Deloitte
Statsautoriseret
Revisionspartnerselskab
CVR-nr. 33963556
Weidekampsgade 6
2300 København S

Phone 63 14 66 00
Fax 63 14 66 12
www.deloitte.dk

Piste Holding ApS

Nørre Voldgade 90, 1.
1358 København K
Central Business Registration
No 38181513

Annual report 01.07.2018 - 30.06.2019

The Annual General Meeting adopted the annual report on 07.11.2019

Chairman of the General Meeting

Name: Lars Schmidt

Contents

Entity details

Entity
Piste Holding ApS
Nørre Voldgade 90, 1.
1358 København K

Central Business Registration No (CVR): 38181513
Founded: 11.11.2016
Registered in: København
Financial year: 01.07.2018 - 30.06.2019

Board of Directors
Casper Lykke Pedersen, Chairman
Mikhael Peter Melander Vising-Swartz
Nikolaj Vejlsgaard
Mads Lolk Nortvig

Executive Board
Peter Fabrin

Auditors
Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Piste Holding ApS for the financial year 01.07.2018 - 30.06.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.06.2019 and of the results of its operations and cash flows for the financial year 01.07.2018 - 30.06.2019.

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

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

Copenhagen, 07.11.2019

Executive Board

Peter Fabrin

Board of Directors

Casper Lykke Pedersen Chairman	Mikhael Peter Melander Vising-Swartz	Nikolaj Vejlsgaard
Mads Lolk Nortvig		

Independent auditor's report

To the shareholders of Piste Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Piste Holding ApS for the financial year 01.07.2018 - 30.06.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 30.06.2019, and of the results of their operations and the consolidated cash flows for the financial year 01.07.2018 - 30.06.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent'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 consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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

Independent auditor's report

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 consolidated financial statements and these parent 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 consolidated financial statements and the parent 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 Group’s and the Parent’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 consolidated financial statements and the parent 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 Group's and the Parent’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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Independent auditor's report

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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, 07.11.2019

Deloitte
Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Tim Kjær-Hansen
State Authorised Public Accountant
Identification No (MNE) mne23295

Jacob Tække Nørgaard
State Authorised Public Accountant
Identification No (MNE) mne40049

Management commentary

	2018/19 DKK'000	2018 DKK'000	2016/18 DKK'000
Financial highlights			
Key figures			
Revenue	692.707	1.055	1.329.467
Gross profit/loss	93.523	(7.081)	191.033
Operating profit/loss	(33.225)	(19.628)	26.626
Net financials	(12.492)	(1.677)	(7.613)
Profit/loss for the year	(35.688)	(17.442)	6.968
Profit/loss excl minority interests	(35.552)	(17.272)	6.752
Total assets	410.261	479.738	498.534
Investments in property, plant and equipment	4.309	174	23.626
Equity	155.329	191.017	208.594
Equity excl minority interests	153.909	189.461	206.733
Ratios			
Gross margin (%)	13,5	(671,2)	14,4
Net margin (%)	(5,2)	(1.653,3)	0,5
Return on equity (%)	(20,7)	(8,7)	3,3
Equity ratio (%)	37,5	39,5	41,5

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios	**Calculation formula**	**Calculation formula reflects**
Gross margin (%)	$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$	The entity's operating gearing.
Net margin (%)	$\frac{\text{Profit/loss for the year x 100}}{\text{Revenue}}$	The entity's operating profitability.
Return on equity (%)	$\frac{\text{Profit/loss excl minority interests x 100}}{\text{Average equity excl minority interests}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity excl minority interests x 100}}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The activities of the Piste Group consist in the sale of ski- and active holiday travel products in Denmark, Sweden and Norway through the Nortlander, Danski, Slopetrotter, ActiveAlps and SummitWeek trademarks and its own hotel activities at the destinations. The Company runs its business through several subsidiaries and a branch in France.

Development in activities and finances

The financial statements covers the period from 01.07.2018 until 30.06.2019 whereas the comparable figures only covers the period 01.05.2017 to 30.04.2018. Thus, it is not possible to compare the periods.
In the beginning of the year the group disposed of the Bar division without significant impact on the profit for the year.

The revenue is realized to an amount of DKK 692.707 thousand and EBITDA ended on DKK 11.476 thousand. EBITDA is influenced by certain one-off cost.

Result before tax totals DKK (45.717) thousand, whereas result for the period after tax totals DKK (35.688) thousand. The result before tax is negatively influenced by a write down of DKK 11.763 thousand on intangibles assets related to software as a new license/cloud-based booking system has implemented during May 2019.

