

BCD Travel Nordics ApS
Ramsingsvej 30, 2
2500 Valby
Central Business Registration No
29419280

Annual report 2019

The Annual General Meeting adopted the annual report on 19.08.2020

Chairman of the General Meeting

Name: Heinz Jennewein

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Entity details

Entity

BCD Travel Nordics ApS
Ramsingsvej 30, 2
2500 Valby

Central Business Registration No: 29419280

Registered in: Registreret i Valby

Financial year: 01.01.2019 - 31.12.2019

Executive Board

Heinz Jennewein, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of BCD Travel Nordics ApS for the financial year 01.01.2019 - 31.12.2019.

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

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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

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

Copenhagen, 19.08.2020

Executive Board

Heinz Jennewein
CEO

Independent auditor's report

To the shareholder of BCD Travel Nordics ApS

Opinion

We have audited the financial statements of BCD Travel Nordics ApS for the financial year 01.01.2019 - 31.12.2019, 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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.

Material uncertainty related to going concern

We draw attention to the going concern paragraph in Note 1 of financial statements which describes the impact of the coronavirus (COVID-19) outbreak on the financial position and performance of BCD Travel Nordic ApS including measures taken and plans to deal with these events or circumstances. Management also indicates that it is currently not possible for them to properly estimate the impact of the coronavirus on the financial performance and position of BCD Travel Nordics ApS for future periods. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the BCD Travel Nordic ApS's ability to continue as a going concern. 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 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

Independent auditor's report

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.

Independent auditor's report

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, 19.08.2020

Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No: 33963556

Bjørn Winkler Jakobsen

State Authorised Public Accountant

Identification number (MNE) mne32127

Ane Sachs Aasand

State Authorised Public Accountant

Identification number (MNE) mne42783

Management commentary

Primary activities

The main activity of the Company is to own all shares in its subsidiaries including related activities according to the Executive Board.

Development in activities and finances

The financial results of the Company are considered satisfactory compared to the Company's ambitions.

In 2018, a legal merger of the companies in Sweden and Norway was carried out. Ticket Biz AB merged with BCD Travel Sweden AB and Ticket Biz AS merged with BCD Travel Norway AS. The intergroup reorganization has resulted in BCD Travel Nordic ApS selling the subsidiary Ticket Biz AB to BCD Travel Sweden AB, causing the recognized profit from investments in subsidiaries amounting to k.DKK 10,958.

Events after the balance sheet date

The emergence and spread of coronavirus (COVID-19) pandemic is causing unexpected and uttermost challenges for organizations of all sizes and sectors across the world. Although the first cases of the virus in China were reported to the World Health Organization (WHO) in December 2019, there was little confirmed evidence of human-to-human transmission at that time and the WHO did not declare the outbreak to be a public health emergency of international concern until 31 January 2020. The global outbreak developed rapidly only in 2020. Therefore, BCD Travel BV and its subsidiaries (the "Group") have determined that COVID-19 is a non-adjusting subsequent event and as such the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact.

The government measures taken to contain the spread of the virus including travel bans, quarantines, social distancing, and closures of non-essential services resulted in a worldwide economic slowdown. The airline industry as well as hospitality, travel and meeting industries have been impacted severely. As a direct result of COVID-19, net air transaction of the Company declined by 25% during the first quarter of 2020 compared to the same period of prior year and further declined by more than 95% in April and May 2020. However, as the economies are reopening there are visible signs that travel is starting to recover.

The ability of the Company to meet its obligations as they fall due is dependent on the ultimate parent company providing sufficient financial support to fund the amounts owed during the period of assessment. A letter of support has therefore been provided by BCD Travel BV, which states it will provide the necessary financial support to ensure that The Company is a going concern for at least twelve months from the date of signing of these financial statements.

