

# Thornton Tomasetti A/S

c/o BLOX  
Bryghuspladsen 8  
1473 København K

CVR No. 38854194

## Annual Report

1 January 2019 - 31 December 2019

2. financial year

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 8 April 2020

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Phillip Rowland Thompson  
Chairman

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## **Management's Statement**

Today, Management has considered and adopted the Annual Report of Thornton Tomasetti A/S for the financial year 1 January 2019 - 31 December 2019.

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

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

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 8 April 2020

### **Executive Board**

Thomas Zarro Scarangelo  
Manager

### **Supervisory Board**

Raymond Peter Daddazio  
Chairman

Thomas Zarro Scarangelo  
Member

Sergio De Gaetano  
Member

Phillip Rowland Thompson  
Member

## Independent Auditors' Report

### To the shareholders of Thornton Tomasetti A/S

#### Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019, and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Thornton Tomasetti A/S for the financial year 1 January 2019 - 31 December 2019, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("financial statements").

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

#### Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the 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 financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

#### 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 as 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 about 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 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

## Independent Auditors' Report

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- \* Identify and assess the risks of material misstatement of the 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 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.

Hillerød, 8 April 2020

**PRICEWATERHOUSECOOPERS**  
**STATSAUTORISERET REVISIONSPARTNERSELSKAB**  
CVR-no. 33771231

Michael Krath  
State Authorised Public Accountant  
mne34155

## Thornton Tomasetti A/S

### Company details

<b>Company</b>	Thornton Tomasetti A/S c/o BLOX Bryghuspladsen 8 1473 København K
CVR No.	38854194
Date of formation	3 August 2017
Registered office	København
<b>Supervisory Board</b>	Raymond Peter Daddazio Thomas Zarro Scarangelo, Manager Sergio De Gaetano Phillip Rowland Thompson
<b>Executive Board</b>	Thomas Zarro Scarangelo, Manager
<b>Auditors</b>	PRICEWATERHOUSECOOPERS STATSAUTORISERET REVISIONSPARTNERSELSKAB Strandvejen 44 2900 Hellerup CVR-no.: 33771231

## Management's Review

### **The Company's principal activities**

The Company's principal activities consist in consulting engineers and scientists.

### **Development in activities and financial matters**

The Company's Income Statement of the financial year 1 January 2019 - 31 December 2019 shows a result of DKK -4.880.017 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 1.521.084 and an equity of DKK -6.375.282.

### **Uncertainties relating to going concern**

The company has lost more than 50% of its contributed capital, and are therefore subject to the company law.

The company has obtained a commitment from its owner on the financing of the operation for the next financial year, so the annual report is prepared under the assumption of going concern.

The management expects that the company by own earnings will restore the capital.

## Accounting Policies

### Reporting Class

The Annual Report of Thornton Tomasetti A/S for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

### Reclassification of comparative figures

The Company has adjusted the comparative figures for Deferred income and Work in progress, respectively, as the accounting item Deferred income, for 2018, containing accounting items, which are to be classified as Work in progress.

The Company has furthermore adjusted the comparative figures for Gross profit and Employee benefits expense, respectively, as the accounting item Other external expenses, for 2018, containing accounting items, which are to be classified as Employee benefits expense.

The adjustments of the comparative figures has not affected the company's profit or equity.

### Reporting currency

The Annual Report is presented in Danish kroner.

### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the Income Statement under Financial Income and Expenses.

## General Information

### Basis of recognition and measurement

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

## Accounting Policies

### Income Statement

#### Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue and other external expenses.

#### Revenue

Income from delivery of services is recognised on a straight-line basis in net sales, as the service is delivered.

#### Other external expenses

Other external expenses comprise expenses regarding sale and administration.

#### Staff expenses

Staff expenses comprise wages and salaries, pensions and social security costs.

Other staff expenses are recognised in other external expenses.

#### Amortisation and impairment of tangible assets

Amortisation and impairment of tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3 years	0%

Profit or loss resulting from the sale of tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

#### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## Accounting Policies

### Balance Sheet

#### Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

#### Deposits

Deposits are measured at cost.

#### Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

#### Work in progress

Work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress.

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realisable value.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

Prepayments from customers are recognised under liabilities.

#### Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

#### Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

## Accounting Policies

### Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

### Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

### Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

### Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Thornton Tomasetti A/S

Income Statement

	Note	2019 kr.	2017/18 kr.
<b>Gross profit</b>		<b>-695.958</b>	<b>-755.725</b>
Employee benefits expense	1	-4.177.474	-1.238.629
Depreciation of tangible assets		-4.415	-911
<b>Profit from ordinary activities before tax</b>		<b>-4.877.847</b>	<b>-1.995.265</b>
Tax expense on ordinary activities		-2.170	0
<b>Profit</b>		<b>-4.880.017</b>	<b>-1.995.265</b>
<b>Proposed distribution of results</b>			
Retained earnings		-4.880.017	-1.995.265
<b>Distribution of profit</b>		<b>-4.880.017</b>	<b>-1.995.265</b>

Thornton Tomasetti A/S

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
<b>Assets</b>			
Fixtures, fittings, tools and equipment		9.865	11.020
<b>Property, plant and equipment</b>		<b>9.865</b>	<b>11.020</b>
Deposits, investments		90.144	84.870
<b>Investments</b>		<b>90.144</b>	<b>84.870</b>
<b>Fixed assets</b>		<b>100.009</b>	<b>95.890</b>
Short-term trade receivables		185.524	111.625
Work in progress		159.757	121.600
Short-term receivables from group enterprises		838.421	67.258
Other short-term receivables		5.200	0
Prepayments		85.082	70.613
<b>Receivables</b>		<b>1.273.984</b>	<b>371.096</b>
<b>Cash and cash equivalents</b>		<b>147.091</b>	<b>325.776</b>
<b>Current assets</b>		<b>1.421.075</b>	<b>696.872</b>
<b>Assets</b>		<b>1.521.084</b>	<b>792.762</b>

**Balance Sheet as of 31 December**

	Note	2019 kr.	2018 kr.
<b>Liabilities and equity</b>			
Contributed capital		500.000	500.000
Retained earnings		-6.875.282	-1.995.265
<b>Equity</b>		<b>-6.375.282</b>	<b>-1.495.265</b>
Provisions for deferred tax		2.170	0
<b>Provisions</b>		<b>2.170</b>	<b>0</b>
Other payables		176.607	0
<b>Long-term liabilities other than provisions</b>	2	<b>176.607</b>	<b>0</b>
Trade payables		97.495	28.880
Payables to group enterprises		6.829.839	1.999.228
Other payables		790.255	259.919
<b>Short-term liabilities other than provisions</b>		<b>7.717.589</b>	<b>2.288.027</b>
<b>Liabilities other than provisions within the business</b>		<b>7.894.196</b>	<b>2.288.027</b>
<b>Liabilities and equity</b>		<b>1.521.084</b>	<b>792.762</b>
Uncertainties relating to going concern	3		
Significant events occurring after end of reporting period	4		
Contingent liabilities	5		
Collaterals and assets pledged as security	6		

## Notes

### 1. Employee benefits expense

	<b>2019</b>	<b>2017/18</b>
Wages and salaries	3.795.938	1.151.458
Post-employment benefit expense	363.078	83.626
Social security contributions	18.458	3.545
	<u><b>4.177.474</b></u>	<u><b>1.238.629</b></u>
Average number of employees	<u>5</u>	<u>4</u>

### 2. Long-term liabilities

	<b>Due after 1 year</b>	<b>Due after 5 years</b>
Other payables	176.607	0
	<u><b>176.607</b></u>	<u><b>0</b></u>

### 3. Uncertainties relating to going concern

The company has lost more than 50% of its contributed capital, and are therefore subject to the company law.

The company has obtained a commitment from its owner on the financing of the operation for the next financial year, so the annual report is prepared under the assumption of going concern.

The management expects that the company by own earnings will restore the capital.

### 4. Subsequent events:

The implications of COVID-19 with many governments across the world deciding to "close down their countries" will have great impact on the global economy. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company.

Many of the Company's customers have indicated that they will continue projects in progress, but there is still a risk that COVID-19 will have negative impacts on the Company's revenue and earnings in 2020. Management is monitoring developments closely. It is, however, too early yet to give an opinion as to whether and, if so, to what extent COVID-19 will impact revenue and earnings in 2020. Naturally, Management will make an effort to recapture any lost revenue later in the year.

At this time, it is not possible to calculate the size of the negative COVID-19 impact.

### 5. Contingent liabilities

The company has a rental obligation of DKK 230.933.

### 6. Collaterals and securities

No securities or mortgages exist at the balance sheet date.