Oravel Vacation Homes Denmark ApS

c/o DanCenter Søndervig, Lodbergsvej 245, Søndervig,
6950 Ringkøbing

CVR no. 40 98 97 14

Annual report 1 April 2022 – 31 March 2023

Approved at the Company's annual general meeting on 30 October 2023

Chairman:

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Ayush Mathur

Contents

Statement by Management

The Executive Board has today discussed and approved the annual report of Oravel Vacation Homes Denmark ApS for the financial year 1 April 2022 – 31 March 2023.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 March 2023 and of the results of their operations and consolidated cash flows for the financial year 1 April 2022 – 31 March 2023.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 30 October 2023
Executive Board:

Ayush Mathur

Independent auditor's report

To the shareholders of Oravel Vacation Homes Denmark A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Oravel Vacation Homes Denmark ApS for the financial year 1 April 2022 – 31 March 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 March 2023 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 April 2022 – 31 March 2023 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 company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent 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 as to 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 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent 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 Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the 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's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that the 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 of the Management's review.

Copenhagen, 30 October 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kim Thomsen
State Authorised Public Accountant
mne 26736

Management's review

Company details

Oravel Vacation Homes Denmark ApS
C/O DanCenter Søndervig,
Lodbergsvej 245, Søndervig,
6950 Ringkøbing

CVR no.: 40 98 97 14
Established: 6 December 2019
Registered office: Copenhagen
Financial period: 1 April – 31 March

Executive Board

Ayush Mathur

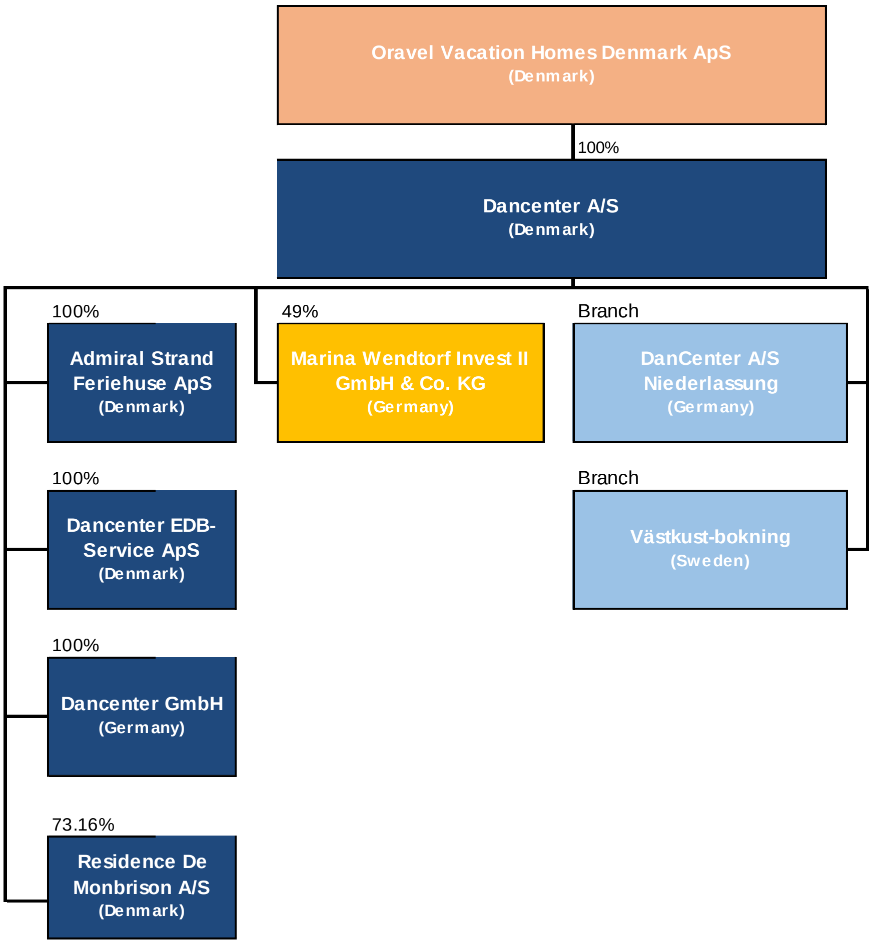
Auditor

EY Godkendt Revisionspartnerselskab
Dirch Passers Allé 36
P.O.Box 250
2000 Frederiksberg
Denmark

CVR no. 30 70 02 28

Management's review

Group Structure – Oravel Vacation Homes Denmark ApS



Subsidiaries
Minorities
Branches

Management's review

Financial highlights for the Group

DKKm	2022/23	2021/22	2019/21 (16 months)
Key figures			
Revenue	633	576	537
Gross profit/(loss)	286	286	263
EBITDA	120	139	97
Operating profit/(loss)	-5	27	-72
Profit/(loss) from net financials	-28	-17	-27
Profit/(loss) for the year	-34	-2	-66
Non-current assets	763	788	896
Current assets	585	666	474
Total assets	1,348	1,453	1,369
Amount relating to investments in property, plant and equipment	2	2	678
Equity	121	194	354
Non-current liabilities	596	578	592
Current liabilities	630	682	423
Cash flows from operating activities	115	53	143
Cash flows from investing activities	-44	-7	-446
Cash flows from financing activities	-196	127	334
Total cash flows	-125	173	32
Financial ratios			
Operating margin	-0.8%	4.7%	-13.5%
Gross margin	45.2%	49.7%	49.0%
Current ratio	0.99	1.04	1.12
Cash conversion ratio	-879%	662.8%	-316.5%
Equity ratio	9.0%	13.3%	25.8%
Return on equity	-28.4%	-1.2%	-18.8%
Average number of full-time employees	**353**	**331**	**355**

Financial ratios are calculated in accordance with the Danish Finance Society’s guidelines.

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit/loss (EBIT) x 100}}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets .}}{\text{current liabilities}}$
Cash conversion ratio	$\frac{\text{Free cash flows before acquisitions x 100}}{\text{Operating profit/loss (EBIT)}}$
Equity ratio	$\frac{\text{Equity ex. non-controlling interest at year end x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax ex. non-controlling interests x 100}}{\text{Average equity ex. non-controlling interests}}$

EBITDA, which is mentioned in the management's review, consists of the result of operating profit before depreciation and amortization write-downs.

