



Annual report 2015

## **Missionpharma Properties A/S**

Vassingerødvej 9, 3540 Lynge, Denmark  
CVR no. 57 17 55 16

Approved at General Meeting - 26/05 / 2016  
Chairman:

A handwritten signature in blue ink, consisting of several overlapping loops and strokes, positioned below the text 'Chairman:'. The signature is written over a thin horizontal line.



## **Contents**

|   |    |
|---|----|
| Statement by the Board of Directors and the Executive Board | 2  |
| Independent Auditor's Report                                | 3  |
| Company details   | 5  |
| Financial statements for the period 1 January – 31 December |    |
| Accounting policies   | 6  |
| Income statement  | 9  |
| Balance sheet   | 10 |
| Notes to the Annual Report                                  | 12 |

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## **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 Missionpharma Properties A/S for the financial year 1 January - 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

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

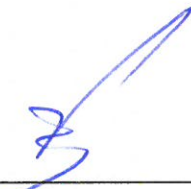
Lynge, 30 March 2016

Executive Board:



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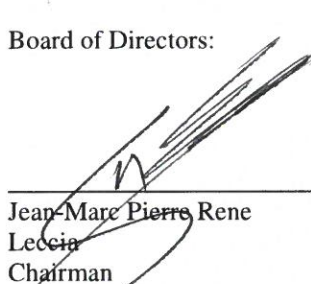
Kim Erik Ginnerup  
CEO



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Poul Lindof  
CFO

Board of Directors:




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Jean-Marc Pierre Rene  
Leccia  
Chairman



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Denis Georges Fernand  
Maurice



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Eric Pierre Jean Muris



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Kim Erik Ginnerup



## **Independent Auditor's Report on the Financial Statements**

To the Shareholder of Missionpharma Properties A/S

### **Report on the Financial Statements**

We have audited the Financial Statements of Missionpharma Properties A/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, notes and summary of significant accounting policies. 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.

Our audit has not resulted in any qualification.



## **Independent Auditor's Report on the Financial Statements (continued)**

### **Opinion**

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

Copenhagen, 30 March 2016

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR-nr. 33 77 12 31*

Rasmus Friis Jørgensen  
State Authorised Public Accountant

Henrik Ødegaard  
State Authorised Public Accountant



## **Company details**

### **Missionpharma Properties A/S**

Vassingerødvej 9  
3540 Lyngø  
Denmark  
[www.missionpharma.com](http://www.missionpharma.com)

CVR no.: 57 17 55 16  
Financial year: 1 January - 31 December  
Established: 20 October 1981  
Registered office: Allerød, Denmark

### **Board of Directors**

Jean-Marc Pierre Rene Leccia (Chairman)  
Denis Georges Fernand Maurice  
Eric Pierre Jean Muris  
Kim Erik Ginnerup

### **Executive Board**

Kim Erik Ginnerup (CEO)  
Poul Lindof (CFO)

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
2900 Hellerup, Denmark

### **Activity**

The company's activity is to own and rent out real estate and other related activities.

### **Ultimate Danish parent company**

The company's accounts are consolidated in the accounts of Missionpharma Group ApS.



## **Financial statements for the period 1 January - 31 December**

### **Accounting policies**

The annual report for 2015 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

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

The Annual Report for 2015 is presented in DKK.

### **Income statement**

#### **Revenue**

Rental income is recognized as revenue upon delivery of services.

#### **Other external expenses**

Other external expenses include expenses for property tax, administration, etc.

#### **Financial income and expenses**

Financial income and expenses are recognized in the income statement at the amounts relating to the financial year. Financial income and expenses include interest income and expenses, realized and unrealized gains and losses on securities, adjustment relating to foreign currency transactions and amortization of mortgage, etc.

#### **Tax**

Income tax expense comprises current tax on the estimated taxable income and the adjustment of deferred tax less the amount of net tax related to equity movement.

Current and deferred tax relating to equity is recognized directly in equity.

The parent and all Danish group entities are jointly taxed. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).



## **Financial statements for the period 1 January - 31 December**

### **Accounting policies**

#### **Balance sheet**

##### **Property, plant and equipment**

Property, plant and equipment include land and buildings. Property, plant and equipment are measured at cost less accumulated depreciation and write-downs.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Land and buildings are revalued at fair value on the basis of an external assessment. Revaluations and reversals hereof, less deferred tax, are taken directly to equity.

Property, plant and equipment are depreciated using the straight-line method, based on the cost, measured by reference to the below assessment of the useful lives and residual values of the assets.

|               |          |
|---------------|----------|
| Buildings     | 25 years |
| Installations | 20 years |

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognized in the income statement under "Amortization/-depreciation".

##### **Receivables**

Receivables are measured at amortized cost. Write-down is made for bad debt losses, based on an individual assessment.

##### **Other investments**

Other investments consist of unlisted shares. The shares are measured at cost.

##### **Derivatives**

Derivative financial instruments are initially recognized on the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognized as other receivables and other payables, respectively.

