Awaze A/S

Virumgårdsvej 27
2830 Virum
Central Business Registration
No 17484575

Annual report 2024

The Annual General Meeting adopted the annual report on 13th May 2025 by written shareholder resolution

On behalf of the shareholder

_____

Name: Matthew Price

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Entity details

Entity
Awaze A/S
Virumgårdsvej 27
2830 Virum
Denmark

Central Business Registration No: 17484575
Registered in: Lyngby-Taarbæk, Denmark
Financial year: 01.01.2024 – 31.12.2024

Phone: +4570424424
Website: www.novasol.dk
E-mail: novasol@novasol.dk

Board of Directors
Matthew Price, Chairperson
Jakob Bøegh-Beyerholm
Martin Rovsing
Gavin Shetly

Executive Board
Martin Rovsing

Auditors
PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Herredsvej 32
7100 Vejle
Denmark

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Awaze A/S for the financial year 01.01.2024 – 31.12.2024.

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

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2024 and of the results of their operations for the financial year 01.01.2024 – 31.12.2024.

We believe that the Management's Review contains a fair review of the affairs and conditions referred to therein.

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

Virum, 13th May 2025

Executive Board

Martin Rovsing

Board of Directors

Matthew Price Chairperson	Gavin Shetly	Jakob Bøegh-Beyerholm

Martin Rovsing

Independent auditor's report

To the Shareholders of Awaze A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Awaze A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("Financial Statements").

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

Statement on Management's Review
Management is responsible for Management's Review.

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

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

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

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

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

Independent auditor's report

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

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent auditor’s report

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.

Trekantomraadet, 13th May 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Lars Almskou Ohmeyer

State Authorised Public Accountant

mne24817

Lasse Berg

State Authorised Public Accountant

mne35811

Management's Review

	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000
Financial highlights					
Key figures					
Rental revenue	1.068.817	1.086.248	1.053.840	904.523	774.841
Gross profit/loss	419.618	431.377	418.972	412.384	340.888
Operating profit/loss	-38.108	2.873	35.797	60.518	28.632
Net financials	-11.608	-186.901	1.789	-53.598	-56.299
Profit/loss for the year	-20.379	-179.315	22.254	-28.301	-37.972
Total assets	1.993.880	1.809.353	2.387.595	1.783.012	1.749.523
Investments in property, plant and equipment	4.677	10.768	9.502	10.085	2.931
Equity	122.213	-20.594	472.523	453.654	483.851
Ratios					
Operating margin	-3,6%	0,3%	3,4%	6,7%	3,7%
Revenue/Assets	0,5	0,6	0,4	0,5	0,4
Assets/Equity	16,3	-87,9	5,1	3,9	3,6
Return on equity	-40,1%	-79,4%	4,8%	-6,0%	-7,5%

For accounting policies and an explanation of the calculation of key figures and financial ratios, please refer to the description under accounting policies.

Management's Review

Primary activities
Awaze is a Danish entity that acts as intermediary in the rental of individual holiday homes in 18 European countries under the brands Novasol, Dansommer, Fanøspecialisten, Dansk Familieferie, BornholmTours as well as Ardennes Etape located in Belgium, and Fincallorca focused on the German market. The Company focuses on continuous development of its products and services to ensure that the house or apartment owner obtains a cash profit from the collaboration with Awaze.
Based on an agreement concluded with the individual owner, the holiday home or apartment is offered for rental either directly to the end-user or via travel agencies in the European countries.

The Company is the market leader in Europe within holiday home rental and has around 45,000 holiday homes in its portfolio. The Company aspires to be the preferred partner for house owners and holiday guests alike.

Development in activities and finances
In 2024 Awaze had a decrease in rental revenue of DKK 17.4 million compared to the previous year. The decrease in revenue was due to a decrease in arrivals in the high season, as well as decrease in bookings from German customers.

Management considers the trading performance in 2024 as being less satisfactory than expected. The financial performance reflects the impact of impairment losses incurred from investments in group enterprises.

Equity amounted to DKK 122 million corresponding to an equity ratio of 6.2%.

