

Studio Steven Scott ApS
Øster Allé 42, 2100 København Ø

Annual report

2015

Company reg. no. 25 67 17 91

The annual report have been submitted and approved by the general meeting on the 3 June 2016.

Steven Robert Scott
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's report

The managing director has today presented the annual report of Studio Steven Scott ApS for the financial year 1 January to 31 December 2015.

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

I consider the accounting policies used appropriate, and in my 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 2015 and of the company's results of its activities in the financial year 1 January to 31 December 2015.

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

København Ø, 30 April 2016

Managing Director

Steven Robert Scott

The independent auditor's reports

To the shareholders of Studio Steven Scott ApS

Report on the annual accounts

We have audited the annual accounts of Studio Steven Scott ApS for the financial year 1 January to 31 December 2015, 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.

The management's responsibility 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. Furthermore, the management is responsible for such internal control considered necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.

The independent auditor's reports

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the company's operations for the financial year 1 January to 31 December 2015 in accordance with the Danish Financial Statements Act.

Emphasis of matter paragraph on other matters

The company has not made timely payment of VAT and taxes which management can face liability for.

Copenhagen, 30 April 2016

Martinsen

State Authorised Public Accountants
Company reg. no. 32 28 52 01

Leif Tomasson

State Authorised Public Accountant

Company data

The company

Studio Steven Scott ApS
Øster Allé 42
2100 København Ø

Company reg. no. 25 67 17 91
Established: 15 October 2000
Domicile: Copenhagen
Financial year: 1 January - 31 December
15th financial year

Managing Director

Steven Robert Scott

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Øster Allé 42
2100 København Ø
Phone +45 35 38 48 88
www.martinsen.dk

Associated enterprises

Scotia A/S, Copenhagen
Scotialight ApS i likvidation, Copenhagen

Accounting policies used

The annual report for Studio Steven Scott ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B 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.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Accounting policies used

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of expected residual value after the end of the useful life of the asset.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture	3-5 years
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Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Financial fixed assets

Equity investments in group enterprises and associated enterprises

Equity investments in group enterprises and associated enterprises are recognised in the balance sheet at a proportional share of the assessed value.

Accounting policies used

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises and associated 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 and associated enterprises.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

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.

Liabilities

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

Profit and loss account 1 January - 31 December

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

<u>Note</u>	<u>2015</u>	<u>2014</u>
Gross profit	125.021	1.484
2 Staff costs	-381.214	-420
Depreciation and writedown relating to tangible fixed assets	<u>0</u>	<u>-8</u>
Operating profit	-256.193	1.056
Income from other equity investments, securities and debtors which are fixed assets	39.500	0
Other financial income	0	17
3 Other financial costs	<u>-43.557</u>	<u>-45</u>
Results before tax	-260.250	1.028
Tax on ordinary results	<u>0</u>	<u>0</u>
Results for the year	-260.250	1.028
 Proposed distribution of the results:		
Reserves for net revaluation as per the equity method	-61.576	62
Allocated to results brought forward	0	966
Allocated from results brought forward	<u>-198.674</u>	<u>0</u>
Distribution in total	-260.250	1.028

Balance sheet 31 December

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

Assets		
<u>Note</u>	<u>2015</u>	<u>2014</u>
Fixed assets		
4 Other plants, operating assets, and fixtures and furniture	0	25
Tangible fixed assets in total	<u>0</u>	<u>25</u>
5 Equity investments in group enterprises	0	2.000
6 Equity investments in associated enterprises	<u>2.000.000</u>	<u>0</u>
Financial fixed assets in total	<u>2.000.000</u>	<u>2.000</u>
Fixed assets in total	<u>2.000.000</u>	<u>2.025</u>
Current assets		
Raw materials and consumables	<u>330.000</u>	<u>330</u>
Inventories in total	<u>330.000</u>	<u>330</u>
Amounts owed by group enterprises	<u>9.977</u>	<u>461</u>
Debtors in total	<u>9.977</u>	<u>461</u>
Current assets in total	<u>339.977</u>	<u>791</u>
Assets in total	<u>2.339.977</u>	<u>2.816</u>

