Solstra Investments A/S

Amaliegade 24, st., DK-1256 Copenhagen K

Annual Report for 2021

CVR No 32 14 71 35

The Annual Report has been presented and adopted at the Annual General Meeting of the Parent Company on 15 July 2022.

Mette Kapsch
chairman

Contents

Management's Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of Solstra Investments A/S (the Parent Company) for the financial year 1 January - 31 December 2021.

The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act. Moreover, the Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with additional Danish disclosure requirements. Management's Review is also prepared in accordance with Danish disclosures requirements

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Parent Company and its subsidiaries (the Group) and the Parent Company and of the results of the Group and Company operations and consolidated cash flows for the financial year 1 January - 31 December 2021.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

We recommend that the Annual Report be adopted by the Annual Shareholders' Meeting.

Copenhagen, 15 July 2022

Executive Board

Henrik Gram

Board of Directors

Sanae Zariat Irakleous Chairman	Henrik Gram	Mette Kapsch

Independent Auditor's Report

To the Shareholders of Solstra Investments A/S

Opinion
In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2021 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2021 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Solstra Investments A/S for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group ("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 Group in accordance with the International Ethics Standards Board for Accountants' International 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 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement 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 Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of Parent Company 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 Group's and the Parent 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 Group or the Parent 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 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 judgment and maintain 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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

Copenhagen, 15 July 2022
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
mne18651

Claus Carlsson
State Authorised Public Accountant
mne29461

Company Information

The Parent Company	Solstra Investments A/S c/o Solstra Capital Partners A/S Amaliegade 24, st. DK-1256 Copenhagen K CVR no: 32 14 71 35 Financial period: 1 January - 31 December Financial year: 12th financial year Municipality of reg. office: Copenhagen
Board of Directors	Sanae Zariat Irakleous (Chairman) Henrik Gram Mette Kapsch
Executive Board	Henrik Gram
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
Consolidated Financial Statements	The Parent Company is included in the Consolidated Financial Statements of Solstra Holdings Cyprus Ltd. As a result of the legislation in Cyprus, the Consolidated Financial Statements are not published and are for filing purposes only.

Financial Highlights

Group	2021	2020 **)	2019 *)	2018	2017
	DKK ‘000	DKK ‘000	DKK ‘000	DKK ‘000	DKK ‘000
Income statement					
Revenue	40,776	37,528	1,022,285	1,172,455	1,638,855
Gross profit	-912	(65,801)	141,039	53,034	102,862
Depreciation, amortisation and impairments	2,093	(2,145)	(141,811)	(63,163)	(70,807)
Profit before financial items	17,990	(66,510)	145,123	221,778	246,267
Financial income and expenses	2,107	(28,974)	(102,794)	(15,620)	(66,157)
Profit before tax	20,097	(95,484)	42,329	206,158	180,110
Profit/Loss from discontinuing activities	(7,943)	(133,998)	92,682	0	0
Net profit for the year	9,723	(231,972)	54,357	158,348	92,805
Balance sheet					
Balance sheet total	258,766	3,563,501	5,246,487	3,176,167	2,606,927
Equity	199,295	181,419	974,841	1,033,233	886,546
Production property	22,561	63,466	456,704	457,660	463,220
Investment property	63,200	574,007	1,253,019	1,729,769	1,172,144
Right-of-use assets/Hotel properties	0	2,138,669	2,218,764	0	0
Tangible assets under construction	0	266,146	832,420	442,451	0
Credit institution	31,115	856,260	1,243,796	1,275,106	846,738
Investment in PPE	45,841	(297,926)	(668,532)	(491,796)	(119,185)
Cash flows					
Cash flows from:					
Operating activities	(57,741)	(206,520)	10,821	(65,102)	(30,949)
Investing activities	(45,841)	577,900	185,228	(490,695)	1,594,856
Financing activities	34,544	(428,744)	(198,249)	411,895	(1,817,491)
Change in cash and cash equivalents	(69,038)	(57,364)	(2,200)	(143,902)	(253,584)
No of employees	23	266	799	788	753
Ratios					
Gross margin	(2%)	(175%)	16%	5%	6%
Profit margin	44%	(177%)	0%	19%	15%
Return on assets	1%	(2%)	3%	8%	7%
Solvency ratio	77%	5%	22%	38%	41%
Return on equity	5%	(40%)	5%	16%	9%

For the definition of ratios see accounting policies.
*) Income statement is adjusted for the sale of the Bellakvarter sub-group 31 January 2020.
**) Income statement is adjusted for the disposal of the BCBH Holding sub-group 15 June 2021.

Management's review

Main activity
Solstra Investment A/S is an investment company primarily focused on the Scandinavian property market.

Development in the year
At the end of the year, the Group's equity, excluding non-controlling interests, amounted to DKK 199,295k (2020: DKK 181,419k), corresponding to a solvency ratio of 77% (2020: 5%). The increase is due to total comprehensive income for the year, including revaluation of investments property and revaluation of cash flow hedges as well as reduction in total assets from the cancellation of the shares in BCHG Holding sub-group.

The Group had a profit in 2021 of DKK 9,723k (DKK 231,972k loss in 2020), which is not comparable to 2020, which was impacted by negative revaluation of investments and production properties and significant negative operational results. The net result from discontinued activities in 2021 amounted to a net loss of DKK 7,943k (DKK 133,998k loss in 2020).

In 2022, Management will continue to focus on the optimisation of the existing portfolio.

In Management's opinion, the Group's capital resources and liquidity are satisfying.

Due to Covid-19, the BCHG Holding A/S sub-group was operationally challenged in 2020 and 2021 and the result hereof was a significant need for additional capital and liquidity and the entire capital in the sub-group was subsequently lost during 2021. Consequently, the Group's shares in BCHG Holding A/S were cancelled on 15 June 2021. Furthermore, the subordinated loans of DKK 30 million given by the Group to the BCHG Holding sub-group were already considered fully impaired at 31 December 2020 and finally written off on 15 June 2021.

Moreover, the Group has activities within the production and sale of exclusive chocolate products and ownership of logistics properties.

Management is satisfied with its remaining investments and continues to execute its development plans for the Group. To further support this development, the Group is looking for more relevant expansion and investment opportunities in the Nordic region.

Market risks
In general, the property market has however been very strong due to the low interest rates and a high inflow of capital from international investors. The Management is comfortable with the quality of the Group's logistics properties, including their condition and location, and focuses on maximising rental income and reducing any involuntary vacancies. This is done in close cooperation with local estate agents and property managers.

Interest rate risks
The Group is exposed to the interest rate risk on the part of the Group's debts which is not hedged by financial instruments. In 2021, the Group's senior debt was mainly hedged in mortgage banks. In Management's opinion, this is the optimal structure at present.

Consolidated statement on corporate social responsibility, cf. the Danish Financial Statements Act section 99a

<u>Business model</u>
Solstra Investments A/S is a holding company whose purpose is to own and make investments in companies. At 31 December 2021, the activities take place in the Parent Company's and smaller Danish companies.

Bellakvarter A/S and BCHG Holding A/S are included in the consolidated financial statements up to 31 January 2020 and 14 June 2021, respectively.

BCHG Holding A/S is one of the leading hospitality companies in Denmark. The BCHG Holding A/S sub-group provides an extensive range of services within the hotel, conference, exhibition and catering industries to clients from all over the world. The client base covers both the public and private sectors, as well as businesses and leisure guests.

Due to the fact that the Group is not required going forward to report in accordance with the Danish Financial Statements Act section 99a and the fact that the Group only had control up to 14 June 2021 of the BCHG Holding A/S sub-group, Management only find it possible to report BCHG Holding A/S sub-group's' activities and results for 2020, as 2021 activities and results were not available 14 June 2021. The activities and results for BCHG Holding A/S sub-group is included in the Annual Report for BCHG Holding A/S for 2021.

<u>Assessment of non-financial risks</u>
With the majority of the Group's business activities centered on hospitality and housing, the Group is conscious of the impact these activities can have on the external environment, including climate. To minimize the negative impact on the environment, the Group continually works to increase transparency, reduce environmental effects and seize opportunities that positively affect the local community through the selection of suppliers and products.

As a leading provider of hospitality services in Denmark, one of the significant risks facing the BCHG Holding A/S sub-group is a shortage of qualified employees. Furthermore, the safety and security of the employees are also a priority area, which is why the BCHG Holding A/S sub-group is actively working towards ensuring focus on safety by conducting training programs and safety campaigns. These programs also focus on human rights, conflict understanding and management, handling of confrontations etc.

As a large corporate buyer, the BCHG Holding A/S sub-group is paying close attention to the risk of disrespecting human rights or incidents of corruption and bribery in the supply chain. To reduce these risks, a code of conduct has been developed, based on international standards regarding, amongst other things, human rights and anti-corruption. Moreover, the BCHG Holding A/S sub-group believes that as a large buyer, it has the power to influence and create ripples of sustainability changes that leave positive marks throughout the entire value chain.

