
Tiffany & Co. Denmark ApS

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

Annual Report for 1 February 2019 - 31 January 2020

CVR No 39 35 02 46

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
24/9 2020



Chairman of the General
Meeting

Rikke Schiøtt Petersen
Advokat
Gorrissen Federspiel
Advokatpartnerselskab
Axeltorv 2
1609 København V

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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 1 February 2019 - 31 January 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

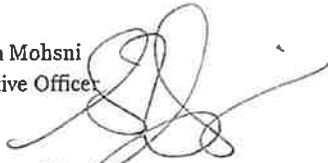
In our opinion the Financial Statements give a true and fair view of the financial position at 31 January 2020 of the Company and of the results of the Company operations for 2019/20.

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

Copenhagen, 24 September 2020

Executive Board

Sandra Mohsni
Executive Officer

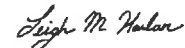


Board of Directors


Philippe Gilbert Galtié


Marc Alain Dominique Jacheet


Mark James Erceg


Leigh Marie Harlan

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 2020 and of the results of the Company's operations for the financial year 1 February 2019 - 31 January 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Tiffany & Co. Denmark ApS for the financial year 1 February 2019 - 31 January 2020, 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 Financial 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.

Independent Auditor's Report

- 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, 24 September 2020
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: 1 February - 31 January

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 2019/20 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 2019/20 shows a profit of DKK 929,528, and at 31 January 2020 the balance sheet of the Company shows equity of DKK 7,268,102.

Unusual events

The financial position at 31 January 2020 of the Company and the results of the activities of the Company for the financial year for 2019/20 have not been affected by any unusual events.

Subsequent events

An outbreak of a novel strain of the coronavirus, COVID-19, was identified in China in December 2019 and was subsequently recognized as a pandemic by the World Health Organization on March 11, 2020. This COVID-19 outbreak has severely restricted the level of economic activity around the world. Management considers the implications of COVID-19 a subsequent event occurring after the balance sheet date (31 January 2020), which is therefore a non-adjusting event to the Company.

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

Income Statement

	<u>Note</u>	1 February 2019 - 31 January 2020 DKK	12 February 2018 - 31 January 2019 DKK
Gross profit		10.336.336	5.230.736
Staff expenses	2	-5.323.747	-3.179.640
Depreciation, amortisation and impairment of property, plant and equipment		<u>-3.560.827</u>	<u>-1.556.537</u>
Profit before financial income and expenses		1.451.762	494.559
Financial income	3	691.151	648.739
Financial expenses	4	<u>-918.120</u>	<u>-752.654</u>
Profit before tax		1.224.793	390.644
Tax on profit for the year	5	<u>-295.265</u>	<u>-152.070</u>
Net profit for the year		<u>929.528</u>	<u>238.574</u>

Distribution of profit

Proposed distribution of profit

Retained earnings	<u>929.528</u>	<u>238.574</u>
	<u>929.528</u>	<u>238.574</u>

Balance Sheet 31 January

Assets

	Note	2019/20 DKK	2018/19 DKK
Other fixtures and fittings, tools and equipment		4.289.690	6.146.075
Leasehold Improvements		5.425.457	6.338.671
Property, plant and equipment	6	9.715.147	12.484.746
Fixed assets		9.715.147	12.484.746
Inventories		21.721.798	22.915.530
Receivables from group enterprises		12.562.475	12.475.423
Other receivables		5.533.472	4.971.282
Prepayments		51.219	45.784
Receivables		18.147.166	17.492.489
Cash at bank and in hand		18.255.195	9.282.516
Currents assets		58.124.159	49.690.535
Assets		67.839.306	62.175.281

Balance Sheet 31 January

Liabilities and equity

	Note	2019/20 DKK	2018/19 DKK
Share capital		50.000	50.000
Retained earnings		7.218.102	6.288.574
Equity		7.268.102	6.338.574
Provision for deferred tax		184.738	152.070
Provisions		184.738	152.070
Payables to group enterprises		53.297.119	51.314.896
Other payables		2.313.762	1.526.017
Long-term debt		55.610.881	52.840.913
Trade payables		1.256.355	545.303
Payables to group enterprises		517.240	293.581
Corporation tax		262.597	0
Other payables		2.739.393	2.004.840
Short-term debt		4.775.585	2.843.724
Debt		60.386.466	55.684.637
Liabilities and equity		67.839.306	62.175.281
Subsequent events	1		
Contingent assets, liabilities and other financial obligations	7		
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Statement of Changes in Equity