The result is not considered satisfactory.

Expectations for next financial year

Although the group is still in the beginning of the strategy initiated in 2018/19 the implemented changes to organization, new booking system, common procedures, disposal of the Bar division and other are considered to have significant impact on 2019/20 and thus management expect a profit for the next financial year in the level of DKK 17.000 - 27.000 thousand.

Capital resources and funding

The Group has a solid relationship with the main bank. During financial year 2018/19 the main bank prolonged the long- and short-term financing of the Group on an un-committed basis with next renegotiation in August 2020.

Based on the budget for the financial year 2019/2020 Management believes that the Group's capital resources, and funding are to be considered acceptable for the Group's needs in 2019/20.

Uncertainty relating to recognition and measurement

Goodwill and trademarks are measured at cost less accumulated amortization and impairment. Management has assessed indication of impairment based on expected earnings. The expected earnings are based on estimates as well as expected future events and is thus subject to uncertainty.

Management commentary

Special risks – operating and financial risks

Operations

Apart from the mere business risk involved, which is e.g. effect on the customer's travel behaviour as a result of acts of war and terror attacks, natural disasters etc, the Company does not face any unusual risks.

Currency risks

Currencies in SEK and NOK constitute a risk to the Company, which it attempts to minimise through forward contracts when the Company assesses this to be optimal.

Interest rate risks

The interest rate risk of the Company's bank loans are not hedged.

Other risks

The Company attempts to minimise the risks involved in concluding guaranteed contracts on transportation and accommodation by diversifying the Group's sales activities at markets, distribution channels and trade-marks.

Statutory report on corporate social responsibility

Statutory report on the underrepresented gender

On a day-to-day basis, the Group is engaged in corporate social responsibility (CSR) as a natural part or our way of running a business. According to ÅRL §99a Piste Holding ApS has decided to present its current CSR statement at https://pistegroup.com/csr/

The under-represented gender in Management

The Board of Directors has agreed on an objective and a policy for equal representation of the genders in the Board of Directors. The objective is that the share of female board representation must be at least 20% by 2022 at the latest. The policy is that a female representative is to be selected among the candidates in connection with replacement or appointment of board members. At present, the board members appointed by the Annual General Meeting are four males and no females. The target figure has thus not been achieved during the financial year, as no replacements have been made to the Board of Directors members appointed by the Annual General Meeting.

It is the policy of the Group that management positions must be filled by the most qualified candidates, and at the same time we wish to upskill female management talents. The actual way of implementing the policy is to identify talents and discuss management ambitions at staff development interviews. We offer manage-ment courses etc. to qualified candidates of both genders. In connection with recruitment processes, we encourage candidates of both genders to apply. The current gender ratio among other management levels (not the Executive Board) in the Group is nine males and two females.

Management commentary

We will continue to focus on improving the gender ratio and, if necessary, take further initiatives in the long run.

Uncertainty relating to recognition and measurement

No uncertainties have been identified in relation to recognition and measurement in the annual report.

Unusual circumstances

The Company’s financial position at 30 June 2019 and its financial performance for 2018/19 have not been affected by unusual circumstances.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2018/19

	Notes	2018/19 DKK'000	2018 DKK'000
Revenue	1	692.707	1.055
Other operating income		0	1.520
Cost of sales		(546.485)	(3.100)
Other external expenses	2	(52.699)	(6.556)
Gross profit/loss		**93.523**	**(7.081)**
Staff costs	3	(82.047)	(7.625)
Depreciation, amortisation and impairment losses	4	(44.701)	(4.922)
Operating profit/loss		**(33.225)**	**(19.628)**
Other financial income	5	2.429	124
Other financial expenses	6	(14.921)	(1.801)
Profit/loss before tax		**(45.717)**	**(21.305)**
Tax on profit/loss for the year	7	10.029	3.863
Profit/loss for the year	8	**(35.688)**	**(17.442)**

