

Bjarke Ingels Group A/S

Kløverbladsgade 56
2500 Valby
Denmark

CVR no. 29 30 93 96

Annual report 2021

The annual report was presented and approved at
the Company's annual general meeting on

9 June 2022


Sheets 5096.d (June 2, 2022, 18:07 GMT+2)

Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Bjarke Ingels Group A/S for the financial year 1 January – 31 December 2021.

The annual report has been 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 assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 9 June 2022
Executive Board:



Sheela Sogaard (Jun 9, 2022 18:07 GMT+2)

Sheela Maini Sogaard
Christiansen

Board of Directors:



Christian Madsbjerg (Jun 9, 2022 14:24 EDT)

Christian Madsbjerg
Chairman



Bjarke Bundgaard Ingels
Vice Chairman



Finn Nørkjær (Jun 9, 2022 17:38 GMT+1)

Finn Nørkjær



Andreas Klok Pedersen (Jun 10, 2022 13:20 GMT+1)

Andreas Klok Pedersen



Thomas Christoffersen



Shahrzad Rafati (Jun 10, 2022 16:14 GMT+2)

Shahrzad Rafati

Independent auditor's report

To the shareholders of Bjarke Ingels Group A/S

Opinion

We have audited the financial statements of Bjarke Ingels Group A/S for the financial year 1 January – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including 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 Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 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 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' 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.

Management's responsibility 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 that 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

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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

Independent auditor's report

- identify and assess the risks of material misstatement of the company 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 the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 9 June 2022

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Anja Bjørnholt Lütchke (Jun 10, 2022 19:30 GMT+2)

Anja Bjørnholt Lütchke
State Authorised
Public Accountant
mne26779



Martin Pieper
State Authorised
Public Accountant
mne44063

Bjarke Ingels Group A/S
Annual report 2021
CVR no. 29 30 93 96

Management's review

Company details

Bjarke Ingels Group A/S
Kløverbladsgade 56
2500 Valby
Denmark

CVR no.:	29 30 93 96
Established:	20 January 2006
Registered office:	Copenhagen
Financial year:	1 January – 31 December

Board of Directors

Christian Madsbjerg, Chairman
Bjarke Bundgaard Ingels, Vice Chairman
Finn Nørkjær
Andreas Klok Pedersen
Thomas Christoffersen
Shahrazad Rafati

Executive Board

Sheela Maini Søgaard Christiansen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Financial highlights

Financial highlights of Bjarke Ingels Group A/S

DKK'000	2021	2020	2019	2018	2017
Revenue	269,525	264,228	288,686	240,803	233,494
Gross profit	199,359	214,248	214,841	178,046	166,268
Ordinary operating profit/loss	28,581	53,038	65,632	43,973	45,404
Net financial income and expenses	4,190	-5,234	2,168	1,345	-9,887
Profit for the year	31,734	45,941	84,675	58,912	62,533
Total assets	433,957	365,016	379,809	271,239	269,453
Investment in fixed assets	1,446	5,446	11,556	4,695	6,173
Equity	295,703	253,382	279,985	192,955	193,567
Return on assets	6.6%	14.5%	17.3%	16.2%	16.9%
Return on equity	11.6%	17.2%	35.8%	30.5%	37.8%
Solvency ratio	68.1%	69.4%	73.7%	71.1%	71.8%
Average number of full-time employees	262	258	253	222	216

Proforma financial highlights of BIG Brand Group's activities*

DKK'000	2021	2020	2019	2018	2017
Revenue	668,753	670,781	634,819	505,328	492,142
Gross profit	462,077	466,255	446,257	349,374	363,868
Ordinary operating profit/loss	91,699	96,381	102,221	44,447	96,450
Net financial income and expenses	-2,248	-12,388	-390	1,954	-10,609
Profit for the year	76,622	58,890	86,367	35,428	63,732
Total assets	544,546	475,873	428,759	304,301	365,196
Equity	300,980	259,369	270,912	183,732	229,422
Return on assets	16.8%	20.3%	23.8%	14.6%	26.4%
Return on equity	30.5%	22.2%	38.0%	17.2%	32.0%
Solvency ratio	55.3%	54.5%	63.2%	60.4%	62.8%

*Reference is made to Supplementary statement page 29-37.

Management's review

Operating review

Main activities

The main activity of Bjarke Ingels Group ("the company") is general architectural and design related services.

Group structure

Bjarke Ingels Group (The BIG Group) consists of entities owned and operated under BIG's Denmark based entity, including a number of entities outside of Denmark, as well as a number of entities that operate under the BIG brand name with different ownership structures.

A proforma financial statement has been included to the annual report.

The Annual Report

For the purpose of clarity, the Annual report includes only the entities owned and operated under BIG's Denmark based entity, BIG A/S. These include entities in Denmark, Spain, China and Thailand whose main activities are providing architectural and related services, as well as an entity in the United States whose main activity is providing design and management services.

