

# **RLG Property Denmark ApS**

c/o Capital Investment A/S, Sankt Annæ Plads 13, 2. th., 1250 København K.

Company reg. no. 38 81 66 91

## **Annual report**

**1 April 2019 - 31 March 2020**

The annual report was submitted and approved by the general meeting on the 26 June 2020.



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Henrik Knudsen  
Chairman of the meeting

*L* *Henrik Knudsen*

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## Management's report

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Today, the executive board has presented the annual report of RLG Property Denmark ApS for the financial year 1 April 2019 - 31 March 2020.

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

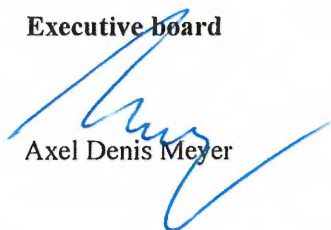
We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 March 2020 and of the company's results of activities in the financial year 1 April 2019 – 31 March 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

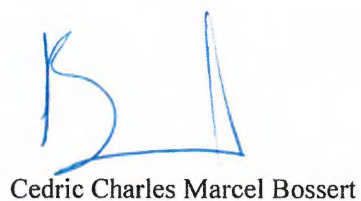
We recommend that the annual report be approved by the general meeting.

Copenhagen, 26 June 2020

**Executive board**



Axel Denis Meyer



Cedric Charles Marcel Bossert



Pierre Raynal

## **Independent auditor's report**

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**To the shareholders of RLG Property Denmark ApS**

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2020 and of the results of the Company's operations for the financial year 1 April 2019 - 31 March 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of RLG Property Denmark ApS for the financial year 1 April 2019 - 31 March 2020, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

### **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 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

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## **Independent auditor's report**

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### **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 about 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 these 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

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## Independent auditor's report

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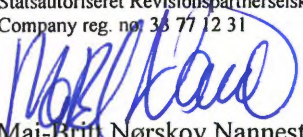
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability 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 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.

Hellerup, 26 June 2020

### **PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab  
Company reg. no. 36 77 12 31

  
Maj-Britt Nørskov Nannestad  
State Authorised Public Accountant  
mne32198

  
Martin Enderberg Lassen  
State Authorised Public Accountant  
mne40044

## **Company information**

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### **The company**

RLG Property Denmark ApS  
c/o Capital Investment A/S  
Sankt Annæ Plads 13, 2. th.  
1250 København K.

Company reg. no. 38 81 66 91

Financial year: 1 April - 31 March

### **Executive board**

Axel Denis Meyer  
Cedric Charles Marcel Bossert  
Pierre Raynal

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

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## **Management commentary**

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### **Key activities**

The Purpose of the Company is to invest and develop in real estate, including rental and sale, as well as other related activities.

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

The income statement of the company for 2019/20 shows a loss of DKK 21,367, and at 31 March 2020 the balance sheet of the company shows equity at DKK 138,910,641.



## **Accounting policies**

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The annual report for RLG Property Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### **Recognition and measurement**

Revenue is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### **Income statement**

#### **Other external expenses**

Other external expenses comprise operating expenses for the year.

#### **Financial expenses**

Financial expenses are recognised in the income statement at the amounts relating to the financial year.

#### **Tax on profit or loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion of their taxable incomes.

## Accounting policies

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### Statement of financial position

#### **Investments**

##### **Investments in subsidiaries**

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, writedown is made to this lower value.

##### **Deferred tax assets and liabilities**

Deferred tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

##### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Income statement 1 April - 31 March

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All amounts in DKK.

<u>Note</u>	<u>2019/20</u>	<u>2018/19</u>
Other external expenses	<u>-26.325</u>	<u>-54.370</u>
<b>Gross profit/loss</b>	<b>-26.325</b>	<b>-54.370</b>
Financial expenses	<u>-1.069</u>	<u>-2.599</u>
<b>Profit/loss before tax</b>	<b>-27.394</b>	<b>-56.969</b>
2 Tax on profit/loss for the year	<u>6.027</u>	<u>6.281</u>
<b>Net profit or loss for the year</b>	<b>-21.367</b>	<b>-50.688</b>
<b>Proposed appropriation of net profit:</b>		
Allocated from retained earnings	<u>-21.367</u>	<u>-50.688</u>
<b>Total allocations and transfers</b>	<b>-21.367</b>	<b>-50.688</b>

