Aclass Holding ApS

Hasselager Centervej 29
8260 Viby J
CVR No. 38715992

Annual report 2021

The Annual General Meeting adopted the annual report on 23.02.2022

Kurt Kvorning
Chairman of the General Meeting

Contents

Entity details

Entity

Aclass Holding ApS
Hasselager Centervej 29
8260 Viby J

Business Registration No.: 38715992
Registered office: Aarhus
Financial year: 01.01.2021 - 31.12.2021

Executive Board

Niels Garde Toft
Jacob Dyhr Jensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of Aclass Holding ApS for the financial year 01.01.2021 - 31.12.2021.

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 31.12.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2021 - 31.12.2021.

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, 23.02.2022

Executive Board

Niels Garde Toft **Jacob Dyhr Jensen**

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 01.01.2021 - 31.12.2021, 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 31.12.2021 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 for Accountants’ International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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, 23.02.2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

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

Bo Damgaard Hansen
State Authorised Public Accountant
Identification No (MNE) mne34543

Management commentary

Financial highlights

	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000
Key figures					
Revenue	28,975	108,117	390,965	311,812	20,254
Gross profit/loss	3,879	20,021	51,786	55,247	20,254
Operating profit/loss	(22,713)	(14,443)	7,605	13,868	4,197
Net financials	(3,434)	(2,130)	(2,813)	(2,015)	(2,883)
Profit/loss for the year	(22,661)	(15,583)	1,056	6,542	(230)
Balance sheet total	250,447	266,208	346,171	356,772	348,114
Investments in property, plant and equipment	609	0	382	1,367	772
Equity	131,522	152,381	168,657	169,418	148,556
Ratios					
Gross margin (%)	13.39	18.52	13.25	17.72	100.00
Net margin (%)	(78.21)	(14.41)	0.27	2.10	(1.14)
Return on equity (%)	(15.96)	(9.71)	0.62	4.11	(0.20)
Equity ratio (%)	52.51	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 Group's income statement for 2021 showed a loss before tax of DKK 26,147k (2020: loss before tax DKK 16,574k) and the balance sheet at 31 december 2021 showed equity of DKK 131,522k.

Profit/loss for the year in relation to expected developments

The financial performance of the Group was also this year heavily negatively affected by an external event, the Covid-19 pandemic.

Early on in the pandemic, Management decided to invest in resources to service our clients best possible including repatriating every client safely and rescheduling tours to future dates where travelling is again possible. Likewise, management decided to invest in marketing and sales throughout the pandemic to attract new clients for travelling when this is again possible.

The Group has received Covid-19 compensation packages primarily from the Danish government. Such packages included compensation for fixed costs and contributed to the Group's Covid-19 crisis management, including securing jobs. The focused crisis management, the compensation for fixed cost, and an increased activity level compared to the latter part of 2020, means that the group has managed to maintain a solid cash position as well as the organizational flexibility to scale the business when needed.

Despite receiving compensation for fixed costs throughout the year, the realized results for the year were still heavily affected by Covid-19 and especially travel restrictions imposed by Governments across our source markets. The results are not in accordance with Management's expectations for the financial year .

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

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 and still affects the industry almost 2 years after the outbreak. We have remained in close contact with all our partners across the world throughout the pandemic. The vast majority of our partners are still in good shape and ready to take on business when activity increases. Furthermore, we have seen a positive development on the availability of flights, and we see early signs that the airline industry is heading towards recovery and reverting to its way of doing business as before the pandemic.

The outlook for 2022 remains positive. It is expected that high infection rates combined with the roll out of vaccine programs across the world will see the effect of Covid-19 virus decline in 2022, although the risk of another wave in 2022 remains.

Obviously, the outlook for 2022 is still dependent on the development of Covid-19 and how fast Governments ease restrictions in The Group's source markets as well as on destinations across the world and not least how fast the desire to travel returns to the consumers. The development in Q4-2021 - when restrictions were slightly eased - provides reason to believe that the travel industry can start its journey to recovery in 2022.

In 2022 Aclass will continue to rebuild the business and execute on the agreed strategy. Initiatives agreed and initiated in 2021 are expected to contribute positively to the position of the Group in the market. As a supplement to the initiatives outlined in the strategy, the efforts that are being made within sales and regarding operational excellence throughout the organization remain of high importance and a priority.

Despite the uncertainties still present for 2022, the management expects to see the result before tax significantly better than in 2021, which means a result in the range of DKK 0m to DKK 5m after tax.

