



TRAVEL POOL EUROPE F.M.B.A.

Vermundsgade 38, 1.
2100 København Ø
CVR No. 15753498

Annual report 2021

The Annual General Meeting adopted the
annual report on 30.05.2022

Søren Schødt

Chairman of the General Meeting

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Entity details

Entity

TRAVEL POOL EUROPE F.M.B.A.

Vermundsgade 38, 1.

2100 København Ø

Business Registration No.: 15753498

Registered office: København

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Mikael Koch Jensen, chairman

Lasse Haakonsson

Henrik Feldborg Rüz

Henrik Deneke

Lars Johan Frahm

Executive Board

Søren Schødt, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of TRAVEL POOL EUROPE F.M.B.A. for the financial year 01.01.2021 - 31.12.2021.

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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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, 11.05.2022

Executive Board

Søren Schødt
CEO

Board of Directors

Mikael Koch Jensen
chairman

Lasse Haakonsson

Henrik Feldborg Rüz

Henrik Deneke

Lars Johan Frahm

Independent auditor's report

To the shareholders of TRAVEL POOL EUROPE F.M.B.A.

Opinion

We have audited the financial statements of TRAVEL POOL EUROPE F.M.B.A. for the financial year 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 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 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.

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, 11.05.2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Hans Tauby

State Authorised Public Accountant

Identification No (MNE) mne44339

Management commentary

Primary activities

TravelpoolEurope (TPE) is a member-owned association whose primary business area is to represent our members' interests in relation to purchasing and managing business travel, as if TPE was a part of the company's own functions.

In the financial year the association has handled purchase and administration of travel and transportation services for the amount of 380 million DKK compared to last financial year's 305 million DKK, which is an increase of 25%. This decrease is primarily due to Covid-19 pandemic, which have had a huge impact on the global business travel. This financial year the number of transactions was 606,762 compared to 503,818 last year, an increase of 20%.

This financial year the association has had an influx of new members which ensures growth in the strategic focus areas – international travel set-up and increases in travel expense management activities.

The main part of the association's activities in this time period were based in Europe, USA and China. The association now has activities in 36 countries in total, and this means the association can provide services to member companies in all significant business markets.

The Covid 19 pandemic have had a huge impact on this year's result . Activities in TPE have dropped through the global lockdown of business travel, and the focus through 2021, beside delivering TPE ´s services in a complex environment, have been to avoid loss and secure knowledge base and key staff members. TPE have during the year upgraded our product delivery, to ensure that the association on the other side of the pandemic will stand stronger.

It is the management's view that all significant data needed for assessment of the association's financial position, the year's result and the financial development is evident from the annual accounts as well as the management's review.

Development in activities and finances

As in 2020, TPE has in 2021 been hit, along with everyone else in the global travel business, by shutdowns and lack of desire to travel due to Covid-19. From August to November 2021 TPE saw a little hope with increasing volumens up to 70% of 2019 levels, before a new variant of Covid-19 closed down activities once again.

The association achieved a result of minus 1,960 thousand DKK compared to plus 794 thousand DKK the year before, and the association's total equity was on the day of inventory minus 5,670 thousand DKK. The association still has at its disposal prepayments of the members.

The effect of Covid-19, which have led to a reduction in activities. The association has also received 2,359 thousand DKK. in compensation packages from the Danish state.

The association exits the financial year with minus 356 thousand DKK in EBITDA compared to plus 2,598 thousand DKK in 2020.

TPE's management does not find the result for the year satisfactory, but expected in light of Covid 19's effect on

the global travel industry.

A number of new member companies or members with new countries have joined the association during the year. The association's end-to-end solution where association deliver strong competitive global travel purchasing, and a complete web-based administration are integrated into a complete solution which in particular provide the member companies with substantial economic advantages.

Member satisfaction with the association remains at a stable high level.

Uncertainty relating to recognition and measurement

There is no uncertainty relating to recognition and measurement.

Outlook

The objective of the association is to be Europe's best Shared Service Centre for travel solutions with global delivery. It is the management's assessment that there continues to be increasing requirements for expertise as well as effective and resource-saving administrative solutions. Therefore, the association expects a continued increase in demand for savings and efficiency improvements in the travel area, which is the core competence of the association, and continued accession of new members is expected as well as increased global activities for existing member companies.

With a clear improvement in travel activity we expect a zero result in 2022. TPE have during 2021 taken needed actions to be prepared for a slow start of the global travel business, and have planned for a full return to 2019 numbers in 2024.

We still expect the equity to be re-established within the next 4-6 years, which will be driven via activity increase with existing members, accession of new members as well as a small increase in TPE's fees.

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.

At the current stage in time, the conflict in Ukraine is not expected to have any significant effect on the association's results.

