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BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

TOUR PARTNER GROUP NORDICS APS

HANS EDVARD TEGLERS VEJ 3, 1., 2920 CHARLOTTENLUND

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2021

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 14 July 2022

Christian Nissen

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 18 82 37 48

CONTENTS

BDO Statsautoriseret revisionsaktieselskab, a Danish limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

COMPANY DETAILS

Company	Tour Partner Group Nordics ApS Hans Edvard Teglers Vej 3, 1. 2920 Charlottenlund	
	CVR No.:	18 82 37 48
	Established:	1 October 1995
	Municipality:	Gentofte
	Financial Year:	1 January - 31 December
Board of Directors	Mark David Mayhew, chairman Paul John Maine Mark Pharoah	
Executive Board	Hans Christian Nissen	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	
Bank	Danske Bank Holmens Kanal 2 1090 Copenhagen K	
Law Firm	Gorrissen Federspiel Advokatpartnerselskab Axeltorv 2 1609 Copenhagen V	
General Meeting	The Annual General Meeting is held on 14 July 2022, at 15.00 at the company's address.	

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Tour Partner Group Nordics ApS for the financial year 1 January - 31 December 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 Company's assets, liabilities and financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Charlottenlund, 14 July 2022

Executive Board

Hans Christian Nissen

Board of Directors

Mark David Mayhew Chairman	Paul John Maine	Mark Pharoah

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Tour Partner Group Nordics ApS

Opinion
We have audited the Financial Statements of Tour Partner Group Nordics ApS for the financial year 1 January - 31 December 2021, which comprise income statement, Balance Sheet, statement of changes in equity, notes and 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 assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 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 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’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Material uncertainty relating to Going Concern
We draw attention to a material uncertainty that may cast significant doubt over the Company’s ability to continue as a going concern. We refer to the note "Uncertainty with respect to going concern" in the Annual Report, which explains that there is currently an uncertainty whether the pandemic continue to impact travel for the coming year, there is a risk that the Company would not meet the minimum liquidity covenant with its bank, which would need the Company to obtain a waiver or obtain alternative funding agreements. It is Management’s assessment that the necessary funding will be received if needed, and the Financial Statement sare therefore presented on a going concern basis. Our opinion is not modified in respect of this matter.

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 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.

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

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

INDEPENDENT AUDITOR'S REPORT

- 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'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.

Statement on Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover 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 Management Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management Commentary.

Copenhagen, 14 July 2022

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Per Frost Jensen
State Authorised Public Accountant
MNE no. mne27740

FINANCIAL HIGHLIGHTS

	2021 DKK '000	2020 DKK '000	2019 DKK '000	2017/18 DKK '000	2016/17 DKK '000
Income statement					
Gross profit/loss	5.801	5.216	55.476	39.367	62.269
Operating profit/loss of main activities	-9.343	-22.372	28.371	23.068	44.301
Financial income and expenses, net	2.098	-1.129	335	-18	-2.360
Profit/loss for the year before tax	-7.245	-18.912	28.706	23.050	41.941
Profit/loss for the year	-7.195	-18.856	22.090	17.754	32.431
Balance sheet					
Total assets	61.997	59.390	101.549	128.324	60.057
Equity	43.137	46.979	65.499	39.706	21.222
Investment in property, plant and equipment	-31	-72.319	-427	-427	-289
Key ratios					
Quick ratio	372.5	580.3	293.4	143.5	0.0
Equity ratio	69.6	79.1	64.5	30.9	35.3

The ratios stated in the list of key figures and ratios have been calculated as follows:

Quick ratio:	Current assets x 100 Current liabilities
Equity ratio:	Equity ex. minorities, at year end x 100 Total equity and liabilities, at year end

MANAGEMENT COMMENTARY

Principal activities
The company's activities have like in previous years comprised operation of a travel agency with sale of services in the form of accommodation and tours in Northern Europe to our business partners in large parts of the world.

