earned. Revenue is recognized net of VAT and duties.

Other external expenses

Other external expenses comprise expenses for rent of land, insurance and real estate taxes related to the Company's properties etc.

Financial income and expenses

Financial income and expenses comprise interest income and interest expenses, etc. as well as tax surcharge and compensation under the Danish Tax Prepayment Scheme.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit/loss for the year, and recognized directly on equity by the portion attributable to entries directly on equity.

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

The Company is jointly taxed with its Parent Company Chr. Hansen Holding A/S Chr. Hansen A/S and Chr. Hansen Natural Colors A/S. The current corporation tax is allocated among the jointly taxed Danish companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Accounting Policies

Balance sheet

Property, plant and equipment

Buildings are measured at cost less accumulated depreciation and impairment losses.

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when the asset is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	25 – 30 years
Other fixtures and fittings, tools and equipment	5 – 10 years

Assets costing less than DKK 50,000 per unit are recognised as costs in the income statement at the time of acquisition.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured the lower of amortized cost and net realizable value, usually equaling nominal value less allowances for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning property taxes, rent and consumption expenditures.

Dividends

Dividends are recognized as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

Deferred tax assets and liabilities

Deferred tax is recognized on all temporary differences between the carrying amount and tax base of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

Mortgage debt

At the time of borrowing, mortgage debt is measured at cost which corresponds to the proceeds received less transaction costs incurred. Subsequently, mortgage debt is measured at amortized cost.

Other financial liabilities

Other financial liabilities are recognized at amortized cost, which usually corresponds to nominal value.

Income statement, September 1 - August 31

	<u>Notes</u>	<u>2015/16 DKK</u>	<u>2014/15 DKK</u>
Revenue		12,848,841	14,995,693
Other external expenses		(4,228,098)	(3,976,657)
Depreciation	1	(8,243,016)	(8,122,839)
Profit/loss before financial income and expenses		377,727	2,896,197
Financial income	2	737,926	582,845
Financial expenses	3	(988,494)	(3,330,565)
Profit before tax		127,159	148,477
Tax on profit for the year	4	128,618	114,710
Profit for the year		255,777	263,187
Proposed distribution dividend			
Retained earnings		<u>255,777</u>	<u>263,187</u>

Balance sheet at August 31

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Buildings	5	143,474,079	136,905,344
Other fixtures and fittings, tools and equipment	5	-	-
Property, plant and equipment		<u>143,474,079</u>	<u>136,905,344</u>
Non-current assets		<u>143,474,079</u>	<u>136,905,344</u>
Receivables from group companies		1,500,000	1,929,577
Other receivables		3,846,891	2,859,005
Tax receivable		1,285,867	381,545
Prepaid expenses		646,948	724,419
Receivables		<u>7,279,706</u>	<u>5,894,546</u>
Cash at bank and in hand		<u>649,023</u>	<u>14,505</u>
Current assets		<u>7,928,729</u>	<u>5,909,051</u>
Assets		<u><u>151,402,808</u></u>	<u><u>142,814,395</u></u>

Balance sheet at August 31

	<u>Notes</u>	<u>2016 DKK</u>	<u>2015 DKK</u>
Share capital		500.000	500.000
Retained earnings		31.691.278	31.435.501
Equity	6	<u>32.191.278</u>	<u>31.935.501</u>
Deferred taxes	4	5.112.724	4.189.868
Provisions		<u>5.112.724</u>	<u>4.189.868</u>
Mortgage debt		40.091.574	55.961.982
Long-term debt	7	<u>40.091.574</u>	<u>55.961.982</u>
Mortgage debt		15.902.374	15.798.073
Payables to group companies		57.938.163	34.678.722
Trade payables		44.301	93.400
Other payables	8	122.394	156.849
Short-term debt		<u>74.007.231</u>	<u>50.727.044</u>
Debt		<u>114.098.806</u>	<u>106.689.026</u>
Equity and liabilities		<u>151.402.808</u>	<u>142.814.395</u>
<i>Mortgages</i>	9		
<i>Other notes</i>	10-13		

