

Deloitte  
Statsautoriseret  
Revisionspartnerselskab  
CVR-nr. 33963556  
Weldekampsgade 6  
Postboks 1600  
0900 København C

Phone 36 10 20 30  
Fax 36 10 20 40  
[www.deloitte.dk](http://www.deloitte.dk)

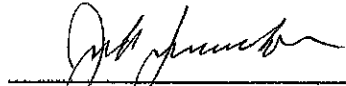
**WYNDHAM WORLDWIDE  
DENMARK ApS**

Vestergade 5, 1.  
8000 Aarhus C  
Business Registration No  
26443849

**Annual report 2017**

The Annual General Meeting adopted the annual report on 29.05.2018

**Chairman of the General Meeting**



Name: Jeffrey Ryan Leuenberg

## Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2017	7
Balance sheet at 31.12.2017	8
Statement of changes in equity for 2017	10
Notes	11
Accounting policies	14

## Entity details

### Entity

WYNDHAM WORLDWIDE DENMARK ApS

Vestergade 5, 1.

8000 Aarhus C

Central Business Registration No (CVR): 26443849

Registered in: Aarhus

Financial year: 01.01.2017 - 31.12.2017

### Executive Board

Jeffrey Ryan Leuenberger

Michael Brendan Cassidy

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of WYNDHAM WORLDWIDE DENMARK ApS for the financial year 01.01.2017 - 31.12.2017.

The annual report is presented in accordance with the Danish Financial Statements Act.

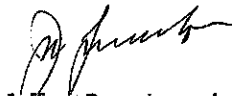
In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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

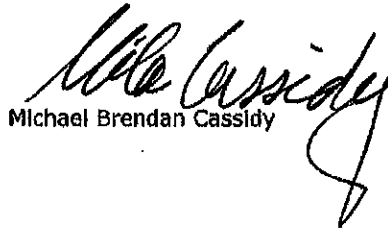
We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 29.05.2018

### Executive Board



Jeffrey Ryan Leuenberger



Michael Brendan Cassidy

## Independent auditor's report

### To the shareholders of WYNDHAM WORLDWIDE DENMARK ApS

#### Opinion

We have audited the financial statements of WYNDHAM WORLDWIDE DENMARK ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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:

## 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 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.

## Independent auditor's report

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, 29.05.2018

### Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556



Flemming Larsen

State Authorised Public Accountant

Identification No (MNE) mne27790

## Management commentary

### Primary activities

The entity owns the following companies:

- Novasol A/S (100 %)
- VRG (Switzerland) GmbH (100 %)

### Development in activities and finances

The result of the year is a profit of DKK 23.780 thousand.

### Events after the balance sheet date

In February 2018 the Company signed an agreement whereby the company sold its two investments. The company recognised a significant gain in connection with the sale. The transfer closed on 9 May 2018. In May 2018 the Company will repay certain of its loan to the group companies, and will distribute a portion of the proceeds, from the sale to its shareholder.

In January 2018 the company acquired 29% of the shares in a group related company EMEA CV; The Netherlands for a consideration of approx. DKK 506 million.

Except for the above no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



## Income statement for 2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
<b>Gross loss</b>		<b>-163</b>	<b>-111</b>
Income from investments in group enterprises		47.208	52.521
Other financial income	2	1.624	1.215
Other financial expenses	3	-31.911	-31.765
<b>Profit/loss before tax</b>		<b>16.758</b>	<b>21.860</b>
Tax on profit/loss for the year	4	7.022	3.010
<b>Profit/loss for the year</b>		<b>23.780</b>	<b>24.870</b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		23.780	24.869
		<b>23.780</b>	<b>24.869</b>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 DKK'000</u>	<u>2016 DKK'000</u>
Investments in group enterprises		704.508	657.300
<b>Fixed asset investments</b>	5	<u>704.508</u>	<u>657.300</u>
<b>Fixed assets</b>		<u>704.508</u>	<u>657.300</u>
Receivables from group enterprises		139.759	171.556
Income tax receivable		25.369	14.001
<b>Receivables</b>		<u>165.128</u>	<u>185.557</u>
<b>Cash</b>		<u>2.119</u>	<u>3.770</u>
<b>Current assets</b>		<u>167.247</u>	<u>189.327</u>
<b>Assets</b>		<u>871.755</u>	<u>846.627</u>