To address the above risks, the Group has developed and implemented policies on the environment, including climate, employee relations, respect for human rights and anti-corruption. While BCHG Holding A/S has prepared its CSR reporting in accordance with section 99a of the Danish Financial Statements Act, the Group is required to present a consolidated statement of policies, efforts and results for the accounting period. In the following, the Group will present an excerpt of the BCHG Holding A/S sub-group's activities and results achieved in 2020.

Environment and climate

BCHG Holding A/S will continue to improve its environmental performance and will implement environmentally friendly solutions, wherever it makes economic and environmental sense. Further, BCHG Holding A/S will make the most efficient use of resources such as energy, water and other natural resources, promoting conservation and savings wherever possible and practical. Finally, it will optimize waste reduction through reusing materials where possible, recycling and limiting use of hazardous materials where alternatives are available, economical and suitable.

Efforts and results in 2020 and 2021

Every year, BCHG Holding A/S hosts hundreds of thousands of guests at its venues and hotels, and because of its size, BCHG Holding A/S has the power to integrate sustainable solutions that make a real difference. BCHG Holding A/S works hard to improve the efficiency within energy, water and procurement practices. BCHG Holding A/S has to ensure that its business practices and buildings are not only fit for the future but also that they support healthy and productive environments for the guests and employees. Reducing, eliminating or circulating waste products are crucial to the efforts as documented in the DS 49001, ISO 14001 and Green Key certifications.

Tracking carbon emissions gives an excellent opportunity to understand the tangible impact on climate and the environment. This is why BCHG Holding A/S focus on driving reductions in energy usage, which has the most influence on carbon emissions, as well as reducing food waste in its venues. BCHG Holding A/S reduced actual total energy consumptions 49% since 2016 and 2020 is partly due to effect of Covid-19.

As mentioned in the preface, Managements are not able to report on any efforts and results for 2021 as such data was not available 14 June 2021 and going forward, we will continue our work, however, not report on efforts and results for Solstra Investments group.

Employee and social relations

It is BCHG Holding A/S' policy to promote the welfare and productivity of its employees. Productivity is achieved by encouraging an inclusive work environment focused on fostering collaboration. Further, BCHG Holding A/S works hard to maintain a safe work environment and take pride in providing talent and career development for qualified employees.

Efforts and results in 2020 and 2021

In terms of the wellbeing of BCHG Holding A/S' employees, the health strategy is ambitious and holistic. BCHG Holding A/S wishes to promote physical and mental wellbeing and to reduce and alleviate sickness. BCHG Holdings A/S strategy is aimed at healthy employees as well as those unfortunate to be facing an illness. Some of the tools include workplace evaluations in addition to personal and professional development schemes. BCHG Holding A/S also offers health insurance, check-ups for senior colleagues or employees working nights. BCHG Holding A/S offers smoking cessation courses, company sports associations and events, discount on gym memberships, yoga classes and massage therapy to name but a few.

When sickness occurs, it first and foremost hurts on a personal level. However, it also hurts the organisation, so the well-being of each individual is a common concern. Starting a few years ago, BCHG Holding A/S has committed themselves to reduce staff sick leave actively and to provide even better opportunities for employees to stay healthy. The effort has paid off generously – for everyone – and BCHG Holding A/S is proud to have achieved to surpass its overall goal level of 4.1% absence due to illness and BCHG Holding A/S has seen a fall in 2020 compared to 2019. Including Covid-19 symptoms, the level is unchanged compared to 2019.

As mentioned in the preface, Managements are not able to report on any efforts and results for 2021 as such data was not available 14 June 2021 and going forward, we will continue our work, however, not report on efforts and results for Solstra Investments group.

Respect for human rights
BCHG Holding A/S will support and respect the protection of internationally proclaimed human rights, in particular those of employees, business partners and within the local community. BCHG Holding A/S will do this, amongst other things, by promoting diversity in the workplace and respect its employees' rights to voluntary freedom of association and collective bargaining.

Efforts and results in 2020 and 2021
Due diligence is a key driver to developing and maintaining sustainable sourcing program. In the year ahead, BCHG Holding A/S is committed to further strengthen the practices and turn a particular focus towards human rights. In the current year, BCHG Holding A/S has focused on training employees in understanding human rights through BC Academy.

As mentioned in the preface, Managements are not able to report on any efforts and results for 2021 as such data was not available 14 June 2021 and going forward, we will continue our work, however, not report on efforts and results for Solstra Investments group.

Anti-corruption
The Group conducts its operations in accordance with the principles of fair competition and abide by applicable laws and regulations at all times. The Group does this by preserving the highest standards of integrity, objectivity, fairness, efficiency, courtesy and professionalism and will, under no circumstances, tolerate corruption, extortion and bribery.

Efforts and results in 2020 and 2021
BCHG Holding A/S collaborates directly with suppliers to create products that live up to expectations and high-quality standards. BCHG Holding A/S believes in dialogue with its supplier partners, but also expects them to comply with its Supplier Code of Conduct. This Code of Conduct is based on international standards concerning human and labor rights, environmental practices, anti-corruption and other industry standards. Because, as a large corporate buyer, BCHG Holding A/S has the power to use its influence to create ripples of sustainability change that leave positive marks throughout the entire value chain. BCHG Holding A/S applies a zero-tolerance approach concerning corruption, extortion and bribery, and has not in 2020 registered any incidents in this regard.

Furthermore, referring to BCHG Holding A/S for a detailed description of what this individual sub-group does to ensure their social responsibility is met. Reference can be made to BCHG Holding A/S (Registration number: 37 93 98 38) which incorporates most of the activities in the Group. The Annual Reports for 2021 of this company is available at www.cvr.dk

As mentioned in the preface, Managements are not able to report on any efforts and results for 2021 as such data was not available 14 June 2021 and going forward, we will continue our work, however, not report on efforts and results for Solstra Investments group.

Diversity, cf. the Danish Financial Statements Act section 99b
The Group pursues a policy of providing equal opportunities for both genders at all levels in the Group.

When choosing between equally qualified candidates, the diversity among the employees will be taken into consideration, as it is the aim that both genders attain a representation at management levels of at least 25%.

Solstra Investments A/S currently has obtained equal diversity. However, the target must not rank above the other competency requirements in the nomination of board candidates. The Board of Directors currently consists of one male member and two female members and Executive Board of one male member. For 2021, no other management levels are in place.

Data ethic, cf. the Danish Financial Statements Act section 99d
The Group has not deemed it relevant to establish a formalised policy regarding data ethics for the Group in light of the size of the Group at the end of 2021.

Outlook
The Group's outlook for the future depends on the development of the existing portfolio and potential new investments.

Group Management expect activities to be in the same level as for 2021 for the continuing business activities and a net result for the year around DKK 0 (2020: DKK 17,666k).

Uncertainty relating to recognition and measurement
Recognition and measurement in the Annual Report have not been subject to any judgement with significant uncertainty, see also note 2.

Subsequent events
Except as mentioned in note 37, no other events which materially affect the assessment of the Annual Report has occurred after the balance sheet date.

Income Statement 1 January – 31 December

Group

	Note	2021 DKK '000	2020 DKK '000
Revenue	3	40,776	37,528
Cost of goods sold		(19,481)	(17,839)
Other external costs		(8,291)	(26,253)
Staff expenses	4	(13,916)	(59,237)
Gross profit		**(912)**	**(65,801)**
Other operating income/expenses, net	5	20,995	1,436
Depreciation, amortisation and impairment	6	(2,093)	(2,145)
Profit before financial income and expenses		**17,990**	**(66,510)**
Financial income	7	3,091	2,900
Financial expenses	8	(984)	(31,874)
Profit before tax		**20,097**	**(95,484)**
Tax on profit for the year	9	(2,431)	(2,490)
Profit from continuing operations		**17,666**	**(97,974)**
Profit/Loss from discontinuing activities	37	(7,943)	(133,998)
Net Loss/profit for the year		**9,723**	**(231,972)**

Attributable to			
Equity holders of the Parent Company		10,943	(210,602)
Non-controlling interests	24	(1,220)	(21,370)
		9,723	**(231,972)**

Consolidated Statement of Comprehensive Income 1 January – 31 December

	Note	2021 DKK '000	2020 DKK '000
Group			
Net profit for the year		**9,723**	**(231,972)**
Items that will not be reclassified to profit or loss			
Fair value adjustment of property		0	(119,569)
Tax of fair value adjustment		0	26,305
Items that may be reclassified to profit or loss			
Recycling of prior years' fair value adjustments on cash flow hedges		10,501	(5,874)
Tax of fair value adjustment		(2,310)	1,292
Other comprehensive income		17,914	**(97,846)**
Total comprehensive income for the year		**17,914**	**(329,818)**
Profit is attributable to			
Equity holders of the Parent Company		17,876	(293,422)
Non-controlling interests	24	38	(36,396)
		17,914	**(329,818)**

