Aclass Holding ApS

Gammeltorv 18
1457 København K
CVR No. 38715992

Annual report 2020

The Annual General Meeting adopted the annual report on 24.02.2021

Kurt Kvorning
Chairman of the General Meeting

Contents

Entity details

Entity

Aclass Holding ApS

Gammeltorv 18

1457 København K

Business Registration No.: 38715992

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

Executive Board

Niels Garde Toft

Kasper Skovgaard Kristensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Aclass Holding ApS for the financial year 01.01.2020 - 31.12.2020

The annual report is presented 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 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020.

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, 24.02.2021

Executive Board

Niels Garde Toft **Kasper Skovgaard Kristensen**

Independent auditor's report

To the shareholders of Aclass Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Aclass Holding ApS for the financial year 01.01.2020 - 31.12.2020, 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 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the 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 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 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 Entity’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the 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 Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the 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 and 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.

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, 24.02.2021

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Bjørn Winkler Jakobsen
State Authorised Public Accountant
Identification No (MNE) mne32127

Ane Sachs Aasand
State Authorised Public Accountant
Identification No (MNE) mne42783

Management commentary

Financial highlights

	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000
Key figures				
Revenue	108,117	390,965	373,232	311,812
Gross profit/loss	20,021	51,786	55,247	20,254
Operating profit/loss	(14,443)	7,605	13,868	4,197
Net financials	(2,130)	(2,813)	(2,015)	(2,883)
Profit/loss for the year	(15,583)	1,056	6,542	(230)
Balance sheet total	266,208	346,171	356,772	348,114
Investments in property, plant and equipment	0	382	1,367	772
Equity	152,381	168,657	169,418	148,556
Ratios				
Gross margin (%)	18.52	13.25	14.80	6.50
Net margin (%)	(14.41)	0.27	1.75	(0.07)
Return on equity (%)	(4.14)	0.62	4.11	(0.20)
Equity ratio (%)	57.24	48.72	47.49	42.67

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

Gross margin (%):
Gross profit/loss * 100
Revenue

Net margin (%):
Profit/loss for the year * 100
Revenue

Return on equity (%):
Profit/loss for the year * 100
Average equity

Equity ratio (%):
Equity * 100
Balance sheet total

Primary activities
The Group's activities consist of arranging travels etc., whereas the Company's activities comprise investing and holding shares in other enterprises.

Development in activities and finances
The Company is the Ultimate Parent of Aclass Group and has the Danish private equity fund Maj Invest Equity 5 K/S as principal shareholder.

The Company's income statement for 2020 showed a loss before tax of DKK 16,574k and the balance sheet at 31 December 2020 showed equity of DKK 152,381k.

Profit/loss for the year in relation to expected developments
The financial performance of the Company were heavily negatively affected by an external event, the outbreak of the Coronavirus decease (Covid19).

The Company has received Covid-19 help packages primarily from Denmark. Such packages included the use of the general salary compensation schemes and compensation for fixed costs as well as specific help packages for the Travel Industry. The help packages have contributed to the Company's Covid-19 crisis management, including securing jobs.

As a result, the realized results for the year were also heavily affected by Covid19 and therefore not in accordance with Management's expectations for the financial year and the budget prepared.

Uncertainty relating to recognition and measurement
For additional information on material accounting estimates and assessments applied in connection with the preparation of the consolidated and parent financial statements, we also refer to note 7 in the consolidated financial accounts and note 3 in the parent financial statements.

Outlook
The outbreak of the Coronavirus disease (COVID-19) has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to the travel industry.

The duration and impact of the COVID-19 outbreak remains unknown. Therefore, the outlook for 2021 is highly dependent on the development of Covid19 and restrictions imposed by Governments and authorities in Aclass' source markets as well as on destinations across the world. The fact that vaccine programs are rolled out globally, provides reason to believe that the travel industry can start its journey to recovery in 2021.

