

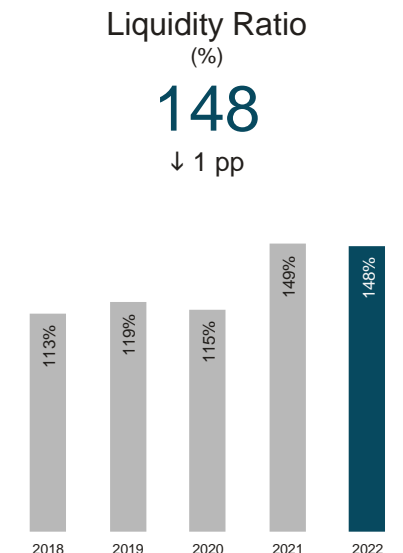
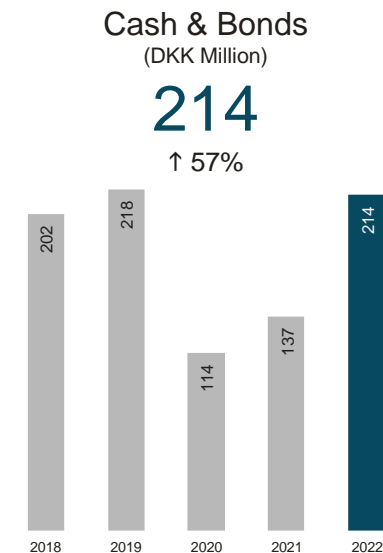
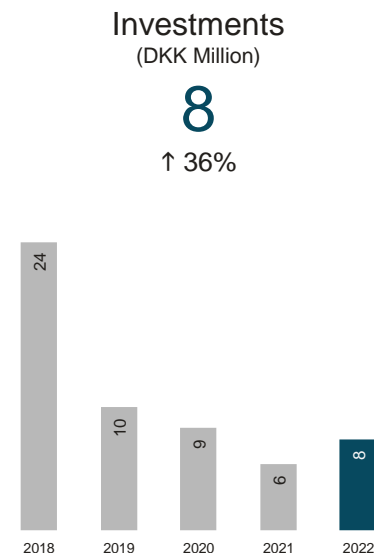
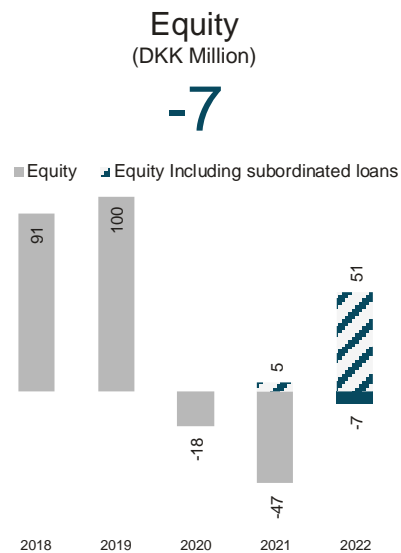
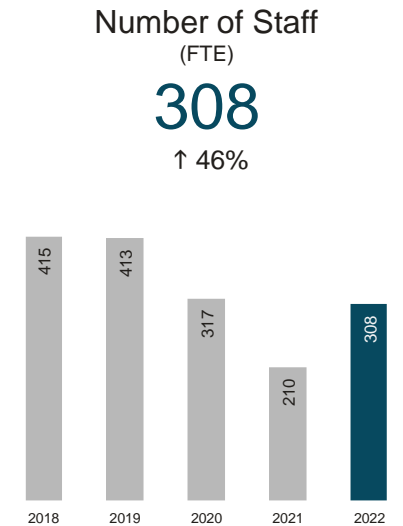
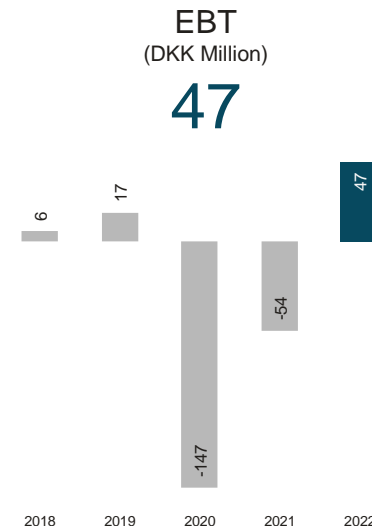
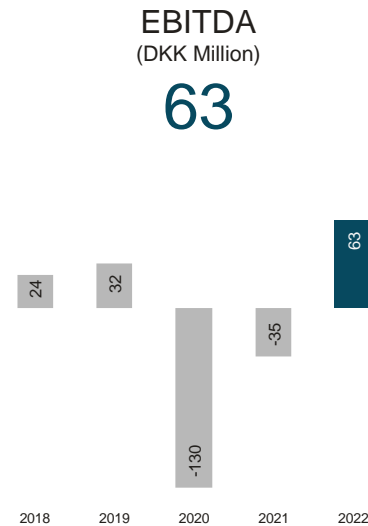
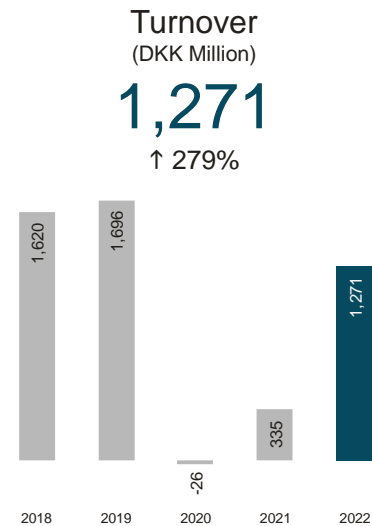





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# The Kilroy Group - An Overview





A person is sitting in a large tent with a yellow and blue tarp roof. The tent is set up on a rocky, uneven ground. In the background, there are several smaller tents, including a blue one and a green one. The landscape is mountainous with steep, rocky slopes. The sky is clear and blue. The overall scene suggests a remote, outdoor setting, possibly a camp or a temporary shelter in a high-altitude area.

Our customers dream of doing something different: studying in a foreign country, achieving self-realization, exploring the world and sharing their experiences with others. We constantly try to fulfil these dreams in our own dedicated way.

**We make dreams happen!**



# The Group

**Kilroy International A/S heads a European group of companies that are leaders in travel, educational counselling and student benefits.**

**The Group drives a number of brands in eight markets and employs more than 400 people.**

## Brands

The Kilroy Group believes in strong brands to create long-term benefits for our customers and our company. We put considerable resources into broadening our knowledge and building our competences to meet these customers' evolving needs. We want our brands to have a clear and unique image in their minds – so they value our brands as the ultimate authority.

## Our responsibility

We strive to build the businesses of the Kilroy Group for the benefit not only of customers, but also for the environment and other stakeholders.

Long-term sustainability is imperative.





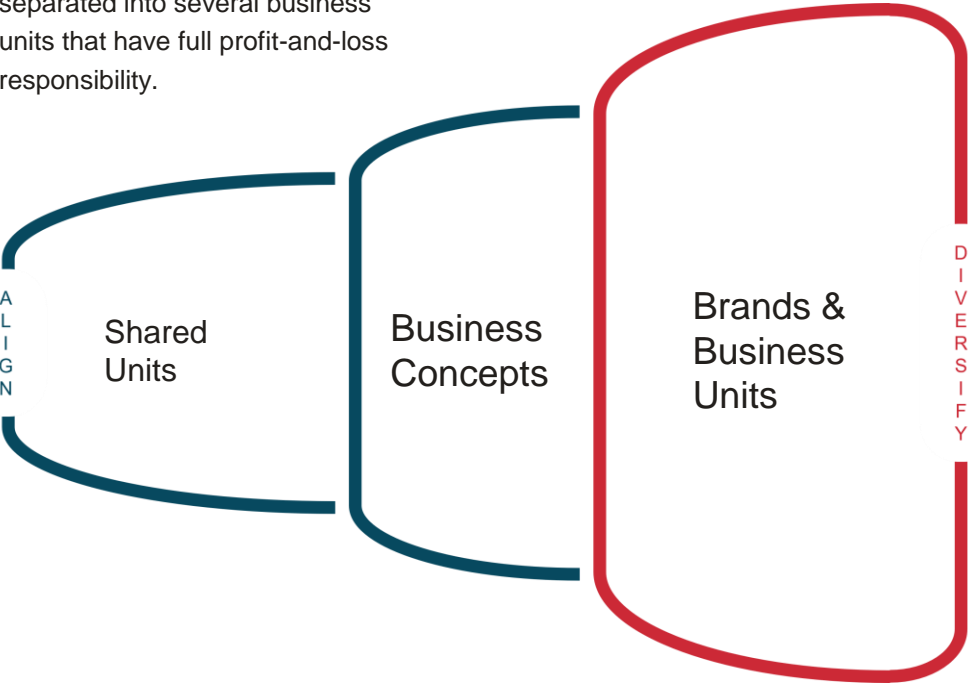
# Business philosophy

The key challenge for most businesses is to create high-value products and services, and to do it with affordable and competitive pricing.

