

Nyhavn Rejser A/S

Folke Bernadottes Allé 7
2100 Copenhagen
CVR No. 15500999

Annual report 01.10.2019 - 30.09.2020

The Annual General Meeting adopted the
annual report on 27.01.2021

Morten Krüger

Chairman of the General Meeting

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Entity details

Entity

Nyhavn Rejser A/S
Folke Bernadottes Allé 7
2100 Copenhagen

CVR No.: 15500999
Date of foundation: 01.09.1991
Registered office: Copenhagen
Financial year: 01.10.2019 - 30.09.2020
URL: www.nyhavn.dk

Board of Directors

Katinka Pernille Aller, Chairman
Bettina Charlotte Aller
Erik Aller
Morten Krüger
Lasse Westh, Elected by the employees
Berit Algren Bonde, Elected by the employees

Executive Board

Morten Krüger, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Nyhavn Rejser A/S for the financial year 01.10.2019 - 30.09.2020.

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 Entity's financial position at 30.09.2020 and of the results of its operations for the financial year 01.10.2019 - 30.09.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 18.01.2021

Executive Board

Morten Krüger

Chief Executive Officer

Board of Directors

Katinka Pernille Aller

Chairman

Bettina Charlotte Aller

Erik Aller

Morten Krüger

Lasse Westh

Elected by the employees

Berit Algren Bonde

Elected by the employees

Independent auditor's report

To the shareholder of Nyhavn Rejser A/S

Opinion

We have audited the financial statements of Nyhavn Rejser A/S for the financial year 01.10.2019 - 30.09.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2020 and of the results of its operations for the financial year 01.10.2019 - 30.09.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 18.01.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Kronow

State Authorised Public Accountant
Identification No (MNE) mne19708

Christina Nilsson

State Authorised Public Accountant
Identification No (MNE) mne44182

Management commentary

Financial highlights

	2019/20	2018/19	2017/18	2016/17	2015/16
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	12,654	33,514	45,355	46,040	41,570
Operating profit/loss	(10,566)	4,753	11,141	9,995	5,958
Net financials	668	1,033	(255)	(853)	(166)
Profit/loss for the year	(7,602)	4,497	8,473	7,119	4,574
Total assets	64,343	107,287	117,499	111,116	102,116
Investments in property, plant and equipment	0	0	0	248	15
Equity	10,521	23,883	28,989	19,867	13,528
Average number of employees	38	49	61	59	61
Ratios					
Subordinate loan capital %	16,35	25.80	27.40	20.50	16.20
Return on equity (%)	(44.19)	17.01	34.69	42.64	60.4
Equity ratio (%)	16.35	22.26	24.67	17.88	13.25

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Optional ratio 5 (%):

Solvency ratio including subordinate (%):

$\frac{(\text{Equity} + \text{subordinate capital}) * 100}{\text{Total assets}}$

Total assets

Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

Average equity

Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total assets}}$

Total assets

Primary activities

The object of the Company is to operate travel agency business and related activities.

Development in activities and finances

Loss for the year before tax amounts to DKK 9,898 thousand compared to a profit of DKK 5,786 thousand in 2018/19. Equity amounts to DKK 10,521 thousand at 30 September 2020.

This year, the Company has acquired Zen Luxury Travels which specialises in health retreats

Results for the year are not as expected. The consequences of the COVID-19 pandemic have had a significant negative impact on results for the year.

At a press conference on 13 March 2020, the Danish authorities announced that Danish citizens should not leave Denmark unless it was absolutely necessary. Moreover, if Danish citizens were on holiday abroad, they should return to Denmark. Nyhavn Rejser A/S immediately initiated processes to ensure that all guests could return home as quickly as the practice allowed. Planned travels were cancelled, and Nyhavn A/S managed to repay the customers their claims - to the extent possible - within 14 days as described in the Danish Package Travel Act. This resulted in substantial additional costs for the Company.

The global spread of COVID-19 led to extensive travel restrictions, which resulted in the travel industry unexpectedly losing practically their entire business base. This decline in activity also affected Nyhavn Rejser A/S. As a result of this, the Company unfortunately had to carry out significant staff reductions and other necessary cost cutting measures.

