COBE ApS

Trangravsvej 6, DK-1436 København K

Annual Report for 1 January - 31 December 2016

CVR No 30 91 46 78

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 31/5 2017

Dan Stubbergaard Hansen
Chairman

Contents

Management's Statement

The Executive Board has today considered and adopted the Annual Report of COBE ApS for the financial year 1 January - 31 December 2016.

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 financial position at 31 December 2016 of the Company and of the results of the Company operations for 2016.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 31 May 2017

Executive Board

Dan Stubbergaard Hansen
Executive Officer

Independent Auditor's Report

To the Shareholder of COBE ApS

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of COBE ApS for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

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

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.

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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

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 misstate-

ment, 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 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.

Hellerup, 31 May 2017
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob F Christiansen
statsautoriseret revisor

Company Information

The Company	COBE ApS Trangravsvej 6 DK-1436 København K Telephone: 32544300 Facsimile: 32544301 E-mail: cobe@cobe.dk Website: www.cobe.dk CVR No: 30 91 46 78 Financial period: 1 January - 31 December Incorporated: 15 October 2007 Financial year: 9th financial year Municipality of reg. office: København
Executive Board	Dan Stubbergaard Hansen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's Review

Financial Statements of COBE ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The Annual Report has been prepared under the same accounting policies as last year.

Key activities

COBE ApS is a knowledge-based community of architects dedicated to development of and consultancy on building, urban planning, public space designs and landscape architecture primarily in Denmark, Scandinavia and Germany.

Development in the year

The income statement of the Company for 2016 shows a profit of DKK 1,419,122, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 4,655,349.

Subsequent events

No events have occurred after the balance sheet date which materially affect the assessment of the Company's financial position.

Income Statement 1 January - 31 December

	Note	2016 DKK	2015 DKK
Revenue		**66.431.743**	**59.473.405**
Project expenses		-20.756.685	-17.353.607
Other external expenses		-6.586.570	-5.805.277
Gross profit/loss		**39.088.488**	**36.314.521**
Staff expenses	1	-36.099.551	-35.473.439
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-989.271	-724.144
Profit/loss before financial income and expenses		**1.999.666**	**116.938**
Financial income	2	64.308	66.597
Financial expenses	3	-214.484	-162.157
Profit/loss before tax		**1.849.490**	**21.378**
Tax on profit for the year	4	-430.368	-15.343
Net profit/loss for the year		**1.419.122**	**6.035**

Distribution of profit

Proposed distribution of profit

Extraordinary dividend paid	1.900.000	0
Retained earnings	-480.878	6.035
	1.419.122	**6.035**

Balance Sheet 31 December

Assets

	Note	2016	2015
		DKK	DKK
Software		425.304	291.610
Intangible assets	5	**425.304**	**291.610**
Other fixtures and fittings, tools and equipment		852.277	1.101.623
Leasehold improvements		408.381	759.361
Property, plant and equipment	6	**1.260.658**	**1.860.984**
Deposits		248.655	267.008
Fixed asset investments		**248.655**	**267.008**
Fixed assets		**1.934.617**	**2.419.602**
Trade receivables		17.625.500	12.647.523
Contract work in progress		285.133	434.539
Receivables from group enterprises		793.559	1.507.460
Prepayments		174.715	100.000
Receivables		**18.878.907**	**14.689.522**
Cash at bank and in hand		**147.419**	**137.023**
Currents assets		**19.026.326**	**14.826.545**
Assets		**20.960.943**	**17.246.147**

Balance Sheet 31 December

Liabilities and equity

	Note	2016	2015
		DKK	DKK
Share capital		125.000	125.000
Retained earnings		4.530.349	5.011.227
Equity	7	**4.655.349**	**5.136.227**
Provision for deferred tax		1.958.691	1.528.323
Provisions		**1.958.691**	**1.528.323**
Credit institutions		2.528.222	359.184
Trade payables		5.173.418	4.352.779
Payables to owners and Management		46.837	41
Other payables		6.598.426	5.869.593
Short-term debt		**14.346.903**	**10.581.597**
Debt		**14.346.903**	**10.581.597**
Liabilities and equity		**20.960.943**	**17.246.147**
Contingent assets, liabilities and other financial obligations	8		
Related parties and ownership	9		

