
BCHG Holding A/S

Center Boulevard 5, DK-2300 København S

Annual Report for 2021

CVR No 38 24 67 12

The Annual Report has
been presented and
adopted at the Annual
General Meeting of the
Company on

29/12 2022

Jacobs Kjær

Chairman of the General
Meeting



Contents

	Page
Reports	
Management's Statement	3
Independent Auditor's Report	4
Company Information	7
Financial Highlights	8
Management's Review	9
Consolidated Financial Statements	
Income Statement 1 January – 31 December	14
Balance Sheet 31 December – Assets	15
Balance Sheet 31 December – Liabilities and Equity	16
Statement of Changes in Equity	17
Cash Flow Statement	18
Notes to the Consolidated Financial Statements	19
Parent Company Financial Statements	
Income Statement 1 January – 31 December	35
Balance Sheet 31 December – Assets	36
Balance Sheet 31 December – Liabilities and Equity	37
Statement of Changes in Equity	38
Notes to the Financial Statements	39
Supplementary reporting - Responsible Hospitality Report for 2021	45

Management's Statement

The Board of Directors and Executive Board have today considered and adopted the Annual Report of BCHG Holding A/S for the financial year 1 January - 31 December 2021.

The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

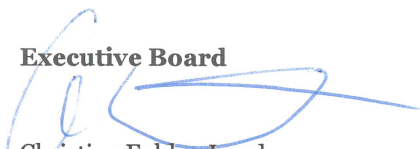
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Group and the Company and of the results of the Group and Company operations and consolidated cash flows for the financial year 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 BCHG Holding A/S (the "Parent Company" and of the Parent Company and its subsidiaries (collective the "Group"), of the results for the year and of the financial position of the Group and the Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Company.


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

Copenhagen, 30 March 2022

Executive Board

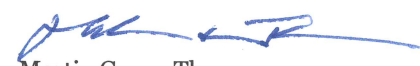


Christian Folden Lund
CEO




Jacob Kjær
CFO

Board of Directors



Martin Gaarn Thomsen
Chairman



Peter Korsholm



Christian Riis-Hansen



Michael Dano Andersen
Staff Representative

Independent Auditor's Report

To the Shareholders of BCHG Holding A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2021, and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 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 BCHG Holding 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 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 ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review (page 9 -13).

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 and 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, 30 March 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 Company

BCHG Holding A/S
Center Boulevard 5
DK-2300 Copenhagen

CVR no: 38 24 67 12

Financial period: 1 January - 31 December

Financial year: 6th financial year

Municipality of reg. office: Copenhagen

www.bellagroup.dk

Board of Directors

Martin Gaarn Thomsen (Chairman)
Christian Riis-Hansen
Peter Korshold
Michael Dano Andersen (Staff Representative)

Executive Board

Christian Folden Lund, CEO
Jacob Kjær, CFO

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Consolidated Financial Statements

The Company is included in the Consolidated Financial Statements of
TMC Invest 2021 ApS.

Financial Highlights

Group

	2021	2020	2019	2018	2017
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Income statement					
Revenue	251,454	261,090	892,243	959,225	953,776
Gross profit	285,855	159,513	377,465	422,639	440,713
Depreciation, amortisation and impairment	(40,726)	(87,109)	(50,227)	(58,448)	(67,569)
Profit before financial items	85,656	(590,682)	(9,406)	37,837	215,192
Financial income and expenses	(38,404)	(18,512)	(14,693)	(11,600)	(31,816)
Profit before tax	47,252	(609,194)	(24,099)	26,237	183,376
Net profit for the year	44,238	(460,165)	(19,954)	18,284	119,674
Balance sheet					
Balance sheet total	1,230,917	1,214,223	1,665,298	1,639,809	1,623,783
Equity	250,503	69,075	627,086	590,960	561,560
Production property	343,003	40,442	433,465	431,059	431,059
Investment property	555,616	555,616	745,446	745,127	745,127
Credit institution	743,223	823,252	613,946	597,383	627,287
Cash flows					
<i>Cash flows from:</i>					
Operating activities	(23,235)	(37,365)	8,004	67,939	71,570
Investing activities	(63,337)	(231,522)	(128,063)	(69,461)	811,837
Financing activities	165,515	243,171	71,923	(29,904)	(776,861)
Change in cash and cash equivalents	78,943	(25,716)	(48,136)	(31,426)	106,546
No of employees	287	423	751	740	705
Ratios					
Gross margin	114%	61%	42%	44%	46%
Solvency ratio	20%	6%	38%	36%	35%
Return on equity	28%	(132)%	(3)%	3%	15%

For definitions of financial ratios, see under accounting policies.

Management's review

The consolidated financial statements of BCHG Holding A/S for 2021 have been prepared in accordance with the provision of the Danish Financial Statement Act applying to large enterprises of reporting class C.

Our Responsible Hospitality Report for 2021 is included as supplementary reporting.

Main activity

Hosting moments that matter

The Group's primary activity is hosting moments that matter. Be it leisure or business, we believe in the power of bringing people together. Our purpose is to create a positive impact that live on in the memory of all involved. And we aim to make Copenhagen an international top destination for major events and conferences while shaping the sustainable hospitality platform of the future.

Through the subsidiary Bella Operation A/S, the company operates the hotels Copenhagen Marriott, AC Hotel Bella Sky Copenhagen and, through a management agreement, the Crowne Plaza Copenhagen Towers.

The company operating Crowne Plaza Copenhagen Towers was acquired 1 January 2022 and will going forward be operated in line with the other hotels in the Group. See below for further details regarding the acquisition of CP Hotel A/S, the operating company of Crowne Plaza Copenhagen Towers.

Bella Operation A/S also manages the operation of Bella Center Copenhagen and Bella Arena - including CIFF showrooms, International House, and the event brands CIFF, BogForum and others.

Development in the year

A new beginning: Rethinking our business and launching a new strategy

2021 started where the previous year left off, with the COVID-19 pandemic continuing to have a significant negative impact on the business performance of the Group. But for us, the year was also a new beginning. A year of rethinking, regrouping, renaming, and re-emerging after new owners were found and the restrictions were lifted.

The prolonged COVID-19 situation had eroded the equity of BCHG Holding by the end of 2020 and we entered 2021 with significant financial difficulties. As one of the largest congress exhibition venues in Northern Europe, restrictions naturally continued to influence our business severely, shutting down almost all activities during the first half of 2021, resulting in a liquidity crisis and loss of equity. From the very beginning of the year, the Group was operated (solely) on acceptance from the bank, which was given due to the ongoing process of looking for new capital to re-establish the equity.

Not often do companies have the possibility to put operations on halt for months to rethink business, structure, and operations from the ground up. But due to COVID, we did.

With the backing of the bank to keep our business running, we developed a rescue plan that included cost cutting, restructuring and new equity. While travel restrictions, national lockdown and closed borders shut down almost all activities during the first half of 2021, we were working on restructuring assets and rethinking operations.

New strategy and name launched

As a result, we launched a new strategy in October that reduced complexity by realizing Group synergies and unifying our delivery model in venues and hotels, while at the same time securing strong planning, process and service delivery for our partners and customers. As always with sustainability as a cornerstone in our way of work.

The turning point came after negotiations in April and May, and the General Assembly in June 2021. The agreement included reduction of our debt, new agreements with the hotel owners and new equity from new owners, leaving the Group in a better financial situation than pre-COVID and providing a solid financial foundation for future development and possible expansion.

The new beginning was marked by renaming the Group to Bellagroup.

Starting the long journey back to normal

Business activities in venues and hotels were at a very low level during the first half of the year due to restrictions. This changed over the summer. Denmark was among the first countries to fully open during 2021. As restrictions eased, we reengaged the employees, COVID restrictions had forced us to let go. Getting hotels and venues ready for guests again and reopening AC Hotel Bella Sky after almost 1,5 years of lockdown was comprehensive, but nevertheless meaningful and what everyone at Bellagroup had been longing for.

We also opened the doors to Bella Arena, our new sustainable and long-awaited extension of the Bella Center. The venue, with room for 7,000 seated guests, will as a stand-alone brand be focused on cultural events and concerts, while at the same time giving Bella Center the future option to host several major events simultaneously or even larger international events which requires a spacious keynote speaker hall.

After the year's slow start, activities picked up again in the second half of 2021 and at Bellagroup we hosted the first major corporate events in Northern Europe. During the months from August until November, we experienced an increased demand for our services in both venues as well as hotel activities. During that time span, we moved closer to a normal activity level much faster than we had expected. We saw more activities in our venues, which reached the level pre-COVID. And we saw a period in which we were close to full occupancy at the hotels.

With COVID still lurking in late 2021, our focus was on safety as well as service, as we successfully hosted a corporate dinner for +4.000 participants, BogForum with +30,000 guests and WindEurope's annual conference with 8.000 attendees from all over the world.

Financial result for the year

The financial result for 2021 clearly mirrors the above-described situation.

The full year profit before tax excluding COVID-19 compensation and remission of debt (part of other operating income) amounts to a loss of DKK 196 million. This is worse than the outlook for 2021 given in the Annual report for 2020. The result is a consequence of 8 months heavily impacted by COVID-19 and 4 months with lower COVID-19 impact. The basis for the expectations for 2021 was that COVID-19 would not impact second half of 2021, which it unfortunately did. However, we did, as expected realize a result close to break even, in the months less impacted by COVID-19.

The total result is a net profit of DKK 44 million, mainly because of the debt remission and capital restructuring in combination with governmental COVID-19 compensations.

Outlook 2022

On the rebound and ready for growth

Unfortunately, the year ended with another lockdown in December and going into 2022, the global pandemic still has a significant impact on the hospitality industry and leads to unpredictability in terms of possible restrictions and future lockdowns.

However, we remain optimistic due to the combination of high vaccine participation and new less severe variants of the virus on the one hand, and a strong pipeline and strong liquidity on the other. There is a firm belief in Bellagroup that we are in a strong position to show solid economic performance in the future. The latter based on three major factors. First, the recapitalisation has left the company and Group financially in a much better position than pre-COVID. Second, the experience from the autumn where the return to pre-COVID levels was faster than expected, and third, because the company and Group over the year has built a strong order portfolio on the venue side.

2021 taught us that once lockdowns and restrictions are loosened, guests will be returning faster and in greater numbers than previously expected. Based on experiences from previous lockdowns and re-openings, we expect business to return in different pace for our business units. Hotels will rebound faster than our venues, as leisure will return faster than business customers. Similarly, we expect national business to pick up faster than our international guests.

A full return for the Group to the level of pre-COVID will likely take some years. That said, we are well under way and already have major events booked for 2022, 2023 and 2024.

We expect the result excluding other operating income for 2022 to be significantly better than 2021, even though the year have started with a full COVID-19 closure. The before mentioned pipeline in combination with the prolonged governmental compensations imply an expected Net Profit/Loss for 2022 close to zero. The strong cash position is expected to be kept during the year.

Focus on sustainability

Committed to responsible hospitality

Even through challenging times, Bellagroup remains committed to building the sustainable hospitality platform of the future.

During 2021, we opened Bella Arena which is built with sustainable materials with an emphasis on energy efficiency and circularity and was pre-certified with the international gold certification in

sustainability from DGNB (Green Building Council Denmark). We also hosted the first large event, where the environmental impact was measured and documented from start to finish. In 2022, we hope to spread the approach to more events, so that we can continually measure, benchmark, and improve our initiatives.

Our ambitions and commitments to sustainability for 2022 cover all business areas as we aim to deliver real, tangible change.

Our Responsible Hospitality report is included in this Annual Report, summarising all activity, partnerships, and initiatives in 2021. The report is also available at www.responsiblehospitality.dk

Statement of corporate social responsibility in accordance with section 99(a) of the Danish Financial Statement Act

Regarding the statement of corporate social responsibility by section 99a of the Danish Financial Statements Act, reference is made to the above-mentioned CSR report "[Responsible Hospitality Report 2021](#)".

Statement regarding the underrepresented gender in accordance with section 99(b) of the Danish Financial Statement Act

With respect to the report on the underrepresented gender in accordance with section 99b of the Danish Financial Statements Act, in which the group is required to report on diversity in the composition of the Board of Directors and gender representation at other executive levels of the group, it should be noted that the group do not have equal representation on the Board of Directors (three male out of three members elected by the General Assembly). Executive Board consist of two males out of two members.

In connection with change or extension of the aforementioned Boards, we will pay special attention to attract female members, however qualification and competences will also be part of the decision. The aim is to obtain equal representation in 2025/26 for the Board of Directors. The target has not yet been reached for Board of Directors.