The Proforma Financial Statement

In order to provide a complete overview of the financial activities of the BIG Brand Group, a proforma financial statement has been included as a supplementary statement to the annual report. In addition to the above-mentioned entities owned and operated by BIG A/S, these count three additional entities: one in the UK as well as two in the United States. The proforma financial statement is included as a supplement to the 2021 annual report.

Development in the year and expectations for the BIG Brand Group's activities

The COVID-19 pandemic has had a significant impact on people, businesses and communities worldwide, creating challenges for all. In line with the previous year, the BIG Group's overriding priorities in response to the COVID-19 crisis continued to be: protecting the health and safety of our people, clients and communities; minimizing disruption to operations and client service delivery; and preserving financial strength globally.

The Group's 2020 prediction that FY 2021 financial results would resemble 2020 proved accurate. Based on these expectations, the Group considers the 2021 results satisfactory.

The income statement 2021 for BIG A/S shows a profit of DKK 31,734 thousand whereas the balance sheet as of 31 December 2021 shows equity of DKK 295,703 thousand.

The proforma income statement 2021 which includes all international entities operating under the BIG brand name shows a profit of DKK 76,622 thousand. The proforma balance sheet as of 31 December 2021 shows equity of DKK 300,980 thousand.

In the US specifically, the BIG Group has been impacted as expected and has witnessed a slower recovery. The signs of increased activity are slowly appearing and while it may take longer than initially expected to recover to pre-pandemic activities in the Americas, the Group is soundly optimistic about new opportunities globally.

Management's review

Operating review

During 2021 the BIG Group focused on several important strategic milestones in the company's efforts to strengthen the foundation of BIG, respond to the clients' current needs, and position BIG for future success. BIG's FY 2021 accomplishments include the following:

- establishing BIG's presence in the People's Republic of China. A representation office was established in Q1 2021 to support the growing interest for BIG's services in this region. The group expects the office to grow over the coming years and to see increased activity from projects and clients in this region.
- BIG continued to offer services and expand project scope under the umbrella of BIG LEAP: Landscape, Engineering, Architecture and Products. With an investment in Danish-based contractor, PIHL we have expanded our ability to advise our clients in all development phases.
- BIG continued its 2 year research in how to plan for carbon neutrality on a global scale.
- In the effort to reduce the carbon footprint of the built environment BIG continued its commitment and investment to developing our own Life-Cycle Analysis tool. The tool enables us to measure and reduce climate impact of our work and in doing so demonstrate our expertise in sustainable design and delivery.
- BIG began growing expertise in transport and infrastructure, master and city planning, sports, education and culture. The Group is confident that these segments will prove to grow in the mid- and long-term future.
- BIG embarked on a strategic partnership to combat climate change with Ørsted A/S for COP26 and beyond.
- BIG invested in NABR, a people-first housing firm dedicated to supplying sustainable and financially attainable apartments.
- BIG added 6 new Partners. With these 6 additions we strengthen our growing offices in Europe and add expertise and knowledge to our design and execution. The new partner intake also increases our diversity representation in the owner group and is representative of the Group's commitment to promoting talent equitably.
- To support the ongoing growth of our business activities BIG London moved to new offices with room for the now 120 BIGsters in this office while the Barcelona office also moved to new offices providing facilities for 40 BIGsters.
- BIG re-invested in Klein A45 as the small living typology and cabins continues to be a growing market.

The BIG group continues to be focused on expanding its geographical reach as well as its programmatic diversity. We are optimistic about our future opportunities under the LEAP umbrella and continue to see and grab new possibilities for developing our brand group.

Management's review

Operating review

Expectations for the BIG Brand Group's Activities

The BIG Group is well placed to open a world of opportunity for our clients as economic recovery continues in some parts of the world, while experiencing more uncertainty in others. With an increased foothold in central Europe, the Group now has offices in London, New York, Copenhagen and Barcelona.

Our UK entity, into its 7th financial year has experienced a healthy growth in 2021 with a significant increase in both revenue and employee numbers. Where many countries have seen a slow-down during Covid-19, BIG Partners Limited's primary areas of operation, the UK (London in particular) and the Middle East, have continued with optimistic investment in commercial and high-end residential developments.

The group's presence in Barcelona, Spain is showing impact in acquiring and positioning for new opportunities in the Iberian markets and clients and we expect growth here in 2022 and the coming years.

In 2021 the Group established a permanent entity in Shenzhen, China which has proven fruitful in expanding our opportunities in this region. The Group expects its Chinese and Southeast Asian portfolio to expand in the years to come and remains committed to this region.

The group is aware that Investments into new markets is a long play and can take years to bear fruit and the Group has remained loyal to its commitments to new markets during the past 2 years despite COVID-19's impact to established markets. We are confident that we will see the positive effects of this in the near-term future.

In conclusion, the Management while satisfied with the Group results of FY 2021 is focused on growth and segment expansion in 2022 and beyond. The Group has a positive outlook for the coming years and continues our commitment to building a better future for all.

