


FIRSTCLIENTS APS  
Tuborg Boulevard 12, 3. sal  
2900 Hellerup

Annual report for 2022

Adopted at the annual general meeting on  
13 July 2023

DocuSigned by:  
  
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Lynsey Ann Blair  
chairman

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## STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of FirstClients ApS for the financial year 1 January - 31 December 2022.

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


In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

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

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 13 July 2023

### Executive board

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Lynsey Ann Dian  
Director

## INDEPENDENT AUDITOR'S REPORT

### *To the shareholder of FirstClients ApS*

#### **Opinion**

We have audited the financial statements of FirstClients ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw the attention to note 1 in the financial statements, stating the Company's current liabilities at this date exceed its current assets. In combination with other matters described in note 1, these matters indicate that material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in respect of this matter.

#### **Management's responsibilities for the financial statements**

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### **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.

## INDEPENDENT AUDITOR'S REPORT

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Statement on management's review**

Management is responsible for management's review.

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

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

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

## INDEPENDENT AUDITOR'S REPORT

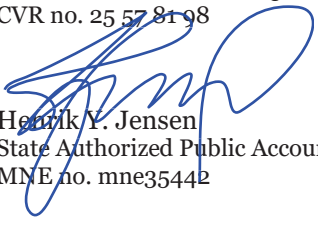
Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 13 July 2023

### **KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Henrik Y. Jensen  
State Authorized Public Accountant  
MNE no. mne35442

## COMPANY DETAILS

### The company

FirstClients ApS  
Tuborg Boulevard 12, 3. sal  
2900 Hellerup

CVR no.: 31 46 93 92

Reporting period: 1 January - 31 December 2022

Incorporated: 22 May 2008

Domicile: Gentofte

### Executive board

Lynsey Ann Blair

### Auditors

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 København Ø

## MANAGEMENT'S REVIEW

### **Business review**

FirstClients ApS is the parent company of 7 subsidiaries which operates business centers or related activities. The activities are in Poland, Hungary, Czech Republic and Denmark.

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

### **Financial review**

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 1.950.554, and the balance sheet at 31 December 2022 shows negative equity of DKK 7.370.470.

Uncertainties related to the Company's ability to continue as going concern  
The Company's current liabilities at this date exceed its current assets.

The company is dependent on IWG Group regularly provide sufficient and necessary liquidity to ensure that the company is able to fulfill its obligations and liabilities as they fall due until the annual general meeting where the annual report for 2023 will be approved.

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

Management however expect that IWG Group have the ability and intention to provide necessary financial support as in previous years. On this basis the financial statements for the year ended 31 December 2022 has been prepared on a going concern basis.

### **Significant events occurring after the end of the financial year**

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

### **Financial risks**

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

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



## ACCOUNTING POLICIES

The annual report of FirstClients ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

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

The annual report for 2022 is presented in DKK

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

### **Basis of recognition and measurement**

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

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

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

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

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

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

### **Income statement**

#### **Gross loss**

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

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

#### **Other external expenses**

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

## ACCOUNTING POLICIES

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

### **Tax on profit/loss for the year**

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

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

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

### **Balance sheet**

#### **Investments in subsidiaries**

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

#### **Receivables**

Receivables are measured at amortised cost.

#### **Prepayments**

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

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and deposits at banks.

#### **Income tax and deferred tax**

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

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

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.

## ACCOUNTING POLICIES

### **Liabilities**

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

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2022 DKK	2021 DKK
<b>Gross profit</b>		<b>-11.427</b>	<b>-6.160</b>
Income from investments in subsidiaries		2.443.094	211.314
Financial costs	3	-482.705	-208.767
<b>Profit/loss before tax</b>		<b>1.948.962</b>	<b>-3.613</b>
Tax on profit/loss for the year	4	1.592	1.051
<b>Profit/loss for the year</b>		<b>1.950.554</b>	<b>-2.562</b>
 <b>Recommended appropriation of profit/loss</b>			
Retained earnings		1.950.554	-2.562
		<b>1.950.554</b>	<b>-2.562</b>

