

Scandinavian Fine Arts Group ApS

Lyngby Hovedgade 10C

2800 Kongens Lyngby

CVR No. 39179482

Annual Report 2019

2. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 7 June 2020

Christian Harboe Wissum
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of Scandinavian Fine Arts Group 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 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

Kim Hersland
CFO

Supervisory Board

Christian Harboe Wissum
Chairman

Kim Hersland
Member

Company details

Company	Scandinavian Fine Arts Group ApS Lyngby Hovedgade 10C 2800 Kongens Lyngby
CVR No.	39179482
Date of formation	18 December 2017
Registered office	Lyngby-Tårnbæk
Board of directors	Christian Harboe Wissum Kim Hersland, CFO
Executive Management	Kim Hersland, CFO

Management's Review

The Company's Principal Activities

Welcome to our 2018 Annual Report.

The company's purpose is to own, manage and develop art directly or indirectly.

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.

During the Year, the company is merged with Scandinavian Fine Arts Holding ApS, Scandinavian Fine Arts 1 ApS, Scandinavian Fine Arts 2 ApS, all of which finalized their activities without profit and activity.

There are no expectation of new activities in the company.

Post Balance Sheet Events

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

Accounting Policies

Reporting Class

The Annual Report of Scandinavian Fine Arts Group 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 Scandinavian Fine Arts Group ApS and subsidiaries in which Scandinavian Fine Arts Group 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.

Income from investments in group enterprises and associates

Income from equity investments comprises dividends received from group enterprises and associates in so far as they do not exceed the accumulated earnings in the group enterprise or the associate during the ownership period.

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

Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

Accounting Policies

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

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			
Other short-term receivables		6.750	6.750
Receivables		<u>6.750</u>	<u>6.750</u>
Current assets		<u>6.750</u>	<u>6.750</u>
Assets		<u>6.750</u>	<u>6.750</u>

Balance Sheet as of 31 December

	Note	2019 EUR	2018 EUR
Liabilities and equity			
Contributed capital	3	<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	4		
Collaterals and assets pledges as security	5		

Notes

2019

2010

1. Employee benefits expense

The company has had 0 employees in the fiscal year.

2. Disclosure in long-term investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %
Scandinavian Fine Arts Holding ApS	Copenhagen	100,00

3. 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.

4. Contingent liabilities

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

The total amount appears from the annual report of Scandinavian Fine Arts Group ApS which is the administration company in the joint taxation.

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

5. Collaterals and securities

No securities or mortgages exist at the balance sheet date.