During the period, the Company has received partial compensation for fixed costs and wages. In addition, the Company has received compensation for cancelled travels between 13 March and 13 April 2020, after which the cancellation compensation scheme no longer applied. In the financial year, the Company received compensations totaling DKK 9.2 million.

Uncertainty relating to recognition and measurement

The current COVID-19 pandemic and its consequences lead to an increased risk on receivables from the Company's foreign business partners. On the basis of estimates, the Company reflected this risk in the recognition of receivables.

Outlook

Next financial year, the Company will still be significantly affected by COVID-19, and the travel industry depends on a re-opening of the markets. Consequently, the Company expects a low level of activity and a loss for the year. Management expects operating results for 2020/21 on a par with this financial year.

Due to the uncertainty about the time horizon for a normalisation of the Company's turnover and how the Company's turnover and costs will be affected until then, the above expectations are subject to considerable uncertainty.

Particular risks

Operating risks

As organiser of travels to destinations worldwide, the Company's sales and earnings - in addition to normal cyclical fluctuations - are particularly sensitive to war, terror, natural disasters and political conditions as well as pandemics. The Company's broad product portfolio and diverse business areas significantly reduce this sensitivity.

Foreign exchange risks

The Company mainly sells travels within the EU. Consequently, there is no risk that the Company's results will be significantly affected by the development in the exchange rates.

Intellectual capital resources

It is important to the Company to attract and retain employees with highly professional as well as personal skills. The Company invests a significant amount of resources on a current basis for further improvement of the staff qualifications.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2019/20

	Notes	2019/20 DKK'000	2018/19 DKK'000
Gross profit/loss	2	12,654	33,514
Staff costs	3	(21,910)	(28,409)
Depreciation, amortisation and impairment losses		(1,310)	(352)
Operating profit/loss		(10,566)	4,753
Other financial income	4	821	1,095
Other financial expenses	5	(153)	(62)
Profit/loss before tax		(9,898)	5,786
Tax on profit/loss for the year	6	2,296	(1,289)
Profit/loss for the year	7	(7,602)	4,497

Balance sheet at 30.09.2020

Assets

	Notes	2019/20 DKK'000	2018/19 DKK'000
Acquired rights		0	69
Goodwill		0	0
Intangible assets	8	0	69
Other fixtures and fittings, tools and equipment		2	43
Property, plant and equipment	9	2	43
Receivables from group enterprises		17,413	32,261
Deposits		1,443	1,415
Other financial assets	10	18,856	33,676
Fixed assets		18,858	33,788
Trade receivables		1,810	5,906
Receivables from group enterprises	11	17,671	17,950
Deferred tax	12	2,377	0
Other receivables		6,274	2,057
Prepayments	13	14,350	42,961
Receivables		42,482	68,874
Cash		3,003	4,625
Current assets		45,485	73,499
Assets		64,343	107,287

Equity and liabilities

	Notes	2019/20 DKK'000	2018/19 DKK'000
Contributed capital	14	1,227	1,227
Share premium		0	17,762
Retained earnings		9,294	(106)
Proposed dividend		0	5,000
Equity		10,521	23,883
Deferred tax	12	0	133
Provisions		0	133
Subordinate loan capital		0	3,000
Joint taxation contribution payable		0	1,343
Non-current liabilities other than provisions		0	4,343
Prepayments received from customers	15	33,488	63,469
Trade payables		2,422	4,193
Payables to group enterprises		598	4,904
Joint taxation contribution payable		1,343	2,641
Other payables		15,971	3,721
Current liabilities other than provisions		53,822	78,928
Liabilities other than provisions		53,822	83,271
Equity and liabilities		64,343	107,287
Unusual circumstances	1		
Financial instruments	16		
Unrecognised rental and lease commitments	17		
Contingent liabilities	18		
Assets charged and collateral	19		
Related parties with controlling interest	20		
Transactions with related parties	21		
Group relations	22		