In 2021 Aclass will look to rebuild the business and execute on the agreed strategy. Initiatives agreed and initiated in 2020 are expected to contribute positively to the position of Aclass in the market. As a supplement to the initiatives outlined in the strategy, the importance of the work on sales, digitalisation and operational excellence throughout the organization remains important and a priority.

At present, Management is unable to make a precise estimate of the total effect of the outbreak and spread of COVID-19 on the Company and its 2021 results.

Particular risks
The Group is exposed particularly to the development in Covid-19 and other force majeure events in our source

markets and on our destinations.

The Group is also exposed to fluctuations in foreign currencies. Management is aware of this risk, which is reduced by hedging the foreign exchange rates.

Statutory report on corporate social responsibility

The primary activity of the company is to market and sell adventure package tours to destinations in Africa, Latin America and Asia under the brand names Afrika Safari, Asia Tours and Lama Tours. Our package tours involve e.g. tours for families as well as active holidays. To achieve our vision ´our customers will enjoy a holiday of alifetime', we work closely with local partners, who have extensive knowledge and experience of our destinations.

Aclass is committed to developing a profitable business with sustainable business practices in the areas where we operate. Our approach to social responsibility is inspired by the UN Global Compact principles. In the following, we will describe our activities and how we manage potential risks concerning the four areas: environment and climate, employee conditions, human rights and corruption and bribery.

Environment and climate

As a part of our core values, we work to contribute, protect and give back to the environments that we are part of. Specifically, we have initiated a project that for every travel sold, we plant 10 trees in Zambia or Brazil in cooperation with the Global Climate Initiative and WeForest. Due to Covid-19 the remaining part of the project has been postponed to later in 2021. Furthermore, we work with our partners in Tanzania to reduce the use of plastic and to ensure that plastic is recycled for e.g. production of furniture. For further information about our initiatives, please visit www.afrika-safari.dk, www.lamatours.dk and www.asiatours.dk. In relation to environment and climate, we believe it is our obligation and responsibility to care for and help to protect nature and the local environments in which we operate, including protecting wildlife at risk. We believe that our efforts in 2020 have contributed to maintaining and protecting the local environments in which we operate.

Employee conditions

We strive to create a workplace where employees are engaged and motivated, and therefore at low risk of work place stress. We have a staff manual, which states our employee-related policies and activities. Our policies cover e.g. working hours, maternity leave and information on pension and insurance. The manual forms part of our onboarding of employees, when joining the company and is available on our common network drive. In 2020 we had planned an initiation of our well-being program, which among other activities, focuses on employee engagement and well-being. The program consists of both participants from the management and the respective functions. In relation to employee conditions, we believe that general well-being is crucial to continue to attract and retain employees and drive the business forward. Due to Covid-19 we have been forced to postpone the initiation of the well-being program. The fact that we have been forced to reduce the size of the team significantly due to Covid-19 – and naturally causing some additional stress in the organisation - has made the implementation of our well-being program even more important.

Human rights and corruption and bribery.

We have chosen to describe our efforts in relation to human rights and bribery and corruption in one combined section, as we believe that these areas are related to general responsible business conduct. We believe that the primary risks related to these areas are if an employee or one of our partners would not respect fundamental human rights and/or use illegal means to obtain an unfair business advantage. This could lead to breaches of universal principles concerning human rights and corruption and bribery. We have a zero-tolerance policy towards breaches of human rights as well as any kind of corruption and bribery. We have a Code of Conduct,

which is also based on the ten principles of the UN Global Compact. The Code of Conduct is has been distributed to and must be signed by all our partners. The code of conduct outlines our commitment to operating a responsible business that complies with all applicable national laws and regulations.
Furthermore, the code of conduct is shared with all employees, when joining the company. One of the ways we have implemented our human rights commitment is to promote children's education in Tanzania, where we have worked with NGO Zara Charity in relation to the Ngorongoro Masaai Pre-School and the Ngorongoro Pre-School. In 2019 we donated 30,000 USD and contributed with other sponsors to help build the Ngorongoro Masaai Pre-School. In 2020, we have continued our monthly support for purchasing uniforms, schoolbooks and food. The Pre-Schools are placed in the Ngorongoro Conversation Area, which is home to thousands of masaais and which is also a travel destination for our Afrika-safari company. We consider this an important way of contributing to the local community and strengthening their human rights. We are not aware of any breaches in 2020 in Aclass concerning human rights or corruption and bribery.