We also aim to have equal gender representation for Executive Board and other executive levels and do in our recruitment process make sure that both genders are represented when selecting the final candidat. Going forward we will continue with the effort in our search for candidates.

Statement regarding data ethics in accordance with section 99(d) of the Danish Financial Statement Act

The group has established a policy regarding data ethics. The data ethic policy includes all employees in the group and company. It complies with both Danish and EU law and comprises our data ethics principles and, data privacy policy. Reference is made to the above-mentioned CSR report "[Responsible Hospitality Report 2021](#)", page 29.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have been subject to some judgement, see also note 24 to the Consolidated Financial Statements.

Subsequent events

During the autumn of 2021, Bella Operation A/S had dialogues with Niam, the owner of Copenhagen Towers and Copenhagen Skyline Holding ApS, the owner of the company operating the Crown Plaza Hotel Copenhagen Towers. The parties discussed a possible transaction where Bella Operation acquired the operating hotel company. An agreement was reached at the very end of the year and closing of the deal took place on 1 January 2022. Hereafter, the operating company CP Hotel A/S, operating the Copenhagen Tower Crown Plaza Hotel, became a part of Bellagroup. The Crown Plaza Hotel is expected to support the growth of the entire Group in similar ways as the two other hotels - partly by its own operation and partly as a joint offer to the venue activities at Bella Center and Bella Arena.

Income Statement of 1 January – 31 December

Group	Note		
		2021 DKK '000	2020 DKK '000
Revenue	2	251,454	261,090
Cost of goods sold		(42,554)	(29,600)
Other operating income	3	243,330	199,621
External costs		<u>(166,375)</u>	<u>(271,598)</u>
Gross profit		285,855	159,513
Staff expenses	4	(159,428)	(193,034)
Revaluations		0	(469,917)
Other operating expenses		(45)	(135)
Depreciation, amortisation and impairment	5	<u>(40,726)</u>	<u>(87,109)</u>
Profit before financial income and expenses		85,656	(590,682)
Financial income	6	5	1,032
Financial expenses	7	<u>(38,409)</u>	<u>(19,544)</u>
Profit before tax		47,252	(609,194)
Tax on profit for the year	8	<u>(3,014)</u>	<u>149,029</u>
Net profit for the year		<u>44,238</u>	<u>(460,165)</u>

Balance Sheet 31 December - Assets

Group	Note		
		<u>2021</u>	<u>2020</u>
		DKK '000	DKK '000
Assets			
Completed development projects	9	<u>7,016</u>	<u>9,680</u>
Intangible assets		<u>7,016</u>	<u>9,680</u>
Leasehold improvements	10	37,247	51,872
Equipment	11	49,316	45,339
Production properties	12	343,003	40,442
Investment properties	13	555,616	555,616
Tangible assets under construction	14	<u>0</u>	<u>266,146</u>
Tangible assets		<u>985,182</u>	<u>959,415</u>
Deposits		<u>38,651</u>	<u>64,679</u>
Financial assets		<u>38,651</u>	<u>64,679</u>
Non-current assets		<u>1,030,849</u>	<u>1,033,774</u>
Inventories		2,792	2,144
Trade receivables		33,890	30,064
Receivables from group enterprises		20	3,575
Other receivables		27,114	95,104
Prepaid expenses		24,239	16,492
Cash and cash equivalents		<u>112,013</u>	<u>33,070</u>
Current assets		<u>200,068</u>	<u>180,449</u>
Total assets		<u>1,230,917</u>	<u>1,214,223</u>

Balance Sheet 31 December – Liabilities and Equity

Group	Note		
		2021 DKK '000	2020 DKK '000
Liabilities and equity			
Share capital	15	400	23,921
Share premium		119,600	0
Other reserves		0	(16,898)
Retained earnings		<u>130,503</u>	<u>62,052</u>
Equity		<u>250,503</u>	<u>69,075</u>
Credit institutions	16	720,980	541,557
Provision for deferred tax	17	49,334	41,595
Payables to group enterprises		0	30,000
Trade payables		8,771	20,094
Deposits		11,066	9,633
Other payables		<u>12,726</u>	<u>14,157</u>
Non-current liabilities		<u>802,877</u>	<u>657,036</u>
Credit institutions	16	22,243	281,695
Payables to group enterprises		0	9,923
Payables to group enterprises relating to corporation tax		428	0
Trade payables		43,418	95,306
Prepayments received from customers		67,034	48,911
Deposits		5,320	6,198
Other payables		<u>39,094</u>	<u>46,079</u>
Current liabilities		<u>177,537</u>	<u>488,112</u>
Total liabilities and equity		<u>1,230,917</u>	<u>1,214,223</u>

Statement of Changes in Equity

Group

	Share Capital DKK '000	Share Premium DKK '000	Other reserves DKK '000	Retained earnings DKK '000	Total equity DKK '000
At 1 January 2020	23,921	0	114,696	488,469	627,086
Revaluation property	0	0	(93,264)	0	(93,264)
Interest rate swap	0	0	(4,582)	0	(4,582)
Adjustments*	0	0	(33,748)	33,748	0
Net profit for the year	<u>0</u>	<u>0</u>	<u>0</u>	<u>(460,165)</u>	<u>(460,165)</u>
At 31 December 2020	<u>23,921</u>	<u>0</u>	<u>(16,898)</u>	<u>62,052</u>	<u>69,075</u>
At 1 January 2021	23,921	0	(16,898)	62,052	69,075
Write-down of share capital	(23,921)	0	0	23,921	0
Share capital increase	400	119,600	0	0	120,000
Expenses incurred in connection with share capital increase	0	0	0	(1,770)	(1,770)
Interest rate swap	0	0	18,960	0	18,960
Adjustments*	0	0	(2,062)	2,062	0
Net profit for the year	<u>0</u>	<u>0</u>	<u>0</u>	<u>44,238</u>	<u>44,238</u>
At 31 December 2021	<u>400</u>	<u>119,600</u>	<u>0</u>	<u>130,503</u>	<u>250,503</u>

*Adjustments comprises prior and current year allocation of revaluation of production properties and interest rate swap from shareholders equity to Income Statement

Cash Flow Statement 1 January – 31 December

Group	Note		
		2021 DKK '000	2020 DKK '000
Profit before financial income and expenses		85,656	(590,682)
Adjustments for income statement items without cash effect	21	(118,853)	557,025
Change in working capital	22	53,392	1,747
Cash flow from operating activities before financial items		20,195	(31,910)
Financial income received		5	1,032
Financial expenses paid		(42,008)	(19,544)
Taxes		(1,427)	13,057
Cash flow from operating activities		(23,235)	(37,365)
Purchase of intangible assets		0	(3,388)
Purchase of tangible assets		(82,697)	(228,134)
Sale of tangible assets		19,360	0
Cash flow from investing activities		(63,337)	(231,522)
Share capital increase		120,000	0
Change in mortgage loans		12,206	(42,174)
Expenses incurred with the share capital increase		(1,770)	0
Subordinated loan obtained		0	30,000
Credit facilities		35,079	255,345
Cash flow from financing activities		165,515	243,171
Change in cash and cash equivalents		78,943	(25,716)
Cash and cash equivalents at 1 January		33,070	58,786
Cash and cash equivalents at 31 December		112,013	33,070
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		109,268	30,325
Restricted cash		2,745	2,745
Cash and cash equivalents at 31 December		112,013	33,070

Notes to the Financial Statements

Group

Note 1	Subsequent events	20
Note 2	Revenue	20
Note 3	Other operating income	20
Note 4	Staff expenses	20
Note 5	Depreciation, amortisation and impairment	21
Note 6	Financial income	21
Note 7	Financial expenses	21
Note 8	Tax on profit for the year	21
Note 9	Intangible assets	22
Note 10	Leasehold improvements	22
Note 11	Equipment	23
Note 12	Production properties	23
Note 13	Investment properties	24
Note 14	Tangible assets under construction	25
Note 15	Share capital	25
Note 16	Long-term debt	25
Note 17	Provision for deferred tax	25
Note 18	Collateral	26
Note 19	Contingent liabilities and other financial obligations	26
Note 20	Related party transactions	26
Note 21	Cash flow statement, adjustments for income statement items without cash effect	27
Note 22	Cash flow statement, change in working capital	27
Note 23	Accounting policies for the Financial Statements	27
Note 24	Significant accounting estimates and assessment	33

Note 1 – Subsequent events

During the autumn of 2021, Bella Operation A/S had dialogues with Niam, the owner of Copenhagen Towers and Copenhagen Skyline Holding ApS, the owner of the company operating the Crown Plaza Hotel Copenhagen Towers. The parties discussed a possible transaction where Bella Operation acquired the operating hotel company. An agreement was reached at the very end of the year and closing of the deal took place on 1 January 2022. Hereafter, the operating company CP Hotel A/S, operating the Copenhagen Tower Crown Plaza Hotel, became a part of Bellagroup. The Crown Plaza Hotel is expected to support the growth of the entire Group in similar ways as the two other hotels - partly by its own operation and partly as a joint offer to the venue activities at Bella Center and Bella Arena.

	<u>2021</u>	<u>2020</u>
	DKK '000	DKK '000
Note 2 – Revenue		
Geographical segments		
Denmark	<u>251,454</u>	<u>261,090</u>
	<u>251,454</u>	<u>261,090</u>
Business segments		
Hotel	87,232	77,346
Area & Entry	81,215	116,868
Technique & Services	34,453	22,855
Food & beverage	<u>48,554</u>	<u>44,021</u>
	<u>251,454</u>	<u>261,090</u>
Note 3 – Other operating income		
Covid-19 compensation for fixed costs, salary and arrangements and remission of financial debt and subordinated loan	<u>243,330</u>	<u>199,621</u>
	<u>243,330</u>	<u>199,621</u>
Note 4 – Staff expenses		
Wages and salaries	140,464	165,967
Pensions	11,975	16,000
Social security costs	2,591	2,900
Other staff related costs	<u>4,398</u>	<u>8,167</u>
	<u>159,428</u>	<u>193,034</u>
Including remuneration to the Executive Board and Board of Directors of:		
Executive Board	7,023	9,958
Board of Directors	<u>76</u>	<u>83</u>
	<u>7,099</u>	<u>10,041</u>
Average number of employees	<u>287</u>	<u>423</u>

	2021 DKK '000	2020 DKK '000
Note 5 – Depreciation, amortisation and impairment		
Goodwill	0	21,501
Completed development projects	1,924	7,388
Leasehold improvements	5,118	12,597
Equipment	17,170	25,463
Production and hotel properties	<u>16,514</u>	<u>20,160</u>
	<u>40,726</u>	<u>87,109</u>
Note 6 – Financial income		
Other financial income	5	311
Financial income from group enterprises	<u>0</u>	<u>721</u>
	<u>5</u>	<u>1,032</u>
Note 7 – Financial expenses		
Interest on long-term debt	34,287	14,267
Financial expenses from group enterprises	0	866
Lease obligations	125	165
Other financial expenses	<u>3,997</u>	<u>4,246</u>
	<u>38,409</u>	<u>19,544</u>
Note 8 – Tax on profit for the year		
Tax on profit for the year	(2,748)	3,404
Tax on profit prior year	(1,977)	(16,745)
Change in deferred tax	<u>7,739</u>	<u>(163,124)</u>
	<u>3,014</u>	<u>(176,465)</u>
can be allocated as follows:		
Tax on profit/loss for the year	1,181	(149,029)
Tax on equity movements	<u>1,833</u>	<u>(27,436)</u>
	<u>3,014</u>	<u>(176,465)</u>

Note 9 – Intangible Assets

Completed development projects

Costs

	2021 DKK '000	2020 DKK '000
At 1 January	17,068	0
Transfer from intangible assets under construction	0	13,266
Disposals	(740)	0
Additions	<u>0</u>	<u>3,802</u>
At 31 December	<u>16,328</u>	<u>17,068</u>

Accumulated amortisation

At 1 January	3,388	0
Amortisation for the year	<u>1,924</u>	<u>3,388</u>
At 31 December	<u>5,312</u>	<u>3,388</u>

Accumulated impairment

At 1 January	4,000	0
Impairment for the year	<u>0</u>	<u>4,000</u>
At 31 December	<u>4,000</u>	<u>4,000</u>

Carrying amount at 31 December

<u>7,016</u>	<u>9,680</u>
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Note 10 – Leasehold improvements

Costs

At 1 January	70,283	50,184
Additions	181	16,134
Transfer from equipment	0	3,965
Disposals	<u>(20,544)</u>	<u>0</u>
At 31 December	<u>49,920</u>	<u>70,283</u>

