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COLLIERS INTERNATIONAL DANMARK A/S

PALÆGADE 2, 2., 1261 KØBENHAVN K

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2018

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 18 March 2019**

Flemming Michelsen

CVR NO. 31 77 41 79

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COMPANY DETAILS

Company	Colliers International Danmark A/S Palægade 2, 2. 1261 Copenhagen K Telephone: +45 70 23 00 20 CVR No.: 31 77 41 79 Established: 12 September 2008 Registered Office: Copenhagen Financial Year: 1 January - 31 December
Board of Directors	Christopher Ross McLernon, chairman Davoud Reza Amel-Azizpour Richard Alexander Bruce Peter Winther Jeppe Schønfeld
Board of Executives	Peter Winther Jeppe Schønfeld
Auditor	BDO Statsautoriseret revisionsaktieselskab Kystvejen 29 8000 Aarhus C
Bank	Danske Bank Kannikegade 4 8000 Aarhus C
Law Firm	DLA Piper Denmark Law Firm P/S DOKK 1 Hack Kampmanns Plads 2, Level 3 8000 Aarhus C

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Colliers International Danmark A/S for the financial year 1 January - 31 December 2018.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of Group's and the Company's financial position at 31 December 2018 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 2018.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen K, 18 March 2019

Board of Executives

Peter Winther

Jeppe Schønfeld

Board of Directors

Christopher Ross McLernon
Chairman

Davoud Reza Amel-Azizpour

Richard Alexander Bruce

Peter Winther

Jeppe Schønfeld

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Colliers International Danmark A/S

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Colliers International Danmark A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, cash flows, notes and a summary of significant accounting policies for both the Group and the Parent Company. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the assets, liabilities and financial position of the Group and the Parent Company's at 31 December 2018 and of the results of the Group and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2018 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 Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group's and the Parent 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 Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements.

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

INDEPENDENT AUDITOR'S REPORT

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent 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 Group's and the Parent 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 Consolidated Financial Statements and the Parent Company 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 Group's and the Parent 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 Consolidated Financial Statements and the Parent Company 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Consolidated Financial Statements and the Parent Company 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 Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements and the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company 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.

INDEPENDENT AUDITOR'S REPORT

Aarhus, 18 March 2019

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Trap Olesen
State Authorised Public Accountant
MNE no. mne35625

FINANCIAL HIGHLIGHTS OF THE GROUP

	2018	2017	2016	2015	2014
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Income statement					
Gross profit.....	223.009	113.931	98.083	88.949	66.321
Operating profit before depreciation/EBITDA.....	107.500	39.985	31.581	30.723	18.965
Operating profit.....	73.642	39.511	31.038	30.140	18.542
Financial income and expenses, net.....	-7.255	154	-154	25	-188
Profit/loss for the year.....	62.664	30.883	23.415	23.590	14.036
Balance sheet					
Balance sheet total.....	315.777	71.447	31.395	57.962	55.057
Equity.....	234.034	34.961	4.079	31.493	21.904
Invested capital.....	170.170	38.347	3.200	30.621	20.368
Cash flows					
Investment in tangible fixed assets.....	-1.174	-359	-163	-1.666	-231
Average number of full-time employees					
	130	83	78	71	68
Ratios					
Rate of return.....	70.6	190.2	183.5	118.2	138.0
Solvency ratio.....	74.1	48.9	13.0	54.3	39.8
Return on equity.....	46.6	158.2	131.6	88.4	94.3

The ratios stated in the list of key figures and ratios have been calculated as follows:

Rate of return:	$\frac{\text{Profit/loss on ordinary activities} \times 100}{\text{Average invested capital}}$
Invested capital:	Intangible fixed assets (ex goodwill) + tangible assets + inventories + receivables + other working current assets - trade payables - other provisions - other long and short term working liabilities
Solvency ratio:	$\frac{\text{Equity (ex. minorities), at year end} \times 100}{\text{Total equity and liabilities, at year end}}$
Return on equity:	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

The ratios follow in all material respects the recommendations of the Danish Finance Society.

Due to the merger of Colliers International Danmark A/S and Sadolin & Albæk A/S numbers relating to financial year 2018 contains both companies and subsidiaries in Sadolin & Akbæk A/S, whereas comparative figures only concerns Colliers International Danmark A/S.

