

Registration Document

25 June 2024

ACL Holdings Limited

(a company existing under the laws of Guernsey with registration number 68957 and LEI-code 213800YDMTDSBUVJ9887)

The information in this registration document (the "**Registration Document**") was originally prepared in connection with the listing on Oslo Børs, a stock exchange operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of the ACL Holdings Limited 11.50% senior secured callable EUR 100,000,000 bonds 2024/2027 with ISIN NO0013143966 (together the "**Bonds**") issued by ACL Holdings Limited (the "**Issuer**", and together with its Subsidiaries, the "**Group**", and the Issuer together with the guarantors (the "**Guarantors**") under the Bond Terms, the "**Issuer Group**") on 16 February 2024, pursuant to a bond agreement dated 14 February 2024 (the "**Bond Terms**") entered into between the Issuer and Nordic Trustee AS (the "**Trustee**") (the "**Bond Issue**").

This Registration Document does not constitute an offer or an invitation to buy, subscribe or sell the securities described herein. This Registration Document serves as part of a listing prospectus as required by applicable laws, and no securities are being offered or sold pursuant to this Registration Document.

Investing in the Issuer and the Bonds involves a high degree of risk. Prospective investors should read the entire document and, in particular, consider Section 1 "*Risk factors*" below when considering an investment in the Issuer and the Bonds.

IMPORTANT INFORMATION

For the definition of certain capitalised terms used throughout this Registration Document, see Section 8 "*Definitions and Glossary of Terms*".

This Registration Document has been prepared by the Issuer in connection with the listing of the Bonds on the Oslo Stock Exchange and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129, as amended and implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**Prospectus Regulation**"), and comprises, inter alia, the information requested in the checklist for registration documents applicable for wholesale non-equity securities (Annex 7) and guarantors (Annex 21).

This Registration Document together with the Securities Note constitutes the Prospectus. This Registration Document has been prepared solely in the English language.

This Registration Document was approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**NFSA**") on 25 June 2024, as competent authority under the Prospectus Regulation, and may be used for the issuance of Bonds or other securities for a period of up to 12 months from the date of the approval of this Registration Document, subject to separate approval of a Securities Note for such Bonds or other securities. The NFSA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, and such approval should not be considered as an endorsement of the Issuer or the quality of the securities that are the subject of this Registration Document. Investors should make their own assessment as to the suitability of investing in the securities.

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. New information that is significant for the Issuer or its subsidiaries may be disclosed after the Registration Document has been made public, but prior to listing of the Bonds. Such information will be published as a supplement to the Registration Document pursuant to the Prospectus Regulation. On no account must the publication or the disclosure of the Registration Document give the impression that the information herein is complete or correct on a given date after the date on the Registration Document, or that the business activities of the Issuer may not have been changed.

No person is or has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Registration Document or any other information supplied in connection with the Bonds, and if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

The distribution of this Registration Document in certain jurisdictions may be restricted by law. This Registration Document does not constitute an offer of, or an invitation to purchase, any of the Bonds in any jurisdiction. This Registration Document may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Registration Document are required to inform themselves of and observe any such restrictions. In addition, the Bonds may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The content of this Registration Document is not to be construed as legal, credit, business or tax advice. Each investor should consult its own legal, credit, business or tax advisor as to a legal, credit, business or tax advice. In making an investment decision, investors must rely on their own examination of the Issuer and the Bonds, including the merits and risks involved.

This Registration Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Registration Document.

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1 RISK FACTORS

1.1 General

An investment in the Bonds involves inherent risk. Investors should carefully consider the risk factors and all information contained in this Registration Document, including the financial information and related notes. The risks and uncertainties described in this Section 1 are the material known risks and uncertainties faced by the Group as of the date hereof, and thus also represent the most material and important risk factors for investors to consider when contemplating an investment in relation to the Bonds. An investment in the Bonds is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 1 are presented in a limited number of categories, where each risk factor is placed in the most appropriate category based on the nature of the risk it represents. Within each category, the risk factors deemed most material for the Issuer, taking into account their potential negative effect for the Issuer and the probability of their occurrence, are set out first.