Consolidated balance sheet at 30.06.2019

	Notes	2018/19 DKK'000	2018 DKK'000
Completed development projects		2.644	11.015
Acquired intangible assets		5.073	18.340
Acquired trademarks		229.179	242.326
Goodwill		133.937	145.791
Development projects in progress		0	0
Intangible assets	9	**370.833**	**417.472**
Land and buildings		2.557	2.571
Other fixtures and fittings, tools and equipment		11.400	16.854
Leasehold improvements		146	184
Property, plant and equipment	10	**14.103**	**19.609**
Deposits		2.809	1.896
Deferred tax	13	0	6.484
Fixed asset investments	11	**2.809**	**8.380**
Fixed assets		**387.745**	**445.461**
Raw materials and consumables		325	2.079
Manufactured goods and goods for resale		0	603
Inventories		**325**	**2.682**
Trade receivables		3.417	2.403
Other receivables		11.125	13.953
Income tax receivable		0	392
Prepayments	12	2.802	9.314
Receivables		**17.344**	**26.062**
Cash		**4.847**	**5.533**
Current assets		**22.516**	**34.277**
Assets		**410.261**	**479.738**

Consolidated balance sheet at 30.06.2019

	Notes	2018/19 DKK'000	2018 DKK'000
Contributed capital		300	300
Share premium		199.250	199.250
Retained earnings		(45.641)	(10.089)
Equity attributable to the Parent's owners		**153.909**	**189.461**
Share of equity attributable to minority interests		**1.420**	**1.556**
Equity		**155.329**	**191.017**
Deferred tax	13	36.407	56.439
Provisions		**36.407**	**56.439**
Subordinate loan capital		53.392	42.267
Bank loans		71.000	4.500
Non-current liabilities other than provisions	14	**124.392**	**46.767**
Bank loans		64.846	146.550
Finance lease liabilities		33	57
Trade payables		6.241	6.760
Other payables		11.115	18.013
Deferred income	15	11.898	14.135
Current liabilities other than provisions		**94.133**	**185.515**
Liabilities other than provisions		**218.525**	**232.282**
Equity and liabilities		**410.261**	**479.738**
Unrecognised rental and lease commitments	17		
Contingent liabilities	18		
Transactions with related parties	19		
Subsidiaries	20		

Consolidated statement of changes in equity for 2018/19

	Contributed capital DKK'000	Share premium DKK'000	Retained earnings DKK'000
Equity beginning of year	300	199.250	(10.089)
Profit/loss for the year	0	0	(35.552)
Equity end of year	**300**	**199.250**	**(45.641)**

	Share of equity attributable to minority interests DKK'000	Total DKK'000
Equity beginning of year	1.556	191.017
Profit/loss for the year	(136)	(35.688)
Equity end of year	**1.420**	**155.329**

Consolidated cash flow statement for 2018/19

	Notes	2018/19 DKK'000	2018 DKK'000
Operating profit/loss		(33.225)	(19.605)
Amortisation, depreciation and impairment losses		44.701	0
Working capital changes	16	1.030	2.279
Other adjustments		(1.667)	4.793
Cash flow from ordinary operating activities		**10.839**	**(12.533)**
Financial income received		2.429	124
Financial expenses paid		(13.796)	(1.801)
Income taxes refunded/(paid)		(2.253)	(537)
Cash flows from operating activities		**(2.781)**	**(14.747)**
Acquisition etc of intangible assets		(5.375)	0
Acquisition etc of property, plant and equipment		(4.309)	(659)
Sale of property, plant and equipment		0	816
Change in deposits		(913)	1.256
Cash from sale of enterprises		17.920	0
Cash flows from investing activities		**7.323**	**1.413**
Loans raised		20.000	0
Repayments of loans etc		(24.000)	(20.000)
Reduction of lease commitments		(24)	0
Cash increase of capital		0	30.498
Overdraft on credit facilities		(1.204)	0
Cash flows from financing activities		**(5.228)**	**10.498**
Increase/decrease in cash and cash equivalents		**(686)**	**(2.836)**
Cash and cash equivalents beginning of year		5.533	8.369
Cash and cash equivalents end of year		**4.847**	**5.533**

Notes to consolidated financial statements

	2018/19 DKK'000	2018 DKK'000
1. Revenue		
Denmark	656.676	362
France	14.442	216
Sweden	21.589	477
	692.707	**1.055**

	2018/19 DKK'000	2018 DKK'000
2. Fees to the auditor appointed by the Annual General Meeting		
Statutory audit services	983	542
Other assurance engagements	17	52
Tax services	573	0
Other services	25	84
	1.598	**678**

	2018/19 DKK'000	2018 DKK'000
3. Staff costs		
Wages and salaries	75.068	7.343
Pension costs	284	70
Other social security costs	3.016	212
Other staff costs	5.174	0
Staff costs classified as assets	(1.495)	0
	82.047	**7.625**
Average number of employees	**259**	**115**

Remuneration of management is not disclosed in accordance with the Danish Financial Statement Act §98b.