Changes in fair value of derivative financial instruments designated as or qualifying for recognition as a hedge of future transactions are recognized as other receivables or other payables and in equity until the realization of the hedged transaction. If the future transaction results in the recognition of assets or liabilities, amounts which were previously recognized in equity are transferred to the cost of the asset or liability. If the future transaction results in income or costs, amounts which were previously recognized in equity are transferred to the income statement for the period when the hedged item affects the income statement.





## **Financial statements for the period 1 January - 31 December**

### **Accounting policies**

#### **Equity – dividends**

Dividends proposed for distribution for the year is presented as a separate component of equity.

#### **Income taxes**

Current tax payables and current tax receivables are recognized in the balance sheet as the estimated tax charge in respect of the taxable income of the year, adjusted for tax on prior years' taxable income and tax paid in advance.

Provisions for deferred tax are calculated using the expected tax rate by elimination of the temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, and temporary differences on non-amortizable goodwill.

Deferred tax assets, including the tax value of deferrable taxable losses, are recognized at the value at which they are expected to be utilized, either through elimination against tax on future earnings or a set-off against deferred tax liabilities within the same legal tax entity.

#### **Liabilities**

Financial liabilities are recognized upon taking the loan at the cost, corresponding to the proceeds received net of transaction costs incurred. The financial liabilities are subsequently measured at amortized cost calculated based on the effective interest rate at the time of taking the loan.

Other liabilities are measured at the net realizable value.



## Financial statements for the period 1 January - 31 December

### Income statement

| DKK   | Note | 2015              | 2014              |
|---|------|-------------------|-------------------|
| <b>Revenue</b>  |      | 2,889,476         | 2,836,619         |
| Other external expenses                               |      | <u>-864,505</u>   | <u>-383,939</u>   |
| <b>Operating result before net financials and tax</b> |      | 2,024,971         | 2,452,680         |
| Depreciation of buildings and equipment               |      | <u>-1,303,399</u> | <u>-1,293,272</u> |
| <b>Ordinary operating profit</b>                      |      | 721,572           | 1,159,408         |
| Other financial income                                | 1    | 1,784,711         | 1,516,108         |
| Other financial expenses                              |      | <u>-59,578</u>    | <u>-86,747</u>    |
| <b>Profit before tax</b>                              |      | 2,446,705         | 2,588,769         |
| Tax on profit   | 2    | <u>-578,921</u>   | <u>-668,557</u>   |
| <b>Profit for the year</b>                            |      | <u>1,867,784</u>  | <u>1,920,212</u>  |
| <b>Proposed profit appropriation</b>                  |      |                   |                   |
| Retained earnings                                     |      | <u>1,867,784</u>  | <u>1,920,212</u>  |



## Financial statements for the period 1 January - 31 December

### Balance sheet

| DKK                                  | Note | 2015              | 2014              |
|--------------------------------------|------|-------------------|-------------------|
| <b>ASSETS</b>                        |      |                   |                   |
| <b>Non-current assets</b>            |      |                   |                   |
| <b>Property, plant and equipment</b> |      |                   |                   |
| Land, buildings and equipment        | 3    | 29,711,521        | 30,609,820        |
|                                      |      | <u>29,711,521</u> | <u>30,609,820</u> |
| <b>Financial assets</b>              |      |                   |                   |
| Other investments                    |      | 20,000            | 20,000            |
|                                      |      | <u>20,000</u>     | <u>20,000</u>     |
| <b>Total non-current assets</b>      |      | <u>29,731,521</u> | <u>30,629,820</u> |
| <b>Current assets</b>                |      |                   |                   |
| <b>Receivables</b>                   |      |                   |                   |
| Receivables from group entities      |      | 39,263,578        | 37,994,245        |
| Other receivables                    |      | 27,051            | 1                 |
|                                      |      | <u>39,290,629</u> | <u>37,994,246</u> |
| <b>Cash</b>                          |      | 296,615           | 445,083           |
| <b>Total current assets</b>          |      | <u>39,587,244</u> | <u>38,439,329</u> |
| <b>TOTAL ASSETS</b>                  |      | <u>69,318,765</u> | <u>69,069,149</u> |



