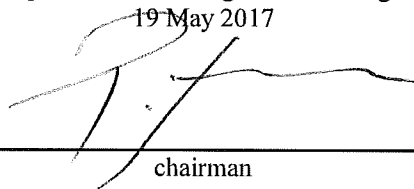


BUSINESS CENTER HAVNEGADE APS  
Havnegade 39  
1058 København K

Annual report for 2016

Adopted at the annual general meeting on  
19 May 2017



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chairman

CVR-nr. 29 39 16 88

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## STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT


The executive board has today discussed and approved the annual report of Business Center Havnegade ApS for the financial year 1 January - 31 December 2016.

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 2016 and of the results of the company's operations for the financial year 1 January - 31 December 2016.

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.

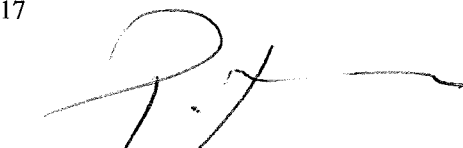


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Patrick Bakker  
director

Copenhagen, 19 May 2017

**Executive board**



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Remo Gross  
director

# INDEPENDENT AUDITOR'S REPORT

To the shareholder of Business Center Havnegade ApS

## Auditors' Report on the Financial Statements

### Disclaimer of Opinion

We were engaged to audit the financial statements of Business Center Havnegade ApS for the financial year 1 January - 31 December 2016, 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 are incomplete and include several misstatements related to fixed assets, receivables and payables. At the time of submission of our audit opinion on the annual accounts, management was unable to rectify the incomplete matters and to make corrections of the misstatements. We have not otherwise been able to confirm or disconfirm the receivables, DKK 10,346,915, fixed assets, DKK 3,193,970 and payables, DKK 7,350,351, recognized in the annual accounts. On this basis, we have not been able to obtain sufficient and appropriate evidence, whether any adjustments might have been considered necessary in relation to recorded or non-recorded fixed assets, receivables and payables as well as the profit and loss account and the statement of equity.

### 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.

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.

## INDEPENDENT AUDITOR'S REPORT

### 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.

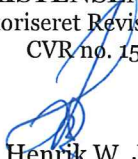
### Report on other legal and regulatory requirements

#### 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.

København, 19 May 2017

**CHRISTENSEN KJÆRULFF**  
Statsautoriseret Revisionspartnerselskab  
CVR no. 15 91 56 41

  
Henrik W. Jørgensen  
State Authorised Public Accountant

## COMPANY DETAILS

The company	Business Center Havnegade ApS Havnegade 39 1058 København K
	CVR no.: 29 39 16 88
	Reporting period: 1 January - 31 December
	Incorporated: 16. February 2006
	Domicile: København
Executive board	Patrick Bakker, director Remo Gross, director
Auditors	Christensen Kjørulff Statsautoriseret Revisionspartnerselskab Store Kongensgade 68 1264 København K

## **MANAGEMENT'S REVIEW**

### **Business activities**

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

### **Business review**

The Company's income statement for the year ended 31 December shows a profit of DKK 1,456,248, and the balance sheet at 31 December 2016 shows equity of DKK 6,100,336.

## ACCOUNTING POLICIES

The annual report of Business Center Havnegade ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities.

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

The annual report for 2016 is presented in DKK.

### **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's 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's 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 are 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.

#### **Revenue**

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received.



## ACCOUNTING POLICIES

### Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains 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.

### 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.

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

#### Tangible assets

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

The depreciable amount is cost less the expected residual value at the end of the useful life.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Leasehold improvements	3-10	years	
Other fixtures and fittings, tools and equipment	10	years	or lease period years

## ACCOUNTING POLICIES

### **Receivables**

Receivables are measured at amortised cost.

Receivables for which there is no objective indication of individual impairment are reviewed for impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's credit risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

### **Prepayments**

Prepayments comprise costs incurred concerning subsequent financial years.

### **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.

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	2016 DKK	2015 DKK
<b>GROSS PROFIT</b>		3,594,496	4,934,182
Staff costs	1	-1,803,954	-2,540,981
Depreciation		522,340	-1,393,346
<b>PROFIT/LOSS BEFORE FINANCIAL INCOME AND EXPENSES</b>		2,312,882	999,855
Financial income	2	6,645	21,338
Financial costs	3	-3,766	-24,612
<b>PROFIT/LOSS BEFORE TAX</b>		2,315,761	996,581
Tax on profit/loss for the year	4	-859,513	-218,175
<b>Net profit/loss for the year</b>		1,456,248	778,406
 <b>Proposed distribution of profit</b>			
Retained earnings		1,456,248	778,406
		1,456,248	778,406