Statement of changes in equity for 2019/20

	Contributed capital DKK'000	Share premium DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	1,227	17,762	(106)	5,000	23,883
Transferred from share premium	0	(17,762)	17,762	0	0
Ordinary dividend paid	0	0	0	(5,000)	(5,000)
Fair value adjustments of hedging instruments	0	0	(974)	0	(974)
Tax of entries on equity	0	0	214	0	214
Profit/loss for the year	0	0	(7,602)	0	(7,602)
Equity end of year	1,227	0	9,294	0	10,521

Notes

1 Unusual circumstances

The Company's current financial year is significantly negatively impacted by the COVID-19 pandemic. The global spread of COVID-19 led to travel restrictions which resulted in the Company losing its entire business base unexpectedly. Moreover, it resulted in a decline in activity in the financial year 2019/20 compared to last year. In addition, the Company had to carry out significant staff reductions as well as other cost cutting measures. In this respect, the Company has received a partial compensation, see note 2.

2 Gross profit/loss

The Company's gross profit is extraordinarily affected by the recognition of other operating income from compensation schemes as a result of COVID-19. The Company has received DKK 9.2 million in compensation.

3 Staff costs

	2019/20 DKK'000	2018/19 DKK'000
Wages and salaries	20,223	26,091
Pension costs	1,448	1,979
Other social security costs	239	339
	21,910	28,409
Average number of full-time employees	38	49

With reference to section 98b (3)(2) of the Danish Financial Statements Act disclosure of payment to Management is not shown.

4 Other financial income

	2019/20 DKK'000	2018/19 DKK'000
Financial income from group enterprises	413	868
Other interest income	49	107
Exchange rate adjustments	359	120
	821	1,095

5 Other financial expenses

	2019/20 DKK'000	2018/19 DKK'000
Financial expenses from group enterprises	152	60
Other interest expenses	1	2
	153	62

6 Tax on profit/loss for the year

	2019/20	2018/19
	DKK'000	DKK'000
Current tax	0	1,342
Change in deferred tax	(2,296)	(53)
	(2,296)	1,289

7 Proposed distribution of profit and loss

	2019/20	2018/19
	DKK'000	DKK'000
Ordinary dividend for the financial year	0	5,000
Retained earnings	(7,602)	(503)
	(7,602)	4,497

8 Intangible assets

	Acquired rights	Goodwill
	DKK'000	DKK'000
Cost beginning of year	9,753	0
Addition through business combinations etc	0	1,200
Cost end of year	9,753	1,200
Amortisation and impairment losses beginning of year	(9,684)	0
Impairment losses for the year	0	(1,200)
Amortisation for the year	(69)	0
Amortisation and impairment losses end of year	(9,753)	(1,200)
Carrying amount end of year	0	0

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK'000
Cost beginning of year	865
Cost end of year	865
Depreciation and impairment losses beginning of year	(822)
Depreciation for the year	(41)
Depreciation and impairment losses end of year	(863)
Carrying amount end of year	2

10 Financial assets

	Receivables from group enterprises DKK'000	Deposits DKK'000
Cost beginning of year	32,261	1,415
Additions	5,000	28
Disposals	(19,848)	0
Cost end of year	17,413	1,443
Carrying amount end of year	17,413	1,443

11 Receivables from group enterprises

Receivables from group enterprises comprise funds that are part of a cash pooling arrangement and an intra-group account. No due date has been decided for the intra-group account. The cash pooling arrangement is like cash resources and, consequently, it is impossible to calculate how much is settled after one year.

12 Deferred tax

	2019/20 DKK'000	2018/19 DKK'000
Intangible assets	226	(15)
Property, plant and equipment	51	59
Equity	0	(177)
Provisions	1,108	0
Tax losses carried forward	992	0
Deferred tax	2,377	(133)

	2019/20 DKK'000	2018/19 DKK'000
Changes during the year		
Beginning of year	(133)	(74)
Recognised in the income statement	2,296	53
Recognised directly in equity	214	(112)
End of year	2,377	(133)

At 30 September 2020, the Company has recognised a tax asset of DKK 2,377 thousand. The tax asset comprises tax losses carried forward and unused tax deductions by way of time differences between accounting and tax balance values. Management believes that the tax asset will be used in future taxable income.