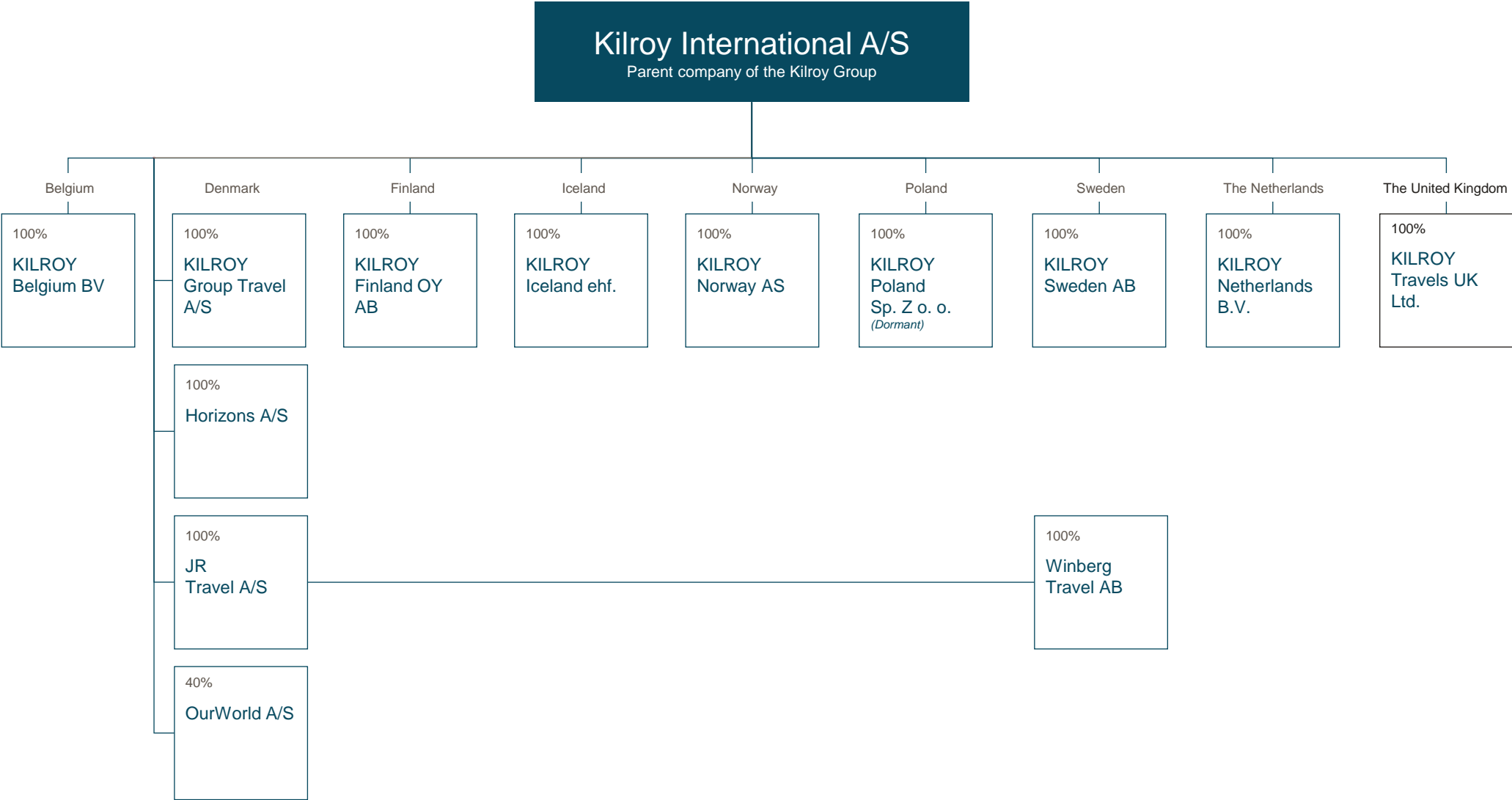
In the Kilroy Group, we align our operation for the extensive use of shared resources to reduce the cost per transaction.

We must still diversify and specialise our business to be the invaluable expert for a wide range of customer segments and their specific needs. Our customers should be able to meet us in different brands that provide a selection of our niche competences.

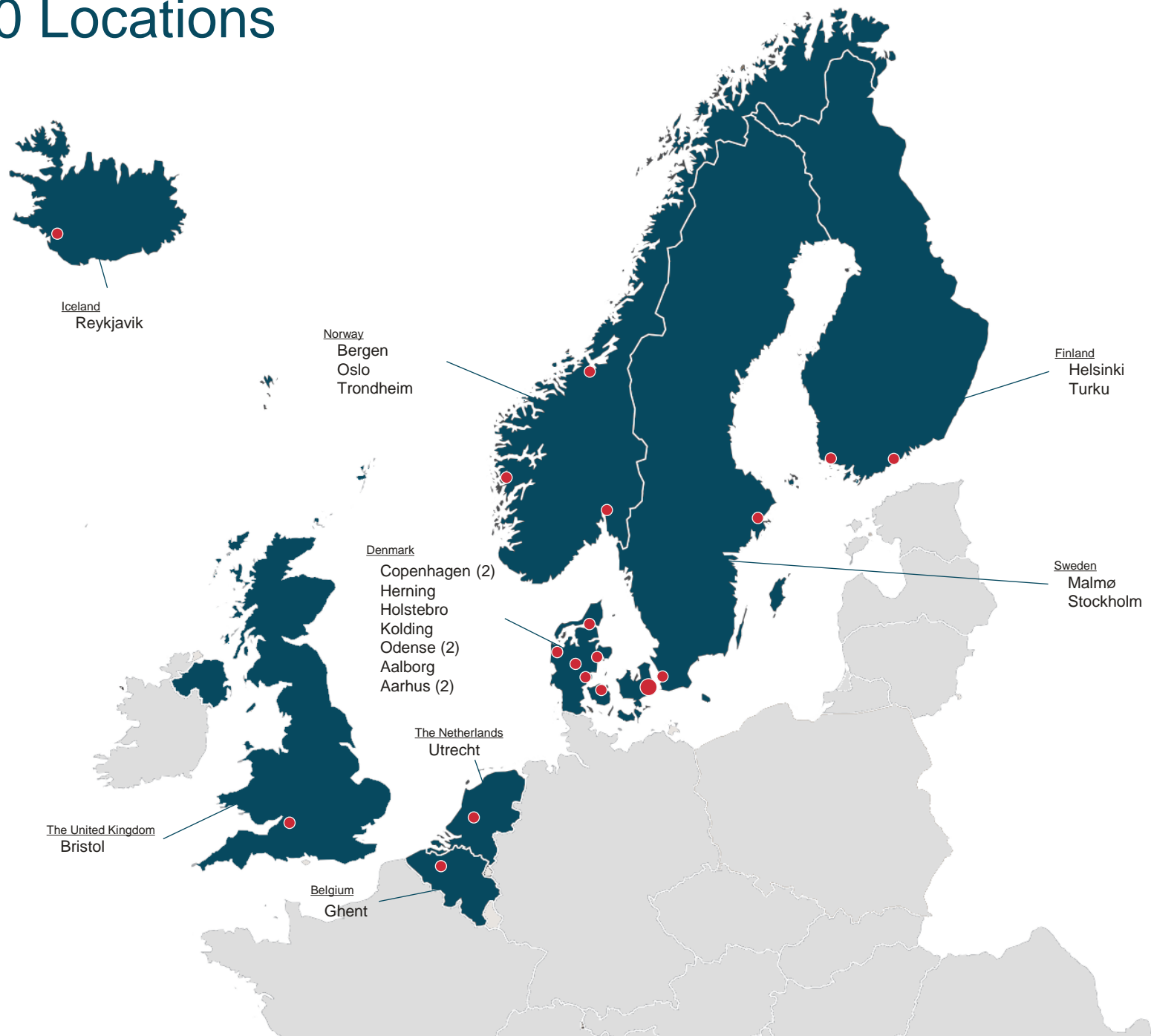
To ensure an effective monitoring of our business performance, the Kilroy Group's activities are separated into several business units that have full profit-and-loss responsibility.



# Legal Units as of April 27, 2023



# 8 Markets & 20 Locations





# History The future is built on the strength of the past!

## March 1946



## 1946

Student organisations in all the Nordic countries establish travel agencies:

- DIS Rejser, Denmark
- Travels, Finland
- Univers Reiser, Norway
- SFS Resebyrå, Sweden

## 1951

Scandinavian Student Travel Service, (SSTS) is established by the Scandinavian student travel agencies with the objective of purchasing flight seats jointly on behalf of all the companies.



Over the years, SSTS develops into a travel organisation specialised in the production and wholesaling of student and youth tours. In addition to its founders, SSTS also serves other student and youth travel agencies in Europe and the USA, and becomes a major travel operator.

## 1953

The ISIC Association is established as a The International Student Identity Card (ISIC) Association is established as a non-profit organization, providing an internationally accepted proof of bona fide student status. ISIC is endorsed by UNESCO.

## 1973/74

The global oil crisis has a heavy impact on student and youth travel, and subsequently, on SSTS' operations.

## 1987

SSTS is reorganised into a limited company. The majority shareholder is HYY Group, which is owned by the Student Union of Helsinki University.

## 1990

A wholesale company is established in Spain.

## 1991

SSTS and the Nordic travel agencies are merged into one group with SSTS as the parent company. The group's name is changed to **KILROY travels**.



The legend behind the name:

Young **James Kilroy** worked on the docks of Boston back in the 1940s. His job was to load the great steamships of that day with cases of cargo bound for every corner of the world.

One early November morning, the weather was grey and gloomy, and

*Kilroy felt more like staying indoors, sheltered and under cover. "Hey Kilroy," his foreman yelled, "You're daydreaming again. Can't you ever get anything done?"*

*Kilroy was used to the foreman and his insults. And the cargo boxes were waiting to be loaded. There was no way around it: It had to be done, and he might as well get on with it.*

*But as Kilroy bent down to pick up one of the wooden boxes, he was struck by a great idea. With a piece of chalk, he wrote in big bold letters on each box:*

**KILROY WAS HERE!**

*As these cases turned up in foreign ports all around the world, Kilroy's spirit reached across the world as well - a really effective way of getting around! From that moment on, whenever the foreman shouted at Kilroy that he wasn't getting anything done, Kilroy just smiled. He knew better. In ports all over the world there were daily reminders that the foreman was wrong.*

*Kilroy knew that there's more than one way of crossing borders, and breaking through all kinds of barriers to be free and independent!*



# History

The future is built on the strength of the past!

## 1994

The German youth travel agency ARTU is acquired.

## 1996

A sales company is established in the Netherlands.

## 1999

Benns Rejser A/S in Denmark is acquired. Part of the company is later changed to MyPlanet.

**BENNS**

## 2001

The Danish group travel company Team Travel is acquired and merged with group travel activities from Benns Rejser. The merged unit is branded Team Benns.

KILROY Group Travel A/S is established as a new parent company for group travel activities.

KILROY travels Germany ARTU GmbH, is sold.

## 2004

Trading in the Spanish market is ceased.

## 2005

MyPlanet is divested.

## 2007

All educational activities of the International Education Centre (IEC) of Norway are acquired.

The ownership structure is changed. A group of Nordic investors acquires 100% of the shares in Kilroy travels International A/S. The majority shareholder is Iceland Invest Ltd.

## 2009

The name of the parent company of the Group is changed to Kilroy International A/S.

**KILROY**

## 2010

Horizons A/S is established as a merger of KILROY Denmark and Jysk Rejsebureau.



All travel activities of Wasteels Rejser of Denmark are acquired.

An ownership stake is acquired in OurWorld A/S of Denmark.

## 2011

An ownership stake is obtained in Ski Group A/S which is established as a merger between the skiing activities of Team Benns Ski and Højmark Rejser.

A KILROY sales company is established in Iceland.

## 2013

The KILROY Foundation is established.

An ownership stake is acquired in Frank Students, a Finnish company in charge of national student benefits.

## 2014

ISIC (International Student identity Card) is launched as a separate brand within the Kilroy Group.



## 2015

A KILROY sales company is established in Belgium.

All activities within Team Benns and tur.no is merged and branded BENNS.

## 2016

A KILROY sales company is established in Poland.

The ownership stake in Ski Group A/S is sold.

## 2018

The Swedish travel agency, Winberg Travel, is acquired.



## 2022

The ownership stake in Frank Students is divested.

A KILROY sales company is established in the United Kingdom.



We believe in the importance of strong brands to create long-term benefits for our customers and our company!