1.2 Risk related to the business of the Group

1.2.1 Marketing

The Group relies on effective marketing strategies. However, there are risks associated with marketing efforts that could adversely impact the Group's ability to attract and retain customers. These risks include changing consumer preferences, maintaining a positive brand perception, ensuring the effectiveness of marketing channels, navigating a competitive landscape, complying with marketing regulations, addressing digital marketing risks, and considering social and environmental factors in marketing strategies.

One significant strategy the Group relies on is Google Pay Per Click to reach customers and guide them to the Group's website where they will browse for cruise holidays and make a booking. To a large extent this relies on targeted advertising to reach the right type of consumer. This targeting is regulated by the General Data Protection Regulation (GDPR). Significant changes to GDPR, or to general consumer preferences around data collection and targeted advertising could adversely affect the efficacy of PPC advertising and the revenue this currently generates.

The cruise industry is highly competitive, and the Group, as a relatively new entrant to the cruise market, faces competition from other cruise companies, including Carnival Plc, Royal Caribbean, Norwegian Cruise Line and MSC, and alternative holiday options. Failure to effectively compete, anticipate market changes, or react to industry trends could have an adverse effect on the Group's business, earnings, and financial position.

1.2.2 Operational challenges and maintenance

The Group's vessels are complex and their operations are technically challenging, requiring substantial capital expenditures. The vessels operate as floating hotels so the day-to-day hotel activities are complicated by the fact that the hotel moves around and nearly every aspect has to be self-contained on a cruise ship. In parallel to this it is a shipping operation to move the hotel around. The Group's ability to maintain the availability and reliability of its vessels is crucial to its operations. Any breakdown, extended dry-docking, or loss of a vessel could have a material adverse impact on the Group's business, financial condition, and operating results. Operational problems, such as mechanical failures or aging fleet resulting in a decline in vessel values, may lead to loss of revenue, higher-than-anticipated operating expenses, or the need for additional capital expenditures. Any of these outcomes could harm the Group's financial condition and operating results.

1.2.3 Risks of physical loss and damage

The Group is exposed to the general risk of physical loss or damage to its vessels, which could have significant implications for its business and financial performance. Adverse weather conditions, collisions, mechanical failures, fires, or grounding incidents, pose threats to the vessels, equipment, and the safety of passengers and crew. Safety and security risks, including piracy and terrorism, can jeopardize the well-being of passengers, crew, and vessels, resulting in reputational harm, legal liabilities, and operational disruptions. Piracy and terrorism could theoretically occur anywhere, but areas like the Suez Canal and certain areas of the African coast are particularly exposed at the moment. The Group does not contemplate sailing to said areas in 24/25, 25/26 or 26/27 seasons planned.

Limitations in insurance coverage and non-compliance with regulatory requirements further amplify the risks associated with physical loss or damage. Unforeseen events, such as natural disasters or global health emergencies, can also disrupt operations, cause vessel damage, and lead to financial losses. For example marquee destinations, such as certain ports in Canada, can become inaccessible after extreme weather damages shoreside infrastructure making calls impossible. This results in a loss of revenue for shore based tours and the additional cost of securing berths at short notice at alternative ports.

1.2.4 Reputational risks

The Group's success is closely tied to its reputation, and there are risks that could impact the Group's reputation and, consequently, its business and financial performance. These risks include adverse incidents, customer dissatisfaction, negative environmental impacts, unethical practices and failures of social responsibility, crisis management, or online reputation management. Failure to effectively manage these risks could result in reputational damage, reduced customer loyalty, negative media coverage, and financial impacts on the Group's business. For example, from time to time the Group visit the Faroe Islands where there is a tradition of whaling, and during one such visit a grindadráp was carried out in full view of the Group's guests. Whales were driven to the beach and slaughtered in the shallows. This generated some negative coverage on trade and social media which required active management by the Issuer. Such events could potentially occur also in the future, and this kind of negative coverage may impact future bookings where guests are put off booking with the Issuer, which in turn can have an adverse effect on the Group's financial position.