13 Prepayments

Prepayments comprise prepaid expenses for trips with departure date after 30 September 2020.

14 Share capital

	Number	Par value DKK'000	Nominal value DKK'000
Share capital	1,227	1	1,227
	1,227		1,227

The Company performed a capital increase most recently in 2015/16 of nominal DKK 1 thousand at a premium of 650,000, corresponding to DKK 650 thousand. Subsequently, the Company has not performed any changes in the share capital.

15 Prepayments received from customers

Prepayments received from customers comprise payments related to trips with departure date after 30 September 2020.

16 Financial instruments

Other payables include negative fair value of derivative financial instruments of DKK 160 thousand (2018/19: positive fair value of DKK 803 thousand). The Company has chosen to hedge part of the currency risk by entering into forward contracts on already sold trips distributed among currencies USD, AUD, GBP, NZD and THB. The fair value adjustment has been recognised in equity. All forward exchange contracts expire in the financial year 2020/21.

17 Unrecognised rental and lease commitments

The Company has entered into a lease on its premises. The lease is terminable at 12 months' notice. However, the premises cannot be vacated until 1 May 2022. The total rental obligation amounts to DKK 4,851 thousand at 30.09.2020.

The Company has also entered into other lease agreements, which cannot be terminated until 31 July 2023. The total rental obligation amounts to DKK 451 thousand at 30 September 2020.

18 Contingent liabilities

The Company participates in a Danish joint taxation arrangement with other Danish consolidated companies. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

19 Assets charged and collateral

The Company has provided bank guarantee of DKK 2,516 thousand to the Danish Travel Guarantee Fund (Rejsegarantifonden) and other creditors.

20 Related parties with controlling interest

Related parties with controlling interest of the Company:

- Aller Leisure A/S, 1561 Copenhagen V, owns all shares in the Company and has the controlling interest.
- Aller Holding A/S, 1561 Copenhagen V, owns all shares in Aller Leisure A/S and has the controlling interest.
- Allerfonden, 2100 Copenhagen Ø, is the ultimate owner of Aller Holding A/S.

21 Transactions with related parties

Only non-arm's length transactions with related parties are disclosed in the financial statements. No such transactions have been made in the financial year.

22 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

- Aller Holding A/S, 1561 Copenhagen V.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

- Aller Holding A/S, 1561 Copenhagen V.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recognised in the income statement as financial income or financial expenses.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

The uniting-of-interests method is applied on acquisition of enterprises, mergers, demergers, contributions of assets and exchanges of shares, etc where the enterprises concerned are controlled by the Parent, under which method the combination is considered completed at the date of acquisition without restatement of

comparative figures. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The difference between the consideration agreed and the carrying amount of the acquiree is recognised in equity.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales and external expenses.

Revenue

Revenue from the sale of trips is recognised in the income statement at the time of departure and no later than 30 September of the financial year in question, and if the revenue can be measured reliably and is expected to be received.

Revenue is recognised net of VAT, duties and sales discounts and is measured at selling price of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises direct costs for the sale of trips recognised in the financial year.

Other external expenses

External expenses comprise marketing cost, administrative expenses, cost of premises, loss of debtors, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises dividends etc received on other investments, including net capital gains on transactions in foreign currencies, as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including net capital losses on transactions in foreign currencies, as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with Aller Holding A/S and all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful lives are reassessed annually. The amortisation periods used are 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights etc comprise of acquired rights, which consist of software and licenses are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement, usually 3-5 years. Estimated useful lives and residual values are reassessed annually.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Receivables from group enterprises

Funds included in the cash pool arrangement are recognised in receivables from group enterprises along with other current accounts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers concerning trips with departure date after financial year-end.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash flow statement

Referring to section 86 (4) of the Danish Financial Statements Act, Nyhavn Rejser A/S has not prepared any cash flow statement.