**BENNS**



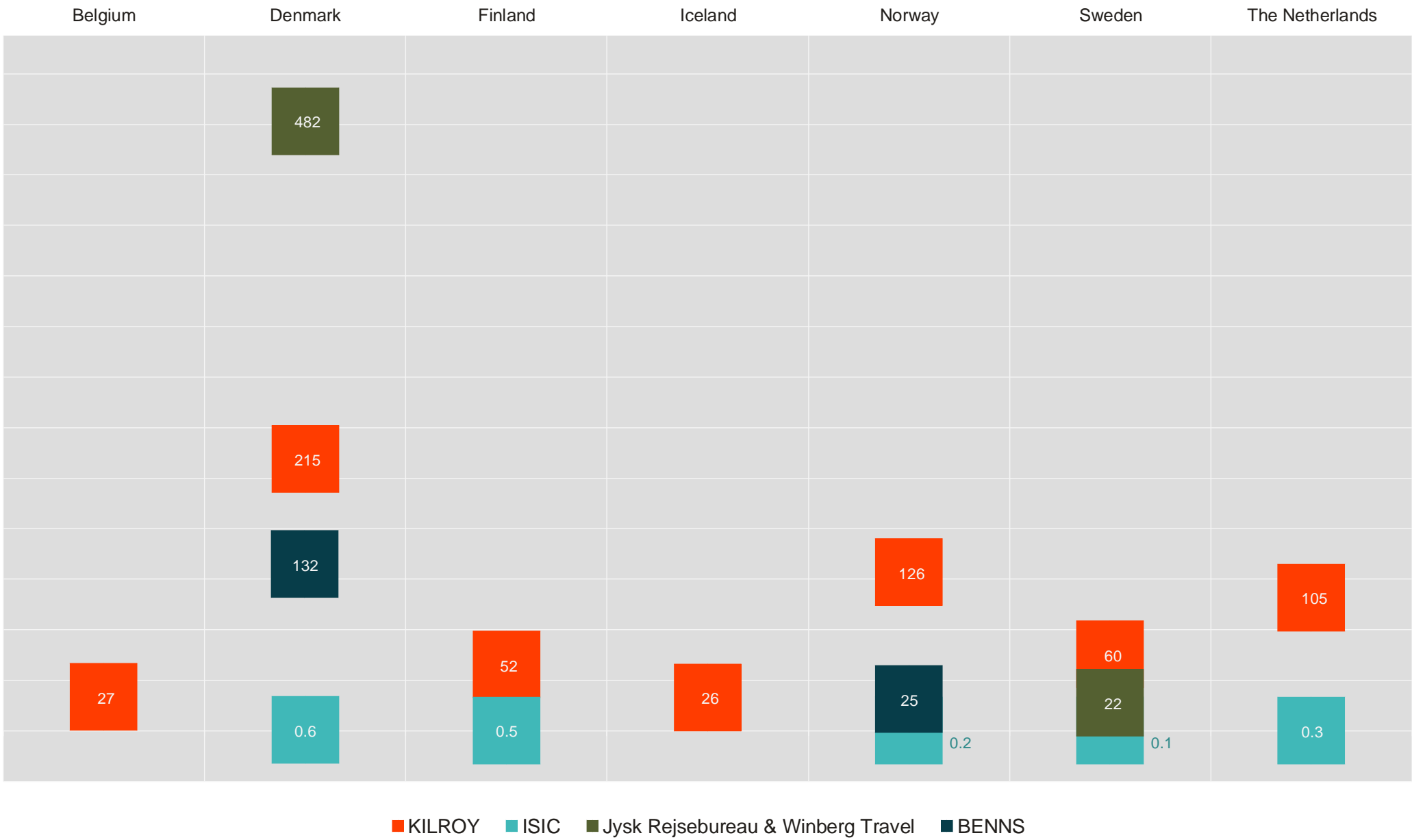
**JYSK REJSEBUREAU  
WINBERG TRAVEL**

**KILROY**



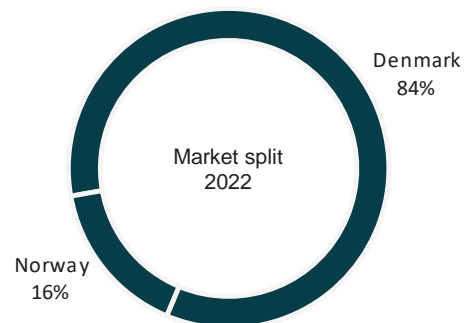


# Brand per Market 2022 Turnover in million DKK



Since 1963, BENNS has specialised in tailor-made travel experiences. BENNS focuses on overseas destinations and travel types such as safaris, cruises, guided tours and round trips in motor campers, to name a few. BENNS targets the 50+ segment: those with an active lifestyle and the curiosity to experience – rather than just “see” – a destination.

Read more at [benns.com](https://benns.com)

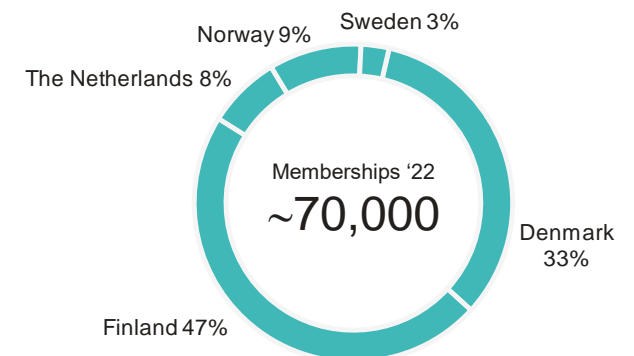






ISIC (International Student Identity Card) is the only globally recognised proof of fulltime student status, with more than 150,000 student benefits around the world. The ISIC app and virtual ID are available in more than 100 countries. The Kilroy Group is the exclusive representative of ISIC in five markets, and two of these rank in the top 15 of global app profile activations.

The ISIC Association is a non-profit organisation, and the focus of the Kilroy Group is on growing the student member base of ISIC Student Services in all markets where it operates to become a valuable lead driver for the Kilroy Group.



Read more at: [isicdanmark.dk](https://isicdanmark.dk) / [isic.fi](https://isic.fi) / [isic.is](https://isic.is) / [isic.no](https://isic.no) / [isic.nl](https://isic.nl) / [isic.se](https://isic.se)

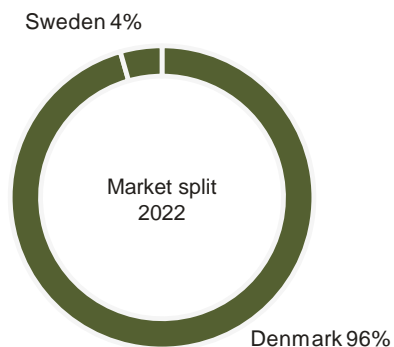
Jysk Rejsebureau has been tailoring tours for the adventurous traveller for decades.

The sales consultants are experienced travellers themselves. They focus on giving customers the chance to discover places that are often found only where the roads turn into mere trails. Their product is to compose trips with a high content of “sensing the world” – journeys that are unique in experience yet affordable.

In recent years, Jysk has launched prepack aged tours for the active travellers and backpackers.

Winberg Travel was acquired in 2018 with the aim of expanding the concept of Jysk Rejsebureau into Sweden. Winberg has a longstanding position in that country and continues to operate under the Winberg brand.

Read more at [jr.dk](https://jr.dk) and [wt.se](https://wt.se)





“Giving young people a greater perspective on the world through travel.”

## Our manifesto

The impact of traveling should never be underestimated. A journey isn't just "time off." It's an experience. We believe that traveling the world and seeing different cultures makes for a better you, and thus, a better world.

Experience has taught us that the person who ends a journey is different from the one who starts it.

Traveling is much more than just leaving home. It's meeting the world. New people, new places, new perspectives. As we see it, these elements can make a powerful force for good. They can shift mindsets and give us a new outlook on the world.

**That's why we believe in the power of travel.**



## We sell experiences that are tailored to grow and transform travellers.

Experienced and passionate advisors act as curators to match customers' needs and desires for their next life-defining trip, either by tailor-making an adventure or by joining some new friends on a group trip:

- Backpacking – combined with activities and adventures
- Around-the-world – or other flexible, multi-stop trips
- Education abroad
- Working abroad – volunteer jobs and internships
- Group travel with an educational purpose

Read more at [kilroy.net](https://kilroy.net)



# Management's Report

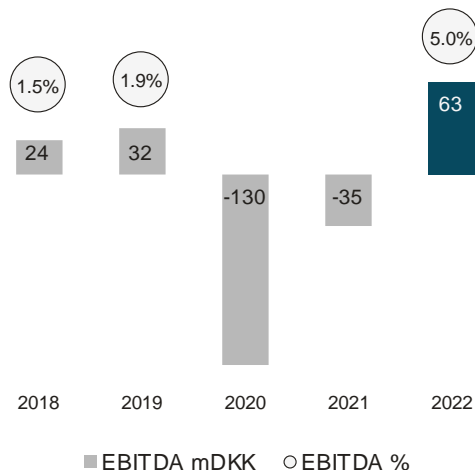
The Kilroy Group delivered a positive result for 2022. Turnover increased to DKK 1,271 million from a turnover of DKK 335 million in 2021.

The operating profit (EBITDA) was DKK 63 million, compared with a loss of DKK 35 million in 2021. The profit before tax (EBT) was DKK 47 million.

Thus, the financial result of the Kilroy Group surpassed the targets set for 2022.

The Board of Directors expressed satisfaction with the result.

The EBITDA development for the Kilroy Group is shown in the chart below.



## Market environment

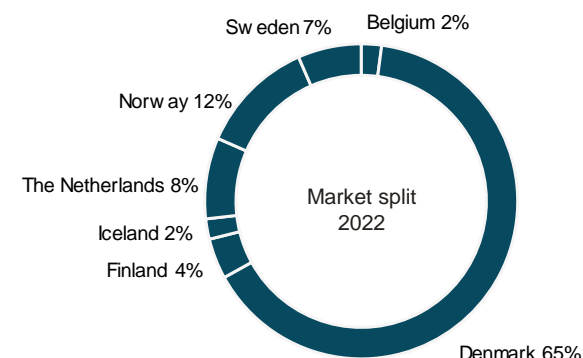
2022 had it all. The beginning of 2022 was still heavily affected by the COVID-19 pandemic and numerous sales transactions had to be refunded to customers. As the world slowly reopened, the next challenge was to re-establish the sales organisation to serve a travel demand that, in certain customer segments, was higher than before the pandemic. In some of the Group's markets, travel demand exceeded the sales capacity.

The Group's turnover per market is illustrated in the chart to the right.

## Distribution

Customers exhibit increasingly diverse behaviour when planning and executing a purchase. The Kilroy Group recognizes the need to offer a wide range of contact and selling points for their discretionary use. But as always, personal counselling is still at the core.

The pandemic clearly accelerated the use of online meetings, but the Kilroy Group continues to believe in the value of physical presence so customers can meet their advisors face-to-face. During 2021 and 2022, the portfolio of the Group's locations was revised but most locations remain. In Bristol, UK, a new KILROY location was signed in March 2023, with the aim of opening in May 2023.



