Brink Serviced Offices ApS

Lyngbyvej 20, 3.
2100 København Ø

Annual report for 2017

Adopted at the annual general meeting on
14 May 2018

DocuSigned by:
Remo Gross
12F7726EFA55427...
chairman

CVR-nr. 15 30 00 78

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of Brink Serviced Offices ApS for the financial year 1 January - 31 December 2017.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 14 May 2018

Executive board

DocuSigned by: Patrick Bakker B8F2A494554E4A4...	DocuSigned by: Remo Gross 1257726EEA55427...
Patrick Bakker	Remo Gross
Director	Director

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Brink Serviced Offices ApS

Auditors' Report on the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Brink Serviced Offices ApS for the financial year 1 January - 31 December 2017, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under the Danish Financial Statements Act.

We do not express any audit opinion on the financial statements. Because of the significance of the matter described in the "Basis for Disclaimer of Opinion" paragraph, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion.

Basis for Disclaimer of Opinion

The company's bookkeeping and other fundamental principles used for the annual accounts were incomplete in the financial years 2015 and 2016, and on this basis, the annual report for 2016 was presented without an audit opinion. Subsequently, we have not in any other way been able to obtain sufficient and appropriate audit evidence about the company's opening balance sheet and comparative figures.
Since the values at the beginning of the year in the balance sheet are included in the determination of the result of net financials, we have not been able to obtain sufficient and appropriate evidence, whether any adjustments might have been considered necessary in relation to the profit and loss account, and values at year end 2017 have no longer been effected by mistakes in 2015 and 2016. Reference is made to Management's review for further details.

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 audit of the financial statements

We are responsible for conducting an audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark and for issuing an auditor's report. However, because of the matter described in the "Basis for Disclaimer of Opinion" paragraph, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

INDEPENDENT AUDITOR'S REPORT

As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the company, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Statement on management's review

As described in the "Basis-for-Disclaimer-of-Opinion" paragraph, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an opinion. Therefore we do not provide a statement on management's review.

Report on other legal and regulatory requirements

Reporting according to Danish Bookkeeping Act § 7, stk. 2

The company has not complied with Danish Bookkeeping Act that financial records must be kept in Denmark. In addition, the company has no access to the books' specifications for the period 1 January 2015 – 31 March 2015. The company's management may incur liability for breach of the Danish Bookkeeping Act.

Copenhagen, 14 May 2018

CHRISTENSEN KJÆRULFF
Statsautoriseret Revisionsaktieselskab
CVR no. 15 91 56 41

Sven-Erik Vejlby
State Authorized Public Accountant
MNE no. mne25075

COMPANY DETAILS

The company	Brink Serviced Offices ApS Lyngbyvej 20, 3. 2100 København Ø	
	CVR no.:	15 30 00 78
	Reporting period:	1 January - 31 December 2017
	Incorporated:	15. July 1991
	Domicile:	Copenhagen
Executive board	Patrick Bakker, director Remo Gross, director	
Auditors	Christensen Kjærulff Statsautoriseret Revisionsaktieselskab Store Kongensgade 68 1264 København K	

MANAGEMENT'S REVIEW

Business activities

The company operates as provider of office facilities and other related holding.

Business review

The Company's income statement for the year ended 31 December shows a loss of DKK 1.387.731, and the balance sheet at 31 December 2017 shows equity of DKK 4.939.786.

The management acknowledges the auditors' basis for disclaimer of opinion related to the incomplete bookkeeping in the financial years 2015/2016 and its impact to 2017 values. The position of the management is that the issues for 2015/16 were mainly caused by insufficient and incomplete records from 2015 acquisition. Management put in place appropriate controls in 2017 in order to correct the accounting records and ensure that 2017 closing balances are materially free of error. The management is confident that the project has been successfully completed and 2018 accounts should not be further distorted with the past issues.

ACCOUNTING POLICIES

The annual report of Brink Serviced Offices ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected provisions as regards larger entities.

The accounting policies applied are consistent with those of last year.

The financial statement are presented in DKK.

Pursuant to sections §110 subsection 1, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, consumables and other external expenses.

ACCOUNTING POLICIES

Revenue
Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other operating expenses
Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and property, plant and equipment.

Other external expenses
Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs
Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Financial income and expenses
Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Profit/loss from investments in subsidiaries and associates
The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the companyafter full elimination of intra-group profits/losses.

