

Knoll Denmark ApS

Langelinie Allé 35
2100 Copenhagen Ø
CVR No. 39147246

Annual report 2020

The Annual General Meeting adopted the
annual report on 25.06.2021

Michael Adam Pollner

Chairman of the General Meeting

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Entity details

Entity

Knoll Denmark ApS
Langelinie Allé 35
2100 Copenhagen Ø

CVR No.: 39147246
Registered office: Copenhagen
Financial year: 01.01.2020 - 31.12.2020

Board of Directors

Charles Wesley Rayfield
Michael Adam Pollner

Executive Board

Charles Wesley Rayfield

Auditors

EY Godkendt Revisionspartnerselskab
Dirch Passer Allé 36
2000 Frederiksberg
CVR No.: 30700228

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Knoll Denmark ApS for the financial year 01.01.2020 - 31.12.2020.

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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 25.06.2021

Executive Board

Charles Wesley Rayfield

Board of Directors

Charles Wesley Rayfield

Michael Adam Pollner

Independent auditor's report

To the shareholder of Knoll Denmark ApS

Opinion

We have audited the financial statements of Knoll Denmark ApS for the financial year 1 January – 31 December 2020, which comprise income statement, balance sheet 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 financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's responsibilities for 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Auditor's responsibilities for the audit of the 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 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 note 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 commentary

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, 25.06.2021

EY Godkendt Revisionspartnerselskab

CVR No. 30700228

Christian Schwenn Johansen

State Authorised Public Accountant

Identification No (MNE) mne33234

Management commentary

Primary activities

The company's activities comprise to act as intermediate parent of investments in group enterprises, as well as any other activity, which according to the assessment of the board of directors is connected thereto.

Description of material changes in activities and finances

The income statement for period shows a profit of DKK 110,054 thousand. The balance sheet shows equity of DKK 201,759 thousand.

The result of the year mainly consist of received dividend from Muuto A/S and financial expenses from the group.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Gross profit/loss		(32)	0
Income from investments in group enterprises		132,717	79,462
Other financial income from group enterprises		605	1,257
Other financial income		0	267
Financial expenses from group enterprises		(26,099)	(28,854)
Profit/loss before tax		107,191	52,132
Tax on profit/loss for the year	2	2,863	2,194
Profit/loss for the year		110,054	54,326
Proposed distribution of profit and loss			
Retained earnings		110,054	54,326
Proposed distribution of profit and loss		110,054	54,326

Balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Investments in group enterprises		1,762,156	1,762,156
Financial assets	3	1,762,156	1,762,156
Fixed assets		1,762,156	1,762,156
Receivables from group enterprises		18,734	16,372
Other receivables		303	0
Receivables		19,037	16,372
Cash		233	0
Current assets		19,270	16,372
Assets		1,781,426	1,778,528

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		50	50
Retained earnings		201,709	50,181
Equity		201,759	50,231
Bank loans		180,095	354,884
Trade payables		6	0
Payables to group enterprises		1,343,617	1,313,307
Non-current liabilities other than provisions		1,523,718	1,668,191
Payables to group enterprises	4	55,949	60,106
Current liabilities other than provisions		55,949	60,106
Liabilities other than provisions		1,579,667	1,728,297
Equity and liabilities		1,781,426	1,778,528
Events after the balance sheet date	1		
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Statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	50	50,181	50,231
Group contributions etc	0	41,474	41,474
Profit/loss for the year	0	110,054	110,054
Equity end of year	50	201,709	201,759

Notes

1 Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Current tax	(2,863)	0
Adjustment concerning previous years	0	914
Refund in joint taxation arrangement	0	(3,108)
	(2,863)	(2,194)

3 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	1,888,657
Cost end of year	1,888,657
Impairment losses beginning of year	(126,501)
Impairment losses end of year	(126,501)
Carrying amount end of year	1,762,156

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Muuto	Copenhagen	A/S	100

4 Payables to group enterprises

The Company finances its ongoing operations and investments on a long-term loan from group entities. Management expects that the intercompany loans will be renegotiated annually on unchanged terms.

Knoll Inc. has declared to the Company in writing that it will provide continuing financial support to the Company to enable it to meet its financial obligations as and when they are due so that the Company will continue as a going concern.

5 Working conditions

0 employees in 2020 and 2019.

6 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Knoll Inc., Pennsylvania, USA

Consolidated financial statements have not been prepared because the group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The company is included in the consolidated financial statements of Knoll Inc., Pennsylvania, USA which can be found at the following link: <https://knoll.gcs-web.com/sec-filings>

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises external expenses.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Financial expenses from group enterprises

Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with Muuto A/S. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Investments in group enterprises**

Investments in group enterprises are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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