

# Soeborg Business Centre ApS

Larsbjørnsstræde 3, 1454 København K

CVR no. 36 44 64 20

## Annual report 2015

Approved at the annual general meeting of shareholders on 24 June 2016

Chairman:



.....  
Dominic Stephen Harrison

## Contents

Statement by the Executive Board	2
Independent auditors' report	3
Management's review	4
Company details	4
Operating review	5
Financial statements for the period 1 January - 31 December	6
Income statement	6
Balance sheet	7
Statement of changes in equity	9
Notes to the financial statements	10

### **Statement by the Executive Board**

The Executive Board has today discussed and approved the annual report of Soeborg Business Centre ApS for the financial year 1 January - 31 December 2015.

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 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

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

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

Copenhagen, 24 June 2016  
Executive Board:



Dominic Stephen Harrison

## The independent auditors' reports

To the shareholders of Soeborg Business centre ApS

### Report on the annual accounts

We have been appointed auditors for Soeborg Business centre ApS for the financial year 1 January - 31 December 2015, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

### *The management's responsibility for the annual accounts*

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

### *Auditors' responsibility*

Our responsibility is to express an opinion on these accounts based on an audit performed in accordance with international standards on auditing and additional requirements under Danish audit regulation. Due to the matter described in the paragraph on the basis for qualified opinion, we have not been able to obtain sufficient and appropriate audit evidence to provide a basis for our opinion.

### Qualified opinion

#### *Basis for disclaimer of opinion*

The annual accounts have been prepared assuming continued operation. As shown in the management's review and in Note 2, it is material for the company in order to continue its activities that the Regus Group regularly provides the necessary liquidity, which management expects. We have not obtained sufficient and appropriate audit evidence of this commitment.

#### *Disclaimer of opinion*

Due to the significance of the matter described in the paragraph on the basis for disclaimer of opinion, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for our opinion. Consequently, we do not express any opinion on the annual accounts.

### Report on other legal and regulatory requirements


#### Emphasis of matter paragraph on other matters

The company has not complied with Danish Bookkeeping Act that financial records must be kept in Denmark. The company's management may incur liability for breach of the Danish Bookkeeping Act.

#### Statement on the management's review

As it appears from the disclaimer of opinion, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion. We have not read the management's review to verify whether the information provided in the management's review is consistent with the annual accounts. Accordingly, we do not express an opinion on the management's review.

Copenhagen, 24 June 2016  
CHRISTENSEN KJÆRULF  
statsautoriseret revisionsaktieselskab  
CVR No. 15 91 56 41

  
Henrik W. Jørgensen  
State Authorised Public Accountant

## Management's review

### Company details

Name	Soeborg Business Centre ApS
Address, Postal code, City	Larsbjørnsstræde 3, 1454 København K
CVR No.	36 44 64 20
Established	27 November 2014
Registered office	København
Financial year	1 January - 31 December
Executive Board	Dominic Stephen Harrison
Auditors	Christensen Kjarulf statsautoriseret revisionsaktieselskab Store Kongensgade 68, 1264 Copenhagen K

## Management's review

### Operating review

#### The Company's business review

The company operates as a provider of officefacilities.

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

#### Unusual matters having affected the financial statements

##### *Going concern*

The annual report has been presented under the assumption of continued operations of the company.

Continued operations require further investments.

Expectations are that Regus Group will continue to provide the required capital available for the company for the current year.

The Executive Board expects, through stratetic measures, that the capital can be restored over a number of years.

The Executive Board expects, through stratetic measures, that the capital can be restored over a number of years.

Reference is made to note 2 for more details.

#### Financial review

The income statement for 2015 shows a loss of DKK 580,345 against a loss of DKK 8,012 last year, and the balance sheet at 31 December 2015 shows a negative equity of DKK 538,357.

The net loss is not considered satisfactory.

#### Post balance sheet events

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

#### Outlook

In 2016, the activity level and earnings is expected to be the same compared with 2015.