Accumulated depreciation

At 1 January	11,958	5,814
Depreciation for the year	5,118	6,144
Reversal of depreciation of sold assets	<u>(4,403)</u>	<u>0</u>
At 31 December	<u>12,673</u>	<u>11,958</u>

Accumulated impairment

At 1 January	6,453	0
Impairment for the year	0	6,453
Reversal of impairment of sold assets	<u>(6,453)</u>	<u>0</u>
At 31 December	<u>0</u>	<u>6,453</u>

Carrying amount at 31 December

<u>37,247</u>	<u>51,872</u>
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Note 11 – Equipment

Costs

	2021 DKK '000	2020 DKK '000
At 1 January	204,367	210,732
Additions	29,588	2,987
Transfer to leasehold improvements	0	(3,965)
Disposals	<u>(55,054)</u>	<u>(5,387)</u>
At 31 December	<u>178,901</u>	<u>204,367</u>

Accumulated depreciation

At 1 January	155,223	138,534
Depreciation for the year	17,170	21,658
Reversal of depreciation of sold assets	(42,808)	0
Disposals	<u>0</u>	<u>(4,969)</u>
At 31 December	<u>129,585</u>	<u>155,223</u>

Accumulated impairment

At 1 January	3,805	0
Impairment for the year	0	3,805
Reversal of impairment of sold assets	<u>(3,805)</u>	<u>0</u>
At 31 December	<u>0</u>	<u>3,805</u>

Carrying amount at 31 December

<u>49,316</u>	<u>45,339</u>
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Note 12 – Production properties

Halls/Auditoriums/Meeting facilities

Costs

At 1 January	598,306	571,533
Additions	0	6,438
Transfer	319,075	20,335
Disposals	<u>0</u>	<u>0</u>
At 31 December	<u>917,381</u>	<u>598,306</u>

Revaluation

At 1 January	(280,067)	119,569
Revaluation	<u>0</u>	<u>(399,636)</u>
At 31 December	<u>(280,067)</u>	<u>(280,067)</u>

Depreciation

At 1 January	277,797	257,637
Depreciation for the year	16,514	20,160
Depreciation on disposals for the year	<u>0</u>	<u>0</u>
Depreciation at 31 December	<u>294,311</u>	<u>277,797</u>

Carrying amount at 31 December

<u>343,003</u>	<u>40,442</u>
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Production property

The fair value of production property as of 31 December is determined by discounting expected cash flows 31 December 2021 by a discount rate of 9.6% (2020: 9.6%). Income from production properties comprises income from events and congresses, including additional sales as well as catering split up into fairs, meetings, conferences, conventions, concerts, company events etc.

Sensitivity – value adjustment of production property

Value adjustment of property depends on the development in the discount rate, expected cash flow and expected growth rate.

In the case of production activity, a change in the discount rate of +/- 0.25 percentage point, or a permanent change in results before tax of +/- DKK 2.5 million will affect the assessment value by +/- DKK 15 million and +/- DKK 30 million, respectively. The sensitivity related to fluctuations in the growth rate of +/- 0.25 percentage point affects the assessment value by +/- DKK 15 million.

	<u>2021</u>	<u>2020</u>
	DKK '000	DKK '000
Note 13 – Investment properties		
Costs		
At 1 January	391,329	391,329
Additions	<u>0</u>	<u>0</u>
At 31 December	<u>391,329</u>	<u>391,329</u>
Value adjustments		
At 1 January	164,287	354,117
Revaluation	<u>0</u>	<u>(189,830)</u>
At 31 December	<u>164,287</u>	<u>164,287</u>
Carrying amount at 31 December	<u>555,616</u>	<u>555,616</u>

Investment properties

Investment properties are measured at fair value. The determination of fair value is based on generally accepted valuation methods, and Management uses accounting estimates when determining the fair value. The use of accounting estimates implies that the statement of fair value is subject to some uncertainty. Income from investment properties comprise external rent agreement regarding International House and Showrooms. The fair value of investment property as of 31 December 2021 is determined by discounting expected cash flows 31 December 2021 by a discount rate of 6.0% (2020: 6.0%).

Management reassesses assumptions on a current basis, and any changes to the assumptions are reflected in the fair value.

Sensitivity – value adjustment of investment property

Value adjustment of property depends on the development in the discount rate, expected cash flow and expected growth rate.

In the case of production activity, a change in the discount rate of +/- 0.25 percentage point, or a permanent change in results before tax of +/- DKK 2.5 million will affect the assessment value by +/- DKK 22 million and +/- DKK 55 million, respectively. The sensitivity related to fluctuations in the growth rate of +/- 0.25 percentage point affects the assessment value by +/- DKK 30 million.

	2021 DKK '000	2020 DKK '000
Note 14 – Tangible Assets under construction		
Costs		
At 1 January	266,146	81,777
Additions	52,929	204,704
Transfer for the year	<u>(319,075)</u>	<u>(20,335)</u>
At 31 December	<u>0</u>	<u>266,146</u>
Carrying amount at 31 December	<u>0</u>	<u>266,146</u>

Note 15 – Share capital		
Share capital at 1 January	23,921	23,921
Write-down of share capital	(23,921)	0
Capital increase	<u>400</u>	<u>0</u>
Share capital at 31 December	<u>400</u>	<u>23,921</u>

The share capital consists of 400,000 shares of a nominal value of DKK 0.01. No shares carry any special rights.

Note 16 – Long-term debt

Credit institutions		
After 5 years	376,715	303,448
Between 1 and 5 years	<u>344,265</u>	<u>238,109</u>
Long-term part	720,980	541,557
Within 1 year	<u>22,243</u>	<u>281,695</u>
Financial obligations at amortised cost at 31 December	<u>743,223</u>	<u>823,252</u>

Note 17 – Provision for deferred tax

Intangible fixed assets	9,302	20,318
Tangible fixed assets	(304,327)	(273,561)
Tax losses carried forward	65,640	62,275
Other timing differences	<u>5,141</u>	<u>1,902</u>
	<u>(224,244)</u>	<u>(189,066)</u>
Provision for deferred tax 22%:	<u>49,334</u>	<u>41,595</u>
Provision for deferred tax 31 December	41,595	204,719
Deferred income tax recognised in income statement and on equity	<u>7,739</u>	<u>(163,124)</u>
Deferred tax 31 December	<u>49,334</u>	<u>41,595</u>

2021	2020
DKK '000	DKK '000

Note 18 – Collateral

The following assets have been provided as collateral for debt to credit institutions:

Production and investment properties, carrying amount	898,619	862,184
Equipments for the value of	<u>20,000</u>	<u>20,000</u>
	<u>918,619</u>	<u>882,184</u>

Note 19 - Contingent liabilities and other financial obligations

Rental and lease obligations as of 31 December

Within 1 year	32,481	32,274
Between 1 and 5 years	403,855	419,565
After 5 years	<u>2,548,287</u>	<u>2,646,489</u>
	<u>2,984,623</u>	<u>3,098,328</u>

Rent expenses charged to the income statement during the year	28,215	130,384
Lease expenses charged to the income statement during the year	1,773	1,995

Joint Taxation

For the income year up to 15 June 2021, the company is jointly and severally liable for tax on the jointly taxed incomes etc., of the Solstra Investments A/S Group and for the period 16 June 2021 to 31 December 2021 the company is jointly and severally liable for tax on the jointly taxed incomes etc. of the TMC Invest 2021 ApS' Group.

The total amount of corporation tax payables is disclosed in the Annual Report of respectively Solstra Investments A/S and TMC Invest 2021 ApS, which is the management company for the two joint taxations groups. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Other contingent liabilities

The Group has the obligation to perform maintenance of rented hotel buildings, both interior and exterior. There is the risk that one of the hotel buildings may require replacement of part of the facade. For the time being, it is not possible to evaluate and conclude the extent of the replacement. However the property owner will cover the majority part of the expense.

Note 20 – Related party transactions

The Group is controlled by TMC Invest 2021 ApS.

Related parties are considered to be the Board of Directors, Executive Board, TMC Invest 2021 ApS and Solstra Investments A/S' subsidiaries.

The Group has had transactions with shareholders related to intercompany receivables and payables and administrative services. The Group and Company have chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(7) of the Danish financial Statements Act.

	2021	2020
	DKK '000	DKK '000
Note 21 – Cash flow statement, Adjustments for income statement items without cash effect		
Revaluations	0	469,917
Remission of loans	(158,315)	0
Gain/losses fixed assets disposals	(1,264)	0
Depreciation, amortisation and impairment	<u>40,726</u>	<u>87,108</u>
	<u>(118,853)</u>	<u>557,025</u>

Note 22 – Cash flow statement, change in working capital		
Change in inventories	(648)	3,154
Change in receivables, etc.	86,770	(22,423)
Change in payables, etc.	<u>(32,730)</u>	<u>21,016</u>
	<u>53,392</u>	<u>1,747</u>

Note 23 – Accounting policies for the Financial Statements

The Annual Report of the Group for 2021 has been prepared in accordance with the Danish Financial Statements Act applying to presentation of Annual Reports of large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for the financial year are presented in TDKK.

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, 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.

Translation policies

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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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.

Consolidation policies

The Consolidated Financial Statements comprise all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

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, balances, 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.

Income statement

Revenue

Revenue primarily consists of income from hotel rooms; conferences; rental income from booths; other rental income; income from setting up and arranging booths and meeting facilities; electricity, IT, tele and AV deliveries; services (parking, security, inspection of tickets etc.), as well as restaurant and catering services.

Revenue from sale of goods is recognised at the time of holding the event or meeting. Revenue from delivery of services is recognised at the rate of delivering the service. Revenue from 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.

Other operating income

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment, remission of financial debt and subordinated loan as well as government grants, such as economic Covid-19 compensation packages.

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:

	<u>Useful life (years)</u>
Production buildings	100
Exhibition and convention centres, auditoriums etc.	10-50
Other fixtures and operating equipment	1-15
Completed development projects	5

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 at 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 Danish subsidiaries of TMC Invest 2021 ApS group and Solstra Investments A/S group. The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable incomes (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

Intangible assets

Goodwill acquired is measured at costs less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 years. Impairment test of goodwill are performed on yearly basis.

Completed development projects

Completed developments projects relates to the development of new ERP solution which is measured at cost less accumulated amortisation. The new ERP solution is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Tangible assets

Tangible assets comprise leasehold improvements, fixtures and operating equipment, properties as well as assets in course of construction.

Leasehold improvements and fixtures and operating equipment

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.

Leasehold improvements and other equipment are measured at purchase cost less accumulated depreciation and any accumulated impairment losses.

Properties

Properties are in the balance sheet divided into investment properties and production properties. Investment properties comprise show rooms and office leases. Production properties comprise auditoriums, meeting facilities and halls.

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. Subsequent to 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.

Impairment test

An impairment test is carried out in terms of 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 asset's or group of assets' values in use and net selling price (recoverable amount) if this is lower than the carrying amount.

Finance leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) 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 finance 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.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

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 are determined on the basis of an individual assessment of the receivables that are estimated to be risky.

Equity

Distributable reserves are transferred to retained earnings as they are considered free reserves. Included in Other reserves/retained earnings are the hedging reserve that includes changes in the fair value of derivatives classified and qualifying as cash flow hedges.

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 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.

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 determination of the tax base may be performed based on different taxation rules, deferred tax is 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 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 amortised cost determined based on the effective interest rate at the time of borrowing. 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 on equity 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.

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 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

Gross margin:

Gross profit (contribution margin) / Revenue * 100

Solvency ratio:

Equity/Assets * 100

Return on equity:

Net profit for the year/Average equity * 100

Book value per share:

Equity/outstanding shares of nominal 0.01

Note 24 – Significant accounting estimates and assessments

On application of the Group's accounting policies as described in note 23, 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. 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 has an effect on 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 had an effect on the financial statements.

Fair value adjustment of properties

Investment and production properties 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 equity.

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.

COVID-19 compensation scheme

The Group has applied for all the available governmental COVID-19 schemes. The Group has currently only been allowed to submit the final account for salary compensation received for the first applied compensation period. The final account for salary compensation for this period ended in reduction in the compensation received due to change in Danish Business Authority interpretation of how to calculate the salary compensation.

Final account for other compensation received, fixed cost and arrangement compensation schemes are not due before 30 September 2022. Furthermore, the final control from the Danish Business Authority will not take place until after this date.

Based on communication with the Authorities in connection with the application/request for compensation, it can be concluded that it is not completely clear how the regulations for compensation shall be interpreted. Due to this and the experience with the first final account for salary compensation, a provision for uncertainties has been made against receivable compensation at 31 December 2021.