1.2.5 Dependency on tourism and travel industry

The cruise industry is highly dependent on the overall health of the tourism and travel industry, especially the health of the outbound UK market. Any disruptions, such as natural disasters, terrorist attacks, pandemics, or travel restrictions, can significantly impact the demand for cruise vacations and the financial performance of the Group. The Group is dependent on both ports and destinations being available for the Group's cruises to visit and the Group's customer base being able and willing to travel by cruise.

1.2.6 Insurance coverage risks

The Group's vessels are insured under policies for Freight, Demurrage & Defence, Hull & Machinery, Protection & Indemnity and War Risk. Additionally the Group holds policies for Motor Vehicles, Office, Management Liability, Travel and Public Liability. There are currently no assets or activities not covered by insurance. However, the Group's insurance coverage may not fully cover all risks, losses, or expenses it may encounter. There could be exclusions, deductibles, or coverage limits that may leave certain risks inadequately protected. Disputes over coverage, insufficient premiums, uninsured risks, or changes in the insurance market could further impact the Group's insurance coverage. Regular review and risk management strategies are important to ensure adequate protection.

1.2.7 Seasonal dependency

The Group's revenues are subject to seasonal fluctuations and are influenced by factors such as weather conditions and holiday periods. Demand for ex-UK cruises has been strongest during the second quarter, which are the summer months. These are the months that generate higher occupancy and ticket prices, and consequently more of the Group's overall profit. Extreme weather events, adverse weather and climate conditions may disrupt the Group's operations or require it to alter or cancel its cruise operations. The Group may further face challenges in effectively managing its working capital during these seasonal fluctuations, which could have a significant adverse impact on its business, financial results, and overall financial condition.

1.2.8 Third-party dependency

The Group relies on third-party providers for various services such as ship management, shipyards, food, beverage and excursion providers, IT system providers and others. Third-party ship management carry out the technical and crewing aspects of the shipping and hotel operations. Any adverse actions or incidents involving these third parties, including events such as labour actions, insolvencies, "force majeure" events or other disruptions experienced at shipyards or among subcontractors or suppliers that build, repair, maintain and refurbish the Group's vessels or otherwise provide goods and services required to operate the Group's cruises could potentially disrupt the Group's business operations, including causing delays or cancellations of the Group's trips or unscheduled or prolonged dry-docking or repairs, and negatively impact the Group's financial results.

1.3 Risk related to laws and regulation

1.3.1 Environmental and regulatory compliance

The Group operates in an industry that is subject to complex laws and regulations, including international maritime regulations, safety standards, and environmental requirements. Compliance with these regulations is essential to the Group's operations and reputation. Failure to comply with these regulations could result in increased costs, penalties, fines, or temporary or permanent suspension of operations.

The cruise industry is subject to increasing environmental regulations and sustainability expectations. Compliance with these regulations and the adoption of sustainable practices may require significant investments and operational changes, which could impact the Group's financial performance.

1.4 Risk related to financial matters

1.4.1 Currency exchange risks

The Group operates in multiple currencies, and fluctuations in currency exchange rates can impact its financial performance. Changes in exchange rates, such as appreciation or depreciation of a currency against others, can affect the Group's revenues, expenses, and profitability. These currency exchange rate fluctuations can create volatility in the Group's financial results, making it challenging to accurately forecast and manage its financial performance.

The principle currencies the Group operates in are US Dollars, Euros and UK Pounds. US Dollar and Euro needs are hedged using forward trades covering the next 18 months.

1.4.2 Changes in port taxes and fees

The Group's operations depend on the availability and affordability of ports for its cruise ships. Any increase in port taxes or fees, or other adverse changes in the terms of business with the authorities operating the ports, could result in higher operating costs for the Group. These increased costs may impact the Group's profitability and financial performance. Additionally, limitations on the availability of ports of call could disrupt the Group's itineraries and affect customer satisfaction. The Group may also need to find alternative ports, which could result in additional expenses and logistical challenges. Therefore, any adverse changes in port taxes, fees, or availability could have a negative impact on the Group's business and financial results.