Balance Sheet 31 December - Assets

Group

	Note	2021 DKK '000	2020 DKK '000
Assets			
Non-current assets			
Software	10	68	9,802
Completed development projects	11	0	108
Intangible assets		**68**	**9,910**
Leasehold improvements	12	860	52,922
Equipment	13	1,254	47,345
Production properties	14	22,561	63,466
Investment properties	15	63,200	574,007
Right-of-use assets	16	0	2,138,669
Tangible assets under construction	17	0	266,146
Tangible assets		**87,875**	**3,142,555**
Other receivables		19,598	49,598
Deposits	18	129	64,804
Financial assets		**19,727**	**114,402**
Non-current assets		**107,670**	**3,266,867**
Inventories	19	5,469	6,377
Trade receivables	20	3,427	33,273
Other receivables	21	125,345	170,524
Corporate tax		0	567
Cash and cash equivalents	22	16,855	85,893
Current assets		**151,096**	**296,634**
Total assets		**258,766**	**3,563,501**

Balance Sheet 31 December – Liabilities and Equity

Group

	Note	2021 DKK ‘000	2020 DKK ‘000
Liabilities and equity			
Share capital		100,500	100,500
Retained earnings		98,795	80,919
Equity		**199,295**	**181,419**
Non-controlling interests	23	**0**	**0**
Provision for deferred tax	24	1,088	22,473
Credit institutions	26	8,357	566,406
Lease liabilities		0	2,152,620
Deposits from tenants	25	2,185	11,325
Other non-current liabilities		1,822	35,258
Non-current liabilities		**13,452**	**2,788,082**
Credit institutions	26	22,758	289,854
Lease liabilities		0	50,480
Trade payables		5,308	101,251
Prepayments received from customers		0	48,911
Derivative financial instruments	26	0	22,044
Deposits from tenants	25	379	6,330
Corporate tax		0	0
Other payables		17,574	75,130
Current liabilities		**46,019**	**594,000**
Total liabilities		**59,471**	**3,382,082**
Total liabilities and equity		**258,766**	**3,563,501**

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Statement of Changes in Equity 1 January – 31 December

Group – controlling interest

	Share capital DKK '000	Retained earnings DKK '000	Proposed dividend for the year DKK '000	Equity DKK '000
At 1 January 2020	100,500	874,341	0	974,841
Interim dividend paid	0	(500,000)	0	(500,000)
Net profit for the year	0	(210,602)	0	(210,602)
Other comprehensive income for the year	0	(82,820)	0	(82,820)
At 31 December 2020	**100,500**	**80,919**	**0**	**181,419**
Net profit for the year	0	10,943	0	10,943
Other comprehensive income for the year	0	6,933	0	6,933
At 31 December 2021	**100,500**	**98,795**	**0**	**199,295**

	2021 DKK '000	2020 DKK '000
Share capital at 1 January	100,500	100,500
Capital increase	0	0
Share capital at 31 December	**100,500**	**100,500**

The share capital consists of 100,500,002 shares of a nominal value of DKK 1. No shares carry any special rights.

Cash Flow Statement 1 January – 31 December

Group

	Note	2021 DKK '000	2020 DKK '000
Profit before financial income and expenses		**17,990**	**(66,510)**
Discontinued operations before financial income and expenses		(67,575)	(562,801)
Adjustments for income statement items without cash effect	35	31,021	642,688
Change in working capital	36	(488)	(68,679)
Cash flow from/used in operating activities before financial items		**(19,052)**	**(55,302)**
Financial income received		3,095	3,932
Financial expenses paid		(41,784)	(132,293)
Cash flow from/used in operating activities before tax		**(57,741)**	**(183,663)**
Corporate tax paid		0	(22,857)
Cash flow from/used in operating activities after tax		**(57,741)**	**(206,520)**
Purchase of intangible assets		0	(3,857)
Purchase of tangible assets		(45,841)	(297,926)
Disposal of sub-group BCHG Holding A/S (2021) / Bellakvarter A/S (2020)		0	879,683
Sale of tangible assets		0	0
Cash flow from/used in investing activities		**(45,841)**	**577,900**
Repayment of mortgage and credit facilities		(52,499)	(53,241)
Mortgage obtained and credit facilities		107,860	307,558
Principal elements of lease payments		(20,817)	(48,726)
Capital contribution to/from non-controlling interest		0	(134,335)
Dividend paid		0	(500,000)
Cash flow from/used in financing activities		**34,544**	**(428,744)**
Change in cash and cash equivalents		**(69,038)**	**(57,364)**
Cash and cash equivalents at 1 January		85,893	143,257
Cash and cash equivalents at 31 December		16,855	85,893
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		16,855	85,893
Cash and cash equivalents at 31 December		**16,855**	**85,893**

Notes to the Financial Statements

Group

Note 1 – Accounting policies for the Financial Statements

The Annual Report of the Group for 2021 has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and additional Danish requirements applying to presentation of Annual Reports of large enterprises of reporting class C, cf the Danish Executive Order on Adoption of IFRSs issued pursuant to the Danish Financial Statements Act.

Solstra Investments A/S is a limited corporation, and its registered office is in Copenhagen, Denmark.

Implementation of new standards, amendments and interpretations

New standards implemented in the financial year
No significant new IFRSs or IFRIC interpretations have been implemented in 2021 affecting the recognition and measurement in the Financial Statements.

New standards not yet effective
There are no IFRSs or IFRIC interpretations that are not yet effective that is expected to have a material impact on the Company.

Presentation currency and functional currency
The Annual Report is presented in Danish kroner. The functional currency is Danish kroner.

Translation policies
A functional currency is determined for the enterprise. The functional currency is the currency used in the primary economic environment in which the enterprise operates. Transactions in other currencies than the functional currency are on initial recognition translated to the functional currency at the exchange rates prevailing at the date of the 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 are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Consolidation policies
The Consolidated Financial Statements comprise the Parent Company Solstra Investments A/S and the underlying subsidiaries Copenhagen Chocolate Factory ApS, CCF Properties ApS, Magillum Avedøre A/S, Scandinavian Design & Retail A/S, Bella Solstra A/S, Bellakvarter A/S, Bellakvarter Projektselskab A/S, BCHG Holding A/S, Bella Operation A/S and BCHG Properties A/S. Bellakvarter A/S and its subsidiary Bellakvarter Projektselskab A/S were sold on 31 January 2020. The shares in BCHG Holding A/S at its subsidiaries Bella Operation A/S and BCHG Properties A/S were lost 15 June 2022.

The subsidiaries' financial statements have been prepared in accordance with the same accounting policies as applied by the Parent Company. Where differences between the accounting policy in the subsidiary and the Parent Company have occurred, on top postings have been made to eliminate these differences.

The Consolidated Financial Statements have been prepared based on the financial statements of the individual enterprises by combining items of a uniform nature and subsequently eliminating intercompany income and expenses, shareholdings, dividends as well as realised and unrealised profits and losses on transactions between the consolidated enterprises. Unrealised losses are eliminated in the same way as unrealised profits to the extent that no impairment takes place.

The Parent Company's investments in subsidiaries are set off against the proportionate share of the subsidiary's fair value of identifiable net assets and recognised contingent liabilities at the time of acquisition.

Income statement

Revenue
Revenue consists of income from hotel rooms, conferences, rental income from booths, other rental income from investments properties, income from setting up and arranging conferences and events, meeting facilities; electricity, IT, tele and AV deliveries; services (parking, security, inspection of tickets etc.), as well as restaurant and catering services. Furthermore revenue consist of sale of goods from retail store and production facility as well as constructed properties if properties are constructed for purpose of sale after completion of construction as well as work in progress concerning construction contracts for third parties.

Revenue are recognised in accordance with IFRS 15. Revenue from the sale of goods and services are recognised at the time of holding the event/meeting or delivery. Revenue from delivery of services is recognised at the rate of delivering the service. Revenue from the sale of properties is recognised when delivery has taken place. Work in progress is recognised based on percentage of completion method. Revenue is determined less VAT, charges, payments to co-suppliers and discounts.

Cost of goods sold
Cost of goods sold comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance etc. as well as operation, administration and management of factories.

Value adjustment of investment property
The Group's investment property is measured at fair value and the value adjustments are recognised in the income statement as other operating income/expenses, net.

Other operating income/expenses, net.
Other operating income/expenses comprises income and expenses comprises revaluations of investments, gain/loss in connection with disposals of assets as well as government grants, including compensation received as part of governmental Covid-19 support schemes.

Depreciation and impairment losses
Depreciation of property, plant and equipment is calculated on a straight-line basis based on cost and below assessment of the expected useful lives of the assets:

	Useful life (years)
Production buildings	50
Exhibition and convention centres, auditoriums etc.	10-50
Hotel buildings	Lease contracts up to 28

Other fixtures and operating equipment	1-15

Leasehold improvements are depreciated over the remaining lease term. Land and investment property are not depreciated.

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 30,700 are expensed in the year of acquisition.

Depreciation is determined in consideration of the asset's residual value and reduced by any impairment losses. The residual value is determined at the date of acquisition and is assessed annually. If the residual value exceeds the carrying amount of the asset, depreciation ceases. Property, plant and equipment are derecognised on disposal or when no economic benefits are expected to flow to the Group in connection with use or disposal of the asset. Any gains or losses arising on derecognition of the asset (measured as the difference between the net disposal proceeds and the carrying amount of the asset) are recognised in the income statement on derecognition of the asset.

Financial income and expenses
Financial income and expenses are recognised in the income statement with the amounts relating to the financial year. Financial income and expenses comprise interest, dividends, realised exchange adjustments, amortisation of mortgage loans as well as repayment under the on-account taxation scheme.