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 in accordance with available operating and cash budgets for the Group approved by the Board of Directors.

Income Statement of 1 January – 31 December

Parent Company

	Note	2021	2020
		DKK '000	DKK '000
Gross profit		(5,655)	(841)
Profit before financial income and expenses		(5,655)	(841)
Reversal of / Impairment of financial assets	B	161,301	(573,945)
Financial expenses	C	(225)	(96)
Profit before tax		155,421	(574,882)
Tax on profit for the year	D	800	150
Net profit for the year	E	156,221	(574,732)

Balance Sheet 31 December - Assets

Parent Company

	Note	2021	2020
		DKK '000	DKK '000
Assets			
Investment in subsidiaries	F	281,301	0
Financial assets		281,301	0
Non-current assets		281,301	0
Deferred tax asset		154	0
Receivables from group enterprises		83	0
Receivables from group enterprises, corporation tax		647	91
Cash at bank and in hand		168	31
Current assets		1,052	122
Total assets		282,353	122

Balance Sheet 31 December – Liabilities and Equity

Parent Company

	Note	2021	2020
		DKK '000	DKK '000
Liabilities and equity			
Share capital	G	400	23,921
Share premium		119,600	0
Retained earnings		<u>152,007</u>	<u>(26,365)</u>
Equity		<u>272,007</u>	<u>(2,444)</u>
Trade payables		265	0
Payables to group enterprises		5,778	2,266
Other payables		<u>4,303</u>	<u>300</u>
Current liabilities		<u>10,346</u>	<u>2,566</u>
Total liabilities and equity		<u>282,353</u>	<u>122</u>

Statement of Changes in Equity

Parent Company

	Share capital DKK '000	Share premium DKK'000	Retained earnings DKK '000	Total equity DKK '000
At 1 January 2020	23,921	0	548,367	572,288
Net profit/loss for the year	<u>0</u>	<u>0</u>	<u>(574,732)</u>	<u>(574,732)</u>
At 31 December 2020	<u>23,921</u>	<u>0</u>	<u>(26,365)</u>	<u>(2,444)</u>
At 1 January 2021	23,921	0	(26,365)	(2,444)
Write-down of share capital	(23,921)	0	23,921	0
Share capital increase	400	119,600	0	120,000
Expenses incurred with share capital increase	0	0	(1,770)	(1,770)
Net profit/loss for the year	<u>0</u>	<u>0</u>	<u>156,221</u>	<u>156,221</u>
At 31 December 2021	<u>400</u>	<u>119,600</u>	<u>152,007</u>	<u>272,007</u>

Notes to Financial Statement

Parent Company

Note A	Subsequent events	40
Note B	Impairment of financial assets	40
Note C	Financial expenses	40
Note D	Tax on profit for the year	40
Note E	Distribution of profit	40
Note F	Investments in subsidiaries	41
Note G	Equity	41
Note H	Contingent liabilities and other financial obligations	41
Note I	Related parties	42
Note J	Accounting policies for the Parent Company	43

Note A – Subsequent events

During the autumn of 2021, Bella Operation A/S had dialogues with Niam, the owner of Copenhagen Towers and Copenhagen Skyline Holding ApS, the owner of the company operating the Crown Plaza Hotel Copenhagen Towers. The parties discussed a possible transaction where Bella Operation acquired the operating hotel company. An agreement was reached at the very end of the year and closing of the deal took place on 1 January 2022. Hereafter, the operating company CP Hotel A/S, operating the Copenhagen Tower Crown Plaza Hotel, became a part of Bellagroup. The Crown Plaza Hotel is expected to support the growth of the entire Group in similar ways as the two other hotels - partly by its own operation and partly as a joint offer to the venue activities at Bella Center and Bella Arena.

	<u>2021</u> DKK '000	<u>2020</u> DKK '000
Note B – Impairment of financial assets		
Bella Operation A/S & BCHG Properties A/S	<u>0</u>	<u>(573,945)</u>
	<u>0</u>	<u>(573,945)</u>
Note C – Financial expenses		
Other financial expenses	(90)	(3)
Interest, Group enterprises	<u>(135)</u>	<u>(93)</u>
	<u>(225)</u>	<u>(96)</u>
Note D – Tax on profit for the year		
Current tax for the year	587	150
Deferred tax for the year	59	0
Adjustment of tax concerning previous years	<u>154</u>	<u>0</u>
	<u>800</u>	<u>150</u>
Note E – Distribution of profit		
Retained earnings	<u>156,221</u>	<u>(574,732)</u>
	<u>156,221</u>	<u>(574,732)</u>

After distribution of the loss for 2020, the equity was negative, and the entire share capital was lost 31 December 2020. The share capital has been re-established in 2021 through subscription of new share capital.

Note F – Investments in subsidiaries

	2021 DKK '000	2020 DKK '000
Cost		
Cost at 1 January	573,945	573,945
Additions for the year	<u>120,000</u>	<u>0</u>
Cost at 31 December	<u>693,945</u>	<u>573,945</u>
Accumulated impairment		
At 1 January	(573,945)	0
Reversal of impairment in prior year	161,301	0
Impairment for the year	<u>0</u>	<u>(573,945)</u>
At 31 December	<u>(412,644)</u>	<u>(573,945)</u>
Carrying amount at 31 December	<u>281,301</u>	<u>0</u>

Due to operating losses for 2020 and further losses in 2021 in Bella Operation A/S as well as revaluation of investment property in BCHG Properties A/S, the equity was lost in both subsidiaries at 31 December 2020. Together with the situation as described in the Annual Report for 2020, note 1 and note 2 to the consolidated financial statements, both investments were considered impaired at 31 December 2020.

In 2021 a business restructuring was made and consequently the impairment made in 2020 was partly reversed.

Investments in subsidiaries are specified as follows:

	Share capital DKK '000	Votes and ownership	Equity DKK '000	Net profit/loss for the year DKK '000
Name/place of registered office				
Bella Operation A/S	1,000	100%	216,284	17,644
BCHG Properties A/S	1,190	100%	65,017	43,335

Information is based on latest available Annual Reports for the Companies.

Note G – Equity

The share capital consists of 400,000 shares of a nominal value of DKK 0.01. No shares carry any special rights.

Note H – Contingent liabilities and other financial obligations Guarantee obligations

The Company is guarantor with primary liability for whatever amount Bella Operation A/S and BCHG Properties A/S may owe Nordea Danmark in the future, including interest and expenses in the event of default.

Joint Taxation

For the income year up to 15 June 2021, the company is jointly and severally liable for tax on the jointly taxed incomes etc., of the Solstra Investments A/S Group and for the period 16 June 2021 to 31

December 2021 the company is jointly and severally liable for tax on the jointly taxed incomes etc. of the TMC Invest 2021 ApS' Group.

The total amount of corporation tax payables is disclosed in the Annual Report of respectively Solstra Investments A/S and TMC Invest 2021 ApS, which is the management company for the two joint taxations groups. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Note I - Related parties

Related parties are considered to be the Board of Directors, Executive Board, TMC Invest 2021 ApS and Solstra Investments A/S' subsidiaries.

Basis

Controlling interest

TMC Invest 2021 ApS, Copenhagen

Parent company, based on a shareholders agreement.

Transactions

The Company has had transactions related to intercompany receivables and payables. Interests from group enterprises are disclosed in the income statement and note C.

Consolidated Financial Statements

The Company is included in the Consolidated Financial Statements of TMC Invest 2021 ApS.

Name

Place of registered office

TMC Invest 2021 ApS

Copenhagen

Note J – Accounting policies for the Parent Company

Basis of Preparation

The Annual Report of the Parent Company BCHG Holding 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 accounting policies applied remain unchanged from last year.

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

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 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.

Income statement

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and 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 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 Company is jointly taxed with Danish affiliated companies. The tax effect of the joint taxation is allocated to 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.

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.



RESPONSIBLE
HOSPITALITY
REPORT
2021





CONTENTS

MESSAGE FROM CEO	49
RESPONSIBLE HOSPITALITY	53
ENVIRONMENTAL RESPONSIBILITY	59
SOCIAL RESPONSIBILITY	64
GOVERNANCE AND ETHICS	70
ABOUT THIS REPORT	74
DATA SET	75

This report covers the 2021 activities relating to Responsible Hospitality in all business units of BCHG Holding A/S group (Bellagroup). The report follows the financial year, 1 January 2021 - 31 December 2021. The report is prepared in accordance with sections §99a and §99d of the Danish Financial Statements Act.



Message from CEO: A NEW FOUNDATION

Our world is changing at a fast pace, and today sustainability plays an important part in this change. Our communities, businesses, and everyday lives as well as the hospitality industry are affected by this on a daily basis. At Bellagroup we look back at a challenging yet defining year that in many ways marked a new beginning for us.

2021 started where 2020 ended - in the shadow of the COVID-19 pandemic. The national lockdown and subsequent restrictions affected the number of events and visitors across all our venues and hotels immensely - especially during the first six months of the year.

At Bellagroup we used the lockdown to transform and prepare our entire business for the new reality on the other side of the pandemic. A future where sustainability will be an even more critical business driver and differentiator within our industry.

A new foundation

In June, we secured new capital and ownership. This ultimately secured the future development and expansion of Bellagroup at a time where the crisis could have shut down our business.

This important milestone enabled us to look forward and begin building our group under the new name Bellagroup and launching the ambition to make Copenhagen an international top destination for major events and conferences while maintaining a strong focus on sustainability.

Even though 2021 was challenging, we can still be proud of several achievements that prove our ambitions and commitment to Responsible Hospitality.

As part of our ongoing ambition to deliver sustainable events and hospitality services, we opened a new modern arena seating 7.000 guests built with sustainable materials with an emphasis on energy efficiency and circularity that was pre-certified with the international gold certification in sustainability from DGNB.

In 2021, we also hosted the very first large event, where the environmental impact was measured and documented from start to finish. It gave us new,

valuable knowledge and control of the impact of our events. In 2022 we hope to spread the approach to more events, so that we can continually measure, benchmark and improve our initiatives.

Our approach to responsible hospitality also extends to the way we work together as a team. The modest level of activity in 2021 had consequences for several of our teams as Covid-19 forced us to downsize. Our approach has been to stay in close contact with former team members, and I am personally proud of the fact that many former employees returned to Bellagroup as the lockdown was lifted.

Our promise turned into action

Now we look into a promising 2022, where we need to use the lessons from the pandemic in terms of our footprint and our business. We are ready to welcome back tourists and large international events, and excited to engage with local and national stakeholders in order to maintain Copenhagen as an international top destination for large sustainable events in the future.

Our ambitions and commitments to sustainability for 2022 cover all business areas and we aim to deliver real, tangible change. Responsible Hospitality is not only an ambition. Having the most innovative and professional approach to Responsible Hospitality is a key strategic business differentiator.

We will continue to expand our focus on sustainable growth and maintain our commitment to hold Responsible Hospitality at the heart of everything we do, while we build the sustainable hospitality platform of the future.

This is our promise turned into action.

Sincerely,



Christian Folden Lund, CEO



ABOUT BELLAGROUP

Bellagroup is among the largest hospitality companies in Denmark. Bellagroup stands on three legs of business: venues, hotels and content. The venue part is comprised of Bella Center Copenhagen, Bella Arena and Bella Sky Conference & Event, CIFF Showrooms and International House.

In the hotel part, Bellagroup operates three hotels with internationally recognized brands: Crowne Plaza Copenhagen Towers, AC Hotel Bella Sky Copenhagen and Copenhagen Marriott totalling almost 1,600 rooms.

Bellagroup produce event content such as CIFF (Copenhagen International Fashion Fair), Bogforum (Book Forum) and LEGO World. Bellagroup has more than 160 meeting- and conference rooms and in total more than 200,000 squaremeters with enough space to host up to 30,000 people.

Read more at www.bellagroup.dk



MILESTONES 2021

Net Zero Events Carbon Pledge

CO2 event footprint pilot

Bella Arena Pre-certified DGNB Gold

Recruited many of the team members we had been forced to lay off during the start of the pandemic.

New owners and governance structure = New Foundation

AMBITIONS 2022

Start construction of Solar Panel Park – goal 200 tons CO2e annual savings by end 2024

5500 new LED light fixtures – goal 120 tons CO2e annual savings by end 2023

Work towards a methodology for mapping the carbon emissions of an event. Work with industry peers to define this

Zero food waste in production by 2022

Roll out Copenhagen Fashion Week 2023 Sustainability requirements by end 2022

Continue recruitment and work experience in collaboration with job centers



RESPONSIBLE HOSPITALITY

Hospitality is at the heart of everything we do. We strive to host moments that matter for our partners and clients, and the many visitors and guests we welcome every year.

