

ANNUAL REPORT 2024



Foreningen BLOXHUB

Bryghuspladsen 8, DK-1473 Copenhagen

Annual Report for 2024

CVR No. 37 78 55 39

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
association
on 19/6 2025

Bruno Månsson
Moderator



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Foreningen BLOXHUB for the financial year 1 January - 31 December 2024.

The Annual Report is 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 at 31 December 2024 of the Association and of the results of the Association operations for 2024.

In our opinion, 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, 19 June 2025

Executive Board

Torben Klitgaard
CEO

Board of Directors

Helle Søholt
Chairperson

Jørgen Bardenfleth
Vice Chairperson

Lennie Clausen

Indy Johar

Lene Dammand Lund

Line Groes

Anders Thusgaard

Kasper Guldager Jensen

Nanna Westerby Jensen

Anders Bengtsson

Independent Auditor's report

To the members of Foreningen BLOXHUB

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Association at 31 December 2024 and of the results of the Association's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Foreningen BLOXHUB for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for 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 Association in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 responsibilities 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report

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 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 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 Association'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 Association'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 Association 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.

Hellerup, 19 June 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Claus Christensen

State Authorised Public Accountant

mne33687

Casper Larsen

State Authorised Public Accountant

mne45855

Association Information

The Cooperative

Foreningen BLOXHUB
Bryghuspladsen 8
DK-1473 Copenhagen

Website: www.bloxhub.org

CVR No: 37 78 55 39

Financial period: 1 January - 31 December

Incorporated: 3 June 2016

Municipality of reg. office: Copenhagen

Board of Directors

Helle Søholt, chairperson
Jørgen Bardenfleth, vice chairperson
Lennie Clausen
Indy Johar
Lene Dammand Lund
Line Groes
Anders Thusgaard
Kasper Guldager Jensen
Nanna Westerby Jensen
Anders Bengtsson

Executive Board

Torben Klitgaard

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's review

Intro

BLOXHUB is the Nordic Hub for sustainable urbanization, founded on the belief that the challenges of global urbanization and climate change require new ways of collaboration. The objective is to contribute to sustainable urbanization – on a global scale – through the development of innovative solutions encompassing architecture, design, construction and urban development, coupled with new knowledge within the area of digitalization. Solutions that can create growth, new businesses and increased exports.

In BLOXHUB an international ecosystem of 340+ small and large companies, start-ups, cities, organizations, and research institutions gain knowledge, work across fields of knowledge and aspire to create new solutions for global cities.

Over the years BLOXHUB has redefined its primary themes on sustainable urbanization. The thematic activity are focused within three overall domains;

- Cities as Systems
- Cities as Nature
- Cities as Communities

BLOXHUB is a non-profit organization founded in 2016 by Realdania, the City of Copenhagen and the Ministry of Industry, Business and Financial Affairs.

Activities in 2024

The Office Space had an average occupancy rate of 87.7%.

Key highlights:

- We enhanced space utilization with a more flexible rental approach to boost revenue from member offers.
- Our Network groups were re-launched, and we now have 10 active groups. They also serve as an in-direct sales tool to attract and activate more members.
- A renewed member onboarding and activities have been initiated to foster more community engagement.

Urban Partnerships provides B2B services that include innovation workshops, roundtables and symposiums, leading to networking opportunities and business matchmaking. These activities generate new business ideas and stimulate the scaling of existing solutions.

Urban Partnerships has focused on longer-term initiatives in 2024 to explore selected topics in greater depth, increasing the potential for real impact.

Key highlights:

- **Livable and Thriving Cities:** In collaboration with Tacoma and Kirkland (US cities) and selected BLOXHUB members, we explored how to revitalize downtown areas post-pandemic, where activity levels remain at 50% of pre-pandemic levels. Outcomes include a playbook and action plan for Tacoma and key insights for Kirkland, emphasizing new ways of delving into urban planning, prioritizing housing, and fostering collaboration.
- **Climate Adaptation and Urban Development:** Through three workshops with the think tank CONCITO and landscape architects Schönherr, 35 invited experts examined barriers, value chains, and opportunities related to financing, planning, insurance, and investments in climate adaptation. The outcome includes key recommendations that have been communicated to policymakers and municipalities.