Statutory report on corporate social responsibility

The primary activity of the Group 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 a lifetime', 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 current activities and how we manage potential risks concerning the four areas: environment and climate, employee conditions, human rights and corruption and bribery. In Aclass we are very aware of the importance of an ESG strategy and it is a strategic priority to making ESG as part of our DNA in the years to come.

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 was postponed to the end of 2021 and will continue during the first 6 months of 2022. 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 2021, despite being influenced by the outbreak of Covid-19, still 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 2022 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. Therefor the well-being program will be back on the list of priorities during the coming year.

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 2021 we have continued our monthly support to the Pre-school and we have donated $2,000 to the purchase of a vehicle that can take teachers and students safely from the homes to the school. 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 2021 in Aclass concerning human rights or corruption and bribery.

Statutory report on the underrepresented gender

During 2021 there has been no changes to the board because of the impact of the outbreak of Covid-19. The focus in the board is to get the business back on track before considering making changes to the board. The Board still 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 2024 remains.

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

Statutory report on data ethics policy

At Aclass, we have an extensive focus on how we handle data. We place a high value on our moral obligation to treat data with respect and transparency.

In line with increased focus on the protection of personal data and data in general, Aclass also hold a very strong focus on treating data ethically correct. Not only in accordance with applicable law, but also in line with our own moral compass.

Data ethics in Aclass is based on following core areas: customer data, internal processes and how we act in relation to the outside world.

Our customers are always able request and gain insight to the personal information we store about them and how we process this information. We work continuously with optimization of the information structure, so that we thereby ensure a continuous overview and increased transparency towards our customers.

To achieve this, we have a continuous focus on which information we store and which information we pass on to

3rd parties. Only information that is necessary for the journey to be completed will be passed on. Likewise, we have an ongoing focus on deleting personal information and other data that is no longer relevant to us. The ongoing focus on this is to ensure that Aclass do not store more information about our customers than necessary.

Our employees hold a huge responsibility for the trust and transparency, in which we are highly focused on having towards our customers and partners, in terms of handling data in a responsible way. Therefore, we continuously focus on optimizing our internal data policies. We are dedicated to ensures that we follow a common path and operate within our moral compass. We continuously train employees in GDPR and have established a clear procedure for protecting customers' data in the event of misuse or leakage of system data. At Aclass we have high protection of employees' private information and we have ensured consent to share specified personal data such as pictures on websites, which may be revoked at any time. All new employees receive a thorough introduction to our internal systems, as well as an introduction to our data policy and the ethical framework within which we operate. Our goal is for our moral compass to keep being a part of our corporate culture and not just a written statement.

We operate worldwide and are aware of our responsibilities according to the moral obligations we have in terms of sharing the data we handle. We have signed data processor agreements with all relevant 3rd parties and our database is regularly updated with changes or when new agreements are being made

Statutory report on corporate governance

The majority owner of Aclass Holding is the private equity fund: Maj Invest Equity 5 K/S, which is a member of DVCA. As a private equity portfolio owned company, Aclass Holding generally follows DVCA's recommendations, except that the company based on its size, has not established an audit committee. These tasks are handled by the Executive Board.

Refer to www.DVCA.dk for more information about the guidelines.

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 2021

	Notes	2021 DKK	2020 DKK
Revenue	1	28,974,971	108,117,048
Other operating income	2	5,288,068	12,890,036
Cost of sales		(19,500,920)	(87,890,099)
Other external expenses	3	(10,883,324)	(13,096,149)
Gross profit/loss		**3,878,795**	**20,020,836**
Staff costs	4	(10,754,234)	(18,860,100)
Depreciation, amortisation and impairment losses	5	(15,837,376)	(15,603,875)
Operating profit/loss		**(22,712,815)**	**(14,443,139)**
Other financial income		8,222	301,872
Other financial expenses		(3,442,038)	(2,432,294)
Profit/loss before tax		**(26,146,631)**	**(16,573,561)**
Tax on profit/loss for the year	6	3,485,306	990,725
Profit/loss for the year	7	**(22,661,325)**	**(15,582,836)**

Consolidated balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Acquired rights		6,296,400	9,079,928
Goodwill		176,079,333	188,063,685
Intangible assets	8	**182,375,733**	**197,143,613**
Other fixtures and fittings, tools and equipment		535,378	734,265
Leasehold improvements		353,095	267,179
Property, plant and equipment	9	**888,473**	**1,001,444**
Deposits		491,258	476,499
Financial assets	10	**491,258**	**476,499**
Fixed assets		**183,755,464**	**198,621,556**
Deferred tax	11	4,396,021	1,365,000
Other receivables	12	5,618,983	5,689,202
Tax receivable		248,145	142,798
Prepayments	13	16,426,934	7,753,816
Receivables		**26,690,083**	**14,950,816**
Cash		**40,001,237**	**52,635,684**
Current assets		**66,691,320**	**67,586,500**
Assets		**250,446,784**	**266,208,056**