MANAGEMENT'S REVIEW

Principal activities

The Group's core business areas are transaction procurement, rental services, property valuations, advisory services and analyses regarding commercial and investment properties, property portfolios and property companies

Development in activities and financial position

In 2018 Colliers merged with Sadolin & Albæk A/S to become the sector's undisputed market leader in Denmark. We have a total of around 150 staff members and offices in Copenhagen, Aarhus, Aalborg, Odense and Vejle.

We aim to provide our clients with top-end value-added real estate advisory services, and we strive to be the most professional and efficient choice for procurement and rental assignments in the market. Colliers Denmark is a part of the Colliers International Group (CIGI), which is the world's fastest growing listed commercial real estate company. Colliers is currently represented in 68 countries and employs more than 17,000 people.

Profit/loss for the year compared to future expectations

As a positive result after the merger 2018 the EBITDA in 2018 has arisen to DKK ('000) 107,500 compared to DKK ('000) 39,985 in 2017, where Sadolin & Albæk was not part of the group.

Profit for 2018 came to DKK ('000) 62,664 after goodwill amortisation of DKK ('000) 32,668. The balance sheet shows an equity of DKK ('000) 234,034 as at 31 December 2018.

Profit for the year is considered satisfactory and in line with management expectations.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

Special risks

The company is not affected by any material risks other than those usual to the sector.

Knowledge resources

The Group's activities are largely based on skills and knowledge. We are therefore committed to investing in the attraction, development and retention of the best professionals in the sector and offering career options that stimulate and challenge our staff.

Future expectations

To maintain and develop our company's market position and professional skills, there will be a continuous need to invest in organisation, training and information technology.

The Group expects unchanged market activity and positive results for 2019, albeit probably not at the level recorded in 2018.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	Group		Parent company	
		2018 DKK	2017 DKK	2018 DKK	2017 DKK
GROSS PROFIT		223.008.586	113.931.180	135.319.817	113.931.180
Staff costs.....	1	-115.182.082	-73.946.568	-110.694.129	-73.946.568
Depreciation, amortisation and impairment losses.....		-33.857.752	-473.755	-33.857.752	-473.755
Other operating expenses.....		-326.791	0	-326.791	0
OPERATING PROFIT		73.641.961	39.510.857	-9.558.855	39.510.857
Result of equity investments in group enterprises.....		13.671.452	0	78.718.265	0
Other financial income.....	2	499.202	245.510	499.202	245.510
Other financial expenses.....	3	-7.754.325	-91.426	-7.750.400	-91.426
PROFIT BEFORE TAX		80.058.290	39.664.941	61.908.212	39.664.941
Tax on profit for the year.....	4	-17.394.251	-8.782.384	755.827	-8.782.384
PROFIT FOR THE YEAR	5	62.664.039	30.882.557	62.664.039	30.882.557

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	Group		Parent company	
		2018 DKK	2017 DKK	2018 DKK	2017 DKK
Client relationships, brand and backlog.....		98.720.000	0	98.720.000	0
Goodwill.....		100.784.349	0	100.784.349	0
Intangible fixed assets.....	6	199.504.349	0	199.504.349	0
Other plants, fixtures and equipment.....		2.661.625	1.390.700	2.661.625	1.390.700
Leasehold improvements.....		1.104.187	511.812	1.104.187	511.812
Tangible fixed assets.....	7	3.765.812	1.902.512	3.765.812	1.902.512
Equity investments in group enterprises.....		0	0	41.374.578	0
Other securities.....		1.059	1.059	1.059	1.059
Rent deposit.....		1.739.937	804.448	1.739.937	804.448
Fixed asset investments.....	8	1.740.996	805.507	43.115.574	805.507
FIXED ASSETS.....		205.011.157	2.708.019	246.385.735	2.708.019
Trade receivables.....		54.255.431	22.455.855	25.131.205	22.455.855
Receivables from group enterprises.....		34.951.303	31.314.302	34.951.303	31.314.302
Provision for deferred tax.....	11	0	134.552	0	134.552
Other receivables.....		14.168	12.236	14.168	12.236
Prepayments and accrued income.	9	2.143.696	474.213	2.143.696	474.213
Receivables.....		91.364.598	54.391.158	62.240.372	54.391.158
Cash and cash equivalents.....		19.400.953	14.348.290	9.955.405	14.348.290
CURRENT ASSETS.....		110.765.551	68.739.448	72.195.777	68.739.448
ASSETS.....		315.776.708	71.447.467	318.581.512	71.447.467

