RIMC Denmark Hotels & Resorts ApS

Nørre Havnegade 43, 6400 Sønderborg

CVR no. 37 38 89 98

Annual report 2019

Approved at the Company's annual general meeting on 31 August 2020

Chairman:

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Building a better working world

Contents

Statement by the Board of Directors and the Executive Board

Today, the Executive Board has discussed and approved the annual report of RIMC Denmark Hotels & Resorts ApS for the financial year 1 January - 31 December 2019.

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 financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Sonderborg, 31 August 2020
Executive Board:

Marek Nicolas Riegger CEO	Audun Lekve CEO

Independent auditor's report

To the shareholders of RIMC Denmark Hotels & Resorts ApS

Opinion

We have audited the financial statements of RIMC Denmark Hotels & Resorts ApS for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities 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.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive 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 for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of 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.

Independent auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 financial statements 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 financial statements, including the note disclosures, and whether the financial statements represent 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 internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Sønderborg, 31 August 2020
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Thorbjørn Bruhn
State Authorised Public Accountant
mne23305

Management's review

Company details

Name	RIMC Denmark Hotels & Resorts ApS
Address, Postal code, City	Nørre Havnegade 43, 6400 Sønderborg
CVR no.	37 38 89 98
Established	22 January 2016
Registered office	Sønderborg
Financial year	1 January - 31 December
Executive Board	Marek Nicolas Riegger, CEO Audun Lekve, CEO
Auditors	EY Godkendt Revisionspartnerselskab Nørre Havnegade 43, 6400 Sønderborg, Denmark

Management commentary

Business review

The company's purpose is, directly or through shares in other companies, to conduct business in the hotel industry and to operate hotels in Denmark and other associated activities deemed by the executives Board.

Financial review

The income statement for 2019 shows a profit of DKK 116,156 against a profit of DKK 87,355 last year, and the balance sheet at 31 December 2019 shows equity of DKK 302,155.
Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Outlook

The Company to report satisfactory opretaing results for the financial year 2019.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2019	2018
	Gross profit	1,897,287	236,755
2	Staff costs	-1,996,970	1,047
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	0	-2,809
	Profit/loss before net financials	-99,683	234,993
	Income from investments in group enterprises	0	-128,088
	Other financial income from group enterprises	167,120	0
3	Financial income	46,072	43,985
4	Financial expenses	-8,565	-3
	Profit before tax	104,944	150,887
	Tax for the year	11,212	-63,532
	Profit for the year	116,156	87,355
	Recommended appropriation of profit		
	Retained earnings	116,156	87,355
		116,156	87,355

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	2019	2018
	ASSETS		
	Fixed assets		
5	**Property, plant and equipment**		
	Fixtures and fittings, other plant and equipment	0	30,897
		0	30,897
6	**Investments**		
	Investments in group enterprises	0	0
		0	0
	Total fixed assets	0	30,897
	Non-fixed assets		
	Receivables		
	Trade receivables	135,806	427,842
	Receivables from group enterprises	688,211	95,712
	Deferred tax assets	0	25,388
	Other receivables	359,880	0
		1,183,897	548,942
	Securities and investments	0	100,000
	Cash	282,398	529,035
	Total non-fixed assets	1,466,295	1,177,977
	TOTAL ASSETS	1,466,295	1,208,874
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	50,000	50,000
	Retained earnings	252,155	135,999
	Total equity	302,155	185,999
	Provisions		
6	Provision, investments in group enterprises	0	117,120
	Total provisions	0	117,120
	Liabilities other than provisions		
	Non-current liabilities other than provisions		
	Other payables	45,285	0
		45,285	0
	Current liabilities other than provisions		
	Trade payables	53,092	568,150
	Corporation tax payable	43,057	0
	Joint taxation contribution payable	0	87,674
	Other payables	1,022,706	249,931
		1,118,855	905,755
	Total liabilities other than provisions	1,164,140	905,755
	TOTAL EQUITY AND LIABILITIES	1,466,295	1,208,874

1 Accounting policies
8 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2019	50,000	135,999	185,999
Transfer through appropriation of profit	0	116,156	116,156
Equity at 31 December 2019	50,000	252,155	302,155

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of RIMC Denmark Hotels & Resorts ApS for 2019 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	3-5 years

Profit/loss from investments in subsidiaries

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments in subsidiaries

Equity investments in subsidiaries and associates are measured according to the equity method.

On initial recognition, equity investments in subsidiaries are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in subsidiaries measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Securities and investments

Securities and investments consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other payables

Other payables are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

	DKK	2019	2018
2	**Staff costs**		
	Wages/salaries	1,495,677	0
	Pensions	118,944	0
	Other social security costs	4,824	-1,047
	Other staff costs	377,525	0
		1,996,970	-1,047
	Number of employees at the balance sheet date	1	0
3	**Financial income**		
	Interest receivable, group entities	46,072	43,985
		46,072	43,985
4	**Financial expenses**		
	Interest expenses, group entities	8,246	0
	Other financial expenses	319	3
		8,565	3

5 **Property, plant and equipment**

DKK	Fixtures and fittings, other plant and equipment
Cost at 1 January 2019	33,706
Additions	0
Disposals	-33,706
Cost at 31 December 2019	0
Impairment losses and depreciation at 1 January 2019	2,809
Depreciation	0
Reversal of accumulated depreciation and impairment of assets disposed	-2,809
Impairment losses and depreciation at 31 December 2019	0
Carrying amount at 31 December 2019	0
Depreciated over	3-5 years

Financial statements 1 January - 31 December

Notes to the financial statements

6 **Investments**

DKK	Investments in group enterprises
Cost at 1 January 2019	50,000
Disposals	-50,000
Cost at 31 December 2019	0
Value adjustments at 1 January 2019	-50,000
Reversal of prior year impairment losses	50,000
Value adjustments at 31 December 2019	0
Carrying amount at 31 December 2019	0

7 **Share capital**

The Company's share capital has remained DKK 50,000 in the past year.

8 **Related parties**

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
RIMC International Hotels & Resorts GmbH	Neuer Wall 75, 20354 Hamburg, Germany

Thorbjørn Bruhn
Statsautoriseret revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: PID:9208-2002-2-306688756626
IP: 83.73.xxx.xxx
2020-09-04 11:51:25Z
NEM ID