

# **RHI Finance A/S**

Strandvejen 203, 2900 Hellerup  
CVR no. 24 21 86 35

## **Annual report for 2019**

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 09.07.20

Dalton Yoshio Hirata  
Dirigent

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**The company**

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RHI Finance A/S  
Strandvejen 203  
2900 Hellerup  
Tel.: 70 27 25 50  
Registered office: Hellerup  
CVR no.: 24 21 86 35  
Financial year: 01.01 - 31.12

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**Executive Board**

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Dalton Yoshio Hirata  
Ana Catarina Da Silva Abreu

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**Board of Directors**

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Felix Peter Warmuth  
Jan Gonda, chairman  
Dúlio Valdemar Henriques da Silva

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**Auditors**

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Beierholm  
Statsautoriseret Revisionspartnerselskab

## Statement by the Executive Board and Board of Directors on the annual report

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We have on this day presented the annual report for the financial year 01.01.19 - 31.12.19 for RHI Finance A/S.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

The financial statements have not been audited, and we declare that the relevant conditions have been met.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.19 and of the results of the company's activities for the financial year 01.01.19 - 31.12.19.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Hellerup, July 9, 2020

### Executive Board

Dalton Yoshio Hirata

Ana Catarina Da Silva  
Abreu

### Board of Directors

Felix Peter Warmuth

Jan Gonda

Dúlio Valdemar Henriques da  
Silva

**To the management of RHI Finance A/S**

Based on the company's book-keeping and other information provided by the management, we have compiled the financial statements of RHI Finance A/S for the financial year 01.01.19 - 31.12.19.

The financial statements comprise the income statement, balance sheet, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies.

We have performed our compilation engagement in accordance with the ISRS 4410 standard on Engagements to Compile Financial Statements.

We have applied our professional expertise to assist the management with the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Act on Approved Auditors and Audit Firms (Revisorloven) and the code of ethics of FSR – Danish Auditors, including principles concerning integrity, objectivity, professional competence and due care.

Management retains responsibility for the financial statements and for the accuracy and completeness of the financial information on the basis of which the financial statements are prepared and presented.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by management for the compilation of the financial statements. Accordingly, we will not express an audit opinion or a review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Statements Act.

Soeborg, Copenhagen, July 9, 2020

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Hakon Rønn Jensen

State Authorized Public Accountant  
MNE-no. mne23419

**Primary activities**

The company's activities consist of the financing of as well as the provision of related financial services of the companies in the RHI Magnesita Group.

**Development in activities and financial affairs**

The income statement for the period 01.01.19 - 31.12.19 shows a profit/loss of EUR -77,680 against EUR -119,277 for the period 01.01.18 - 31.12.18. The balance sheet shows equity of EUR -1,185,645.

*Information on going concern*

As is apparent from the financial statements, the company has in 2019 realised a loss from operations and a further loss is expected in 2020. For information on going concern see note 1.

**Outlook**

The company expects the coming year will show a small negative result before tax.

**Subsequent events**

No important events have occurred after the end of the financial year.

## Income statement

Note		2019 EUR	2018 EUR
	<b>Gross loss</b>	<b>-15,198</b>	<b>-16,169</b>
2	Staff costs	-41,860	-86,350
	<b>Loss before depreciation, amortisation, write-downs and impairment losses</b>	<b>-57,058</b>	<b>-102,519</b>
3	Financial income	13	88,949
4	Financial expenses	-20,635	-105,707
	<b>Loss before tax</b>	<b>-77,680</b>	<b>-119,277</b>
	Tax on profit or loss for the year	0	0
	<b>Loss for the year</b>	<b>-77,680</b>	<b>-119,277</b>
<b>Proposed appropriation account</b>			
	Retained earnings	-77,680	-119,277
	<b>Total</b>	<b>-77,680</b>	<b>-119,277</b>

<b>ASSETS</b>		31.12.19	31.12.18
Note		EUR	EUR
Other receivables		0	1,412
<b>Total receivables</b>		<b>0</b>	<b>1,412</b>
<b>Cash</b>		<b>15,947</b>	<b>7,470</b>
<b>Total current assets</b>		<b>15,947</b>	<b>8,882</b>
<b>Total assets</b>		<b>15,947</b>	<b>8,882</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		70,000	70,000
Retained earnings		-1,255,645	-1,177,965
<b>Total equity</b>		<b>-1,185,645</b>	<b>-1,107,965</b>
Trade payables		10,100	45,583
Payables to group enterprises		1,191,492	1,071,264
<b>Total short-term payables</b>		<b>1,201,592</b>	<b>1,116,847</b>
<b>Total payables</b>		<b>1,201,592</b>	<b>1,116,847</b>
<b>Total equity and liabilities</b>		<b>15,947</b>	<b>8,882</b>



**Statement of changes in equity**

Figures in EUR	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.19 - 31.12.19			
Balance as at 01.01.19	70,000	-1,177,965	-1,107,965
Net profit/loss for the year	0	-77,680	-77,680
Balance as at 31.12.19	70,000	-1,255,645	-1,185,645

## 1. Information as regards going concern

In consideration of the company's financial situation and the budgeted level of general and operation obligations for 2020, the parent company RHI Magnesita GmbH has confirmed in a letter of support dated 02 June 2020 its intention to contribute, if necessary, liquid assets to RHI Finance A/S to a maximum of EUR 1,300,000 to ensure that RHI Finance A/S will be able to fulfil its general and operating obligations until the completion of the 2020 financial year, and submission of statutory accounts to the Danish Authorities no later than 31 May 2021.

	2019 EUR	2018 EUR
<b>2. Staff costs</b>		
Wages and salaries	41,456	85,883
Other social security costs	404	467
Total	41,860	86,350
Average number of employees during the year	1	1

## 3. Financial income

Interest, group enterprises	0	25,435
Foreign exchange gains	13	63,514
Total	13	88,949

## 4. Financial expenses

Interest, group enterprises	20,262	43,462
Foreign exchange losses	373	62,245
Total	20,635	105,707

## 5. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

### INCOME STATEMENT

#### Gross loss

Gross loss comprises other external expenses.

#### Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

#### Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

**5. Accounting policies** - continued -**Other net financials**

Interest income and interest expenses etc. are recognised in other net financials.

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

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

**BALANCE SHEET****Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

**Cash**

Cash includes deposits in bank accounts as well as operating cash.

**Current and deferred tax**

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

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

**5. Accounting policies** - continued -

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

**Payables**

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.