Management's review

Principal activities

In December 2019 Oravel Vacation Homes Denmark ApS was incorporated and became the holding company for the previous DanCenter group. All 100% shares in DanCenter A/S were acquired in December 2019 via a loan and a contribution from the earlier parent company to DanCenter A/S in Netherlands. The total cost price including value of contribution was DKK 868.2 million.

The group was expanded with a holding company on top of the operational entities where DanCenter now no longer serve as both the primary operational company and financial holding company.

The Group's principal activities comprise arranging vacation rental of private holiday accommodation in Scandinavia and, to a lesser extent, in Germany.

Dancenter A/S (the purchaser), subsidiary of Oravel Vacation Homes Denmark ApS, has acquired 100% of shares in Bornholmske Feriehuse ApS (the Target) for an initial consideration of DKK 40.3 million, deferred consideration of DKK 22.5 million (present value DKK 20.5 million), earn-out consideration of DKK 34.2 million (present value DKK 30.4 million) subject to fulfilment of conditions set-out in duly executed sale & purchase agreement. The transaction was closed on 25 July 2022 with a total consideration of DKK 91 million.

Acquisitions has been accounted for by applying the purchase accounting method, which requires recognition of goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. Purchase price is allocated as per fair value of the assets and liabilities. The entity has also recorded a goodwill amounting to DKK 44.6 million at the time of acquisition of Bornholmske Feriehuse ApS.

The group is one of Denmark's leading intermediaries of vacation rental with approx. 12,300 holiday homes for rent in Denmark, Sweden, Norway and Germany which makes the Company one of the largest intermediaries on a European scale.

Four main brands are operated by the group: DanCenter, Danland, Admiral Strand Feriehuse and Bornholmske Feriehuse.

The DanCenter brand comprises approx 9,400 holiday homes, of which two thirds are located in Denmark and the remaining homes are in Norway, Sweden and Germany. The holiday homes are privately owned holiday homes in the form of cottages.

The Danland brand comprises approx. 1,400 holiday homes that are all located in Denmark. The holiday homes are privately owned holiday flats located in holiday centres with varying shared facilities.

Admiral Strand Feriehuse brand comprises approx. 700 holiday homes that are all located in Denmark.

The Bornholmske Feriehuse brand comprises approx. 700 holiday homes that are all located in Denmark. The holiday homes are privately owned holiday flats located in holiday centres with varying shared facilities.

The group's primary source markets are Denmark, Germany, the Netherlands, Norway and Sweden with Germany being the largest rental market.

Development in activities and financial matters

The loss for the period after tax amount to DKK 34.3 million.

Operating profit in 2022/23 has been negatively impacted by amortization of intangible assets (goodwill, customer relations and brands) identified and valued in the PPA as at 31 March 2023. The majority of the intangible assets (including goodwill) will be amortized over 10 years for account purposes resulting in an annual amortization of DKK 124 million. The amortizations result in a negative operating profit – however, without cash flow effect and therefore the operating cash flow in the value-in-use calculation to estimate the recoverable amount is positive.

The total value-in-use (recoverable amount) exceeds reported equity (carrying amount) for both group and the parent company and no impairment loss has been identified as at 31 March 2023. Going forward the significant annual amortization of intangible assets is expected to reduce the reported equity, and all other things being equal, increase the headroom in the impairment test.

Management's review

The revenue for 2022/23 amounts to DKK 632 million as compared to DKK 576 million in 2021/22. The revenue expectations are over-achieved because of inclusion of revenue from newly acquired entity i.e. Bornholm. But the net results ended lower than expectations, mainly because of the one-time restructuring activity which negatively impacted the results by approx. DKK 14 million. However, given that this was a one-time activity and will result in cost saving in future years, management is positive for earnings in coming years.

Based on the circumstances on how the year ended Management does believe that the year's result were satisfactory.

Events after the balance sheet date

The Group has transferred surplus funds amounting to DKK 67.0 million (EUR 9.0 million) to Traum-Ferienwohnungen GmbH to earn interest income.

The funds are receivable as and when we demand the same as per our requirements.

There have not been any events after the balance sheet date that can affect the results for the year.

Outlook

The Group has a strong position in the market for vacation rental. It is a position that the Group believes can be strengthened further in the coming years among others by a strong partnership with OYO and continued focus on improving customer's holiday experiences and constantly developing the content and volume of the product range. Focus will still be on efficiency measures to ensure optimum use of resources and thus maintenance of the Group's competitive position. Ability to provide and develop measures to secure and further increase homeowner satisfaction will be decisive for future success.

The growth in recent years have exceeded our expectations highly. Domestic demand for holiday in Scandinavia is expected still to be high, it is our expectation that growth will be as follows:

DKK' million	Low	High
Revenue	632	682
Profit before tax	1	10

Risks

It is the Groups policy to limit the exposure to risks and the Group uses various instruments and policies to limit these exposures.

It is the objective of the Group that risks are continuously hedged and limited when possible. As an integrated part of Management's work, a number of internal control systems have been implemented to ensure effective risk management.

The day-to-day operations entail a number of business and financial risks. In the below section, which is not exhaustive or prioritised, we have described the risks affecting the Group .

Operating risks

It is Management's assessment that, apart from the usual market risks, the Group has no significant operating risks. During the year, management has moved some support operations (e.g. finance, back end processes etc) from Denmark to India but all operational functions such as local office management etc remains in Denmark There is no operational risks due to this movement as per our assessment.

Financial risks

No significant financial risks exist to the best of the management's assessment.

Tax risks

The Group has operations in several markets and is thus subject to several countries' VAT rules and indirect taxes. Any changes to these rules and taxes may entail business risks, which the Group continuously seeks to minimise in cooperation with external advisers.

Management's review

Litigation and disputes

The Group is involved in a few legal actions. These legal actions are not considered to pose any significant risk to the Group.

Interest rate risks

The interest rate risk is the risk that, due to interest rate fluctuations, the Group will incur additional costs. During the entire year, the Group's cash has been positive, and thus, the risk is considered to be limited to the interest yield thereof.

Credit risks

The primary credit risk of the Group is related to receivables from rental activities, etc. The major part of revenue, and thus receivables from rental activities, etc., is generated/recognised based on the payment term "payment before occupation". Thus, this is not subject to any significant credit risk.

Consequently, the Group does not have significant risks relating to individual private customers. For large business partners/travel agencies, the terms of payment of the industry is most often "payment after moving out", which means that the Group assumes credit risks in relation to the bookings. The Group only works with third parties with a high credit worthiness.