Statutory report on the underrepresented gender

During 2020 we have changed the composition of the board because of a change in our strategic priorities following the outbreak of Covid-19. The Board now consist of three male members. Therefore, we have not realized our target of one female member of the board. Our target to achieve one female member of the board by 2023 remains.

There is not a separate policy for the underrepresented gender at other management levels, as the company has less than 50 employees.

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 2020

	Notes	2020 DKK	2019 DKK
Revenue	1	108,117,048	390,964,873
Other operating income	2	12,890,036	0
Cost of sales		(87,890,099)	(305,326,242)
Other external expenses	3	(13,096,149)	(33,852,498)
Gross profit/loss		**20,020,836**	**51,786,133**
Staff costs	4	(18,860,100)	(29,021,696)
Depreciation, amortisation and impairment losses	5	(15,603,875)	(15,159,834)
Operating profit/loss		**(14,443,139)**	**7,604,603**
Other financial income		301,872	109,810
Other financial expenses		(2,432,294)	(2,922,454)
Profit/loss before tax		**(16,573,561)**	**4,791,959**
Tax on profit/loss for the year	6	990,725	(3,736,230)
Profit/loss for the year	7	**(15,582,836)**	**1,055,729**

Consolidated balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Acquired rights		9,079,928	10,262,545
Goodwill		188,063,685	200,048,036
Intangible assets	8	**197,143,613**	**210,310,581**
Other fixtures and fittings, tools and equipment		734,265	1,094,182
Leasehold improvements		267,179	342,684
Property, plant and equipment	9	**1,001,444**	**1,436,866**
Deposits		476,499	440,436
Fixed asset investments	10	**476,499**	**440,436**
Fixed assets		**198,621,556**	**212,187,883**
Deferred tax	11	1,365,000	111,000
Other receivables	12	5,689,202	3,431,923
Tax receivable		142,798	1,763,940
Prepayments	13	7,753,816	61,482,828
Receivables		**14,950,816**	**66,789,691**
Cash	14	**52,635,684**	**67,193,875**
Current assets		**67,586,500**	**133,983,566**
Assets		**266,208,056**	**346,171,449**

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		10,750,000	10,750,000
Retained earnings		141,631,061	157,907,170
Equity		**152,381,061**	**168,657,170**
Bank loans		65,000,000	32,000,024
Other payables		4,448,007	768,188
Non-current liabilities other than provisions	15	**69,448,007**	**32,768,212**
Current portion of non-current liabilities other than provisions	15	7,000,000	15,000,000
Trade payables		1,210,131	16,816,560
Tax payable		0	234,918
Other payables		5,245,164	4,938,780
Deferred income	16	30,923,693	107,755,809
Current liabilities other than provisions		**44,378,988**	**144,746,067**
Liabilities other than provisions		**113,826,995**	**177,514,279**
Equity and liabilities		**266,208,056**	**346,171,449**
Financial instruments	18		
Unrecognised rental and lease commitments	19		
Assets charged and collateral	20		
Transactions with related parties	21		
Subsidiaries	22		

Consolidated statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	10,750,000	157,907,170	168,657,170
Exchange rate adjustments	0	(38,164)	(38,164)
Value adjustments	0	(839,883)	(839,883)
Tax of entries on equity	0	184,774	184,774
Profit/loss for the year	0	(15,582,836)	(15,582,836)
Equity end of year	**10,750,000**	**141,631,061**	**152,381,061**