## Balance sheet at 31.12.2017

	<b>Notes</b>	<b>2017 DKK'000</b>	<b>2016 DKK'000</b>
Contributed capital	6	127	127
Retained earnings		380.848	357.068
<b>Equity</b>		<b>380.975</b>	<b>357.195</b>
Payables to group enterprises	7	0	473.349
<b>Non-current liabilities other than provisions</b>		<b>0</b>	<b>473.349</b>
Current portion of long-term liabilities other than provisions	8	490.688	15.944
Other payables		92	139
<b>Current liabilities other than provisions</b>		<b>490.780</b>	<b>16.083</b>
<b>Liabilities other than provisions</b>		<b>490.780</b>	<b>489.432</b>
<b>Equity and liabilities</b>		<b>871.755</b>	<b>846.627</b>
Staff costs	1		
Group relations	9		

## Statement of changes in equity for 2017

	<b>Contributed capital DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	127	357.068	357.195
Profit/loss for the year	0	23.780	23.780
<b>Equity end of year</b>	<b>127</b>	<b>380.848</b>	<b>380.975</b>

## Notes

	<b>2017</b>	<b>2016</b>
<b>1. Staff costs</b>		
Average number of employees	<u>0</u>	<u>0</u>

	<b>2017</b> <b>DKK'000</b>	<b>2016</b> <b>DKK'000</b>
<b>2. Other financial income</b>		
Financial income arising from group enterprises	0	53
Other interest income	1.620	1.162
Exchange rate adjustments	<u>4</u>	<u>0</u>
	<b><u>1.624</u></b>	<b><u>1.215</u></b>

	<b>2017</b> <b>DKK'000</b>	<b>2016</b> <b>DKK'000</b>
<b>3. Other financial expenses</b>		
Financial expenses from group enterprises	31.707	31.736
Other interest expenses	<u>204</u>	<u>29</u>
	<b><u>31.911</u></b>	<b><u>31.765</u></b>

	<b>2017</b> <b>DKK'000</b>	<b>2016</b> <b>DKK'000</b>
<b>4. Tax on profit/loss for the year</b>		
Current tax	-4.567	-3.010
Adjustment concerning previous years	<u>-2.455</u>	<u>0</u>
	<b><u>-7.022</u></b>	<b><u>-3.010</u></b>

## Notes

	Invest- ments in group enterprises DKK'000
<b>5. Fixed asset investments</b>	
Cost beginning of year	657.300
<b>Cost end of year</b>	<b>657.300</b>
Share of profit/loss for the year	73.521
<b>Revaluations end of year</b>	<b>73.521</b>
Amortisation of goodwill	-26.313
<b>Impairment losses end of year</b>	<b>-26.313</b>
<b>Carrying amount end of year</b>	<b>704.508</b>
Carrying amount includes goodwill on consolidation from acquisition of subsidiary bt DKK 114,035k	

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK'000	Profit/loss DKK'000
Investments in group enterprises comprise:					
Novasol A/S	Lyngby-Taarbæk, Denmark	Limited Company	100,0	583.442	73.521
VRG (Switzerland) GmbH	Zürich, Switzerland	Limited Company	100,0	7.640	608

	Number	Par value DKK'000	Nominal value DKK'000	Recorded par value DKK'000
<b>6. Contributed capital</b>				
Share	127	100	127	127
	<b>127</b>		<b>127</b>	<b>127</b>

## Notes

### **7. Long-term debt to group enterprises**

Due after more than five years

### **8. Current portion of long-term liabilities other than provisions**

Kortfristet del af langfristede gældsforpligtelser - Indsæt beskrivelse af evt. særlige forhold.

### **9. Group relations**

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

Wyndham Worldwide Corporation, 6 Sylvan Way, Parsippany NJ 07054, New Jersey, USA

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

Wyndham Worldwide Corporation, 6 Sylvan Way, Parsippany NJ 07054, New Jersey, USA

## 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 certain provisions for report-ing class C.

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

### Consolidated financial statements

Referring to section 110 / section 111 / section 112(1) / 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

### 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.

### Income statement

#### Gross profit or loss

Gross profit or loss and external expenses.

#### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

#### Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.



## Accounting policies

### Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities and transactions in foreign currencies, amortisation of financial liabilities 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.

### Balance sheet

#### Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. 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 life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation periods used are no more than 20 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

## Accounting policies

### Receivables

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

### Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

### 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.