



Styleco ApS

Sundkrogsgade 19
2100 Copenhagen Ø
CVR No. 39490021

Annual report 2021

The Annual General Meeting adopted the
annual report on 05.08.2022

Christian Hassel

Chairman of the General Meeting

Contents

| | |
|---|----|
| Entity details | 2 |
| Statement by Management | 3 |
| Independent auditor's report | 4 |
| Management commentary | 7 |
| Income statement for 2021 | 8 |
| Balance sheet at 31.12.2021 | 9 |
| Statement of changes in equity for 2021 | 11 |
| Notes | 12 |
| Accounting policies | 14 |

Entity details

Entity

Styleco ApS

Sundkrogsgade 19

2100 Copenhagen Ø

Business Registration No.: 39490021

Registered office: Copenhagen

Financial year: 01.01.2021 - 31.12.2021

Executive Board

Christian Hassel

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of Styleco ApS for the financial year 01.01.2021 - 31.12.2021.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 05.08.2022

Executive Board

Christian Hassel

Independent auditor's report

To the shareholders of Styleco ApS

Opinion

We have audited the financial statements of Styleco ApS for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

The Company has negative equity at 31.12.2021. We draw attention to Note 1 in the financial statements, where it is mentioned that the Company has sold its assets after the balance sheet date and proceeds have been used to settle bank debt, whereafter the negative equity in all material respects is funded by debt to group enterprises. There is an understanding that the debt to group enterprises will not be required paid, and there is an understanding with related parties that they will cover operating costs on a case-by-case basis. Management has on this basis concluded that the Company can be regarded as a going-concern, at least until 31.12.2022. Our opinion is not modified in respect of this matter.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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 that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 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 Entity'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 use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent 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 internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit 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 in the audit 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 of the management commentary.

Copenhagen, 05.08.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Kim Takata Mücke

State Authorised Public Accountant
Identification No (MNE) mne10944

Management commentary

Primary activities

The Company's primary objective is to invest in enterprises by capital contribution or contributions of bridge loans and any other activities, which the Executive Board deems incidental or conducive to the attainment of such objectives.

Description of material changes in activities and finances

The result for the year showed a loss of DKK 15 million primarily resulting from fair value loss from the Company's investment in its portfolio enterprise.

As a result of the loss for the year, the equity has negative equity at 31.12.2021.

Events after the balance sheet date and going concern

After the balance sheet date, the entity has sold its investments and proceeds have been used to settle bank loans, whereafter the negative equity is in all material respects funded by debt to group enterprises.

The entity will engage with its sole shareholder to discuss the future of the entity, including possible restructuring and/or liquidation. In the meantime there is an understanding with the shareholder that the debt to group enterprises will not be required paid until a plan for the future has been determined. Operating costs will be kept at minimum and funding will be covered by related parties on a case-by-case basis. Management has on this basis concluded that the Company can be regarded as a going-concern, at least until 31.12.2022.

Income statement for 2021

| | Notes | 2021 DKK | 2020 DKK |
|--|-------|---------------------|---------------------|
| Other external expenses | | (30,000) | (30,000) |
| Gross profit/loss | | (30,000) | (30,000) |
| Income from financial assets | | (12,665,104) | (23,334,907) |
| Other financial expenses | 2 | (1,983,766) | (1,865,320) |
| Profit/loss before tax | | (14,678,870) | (25,230,227) |
| Tax on profit/loss for the year | 3 | (506,278) | 0 |
| Profit/loss for the year | | (15,185,148) | (25,230,227) |
| Proposed distribution of profit and loss: | | | |
| Retained earnings | | (15,185,148) | (25,230,227) |
| Proposed distribution of profit and loss | | (15,185,148) | (25,230,227) |

Balance sheet at 31.12.2021

Assets

| | Notes | 2021 DKK | 2020 DKK |
|----------------------------------|-------|------------------|-------------------|
| Investments in group enterprises | | 0 | 18,665,104 |
| Other investments | | 6,000,000 | 0 |
| Deferred tax | | 0 | 506,278 |
| Financial assets | 4 | 6,000,000 | 19,171,382 |
| Fixed assets | | 6,000,000 | 19,171,382 |
| Cash | | 2,730 | 142 |
| Current assets | | 2,730 | 142 |
| Assets | | 6,002,730 | 19,171,524 |