Consolidated cash flow statement for 2020

	Notes	2020 DKK	2019 DKK
Operating profit/loss		(14,443,139)	7,604,603
Amortisation, depreciation and impairment losses		15,603,875	15,159,834
Working capital changes	17	(38,079,768)	6,199,899
Cash flow from ordinary operating activities		**(36,919,032)**	**28,964,336**
Financial income received		301,872	109,810
Financial expenses paid		(2,432,294)	(2,922,454)
Taxes refunded/(paid)		1,529,022	(5,850,537)
Cash flows from operating activities		**(37,520,432)**	**20,301,155**
Acquisition etc. of intangible assets		(2,001,696)	(5,482,498)
Acquisition etc. of property, plant and equipment		0	(382,475)
Acquisition of fixed asset investments		(36,063)	(8,636)
Cash flows from investing activities		**(2,037,759)**	**(5,873,609)**
Free cash flows generated from operations and investments before financing		**(39,558,191)**	**14,427,546**
Loans raised		42,000,000	0
Instalments on loans etc.		(17,000,000)	(15,000,000)
Cash flows from financing activities		**25,000,000**	**(15,000,000)**
Increase/decrease in cash and cash equivalents		**(14,558,191)**	**(572,454)**
Cash and cash equivalents beginning of year		67,193,875	67,766,329
Cash and cash equivalents end of year		**52,635,684**	**67,193,875**
Cash and cash equivalents at year-end are composed of:			
Cash		52,635,684	67,193,875
Cash and cash equivalents end of year		**52,635,684**	**67,193,875**

Notes to consolidated financial statements

1 Revenue

	2020 DKK	2019 DKK
Nordic	67,415,935	209,074,772
Other	40,701,113	181,890,101
Total revenue by geographical market	**108,117,048**	**390,964,873**
Package tour	107,980,489	390,808,488
Other	136,559	156,385
Total revenue by activity	**108,117,048**	**390,964,873**

2 Other operating income

Other operating income comprises Covid-19 help packages, incl. salary, fixed cost and cancelled trips compensation.

3 Fees to the auditor appointed by the Annual General Meeting

	2020 DKK	2019 DKK
Statutory audit services	109,250	145,750
Other assurance engagements	87,500	15,000
Tax services	64,775	40,000
Other services	98,003	185,380
	359,528	**386,130**

4 Staff costs

	2020 DKK	2019 DKK
Wages and salaries	16,854,927	25,317,264
Pension costs	1,306,313	1,996,629
Other social security costs	267,105	793,162
Other staff costs	431,755	914,641
	18,860,100	**29,021,696**

Average number of full-time employees	**37**	**51**

5 Depreciation, amortisation and impairment losses

	2020 DKK	2019 DKK
Amortisation of intangible assets	15,168,664	14,730,952
Depreciation on property, plant and equipment	435,211	428,882
	15,603,875	**15,159,834**

6 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	78,501	3,784,230
Change in deferred tax	(1,069,226)	(48,000)
	(990,725)	**3,736,230**

7 Proposed distribution of profit/loss

	2020 DKK	2019 DKK
Retained earnings	(15,582,836)	1,055,729
	(15,582,836)	**1,055,729**

8 Intangible assets

	Acquired rights DKK	Goodwill DKK
Cost beginning of year	15,560,608	229,302,026
Additions	2,001,696	0
Cost end of year	**17,562,304**	**229,302,026**
Amortisation and impairment losses beginning of year	(5,298,063)	(29,253,990)
Amortisation for the year	(3,184,313)	(11,984,351)
Amortisation and impairment losses end of year	**(8,482,376)**	**(41,238,341)**
Carrying amount end of year	**9,079,928**	**188,063,685**

The valuation of goodwill has been supported by a DCF-model prepared by managment. The following central assumption has been used to the valutaion:

- Departures, hence cashflow will start up in June 2021
- WACC 11,2%, including a company specific premium of 5%
- Growth rate 1%

Material uncertainty is attached to the statement of the fair value, and even minor changes to the key assumptions will lead to significant changes to the stated fair value – positive as well as negative.

To mitigate this uncertainty Management has prepared a sensitivty analysis that shows that WACC can increase to appox. 13% or de cashflow delayed by approx. 12 months before the goodwill investment will be impaired.