Risk management of credit exposures includes monitoring and dunning every two weeks. Generally, the Group thus has no special risks but may incur losses if unforeseen circumstances at individual business partners/travel agencies suddenly arise making them unable to meet their liabilities.

Currency risks

The Group's business activities – primarily sales activities – exposes it to currency risks related to exchange rate fluctuations.

As the Group's presentation currency is Danish kroner, activities in foreign currencies entail a risk of adverse effects on results, cash flows and equity.

For significant commercial currency risks, it is company policy to hedge these risks by means of forward exchange contracts. Currency risks attributable to investments in foreign group entities and branches are not hedged as these risks are not considered material. As on 31 March 2023, there are no hedge contracts.

Liquidity risks

Liquidity risk is the risk that the Group cannot meet its obligations as they fall due by not having sufficient cash resources.

The Group's objective is to have sufficient cash resources to continuously be able to make appropriate transactions in case of unforeseen changes in cash flows. Continuous cash management meets the objective.

Employee relationships and knowledge resources

The Groups main activity is to provide intermediary services and other related services to the vacation rental activity. It is therefore of the utmost importance that the Group can maintain its loyal and competent employees. They are the Group's most important asset. Development of the employees' competencies and other initiatives is always a priority and a prerequisite for being able to attract and retain competent employees.

Statutory report on corporate social responsibility and the underrepresented gender

The Groups main activity is the arrangement of vacation rentals of private holiday accommodation. The Group consists of the three companies, DanCenter, Danland and Admiral Strand. The Group operates in Denmark, Sweden, Norway and Germany. The main environmental and social impact on the surroundings from the Group occurs in DanCenter A/S. Therefore, the below statement refers to the Group's activities in DanCenter A/S. DanCenter A/S' main impacts on society are related to social and environmental issues such as health and safety of employees and waste and energy use related to the Group's operation.

Management's review

Labor Conditions

Policy: The Group recognizes our employees as the most valuable asset for the Group. Therefore, the company aspires to provide a safe and healthy work environment.

Risks, actions, and results: With regards to labor conditions, the Group has identified safety among employees as a risk. To mitigate the risk and to secure a safe and healthy work environment, the Group has provided first aid courses for employees during the latest years as well as first aid equipment is installed in all offices. Furthermore, the Group has an active OSH group with a meeting structure of 3-4 meetings a year. The aim is to continuously work with the management to pinpoint areas of improvement and actively work together to improve these areas.

Human Rights

Policy: The Group recognizes its social responsibility not only in relation to its own employees but also in relation to its customers. The Group supports and respects the internationally recognized human rights as formulated in the UN Human Rights Declaration and the internationally recognized labor rights as specified in the International Labor Organization (ILO) core conventions.

Risks, actions and results: The Group's most material risk of violating human rights is related to our customers' private information. During 2022/23, the group has taken all necessary steps to mitigate the risk, and to be fully compliant with the General Data Protection Regulation (GDPR). The Group train all relevant employees via workshops and introduction of the new binding guidelines. In 2022/2023, all relevant colleagues have participated in the courses – online or physical attendance. We will continue to train new colleagues and provide information through guidelines for our employees.

Environment and Climate

Policy: Environmental protection is important to The Group and as a commercial and socially responsible Group, The Group works to minimize the use of resources and establish emission-reducing business processes.

Risks, actions and results: The Group has identified waste in our offices as a material issue with a risk of having a negative impact on the environment. In 2022/23, to reduce the relative amount of the Group's waste going to incineration, The Group has continued its efforts to improve waste sorting in most of the offices.

These efforts have resulted in a relative decrease in total waste amounts for incineration. Further, The Group has decreased the total paper consumption by eliminating paper catalogues.

Further, the Group has identified our customers' energy consumption in the vacation houses as a risk of having a negative climate impact. In 2022/23, The Group continued to inform and guide all of our customers on how to minimize their electricity consumption in the vacation houses through direct dialogue and marketing materials. These efforts have resulted in a relative decrease in total electricity consumption in 2022/23.

The Group also provides customers the option to choose an energy efficient vacation house with installed geothermal, solar energy or heat pumps to further reduce The Group's impact on climate, we have invested in a conference call set up to increase the use of Skype for Business, Zoom and Microsoft Teams and thereby reduced our travel activities.

Going forward we will continue these efforts and are looking to further decrease paper waste & our environmental footprint by introducing electronic devices to onboard new homeowners and inform guests of electronic ways to report electricity, water etc. expenditure during their stay.

Anti-corruption

Policy: The Group does not tolerate corruption or bribery in any form and expects their employees to act according to the Group guidelines set in the Code of Conduct and employee handbook.

Management's review

Risks, actions, and results: The Group has identified the most material risks associated with anticorruption as related to gifts and entertainment that employees may give or receive. Hence, to mitigate the risk The Group's Code of Conduct and whistleblower system continues to provide the employees with internal guidelines, which define the limitations of receiving and awarding presents and invitations by The Group employees. During 2022/23, no case was reported in the whistleblower system. The Code of Conduct and Whistleblower channel is and will continuously be promoted to the employees at town halls, on the intranet and all new employees are obliged to attend physical onboarding training where the content of the Code of Conduct and Whistleblower channel is being reviewed and trained by the HR department.

Gender Distribution in Management

Oravel Vacation Homes Denmark ApS has no board of directors and the executive management consist of only one person. Therefore, the company will not report on the gender distribution in Management's Review.

Statement of policy on data ethics, Danish Financial Statement Act § 99d

Scope

In this policy, we define Group's approach to data ethics pursuant to section 99 d of the Danish Financial Statements Act. This policy applies to the Group and its subsidiaries and branches, its management and employees.

Objective

The purpose of this policy is to formally state Group's data ethics principles and commit ourselves to high standards of data processing, which are not only legally compliant, but also abide by our ethical values.

Policy

Data and information security is of great importance to us to ensure that our guests, home-owners, customers, employees, and other stakeholders feel secure when entrusting us with their data. We commit to the following data ethics principles:

- Transparency and openness

  We uphold transparency and openness concerning our use of data. We ensure that our data ethics principles remain clear, understandable, and easily accessible. Our processes ensures that individuals know what data is being collected, for what purposes, and how it will be used.