During the year it was decided to make an increase of the share capital of subscription DKK 100, by conversion of debt, at a subscription price of DKK 72.4 million, corresponding to T.DKK 724 per share.

Awaze had an average of 801 employees compared to 752 prior year.

Unusual circumstances affecting recognition and measurement
No unusual circumstances affecting recognition and measurement in 2024.

Branches
Awaze has branches in Belgium, Spain, Portugal, United Kingdom and Italy. In addition Awaze has representation offices in Germany and France.

Outlook
Following 2024 Awaze fell short of revenue expectations. Awaze expects to increase the portfolio of holiday homes in 2025 and continues to invest in both current and future growth drivers. Awaze expects a higher demand compared to 2024 and with a continued focus on optimizing cost per booking which is expected to result in higher gross profit and a positive operating profit at the same level as 2023 (DKK 2,9m) for 2025.

Management's Review

Operating risks
Awaze has an ongoing collaboration with relevant consultants in the individual European countries to monitor compliance with the European legislation. Management does not believe that this presents a significant operating risk. In respect to VAT "Skattestyrelsen" in Denmark has ruled, that Awaze is liable for paying VAT on non-mandatory cleaning purchased at the time of booking. Awaze does not agree in this ruling and has decided to take the case to court.

Financial risks
Management does not believe that there are any significant financial risks.

Currency risks
The activities abroad mean that the results, cash flows and equity are affected by developments in foreign exchange for the various currencies. The most important foreign currencies are EUR, NOK and SEK. No hedging is taking place due to the fact that the EUR/DKK is very stable and the exposure to NOK and SEK is limited as cash inflows (customer payments) and outflows (house owner payments) are settled in the same currency.

Awaze does not engage in speculative currency transactions.

Exchange risks attributable to investments in subsidiaries abroad are not hedged, as such risks are not deemed to be significant.

Interest-rate risks
As Awaze does not have any significant interest-bearing items over prolonged periods, changes in the level of interest rates will not have any material impact on the profit for the year.

Credit risks
Awaze does not have significant risks regarding any single customer as the business model is one that generates a high volume of relatively low value transactions. As customers are required to pay the rental payments before arrival the credit risk is low.

Management's Review

Statutory report on corporate social responsibility, Danish Financial Statements Act § 99a
In respect of Awaze's business model we refer to section Primary activities.

Awaze wishes to comply with legislation and rules in the countries and local communities in which it operates. Awaze operates in well-regulated markets, where legislation and voluntary agreements set relatively clear guidelines for corporate social responsibility. Based on the fact that Awaze operates within the guidelines and legislations in Denmark and the other European countries it is Awaze's assessment that risk of having a significantly negative impact on climate and environment, human rights, social- and employee relations, anti-corruption and bribery is very limited. This is founded in the nature of the business model we operate. The business model is a predominately online based intermediary of individual holiday homes rental.

As the company does not own the houses that it rents to guests, our environmental impact is limited to resource consumption arising from administrative task.
The company has therefore assessed that the risks are low, and the company has therefore not found it necessary to have a policy for the climate and environment area. Despite this, we are focused on maintaining our low carbon footprint and also carried out an Environmental Clean Up Week earlier in the year where team members from across our offices supported their local communities with litter picking and gardening projects.

The company does not own the houses that it rents to guests and does not have a supply chain the company has assessed that the risk of violating human rights is limited and therefore the company does not have a policy within the area.

Employees are of considerable importance to the success of the business and their welfare and development is always high on the agenda. A changing environment provides opportunity for career progression and focus is therefore being placed on the development of management skills to ensure all individuals receive the best chance of progression. The Company is committed to a culture in which extensive dialogue and team working is strongly prevalent and continues to keep them informed on the various factors affecting the performance of the company through events such as the companywide monthly All Hands and regular functional updates. Employees are consulted on matters directly impacting their business areas wherever practicable. A good benefits package is already offered but is under continual review to ensure it remains competitive or better than comparable companies in the local areas. Employee involvement in the performance of the business is encouraged by various incentive schemes across the Group.

