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# *CP Hotel A/S*

Ørestads Boulevard 114-118, DK-2300 Copenhagen S

## Annual Report for 2023

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CVR No. 30 54 80 43

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 3/6 2024

Jacob Kjær  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of CP Hotel A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 20 March 2024

## Executive Board

Jens Christian Frank-Mikkelsen  
CEO

Jacob Kjær  
CFO

## Board of Directors

Christian Folden Lund  
Chairman

Jacob Kjær

Casper Brorsen

# Independent Auditor's report

To the shareholder of CP Hotel A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of CP Hotel A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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 (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.

## Statement on Management's Review

Management is responsible for Management's Review.

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

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

## 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.

# Independent Auditor's report

## 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 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.

Hellerup, 20 March 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Torben Jensen

State Authorised Public Accountant

mne18651

Claus Carlsson

State Authorised Public Accountant

mne29461

## Company information

<b>The Company</b>	CP Hotel A/S Ørestads Boulevard 114-118 2300 Copenhagen S  CVR No: 30 54 80 43 Financial period: 1 January - 31 December Incorporated: 31 May 2007 Municipality of reg. office: Copenhagen
<b>Board of Directors</b>	Christian Folden Lund, chairman Jacob Kjær Casper Brorsen
<b>Executive Board</b>	Jens Christian Frank-Mikkelsen Jacob Kjær
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

## Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	162,782	146,496	70,769	55,439	169,689
Gross profit	58,236	68,247	40,519	21,816	59,603
Profit/loss of financial income and expenses	296	-231	-309	25,699	15,524
Net profit/loss for the year	-3,989	6,399	-1,910	3,338	8,824
<b>Balance sheet</b>					
Balance sheet total	47,605	48,285	37,399	37,655	82,467
Equity	19,835	23,824	17,723	19,633	13,739
Number of employees	115	111	79	100	172
<b>Ratios</b>					
Gross margin	35.8%	46.6%	57.3%	39.4%	35.1%
Solvency ratio	41.7%	49.3%	47.4%	52.1%	16.7%
Return on equity	-18.3%	30.8%	-10.2%	20.0%	94.6%

# Management's review

## Key activities

The company's main activity is hosting moments that matter through hotel and hospitality operations at Crowne Plaza Copenhagen Towers. Whether related to leisure or business travel, we are dedicated to the transformative influence of uniting people. Our mission is to craft positive impacts that linger in the memories of all guests.

## Development in the year

The income statement of the Company for 2023 shows a loss of TDKK 3,989, and at 31 December 2023 the balance sheet of the Company shows a positive equity of TDKK 19,835.

The partnership pilot project between Crowne Plaza Copenhagen Towers and Danish music festival Smukfest that commenced in 2022 saw an impressive growth in brand awareness and brand activation in August of 2023. An ambitious influencer program combined with strengthened B2B, and PR efforts made for a festival collaboration further cementing the hotel's position as Denmark's preferred "music hotel" - playing off its location right next to Copenhagen's largest indoor music venue, Royal Arena.

New partnership projects are under development to further strengthen this brand positioning in 2024.

## Responsible Hospitality

As part of parent company Bellagroup A/S, CP Hotel A/S remains an ambitious organization— also when it comes to sustainability. We believe that unique meetings, moments, and hotel stays can and must go hand in hand with the ambition of being a force for good – for our planet and the people who inhabit it. This is what we call responsible hospitality.

Our approach to responsible hospitality is comprehensive, seeking to create positive impacts on ourselves, our guests, and the surrounding community. As pioneers in the hospitality industry, we strive to unlock potential, explore sustainable opportunities, reduce environmental impact, and share innovative solutions. In doing so, we aim to shape the sustainable hospitality platform of the future.

The Bellagroup Responsible Hospitality report (Responsible Hospitality Report 2023) summarizing all activities, partnerships, and initiatives in 2023 is available at [www.bellagroup.dk/en/about-bellagroup/responsible-hospitality](http://www.bellagroup.dk/en/about-bellagroup/responsible-hospitality).