With regard to the war in Ukraine

The group has no work in Russia or Ukraine and has not experienced direct impact or disruption due to the ongoing conflict. The Group anticipates however that a continued long-term conflict between nations will eventually have an impact on its activities in all markets.

Management's review

Operating review

Foreign exchange risks

We endeavor to minimize foreign exchange risks related to our projects by matching, to the extent possible, the income and expenses in the same currency in the individual projects. BIG has a significant amount of its activities in various international markets where contracts are entered primarily in USD, EUR or DKK. The Group is thus exposed to currency fluctuations in USD.

Corporate Social Responsibility

Commitment to Sustainability

Since BIG's foundation in 2005, the company's work has centered around making cities, neighborhoods, and entire regions more livable, resilient, and sustainable. BIG's early projects were civic and affordable housing projects in Denmark designed around giving communities new green, social and recreational spaces. As the office has grown to over 600 employees, BIG has transitioned its approach to design under the umbrella of BIG LEAP: Landscape, Engineering, Architecture and Products. This holistic approach allows BIG to use our collective creative knowledge to redefine the architecture, engineering, and construction industry, streamline BIG's design process, and give form to a future that we all want to live in. Although designing for a socially, economically and environmentally conscious future has been part of BIG's DNA since the beginning, the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption, and the 17 UN Sustainable Development Goals, have been instrumental to BIG's operations since joining the UN Global Compact in 2010. As a result, BIG's projects have been honored by some of the world's highest sustainability standards, including LEED, Green Mark, Minergie, DGNB, BREEAM NO, HQE, Estidama, and Passive House Standards.

The CSR report for 2021 is available at our homepage <https://big.dk/wp-content/uploads/2012/06/Annual-Sustainability-Report-2021.pdf>

Diversity, Equity and Inclusion

In 2021, BIG founded a global Diversity, Equity and Inclusion Committee, tasked with bringing more of all three to the firm. In 2021 and beyond, the BIG DEI Committee identified six DEI pillars as the framework for DEI and the company is already seeing positive effects of this effort. We aim to increase the inclusion of women to 40% of our leadership, and the number of black, indigenous and people of color (BIPOC) individuals to 25% by 2024. In 2021, women make up 47% of the total workforce at BIG: 45% of architects/designers; 37% of Associates and Directors, 67% of the C-suite and 17% of the partner group. BIG's DEI Committee works to ensure that all employees at BIG feel safe, heard, and that they have opportunities to succeed at BIG. The goal was not achieved during 2021 as there were no replacements to the Board of Directors. The Board of Directors were expanded with 1 male member, who is also a partner of the Company. BIG has set a target stating that two general-assembly elected member of the Board of Directors must be a woman by 2024. we will be searching for women with knowledge of our industry when the time comes to consider changes. For further see our CSR report.

Data Privacy & Protection

Our data ethics principles apply in all aspects of the purchase, implementations and process of technologies that uses any kind of data. We strive to only use, collect, and process data necessary to fulfill the desired tasks in focus. It is always considered whether it is possible to achieve the same purpose by collecting anonymized data instead of personally identifiable data. The data processing must always comply with the applicable law, hence why BIG requires processing of personal data to act in accordance with the General Data Protection Regulation (GDPR).

The data protection policy is available at our homepage [201110_Privacy-Policy-BIG.dk-final-BIG.pdf](https://big.dk/wp-content/uploads/2011/10/Privacy-Policy-BIG.dk-final-BIG.pdf).

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2021	2020
Revenue	2	269,525	264,228
Costs of sales		-38,518	-27,033
Other external costs		-31,648	-22,947
Gross profit		199,359	214,248
Staff costs	3	-165,236	-155,503
Depreciation, amortisation and impairment losses		-5,542	-5,707
Profit before financial income and expenses		28,581	53,038
Income/loss from equity investments in group entities		5,066	8,640
Other financial income	4	5,311	1,073
Other financial expenses	5	-1,121	-6,307
Profit before tax		37,837	56,444
Tax on profit for the year	6	-6,103	-10,503
Profit for the year	7	31,734	45,941

