

Herzog & de Meuron Denmark ApS

c/o Nielsen & Thomsen, Østbanegade 55, 4., 2100 København Ø

Company reg. no. 38 77 87 49

Annual report

1 January - 31 December 2019

The annual report was submitted and approved by the general meeting on the 13 August 2020.

Mauro Di Domenica
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS British English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's report

Today, the executive board has presented the annual report of Herzog & de Meuron Denmark ApS for the financial year 1 January - 31 December 2019 of Herzog & de Meuron Denmark ApS.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

København Ø, 13 August 2020

Executive board

Jason Kamlukin Frantzen

Adrian Keller

Mauro Di Domenica

Independent auditor's report on extended review

To the shareholders of Herzog & de Meuron Denmark ApS

Opinion

We have performed an extended review of the financial statements of Herzog & de Meuron Denmark ApS for the financial year 1 January to 31 December 2019, which comprise accounting policies, income statement, statement of financial position and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the financial statements give a fair presentation of the assets, equity and liabilities, and financial position at 31 December 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable to auditor's reports on small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable to extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the extended review of the financial statements". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the the financial statements, the 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 unless the 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 extended review of the financial statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the financial statements. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an assessment of the achieved evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the financial statements.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion on the management commentary.

In connection with our extended review the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the financial statements and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not discover any material misstatement in the management commentary.

Copenhagen, 13 August 2020

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Carsten Ingemann Johansen

State Authorised Public Accountant
mne32071

Company information

The company

Herzog & de Meuron Denmark ApS
c/o Nielsen & Thomsen
Østbanegade 55, 4.
2100 København Ø

Company reg. no. 38 77 87 49
Financial year: 1 January - 31 December

Executive board

Jason Kamlukin Frantzen
Adrian Keller
Mauro Di Domenica

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Parent company

Herzog & de Meuron Basel Ltd.

Management commentary

The principal activities of the company

The main activity consist of running a architectural and design consultancy in connection with construction and design.

Development in activities and financial matters

The gross profit for the year totals DKK 357.046. The results from ordinary activities after tax are DKK -2.054.820. The management consider the results unsatisfactory.

Accounting policies

The annual report for Herzog & de Meuron Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The annual report is presented in DKK.

Income statement

Gross profit

The gross profit comprises the net turnover and external cost.

The net turn over 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. The net turn over is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Other external costs comprise costs for administration.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	3 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Accounting policies

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income statement

All amounts in DKK.

<u>Note</u>	<u>1/1 2019 - 31/12 2019</u>	<u>1/7 2017 - 31/12 2018</u>
Gross profit	357.046	2.088.929
1 Staff costs	-2.946.371	-2.260.570
Depreciation and writedown relating to tangible fixed assets	-31.560	-37.442
Operating profit	-2.620.885	-209.083
Other financial income	2.510	1.703
Other financial costs	-11.360	-3.212
Pre-tax net profit or loss	-2.629.735	-210.592
2 Tax on net profit or loss for the year	577.486	46.225
Net profit or loss for the year	-2.052.249	-164.367
Proposed appropriation of net profit:		
Allocated from retained earnings	-2.052.249	-164.367
Total allocations and transfers	-2.052.249	-164.367

Statement of financial position at 31 December

All amounts in DKK.

Assets			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Non-current assets			
3	Other fixtures and fittings, tools and equipment	<u>25.677</u>	<u>57.237</u>
	Total property, plant, and equipment	<u>25.677</u>	<u>57.237</u>
	Total non-current assets	<u>25.677</u>	<u>57.237</u>
Current assets			
	Trade receivables	619.031	352.602
	Deferred tax assets	<u>623.711</u>	<u>46.225</u>
	Total receivables	<u>1.242.742</u>	<u>398.827</u>
	Cash on hand and demand deposits	<u>2.622.650</u>	<u>421.467</u>
	Total current assets	<u>3.865.392</u>	<u>820.294</u>
	Total assets	<u>3.891.069</u>	<u>877.531</u>

Statement of financial position at 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2019</u>	<u>2018</u>
Equity			
4	Contributed capital	100.000	100.000
5	Retained earnings	-2.216.616	-164.367
	Total equity	-2.116.616	-64.367
Liabilities other than provisions			
	Payables to group enterprises	0	500.000
	Other payables	65.115	0
	Total long term liabilities other than provisions	65.115	500.000
6	Trade payables	31.587	24.375
	Payables to group enterprises	5.495.820	288.321
	Other payables	415.163	129.202
	Total short term liabilities other than provisions	5.942.570	441.898
	Total liabilities other than provisions	6.007.685	941.898
	Total equity and liabilities	3.891.069	877.531

Notes

All amounts in DKK.

	1/1 2019 - 31/12 2019	1/7 2017 - 31/12 2018
1. Staff costs		
Salaries and wages	2.709.918	2.072.304
Pension costs	227.175	180.503
Other costs for social security	9.278	7.763
	2.946.371	2.260.570
Average number of employees	4	0
2. Tax on net profit or loss for the year		
Adjustment of deferred tax for the year	-577.486	-46.225
	-577.486	-46.225
3. Other fixtures and fittings, tools and equipment		
Cost 1 January 2019	94.679	0
Additions during the year	0	94.679
Cost 31 December 2019	94.679	94.679
Amortisation and writedown 1 January 2019	-37.442	0
Amortisation and depreciation for the year	-31.560	-37.442
Amortisation and writedown 31 December 2019	-69.002	-37.442
Carrying amount, 31 December 2019	25.677	57.237
4. Contributed capital		
Contributed capital 1 January 2019	100.000	100.000
	100.000	100.000

Notes

All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
5. Retained earnings		
Retained earnings 1 January 2019	-164.367	0
Retained earnings for the year	<u>-2.052.249</u>	<u>-164.367</u>
	<u>-2.216.616</u>	<u>-164.367</u>
 6. Trade payables		
Trade payables	9.087	4.375
Provisions for auditor, solicitor, etc.	<u>22.500</u>	<u>20.000</u>
	<u>31.587</u>	<u>24.375</u>