## The youth and student ticket

What today is known as the Kilroy Group was the founder of special student and youth flight tickets, and for decades, the Kilroy Group has been active in the Student Air Travel Association (SATA). Originally, this type of youth travel was conducted on the SATA member's own flight ticket stock, and settlement took place after the ticket was flown. This is also known as the flown revenue concept. The SATA ticket met the demands of a special segment of students and other young people who often travel for longer periods – at



# Management's Report<sub>continued</sub>

affordable prices and with a high degree of flexibility.

While the Kilroy Group strives to keep these demands in focus, it's also streamlining the business to meet our suppliers' demand for seamless integration. We pursue this via industry-standard settlement procedures to ensure cost efficiency, both for Kilroy and for the airlines.

The unique youth and student ticket has been the instrument for serving thousands of young people while en route. This service is provided primarily online from a central service team in Copenhagen.

## Ownerships and M&A

In February 2022, KILROY Finland OY AB divested its share stake of 52% in Frank Students OY AB. Despite this move, the Kilroy Group will continue close cooperation with Frank Students OY AB via the ISIC and KILROY brands.

In October 2022, Kilroy International A/S incorporated a subsidiary, KILROY Travels UK Ltd., in the United Kingdom. This company was established to pursue opportunities arising since the pandemic and the altered landscape for youth and student travel in the UK.

The Kilroy Group will continue to explore M&A opportunities in businesses and assets that can contribute to long-term growth and profitability.

## Organisation

**2022 was yet another extreme year for the Kilroy Group. Our staff started out tackling numerous refunds, then faced a high travel demand as the world re-emerged from the COVID pandemic. These abrupt changes required focus and flexibility. It was an extraordinary effort by many of our staff who had already worked tirelessly during the pandemic's most severe months. This calls for respect and gratitude!**

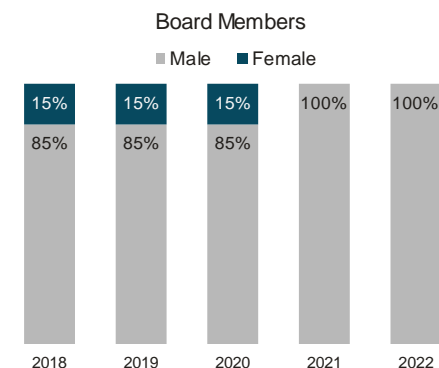
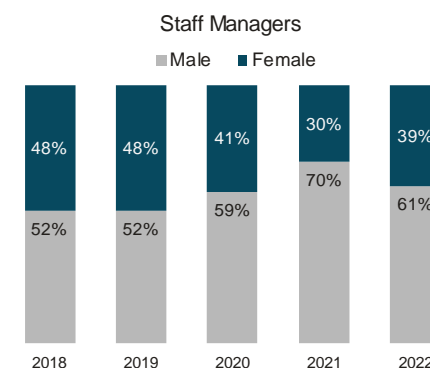
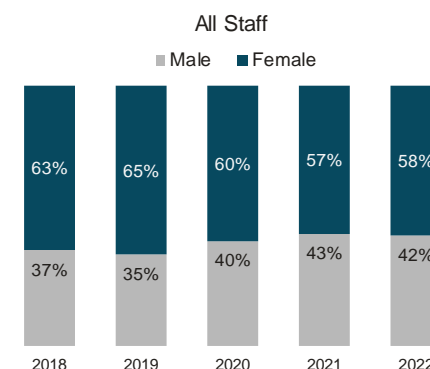
The average number of employees (fulltime equivalent, or FTE) in 2022 was 308, compared with 210 in 2021. At the time of the approval of the 2022 accounts, the organisation had grown to approximately 420 FTE.

As for gender, the Kilroy Group has always practised the policy of "best person for the job." However, as an integrated part of our CSR priorities, the Group has set targets for including more women in management positions, including the Board of Directors. The policy can be found on [kilroygroup.net/csr](https://kilroygroup.net/csr).

Not all of these targets have been met, or are likely to be met, due to the inherent owner and management structure of the Group. Consequently, the Board of Directors is to review and set new targets with due consideration of the Group's structure.

The charts to the right illustrate the gender mix in various functions.

*"Staff Managers" are all managerial positions ranging from team leaders to registered directors.*



# Management's Report continued

## Technology

A condition for the Group's continued development is reducing transaction costs so we can focus employees' time on creating more value for our customers. Investments in technology, alignment of work processes and, not least, upgrading employees' competences are crucial for our long-term success.

All sales units use the same IT-platform, which paves the way for accelerating and unifying best practices. Own software is developed and maintained in-house to ensure customer centricity, and to fast-track lead-time on critical development tasks.

For processes where alignment and efficiency exceed the importance of customer focus and differentiation, it remains a priority to use mainstream technology and cloud services in all parts of our systems infrastructure. Most system costs are based on long-term maintenance contracts. This ensures our readiness for adopting the newest market trends and developments.

## Corporate Social Responsibility (CSR)

The Kilroy Group is committed to managing the social and environmental impact of our direct and indirect operations in a sustainable manner. We strive to reduce our consumption of natural resources and at the same time, enable anyone who wants to travel to do so, and benefit from it. We encourage our partners to do the same. Our business involves activities that can, if not managed properly, cause negative social or environmental impact. We take our responsibility seriously as we commit to helping fight climate change and support human rights.

We strive to align our efforts in compliance with the United Nations' Sustainable Development Goals, and we report annually on our progress.

Additional and detailed information about the Kilroy Group's CSR policies and approach in accordance with section 99a of the Danish Financial Statements Act can be found in the CSR report at [kilroygroup.net/csr](https://kilroygroup.net/csr).

**Gender composition:** The Group has conducted a statement on gender composition in accordance with section 99b of the Danish Financial Statements Act, which can be found in the Kilroy Group's CSR report at [kilroygroup.net/csr](https://kilroygroup.net/csr).

**Data ethics:** The Group works actively with secure data handling and data ethics and will continue this work in the future. There is no formal data ethics policy, but internal work is performed effectively with reference to current legislation such as the GDPR legislation.

Further information in accordance with section 99d of the Danish Financial Statements Act can be found in the CSR report at [kilroygroup.net/csr](https://kilroygroup.net/csr).

## Guidance for 2023

In some of the Group's most important markets, the resurgent strong demand has continued into 2023. This has provided a stronger start of the year than anticipated.

The budgeted expectation for 2023 is that the Kilroy Group will deliver a profit (EBITDA) in the range of DKK 30 to DKK 35 million. Based on the start of 2023, it is the management's view that the budgeted goal is achievable.

The war in Ukraine continues and it has the potential to escalate with catastrophic consequences. The current zones of conflict are not key destinations for the Kilroy Group, so the imminent impact is considered minimal for 2023. Still, the economic challenges stemming from the war, including inflation, are expected to have a negative impact in and beyond 2023.

No material events have occurred since the balance sheet date that would affect the assessment of the Annual Report for 2022.



# Management's Report<sup>continued</sup>

## Equity

During 2020 and 2021, the pandemic completely eroded the Group's equity, including free reserves of DKK 100 million.

Consequently, it was necessary to re-establish the equity and liquidity to a level that ensured that the Group could continue operation. This was completed in April 2021, and consists of new capital from the current owners, subordinated loans from Vækstfonden (the Danish state's investment fund) and the majority owner. The management expects to restore the equity to the pre-pandemic level by means of earnings in the coming years.

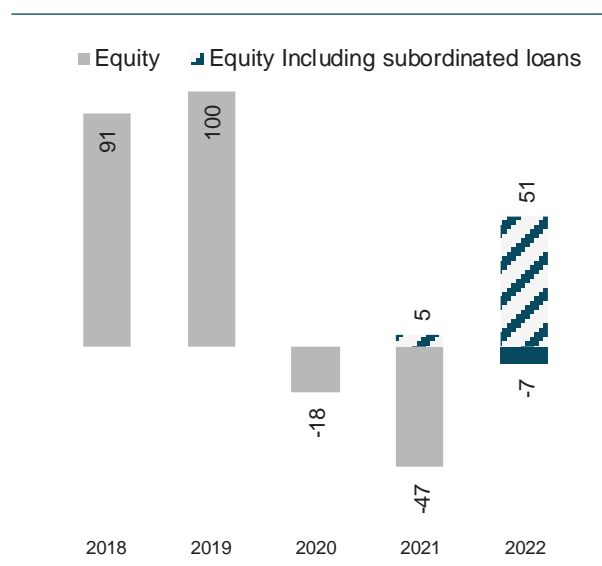
With the profit in 2022, the Group has taken an important step towards this restoration although the equity remains negative. When including the subordinated loans, the equity appears positive.

The Board proposes that no dividend be paid for the year 2022. Future dividends will be proposed according to the governance associated with the subordinated loans, as well as the Kilroy Group's expansion plans, consolidation, and liquidity requirements.

The development of equity for the Kilroy Group is shown in the chart to the right.

## Risk assessment

Operating globally, the travel industry is by nature affected by numerous risks. The majority of these are beyond our control, such as war, terror, natural disasters, disease and political unrest. The COVID-19 pandemic was a prime example of an uncontrollable event.



Every link in the value chain is constantly challenged, either by traditional suppliers, new players or by the customers themselves. As in many other industries, the Internet has created an atmosphere of "direct trading is cheapest." We address this challenge by constantly focusing on internal training and customer service, and by making value-addition tangible and apparent to our customers.

The financial risk of doing business in multiple countries and currencies is reduced through cautious execution by the Kilroy Group's cash management function. Policies are established to ensure that currency exposure is mitigated to the extent possible.

Kilroy only hedges commercial exposures. The primary financial instruments include currency forward contracts.

## Shareholder information & annual report

The ownership structure remained unchanged in 2022 as the Danish company, SSTS A/S, holds 100% of the shares in Kilroy International A/S.

SSTS A/S currently has no other activities than the ownership of the Kilroy Group. The company is owned by a group of Nordic investors who have, or have had, management positions within the Group. Detailed information about the group of owners can be found in note 17.

The Annual Report of Kilroy International A/S is included in the Annual Report of SSTS A/S.

The Annual Report of SSTS A/S can be obtained from: SSTS A/S, Nytorv 5, 1450 Copenhagen K, Denmark

## Auditing

KPMG is the main auditor of the Group.

