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APG Scandinavia and Baltics ApS

Vester Farimagsgade 3, 1606 København V

Company reg. no. 37 35 34 85

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 14 July 2022.

Johannes Cornelis Maria van der Velden
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of APG Scandinavia and Baltics ApS for the financial year 1 January - 31 December 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

At the general meeting held on 12 July 2022, a decision will be made not to have the financial statements audited as from 2022 onwards. The Managing Director consider the conditions for audit exemption to be met.

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

We recommend that the annual report be approved at the Annual General Meeting.

København V, 14 July 2022

Managing Director



Johannes Cornelis Maria van der Velden

Independent auditor's report

To the Shareholders of APG Scandinavia and Baltics ApS

Opinion

We have audited the financial statements of APG Scandinavia and Baltics ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021, and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (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.

Emphasis of Matter

Vi refer to further description on page 14 regarding correction of prior period accounting errors. Our opinion is not modified regarding this matter.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 judgment and maintain professional skepticism 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.

Independent auditor's report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management'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, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Alleroed, 14 July 2022

Piaster Revisorerne

Statsautoriseret Revisionsaktieselskab
Company reg. no. 25 16 00 37



Emil Lagstrøm
State Authorised Public Accountant
mne45851

Company information

The company

APG Scandinavia and Baltics ApS
Vester Farimagsgade 3
1606 København V

Company reg. no. 37 35 34 85
Financial year: 1 January - 31 December

Managing Director

Johannes Cornelis Maria van der Velden

Auditors

Piaster Revisorerne, Statsautoriseret Revisionsaktieselskab
Engholm Parkvej 8
3450 Allerød

Management's review

The principal activities of the company

As in previous years, APG Scandinavia and Baltics ApS's primary activities were the sale of airplane travels.

Development in activities and financial matters

The company's financial performance for 2021 is considered unsatisfying.

As for 2019 and 2020, 2021 was again a very difficult year for APG Scandinavia and Baltics ApS with reduced revenue due to the COVID-19 pandemic.

Outlook 2022

The airlines are slowly recovering from the pandemic period. The demand for flights is still low compared to before the pandemic. Seaman traffic and VFR (visit friends and relatives) are the first groups to start travelling again. Business travel and holiday traffic are still on low levels. The reason is that after pandemic a lot of regulations regarding vaccinations, tests are very different per country. People prefer to travel close to their home, also to avoid problems returning home as rules can change overnight.

In general the management is very positive for the future. We see the BSP sales growing and we start again to have direct sales in the form of groups. Next to that we see a trend that airlines are looking for GSA's to outsource part or all their activities.

We expect that in 2022 APG Scandinavia and Baltics will be back on track with a modest profit.

Special items in profit and loss statement 2021

Company has recognized salary compensation of T.DKK 348 from the Danish Authorities in profit and loss statement 2021 as part of Gross profit.

Events occurring after the end of the financial year

After end of year no events have occurred with significant impact on the companys financial position at 31 December 2021.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Gross profit	13.457	540.442
2 Staff costs	-930.306	-924.876
Amortisation and impairment of intangible assets	-41.085	-59.762
Other operating expenses	-16.000	0
Operating profit	-973.934	-444.196
Other financial income	31.230	0
Other financial expenses	-17.871	-17.741
Pre-tax net profit or loss	-960.575	-461.937
Tax on net profit or loss for the year	29.367	16.663
Net profit or loss for the year	-931.208	-445.274
Proposed appropriation of net profit:		
Allocated from retained earnings	-931.208	-445.274
Total allocations and transfers	-931.208	-445.274

Balance sheet at 31 December

All amounts in DKK.

Assets		
Note	2021	2020
Non-current assets		
Goodwill	174.609	215.693
Total intangible assets	174.609	215.693
Other receivables	67.537	65.394
Total investments	67.537	65.394
Total non-current assets	242.146	281.087
Current assets		
Trade receivables	135.796	59.282
Receivables from group companies	1.559.159	2.182.080
Other receivables	884.827	875.014
Prepayments	0	3.864
Total receivables	2.579.782	3.120.240
Cash and cash equivalents	214.176	796.261
Total current assets	2.793.958	3.916.501
Total assets	3.036.104	4.197.588

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
Note	2021	2020
Equity		
Contributed capital	50.000	50.000
Retained earnings	1.266.232	2.197.440
Total equity	1.316.232	2.247.440
Liabilities other than provisions		
Other payables	76.580	76.580
Total long term liabilities other than provisions	76.580	76.580
Trade payables	153.503	83.490
Payables to group companies	119.399	5.153
Income tax payable	0	505.944
Other payables	1.370.390	1.278.981
Total short term liabilities other than provisions	1.643.292	1.873.568
Total liabilities other than provisions	1.719.872	1.950.148
Total equity and liabilities	3.036.104	4.197.588

- 1 Special items
- 3 Charges and security
- 4 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	50.000	2.642.714	2.692.714
Retained earnings for the year	0	-445.274	-445.274
Equity 1 January 2021	50.000	2.197.440	2.247.440
Retained earnings for the year	0	-931.208	-931.208
	50.000	1.266.232	1.316.232

Notes

All amounts in DKK.

	<u>2021</u>	<u>2020</u>
1. Special items		
The company has recognized salary compensation of T.DKK 348 from the Danish Authorities in profit and loss statement 2021.		
2. Staff costs		
Salaries and wages	845.446	842.956
Pension costs	60.737	60.737
Other costs for social security	24.123	21.183
	<u>930.306</u>	<u>924.876</u>
Average number of employees	<u>2</u>	<u>2</u>

3. Charges and security

Bank balance pledged as security for any debt to Danske Bank = DKK 100.000

4. Contingencies

Payments regarding lease of office space in the lease period up to 1 July 2022 amounts to approx DKK 100.000.

Accounting policies

The annual report for APG Scandinavia and Baltics ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Correction of prior period accounting errors

When preparing the annual report management found that revenue in annual report 2020 was not accrued correct. Also, trade receivables and trade payables was not recognized correct.

These errors are amended in annual report 2021. Correction affects both 2021 and comparative figures (2020) in annual report 2021.

The annual accounts for 2021 (and comparative figures) are affected as stated below:

- Gross profit: 0 T.DKK (+1.056 T.DKK)
- Pre-tax net profit or loss: 0 T.DKK (+1.056 T.DKK)
- Tax on net profit or loss for the year: 0 T.DKK (0 T.DKK)
- Net profit or loss for the year: 0 T.DKK (+1.056 T.DKK)
- Other receivables: 0 T.DKK (+800 T.DKK)
- Total assets: 0 T.DKK (+800 T.DKK)
- Trade payables: 0 T.DKK (-448 T.DKK)
- Equity: 0 T.DKK (+1.248 T.DKK)

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Accounting policies

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or writedown for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises revenue, other operating income, and other external expenses.

Accounting policies

Revenue is recognized when the control of the identifiable individual performance obligations have been performed satisfactorily in respect of the customer whereby the customer gains control of the service.

For “sales commission” the performance obligations are considered satisfied at the time the end client purchase occurs.

Other services are also recognized at the time the performance obligations are satisfied.

Revenue is measured at fair value of agreed remunerations, less VAT and expenses. All forms of discount are recognized in revenue.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income and expenses includes items of a secondary nature relative to the enterprise's core business.

Other external expenses comprise expenses incurred for sales, advertising, administration, premises and loss on receivables.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Accounting policies

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 10 years.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Accounting policies

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.