



## CWT DENMARK A/S

Ørestads Boulevard 35, 3.  
2300 Copenhagen S  
CVR No. 66097218

## Annual report 2022

The Annual General Meeting adopted the  
annual report on 04.07.2023

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**Torben Brik Rodenberg**  
Chairman of the General Meeting

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# Entity details

## Entity

CWT DENMARK A/S  
Ørestads Boulevard 35, 3.  
2300 Copenhagen S

Business Registration No.: 66097218  
Registered office: Copenhagen  
Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Torben Brik Rodenberg  
Lauren Jennifer Aste  
Jens Michael Hyldnæs  
Lauren Jennifer Aste  
Kaj Mikael Genas

## Executive Board

Torben Brik Rodenberg, Chief Executive Officer

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of CWT DENMARK A/S for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022.

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

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

Copenhagen, 04.07.2023

## Executive Board

**Torben Brik Rodenberg**  
Chief Executive Officer

## Board of Directors

**Torben Brik Rodenberg**

**Lauren Jennifer Aste**

**Jens Michael Hyldnæs**

**Lauren Jennifer Aste**

**Kaj Mikael Genas**

# Independent auditor's report

## To the shareholders of CWT DENMARK A/S

### Opinion

We have audited the financial statements of CWT DENMARK A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022 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 financial statements" section of this auditor's report. We are independent of the Entity 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.

### Material uncertainty related to going concern

We draw attention to Note 1 in the Financial Statements describing the continuing effect of post-Covid 19 pandemic on liquidity. As such material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. As it follows from note 1, The Board of Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. Our Opinion is not modified in respect of this matter.

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

### Auditor's responsibilities for the audit of the 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 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

#### **Statement on the management commentary**

Management is responsible for the management commentary.

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

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 04.07.2023

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Kim Gerner Jacobsen**

State Authorised Public Accountant

Identification No (MNE) mne10122

**Ulrik Winkler Jakobsen**

State Authorised Public Accountant

Identification No (MNE) mne47242

# Management commentary

## Financial highlights

	2022	2021	2020	2019	2018
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Gross profit/loss	31,308	14,796	27,820	58,965	54,217
Operating profit/loss	(11,898)	(16,042)	(17,064)	(1,418)	(2,419)
Net financials	(1,722)	(1,070)	(998)	(2,405)	(1,938)
Profit/loss for the year	(13,620)	(17,112)	(18,062)	(3,823)	(5,414)
Total assets	44,857	55,390	50,854	63,414	54,032
Investments in property, plant and equipment	56	119	1,340	258	178
Equity	13,289	11,909	12,771	8,233	12,052
<b>Ratios</b>					
Return on equity (%)	(90.93)	(145.90)	(172.00)	(37.70)	(36.70)
Equity ratio (%)	32.94	22.80	25.10	13.00	22.30

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

### Return on equity (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Average equity}}$

### Equity ratio (%):

$\frac{\text{Equity} * 100}{\text{Total Assets}}$



### Primary activities

The primary activities of the Company are the sale of business travel services, travel management, group travels as well as meetings and events facilitated under the name of CWT.

Partnering with companies of all types and sizes, CWT knows that not two customers have the same requirements. Consequently, CWT works closely with each customer to define and implement the solutions that best correspond to their specific needs, challenges and objectives.

To that end, CWT offers a range of products and services aimed at Programme Optimisation for the benefit of the Company as well as the traveller. CWT solutions can be grouped into five categories:

**1. Traveller Services** offers best-in-class services and assistance to travellers and optimises the processing of simple and complex transactions. This service includes personalised services as well as technology solutions.

**2. Programme Optimisation** offers a variety of products and services to help customers optimise their travel programmes and savings.

**3. Safety & Security** offers a range of products and services to inform companies of potential risks and help locate and assist travellers in an emergency situation.

**4. Meetings & Events** offers best-in-class services to create and manage meetings and events while helping companies control and optimise related expenditures.

**5. RoomIT** offers best-in-class hotel programmes with extensive contents and modern technology to enable customers to fully include their entire hotel needs with CWT.