### Tapio Kiiskinen

*In 2022 the Group lost one of its owners, Tapio Kiiskinen, who passed away in September 2022. Until his death, Tapio Kiiskinen was co-owner and board member of the Kilroy Group.*

*Mr. Kiiskinen played an active role in the Nordic travel agencies in the 1980's and was instrumental in establishing the Kilroy Group in 1991. He served as Chairman of the Board for more than 20 years.*

# Financial Statements

Financial Year January 1 - December 31, 2022

Consolidated – The Group

Kilroy International A/S – Parent Company



# Group Key Figures - DKK

		2022	2021	2020	2019	2018
<b>Income statement</b> (DKK million)						
Turnover		1,271	335	-26	1,696	1,620
EBITDA		63	-35	-130	32	24
EBIT		54	-50	-149	13	7
Net financials		-7	-4	2	4	-1
EBT		47	-54	-147	17	6
Net profit for the year		41	-45	-119	8	1
<b>Balance sheet</b> (DKK million)						
Cash and bonds		214	137	114	218	202
Current assets		396	310	277	393	381
Total assets		414	332	309	436	435
Capital expenditure		8	6	9	10	24
Equity		-7	-47	-18	100	91
Long-term liabilities		94	117	86	1	2
Current liabilities		267	208	240	331	338
Cash flow from operating activities		83	3	-204	31	44
<b>Key figures</b>						
EBITDA - Margin (%)	EBITDA / turnover	5.0	-10.3	NA	1.9	1.5
EBIT - Margin (%)	EBIT / turnover	4.3	-15.0	NA	0.8	0.4
Return on assets (%)	EBIT / total assets	13.1	NA	NA	3.0	1.6
Return on equity (%)	Net profit / average equity	NA	NA	NA	8.6	1.4
Liquidity ratio (%)	Current assets / current liabilities	148.0	148.7	115.2	118.7	112.8
Equity ratio (%)	Equity (excl. minority interests) / total assets	-1.7	-14.2	-5.7	22.9	20.8
Earnings per share (DKK)	Net profit / number of shares	225.2	-250.2	-669.6	45.7	8.3
Cash flow per share (DKK)	Cash flow from operating activities / number of shares	458.8	15.2	-1,146.2	176.3	247.5
Proposed dividend (DKK million)		0.0	0.0	0.0	0.0	0.0
Average number of fulltime employees (FTE)		308	210	317	413	415

# Group Key Figures - EUR

		2022	2021	2020	2019	2018
<b>Income statement</b> (EUR million)						
Turnover		170.9	45.1	-3.5	227.6	217.4
EBITDA		8.5	-4.7	-17.5	4.3	3.2
EBIT		7.3	-6.7	-20.0	1.7	0.9
Net financials		-0.9	-0.5	0.2	0.5	-0.1
EBT		6.4	-7.3	-19.7	2.2	0.9
Net profit for the year		5.4	-6.0	-16.0	1.1	0.2
<b>Balance sheet</b> (EUR million)						
Cash and bonds		28.8	18.4	15.2	29.1	27.1
Current assets		53.2	41.7	37.0	52.6	51.0
Total assets		55.7	44.7	41.4	58.4	58.2
Capital expenditure		1.0	0.7	1.1	1.4	3.2
Equity		-0.9	-6.4	-2.4	13.4	12.1
Long-term liabilities		12.7	15.8	11.6	0.1	0.3
Current liabilities		35.9	28.0	32.2	44.3	45.2
Cash flow from operating activities		11.1	0.4	-27.4	4.2	5.9
<b>Key figures</b>						
EBITDA - Margin (%)	EBITDA / turnover	5.0	-10.3	NA	1.9	1.5
EBIT - Margin (%)	EBIT / turnover	4.3	-15.0	NA	0.8	0.4
Return on assets (%)	EBIT / total assets	13.1	NA	NA	3.0	1.6
Return on equity (%)	Net profit / average equity	NA	NA	NA	8.6	1.4
Liquidity ratio (%)	Current assets / current liabilities	148.0	148.7	115.2	118.7	112.8
Equity ratio (%)	Equity (excl. minority interests) / total assets	-1.7	-14.2	-5.7	22.9	20.8
Earnings per share (EUR)	Net profit / number of shares	30.3	-33.6	-89.8	6.1	1.1
Cash flow per share (EUR)	Cash flow from operating activities / number of shares	61.7	2.0	-153.5	23.6	33.1
Proposed dividend (EUR million)		0.0	0.0	0.0	0.0	0.0
Average number of fulltime employees (FTE)		308	210	317	413	415



# Income Statement

January 1 - December 31

		Group		Parent	
Note		2022 tDKK	2021 tDKK	2022 tDKK	2021 tDKK
1	Turnover	1,271,176	335,305	49,570	48,415
2	Other operating income	14,212	29,352	0	3,718
	Cost of products	-1,019,437	-262,171	0	0
	<b>Gross profit</b>	<b>265,951</b>	<b>102,486</b>	<b>49,570</b>	<b>52,133</b>
3	Sales and administration	-53,581	-40,927	-14,501	-11,411
4	Personnel	-148,935	-96,228	-37,154	-28,136
	<b>EBITDA</b>	<b>63,435</b>	<b>-34,669</b>	<b>-2,085</b>	<b>12,586</b>
5	Depreciations and amortizations	-9,396	-15,474	-6,050	-10,187
	<b>EBIT</b>	<b>54,039</b>	<b>-50,143</b>	<b>-8,135</b>	<b>2,399</b>
6	Result from shares in subsidiaries	-	-	49,793	-44,672
7	Financial expenses, net	-6,708	-3,780	-5,849	-1,387
	<b>EBT</b>	<b>47,331</b>	<b>-53,923</b>	<b>35,809</b>	<b>-43,660</b>
8	Tax	-6,793	9,287	4,729	-589
9	<b>Net profit for the year</b>	<b>40,538</b>	<b>-44,636</b>	<b>40,538</b>	<b>-44,249</b>
	Gain/loss attributable to minority interest	0	387		
	<b>Result attributable to Kilroy International A/S</b>	<b>40,538</b>	<b>-44,249</b>		

# Balance Sheet

December 31

Note	ASSETS	Group		Parent	
		2022 tDKK	2021 tDKK	2022 tDKK	2021 tDKK
	<b>FIXED ASSETS</b>				
	Software	13,619	12,640	13,617	12,638
	Goodwill	1,552	3,937	0	0
6	<b>Intangible fixed assets</b>	<b>15,171</b>	<b>16,577</b>	<b>13,617</b>	<b>12,638</b>
	Land and buildings	573	575	0	0
	Leasehold improvements	1,039	1,077	36	7
	IT hardware and other equipment	1,000	1,309	441	542
6	<b>Property, plant and equipment</b>	<b>2,612</b>	<b>2,961</b>	<b>477</b>	<b>549</b>
7	Shares in subsidiaries	0	0	87,930	23,745
10	Shares in associated companies	621	627	559	559
	Other financial assets	0	2,270	0	0
	<b>Financial fixed assets</b>	<b>621</b>	<b>2,897</b>	<b>88,489</b>	<b>24,304</b>
	<b>TOTAL NON-CURRENT ASSETS</b>	<b>18,404</b>	<b>22,435</b>	<b>102,583</b>	<b>37,491</b>
	<b>CURRENT ASSETS</b>				
	<b>Inventories</b>	<b>1,001</b>	<b>1,273</b>	<b>0</b>	<b>0</b>
	Trade debtors	70,821	59,151	0	0
	Amounts due from group enterprises	0	0	3,446	7,946
8	Deferred tax asset	25,946	35,631	1,106	0
	Tax asset	0	343	0	0
	Other receivables	9,983	9,647	580	659
11	Prepaid expenses and accrued income	62,693	55,628	4,102	6,903
	Intra group loans	10,807	11,245	10,807	11,245
	<b>Total receivables</b>	<b>180,250</b>	<b>171,645</b>	<b>20,041</b>	<b>26,753</b>
	<b>Cash at bank and in hand</b>	<b>214,290</b>	<b>136,899</b>	<b>100,000</b>	<b>99,880</b>
	<b>TOTAL CURRENT ASSETS</b>	<b>395,541</b>	<b>309,817</b>	<b>120,041</b>	<b>126,633</b>
	<b>TOTAL ASSETS</b>	<b>413,945</b>	<b>332,252</b>	<b>222,624</b>	<b>164,124</b>



# Balance Sheet

December 31

		Group		Parent	
Note	LIABILITIES	2022 tDKK	2021 tDKK	2022 tDKK	2021 tDKK
	<b>EQUITY</b>				
	Share capital	18,000	18,000	18,000	18,000
	Share premium	0	0	9,839	9,839
	Retained earnings	-25,024	-65,252	-34,863	-75,091
	<b>TOTAL EQUITY</b>	<b>-7,024</b>	<b>-47,252</b>	<b>-7,024</b>	<b>-47,252</b>
	<b>SUBORDINATED LOAN</b>				
	Subordinated loan	57,767	52,023	57,767	52,023
	<b>TOTAL SUBORDINATED LOAN</b>	<b>57,767</b>	<b>52,023</b>	<b>57,767</b>	<b>52,023</b>
	<b>PROVISIONS</b>				
12	Other provisions	1,843	1,843	558	58,811
8	Deferred tax	0	0	0	2,394
	<b>TOTAL PROVISIONS</b>	<b>1,843</b>	<b>1,843</b>	<b>558</b>	<b>61,205</b>
	<b>LONG-TERM LIABILITIES</b>				
13	Long-term debt	94,076	117,347	13,815	14,986
	<b>TOTAL LONG-TERM LIABILITIES</b>	<b>94,076</b>	<b>117,347</b>	<b>13,815</b>	<b>14,986</b>
	<b>CURRENT LIABILITIES</b>				
13	Short-term of long-term debt	18,243	955	0	0
	Trade creditors	168,619	107,447	2,582	7,677
	Amounts owed to group enterprises	0	0	143,454	65,001
	Current tax payables	0	1,606	0	1,606
	Other liabilities	28,882	38,100	8,253	2,953
	Accrued liabilities	7,409	9,805	3,219	5,925
14	Advance payments	44,130	50,378	0	0
	<b>TOTAL CURRENT LIABILITIES</b>	<b>267,283</b>	<b>208,291</b>	<b>157,508</b>	<b>83,162</b>
	<b>TOTAL LIABILITIES</b>	<b>413,945</b>	<b>332,252</b>	<b>222,624</b>	<b>164,124</b>
15	<b>Contingent assets, liabilities and collaterals</b>				
16	<b>Group Enterprises</b>				
17	<b>Related parties</b>				
18	<b>Events after the balance sheet date</b>				

# Statement of Changes in Equity

December 31

## EQUITY

<b>GROUP</b>	Issued capital tDKK	Retained earnings tDKK	Proposed dividend tDKK	Shareholders' equity 2022 tDKK
<b>Balance as at 1 January</b>	<b>18,000</b>	<b>-65,252</b>	<b>0</b>	<b>-47,252</b>
Exchange rate adjustments	0	-310	0	-310
Result of the year	0	40,538	0	40,538
<b>Balance as at 31 December</b>	<b>18,000</b>	<b>-25,024</b>	<b>0</b>	<b>-7,024</b>

<b>PARENT</b>	Issued capital tDKK	Share premium tDKK	Retained earnings tDKK	Proposed dividend tDKK	Shareholders' equity 2022 tDKK
<b>Balance as at 1 January</b>	<b>18,000</b>	<b>9,839</b>	<b>-75,091</b>	<b>0</b>	<b>-47,252</b>
Exchange rate adjustments	0	0	-310	0	-310
Result of the year	0	0	40,538	0	40,538
<b>Balance as at 31 December</b>	<b>18,000</b>	<b>9,839</b>	<b>-34,863</b>	<b>0</b>	<b>-7,024</b>

The share capital comprises of 180.000 shares of DKK 100 each and is not divided into classes.  
There have only been changes to issued capital in 2021 during the past five years.