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		10,750,000	10,750,000
Retained earnings		120,772,053	141,631,061
Equity		**131,522,053**	**152,381,061**
Other provisions	14	461,000	0
Provisions		**461,000**	**0**
Bank loans		38,000,000	65,000,000
Other payables		3,828,532	4,448,007
Non-current liabilities other than provisions	15	**41,828,532**	**69,448,007**
Current portion of non-current liabilities other than provisions	15	17,542,686	7,000,000
Trade payables		3,330,053	1,210,131
Other payables		5,367,216	5,245,164
Deferred income	16	50,395,244	30,923,693
Current liabilities other than provisions		**76,635,199**	**44,378,988**
Liabilities other than provisions		**118,463,731**	**113,826,995**
Equity and liabilities		**250,446,784**	**266,208,056**
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 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	10,750,000	141,631,061	152,381,061
Exchange rate adjustments	0	45,858	45,858
Value adjustments	0	2,251,870	2,251,870
Tax of entries on equity	0	(495,411)	(495,411)
Profit/loss for the year	0	(22,661,325)	(22,661,325)
Equity end of year	**10,750,000**	**120,772,053**	**131,522,053**

Consolidated cash flow statement for 2021

	Notes	2021 DKK	2020 DKK
Operating profit/loss		(22,712,815)	(14,443,139)
Amortisation, depreciation and impairment losses		15,837,376	15,603,875
Other provisions		461,000	0
Working capital changes	17	15,193,714	(38,079,768)
Cash flow from ordinary operating activities		**8,779,275**	**(36,919,032)**
Financial income received		8,222	301,872
Financial expenses paid		(3,442,038)	(2,432,294)
Taxes refunded/(paid)		0	1,529,022
Cash flows from operating activities		**5,345,459**	**(37,520,432)**
Acquisition etc. of intangible assets		(355,768)	(2,001,696)
Acquisition etc. of property, plant and equipment		(609,379)	0
Acquisition of fixed asset investments		(14,759)	(36,063)
Cash flows from investing activities		**(979,906)**	**(2,037,759)**
Free cash flows generated from operations and investments before financing		**4,365,553**	**(39,558,191)**
Loans raised		0	42,000,000
Instalments on loans etc.		(17,000,000)	(17,000,000)
Cash flows from financing activities		**(17,000,000)**	**25,000,000**
Increase/decrease in cash and cash equivalents		**(12,634,447)**	**(14,558,191)**
Cash and cash equivalents beginning of year		52,635,684	67,193,875
Cash and cash equivalents end of year		**40,001,237**	**52,635,684**
Cash and cash equivalents at year-end are composed of:			
Cash		40,001,237	52,635,684
Cash and cash equivalents end of year		**40,001,237**	**52,635,684**

Notes to consolidated financial statements

1 Revenue

	2021 DKK	2020 DKK
Nordic	13,939,822	67,415,935
Other	15,035,149	40,701,113
Total revenue by geographical market	**28,974,971**	**108,117,048**
Package tour	13,939,822	107,980,489
Other	15,035,149	136,559
Total revenue by activity	**28,974,971**	**108,117,048**

2 Other operating income

Other operating income comprises Covid-19 help packages, incl. DKK 7,881 fixed cost compensation and DKK 470k conversion compensation. The amount also comprises a cost of DKK 185k related to final settlement of salary compensation as well as a cost of DKK 3,755k related to final settlement of cancelled trips compensation.

3 Fees to the auditor appointed by the Annual General Meeting

	2021 DKK	2020 DKK
Statutory audit services	154,500	109,250
Other assurance engagements	17,500	87,500
Tax services	27,000	64,775
Other services	8,000	98,003
	207,000	**359,528**

4 Staff costs

	2021 DKK	2020 DKK
Wages and salaries	9,922,449	16,854,927
Pension costs	515,803	1,306,313
Other social security costs	116,991	267,105
Other staff costs	198,991	431,755
	10,754,234	**18,860,100**

Average number of full-time employees	**17**	**37**

	Remuneration of management 2021 DKK	Remuneration of management 2020 DKK
Total amount for management categories	1,400,000	1,576,667
	1,400,000	**1,576,667**

Referring to section 98b (3) of the Danish Financial Statement Act, Management's remuneration has been disclosed as an aggregate amount for management categories.