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
ASSETS			
Fixed assets			
Intangible assets	8		
Right of patents under application		1,041	872
Software		<u>1,564</u>	<u>1,920</u>
		<u>2,605</u>	<u>2,792</u>
Property, plant and equipment	9		
Fixtures and fittings, tools and equipment		6,599	7,297
Leasehold improvements		<u>1,470</u>	<u>2,237</u>
		<u>8,069</u>	<u>9,534</u>
Investments			
Equity investments in group entities	10	142,069	125,300
Deposits		<u>485</u>	<u>699</u>
		<u>142,554</u>	<u>125,999</u>
Total fixed assets		<u>153,228</u>	<u>138,325</u>
Current assets			
Receivables			
Trade receivables		70,453	45,488
Receivables from group entities		156,648	114,163
Construction contracts	11	18,354	24,302
Other receivables	18	15,838	15,209
Corporation tax		4,756	0
Prepayments	12	<u>5,949</u>	<u>4,631</u>
		<u>271,998</u>	<u>203,793</u>
Cash at bank and in hand		<u>8,731</u>	<u>22,898</u>
Total current assets		<u>280,729</u>	<u>226,691</u>
TOTAL ASSETS		<u><u>433,957</u></u>	<u><u>365,016</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital	13	500	500
Reserve for net revaluation under equity method		140,891	125,163
Retained earnings		<u>154,312</u>	<u>127,719</u>
Total equity		<u>295,703</u>	<u>253,382</u>
Provisions			
Provisions for deferred tax	14	39,939	34,080
Provisions for equity investments in group entities		<u>1,859</u>	<u>1,784</u>
Total provisions		<u>41,798</u>	<u>35,864</u>
Liabilities other than provisions			
Non-current liabilities other than provisions			
Lease obligations	15	784	2,335
Other payables		<u>12,128</u>	<u>12,183</u>
		<u>12,912</u>	<u>14,518</u>
Current liabilities other than provisions			
Current portion of non-current liabilities	15	1,401	556
Banks, current liabilities		9,889	42
Pre-invoicing, construction contracts	11	22,779	18,393
Trade payables		10,550	10,315
Payables to group entities		0	70
Other payables		<u>38,925</u>	<u>31,876</u>
		<u>83,544</u>	<u>61,252</u>
Total liabilities other than provisions		<u>96,456</u>	<u>75,770</u>
TOTAL EQUITY AND LIABILITIES		<u>433,957</u>	<u>365,016</u>
Fees to auditor appointed at the general meeting	16		
Contractual obligations, contingencies, etc.	17		
Related party disclosures	18		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Reserve for net revaluation under equity method	Retained earnings	Total
Equity at 1 January 2021	500	125,163	127,719	253,382
Exchange adjustment	0	10,587	0	10,587
Transferred over the profit (loss) appropriation	0	5,141	26,593	31,734
Equity at 31 December 2021	500	140,891	154,312	295,703

Financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	2021	2020
Profit for the year		31,734	45,941
Adjustments	19	2,314	12,804
Cash flows from operations before changes in working capital		34,048	58,745
Changes in working capital	20	-41,767	-10,865
Cash flows from ordinary activities		-7,719	47,880
Financial income		5,311	1,073
Financial expenses		-1,121	-6,307
Corporation tax paid		-5,000	-9,286
Cash flows from operating activities		-8,529	33,360
Acquisition of intangible assets incl. patents		-658	0
Sale of intangible assets		0	-322
Acquisition of property, plant and equipment		-3,282	-5,445
Disposal of property, plant and equipment		49	4,126
Acquisition of associates		-1,041	-96
Disposal of securities		0	136
Acquisition of financial assets		0	-195
Cash flows from investing activities		-4,932	-1,796
Change in lease obligation		-706	2,098
Dividends distributed		0	-60,000
Cash flows from financing activities		-706	-57,902
Cash flows for the year		-14,167	-26,338
Cash and cash equivalents at the beginning of the year		22,898	49,236
Cash and cash equivalents at year end		8,731	22,898

The cash flow cannot be directly derived from the income statement or balance sheet.

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Bjarke Ingels Group A/S for 2021 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Bjarke Ingels Group A/S and group entities are included in the consolidated financial statements of BIG Development ApS, Kløverbladsgade 56, 2500 Valby, CVR no. 30 82 27 57.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company, the revenue can be reliably measured and when delivery and transfer of risk to the buyer have taken place.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year end (percentage of completion method). This method is applied when total revenue and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services based on time spent are recognised in revenue as the work is performed.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs. Refunds from public authorities are deducted from staff costs.

Other external expenses

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Parent Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation 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 used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

Patents are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining life of the patent and licenses are amortised over the contracts period.

Software is measured at cost less accumulated amortisation and impairment losses. Software is amortised on a straight-line basis over the contract period, however, not exceeding 5 years.

Property, plant and equipment

Fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Asset Investments

Equity investments in group entities are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method. The Group's goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is assessed as 5 years.

Equity investments in group entities with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Deposits are recognised at amortised cost.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Leases

On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently treated as the Company's other fixed assets.

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed less progress billings and expected losses. The selling price is measured on the basis of the stage of completion at the balance sheet date and the projected income from the individual construction contract. The stage of completion is stated as the share of costs incurred in proportion to estimated total costs relating to the individual construction contract.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

When the selling price of a construction contract cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual construction contract is recognised in the balance sheet as receivables or payables, respectively. Net assets comprise the total of construction contracts where the selling price of the work performed exceeds progress billings. Net liabilities comprise the total of construction contracts where progress billings exceed the selling price.