# Cash Flow Statement

January 1 - December 31

	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
<b>EBIT</b>	54,039	-50,143	-8,135	2,398
<b>Adjustments for non-cash items</b>				
Depreciation	9,396	15,474	6,050	10,187
Exchange rate and other adjustments	1,213	1,820	-666	-50
<b>Working capital</b>				
Change in inventories	272	200	0	0
Change in receivables	-19,072	-3,677	7,380	31,240
Change in other provisions	0	0	-58,253	39,648
Change in trade creditors	61,172	88,326	-5,095	4,332
Change in other liabilities	-17,007	-47,135	81,901	-85,663
<b>Cash flow from operating activities before financial items</b>	<b>90,013</b>	<b>4,865</b>	<b>23,182</b>	<b>2,092</b>
Net interest income, etc.	-7,169	-4,707	-5,022	-2,578
Paid taxes	-264	2,545	-1,606	1,782
<b>Cash flow from operating activities</b>	<b>82,580</b>	<b>2,703</b>	<b>16,554</b>	<b>1,296</b>
Purchase/sale of shares	2,271	5,383	0	0
Contributions to subsidiaries	0	0	-79,719	0
Subsidiaries with negative equity provisioned for	0	0	58,253	-39,648
Purchase of plant, operating equipment etc.	-7,657	-5,575	-6,957	-4,984
<b>Cash flow from investment activities</b>	<b>-5,386</b>	<b>-192</b>	<b>-28,423</b>	<b>-44,632</b>
Capital injection	0	10,000	0	10,000
Contributions to subsidiaries	0	0	-6,431	0
Subsidiaries with negative equity offset against receivables with subsidiaries	0	0	13,410	-23,962
Loan to group enterprises	438	2,621	438	2,621
Change in debt	-5,985	-41,643	-1,172	14,986
Subordinated loan	5,744	49,748	5,744	52,023
Dividends paid/received	0	20	0	0
<b>Cash flow from financial activities</b>	<b>197</b>	<b>20,746</b>	<b>11,989</b>	<b>55,668</b>
<b>Net cash flow from operating, investing and financing activities</b>	<b>77,391</b>	<b>23,257</b>	<b>120</b>	<b>12,332</b>
Cash and cash equivalents at the beginning of the year	136,899	113,643	99,880	87,548
<b>Cash and cash equivalents at the end of the year</b>	<b>214,290</b>	<b>136,899</b>	<b>100,000</b>	<b>99,880</b>

Not all figures above can be found directly in the Annual Report.

# Accounting Policies

## General

The Annual Report for 2022 for Kilroy International A/S (Parent Company) is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting large class C companies.

The consolidated financial statements are presented in Danish kroner (DKK), which is the Parent Company's base currency.

The accounting policies used in the preparation of the consolidated financial statements and the Parent Company's financial statements are consistent with last year. There have been minor reclassifications in the income statement and the balance sheet. Comparative figures have been restated accordingly.

## Consolidated financial statements

The consolidated financial statements comprise of the Parent Company, and all subsidiaries in which the Parent Company controls more than 50% of the voting rights, directly or indirectly.

The consolidated financial statements are prepared by adding items of a similar nature in the accounts of the Parent Company and its subsidiaries.

Financial statements of the subsidiaries that are included in the consolidated accounts financial statements are prepared in accordance with the accounting policies of the Parent Company.

Income statements of foreign subsidiaries are converted into DKK using the average exchange rates for the year. Balance sheet items are translated at the exchange rate at the end of the year.

Exchange rate adjustments of the equity of foreign subsidiaries at the beginning of the year, and exchange rate adjustments of the income statement from average rates to year-end rates, are posted against the Parent Company's equity. In the consolidation of the financial statements,

intercompany income and expenses, intercompany accounts, and intercompany profits and losses are eliminated. The Parent Company's share in a subsidiary is calculated as its share of the subsidiary's net assets.

Companies in which the Group holds between 20% and 50% of the share capital without having obtained significant influence are considered as associated companies and are measured at cost.

## Business combinations

When acquiring new entities, the purchase method is applied under which identifiable assets and liabilities are measured at fair value at the date of acquisition. Restructuring costs recognised in the acquiring company at the acquisition date that are not a part of the acquisition are included in the pre-acquisition balance sheet and thus the determination of goodwill. Restructuring that is adopted after the acquisition is recognised in the income statement. The tax effect of revaluations is recognised as deferred tax.

Positive differences (goodwill) between cost and the fair value of identifiable assets and liabilities acquired, including restructuring provisions, are recognised as intangible assets and amortised systematically in the income statement based on an individual assessment of the useful life. Negative goodwill is recognised as income in the income statement at the acquisition date when the usual conditions for recognition of income are met.

Newly acquired or newly established entities are recognised in the consolidated financial statements at the date of acquisition or establishment. Divested entities are recognised in the consolidated income statement up to the date of divestment. Comparative figures are not restated to reflect acquisitions or divestments.

Gains or losses on the divestment of subsidiaries and associated companies are calculated as the difference between the sales amount and the carrying amount of net assets at the date of disposal, including non-amortised goodwill and projected costs of divestment.

Goodwill in connection to acquisitions is capitalised and amortised over a maximum 10-year period.

## Income statement

### Turnover

Turnover includes the year's sales of travel products, other services and incentives from suppliers.

Revenues from individual-focused products are booked at the time of invoicing, regardless of departure date. Upon receipt of a part (or full) payment, the individual products are booked with the supplier and travel documents are issued. Most flight tickets need to be issued immediately to guarantee availability and, in most cases, there are no changes to the itinerary before departure. As main part of the value increase is performed at the time of the sale and invoicing (e.g., the risk is transferred to the customer when the tickets are issued), the turnover is booked at invoicing. Turnover recognised is adjusted for expected cancellations based on the cancellation history.

Revenues from group travel products are booked in the accounting period that coincides with the departure date of the trip.

Revenue is measured at the fair value excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

### Cost of products

Cost of products comprises invoiced and accrued cost of travel related products and other services incurred by generated revenue of the year.

### Other operating income

Other income comprises items secondary to the activities of the entities and internal service deliveries.

Government aid/compensation schemes related to COVID-19 are included in this item.



# Accounting Policies

## Sales and administrative costs

These are costs incurred indirectly from distributing travel products and other services sold during the year. Also included are other overhead costs, e.g. office premises, office expenses, IT and all costs for web-technology with an assessed lifetime of less than 3 years.

## Salaries and other personnel expenses

Personnel costs comprise expenses incurred during the year for all management, sales consultants and administrative staff.

## Result from shares in subsidiaries

Net profits or losses in subsidiaries contain the proportionate share of net profits or losses in the subsidiaries and amortisation of goodwill.

## Financial income and expenses

Financial income and expenses comprise interest income and expenses, financial costs regarding 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

The Parent Company is jointly taxed with Danish subsidiaries and its owner, SSTS A/S, in accordance with the Danish rules on mandatory joint taxation. Danish subsidiaries are either included or excluded in the joint taxation at the same time as they are included or excluded in the consolidation.

SSTS A/S, is the administrative company under the joint taxation scheme and, accordingly, pays all income taxes to the tax authorities. The jointly taxed Danish companies are taxed under the on-account tax scheme.

The current Danish corporation tax is allocated among the jointly taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). Tax for the year comprises current tax, joint taxation and changes in

deferred tax for the year, including adjustments to tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in equity.

Corporate tax on account is recognised in the balance sheet under current assets.

Deferred tax is provided under the liability method, and covers all temporary differences between accounting and tax values of the assets and liabilities. Deferred tax is, furthermore, provided for re-taxation of tax-deductible losses realised in non-Danish associated companies, if the re-taxation is expected to be realised by the associated companies' departure from the Danish joint taxation scheme.

The tax value of tax loss carry-forwards will be set off against deferred tax liabilities to the extent that the tax losses and other tax assets are expected to be utilised in the future taxable income. Deferred tax is calculated according to applicable tax laws and according to the expected tax rate.

## Balance sheet

### Intangible assets

Goodwill is initially recognised in the balance sheet at cost as described under consolidated financial statements. Goodwill is amortised on a straight-line basis over the estimated useful lifetime, determined on the basis of the management's experience within the travel business.

Software comprises of development cost of substantial IT systems that are capitalised over their estimated useful life.

Depreciation is calculated on a straight-line basis of the cost according to the following guidelines, based on the estimated economic life of the asset:

- Software 3-5 years
- Goodwill 2-10 years

## Property, plant and equipment

Tangible assets are measured at cost less accumulated depreciation and impairment. Cost includes retirement obligations if it meets the conditions for recognition of provisions.

Assets are written down if their value has depreciated and cannot be seen as appreciating in the near future.

Depreciation is calculated on a straight-line basis of the cost according to the following guidelines, based on the estimated economic life of the asset:

- Buildings 33-50 years
- Leasehold improvements 5 years
- IT and other equipment 3-5 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

## Shares in subsidiaries

Shares in subsidiaries are valued according to the equity method at the proportionate share of the net assets and the residual value of goodwill calculated in accordance with the acquisition method.

Shares in subsidiaries with negative net asset values are measured at DKK 0, and any receivables from these entities are written down by an amount equivalent to the negative net asset value. To the extent that the negative net asset value exceeds the receivable, the residual amount is recognised as provisions.

Net revaluation of shares in subsidiaries is tied as a net revaluation reserve under equity according to the equity method to the extent that the carrying amount exceeds cost.

Dividends from subsidiaries expected to be adopted prior to the approval of the Parent Company's annual report, are not tied up in the revaluation reserve.

# Accounting Policies

## Shares in associated companies

Shares in associated companies are measured at cost. When the cost exceeds the recoverable amount, write-down is made to the lower amount.

## Other financial assets

Other financial assets are recognised at amortised cost.

## Inventories

Goods for resale are measured at cost price.

Write-downs are made according to obsolescence and other forms of value depreciation.

## Receivables

Receivables are stated at amortised cost net of provisions for possible losses.

## Prepaid expenses

Prepaid expenses are measured at cost.

## Intra group loans

Intra group loans are measured at amortised cost, with deduction of a value adjustment for bad debts, if necessary.

## Bonds and securities

Publicly traded bonds are stated at the market value at year-end. Investments hold-to-maturity are measured at fair value. Realised and unrealised gains and losses are included in the income statement.