Tax on profit/loss for the year
Tax for the year consists of current tax for the year and deferred tax for the year less the portion of tax related to changes in equity. Current and deferred tax attributable to changes in equity is recognised directly in equity. The Group is jointly taxed with group enterprises. The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable income (full allocation).

Jointly taxed companies which have paid too much tax are compensated as a minimum according to applicable rates for interest reimbursement by the administration company, just as jointly taxed companies with outstanding tax as a maximum pay a charge in accordance with applicable rates for interest charges to the administration company.

Balance sheet

Property and equipment
Property, plant and equipment comprise leasehold improvements, fixtures and operating equipment, property as well as assets in the course of construction.

Leasehold improvements
Leasehold improvements as well as fixtures and operating equipment are measured at original acquisition cost plus subsequent additions less accumulated depreciation and impairment losses. The acquisition cost of combined assets is divided into separate components that are depreciated individually if the useful life of each component varies. Subsequent expenses, e.g. from replacing components in an asset, are recognised in the carrying amount of the asset in question when it is probable that the occurrence of costs will result in future economic benefits for the Group. The replaced components are derecognised in the balance sheet and the carrying amount is transferred to

the income statement. All other expenses for ordinary repairs and maintenance are recognised in the income statement as incurred.

An impairment test is carried out regarding leasehold improvements, fixtures and operating equipment if there are indications of impairment. The impairment test is performed for each asset and group of assets, respectively. The assets are written down to the higher of the assets or group of assets' value in use and net selling price (recoverable amount) if this is lower than the carrying amount.

Properties and equipment
Properties are on the balance sheet divided into investment properties, production properties and hotel properties. Investment properties comprise show rooms, office leases and undeveloped land and logistic buildings. Production properties comprise auditoriums, meeting facilities, halls and production/logistic facilities. The balance sheet value of properties comprises buildings and related site.

Investment property and production property are initially recognised at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. After initial recognition, properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the period in which they arise.

Other equipment is measured at purchase cost less accumulated depreciation and any accumulated impairment losses, in accordance with IAS 16. Revaluations or reversals of revaluations less deferred tax concerning production and hotel properties are recognised in other comprehensive income under revaluation reserves. To the extent that an impairment loss on the same revalued asset was previously recognised in profit and loss, a reversal of that impairment loss is also recognised in the profit and loss. Impairment losses at a value below cost are recognised in the income statement. Value adjustment of investment property is recognised as a separate item in the income statement.

Leases
Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under IFRS 16 leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

The Group leases hotel buildings, warehouses, vehicles and technical equipment.
For contracts which are, or contain, a lease, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost, being the initial amount of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term. The right-of-use asset is periodically adjusted for certain remeasurements of the lease liability and reduced by any impairment losses.

The lease term determined by the Group is the non-cancellable period of a lease, together with an extension/termination option if these are reasonably certain to be exercised. When determining the term, Management considers multiple factors that create economic incentives to exercise an option to extend the lease or not to terminate the lease, including termination penalties, potential relocation costs and whether significant leasehold improvements have been capitalised on the lease, with a remaining useful life which exceeds the fixed minimum duration of the lease.

The lease liability is initially measured at the present value of the lease payments outstanding at the commencement date, discounted using the incremental borrowing rate. Lease payments consist of the following payments:

- fixed payments from commencement date
- certain variable payments
- residual value guarantees or the exercise price of a purchase option
- termination penalties

The lease liability is measured using the effective interest method. The lease liability is remeasured when there is a change in future lease payments, typically due to a change in index or rate (e.g. inflation) on property leases, or if there is a reassessment of whether an extension or termination option will be exercised. A corresponding adjustment is made to the right-of-use asset, or in the income statement when the right-of-use asset has been fully depreciated.

The right-of-use asset is presented in a separate line under tangible assets and is mainly related to hotel buildings.

New lease contracts with a lease term of 12 months or less and lease of low value assets are not recognised on the balance sheet. These are expensed on a straight-line basis over the lease term or another systematic basis. Lease of low-value assets include personal computers, telephones and small items of office equipment. Variable lease payments may depend on an index, a rate or other elements. Variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index/rate at the lease commencement date. Variable lease payments not based on an index or a rate are recognised as an expense in the income statement as incurred.

Residual value guarantees that are expected to be paid are included in the initial measurement of the lease liability.

Inventories
Inventories are measured at the lower of cost under the FIFO method and net realisable value. The cost of goods for resale, raw materials and consumables equals landed cost. The net realisable value of inventories is calculated as the amount expected to be generated by sale in the process of normal operations with a deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum. Building plots have been transferred to the fair value at year end.

Receivables
On initial recognition, receivables are measured at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value and subsequently at amortized cost, which usually corresponds to the nominal value, less write-downs for

bad debts. Provisions are initial determined on an expected loss model and subsequently on the basis of an individual assessment of the receivables that are estimated to be risky.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables.

Equity
Proposed dividend is presented as a separate item under equity. Dividend is recognised as a liability at the time of declaration. Purchase and sale of own shares are recognised directly in equity under distributable reserves.

Dividend
Dividend distribution for the year proposed by Management is disclosed as a separate equity item.

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

Taxes payable and deferred tax
Current tax liabilities are recognised on the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account.

Deferred tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts, except for temporary differences arising on the date of acquisition of assets and liabilities and which neither affect profit/loss nor the taxable income.

In cases where the determination of the tax base may be performed based on different taxation rules, deferred tax if measured based on Management's intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised under long-term assets at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity. Adjustment is made of deferred tax concerning the elimination of unrealised intercompany profits and losses.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Financial debts
Financial debts are recognised initially as the proceeds received net of transaction expenses occurred. Subsequently, interest-bearing debt is measured at an amortised cost determined based on the effective interest rate at the time of borrowing. The remaining debt is measured at amortised cost, corresponding to nominal debt outstanding.

The amortisations from the original loans have been transferred to the new loans together with the new amortised costs and will be amortised over the term of the new loans.

Derivative financial instruments
Derivative financial instruments, including cash flow hedges through interest rate swaps after tax, are recognised at fair value. Amortisation and changes in the fair values of derivative financial instruments are recognised in the income statement until the hedged transaction expires. If the hedged transaction results in an asset or a liability, the accumulated market value adjustment is recognised in the cost of the asset or liability, and if the transaction results in an income or a cost, the accumulated market value adjustment is recognised under financial items in the income statement together with the hedged item. Accumulated value adjustments of hedging instruments (interest rate swap) recognised in accordance with the hedging provisions in special reserve under equity and carried via the statement of comprehensive income are amortised as the interest rate swap is settled.

Cash flow statement
The cash flow statement shows the cash flows for the year, changes for the year in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are presented indirectly and are calculated as the net profit/loss for the year adjusted for changes in non-cash operating items, changes in working capital, paid financial items and paid corporation tax.

Cash flows from investing activities comprise payments in connection with the purchase and sale of property, plant and equipment as well as securities attributable to investing activities.

Cash flows from financing activities comprise dividend distribution to shareholders, capital increases and reductions as well as raising of loans and repayment of interest-bearing debt.

Cash and cash equivalents comprise "Cash at bank and in hand" and short-term securities with an insignificant risk of value changes that can readily be turned into cash.

Financial ratios
The financial ratios have been prepared in accordance with the following principles:

Gross margin:
Gross profit (contribution margin) / Revenue * 100

Profit margin:
Net profit before financial income and expenses / Revenue * 100

Return on assets:
Net profit before financial income and expenses /Average assets * 100

Solvency ratio:
(Equity + non-controlling interests) / Assets * 100

Return on equity:
Net profit for the year/Average equity * 100

Note 2 – Significant accounting estimates and assessments

On application of the Group's accounting policies as described in note 1, Management is required to perform assessments and use estimates as well as prepare assumptions for the carrying amount of assets and liabilities, which cannot be directly derived from other sources. These estimates and assumptions are based on historical experience and other relevant factors. The actual outcome may differ from these estimates.

The performed estimates and underlying assumptions are reassessed on an ongoing basis. Changes to accounting estimates are recognised in the period in which the change takes place and in future accounting periods if the change affects both current and subsequent accounting periods.

In connection with the practical application of the described accounting policies, Management has performed the following significant accounting assessments, which have affected the financial statements.

Fair value adjustment of properties

Investment and production are measured at fair value. Value adjustment of investment properties are charged to the income statement, and value adjustment of production properties are charged to other comprehensive income.

To provide an indication of the reliability of the input used in determining fair value, the Group has classified its financial assets and liabilities into the three levels prescribed under the accounting standards. An explanation of each level is provided in Note 27 – Fair value hierarchy

At the end of each reporting period, Management updates their assessment of the fair value of each property, taking into account the most recent market conditions and independent valuation reports. Management determines a property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, Management considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences

- discounted cash flow projections based on reliable estimates of future cash flows

- capitalised income projections based upon a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.

The measurements contain several elements based on Management's estimate of current market conditions, including discount rate, capital structure and growth rate. For a detailed description of estimated assumptions and sensitivity analysis, please refer to current asset notes.