The Company's policy is to provide equal recruitment and other opportunities for all employees, regardless of sex, religion, color, age and race. Our policy is to give full consideration to employment applications from disabled people and to ensure that disabled employees have equal opportunity with other employees for advancement and access to training programs. It is also our policy to provide every possible help to retain employees who have become disabled whilst working within the company. It is the practice to encourage lines of employee communications through means such as briefing groups and newsletters.

Management's Review

In 2024, we have focused on increasing the representation of women in senior roles through mentoring, training and leadership programs. The "Women@Awaze" group was established during 2024 to discuss improving career development for our female team and encouraging a pipeline of female leaders. Our "Women In Tech" group have continued to implement a number of initiatives to support women in technology including virtual and in person networking and panel events. The company will continue to make and develop these programs to ensure equal opportunities.

The company operates within Europe where corruption and bribery risks are low and limited cash transaction anti-corruption and bribery are assessed as low risk areas and therefore no policy is implemented at the moment.

Statement of policy on data ethics, Danish Financial Statement Act § 99d
We are committed to using data in an ethical way. As part of this, we are committed to protecting the personal data entrusted to us by customers, partners and employees in line with the General Data Protection Regulation (GDPR). We aim to be as transparent as possible when explaining how we use their data and use it in fair ways that do not have unjust effects on them. We ensure this data is properly secured by adhering to recognised operational and technical security best practice safeguards which enable us to monitor, detect and, where necessary, respond to cyber security events. Our internal awareness training includes mandatory data protection and cyber security e-learning to ensure our employees understand the importance of data protection and security. In 2024 we will continue to further refine our approach to data ethics by reviewing evolving laws and guidance and implementing any necessary changes to our processes.

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

Income statement

	Notes	2024 DKK'000	2023 DKK'000
Revenue	3	1.068.817	1.086.248
Other external expenses		-649.199	-654.871
Gross profit/loss		**419.618**	**431.377**
Staff costs	4	-405.897	-390.731
Depreciation, amortisation and impairment losses	5	-51.829	-37.773
Operating profit/loss		**-38.108**	**2.873**
Income from investmens in group enterprises		151.609	0
Other financial income	6	18.557	42.007
Other financial expenses	7	-181.774	-228.908
Profit/loss before tax		**-49.716**	**-184.028**
Tax on profit/loss for the year	8	29.337	4.713
Profit/loss for the year	9	**-20.379**	**-179.315**

Balance sheet

	Notes	2024 DKK'000	2023 DKK'000
Acquired rights		119.088	125.944
Other intangible assets		257.957	33.032
Intangible assets	10	**377.045**	**158.976**
Land and buildings		4.046	4.268
Plant and machinery		9.721	13.131
Leasehold improvements		6.952	6.430
Property, plant and equipment	11	**20.719**	**23.829**
Investments in group enterprises		426.394	567.225
Deposits		43.807	43.840
Fixed asset investments	12	**470.201**	**611.065**
Fixed assets		**867.965**	**793.870**
Maintenance and cleaning materials		4.045	3.438
Inventories		**4.045**	**3.438**
Trade receivables		947.200	911.116
Receivables from group enterprises		61.334	37.831
Other receivables		9.765	7.184
Prepayments	13	35.323	16.977
Corporation tax		0	125
Receivables		**1.053.622**	**973.233**
Cash	14	**68.248**	**38.812**
Current assets		**1.125.915**	**1.015.483**
Assets		**1.993.880**	**1.809.353**

Balance sheet

	Notes	2024 DKK'000	2023 DKK'000
Contributed capital	15	3.750	3.750
Retained earnings		118.463	-24.344
Equity		**122.213**	**-20.594**
Deferred tax	16	9.209	23.949
Provisions		**9.209**	**23.949**
Other payables	17	3.283	3.509
Non-current liabilities other than provisions		**3.283**	**3.509**
Trade payables		918.112	894.961
Payables to group enterprises		677.651	655.246
Income tax payable		21.906	5.957
Other payables	17	180.235	187.632
Deferred income	18	61.271	58.693
Current liabilities other than provisions		**1.859.175**	**1.802.489**
Liabilities other than provisions		**1.862.458**	**1.805.998**
Equity and liabilities		**1.993.880**	**1.809.353**
Special items	1		
Subsequent events	2		
Unrecognised rental and lease commitments	19		
Contigent Liabilities	20		
Related parties with controlling interest	21		
Fee to auditors appointed at the general meeting	22		