Notes to the Financial Statements

		2016	2015
		DKK	DKK
1	**Staff expenses**		
	Wages and salaries	29.478.259	29.047.244
	Pensions	3.874.117	3.836.317
	Other social security expenses	271.261	277.109
	Other staff expenses	2.475.914	2.312.769
		36.099.551	**35.473.439**
	Average number of employees	**74**	**75**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

		2016	2015
2	**Financial income**		
	Other financial income	64.308	66.597
		64.308	**66.597**
3	**Financial expenses**		
	Other financial expenses	59.408	58.791
	Exchange adjustments, expenses	155.076	103.366
		214.484	**162.157**
4	**Tax on profit for the year**		
	Current tax for the year	0	0
	Deferred tax for the year	430.368	15.343
		430.368	**15.343**

Notes to the Financial Statements

5 Intangible assets

	Software
	DKK
Cost at 1 January	425.823
Additions for the year	301.839
Cost at 31 December	727.662
Impairment losses and amortisation at 1 January	134.213
Amortisation for the year	168.145
	302.358
Carrying amount at 31 December	**425.304**

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	1.902.419	1.165.441
Additions for the year	220.801	0
Cost at 31 December	2.123.220	1.165.441
Impairment losses and depreciation at 1 January	800.797	406.080
Depreciation for the year	470.146	350.980
Impairment losses and depreciation at 31 December	1.270.943	757.060
Carrying amount at 31 December	**852.277**	**408.381**
Depreciated over	3-10 years	4 years

Notes to the Financial Statements

7 Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	125.000	5.011.227	5.136.227
Extraordinary dividend paid	0	-1.900.000	-1.900.000
Net profit/loss for the year	0	1.419.122	1.419.122
Equity at 31 December	**125.000**	**4.530.349**	**4.655.349**

The share capital consists of 125 shares of a nominal value of DKK 1.000. No shares carry any special rights.

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

8 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed income etc.

Miscellaneour assets have been placed as security with mortgage credit institutes, DKK 5,000k.

The Company has entered into a tenancy agreement concerning the Company's domicile. The tenancy agreement is non-terminable until 31 December 2017. The rent obligation amounts to DKK 1.103k.

The Company has also entered into an agreement regarding leasing assets. The agreement is non-terminable until 1 July 2019. The obligation amounts to DKK 44k.

The Company has entered into a financial leasing agreement. Outstanding obligation on unrecognised financial assets amounted to DKK 503k. The agreement is non-terminable until 1 November 2019.

9 Related parties and ownership

Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

COBE Holding ApS, Trangravsvej 6, 1436 København K, Denmark

Accounting Policies

Basis of Preparation

Financial Statements of COBE ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2016 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Accounting Policies

Income Statement

Revenue

Net turnover is determined on the basis of the selling price of work performed for the year. As the completion of the individual projects will generally progress over several accounting periods, the percentage-of-completion method is applied for turnover recognition.

Accordingly, profits on work performed are recognised as income and in proportion to the stage of completion.

Revenue is is recognised exclusive of VAT and net of discounts relating to sales.

Project expenses

Project expenses include expenses directly attributable to projects, excluding own salaries.

Other external expenses

Other external expenses comprise administrative expenses, office expenses, marketing expenses as well as other expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Accounting Policies

Balance Sheet

Intangible assets

Software are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 3 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-10	years
Leasehold improvements	4	years

Assets costing less than DKK 12,900 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Accounting Policies

Contract work in progress

Contract work in progress is measured at the selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Prepayments and payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Accounting Policies

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.