Fair value measurements are performed unchanged based on the capitalised value of Management's statement of expected annual cash generated from operations in a going concern context based on the required market rate of return.

All resulting fair value measurements for properties are included in level 3 in the Fair value hierarchy in Note 27 – Fair value hierarchy.

Capital structure
Management anticipates having sufficient liquidity at its disposal to support the Group's ordinary activities, payment of the Group's financial commitments and ordinary investments and consequently, the financial statements are presented under the going concern assumption. The cash resources have been determined by available operating and cash budgets for the Group approved by the Board of Directors.

Note 3 – Revenue

	2021 DKK '000	2020 DKK '000
Sale of services	3,673	220,336
Sale of goods	37,103	78,282
	40,776	**298,618**
Hospitality activities	0	227,693
Real estate activities (rent, develop and sale)	3,673	36,664
Other activities	37,103	34,261

Note 4 – Staff expenses

	2021 DKK '000	2020 DKK '000
Wages and salaries	12,721	223,740
Pensions, defined contribution plans	749	16,950
Social security costs	170	3,124
Other staff related costs	276	8,457
	13,916	**252,271**
Average number of employees (2021: exclusive discontinued Activities)	**23**	**266**

The Board of Directors and Executive Board do not receive remuneration.

Note 5 – Other operating income/expenses, net

	2021 DKK '000	2020 DKK '000
Fair value adjustment on investment properties	20,683	0
Governmental Covid-19 support schemes	274	1,436
Others, including gains/losses on sale of tangible assets	37	0
	20,994	**1,436**

Note 6 – Depreciation and amortisation

	2021 DKK '000	2020 DKK '000
Software solutions	692	3,565
Completed development projects	108	13
Leasehold improvements	2,859	6,469
Equipment	9,015	23,073
Production properties	5,695	20,375
Impairments, software, leasehold improvements and equipment	0	14,258
Right-of-use assets	33,373	80,095
Discontinued activities	(49,649)	(145,703)
	2,093	**2,145**

	2021 DKK '000	2020 DKK '000
Note 7 – Financial income		
Interest received from related parties	2,747	489
Other financial income	344	2,411
	3,091	**2,900**

Note 8 – Financial expenses

Interest paid to related parties	0	0
Other financial expenses	984	31,874
	984	**31,874**

Note 9 – Tax on profit for the year

Current corporate tax	0	0
Current corporate tax prior years	0	(4,892)
Change in deferred tax	(16,580)	(168,746)
	(16,580)	**(173,638)**
Distributed as follows:		
Income tax expense, continuing operation	2,431	2,490
Income tax expense, discontinuing operation	(21,321)	(148,531)
Tax on other comprehensive income	2,310	(27,597)
	(16,580)	**(173,638)**
Profit/loss before tax continuing operations	20,097	(95,484)
Profit/loss before tax discontinuing operations	(108,370)	(662,188)
	(88,273)	**(757,672)**

The effective tax rate is computed as followed, in %		
Danish tax rate	22	22
Non-taxable income/expenses	0	3
Effect of tax prior years	0	(2)
Effect of non-capitalised deferred tax	(1)	(4)
Effective tax rate	**21**	**19**

Note 10 – Software

	2021 DKK '000	2020 DKK '000
At 1 January	18,408	1,259
Transfer	0	13,266
Additions	36	3,883
Disposal – discontinued activities	(17,068)	0
At 31 December	1,376	18,408
Accumulated depreciation and impairment		
At 1 January	8,606	1,041
Depreciation for the year	692	3,565
Impairment for the year	0	4,000
Disposal - discontinuing activities	(7,990)	0
At 31 December	1,308	8,606
Carrying amount at 31 December	**68**	**9,802**

Note 11 – Completed development projects

	2021 DKK '000	2020 DKK '000
At 1 January	2,064	2,064
Additions	0	0
At 31 December	2,064	2,064
Accumulated depreciation and impairment		
At 1 January	1,956	1,943
Depreciation for the year	108	13
At 31 December	2,064	1,956
Carrying amount at 31 December	**0**	**108**

Note 12 – Leasehold improvements

	2021 DKK '000	2020 DKK '000
At 1 January	74,529	53,278
Transfers	0	4,478
Additions	2,135	16,773
Disposals - discontinuing activities	(72,361)	0
At 31 December	4,303	74,529
Accumulated depreciation and impairment		
At 1 January	21,607	8,685
Depreciation for the year	2,858	6,469
Impairment for the year	0	6,453
Disposal - discontinuing activities	(21,022)	0
At 31 December	3,443	21,607
Carrying amount at 31 December	**860**	**52,922**

Note 13 – Equipment

	2021 DKK '000	2020 DKK '000
At 1 January	208,176	224,131
Additions	18,296	3,448
Transfers	0	(3,965)
Disposals - discontinuing activities	(222,230)	(15,438)
At 31 December	4,242	208,176
Depreciation		
At 1 January	160,831	146,828
Depreciation for the year	9,015	23,072
Impairment for the year	0	3,805
Reversal of depreciation of divested assets	0	(12,874)
Discontinuing operation	(166,858)	0
Depreciation at 31 December	(2,988)	160,831
Carrying amount at 31 December	**1,254**	**47,345**

Note 14 – Production properties

Production facility/Halls/Auditoriums/Meeting facilities

	2021 DKK '000	2020 DKK '000
Costs		
At 1 January	637,432	610,659
Additions	0	6,439
Transfers	0	20,334
Disposals - discontinuing activities	(613,676)	0
At 31 December	23,756	637,432
Revaluation		
At 1 January	(280,067)	119,569
Revaluation	0	(399,636)
Disposals - discontinuing activities	280,067	0
At 31 December	0	(280,067)
Depreciation		
At 1 January	293,899	273,524
Depreciation	5,695	20,375
Disposals - discontinuing activities	(298,399)	0
Depreciation at 31 December	1,195	293,899
Carrying amount at 31 December	**22,561**	**63,466**
Difference between carrying amount at 31 December and carrying amount if the revaluation was not entered	0	280,067

Production property 2021
The remaining property is used by the Group. Currently no revaluation of the property has been made since acquisition because the operation that takes place in there is loss making.

Production property 2020
The fair value of production property as of 31 December 2020 was determined by discounting expected cash flows by a discount rate of 9.6%. Income from production comprises income from events, including a specific projection of rent, additional sales as well as catering split up into fairs, meetings, conferences, conventions, concerts, company events etc.

Sensitivity – value adjustment of production property 2020
Value adjustment of property depends on the development in the discount rate, expected cash flow and expected growth rate. No sensitivity test has been made. For 2020, in the case of a change in the discount rate of +/- 0.25 percentage point, or a permanent change in results before tax of +/- DKK 2.5 million, the assessment value will be affected by +/- DKK 18-22 million and +/- DKK 29 million, respectively. The sensitivity related to fluctuations in the growth rate of +/- 0.25 percentage point affects the assessment value by +/- DKK 10-14 million.

	2021 DKK '000	2020 DKK '000
Note 15 – Investment properties		
Rental property and undeveloped land area		
Costs		
At 1 January	433,449	641,787
Additions	0	104
Disposal - sale of business	0	(208,442)
Disposals - discontinuing activities	(390,932)	0
At 31 December	42,517	433,449
Value adjustments		
At 1 January	140,558	611,232
Revaluation	20,683	(213,956)
Disposal - sale of business	0	(223,430)
Disposals - discontinuing activities	(140,558)	0
Transferred to Inventories, Property held for sale	0	(33,288)
At 31 December	20,683	140,558
Carrying amount at 31 December	**63,200**	**574,007**

Rental property 2021
The fair value of remaining rental property has been determined as the price received in connection with sale on 28 February 2022.

Undeveloped land area 2020
Undeveloped land area was disposed on 31 January 2020 in connection with the sale of the Bellakvarter sub-group.

Rental property 2020
The fair value of rental properties are assessed using two general methods (discounted cash flow model and yield based model), depending on the specific properties and its characteristics and conditions.

The fair value of properties at 31 December 2020 using the discounted expected cash flows is determined by a discount rate of 6.0%. Income from lease activities comprises income from long-term office leases and show rooms, including a specific projection of expected rent per lease.

The valuation of rental properties at fair value is based on an estimated return multiplied by a yield factor or costs if costs are considered the best estimate for fair value. The market value has been determined based on current rent level, a structural vacancy of 0% and yield of 6.0%.

Sensitivity – value adjustment of investment property 2020
Value adjustment of rental property, using discounted cash flow, depends on the development in the discount rate, expected cash flow and expected growth rate. In case of a change in the discount rate of

a +/- 0.25 percentage point or a permanent change in results before tax of +/- DKK 1.0 million will affect the assessment value by +/- DKK 10-20 million.

Value adjustment of rental property, using a yield factor depends on the development in the yield factor or estimated return. In case of a change in the yield factor of a +/- 0.25 or a permanent change in return of +/- DKK 3.0 million will affect the assessment value by +/- DKK 10-20 million.