Costs arising from sales work and contracting are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Net revaluation reserve according to the equity method

The expected dividends payment for the year is disclosed as a separate item under equity.

Dividends that are expected to be received before the balance sheet date are not tied to the reserve.

The reserve can be eliminated in case of loss, realisation of equity investments or changes to accounting estimates.

The reserve cannot be recognised at a negative amount.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at amortised cost.

Cash flow statement

The cash flow statement shows the Company's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Company's share of profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in size or composition of the Company's share capital and costs in this respect as well as raising of loans, instalments on interest-bearing debt and distribution of dividends to owners.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Financial ratios

The financial ratios stated in the survey of financial highlights have been calculated as follows:

Return on assets $\frac{\text{Profit before financial income and expenses} \times 100}{\text{Total assets}}$

Return on equity $\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$

Solvency ratio $\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$

Financial statements 1 January – 31 December

Notes

DKK'000	<u>2021</u>	<u>2020</u>
2 Revenue - Segment information		
Europe	183,631	134,096
Americas	17,975	35,723
Asia / Australia	<u>67,919</u>	<u>94,409</u>
	<u>269,525</u>	<u>264,228</u>
3 Staff costs		
Wages and salaries	148,137	138,859
Pensions	10,483	9,838
Other social security costs	1,930	1,626
Other staff costs	<u>4,686</u>	<u>5,180</u>
	<u>165,236</u>	<u>155,503</u>
Average number of full-time employees	<u>262</u>	<u>258</u>
Staff costs include remuneration of the Company's Executive Board and remuneration of the Company's Board, DKK 3,561 thousand.		
In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is presented as an aggregate single amount.		
4 Other financial income		
Interest income, intercompany receivables	1,296	894
Other financial income	<u>4,015</u>	<u>179</u>
	<u>5,311</u>	<u>1,073</u>
5 Other financial expenses		
Interest expense to group entities	171	0
Other financial expenses	<u>950</u>	<u>6,307</u>
	<u>1,121</u>	<u>6,307</u>
6 Tax on profit for the year		
Current tax for the year	244	0
Deferred tax adjustment for the year	<u>5,859</u>	<u>10,503</u>
	<u>6,103</u>	<u>10,503</u>

Financial statements 1 January – 31 December

Notes

DKK'000	<u>2021</u>	<u>2020</u>	
7 Proposed profit appropriation			
Reserve for net revaluation under equity method	5,141	10,582	
Retained earnings	<u>26,593</u>	<u>35,359</u>	
	<u>31,734</u>	<u>45,941</u>	
8 Intangible assets			
	Right of patents under application	Software	Total
DKK'000			
Cost at 1 January 2021	872	10,197	11,069
Additions for the year	<u>169</u>	<u>489</u>	<u>658</u>
Cost at 31 December 2021	<u>1,041</u>	<u>10,686</u>	<u>11,727</u>
Amortisation and impairment losses at 1 January 2021	0	-8,277	-8,277
Amortisation for the year	<u>0</u>	<u>-845</u>	<u>-845</u>
Amortisation and impairment losses at 31 December 2021	<u>0</u>	<u>-9,122</u>	<u>-9,122</u>
Carrying amount at 31 December 2021	<u>1,041</u>	<u>1,564</u>	<u>2,605</u>
9 Property, plant and equipment			
	Fixtures and fittings, tools and equipment	Leasehold improve- ments	Total
DKK'000			
Cost at 1 January 2021	23,143	8,412	31,555
Additions for the year	3,194	88	3,282
Disposals for the year	<u>-492</u>	<u>0</u>	<u>-492</u>
Cost at 31 December 2021	<u>25,845</u>	<u>8,500</u>	<u>34,345</u>
Depreciation and impairment losses at 1 January 2021	-15,846	-6,175	-22,021
Depreciation for the year	<u>-3,842</u>	<u>-855</u>	<u>-4,697</u>
Depreciation and impairment losses for the year on assets sold	<u>443</u>	<u>0</u>	<u>443</u>
Depreciation and impairment losses at 31 December 2021	<u>-19,245</u>	<u>-7,030</u>	<u>-26,275</u>
Carrying amount at 31 December 2021	<u>6,600</u>	<u>1,470</u>	<u>8,070</u>
Assets held under finance leases	<u>2,469</u>	<u>0</u>	<u>2,469</u>

Financial statements 1 January – 31 December

Notes

10 Investments

DKK'000	Equity investments in group entities
Cost at 1 January 2021	137
Additions for the year	1,041
Cost at 31 December 2021	1,178
Revaluations at 1 January 2021	125,163
Profit for the year	5,141
Exchange adjustment	10,587
Reversals for the year of impairment losses	0
Revaluations 31 December 2021	140,891
Carrying amount at 31 December 2021	142,069