Statement of changes in equity for 2024

	Contributed capital	Share premium	Retained earnings	Total
	DKK'000	DKK'000	DKK'000	DKK'000
Equity beginning of year	3.750	0	-24.344	-20.594
Exchange rate adjustments	0	0	-965	-965
Capital increase	0	72.420	0	72.420
Transfer from share premium account	0	-72.420	72.420	0
Contribution from Group	0	0	91.731	91.731
Profit/loss for the year	0	0	-20.379	-20.379
Equity end of year	**3.750**	**0**	**118.463**	**122.213**

Notes to financial statement

1. Special items
As a result of impairment tests on investments in group enterprises, a write-down to net realizable value has been made. The impairment amounts to a total of DKK 142 million and is recognized as a financial expense in the income statement.

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

	2024 DKK'000	2023 DKK'000
3. Rental revenue		
Germany	540.900	555.271
Denmark	372.561	338.472
Other countries	155.356	192.505
	1.068.817	**1.086.248**
4. Staff costs		
Wages and salaries	370.844	357.244
Pension costs	28.319	26.277
Other social security costs	6.734	7.210
	405.897	**390.731**
Average number of employees	801	752

	Remuneration of management 2024 DKK'000	Remuneration of management 2023 DKK'000
Executive Board	9.198	10.385
	9.198	**10.385**

Notes to financial statement

	2024 DKK'000	2023 DKK'000
5. Depreciation, amortisation and impairment losses		
Amortisation of intangible assets	43.640	13.928
Depreciation of property, plant and equipment	8.189	6.921
Impairment losses on intangible assets	0	16.924
	51.829	**37.773**
6. Other financial income		
Financial income arising from group enterprises	1.423	20.053
Currency gain	5.344	1.357
Interest income	11.790	20.597
	18.557	**42.007**
7. Other financial expenses		
Financial expenses from group enterprises	32.171	34.305
Interest expenses	7.329	17.592
Impairment losses on investments in group entreprises	141.815	177.011
Other financial expenses	459	0
	181.774	**228.908**
8. Tax on profit/loss for the year		
Tax on current year taxable income	4.437	0
Change in deferred tax for the year	-14.740	-4.466
Adjustment concerning previous years	-19.034	-247
	-29.337	**-4.713**
9. Proposed distribution of profit/loss		
Retained earnings	-20.379	-490.512
Extraordinary dividend	0	311.197
	-20.379	**-179.315**

Notes to financial statement

	2024	2024
	Acquired rights	Computer software
	DKK'000	DKK'000
10. Intangible assets		
Cost beginning of year	163.139	117.597
Adjustments	68	0
Additions	20.688	241.044
Disposals	0	-7.058
Cost end of year	**183.895**	**351.583**
Amortisation and impairment losses beginning of year	-37.195	-84.565
Adjustments	-66	-1
Exchange rate adjustments	0	-24
Amortisation for the year	-27.546	-16.094
Disposals	0	7.058
Amortisation and impairment losses end of year	**-64.807**	**-93.626**
Carrying amount end of year	**119.088**	**257.957**

Notes to financial statement

	2024 Land and buildings DKK'000	2024 Plant and machinery DKK'000	2024 Leasehold improvements DKK'000
11. Property, plant and equipment			
Cost beginning of year	10.512	71.989	16.803
Adjustments	0	18	-16
Additions	0	2.539	2.138
Cost end of year	**10.512**	**74.546**	**18.925**
Depreciation and impairment losses beginning of the year	-6.244	-58.858	-10.373
Depreciation for the year	-278	-6.308	-1.603
Adjustments	56	341	3
Depreciation and impairment losses end of the year	**-6.466**	**-64.825**	**-11.973**
Carrying amount end of year	**4.046**	**9.721**	**6.952**