	2021 DKK '000	2020 DKK '000
Note 16 – Right-of-use asset		
Cost		
At 1 January	2,298,859	2,298,859
Disposals - discontinuing activities	(2,298,859)	0
At 31 December	0	2,298,859
Depreciation		
Impairment losses and depreciation at 1 January	160,190	80,095
Depreciation for the year	33,373	80,095
Disposals - discontinuing activities	(193,563)	0
Depreciation at 31 December	0	160,190
Carrying amount at 31 December	**0**	**2,138,669**

	2021 DKK ‘000	2020 DKK ‘000
Note 17 – Tangible assets under construction		
Costs		
At 1 January	266,146	676,048
Additions	25,375	306,835
Disposal - sale of business	0	(695,889)
Disposal - discontinuing activities	(291,521)	0
Transfers	0	(20,848
)		
At 31 December	0	266,146
Fair value adjustments		
At 1 January	0	156,372
Revaluation	0	0
Disposal - sale of business	0	(189,660)
Transfers	0	33,288
At 31 December	0	0
Carrying amount at 31 December	**0**	**266,146**

Note 18 – Deposits

	2021 DKK ‘000	2020 DKK ‘000
Cost at 1 January	64,804	64,754
Additions	3	175
Disposal - discontinuing activities	(64,678)	(125)
Cost at 31 December	**129**	**64,804**

Note 19 – Inventories

	2021 DKK '000	2020 DKK '000
Inventories		
Raw materials and consumables	1,019	593
Work in progress	476	468
Finished goods	3,974	5,316
At 31 December	**5,469**	**6,377**
Cost of sales (from finished goods)	*19,480*	*47,439*

Note 20 – Trade receivables

Trade receivables	3,427	36,415
Provision for doubtful receivables	0	(3,142)
	3,427	**33,273**
Write downs which included the above receivables have developed as follows:		
At 1 January	3,142	2,480
Change in provision	(3,142)	662
At 31 December	0	3,142
Receivables at 31/12 were overdue, but not impaired as follows:		
Up to 30 days	258	9,426
Between 30 days and 90 days	84	2,454
Over 90 days	23	336
Overdue net receivables at 31 December	365	12,216

Note 21 – Other receivables

	2021 DKK '000	2020 DKK '000
Prepaid expenses	1	16,544
Receivables parent company	74,027	48,929
Other receivables	51,317	105,051
Other receivables at 31 December	**125,345**	**170,524**

Note 22 – Cash and cash equivalents

Cash and bank deposits	16,855	85,893
Cash and cash equivalents at 31 December	**16,855**	**85,893**

Note 23 – Non-controlling interests

1 January	0	170,732
Additions/disposals for the year	0	(134,335)
Net profit for the year	(1,220)	(21,371)
Other comprehensive income for the year	1,258	(15,026)
Other income in connection with loss of shares	(38)	0
Non-controlling interests at 31 December	**0**	**0**

Note 24 – Deferred tax

Deferred tax at 1 January	22,473	283,876
Adjustments in deferred tax, continuing operation	117	(143,069)
Adjustments in deferred tax, discontinuing operation	(18,890)	628
Adjustments in deferred tax of other comprehensive income	2,310	(26,305)
Disposal of BCHG Holding / Bellakvarter sub-group	(4,922)	(92,657)
Deferred tax at 31 December	**1,088**	**22,473**

	Deferred tax asset 2021 DKK '000	**Deferred tax liability 2021** DKK '000	**Deferred tax asset 2020** DKK '000	**Deferred tax liability 2020** DKK '000
Intangible and tangible assets	0	1,088	4,470	41,062
Receivables	0	0	0	0
Tax losses carried forward	0	0	13,701	0
Long-term debt	0	0	418	0
Other provision and payables	0	0	0	0
Total deferred tax	**0**	**1,088**	**18,589**	**41,062**

Tax losses are recognised in deferred tax assets to the extent that the losses are expected to be utilised in future taxable profits. Not recognises tax losses carried forward for 2020 amounts tax value of DKK 10,524k.

	2021 DKK '000	2020 DKK '000
Note 25 – Deposits from tenants		
Cost at 1 January	17,655	31,782
Additions	740	132
Disposals	0	(14,259)
Disposal - discontinuing activities	(15,831)	0
Cost at 31 December	**2,564**	**17,655**
Non-current 31 December	2,185	11,325
Current 31 December	379	6,330
	2,564	**17,655**

Note 26 – Financial assets and financial liabilities

Receivables and cash at amortised cost		
Deposits	129	64,804
Trade receivables	3,427	33,273
Other receivables	144,943	170,524
Cash	16,855	85,893
Receivables and cash, total	165,354	354,494

The carrying amount of financial assets is a good approximation for the fair value.

Financial obligations at amortised cost		
Credit institutions	31,115	856,260
Deposits	2,564	17,655
Trade payables	5,308	101,251
Other payables	19,396	110,388
Loans and receivables, total	58,383	1,085,554

	2021 DKK '000	2020 DKK '000
Financial obligations at fair value through other comprehensive income		
Interest rate swaps	0	(22,044)

The fair value of the interest rate swaps is recognised according to the accounting principles of investment activities. In 2020 DKK 10,501k net gain was recognised as other comprehensive income (2020: DKK 5,874k net loss). The interest rate swaps expire in 2030.

Financial obligations, total	58,383	1,085,550
Financial obligations at amortized cost		
Within 1 year	50,026	473,174
Between 1 and 5 years	2,229	293,178
More than 5 years	6,128	323.185
Gross value at 31 December	58,383	1,089,537
Of this amortisation and interest	0	(3,983)
Financial obligations at amortised cost at 31 December	58,383	1,085,554

Financial obligations constitute a gross value which is determined as the sum of interest and repayment of payables as regards loan creditors, trade creditors and other payment obligations due in the intervals indicated. Liabilities with no fixed maturity, including overdraft facilities, deposits etc. are recognised as due within 1 year.

Financial obligations at fair value		
Within 1 year	50,026	472,565
Between 1 and 5 years	2,229	291,340
More than 5 years	6,128	321,649
Fair value at 31 December	58,383	1,085,554

Financial obligations also constitute a gross value which is determined exclusive of interest and inclusive of exchange losses etc. when early repaid.

To eliminate the risk of fluctuations in interest payments, interest rate swap agreements was entered into as regards the Group's long-term mortgage loans. The Group has entered into the following swap contracts at the beginning of 2021:

- Nordea - DKK 447 million CIBOR6 interest rate at a fixed interest rate of 0.809%, which expires on 30 December 2030.
- Nordea - DKK 47 million CIBOR3 interest rate at a fixed interest rate of 0.293%, which expires on 30 September 2026.
- Nordea - DKK 92 million CIBOR3 interest rate at a fixed interest rate of 0.22%, which expires on 30 June 2026.

In case of early repayment of the Group's floating-rate mortgage loans hedged by fixed-rate interest rate swaps, the cost payable on redemption will be subject to supplementary payment of the discounted present value of interest rate differences between the borrowing rate and the swap interest rate until maturity of the interest rate swap. Consequently, the negative fair value of interest rate swaps at 31 December 2020 was included in the balance sheet under current liabilities. At 31 December 2021 there is no outstanding interest rate swap as these was disposed as part of the disposal of the shares in BCHG Holding A/S.

The calculated present value based on expected interest rate differences was determined by the provider of the interest rate swaps.

Fair value adjustments are recognised under financial items in the income statement and in other comprehensive income:

	2021			2020		
	Adjusted through profit and loss DKK '000	**Adjusted through other com-prehensive income** DKK '000	**Fair value** DKK '000	**Adjusted through profit and loss** DKK '000	**Adjusted through other com-prehensive income** DKK '000	**Fair value** DKK '000
Interest rate swap, gross	0	9,991	0	0	(5,005)	(20,835)
Interest rate swap, gross	0	179	0	314	(260)	(600)
Interest rate swap, gross	0	331	0	0	(609)	(609)
	0	**10,501**	**0**	314	**(5,874)**	**(22,044)**

			2021
	Level 1 DKK '000	**Level 2** DKK '000	**Level 3** DKK '000
Note 27 – Fair value hierarchy			
Disclosures about assets and liabilities determined at fair value			
Assets measured at fair value			
Investment property			63,200
Production property			22,561
Liabilities measured at fair value			
None			

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

			2020
	Level 1 DKK '000	**Level 2** DKK '000	**Level 3** DKK '000
Disclosures about assets and liabilities determined at fair value			
Assets measured at fair value			
Investment property			574,007
Production property			63,466
Liabilities measured at fair value			
Negative market value of interest rate swap		(22,044)[1)]	

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year.

Investment property comprised of showrooms, office leases, storage building and undeveloped sites, but now only a warehouse and office building. Production property comprised of auditoriums, conference facilities and halls, but now only comprise of production facility. The fair value of property comprises properties including land. Properties are measured at fair value without the assistance of an external real estate appraiser. The capitalised value (NPV) is allocated on negotiable assets, primarily property. Cash flows are determined according to the DCF model (Discounted Cash Flow).

Cash flows are based on an operating forecast prepared by the Group's Management. Please refer to note 1 for additional information on fair value measurement. Main assumptions applied in the five-year forecast period:

1) The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The value is in accordance with the information from Nordea.