Goodwill is amortised on a straight-line basis over its estimated useful time, which is determined based on Management's experience within each business area.

When determining the amortisation period, Management has chosen to base the amortisation on useful lives, which are determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile.

It is Management's assessment that the carrying amount of goodwill embodies useful lives which are assessed to be long-term since the goodwill relates to affiliated markets where the Company has a strong market profile and continuously invests to meet the potential. Consequently, Management assesses the earnings profile to be long-term.

Based on the above, Management has assessed that it will be a fairer presentation if the amortisation period of goodwill is 20 years. Moreover, Management will reassess the useful lives so that they reflect the continuous market and earnings profile.

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

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	1,828,207	416,250
Exchange rate adjustments	(398)	0
Cost end of year	**1,827,809**	**416,250**
Depreciation and impairment losses beginning of year	(734,025)	(73,566)
Exchange rate adjustments	187	0
Depreciation for the year	(359,706)	(75,505)
Depreciation and impairment losses end of year	**(1,093,544)**	**(149,071)**
Carrying amount end of year	**734,265**	**267,179**

10 Fixed asset investments

	Deposits DKK
Cost beginning of year	440,436
Additions	36,063
Cost end of year	**476,499**
Carrying amount end of year	**476,499**

11 Deferred tax

	2020 DKK	2019 DKK
Intangible assets	197,000	103,000
Property, plant and equipment	3,000	(9,000)
Liabilities other than provisions	11,000	17,000
Tax losses carried forward	1,154,000	0
Deferred tax	**1,365,000**	**111,000**

Changes during the year	2020 DKK
Beginning of year	111,000
Recognised in the income statement	1,069,226
Recognised directly in equity	184,774
End of year	**1,365,000**

The derivative financial instruments are further described in note 18.

12 Other receivables

	2020 DKK	2019 DKK
Other receivables	5,689,202	3,431,923
	5,689,202	**3,431,923**

13 Prepayments

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

14 Cash

Of the Group's cash and cash equivalents, EUR 100,000 is provided as guarantee of the French Travel Guarantee Fond and therefore, this share of the Group's cash and cash equivalents is not disposable.

15 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK	Due within 12 months 2019 DKK	Due after more than 12 months 2020 DKK	Outstanding after 5 years 2020 DKK
Bank loans	7,000,000	15,000,000	65,000,000	7,000,000
Other payables	0	0	4,448,007	716,724
	7,000,000	**15,000,000**	**69,448,007**	**7,716,724**

16 Deferred income

Deferred income comprise incurred revenue relating to subsequent financial years.

17 Changes in working capital

	2020 DKK	2019 DKK
Increase/decrease in receivables	51,471,733	197,783
Increase/decrease in trade payables etc.	(89,551,501)	6,002,116
	(38,079,768)	**6,199,899**

18 Derivative financial instruments

Other payables include a negative fair value of the forward exchange contracts of DKK 2,365k. The forward exchange contracts have been acquired to hedge the foreign currency risk of trade payables in USD, THB, SEK, GBP, NOK and ZAR. The exchange loss has been set off against the value adjustments of the hedged payables in the income statement. The forward exchange contracts have a term of 0-11 months. The forward exchange contracts have been entered into with the Company's usual bank.

19 Unrecognised rental and lease commitments

	2020 DKK	2019 DKK
Total liabilities under rental or lease agreements until maturity	**2,797,317**	**3,376,884**

Unrecognised rental and lease commitments comprise rental commitments with a remaining contract period of 33 months. The commitment amounts to DKK 2,483k (2019: DKK 2,922k).

The remaining commitment comprises lease commitments relating to operating leases on other fixtures and fittings, tools and equipment. The commitment amounts to DKK 315k (2019: DKK 454k).

20 Assets charged and collateral

The Group has provided payment guarantees totalling DKK 13,878k. The amount is distributed as follows:
- Rejsegarantifonden, DKK 1,800k
- Hansemerkur Reiseversicherung, DKK 1,195k
- ATOL, DKK 10,011k
- Other guarantees, DKK 44k

The Group has provided its ownership interest in Aclass A/S as security for all debts to Jyske Bank. The bank debt at 31.12.2020 amounts to DKK 72,000k. The carrying amount of the investment provided as security is DKK 210.311k at 31.12.2020.