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2015 12 months	2014 1 months
	Gross profit/loss	-481,253	-8,000
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-81,395	0
	Operating profit/loss	-562,648	-8,000
3	Financial expenses	-17,697	-200
	Profit/loss before tax	-580,345	-8,200
4	Tax for the year	0	188
	Profit/loss for the year	-580,345	-8,012
	Proposed profit appropriation/distribution of loss		
	Retained earnings/accumulated loss	-580,345	-8,012
		-580,345	-8,012

Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	2015	2014
	<b>ASSETS</b>		
	Non-current assets		
5	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	449,430	0
		<u>449,430</u>	<u>0</u>
	<b>Investments</b>		
	Deposits, investments	1,154,208	0
		<u>1,154,208</u>	<u>0</u>
	<b>Total non-current assets</b>	<u>1,603,638</u>	<u>0</u>
	<b>Current assets</b>		
	Receivables		
	Trade receivables	128,254	0
	Receivables from group entities	975,747	0
	Income taxes receivable	188	188
	Other receivables	133,951	0
	Prepayments	608,497	0
		<u>1,846,637</u>	<u>188</u>
	<b>Cash</b>	<u>0</u>	<u>49,800</u>
	<b>Total current assets</b>	<u>1,846,637</u>	<u>49,988</u>
	<b>TOTAL ASSETS</b>	<u>3,450,275</u>	<u>49,988</u>



Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK	2015	2014
	<b>EQUITY AND LIABILITIES</b>		
	Equity		
6	Share capital	50,000	50,000
	Retained earnings	-588,357	-8,012
	<b>Total equity</b>	<b>-538,357</b>	<b>41,988</b>
	<b>Liabilities other than provisions</b>		
	Non-current liabilities other than provisions		
	Payables to group entities	2,290,000	0
		<b>2,290,000</b>	<b>0</b>
	<b>Current liabilities other than provisions</b>		
	Bank debt	1,849	0
	Trade payables	530,032	0
	Payables to group entities	539,403	0
	Other payables	627,348	8,000
		<b>1,698,632</b>	<b>8,000</b>
	<b>Total liabilities other than provisions</b>	<b>3,988,632</b>	<b>8,000</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,450,275</b>	<b>49,988</b>

- 1 Accounting policies
- 2 Material uncertainties regarding going concern
- 7 Collateral
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2015	50,000	-8,012	41,988
Profit/loss for the year	0	-580,345	-580,345
Equity at 31 December 2015	<u>50,000</u>	<u>-588,357</u>	<u>-538,357</u>

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Soeborg Business Centre ApS for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

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

#### Reporting currency

The financial statements are presented in Danish kroner.

#### 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 at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and 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 at 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

##### Revenue

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit/loss'.

##### Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the entity's core activities, including gains or losses on the sale of fixed assets.

##### Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised 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 and loss-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

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

##### Corporation 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.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

#### Other payables

Other payables are measured at net realisable value.

#### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 2 Material uncertainties regarding going concern

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

The Company has not received commitments from the Regus Group.

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

DKK	2015 12 months	2014 1 months
<b>3 Financial expenses</b>		
Exchange losses	5,872	0
Other financial expenses	11,825	200
	17,697	200
<b>4 Tax for the year</b>		
Estimated tax charge for the year	0	-188
	0	-188
<b>5 Property, plant and equipment</b>		<b>Other fixtures and fittings, tools and equipment</b>
DKK		
Additions in the year		530,825
Cost at 31 December 2015		530,825
Amortisation/depreciation in the year		81,395
Impairment losses and depreciation at 31 December 2015		81,395
Carrying amount at 31 December 2015		449,430
<b>6 Share capital</b>		
The share capital consists of the following:		
1 shares of DKK 50,000.00 each	50,000	50,000
	50,000	50,000

The Company's share capital has remained DKK 50,000 over the past 2 years.

#### 7 Collateral

The company is jointly tax registered with 21 other Regus companies and is therefore jointly liable for VAT settlement.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 8 Contractual obligations and contingencies, etc.

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

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

##### Other financial obligations

##### Other rent and lease liabilities:

DKK	2015	2014
Rent and lease liabilities	10,644,800	13,676,046

As part of the primary activities the Company has entered into operational leasing contracts. The leasing contracts total outstanding leasing payment is DKK 10 mill pr. 31 December 2015.

#### 9 Related parties

Soeborg Business Centre ApS' related parties comprise the following:

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent's consolidated financial statements
Regus Plc	26 Boulevard Royal, 2449 Luxembourg	<a href="http://www.regus.com/investors/annual-reports.aspx">http://www.regus.com/investors/annual-reports.aspx</a>

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the share capital:

Name	Domicile
Regus Denmark Holding ApS	Larsbjørnsstræde 3, 1454 København K