## Financial statements for the period 1 January - 31 December

### Balance sheet

| DKK   | Note     | 2015                     | 2014                     |
|---|----------|--------------------------|--------------------------|
| <b>EQUITY AND LIABILITIES</b>                           |          |                          |                          |
| <b>Equity</b>   | <b>4</b> |                          |                          |
| Share capital   |          | 1,000,000                | 1,000,000                |
| Reserve for revaluation                                 |          | 10,434,739               | 10,033,403               |
| Retained earnings                                       |          | 45,318,761               | 43,852,313               |
| <b>Total equity</b>                                     |          | <u>56,753,500</u>        | <u>54,885,716</u>        |
| <b>Provisions</b>                                       |          |                          |                          |
| Deferred tax  |          | 4,901,834                | 4,959,699                |
| <b>Non-current liabilities</b>                          |          |                          |                          |
|   | <b>5</b> |                          |                          |
| Mortgage debt   |          | 4,797,839                | 6,441,862                |
| Deposit payable   |          | 704,750                  | 704,750                  |
|   |          | <u>5,502,589</u>         | <u>7,146,612</u>         |
| <b>Current liabilities</b>                              |          |                          |                          |
| Current part of the non-current debt                    |          | 1,406,520                | 1,342,864                |
| Payables to group entities                              |          | 613,946                  | 721,258                  |
| Other payables  |          | 140,376                  | 13,000                   |
|   |          | <u>2,160,842</u>         | <u>2,077,122</u>         |
| Total liabilities                                       |          | <u>7,663,431</u>         | <u>9,223,734</u>         |
| <b>TOTAL EQUITY AND LIABILITIES</b>                     |          | <u><u>69,318,765</u></u> | <u><u>69,069,149</u></u> |
| <b>Contingent liabilities and other financial items</b> |          |                          |                          |
|   | <b>6</b> |                          |                          |
| <b>Consolidated accounts</b>                            | <b>7</b> |                          |                          |



## Notes to the Annual Report

| DKK  | <u>2015</u>             | <u>2014</u>                      |
|--|-------------------------|----------------------------------|
| <b>1 Other financial income</b>                |                         |                                  |
| Interests, group entities                      | 1,553,625               | 1,498,077                        |
| Other interests                                | <u>231,086</u>          | <u>18,031</u>                    |
|  | <u><u>1,784,711</u></u> | <u><u>1,516,108</u></u>          |
| <b>2 Tax for the year</b>                      |                         |                                  |
| The tax for the year consists of:              |                         |                                  |
| Calculated company income tax, excl. interests | 636,786                 | 721,258                          |
| Change in deferred tax                         | <u>-57,865</u>          | <u>-52,701</u>                   |
|  | <u><u>578,921</u></u>   | <u><u>668,557</u></u>            |
| <b>3 Property, plant and equipment</b>         |                         |                                  |
| DKK  |                         | Land, buildings and<br>equipment |
| Cost at 1 January                              |                         | <u>33,966,035</u>                |
| Additions during the year                      |                         | <u>405,100</u>                   |
| Cost at 31 December                            |                         | <u><u>34,371,135</u></u>         |
| Revaluation at 1 January                       |                         | <u><u>13,377,871</u></u>         |
| Depreciation at 1 January                      |                         | 16,734,085                       |
| Depreciation during the year                   |                         | <u>1,303,399</u>                 |
| <b>Depreciation at 31 December</b>             |                         | <u><u>18,037,484</u></u>         |
| <b>Carrying amount at 31 December</b>          |                         | <u><u>29,711,521</u></u>         |



## Notes to the Annual Report

### 4 Equity

|                              | Share capital    | Revaluation<br>reserve | Retained<br>earnings | Total             |
|------------------------------|------------------|------------------------|----------------------|-------------------|
| Equity at 1 January          | 1,000,000        | 10,033,403             | 43,852,313           | 54,885,716        |
| Adjustment at 1 January      | 0                | 401,336                | -401,336             | 0                 |
| Profit for the year          | 0                | 0                      | 1,867,784            | 1,867,784         |
| <b>Equity at 31 December</b> | <b>1,000,000</b> | <b>10,434,739</b>      | <b>45,318,761</b>    | <b>56,753,500</b> |

The share capital is divided into 1,000 shares each DKK 1,000.  
No shares have separate privileges.

### 5 Non-current liabilities

Out of the long-term debt, DKK 704 thousand fall due more than 5 years after the reporting date (deposit).

### 6 Contingent liabilities and other financial obligations

#### Contingent liabilities

The company is jointly taxed with the other Danish entities in the Missionpharma Group. As a wholly-owned subsidiary, the company is jointly and severally liable, together with the other jointly taxed entities, for Danish income taxes and withholding taxes on dividends, interest and royalties within the group of jointly taxed entities. Any subsequent adjustments of the joint taxable income or withholding taxes may result in an increase of the company's liability.

#### Guarantees

The land and buildings carrying amount of DKK 29,711 thousand are provided as collateral for the mortgage (DKK 6,204 thousand).

The Group companies (Missionpharma Properties A/S, Mifamed ApS, Missionpharma Group ApS, PharmaDanica A/S, and Missionpharma A/S) are jointly and severally liable for a total credit and facility line of DKK 237 million.

### 7 Consolidated accounts

The company's immediate parent company at 31 December 2015, which prepares consolidated accounts in which the Company is a subsidiary, is Missionpharma Group ApS, Denmark. The consolidated financial statements are available at the following address:  
Missionpharma Group ApS, Vassingerødvej 9, 3540 Lyngø.

The Company's ultimate parent company at 31 December 2015, which prepares consolidated accounts in which the company is a subsidiary, is Toyota Tsusho Corporation, Japan. The consolidated financial statements are available at the following address:  
Toyota Tsusho Corporation, 9-8 Meieki 4-chome, Nagoya-shi, Aichi-ken, Japan.