5 Depreciation, amortisation and impairment losses

	2021 DKK	2020 DKK
Amortisation of intangible assets	15,123,647	15,168,664
Depreciation on property, plant and equipment	713,729	435,211
	15,837,376	**15,603,875**

6 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Current tax	41,126	78,501
Change in deferred tax	(3,526,432)	(1,069,226)
	(3,485,306)	**(990,725)**

7 Proposed distribution of profit/loss

	2021 DKK	2020 DKK
Retained earnings	(22,661,325)	(15,582,836)
	(22,661,325)	**(15,582,836)**

8 Intangible assets

	Acquired rights DKK	Goodwill DKK
Cost beginning of year	17,562,304	229,302,026
Additions	355,767	0
Disposals	(1,686,056)	0
Cost end of year	**16,232,015**	**229,302,026**
Amortisation and impairment losses beginning of year	(8,482,376)	(41,238,341)
Amortisation for the year	(3,139,295)	(11,984,352)
Reversal regarding disposals	1,686,056	0
Amortisation and impairment losses end of year	**(9,935,615)**	**(53,222,693)**
Carrying amount end of year	**6,296,400**	**176,079,333**

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 will take place through out 2022 but at a lower level than previously experienced
- WACC 10,6%, including a company specific premium of 5%
- Growth rate 1%

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 sufficient headroom before impairment of the goodwill investment.

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	1,827,809	416,250
Exchange rate adjustments	579	0
Additions	148,395	461,000
Disposals	(683,402)	(129,522)
Cost end of year	**1,293,381**	**747,728**
Depreciation and impairment losses beginning of year	(1,093,544)	(149,071)
Exchange rate adjustments	(924)	0
Depreciation for the year	(338,645)	(375,084)
Reversal regarding disposals	675,110	129,522
Depreciation and impairment losses end of year	**(758,003)**	**(394,633)**
Carrying amount end of year	**535,378**	**353,095**

10 Financial assets

	Deposits DKK
Cost beginning of year	476,499
Additions	14,759
Cost end of year	**491,258**
Carrying amount end of year	**491,258**

11 Deferred tax

	2021 DKK	2020 DKK
Intangible assets	317,000	197,000
Property, plant and equipment	70,000	3,000
Liabilities other than provisions	6,000	11,000
Tax losses carried forward	4,003,021	1,154,000
Deferred tax	**4,396,021**	**1,365,000**

Changes during the year	2021 DKK
Beginning of year	1,365,000
Recognised in the income statement	2,535,610
Recognised directly in equity	495,411
End of year	**4,396,021**

Deferred tax is recognised at DKK 4,396k where at approximately DKK 3,602k is expected to be utilized later than

12 months from the balance sheet date.

The derivative financial instruments are further described in note 18.

12 Other receivables

	2021 DKK	2020 DKK
Other receivables	5,618,983	5,689,202
	5,618,983	**5,689,202**

13 Prepayments

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

14 Other provisions

Other provisions comprise estimated costs of reestablishing leased premises at the end of the lease term.

15 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK	Due within 12 months 2020 DKK	Due after more than 12 months 2021 DKK	Outstanding after 5 years 2021 DKK
Bank loans	17,000,000	7,000,000	38,000,000	0
Other payables	542,686	0	3,828,532	716,724
	17,542,686	**7,000,000**	**41,828,532**	**716,724**

16 Deferred income

Deferred income comprise incurred revenue relating to subsequent financial years.

17 Changes in working capital

	2021 DKK	2020 DKK
Increase/decrease in receivables	(6,473,163)	51,471,733
Increase/decrease in trade payables etc.	21,666,877	(89,551,501)
	15,193,714	**(38,079,768)**

18 Derivative financial instruments

Other payables include a negative fair value of the forward exchange contracts of DKK 113k. 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

	2021 DKK	2020 DKK
Total liabilities under rental or lease agreements until maturity	**1,793,968**	**2,797,317**

Unrecognised rental and lease commitments comprise rental commitments with a remaining contract period of 21 months. The commitment amounts to DKK 1,670k (2020: DKK 2,483k).

The remaining commitment comprises lease commitments relating to operating leases on other fixtures and fittings, tools and equipment. The commitment amounts to DKK 124k (2020: DKK 315k).

20 Assets charged and collateral

The Group has provided payment guarantees totalling DKK 13,846k. The amount is distributed as follows:
- Rejsegarantifonden, DKK 1,800k
- Hansemerkur Reiseversicherung, DKK 1,190k
- ATOL, DKK 10,812k
- 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 31.12.2021 amounts to DKK 55,000k. The carrying amount of the investment provided as security is DKK 210,311k at 31.12.2021.

