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# ***Bella Solstra Holding A/S***

Amaliegade 24, st., DK-1256 Copenhagen K

## **Annual Report for 1 January - 31 December 2019**

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CVR No 34 58 55 12

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
31/08 2020

Mette Kapsch  
Chairman of the General  
Meeting



**pwc**

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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Bella Solstra Holding A/S for the financial year 1 January - 31 December 2019.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Company and of the results of the Company operations for 2019.

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

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

Copenhagen K, 31 August 2020

## Executive Board

Henrik Gram

## Board of Directors

Mette Kapsch  
Chairman

David Robson Overby

Henrik Gram

# Independent Auditor's Report

To the Shareholder of Bella Solstra Holding A/S

## Opinion

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

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

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

# Independent Auditor's Report

## Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the

# Independent Auditor's Report

Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 31 August 2020

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Torben Jensen  
State Authorized Public Accountant  
mne18651

Claus Carlsson  
State Authorized Public Accountant  
mne29461

## Company Information

### The Company

Bella Solstra Holding A/S  
Amaliegade 24, st.  
DK-1256 Copenhagen K

CVR No: 34 58 55 12

Financial period: 1 January - 31 December

Incorporated: 1 June 2012

Financial year: 8th financial year

Municipality of reg. office: Copenhagen

### Board of Directors

Mette Kapsch, Chairman  
David Robson Overby  
Henrik Gram

### Executive Board

Henrik Gram

### Auditors

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2019	2018	2017	2016	2015
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Operating profit/loss	-112	-95	-577	-723	-28
Profit/loss before financial income and expenses	-112	-95	-577	-723	-28
Net financials	94.150	1.479	531.722	310.134	-20.437
Net profit/loss for the year	93.725	2.391	541.004	309.769	-20.710
<b>Balance sheet</b>					
Balance sheet total	289.919	288.809	286.420	480.032	278.863
Equity	289.857	288.747	286.356	134.407	-31.812
<b>Ratios</b>					
Return on assets	0,0%	0,0%	-0,2%	-0,2%	0,0%
Solvency ratio	100,0%	100,0%	100,0%	28,0%	-11,4%
Return on equity	32,4%	0,8%	257,2%	603,9%	95,7%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.



## **Management's Review**

Financial Statements of Bella Solstra Holding A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The Annual Report has been prepared under the same accounting policies as last year.

### **Key activities**

The Company's primary activity is to own and make investments.

### **Development in the year**

The income statement of the Company for 2019 shows a profit of DKK 93,725,010, and at 31 December 2019 the balance sheet of the Company shows equity of DKK 289,856,787.

### **The past year and follow-up on development expectations from last year**

Development of the investments in subsidiaries have been positive and as expected and the expectation for the coming year is that this positive trend will continue.

### **Statement of corporate social responsibility**

The Group has not prepared its own financial policies for corporate social responsibility. Therefore reference is made to the immediate parent company Solstra Investment A/S Annual Report for 2019. Furthermore, the subsidiary Bella Solstra A/S's portfolio companies BCHG Holding A/S, with its subsidiary BC Hospitality Group A/S, and Bellakvarter A/S prepares a statement of corporate social responsibility in their Annual Reports for 2019.

### **Diversity**

The Company has obtained equal diversity in the Board of Directors (1/3) and Executive Board (1/1).

### **Uncertainty relating to recognition and measurement**

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

### **Subsequent events**

The Company's outlook for the future can be negatively affected by the COVID-19 outbreak and the measures taken by governments in most of the world to mitigate the impacts of the outbreak, see also subsequent events disclosures in note 1.

## Income Statement 1 January - 31 December

	Note	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>-111.655</b>	<b>-94.640</b>
<b>Profit/loss before financial income and expenses</b>		<b>-111.655</b>	<b>-94.640</b>
Other financial income	2	94.150.560	1.480.129
Other financial expenses	3	-1.004	-1.017
<b>Profit/loss before tax</b>		<b>94.037.901</b>	<b>1.384.472</b>
Tax on profit/loss for the year	4	-312.891	1.006.477
<b>Net profit/loss for the year</b>		<b>93.725.010</b>	<b>2.390.949</b>