## Responsible Hospitality milestones from CP Hotel A/S in 2023

- Crowne Plaza Copenhagen Towers was honored with the sustainability award from internationally renowned travel and tourism industry organization HSMIAI.
- Implementing comprehensive mapping of CO<sub>2</sub>e emissions, covering scope 1, 2, and primary scope 3, utilizing our corporate climate reporting system. The system has been built on historical mapping from 2019 to the present year.
- Introducing Viima chemical-free cleaning practices at the hotel.
- Pledging to set science-based targets, aligning our environmental efforts with established scientific benchmarks.
- Initiating the implementation of the ISO 14001/20121 management system with an external auditing process finalized.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income statement 1 January - 31 December

	Note	2023	2022
		TDKK	TDKK
Revenue		162,782	146,496
Other operating income	1	279	6,026
Cost of goods sold		-31,848	-27,810
Other external expenses		-72,977	-56,465
<b>Gross profit</b>		<b>58,236</b>	<b>68,247</b>
Staff expenses	2	-59,698	-59,159
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-3,932	-3,398
Other operating expenses		0	-33
<b>Profit/loss before financial income and expenses</b>		<b>-5,394</b>	<b>5,657</b>
Financial income	3	437	32
Financial expenses	4	-141	-263
<b>Profit/loss before tax</b>		<b>-5,098</b>	<b>5,426</b>
Tax on profit/loss for the year	5	1,109	973
<b>Net profit/loss for the year</b>	6	<b>-3,989</b>	<b>6,399</b>

## Balance sheet 31 December

### Assets

	Note	2023	2022
		TDKK	TDKK
Acquired licenses		517	598
<b>Intangible assets</b>	7	<b>517</b>	<b>598</b>
Other fixtures and fittings, tools and equipment		5,755	8,284
<b>Property, plant and equipment</b>	8	<b>5,755</b>	<b>8,284</b>
Deposits		350	350
<b>Fixed asset investments</b>		<b>350</b>	<b>350</b>
<b>Fixed assets</b>		<b>6,622</b>	<b>9,232</b>
Finished goods and goods for resale		853	998
<b>Inventories</b>		<b>853</b>	<b>998</b>
Trade receivables		16,029	16,159
Other receivables		166	102
Deferred tax asset		1,203	995
Corporation tax receivable from group enterprises		901	0
Prepayments		1,138	1,195
<b>Receivables</b>		<b>19,437</b>	<b>18,451</b>
<b>Cash at bank and in hand</b>		<b>20,693</b>	<b>19,604</b>
<b>Current assets</b>		<b>40,983</b>	<b>39,053</b>
<b>Assets</b>		<b>47,605</b>	<b>48,285</b>

## Balance sheet 31 December

### Liabilities and equity

	Note	2023	2022
		TDKK	TDKK
Share capital	9	750	750
Retained earnings		19,085	23,074
<b>Equity</b>		<b>19,835</b>	<b>23,824</b>
Other payables		1,530	1,478
<b>Long-term debt</b>	10	<b>1,530</b>	<b>1,478</b>
Lease obligations		903	345
Trade payables		11,768	7,421
Payables to group enterprises		4,166	1,713
Other payables	10	6,349	12,323
Deferred income		3,054	1,181
<b>Short-term debt</b>		<b>26,240</b>	<b>22,983</b>
<b>Debt</b>		<b>27,770</b>	<b>24,461</b>
<b>Liabilities and equity</b>		<b>47,605</b>	<b>48,285</b>
Contingent assets, liabilities and other financial obligations	11		
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## Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	750	23,074	23,824
Net profit/loss for the year	0	-3,989	-3,989
<b>Equity at 31 December</b>	<b>750</b>	<b>19,085</b>	<b>19,835</b>

# Notes to the Financial Statements

	2023	2022
	TDKK	TDKK
<b>1. Other operating income</b>		
Covid-19 compensation	0	6,026
Other income	279	0
	<u>279</u>	<u>6,026</u>

The Company has received compensation for fixed costs from the Danish government of TDKK 0 (2022: TDKK 6,026)

	2023	2022
	TDKK	TDKK
<b>2. Staff Expenses</b>		
Wages and salaries	52,874	50,701
Pensions	3,695	2,987
Other social security expenses	1,116	954
Other staff expenses	2,013	4,517
	<u>59,698</u>	<u>59,159</u>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Average number of employees	<u>115</u>	<u>111</u>
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	2023	2022
	TDKK	TDKK
<b>3. Financial income</b>		
Other financial income	437	32
	<u>437</u>	<u>32</u>

	2023	2022
	TDKK	TDKK
<b>4. Financial expenses</b>		
Other financial expenses	141	263
	<u>141</u>	<u>263</u>