The Group has already taken several prudent measures and continues to evaluate and closely monitor further developments. In response to the ongoing global economic uncertainty fueled by COVID-19, the Group has immediately taken measures including cost saving, reassessing capital expenditures, identifying additional financing opportunities, and delaying internal projects. Furthermore, most governments in the countries where we operate have announced government support measures to mitigate the impact of COVID-19 on

Management commentary

businesses. Where possible the Group has applied for both governmental subsidy on wage costs as well as for government (guaranteed) loans.

With the gradual reopening of economies across the world, the Group is anticipating an increase in transaction volumes in the coming quarters. However, the duration and impact of the COVID-19 pandemic, its consequent global economic slowdown as well as the effectiveness of government and central bank responses to the pandemic and the economic slowdown remain unclear. As a consequence, it is not possible to predict the duration and severity of the pandemic, the global economic slowdown as well as its impact on the financial position and results of the Company for future periods, which inherently causes uncertainty in relation to the financial impact of the COVID-19 crisis and, in an extreme, the Group's ability to continue as a going concern and consequently the Company's ability to continue as a going concern.

Notwithstanding the inherent material uncertainty with regards to the ability to continue as a going concern, the Directors of the company based on its assessment of the Company's financial position, the enquiries made of the Directors of BCD Travel BV, and the mitigating actions available to the Group, the directors have assessed that the Company has adequate resources to continue as a going concern for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

Income statement for 2019

	<u>Notes</u>	<u>2019 DKK'000</u>	<u>2018 DKK'000</u>
Other external expenses		508	-141
Operating profit/loss		508	-141
Income from investments in group enterprises		0	10.958
Other financial income		0	736
Other financial expenses	2	-86	-69
Profit/loss before tax		422	11.484
Tax on profit/loss for the year		30	-223
Profit/loss for the year		452	11.261
Proposed distribution of profit/loss			
Transferred to other reserves		0	10.958
Retained earnings		452	303
		452	11.261

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019 DKK'000</u>	<u>2018 DKK'000</u>
Investments in group enterprises		260.768	260.768
Deferred tax		125	0
Fixed asset investments	3	<u>260.893</u>	<u>260.768</u>
Fixed assets		<u>260.893</u>	<u>260.768</u>
Receivables from group enterprises		367	0
Joint taxation contribution receivable		361	420
Receivables		<u>728</u>	<u>420</u>
Cash		<u>620</u>	<u>1.047</u>
Current assets		<u>1.348</u>	<u>1.467</u>
Assets		<u>262.241</u>	<u>262.235</u>

Balance sheet at 31.12.2019

	<u>Notes</u>	<u>2019</u> <u>DKK'000</u>	<u>2018</u> <u>DKK'000</u>
Contributed capital	4	157	157
Other reserves		6.574	8.766
Retained earnings		<u>243.355</u>	<u>240.711</u>
Equity		<u>250.086</u>	<u>249.634</u>
Bank loans		11.778	11.692
Income tax payable		320	296
Other payables		<u>57</u>	<u>613</u>
Current liabilities other than provisions		<u>12.155</u>	<u>12.601</u>
Liabilities other than provisions		<u>12.155</u>	<u>12.601</u>
Equity and liabilities		<u>262.241</u>	<u>262.235</u>
Going concern	1		
Contingent liabilities	5		
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Group relations	7		

Statement of changes in equity for 2019

	Contributed capital DKK'000	Other reserves DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	157	8.766	240.711	249.634
Other equity postings	0	-2.192	2.192	0
Profit/loss for the year	0	0	452	452
Equity end of year	157	6.574	243.355	250.086

Notes

1. Going concern

The emergence and spread of coronavirus (COVID-19) pandemic is causing unexpected and uttermost challenges for organizations of all sizes and sectors across the world. Although the first cases of the virus in China were reported to the World Health Organization (WHO) in December 2019, there was little confirmed evidence of human-to-human transmission at that time and the WHO did not declare the outbreak to be a public health emergency of international concern until 31 January 2020. The global outbreak developed rapidly only in 2020. Therefore, BCD Travel BV and its subsidiaries (the "Group") have determined that COVID-19 is a non-adjusting subsequent event and as such the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact.