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	Group		Parent company	
		2018 DKK	2017 DKK	2018 DKK	2017 DKK
Share capital.....	10	1.092.180	500.000	1.092.180	500.000
Reserve for net revaluation according to equity value method.		0	0	400.000	0
Retained earnings.....		197.941.716	4.461.195	197.541.716	4.461.195
Proposed dividend.....		35.000.000	30.000.000	35.000.000	30.000.000
EQUITY.....		234.033.896	34.961.195	234.033.896	34.961.195
Provision for deferred tax.....	11	20.007.539	0	20.007.539	0
PROVISION FOR LIABILITIES.....		20.007.539	0	20.007.539	0
Prepayments received.....		1.581.223	4.477.423	1.581.223	4.477.423
Trade payables.....		2.360.148	1.303.559	2.360.148	1.303.559
Payables to group enterprises.....		1.289.811	1.481.998	22.715.170	1.481.998
Corporation tax.....		18.654.319	2.946.038	351.003	2.946.038
Other liabilities.....		37.849.772	26.277.254	37.532.533	26.277.254
Current liabilities.....		61.735.273	36.486.272	64.540.077	36.486.272
LIABILITIES.....		61.735.273	36.486.272	64.540.077	36.486.272
EQUITY AND LIABILITIES.....		315.776.708	71.447.467	318.581.512	71.447.467
Contingencies etc.	12				
Charges and securities	13				
Related parties	14				
Consolidated financial statements	15				

EQUITY

	Group			Total
	Share capital	Retained earnings	Proposed dividend	
Equity at 1 January 2018.....	500.000	4.461.195	30.000.000	34.961.195
Additions/disposals relating to equity by mergers and acquisitions.....	592.180	225.138.630		225.730.810
Dividend paid.....			-30.000.000	-30.000.000
Proposed distribution of profit.....		-31.658.109	94.322.148	62.664.039
Distributed extraordinary dividend.....			-59.322.148	-59.322.148
Equity at 31 December 2018.....	1.092.180	197.941.716	35.000.000	234.033.896

EQUITY

	Parent company				
	Share capital	Reserve for net revaluation according to equity value method	Retained earnings	Proposed dividend	Total
Equity at 1 January 2018.....	500.000	0	4.461.195	30.000.000	34.961.195
Additions/disposals relating to equity by mergers and acquisitions.....	592.180		225.138.630		225.730.810
Dividend paid.....				-30.000.000	-30.000.000
Transfers to/from other items.....		-40.874.578	40.874.578		
Proposed distribution of profit.....		41.274.578	-72.932.687	94.322.148	62.664.039
Distributed extraordinary dividend.....				-59.322.148	-59.322.148
Equity at 31 December 2018.....	1.092.180	400.000	197.541.716	35.000.000	234.033.896

Due to merger with Sadolin & Albæk A/S in 2018 share capital has increased with 592 shares in denomination of 1,000 DKK.