Equity and liabilities

| | Notes | 2021 DKK | 2020 DKK |
|--|--------------|---------------------|---------------------|
| Contributed capital | | 1,000,000 | 1 |
| Retained earnings | | (15,848,503) | (27,663,355) |
| Equity | | (14,848,503) | (27,663,354) |
| Bank loans | | 0 | 6,000,000 |
| Payables to group enterprises | | 0 | 40,292,248 |
| Non-current liabilities other than provisions | | 0 | 46,292,248 |
| Bank loans | | 6,000,000 | 0 |
| Payables to group enterprises | | 14,731,233 | 452,630 |
| Other payables | | 120,000 | 90,000 |
| Current liabilities other than provisions | | 20,851,233 | 542,630 |
| Liabilities other than provisions | | 20,851,233 | 46,834,878 |
| Equity and liabilities | | 6,002,730 | 19,171,524 |
| Going concern | 1 | | |
| Contingent liabilities | 5 | | |

Statement of changes in equity for 2021

| | Contributed capital DKK | Retained earnings DKK | Total DKK |
|---------------------------|--|--------------------------------------|----------------------|
| Equity beginning of year | 1 | (27,663,355) | (27,663,354) |
| Increase of capital | 999,999 | 27,000,000 | 27,999,999 |
| Profit/loss for the year | 0 | (15,185,148) | (15,185,148) |
| Equity end of year | 1,000,000 | (15,848,503) | (14,848,503) |

Notes

1 Going concern

The Company is reporting negative equity at 31.12.2021. After the balance sheet date, the Company has sold its investments and thereafter, the Company does not have any assets left. The proceeds from the sale of investments have been used to settle bank loans, whereafter the Company only has debt to group enterprises left.

The Company will engage with its sole shareholder to discuss the future of the Company, including possible restructuring and/or liquidation. In the meantime there is an understanding with the shareholder that the debt to group enterprises will not be required paid and charging of interest has been put on hold from 01.01.2022 until a plan for the future has been determined. Operating costs will be kept at minimum and funding will be covered by related parties on a case-by-case basis. On this basis Management has concluded that it is appropriate to consider the Company a going-concern, at least until 31.12.2022.

2 Other financial expenses

| | 2021 | 2020 |
|---|------------------|------------------|
| | DKK | DKK |
| Financial expenses from group enterprises | 1,637,378 | 1,551,695 |
| Other interest expenses | 326,824 | 305,041 |
| Other financial expenses | 19,564 | 8,584 |
| | 1,983,766 | 1,865,320 |

3 Tax on profit/loss for the year

| | 2021 | 2020 |
|------------------------|----------------|-------------|
| | DKK | DKK |
| Change in deferred tax | 506,278 | 0 |
| | 506,278 | 0 |

4 Financial assets

| | Investments in group enterprises DKK | Other investments DKK | Deferred tax DKK |
|--------------------------------------|---|-----------------------------|---------------------|
| Cost beginning of year | 42,000,011 | 0 | 506,278 |
| Transfers | (42,000,011) | 42,000,011 | 0 |
| Disposals | 0 | 0 | (506,278) |
| Cost end of year | 0 | 42,000,011 | 0 |
| Impairment losses beginning of year | (23,334,907) | 0 | 0 |
| Transfers | 36,000,011 | (36,000,011) | 0 |
| Fair value adjustments | (12,665,104) | 0 | 0 |
| Impairment losses end of year | 0 | (36,000,011) | 0 |
| Carrying amount end of year | 0 | 6,000,000 | 0 |

5 Contingent liabilities

Until during 2021, the company has been administration company in a joint taxation with Noa Noa A/S, whereby the company is liable for income taxes for the jointly taxed companies for the periods where the joint taxation existed, including obligations relating to withholding tax of interest, royalties and dividend for the jointly taxed entities.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

Changes in accounting policies

In previous years the Company prepared its financial statements in accordance with IFRS. With effect from 2021, the Company prepares its financial statements in accordance with the Danish Financial Statements Act.

The change in accounting framework is due to the Company is no longer holding a majority interest in a subsidiary, which prepared its financial statements in accordance with IFRS, and hence there is no longer a need for the Company also to apply IFRS.

The change in framework has no impact on recognition and measurement of profit/loss for the year and equity end for the year. As a result of the change to the Danish Financial Statements Act certain descriptions and presentation form have changed. Comparative figures have been adjusted accordingly.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Other external expenses

Other external expenses include miscellaneous corporate expenses.

Loss from other fixed asset investments

Loss from other fixed asset investments comprises losses including impairment write-downs from fixed asset investments.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses to group enterprises.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Investments in group enterprises**

Investments in group enterprises are measured at estimated fair value with any revaluations recognized directly in revaluation reserve as part of equity, whereas any write-downs below the cost price are recognized as an impairment loss in the income statement.

Other investments

Other investments are measured at estimated fair value with any revaluations recognized directly in revaluation reserve as part of equity, whereas any write-downs below the cost price are recognized as an impairment loss in the income statement.

Deferred tax

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.