- Accountability

  Accountability is at the core of our data ethics. We acknowledge that data collection involves human decisions, and we are committed to implementing mechanisms that control the entire data lifecycle, from collection to processing. Our accountability measures include:

  a. Data Collection Context: We carefully consider the context in which data is collected, ensuring it aligns with the purposes for which it was obtained.

  b. System Control: We maintain oversight and control over the systems used for data processing, ensuring they are secure and compliant with our ethical and legal standards.

  c. Data Quality: We implement measures to maintain the quality and accuracy of data, recognizing that incorrect or outdated data can lead to negative consequences.

  d. Mitigating Misuse: We proactively assess and document permissible uses of our data and systems. We also take measures to prevent impermissible uses, ensuring data is used only for its intended purposes.

Management's review

- Confidentiality and Data Sharing

  Group is dedicated to maintaining the confidentiality of data. We do not share data with unauthorized persons. Data is only disclosed to authorities when there is a legal obligation to do so according to legislation and a court or authority decision.

  We ensure that data remains secure and protected against any unauthorized access by implementing the following measures:

  a. Data Access Controls: Access to data is strictly controlled and limited to authorized personnel only. Our robust access control mechanisms guarantee that data is only available to individuals with a legitimate need to access it.

  b. Data Encryption: We employ state-of-the-art encryption technologies to safeguard data both in transit and at rest. This ensures that even in the unlikely event of unauthorized access, the data remains indecipherable.

- Processes and Policies

  In addition to the principles outlined above, we will continue to develop and maintain additional policies and procedures to ensure that we consistently comply with data ethics best practices and evolving legal requirements.

Governance and reporting

The Board of Directors is accountable for ensuring compliance with this policy. Each year, we will account for this policy in accordance with section 99 d of the Danish Financial Statements Act, providing transparency into our data ethics practices and demonstrating our commitment to accountability and data protection.

Description of foreign branches

To handle rental activities abroad, the Company has established branches in Germany and Sweden under the following names:

- DanCenter Niederlassung, Deutschland, German branch for Dancenter A/S.
- Västkustbokningen, Swedish branch for Dancenter A/S.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Income statement

		Group		Parent	
Note	**DKK'000**	**2022/23**	**2021/22**	**2022/23**	**2021/22**
4	**Revenue**	632,729	575,971	0	0
	Other operating expenses	-200	-487	0	0
5	Other external costs	-346,048	-289,626	-623	-788
	Gross profit	286,481	285,859	-623	-788
6	Staff costs	-166,677	-144,196	0	0
7	Depreciation, amortisation and impairment losses	-124,790	-114,773	0	0
	Profit/loss before net financials	-4,987	26,890	-623	-788
	Income from equity investments in group entities	0	0	-14,145	11,224
	Income from equity investments in associates	2,706	-141	0	0
8	Financial income	9	7,782	0	8,024
9	Financial expenses	-30,937	-24,667	-25,141	-24,240
	Profit before tax	-33,209	9,865	-39,910	-5,780
10	Tax for the period	-1,123	-12,212	5,666	3,674
	Profit for the peiod	-34,332	-2,347	-34,244	-2,106

	Breakdown of the consolidated profit/loss:		
	Shareholders in Oravel Vacation Homes Denmark ApS	-34,244	-2,106
	Non-controlling interests	-88	-241
		-34,332	-2,347

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Balance sheet

		Group		Parent	
Note	DKK'000	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	ASSETS				
	Non-current assets				
11	**Intangible assets**				
	Goodwill	295,287	291,247	0	0
	Trademark and Customer relations	423,173	453,593	0	0
	Software	5,687	5,122	0	0
		724,147	749,962	0	0
12	**Property, plant and equipment**				
	Land and buildings	23,300	24,649	0	0
	Leasehold improvements	539	599	0	0
	Fixtures and fittings, plant and equipment	2,919	3,042	0	0
	Property, plant and equipment in progress	220	31	0	0
		26,978	28,321	0	0
	Other non-current assets				
13	Equity investments in group entities	0	0	605,907	670,052
14	Equity investments in associated entities	10,528	7,823	0	0
	Deposits	1,580	1,417	0	0
		12,108	9,240	605,907	670,052
	Total non-current assets	763,234	787,522	605,907	670,052
	Current assets				
	Receivables				
	Trade receivables	459,489	425,788	0	0
	Receivables from group entities	6,359	367	0	0
	Other receivables	211	62	0	0
	Corporate tax	7,570	2,341	12,982	28,744
15	Prepayments	4,676	5,094	0	0
		478,296	433,651	12,982	28,744
16	**Cash**	106,393	231,919	307	159,396
	Total current assets	584,689	665,570	13,289	188,140
	TOTAL ASSETS	1,347,923	1,453,092	619,196	858,192

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Balance sheet

		Group		Parent	
Note	**DKK'000**	**31 March 2023**	**31 March 2022**	**31 March 2023**	**31 March 2022**
	EQUITY AND LIABILITIES				
	Equity				
17	Share capital	40	40	40	40
	Translation reserve	-49	107	-49	107
	Retained earnings	120,915	155,158	120,915	155,158
	Proposed Dividend	0	38,000	0	38,000
	Oravel Vacation Homes Denmark ApS' shareholders' share of equity	120,906	193,305	120,906	193,305
	Non-controlling interests	245	333	0	0
	Total equity	121,151	193,638	120,906	193,305
	Non-current liabilities				
18	Payables to group entities	493,216	469,106	493,216	469,106
19	Deferred tax	94,241	100,374	0	0
20	Other payables	8,886	8,411	0	0
	Total non-current liabilities	596,343	577,891	493,216	469,106
	Current liabilities				
	Trade payables	495,280	435,140	0	0
	Payables to group entities	9,270	161,370	4,638	195,658
	Corporation tax	15,425	1,691	0	0
	Other payables	96,679	68,385	436	123
21	Deferred income	13,774	14,978	0	0
	Total current liabilities	630,429	681,563	5,074	195,781
	Total liabilities	1,226,772	1,259,454	498,290	664,887
	TOTAL EQUITY AND LIABILITIES	1,347,923	1,453,092	619,196	858,192

1 Accounting policies
2 Events after the balance sheet date
3 Special items
22 Contractual obligations and contingencies, etc.
23 Mortgages and collateral
24 Related parties
25 Distribution of profit/loss
26 Changes in working capital
27 Acquisition of Bornholmske Feriehuse ApS

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Statement of changes in equity