	<u>Share capital</u>	<u>Retained</u>	<u>Total</u>
	DKK	earnings	DKK
Equity at 1 February	50.000	6.288.574	6.338.574
Net profit for the year	0	929.528	929.528
Equity at 31 January	50.000	7.218.102	7.268.102

Notes to the Financial Statements

1 Subsequent events

An outbreak of a novel strain of the coronavirus, COVID-19, was identified in China in December 2019 and was subsequently recognized as a pandemic by the World Health Organization on March 11, 2020. This COVID-19 outbreak has severely restricted the level of economic activity around the world. As a result of the COVID-19 outbreak, a substantial number of the Company's retail stores were closed for some portion of time of fiscal year 2020.

The extent to which the COVID-19 outbreak impacts the Company's business operations, financial results, and liquidity will depend on numerous factors that the Company may not be able to accurately predict or assess due to their dynamic and evolving nature, including the duration and scope of the COVID-19 outbreak; the negative impact the outbreak has on global and regional economies and economic activity, including the duration and magnitude of its impact on consumer discretionary spending and levels of consumer confidence; and how quickly economies recover after the COVID-19 outbreak subsides. Accordingly, management cannot predict with certainty for how long and to what extent the COVID-19 outbreak will impact its business operations or the global economy as a whole. The Company will continue to take steps to mitigate the potential risks posed by the spread and related circumstances and impacts of COVID-19.

Apart from Covid-19 no events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

	1 February 2019 - 31 <u>January 2020</u> DKK	12 February 2018 - 31 <u>January 2019</u> DKK
2 Staff expenses		
Wages and salaries	4.924.027	3.024.580
Pensions	381.566	140.860
Other social security expenses	18.154	14.200
	<u>5.323.747</u>	<u>3.179.640</u>
Average number of employees	<u>10</u>	<u>9</u>
3 Financial income		
Exchange adjustments	<u>691.151</u>	<u>648.739</u>
	<u>691.151</u>	<u>648.739</u>

Notes to the Financial Statements

	1 February 2019 - 31 January 2020 DKK	12 February 2018 - 31 January 2019 DKK
4 Financial expenses		
Interest paid to group enterprises	915.926	298.767
Other financial expenses	2.194	24.459
Exchange adjustments, expenses	0	429.426
	<u>918.120</u>	<u>752.654</u>
5 Tax on profit for the year		
Current tax for the year	262.597	0
Deferred tax for the year	32.668	152.070
	<u>295.265</u>	<u>152.070</u>
6 Property, plant and equipment		
	Other fixtures and fittings, tools and equipment DKK	Leasehold Improvements DKK
Cost at 1 February	6.991.329	7.049.954
Additions for the year	43.071	840.700
Disposals for the year	-92.543	0
Cost at 31 January	<u>6.941.857</u>	<u>7.890.654</u>
Depreciation at 1 February	845.254	711.283
Depreciation for the year	1.835.080	1.753.914
Depreciation of disposed assets for the year	-28.167	0
Depreciation at 31 January	<u>2.652.167</u>	<u>2.465.197</u>
Carrying amount at 31 January	<u>4.289.690</u>	<u>5.425.457</u>

Notes to the Financial Statements

	<u>2019/20</u>	<u>2018/19</u>
	DKK	DKK
7 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	4.470.000	4.407.917
Between 1 and 5 years	<u>9.685.000</u>	<u>14.155.000</u>
	<u>14.155.000</u>	<u>18.562.917</u>

8 Related parties

	<u>Basis</u>
Tiffany & Co. (UK) Holdings Limited	Legal owner

Notes to the Financial Statements

9 Accounting Policies

The Annual Report of Tiffany & Co. Denmark ApS for 2019/20 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 2019/20 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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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.

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.

Notes to the Financial Statements

9 Accounting Policies (continued)

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.

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 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.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

9 Accounting Policies (continued)

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.

Prepayments

Prepayments comprise prepaid expenses concerning insurance premiums, subscriptions and other cost.

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 measured at amortised cost, substantially corresponding to nominal value.