Tiffany & Co. Denmark ApS

c/o Illum Department Store, Østergade 52, DK-1100
København K

Annual Report for 12 February 2018 - 31 January 2019

CVR No 39 35 02 46

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
9 / 8 2019

Chairman of the General
Meeting

Rikke Schiøtt Petersen

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Tiffany & Co. Denmark ApS for the financial year 12 February 2018 - 31 January 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 at 31 January 2019 of the Company and of the results of the Company operations for 2018/19.

We recommend that the Annual Report be adopted at the Annual General Meeting.

9/8-2019

Executive Board

Sandra Mohsni
Executive Officer

Board of Directors

Philippe Gilbert Galtié	Mark James Erceg	Leigh Marie Harlan

Marc Alain Dominique Jacheet

Independent Auditor's Report

To the Shareholder of Tiffany & Co. Denmark ApS

Report on the Financial Statements

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 January 2019 and of the results of the Company's operations for the financial year 12 February 2018 - 31 January 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Tiffany & Co. Denmark ApS for the financial year 12 February 2018 - 31 January 2019, which comprise income statement, balance sheet, statement of changes in equity 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.

Independent Auditor's Report

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.

- 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

Independent Auditor's Report

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.

Reporting obligations under section 7(2) of the Danish Executive Order on Approved Auditors' Reports

Non-compliance with the Danish accounting legislation
Contrary to section 12 of the Danish Bookkeeping Act, accounting records are kept abroad; consequently, Management may incur liability.

Hellerup, 9/8 - 2019
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Martin Lunden
statsautoriseret revisor
mne32209

Lone Vindbjerg Larsen
statsautoriseret revisor
mne34548

Company Information

The Company	Tiffany & Co. Denmark ApS c/o Illum Department Store, Østergade 52 DK-1100 København K CVR No: 39 35 02 46 Financial period: 12. februar 2018 - 31. januar 2019 Incorporated: 12 February 2018 Municipality of reg. office: København K
Board of Directors	Philippe Gilbert Galtié Mark James Erceg Leigh Marie Harlan Marc Alain Dominique Jacheet
Executive Board	Sandra Mohsni
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's Review

Financial Statements of Tiffany & Co. Denmark ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

Key activities

The Company's principal activity during the year was the sale of jewellery and related luxury goods.

Development in the year

The income statement of the Company for 2018/19 shows a profit of DKK 238,574, and at 31 January 2019 the balance sheet of the Company shows equity of DKK 6,338,574.

Unusual events

The financial position at 31 January 2019 of the Company and the results of the activities of the Company for the financial year for 2018/19 have not been affected by any unusual events.

Subsequent events

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

Income Statement 12 February 2018 - 31 January 2019

	Note	2018/19
		DKK
Gross profit/loss		**5.230.736**
Staff expenses	1	-3.179.640
Depreciation, amortisation and impairment of property, plant and equipment		-1.556.537
Profit/loss before financial income and expenses		**494.559**
Financial income		648.739
Financial expenses	2	-752.654
Profit/loss before tax		**390.644**
Tax on profit/loss for the year	3	-152.070
Net profit/loss for the year		**238.574**

Distribution of profit

Proposed distribution of profit

Retained earnings	238.574
	238.574

Balance Sheet 31 January

Assets

	Note	2018/19
		DKK
Other fixtures and fittings, tools and equipment		6.146.075
Leasehold Improvements		6.338.671
Property, plant and equipment	4	**12.484.746**
Fixed assets		**12.484.746**
Inventories		22.915.530
Receivables from group enterprises		12.475.423
Other receivables		4.971.282
Prepayments		45.784
Receivables		**17.492.489**
Cash at bank and in hand		**9.282.516**
Currents assets		**49.690.535**
Assets		**62.175.281**

Balance Sheet 31 January

Liabilities and equity

	Note	2018/19
		DKK
Share capital		50.000
Retained earnings		6.288.574
Equity		**6.338.574**
Provision for deferred tax		152.070
Provisions		**152.070**
Payables to group enterprises		51.314.896
Long-term debt		**51.314.896**
Trade payables		545.303
Payables to group enterprises		293.581
Other payables		3.530.857
Short-term debt		**4.369.741**
Debt		**55.684.637**
Liabilities and equity		**62.175.281**
Accounting Policies	5	

Statement of Changes in Equity

	Share capital	Share premium account	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 12 February	50.000	6.050.000	0	6.100.000
Net profit/loss for the year	0	0	238.574	238.574
Transfer from share premium account	0	-6.050.000	6.050.000	0
Equity at 31 January	**50.000**	**0**	**6.288.574**	**6.338.574**

Notes to the Financial Statements

1 Staff expenses

	2018/19
	DKK
Wages and salaries	3.024.580
Pensions	140.860
Other social security expenses	14.200
	3.179.640
Average number of employees	9

2 Financial expenses

Interest paid to group enterprises	298.767
Other financial expenses	24.459
Exchange adjustments, expenses	429.428
	752.654

3 Tax on profit/loss for the year

Current tax for the year	0
Deferred tax for the year	152.070
	152.070

Notes to the Financial Statements

4 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold Improvements
	DKK	DKK
Cost at 12 February	0	0
Additions for the year	6.991.329	7.049.954
Cost at 31 January	6.991.329	7.049.954
Impairment losses and depreciation at 12 February	0	0
Depreciation for the year	845.254	711.283
Impairment losses and depreciation at 31 January	845.254	711.283
Carrying amount at 31 January	**6.146.075**	**6.338.671**

Notes to the Financial Statements

5 Accounting Policies

The Annual Report of Tiffany & Co. Denmark ApS for 2018/19 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2018/19 are presented in DKK.

Recognition and measurement

Revenues are 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.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Notes to the Financial Statements

5 Accounting Policies (continued)

Changes in the fair values of derivative financial instruments are recognised in the income statement.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Notes to the Financial Statements

5 **Accounting Policies** (continued)

Financial income and expenses

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

Tax on profit/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.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Notes to the Financial Statements

5 **Accounting Policies** (continued)

Deferred tax assets and liabilities

Deferred income 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.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Debts

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