		Group						
Note	**DKK'000**	**Share capital**	**Trans-lation reserve**	**Retained earnings**	**Proposed dividend**	**Total**	**Non-controlling interests**	**Total equity**
	Equity at 1 April 2021	40	0	353,570	0	353,610	574	354,184
	Distributed dividend	0	0	-158,305	0	-158,305	0	-158,305
25	Transferred; see distribution of profit/loss	0	0	-40,106	38,000	-2,106	-241	-2,347
	Foreign exchange adjustment	0	107	0	0	107	0	107
	Equity at 1 April 2022	40	107	155,158	38,000	193,305	333	193,638
	Distributed dividend	0	0	0	-38,000	-38,000	0	-38000
25	Transferred; see distribution of profit/loss	0		-34,244	0	-34,244	-88	-34,332
	Currency translation of foreign entity	0	-156	0	0	-156	0	-156
	Equity at 31 March 2023	40	-49	120,915	0	120,906	245	121,151

		Parent				
Note	**DKK'000**	**Share capital**	**Translation reserve**	**Retained earnings**	**Proposed dividend**	**Total equity**
	Equity at 1 April 2021	40	0	353,570	0	353,610
	Distributed dividend	0	0	-158,305	0	-158,305
25	Transferred; see distribution of profit/loss	0	0	-40,106	38,000	-2,106
	Foreign exchange adjustment	0	107	0	0	107
	Equity at 1 April 2022	40	107	155,158	38,000	193,305
	Distributed dividend	0	0	0	-38,000	-38,000
25	Transferred; see distribution of profit/loss	0	0	-34,244	0	-34,244
	Currency translation of foreign entity	0	-156	0	0	-156
	Equity at 31 March 2023	40	-49	120,915	0	120,906

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Cash flow statement

		Group	
Note	**DKK'000**	**2022/23**	**2021/22**
	Profit/loss before net financials	-4,987	26,890
	Depreciation and amortisation	124,790	114,773
	Other adjustments of non-cash operating items	-199	165
	Cash generated from operations before changes in working capital	119,605	141,828
26	Changes in working capital	12,055	-34,993
	Cash generated from operations	131,660	106,835
	Interest paid	-7,111	-16,885
	Corporation tax paid	-9,333	-36,983
	Cash flows from operating activities	115,216	52,967
11	Acquisition of intangible assets	-6,192	-4,861
12	Acquisition of property, plant and equipment	-2,033	-2,179
27	Acquisition of subsidiaries, net of cash acquired	-39,684	0
12	Sale of property, plant and equipment	3,472	496
	Cash flows from investing activities	-44,437	-6,544
	Repayment of Intercompany loans	-158,305	126,670
	Dividend paid	-38,000	0
	Cash flows from financing activities	-196,305	126,670
	Cash flows for the period	-125,526	173,093
	Cash and cash equivalents, beginning of year	231,919	58,826
	Cash and cash equivalents, year end	106,393	231,919

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies

The annual report of Oravel Vacation Homes Denmark ApS for 2022/23 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company Oravel Vacation Homes Denmark ApS and subsidiaries controlled by Oravel Vacation Homes Denmark ApS.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing whether the Parent Company controls an entity, de facto control is also taken into consideration.

The existence of potential voting rights that may currently be exercised or converted into additional voting rights is considered when assessing whether an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

Significant influence

Entities over whose financial and operating decisions the Group can exercise significant influence are classified as associates. Significant influence is deemed to exist when the Parent Company holds or controls, directly or indirectly, more than 20% of the voting rights of an entity but does not control it.

The existence of potential voting rights that may currently be exercised or converted into voting rights is considered when assessing whether significant influence exists.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

Acquisitions and disposals of non-controlling interests that are still controlled are recognised directly in equity as a transaction between shareholders.

Equity investments in associates are recognised in the consolidated financial statements using the equity method.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

External Business combinations

Newly acquired entities are recognised in the consolidated financial statements from the acquisition date. Entities sold or otherwise disposed of are recognised in the consolidated financial statements up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The acquisition date is the date when the Group actually obtains control of the acquired entity.

The purchase method is applied to acquisitions of new businesses over which the Group obtains control. The acquired businesses' identified assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax on revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquired entity, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill in intangible assets. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the acquisition date.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the Group's presentation currency are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the purchase consideration is contingent on future events or compliance with agreed terms, such part of the purchase consideration is recognised at fair value at the acquisition date. Subsequent adjustments of contingent purchase considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the purchase consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it turns out subsequently that the identification or measurement of the purchase consideration, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments are recognised as errors.

Gains or losses from the disposal of subsidiaries resulting in a loss of control are calculated as the difference between, on the one hand, the net selling price and, on the other hand, the proportionate share of the carrying amount of net assets. If the Parent Company still holds equity investments in the divested entity, the remaining proportionate share of the carrying amount forms the basis for the measurement of equity investments in associates or securities and equity investments.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is recognised.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of equity investments, mergers, demergers, additions of assets and share conversions, etc., in which entities controlled by the Parent Company are involved, provided that the combination is considered completed at the acquisition date without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised as Goodwill.

For vertical and downstream intra-group mergers the group method is applied for the combination of the entities. Thereby, the entities are combined at the revaluation value recognised in the consolidated financial statements or which would have been recognised in the consolidated financial statements for the parent company included in the merger. The group method is applied as if the entities had been combined from the date when the parent company acquired the equity investments in the entities included in the merger, and therefore, the comparative figures were restated.

Measurement and recognition

Income is recognised in the income statement as earned, including adjustments of financial assets and liabilities. Moreover, all costs, including amortisation, depreciation and impairment losses, are recognised in the income statement.

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 reliably measured.

Liabilities are recognised in the balance sheet when it is probable that future economic resources will flow from the Company and the value of the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each individual accounting item below.

Certain financial assets and liabilities are measured at amortised cost, and thus, constant effective interest is recognised over the term. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are considered.

Reporting currency

The financial statements are presented in Danish kroner (DKK)

Segment information

Information is disclosed by activities and geographical markets. Segment information is based on the Group's accounting policies, risks and management control.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currency are measured at the exchange rate at the transaction date.Foreign subsidiaries and associates are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of the opening equity of foreign entities at the exchange rates at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with foreign subsidiaries that are considered part of the total investment in the subsidiary are recognised directly in equity. Foreign exchange gains and losses on loans and derivative financial instruments designated as hedges of foreign subsidiaries are also recognised directly in equity.