**BALANCE SHEET 31 DECEMBER**

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
<b>ASSETS</b>			
Investments in subsidiaries	5	2.277.181	0
<b>Fixed asset investments</b>		<u>2.277.181</u>	<u>0</u>
<b>Total non-current assets</b>		<u>2.277.181</u>	<u>0</u>
Receivables from subsidiaries		64	0
Corporation tax		1.592	1.051
<b>Receivables</b>		<u>1.656</u>	<u>1.051</u>
<b>Total current assets</b>		<u>1.656</u>	<u>1.051</u>
<b>Total assets</b>		<u>2.278.837</u>	<u>1.051</u>

**BALANCE SHEET 31 DECEMBER**

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
<b>EQUITY AND LIABILITIES</b>			
Share capital		500.000	500.000
Retained earnings		-7.870.470	-9.821.024
<b>Equity</b>		<b>-7.370.470</b>	<b>-9.321.024</b>
Trade payables		1.610	1.610
Payables to subsidiaries		9.647.697	9.320.465
<b>Total current liabilities</b>		<b>9.649.307</b>	<b>9.322.075</b>
<b>Total liabilities</b>		<b>9.649.307</b>	<b>9.322.075</b>
<b>Total equity and liabilities</b>		<b>2.278.837</b>	<b>1.051</b>

## NOTES

### 1 UNCERTAINTY ABOUT THE CONTINUED OPERATION (GOING CONCERN)

The Company's current liabilities at this date exceed its current assets.

The company is dependent on IWG Group regularly provide sufficient and necessary liquidity to ensure that the company is able to fulfill its obligations and liabilities as they fall due until the annual general meeting where the annual report for 2023 will be approved.

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

Management however expect that IWG Group have the ability and intention to provide necessary financial support as in previous years. On this basis the financial statements for the year ended 31 December 2022 has been prepared on a going concern basis.

	2022 DKK	2021 DKK
<b>2 STAFF COSTS</b>		
Average number of employees	0	0
<b>3 FINANCIAL COSTS</b>		
Financial expenses, group entities	482.705	208.767
	482.705	208.767
<b>4 TAX ON PROFIT/LOSS FOR THE YEAR</b>		
Current tax for the year	-1.592	-1.051
	-1.592	-1.051
<b>5 INVESTMENTS IN SUBSIDIARIES</b>		
Cost at 1 January 2022	5.083.487	5.083.487
Additions for the year	2.277.181	0
Cost at 31 December 2022	7.360.668	5.083.487
Revaluations at 1 January 2022	-5.083.487	-5.083.487
Revaluations at 31 December 2022	-5.083.487	-5.083.487
Carrying amount at 31 December 2022	2.277.181	0

## NOTES

Investments in subsidiaries are specified as follows:

Name	Registered office	Ownership interest	Equity	Profit/loss for the year
Development 02 Denmark ApS	Denmark	100%	-31.409.354	230.294
First Clients Egeparken, Albertslund ApS	Denmark	100%	-14.396.588	-1.811.661
FirstClients Gl. Kongevej ApS	Denmark	100%	-15.266.945	-2.800.324
FirstClients Capital Square Kft.	Hungary	100%	-93.015	23.722
FirstClients Alle Corner Kft.	Hungary	100%	3.219.138	1.470.520
FirstClients Marynarska Point sp. z.o.o.	Poland	100%	-15.057.258	1.795.961
Prague Rosmarin Business Centre s.r.o.	Czech Republic	100%	-4.586.116	-833.359



## NOTES

### 6 CONTINGENT LIABILITIES

#### **Contingent liabilities**

Regus Management ApS being the administration company, the company is subject to the Danish scheme of joint taxation and, as from the financial year 2013, unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

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

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

### 7 RELATED PARTIES AND OWNERSHIP STRUCTURE

#### **Other related parties**

Firstclients ApS' related parties comprise the following:  
IWG Plc, 22 Grenville Street, st. Heller, JE4 8PX Jersey.

#### **Consolidated financial statements**

The company is reflected in the group report as the parent company IWG Plc.

The group report of IWG Plc. can be obtained at the following address:

Dammstrasse 19, CH-6300, Zug, Switzerland.