Note 28 – Recognised fair value measurements	**2021** DKK '000	**2020** DKK '000
Investment properties (discounted cash flow)		
Rental income etc. year 1	N/A	Abnormal low
Average annual revenue growth 2021-2028	N/A	14,7%
Annual idle rent	N/A	6-10%
Growth rate from 2028, estimated	N/A	1.5%
WACC	N/A	6.0%
Production property (discounted cash flow)		
EBITDA year 1	N/A	negative
Growth rate from 2028, estimated	N/A	1.5%
WACC	N/A	9.6%

Note 29 – Collateral

	2021	2020
	DKK '000	DKK '000
At 31 December, the following assets have been provided as collateral for debt to credit institutions:		
Production and investment property, carrying amount	85,761	1,011,925
	85,761	1,011,925

Collateral has been provided through the following:		
Nordea Bank	15,890	680,480
Danske Bank	8,914	15,505
Total	24,804	695,985

Note 30 - Contingent liabilities and other financial obligations

Contingent liabilities

The Danish Group companies are jointly and severally liable for tax of the Group's jointly taxed income etc. The total amount is stated in the Annual Report of the Parent Company, which is the administration company in relation to the joint taxation.

Moreover, the Group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax and tax on unearned income. Any subsequent adjustments of corporation taxes may increase the Parent Company's liability.

Note 31 - Financial risks

Risk management policy of the Group
Due to its operation, investments and financing, the Group is exposed to changes in exchange rates and interest-rate levels. It is the Group's policy not to speculate in financial risks. The Group's financial management is therefore solely aimed at management of financial risks directly related to the Group's operation and financing.

It is Management's objective to have a solvency ratio between 25% - 30%. Aside from an overdraft facility and construction facilities that manage the normal fluctuations from the working capital, Management aims at primarily long-term mortgage financing with a loan-to-value ratio of around 60%.

Currency risks
Most of the Group's income and expenses are in DKK. Between 0% - 5% of the Group's revenue is invoiced in EUR. Exposures in EUR are not hedged. The Group believes this does not involve significant risk. Certain investments and purchases are handled in EUR. No loans have been raised in foreign currencies.

Interest rate risks
Most of the Group's financing comprises in the past of long-term floating-rate mortgage loans. In 2020 interest rate hedging was agreed for loans of DKK 555 million. A discount to net present value of the interest rate difference between floating-rate loans and the fixed-rate interest rate swaps constitutes negative DKK 22.0 million, also known as the market value on early repayment. Currently no hedging is used.

Mortgage loans consisted of floating-rate F3, S3 or CIBOR6 and CIBOR3-based loans. Current bank loans comprise floating-rate NBOR bank overdraft and a fixed rate bank loan. The interest-rate hedging of mortgage loans was performed to reduce the business risks related to market rate fluctuations. Interest-rate hedging is settled by the Executive Board in cooperation with the Group's Chairman of the Board of Directors and in connection with the specific investment project. At the end of 2020, the interest-rate hedging covered approximately 65% of the total interest-bearing debt. In general, Management does not see any advantages in hedging in the current or the future market.

The Group has performed a sensitivity analysis on the part of the debt not covered by interest-rate hedging. The sensitivity related to fluctuations in the interest rate is based on the assumption that the rate can decrease as low as zero or increase by 1% from the 2021 level and will affect the interest costs in the range +/- DKK 1 million. Please refer to property notes for details on the sensitivity related to interest on return underlying measurement of property.

Liquidity risks
The Group's liquidity risks are linked to short-term loan agreements with credit institutions and to secured mortgage debt. Terms and conditions for the Group's credit are negotiated with the credit institutions on an ongoing basis. The Group aims at settling as much of the Group's loan financing as possible. Repayment obligations at 31 December 2021 appear from balance sheet. The Group's cash resources consist of cash and unutilised credit facilities. It is the Group's goal to have sufficient cash resources to be able to act appropriately in case of unforeseen fluctuations in cash. The Group's liquidity is managed based on projection of the operation and expected ingoing and outgoing payments. The projections are updated frequently. The frequency is adjusted to the size of the undrawn credit facilities.

Credit risk
Short-term lease of the Group's facilities is usually accompanied by prepayments from customers. A credit sale is mainly used in connection with deliveries related to the individual events. A credit risk arises in connection with fluctuations in trade receivable balances, prepayments as well as sub-suppliers. The maximum credit risk corresponds to the carrying amounts recognised in the balance sheet. The exposure to credit risk from trade receivables, payment terms and credit limits are determined based on an assessment of the customer, including the customer's financial position and the current market conditions.

Capital management
The purpose of capital management is to ensure sufficient return on investments and fulfilment of credit agreements and other liabilities. The Group aims at generating a competitive operating income which is reflected in the discount rates on which measurement of the properties is based. In addition to the Group's operation, equity is affected by value adjustment of properties, either via the income statement (investment property) or directly in the revaluation reserve (production property). The operation of the properties is currently monitored and managed, which results in projections of the income development, which in turn are used for measurement in the balance sheet. The financing strategy is determined in cooperation with the Board of Directors and the Group's main bank connections and is revised as required and in connection with major investment projects. At least once a year, the composition and the terms of all loan financing are assessed. In this connection, the optimal capital structure for the Group in the future is considered. All insurance matters are assessed once a year in cooperation with external consultants.

Note 32 – Related party transactions
The Group is controlled by intermediate parent company Solstra Holdings Cyprus Ltd, Cyprus.

Related parties are considered to be the Board of Directors and Solstra Investments A/S' subsidiaries as well as Solstra Investments A/S, intermediate and ultimate parent companies (see note K to the Parent Company Financial Statements).

The Group has had transactions with shareholders related to inter-company receivables and payables, the balances are disclosed in the balance. Interests received and paid to Group enterprises are disclosed in the income statement and notes 7 and 8.

Dividends to shareholders are disclosed in the statement of changes in equity.

	2021	**2020**
	DKK '000	DKK '000
Note 33 – Fees to statutory auditors		
Statutory audit	480	1,456
Audit related services	93	499
Tax services	1,474	1,249
Other services	323	110
	2,370	**3,314**

	2021	2020
	DKK '000	DKK '000
Note 34 – Cash flow statement, Adjustments for income statement items without cash effect		
Depreciation, amortisation and impairment	51,742	147,848
Profit/loss on disposal of property, plant and equipment and other	(38)	135
Value adjustments of investment properties	(20,683)	494,043
Provision for doubtful receivables	0	662
	31,021	**642,688**

Note 35 – Cash flow statement, change in working capital

	2021	2020
Change in inventories	(771)	3,706
Change in receivables	21,767	34,641
Change in other receivables	(60,578)	(107,166)
Change in trade payables	9,425	20,731
Change in provisions	0	(6,411)
Change in prepayments received from customers	7,790	(24,789)
Change in other payables	20,432	24,736
Change in deposits	1,447	(14,127)
	(488)	**(68,679)**

Note 36 – Discontinuing activities

On 15 June 2021 the BCHG Holding A/S sub-group was disposed with effect from 15 June 2021 and is reported in the current period as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal in 2021 is set out below with the comparative figures for the full year.

On 31 January 2020 the Bellakvarter A/S sub-group was sold with effect from 31 January 2020 and is reported in 2020 as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is included in the comparative figures as discontinuing activities.

Financial performance

The financial performance and cash flow information presented are for the period 1 January to 14 June 2021 and for the year ended 31 December 2020. For the year ended 31 December 2020 Bellakvarter A/sub-group is also included.

	2021	2020
Revenue	45,940	262,985
Expenses for raw materials and consumables	(4,581)	(29,839)
Other external expenses	(48,221)	(162,653)
Staff expenses	(59,639)	(193,034)
Gross profit/loss	**(66,501)**	**(122,541)**
Other operation income/expenses, including fair value adjustments of investments properties, net	48,575	(294,557)
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	(49,649)	(145,703)
Profit/loss before financial income and expenses	**(67,575)**	**(562,801)**

	2021	2020
	DKK '000	DKK '000
Note 36 – Discontinuing activities, continued		
Financial income	5	1,032
Financial expenses	(40,800)	(100,419)
Profit/loss before tax	**(108,370)**	**(662,188)**
Tax on profit/loss for the year	21,321	148,531
Profit/loss before tax	**(87,049)**	**(513,657)**
Gain on sale of the subsidiary after income tax	79,106	379,659
Profit from discontinued operations	**7,943**	**133,998**
Net cash inflow from operating activities	(20,079)	13,256
Net cash flow from investing activities	(45,561)	(231,522)
Net cash flow from financing activities	(45,287)	175,692
Net cash flow from BCHG Holding and Bellakvarter sub-groups	**(110,927)**	**(42,913)**
Details of the sale of the sub-group		
Consideration received or receivables		
Cash	0	879,683
Consideration receivables at fair value	0	49,598
Total disposal consideration	**0**	**929,281**
Carrying amount of net assets disposed/sold	(79,106)	549,622
Gain on sale before income tax after income tax	**79,106**	**379,659**

Recognised gain in 2021 is due to the fact that the carrying amount of net assets disposed in negative.