The company was acquired by Tour Partner ApS on 3 November 2017. The ultimate parent company is Tour Partner Group, incorporated in Great Britain.

Unusual matters
The COVID-19 pandemic have had a huge effect on the financial year impacting our revenue severely. Travel restrictions have been in place in all markets resulting in almost no revenue.

Development in activities and financial and economic position
Although impacted by the COVID-19 pandemic for most of the year, we have managed to keep 98% of clients, and even growing a few of them.

Profit/loss for the year compared to the expected development
The results and financial was impacted greatly by the COVID-19 stopping most travel for the last 9 months of the year. A loss in total of after tax 7,195 tDKK was the end result. We have claimed compensation set forward by the government where possible. Mainly through having staff on part A-kasse and support for rent and other related set expenses. From July we have had all the employees back on full working hours to create the pipeline for 2022.

Significant events after the end of the financial year
We expect 2022 to end with a revenue in the range of 30 mill Euro, almost 30% less than our last “normal” year 2019.

Although a partial comeback is a reality we have still relied on our parent company´s support to retain the majority of employees to have a rapid comeback, as booking are predominantly made 6-12 month prior to travel, i.e. payment inflow.

Financial risk
The Group’s most significant operating risk is attached to the ability to be strongly positioned in the markets where the products are sold, to obtain the necessary space with the suppliers, and to ensure that the price of our services is always competitive. This have increased in difficulty due to the uncertainty of suppliers and the status of their finances from the COVID-19 influence.

VAT risks:
The company has provided for the potential historic VAT registration risk in Norway. Whilst the final position for potential liability and registration is still to be agreed with the respective tax authorities, the company feels it prudent to recognise current provisional estimates.

Foreign exchange risks:
As there are activities in foreign countries, the results, cash flows and equity are influenced by the exchange rate and interest development of a number of currencies. It is the company’s policy to hedge some of the commercial foreign exchange risks. The hedging is made by forward exchange contracts to hedge the main part of the expected revenue within the first 12 months. The company does not enter into speculative foreign currency positions. This will move to the Group Treasury from 2022.

MANAGEMENT COMMENTARY

Uncertainty with respect to going concern

The directors prepare the financial statements on a going concern basis unless it is inappropriate to presume the Group will continue in business. The directors of the Group have received confirmation of ongoing support from its parent company and global banking partner through agreed and restated facilities, and have considered the ability of the Group to trade within the existing facilities. As part of the restatement of the bank facilities, the lender has agreed to waive all covenant tests until Q3 2023, with the exception of a Group minimum liquidity requirement of €1m and to defer all capital repayments until June 2023.

At this time the Company and the Group recognises the full effect of the COVID-19 pandemic and in particular the adverse impact it has had during most of the 2020 year on its ability to trade normally, a backdrop that continued intermittingly through most of 2021 restricting the ability of consumers to travel freely across international borders. As with most businesses in the travel sector the financial impact has seen a material reduction in revenue and margins.

As referenced above, the Group has continued to be supported by its key banking partner and committed shareholders during the Pandemic with financial support as well as accommodating bank re-stated facilities allowing the Group to navigate through the operational challenges posed. This coupled with local financial support received in all destinations by all governments, has to some extent further underpinned its ability to manage through the challenges the Pandemic presented.

The continuation in imposed travel restrictions from central governments throughout the Group's source and destination markets remained largely in place until the beginning of Q1-22, and only then did we begin to see the lifting of some cross border restrictions and the easing of onerous and often confusing COVID-19 testing protocols. This shift has galvanised the travel sector into the commencement of a recovery phase and the Group is well placed to take advantage of and benefit from this uplift. Internally re-building and resetting steps are concluded and the outlook for 2022 is a positive as pent-up demand is released into the market.