2 RESPONSIBILITY FOR THE REGISTRATION DOCUMENT

2.1 Person responsible for the information

The legal person responsible for the information given in this Registration Document is ACL Holdings Limited, a private limited liability company organised and existing under the laws of Guernsey, registered with the Guernsey Registry with business registration number 68957 and LEI Code 213800YDMTDSBUVJ9887, and with registered address at North Suite, First Floor Regency Court Glategny Esplanade St Peter Port, Guernsey GY1 1WW.

2.2 Declaration of responsibility

The Issuer accepts on the date of this Registration Document, [Approval date], responsibility for the information contained in this Registration Document. The Issuer confirms that, to the best of its knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import.

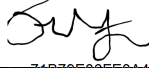
2.3 Regulatory statements

The Issuer confirms that:

- a) this Registration Document has been approved by the NFSA, as competent authority under the Prospectus Regulation;
- b) the NFSA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation;
- c) such approval shall not be considered as an endorsement of the issuer that is the subject of this Registration Document;

25. June 2024

ACL Holdings Limited

DocuSigned by:


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Name: Fraser Montgomery

Title: Authorised Signatory

3 INFORMATION ABOUT THE GROUP AND ITS BUSINESS

3.1 Corporate information of the Issuer

ACL Holdings Limited, being the legal and commercial name of the Issuer, is a private limited liability company organised and existing under the laws of Guernsey registered with the Guernsey Registry with registration number 68957 and LEI Code 213800YDMTDSBUVJ9887, and with registered address at North Suite, First Floor, Regency Court, Glatigny Esplanade, St Peter Port, GY1 1WW, Guernsey. The principal place of business is in Guernsey. The Issuer operates under the Companies (Guernsey) Law, 2008 (the "**Guernsey Companies Act**").

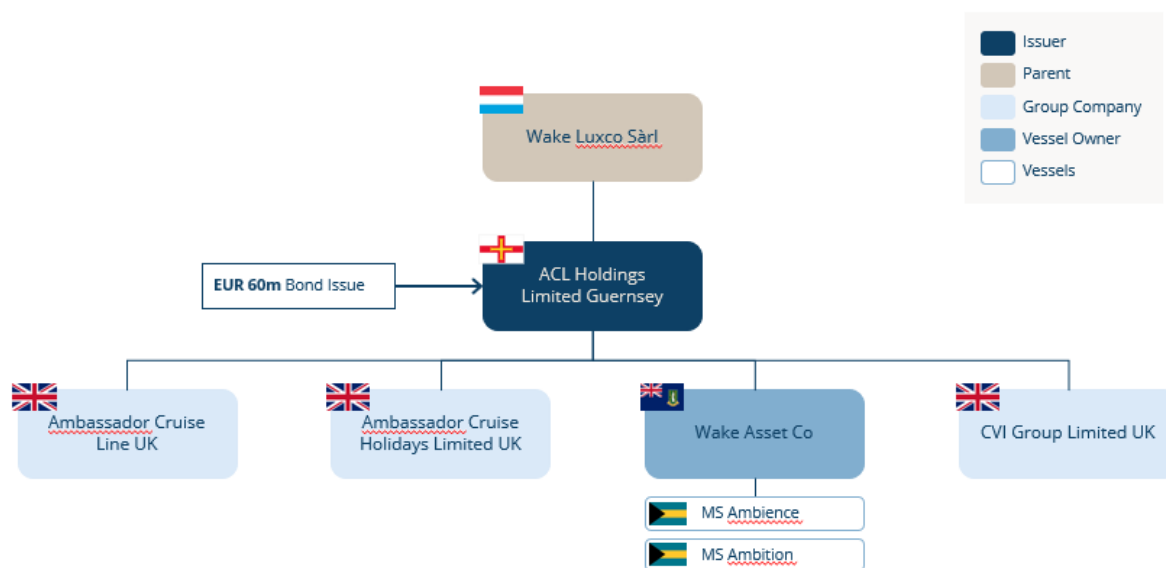
The Issuer was incorporated on 17 March 2021.

