

**Compass Bidco ApS
c/o Advokat Lars Stoltze
Amaliegade 10
1256 København K
Central Business Registration
No. 39 41 98 07**

Annual report 2021

The Annual General Meeting adopted the annual report on June 29th, 2022

Chairman of the General Meeting

Mary Ann Sigler

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Company details

Company

Compass Bidco ApS

Central Business Registration No: 39 41 98 07

Registered in Copenhagen

Executive Board

Mary Ann Sigler

Company auditors

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Compass Bidco ApS for the financial year 1 January to 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of its financial performance for the financial year 1 January to 31 December 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.

Beverly Hills, June 29th, 2022

Executive Board

Mary Ann Sigler
Director

Independent auditor's report

To the Shareholders of Compass Bidco ApS

Opinion

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

We have audited the Financial Statements of Compass Bidco ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet and notes, including summary of significant accounting policies ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the

related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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.

Trekantområdet, June 29th, 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR-nr. 33 77 12 31

Lars Almskou Ohmeyer
State Authorised Public Accountant
mne24817

Lasse Berg
State Authorised Public Accountant
mne35811

Management's review

Primary activities

The Company owns the following companies:

- Novasol A/S (100%)
- Novasol Holiday Home Switzerland GmbH (100%)

Apart from investments in group companies the Company performs certain management services.

Development in activities and finances

The result for the year is a deficit of T.DKK 70.819, which is in line with management's expectations.

The previous year was heavily impacted by the Covid-19 pandemic, whereas 2021 was only partially affected in the spring by cross border closing as well as the early winter lock downs in most countries in Europe. There was significant increase in arrivals in the high season period in most countries, as well as material increase in the willingness from northern and central European customers to travel to the South of Europe in the high season of the summer. Domestic accommodation experienced a big uplift in especially Denmark, Germany and the Netherlands – and were high in demand all through the autumn months as well.

Capital resources

The company's equity is per 31 December 2021 positive with T.DKK 20.302 and the equity / assets ratio is 1,05%. The company's operations are financed partly through invoicing of management fees for administrative functions and partly through liquidity reserves made available by affiliated companies.

Affiliated companies have submitted a statement of support to the company, in which they state that they will support the company's liquidity and capital needs in the coming period of time and as a minimum until 30 September 2023.

Based on this, it is the management's assessment that the company has the necessary capital and liquidity resources to implement the plans for the coming year. The accounts are therefore presented on the assumption of continued operations.

Events after the balance sheet date

No events have occurred after the balance sheet date that affect the company's financial position.

Income statement for 1 January to 31 December

	<u>Notes</u>	<u>2021 DKK'000</u>	<u>2020 DKK'000</u>
Other external income		51.143	80.676
Other external expenses		- 46.836	- 45.287
Staff Cost	2	- 6.976	- 10.602
Operating profit/loss		- 2.669	24.787
Financial income	3	3.248	118
Financial expenses	4	- 73.768	- 89.650
Profit/loss before tax		- 73.189	- 64.745
Tax on profit/loss for the year	5	2.370	- 19.189
Profit/loss for the year	6	- 70.819	- 83.934

Balance Sheet 31 December

	<u>Notes</u>	<u>2021 DKK'000</u>	<u>2020 DKK'000</u>
Investments in group enterprises	7	1.908.770	1.908.770
Fixed asset investments		1.908.770	1.908.770
Fixed assets		1.908.770	1.908.770
Deferred tax		4.505	5.035
Receivable joint taxation contribution		26.892	-
Other receivables		396	385
Receivables		31.793	5.420
Current assets		31.793	5.420
Assets		1.940.563	1.914.190
Share capital	8	50	50
Retained earnings		20.251	91.070
Equity		20.301	91.120
Other provisions	9	97.437	118.316
Provisions		97.437	118.316
Payables to group enterprises		1.669.633	1.515.351
Other payables		90.663	85.746
Long-term liabilities other than provisions	10	1.760.296	1.601.097
Current portion of long-term debt		27.756	24.704
Payables to group enterprises		24.897	62.179
Other payables		9.875	16.774
Short-term liabilities other than provisions		62.528	103.657
Liabilities other than provisions		1.822.824	1.704.754
Equity and liabilities		1.940.563	1.914.190
Subsequent events	1		
Ownership	11		
Consolidation	12		
Contingent liabilities	13		

Statement of change in equity for 2021

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	50	91.070	91.120
Profit/loss for the year	-	70.819	70.819
Equity end of year	50	20.251	20.301

Notes

1. Subsequent events

No further events have occurred after the balance sheet date that affect the company's financial position.