	2018/19 DKK'000	2018 DKK'000
4. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	23.959	3.999
Impairment losses on intangible assets	11.763	0
Depreciation of property, plant and equipment	8.979	923
	44.701	**4.922**

Notes to consolidated financial statements

	2018/19 DKK'000	2018 DKK'000
5. Other financial income		
Other interest income	392	124
Exchange rate adjustments	2.037	0
	2.429	**124**

	2018/19 DKK'000	2018 DKK'000
6. Other financial expenses		
Other interest expenses	12.587	1.801
Exchange rate adjustments	2.334	0
	14.921	**1.801**

	2018/19 DKK'000	2018 DKK'000
7. Tax on profit/loss for the year		
Current tax	813	(1.247)
Change in deferred tax	(13.548)	(2.616)
Adjustment concerning previous years	2.706	0
	(10.029)	**(3.863)**

	2018/19 DKK'000	2018 DKK'000
8. Proposed distribution of profit/loss		
Retained earnings	(35.552)	(17.272)
Minority interests' share of profit/loss	(136)	(170)
	(35.688)	**(17.442)**

Notes to consolidated financial statements

	Completed develop-ment projects DKK'000	Acquired intangible assets DKK'000	Acquired trademarks DKK'000	Goodwill DKK'000
9. Intangible assets				
Cost beginning of year	12.447	18.340	263.160	159.887
Transfers	1.695	(192)	0	192
Additions	5.375	0	0	0
Disposals	0	(13.075)	0	(3.537)
Cost end of year	**19.517**	**5.073**	**263.160**	**156.542**
Amortisation and impairment losses beginning of year	(1.432)	0	(20.834)	(14.096)
Transfers	(1.695)	0	0	0
Impairment losses for the year	(11.763)	0	0	0
Amortisation for the year	(1.983)	0	(13.147)	(8.829)
Reversal regarding disposals	0	0	0	320
Amortisation and impairment losses end of year	**(16.873)**	**0**	**(33.981)**	**(22.605)**
Carrying amount end of year	**2.644**	**5.073**	**229.179**	**133.937**

	Develop-ment projects in progress DKK'000
9. Intangible assets	
Cost beginning of year	0
Transfers	(5.374)
Additions	5.374
Disposals	0
Cost end of year	**0**
Amortisation and impairment losses beginning of year	0
Transfers	0
Impairment losses for the year	0
Amortisation for the year	0
Reversal regarding disposals	0
Amortisation and impairment losses end of year	**0**
Carrying amount end of year	**0**

Notes to consolidated financial statements

Amortization period for Acquired Intangible assets (rights and obligations) is based on that the acquired rights and obligations are of strategical nature, has a strong market position and the long-term earning history. Amortization period is assessed to be 20 years.

Amortization period for Goodwill is based on that the strategical importance of the acquired entities, the strong market position, and the long-term earnings history. Amortization period is assessed to be 20 years.

Completed development projects consists of the new booking software.
Management expect that the system will completely replace the old bookingsystem, as to why the old system is impaired and written down to 0.

	Land and buildings DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
10. Property, plant and equipment			
Cost beginning of year	2.595	23.783	227
Additions	0	4.309	0
Disposals	0	(4.036)	0
Cost end of year	**2.595**	**24.056**	**227**
Depreciation and impairment losses beginning of year	(24)	(6.929)	(43)
Depreciation for the year	(14)	(8.927)	(38)
Reversal regarding disposals	0	3.200	0
Depreciation and impairment losses end of year	**(38)**	**(12.656)**	**(81)**
Carrying amount end of year	**2.557**	**11.400**	**146**

	Deposits DKK'000	Deferred tax DKK'000
11. Fixed asset investments		
Cost beginning of year	1.896	6.484
Additions	913	(6.484)
Cost end of year	**2.809**	**0**
Carrying amount end of year	**2.809**	**0**

12. Prepayments

Prepayments comprise incurred costs relating to subsequent financial year.

Notes to consolidated financial statements

	2018/19 DKK'000
13. Deferred tax	
Changes during the year	
Beginning of year	49.955
Recognised in the income statement	(13.548)
End of year	**36.407**

	Outstanding after 5 years DKK'000
14. Liabilities other than provisions	
Subordinate loan capital	0
Bank loans	0
	0

15. Short-term deferred income

Short-term deferred income consist of prepayments from customers.