Global Networks is a unit for international delegations, lead generation, and matchmaking activities. It combines the roles of strategic partnerships and international collaborations, ensuring a strong network for securing cross-border partnerships, generating leads for workshops, and facilitating matchmaking opportunities for members with global partners.

Management's review

Key highlights:

- New commercial formats for international partners have been developed and field-tested throughout the year. These include tailored support for urban challenges, hub development, network scouting, and insight visits.
- Our presence in key international markets, particularly the United States and Japan, has strengthened and matured. Member organizations have actively engaged in projects focusing on urban regeneration, sustainable construction and smart cities.
- In collaboration with the City of Copenhagen, we screened 421 delegation visits and identified high-potential delegations for future partnerships with BLOXHUB and our members.

The Applied Science Forum is a new five-year initiative supported by Realdania that aims to strengthen collaboration between researchers and practitioners in the construction industry. The initiative seeks to drive innovation and sustainability in the built environment by identifying industry needs and emerging trends and fostering a stronger innovation culture.

Key highlights:

- Annual research analysis to map applied research trends and industry needs.
- A dedicated resource platform to support funding for construction research.
- A summer school program to cultivate new talent and interdisciplinary exchange.
- International knowledge sharing and matchmaking to connect academia and industry on a global scale.

New European Bauhaus is a European program engaging EU's citizens in the green transition. In 2022 an international project consortia led by BLOX partners and The Confederation of Danish Industries (DI) won one of the six European projects in response to the EU New European Bauhaus call. With BLOX and DI as lead partners of a consortia of 24 EU partners. The project consortia was called DESIRE – or 'Designing an Irresistible Circular Society'. It aims to create an alternative way forward for citizen engagement in the built environment, supporting the EU Horizon Europe mission of '100 climate-neutral and smart cities' through a cross-disciplinary approach within the fields of architecture, design, art, and policy to advocate the green transition.

BLOXHUB was the project manager for the consortium. The project ran from October 2022 to October 2024.

A Digital Learning Hub consolidates the Desire Project's outcomes and insights, offering a platform to showcase its results and initiatives. Furthermore, the Irresistible Cities Network promotes collaboration among urbanists, facilitating ongoing dialogue and innovation in urban development.

European Green Cities, a Danish non-profit organization dedicated to developing CO2-neutral cities and neighborhoods across Europe, has been acquired to reinforce the strategic focus on larger fund-based projects, particularly within the EU.

With this acquisition, BLOXHUB strengthens its position as a key player in EU projects and international collaborations on sustainable urban solutions, boosting sustainable urban transformation, and creating access to new and innovation knowledge for members and partners.

Key highlights:

- Focus on EU funding: The acquisition of European Green Cities enhances access to EU projects and large-scale fund-supported initiatives.
- Expanded network: BLOXHUB gains access to European Green Cities's European network of cities, organizations, and companies.
- New team members: European Green Cities's six employees will join BLOXHUB from February 2025.

Management's review

Financial development through the year

The primary revenue in 2024 was rental revenue from BLOXHUB's tenants. The secondary revenue was grants from founding partner Realdania and other foundations. Membership fees and other member services also contributed to BLOXHUB's revenue.

As for expenses, BLOXHUB spent DKK 56,9 million on the operation in 2024.

As of 31 December 2024, BLOXHUB had an equity of DKK 4 million. The profit of 2024 of DKK 33,175 is transferred to retained earnings.

The BLOXHUB management considers the result for 2024 to be satisfactory and in line with expectations. For 2025 a result in line with the result for 2024 is expected.

Targets and expectations for 2025

In 2023, the board agreed to formulate a new strategy for BLOXHUB. The 'BLOXHUB Beyond' strategy defines a new framework for all BLOXHUB activities.