Vækstfonden has entered in as a loss guarantor in the process of obtaining the re-financing in the summer 2020. The guarantees is in accourdance with the Covid-19 state guarantee policy maximised to 80% of a loan amoutning to DKK 42,000k.

The Group has provided payment guarantees totalling DKK 10,011k to ATOL for Aclass UK Ltd's debt to ATOL.

21 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

22 Subsidiaries

	Registered in	Corporate form	Ownership %	Equity DKK	Profit/loss DKK
Aclass A/S	Aarhus, Denmark	A/S	100.0	50,728,294	(5,366,374)
ASClass GmbH	Henstedt-Ulzburg, Germany	GmbH	100.0	3,382,685	146,697
Aclass UK Ltd	Richmond, England	Ltd	100.0	701,791	95,772

Parent income statement for 2020

	Notes	2020 DKK	2019 DKK
Other external expenses		(76,563)	(31,250)
Gross profit/loss		**(76,563)**	**(31,250)**
Income from investments in group enterprises		0	15,000,000
Other financial income		1,781	0
Other financial expenses		(2,106,223)	(1,110,723)
Profit/loss before tax		**(2,181,005)**	**13,858,027**
Tax on profit/loss for the year	1	479,000	251,734
Profit/loss for the year	2	**(1,702,005)**	**14,109,761**

Parent balance sheet at 31.12.2020

Assets

	Notes	2020 DKK	2019 DKK
Investments in group enterprises		229,750,589	229,750,589
Fixed asset investments	3	**229,750,589**	**229,750,589**
Fixed assets		**229,750,589**	**229,750,589**
Deferred tax	4	496,000	17,000
Tax receivable		0	1,763,940
Receivables		**496,000**	**1,780,940**
Cash		**24,492,205**	**1,416,500**
Current assets		**24,988,205**	**3,197,440**
Assets		**254,738,794**	**232,948,029**

Equity and liabilities

	Notes	2020 DKK	2019 DKK
Contributed capital		10,750,000	10,750,000
Retained earnings		171,963,794	173,665,799
Equity		**182,713,794**	**184,415,799**
Bank loans		65,000,000	32,000,024
Non-current liabilities other than provisions	5	**65,000,000**	**32,000,024**
Current portion of non-current liabilities other than provisions	5	7,000,000	15,000,000
Trade payables		25,000	25,000
Joint taxation contribution payable		0	1,507,206
Current liabilities other than provisions		**7,025,000**	**16,532,206**
Liabilities other than provisions		**72,025,000**	**48,532,230**
Equity and liabilities		**254,738,794**	**232,948,029**
Contingent liabilities	6		
Assets charged and collateral	7		
Related parties with controlling interest	8		
Transactions with related parties	9		

Parent statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	10,750,000	173,665,799	184,415,799
Profit/loss for the year	0	(1,702,005)	(1,702,005)
Equity end of year	**10,750,000**	**171,963,794**	**182,713,794**

Notes to parent financial statements

1 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	0	(256,734)
Change in deferred tax	(479,000)	5,000
	(479,000)	**(251,734)**

2 Proposed distribution of profit and loss

	2020 DKK	2019 DKK
Retained earnings	(1,702,005)	14,109,761
	(1,702,005)	**14,109,761**

3 Fixed asset investments

	Investments in group enterprises DKK
Cost beginning of year	229,750,589
Cost end of year	**229,750,589**
Carrying amount end of year	**229,750,589**

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

The valuation of investments in group enterprises has been supported by a DCF-model prepared by management. The following central assumption has been used to the valuation:

- Departures, hence cashflow will start up in June 2021
- WACC 11,2%, including a company specific premium of
- Growth rate 1%

Material uncertainty is attached to the statement of the fair value, and even minor changes to the key assumptions will lead to significant changes to the stated fair value – positive as well as negative.

