

NorthCapital International ApS

Lyngby Hovedgade 10C

2800 Kongens Lyngby

CVR No. 38725335

Annual Report 2019

3. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 31 May 2020

Christian Harboe Wissum
Chairman

Contents

Management's Statement	3
Company Information	4
Management's Review	5
Accounting Policies	6
Income Statement	9
Balance Sheet	10
Notes	12

Management's Statement

Today, Management has considered and adopted the Annual Report of NorthCapital International ApS for the financial year 1 January 2019 - 31 December 2019.

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 assets, liabilities and financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

The conditions for not conducting an audit of the Financial Statement have been met.

The conditions for deselecting an audit of the Financial Statement are met. Hence the Board of directors have decided to deselect to audit the Financial Statement for the coming financial year.

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

Copenhagen, 31 May 2020

Executive Board

Ulf Mex
COO

Werner Schmidt
CEO

Kim Hersland
CFO

Supervisory Board

Christian Harboe Wissum
Chairman

Werner Schmidt
Member

Kim Hersland
Member

Company details

Company	NorthCapital International ApS Lyngby Hovedgade 10C 2800 Kongens Lyngby
CVR No.	38725335
Date of formation	1 January 2017
Registered office	Lyngby-Tårnbæk
Board of directors	Christian Harboe Wissum Werner Schmidt, CEO Kim Hersland, CFO
Executive Management	Ulf Mex , COO Werner Schmidt, CEO Kim Hersland, CFO

Management's Review

The Company's Principal Activities

Welcome to our 2019 Annual Report.

Scandinavian Fine Arts 3 ApS is a 50% owned subsidiary of Scandinavian Fine Arts Holding ApS - a specialized Copenhagen based art investment company, established in 2015.

The Company has not yet acquired any pieces of art but has been engaged in negotiations during the financial year.

Development in Activities and Financial Matters

The Company's Income Statement of the financial year 1 January 2019 - 31 December 2019 shows a result of EUR and the Balance Sheet at 31 December 2019 a balance sheet total of EUR 6.750 and an equity of EUR 6.750.

Post Balance Sheet Events

No events have occurred after the balance sheet date which have significantly affected the company's financial position.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class

The Annual Report of NorthCapital International ApS for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

As the financial year 2019 is the Company's first financial year, the Financial Statements with associated notes have been prepared without comparative figures from the previous year.

Reporting currency

The Annual Report is presented in Danish kroner.

Consolidated Financial Statements

The Consolidated Financial Statements comprise the parent company NorthCapital International ApS and subsidiaries in which NorthCapital International ApS directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates, cf. Group chart.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

General Information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant

Accounting Policies

effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive of VAT and net of sales discounts.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

	Useful life	Residual value
Properties	20-50 years	0%
Leasehold improvements	5 years	0%

Land is not amortised.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Dividends equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Receivables

Accounting Policies

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Accrued income, assets

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Other payables

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2019 EUR	2010 EUR
Gross profit		0	0
Employee benefits expense	1	0	0
Profit from ordinary operating activities		0	0
Profit from ordinary activities before tax		0	0
Profit		0	0

Balance Sheet as of 31 December

	Note	2019 EUR	2018 EUR
Assets			
Short-term receivables from group enterprises		6.750	6.750
Receivables		6.750	6.750
Current assets		6.750	6.750
Assets		6.750	6.750

Balance Sheet as of 31 December

	Note	2019 EUR	2018 EUR
Liabilities and equity			
Contributed capital	2	<u>6.750</u>	<u>6.750</u>
Equity		<u>6.750</u>	<u>6.750</u>
Liabilities and equity		<u>6.750</u>	<u>6.750</u>
Contingent liabilities	3		
Collaterals and assets pledges as security	4		
Other disclosures	5		

Notes

2019

2010

1. Employee benefits expense

The company has had 0 employees in the fiscal year.

2. Contributed capital

Additions during the year

6.750

6.750

Balance at the end of the year

6.750

6.750

The share capital has remained unchanged for the last 5 years.

3. Contingent liabilities

There is no other contingent liabilities exist at the balance sheet date.

4. Collaterals and securities

No securities or mortgages exist at the balance sheet date.

5. Special items