Vækstfonden has entered as a loss guarantor in the process of obtaining the re-financing in the summer of 2020. The guarantees is in accordance with the Covid-19 state guarantee policy maximised to 80% of a loan origining at DKK 42,000k. As of 31.12.2021 the loan is minimized to DKK 35,000k.

The Group has provided payment guarantees totalling DKK 10,812k 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	40,460,063	(12,024,690)
ASClass GmbH	Henstedt-Ulzburg, Germany	GmbH	100.0	3,422,284	40,655
Aclass UK Ltd	Richmond, England	Ltd	100.0	749,399	(5,492)

Parent income statement for 2021

	Notes	2021 DKK	2020 DKK
Other external expenses		(63,438)	(76,563)
Gross profit/loss		**(63,438)**	**(76,563)**
Other financial income		0	1,781
Other financial expenses		(2,393,388)	(2,106,223)
Profit/loss before tax		**(2,456,826)**	**(2,181,005)**
Tax on profit/loss for the year	1	541,000	479,000
Profit/loss for the year	2	**(1,915,826)**	**(1,702,005)**

Parent balance sheet at 31.12.2021

Assets

	Notes	2021 DKK	2020 DKK
Investments in group enterprises		229,750,589	229,750,589
Financial assets	3	**229,750,589**	**229,750,589**
Fixed assets		**229,750,589**	**229,750,589**
Deferred tax	4	1,037,000	496,000
Receivables		**1,037,000**	**496,000**
Cash		**5,050,380**	**24,492,205**
Current assets		**6,087,380**	**24,988,205**
Assets		**235,837,969**	**254,738,794**

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		10,750,000	10,750,000
Retained earnings		170,047,968	171,963,794
Equity		**180,797,968**	**182,713,794**
Bank loans		38,000,000	65,000,000
Non-current liabilities other than provisions	5	**38,000,000**	**65,000,000**
Current portion of non-current liabilities other than provisions	5	17,000,000	7,000,000
Trade payables		40,001	25,000
Current liabilities other than provisions		**17,040,001**	**7,025,000**
Liabilities other than provisions		**55,040,001**	**72,025,000**
Equity and liabilities		**235,837,969**	**254,738,794**
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 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	10,750,000	171,963,794	182,713,794
Profit/loss for the year	0	(1,915,826)	(1,915,826)
Equity end of year	**10,750,000**	**170,047,968**	**180,797,968**

Notes to parent financial statements

1 Tax on profit/loss for the year

	2021 DKK	2020 DKK
Change in deferred tax	(541,000)	(479,000)
	(541,000)	**(479,000)**

2 Proposed distribution of profit and loss

	2021 DKK	2020 DKK
Retained earnings	(1,915,826)	(1,702,005)
	(1,915,826)	**(1,702,005)**

3 Financial assets

	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 will take place through out 2022 but at a lower level than previously experienced
- WACC 10,6%, including a company specific premium of 5 %
- Growth rate 1%

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 sufficient headroom before impairment of the goodwill investment.

4 Deferred tax

	2021 DKK	2020 DKK
Provisions	6,000	11,000
Tax losses carried forward	1,031,000	485,000
Deferred tax	**1,037,000**	**496,000**

Changes during the year	2021 DKK
Beginning of year	496,000
Recognised in the income statement	541,000
End of year	**1,037,000**

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

5 Non-current liabilities other than provisions

	Due within 12 months 2021 DKK	Due within 12 months 2020 DKK	Due after more than 12 months 2021 DKK
Bank loans	17,000,000	7,000,000	38,000,000
	17,000,000	**7,000,000**	**38,000,000**

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 31.12.2021 amounts to DKK 55,000k. The carrying amount of the investment provided as security is DKK 210,311k at 31.12.2021.

Vækstfonden has entered as a loss guarantor in the process of obtaining the re-financing in the summer of 2020. The guarantees is in accordance with the Covid-19 state guarantee policy maximised to 80% of a loan origining at DKK 42,000k. As of 31.12.2021 the loan is minimized to DKK 35,000k.

The Company has provided a guarantee for its subsidiaries’ total debt to Jyske Bank. The bank debt amounts to DKK 0k at 31.12.2021.

The Company has provided payment guarantees totalling DKK 10,812k 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.

Public grants

Public grants are recognised when a final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised as income in the income statement as earned. Grants awarded for acquisition of assets are recognised as deferred income in the balance sheet, which is taken to income on a straight-line basis over the useful life of the asset.

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.

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.

Other provisions
Other provisions comprise anticipated costs of reestablishing leased premises at the end of the lease term.

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.