	2018/19 DKK'000	2018 DKK'000
16. Change in working capital		
Increase/decrease in inventories	2.357	(462)
Increase/decrease in receivables	8.322	10.145
Increase/decrease in trade payables etc	(9.649)	(7.404)
	1.030	**2.279**

	2018/19 DKK'000	2018 DKK'000
17. Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	**107.179**	**632.989**

The company has entered a rent agreement entailling a rent commitment of DKK’000 107.179 at 30.06.2019.

18. Contingent liabilities

At present, the Group is party to various claims/cases. Among others the Group has received assessments by Danish and foreign tax authorities related to VAT and Personal Income tax. Further some of the Groups entities are currently part of a transfer pricing audit for the years 2014/15 - 2016/17.

Management has evaluated the various claims/cases together with the groups advisors. For the majority of the raised claims a liability is recognised in the balance sheet at year-end according to the claim. For some claims management disagrees with the claim and thus no provision is made. For such claims/cases and the ongoing transfer pricing audit the final outcome in uncertain.

Notes to consolidated financial statements

At present, the group is party to pending cases with the Danish tax authorities. The cases in which the Danish tax authorities have raised a claim at the balance sheet date such claims have been recognised in the balance sheet as a liability.

19. Transactions with related parties
Only related party transactions not conducted on an arm’s length basis are disclosed in this note.
No such transactions have been conducted in the financial year.

	Registered in	Corporate form	Equity interest %
20. Subsidiaries			
Piste Holding ApS	Denmark	ApS	100,0
Piste Group ApS	Denmark	ApS	99,6
Skinetworks ApS	Denmark	ApS	100,0
Alp Airservice ApS	Denmark	ApS	100,0
Danski Air ApS	Denmark	ApS	100,0
NLAIRSERVICE ApS	Denmark	ApS	100,0
Service Alp ApS	Denmark	ApS	100,0
Nortlander Tour AB	Sweden	AB	100,0
RollinSnow AB	Sweden	AB	100,0
Skinetworks Hotels ApS	Denmark	ApS	100,0
France Invest ApS	Denmark	ApS	100,0
Scan Ski France SARL	France	SARL	100,0
Hotel Le Mont Prorel SARL	France	SARL	100,0
Nortlander Club Hotels SARL	France	SARL	100,0
Danski Hotels France SARL	France	SARL	100,0
Skinetworks Hotel Austria GmbH	Switzerland	GmbH	100,0
NSA af 17. oktober 2017 A/S under frivillig likvidation	Denmark	A/S	100,0
S.R. Holding A/S under frivillig likvidation	Denmark	A/S	100,0
DSA af 17. oktober 2017 ApS under frivillig likvidation	Denmark	ApS	100,0

Parent income statement for 2018/19

	Notes	2018/19 DKK'000	2018 DKK'000
Other external expenses		(410)	(60)
Operating profit/loss		**(410)**	**(60)**
Other financial income	1	3.253	114
Impairment losses on financial assets		(44.484)	0
Other financial expenses	2	(3.138)	(270)
Profit/loss before tax		**(44.779)**	**(216)**
Tax on profit/loss for the year	3	44	47
Profit/loss for the year	4	**(44.735)**	**(169)**

Parent balance sheet at 30.06.2019

	Notes	2018/19 DKK'000	2018 DKK'000
Investments in group enterprises		153.909	198.393
Receivables from group enterprises		53.029	42.000
Deferred tax	6	106	91
Fixed asset investments	5	**207.044**	**240.484**
Fixed assets		**207.044**	**240.484**
Receivables from group enterprises		0	177
Joint taxation contribution receivable		29	0
Receivables		**29**	**177**
Cash		**711**	**819**
Current assets		**740**	**996**
Assets		**207.784**	**241.480**

Parent balance sheet at 30.06.2019

	Notes	2018/19 DKK'000	2018 DKK'000
Contributed capital	7	300	300
Share premium		199.250	199.250
Retained earnings		(45.324)	(589)
Equity		**154.226**	**198.961**
Subordinate loan capital		53.392	42.267
Non-current liabilities other than provisions	8	**53.392**	**42.267**
Payables to group enterprises		0	59
Other payables		166	193
Current liabilities other than provisions		**166**	**252**
Liabilities other than provisions		**53.558**	**42.519**
Equity and liabilities		**207.784**	**241.480**
Contingent liabilities	9		
Related parties with controlling interest	10		
Transactions with related parties	11		