### Development in activities and finances

The worldwide pandemic resulting from the spread of the COVID-19 virus, and the subsequent slow, protracted recovery has caused a significant interruption to the Company's business, beginning in March 2020. The Company management has taken decisive cost reduction and cash management actions to mitigate the impact on the Group and Company's liquidity and financial position, including the CWT Group entering into a Chapter 11 process in the US in November 2021. In addition to the Group Chapter 11 process in late-2021, local actions have been taken to mitigate the volume reductions seen as a result of the pandemic and subsequent start of the recovery.

During Danish lockdown periods the Company has demonstrated that its internal policies, procedures, and technology have allowed it to continue normally with remote working, continuing to support its clients and staff. The Directors anticipate further returns to office working as the impacts of the Covid-19 pandemic continue to subside, but remote working remains an option for the longer term, aligned with government guidance.

Competition within the Danish business travel market continues to be a risk to the company, with global pressure on travel spends causing potential market and margin reductions. The company addresses these risks by maintaining a diversified client portfolio, continuing to increase its range of offered services, forging stronger business relationships with both clients and suppliers, and being focused on managing its working capital.

Macro-economic conditions have a direct impact on client, and wider industry behaviours. The overall level of business travel activity can be negatively impacted by economic recessions or similar periods of reduced spending. Current economic predictions for Denmark anticipate a slow GDP growth rate in 2023 which could

negatively impact revenues in the market, further slowing the recovery from the Covid-19 pandemic. Longer-range projections are more positive.

There has been a recovery within the CWT Denmark in 2022 when compared to 2021 performance. The main driver has been improved volumes from key strategic clients that were maintained by the business through the pandemic period. With continued focus on costs management, the improved topline volumes seen in the business have increased revenues and corresponding income with losses significantly reduced in 2022. Both gross transactions and gross sales showed growth well above +100% year-on-year in 2022.

The continuing situation in Russia and Ukraine is not expected to have a direct impact on the CWT Denmark A/S business. The global CWT group has no owned operations in Russia, and the CWT Ukraine business is not material to global results.

However, it is not yet known with any certainty what longer-term impact the energy supply crisis and the war in Russia and Ukraine may have on European and global economies.

The Company remains focused on its core strategies in the longer-term, and continues to invest towards these goals, as evidenced by the announcement of a global \$100M investment by the CWT Group in the myCWT travel management platform.

However, with the reduced trading levels in YTD 2023 compared to the 2019 pre-pandemic baseline, CWT will remain focused on controlling expenditure, and managing working capital efficiently until there is more certainty around the emergence from the pandemic.

The Board of Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. We draw attention to Note 1 in the Financial Statements.

#### **Profit/loss for the year in relation to expected developments**

Loss for the year amounts to DKK 13,6 million, which is considered unsatisfactory. This is mostly due to the continued impact of the Coronavirus pandemic and the subsequent reduced trading in Danish and international markets. This is significantly better than budget, driven by increasing business recovery in the second half of 2022.

#### **Uncertainty relating to recognition and measurement**

Due to the impacts of the post-pandemic, there is uncertainty around the receivables balance recognised in the Company's books due from CWT Group enterprises. The Board of Directors are aware of the situation and following group communications are confident that receivables balances from the CWT Group can be paid when called.

#### **Outlook**

Because of the uncertainties associated with the pandemic and the longer-term return to full trading, its ultimate impact on the Company's operations and financial results cannot be estimated at this time. For 2023 the Company expects to be in a loss-making position in the first half of the year given the continued slow recovery from the pandemic, but a more rapid return to trading than current estimates could decrease the loss. We expect a loss for 2023 between DKK 5 million and DKK 15 million. Longer-term projections for business travel and meetings and events for 2024-26 are more positive, with industry and airline forecasts predicting a return to pre-pandemic levels and longer-term growth in the industry.

#### **Knowledge resources**

CWT Denmark A/S is a company with a high level of know-how. Approximately 80% of the employees are travel

management specialists. The Company ensures the continuous development of employee knowledge and skills through internal and external training.

### **Environmental performance**

As we state in our Global Environmental Charter, we are committed to environmental stewardship. Our approach aligns with the commitments we make as a signatory to the UN Global Compact's environmental principles and focuses on three core priorities:

- voluntarily measuring, reporting and reducing emissions;
- creating an environmentally-responsible culture:
  - o through awareness-raising campaigns;
  - o by promoting global and local actions that improve our environmental footprint;
  - o by encouraging employee-led environmental actions and initiatives; and
  - o supporting our clients in implementing environmentally responsible solutions to tackle climate-related issues

To ensure our strategy is consistently delivered, our global cross-functional Climate Taskforce drives the strategy forward.