Income statement for 2021

	Notes	2021 DKK	2020 DKK
Gross profit/loss	2	10,678,123	18,838,296
Staff costs	3	(11,034,434)	(16,240,502)
Depreciation, amortisation and impairment losses	4	(1,219,303)	(1,171,065)
Operating profit/loss		(1,575,614)	1,426,729
Other financial income		57,488	22,349
Other financial expenses		(441,867)	(655,245)
Profit/loss for the year		(1,959,993)	793,833
Proposed distribution of profit and loss			
Retained earnings		(1,959,993)	793,833
Proposed distribution of profit and loss		(1,959,993)	793,833

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Completed development projects	6	8,410,434	8,468,566
Development projects in progress	6	2,108,916	44,800
Intangible assets	5	10,519,350	8,513,366
Other fixtures and fittings, tools and equipment		83,225	142,634
Leasehold improvements		4,790	18,562
Property, plant and equipment	7	88,015	161,196
Fixed assets		10,607,365	8,674,562
Trade receivables		48,359,765	29,681,774
Other receivables		5,267,577	4,673,331
Prepayments		601,644	488,449
Receivables		54,228,986	34,843,554
Cash		13,988,004	5,905,768
Current assets		68,216,990	40,749,322
Assets		78,824,355	49,423,884

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Reserve for development expenditure		8,205,516	6,640,848
Retained earnings		(13,834,277)	(10,309,616)
Equity		(5,628,761)	(3,668,768)
Other payables		1,613,437	1,581,801
Non-current liabilities other than provisions	8	1,613,437	1,581,801
Prepayments received from customers		20,951,300	19,020,974
Trade payables		47,476,290	19,600,160
Other payables		10,670,167	9,432,793
Deferred income		3,741,922	3,456,924
Current liabilities other than provisions		82,839,679	51,510,851
Liabilities other than provisions		84,453,116	53,092,652
Equity and liabilities		78,824,355	49,423,884
Going concern	1		
Unrecognised rental and lease commitments	9		

Statement of changes in equity for 2021

	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	6,640,848	(10,309,616)	(3,668,768)
Transfer to reserves	1,564,668	(1,564,668)	0
Profit/loss for the year	0	(1,959,993)	(1,959,993)
Equity end of year	8,205,516	(13,834,277)	(5,628,761)

Notes

1 Going concern

The Covid 19 pandemic have had a strong impact on this year's result. Activities in TPE have dropped through the global lockdown of business travel, and the focus through 2021 have been, as 2020, to avoid loss, secure knowledge base and key staff members. TPE have during the year upgraded our product delivery, to ensure that the association on the other side of the pandemic will stand stronger. Due to TPE's price model, the 2020 results are better than 2021 although the revenue has been higher in 2021.

In the financial year TPE has handled sourcing and administration of travel and transportation services for the amount of 380 million DKK compared to 2019 (baseline) financial year's 695 million DKK, which is a decrease of 45%. This decrease is primarily due to Covid-19 pandemic, which have had a huge impact on the global travel business. This financial year the number of transactions was 606,762 compared to 937,634 in 2019 (baseline).

TPE Management assesses, that the TPE still stands on a solid foundation with huge backing from its members and have during the Covid 19 pandemic the the same numbers of members.

Managements also expect that the TPE in 2022 will increase the turnover and end 2022 about 15% below 2019 (baseline). Management expects that prepayments from its members continues to be at TPE's disposal to secure a sufficient cashflow to support the operation.

The activity level from January 2022 until the signing of the annual report shows a lot better turnover and result than the budget and last year. The cash position is also better than the budget .

TPE expect that with the precautions taken in 2020 and 2021 for downscaling operation and development of new products. TPE stands on a good platform going forward and are going concern.

2 Gross profit/loss

Unusual circumstances are income and expenses that are special due to their size and nature. The association has for the financial year received a total compensation of DKK 2,359 thousand from the COVID-19 compensation packages. The compensation comprise compensation of salary of DKK 2,359 thousand.

The received compensation is recognised under other operating income.

3 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	9,074,982	13,597,701
Pension costs	1,270,675	1,861,411
Other social security costs	688,777	781,390
	11,034,434	16,240,502
Average number of full-time employees	22	35

4 Depreciation, amortisation and impairment losses

	2021 DKK	2020 DKK
Amortisation of intangible assets	1,146,122	1,005,599
Depreciation of property, plant and equipment	73,181	165,466
	1,219,303	1,171,065

5 Intangible assets

	Completed development projects DKK	Development projects in progress DKK
Cost beginning of year	12,033,103	44,800
Additions	1,087,990	2,064,116
Cost end of year	13,121,093	2,108,916
Amortisation and impairment losses beginning of year	(3,564,537)	0
Amortisation for the year	(1,146,122)	0
Amortisation and impairment losses end of year	(4,710,659)	0
Carrying amount end of year	8,410,434	2,108,916

6 Development projects

Development projects concern improvement of the association's IT solutions and are supposed to increase the association's activities and earnings.

Consequently, the developments projects have been capitalised.

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,941,301	613,156
Cost end of year	1,941,301	613,156
Depreciation and impairment losses beginning of year	(1,798,667)	(594,594)
Depreciation for the year	(59,409)	(13,772)
Depreciation and impairment losses end of year	(1,858,076)	(608,366)
Carrying amount end of year	83,225	4,790

8 Non-current liabilities other than provisions

	Due after more than 12 months 2021 DKK
Other payables	1,613,437
	1,613,437

9 Unrecognised rental and lease commitments

	2021 DKK	2020 DKK
Liabilities under rental or lease agreements until maturity in total	305,224	284,589

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

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.

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.

Income statement

Gross profit or loss

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

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value 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. Other operation income also comprises help aid pageged.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for distribution, sale, marketing, administration, premises, bad debts 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 property, plant and equipment and intangible assets comprise depreciation, amortisation 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 interest income and realised and unrealised capital gains on transactions in foreign currencies.

Other financial expenses

Other financial expenses comprise interest expenses and realised and unrealised capital losses on transactions in foreign currencies.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred is taken to equity under reserve for development costs that are reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation of property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years.

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 plus revaluation and 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
Leasehold improvements	3-5 years

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.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

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 prior to delivery of the goods agreed or completion of the service agreed.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.