

Louis Tussaud's Wax Museum (Blackpool) A/S

Østergade 16
1100 København K
Denmark

CVR no. 36 42 93 13

Annual report 2021

The annual report was presented and approved at
the Company's annual general meeting on

30 June 2022

Darren James Loblaw

Chairman

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Operating review	6
Financial statements 1 January – 31 December	7
Income statement	7
Balance sheet	8
Statement of changes in equity	10
Notes	11

Louis Tussaud's Wax Museum (Blackpool) A/S
Annual report 2021
CVR no. 36 42 93 13

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Louis Tussaud's Wax Museum (Blackpool) A/S for the financial year 1 January – 31 December 2021.

The annual report has been prepared 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.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 30 June 2022
Executive Board:

Darren James Loblaw

Board of Directors:

Nicolas Oliver Desmarais

James Allen Pattison

Darren James Loblaw



Independent auditor's report

To the shareholder of Louis Tussaud's Wax Museum (Blackpool) A/S

Opinion

We have audited the financial statements of Louis Tussaud's Wax Museum (Blackpool) A/S for the financial year 1 January – 31 December 2021 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 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 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' 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 rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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.

Independent auditor's report

- 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 the Management's review

Management is responsible for the Management's review.

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

Based on the work we have performed, we conclude that the 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 of the Management's review.

Copenhagen, 30 June 2022

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Anja Bjørnholt Lüthcke
State Authorised
Public Accountant
mne26779

Louis Tussaud's Wax Museum (Blackpool) A/S
Annual report 2021
CVR no. 36 42 93 13

Management's review

Company details

Louis Tussaud's Wax Museum (Blackpool) A/S
Østergade 16
1100 København K
Denmark

Telephone: 45825005
Fax: 45825006

CVR no.: 36 42 93 13
Established: 12 May 1971
Registered office: Copenhagen
Financial year: 1 January – 31 December

Board of Directors

Nicolas Oliver Desmarais
James Allen Pattison
Darren James Loblaw

Executive Board

Darren James Loblaw

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company operates the museums Ripley's Believe It or Not, the World of Hans Christian Andersen, the Guinness World of Records Museum and the Mystic Exploratorie in Copenhagen.

Development in activities and financial position

The Company's income statement for 2021 shows a profit of DKK 1,882 thousand against a loss of DKK -3,004 thousand in 2020. Equity in the Company's balance sheet at 31 December 2021 stood at DKK 3,870 thousand as against DKK 900 thousand at 31 December 2020.

Misstatement in financial statement previous years

In connection with the audit of the 2021 financial statement a misstatement which relate to the financial year 2020 has been identified. The misstatement relates to the received COVID-19 help packages for periods in 2020 which should have been recognized as Other operating income in the 2020 financial statement. The total effect of the error is DKK 1.088 thousand before and after tax. As a result of the nature and size of the error, the error is recognized as a correction of the opening equity as at 1 January 2021 and an adjustment of Other operating income in the income statement in 2021.

Events after the balance sheet date

No events have occurred after the balance sheet date that materially affect the Company's financial position as at 31 December 2021.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2021	2020
Revenue		7,033	5,745
Cost of goods sold		-251	-320
Other operating income	2	7,776	5,655
Other external costs		<u>-9,250</u>	<u>-9,778</u>
Gross profit		5,308	1,302
Staff costs	3	-3,036	-3,974
Depreciation, amortisation and impairment losses		<u>-407</u>	<u>-332</u>
Profit/loss before financial income and expenses		1,865	-3,004
Other financial income		<u>17</u>	<u>0</u>
Profit/loss before tax		1,882	-3,004
Tax on profit/loss for the year		<u>0</u>	<u>0</u>
Profit/loss for the year		<u>1,882</u>	<u>-3,004</u>
Proposed profit appropriation/distribution of loss			
Retained earnings		<u>1,882</u>	<u>-3,004</u>
		<u>1,882</u>	<u>-3,004</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>1,673</u>	<u>2,081</u>
Investments			
Deposits		<u>894</u>	<u>836</u>
Total fixed assets		<u>2,567</u>	<u>2,917</u>
Current assets			
Inventories			
Raw materials and consumables		<u>53</u>	<u>67</u>
Receivables			
Other receivables		477	1,780
Prepayments		<u>2,172</u>	<u>2,086</u>
		<u>2,649</u>	<u>3,866</u>
Cash at bank and in hand		<u>12,711</u>	<u>5,832</u>
Total current assets		<u>15,413</u>	<u>9,765</u>
TOTAL ASSETS		<u><u>17,980</u></u>	<u><u>12,682</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2021	31/12 2020
EQUITY AND LIABILITIES			
Equity			
Contributed capital	4	751	751
Retained earnings		3,119	149
Total equity		<u>3,870</u>	<u>900</u>
Liabilities			
Current liabilities			
Payables to group entities		11,321	9,114
Other payables		<u>2,789</u>	<u>2,668</u>
		<u>14,110</u>	<u>11,782</u>
Total liabilities		<u>14,110</u>	<u>11,782</u>
TOTAL EQUITY AND LIABILITIES		<u><u>17,980</u></u>	<u><u>12,682</u></u>
Contractual obligations, contingencies, etc.	5		
Mortgages and collateral	6		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2021	751	149	900
Net effect from identified misstatements at prior year	0	1,088	1,088
Transferred over the profit appropriation	0	1,882	1,882
Equity at 31 December 2021	751	3,119	3,870