Name/legal form	Registered office	Ownership	Equity DKK'000	Profit/loss for the year DKK'000
Subsidiaries:				
Bjarke Ingels Group NYC LLC	New York	100%	127,634	2,822
Bjarke Ingels Group Architecture Spain S.L.P	Barcelona	100%	-2,269	-459
Bjarke Ingels Group California Inc	New York	100%	13,989	343
Bjarke Ingels Group Design Consultancy (Shenzhen) Limited	Shenzhen	100%	446	-780
			139,800	1,926

DKK'000	31/12 2021	31/12 2020
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11 Contract work in progress

Selling price of production for the period	360,094	367,822
Work in progress, invoicing on account	-364,519	-361,913
	-4,425	5,909
that can be specified as follows:		
Contract work in progress (assets)	18,354	24,302
Invoicing on account (equity and liabilities)	-22,779	-18,393
	-4,425	5,909

Financial statements 1 January – 31 December

Notes

DKK'000	<u>31/12 2021</u>	<u>31/12 2020</u>
12 Prepayments		
Insurance	118	79
Rent	14	2
Software and licenses	5,507	4,081
Other prepayments	<u>310</u>	<u>469</u>
	<u>5,949</u>	<u>4,631</u>
13 Equity		
The contributed capital consists of 500 shares of a nominal value of DKK 1,000 each.		
All shares rank equally.		
14 Deferred tax assets		
Deferred tax at 1 January	34,080	23,577
Deferred tax adjustment for the year in the income statement	<u>7,208</u>	<u>10,503</u>
	<u>41,288</u>	<u>34,080</u>
15 Lease obligations		
Between 1 and 5 years	784	2,335
Within 1 year	<u>1,401</u>	<u>556</u>
	<u>2,185</u>	<u>2,891</u>
16 Fees to auditor appointed at the general meeting		
Fees to the auditor are not disclosed pursuant to section 96 (3) of the Danish Financial Statements Act. The fee are specified in the consolidated financial statements of BIG Development ApS.		

Financial statements 1 January – 31 December

Notes

17 Contractual obligations, contingencies, etc.

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes.

The Company has payment guarantees in the bank at 31 December 2021, amounting to DKK 2,733 thousand. Guarantees without limitations have been made on behalf of parent and affiliated companies for outstanding debt balances with the companies' bank.

BIG A/S is party to disputes and litigation from time to time. It is the assessment that appropriate provisions have been made for the outcome of such disputes and litigation.

DKK'000	<u>31/12 2021</u>	<u>31/12 2020</u>
Lease obligations under operating leases		
Rent obligations	<u>1,107</u>	<u>1,138</u>
	<u>1,107</u>	<u>1,138</u>

18 Related party disclosures

Bjarke Ingels Group A/S related parties comprise the following:

Control

BIG Partners ApS, immediate parent company.

BIG Development ApS, ultimate parent company. Bjarke Ingels Group A/S is part of the consolidated financial statements of BIG Development ApS, Kløverbladsgade 56, 2500 Valby, which is the smallest and largest group in which the Company is included as a subsidiary.

Other related parties

B.I.G. Bjarke Ingels Group Holding ApS (Group enterprise)
Bjarke Ingels Group NYC LLC (Group enterprise)
Bjarke Ingels Group Architecture Spain S.L.P (Group enterprise)
Bjarke Ingels Group California Inc (Group enterprise)
Bjarke Ingels Group Thailand Limited (Group enterprise)
Sundmolen BIG ApS (Group enterprise)
Friday Home BIG ApS (Group enterprise)
BIG Investments ApS (Group enterprise)
Bjarke Ingels Group Design Consultancy (Shenzhen) Limited (Group enterprise)
BIG Partners Limited (Other)
BIG Architecture D.P.C. (Other)

Related party transactions

Transactions for the year with related parties amounts to DKK 66,796 thousand in income and DKK 13,518 thousand in expenses.

The total loan to 11 partners as of 31 December 2021 was DKK 13,894 thousand. Interest accumulated for 2021 was DKK 218 thousand.

Financial statements 1 January – 31 December

Notes

DKK'000	<u>31/12 2021</u>	<u>31/12 2020</u>
19 Adjustments		
Cash flow statement - adjustments		
Profit/loss from investments in group entities	-5,141	-8,640
Financial income	-5,311	-1,073
Financial expenses	1,121	6,307
Depreciation, amortisation and impairment losses, including losses and gains on sales	5,542	5,707
Tax on profit for the year	6,103	13,388
Adjustments to tax prior years	<u>0</u>	<u>-2,885</u>
	<u>2,314</u>	<u>12,804</u>
	<u><u>2,314</u></u>	<u><u>12,804</u></u>
20 Changes in working capital		
Cash flow statement - change in working capital		
Change in receivables	-20,964	-8,358
Change in payables to group entities, joint taxation	-42,555	-13,342
Change in trade payables, etc.	<u>21,752</u>	<u>10,835</u>
	<u>-41,767</u>	<u>-10,865</u>
	<u><u>-41,767</u></u>	<u><u>-10,865</u></u>

Supplementary combined financial statements of Bjarke Ingels Group A/S


Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Supplementary combined financial statements of Bjarke Ingels Group A/S for the financial year 1 January – 31 December 2021.


