

BIG Partners ApS

Kløverbladsgade 56
2500 Valby
Denmark

CVR no. 34 05 89 89

Annual report 2019

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

8 July 2020

Sheela Maini Søgaard Christiansen
Chairman

Contents

Statement by the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Operating review	6
Financial statements 1 January – 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11

BIG Partners ApS
Annual report 2019
CVR no. 34 05 89 89

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of BIG Partners ApS for the financial year 1 January – 31 December 2019.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 8 July 2020
Executive Board:

Bjarke Bundgaard Ingels

Sheela Maini Søgård
Christiansen

Independent auditor's report

To the shareholders of BIG Partners ApS

Opinion

We have audited the financial statements of BIG Partners ApS for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 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 rules and requirements.

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

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Copenhagen, 8 July 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Henrik O. Larsen
State Authorised
Public Accountant
mne15839

BIG Partners ApS
Annual report 2019
CVR no. 34 05 89 89

Management's review

Company details

BIG Partners ApS
Kløverbladsgade 56
2500 Valby
Denmark

CVR no.: 34 05 89 89
Financial year: 1 January – 31 December

Executive Board

Bjarke Bundgaard Ingels
Sheela Maini Søgaard Christiansen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 Copenhagen
Denmark

Management's review

Operating review

Principal activities

The Company's main activity is holding investments in subsidiaries, associates and related activities.

Development in activities and financial position

The income statements of the company for 2019 shows a profit of DKK 83,597 thousand and at 31 December 2019 the balance sheet of the company shows equity of DKK 275,597 thousand.

Profit is in line with Management's expectations.

Events after the balance sheet date

The global economy is expected to be negatively impacted by the Covid-19 outbreak in 2020 which may have an adverse impact on the Company's business and carrying values.

No events materially affecting the assessment of the annual report have occurred after the balance sheet date.

Capital resources

The Company has 3.75 shares at 31 December 2019 at a nominal value of DKK 3.8 thousand, equal to 0.75% of the nominal share capital.

No shares have been cancelled and are therefore held as treasury shares. Thus, the Company can sell these shares at a later time.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2019	2018
Other external costs		<u>-142</u>	<u>-133</u>
Gross loss		<u>-142</u>	<u>-133</u>
Operating loss		-142	-133
Income from equity investments in group entities		83,708	56,708
Financial expenses		<u>0</u>	<u>-17</u>
Profit before tax		83,566	56,558
Tax on profit/loss for the year	2	<u>31</u>	<u>33</u>
Profit for the year		<u><u>83,597</u></u>	<u><u>56,591</u></u>
Proposed profit appropriation			
Reserve for net revaluation under the equity method		23,708	-6,812
Proposed dividends for the year		60,000	0
Extraordinary dividends		0	63,520
Retained earnings		<u>-111</u>	<u>-117</u>
		<u><u>83,597</u></u>	<u><u>56,591</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2019	31/12 2018
ASSETS			
Fixed assets			
Investments			
	3		
Equity investments in group entities		280,036	192,956
Investments in associates		310	220
		<u>280,346</u>	<u>193,176</u>
Total fixed assets		<u>280,346</u>	<u>193,176</u>
Current assets			
Receivables			
Receivables from group entities		142	111
Receivables from associates		0	10
Deferred tax asset		36	36
		<u>178</u>	<u>157</u>
Total current assets		<u>178</u>	<u>157</u>
TOTAL ASSETS		<u><u>280,524</u></u>	<u><u>193,333</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2019	31/12 2018
EQUITY AND LIABILITIES			
Equity			
Contributed capital	4	500	500
Reserve for net revaluation under equity method		211,703	185,640
Retained earnings		3,394	3,505
Proposed dividends for the financial year		60,000	0
Total equity		<u>275,597</u>	<u>189,645</u>
Provisions			
Provisions for equity investments in subsidiaries		3,884	2,827
Total provisions		<u>3,884</u>	<u>2,827</u>
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		7	18
Payables to group entities		1,036	843
		<u>1,043</u>	<u>861</u>
Total liabilities other than provisions		<u>1,043</u>	<u>861</u>
TOTAL EQUITY AND LIABILITIES		<u><u>280,524</u></u>	<u><u>193,333</u></u>
Contractual obligations, contingencies, etc.	5		
Related party disclosures	6		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2019	500	185,640	3,505	0	189,645
Exchange adjustment	0	2,355	0	0	2,355
Transferred over the profit appropriation	0	23,708	-111	60,000	83,597
Equity at 31 December 2019	500	211,703	3,394	60,000	275,597

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of BIG Partners ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in of specific provisions for reporting class C. The Company has opted in disclosure requirements from a higher reporting class regarding presentation of fixed assets.

Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of BIG Partners ApS and group entities are included in the consolidated financial statements of B.I.G. Bjarke Ingels Group Holding ApS, Kløverbladsgade 56, DK-2500 Valby, CVR no. 29 24 00 51.

Foreign currency translation

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

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

Income statement

Income from equity investments in group entities and associates

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

Other external costs

External costs comprise fees to advisors, administrative expenses, etc.

Tax on loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, at the amount attributable to the profit/loss for the year.

The Company is jointly taxed with B.I.G Bjarke Ingels Group Holding ApS' Danish subsidiaries. The tax effect of the joint taxation is allocated to the Danish entities in proportion to their taxable incomes.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Equity investments in group entities and associates

Equity investments in group entities and associates are measured at the proportionate share of the entities' net asset value calculated in accordance with the Group's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method. The Group's goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is assessed as 7 years.

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

Net revaluation of equity investments in group entities and associates is tied as a net revaluation reserve under equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from group entities expected to be adopted in the group entities prior to the approval of the Company's annual report, are not tied up in the revaluation reserve.

Receivables

Receivables are measured at amortised cost.

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

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

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

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

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Liabilities other than provisions

Other liabilities are measured at amortised cost, which usually corresponds to nominal value.

Equity investments in group entities and associates

Equity investments in group entities and associates are measured at fair value. If the fair value cannot be determined reliably in equity investments, group entities and associates are recognised at cost. If cost exceeds the net realisable value, write-down is made to this lower value.

2 Tax on profit for the year

DKK'000

Current tax for the year

2019	2018
<u>-31</u>	<u>-33</u>
<u>-31</u>	<u>-33</u>

Financial statements 1 January – 31 December

Notes

DKK'000 31/12 2019 31/12 2018

3 Equity investments in group entities

DKK'000	Equity investments in group entities	Investments in associates
Cost at 1 January 2019	5,035	140
Additions for the year	<u>50</u>	<u>150</u>
Cost at 31 December 2019	5,085	290
Revaluations at 1 January 2019	187,921	80
Exchange adjustment	2,355	0
Net profit for the year	83,618	144
Dividends	0	-150
Other equity movements, net	0	-54
Equity investments with negative net asset value	<u>1,057</u>	<u>0</u>
Revaluations 31 December 2019	274,951	20
Carrying amount at 31 December 2019	<u><u>280,036</u></u>	<u><u>310</u></u>

Subsidiaries	<u>Registered office</u>	<u>Voting rights and ownership interest</u>	<u>Equity at 31 December 2019</u>	<u>Profit/loss for the year</u>
Bjarke Ingels Group A/S	Valby	100%	279,985	84,675
Sundmolen BIG ApS	Valby	100%	50	0
BIG Investments ApS	Valby	100%	-3,884	-1,057
Associates:				
Kibisi ApS	Copenhagen	33%	672	462
Windrose Partners ApS	Charlotten- lund	33%	258	-31

4 Equity

The share capital consists of 500 shares of a nominal value of DKK 1,000 each.

All shares rank equally.

Purchase and sales amounts for treasury shares are recognised directly in equity under retained earnings. Capital reduction on cancellation of own shares reduces the share capital by an amount corresponding to the nominal value of the shares and increases the transferred result. Dividends from treasury shares are recognised directly in equity under retained earnings.

Financial statements 1 January – 31 December

Notes

5 Contractual obligations, contingencies, etc.

Contingent liabilities

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

Other financial obligations

The Company has issued letters of support to its subsidiaries in respect of payment of liabilities and expenses before due date.

6 Related party disclosures

Group report

The Company is included in the consolidated financial statements of the parent company B.I.G. Bjarke Ingels Group Holding ApS.

The consolidated financial statements can be required at the following address:

B.I.G. Bjarke Ingels Group Holding ApS.
Kløverbladsgade 56
DK-2500 Valby