

BHG Copenhagen I ApS

c/o Horten Advokatpartnerselskab
Philip Heymans Alle 7
2900 Hellerup

CVR No. 40227016

Annual Report 2020

2. financial year
1 January - 31 December 2020

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 28 June 2021

Lodewijk Gerarda Reinier Maria van der Meulen
Chairman

Contents

Management's Statement	3
Independent Auditor's Report	4
Company Information	6
Management's Review	7
Accounting Policies	8
Income Statement	10
Balance Sheet	11
Statement of changes in Equity	13
Notes	14

Management's Statement

Today, Management has considered and adopted the Annual Report of BHG Copenhagen I ApS for the financial year 1 January 2020 - 31 December 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January 2020 - 31 December 2020.

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, 28 June 2021

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 the Company at 31 December 2020 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2020 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 - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis of opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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 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 the 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility 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

Independent Auditor's Report

conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company' 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, 28 June 2021

PRICEWATERHOUSECOOPERS
STATSAUTORISERET REVISIONSPARTNERSELSKAB
CVR-no. 33771231

Steffen Kaj Pedersen
State Authorised Public Accountant
mne34357

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
Accounting period	1 January - 31 December
Financial year	2nd Financial year
Executive Board	Lodewijk Gerarda Reinier Maria van der Meulen, CEO
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 financial matters

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -262.480 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 1.174.519 and an equity of DKK -798.156.

During 2020 the hotel was still under construction.

Capital resources

The Company's equity amounts to DKK -798.083 at 31 December 2020 and is therefore subject to section 119 of the Danish Companies Act on capital losses. The Company expects to re-establish the capital over the coming financial years through its own operations.

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 2020 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.

As the financial year 2019 was the first financial year, the comparison numbers does not contain a 12 month period but covers 4 February - 31 December.

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. 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 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 costs include costs for administration.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year.

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

Accounting Policies

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

Tangible assets

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

Depreciation period and residual value are reassessed annually.

Other receivables

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

Liabilities

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

Income Statement

		2020	4 Feb - 31 Dec
	Note	kr.	2019
			kr.
Gross profit	1	-141.025	-571.881
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-18.164	-1.383
Profit from ordinary operating activities		-159.189	-573.264
Finance income		420	229
Finance expenses	3	-103.711	-12.640
Profit from ordinary activities before tax		-262.480	-585.675
Tax expense on ordinary activities		0	0
Profit		-262.480	-585.675
 Proposed distribution of results			
Retained earnings		-262.480	-585.675
Distribution of profit		-262.480	-585.675

Balance Sheet as of 31 December

	Note	2020 kr.	4 Feb - 31 Dec 2019 kr.
Assets			
Leasehold improvements	4	929.967	413.587
Property, plant and equipment		929.967	413.587
Fixed assets		929.967	413.587
Other short-term receivables		244.552	540.714
Receivables		244.552	540.714
Current assets		244.552	540.714
Assets		1.174.519	954.301

Balance Sheet as of 31 December

	Note	2020 kr.	4 Feb - 31 Dec 2019 kr.
Liabilities and equity			
Contributed capital		50.000	50.000
Retained earnings		-848.156	-585.675
Equity		-798.156	-535.675
Payables to associates		1.972.675	1.489.976
Long-term liabilities other than provisions		1.972.675	1.489.976
Liabilities other than provisions within the business		1.972.675	1.489.976
Liabilities and equity		1.174.519	954.301
Contingent liabilities	5		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2020	50.000	-585.675	-535.675
Profit (loss) for the period	<u>0</u>	<u>-262.480</u>	<u>-262.480</u>
Equity 31 December 2020	<u>50.000</u>	<u>-848.155</u>	<u>-798.155</u>

The share capital has remained unchanged since the founding of the company.

Notes

1. Revenue

The revenue will take effect on the Effective Date. In 2020, the Effective Date of completion has been set to 27 July 2022.

2. Capital resources

The Company has lost half of its share capital and is therefore covered by the Danish Company's Act section 119.

In order to ensure sufficient liquidity to continue as going concern, Management has obtained a Letter of Comfort covering 12 months from 31 December 2020 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.

	2020	4 Feb - 31 Dec 2019
3. Finance expenses		
Finance expenses arising from group enterprises	103.711	12.640
	103.711	12.640
4. Leasehold improvements		
Cost at the beginning of the year	414.970	0
Addition during the year, incl. improvements	534.544	414.970
Cost at the end of the year	949.514	414.970
Depreciation and amortisation at the beginning of the year	-1.383	0
Amortisation for the year	-18.164	-1.383
Impairment losses and amortisation at the end of the year	-19.547	-1.383
Carrying amount at the end of the year	929.967	413.587

5. Contingent liabilities

The Leased Premises will take effect on the Effective Date. In 2020, the Effective Date of completion has been set to 27 July 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 378.106.

6. Subsequent events

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