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Group		Parent company	
	2018 DKK	2017 DKK	2018 DKK	2017 DKK
Profit for the year.....	62.664.039	30.882.557	62.664.039	30.882.557
Reversed depreciation of the year.....	33.857.752	473.755	33.857.752	473.755
Reversed realization gains.....	326.791	0	326.791	0
Profit from subsidiaries.....	-13.671.452	0	-78.718.265	0
Reversed tax on profit for the year.....	17.394.251	8.834.400	-755.827	8.834.400
Corporation tax paid.....	-12.731.415	-6.264.037	-854.509	-6.264.037
Change in receivables.....	34.361.003	-11.372.933	28.799.885	-11.372.933
Change in current liabilities (ex bank and tax).....	-24.039.849	8.225.020	-22.035.850	8.225.020
CASH FLOWS FROM OPERATING ACTIVITY..	98.161.120	30.778.762	23.284.016	30.778.762
Other cash flow from investing activity.....	78.986	0	-74.252	0
Purchase of tangible fixed assets.....	-1.592.203	-358.510	-1.592.203	-358.510
Sale of tangible fixed assets.....	1.369.061	56.182	1.369.061	56.182
Purchase of financial assets.....	-212.378	-619.099	-212.378	-619.099
Sale of financial assets.....	214.458	692.608	214.458	692.608
Dividend and sales of associated companies.	26.437.530	0	26.437.530	0
Received dividend in the financial year.....	0	0	65.584.794	0
CASH FLOWS FROM INVESTING ACTIVITY....	26.295.454	-228.819	91.727.010	-228.819
Group receivable.....	0	-30.205.000	0	-30.205.000
Dividend paid in the financial year.....	-153.083.548	0	-153.083.548	0
CASH FLOWS FROM FINANCING ACTIVITY...-	153.083.548	-30.205.000	-153.083.548	-30.205.000
CHANGE IN CASH AND CASH EQUIVALENTS.	-28.626.974	344.943	-38.072.522	344.943
Cash and cash equivalents at 1. januar.....	48.027.927	14.003.347	48.027.927	14.003.347
CASH AND CASH EQUIVALENTS AT 31. DECEMBER.....	19.400.953	14.348.290	9.955.405	14.348.290

NOTES

	Group		Parent company		Note
	2018 DKK	2017 DKK	2018 DKK	2017 DKK	
Staff costs					1
Average number of employees					
Group: 130 (2017: 83)					
Parent company: 127 (2017: 82)					
Wages and salaries.....	109.029.861	70.684.863	104.586.785	70.684.863	
Pensions.....	1.258.073	618.973	1.258.073	618.973	
Social security costs.....	922.517	533.802	877.640	533.802	
Other staff costs.....	3.971.631	2.108.930	3.971.631	2.108.930	
	115.182.082	73.946.568	110.694.129	73.946.568	
Remuneration of management.....	7.588.022	4.918.602	7.524.998	4.918.602	
	7.588.022	4.918.602	7.524.998	4.918.602	
Other financial income					2
Interest income from group enterprises.....	492.501	205.000	492.501	205.000	
Other interest income.....	6.701	40.510	6.701	40.510	
	499.202	245.510	499.202	245.510	
Other financial expenses					3
Interest expenses group enterprises.....	7.088.165	0	7.088.165	0	
Other interest expenses.....	666.160	91.426	662.235	91.426	
	7.754.325	91.426	7.750.400	91.426	
Tax on profit for the year					4
Calculated tax on taxable income of the year.....	23.749.549	6.946.038	5.446.233	6.946.038	
Adjustment of tax in previous years.....	53.260	0	206.498	0	
Adjustment of deferred tax.....	-6.408.558	1.836.346	-6.408.558	1.836.346	
	17.394.251	8.782.384	-755.827	8.782.384	
Proposed distribution of profit					5
Proposed dividend for the year.....	35.000.000	30.000.000	35.000.000	30.000.000	
Extraordinary dividend.....	59.322.148	0	59.322.148	0	
Allocation to reserve for net revaluation according to equity value method.....	0	0	41.274.578	0	
Retained earnings.....	-31.658.109	882.557	-72.932.687	882.557	
	62.664.039	30.882.557	62.664.039	30.882.557	

NOTES

	<u>Group</u>		Note
	Client relationships, brand and backlog	Goodwill	
Intangible fixed assets			6
Addition from merger.....	120.190.000	111.982.610	
Cost at 31 December 2018.....	120.190.000	111.982.610	
Depreciation for the year.....	21.470.000	11.198.261	
Depreciation at 31 December 2018.....	21.470.000	11.198.261	
Carrying amount at 31 December 2018.....	98.720.000	100.784.349	6
	<u>Parent company</u>		
	Client relationships, brand and backlog	Goodwill	
Addition from merger.....	120.190.000	111.982.610	
Cost at 31 December 2018.....	120.190.000	111.982.610	
Depreciation for the year.....	21.470.000	11.198.261	
Depreciation at 31 December 2018.....	21.470.000	11.198.261	
Carrying amount at 31 December 2018.....	98.720.000	100.784.349	
Tangible fixed assets			7
	<u>Group</u>		
	Other plants, fixtures and equipment	Leasehold improvements	
Cost at 1 January 2018.....	6.945.966	1.321.605	
Additions.....	493.357	680.346	
Addition from merger.....	8.491.892	422.203	
Disposals.....	-4.506.105	-376.715	
Cost at 31 December 2018.....	11.425.110	2.047.439	
Depreciation and impairment losses at 1 January 2018.....	5.555.226	809.793	
Reversal of depreciation of assets disposed of.....	-549.009	-366.219	
Depreciation for the year.....	486.903	244.741	
Depreciation and impairment from merger.....	3.270.365	254.937	
Depreciation and impairment losses at 31 December 2018....	8.763.485	943.252	
Carrying amount at 31 December 2018.....	2.661.625	1.104.187	
Finance lease assets.....	1.042.962		