Telephone: +44 (0) 7553 704751
 E-mail: investorrelations@ambassadorcruiseline.com
 Website: www.aclholdingslimited.com

Please note that the information contained on the website above does not form part of the Registration Document, and the information at the Issuer's website is not incorporated by reference into this Registration Document.

3.2 Legal structure of the Issuer Group

The Group has the following legal structure as of the date of this Registration Document, highlighting the Guarantors forming part of the Issuer Group together with the Issuer:



The Issuer's subsidiaries own effectively all of the Group's assets and conduct all of its operations. Accordingly, repayment of the Bonds, and other indebtedness, is wholly dependent upon on the ability of the Issuer's subsidiaries to make such cash available to it, by dividend, debt repayment or otherwise.

Below is a list of the Guarantors for the Bond containing information on each Guarantor's domicile and legal form, its country of incorporation, registration number, the legislation under which the Issuer operates, registered office address, telephone number, principal place of business, legal entity identifier code ("**LEI**") and website address, noting that the information contained on the websites mentioned below do not form part of the Registration Document, and the information on the websites is not incorporated by reference into this Registration Document.

Legal and commercial name	Date of incorporation	Operating law	Registration number	LEI number	Registered office address and principal place of business	Legal form	Website	Telephone number
Ambassador Cruise Line Limited	9 April 2021	The Companies Act 2006	13326491	98450086C7E2D4487538	8th Floor Becket House, 36 Old Jewry, London, England, EC2R 8DD	Private Limited Company	https://www.ambassadorcruise.com/	+44 (0) 7553 704751
Ambassador Cruise Holidays Limited UK	29 March 2021	The Companies Act 2006	13299365	984500C7B9D9E8E3C361	8th Floor Becket House, 36 Old Jewry, London, England, EC2R 8DD	Private Limited Company	https://www.ambassadorcruise.com/	+44 (0) 7553 704751
Wake Asset Co	10 September 2021	The BVI Business Companies Act (No 16 of 2004)	2054235	984500E2F88E67E64579	Craigmuir Chambers, Road Town, Tortola, Vg 1110, Virgin Islands, British	Bvi Business Company Limited By reShares	https://www.ambassadorcruise.com/	+44 (0) 7553 704751

3.3 History and development of the Group

3.3.1 Description of history and development of the Group

The Group owns and operates, through the different group companies, the Ambassador Cruise Line, which is a British cruise line founded in 2021 that offers no-fly premium value cruises. The Ambassador Cruise Line is ultimately owned by Njord Partners, Ilmarinen Mutual Pension Insurance Company and the Board and Management of Ambassador Cruise Line Limited through the Issuer and the subsidiaries of the Issuer.

The cruise line sails for the British market from eight regional ports with a focus on premium-value. The first ship, Ambience, set sail from Tilbury in April 2022 on an ex-UK no-fly range of voyages. She carries 1400 guests in 789 cabins, with 11 guest decks. The second ship, Ambition, entered service in May 2023, carrying 1,200 guests in 680 cabins, 10 guest decks. She operates itineraries from London Tilbury but also offers cruises from seven UK regional departure ports including Edinburgh, Newcastle, Dundee, Liverpool, Belfast, Bristol and Falmouth. The Issuer is adult-focused and age-inclusive but primarily aimed at the 50-plus market. The cruise line operates a number of multi-generational cruises over the summer, and delivers distinguished cuisine, fascinating voyages on a classic cruise ship, with great entertainment and like-minded guests visiting treasured destinations.

3.3.2 Overview of key events

The table below provides an overview of key events in the history of the Group:

Year	Event
January 2021	Ambassador Cruise Line was founded, wholly equity financed from Njord Partners to ensure a strong balance sheet
February – June 2021	Purchased the first vessel (Ambience), recruitment of executive and key management team, set-up of shore-side office and operational teams, commercial launch in June 2021
December 2021	Acquisition of the second vessel (Ambition)
February – April 2022	Further enhanced the executive team with successful recruitment of CFO, CCO and COO
March – April 2022	Completion of Ambience refit, Ambience maiden voyage in April
September 2022 – March 2023	Ambition was on a six-month humanitarian contract with the Scottish government to house Ukrainian refugees in Glasgow
April – October 2023	Completion of Ambition refit in April, Ambition maiden voyage in May
November 2023 – May 2024	Ambience completes dry dock and undertakes a successful round the world cruise

Year	Event
	Season 25/26 launched

3.4 Overview of the Group's business areas and the markets in which it operates

3.4.1 Strategy and objectives

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Providing a premium value product at an affordable price positions Ambassador well to be successful in a competitive and economically challenging environment.