## BALANCE SHEET 31 DECEMBER

	Note	2016 DKK	2015 DKK
<b>ASSETS</b>			
Other fixtures and fittings, tools and equipment		320,691	1,437,844
Leasehold improvements		1,044,175	13,402
<b>Tangible assets</b>	5	<b>1,364,866</b>	<b>1,451,246</b>
Deposits		1,829,104	1,829,104
<b>Fixed asset investments</b>		<b>1,829,104</b>	<b>1,829,104</b>
<b>FIXED ASSETS TOTAL</b>		<b>3,193,970</b>	<b>3,280,350</b>
Trade receivables		3,614,572	3,753,560
Receivables from subsidiaries		6,475,860	13,044,472
Other receivables		212,386	438,002
Corporation tax		0	616,160
Prepayments		44,097	903,991
<b>Receivables</b>		<b>10,346,915</b>	<b>18,756,185</b>
<b>Cash at bank and in hand</b>		<b>91,014</b>	<b>141,822</b>
<b>CURRENT ASSETS TOTAL</b>		<b>10,437,929</b>	<b>18,898,007</b>
<b>ASSETS TOTAL</b>		<b>13,631,899</b>	<b>22,178,357</b>

## BALANCE SHEET 31 DECEMBER

	Note	2016 DKK	2015 DKK
<b>LIABILITIES AND EQUITY</b>			
Share capital		125,000	125,000
Retained earnings		5,975,336	4,519,088
<b>Equity</b>	6	<b>6,100,336</b>	<b>4,644,088</b>
Provision for deferred tax		181,212	483,936
<b>Provisions total</b>		<b>181,212</b>	<b>483,936</b>
Prepayments received from customers		3,201,799	4,091,395
<b>Long-term debt</b>		<b>3,201,799</b>	<b>4,091,395</b>
Trade payables		992,836	2,061,855
Payables to subsidiaries		187,584	5,516,460
Corporation tax		225,573	218,175
Other payables		416,907	1,641,334
Deferred income		2,325,652	3,521,114
<b>Short-term debt</b>		<b>4,148,552</b>	<b>12,958,938</b>
<b>DEBT TOTAL</b>		<b>7,350,351</b>	<b>17,050,333</b>
<b>LIABILITIES AND EQUITY TOTAL</b>		<b>13,631,899</b>	<b>22,178,357</b>
Contingent assets, liabilities and other financial obligations	7		
Charges and securities	8		
Related parties and ownership	9		

## NOTES

	2016	2015
	DKK	DKK
<b>1 STAFF COSTS</b>		
Wages and salaries	1,754,882	2,530,438
Pensions	49,072	6,493
Other social security costs	0	4,050
	1,803,954	2,540,981
 Average number of employees	2	2
 <b>2 FINANCIAL INCOME</b>		
Interest received from subsidiaries	6,515	10,728
Other financial income	130	10,610
	6,645	21,338
 <b>3 FINANCIAL COSTS</b>		
Interest payed to subsidiaries	3,316	24,160
Other financial costs	450	452
	3,766	24,612
 <b>4 TAX ON PROFIT/LOSS FOR THE YEAR</b>		
Current tax for the year	225,573	218,175
Deferred tax for the year	181,212	0
Adjustment of tax concerning previous years	936,664	0
Adjustment of deferred tax concerning previous years	-483,936	0
	859,513	218,175

## NOTES

### 5 TANGIBLE ASSETS

	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January 2016	9,137,419	3,632,632
Additions for the year	304,366	83,230
Disposals for the year	-96,168	-26,845
Transfers for the year	-1,539,826	74,510
Cost at 31 December 2016	7,805,791	3,763,527
Impairment losses and depreciation at 1 January 2016	7,699,575	3,619,230
Depreciation for the year	160,443	131,756
Reversal of impairment and depreciation of sold assets	-96,168	-26,846
Transfers for the year	-278,750	-1,004,788
Impairment losses and depreciation at 31 December 2016	7,485,100	2,719,352
<b>Carrying amount at 31 December 2016</b>	<b>320,691</b>	<b>1,044,175</b>

### 6 EQUITY

	Share capital	Retained earnings	Total
Equity at 1 January 2016	125,000	4,519,088	4,644,088
Net profit/loss for the year	0	1,456,248	1,456,248
<b>Equity at 31 December 2016</b>	<b>125,000</b>	<b>5,975,336</b>	<b>6,100,336</b>

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

## NOTES

### 7 CONTINGENT ASSETS, LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

#### **Contingent**

Regus Management ApS being administration company, the company is subject to the Danish scheme of joint taxation and, as from the financial year 2014, unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

As from 2014, the company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

Other rent and lease liabilities as of December 31st 2016: 8,223 t.DKK 2015: 14,259 t.DKK.

### 8 CHARGES AND SECURITIES

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

### 9 RELATED PARTIES AND OWNERSHIP

#### **Other related parties**

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