Key objectives

- Help with implementing our long-term environmental objectives.
- Proposing and leading initiatives to reduce our environmental impact at global and local level – in line with the long-term objectives.
- Further reinforcing our offering of responsible products and services to help our customers meet their own environmental objectives.
- Collaborating on environmental topics with stakeholders throughout CWT's sphere of influence.

More detail on our responsible business actions, policies and milestones can be reviewed through the CWT Annual Environmental, Social and Governance (ESG) Report which is available on our website.

<https://www.mycwt.com/cwt-esg-report-2022/>

### **Events after the balance sheet date**

As a result of the continued emergence from the global pandemic and the related significant reduction in travel on a global basis, CWT Denmark has received capital injections of DKK 7 million from its parent in July 2023.

# Income statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
<b>Gross profit/loss</b>	4	<b>31,308</b>	<b>14,796</b>
Staff costs	5	(42,758)	(30,435)
Depreciation, amortisation and impairment losses	6	(448)	(403)
<b>Operating profit/loss</b>		<b>(11,898)</b>	<b>(16,042)</b>
Other financial income	7	278	19
Other financial expenses	8	(2,000)	(1,089)
<b>Profit/loss for the year</b>	9	<b>(13,620)</b>	<b>(17,112)</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK'000	2021 DKK'000
Acquired intangible assets		0	0
<b>Intangible assets</b>	10	<b>0</b>	<b>0</b>
Other fixtures and fittings, tools and equipment		136	256
Leasehold improvements		423	698
<b>Property, plant and equipment</b>	11	<b>559</b>	<b>954</b>
Deposits		1,253	1,253
<b>Financial assets</b>	12	<b>1,253</b>	<b>1,253</b>
<b>Fixed assets</b>		<b>1,812</b>	<b>2,207</b>
Trade receivables		13,608	14,093
Receivables from group enterprises		24,399	34,052
Other receivables		3,884	4,373
Prepayments	13	1,154	625
<b>Receivables</b>		<b>43,045</b>	<b>53,143</b>
<b>Cash</b>		<b>0</b>	<b>40</b>
<b>Current assets</b>		<b>43,045</b>	<b>53,183</b>
<b>Assets</b>		<b>44,857</b>	<b>55,390</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK'000</b>	<b>2021 DKK'000</b>
Contributed capital	14	10,020	10,020
Retained earnings		3,269	1,889
<b>Equity</b>		<b>13,289</b>	<b>11,909</b>
Other payables	15	5,184	5,179
<b>Non-current liabilities other than provisions</b>	<b>16</b>	<b>5,184</b>	<b>5,179</b>
Prepayments received from customers		502	1,667
Trade payables		12,627	15,825
Payables to group enterprises		3,927	9,130
Other payables	17	9,328	11,680
<b>Current liabilities other than provisions</b>		<b>26,384</b>	<b>38,302</b>
<b>Liabilities other than provisions</b>		<b>31,568</b>	<b>43,481</b>
<b>Equity and liabilities</b>		<b>44,857</b>	<b>55,390</b>
Going concern	1		
Events after the balance sheet date	2		
Uncertainty relating to recognition and measurement	3		
Unrecognised rental and lease commitments	19		
Related parties with controlling interest	20		
Non-arm's length related party transactions	21		
Group relations	22		

# Statement of changes in equity for 2022

	<b>Contributed capital DKK'000</b>	<b>Retained earnings DKK'000</b>	<b>Total DKK'000</b>
Equity beginning of year	10,020	1,889	11,909
Group contributions etc	0	15,000	15,000
Profit/loss for the year	0	(13,620)	(13,620)
<b>Equity end of year</b>	<b>10,020</b>	<b>3,269</b>	<b>13,289</b>