The ambition of the strategy is;

- To look BEYOND the boundaries of conventional thinking and offer new services and programs that collaboratively expand emerging business opportunities for all members within 'the BLOXHUB domains'.

2025 key initiatives:

- The Applied Science Forum will implement their new initiatives, such as the industrial research REGEN network, conduct a summer school and launch a comprehensive research analysis.
- The funding team, now strengthened by the expertise of European Green Cities, prioritizes securing funding from new sources.

- To engage BEYOND to broaden community participation through various formats, ensuring that most members are involved in collaboration, knowledge sharing, and/or networking activities.

2025 key initiatives:

- Urban Partnerships plans to enhance its workshop formats with a stronger resident mix and more international contributors. Longer thematic workshop spans are continued, both internationally and nationally.
- The number of Network Groups will expand further in 2025 making participation in the groups an obvious choice for an increased proportion of the members.
- New network activities, such as network dinners and other social activities, are continued, balancing matchmaking and social networking.

- To grow BEYOND the community we know today and expand the access and the value created through our digital and physical co-working platforms.

2025 key initiatives:

- International services and partnerships will be prioritized, bringing even more international knowledge and business opportunities into our ecosystem. More staff resources will be added, supporting the goal of commercializing the division into becoming a paid international matchmaking service.
- A new digital channel mix, including a new website and an online members platform, will be launched to support our increasing international membership and partnership base.
- A new corporate visual identity will be introduced to align the BLOXHUB brand with the new Beyond strategy.

Income statement 1 January - 31 December

| | Note | 2024 | 2023 |
|---|------|-------------------|-------------------|
| | | DKK | DKK |
| Revenue | | 58,349,224 | 52,808,776 |
| Other external expenses | | -36,265,785 | -30,371,824 |
| Gross profit | | 22,083,439 | 22,436,952 |
| Staff expenses | 1 | -20,604,499 | -19,017,073 |
| Depreciation and impairment losses of property, plant and equipment | | -1,587,068 | -2,952,428 |
| Profit/loss before financial income and expenses | | -108,128 | 467,451 |
| Financial income | | 163,932 | 63,790 |
| Financial expenses | | -22,629 | -6,749 |
| Profit/loss before tax | | 33,175 | 524,492 |
| Tax on profit/loss for the year | | 0 | 0 |
| Net profit/loss for the year | | 33,175 | 524,492 |

Distribution of profit

| | 2024 | 2023 |
|--|---------------|----------------|
| | DKK | DKK |
| Proposed distribution of profit | | |
| Retained earnings | 33,175 | 524,492 |
| | 33,175 | 524,492 |

Balance sheet 31 December

Assets

| | Note | 2024 | 2023 |
|--|----------|-------------------|-------------------|
| | | DKK | DKK |
| Other fixtures and fittings, tools and equipment | | 246,108 | 437,416 |
| Leasehold improvements | | 2,411,453 | 2,948,148 |
| Property, plant and equipment | 2 | 2,657,561 | 3,385,564 |
| Fixed assets | | 2,657,561 | 3,385,564 |
| Trade receivables | | 1,451,933 | 1,411,520 |
| Other receivables | | 5,612,951 | 6,638,356 |
| Prepayments | | 82,239 | 910,697 |
| Receivables | | 7,147,123 | 8,960,573 |
| Cash at bank and in hand | | 16,682,466 | 29,362,236 |
| Current assets | | 23,829,589 | 38,322,809 |
| Assets | | 26,487,150 | 41,708,373 |