On recognition of foreign subsidiaries that are integral entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the acquisition date or at the date of any subsequent revaluation or impairment of the asset. Income statement items are translated at the exchange rates at the transaction date, although items derived from non-monetary items are translated at the historical exchange rates applying to the non-monetary items.

Income statement

Revenue

The transaction type of services of the Vacation Rental Management activities relate to arrange and secure a booking for a holiday accommodation, where the company acts as agent for the accommodation owner. The company applies IFRS 15 Revenue from Contracts with Customers for interpretation when recognizing revenue in the financial statements.

On the conclusion of sales contracts which consist of separate sales transactions, the contract price is split up into the individual sales transactions based on the relative fair value approach. The separate sales transactions are recognised as revenue when the criteria for sale of goods or services are met.

A contract is split up into individual sale transactions when the fair value of each individual sales transaction can be calculated reliably and when each individual sales transaction has a separate value for the purchaser. Sales transactions are deemed to have a separate value for the purchaser when the transaction is individually identifiable and is usually sold separately.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue. Fair value corresponds to the agreed discounted sales price if the payment terms exceeds 12 months.

Vacation Rental Management

The performance relates to retrieval of individual bookings for the home owner with guest bookings. For each successfully retrieved booking, Oravel Vacation Homes Denmark ApS and the home owner enter into a single rental agreement, which can be determined as the distinct performance obligation.

When home owner services are applicable (e.g. coordination of cleaning, linen and key handling), these types of services are seen as separate performance obligations and are separately included in the rental agreement. Also, the pricing applicable for this service is separately agreed in the master agreement and separately mentioned in the rental agreement.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Payment terms

As per the general terms payment should be made immediately upon the booking.

Other operating income and expenses

Other operating income/expenses comprises items secondary to the Company's activities, including gains/loss on disposal of intangible assets and items of property, plant and equipment.

Other external costs

Other external expenses comprise costs relating to the Company's primary activities incurred in the year, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, lease payments under operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Income from investments in group entities and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the Parent Company after full elimination of intra-group profits/losses.

The proportionate share of the results after tax of the associates is recognised in both the consolidated and the parent company income statement after elimination of the proportionate share of intra-group profits/gains.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company acts as administration company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities. On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Balance sheet

Intangible assets

On initial recognition, intangible assets are measured at cost.

Amortisation is made over the estimated economic life without the determination of a residual value.

Contractual rights

The contractual rights referred as customer relationships are the agreements with homeowners. Customer relationships value is based on Multi-period Excess Earnings Method. The Customer Relationships are amortized on a straight-line basis over a period of 5-10 year in line with group's policy.

Goodwill, trademark and customer relationship

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. Goodwill is amortized over 10 years, and longest for strategically acquired entities with a strong market position and long-term earnings profile.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Software

Software is measured at cost. Amortisation period is 5 years.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, wages and salaries as well as borrowing costs relating to specific and general borrowing directly attributable to the construction of the individual asset.

Individual components of property, plant and equipment that have different useful lives are accounted for as separate items, which are depreciated separately. Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Depreciation is provided on a straight-line basis over the expected useful lives of the assets, which are as follows:

Buildings	50 years
Fixtures and fittings, plant and equipment	5-7 years
Leasehold improvements	5-20 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of items of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of future lease payments. In calculating the present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for as the Company's other assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Equity investments in group entities and associates

Equity investments in subsidiaries and associates are measured according to the equity method in the parent company financial statements. The Parent Company has chosen to consider the equity method a measurement method.

On initial recognition, equity investments in subsidiaries and associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding the consolidated financial statements above.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies in the consolidated financial statements. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries and associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of non-current assets

The carrying amount of intangible assets, property, plant and equipment and equity investments in subsidiaries and associates is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation.

Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Consolidated financial statements and parent company financial statements 01 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Deposits

Deposits are measured at cost.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the credit risk management policy of the Parent Company and the Group. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate of the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under “Assets” comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term to maturity of three months or less, which are subject to only minor risks of changes in value.

Equity

Contributions

Contributions from the parent company are recognized as contributions of equity (free reserves).

Net revaluation reserve according to the equity method

Net revaluation of equity investments in subsidiaries and associates is recognised at cost in the net revaluation reserve according to the equity method.

The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting estimates.

The reserve cannot be recognised at a negative amount.

Consolidated financial statements and parent company financial statements 01 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Foreign currency translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Proposed dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry-forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Liabilities other than provisions

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities. Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income, recognised under "Liabilities", comprise payments received concerning income in subsequent years.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from acquisitions of entities are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less that are subject to only minor risks of changes in value.

2 Events after the balance sheet date

The Group has transferred surplus funds amounting to DKK 67.0 million (EUR 9.0 million) to Traum-Ferienwohnungen GmbH to earn interest income.

The funds are receivable as and when we demand the same as per our requirements.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

3 Special items – Restructuring Activity during the year

The management decided to restructure certain operations ('the plan') of its operating hotels/homes operations. The plan is expected to deliver cost efficiencies in long term and entails reduction of certain operating cost, termination of employees, realignment of corporate resources and terminations of other contracts. Due to implementation of this plan, certain additional costs relating to early exit/termination of contracts and employee related severance/other costs were recorded which is based on management estimates from the date of announcement through approval of these financial statements.

The company has made provisions as on balance sheet date for benefits payable to effected employees for the period from date of communication till the end of tenure including any severance pay. Considering the plan already started/communicated and agreements were entered into before the reporting date, company decided to create provision for whole of the amount i.e Salary/Severance/other benefit as on balance sheet.

The group has recognized expense amounting to DKK 14.5 million in Income Statement for the current year. Out of this, approx. DKK 6 million has already been settled till 31 March 2023. The outstanding provision for restructuring stands at DKK 8.5 million on balance sheet date.

Special items for the year are specified below, including the line items in which they are recognised in the income statement.