Financial budgets for the year 2022 were approved by the board in January 2022, together with a broader viewpoint of the 2023 and 2024 financial years, all highlighting material growth in financial performance from results of 2020. The 2022 budget underscores the expected recovery year to achieve 73% of 2019 pre-pandemic levels, with 2023 anticipated to equal or exceed pre-pandemic levels, a position consistent with our market peers and competitors. These assumptions are underpinned through discussions with our customer base and the expected travel volumes for the year ahead.

The removal of most travel restrictions in all key markets, and the very limited impact of testing protocols that remain suggest market direction and recovery is to gain further rapid momentum during the 12 months ahead. With revised banking facilities agreed and continued support from the shareholders, management are confident on the performance through the recovery year of 2022 and subsequently. Trading in the first three months of 2022 have also underscored the budgeted performance, with trading to date materially meeting, if not exceeding, the budgeted result and cash position.

Whilst a revenue performance for 2022 at 73% of pre-pandemic levels would see the Group able to meet the minimum liquidity test, should the pandemic continue to impact travel for the coming year, there is a risk that the financial performance could be below this level. Based on current forecasts, if revenue were to be below this level or expected deposits for future are below the forecast level, this could result in the Group breaching its minimum liquidity covenant with its bank, without mitigating actions being taken. If this were to occur the Group would need to obtain a waiver of such a breach from its lenders or it would have to seek alternative funding arrangements, which have not been agreed at this time. As a result, there remains a material uncertainty that may cast some doubt on the Group's ability to continue as a going concern and as such the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. With global travel restrictions eased and pent up demand crystallising, the current recovery trading year is gaining momentum and currently ahead of expectations. This coupled with a strong 2022 bookings profile and pipeline, and support from shareholders and restated banking facilities, the directors have considered the ability for the Group to continue as a going concern and believe that this basis remains appropriate.

Future expectations

We expect the COVID-19 to still have an impact on 2022 but aim at reaching a revenue of 70-80% of the last full normal year 2019. Approximately 30 million euros. Pipeline looks strong for 2022, with no loss of Client accounts, new clients on boarded and new products being developed and launched for the first time. From most markets, we have demand and build up need to Travel. The longhaul Markets, everything but Europe (Including Israel), our client have still been suffering from the Covid 19 effect as well the rebuilding of available flights from their respective destinations. Mainly effecting us from Far East, Latin America and India.

We have, during the first quarter of 2022 been rehiring as fast as possible to handle the current pipeline in excess of 30 million euros, and have succeeded on boarding approximately 20 new staff.

The current ongoing war in Ukraine and the derived effect on consumer prices, inflation and fuel prices will have an effect on the 2022 margins, and we hope to see a stabilized region for the next year 2023. The pipeline outlook for 2023 is looking strong and we hope to return to our historic numbers by 2023.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2021 DKK	2020 DKK '000
GROSS PROFIT	1	**5.801.430**	**5.216**
Staff costs	2	-14.827.774	-22.645
Depreciation, amortisation and impairment losses		-316.618	-354
OPERATING LOSS		**-9.342.962**	**-17.783**
Other financial income	3	5.398.529	3.225
Other financial expenses	4	-3.300.741	-4.354
LOSS BEFORE TAX		**-7.245.174**	**-18.912**
Tax on loss for the year	5	49.963	56
LOSS FOR THE YEAR	6	**-7.195.211**	**-18.856**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2021 DKK	2020 DKK '000
Other plants, machinery, tools and equipment		141.515	370
Leasehold improvements		52.118	108
Property, plant and equipment	7	**193.633**	**478**
Rent deposit and other receivables		373.464	585
Financial non-current assets	8	**373.464**	**585**
NON-CURRENT ASSETS		**567.097**	**1.063**
Trade receivables		1.195.428	798
Receivables from group enterprises		52.728.516	55.836
Deferred tax assets	9	11.238	0
Other receivables		68.015	1.310
Prepayments and accrued income	10	908.897	351
Receivables		**54.912.094**	**58.295**
Cash and cash equivalents		**6.517.823**	**32**
CURRENT ASSETS		**61.429.917**	**58.327**
ASSETS		**61.997.014**	**59.390**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2021 DKK	2020 DKK '000
Share capital		125.000	125
Fair value reserve, hedging		0	-1.189
Retained earnings		43.012.153	48.043
EQUITY		**43.137.153**	**46.979**
Provision for deferred tax	9	0	38
PROVISIONS		**0**	**38**
Accrued frozen holiday funds		2.368.887	2.322
Non-current liabilities	11	**2.368.887**	**2.322**
Bank debt		17.855	0
Trade payables		10.351.920	1.152
Other liabilities		1.365.606	5.005
Accruals and deferred income	12	4.755.593	3.894
Current liabilities		**16.490.974**	**10.051**
LIABILITIES		**18.859.861**	**12.373**
EQUITY AND LIABILITIES		**61.997.014**	**59.390**