## Equity

Dividend is recognised as a liability at the time of adoption at the annual general meeting. The proposed dividend for the financial year is shown as a separate item under equity. Proposed dividend is recognised in equity under retained earnings.

## Provisions

Provisions include asset retirement obligations. Provisions are recognised when, at the balance sheet date, the company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation.

When the company is obligated to dismantle an asset or

restore the site on which the asset is used, a facility equal to the present value of the expected future costs is recognised. After initial recognition of the present value, the accretion expense is recognised as an expense in the income statement.

## Other provisions

Other provisions include an estimated liability, which will presumably lead to an outflow of resources.

## Financial liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement.

## Rent and leasing

The Parent Company and the subsidiaries have entered into operational rental agreements for offices and equipment for multi-year periods.

Rental and leasing expenses are stated in the income statements for the applicable period.

The aggregate rental and leasing liability is stated under contingent liabilities.

## Currency conversion

Accounts in foreign currency are stated at the exchange rate at year-end. Gains and losses are included in financial items.

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised as other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as or qualifying for recognition as a fair value hedge of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments

designated as or qualifying for recognition as a hedge of future transactions are recognised as other receivables or other payables and in equity until the realisation of the hedged transactions. If the future transaction results in the recognition of assets or liabilities, amounts that were previously recognised in equity are transferred to the cost of the assets or liabilities. If the future transaction results in income or costs, amounts that were previously recognised in equity are transferred to the income statement for the period when the hedged item affects the income statement.

For derivative financial instruments not qualifying for treatment as hedging instruments, changes in fair value are recognised in the income statement on an ongoing basis.

Changes in the fair value of derivative financial instruments used for hedging of net investments in separate foreign subsidiaries or associates are recognised directly in equity; see above.

## Cash Flow Statement

The cash flow statement is presented according to the indirect method, based on the operating profit.

The cash flow statement shows the Group's cash flow for the year and is divided into cash flow from operating, investing and financial activities.

Cash flow from operating activities covers cash flow from the year's operations, adjusted for operating items of a non-cash nature and changes in working capital.

Working capital includes current assets less liquid assets and current, non-interest bearing liabilities and dividends.

Cash flow from investing activities covers cash flow in connection with the purchase and sale of fixed assets, including participating interests and other long-term securities.

Cash flow from financing activities covers payments to and from shareholders, together with the raising of, and repayment of, interest-bearing liabilities.

Cash and cash equivalents are cash holdings, money market deposits in banks, and marketable securities stated under current assets.

# Notes 1-2

## 1. TURNOVER

Turnover by geographical markets

	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
Belgium	26,699	6,486	-	-
Denmark	824,576	228,082	49,570	48,415
Finland	52,942	22,503	-	-
Iceland	26,524	4,761	-	-
Netherlands	105,834	22,154	-	-
Norway	151,258	29,631	-	-
Poland	0	-11	-	-
Sweden	83,343	21,699	-	-
<b>Total turnover</b>	<b>1,271,176</b>	<b>335,305</b>	<b>49,570</b>	<b>48,415</b>

## 2. OTHER OPERATING INCOME

The Kilroy Group's income is affected by recognition of income from government aid and compensation schemes as a result of COVID-19. The Kilroy Group has applied for DKK 14.2 million (2021: DKK 29.4 million) in compensation for fixed costs, salary and other. The Parent Company did not receive any compensation in 2022.



# Notes 3-4

3. FEES TO AUDITORS APPOINTED AT THE GENERAL MEETING	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
Audit services	1,087	1,032	257	250
Tax assistance	72	72	50	50
Other assistance	517	1,202	61	230
<b>Total auditor fees</b>	<b>1,676</b>	<b>2,306</b>	<b>368</b>	<b>530</b>

4. PERSONNEL COSTS	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
Salaries and wages	129,739	83,888	33,789	25,989
Hereof remuneration to parent's management and board of directors tDKK 1.685 (2021: tDKK 1.395)				
Social security contributions	4,851	3,513	548	434
Pensions	8,207	6,020	1,896	1,333
Other personnel costs	6,138	2,807	921	380
<b>Total personnel costs</b>	<b>148,935</b>	<b>96,228</b>	<b>37,154</b>	<b>28,136</b>
Average number of employees (full time equivalent)	308	210	75	58

Remuneration to management and board of directors in group companies are included in the management fees invoiced from the Parent Company.

# Note 5

	Software tDKK	Goodwill tDKK	Land & buildings tDKK	Leasehold improvements tDKK	IT and other equipment tDKK	Total tDKK
<b>GROUP</b>						
Cost at the beginning of 2022	73,250	37,451	2,041	10,692	27,960	151,394
Exchange rate adjustments	-49	-54	0	-31	-73	-207
Additions in year	6,759	0	32	526	340	7,657
Disposals in year	-6,509	0	0	0	-5,797	-12,306
<b>Cost at the end of 2022</b>	<b>73,451</b>	<b>37,397</b>	<b>2,073</b>	<b>11,187</b>	<b>22,430</b>	<b>146,538</b>
Depreciations and amortizations at the beginning of 2022	-60,611	-33,512	-1,466	-9,616	-26,651	-131,856
Exchange rate adjustments	50	46	-1	30	71	196
Disposals in year	6,509	0	0	0	5,792	12,301
Depreciations and amortizations in year	-5,780	-2,379	-33	-562	-642	-9,396
<b>Depreciations and amortizations at the end of 2022</b>	<b>-59,832</b>	<b>-35,845</b>	<b>-1,500</b>	<b>-10,148</b>	<b>-21,430</b>	<b>-128,755</b>
<b>Carrying amount at the end of 2022</b>	<b>13,619</b>	<b>1,552</b>	<b>573</b>	<b>1,039</b>	<b>1,000</b>	<b>17,783</b>
<b>Carrying amount at the end of 2021</b>	<b>12,639</b>	<b>3,939</b>	<b>575</b>	<b>1,076</b>	<b>1,309</b>	<b>19,538</b>
<b>PARENT</b>						
Cost at the beginning of 2022	71,210	0	0	631	9,140	80,981
Reclassification	0	0	0	0	0	0
Additions in year	6,759	0	0	36	162	6,957
Disposals in year	-6,509	0	0	0	-5,749	-12,258
<b>Cost at the end of 2022</b>	<b>71,460</b>	<b>0</b>	<b>0</b>	<b>667</b>	<b>3,553</b>	<b>75,680</b>
Depreciations and amortizations at the beginning of 2022	-58,572	0	0	-624	-8,598	-67,794
Depreciations and amortizations in year	-5,780	0	0	-7	-263	-6,050
Disposals in year	6,509	0	0	0	5,749	12,258
<b>Depreciations and amortizations at the end of 2022</b>	<b>-57,843</b>	<b>0</b>	<b>0</b>	<b>-631</b>	<b>-3,112</b>	<b>-61,586</b>
<b>Carrying amount at the end of 2022</b>	<b>13,617</b>	<b>0</b>	<b>0</b>	<b>36</b>	<b>441</b>	<b>14,094</b>
<b>Carrying amount at the end of 2021</b>	<b>12,638</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>542</b>	<b>13,187</b>

# Notes 6-7

## 6. SHARES IN SUBSIDIARIES

Cost at the beginning of the year

Capital contributions

**Cost at the end of the year**

**Adjustments at the beginning of the year**

Exchange rate adjustments

Other adjustments

Profit after tax

Dividends from subsidiaries

**Adjustments at the end of the year**

**Value of shares in subsidiaries**

Values of shares in subsidiaries excl. Goodwill

Hereof subsidiaries with negative equity provisioned for

Hereof subsidiaries with negative equity offset against receivables with subsidiaries

**Goodwill**

**Book value at the end of the year**

Profit after tax in subsidiaries

Amortization of goodwill

**Result from shares in subsidiaries**

*A list of subsidiaries is shown in note 16*

Parent	
2022	2021
tDKK	tDKK
172,697	144,181
86,150	28,516
<b>258,848</b>	<b>172,697</b>
<b>-231,167</b>	<b>-191,061</b>
-310	-564
215	5,130
49,793	-44,672
0	0
<b>-181,469</b>	<b>-231,167</b>
77,379	-58,470
76,318	-61,650
0	58,253
10,552	23,962
<b>86,870</b>	<b>20,565</b>
<b>1,060</b>	<b>3,180</b>
<b>87,930</b>	<b>23,745</b>
51,913	-42,552
-2,120	-2,120
<b>49,793</b>	<b>-44,672</b>

## 7. FINANCIAL INCOME, NET

Financial income, external

Financial income, internal

Financial expenses, external

Financial expenses, internal

Sale of shares in associated companies

Currency gain/loss

**Financial income, net**

Group	
2022	2021
tDKK	tDKK
282	205
446	387
-6,390	-5,255
-1,534	0
26	-44
461	927
<b>-6,708</b>	<b>-3,780</b>

Parent	
2022	2021
tDKK	tDKK
146	184
1,636	1,794
-5,270	-4,556
-1,534	0
0	0
-827	1,191
<b>-5,849</b>	<b>-1,387</b>



# Notes 8-10

## 8. TAX

	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
Current tax charge	550	1,606	0	1,606
Adjustments to previous year's tax charge	-1,197	-160	-1,229	-12
Change in deferred tax and other changes	7,440	-10,733	-3,500	-1,005
<b>Total tax</b>	<b>6,793</b>	<b>-9,287</b>	<b>-4,729</b>	<b>589</b>
Deferred tax primo	-35,631	-25,123	2,394	3,399
Adjustments to previous year's tax charge	1,714	387	0	0
Exchange rate and other adjustments	531	-162	0	0
Change in deferred tax, net	7,440	-10,733	-3,500	-1,005
<b>Deferred tax ultimo</b>	<b>-25,946</b>	<b>-35,631</b>	<b>-1,106</b>	<b>2,394</b>
<b>Paid corporate taxes</b>	<b>264</b>	<b>-2,545</b>	<b>0</b>	<b>-1,782</b>

Management believes that the deferred tax asset will be used in future taxable income.

The deferred tax is based on the temporary difference between the book value and the statutory value of assets and liabilities.

The parent company is taxed jointly with the Danish subsidiaries. The Danish companies are jointly and severally liable for the joint taxation.

## 9. PROPOSED APPROPRIATION OF NET RESULT

	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
Transfer to/from retained earnings	40,538	-44,249	-9,255	423
Transfer to reserve for net revaluation under the equity method	0	0	49,793	-44,672
	<b>40,538</b>	<b>-44,249</b>	<b>40,538</b>	<b>-44,249</b>

## 10. SHARES IN ASSOCIATED COMPANIES

	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
Cost at the beginning of the year	627	616	559	559
Change in value and exchange rate adjustments	-6	11	0	0
<b>Cost at the end of the year</b>	<b>621</b>	<b>627</b>	<b>559</b>	<b>559</b>

# Notes 11-14

## 11. PREPAID EXPENSES AND ACCRUED INCOME

Prepaid expenses consists of payments to suppliers that relate to the following year. Accrued income is earned, but not received.