Balance sheet 31 December

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

Equity and liabilities

<u>Note</u>	<u>2015</u>	<u>2014</u>
Equity		
7 Contributed capital	125.000	125
8 Reserves for net revaluation as per the equity method	1.938.424	2.000
9 Results brought forward	-692.755	-494
Equity in total	<u>1.370.669</u>	<u>1.631</u>
Liabilities		
Bank debts	149.075	448
Trade creditors	340.853	360
Other debts	479.380	377
Short-term liabilities in total	<u>969.308</u>	<u>1.185</u>
Liabilities in total	<u>969.308</u>	<u>1.185</u>
Equity and liabilities in total	<u>2.339.977</u>	<u>2.816</u>

10 Contingencies

Notes

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

1. The significant activities of the enterprise

The activity of the company is making art and architectural projects.

	<u>2015</u>	<u>2014</u>
2. Staff costs		
Salaries and wages	375.489	377
Other costs for social security	2.160	3
Other staff costs	<u>3.565</u>	<u>40</u>
	<u>381.214</u>	<u>420</u>
3. Other financial costs		
Other financial costs	<u>43.557</u>	<u>45</u>
	<u>43.557</u>	<u>45</u>
4. Other plants, operating assets, and fixtures and furniture		
Cost 1 January 2015	32.600	33
Disposals during the year	<u>-32.600</u>	<u>0</u>
Cost 31 December 2015	<u>0</u>	<u>33</u>
Depreciation and writedown 1 January 2015	-8.150	0
Depreciation and writedown for the year	0	-8
Depreciation and writedown, assets disposed of	<u>8.150</u>	<u>0</u>
Depreciation and writedown 31 December 2015	<u>0</u>	<u>-8</u>
Book value 31 December 2015	<u>0</u>	<u>25</u>

Notes

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

	<u>31/12 2015</u>	<u>31/12 2014</u>
5. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2015	0	0
Cost 31 December 2015	0	0
Revaluations, opening balance 1 January 2015	2.000.000	0
Moved from/to associated enterprises	-2.000.000	2.000
Revaluation 31 December 2015	0	2.000
Book value 31 December 2015	0	2.000
6. Equity investments in associated enterprises		
Acquisition sum, opening balance 1 January 2015	61.576	62
Cost 31 December 2015	61.576	62
Revaluation, opening balance 1 January 2015	-61.576	1.938
Moved from/to group enterprises	2.000.000	-2.000
Revaluation 31 December 2015	1.938.424	-62
Book value 31 December 2015	2.000.000	0
Associated enterprises:		
	Domicile	Share of ownership
Scotia A/S	Copenhagen	49,72 %
Scotialight ApS i likvidation	Copenhagen	46,14 %
7. Contributed capital		
Contributed capital 1 January 2015	125.000	125
	125.000	125

Notes

Amounts concerning 2015: DKK.

Amounts concerning 2014: DKK in thousands.

	<u>31/12 2015</u>	<u>31/12 2014</u>
8. Reserves for net revaluation as per the equity method		
Reserves for net revaluation 1 January 2015	2.000.000	1.938
Share of results	<u>-61.576</u>	<u>62</u>
	<u>1.938.424</u>	<u>2.000</u>
9. Results brought forward		
Results brought forward 1 January 2015	-494.081	-1.460
Profit or loss for the year brought forward	<u>-198.674</u>	<u>966</u>
	<u>-692.755</u>	<u>-494</u>

10. Contingencies

Contingent liabilities

There has been issued a mortgage of 500,000 DKK security for the bank. There is provided an absolute guarantees to secure bank.

The shares in associated enterprises is pledged to a lender in th associated company.

The company has no other contigent liabilities at 31 December 2015.

Joint taxation

The company is the administration company of the group of companies subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

Scotia A/S has withdrawn from joint taxation as of 17 July 2015, as from the time of withdrawal from the joint taxation, the company is not liable for any tax claims against the other jointly taxed companies.