Notes

	2015/16 DKK	2014/15 DKK
1 Depreciation		
Buildings	8,243,016	8,094,897
Other fixtures and fittings, tools and equipment	0	27,942
	<u>8,243,016</u>	<u>8,122,839</u>
2 Financial income		
Other financial income	737,926	582,845
	<u>737,926</u>	<u>582,845</u>
3 Financial expenses		
Financial expenses to group companies	0	1,583,596
Non deductible interests	988,493	1,746,969
Other financial expenses	1	0
	<u>988,494</u>	<u>3,330,565</u>
4 Tax		
Corporate tax (joint taxation)	(1,048,417)	(234,393)
Corporate tax (joint taxation) - previous years	(3,057)	0
Change in deferred tax	922,856	119,683
Tax on the profit/loss for the year	<u>(128,618)</u>	<u>(114,710)</u>
Deferred tax / (tax asset)		
Buildings	5,025,964	4,081,061
Other fixtures and fittings, tools and equipment	(12,019)	(16,026)
Prepaid expenses	142,329	170,238
Registration expenses - amortization of loan	(43,550)	(45,405)
Deferred tax	<u>5,112,724</u>	<u>4,189,868</u>

The company is jointly taxed with the other Danish companies in the Group, Chr. Holding A/S, Chr. Hansen A/S and Chr. Hansen Natural Colors A/S and the companies are jointly liable for the joint taxes.

Notes

	Land and buildings	Other fixtures etc
	DKK	DKK
5 Property, plant and equipment		
Cost at August 31, 2015	223,321,448	1,293,570
Acquisition for the year	14,811,751	0
Asset retirement for the year	0	(1,154,644)
Cost at August 31, 2016	<u>238,133,199</u>	<u>138,926</u>
Accumulated depreciation at August 31, 2015	(86,416,104)	(1,293,570)
Depreciation for the year	(8,243,016)	0
Depreciation asset retirement	0	1,154,644
Depreciation August 31, 2016	<u>(94,659,120)</u>	<u>(138,926)</u>
Carrying amount at August 31, 2016	<u>143,474,079</u>	<u>0</u>

6 Equity

	Share capital	Net profit/loss	Total
	DKK	DKK	DKK
Equity at August 31, 2015	500,000	31,435,501	31,935,501
Result for the year	0	255,777	255,777
Equity at August 31, 2016	<u>500,000</u>	<u>31,691,278</u>	<u>32,191,278</u>

Share capital consists of 5,000 shares of DKK 100.

Notes

	<u>2016</u> <u>DKK</u>	<u>2015</u> <u>DKK</u>
7 Long-term debt		
Due within 1-5 years	40,091,575	55,961,982
Nominal value of long-term debt	<u>40,091,575</u>	<u>55,961,982</u>
8 Other payables		
Accrued interest	122,394	156,849
	<u>122,394</u>	<u>156,849</u>
9 Mortgages		
Mortgage debt is secured by way of mortgage on buildings.		
Carrying amount of mortgaged buildings	<u>143,474,079</u>	<u>136,905,344</u>

10 Related parties and ownership

Related parties with a controlling interest in Chr. Hansen Properties A/S's Financial Statements:

Chr. Hansen Holding A/S
(Owns 100% of the share capital)
Bøge Alle 10
DK-2970 Hørsholm

Notes

11 Ownership

The following shareholders are recorded in the Company's register of shareholders as holding more than 5% of the votes or the nominal value of the share capital:

Chr. Hansen Holding A/S
Bøge Alle 10
DK-2970 Hørsholm

12 The Group

Chr. Hansen Properties A/S is included in the Consolidated Financial Statements of Chr. Hansen Holding A/S.

Chr. Hansen Holding A/S is the ultimate parent company.

Consolidated financial statements can be obtained from Chr Hansen Holding A/S, Bøge Alle 10-12, 2970 Hørsholm.

13 Contingent liabilities

Buildings are build on leasehold land and the rent for the irredeemable period amounts to DKK 3.794 thousand.

The lease is irredeemable for the tenant.