In our opinion, the supplementary combined financial statements have been prepared in accordance with the accounting policies, which we find acceptable in the circumstances.

We recommend that the supplementary combined financial statements be approved at the annual general meeting.


Copenhagen, 9 June 2022
Executive Board:



[Sheela Sogaard Christiansen \(Jun 9, 2022 18:07 GMT+2\)](#)
Sheela Maini Sogaard
Christiansen

Board of Directors:



[Christian Madsbjerg \(Jun 9, 2022 14:24 EDT\)](#)
Christian Madsbjerg
Chairman


Bjarke Bundgaard Ingels
Vice Chairman


[Finn Nørkjær \(Jun 9, 2022 17:38 GMT+1\)](#)
Finn Nørkjær


[Andreas Klok Pedersen \(Jun 10, 2022 13:20 GMT+1\)](#)
Andreas Klok Pedersen


Thomas Christoffersen


[Shahrzad Rafati \(Jun 10, 2022 16:14 GMT+2\)](#)
Shahrzad Rafati



Independent auditor's report

To the shareholders of Bjarke Ingels Group A/S

Opinion

We have audited the supplementary combined financial statements of Bjarke Ingels Group A/S for the financial year 1 January – 31 December 2021, comprising income statement, balance sheet, statement of changes in equity and accounting policies.

In our opinion, the supplementary combined financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 in accordance with the accounting policies.

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 supplementary combined financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International 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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Accounting policies

We draw attention to Note 1 of the supplementary combined financial statements, which describes the accounting policies. The supplementary combined financial statements may not be indicative of the consolidated financial performance of Bjarke Ingels Group A/S as it would have been presented in accordance with the Danish Financial Statements Act. The supplementary combined financial statements are prepared in order to present the combined financial performance of the BIG Brand Group's activities. As a result, the statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Management's responsibility for the supplementary combined financial statements

Management is responsible for the preparation of supplementary combined financial statements that give a true and fair view in accordance with the accounting policies described in the accounting policies described in Note 1, including determining that the accounting policies are acceptable in the circumstances, and for such internal control that Management determines is necessary to enable the preparation of supplementary combined financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the supplementary combined 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 supplementary combined 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

Management's responsibility for the supplementary combined financial statements (cont'd)

Our objectives are to obtain reasonable assurance as to whether the supplementary combined financial statements as a whole is 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of this supplementary combined financial statements.

Auditor's responsibilities for the audit of the supplementary combined 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 Company's supplementary combined 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 supplementary combined 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 supplementary combined 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 supplementary combined financial statements, including the disclosures, and whether the supplementary combined financial statements represent the underlying transactions and events in a manner that gives a true and fair view.



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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.

Copenhagen, 9 June 2022

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Anja Bjørnholt Lütthcke (Jun 10, 2022 19:30 GMT+2)

Anja Bjørnholt Lütthcke
State Authorised
Public Accountant
mne26779

Martin Pieper
State Authorised
Public Accountant
mne44063

Supplementary combined financial statements 1 January – 31 December

Income statement

DKK'000	2021	2020
Revenue	668,753	670,781
Cost of sales	-137,514	-132,237
Other income	28,280	0
Other external costs	-97,442	-72,289
Gross profit	462,077	466,255
Staff costs	-357,593	-355,625
Depreciation, amortisation and impairment losses	-12,785	-14,249
Profit before financial income and expenses	91,699	96,381
Financial income	3,352	1,144
Financial expenses	-5,600	-13,532
Profit before tax	89,451	83,993
Tax on profit for the year	-12,829	-25,103
Profit for the year	76,622	58,890
Proposed distribution of profit		
Proposed dividends for the financial year	50,000	42,837
Retained earnings	26,622	16,053
	<u>76,622</u>	<u>58,890</u>

Supplementary combined financial statements 1 January – 31 December

Balance sheet

DKK'000	2021	2020
ASSETS		
Fixed assets		
Intangible assets		
Right of patents under application	1,041	872
Software	2,732	3,771
	<u>3,773</u>	<u>4,643</u>
Property, plant and equipment		
Fixtures and fittings, tools and equipment	12,556	15,652
Leasehold improvements	31,794	20,905
	<u>44,350</u>	<u>36,557</u>
Investments		
Deposits	4,747	4,396
	<u>4,747</u>	<u>4,396</u>
Total fixed assets	<u>52,870</u>	<u>45,596</u>
Current assets		
Receivables		
Trade receivables	217,441	112,157
Contract work in progress	72,025	90,945
Receivables from Group entities	59,505	43,072
Other receivables	32,692	18,287
Corporation tax	7,230	5,238
Deferred tax	10,580	0
Prepayments	16,177	14,227
	<u>415,650</u>	<u>283,926</u>
Cash at bank and in hand	<u>76,026</u>	<u>146,351</u>
Total current assets	<u>491,676</u>	<u>430,277</u>
TOTAL ASSETS	<u><u>544,546</u></u>	<u><u>475,873</u></u>