Sustainable and ethical cruising is one of the core pillars of Ambassador, by being firmly committed to minimizing the environmental impact and resource scarcity, and prioritizing upgrades to existing ships to high sustainable standards rather than ordering newbuilds. The Group has invested EUR +20 million in upgrading both Ambience and Ambition to be IMO Tier III compliant, resulting in EUR ~6 million annual fuel cost savings. The upgrades include installation of advanced wastewater treatment plants, selective catalytic reduction (SCR) system, limit shaft power, MGO kits, energy efficiency upgrades and more. This allows the ships to access and sail some of the world's most untouched corners, such as the Norwegian heritage fjords. Ambassador also has a charity partnership with ORCA Ocean Conservationists.

3.4.2 Principal activities

The Group offers no-fly premium value cruises. The Group offers a wide range of itineraries including:

- Destination cruises which include Norway, British Isles, W Europe ex UK, Mediterranean and Caribbean
- World cruises - unique experiences with itineraries up to 120 nights
- Multi-generational cruises catering for a larger customer base by offering a selection of itineraries without age restrictions during school holidays
- Themed cruises with guest stars such as cultural icons, sports legends, experts, lecturers & entertainers
- Mini-cruises totalling 4 days or less & tailored for those with limited time and those who wish to experience / tase a cruise holiday

3.5 Material contracts

Neither the Issuer nor any company of the Group has entered into any material contracts outside the ordinary course of business for the two year period prior to the date of this Registration Document. Furthermore, the Group has not as of the date of this Registration Document entered into any contract which contains any provision under which any member of the Group has any obligation or entitlement which is material to the Group, other than those entered into in the ordinary course of business for the two years preceding the publication of this Registration Document.

3.6 Legal proceedings

Neither the Issuer nor any Guarantor is, or has been, during the course of the preceding 12 months, involved in any legal, governmental or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had in the recent past, material adverse effects on its financial position or profitability, and is not aware of any such proceedings which are pending or threatened.

3.7 Credit Rating

There are no credit ratings assigned to the Issuer or any Guarantor at the request or with the cooperation of the Issuer or any Guarantor in the rating process.

3.8 Recent events relevant to evaluation of the Issuer's solvency

There have been no recent events particular to the Issuer or any Guarantor that to a material extent are relevant for the evaluation of its solvency.

4 BOARD OF DIRECTORS AND MANAGEMENT OF THE ISSUER GROUP

4.1 The Issuer: ACL Holdings Limited

The board of directors and executive management of the Issuer currently consists of the following persons:

Name	Position	Served/employed since
Gordon Wilson	Non-Executive Director, Chairman	29 March 2021
Jakob Kjellberg	Non-Executive Director	29 March 2021
Lucy Sinclair	Non-Executive Director	16 October 2023
Thomas Durston	Non-Executive Director	16 October 2023
Stewart Higginson	Non-Executive Director	16 October 2023
Christian Verhounig	Chief Executive Officer	29 March 2021
Fraser Montgomery	Chief Financial Officer	16 October 2023
Nick Hughes	Chief Operating Officer	21 March 2022
Simon Weeks	Chief Administrative Officer	22 February 2021
Gordon Nardini	Chief Marketing Officer	1 October 2021
Glynn Perkin	Chief Technology Officer	5 September 2022

The business address and the principal place of business of the Issuer's board of directors and executive management is Gateway House, Stonehouse Lane, Purfleet, Essex, United Kingdom, RM19 1NS.