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>5. Income tax expense</b>		
Current tax for the year	-901	-995
Deferred tax for the year	-208	0
Adjustment of tax concerning previous years	0	22
	<u>-1,109</u>	<u>-973</u>

	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>6. Profit allocation</b>		
Retained earnings	-3,989	6,399
	<u>-3,989</u>	<u>6,399</u>

## 7. Intangible fixed assets

	<u>Acquired licenses</u>
	TDKK
Cost at 1 January	1,771
Cost at 31 December	<u>1,771</u>
Impairment losses and amortisation at 1 January	1,173
Amortisation for the year	81
Impairment losses and amortisation at 31 December	<u>1,254</u>
<b>Carrying amount at 31 December</b>	<u>517</u>
Amortised over	<u>20 years</u>

# Notes to the Financial Statements

## 8. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	TDKK
Cost at 1 January	28,287
Additions for the year	1,323
Cost at 31 December	<u>29,610</u>
Impairment losses and depreciation at 1 January	20,003
Depreciation for the year	3,852
Impairment losses and depreciation at 31 December	<u>23,855</u>
<b>Carrying amount at 31 December</b>	<b><u>5,755</u></b>
Amortised over	<u>3-10 years</u>

## 9. Share capital

The Company's share capital has remained TDKK 750 over the past 5 years.

2023	2022
TDKK	TDKK

## 10. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

<b>Other payables</b>		
After 5 years	0	0
Between 1 and 5 years	1,530	1,478
Long-term part	1,530	1,478
Other short-term payables	6,349	12,323
	<u>7,879</u>	<u>13,801</u>

## Notes to the Financial Statements

	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
<b>11. Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	30,714	25,377
Between 1 and 5 years	132,000	160,743
After 5 years	387,750	420,744
	<u>550,464</u>	<u>606,864</u>

### Guarantee obligations

The Company is guarantor with liability for whatever amount BCHG Holding A/S, Bella Operation A/S and BCHG Properties A/S may owe Nordea Danmark, branch of Nordea Bank AB (Publ), Nordea Bank Finland OY and Nordea Kredit A/S in the future, including interest and expenses in the event of default.

### Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of TMC Invest 2021 ApS, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability. Up to 2021 the Company was part of the joint taxation group of Copenhagen Skyline Holding ApS.



# Notes to the Financial Statements

## 12. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
<b>Controlling interest</b>	
TMC Invest 2021 ApS, Copenhagen	Ultimate parent company
BCHG Holding A/S, Copenhagen	Intermediate parent company
Bella Operation A/S, Copenhagen	Parent company

### Other related parties

Bella Operation A/S is holding 100% of the votes in the company

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

The Company has had transactions related to intercompany payables, intercompany receivables and management fees.

### Consolidated Financial Statements

The Company is included in the Consolidated Financial Statements of BCHG Holding A/S and the ultimate parent company TMC Invest 2021 ApS.

<u>Name</u>	<u>Place of registered office</u>
TMC Invest 2021 ApS	Copenhagen
BCHG Holding A/S	Copenhagen

# Notes to the Financial Statements

## 13. Accounting policies

The Annual Report of CP Hotel A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in TDKK.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of BCHG Holding A/S, the Company has not prepared a cash flow statement.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Business combinations

#### *Pooling of interests*

Intragroup business combinations are accounted for under the pooling-of-interests method. Under this method, the two enterprises are combined at carrying amounts, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity. The pooling-of-interests method is applied at the date of acquisition, and comparative figures have not been restated.

### Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

# Notes to the Financial Statements

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

## Income statement

### Revenue

Revenue comprises income from hotel activities such as renting of rooms, conference facilities and income from restaurant activities, etc.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Cost of goods sold

Cost of goods sold comprise the purchase price etc. for goods sold in the year.

### Other external expenses

Other external expenses comprise expenses for distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with other group entities. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

# Notes to the Financial Statements

## Balance sheet

### Intangible fixed assets

Intangible assets include acquired licenses. Acquired licenses are measured at cost less accumulated amortisation and impairment losses and amortised over 20 years.

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-10 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Prepayments

Prepayments comprise prepaid expenses regarding subsequent financial reporting years.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

# Notes to the Financial Statements

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in 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 will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

## Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

## Deferred income

Deferred income comprises payments received of deposits relating to room bookings, which will not be recognised as income until in the subsequent financial year once the recognition criteria are satisfied.

## Financial Highlights

### Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$