DKK'000	2022/23	2021/22
Costs		
Restructuring	14,538	0
Net profit/loss from special items	14,538	0
Special items are recognised in the below line items		
Staff costs	14,538	0
Net profit/loss from special items	14,538	0

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

		Group		Parent	
	DKK'000	1 April 2022 – 31 March 2023	1 April 2021 – 31 March 2022	1 April 2022 – 31 March 2023	1 April 2021 – 31 March 2022
4	**Revenue – segment information**				
	Germany	329,174	281,479	0	0
	Scandinavia	260,875	265,449	0	0
	Other countries	42,681	29,043	0	0
		632,729	575,971	0	0
	Accommodation	515,371	469,081	0	0
	Cleaning revenue	91,220	81,436	0	0
	Linnen revenue	10,004	7,301	0	0
	Other revenue	16,134	18,153	0	0
		632,729	575,971	0	0
5	**Fees paid to auditor appointed at the annual general meeting**				
	Fee for statutory audit	350	350	50	50
		350	350	50	50
6	**Staff costs and incentive plans**				
	Wages and salaries	152,413	133,828	0	0
	Pensions	8,402	5,715	0	0
	Other social security costs	5,862	4,653	0	0
		166,677	144,196	0	0
	Average number of full-time employees	353	331	0	0

Staff costs include remuneration to the Executive Board, totaling DKK 3,852 thousand (1 April 2021 to 31 March 2022: DKK 4,541 thousand) and pension costs of DKK 192 thousand (1 April 2021 to 31 March 2022: DKK 204 thousand) in 2022/23. The remuneration to board has been paid from subsidiary Dancenter A/S.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

		Group		Parent	
	DKK'000	1 April 2022 – 31 March 2023	1 April 2021– 31 March 2022	1 April 2022 – 31 March 2023	1 April 2021 – 31 March 2022
7	**Depreciation, amortisation and impairment losses**				
	Intangible assets	122,260	111,534	0	0
	Property, plant and equipment	2,531	3,239	0	0
		124,790	114,773	0	0
8	**Financial income**				
	Interest income from related parties	0	1,865	0	1,276
	Other financial income	9	5,918	0	6,748
		9	7,782	0	8,024
9	**Financial expenses**				
	Interest expenses to related parties	23,817	21,955	23,817	23,804
	Interest expenses to group entities	0	0	676	133
	Other financial expenses	7,120	2,712	649	303
		30,937	24,667	25,141	24,240
10	**Tax for the period**				
	Current tax for the period	17,838	28,062	-5,666	-3,674
	Deferred tax adjustment for the period	-16,715	-15,850	0	0
		1,123	12,212	-5,666	-3,674

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

11 Intangible assets

	Group			
DKK'000	**Goodwill**	**Software**	**Trademark & Customer relations**	**Total**
Cost at 1 April 2022	575,931	21,972	615,954	1,213,856
Additions	44,605	6,192	48,269	99,066
Disposals	0	-2,621	0	-2,621
Cost at 31 March 2023	620,535	25,543	664,223	1,310,301
Amortisation and impairment losses at 1 April 2022	-284,683	-16,850	-162,361	-463,894
Amortisation	-40,564	-3,006	-78,689	-122,259
Disposals	0	0	0	0
Amortisation and impairment losses at 31 March 2023	-325,248	-19,856	-241,049	-586,153
Carrying amount at 31 March 2023	295,287	5,687	423,173	724,147

Rationale for choice of goodwill amortisation periods

The goodwill originates from the acquisition of DanCenter A/S and Bornholmske Feriehuse ApS. Investment in Oravel Vacation Homes Denmark ApS are considered to be strategically important to the Group. The economic life of the acquired goodwill has been set at 10 years. The investment horizon and, thus, the economic life has been set in consideration of the fact that the entity's business model and segment will be unchanged going forward and business is constant growing.

The addition in Goodwill and Customer Relations originates from the acquisition of Bornholmske Feriehuse ApS, which is acquired on 25 July 2022. The same has been amortized over 10 years and 5 years respectively due to the fact that the entity's business model and segment will be unchanged going forward and business is constant growing.

Impairment considerations

The recoverable amount is determined on the basis of value-in-use, calculated by applying certain key assumptions i.e. revenue growth, operating margin, net working capital and discount rate.

Value-in-use cash flow projections are based on financial budget for the following year as approved by management. Assumptions applied in the short to medium term (forecast period of five years) generally reflect management's expectations considering all relevant factors including internal initiatives as well as external market information where relevant.

Operating profit in 2022/23 has been negatively impacted by amortization of intangible assets (goodwill, customer relations and brands) identified and valued in the PPA as at 30 December 2019 & at 25th July 2022. The majority of the intangible assets (including goodwill) will be amortized over 10 years for account purposes resulting in an annual amortization of DKK 124 million. The amortizations result in a negative operating profit – however, without cash flow effect and therefore the operating cash flow in the value-in-use calculation to estimate the recoverable amount is positive.

The total value-in-use (recoverable amount) exceeds reported equity (carrying amount) and no impairment loss has been identified as at 31 March 2023. Going forward the significant annual amortization of intangible assets is expected to reduce the reported equity, and all other things being equal, increase the headroom in the impairment test.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

12 Property, plant and equipment

	Group				
DKK'000	**Land and buildings**	**Leasehold Improvement**	**Fixtures and fittings, tools and equipment**	**Property, plant and equipment in progress**	**Total**
Cost at 1 April 2022	37,606	4,921	21,940	31	64,498
Exchange rate adjustment relating to foreign entities	0	0	0	0	0
Additions	0	149	1,664	220	2,033
Disposals	0	0		-31	-31
Cost at 31 March 2023	37,606	5,070	23,604	220	66,500
Depreciation and impairment losses at 1 April 2022	-12,958	-4,322	-18,897	0	-36,177
Exchange rate adjustment relating to foreign entities	0	0	2	0	2
Depreciation	-529	-209	-1,789	0	-2,527
Disposals	-820	0	0	0	-820
Depreciation and impairment losses at 31 March 2023	-14,306	-4,531	-20,685	0	-39,522
Carrying amount at 31 March 2023	23,300	539	2,919	220	26,978

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

DKK'000	Parent 31 March 2023	Parent 31 March 2022
13 Equity investments in group entities		
Cost at 1 April	868,160	868,188
Adjustment	0	-28
Cost at 31 March	868,160	868,160
Value adjustments at 1 April	-198,109	-44,440
Amortisation of increases in value	-65,743	-64,674
Distributed dividend	-50,000	-165,000
Exchange rates adjustments	0	107
Profit/loss for the year	51,598	75,898
Value adjustments at 31 March	-262,254	-198,109
Carrying amount at 31 March	605,907	670,052
Equity investments in subsidiaries include non-amortised differences	551,101	645,049

Name and registered office	Voting rights and ownership	Profit/loss DKK'000	Equity DKK'000
DanCenter A/S, Nannasgade 28, 2200 København N Copenhagen Denmark	100%	51,598	103,130

All subsidiaries are considered separate entities.

