

REGUS DENMARK HOLDING APS
Tuborg Boulevard 12, 3. sal
2900 Hellerup

Annual report for 2023

Adopted at the annual general meeting on
31 July 2024

DocuSigned by:



Lynsey Anne Blair
chairman

TABLE OF CONTENTS

	Page
Statements	
Statement by management on the annual report	3
Independent auditor's report	4
Management's review	
Company details	7
Management's review	8
Financial statements	
Accounting policies	9
Income statement 1 January - 31 December	12
Balance sheet 31 December	13
Statement of changes in equity	15
Notes	16

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of Regus Denmark Holding ApS for the financial year 1 January - 31 December 2023.

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

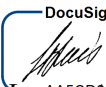
In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In my 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 by the company in general meeting.

Copenhagen, 31 July 2024

Executive board

DocuSigned by:

A5CD90A89B418
Lynsey Ann Blair
Director

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Regus Denmark Holding ApS

Opinion

We have audited the financial statements of Regus Denmark Holding ApS for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under 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 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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

We draw attention to note 1 in the financial statements, stating the Company's financial situation in which it is indicated that material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw attention to note 2 in the financial statements setting out that there is material uncertainty related to the measurement of the Investments in subsidiaries. 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 the 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.

INDEPENDENT AUDITOR'S REPORT

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 company'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 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 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 company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, 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 management's review

Management is responsible for management's review.

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

INDEPENDENT AUDITOR'S REPORT

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that management's review 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 management's review.

Copenhagen, 31 July 2024

KPMG P/S

CVR no. 25 57 81 98

Signed by:



Henrik T. Jensen

State Authorized Public Accountant

MNE no. mne35442

COMPANY DETAILS

The company	Regus Denmark Holding ApS Tuborg Boulevard 12, 3. sal 2900 Hellerup
	CVR no.: 28 30 88 09
	Reporting period: 1 January - 31 December 2023
	Incorporated: 27 December 2004
	Domicile: Gentofte
Executive board	Lynsey Ann Blair
Auditors	KPMG P/S Dampfærgevej 28 2100 København Ø CVR-no. 25578198

MANAGEMENT'S REVIEW

Business review

Regus Denmark Holding ApS is the parent company of 11 subsidiaries which operates centers or related activities. The activities are in Denmark.

The Company will continue to implement active marketing and operating strategies to increase occupancy from service agreements. In addition, the Company remains supported under an Intra- Group Facility Agreement that allows to receive advances as and when needed for the operation and management of its business and for general corporate purposes.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 2.056.180, and the balance sheet at 31 December 2023 shows negative equity of DKK 23.200.146.

Significant events occurring after the end of the financial year

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

Material uncertainty related to going concern

The company has realized a loss in the financial year ending 31 December 2023 and the Company's current liabilities at this date exceed its current assets.

The company is dependent on IWG Group regularly provide sufficient and necessary liquidity to ensure that the company is able to fulfill its obligations and liabilities as they fall due until the annual general meeting where the annual report for 2024 will be approved.

No commitment in financial support has been provided from IWG Group, which indicate that a material uncertainty exist and may cast significant doubt on the Company's ability to continue as a going concern.

Management however expect that IWG Group have the ability and intention to provide necessary financial support as in previous years. On this basis the financial statements for the year ended 31 December 2023 has been prepared on a going concern basis.

Uncertainty related to recognition and measurement:

Uncertainty regarding recognition and measurement exists in relation to valuation of investments in subsidiaries and intercompany receivables. We refer to note 2 for further.

Financial risks

The Company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

Key performance indicators used by management include assessment of turnover, occupancy rates and profitability per unit.

ACCOUNTING POLICIES

The annual report of Regus Denmark Holding ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

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

The annual report for 2023 is presented in DKK

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements for Regus Denmark Holding ApS and its group entities are part of the consolidated financial statements for IWG Plc, 22 Grenville Street, st. Heller, JE4 8PX Jersey.

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 installments 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 loss

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

Gross loss reflects other external expenses.

Other external expenses

Other external expenses include expenses related to administration.

ACCOUNTING POLICIES

Financial expenses

Financial expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest expenses, as well as allowance and surcharges under the advance payment of tax scheme, etc.

Impairment of financial assets

Value of financial assets are not carried at more than their recoverable amount. The residual is recognised as impairment of financial assets.

Tax on profit/loss for the year

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.

The entity and its Danish group entities are taxed on a joint basis. The danish income tax charge is allocated between profit-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Investments in subsidiaries

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

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

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. Deferred tax is measured at net realisable value.

