

BHG Copenhagen I ApS

c/o Horten Advokatpartnerselskab
Philip Heymans Alle 7
2900 Hellerup

CVR No. 40227016

Annual Report 2022

4. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 30 June 2023

Lodewijk Gerarda Reinier Maria van der Meulen
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of BHG Copenhagen I ApS for the financial year 1 January 2022 - 31 December 2022.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

The Company has lost more than 50% of the company capital and is therefore covered by the capital loss provisions of the Companies Act. At the upcoming general meeting, the management will give an account of the financial situation and present that the company capital is expected to be re-established in the event of future positive earnings.

In order to ensure sufficient liquidity to continue as going concern, we refer to the information in note 3. Based on the capital resources, Management considers the Company's capital resources sufficient to present the Financial Statements under the assumption of going concern.

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

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

Hellerup, 30 June 2023

Executive Board

Lodewijk Gerarda Reinier Maria van
der Meulen
CEO

Independent Auditor's Report

To the shareholders of BHG Copenhagen I ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of BHG Copenhagen I ApS at 31 December 2022, and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of BHG Copenhagen I ApS for the financial year 1 January 2022 - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies.

Basis of opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's Responsibility for the Financial Statements

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

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

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatements 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 additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in 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 override of internal control.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- * Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 30 June 2023

PRICEWATERHOUSECOOPERS
STATSAUTORISERET REVISIONSPARTNERSELSKAB
CVR-no. 33771231

Nikolaj Erik Johnsen
State Authorised Public Accountant
mne35806

BHG Copenhagen I ApS

Company details

Company	BHG Copenhagen I ApS c/o Horten Advokatpartnerselskab Philip Heymans Alle 7 2900 Hellerup
CVR No.	40227016
Date of formation	4 February 2019
Financial year	1 January 2022 - 31 December 2022
Executive Board	Lodewijk Gerarda Reinier Maria van der Meulen
Auditors	PRICEWATERHOUSECOOPERS STATSAUTORISERET REVISIONSPARTNERSELSKAB Strandvejen 44 2900 Hellerup CVR-no.: 33771231

Management's Review

The Company's principal activities

The Company's principal activities consist in running hotel business as of opening as well as all business as decided herewith.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of DKK -3.936.714 and the Balance Sheet at 31 December 2022 shows a balance sheet total of DKK 6.375.957 and an equity of DKK -5.348.149.

Capital loss

The Company's equity amounts to DKK -5.348.149 at 31 December 2022 and is therefore subject to section 119 of the Danish Companies Act of capital losses. The Company expects to re-establish the capital over the coming financial years through its own operations.

Capital resources

The parent Company has issued a Letter of Comfort covering 12 months from the balance sheet date. Based on this, Management has assessed the capital resources sufficiently to present the annual report on the assumption of going concern.

Subsequent events

No events have occurred after the reporting date of importance to the Annual Report.

Accounting Policies

Reporting Class

The annual report of BHG Copenhagen I ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income statement

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit covers other operating expenses.

Other external expenses

Other external expenses include costs administration.

Depreciation of tangible assets

Depreciation contain the year's depreciation of tangible fixed assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year.

Accounting Policies

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

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

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

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

Leasehold improvements 25 years

Fixtures, fittings, tools and equipment 3-5 years

Depreciation period and residual value are reassessed annually.

Other receivables

Other receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Prepaid expenses

Prepaid expenses are recognised in assets comprises prepaid costs regarding subsequent financial years.

Equity

Equity comprises the contributed capital and a number of equity items that may be statutory or stipulated in the articles of association.

Liabilities

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

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Income Statement

	Note	2022 kr.	2021 kr.
Gross profit		-2.345.012	-111.634
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-184.436	-40.034
Profit from ordinary operating activities		-2.529.448	-151.668
Finance income		348	3.234
Finance expenses	4	-1.407.614	-464.846
Profit from ordinary activities before tax		-3.936.714	-613.280
Tax expense on ordinary activities		0	0
Profit		-3.936.714	-613.280
Proposed distribution of results			
Retained earnings		-3.936.714	-613.280
Distribution of profit		-3.936.714	-613.280

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Assets			
Fixtures, fittings, tools and equipment	5	1.725.304	0
Leasehold improvements	6	2.391.597	1.364.832
Property, plant and equipment		4.116.901	1.364.832
Fixed assets		4.116.901	1.364.832
Other receivables		1.762.344	275.843
Prepaid expenses		496.712	372.000
Receivables		2.259.056	647.843
Current assets		2.259.056	647.843
Assets		6.375.957	2.012.675

Balance Sheet as of 31 December

	Note	2022 kr.	2021 kr.
Liabilities and equity			
Contributed capital		50.000	50.000
Retained earnings		-5.398.149	-1.461.436
Equity		-5.348.149	-1.411.436
Payables to associates		9.605.054	3.328.515
Long-term liabilities other than provisions	7	9.605.054	3.328.515
Other payables		2.119.052	95.596
Short-term liabilities other than provisions		2.119.052	95.596
Liabilities other than provisions within the business		11.724.106	3.424.111
Liabilities and equity		6.375.957	2.012.675
Contingent liabilities	8		
Subsequent events	9		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2022	50.000	-1.461.435	-1.411.435
Profit (loss) for the period	0	-3.936.714	-3.936.714
Equity 31 December 2022	50.000	-5.398.149	-5.348.149

Notes

1. Revenue

The Company's activities consists of running hotel business. The hotel was finalized and opened in February 2023 and hotel activities also started in February 2023.

2. Capital loss

The Company's equity amounts to DKK -5.348.149 at 31 December 2022 and is therefore subject to section 119 of the Danish Companies Act of capital losses. Management works continuously with improvement and optimization of the Company's operations and financial performance and that it is the management's expectation that the Company will re-establish the share capital from its own profits.

3. Capital resources

In order to ensure sufficient liquidity to continue as going concern, Management has obtained a Letter of Comfort covering 12 months from 31 December 2022 signed by BHG Copenhagen I B.V., parent company. Furthermore BHG Finance B.V. also signed the Letter of Comfort stating that they will not demand repayment of their receivable from BHG Copenhagen I ApS and declaring their intent to financially support BHG Copenhagen I ApS if needed be.

Based on the above Management consider the Company's capital resources sufficient to present the Financial Statements under the assumption of going concern.

	2022	2021
4. Finance expenses		
Finance expenses arising from group enterprises	566.163	159.647
Other finance expenses	841.451	305.199
	1.407.614	464.846
5. Fixtures, fittings, tools and equipment		
Addition during the year, incl. improvements	1.850.221	0
Cost at the end of the year	1.850.221	0
Depreciation for the year	-124.917	0
Impairment losses and amortisation at the end of the year	-124.917	0
Carrying amount at the end of the year	1.725.304	0
6. Leasehold improvements		
Cost at the beginning of the year	1.424.414	949.514
Addition during the year, incl. improvements	1.086.283	474.899
Cost at the end of the year	2.510.697	1.424.413
Depreciation and amortisation at the beginning of the year	-59.581	-19.547
Depreciation for the year	-59.519	-40.034
Impairment losses and amortisation at the end of the year	-119.100	-59.581
Carrying amount at the end of the year	2.391.597	1.364.832

Notes

7. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Payables to associates	9.605.054	0	0
	<u>9.605.054</u>	<u>0</u>	<u>0</u>

8. Contingent liabilities

The Leased Premises has begun in 2022.

The Leased Premises cannot be terminated by either Party until 25 years after the Effective Date, at the earliest. The total liability amounts to t. DKK 403.135.

9. Subsequent events

No events have occurred after the reporting date of importance to the Annual Report.