

## Stila A/S

Isløvdavej 98  
2610 Rødovre  
Company reg. no. 34 56 59 10



REVISION & RÅDGIVNING

Annual report for 1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the

Chairman of the meeting

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### 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 %.

## **Management's report**

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The board of directors and the managing director have today presented the annual report of Stila A/S for the financial year 1 January to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 January to 31 December 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

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

Rødovre, 28 January 2020

### **Managing Director**

Tina Michella Dyhr Dupont

### **Board of directors**

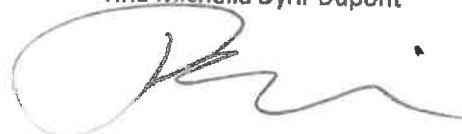
Menno Robert Lammerts Van  
Bueren



Jean Marc Hagen



Tina Michella Dyhr Dupont



## **Independent auditor's report**

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### **To the shareholders of Stila A/S**

#### **Opinion**

We have audited the annual accounts of Stila A/S for the financial year 1 January to 31 December 2019, which comprise accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January to 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 below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **The management's responsibilities 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. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

## **Independent auditor's report**

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- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement 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 by the management and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

### **Statement on the management's review**

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our audit of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the audit, or whether it otherwise appears to contain material misstatement.

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

## Independent auditor's report

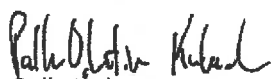
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Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Brøndby, 28 January 2020

### **ALBJERG**

Statsautoriseret Revisionspartnerselskab  
Company reg. no. 35 38 28 79



Palle Valentin Kubach  
State Authorised Public Accountant  
mne16567

## **Company data**

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**The company**

Stila A/S  
Islevdalvej 98  
2610 Rødovre

Company reg. no. 34 56 59 10  
Financial year: 1 January - 31 December

**Board of directors**

Menno Robert Lammerts Van Bueren  
Jean Marc Hagen  
Tina Michella Dyhr Dupont

**Managing Director**

Tina Michella Dyhr Dupont

**Auditors**

ALBJERG  
Statsautoriseret Revisionspartnerselskab  
Ringager 4C, 2.th.  
2605 Brøndby

**Parent company**

B&C International B.V.

## **Management's review**

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### **The principal activities of the company**

The main activity consists of sales and marketing of inside and outside solar shading and related activities. The products are made according to the customer's measurement and specification in general.

Sales and administration takes place from the company's address in Rødovre.

### **Development in activities and financial matters**

The gross profit for the year is DKK 14.558.784 against DKK 16.205.216 last year. The results from ordinary activities after tax are DKK -231.976 against DKK 455.070 last year.

This year has been highly affected by a number of changes in the strategy on international group level and focus areas in order to reach and secure future customer demands. Therefore a number of investments and strategic replacements has been made in order to ensure future earnings.

Like last year, some of the focus areas for internal development has been:

- Commercial relocation
- E-commerce tools.
- Organizational development

The above activities are part of a longer strategic commercial plan.

### **Events subsequent to the financial year**

After the end of the financial year, no events have occurred that could materially affect the company's financial position.



## Profit and loss account 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Gross profit</b>	<b>14.558.784</b>	<b>16.205.216</b>
1 Staff costs	-13.089.323	-13.906.786
Depreciation, amortisation and writedown relating to tangible and intangible fixed assets	-1.607.271	-1.529.532
<b>Results before net financials</b>	<b>-137.810</b>	<b>768.898</b>
2 Other financial income	20.902	7.900
3 Other financial costs	-165.901	-186.949
<b>Results before tax</b>	<b>-282.809</b>	<b>589.849</b>
4 Tax on ordinary results	50.833	-134.779
<b>Results for the year</b>	<b>-231.976</b>	<b>455.070</b>
<b>Proposed distribution of the results:</b>		
Allocated to results brought forward	0	455.070
Allocated from results brought forward	-231.976	0
<b>Distribution in total</b>	<b>-231.976</b>	<b>455.070</b>

## Balance sheet 31 December

All amounts in DKK.

<b>Assets</b>			
<u>Note</u>		<u>2019</u>	<u>2018</u>
<b>Fixed assets</b>			
5	Completed development projects, including patents and similar rights arising from development projects	302.483	393.935
	Intangible fixed assets in total	302.483	393.935
	Other plants, operating assets, and fixtures and furniture	2.256.142	2.342.035
	Tangible fixed assets in total	2.256.142	2.342.035
	Other debtors	298.423	546.365
	Financial fixed assets in total	298.423	546.365
	<b>Fixed assets in total</b>	<b>2.857.048</b>	<b>3.282.335</b>
<b>Current assets</b>			
	Raw materials and consumables	195.919	182.540
	Inventories in total	195.919	182.540
	Trade debtors	3.165.320	4.696.817
	Deferred tax assets	291.711	219.758
	Receivable corporate tax	135.880	61.538
	Accrued income and deferred expenses	203.572	305.800
	Debtors in total	3.796.483	5.283.913
	Available funds	1.024.769	436.787
	<b>Current assets in total</b>	<b>5.017.171</b>	<b>5.903.240</b>
	<b>Assets in total</b>	<b>7.874.219</b>	<b>9.185.575</b>

## Balance sheet 31 December

All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2019</u>	<u>2018</u>
<b>Equity</b>			
	Contributed capital	500.000	500.000
	Results brought forward	1.467.197	1.699.173
	<b>Equity in total</b>	<b>1.967.197</b>	<b>2.199.173</b>
<b>Liabilities</b>			
	Other debts	370.349	0
	<b>Long-term liabilities in total</b>	<b>370.349</b>	<b>0</b>
	Bank debts	11.283	26.114
	Trade creditors	2.977.511	3.128.008
	Debt to group enterprises	1.023.349	1.748.164
	Other debts	1.524.530	2.084.116
	<b>Short-term liabilities in total</b>	<b>5.536.673</b>	<b>6.986.402</b>
	<b>Liabilities in total</b>	<b>5.907.022</b>	<b>6.986.402</b>
	<b>Equity and liabilities in total</b>	<b>7.874.219</b>	<b>9.185.575</b>

**6 Mortgage and securities**

**7 Contingencies**

## Statement of changes in equity

All amounts in DKK.