	Note
Contingencies etc.	13
Related parties	14
Uncertainty with respect to going concern	15
Information on uncertainty with respect to recognition and measurement	16
Consolidated Financial Statements	17

EQUITY

	Share capital	Fair value reserve, hedging	Retained earnings	Total
Equity at 1 January 2021	125.000	-1.189.488	48.043.194	46.978.706
Proposed loss allocation, see note 6			-7.195.211	-7.195.211
Transactions with owners				
Cost of capital increase			2.164.170	2.164.170
Change fair value reserves				
Value adjustments in the year		1.189.488		1.189.488
Equity at 31 December 2021	**125.000**	**0**	**43.012.153**	**43.137.153**

NOTES

			Note
Special items			1
The Company has received cost compensation schemes offered by the Danish Government during COVID-19.			
	2021 DKK	**2020** DKK '000	
Salary Compensation Scheme	0	2.705	
Cost Compensation Scheme	899.332	1.885	
	899.332	**4.590**	
Staff costs			2
Average number of employees	35	52	
Wages and salaries	13.402.919	20.712	
Pensions	395.499	597	
Other social security costs	445.953	783	
Other staff costs	583.403	553	
	14.827.774	**22.645**	

The Company's Management consists of one executive and the board of directors does not receive separate fees, and accordingly the remuneration is not disclosed pursuant to the exemption provision in section 98b(3) of the Danish Financial Statements Act.

	2021 DKK	**2020** DKK '000	
Other financial income			3
Group enterprises	4.334.599	2.903	
Other interest income	1.063.930	322	
	5.398.529	**3.225**	
Other financial expenses			4
Other interest expenses	3.300.741	4.354	
	3.300.741	**4.354**	
Tax on profit for the year			5
Adjustment of deferred tax	-49.963	-56	
	-49.963	**-56**	
Proposed distribution of loss			6
Retained earnings	-7.195.211	-18.856	
	-7.195.211	**-18.856**	

NOTES

		Note

Property, plant and equipment — 7

	Plant, machinery and equipment	Leasehold improvements
Cost at 1 January 2021	1.348.678	154.995
Additions	0	31.196
Cost at 31 December 2021	**1.348.678**	**186.191**
Depreciation and impairment losses at 1 January 2021	977.377	47.241
Depreciation for the year	229.786	86.832
Depreciation and impairment losses at 31 December 2021	**1.207.163**	**134.073**
Carrying amount at 31 December 2021	**141.515**	**52.118**

Financial non-current assets — 8

	Rent deposit and other receivables
Cost at 1 January 2021	584.898
Disposals	-211.434
Cost at 31 December 2021	**373.464**
Carrying amount at 31 December 2021	**373.464**

Deferred tax assets 9

Provision for deferred tax comprises deferred tax on tangible fixed assets.

	2021 DKK	**2020** DKK '000
Deferred tax relates to:		
Plant, machinery and equipment	3.369	35
Leasehold improvements	7.869	3
	11.238	**38**
Deferred tax, beginning of year	-38.725	-94
Deferred tax for the year, income statement	49.963	56
Deferred tax assets 31 December 2021	**11.238**	**-38**

The deferred tax on tangible fixed assets is expected to be settled in 2022.