## Statement of financial position at 31 March

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All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Assets</b>		
<b>Fixed assets</b>		
3 Investments in subsidiaries	138.720.000	115.590.000
Fixed asset investments	138.720.000	115.590.000
<b>Total fixed assets</b>	<b>138.720.000</b>	<b>115.590.000</b>
<b>Current assets</b>		
Deferred tax assets	17.583	11.556
Total receivables	17.583	11.556
Cash at bank and in hand	198.058	240.372
<b>Total current assets</b>	<b>215.641</b>	<b>251.928</b>
<b>Total assets</b>	<b>138.935.641</b>	<b>115.841.928</b>

## Statement of financial position at 31 March

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All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital	54.000	53.000
Retained earnings	<u>138.856.641</u>	<u>115.749.008</u>
<b>Total equity</b>	<b><u>138.910.641</u></b>	<b><u>115.802.008</u></b>
<b>Liabilities other than provisions</b>		
Trade payables	0	15.920
Other payables	<u>25.000</u>	<u>24.000</u>
Total short term liabilities other than provisions	<u>25.000</u>	<u>39.920</u>
<b>Total liabilities other than provisions</b>	<b><u>25.000</u></b>	<b><u>39.920</u></b>
<b>Total equity and liabilities</b>	<b><u>138.935.641</u></b>	<b><u>115.841.928</u></b>

- 1 Subsequent events
- 4 Contingencies assets, liabilities and other financial obligations
- 5 Related parties



## Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 April 2018	51.000	0	84.661.696	84.712.696
Cash capital increase	2.000	31.138.000	0	31.140.000
Retained earnings for the year	0	0	-50.688	-50.688
Transferred to retained earnings	0	-31.138.000	31.138.000	0
Equity 1 April 2019	53.000	0	115.749.008	115.802.008
Cash capital increase	1.000	23.129.000	0	23.130.000
Retained earnings for the year	0	0	-21.367	-21.367
Transferred to retained earnings	0	-23.129.000	23.129.000	0
	<u>54.000</u>	<u>0</u>	<u>138.856.641</u>	<u>138.910.641</u>

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## Notes

All amounts in DKK.

### 1. Subsequent events

In the beginning of 2020 the Covid-19 outbreak has had significant impact on the world economy. The Covid-19 outbreak can potentially impact future cash flows and property valuations for real estate companies. The company realised operations as planned in Q1 2020.

The lessees in the company's (subsidiary's) investment property could also be impacted. However, it is expected that the lessees will continue to pay rent in accordance with the lease agreements. However, at this stage and given the uncertainty surrounding the disease, possible financial impact on the reported financial statements cannot be estimated and is therefore not included therein.

No other events materially affecting the assessment of the Annual Report have occurred after the balance sheet date

	<u>2019/20</u>	<u>2018/19</u>
<b>2. Tax on profit/loss for the year</b>		
Deferred tax for the year	-6.027	-6.281
	<u>-6.027</u>	<u>-6.281</u>
<b>3. Investments in subsidiaries</b>		
Cost 1 April 2019	115.590.000	84.450.000
Additions during the year	<u>23.130.000</u>	<u>31.140.000</u>
<b>Cost 31 March 2020</b>	<u><b>138.720.000</b></u>	<u><b>115.590.000</b></u>
<b>Carrying amount, 31 March 2020</b>	<u><b>138.720.000</b></u>	<u><b>115.590.000</b></u>

### Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, RLG Property Denmark ApS
RLG AT 19 ApS, København	100 %	<u>127.436.527</u>	<u>-3.595.605</u>	<u>115.590.000</u>
		<u><b>127.436.527</b></u>	<u><b>-3.595.605</b></u>	<u><b>115.590.000</b></u>

## Notes

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All amounts in DKK.

### 4. Contingencies assets, liabilities and other financial obligations

#### Contingent liabilities

The Group companies are jointly and severally liable for tax on the jointly taxed income etc. of the Group. The total amount of corporation tax payable is DKK 0. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

### 5. Related parties

#### Consolidated financial statements

The company is included in the consolidated report for the parent company:

Compagnie Financière Richemont SA

50 Chemin de la Chénaie

1293 Bellevue

Switzerland