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
14 Equity investments in associated entities				
Cost at 1 April	7,311	7,311	0	0
Cost at 31 March	7,311	7,311	0	0
Value adjustments at 1 April	511	652	0	0
Profit/loss for the period	2,706	-141	0	0
Value adjustments at 31 March	3,217	511	0	0
Carrying amount at 31 March	10,528	7,823	0	0

Name and registered office	Voting rights and ownership	Profit/loss DKK'000	Equity DKK'000
Marina Wendtorf Invest II GmbH & Co. KG Gut Schwartenbek 1, 24107 Kiel, Germany	49%	5,522	21,486

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
15 Prepayments				
Rentals, insurance and subscriptions	4,676	5,094	0	0
	4,676	5,094	0	0

16 Cash

The company has deposited DKK 22,500 thousand with the bank as restricted cash balance for deferred consideration payable for acquisition of Bornholmske Feriehuse ApS.

17 Share capital

The share capital comprises:

40.000 shares of DKK 1 each

Every share carries 1 voting right.

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
18 Payables to group entities				
Intercompany loan	493,216	469,106	493,216	469,106
	493,216	469,106	493,216	469,106

The loan with an outstanding amount of DKK 493,216 thousand as of 31 March 2023 has been borrowed from OYO Vacation Homes Holding B.V. The loan shall be repaid no later than 3 June 2025.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
19 Deferred tax				
Deferred tax at 01 April	-100,373	-116,164	0	0
Additions deferred tax	-9,203	0	0	0
Deferred tax adjustment for the period	15,335	15,790	0	0
Deferred tax at 31 March	-94,241	-100,374	0	0
Deferred tax relates to:				
Intangible assets	-94,229	-100,343	0	0
Property, plant and equipment	-12	-31	0	0
	-94,241	-100,374	0	0
Deferred tax is recognised in the balance sheet as follows:				
Deferred tax liabilities	-94,241	-1,00,374	0	0
	-94,241	-1,00,374	0	0

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
20 Other payables				
1-5 years			991	1,307
> 5 years			7,895	7,104
Total liabilities			8,886	8,411

21 Deferred income

Deferred income, consists of payments received from customers that cannot be recognised as revenue until in the subsequent financial year.

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
Deferred income	13,774	14,978	0	0

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

22 Contractual obligations and contingencies, etc.

Contingent liabilities

Oravel Vacation Homes Denmark ApS is jointly taxed with the Danish entities within the group and works as the administration company. Thereby Oravel Vacation Homes Denmark ApS has the joint and unlimited liability for payment of Danish income taxes.

Operating lease commitments

Contractual liabilities comprise rent, car leases and leases of other operating equipment.

	Group		Parent	
DKK'000	Carrying amount 31 March 2023	Carrying amount 31 March 2022	Carrying amount 31 March 2022	Carrying amount 31 March 2022
0-1 year	5,497	6,185	0	0
1-5 years	4,679	5,074	0	0
> 5 years	970	913	0	0
	11,146	12,172	0	0

The parent company has no lease commitments.

	Group		Parent	
DKK'000	31 March 2023	31 March 2022	31 March 2023	31 March 2022
23 Mortgages and collateral				
The following assets have been pledged as security:				
Cash	23,495	976	0	0

DKK 995 thousand has been pledged as the security for corporate office of Dancenter A/S in Copenhagen. The company has also deposited DKK 22,500 thousand with the bank as restricted cash balance for deferred consideration payable for acquisition of Bornholmske Feriehuse ApS as per SPA.

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

24 Related parties

Oravel Vacation Homes Denmark ApS's related parties comprise the following:

Control

OYO Vacation homes Holding B.V holds 100% of the share capital in the company.

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
Related party transactions				
Financial expenses, net	23,817	20,091	23,817	21,931
Purchase of services	13,657	3,502	0	0
Sale of services	2,047	4,304	0	0
Trade receivables from group entities, net	5,084	18,712	0	0
Payables to group entities	502,486	630,476	497,854	664,764

Apart from distribution of dividend, no transactions were carried out with shareholders.

DKK'000	Group 31 March 2023	Group 31 March 2022	Parent 31 March 2023	Parent 31 March 2022
25 Distribution of profit/loss				
Proposed distribution of profit/loss				
Proposed dividend recognised under equity	0	38,000	0	38,000
Retained earnings	-34,244	-40,106	-34,244	-40,106
Non-controlling interest	-88	-241	0	0
	-34,332	-2,347	-34,244	-2,106

DKK'000	Group 1 April 2022 – 31 March 2023	Group 1 April 2021 – 31 March 2022
26 Changes in working capital		
Changes in trade and other receivables	-7,496	-156,718
Changes in trade and other payables	19,551	121,725
	12,055	34,993

Consolidated financial statements and parent company financial statements 1 April 2022 – 31 March 2023

Notes

27 Acquisition of Bornholmske Feriehuse ApS

Dancenter A/S (the purchaser) has acquired 100% stake in Bornholmske Feriehuse ApS (the Target) for an initial consideration of DKK 40.3 million, deferred consideration of DKK 22.5 million (present value DKK 20.5 million), earn-out consideration of DKK 34.2 million (present value DKK 30.4 million) subject to fulfilment of conditions set-out in duly executed sale & purchase agreement. The transaction was closed on 25 July 2022 with a total consideration of EUR 12.3 million (DKK 91 million).

Acquisitions has been accounted for by applying the purchase accounting method, which requires recognition of goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. Purchase price is allocated as per fair value of the assets and liabilities (for practical purposes, accounted for as per 25 July 2022), which can be specified as following.

Assets	**Amount DKK'000**
Non-Current Assets	
Customer Relationships	48,269
Current assets	
Cash and cash equivalents	8,103
Trade receivables	32,082
Total assets	**88,454**
Liabilities	
Current Liabilities	
Trade and other payables	30,884
Deferred Tax liability	10,619
Total liabilities	**41,503**
Total identifiable net assets at fair value	46,951
Goodwill arising on acquisition	44,605
Purchase consideration (including deferred & earnout consideration)	**91,555**

Cashflow movement	
Acquisition of subsidiaries, net of cash acquired	
Purchase consideration (including deferred & earnout consideration)	91,555
Less: Deferred & Earnout consideration	-43,768
Less: Net cash acquired	-8,103
Net Cash Outflow	39,684