Notes to financial statement

	2024 Investments in group enterprises DKK'000	2024 Deposits DKK'000
12. Fixed asset investments		
Cost beginning of year	823.485	43.840
Additions	984	-33
Cost end of year	**824.469**	**43.807**
Impairment losses beginning of year	-256.260	0
Impairment	-141.815	0
Impairment losses end of year	**-398.075**	**0**
Carrying amount end of year	**426.394**	**43.807**

Name:

	Place of registered office	Votes and ownership	Currency	Result '000	Equity '000
Awaze AS	Oslo	100%	NOK	2.694	926
Novasol Service GmbH*	Hamburg	100%	EUR	9	2.302
Awaze AB	Gothenburg	100%	SEK	2.649	17.603
Awaze B.V.	Terheijden	100%	EUR	1.000	3.867
Novasol S.R.O**	Prague	100%	CZK	-74	2.802
Awaze sp. z.o.o.	Stettin	100%	PLN	180	1.563
Novasol Reise GmbH***	Hamburg	100%	EUR	16	4.259
Awaze d.o.o.	Pula	100%	EUR	-876	2.372
Asteria Srl.	Stavelot	100%	EUR	3.853	6.819
Esoledad S.A.	Wemperhardt	97,3%	EUR	41	936
Vacation Rentals SARL	Cannes	100%	EUR	384	2.680
Fincallorca GmbH	Bielefeld	100%	EUR	741	3.565
StrandBergen B.V.	Bergen aan Zee	100%	EUR	-1	238
BornholmTours ApS	Nexø	100%	DKK	-166	13.014
Meus d.o.o	Zagreb	100%	EUR	5.087	8.191
My Istria d.o.o.	Poreč	100%	EUR	5.666	8.191
Adria Luxury Rent d.o.o	Zadar	100%	EUR	1.684	2.259
Anaka SAS	Vanves	100%	EUR	-142	124
Die Ferienhaus-Agentur GmbH***	Kappeln	100%	EUR	-218	568
Sandy Blue LDA	Almancil	100%	EUR	392	814
Zugvogel-Reisen GmbH	Neubrandenburg	100%	EUR	238	541

2023 accounts are the latest signed accounts for these entities.

* 2020 figures

** 2021 figures

*** 2022 figures

Notes to financial statement

13. Prepayments

Prepayments consist of prepaid expenses concerning rent, IT, service costs, etc.

14. Cash

The Awaze companies participate in a cash pool scheme.

	Number	Par value DKK	Nominal value DKK'000
15. Contributed capital			
Ordinary A shares	37.500	100	3.750
	37.500		**3.750**

	2024 DKK'000	2023 DKK'000
16. Deferred tax		
Beginning of year	23.949	28.415
Recognised in the income statement	-14.740	-4.466
End of year	**9.209**	**23.949**

17. Other payables		
Due within 1 year	180.235	187.632
Due between 1 and 5 years	0	0
Due after 5 years	3.283	3.509
	183.518	**191.141**

18. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

19. Unrecognised rental and lease commitments

Hereof liabilities under rental or lease agreements until maturity in total	113.952	124.519
	113.952	**124.519**

Notes to financial statement

20. Contingent liabilities
The Danish group enterprises are jointly and severally liable for tax on the consolidated jointly taxed income etc.

The Danish group enterprises are moreover jointly and severally liable for Danish withholding taxes. Any subsequent adjustments of corporation tax and withholding taxes may imply that the Company is liable for a higher amount.

21. Related parties with controlling interest

Controlling interest
Awaze Limited, 100 New Bridge Street, London, United Kingdom, Owner.
PE Compass Holding SARL, a limited liability company registered in Luxembourg, which is an investment vehicle ultimately controlled by Platinum Equity Capital Partners International IV (Cayman), LP, Ultimate owner.

Transactions
The company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

Consolidated Financial Statements
The company is included in the consolidated report for the parent company:

PE Compass Holding II Limited

280 Bishopsgate

London

United Kingdom

EC2M 4RB

The Group annual report of PE Compass Holding II Limited may be obtained at the following address:

PE Compass Holding II Limited

280 Bishopsgate

London

United Kingdom

EC2M 4RB

22. Fee to auditors appointed at the general meeting
According to section 96(3) of the Danish Financial Statement Act, audit fees are only specified in the consolidated financial statement for the parent company PE Compass Holding II Limited.