Gordon Wilson, Non-Executive Director, Chairman

Gordon Wilson has more than 30 years' experience in the travel industry. He was the CEO and President of the global travel commerce platform, Travelport, from 2011 until 2019 which included successfully taking the company public on the New York Stock Exchange in 2014 and subsequently selling it to private equity in May 2019. He is Chair of the Board of Nucleus Financial Platforms and a member of the Supervisory Board of BCD Holdings N.V. He was previously Chair of the Board of Virgin Experience Days until March 2024, Chair of Interactive Investor until its sale to abrdn in May 2022 and was an NED at William Hill PLC until its sale to Caesar's Entertainment in April 2021. He has also held positions as Chairman of the payments business, eNett, from 2016 to 2019 and was a member of the Executive Committee of the World Travel and Tourism Council from 2011 until 2019.

Jakob Kjellberg, Non-Executive Director

Jakob Kjellberg has more than 20 years' experience in the financial services industry and has dedicated the majority of his career to specialising in asset management and investments. He is a Partner at Njord Partners LLP, which he co-founded in 2013. Kjellberg is currently a Non-Executive Director of several European mid-market businesses spanning multiple sectors and countries and is highly experienced in developing businesses across marine, transportation and travel sectors (including Imperial Jet, EuroAtlantic Airways and Geoquip Marine). Prior to co-founding Njord Partners LLP, Kjellberg spent close to a decade at global private equity firm Kohlberg Kravis Roberts & Co Ltd (New York Stock Exchange: KKR).

Lucy Sinclair, Non-Executive Director

Lucy Sinclair is a member of the Board of Directors of the Issuer. She has 30 years' experience leading commercial performance and digital transformation in multiple businesses and sectors. Sinclair was Google's Director of Business Analysis, Data and Research until August 2023. Prior to this, she was Director of Audiences and Media at the Royal Opera House; Chief Marketing Officer at JPI Media; and Director of Marketing & Audiences at the BBC. She has considerable strategic and operational experience in brand development, research, digital transformation and customer engagement, having held senior roles in a number of high-profile organisations. In her role as Non-Executive Director, Sinclair works closely with the Executive Team, in particular supporting Ambassador on accelerating the digital evolution of the business and its distribution function.

Thomas Durston, Non-Executive Director

Thomas Durston is a member of the Board of Directors of the Issuer. Durston has more than six years' experience in the financial services industry. An Investment Executive at Njord Partners LLP, he has experience investing in companies in the transportation, infrastructure and industrials sector. Prior to joining Njord Partners LLP, Durston was part of the investment banking team at Moelis & Company, a global independent investment bank that provides financial advisory services to corporations, governments, and financial sponsors. At Moelis & Company, Durston advised clients on corporate restructurings, recapitalisations, merger and acquisition transactions.

Stewart Higginson, Non-Executive Director

Stewart Higginson is a member of the Board of Directors of the Issuer. Higginson has more than 20 years of experience leading the turnaround and performance improvement of companies in the energy services, maritime and industrials manufacturing sectors. He has been the Chairman, CEO, CFO and non-executive director of companies in Europe, the US, Middle East and Asia-Pacific. He is currently the Operating Partner at Njord Partners, which he joined in 2015, and was previously with Alix Partners, Ernst & Young and Arthur Andersen. Stewart is a Member of the UK Institute for Turnaround (IFT) and the Institute of Chartered Accountants in England and Wales (ICAEW).

Christian Verhounig, Chief Executive Officer

Christian Verhounig is the Chief Executive Officer of the Issuer. Verhounig has over 25 years' experience in the cruise industry, starting his career working on a cruise ship and rising through the ranks before working in various senior management positions.

He was the CEO and Chairman of Cruise & Maritime Voyages from 2011 to 2020, managing an extensive fleet of cruise ships and over 4,000 employees. Prior to that, Verhounig was the Chief Operating Officer of Global Maritime Group and held senior management positions with catering and hospitality companies in the cruise industry including Director of Operations at Global Cruise Lines Ltd and Managing Director at Cruise & Ferry Services Group Ltd.