NOTES

Note

	<u>Parent company</u>	
	Other plants, fixtures and equipment	Leasehold improvements
Cost at 1 January 2018.....	6.945.966	1.321.605
Additions.....	493.357	680.346
Addition from merger.....	8.491.892	422.203
Disposals.....	-4.506.105	-376.715
Cost at 31 December 2018.....	11.425.110	2.047.439
Depreciation and impairment losses at 1 January 2018.....	5.555.226	809.793
Reversal of depreciation of assets disposed of.....	-549.009	-366.219
Depreciation for the year.....	486.903	244.741
Depreciation and impairment from merger.....	3.270.365	254.937
Depreciation and impairment losses at 31 December 2018....	8.763.485	943.252
Carrying amount at 31 December 2018.....	2.661.625	1.104.187
Finance lease assets.....	1.042.962	

Fixed asset investments

8

	<u>Group</u>	
	Other securities	Rent deposit
Cost at 1 January 2018.....	11.550	804.448
Additions.....	0	212.378
Addition from merger.....	0	937.569
Disposals.....	0	-214.458
Cost at 31 December 2018.....	11.550	1.739.937
Revaluation at 1 January 2018.....	-10.491	0
Revaluation at 31 December 2018.....	-10.491	0
Carrying amount at 31 December 2018.....	1.059	1.739.937

NOTES

Note

	Parent company		
	Equity investments in group enterprises	Other securities	Rent deposit
Cost at 1 January 2018.....	0	11.550	804.448
Additions.....	0	0	212.378
Addition from merger.....	100.000	0	937.569
Disposals.....	0	0	-214.458
Cost at 31 December 2018.....	100.000	11.550	1.739.937
Revaluation at 1 January 2018.....	0	-10.491	0
Profit for the year.....	28.141.477	0	0
Addition from merger.....	13.133.101	0	0
Revaluation at 31 December 2018.....	41.274.578	-10.491	0
Carrying amount at 31 December 2018.....	41.374.578	1.059	1.739.937

Investments in subsidiaries (DKK)

Name and registered office	Equity	Profit/loss for the year	Ownership
Colliers International Investment Services A/S, Copenhagen.....	41.374.578	65.046.813	100 %

	Group		Parent company	
	2018 DKK	2017 DKK	2018 DKK	2017 DKK
Prepayments and accrued income				
Prepaid expenses.....	2.143.696	474.213	2.143.696	474.213
	2.143.696	474.213	2.143.696	474.213

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Prepayments and accrued income include prepaid expenses, primarily insurances and licences relating to the following financial year.

	2018 DKK	2017 DKK
Share capital		
Specification of the share capital:		
A-shares, 592 in the denomination of 1.000 DKK.....	1.092.180	592.000
	1.092.180	592.000

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NOTES
Note
Provision for deferred tax

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Provision for deferred tax comprises deferred tax on intangible, tangible fixed assets and trade receivables..

	Group		Parent company	
	2018 DKK	2017 DKK	2018 DKK	2017 DKK
Deferred tax, beginning of year.....	-134.552	-1.760.460	-134.552	-1.760.460
Deferred tax of the year, income statement.....	-6.299.709	1.625.908	-6.299.709	1.625.908
Deferred tax of the year, equity.....	26.441.800	0	26.441.800	0
Provision for deferred tax 31 December 2018.....	20.007.539	-134.552	20.007.539	-134.552

Contingencies etc.