## 12. OTHER PROVISIONS

Subsidiaries with negative equity provisioned for  
Reestablishment costs

Group		Parent	
2022	2021	2022	2021
tDKK	tDKK	tDKK	tDKK
-	-	0	58,253
1,843	1,843	558	558
<b>1,843</b>	<b>1,843</b>	<b>558</b>	<b>58,811</b>

## 13. LONG TERM DEBT

Loans from travel foundations  
Loans within one year

Bank loan  
Loans from travel foundations  
Other loans  
Loans between one and five years

Bank loan  
Loans from travel foundations  
Other loans  
Loans after five years

Group		Parent	
2022	2021	2022	2021
tDKK	tDKK	tDKK	tDKK
18,243	955	0	0
18,243	955	0	0
10,045	7,538	10,045	7,538
72,465	75,392	0	0
0	4,060	0	1,330
82,510	86,990	10,045	8,868
0	2,500	0	2,500
1,435	18,134	0	0
10,130	9,723	3,770	3,618
11,565	30,357	3,770	6,118
<b>112,318</b>	<b>118,302</b>	<b>13,815</b>	<b>14,986</b>

## 14. ADVANCE PAYMENTS

Primarily prepayments from travel ordered for 2023.

# Note 15

## 15. CONTINGENT ASSETS, LIABILITIES AND COLLATERALS

Rent, lease and other contractual obligations within one year  
 Rent and lease obligations between one and five years  
 Rent and lease obligations after five years

	Group		Parent	
	2022	2021	2022	2021
	tDKK	tDKK	tDKK	tDKK
	12,151	10,908	2,685	2,434
	13,332	19,167	2,685	4,868
	2,472	411	0	0
	27,955	30,486	5,370	7,302
The Kilroy Group has issued guarantees/letters of credit, which are secured by an equal cash pledge of deposits	27,150	36,948	20,457	30,255

The Kilroy Group is exposed to currency risk to the extent that transactions are denominated in a currency other than the functional currency. Except for the parent company, all foreign entities' transactions are generally denominated in local currency which is also the foreign entities' functional currency. The Company has chosen to eliminate part of the currency risk by entering into currency forward contracts on main currencies of sold trips. Current liabilities include negative fair value of derivative financial instruments of DKK 163 thousand as of 31 December 2022 (2021: DKK 74 thousand). All forward contracts expire in the financial year 2023.

To ensure ability to continue as a going concern for the next 12 months, Kilroy International A/S has issued letters of financial support to the subsidiaries in Belgium and Finland.

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax as well as for the joint registration for VAT. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.



# Note 16

16. COMPANY OVERVIEW	Country of Incorporation	Currency	Equity	Capital Share	Net Profit 2022	Dividend 2022
<b>Group Companies:</b>						
Horizons A/S	Denmark	tDKK	16,462	100%	34,037	0
JR Travel A/S	Denmark	tDKK	-275	100%	-110	0
KILROY Belgium BV	Belgium	tEUR	1,580	100%	-63	0
KILROY Finland OY AB	Finland	tEUR	389	100%	-172	0
KILROY Group Travel A/S	Denmark	tDKK	4,815	100%	4,700	0
KILROY Iceland ehf.	Iceland	tISK	120,531	100%	-20,878	0
KILROY Netherlands B.V.	The Netherlands	tEUR	5,065	100%	1,878	0
KILROY Norway AS	Norway	tNOK	4,903	100%	2,653	0
KILROY Poland Sp. Z o.o. (dormant)	Poland	tPLN	-1,475	100%	-5	0
KILROY Sweden AB	Sweden	tSEK	5,839	100%	655	0
KILROY Travels UK Ltd.	United Kingdom	tGBP	-35	100%	-36	0
Winberg Travel AB	Sweden	tSEK	1,062	100%	363	0
<b>Associated Companies:</b>						
OurWorld A/S	Denmark	tDKK	147	40%	274	0

The dividend listed for the subsidiaries embrace dividend approved for payment to the parent company during 2023. The dividend listed for the associated companies embrace dividend received by the Kilroy Group during 2022.

# Notes 17-18

## 17. RELATED PARTIES

Related parties are SSTS A/S, Nytorv 5, DK-1450 Copenhagen, which owns 100% of the shares in Kilroy International A/S. The owners of SSTS A/S are as follows:

81.0% Eignarhaldsfélagið Kilroy ehf, Iceland

90.0%	Íslensk fjárfesting ehf., Iceland
50.0%	Arnar Thorisson, Iceland
50.0%	Thorir Kjartansson, Iceland
10.0%	Sigurdur Kiernan, Iceland

19.0% HC Invest Holding ApS, Denmark

57.1%	Claus H. Hejlesen, Denmark
42.9%	Henrik Kaltoft, Denmark

Kilroy International A/S is a part of the consolidated annual report for SSTS A/S, which is the smallest group in which the Company is included as a subsidiary. The consolidated financial statements of SSTS A/S can be obtained by contacting the company.

Kilroy International A/S is a part of the consolidated annual report of Íslensk fjárfesting ehf., which is the largest group in which the Company is included as a subsidiary.

The consolidated financial statements of Íslensk fjárfesting ehf. can be obtained by contacting the company, at [islenskfjartesting.is](http://islenskfjartesting.is)

### Related party transactions

	Parent	
	2022	2021
	tDKK	tDKK
Sale of services to associates/subsidiaries	46,295	49,478
Purchase of services to associates/subsidiaries	-456	-1,453
<b>Total</b>	<b>45,839</b>	<b>48,025</b>

Remuneration to the Management and Board of Directors is disclosed in note 5.

Intercompany balances with associates and subsidiaries are disclosed in the balance sheet and interests is disclosed in note 8.

## 18. EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred after the balance sheet date of importance to the annual report.

# Statement by the Board of Directors and Management

## Statement by the Board of Directors and Management

Today, the Board of Directors and the Management have discussed and approved the annual report of Kilroy International A/S (Parent Company) for the financial year 2022.

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

It is our opinion that the consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's financial position on December 31, 2022, and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 2022.

Further, in our opinion, the Management's Report gives a fair

review of the development in the Group's and the Parent Company's operations and financial matters and the results of the Group's and the Parent Company's operations and financial position.

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

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*Copenhagen, April 27, 2022*

## Management

Claus H. Hejlesen  
Managing Director & CEO

## Board of Directors

Arnar Thorisson  
Chairman

Sigurdur Kiernan

Thorir Kjartansson

Claus H. Hejlesen

Rasmus Lang Berthels (elected  
by staff)



# Independent Auditor's Report

## To the shareholders of Kilroy International A/S

### *Opinion*

We have audited the consolidated financial statements and the parent company financial statements of Kilroy International A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity, cash flow statement, accounting policies and notes, for the Group as well as for the Parent Company. The consolidated financial statements and 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 Group's and the Parent Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 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 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 consolidated financial statements and the parent company financial statements" section of our report.

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Management's responsibility for the consolidated financial statements and the parent company 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 that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

### *Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements*

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these consolidated financial statements and parent company financial statements.

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

- identify and assess the risks of material misstatement of the consolidated financial statements and the parent company 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.

# Independent Auditor's Report

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company 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 Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures,

and whether the consolidated financial statements and the parent company 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 Management's Report*

Management is responsible for the Management's Report.

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

In connection with our audit of the consolidated financial statements and the Parent Company financial statements, our responsibility is to read the Management's Report and, in doing so, consider whether the Management's Report is materially inconsistent with the consolidated financial statements or the parent company 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 Report provides the information required under the Danish Financial Statements Act.

Based on the work we have performed; we conclude that the Management's Report is in accordance with the consolidated financial statements and the parent company 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 Report.

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*Copenhagen, April 27, 2023*

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR-no. 25 57 81 98

**Anja Bjørnholt Lüthcke**

State Authorised Public Accountant

mne26779

# Board of Directors & Management as of April 27, 2023

The Board of Directors' and Management's executive positions outside Kilroy International A/S as disclosed in accordance with the Danish Financial Statements Act.

## Board of Directors

### **Arnar Thorisson**

Chairman

Islandic nationality and born 1964. Chairman since 2007.

Executive positions: Chairman, Iceland Invest Ltd., Íslenska heilbrigðisþjónustan Ltd., Sóltún 4 Ltd., Eignarhaldsfélagið Kilroy Ltd., Rekstrarfélag Íslenskrar fjárfestingar Ltd., KILROY Foundation and SSTS A/S.

Board Member, Iceland Properties Ltd., Ísfast Ltd. Öldungur Plc., Eldey Holding Co Plc., Sóltún öldrunarþjónusta Ltd., Sóltún heilbrigðisþjónusta Ltd., RR hótél Ltd., Fasteignafélag IFJ Ltd., Útilíf Ltd., TNF Ísland Ltd., Aur Ltd., and Member of The Icelandic Export and Promotion Council.

### **Sigurdur Kiernan**

Islandic nationality and born 1969. Board member since 2007.

Executive positions: CEO and founder, Investum Holding Ltd. Chairman, GTL ehf., Brekkugerdi 19 ehf., Smidjustigur 4 ehf., Grandinn Íbúðafélag ehf. and Grandinn lóðafélag ehf.

Board member SSTS A/S.

### **Thorir Kjartansson**

Icelandic nationality and born 1969. Board member since 2020.

Executive positions: Chairman, Fasteignafélag Íslenskrar fjárfestingar Ltd., RR hótél Ltd. and Vonzeo II fjárfestingar Ltd.

Board Member, Iceland Invest Ltd., Sóltún Öldrunarþjónusta Ltd., Öldungur Ltd., Iceland Property Ltd., Eignarhaldsfélagið Kilroy ehf., Arctica Finance Ltd., Rekstrarfélag Íslenskrar fjárfestingar ehf. and Útilíf Ltd. Managing Director: Iceland Invest Ltd.

### **Rasmus Lang Berthels** (elected by staff)

Danish nationality and born 1991. Board Member since 2021. Business Controller, Kilroy International A/S.

### **Claus H. Hejlesen**

Danish nationality and born 1962. Board member since 2007. Managing Director & CEO, Kilroy International A/S.

Executive positions: Chairman, Student Air Travel Association (SATA).

Board member SSTS A/S and director, HC Invest Holding ApS.

## Registered Management

### **Claus H. Hejlesen**

Danish nationality and born 1962

Managing Director & CEO, Kilroy International A/S

### **Henrik Kaltoft**

Danish nationality and born 1968

CFO, Kilroy International A/S

Managing Director:

Horizons A/S

JR Travel A/S

KILROY Belgium B.V.B.A.

KILROY Finland OY AB

KILROY Group Travel A/S

KILROY Iceland ehf.

KILROY Netherlands B.V.

KILROY Norway AS

KILROY Poland Sp. z o.o.

KILROY Sweden AB

KILROY Travels UK Ltd.

Winberg Travel AB



# Addresses

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### KILROY Foundation

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