



CHRISTENSEN  
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET  
REVISIONSAKTIESELSKAB

CVR: 15 91 56 41

STORE KONGENSGADE 68  
1264 KØBENHAVN K

TLF: 33 30 15 15  
E-MAIL: CK@CK.DK  
WEB: WWW.CK.DK

# Ole Lynggaard Retail ApS

Hellerupvej 15 B, 2900 Hellerup

Company reg. no. 28 71 33 55

## Annual report

1 January - 31 December 2017

The annual report has been submitted and approved by the general meeting on the 28 May 2018.

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Søren Lynggaard  
Chairman of the meeting

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points remain unchanged from the Danish version of the document. This means that for instance DKK 146.940 is the same as the English amount of DKK 146,940, and that 23,5 % is the same as the English 23.5 %.



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## **Management's report**

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The board of directors and the managing director have today presented the annual report of Ole Lynggaard Retail ApS for the financial year 1 January to 31 December 2017.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Hellerup, 28 May 2018

### **Managing Director**

Søren Ole Lynggaard

### **Board of directors**

Ole Lynggaard

Søren Ole Lynggaard

Charlotte Lynggaard



## **Independent auditor's report**

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**To the shareholder of Ole Lynggaard Retail ApS**

### **Opinion**

We have audited the annual accounts of Ole Lynggaard Retail ApS for the financial year 1 January to 31 December 2017, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January to 31 December 2017 in accordance with the Danish Financial Statements Act.

### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

### **The management's responsibilities for the annual accounts**

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

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:



## **Independent auditor's report**

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- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

### **Statement on the management's review**

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.



## Independent auditor's report

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Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 28 May 2018

### **Christensen Kjarulff**

Statsautoriseret Revisionsaktieselskab  
Company reg. no. 15 91 56 41

Torben Laurentz Wiberg  
State Authorised Public Accountant  
MNE-nr. 11651



## Company data

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<b>The company</b>	Ole Lynggaard Retail ApS Hellerupvej 15 B 2900 Hellerup  Company reg. no. 28 71 33 55 Financial year: 1 January - 31 December
<b>Board of directors</b>	Ole Lynggaard Søren Ole Lynggaard Charlotte Lynggaard
<b>Managing Director</b>	Søren Ole Lynggaard
<b>Auditors</b>	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K
<b>Parent company</b>	Ole Lynggaard A/S



## Management's review

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### **The principal activities of the company**

The principal activities of the company consist of equity investments in group enterprises operating in retail and webshop with Ole Lynggaard jewellery.

### **Development in activities and financial matters**

The gross loss for the year is DKK -59.991 against DKK -5.000 last year. The results from ordinary activities after tax are DKK 3.028.202 against DKK 2.067.000 last year. The management consider the results satisfactory.

The development of the company's activities and financial conditions are shown in the following profit and loss account and balance sheet. Similar results are expected in the following financial year.

### **Events subsequent to the financial year**

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.





## Profit and loss account 1 January - 31 December

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Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
<b>Gross loss</b>	<b>-59.991</b>	<b>-5</b>
Income from equity investments in group enterprises	3.087.313	2.071
<b>Results before tax</b>	<b>3.027.322</b>	<b>2.066</b>
Tax on ordinary results	880	1
<b>Results for the year</b>	<b>3.028.202</b>	<b>2.067</b>
<b>Proposed distribution of the results:</b>		
Reserves for net revaluation as per the equity method	3.087.313	2.071
Allocated from results brought forward	-59.111	-4
<b>Distribution in total</b>	<b>3.028.202</b>	<b>2.067</b>



## Balance sheet 31 December

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Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>
<b>Assets</b>		
<b>Fixed assets</b>		
1 Equity investments in group enterprises	9.113.320	5.063
Financial fixed assets in total	<u>9.113.320</u>	<u>5.063</u>
<b>Fixed assets in total</b>	<b><u>9.113.320</u></b>	<b><u>5.063</u></b>
<b>Current assets</b>		
Amounts owed by group enterprises	278.766	0
Tax receivables from group enterprises	880	1
Other debtors	<u>0</u>	<u>56</u>
Debtors in total	<u>279.646</u>	<u>57</u>
<b>Current assets in total</b>	<b><u>279.646</u></b>	<b><u>57</u></b>
<b>Assets in total</b>	<b><u>9.392.966</u></b>	<b><u>5.120</u></b>



## Balance sheet 31 December

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Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

<u>Note</u>	<u>2017</u>	<u>2016</u>	
<b>Equity and liabilities</b>			
<b>Equity</b>			
2	Contributed capital	125.000	125
3	Reserves for net revaluation as per the equity method	7.909.450	4.509
4	Results brought forward	-203.488	-144
	<b>Equity in total</b>	<b>7.830.962</b>	<b>4.490</b>
<b>Liabilities</b>			
	Debt to group enterprises	1.552.004	620
	Other debts	10.000	10
	Short-term liabilities in total	1.562.004	630
	<b>Liabilities in total</b>	<b>1.562.004</b>	<b>630</b>
	<b>Equity and liabilities in total</b>	<b>9.392.966</b>	<b>5.120</b>