	Contributed capital	Results brought forward	Proposed dividend for the financial year	In total
Equity 1 January 2018	500.000	1.244.103	2.416.583	4.160.686
Distributed dividend	0	0	-2.416.583	-2.416.583
Profit or loss for the year brought forward	0	455.070	0	455.070
Equity 1 January 2019	500.000	1.699.173	0	2.199.173
Profit or loss for the year brought forward	0	-231.976	0	-231.976
	500.000	1.467.197	0	1.967.197

## Notes

All amounts in DKK.

	<u>2019</u>	<u>2018</u>
<b>1. Staff costs</b>		
Salaries and wages	11.993.060	12.759.358
Pension costs	867.410	938.627
Other costs for social security	228.853	208.801
	<u>13.089.323</u>	<u>13.906.786</u>
Average number of employees	<u>25</u>	<u>26</u>
<b>2. Other financial income</b>		
Interest, trade debtors	0	510
Exchange differences	20.902	7.293
Reimbursement, corporate tax	0	97
	<u>20.902</u>	<u>7.900</u>
<b>3. Other financial costs</b>		
Financial costs, group enterprises	98.879	53.139
Other financial costs	67.022	133.810
	<u>165.901</u>	<u>186.949</u>
<b>4. Tax on ordinary results</b>		
Tax of the results for the year, parent company	-71.953	121.462
Adjustment for the year of deferred tax	21.120	13.317
	<u>-50.833</u>	<u>134.779</u>

## Notes

All amounts in DKK.

	31/12 2019	31/12 2018
<b>5. Completed development projects, including patents and similar rights arising from development projects</b>		
Cost 1 January 2019	864.053	609.053
Additions during the year	0	255.000
<b>Cost 31 December 2019</b>	<b>864.053</b>	<b>864.053</b>
Amortisation and writedown 1 January 2019	-470.118	-416.916
Amortisation for the year	-91.452	-53.202
<b>Amortisation and writedown 31 December 2019</b>	<b>-561.570</b>	<b>-470.118</b>
<b>Book value 31 December 2019</b>	<b>302.483</b>	<b>393.935</b>
<b>6. Mortgage and securities</b>		
There is no pledge or other collateral per. 31. December 2019.		

## Notes

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All amounts in DKK.

### 7. Contingencies

#### Contingent liabilities

	DKK in thousands
Within a year	<u>817</u>
Between 1 and 5 years	<u>2.196</u>
<b>Contingent liabilities in total</b>	<b><u>3.013</u></b>

#### Comprising:

Lease commitments within a year	<u>593</u>
Lease commitments between 1 and 5 years	<u>1.870</u>

## **Accounting policies used**

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The annual report for Stila A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### **Translation of foreign currency**

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

## **The profit and loss account**

### **Gross profit**

The gross profit comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, 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.

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

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise, including gains on disposal of intangible and tangible fixed assets.

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

Other external costs also include research and development costs that do not meet the criteria for capitalization.



## **Accounting policies used**

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### **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 on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

### **Net financials**

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### **Tax of the results for the year**

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

## **The balance sheet**

### **Intangible fixed assets**

#### **Development projects, patents, and licences**

Development costs comprise costs, salaries and depreciation that can be attributed directly and indirectly to development activities

Development projects that are recognized in the balance sheet are measured at cost less accumulated depreciation and write-downs.

After completion of the development work, development costs are amortized on a straight-line basis over the estimated useful life. The amortization period is usually 5 years.

Gain and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price with deduction of sales costs and the book value at the time of the sale. Gain or loss are recognised in the profit and loss account as other operating income or other operating expenses respectively.

### **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 any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

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

## Accounting policies used

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

<i>Technical plants and machinery</i>	<i>Useful life</i> <i>3-8 years</i>
<i>Other plants, operating assets, fixtures and furniture</i>	<i>0-1 years</i>

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 losses are recognised in the profit and loss account as other operating income or other operating expenses.

### Leases

At the first recognition in the balance sheet, leases concerning tangible fixed assets by which the company holds all essential risks and advantages attached to the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the internal interest rate of the lease or alternatively the borrowing rate of the enterprise is used as discount rate. Afterwards, assets held under a finance lease are treated in the same way as other similar tangible assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest part of the lease is recognised in the profit and loss account over the term of the contract.

Leases are regarded as operating leases. Payments in connection with operating leases and other rental agreements are recognised in the profit and loss account over the term of the contract. The company's total liabilities concerning operating leases and rental agreements are recognised under contingencies etc.

### Writedown of fixed assets

The book values of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

### Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

### 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.

Write-downs are made to counter losses, where it is considered that an objective indication has occurred that a receivable or a portfolio of receivables is impaired, write-downs are made on an individual level.

## **Accounting policies used**

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### **Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

### **Available funds**

Available funds comprise cash at bank and in hand.

### **Equity**

#### **Dividend**

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

### **Corporate tax and deferred tax**

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities**

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

### **Accrued expenses and deferred income**

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.