Balance sheet 31 December

Liabilities and equity

| | Note | 2024 | 2023 |
|--|------|-------------------|-------------------|
| | | DKK | DKK |
| Retained earnings | | 4,009,216 | 3,976,041 |
| Equity | | 4,009,216 | 3,976,041 |
| Other provisions | 3 | 8,476,268 | 19,622,995 |
| Provisions | | 8,476,268 | 19,622,995 |
| Deposits | | 6,826,351 | 6,723,659 |
| Long-term debt | 4 | 6,826,351 | 6,723,659 |
| Trade payables | | 1,539,229 | 2,228,695 |
| Other payables | | 1,491,445 | 2,414,819 |
| Deferred income | | 4,144,641 | 6,742,164 |
| Short-term debt | | 7,175,315 | 11,385,678 |
| Debt | | 14,001,666 | 18,109,337 |
| Liabilities and equity | | 26,487,150 | 41,708,373 |
| Contingent assets, liabilities and other financial obligations | 5 | | |
| Accounting Policies | 6 | | |

Statement of changes in equity

| | Retained earnings | Total |
|------------------------------|----------------------|------------------|
| | DKK | DKK |
| Equity at 1 January | 3,976,041 | 3,976,041 |
| Net profit/loss for the year | 33,175 | 33,175 |
| Equity at 31 December | 4,009,216 | 4,009,216 |

Notes to the Financial Statements

| | 2024 | 2023 |
|---|---|--------------------------------|
| | DKK | DKK |
| 1. Staff expenses | | |
| Wages and salaries | 19,364,753 | 17,826,459 |
| Pensions | 336,291 | 328,779 |
| Other social security expenses | 240,513 | 235,103 |
| Other staff expenses | 662,942 | 626,732 |
| | 20,604,499 | 19,017,073 |
| Average number of employees | 33 | 29 |
| 2. Property, plant and equipment | | |
| | Other fixtures and fittings, tools and equipment | Leasehold improve- ments |
| | DKK | DKK |
| Cost at 1 January | 5,262,021 | 30,814,489 |
| Additions for the year | 0 | 859,064 |
| Cost at 31 December | 5,262,021 | 31,673,553 |
| Impairment losses and depreciation at 1 January | 4,824,605 | 27,866,341 |
| Depreciation for the year | 191,308 | 1,395,759 |
| Impairment losses and depreciation at 31 December | 5,015,913 | 29,262,100 |
| Carrying amount at 31 December | 246,108 | 2,411,453 |
| | 2024 | 2023 |
| | DKK | DKK |
| 3. Other provisions | | |
| Other grants | 3,404,934 | 12,768,822 |
| Next Level grant 2019-2024 | 835,639 | 3,300,155 |
| Detained for refurbishment of premises | 4,235,695 | 3,554,018 |
| | 8,476,268 | 19,622,995 |

Notes to the Financial Statements

| | 2024 | 2023 |
|---|-------------------|--------------------|
| | DKK | DKK |
| 4. Long-term debt | | |
| Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt. | | |
| The debt falls due for payment as specified below: | | |
| Deposits | | |
| After 5 years | 0 | 0 |
| Between 1 and 5 years | 6,826,351 | 6,723,659 |
| Long-term part | 6,826,351 | 6,723,659 |
| Within 1 year | 0 | 0 |
| | <u>6,826,351</u> | <u>6,723,659</u> |
| | | |
| | 2024 | 2023 |
| | DKK | DKK |
| 5. Contingent assets, liabilities and other financial obligations | | |
| Rental and lease obligations | | |
| Lease obligations under operating leases. Total future lease payments: | | |
| Within 1 year | 24,016,771 | 23,827,020 |
| Between 1 and 5 years | 53,913,397 | 77,260,169 |
| | <u>77,930,168</u> | <u>101,087,189</u> |

Notes to the Financial Statements

6. Accounting policies

The Annual Report of Foreningen BLOXHUB for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. 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 flow to the Association, 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 out of the Association, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income statement

Revenue

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales. Revenue comprises grants and funds received, membership fees, rental income etc.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office and administrative expenses.

Staff expenses

Staff expenses include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Notes to the Financial Statements

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of 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.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

| | |
|--|-----------|
| Other fixtures and fittings, tools and equipment | 3-5 years |
| Leasehold improvements | 5 years |

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Association has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Notes to the Financial Statements

Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.