



Tel.: +45 76 42 94 00  
vejle@bdo.dk  
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab  
Roms Hule 4, 1. sal  
DK-7100 Vejle  
CVR no. 20 22 26 70

**STATE OF ART SCANDINAVIA A/S**

**ROMS HULE 4 1., 7100 VEJLE**

**ANNUAL REPORT**

**1 JANUARY - 31 DECEMBER 2021**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 22 June 2022**

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**Petra Marieke Westerman**

*The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.*

**CVR NO. 30 73 19 13**

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**COMPANY DETAILS**

<b>Company</b>	State Of Art Scandinavia A/S Roms Hule 4 1. 7100 Vejle  CVR No.: 30 73 19 13 Established: 19 July 2007 Municipality: Vejle Financial Year: 1 January - 31 December
<b>Board of Directors</b>	Petra Marieke Westerman, chairman Johannes Leonard Kuijff Martijn Mateman
<b>Executive Board</b>	Martijn Mateman
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Roms Hule 4, 1. sal 7100 Vejle

## MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of State Of Art Scandinavia A/S for the financial year 1 January - 31 December 2021.

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

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Vejle, 22 June 2022

Executive Board

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Martijn Mateman

Board of Directors

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Petra Marieke Westerman  
Chairman

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Johannes Leonard Kuijf

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Martijn Mateman

## THE INDEPENDENT AUDITOR'S REPORT

To the Shareholder of State Of Art Scandinavia A/S

### Conclusion

We have performed an extended review of the Financial Statements of State Of Art Scandinavia A/S for the financial year 1 January - 31 December 2021, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

### Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### 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 Extended Review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

### Statement on the Management Commentary

Management is responsible for the Management Commentary.

Our conclusion on the Financial Statements does not cover the Management Commentary, and we do not express any form of assurance conclusion thereon.

## THE INDEPENDENT AUDITOR'S REPORT

In connection with our extended review of the Financial Statements, our responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, 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 conclude that the Management Commentary 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 the Management Commentary.

Vejle, 22 June 2022

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Kristian Frost Vingum  
State Authorised Public Accountant  
MNE no. mne36183

## MANAGEMENT COMMENTARY

### **Principal activities**

The company's activities is sale and distribution of fashion clothes in Scandinavia.

### **Significant events after the end of the financial year**

No events have occurred after the end of the financial year of material importance for the Company's financial position.

**INCOME STATEMENT 1 JANUARY - 31 DECEMBER**

	Note	2021 DKK	2020 DKK
<b>GROSS LOSS</b> .....		<b>-109.821</b>	<b>-104.718</b>
Other operating expenses.....		-256	0
Income from investments in subsidiaries.....		-67.579	11.761
Other financial expenses.....		-487	-15.106
<b>LOSS BEFORE TAX</b> .....		<b>-178.143</b>	<b>-108.063</b>
Tax on profit/loss for the year.....		0	0
<b>LOSS FOR THE YEAR</b> .....		<b>-178.143</b>	<b>-108.063</b>
<b>PROPOSED DISTRIBUTION OF PROFIT</b>			
Allocation to reserve for net revaluation according to equity valuation.....		-67.579	11.762
Retained earnings.....		-110.564	-119.825
<b>TOTAL</b> .....		<b>-178.143</b>	<b>-108.063</b>



## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2021 DKK	2020 DKK
Equity investments in group enterprises.....		1.530.176	1.520.839
Financial non-current assets.....	1	<b>1.530.176</b>	<b>1.520.839</b>
<b>NON-CURRENT ASSETS.....</b>		<b>1.530.176</b>	<b>1.520.839</b>
Receivables from group enterprises.....		664.592	776.643
Other receivables.....		7.499	22.341
Receivables.....		<b>672.091</b>	<b>798.984</b>
Cash and cash equivalents.....		51.334	28.755
<b>CURRENT ASSETS.....</b>		<b>723.425</b>	<b>827.739</b>
<b>ASSETS.....</b>		<b>2.253.601</b>	<b>2.348.578</b>

**BALANCE SHEET AT 31 DECEMBER**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2021 DKK</b>	<b>2020 DKK</b>
Share capital.....		500.000	500.000
Reserve for net revaluation according to equity valuation.....		1.407.448	1.398.111
Retained profit.....		283.225	393.789
<b>EQUITY.....</b>		<b>2.190.673</b>	<b>2.291.900</b>
Trade payables.....		62.928	56.678
<b>Current liabilities.....</b>		<b>62.928</b>	<b>56.678</b>
<b>LIABILITIES.....</b>		<b>62.928</b>	<b>56.678</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>2.253.601</b>	<b>2.348.578</b>
 Staff costs	 2		

EQUITY

	Share capital	Reserve for net revaluation according to equity va	Retained profit	Total
Equity at 1 January 2021.....	500.000	1.398.111	393.789	2.291.900
Proposed profit allocation.....		-67.579	-110.564	-178.143
<b>Other legal bindings</b>				
Foreign exchange adjustments.....		76.916		76.916
<b>Equity at 31 December 2021 .....</b>	<b>500.000</b>	<b>1.407.448</b>	<b>283.225</b>	<b>2.190.673</b>

## NOTES

## Note

## Financial non-current assets

1

	Equity investments in group enterprises
Cost at 1 January 2021.....	122.728
<b>Cost at 31 December 2021.....</b>	<b>122.728</b>
Revaluation at 1 January 2021.....	1.398.111
Exchange adjustment.....	76.916
Revaluation and impairment losses for the year.....	-67.579
<b>Revaluation at 31 December 2021.....</b>	<b>1.407.448</b>
<b>Carrying amount at 31 December 2021.....</b>	<b>1.530.176</b>

## Investments in subsidiaries

Name and domicil	Ownership
State of Art Norway AS, Oslo, Norway.....	100 %
State of Art Sweden AB, Stockholm, Sweden.....	100 %

	2021	2020
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## Staff costs

Average number of employees

1	1
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2

## ACCOUNTING POLICIES

The Annual Report of State Of Art Scandinavia A/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

## INCOME STATEMENT

### Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

### Income from investments in subsidiaries

The proportional share of results of subsidiaries after full elimination of intercompany profits/losses and deduction of amortised goodwill is recognised in the company's income statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

### Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from debt and transactions in foreign currencies as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

## BALANCE SHEET

### Financial non-current assets

Investments in are measured in the company's balance sheet under the equity method.

Investments in are measured in the balance sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill

Net revaluation of investments in subsidiaries and associates is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the company's has a legal or actual liability to cover the subsidiaries deficit.

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

## ACCOUNTING POLICIES

### Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

### Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

### Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.