As one of the largest event and hospitality groups in Denmark, we are also acutely aware of the impact we have on our environment as well as society. Events and hospitality can be resource intensive activities, and have a direct impact on thousands of guests, employees, partners around the world and our local community. We have a responsibility to take our impact into account. We need to consider how to reduce our environmental footprint every step of the way from supplier to waste management and we need to consider how we interact with society and how we can drive a positive social change.

This report documents the steps we are taking on our journey towards becoming a leader in our industry in terms of environmental impact social impact and governance.

We believe that taking action on all these agendas is an essential part of working with hospitality. At Bellagroup, we call it responsible hospitality.

Materiality

We periodically assess our material issues to ensure we are aligning our programs with the issues that matter most to our business and our stakeholders. Bellagroup has undergone a big transformational change and it has also been very important to take our risks, opportunities and material issues into consideration with our new strategy in order to drive long-term value for our business and our stakeholders.

IMPORTANT ISSUES FOR OUR ORGANIZATION ARE:

- Food waste
- Resource use and conservation (energy, water, waste)
- Climate change - reduce carbon emissions
- Promote health, safety, and well-being at work
- Responsible supply chain management
- Diversity and equal opportunity
- Communication, information, and awareness of sustainability issues
- Partnerships for sustainable tourism and sustainable development
- Training skills in the workplace
- Job creation and youth opportunity in the local community
- Circular product innovation
- Business ethics and anti-corruption

A materiality assessment based on Stakeholder input and Business importance has shown Food waste, Resource use and Climate change to be the most material issues. These issues are expanded upon in the remainder of this report.



SDG: 13
Take urgent action to combat climate change and its impacts.



SDG: 12
Ensure sustainable consumption and production patterns.



SDG: 8
Promote sustained inclusive and sustainable economic growth, full and productive employment and decent work for all.



Sustainable Development Goals

As a long-standing signatory of the United Nations Global Compact, we have embedded the UN's 10 Principles and the 17 UN Sustainable Development Goals (SDGs) across our business. We see the SDGs as an overarching framework that can help us shape and communicate our Responsible Hospitality goals and initiatives.

On the basis of stakeholder feedback and business impact, we continue to work with three identified SDGs that continue to be the most relevant to our activities and that we want to support in priority. Goal 8, 12 and 13.

We will also continue to work towards these goals through valuable partnerships, within and across our industry, to push for progress.



Global Markets Theatre

RWE GWEC

Pavilion Denmark
Where you meet tomorrow. Today

SEMCO maritime

ZITON

Can do. Well.

ZITON
Jalk-ups Technicians
Troll & Equipment

Z



Sustainable events

At Bellagroup we host events in all sizes and for all industries– whether it is a Christmas party, a large-scale congress, or a business event. We want to make every event matter for our guests and customers. We want to make every event sustainable. We want to make it easy to choose sustainable solutions. We want to make it valuable to host a sustainable event.

In 2021, we hosted the annual WindEurope conference - a trade conference for the European wind industry. The event was not only the first larger event after COVID-19, but was also the first event, where we meticulously measured and documented the environmental impact and carbon footprint of the event from resource and energy usage to recycling.

When we systematically evaluate the impact of an event, we not only gain knowledge on where to improve, but also give our customers and partners an important benchmark to measure their own impact and development. It gives them (and us) an opportunity to actively use this information to improve our event and environmental management.

Our goal is to further develop this approach in 2022, so that we can provide transparency regarding the environmental impact of all events in our venues.

Making sustainability easy and accessible for our customers and creating increased value for each event. of all events in our venues.

CIFF

CIFF is Bellagroup's own bi-annual fashion fair and is one of Europe's most inspirational fashion trade platforms. CIFF is dedicated to not only providing fashion fair visitors with an inspiring sartorial experience, but also a sustainable one. Together with our exhibiting brands, we want to be a leader in sustainability and take our commitment to it seriously, one step at a time. We can't make up for past harms of our industry, but we can address them together to create a more sustainable future. As a major player in the fashion field CIFF plays an integral part in helping the industry along.

CIFF Sustain

Technology, sustainability and innovation are important drivers in the fashion industry. That is why we at CIFF have dedicated areas highlighting brands that are leading the way. Together with the Lifestyle & Design Cluster, we had a dedicated space Circular Fashion Days. The exhibitors at Circular Fashion Days were selected as brands that are already moving away from linear to more circular business models, where products are designed, produced or sold with new circular goals in mind.

In addition, we presented a comprehensive physical and digital program of keynote talks in collaboration with brands and industry leaders, almost exclusively on topics related to sustainability.

In 2022, we plan to have an even bigger dedicated space for sustainable brands. We will also work on creating more awareness around the use of single-use plastics for exhibitors through design and installations.

2023 Sustainability Requirements

During our February 2021 fair, we announced that we, as the first partner of Copenhagen Fashion Week, were joining the implementation of the 2023 Sustainability Requirements. The requirements, composed of 18 minimum standards, will be a pre-condition for all brands in the Copenhagen Fashion Week show calendar, and include a points-system demanding a minimum level of sustainability across all aspects of the value chain, including environmental, social, and ethical aspects.

We strongly believe that the roll-out of these requirements not only adds value, but deeply resonates with our own platform. In concrete terms, our commitment and partnership entail that CIFF, as of 2023, will demand that brands in selected areas of the fair comply with Copenhagen Fashion Week's minimum standards and obtain the minimum score needed to exhibit at CIFF. By expanding this initiative each season we are very optimistic that this process will lead to even more alignment and connected sustainability efforts across industry platforms.



ENVIRONMENTAL RESPONSIBILITY

Our ambition at Bellagroup is to focus on how we can go beyond just complying with environmental policies. We are already driving efficiencies in our operations that cut emissions and costs, which both reduces our impact and gives us a competitive advantage.

One of our biggest milestones for 2021, was the opening of Bella Arena. As one of Europe's largest congress halls, it not only provides a modern and flexible event space, but also a sustainable one. Bella Arena has been pre-certified with DGNB Gold and we are awaiting our final certification in the beginning of 2022.

For us it is not just a matter of risk mitigation and resource productivity. We want to embed environmental considerations fully into every aspect of our hotel and event operations. We want to be recognized as an environmental leader in the industry and create significant value through these initiatives for our business, our guests and customers, and society.

Risks

We aim to have a credible and effective management of our environmental and climate-related risks. We systematically approach improvements in quality and performance. We manage our risks as critical business activities, with targets for improvement, measurement, and reports on performance.

As a hospitality company our core business is especially linked to:

- Impact of large events
- Energy and carbon
- Water management
- Waste management
- A better food experience

In the sections below we account for our management of these risks in 2021, as well as our targets for improvement.

Energy and carbon

In 2021, we once again experienced a significant decrease in utility consumption across our units, primarily because of reduced occupancy and complete or partial temporary suspensions of activities at our properties. To reduce energy and carbon emissions in times of reduced occupancy, our hotels were encouraged to adopt operational best

practices, such as partial building shutdowns and implementation of enhanced building controls.

We recognize that the reductions achieved because of the pandemic are neither representative nor sustainable. As travel returns and our hotels relentless focus on energy efficiency to reduce utility costs and greenhouse gas emissions.

This report documents the steps we are taking on our journey towards becoming a leader in our industry in terms of environmental impact social impact and governance.



Our commitment to carbon reduction

At Bellagroup we acknowledge that there is an urgent need to accelerate the transition towards global net zero emissions, and for the events industry to play its part in helping to deliver the goals of the Paris Agreement.

Recognizing that the events industry is composed of a complex and fragmented mix of stakeholders from across the globe, we acknowledge that while we as Bellagroup may take specific actions to minimize



our carbon impact, to drive meaningful progress a system-wide approach is also needed. This is why we, during 2021, joined the industry initiative - Net Zero Carbon Events Pledge.

In this context, we commit to support the goal of net zero greenhouse gas (GHG) emissions by 2050, and to actively promote and advocate for industry efforts throughout the value chain.

In pursuit of this aim, Bellagroup undertakes to:

- Before the end of 2023, publish Bellagroup's pathway to achieve net zero by 2050 at the latest, with an interim target in line with the Paris Agreement's requirement to reduce global GHG emissions by 50% by 2030
- Collaborate with partners, suppliers and customers to drive change across the value chain
- Measure and track our Scope 1, 2 and 3 GHG emissions according to industry best practice by 2022
- Work towards a methodology for mapping the carbon emissions of an event. Work with industry peers to define this.

Increasing our use of renewable energy

In 2021 we have taken steps to convert more of our energy from renewable sources. This means that we will in 2022 start building Copenhagen largest solar panel park on the roof of the Bella Center Copenhagen. Our goal is 1.000.000 kWh savings, as well as 200 tons CO2 annual savings by 2024.

Increasing our energy efficiency

Lighting is extremely important in making our guests feel relaxed and refreshed. However, due to the long operating hours of our business, lighting contributes significantly to the total energy consumption. To further decrease our energy usage in building operations, we will roll out a large-scale project to increase the number of LED lighting at the AC Bella Sky Copenhagen. Our goal is to complete the roll-out at the AC Bella Sky during 2022 by replacing more than 5.500 light sources. Installing even more LED lighting will not only help drive down energy costs but also reduce maintenance and cooling costs as well.

Our goal is to annually save 254.431 kWh and 120 tons CO2.

During 2022/23, we will commence major renovations at the Copenhagen Marriott. This means that we will, amongst other things, implement a new energy management system. Our aim is for the new system to improve operational efficiency and contribute with energy savings.

Water management

A large amount of our water consumption comes from laundry and housekeeping. Once again, the large deviation in water use from previous years, is due to a dramatic fall in activity and guests. The water fixtures at our properties meet local requirements for water efficiency and conservation, and we continually train our team members to take steps to save water. The reduction in occupancy due to COVID-19 enabled us to better understand where and how our properties use water when our activities are at a minimum.

Tap water filling stations

To reduce the use of water bottles and single use plastics, we will install 15 new tap water stations during 2022. Denmark has some of the cleanest tap water in the world. While most Danes won't think twice about filling their glass or water bottle from a tap, we understand that for many of our guests this is not what they are used to. We will also use the opportunity to create awareness of the clean Danish tap water to all our guests.

Waste management

At Bellagroup we work towards a goal of having zero waste. For us this means sending as little as possible to the landfill and ensuring waste materials are reduced, reused, recycled or repurposed. We recognize that this might mean a gradual, slow and imperfect process and we understand that we need to reframe our whole approach toward waste management.

Our waste reduction strategy seeks to decrease the overall amount of waste produced in our units, while taking steps to divert remaining waste from landfill through donation, recycling, composting, energy from waste incineration and other opportunities.

Waste is more closely linked to occupancy than energy or water, and the amount of waste produced by our units is still much decreased in 2021 due to the impacts of the pandemic. As we look to the future, we are working with our partners, including our waste haulers, suppliers and donation partners, to find innovative ways to continue to reduce waste.

Upcycling

Circularity and sustainability was central to material choices, when building Bella Arena. In close partnership with Bellagroup's new beverage supplier, Carlsberg, upcycled beer kegs have been used in the process. The upcycled kegs are used together with 2nd cycle of recycled wood from the original Bella Center at Bellahøj. j.

Single-use plastic

We take the global issue of plastic pollution seriously as a threat to the community and environment. We also recognize that waste reduction is a critical focus for our guests. In 2021, we remained focused on reducing unnecessary single-use items and we remain committed to continuing our transition from individual bath toiletries at all our hotels. The pandemic necessitated a delay in our deadline for implementing full-size bath dispensers at AC Bella Sky and Copenhagen Marriott due to low occupancy and high stock levels. We are now aiming to achieve full roll out by 2022 at AC Bella Sky and start 2023 at Copenhagen Marriott.

Food rescue

Reducing food waste is an integral part of responsible hospitality and also a very important issue for our stakeholders. In 2021 we have been severely challenged by lack of resources, in order to actively pursue our food rescue goals.

Unfortunately, we have not been able to achieve our goal of zero food waste in production in 2021, but plan to do so in 2022. We will also continue to reduce food waste in every step of the Food & Beverage process: from purchasing and menu planning to donation of excess edible items and disposal of remaining inedible food.

We work actively with many partners in our food rescue program, to ensure no good food goes to waste.