Prepayments and accrued income 10

Prepayments comprise prepaid expenses for future travels.

NOTES

Note

Long-term liabilities 11

	31/12 2021 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2020 total liabilities
Accrued frozen holiday funds..................	2.368.887	0	0	2.322.438
	2.368.887	**0**	**0**	**2.322.438**

Accruals and deferred income 12

Accruals and deferred income relate to revenue invoiced in the current financial year, concerning the financial year 2022.

Contingencies etc. 13

Contingent liabilities

The non-implementation of the EU judgement C-189/11 The Commission vs Spain in some member states leads to uncertainty in relation to the VAT treatment of B2B package tours within the EU, which may result in a risk that the company will be subject to VAT on its activities in other EU countries. Management consider this possibility to be low. A parent company guarantee is in place to cover a potential obligation should one arise.

Rental agreements and lease commitments

The company has entered into rental and leasing agreement with a total contingent liability of DKK (000) 437.

Joint liabilities

The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Tour Partner ApS, which serves as management company for the joint taxation.

Related parties 14

The Company's related parties include:

Controlling interest

Hotels and More Ltd. and Mayfair Fox Holdco Ltd. are the principal shareholders.

Transactions with related parties

The company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

NOTES

Note

Uncertainty with respect to going concern 15

The directors prepare the financial statements on a going concern basis unless it is inappropriate to presume the Group will continue in business. The directors of the Group have received confirmation of ongoing support from its parent company and global banking partner through agreed and restated facilities, and have considered the ability of the Group to trade within the existing facilities. As part of the restatement of the bank facilities, the lender has agreed to waive all covenant tests until Q3 2023, with the exception of a Group minimum liquidity requirement of €1m and to defer all capital repayments until June 2023.

At this time the Company and the Group recognises the full effect of the COVID-19 pandemic and in particular the adverse impact it has had during most of the 2020 year on its ability to trade normally, a backdrop that continued intermittingly through most of 2021 restricting the ability of consumers to travel freely across international borders. As with most businesses in the travel sector the financial impact has seen a material reduction in revenue and margins.

As referenced above, the Group has continued to be supported by its key banking partner and committed shareholders during the Pandemic with financial support as well as accommodating bank re-stated facilities allowing the Group to navigate through the operational challenges posed. This coupled with local financial support received in all destinations by all governments, has to some extent further underpinned its ability to manage through the challenges the Pandemic presented.

The continuation in imposed travel restrictions from central governments throughout the Group's source and destination markets remained largely in place until the beginning of Q1-22, and only then did we begin to see the lifting of some cross border restrictions and the easing of onerous and often confusing COVID-19 testing protocols. This shift has galvanised the travel sector into the commencement of a recovery phase and the Group is well placed to take advantage of and benefit from this uplift. Internally re-building and resetting steps are concluded and the outlook for 2022 is a positive as pent-up demand is released into the market.

Financial budgets for the year 2022 were approved by the board in January 2022, together with a broader viewpoint of the 2023 and 2024 financial years, all highlighting material growth in financial performance from results of 2020. The 2022 budget underscores the expected recovery year to achieve 73% of 2019 pre-pandemic levels, with 2023 anticipated to equal or exceed pre-pandemic levels, a position consistent with our market peers and competitors. These assumptions are underpinned through discussions with our customer base and the expected travel volumes for the year ahead.

The removal of most travel restrictions in all key markets, and the very limited impact of testing protocols that remain suggest market direction and recovery is to gain further rapid momentum during the 12 months ahead. With revised banking facilities agreed and continued support from the shareholders, management are confident on the performance through the recovery year of 2022 and subsequently. Trading in the first three months of 2022 have also underscored the budgeted performance, with trading to date materially meeting, if not exceeding, the budgeted result and cash position.