Accounting policies

Reporting class and currency
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large). The annual report is presented in TDKK. The accounting policies applied remain unchanged from last year.

Consolidated financial statements
With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of PE Compass Holding II Limited, the Company has not prepared consolidated financial statements.

Cash flow statement
With reference to section 86 (4) of the Danish Financial Statements Act the company has not prepared a cash flow statement.

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 affected 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 non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Segment information on revenue
The disclosure on revenue allocated on geographical areas has been prepared based on the geography of the customer. No disclosure on activities has been prepared as management sees the activities of the company as one.

Accounting policies

Income statement
Revenue
Rental revenue comprises of gross revenue from guest deducted with payment to houseowner.

The recognition criterion for revenue for rental of holiday houses is acceptance of the rental agreement. For revenue relating to services regarding the rental of holiday houses the revenue is recognised at the time of delivery.

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

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 operating income and expenses
Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of property, plant and equipment.

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.

Income from investments in group enterprises
Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Other financial income from group enterprises
Other financial income from group enterprises comprises interest income etc. on receivables from group enterprises.

Other financial income
Other financial income comprises interest income, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Financial expenses from group enterprises
Financial expenses from group enterprises comprise interest expenses etc. from payables to group enterprises.

Other financial expenses
Other financial expenses comprise interest expenses, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Accounting policies

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

Current tax liabilities and current tax receivables are recognised in the balance sheet as calculated tax on the year's taxable income, adjusted for paid on-account tax.

Balance sheet
Intellectual property rights etc.
Intellectual property rights etc. comprise acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. The amortisation periods used are 7 years.

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

Goodwill
Goodwill is the positive difference between cost and value in use of assets and liabilities taken over as part of the acquisition. Goodwill is amortized straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If it is not possible to estimate the useful life reliably, it is set at 20 years. Useful lives are reassessed on an annual basis. The amortisation periods used are 7 years.

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

Computer software
Computer software is measured at cost less accumulated amortisation and impairment. Amortisation is provided on a straight-line basis over the expected useful lives of the assets. The amortisation periods used are 3 years.

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

Accounting policies

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

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:

Buildings	30 years
Plant and machinery	25 years
Leasehold improvements	5 years

Estimated useful lives and residual values are reassessed annually.

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

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

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realizable value.

The cost of goods for resale comprises the acquisition price plus delivery costs.

The net realizable value of inventories is stated as the expected selling price less costs of completion and costs incurred to execute the sale.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less write-downs 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.

Accounting policies

Deferred tax
Deferred tax is recognised and measured under the balance sheet liability method comprising all temporary differences between the varying amount and the tax base of assets and liabilities. The tax base of the assets is stated based on the planned use of the individual assets.

Deferred tax is measured in accordance with the tax rules and tax rates in the various countries that will apply under the legislation in force at the balance sheet date when the deferred tax. Any change in deferred tax as a consequence of changes in tax rates are recognised in the income statement.

Deferred tax assets, including the tax value of tax losses allowed for carry forward, are measured in the balance sheet at the value at which the asset is expected to be realisable, either through offsetting in deferred tax liabilities or as net tax assets.

The parent company is jointly taxed with Danish companies. The current income tax is distributed between the jointly taxed companies in proportion to their taxable incomes (full absorption with refunds for tax losses).

Other taxes
This item includes tax amounts calculated on another basis than income for the year, including environmental tax etc., which are not refunded to the Entity.

Deferred tax relating to re-taxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Debt
At the time of borrowing, debt is measured at cost which corresponds to the proceeds received less transaction costs incurred. Debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

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

Deferred income
Deferred income is measured in the balance sheet at cost of services not yet provided added expected profit.

Accounting policies

Financial highlights
Definition of financial ratios

Operating Margin:	Operating Profit / Rental Revenue
Revenue/Assets:	Rental Revenue / Total Assets
Assets/Equity:	Total Assets / Equity
Return on Equity:	Profit for the year / Average Equity