STOP SPILD LOKALT

Together with our Food Rescue partner Stop Spild Lokalt, we have since 2018, hosted several food handouts every year at the Bella Center Copenhagen. Stop Spild Lokalt collaborates with Denmark's largest supermarket chains, where surplus food that would otherwise be discarded are distributed to thousands of people in need. Surplus foods from supermarkets are transported to Bella Center and are distributed from our halls. 2021 has been no exception, with several handouts during Easter and Christmas.

Youth education on national Food Waste day

This year on Denmark's National Food Waste Day, we once again teamed up with our Food rescue partner, Stop Spild Lokal. We hosted an event for youths from a local school to learn more about avoiding food waste and preparing food from surplus raw materials. The You-tube superstar chef Umut Sakarya, prepared a lunch from surplus food donated by a local supermarket and shared some pearls of wisdom in regard to food rescue.

DET RUNDE BORD

One of our Food Rescue partners is Det Runde Bord (The Round Table). Det Runde Bord is an organization compiled of voluntary chefs and social workers, who with donations and surplus food, provide a healthy and nutritious diet to the homeless and socially disadvantaged.

During the last 10 years, they have distributed for than 7 million free meals to those in need!

We are very proud to contribute with hundreds of free meals annually, by donating free meals from example no-shows at events or leftover sandwiches or salads from our food outlets.





A BETTER FOOD EXPERIENCE

We want to offer an assortment of food and beverage that support a healthy lifestyle and integrate environmental and social considerations into our sourcing practices.

This includes increasing our sourcing of certified sustainable products, the advancement of biodiversity, animal welfare, sustainable fishing practices and reducing animal proteins with a high carbon footprint.

We will continue to work with our suppliers to improve their environmental and social practices in line with our own expectations.

ORGANIC CUISINE LABEL

The demand for organic food and beverages is increasing significantly and this motivates our dedicated kitchens to increase their purchase of organic raw materials.

We are proud to have achieved a Silver label (60%-90% organic) at our Breakfast restaurant at Crowne Plaza Copenhagen Towers. Our goal is for all our breakfast restaurants to achieve a Bronze or Silver label during 2022.



30-60% organic



60-90% organic



90-100% organic



SOCIAL RESPONSIBILITY

As agents of hospitality and events, considering our social responsibility is in our very DNA. We directly affect the lives of thousands of guests, partners, suppliers, and neighbors. We need to conduct those relationships in a way, where we play a positive part in driving social change.

First and foremost, this means an ongoing commitment to putting our team members first. From recruitment to inclusion to health and safety, we strive to be a place of work, where our employees have the opportunity to reach their full potential in an inclusive environment, where people are happy to go to work.

But our social responsibility is also about being a force for positive change in our community. Giving back to our neighbors in our local community and creating and attracting major events and publicity for Copenhagen and Denmark. We need to be a trusted partner for our local, regional and national stakeholders.

Risks

Our industry and organization have historically been very challenged with access to qualified labor. We are reliant on the movement of international labor. As the borders closed and restrictions prevailed in light of the global pandemic, we have had increasing difficulty recruiting qualified employees. However, reemploying previous team members and working strategically with job centers are some of our key tools in addressing this challenge. Bellagroup employs a wide range of people

from many origins and nationalities. Many of our team members came to Denmark as refugees or immigrants. Despite our continued efforts to ensure necessary language skills, cultural or linguistic challenges can arise. In terms of safety, we have tackled this by offering safety courses in several languages for our team members. Furthermore, our aim is to present critical safety instructions in visual as well as written form.

One Team

Our industry continued to face unprecedented challenges throughout most of 2021. Nevertheless, Bellagroup continued our commitment to do everything we could to put our team members first.

It has been a roller-coaster year for us at Bellagroup. Starting 2021 out in crisis-mode, we had to gear up fast as we moved towards summer. Restrictions were lifted and we welcomed back customers and guests. This, however, meant that we had to recruit new team members fast.

Recruitment

We have always worked strategically with creating a positive impact in our local community through our recruitment strategy and 2021 was no different in this respect. First and foremost, our focus was on recruiting as many of the employees we had been forced to lay off during the start of the pandemic in 2020.

Since the layoffs, we have kept in touch through dedicated social media groups, where we have presented relevant job opportunities within the



industry as they became available. We were happy to welcome back many of our earlier team members. Our partnerships with local municipalities also play a key role in recruitment. We not only employ many through our municipal job center, but also provide skill development opportunities for those on the edge of the labor market.

This year we have not only participated in countless job-fairs, but also hosted a large job-fair in cooperation with the municipality, to present job opportunities from the industry to those without employment. We have also participated in focused recruitment fairs for veterans and are very happy to have employed several veterans team members in 2021.

All in all, we have recruited more than 350 team members in 2H 2021, ending the year with a total number of 426 team members. All in all, we have recruited more for than 350 positions in 2021, ending the year with a total number of 426 team members. But we are excited to continue Hosting Moments That Matter, and make a real difference to our customers, to ourselves, our colleagues, and the world around us.

Talent and training optimization

2021 ended up being the complete opposite of 2020 when it comes to talent acquisition and optimization. In 2020 all recruitments and budgeted training activities came to a complete halt followed by the termination of almost 70% of the workforce and the majority of the remaining employees being sent home on paid leave.

For the 6th year running Bellagroup Academy has been offering and administering in-house as well as external training and development activities for all our employees (on-callers excluded).

The Bellagroup Academy training covers the full employee lifecycle and work from an inside-out perspective. We believe that culture is the ultimate competitive advantage and that it is created by the behavior of leaders and employees at every level within their organization.

As in 2020 COVID-19 forced us to rethink training and development in a time where many resources were devoted to handling the crisis.

All in all, the training activities in 2021 took a dramatic fall dropping by almost 50% from 16.000+ hours in 2020 to 8800+ hours in 2021. This drop is of course hugely impacted by the 70% reduction of staff during 2020, leaving less than 300 employees in the whole organization.

As illustrated in **Tabel 19**, the average number of training hours per employee continued to rise leaving us with an average of 12+ training hours per employee (FTE) in 2021. Since the majority of the training activities in 2020 and 2021 have been conducted online, we continue to see a significant improvement of the organization's overall digital literacy, with employees from all jobs and functions participating in these online training activities.

Collective agreements

Fruitful collaboration with trade unions has continued to be vital in this period of uncertainty.

Table 11 shows the share of employees who are covered by or is a member of collective agreements, as well as the share of salaried employees in each business unit. We want to create the best possible working conditions for our employees with the aim to avoid disputes and to maintain a peaceful corporation in the workplace. We encourage our employees to elect trade union representatives. Currently, there are two union representatives at Bellagroup representing two different trade unions.

Inclusion, diversity and equality

At Bellagroup we strive to create a truly inclusive culture in which our employees can be their authentic self at work. We are committed to empowering our employees to meet their full potential.

We have always aimed for an inclusive culture where everyone feels valued, engaged, and respected, and where everyone is treated fairly and equally. We provide an environment of mutual respect, offer possibilities to learn and get new skills, help people advance themselves and bring greater fulfillment to their lives.

We are proud to employ and serve people with many backgrounds, cultures, sexualities, religions, and nationalities, we therefore find it very important to foster and facilitate inclusive environments. Our diversity is considered as our strength and spark innovation and a dynamic work environment.

As one of Denmark's largest hospitality groups, we understand that Bellagroup is a catalyst for social integration - we provide many youths with their first job, or help immigrants and refugees settle in a new country and support their integration in Denmark, not only as part of the workforce but as part of a community.

We are passionate about providing people the dignity and respect to contribute to the society in which they live, to support their families and dependents and to help them navigate their life journey.

Health & Safety

Team member Health

We have an obligation and a responsibility to ensure that our team members go home safely to their families and loved ones. Therefore, we continue to make the safety and the wellbeing of our team members of the utmost importance. We believe that good health contributes to a good life - work-life included - and that a good work life contributes to a better overall productivity in our workplace. We therefore work proactively to promote healthy lifestyles for all our employees.

Our health strategy is ambitious and is aimed at healthy employees and those unfortunate to be facing an illness. Some of our tools include workplace evaluations in addition to personal and professional development schemes. We offer health insurance, check-ups for senior colleagues or employees working nights. We also offer company sports associations and events, discount on gym memberships, yoga classes and massage therapy - just to name a few. We want to create an environment that support a healthy lifestyle and healthy habits

We continue to aim for our goal of having 0 serious health and safety accidents and we are glad to have upheld this ambition during 2021. Our focus areas in this regard continue to be **1)** Well-being and culture **2)** Safety and the physical workplace **3)** Ergonomics. To gain a better insight, it is our goal to complete 2 engagement surveys and 2 pulse surveys in 2022.

Health & Safety Committee

We have established Health & Safety Committees in all properties where there are several health & safety representatives elected by team members. The main functions of the health and safety committee are to facilitate cooperation in developing and carrying out measures to improve the safety of workers and to support implementation of health and safety standards, rules and procedures. During 2021, we have also ensured all our health and safety representatives received all necessary health and safety courses and additional training needed for their positions.

Covid 19

A primary focus areas in 2021 has continued to be maintaining Covid 19 protocols and ensuring all requirements are up to date. We follow and continuously update our Safe to visit guidelines, our health and safety protocols, social distancing guidelines and signage, and providing personal protection equipment.

Across our organization, we have a nearly equal (52%/48%) split between women and men in the workforce. We have more than 54 nationalities among our permanent employees and over 40% of our workforce have an ethnic background other than Danish.



We've run several campaigns, to ensure a reminder of the protocols and continue to offer our employees free and voluntary antigen testing for Covid-19. Bellagroup also provided job stability for those who were diagnosed or needed to quarantine.

Health & Safety Training

As our organization slowly rebuilt and our facilities were again taken into use, our focus is and will continue to be, ensuring that health and safety is implemented as part of the mandatory on-boarding.

All team members had to complete an obligatory Covid 19 e-learning course. In addition, all new team members had to complete our Safespace training. Our team members completed 7286 hours of Health and Safety training during 2021.

Mental health

In addition to physical health and safety, we took steps to protect our team members' mental health. As business made a very sudden return during the summer of 2021, our organization has been challenged to find qualified employees in a very short time.

Despite our very best efforts, this meant that some team members had contribute more for a period of time. Unfortunately, this also resulted in several long-term absence due to illness. We support all our employees by offering mental health resources accessible through our employee health insurance, maintaining consistent, open communication from our leaders, and operating with transparency during this challenging time.

Health insurance

All salaried employees with more than 6 months of company-seniority and an 8+ hours workweek are covered by the company's private health insurance agreement with Pension Danmark or Dansk Sundhedssikring. Salaried employees are covered by The Employers' and Salaried Employees' Act. This contains provisions regarding notice periods, severance pay, unauthorized dismissals, expulsion, illness, competition clauses, bonus, maternity, paternity and pregnancy leave, among others.

Safe to visit

Our responsibilities also include the health and safety of our guests and business partners that visit our hotels and venues on a daily basis. If we instigate a strong safety culture amongst ourselves, this will also have a positive impact on our guests and business partners.

Copenhagen, Denmark, is one of the safest and reliable destinations in the world. Situated in the capital, Bellagroup has a close collaboration with authorities and government officials to ensure the highest level of security for our guests who come with many different needs and requirements. We review our procedures as often as possible and have an extensive risk assessment tool in place. With thorough risk assessment, we customize the most optimal security solutions for each individual event. We have a significant expertise and experience in crowd management and handling of large events no matter the size of both.

Nevertheless, the pandemic has very much ruled the safety agenda in 2021. To accommodate to our guest's needs we very much focus on dissemination of the current Covid-19 guidelines and how this applies to their visit with us. This guide is called Safe to Visit and includes detailed information and a quick guide for easy reference. During 2021, Bella Center Copenhagen has also been hosting both a Covid 19 test center as well as a large regional vaccine center.

Food Safety

We set and maintain very high standards for food safety and quality. Our chefs and Food and Beverage managers constantly reinforce the principles of food safety - a top priority in our organization.

All business units in Bellagroup have only received elite smileys and exceptional reports from the Danish Ministry of Environment and Food. All our units comply with food and safety rules and regulations. We encourage our guests to ask about allergenic ingredients pertinent to them. We also label and pack our food and beverage with full description of ingredients.



GOVERNANCE AND ETHICS

At Bellagroup we want to be competitive, but we want to compete fairly and have a positive influence on our business environment. We do this by upholding the integrity of our business and ensuring financial compliance.

Our company strategy focuses on creating value for our owners through profitable growth in a sustainable way, while at the same time optimizing the guest experience. At Bellagroup we deal with many guests, customers and business partners every day and we want all these relations to be based on sound and legal practices.