# Cash flow statement for 2022

	Notes	2022 DKK'000	2021 DKK'000
Operating profit/loss		(11,898)	(16,042)
Amortisation, depreciation and impairment losses		448	403
Working capital changes	18	(1,812)	578
<b>Cash flow from ordinary operating activities</b>		<b>(13,262)</b>	<b>(15,061)</b>
Financial income received		278	19
Financial expenses paid		(2,000)	(1,089)
<b>Cash flows from operating activities</b>		<b>(14,984)</b>	<b>(16,131)</b>
Acquisition etc of property, plant and equipment		(56)	(119)
<b>Cash flows from investing activities</b>		<b>(56)</b>	<b>(119)</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>(15,040)</b>	<b>(16,250)</b>
Group contributions		15,000	16,250
<b>Cash flows from financing activities</b>		<b>15,000</b>	<b>16,250</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>(40)</b>	<b>0</b>
Cash and cash equivalents beginning of year		40	40
<b>Cash and cash equivalents end of year</b>		<b>0</b>	<b>40</b>
Cash and cash equivalents at year-end are composed of:			
Cash		0	40
<b>Cash and cash equivalents end of year</b>		<b>0</b>	<b>40</b>



# Notes

## 1 Going concern

The Company has received a capital injection of DKK 15 million from its parent in 2022 and DKK 7 million in July 2023.

The Board of Directors have prepared a cashflow forecast for 2023 showing a positive cash position for the period. Transactions are predicted to grow through the course of 2023. With regard to this forecast and other factors which may impact the Company's future liquidity position including the uncertainty described in Note 3, the Board of Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Due to the continuing effect of post-Covid 19 pandemic on liquidity further capital injections will be needed in the future in order to maintain liquidity for the Company. The Board of Directors assumed that this liquidity will be provided to the Company.

## 2 Events after the balance sheet date

As a result of the continued emergence from the global pandemic and the related significant reduction in travel on a global basis, CWT Denmark has received capital injections of DKK 7 million from its parent in July 2023.

## 3 Uncertainty relating to recognition and measurement

Due to the impacts of the post-pandemic, there is uncertainty around the receivables balance recognised in the Company's books due from CWT Group enterprises. The Board of Directors are aware of the situation and following group communications are confident that receivables balances from the CWT Group can be paid when called.

## 4 Gross profit/loss

Other operating income, including special items, are income and costs that are specific because of their size and nature. During the financial year, the following special items have been included:

Public subsidies, fixed costs: DKK'000 4,428

Public, subsidies, salary costs: DKK'000 368

## 5 Staff costs

	<b>2022</b>	<b>2021</b>
	<b>DKK'000</b>	<b>DKK'000</b>
Wages and salaries	38,305	27,311
Pension costs	3,258	2,425
Other social security costs	1,077	729
Other staff costs	118	(30)
	<b>42,758</b>	<b>30,435</b>
Average number of full-time employees	89	71

According to section 98b(3)(ii) of the Danish Financial Statements Act, remuneration to Management is not disclosed.

## 6 Depreciation, amortisation and impairment losses

	2022 DKK'000	2021 DKK'000
Depreciation of property, plant and equipment	448	403
	<b>448</b>	<b>403</b>

## 7 Other financial income

	2022 DKK'000	2021 DKK'000
Other interest income	15	0
Exchange rate adjustments	48	19
Other financial income	215	0
	<b>278</b>	<b>19</b>

## 8 Other financial expenses

	2022 DKK'000	2021 DKK'000
Other interest expenses	20	16
Exchange rate adjustments	61	147
Other financial expenses	1,919	926
	<b>2,000</b>	<b>1,089</b>

## 9 Proposed distribution of profit and loss

	2022 DKK'000	2021 DKK'000
Retained earnings	(13,620)	(17,112)
	<b>(13,620)</b>	<b>(17,112)</b>

## 10 Intangible assets

	Acquired intangible assets DKK'000
Cost beginning of year	1,497
<b>Cost end of year</b>	<b>1,497</b>
Amortisation and impairment losses beginning of year	(1,497)
<b>Amortisation and impairment losses end of year</b>	<b>(1,497)</b>
<b>Carrying amount end of year</b>	<b>0</b>