## Notes

Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

	2017	2016
<b>1. Equity investments in group enterprises</b>		
Acquisition sum, opening balance 1 January 2017	553.416	367
Additions during the year	650.454	187
<b>Cost 31 December 2017</b>	<b>1.203.870</b>	<b>554</b>
Revaluations, opening balance 1 January 2017	4.510.128	2.426
Translation by use of the exchange rate valid on b	312.009	13
Results for the year before goodwill amortisation	3.087.313	2.070
<b>Revaluation 31 December 2017</b>	<b>7.909.450</b>	<b>4.509</b>
<b>Book value 31 December 2017</b>	<b>9.113.320</b>	<b>5.063</b>

### The financial highlights for the enterprises according to the latest approved annual reports

	Share of ownership	Equity	Results for the year	Book value at Ole Lynggaard Retail ApS
Ole Lynggaard Retail Danmark ApS,	100 %	6.087.392	3.105.956	6.087.392
Ole Lynggaard Retail Sverige ApS,	100 %	530.767	39.717	530.767
Ole Lynggaard Copenhagen PTY LTD (AU),	100 %	1.767.902	259.130	1.767.902
Ole Lynggaard Copenhagen (FR),	100 %	92.628	-164.975	92.628
Ole Lynggaard Retail Norge AS,	100 %	107.492	-27.668	107.492
Ole Lynggaard Copenhagen Pte. Ltd. (SG),	70 %	753.054	-124.847	527.139
		<b>9.339.235</b>	<b>3.087.313</b>	<b>9.113.320</b>

## 2. Contributed capital

Contributed capital 1 January 2017	125.000	125
	<b>125.000</b>	<b>125</b>



## Notes

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Amounts concerning 2017: DKK.

Amounts concerning 2016: DKK in thousands.

	<u>31/12 2017</u>	<u>31/12 2016</u>
<b>3. Reserves for net revaluation as per the equity method</b>		
Reserves for net revaluation 1 January 2017	4.510.128	2.426
Share of results	3.087.313	2.070
Exchange rate adjustments	312.009	13
	<u><b>7.909.450</b></u>	<u><b>4.509</b></u>
<b>4. Results brought forward</b>		
Results brought forward 1 January 2017	-144.377	-140
Profit or loss for the year brought forward	-59.111	-4
	<u><b>-203.488</b></u>	<u><b>-144</b></u>



## Accounting policies used

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The annual report for Ole Lynggaard Retail ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### Translation of foreign currency

In case the foreign group enterprises and associated enterprises meet the criteria for being independent units, the profit and loss accounts are translated by using an average exchange rate for the period in question, and the balance sheet items are translated by using the closing rate. Differences arising in connection with the translation of the equity of foreign group enterprises at the beginning of the year to the closing rate are recognised directly in the equity. The same goes for differences arising in connection with translation of the profit and loss accounts from average exchange rate to the closing rate.

## The profit and loss account

### Gross loss

The gross loss comprises costs for administration, etc.

Other external costs comprise costs for administration.



## Accounting policies used

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### Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### Results from equity investments in group enterprises

After full elimination of intercompany profit or loss and deduction of amortisation of consolidated goodwill, the equity investment in the individual group enterprises are recognised in the profit and loss account at a proportional share of the group enterprises' results after tax.

### Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

## The balance sheet

### Financial fixed assets

#### Equity investments in group enterprises

Equity investments in group enterprises are recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company by the deduction or addition of unrealised intercompany profits and losses, and with the addition or deduction of residual value of positive or negative goodwill measured by applying the acquisition method.

Group enterprises and associated enterprises with negative equity are recognised without any value, and to the extent they are considered irrevocable, amounts owed by these companies are written down by the parent's share of the equity. If the negative equity exceeds the debtors, the residual amount is recognised under liability provisions to the extent the parent has a legal or actual liability to cover the negative equity of the subsidiary.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises are transferred to the reserves under the equity for net revaluation as per the equity method. Dividends from group enterprises expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprises.



## Accounting policies used

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Newly taken over or newly established companies are recognised in the annual accounts as of the time of acquisition. Sold or liquidated companies are recognised at the time of cession.

### **Debtors**

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

### **Corporate tax and deferred tax**

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Ole Lynggaard Retail ApS is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities**

Liabilities relating to investment properties are measured at amortised cost.

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.



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## Søren Ole Lynggaard

Bestyrelsesmedlem

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IP: 185.55.196.24

2018-05-31 17:37:56Z

NEM ID 

## Søren Ole Lynggaard

Direktør

Serienummer: PID:9208-2002-2-765465930185

IP: 185.55.196.24

2018-05-31 17:37:56Z

NEM ID 

## Charlotte Lynggaard

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-449349623077

IP: 185.55.196.24

2018-05-31 20:00:01Z

NEM ID 

## Ole Lynggaard

Bestyrelsesmedlem

Serienummer: PID:9208-2002-2-636615518630

IP: 185.55.196.24

2018-06-01 09:06:18Z

NEM ID 

## Torben Laurentz Wiberg

Statsautoriseret revisor

På vegne af: CHRISTENSEN KJÆRULFF STATS AUTORISERET

REVISIONSAKTIESELSKAB

Serienummer: CVR:15915641-RID:1297678658811

IP: 212.98.75.202

2018-06-01 09:07:47Z

NEM ID 

## Søren Ole Lynggaard

Dirigent

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