Tax on profit/loss for the year
The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

ACCOUNTING POLICIES

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in subsidiaries and associates

Investment in subsidiaries and associates are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there are indications of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Income tax and deferred tax

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

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

ACCOUNTING POLICIES

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2017	2016
		DKK	DKK
Gross profit		**-158.827**	**391.281**
Staff costs	1	0	-128.977
Profit/loss before financial income and expenses		**-158.827**	**262.304**
Income from investments in subsidiaries		-1.250.000	0
Financial income	2	4.484	2.866
Financial costs		-22.176	-3.548
Profit/loss before tax		**-1.426.519**	**261.622**
Tax on profit/loss for the year	3	111.388	188.037
Net profit/loss for the year		**-1.315.131**	**449.659**
Proposed distribution of profit			
Retained earnings		-1.315.131	449.659
		-1.315.131	**449.659**

BALANCE SHEET 31 DECEMBER

	Note	2017	2016
		DKK	DKK
ASSETS			
Investments in subsidiaries	4	752.500	2.002.500
Fixed asset investments		**752.500**	**2.002.500**
Fixed assets total		**752.500**	**2.002.500**
Trade receivables		2	514
Receivables from subsidiaries		4.588.454	4.750.882
Other receivables		3.767	2.830
Receivables		**4.592.223**	**4.754.226**
Cash at bank and in hand		**0**	**28.217**
Current assets total		**4.592.223**	**4.782.443**
Assets total		**5.344.723**	**6.784.943**

BALANCE SHEET 31 DECEMBER

	Note	2017	2016
		DKK	DKK
LIABILITIES AND EQUITY			
Share capital		500.000	500.000
Retained earnings		4.512.386	5.827.517
Equity	5	**5.012.386**	**6.327.517**
Provision for deferred tax		0	370.531
Provisions total		**0**	**370.531**
Trade payables		1	0
Payables to subsidiaries		0	200
Corporation tax		259.143	57.557
Other payables		73.193	29.138
Short-term debt		**332.337**	**86.895**
Debt total		**332.337**	**86.895**
Liabilities and equity total		**5.344.723**	**6.784.943**
Contingent assets, liabilities and other financial obligations	6		
Charges and securities	7		
Related parties and ownership	8		

NOTES

		2017	2016
		DKK	DKK
1	**STAFF COSTS**		
	Other staff costs	0	128.977
		0	128.977
	Average number of employees	0	0

		2017	2016
2	**FINANCIAL INCOME**		
	Interest received from subsidiaries	4.484	2.866
		4.484	2.866

		2017	2016
3	**TAX ON PROFIT/LOSS FOR THE YEAR**		
	Current tax for the year	259.143	57.557
	Deferred tax for the year	-370.531	370.531
	Adjustment of tax concerning previous years	0	-255.806
	Adjustment of deferred tax concerning previous years	0	-360.319
		-111.388	-188.037

NOTES

	2017	2016
	DKK	DKK
4 INVESTMENTS IN SUBSIDIARIES		
Cost at 1 January 2017	2.442.920	2.442.920
Cost at 31 December 2017	2.442.920	2.442.920
Revaluations at 1 January 2017	-440.420	59.580
Net profit/loss for the year	-1.250.000	-500.000
Revaluations at 31 December 2017	-1.690.420	-440.420
Carrying amount at 31 December 2017	752.500	2.002.500

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership	Equity	Net profit/loss for the year
Business Center Nord ApS	Copenhagen	100%	2.754.421	1.263.472
Business Center City ApS	Copenhagen	100%	-66.719	-387.319
Business Center Hørsholm af 2005 ApS	Hørsholm	100%	-8.073	-130.476
Business Center Havnegade ApS	Copenhagen	51%	3.613.712	488.770
Business Center Winghouse ApS	Copenhagen	51%	2.688.676	388.195
Business Center Lyngby Hovedgade ApS	Kgs. Lyngby	100%	-797.889	-1.026.835
Business Center Strandvejen ApS	Hellerup	100%	4.879.283	982.122

NOTES

5 EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2017	500.000	5.827.517	6.327.517
Net profit/loss for the year	0	-1.315.131	-1.315.131
Equity at 31 December 2017	500.000	4.512.386	5.012.386

There have been no changes in the share capital during the last 5 years.

6 CONTINGENT ASSETS, LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contingent Liabilities
Regus Management ApS being the administration company, the company is subject to the Danish scheme of joint taxation and, as from the financial year 2015, unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

As from 2015, the company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax interest, royalties and dividends.

Other contingent liabilities
The company have given a guaranty to the landlord of Strandvejen Business Center ApS of DKK 2 mill.

7 CHARGES AND SECURITIES

The company is jointly tax registered with other Regus companies and is therefore jointly liable for VAT settlement.

8 RELATED PARTIES AND OWNERSHIP

Controlling interest

IWG Plc, 22 Grenville Street, st. Heller, JE4 8PX Jersey.

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Sven-Erik Vejlby
Statsautoriseret revisor
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