Parent statement of changes in equity for 2018/19

	Contributed capital DKK'000	Share premium DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	300	199.250	(589)	198.961
Profit/loss for the year	0	0	(44.735)	(44.735)
Equity end of year	**300**	**199.250**	**(45.324)**	**154.226**

Notes to parent financial statements

	2018/19 DKK'000	2018 DKK'000
1. Other financial income		
Other financial income	3.253	114
	3.253	**114**

	2018/19 DKK'000	2018 DKK'000
2. Other financial expenses		
Other interest expenses	3.138	270
	3.138	**270**

	2018/19 DKK'000	2018 DKK'000
3. Tax on profit/loss for the year		
Change in deferred tax	(15)	(47)
Adjustment concerning previous years	(29)	0
	(44)	**(47)**

	2018/19 DKK'000	2018 DKK'000
4. Proposed distribution of profit/loss		
Retained earnings	(44.735)	(169)
	(44.735)	**(169)**

	Investments in group enterprises DKK'000	Receivables from group enterprises DKK'000	Deferred tax DKK'000
5. Fixed asset investments			
Cost beginning of year	198.393	42.000	91
Additions	0	11.029	15
Cost end of year	**198.393**	**53.029**	**106**
Impairment losses for the year	(44.484)	0	0
Impairment losses end of year	**(44.484)**	**0**	**0**
Carrying amount end of year	**153.909**	**53.029**	**106**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

Notes to parent financial statements

6. Deferred tax

The deferred tax asset relates to tax loss carry-forwards which can be utilized in the joint taxation with Piste Holding ApS. Management expects that the deferred tax asset will be utilized within the near future.

	Number	Par value DKK'000	Nominal value DKK'000
7. Contributed capital			
A-Shares	30.000.000	0,00001	300
	30.000.000		**300**

	Outstanding after 5 years DKK'000
8. Liabilities other than provisions	
Subordinate loan capital	0
	0

9. Contingent liabilities

The Entity serves as the 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 to pay income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

The Entity has pledged its shares in subsidiaries Piste Group ApS to an amount of 153.909 TDKK as security for Skinetworks ApS and Piste Group ApS to debt towards Piste Holding ApS main bank.

10. Related parties with controlling interest

No related parties with controlling interest.

11. Transactions with related parties

Only related party transactions not conducted on an arm’s length basis are disclosed in the annuel report.

Piste Holding ApS is administrated by personel employed in a subsidiary, the time and amount can not be estimated reliable and the time used is insignificant.

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

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

Non-comparability
Due to changes in the financial period last year, this is the first full financial year in the new period. Hence the comparative figures are not comparable because they only cover two months.

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.

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' proportionate share of profit or loss is presented as a separate item in Management's proposal for distribution of profit or loss, and their share of subsidiaries' net assets is presented as a separate item in group equity.

Accounting policies

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries which are considered part of the total investment in the subsidiary in question are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate of the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement
Revenue
Revenue from the vacations and other services sold to the customer as part of the standard business is recognised in the income statement at the time of departure. However, commission from the sale of cancellation insurance is recognised at the time of payment.

Revenue is recognised net of VAT, duties and sales discounts.

Other operating income
Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Accounting policies

Cost of sales
Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

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

Staff costs
Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses
Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the indicidual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

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 interest income, including interest income on receivables from group enterprises, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet
Goodwill
Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortised straight-line over its estimated useful life which is fixed based on Management experience with the industry. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile, the level of the employee turnover rate and whether the amount of goodwill includes intangible

Accounting policies

resources of a temporary nature that cannot be separated and recognised as separate assets.

The amortisation periods used are 20 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc
Intellectual property rights etc. comprise acquired trademarks and development cost.

Trademarks
Intellectual property rights acquired are measured at cost less accumulated amortisation. Trademarks are amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each trademark. Useful life is further determined based on an assessment of whether the trademark are strategically, the marked position and a long-term earnings history.

The amortisation periods used are 20 years.

Development cost
Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Accounting policies

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-manufactured assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset’s fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	50 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

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

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

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

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 calculated on this year's taxable income, adjusted for prepaid tax.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Accounting policies

Cash
Cash comprises cash in hand and bank deposits.

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

Finance lease liabilities
Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

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

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises and fixed asset investments as well as purchase, development, improvement and sale.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, instalments on interest-bearing debt, purchase of treasury shares.

Cash and cash equivalents comprise cash.