Our business

Bellagroup is one of Denmark's leading hospitality companies headquartered in Copenhagen. Our client base covers the public and private sectors as well as business and leisure guests. Bellagroup is owned by a syndicate of Danish investors, TMC Invest 2021 Aps as well as Vækstfonden and Nordea.

BELLA CENTER COPENHAGEN

Scandinavia's largest exhibition and congress center

BELLA ARENA

Copenhagen's new multi arena

CROWNE PLAZA COPENHAGEN TOWERS

Denmark's leading hotel within sustainability

COPENHAGEN MARRIOTT

Copenhagen's premiere five-star hotel

AC HOTEL BELLA SKY COPENHAGEN

The largest design hotel in the Nordic region

BELLA SKY CONFERENCE & EVENT

Denmark's largest conference center

CIFF

Northern Europe's leading fashion fair

CIFF SHOWROOMS

16,611 m² of permanent leasehold tenancies

INTERNATIONAL HOUSE

Bella Center Copenhagen's serviced office

Risks

The Board of Directors has overall responsibility for risk oversight, which includes understanding material risks, management steps to address these risks and appropriate levels of risk for our company.

As part of regular Board and committee meetings, the Board of Directors is responsible for general oversight of Executives' management of risks relevant to Bellagroup.

Governance structure

Our governance structure ensures strategic focus, optimal execution, communication, and knowledge sharing, collaboration across departments and units, as well as ensuring effective meetings.

All in all, there were many major changes in our governance structure during 2021.

In June 2021 Bellagroup (formally known as BC Hospitality Group) were acquired by new owners.

The new owners also introduced a new Board of directors and 3 employee elected representatives also joined the board. Our interim CEO, Christian Lund, was appointed the CEO of Bellagroup in June 2021. In addition, our Executive Committee was also scaled up to include more executive members.

By the end of 2021 the board consisted of five male and one female representative. The board consists of members chosen by their merits and knowledge that can provide value to the organization. In addition there are three employee representatives elected through a democratic process. In the beginning of 2022, one employee representative will be replaced. The board will thus consist of four male and two female representatives in 2022.

Bella group work dedicated to avoid any form for corruption, and do not accept any actions that can be linked to corruptive behavior.



of information communicated within the Company. It acts as a mechanism by which employees can bring any issues or queries they may have to the attention of Management.

Management can then work in conjunction with the committee to resolve these issues and communicate important information to Staff on all aspects of the business and work environment.

Business ethics

Bellagroup is committed to maintaining the highest ethical standards, acting with integrity, and conducting our business in compliance with the law. Our company policies underpin our entire organization and are applicable to all team members and directors at Bellagroup. These policies, including our Anti-corruption Policy, are intended to define our responsibilities to our team members and stakeholders and guide our decision-making.

We do not tolerate violations of our company policies and other key compliance measures at any level of our organization. Any such violations result in disciplinary action, and where criminal acts are involved, we will not hesitate to file criminal charges and pursue our legal rights.

Whistleblower program

During 2021 Bellagroup implemented a new and updated whistleblower program. Team members or others affiliated with the company, e.g., external partners and suppliers, can report suspected misconduct and are encouraged to do so.

The Bellagroup Whistleblower Program is run by an independent company. Any reports can be anonymous if preferred by the whistleblower.

Human Rights

Bellagroup has in 2021 continued to show its respect for human rights implementing preventive and mitigating initiatives, by for example creating greater awareness amongst employees to the human rights of others and themselves.

Committees

Health & Safety Committee

The Health & Safety Committee's purpose is creating a space for dialogue and cooperation, where management and employees can work together to develop and improve health and safety matters on the job and to develop health and safety standards and procedures. The committee consists of associates from the management team (A) and associates from the employee group (B). Any employee can raise concerns or suggestions to the employee-voted representatives, who will bring it forth to the Health & Safety Committee.

Works Committee

A fundamental principle of the Works Committee is that it adopts a participative and collaborative approach to addressing issues raised.

The Works Committee is a working group comprised of employees and Management representatives, with the support of People & Culture whose main function is to enhance the overall level and quality



Engaging with our suppliers

To achieve responsible sourcing, we engage closely with our suppliers and encourage our business partners to adopt their own sustainable practices, including working with environmental management systems and conducting human rights due diligence. All suppliers are encouraged to observe and abide by Bellagroup's Supplier Code of Conduct.

Approach to public policy

Bellagroup is a member of several industry associations that share our common goals, and we routinely work together to advance public policies of interest to Bellagroup and the hospitality and events industry.

Throughout 2021, our industry trade partners were focused on COVID-19 relief and recovery efforts for their member companies. This included helping Bellagroup on issues such as Covid-regulations and labor shortages.

Bellagroup held the following memberships of associations in 2021:

- HORESTA (Industry association)
- AIPC (International Association of Convention Centres)
- Best Cities
- ICCA (International Congress and Convention Association)
- MPI (Meeting Professionals Internationals)
- UFI (Global Association of the Exhibition Industry)
- Visit Denmark
- Wonderful Copenhagen

Policies

[Please click here](#)



Data Ethics (99d)

Data Privacy & Cyber Security

The Data Privacy & Compliance team sets out our commitment for safeguarding the personal data of our employees, guests, customers and other persons whose data we have been trusted with.

As done in the prior year, we welcome all new members of our staff with a data privacy training session and in 2021 we have also introduced a monthly TIP (this is Privacy) creating additional awareness.

We have also implemented a new data screening tool helping us to automatically identify and handle non-compliant information across different data sources, so our employees can focus on their key responsibilities.

To improve cybersecurity, we have worked on dismantling and consolidation of old systems, replacement of firewalls as well as establishing an artificial intelligence monitoring system of network communications.

It's an ambition to conduct Data Privacy and IT Information Security e-learning in 2022, increasing awareness and extended knowledge for all employees. During the last quarter of 2021 we have started a project to implement a new data privacy system for the purpose of a streamlined single source for data privacy processes, such as maintaining data processing activities, application overview, data processing agreements, risk assessments etc.

The time and effort in the project will continue in 2022 until the system is fully operational.

In 2021 there were no complaints or incidents concerning breaches of personal data registered.

ABOUT THIS REPORT

This report covers the 2021 activities relating to Responsible Hospitality in all business units of BCHG Holding A/S group (Bellagroup). The report follows the financial year, 1 January 2021 - 31 December 2021. The report is prepared in accordance with sections §99a and §99b of the Danish Financial Statements Act.

The content of this report is based on relevant matters regarding the activities of Bellagroup and its main stakeholders. Material content is based on the company's strategic objectives, consultations with stakeholders and material issues at industry and local political levels.

Furthermore, its reporting is also aligned with the GRI Sustainability Reporting Standards 2016: Core option, the United Nations Global Compact and the Sustainable Development Goals.

The report presents data and figures for the three hotels forming part of Bellagroup: Copenhagen Marriott, Crowne Plaza Copenhagen Towers and AC Hotel Bella Sky Copenhagen. It also covers the Group's congress venue, Bella Center Copenhagen, which includes Bella Arena, Bella Sky Conference And Events, BogForum, CIFF/CIFF Showrooms and International House.

Previous Responsible Hospitality reports are available at www.bellagroup.dk.

For further information regarding this report, please contact

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ENVIRONMENTAL RESPONSIBILITY DATA

Table 1

Total Energy Consumption (mWh)	2021	2020	2019
Bellagroup	24.182	21.886	31.240
Copenhagen Marriott	5.762	5.506	5.757
AC Hotel Bella Sky Copenhagen	2.857	4.036	8.851
Crowne Plaza Copenhagen Towers	3.147	3.390	3.208
Bella Center Copenhagen	7.086	8.954	13.424

Table 2

Energy Consumption per guest night (kWh)	2021	2020	2019
Copenhagen Marriott	64	97	32,7
AC Hotel Bella Sky Copenhagen (Sept-Dec)	93	99	33,4
Crowne Plaza Copenhagen Towers	56	81	23,6

Table 3

CO2e Scope 1+2 (Ton)	2021	2020	2019
Bellagroup	3.146	5.046	4.938
Copenhagen Marriott	733	1.256	1.035
AC Hotel Bella Sky Copenhagen	670	1.075	1.348
Crowne Plaza Copenhagen Towers	396	449	531
Bella Center Copenhagen	1.347	2.266	2.024

Table 4

Total Water Consumption (m³)	2021	2020	2019
Bellagroup	64.598	57.783	149.436
Copenhagen Marriott	24.627	19.205	37.392
AC Hotel Bella Sky Copenhagen	13.635	13.768	59.119
Crowne Plaza Copenhagen Towers	13.609	13.297	29.302
Bella Center Copenhagen	12.727	11.513	23.623

Table 5

Water Consumption per guest night (m³)	2021	2020	2019
Copenhagen Marriott	0,27	0,34	0,21
AC Hotel Bella Sky Copenhagen	0,44	0,34	0,20
Crowne Plaza Copenhagen Towers	0,24	0,32	0,22

Table 6

Waste distribution (%)	2021			2020			2019		
	Landfill	Recycled	Recovered (District heating & Biogas)	Landfill	Recycled	Recovered (District heating & Biogas)	Landfill	Recycled	Recovered (District heating & Biogas)
Bellagroup	0%	36%	78%	1%	26%	73%	2%	16%	82%
Copenhagen Marriott	0%	17%	83%	0%	20%	80%	1%	19%	81%
AC Hotel Bella Sky Copenhagen	0%	19%	81%	2%	26%	72%	1%	16%	83%
Crowne Plaza Copenhagen Towers	1%	14%	85%	1%	12%	87%	1%	9%	89%
Bella Center Copenhagen	0%	50%	50%	0%	46%	54%	4%	19%	77%

Table 7

Waste volume (Ton)	2021	2020	2019
Bellagroup	681,3	646,5	2.027
Copenhagen Marriott	112,2	105,1	258,4
AC Hotel Bella Sky Copenhagen	35	60,5	362,2
Crowne Plaza Copenhagen Towers	123,7	113,3	272,1
Bella Center Copenhagen	410,4	367,6	1.134,3

Table 8

Organic Food Share (%)	2021	2020	2019
Bellagroup	40%	36%	34%
Copenhagen Marriott	36%	33%	28%
AC Hotel Bella Sky Copenhagen	46%	34%	40%
Crowne Plaza Copenhagen Towers	39%	38%	32%
Bella Center Copenhagen	44%	36%	33%

SOCIAL RESPONSIBILITY DATA

Table 9

No. of Permanent Employees	2021	2020	2019
Bellagroup	426	313	800
Copenhagen Marriott	111	72	166
AC Hotel Bella Sky Copenhagen	38	19	62
Crowne Plaza Copenhagen Towers	79	77	134
Bella Center Copenhagen	198	145	264

Table 10

No. of On-call Employees	2021	2020	2019
Bellagroup	1383	958	1269
Copenhagen Marriott	271	22	70
AC Hotel Bella Sky Copenhagen	29	39	236
Crowne Plaza Copenhagen Towers	271	219	264
Bella Center Copenhagen	1036	678	699

Table 11

Salaried/Collective Agreements	2021		2020		2019	
	Salaried	Collective Agreement	Salaried	Collective Agreement	Salaried	Collective Agreement
Bellagroup	129	297	109	204	161	639
Copenhagen Marriott	12	99	12	60	13	159
AC Hotel Bella Sky Copenhagen	35	3	5	14	22	214
Crowne Plaza Copenhagen Towers	17	62	16	61	21	153
Bella Center Copenhagen	97	101	76	69	105	113

Table 12

No. of Nationalities	2021	2020	2019
Bellagroup	54	44	74
Copenhagen Marriott	32	24	33
AC Hotel Bella Sky Copenhagen	16	8	41
Crowne Plaza Copenhagen Towers	22	25	54
Bella Center Copenhagen	23	17	26

Table 13

Age distribution	2021			2020			2019		
	>50 yrs.	30-50 yrs.	<30 yrs.	>50 yrs.	30-50 yrs.	<30 yrs.	>50 yrs.	30-50 yrs.	<30 yrs.
Bellagroup	21%	60%	19%	21%	65%	14%	12%	62%	26%
Copenhagen Marriott	14%	62%	24%	8%	81%	11%	7%	72%	21%
AC Hotel Bella Sky Copenhagen	12%	39%	55%	0%	68%	32%	3%	55%	42%
Crowne Plaza Copenhagen Towers	23%	61%	16%	23%	57%	19%	22%	54%	24%
Bella Center Copenhagen	26%	64%	10%	30%	61%	10%	19%	64%	17%