Supplementary combined financial statements 1 January – 31 December

Balance sheet

DKK'000	2021	2020
EQUITY AND LIABILITIES		
Equity		
Share capital	500	500
Retained earnings	250,480	216,032
Proposed dividends for the financial year	50,000	42,837
Total equity	<u>300,980</u>	<u>259,369</u>
Provisions		
Provisions for deferred tax	44,345	24,675
Total provisions	<u>44,345</u>	<u>24,675</u>
Liabilities other than provisions		
Non-current liabilities other than provisions		
Lease obligations	13,385	4,168
Other payables	12,128	12,183
	<u>25,513</u>	<u>16,351</u>
Current liabilities other than provisions		
Current portion of non-current liabilities	2,589	1,945
Banks, current liabilities	9,890	42
Trade payables	26,186	28,256
Payables, Group entities	101	0
Other payables	52,559	84,970
Corporation tax	356	4,937
Prepayments received regarding work in progress	82,027	55,328
	<u>173,708</u>	<u>175,478</u>
Total liabilities other than provisions	<u>199,221</u>	<u>191,829</u>
TOTAL EQUITY AND LIABILITIES	<u>544,546</u>	<u>475,873</u>

Supplementary combined financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total equity
Equity at 1 January 2021	500	216,032	42,837	259,369
Ordinary dividends paid	0	0	-42,837	-42,837
Exchange adjustments	0	7,826	0	7,826
Profit for the year	0	26,622	50,000	76,622
Equity at 31 December 2021	<u>500</u>	<u>250,480</u>	<u>50,000</u>	<u>300,980</u>

Supplementary combined financial statements 1 January – 31 December

Notes

1 Accounting policies

Basis of preparation

The supplementary combined financial statements of Bjarke Ingels Group A/S for 2021 have been prepared in order to present the combined financial performance of the BIG Brand Group's activities. The supplementary combined financial statements have been prepared for illustrative purposes only and, therefore, they may not be indicative of the consolidated financial performance of "BIG Brand Group", as it would have been presented in accordance with the Danish Financial Statements Act.

The supplementary combined financial statements of Bjarke Ingels Group A/S for 2021 have been presented in accordance with the provisions applying to reporting class C large-sized entities under the Danish Financial Statements Act, except as described in the following.

The supplementary combined financial statements of Bjarke Ingels Group A/S consist of combined financial statements of Bjarke Ingels Group A/S, Bjarke Ingels Group NYC LLC, Bjarke Ingels Group California Inc, Bjarke Ingels Group Architecture Spain S.L.P, BIG Architecture D.P.C., Bjarke Ingels Group Design Consultant Company, BIG Studio Architecture & Landscape Architecture D.P.C., BIG Thailand Ltd., BIG TH US Holding and BIG Partners Limited. These entities do not constitute a group, as Bjarke Ingels Group A/S does not control BIG Architecture D.P.C. and BIG Partners Limited. Therefore, the supplementary combined financial statements depart from the Danish Financial Statements Act's requirements for consolidation. The basis of combination is described below. The supplementary combined financial statements also depart from the presentation requirements in the Danish Financial Statements Act, as a combined statement of cash flows has not been presented. Further, disclosures required for consolidated financial statements are not presented.

All other accounting policies are identical to the accounting policies for the separate financial statements of the legal entity Bjarke Ingels Group A/S and are disclosed in note 1 to those financial statements.

Basis of combination

As mentioned above, the entities included in the supplementary combined financial statements do not constitute a group and, hence, the supplementary combined financial statements are prepared on a basis that combines the results of operations, assets and liabilities of the BIG Brand Group by applying principles underlying the consolidation procedures according to the Danish Financial Statements Act, such as elimination of Income and expenses between the BIG Brand Group entities, balances and dividends and realised and unrealised gains and losses on transactions between the BIG Brand Group entities are eliminated.

In the combination of foreign entities with a functional currency different from Danish kroner, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date 31 December 2021. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results into the exchange rates at the balance sheet date are recognised directly in equity.

The combined equity of the BIG Brand Group is made up of the sum of equities of Bjarke Ingels Group A/S, Bjarke Ingels Group NYC LLC, Bjarke Ingels Group California Inc, Bjarke Ingels Group Architecture Spain S.L.P, BIG Architecture D.P.C., Bjarke Ingels Group Design Consultant Company, BIG Studio Architecture & Landscape Architecture D.P.C., BIG Thailand Ltd., BIG TH US Holding and BIG Partners Limited according to their individual financial statements, considering the eliminations described above. The share capital presented equals the registered share capital of Bjarke Ingels Group A/S. Other equity, including non-controlling interests, are presented as retained earnings.