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Note

Whilst a revenue performance for 2022 at 73% of pre-pandemic levels would see the Group able to meet the minimum liquidity test, should the pandemic continue to impact travel for the coming year, there is a risk that the financial performance could be below this level. Based on current forecasts, if revenue were to be below this level or expected deposits for future are below the forecast level, this could result in the Group breaching its minimum liquidity covenant with its bank, without mitigating actions being taken. If this were to occur the Group would need to obtain a waiver of such a breach from its lenders or it would have to seek alternative funding arrangements, which have not been agreed at this time. As a result, there remains a material uncertainty that may cast some doubt on the Group's ability to continue as a going concern and as such the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. With global travel restrictions eased and pent up demand crystallising, the current recovery trading year is gaining momentum and currently ahead of expectations. This coupled with a strong 2022 bookings profile and pipeline, and support from shareholders and restated banking facilities, the directors have considered the ability for the Group to continue as a going concern and believe that this basis remains appropriate.

Information on uncertainty with respect to recognition and measurement **16**

With respect to recognised receivables from group enterprises of ('000) DKK 52,729 the full amount is deemed recoverable, however due to the uncertainty also described in note "Uncertainty with respect to going concern" there is an uncertainty related to the valuation hereof. It is management assessment that the group is going concern and that the receivable is correctly recognised.

Consolidated Financial Statements **17**

The company is included in the consolidated financial statements of Tour Partner ApS, the parent company, Hans Edvard Teglers Vej 3, 1., 2920 Charlottenlund, CVR no. 39 02 00 76 and in the consolidated financial statements of the ultimate parent, Tour Partner Group Midco Limited, Hygeia Building, 5th Floor, 66 - 68 College Road, Harrow, Middlesex, HA1 1BE, CVR no. 1-60989.

ACCOUNTING POLICIES

The Annual Report of Tour Partner Group Nordics ApS for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, medium-size enterprises.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue
Net revenue is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Other operating income
Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year.

Other external expenses
Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security, etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses
Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year.

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

ACCOUNTING POLICIES

BALANCE SHEET

Tangible fixed assets
Plant, machinery and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Plant, machinery and equipment	3-5 years	0 %
Leasehold improvements..	5 years	0 %

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Fixed asset investments
Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Impairment of fixed assets
The carrying amount of tangible assets together with fixed asset investments, which are not measured at fair value, are assessed on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is stated as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

ACCOUNTING POLICIES

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities corresponds usually to nominal value.

Accruals, liabilities
Accruals recognised as liabilities include payments received regarding income in subsequent years.

Derivative financial instruments
Derivative financial instruments are initially recognised in the Balance Sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised under receivables and payables, respectively.

Change in fair value of derivative financial instruments classified as and complying with the criteria for hedging of the fair value of a recognised asset or a recognised liability is recognised in the Income Statement together with possible changes in the fair value of the hedged asset or the hedged liability.

Change in fair value of derivative financial instruments classified as and complying with the criteria for hedging of future cash flows is recognised under receivables or payables and under equity. If the future transaction results in recognition of assets or liabilities, all amounts recognised under equity are transferred from equity and recognised under the initial cost of the asset or liability, respectively. If the future transaction results in income or expenses amounts recognised under equity are transferred to the Income Statement for the period where the Income Statement was affected by the hedged amount.

As regards possible derivative financial instruments, which do not comply with the criteria for classification as hedging instruments, any changes in fair value are recognised on a current basis in the Income Statement.

ACCOUNTING POLICIES

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

On recognition of foreign subsidiaries that are not independent entities, but integrated entities, monetary items are translated at the exchange rate on the balance sheet date. Non-monetary items are translated at the rate at the time of acquisition or at the time of subsequent revaluation or writedown of the asset. The items of the income statement are translated at the rate on the transaction date, items derived from non-monetary items being translated at the historic rates of the non-monetary item.

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the company has not prepared a cash flow statement.