The carrying amount of assets and liabilities as at the date of disposal/sale, 15 June 2021, and 31 January 2020, respectively:

Intangible fixed assets	9,078	0
Tangible fixed assets	989,056	1,284,131
Right of use assets	2,105,296	0
Financial assets	64,679	
Trade receivables	8,078	0
Other receivables and inventories	139,525	0
Total assets	**3,315,712**	**1,284,131**
Credit institutions	880,505	641,852
Lease liabilities	2,182,284	0
Trade payables	106,400	0
Other payables including deferred tax	225,629	92,657
Net liabilities	**3,394,818**	**734,509**
Net assets	**(79,106)**	**549,622**

Note 37 – Subsequent events

On 28 February 2022 the Group disposed of all shares in Denmark Terracotta Owner A/S (previously Magillum Avedøre A/S).

The accounting effect of the above-mentioned subsequent events will have impact on equity with around DKK nil million, and total assets will decrease by around DKK 20 million.

Income Statement 1 January – 31 December

Parent Company

	Note	2021 DKK '000	2020 DKK '000
Revenue	B	516	6,278
Other external costs		21	(3,827)
Staff expenses	C	457	(48,259)
Profit before financial income and expenses		**994**	**(45,808)**
Income from dividend and sale of subsidiaries		0	597,224
Write-down financial assets		(5,000)	(291,546)
Financial income	D	6,084	6,829
Financial expenses	E	(4,156)	(13,937)
Profit before tax		**(2,078)**	**252,762**
Tax on profit for the year	F	41	3,472
Net profit for the year		**(2,037)**	**256,234**

Balance Sheet 31 December - Assets

Parent Company

	Note	2021 DKK '000	2020 DKK '000
Assets			
Investment in subsidiaries	G	52,404	57,404
Financial assets		**52,404**	**57,404**
Non-current assets		**52,404**	**57,404**
Receivables from group enterprises		138,623	114,049
Corporate tax		0	567
Other receivables		21,123	9,480
Cash at bank and in hand		12,547	48,686
Current assets		**172,293**	**172,782**
Total assets		**224,697**	**230,186**

Balance Sheet 31 December – Liabilities and Equity

Parent Company

	Note	2021 DKK '000	2020 DKK '000
Liabilities and equity			
Share capital		100,500	100,500
Retained earnings		70,357	72,394
Equity		**170,857**	**172,894**
Trade payables		138	312
Payables to group enterprises		47,087	46,849
Corporate tax		0	0
Other payables		6,615	10,131
Current liabilities		**53,840**	**57,292**
Total liabilities and equity		**224,697**	**230,186**

Statement of Changes in Equity 1 January – 31 December

Parent Company

	Share capital	Retained earnings	Total equity
	DKK '000	DKK '000	DKK '000
At 1 January 2020	100,500	25,316	125,816
Dividend paid	0	(500,000)	(500,000)
Additions from mergers	0	290,844	290,844
Net profit/loss for the year	0	256,234	256,234
At 31 December 2020	**100,500**	**72,394**	**172,894**
At 1 January 2021	100,500	72,394	172,894
Net profit/loss for the year	0	(2,037)	(2,037)
At 31 December 2021	**100,500**	**70,357**	**170,857**

Notes to Financial Statement

Parent Company

Note A – Accounting policies for the Parent Company

Basis of Preparation

The Annual Report of the Parent Company Solstra Investments A/S has been prepared in accordance in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The Parent Company is a public limited company and its registered office is in Copenhagen, Denmark. The accounting policies applied remain unchanged from last year.

The Parent Company Financial Statements for 2021 are presented in DKK thousand.

Tax

Deferred tax is recognised in respect of all temporary differences related to investments in subsidiaries unless the Parent Company is in a position to check when the deferred tax must be realised and when it is probable that the deferred tax crystallises as current tax within a foreseeable future.

There is no deferred tax related to investments in associates where both dividends from the company as well as gains and losses from a potential sale of the investment are tax exempt.

The Parent Company is jointly taxed with all Danish consolidated enterprises and functions as administration company for the jointly taxed enterprises. The Group has limited and secondary liability for payment of corporation tax from the tax year 2020 as well as for tax at source on interest and dividend. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes. The total tax payable in the jointly taxed enterprises is presented as tax payable in the Parent Company whereas joint taxation contributions from subsidiaries are presented as receivables.

Balances subject to the rules on limited interest deduction under the Danish Corporation Tax Act have been distributed between the jointly taxed enterprises according to the entered joint taxation agreement.

Deferred tax liabilities in respect of these balances are recognised in the balance sheet while deferred tax assets only are recognised if the criteria for recognition of deferred tax assets are met.

Recoverable amounts of investments in subsidiaries

Each subsidiary is considered a separate cash generating unit. If there is an indication that the carrying amount (cost) of an investment in a subsidiary is impaired, the impairment will be based on determination of the value in use of the subsidiary in question.

It is considered an indication of impairment if the dividends distributed exceed the subsidiary's comprehensive income in the period in which the dividend is distributed.

Recognition and measurement

Revenue is 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, 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 Group, 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 Group, 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
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 transaction date rates are recognised in financial income and expenses in the income statement.

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

Business combinations
The carrying value method is used in connection with intercompany business combinations. Therefore, the uniting of interests is deemed to have taken place at the time of acquisition at the carrying amounts.

No adjustment of comparative figures is made.

The difference between the agreed consideration and the accounting equity value in the acquired company is recognised in equity.

Income statement

Revenue
Revenue is recognised in the income statement when earned.
Income from the rendering of services, is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year.

Revenue is measured net of all types of discounts/rebates granted. Also, revenue is measured net of VAT and other indirect taxes charged on behalf of third parties.

Other external expenses
Other external expenses comprise 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.

Staff expenses
Staff expenses comprise wages and salaries as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Other operating income, net
Other operating income comprise items of a secondary nature to the core activities of the enterprise, including earn-out payments from prior year's business combinations.

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 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.

The Parent Company is jointly taxed with Danish affiliated companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries
Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Dividend
Dividend distribution for the year proposed by Management is disclosed as a separate equity item.

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

Current tax
Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on account taxation scheme are recognised in the income statement in financial income and expenses.

Note B – Revenue
Revenue comprises management fee income in Denmark.

	2021 DKK '000	2020 DKK '000
Note C – Staff expenses		
Wages and salaries	(461)	48,250
Other social security costs	4	9
	(457)	**48,259**

Note D – Financial income

Interest received from Group enterprises	6,084	6,829
Other financial income	0	0
	6,084	**6,829**

Note E – Financial expenses

Impairment losses on receivables	2,943	11,024
Interest paid to Group enterprises	1,054	2,716
Other financial expenses	159	197
	4,156	**13,937**

Note F – Tax on profit for the year

Tax on profit	83	1,992
Adjustment of previous years	(42)	1,480
	41	**3,472**

Note G – Investments in subsidiaries

Cost at 1 January	300,535	80,978
Additions for the year through merger	0	221,307
Adjustment from merger	0	(1,750)
Cost at 31 December	**300,535**	**300,535**
Impairment at 1 January	243,131	21,824
Impairment	5,000	221,307
Value adjustments at 31 December	**248,131**	**243,131**
Carrying amount at 31 December	**52,404**	**57,404**

Investments in subsidiaries 31 December 2021 are specified as follows:

	Share capital	Votes and ownership	Equity	Net profit/loss for the year
	DKK '000		DKK '000	DKK '000
Name/place of registered office				
Bella Solstra A/S	163,964	100%	(73,064)	(2,826)
Scandinavian Design & Retail A/S	5,000	100%	(1,052)	(99)
Denmark Terracotta Owner A/S (previously Magillum Avedøre A/S)	19,339	100%	92,360	23,269
Copenhagen Chocolate Factory ApS	126	100%	(16,036)	(8,539)
CCF Properties ApS	50	100%	5,346	806

The shares in BCHG Holding A/S were written off at 15 June 2021.

Note H – Equity

The share capital consists of 100,500,002 shares of a nominal value of DKK 1. No shares carry any special rights.

Note I – Proposed distribution of profit

	2021 DKK '000	2020 DKK '000
Retained earnings	0	256,234
	0	**256,234**

Note J – Contingent liabilities

The Parent Company has issued letters of support and subordination in favour of external creditors for Bella Solstra A/S, Scandinavian Design & Retail A/S, Copenhagen Chocolate Factory ApS and CCF Properties ApS. The letters are applicable until 1 January 2023.

Joint Taxation

The Danish Group companies are jointly and severally liable for tax of the Group's jointly taxed income etc. The Parent Company is the administration company for the joint taxation purposes.

Moreover, the Group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax and tax on unearned income. Any subsequent adjustments of corporation taxes may increase the Parent Company's liability.

Note K – Related parties and ownership

Controlling interest	**Basis**
Alshair Fiyaz, Monaco	Ultimate owner
ALFI Mark Trust, Liechtenstein	Ultimate parent company
Markerina Investments Ltd., Cyprus	Intermediate parent company
Solstra Holdings Cyprus Ltd., Cyprus	Intermediate parent company

Ownership

The following shareholders are recorded in the Parent Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Solstra Holdings Cyprus Ltd., Cyprus.

Transactions

The Parent Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Note L – Subsequent events

See note 37 of the consolidated financial statements.