## Balance Sheet 31 December

### Assets

	Note	2019 DKK	2018 DKK
Investments in subsidiaries	5	221.306.693	221.306.693
<b>Fixed asset investments</b>		<b>221.306.693</b>	<b>221.306.693</b>
<b>Fixed assets</b>		<b>221.306.693</b>	<b>221.306.693</b>
Receivables from group enterprises		68.611.580	67.501.099
<b>Receivables</b>		<b>68.611.580</b>	<b>67.501.099</b>
<b>Cash at bank and in hand</b>		<b>514</b>	<b>1.653</b>
<b>Currents assets</b>		<b>68.612.094</b>	<b>67.502.752</b>
<b>Assets</b>		<b>289.918.787</b>	<b>288.809.445</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2019 DKK	2018 DKK
Share capital		500.000	500.000
Retained earnings		289.356.787	288.247.445
<b>Equity</b>		<b>289.856.787</b>	<b>288.747.445</b>
Trade payables		62.000	62.000
<b>Short-term debt</b>		<b>62.000</b>	<b>62.000</b>
<b>Debt</b>		<b>62.000</b>	<b>62.000</b>
<b>Liabilities and equity</b>		<b>289.918.787</b>	<b>288.809.445</b>
Subsequent events	1		
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## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	500.000	288.247.445	288.747.445
Extraordinary dividend	0	-92.615.668	-92.615.668
Net profit/loss for the year	0	93.725.010	93.725.010
<b>Equity at 31 December</b>	<b>500.000</b>	<b>289.356.787</b>	<b>289.856.787</b>

# Notes to the Financial Statements

## 1 Subsequent events

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

Consequently, the assessments of impairment indications made by Management at 31 December 2019 is based on the future cash flows expected by Management at 31 December 2019, which may differ from the cash flows expected by Management at the time of adoption of the Annual Report.

To date, the Company has not yet been negatively impacted by the effects of COVID-19. However, the Company's remaining operating subsidiaries are currently affected by significant decline in business activities. The subsidiaries qualify for Danish Government COVID-19 support packages.

COVID-19 may therefore put pressure on the remaining subsidiaries businesses.

	<u>2019</u> DKK	<u>2018</u> DKK
<b>2 Financial income</b>		
Interest received from group enterprises	1.534.892	1.480.129
Other financial income	<u>92.615.668</u>	<u>0</u>
	<b><u>94.150.560</u></b>	<b><u>1.480.129</u></b>
<b>3 Financial expenses</b>		
Other financial expenses	<u>1.004</u>	<u>1.017</u>
	<b><u>1.004</u></b>	<b><u>1.017</u></b>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	0	253.008
Adjustment of tax concerning previous years	<u>312.891</u>	<u>-1.259.485</u>
	<b><u>312.891</u></b>	<b><u>-1.006.477</u></b>

## Notes to the Financial Statements

	2019 DKK	2018 DKK
<b>5 Investments in subsidiaries</b>		
Cost at 1 January	221.306.693	221.306.693
<b>Carrying amount at 31 December</b>	<b>221.306.693</b>	<b>221.306.693</b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Bella Solstra A/S	Copenhagen K	163.963.743	100%	424.579.938	141.268.315

### 6 Distribution of profit

Extraordinary dividend	92.615.668	0
Retained earnings	1.109.342	2.390.949
	<b>93.725.010</b>	<b>2.390.949</b>

### 7 Contingent assets, liabilities and other financial obligations

#### Contingent liabilities

The Solstra Investments A/S Group's Danish companies are jointly and severally liable for tax on the Group's income subject to joint taxation, etc. for 2019. The total amount is disclosed in the Annual Report of Solstra Investments A/S, which is the administration company for joint taxation purposes.

# Notes to the Financial Statements

## 8 Related parties

	<b>Basis</b>
<b>Controlling interest</b>	
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
Solstra Investments A/S	Immediate parent company

Solstra Investments A/S is holding 100 % of the votes in the Company.

### Consolidated Financial Statements

The Company is included in the Group Annual Report of Solstra Investments A/S:

Name	Place of registered office
Solstra Investments A/S	Copenhagen

The Group Annual Report of Solstra Investments A/S may be obtained at the following address:

Solstra Investments A/S  
c/o Solstra Capital Partners  
Amaliegade 24, st.  
DK-1256 Copenhagen K

The Company is included in the Consolidated Financial Statements of the ultimate parent company Solstra Holdings Cyprus Ltd. As a result of the legislation in Cyprus the Consolidated Financial Statements are not published.



# Notes to the Financial Statements

## 9 Accounting Policies

The Annual Report of Bella Solstra Holding A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The order of the items of the income statement differs from the format prescribed by the Danish Financial Statements Act as the order has been adjusted to the nature of the Company's activities.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2019 are presented in DKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Solstra Investments A/S, the Company has not prepared consolidated financial statements.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Solstra Investments A/S, the Company has not prepared a cash flow statement.

### Recognition and measurement

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

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### Translation policies

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

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

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

## Income Statement

### Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of other external expenses.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

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

# Notes to the Financial Statements

## 9 Accounting Policies (continued)

### 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 amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

#### Current tax receivables and liabilities

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.

#### Financial debts

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

### Financial Highlights

#### Explanation of financial ratios

Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$