ACCOUNTING POLICIES

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

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

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
Gross profit		-307.930	-719.347
Impairment losses recognised in respect of current assets exceeding normal impairment losses		0	-18.354.171
Financial costs	4	-1.778.254	-801.149
Profit/loss before tax		-2.086.184	-19.874.667
Tax on profit/loss for the year	5	30.004	23.871
Profit/loss for the year		-2.056.180	-19.850.796
 Recommended appropriation of profit/loss			
Retained earnings		-2.056.180	-19.850.796
		-2.056.180	-19.850.796

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
ASSETS			
Investments in subsidiaries	6	<u>0</u>	<u>0</u>
Fixed asset investments		<u>0</u>	<u>0</u>
Total non-current assets		<u>0</u>	<u>0</u>
Receivables from group enterprises		15.000	71.827
Corporation tax		<u>30.004</u>	<u>23.871</u>
Receivables		<u>45.004</u>	<u>95.698</u>
Total current assets		<u>45.004</u>	<u>95.698</u>
Total assets		<u><u>45.004</u></u>	<u><u>95.698</u></u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
EQUITY AND LIABILITIES			
Share capital		500.000	500.000
Retained earnings		-23.700.146	-21.643.966
Equity		-23.200.146	-21.143.966
Prepayments received from customers		184.999	183.804
Trade payables		101.705	3.685.823
Payables to group enterprises		22.958.446	17.370.037
Total current liabilities		23.245.150	21.239.664
Total liabilities		23.245.150	21.239.664
Total equity and liabilities		45.004	95.698
Uncertainty about the continued operation (going concern)	1		
Uncertainty in measurement	2		
Contingent liabilities	7		

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2023	500.000	-21.643.966	-21.143.966
Net profit/loss for the year	<u>0</u>	<u>-2.056.180</u>	<u>-2.056.180</u>
Equity at 31 December 2023	<u><u>500.000</u></u>	<u><u>-23.700.146</u></u>	<u><u>-23.200.146</u></u>

NOTES

1 UNCERTAINTY ABOUT THE CONTINUED OPERATION (GOING CONCERN)

The company has realized a loss in the financial year ending 31 December 2023 and the Company's current liabilities at this date exceed its current assets.

The company is dependent on IWG Group regularly provide sufficient and necessary liquidity to ensure that the company is able to fulfill their obligations and liabilities as they fall due until the annual general meeting where the annual report for 2024 will be approved.

No commitment in financial support has been provided from IWG Group, which indicates that a material uncertainty exists and may casts significant doubt on the Company's ability to continue as a going concern.

Management however expects that IWG Group has the ability and intention to provide necessary financial support as in previous years. On this basis the financial statements for the year ended 31 December 2023 have been prepared on a going concern basis.

2 UNCERTAINTY IN MEASUREMENT

The measurement of the Investments in subsidiaries is depending on the subsidiaries' ability to generate sufficient cash inflows for the company to cover the book value of the Investments in subsidiaries which requires that they continue as going concern. This is dependent from financial support from IWG Group and therefore a related material uncertainty exists as described in note 1. Since management expects that IWG Group has the ability and intention to provide necessary financial support as in previous years these assets have not been impaired.

3 STAFF COSTS

Number of fulltime employees on average

	2023	2022
	DKK	DKK
Number of fulltime employees on average	0	0

4 FINANCIAL COSTS

Financial expenses, group entities

Exchange loss

Financial expenses, group entities	1.778.254	799.465
Exchange loss	0	1.684
	1.778.254	801.149

5 TAX ON PROFIT/LOSS FOR THE YEAR

Current tax for the year

Current tax for the year	-30.004	-23.871
	-30.004	-23.871

NOTES

	<u>2023</u>	<u>2022</u>
	DKK	DKK
6 INVESTMENTS IN SUBSIDIARIES		
Cost at 31. December 2023 at 1 January 2023	<u>19.234.171</u>	<u>19.234.171</u>
Cost at 31. December 2023 at 31 December 2023	<u>19.234.171</u>	<u>19.234.171</u>
Revaluations at 1 January 2023	-19.234.171	-880.000
Revaluations for the year, net	<u>0</u>	<u>-18.354.171</u>
Revaluations at 31 December 2023	<u>-19.234.171</u>	<u>-19.234.171</u>
Carrying amount at 31 December 2023	<u><u>0</u></u>	<u><u>0</u></u>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Registered office</u>	<u>Ownership interest</u>	<u>Equity</u>	<u>Profit/loss for the year</u>
Regus København ApS	Hellerup	100%	-63.488.940	-5.946.202
Regus Tuborg Harbour ApS	Hellerup	100%	-26.141.109	-121.296
Development Denmark 01 ApS	Hellerup	100%	-13.153.467	-588.509
Lyngby Centre ApS	Hellerup	100%	-14.812.065	-1.301.756
Express CPHA ApS	Hellerup	100%	-23.794.934	-4.334.688
Ballerup Business Centre ApS	Hellerup	100%	-8.973.160	-662.949
Soeborg Business Centre ApS	Hellerup	100%	-2.900.520	-241.818
Aalborg City-House Business Centre ApS	Hellerup	100%	-5.063.108	-440.042
Odense Queens Garden Business Centre ApS	Hellerup	100%	-3.054.191	-328.955
Ny Carlsberg Vej Centre ApS	Hellerup	100%	-14.362.056	-1.332.746
WSG Holding ApS	Hellerup	100%	-3.831.280	-326.882

NOTES

7 CONTINGENT LIABILITIES

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 2013, unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

As from 2012, the company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax interest, royalties and dividends.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may changes in the company's liabilities.

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