

RHI Finance A/S

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

Annual report for 2020

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 26.04.21

Dalton Yoshio Hirata
Dirigent

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The company

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

Executive Board

Dalton Yoshio Hirata
Ana Catarina Da Silva Abreu

Board of Directors

Felix Peter Warmuth
Jan Gonda
Dúlio Valdemar Henriques da Silva

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

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

We have on this day presented the annual report for the financial year 01.01.20 - 31.12.20 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 31.12.20 and of the results of the company's activities for the financial year 01.01.20 - 31.12.20.

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, April 26, 2021

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 01.01.20 - 31.12.20.

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, April 26, 2021

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 01.01.20 - 31.12.20 shows a profit/loss of EUR -40,146 against EUR -77,680 for the period 01.01.19 - 31.12.19. The balance sheet shows equity of EUR -1,225,791.

Information on going concern

As is apparent from the financial statements, the company has in 2020 realised a loss from operations and a further loss is expected in 2021. 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		2020 EUR	2019 EUR
	Gross loss	-13,102	-15,196
2	Staff costs	-44	-41,862
	Loss before depreciation, amortisation, write-downs and impairment losses	-13,146	-57,058
3	Financial income	0	13
4	Financial expenses	-27,000	-20,635
	Loss before tax	-40,146	-77,680
	Tax on loss for the year	0	0
	Loss for the year	-40,146	-77,680
Proposed appropriation account			
	Retained earnings	-40,146	-77,680
	Total	-40,146	-77,680

ASSETS		31.12.20	31.12.19
Note		EUR	EUR
Cash		1,456	15,947
Total current assets		1,456	15,947
Total assets		1,456	15,947
EQUITY AND LIABILITIES			
Share capital		70,000	70,000
Retained earnings		-1,295,791	-1,255,645
Total equity		-1,225,791	-1,185,645
Trade payables		14,065	10,100
Payables to group enterprises		1,213,182	1,191,492
Total short-term payables		1,227,247	1,201,592
Total payables		1,227,247	1,201,592
Total equity and liabilities		1,456	15,947

Statement of changes in equity

Figures in EUR	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.20 - 31.12.20			
Balance as at 01.01.20	70,000	-1,255,645	-1,185,645
Net profit/loss for the year	0	-40,146	-40,146
Balance as at 31.12.20	70,000	-1,295,791	-1,225,791

1. Information as regards going concern

In consideration of the company's financial situation and the budgeted level of general and operation obligations for 2021 the parent company RHI Magnesita GmbH has confirmed in a letter of support dated March 23, 2021 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 2021 financial year, and submission of statutory accounts to the Danish Authorities no later than May 31, 2021.

	2020 EUR	2019 EUR
2. Staff costs		
Wages and salaries	0	41,456
Other social security costs	44	406
Total	44	41,862
Average number of employees during the year	0	1

3. Financial income

Foreign exchange gains	0	13
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4. Financial expenses

Interest, group enterprises	21,415	20,262
Foreign exchange losses	5,585	373
Total	27,000	20,635

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

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.

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

5. Accounting policies - continued -

value of such payables.