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Louis Tussaud's Wax Museum (Blackpool) A/S for 2021 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Misstatement in financial statement previous year

In connection with the audit of the 2021 financial statement a misstatement which relate to the financial year 2020 has been identified. The misstatement relates to the received COVID-19 help packages for periods in 2020 which should have been recognized as Other operating income in the 2020 financial statement. The total effect of the error is DKK 1.088 thousand before and after tax. As a result of the nature and size of the error, the error is recognized as a correction of the opening equity as at 1 January 2021 and an adjustment of Other operating income in the income statement in 2021.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Government grants

Government grants are recognised when it is fairly certain that the grant conditions will be complied with, and the grant will be received.

Grants compensating for costs incurred are recognised directly as operating income in the income statement as costs eligible for grants are incurred. If the conditions for receiving the grant are not complied until after related costs have been recognised, the grant is to be recognised in the income statement when the conditions have been complied with and it is fairly certain that the grant will be awarded.

Grants to acquire assets are recognised in the balance sheet as deferred income/prepayments and transferred to other operating income in the income statement line with depreciation/amortisation of the assets covered by the grant.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Income statement

Revenue

Income from the sale of goods, comprising the sale of tickets to attractions, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Cost of goods sold

Cost of goods sold comprises costs incurred to generate revenue for the year.

Other operating income

Other operating income comprises items secondary to the activities of the entity, including government grants and gains on the disposal of property, plant and equipment.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of property, plant and equipment.

Financial income

Financial income comprise gains on payables and transactions denominated in foreign currencies.

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	3-7 years
--	-----------

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Deposits

Deposits are measured at cost.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities

Liabilities are measured at amortised cost.

Financial statements 1 January – 31 December

Notes

2 Other operating income

Other operating income includes special items comprising compensation under COVID-19 government aid packages of DKK 7,776 thousand (2020: DKK 5,655).

DKK'000	<u>2021</u>	<u>2020</u>
3 Staff costs		
Wages and salaries	2,905	3,815
Pensions	<u>131</u>	<u>159</u>
	<u>3,036</u>	<u>3,974</u>
Average number of full-time employees	<u>10</u>	<u>16</u>

4 Contributed capital

The share capital consists of:

1 A-share at DKK 340,000	340,000	340,000
1 A-share at DKK 5,000	5,000	5,000
10 A-shares at DKK 500	5,000	5,000
801 B-shares at DKK 500	<u>400,500</u>	<u>400,500</u>
	<u>750,500</u>	<u>750,500</u>

The share capital has been unchanged for the last 5 years.

5 Contractual obligations, contingencies, etc.

Remaining operating lease obligations at the balance sheet date falling due within 12 months amounts to DKK 5,732 thousand (2020: DKK 5,435 thousand).

The Company has tax losses allowed to be carried forward of DKK 7,7 million. The tax losses are not capitalised as the Company does not expect to be able to use the tax losses in near future.

6 Mortgages and collateral

Bank deposits amounting to DKK 2,844 thousand at 31 December 2021 have been provided as collateral for rental obligations, which are included in other receivables.