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The ability of the Company to meet its obligations as they fall due is dependent on the ultimate parent company providing sufficient financial support to fund the amounts owed during the period of assessment. A letter of support has therefore been provided by BCD Travel BV, which states it will provide the necessary financial support to ensure that The Company is a going concern for at least twelve months from the date of signing of these financial statements.

The Group has already taken several prudent measures and continues to evaluate and closely monitor further developments. In response to the ongoing global economic uncertainty fueled by COVID-19, the Group has immediately taken measures including cost saving, reassessing capital expenditures, identifying additional financing opportunities, and delaying internal projects. Furthermore, most governments in the countries where we operate have announced government support measures to mitigate the impact of COVID-19 on businesses. Where possible the Group has applied for both governmental subsidy on wage costs as well as for government (guaranteed) loans.

With the gradual reopening of economies across the world, the Group is anticipating an increase in transaction volumes in the coming quarters. However, the duration and impact of the COVID-19 pandemic, its consequent global economic slowdown as well as the effectiveness of government and central bank responses to the pandemic and the economic slowdown remain unclear. As a consequence, it is not possible to predict the duration and severity of the pandemic, the global economic slowdown as well as its impact on the financial position and results of the Company for future periods, which inherently causes uncertainty in relation to the financial impact of the COVID-19 crisis and, in an extreme, the Group's ability to continue as a going concern and consequently the Company's ability to continue as a going concern.

Notwithstanding the inherent material uncertainty with regards to the ability to continue as a going concern, the Directors of the company based on its assessment of the Company's financial position, the enquiries

Notes

made of the Directors of BCD Travel BV, and the mitigating actions available to the Group, the directors have assessed that the Company has adequate resources to continue as a going concern for the foreseeable future.

	2019	2018
	DKK'000	DKK'000
2. Other financial expenses		
Financial expenses from group enterprises	86	69
	86	69
	Investments	Deferred tax
	in group	DKK'000
	enterprises	DKK'000
	DKK'000	DKK'000
3. Fixed asset investments		
Cost beginning of year	260.768	0
Additions	0	125
Cost end of year	260.768	125
Carrying amount end of year	260.768	125

The financial information regarding BCD Travel Norway, Sweden and Finland is from the most recent financial statements from 2018.

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK'000	Profit/loss DKK'000
Investments in group enterprises comprise:					
BCD Travel Denmark A/S	Danmark	A/S	100,0	22.720	1.120
BCD Travel Norway AS	Norge	AS	100,0	12.230	2.164
BCD Travel Sweden AB	Sverige	AB	100,0	4.049	413
OY BCD Travel Finland AB	Finland	AB	100,0	8.120	858

Notes

	<u>Number</u>	<u>Par value DKK'000</u>	<u>Nominal value DKK'000</u>
4. Contributed capital			
Shares	21.000	157	157
	21.000		157

5. Contingent liabilities

The Company serves as an administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable from the financial year 2013 for income taxes etc for the jointly taxed entities, and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

In connection with the Company entering into a Group cash pool agreement, the company is liable to the extent of any deposits of this bank account. At 31 December 2019, this amount to a debt of DKK 11,778 thousand.

6. Related parties with controlling interest

BCD Travel Europe Holding B.V., Europalaan 400, 3526 KS Utrecht, The Netherlands wholly owns the shares of the Company and thus has control over Company.

7. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
BCD Travel B.V., Europalaan 400, 3526 KS Utrecht, The Netherlands.

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 reporting class C.

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

Consolidated financial statements

Referring to section 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

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for administration.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividend etc received from the individual group enterprises in the financial year.

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 gains on securities, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Accounting policies

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and 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.

Balance sheet

Investments in group enterprises

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

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.

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 bank deposits.

Other financial liabilities

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