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Contingent liabilities

Rental liabilities relating to non-terminable contracts amount to DKK ('000) 4,370 of which DKK ('000) 4,164 is due for payment in 2019.

The company has signed lease agreements with the latest expiry on 31 December 2022. The total liability in the lease period is DKK ('000) 2,184 of which DKK ('000) 1.081 is due for payment in 2019.

Danske Bank has issued a bank guarantee of DKK ('000) 749 relating to non-paid rent deposit for tenancies in Aalborg and Copenhagen.

Joint liabilities

The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income is stated in the annual report of Colliers International Denmark Holdings ApS, which serves as management company for the joint taxation.

Charges and securities

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As security for all accounts with Danske Bank, a receivables charge has been registered of a nominal amount of DKK 15 m which is secured on claims of carrying amount of DKK ('000) 25,131 at 31 December 2018. The company does not have any debt to its bank at 31 December 2018.

NOTES**Note****Related parties**

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The Controlling interest

Colliers International Group Inc. is the ultimate parent company.

Other related parties having performed transactions with the company

The company's related parties having a significant influence comprise other companies in the international Colliers Group subsidiaries as well as the companies' Board of Directors, Board of Executives and executive officers and their relatives. Related parties include also companies in which the above mentioned group of persons has material interests.

Transactions with related parties

The company did not carry out any substantial transactions that were not concluded on market conditions.

Consolidated financial statements

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The company is included in the consolidated financial statements of Colliers International Group Inc., Toronto, Canada,, which is the company's ultimate parent company at the balance sheet date. The consolidated financial statements may be obtained Nasdaq.

ACCOUNTING POLICIES

The Annual Report of Colliers International Danmark A/S for 2018 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium enterprise.

The Annual Report is prepared consistently with the accounting principles applied last year.

Comparative figures

Due to the merger of Colliers International Danmark A/S and Sadolin & Albæk A/S numbers relating to financial year 2018 contains both companies, whereas comparative figures (financial year 2017) only concerns Colliers International Danmark A/S.

Consolidated financial statements

The consolidated financial statements include the parent company Colliers International Danmark A/S and its subsidiaries in which Colliers International Danmark A/S directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the group structure.

The consolidated financial statements consolidate the financial statements of the parent company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, internal balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

New acquired or established enterprises are recognised in the consolidated financial statements from the time of acquisition. Sold or wound up enterprises are recognised in the consolidated income statement up to the time of disposal. Comparative figures are not adjusted for new acquired, sold or wound up enterprises.

ACCOUNTING POLICIES

INCOME STATEMENT

Net revenue

Net revenue comprises fees for consultancy services and commission from sale of properties and property companies. The production method is used in the income recognition, however, success fees are not recognised until the successful event has occurred.

The successful event is assessed to be completed when the income generating service has been delivered, the income can be measured reliably and it is most likely at the time of recognition that the economic benefits related to the transaction will be received by the company.

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible fixed assets.

Other operating expenses

Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Payments related to operating lease expenses and other lease agreements are recognised in the Income Statement during the continuance of the contract. The Company's total liability concerning operating and other lease agreements are stated under contingencies, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Investments in subsidiaries

The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 10 years. The period of amortisation is determined based on an assessment of the acquired company’s position in the market and earnings profile, and the industry-specific conditions.

Client Relationships, Brand and Backlog are measured at cost less accumulated depreciation and impairment losses. The depreciation base is cost.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets.

The depreciation period is 10 years regarding Client Relationships, 2 years regarding Brand and 1 year regarding Backlog.

Tangible fixed assets

Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment.....	5 years	0 %
Leasehold improvements.....	5-10 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Fixed asset investments

Fixed asset investments also include public quoted shares that are not expected to be disposed of. These shares are measured at market value (quoted price) on the balance sheet date.

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

ACCOUNTING POLICIES

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

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

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against 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 under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Amortised cost for short-term liabilities usually corresponds to the nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

CASH FLOW STATEMENT

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year. Cash flow statement for the financial year 2018 includes numbers for both Colliers International Danmark A/S and Sadolin & Albæk A/S.

ACCOUNTING POLICIES

Cash flows from operating activities:

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:

Cash and cash equivalents include bank overdraft and cash in hand.