## 11 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000
Cost beginning of year	5,626	1,845
Additions	56	0
Disposals	(12)	0
<b>Cost end of year</b>	<b>5,670</b>	<b>1,845</b>
Depreciation and impairment losses beginning of year	(5,371)	(1,147)
Depreciation for the year	(174)	(275)
Reversal regarding disposals	11	0
<b>Depreciation and impairment losses end of year</b>	<b>(5,534)</b>	<b>(1,422)</b>
<b>Carrying amount end of year</b>	<b>136</b>	<b>423</b>

## 12 Financial assets

	Deposits DKK'000
Cost beginning of year	1,253
<b>Cost end of year</b>	<b>1,253</b>
<b>Carrying amount end of year</b>	<b>1,253</b>

## 13 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years.

## 14 Share capital

	Number	Par value DKK'000	Nominal value DKK'000
Ordinary shares	10,020	1	10,020
	<b>10,020</b>		<b>10,020</b>

## 15 Other payables

	2022 DKK'000	2021 DKK'000
Holiday pay obligation	5,184	5,179
	<b>5,184</b>	<b>5,179</b>

Long-term other payables relates to frozen holiday pay.  
Repayment after 5 years: DKK'000 5,184

## 16 Non-current liabilities other than provisions

	Due after more than 12 months 2022 DKK'000
Other payables	5,184
	<b>5,184</b>

## 17 Other payables

	2022 DKK'000	2021 DKK'000
VAT and duties	633	933
Wages and salaries, personal income taxes, social security costs, etc payable	1,386	875
Holiday pay obligation	3,667	3,318
Other costs payable	3,642	6,554
	<b>9,328</b>	<b>11,680</b>

## 18 Changes in working capital

	2022 DKK'000	2021 DKK'000
Increase/decrease in receivables	10,098	(4,821)
Increase/decrease in trade payables etc	(11,910)	5,399
	<b>(1,812)</b>	<b>578</b>

## 19 Unrecognised rental and lease commitments

	2022 DKK'000	2021 DKK'000
Liabilities under rental or lease agreements until maturity in total	8,467	11,093

## 20 Related parties with controlling interest

CWT Beheermaatschappij B.V., Amsterdam, The Netherlands (Immediate holding company)

CWT Global B.V., Amsterdam, The Netherlands (Intermediate Company)

CWT B.V., Amsterdam, The Netherlands (Intermediate Company)

CWT Travel B.V., Amsterdam, The Netherlands (Intermediate company)

CCI Travel Coöperateif, U.A., Diemen, The Netherlands (Intermediate company)

CWT Travel, Inc., Minnetonka, Minnesota, USA (Intermediate company)

CWT Travel Group Inc., Wilmington, Delaware, USA (Intermediate company)

CWT Travel Holdings II Inc., Wilmington, Delaware, USA (Intermediate company)

CWT Travel Holdings Inc., , Wilmington, Delaware, USA (Ultimate holding company)

## 21 Non-arm's length related party transactions

Except Group contributions DKK 15M, all transactions with related parties made in the financial year 2022 were on an arm's length basis.

## **22 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
CWT Travel Holdings Inc., Wilmington, Delaware, USA

The group financial statements can be collected from the Company.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Carlson Travel Inc., Minnetonka, Minnesota, USA

The group financial statements can be collected from the Company.

# Accounting policies

## Reporting class

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

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

## Recognition and measurement

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

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

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

## Public grants

Public grants are recognised when a final commitment has been received from the grantor and it is probable that the conditions of the grant will be fulfilled. Grants are recognised as income in the income statement as earned.

## Tax on profit/loss for the year and deferred tax

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 profit or loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

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

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, other operating income and other external expenses.

### Revenue

Revenue from the sale of tickets etc is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

### Other operating income

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

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### Staff costs

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

### Depreciation, amortisation and impairment losses

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

### Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on receivables and transactions in foreign currencies as well as tax relief under the Danish Tax Prepayment Scheme etc.

### Other financial expenses

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

## Balance sheet

### Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property rights (software).

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

Intellectual property rights (software) is amortised on a straight-line basis over a period of maximum twenty

years.

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

### **Property, plant and equipment**

Other fixtures and fittings, tools and equipment as well as leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

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

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	3-5 years

For leasehold improvements, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

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

### **Receivables**

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

### **Prepayments**

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

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Operating leases**

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

### **Other financial liabilities**

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

### **Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.



**Cash flow statement**

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

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

Cash flows from investing activities comprise payments in connection with activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.