

EXPRESS CPHA APS
Tuborg Boulevard 12, 3. sal
2900 Hellerup

Annual report for 2021

Adopted at the annual general meeting on
19 July 2022



Lynsey Ann Blair
chairman

CVR-nr. 36 04 53 10

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of Express Cpha ApS for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

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

Copenhagen, 19 July 2022

Executive board

Lynsey Ann Blair
Director



AUDITOR'S REPORT ON COMPILATION OF THE FINANCIAL STATEMENTS

To the shareholder of Express Cpha ApS

We have compiled the financial statements of Express Cpha ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping records and other information made available by company.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the company in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and International Ethics Standards Boards for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the company's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by company for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 19 July 2022

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Kurt Christensen
State Authorized Public Accountant
MNE no. mne26824

COMPANY DETAILS

The company

Express Cpha ApS
Tuborg Boulevard 12, 3. sal
2900 Hellerup

CVR no.: 36 04 53 10

Reporting period: 1 January - 31 December 2021

Incorporated: 14 July 2014

Domicile: Gentofte

Executive board

Lynsey Ann Blair

MANAGEMENT'S REVIEW

Business review

The company operates as a provider of office facilities through Regus Management ApS, which company operates as a manager of the Regus activities in Denmark.

In Denmark, 2021 started slow as the pandemic still affected our business. Business picked up the second half of 2021 and ended with a strong year.

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 2021 shows a loss of DKK 2.028.547, and the balance sheet at 31 December 2021 shows negative equity of DKK 16.223.353.

Going concern:

It is the current intention of the IWG Group to provide the Company with sufficient financial funds in order to enable the Company to fulfill at any time its payment obligations, but no written commitments has been given. Reference is made to note 1 for more details.

Significant events occurring after the end of the financial year

For Denmark, the pandemic has not really affected the business anymore with more Europe and other countries starting to open and getting more relax in their health protocol. But if new mutation comes, this might change. The recent war in Ukraine could also affect the stability of the Nordic region.

There has been no significant subsequent events that require adjustments or disclosure in the Annual Report.

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 Express Cpha ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities.

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

The annual report for 2021 is presented in DKK

Basis of recognition and measurement

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

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company 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 profit

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

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

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Other external expenses

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

ACCOUNTING POLICIES

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's 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. Net financials include interest income and expenses, as well as allowances and surcharges under the advance payment of tax scheme, ect.

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

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

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

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

Assets costing less than DKK 30.700 are expensed in the year of acquisition.

Receivables

Receivables are measured at amortised cost.

Prepayments

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

ACCOUNTING POLICIES

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

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

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

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

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.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
Gross profit		154.576	-1.109.449
Depreciation		-1.804.651	-1.795.954
Profit/loss before net financials		-1.650.075	-2.905.403
Financial income		0	3
Financial costs	2	-417.638	-131.904
Profit/loss before tax		-2.067.713	-3.037.304
Tax on profit/loss for the year	3	39.166	76.228
Profit/loss for the year		-2.028.547	-2.961.076
Recommended appropriation of profit/loss			
Retained earnings		-2.028.547	-2.961.076
		-2.028.547	-2.961.076

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
ASSETS			
Other fixtures and fittings, tools and equipment		1.072.458	1.372.025
Leasehold improvements		<u>687.025</u>	<u>2.150.807</u>
Tangible assets	4	<u>1.759.483</u>	<u>3.522.832</u>
Total non-current assets		<u>1.759.483</u>	<u>3.522.832</u>
Receivables from group enterprises		30.344	169.992
Other receivables		330.604	4.135
Corporation tax		39.166	20.619
Prepayments		<u>4.542.871</u>	<u>4.089.824</u>
Receivables		<u>4.942.985</u>	<u>4.284.570</u>
Total current assets		<u>4.942.985</u>	<u>4.284.570</u>
Total assets		<u><u>6.702.468</u></u>	<u><u>7.807.402</u></u>

BALANCE SHEET 31 DECEMBER

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
EQUITY AND LIABILITIES			
Share capital		50.000	50.000
Retained earnings		-16.273.353	-14.244.806
Equity		-16.223.353	-14.194.806
Trade payables		1.445.055	493.073
Payables to group enterprises		19.075.802	18.141.004
Other payables		2.404.964	1.142.025
Deferred income		0	2.226.106
Total current liabilities		22.925.821	22.002.208
Total liabilities		22.925.821	22.002.208
Total equity and liabilities		6.702.468	7.807.402
Uncertainty about the continued operation (going concern)	1		
Contingent liabilities	5		
Related parties and ownership structure	6		

NOTES

1 UNCERTAINTY ABOUT THE CONTINUED OPERATION (GOING CONCERN)

As regards uncertainties concerning the enterprises ability to continue as a going concern, management has assumed, that IWG Group will continue to provide the necessary liquidity available to the company for the current year.

The company has not received commitments from the IWG Group.

The executive board expects, through strategic measures, that the capital can be restored over a number of years.

2 FINANCIAL COSTS

	2021 DKK	2020 DKK
Financial expenses, group entities	417.471	131.904
Exchange adjustments costs	167	0
	<u>417.638</u>	<u>131.904</u>

3 TAX ON PROFIT/LOSS FOR THE YEAR

Current tax for the year	-39.166	-20.619
Adjustment of tax concerning previous years	0	-55.609
	<u>-39.166</u>	<u>-76.228</u>

4 TANGIBLE ASSETS

	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January 2021	3.477.500	9.007.736
Additions for the year	17.743	23.560
Cost at 31 December 2021	<u>3.495.243</u>	<u>9.031.296</u>
Impairment losses and depreciation at 1 January 2021	2.105.476	6.856.930
Depreciation for the year	317.309	1.487.341
Impairment losses and depreciation at 31 December 2021	<u>2.422.785</u>	<u>8.344.271</u>
Carrying amount at 31 December 2021	<u>1.072.458</u>	<u>687.025</u>

NOTES

5 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 2014, unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

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

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

Other rent and lease liability as of December 31st 2021: 0 tDKK (2020: 4,494 tDKK).

6 RELATED PARTIES AND OWNERSHIP STRUCTURE

Other related parties

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

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.

Kurt Christensen

RID: 1196669587986

Tidspunkt for underskrift: 01-08-2022 kl.: 09:50:22

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