	2021	2020
	DKK'000	DKK'000
2. Staff costs		
Wages and salaries	6.498	9.652
Pension costs	466	903
Other social security costs	12	47
	6.976	10.602
Average number of employees	3	3
3. Other financial income		
Other interest	3.223	118
Non-taxable interests	25	-
	3.248	118
4. Financial expenses		
Other external interest etc.	3.755	21.738
Interest to group enterprises	70.013	67.912
	73.768	89.650
5. Tax on profit/loss for the year		
Deferred tax	- 530	2.395
Adjustment of tax related to prior year	2.900	- 21.584
	2.370	- 19.189
6. Proposed distribution of profit/loss		
Retained earnings	- 70.819	- 83.934
	- 70.819	- 83.934

Notes

	Investments in group enterprises
7. Fixed asset investments	
Cost beginning of year	1.982.197
Additions	-
Cost end of year	1.982.197
Net revaluation beginning of year	- 73.427
Write-down for the year	-
Net revaluation losses end of year	- 73.427
Carrying amount end of year	1.908.770

8. Share capital

Share capital consists of 501 shares at DKK 100.

The share capital consists of shares of DKK 100 each, or multiples thereof.

9. Other provisions

Up until 2038, the company has undertaken to pay a license fee that is dependent on the turnover of the subsidiaries. The estimate for these future license fees are discounted with risk adjusted interest rate of 9%. Of the amount, TDKK 79.996 is expected to fall due after five years.

10. Long-term liabilities other than provisions

Other debt consists of the share of the liability stated in note 9, where the company has committed to a minimum payment. These minimum payments are discounted with a risk adjusted interest rate of 9%. Of the amount, TDKK 55.964 matures after 5 years. The total expected payments in accordance with the license agreement stated in note 9 constitutes, at discounted value, TDKK 215.856.

Payables to group enterprises are due after more than five years.

11. Ownership

The Company's share capital is owned by Awaze Limited, 100 New Bridge Street, London EC4V 6JA, United Kingdom.

12. Consolidation

Compass Bidco ApS and subsidiaries are included in the consolidated financial statements of PE compass Holding II Limited, 100 New Bridge Street, London, United Kingdom EC4V 6JA from where the consolidated financial statements may be requested.

Notes

13. Contingent liabilities

The Danish group enterprises are jointly and severally liable for tax on the consolidated jointly taxed income etc. The total corporation tax payable is shown in the Annual Report of Compass Bidco ApS, which is the management company of the joint taxation. The Danish group enterprises are moreover jointly and severally liable for Danish withholding taxes. Any subsequent adjustments of corporation tax and with holding taxes may imply that the Company is liable for a higher amount.

Compass Bidco ApS is a guarantor under the loan facilities of Awaze Limited and Bidco B.V. As a guarantor it has pledged material assets and shares as security.

Accounting policies

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

Pursuant to section 112(2) of the Danish Financial Statements Act, Compass Bidco ApS has not prepared any consolidated financial statements.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal and constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, 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 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. Value adjustments of financial assets and liabilities are recorded in the income statement as financial income or financial expenses.

Income statement

Other external income

Other external income comprise of income for management services provided to subsidiaries.

Other external expenses

Other external expenses comprise costs for catalogues, distribution, sales, advertising, administration, premises, bad debts etc.

Staff costs

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

Accounting policies

Financial income and expenses

These items comprise interest income and expenses, realised and unrealised capital gains and losses on payables and transactions in foreign currencies.

Income taxes

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/loss for the year, and recognised directly on equity by the portion attributable to entries directly on equity.

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

Deferred tax is recognised and measured applying the liability method on all temporary differences between the carrying amount and tax-based value of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carryforward, 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.

The Company is jointly taxed with affiliated Danish companies. The current income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Investments in group enterprises

Investments in group enterprises are recognised and measured to the lower of historical cost and net realisable value.

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

Receivables

Receivables are measured at amortised cost usually equalling nominal value less provisions for bad debts.

Accounting policies

Equity

Dividends are recognised as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

Provisions

Provisions are recognized when the company, as of a recent event occurring at the balance sheet date, has a legal or actual obligation and it is probable that economic benefits must be given to settle the agreement but that the obligation is uncertain in terms of size or maturity. Other provisions are measured at fair value.

Other financial liabilities

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

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date. Exchange rate differences that arise between the rate at the transaction date and the one in effect at the payment date, or the balance sheet date are recognised in the income statement as financial income or financial expenses.