Table 14

Employee Gender Equality	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Bellagroup	52%	48%	48%	52%	50%	50%
Copenhagen Marriott	49%	51%	46%	54%	45%	55%
AC Hotel Bella Sky Copenhagen	45%	55%	42%	58%	54%	46%
Crowne Plaza Copenhagen Towers	62%	38%	52%	48%	50%	50%
Bella Center Copenhagen	48%	52%	47%	53%	51%	49%

Table 15

Training Development	2021		2020		2019	
	Training hrs.	Partici-pants	Training hrs.	Partici-pants	Training hrs.	Partici-pants
Bellagroup	8805	719	16.055	1.771	13.039	2.909

Table 16

Internal / External Training - Total no. of hours	2021		2020		2019
	Internal	External	Internal	External	Total
Bellagroup	544	8.261	3.804	12.251	13.039

Table 17

Internal / External Training - Total no. of participants	2021		2020		2019
	Internal	External	Internal	External	Total
Bellagroup	68	651	651	1.120	2.909

Table 18

Gender division Training	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Bellagroup	44%	56%	52%	48%	52%	48%

Table 19

Training hours per FTE	2021	2020	2019
Bellagroup	12,2	9,1	4,25

Table 20

Absence due to illness	2021	2020	2019
Bellagroup	3,3%	3,8%	3,8%
Copenhagen Marriott	4,5%	5,0%	4,8%
AC Hotel Bella Sky Copenhagen	6,8%	3,7%	4,1%
Crowne Plaza Copenhagen Towers	2,7%	3,8%	4,6%
Bella Center Copenhagen	2,7%	3,2%	2,8%

Table 21

No. of occupational accidents registered	2021	2020	2019
Bellagroup	14	9	39
Copenhagen Marriott	2	1	3
Crowne Plaza Copenhagen Towers	5	3	17
Bella Center Copenhagen & AC Hotel Bella Sky Copenhagen	7	5	19

GOVERNANCE DATA

Table 22

Gender distribution in our boards & committees	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Bellagroup Board of Directors	83%	17%	75%	25%	67%	33%
Crowne Plaza Board of Directors	67%	33%	67%	33%	67%	33%
Bellagroup Executive Committee	70%	30%	60%	40%	60%	40%
Bellagroup Directors Committee	53%	47%	56%	44%	N/A	N/A

COMPARISON TABLE FOR THE GRI STANDARDS CORE*/ UN GLOBAL COMPACT PRINCIPLES (UNGC) / SUSTAINABLE DEVELOPMENT GOALS (SDG)

GRI Indicato	Disclosure	Reference	UNGC	SDG
GRI 102: General Disclosures				
1. Organizational Profile				
102-1*	Report the name of the organization	About Bellagroup		
102-2*	Report the primary brands, activities, products, and services	About Bellagroup		
102-3*	Report the location of the organization's headquarters	About Bellagroup		
102-4*	Report the number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	About Bellagroup		
102-5*	Report the nature of ownership and legal form.	Governance		
102-6*	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	About Bellagroup		
102-7*	Report the scale of the organization, including: <ul style="list-style-type: none"> • Total number of employees • Total number of operations • Net sales (for private sector organizations) or net revenues (for public sector organizations) • Total capitalization broken down in terms of debt and equity (for private sector organizations) • Quantity of products or services provided 	About Bellagroup Social Responsibility Data BCHG Holding Annual Financial Report 2021		
102-8*	a. Report the number of employees by employment contract (permanent and temporary), by gender. b. Report the number of employees by employment contract (permanent and temporary), by region. c. Report the number of employees by employment type (fulltime and part-time), by gender. d. Report Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees. e. Report any significant variations (such as seasonal variations in the tourism or agricultural industries). f. Report an explanation of how the data have been compiled, including any assumptions made.	About Bellagroup Social Responsibility Data	6	8, 10
102-9*	Describe the organization's supply chain.	Govenance		
102-10*	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: <ul style="list-style-type: none"> • Changes in the location of, or changes in, operations, including facility openings, closings, and expansions • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) • Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination. 	Governance		
102-11*	Report whether and how the precautionary approach or principle is addressed by the organization.	We are committed to the UN Global Compact's ten principles, including supporting a precautionary approach especially in areas involving environmental and social risks.		

GRI Indicator	Disclosure	Reference	UNGC	SDG
102-12*	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Global Reporting Initiative (GRI Standards), UN Global Compact, UN Sustainable Development Goals, UN Guiding Principles for Business and Human Rights, The Universal Declaration of Human Rights, International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work		
102-13*	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: <ul style="list-style-type: none"> • Holds a position on the governance body. • Participates in projects or committees. • Provides substantive funding beyond routine membership dues. • Views membership as strategic. 	Governance		17
2. Strategy				
102-14*	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	Message from the CEO		
102-15	Provide a description of key impacts, risks, and opportunities.	Responsible Hospitality Environment Responsibility Social Responsibility Governance		
3. Ethics and integrity				
102-16*	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Responsible Hospitality Governance	10	16
102-17	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines. Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	Governance	10	16
4. Governance				
102-18*	Governance structure.	Governance		
5. Stakeholder Engagement				
102-40*	Provide a list of stakeholder groups engaged by the organization.	Responsible Hospitality Governance Social Responsibility		
102-41*	Report the percentage of total employees covered by collective bargaining agreements.	Social Responsibility Data	1, 3	8, 16
102-42*	Report the basis for identification and selection of stakeholders with whom to engage.	Responsible Hospitality		

GRI Indicator	Disclosure	Reference	UNGC	SDG
102-43*	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Responsible Hospitality Governance Social Responsibility Environmental Responsibility	10	
102-44*	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	Responsible Hospitality	10	16
6. Reporting Practice				
102-45*	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	BCHG Holding Annual Financial Report 2021		
102-46*	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	Responsible Hospitality		
102-47*	List all the material Aspects identified in the process for defining report content.	Responsible Hospitality	10	16
102-48*	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	No significant restatements		
102-49*	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	No significant changes		
102-50*	Reporting period (such as fiscal or calendar year) for information provided.	About this report		
102-51*	Date of most recent previous report (if any).	About this report		
102-52*	Reporting cycle (such as annual, biennial).	About this report		
102-53*	Provide the contact point for questions regarding the report or its contents.	About this report		
102-54*	Report the 'in accordance' option the organization has chosen.	About this report		
102-55*	Report the GRI Content Index for the chosen option.	Appendix to Responsible Hospitality Report 2021		
102-56*	Assurance a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	No external assurance Approved by company board		
GRI 103: Management Approach				
103-1*	For each material Aspect, report the Aspect Boundary within the organization, as follows: Report whether the Aspect is material within the organization	Responsible Hospitality		16

GRI Indicator	Disclosure	Reference	UNGC	SDG
103-2	Disclosures on Management Approach (DMA) a. An explanation of how the organization manages the topic. b. A statement of the purpose of the management approach. c. A description of the following, if the management approach includes that component: i. Policies ii. Commitments iii. Goals and targets iv. Responsibilities v. Resources vi. Grievance mechanisms vii. Specific actions, such as processes, projects, programs and initiatives.	Responsible Hospitality Governance Social Responsibility Environmental Responsibility		
103-3	An explanation of how the organization evaluates the management approach i. the mechanisms for evaluating the effectiveness of the management approach. ii. the results of the evaluation of the management approach. iii. any related adjustments to the management approach.	Responsible Hospitality Governance Social Responsibility Environmental Responsibility		
GRI 201: Economic Performance				
201-1	Direct economic value generated and distributed.	BCHG Holding Annual Financial Report 2021		8
201-2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	BCHG Holding Annual Financial Report 2021 Environmental Responsibility	7,8,9	
201-3	Coverage of the organization's defined benefit plan obligations.	Social Responsibility		
201-4	Financial assistance received from government.	BCHG Holding Annual Financial Report 2021		
GRI 202: Market Presence				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	There is no legally stipulated minimum wage in Denmark. Wage rates are specified in accordance with collective agreements		1,2
202-2	Proportion of senior management hired from the local community at significant locations of operation.	Social Responsibility Data		
GRI 302: Energy				
302-1	Energy consumption within the organization	Environmental Responsibility Data	7, 8, 9	7, 8, 12, 13
302-3	Energy intensity.	Environmental Responsibility Data	7, 8, 9	7, 8, 12, 13
302-4	Reduction of energy consumption.	Environmental Responsibility Data	7, 8, 9	7, 8, 12, 13
GRI 303: Water and Effluents				
303-5	Water consumption.	Environmental Responsibility Data	7, 8, 9	6
GRI 305: Emissions				
305-1	Direct (Scope 1) GHG emissions	Environmental Responsibility Data	7, 8, 9	3, 12, 13, 14, 15
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Responsibility Data	7, 8, 9	3, 12, 13, 14, 15

GRI Indicator	Disclosure	Reference	UNGC	SDG
305-4	GHG emissions intensity.	Environmental Responsibility Data	7, 8, 9	3, 12, 13, 14, 15
GRI 306: Effluents and Waste				
306-1	Waste generation and significant waste-related impacts.	Environmental Responsibility Data	7, 8, 9	3, 12
306-2	Management of significant waste-related impacts	Environmental Responsibility Data	7, 8, 9	3, 12
306-3	Waste generated.	Environmental Responsibility Data	7, 8, 9	3, 12
306-4	Waste diverted from disposal.	Environmental Responsibility Data	7, 8, 9	3, 12
306-5	Waste directed to disposal.	Environmental Responsibility Data	7, 8, 9	3, 12
GRI 401: Employment				
401-1	New employee hires and employee turnover.	Social Responsibility Data	6	5, 8, 10
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	Social Responsibility	6	3, 8
401-3	Parental leave.	Social Responsibility	6	5, 8
GRI 402: Labor/Management Relations				
402-1	Minimum notice periods regarding operational changes.	Social Responsibility		
GRI 403: Occupational Health and Safety				
403-1	Occupational health and safety management system.	Social Responsibility	1, 2	3, 8
403-2	Hazard identification, risk assessment, and incident investigation.	Social Responsibility	1, 2	3, 8
403-3	Occupational health services.	Social Responsibility	1, 2	3, 8
403-4	Worker participation, consultation, and communication on occupational health and safety.	Social Responsibility	1, 2	3, 8, 16
403-5	Worker training on occupational health and safety.	Social Responsibility	1, 2	3, 8
403-6	Promotion of worker health.	Social Responsibility	1, 2	3, 8
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	Social Responsibility	1, 2	3, 8
403-8	Workers covered by an occupational health and safety management system.	Social Responsibility	1, 2	3, 8
403-9	Work-related injuries.	Social Responsibility	1, 2	3, 8
403-10	Work-related ill health.	Social Responsibility	1, 2	3, 8
GRI 404: Training and Education				
404-1	Average hours of training per year per employee.	Social Responsibility Data	6	4, 5, 8, 10
404-2	Programs for upgrading employee skills and transition assistance programs.	Social Responsibility	6	8
GRI 405: Diversity and Equal Opportunity				
405-1	Diversity of governance bodies and employee.	Governance	1, 6	5, 8
GRI 406: Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken.	No incidents	1, 6	5, 8, 16
GRI 407: Freedom of Association and Collective Bargaining				
407-1	Operations and suppliers in which the freedom of association and collective bargaining may be at risk.	Social Responsibility	1, 6	8
GRI 408: Child Labor				
408-1	Operations and suppliers at significant risk for incidents of child labor.	Governance	1, 6	8, 16
GRI 409: Forced or Compulsory Labor				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor.	Social Responsibility	1, 6	8

GRI 410: Security Practices				
GRI Indicator	Disclosure	Reference	UNGC	SDG
410-1	Security personnel trained in human rights policies or procedures	Social Responsibility		
GRI 412: Human Rights Assessment				
412-1	Operations that have been subject to human rights reviews or impact assessments	Governance	1, 6	
412-2	Employee training on human rights policies or procedures	Human Rights Training at hotels	1, 6	
GRI 413: Local Communities				
413-1	Operations with local community engagement, impact assessments, and development programs	Social Responsibility		3, 6, 11, 17
GRI 415: Public Policy				
415-1	Political contributions	No political contributions given		17
GRI 416: Customer Health and Safety				
416-1	Assessment of the health and safety impacts of product and service categories.	Social Responsibility		
416-2	Incidents of non-compliance concerning product and service information and labeling	Social Responsibility		
GRI 417: Marketing and Labeling				
417-1	Requirements for product and service information and labeling	Environmental Responsibility		
417-2	Incidents of non-compliance concerning product and service information and labeling	None		
417-3	Incidents of non-compliance concerning marketing communications	None		
GRI 418: Customer Privacy				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None		16

