

Studio Steven Scott ApS
Øster Allé 42, 2100 København Ø

Annual report

2019

Company reg. no. 25 67 17 91

The annual report was submitted and approved by the general meeting on the 2 September 2020.

Steven Robert Scott
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS 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 %.

Contents

Page

Reports

- 1 Management's report
- 2 Independent auditor's report

Management commentary

- 5 Company information
- 6 Management commentary

Financial statements 1 January - 31 December 2019

- 7 Accounting policies
- 10 Income statement
- 11 Statement of financial position
- 13 Statement of changes in equity
- 14 Notes

Management's report

Today, the managing director has presented the annual report of Studio Steven Scott ApS for the financial year 2019.

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

I consider the accounting policies appropriate and, in my opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January - 31 December 2019.

I am 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.

København Ø, 27 August 2020

Managing Director

Steven Robert Scott

Independent auditor's report

To the shareholders of Studio Steven Scott ApS

Opinion

We have audited the financial statements of Studio Steven Scott ApS for the financial year 1 January - 31 December 2019, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities 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 and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". We are independent of the company in accordance with international ethical requirements for auditors (IESBA's Code of Ethics), 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.

Material uncertainties concerning the company's ability to continue as a going concern

We draw attention to the fact that the company have lost its contributed capital and therefore is subject to the capital loss rules in the Danish companies act, § 119. Our opinion is not qualified in respect of this matter.

Furthermore, we draw attention to Note 1 to the annual report which describe that the shareholder financially will support the company at least until 31 December 2020 and that the shareholder's outstanding balance is subordinated to other creditors. Our opinion is not qualified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a fair view.

Independent auditor's report

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 the internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on and the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that management commentary is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the management commentary.

Copenhagen, 27 August 2020

Martinsen

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

Leif Tomasson

State Authorised Public Accountant
mne25346

Company information

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 19th financial year
Managing Director	Steven Robert Scott
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Øster Allé 42 2100 København Ø
Subsidiary	Square Root Solar IVS, Copenhagen

Management commentary

The principal activities of the company

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

Development in activities and financial matters

The gross loss for the year totals DKK -91.409 against DKK 558.250 last year. Income or loss from ordinary activities after tax totals DKK -110.955 against DKK 162.379 last year.

The company's shareholder has signed a letter in which the shareholder declares that he will fund - and have the capacity to pay - the company with sufficient liquidity to ensure the company's continued operation in the current form, at least until 31 December 2020.

Furthermore the shareholder has declared, that his outstanding balance, (407 t.DKK) with the company is subordinated to other debt / creditors.

The accounts are on this basis prepared with continued operation in mind.

Accounting policies

The annual report for Studio Steven Scott 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 in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs incurred for distribution, sales, advertising and administration.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise.

Accounting policies

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Investments

Equity in group enterprises and associates

Equity in group enterprises and associates recognised in the statement of financial position as a proportional share of the assessed value.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises and associates are transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises and associates.

Inventories

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Accounting policies

Liabilities other than provisions

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

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Gross loss	-91.409	558.250
Other operating costs	<u>0</u>	<u>-387.961</u>
Operating profit	-91.409	170.289
Other financial costs	<u>-19.546</u>	<u>-7.910</u>
Pre-tax net profit or loss	-110.955	162.379
Tax on ordinary results	<u>0</u>	<u>0</u>
Net profit or loss for the year	<u>-110.955</u>	<u>162.379</u>
 Proposed appropriation of net profit:		
Transferred to retained earnings	0	162.379
Allocated from retained earnings	<u>-110.955</u>	<u>0</u>
Total allocations and transfers	<u>-110.955</u>	<u>162.379</u>

Statement of financial position at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Non-current assets		
3 Equity investments in group enterprises	<u>1</u>	<u>1</u>
Total investments	<u>1</u>	<u>1</u>
Total non-current assets	<u>1</u>	<u>1</u>
Current assets		
Raw materials and consumables	<u>505.000</u>	<u>405.000</u>
Total inventories	<u>505.000</u>	<u>405.000</u>
Other receivables	49.261	71.225
Prepayments and accrued income	<u>754.089</u>	<u>343.466</u>
Total receivables	<u>803.350</u>	<u>414.691</u>
Total current assets	<u>1.308.350</u>	<u>819.691</u>
Total assets	<u>1.308.351</u>	<u>819.692</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity		
Contributed capital	125.000	125.000
Retained earnings	-750.582	-639.627
Total equity	-625.582	-514.627
Liabilities other than provisions		
Bank loans	334	245.607
Trade payables	1.186.723	673.107
Debt to shareholders and management	406.876	115.605
Other payables	340.000	300.000
Total short term liabilities other than provisions	1.933.933	1.334.319
Total liabilities other than provisions	1.933.933	1.334.319
Total equity and liabilities	1.308.351	819.692

- 1 **Uncertainties concerning the enterprise's ability to continue as a going concern**
- 2 **Special items**
- 4 **Charges and security**
- 5 **Contingencies**

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2018	125.000	-802.006	-677.006
Profit or loss for the year brought forward	<u>0</u>	<u>162.379</u>	<u>162.379</u>
Equity 1 January 2019	125.000	-639.627	-514.627
Profit or loss for the year brought forward	<u>0</u>	<u>-110.955</u>	<u>-110.955</u>
	<u>125.000</u>	<u>-750.582</u>	<u>-625.582</u>

Notes

All amounts in DKK.

1. Uncertainties concerning the enterprise's ability to continue as a going concern

The company's shareholder has signed a letter in which the shareholder declares that he will fund - and have the capacity to pay - the company with sufficient liquidity to ensure the company's continued operation in the current form, at least until 31 December 2020.

Furthermore the shareholder has declared, that his outstanding balance (407 t.DKK) with the company is subordinated to other debt / creditors.

The accounts are on this basis prepared with continued operation in mind.

2. Special items

The company has sued a former lawyer for the company. Costs related to this action for a total is DKK 754 thousand and is capitalized under accruals.

The management expects the case against the former lawyer to be won.

	<u>31/12 2019</u>	<u>31/12 2018</u>
3. Equity investments in group enterprises		
Acquisition sum, opening balance 1 January 2019	<u>1</u>	<u>1</u>
Cost 31 December 2019	<u>1</u>	<u>1</u>
Carrying amount, 31 December 2019	<u>1</u>	<u>1</u>

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

	Equity interest	Equity	Results for the year	Carrying amount, Studio Steven Scott ApS
Square Root Solar IVS, Copenhagen	100 %	<u>-2.405.288</u>	<u>-5.142</u>	<u>1</u>
		<u>-2.405.288</u>	<u>-5.142</u>	<u>1</u>

4. Charges and security

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

Notes

All amounts in DKK.

5. Contingencies

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

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