To mitigate this uncertainty Management has prepared a sensitivity analysis that shows that WACC can increase to appox. 13% or de cashflow delayed by approx. 12 months before the investments in subsidiaries will be impaired.

4 Deferred tax

	2020 DKK	2019 DKK
Provisions	11,000	17,000
Tax losses carried forward	485,000	0
Deferred tax	**496,000**	**17,000**

Changes during the year	2020 DKK
Beginning of year	17,000
Recognised in the income statement	479,000
End of year	**496,000**

A description is evident from the notes to the consolidated financial statements.

5 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK	Due within 12 months 2019 DKK	Due after more than 12 months 2020 DKK	Outstanding after 5 years 2020 DKK
Bank loans	7,000,000	15,000,000	65,000,000	7,000,000
	7,000,000	**15,000,000**	**65,000,000**	**7,000,000**

The Company has no bank debt after 5 years.

6 Contingent liabilities

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

7 Assets charged and collateral

The Company has provided its ownership interest in Aclass A/S as security for all debts to Jyske Bank. The bank debt at 31.12.2020 amounts to DKK 72,000k. The carrying amount of the investment provided as security is DKK 210.311k at 31.12.2020.

Vækstfonden has entered in as a loss guarantor in the process of obtaining the re-financing in the summer 2020. The guarantees is in accourdance with the Covid-19 state guarantee policy maximised to 80% of a loan amoutning to DKK 42,000k.

The Company has provided a guarantee for its subsidiaries' total debt to Jyske Bank. The bank debt amounts to DKK 0k at 31.12.2020.

The Company has provided payment guarantees totalling DKK 10,011k to ATOL for Aclass UK Ltd's debt to ATOL.

8 Related parties with controlling interest

Related parties with controlling interest in the Company includes:
- Maj Invest Equity 5 K/S, Gammeltorv 18, Copenhagen, holding the majority of voting rights.

9 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

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 consolidated financial statements and parent financial statements are consistent with those applied last year.

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 onsolidation, 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.

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.

Business combinations
Newly acquired or newly established enterprises are recognised in the financial statements from the time of

acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

For intra-group combinations, the uniting-of-interests method is applied. This means that the annual reports are combined as if the enterprises had been combined starting from the earliest accounting period forming part of the financial statements. The difference between the amount paid in contributed capital and any share premium plus any cash payment and the equity value of the subsidiary is clearly added to or deducted from reserves that may be used to cover losses.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually.

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.

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.

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.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of duties and sales discounts and is measured at fair value of the consideration fixed.

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

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 individual 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 dividends etc. received from the individual group enterprises in the financial year.

Other financial income
Other financial income comprises dividends etc received on other investments, interest income, including net capital gains on securities, payables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses
Other financial expenses comprise interest expenses, including net capital losses on securities, payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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

The Entity is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill
Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. 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, and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually.

It is Management's assessment that the carrying amount of goodwill embodies useful lives which are assessed to be long-term since the goodwill relates to affiliated markets where the Company has a strong market profile and continuously invests to meet the potential. Consequently, Management assesses the earnings profile to be long-term.

Based on the above, Management has assessed that it will be a fairer presentation if the amortisation period of goodwill is 20 years. Moreover, Management will reassess the useful lives so that they reflect the continuous market and earnings profile.

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

Intellectual property rights etc.
Intellectual property rights etc comprise acquired rights.

Acquired rights are measured at cost less accumulated amortisation. Rights are amortised on a straight-line basis over the estimated useful life of 5 to 10 years.

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

Property, plant and equipment
Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price and costs directly attributable to the acquisition.

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:

Other fixtures and fittings, tools and equipment	5-10 years
Leasehold improvements	5 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.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

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

Deferred tax assets, including the tax base of tax loss carry forwards, 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.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

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

Cash
Cash comprises cash in hand and bank deposits.

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 taxes paid.

Cash flows from investing activities comprise payments in connection with activities and fixed asset investments, as well as purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raise of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.