
Bella Solstra A/S

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

Annual Report for 1 January - 31 December 2020

CVR No 34 58 57 09

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
13/7 2021

Mette Kapsch
Chairman of the General
Meeting



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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 A/S for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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, 13 July 2021

Executive Board

Henrik Gram
Executive Officer

Board of Directors

Mette Kapsch
Chairman

Henrik Gram

David Robson Overby

Independent Auditor's Report

To the Shareholder of Bella Solstra 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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Bella Solstra A/S for the financial year 1 January - 31 December 2020, 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.

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 misstate-

Independent Auditor's Report

ment, 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 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

Independent Auditor's Report

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, 13 July 2021

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 Company

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

CVR No: 34 58 57 09
Financial period: 1 January - 31 December
Incorporated: 1 June 2012
Financial year: 9th financial year
Municipality of reg. office: Copenhagen

Board of Directors

Mette Kapsch, Chairman
Henrik Gram
David Robson Overby

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:

	2020 TDKK	2019 TDKK	2018 TDKK	2017 TDKK	2016 TDKK
Key figures					
Profit/loss					
Operating profit/loss	-422.161	-3.563	-12.958	-321	-3.053
Profit/loss before financial income and expenses	-422.161	-3.563	-12.958	-321	-3.053
Net financials	523.811	144.832	-2.569	557.349	556.037
Net profit/loss for the year	101.800	141.874	-15.032	558.223	553.029
Balance sheet					
Balance sheet total	50.827	548.538	501.415	487.225	445.485
Equity	-70.238	425.186	375.927	390.959	391.260
Ratios					
Return on assets	-830,6%	-0,6%	-2,6%	-0,1%	-0,7%
Solvency ratio	-138,2%	77,5%	75,0%	80,2%	87,8%
Return on equity	57,4%	35,4%	-3,9%	142,7%	193,0%

The ratios have been prepared in accordance with the definitions under accounting policies.

Management's Review

Key activities

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

Development in the year

The income statement of the Company for 2020 shows a profit of DKK 101,800,408, and at 31 December 2020 the balance sheet of the Company shows negative equity of DKK 70,237,696.

Development of the investments in subsidiaries have been positive impacted by the sale of Bellakvarter A/S on 31 January 2020 and negative impacted by full impairment at 31 December 2020 of the investment in BCHG Holding A/S and loan given to BCHG Holding A/S during 2020.

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

Due to Covid-19 BCHG Holding Group A/S incurred substantive losses in 2020 and consequently the Company incurred significant loss in 2020. Management expect a loss for 2021 up to DKK 5 million.

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 2020. Furthermore, the subsidiary BCHG Holding A/S, with its subsidiary BC Hospitality Group A/S, prepares a statement of corporate social responsibility in the Annual Report for 2020.

Diversity

The Company has obtained equal diversity in the Board of Directors.

Subsequent events

Subsequently to 31 December 2020, the company's shares in BCHG Holding A/S were cancelled on 15 June 2021. The cancellation will have no impact on 2021 as full impairment of investments in and loans given to BCHG Holding A/S were taken 31 December 2020.

Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
Gross profit/loss		-15.910.576	-3.563.432
Impairment of non-current assets		-406.250.872	0
Profit/loss before financial income and expenses		-422.161.448	-3.563.432
Income from investments in subsidiaries	3	526.560.546	147.615.668
Financial expenses	4	-2.749.305	-2.783.921
Profit/loss before tax		101.649.793	141.268.315
Tax on profit/loss for the year	5	150.615	605.786
Net profit/loss for the year		101.800.408	141.874.101

Balance Sheet 31 December

Assets

	Note	2020 DKK	2019 DKK
Investments in subsidiaries	6	0	548.529.178
Other receivables		49.598.473	0
Fixed asset investments		49.598.473	548.529.178
Fixed assets		49.598.473	548.529.178
Cash at bank and in hand		1.228.685	9.278
Currents assets		1.228.685	9.278
Assets		50.827.158	548.538.456

Balance Sheet 31 December

Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		163.963.743	163.963.743
Retained earnings		-234.201.439	261.221.981
Equity		-70.237.696	425.185.724
Trade payables		31.997	173.549
Payables to group enterprises		121.032.857	123.179.183
Short-term debt		121.064.854	123.352.732
Debt		121.064.854	123.352.732
Liabilities and equity		50.827.158	548.538.456
Going concern	1		
Subsequent events	2		
Distribution of profit	7		
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Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	163.963.743	261.221.981	425.185.724
Extraordinary dividend on 31 January 2020	0	-597.223.828	-597.223.828
Net profit/loss for the year	0	101.800.408	101.800.408
Equity at 31 December	163.963.743	-234.201.439	-70.237.696

Notes to the Financial Statements

1 Going concern

The Company has received a letter of support from the parent company Solstra Investments A/S. The letter is effective until 1 January 2022.

2 Subsequent events

Subsequently to 31 December 2020, the company's shares in BCHG Holding A/S were cancelled on 15 June 2021. The cancellation will have no impact on 2021 as full impairment of investments in and loans given to BCHG Holding A/S were taken 31 December 2020.

	<u>2020</u> DKK	<u>2019</u> DKK
3 Income from investments in subsidiaries		
Gain on sale	526.560.546	0
Dividend	<u>0</u>	<u>147.615.668</u>
	<u>526.560.546</u>	<u>147.615.668</u>
	<u>2020</u> DKK	<u>2019</u> DKK
4 Financial expenses		
Interest paid to group enterprises	2.699.289	2.782.521
Other financial expenses	<u>50.016</u>	<u>1.400</u>
	<u>2.749.305</u>	<u>2.783.921</u>
5 Tax on profit/loss for the year		
Current tax for the year	-104.007	-605.786
Deferred tax for the year	<u>-46.608</u>	<u>0</u>
	<u>-150.615</u>	<u>-605.786</u>

Notes to the Financial Statements

	2020 DKK	2019 DKK
6 Investments in subsidiaries		
Cost at 1 January	548.529.178	501.298.038
Additions for the year	0	47.231.140
Disposals for the year	-172.278.306	0
Cost at 31 December	<u>376.250.872</u>	<u>548.529.178</u>
Revaluations for the year, net	<u>-376.250.872</u>	<u>0</u>
Value adjustments at 31 December	<u>-376.250.872</u>	<u>0</u>
Carrying amount at 31 December	<u>0</u>	<u>548.529.178</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
BCHG Holding A/S	Copenhagen K	23.920.864	85%	69.075.000	-460.165.000

7 Distribution of profit

Extraordinary dividend on 31 January 2020	597.223.828	92.615.668
Retained earnings	<u>-495.423.420</u>	<u>49.258.433</u>
	<u>101.800.408</u>	<u>141.874.101</u>

8 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. 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

9 Related parties

	Basis
Controlling interest	
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, Copenhagen	Intermediate 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

10 Accounting Policies

The Annual Report of Bella Solstra A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 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

10 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

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.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

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

10 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.

Other fixed asset investments

Other fixed asset investments consist of earnout.

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	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$