Fraser Montgomery, Chief Financial Officer

Fraser Montgomery is the Chief Financial Officer of the Issuer. Montgomery has more than 30 years' experience as a finance and business executive spanning a range of commercial disciplines. With a strong customer-facing and leisure background, he brings significant strength in leadership, strategy and financial governance to the role of Chief Financial Officer. Prior to joining Ambassador, he was CFO for LGH Hotels Management, the property investment and hotel management company which runs 55 hotels across the UK. Previous roles include finance and business executive positions including retail (Marks & Spencer) and visitor attractions (Merlin Entertainments - owners of LEGOLAND® theme park resorts among others).

Nick Hughes, Chief Operating Officer

Nick Hughes is the Chief Operating Officer of the Issuer. Hughes has over 30 years' experience in the marine industry. He is a chartered marine engineer and joins the Ambassador family from a multifaceted career that spans technical engineering, consultancy, and senior commercial roles.

His early roots in The Royal Navy provided a springboard for a career that would transcend many different sectors including defence, shipping and cruise ship operation affording him a broad focus on customer & technical strategy, compliance, risk, shipping laws and other aspects of shore-based management. He has successfully led a number of complex business reorganisations juggling a demand for technical modernisation and aligned to significant expansion criteria.

Until 2020 he spent 7 years as Head of Technical Operations with Marella Cruises (TUI UK Ltd) where he was responsible for fleet management, budget control and compliance, and contributed strategically to asset management and business growth.

Simon Weeks, Chief Administrative Officer

Simon Weeks is the Chief Administrative Officer of the Issuer. Weeks has 40 years' entrepreneurial experience in the travel industry, commencing his career pioneering coach holidays to Europe's emerging resort destinations in the 1980s. Over the next decade his company, ICT, became the UK's leading operator of short break holidays to Northern Europe.

Weeks went on to launch South Quay Travel and Leisure, a specialist group tour operator, and in 2001 acquired leisure and business travel agency, Air Viceroy. Weeks began his involvement in the cruise industry in 2002 developing a frontline tour operation for Cruise & Maritime Services and South Quay Travel and Leisure Cruises. He served as Chief Financial Officer at Cruise & Maritime Voyages from 2011 until 2020.

Gordon Nardini, Chief Marketing Officer

Gordon Nardini is the Chief Marketing Officer of the Issuer. Nardini is a marketing professional with over 22 years' experience. Prior to joining Ambassador, Nardini operated as MD of his own private consultancy business, specialising in the provision of strategic Sales and Marketing solutions for a broad client base. He has also held a variety of fixed term contracts, including Commercial Director and Board Member at Chameleon Art Products.

His earlier career spans a sector range from technology to communications and latterly travel. Brands include Vodafone and The Carphone Warehouse, as well as a decade within the travel sector incorporating Amadeus IT Group, Carlson Wagonlit Travel and Travelport.

Glynn Perkin, Chief Technology Officer

Glynn Perkin is the Chief Technology Officer of the Issuer. Perkin has more than 20 years' experience in the consumer IT industry. He joined Ambassador following a 10-year tenure at Net-A-Porter, and 5-year tenure at online estate agency Strike. During Perkin's distinguished career, he helped to grow Net-A-Porter's business from £50m to over £1bn in annual revenue, and during his time at Strike, scaled his internal team from 5 to 25 people as the business grew significantly.

He is highly experienced in developing infrastructure across multiple countries and currencies across consumer goods and related high-growth environments. In his role at Ambassador, he is responsible for the overall IT strategy and management of the technology infrastructure both shoreside and on board.

4.2 The Guarantors

4.2.1 Guarantor: Ambassador Cruise Line Limited

The board of directors and executive management of the Guarantor currently consists of the following persons:

Name	Position	Served/employed since
Christian Verhounig	Chief Executive Officer	09/04/2021
Fraser Montgomery	Chief Financial Officer	17/10/2023
Simon Weeks	Chief Administrative Officer	09/04/2021
Gordon Nardini	Chief Marketing Officer	16/11/2021

The business address and the principal place of business of the Guarantor's board of directors and executive management is Gateway House, Stonehouse Lane, Purfleet, Essex, United Kingdom, RM19 1NS.

Christian Verhounig, Chief Executive Officer

See Section 4.1.

Fraser Montgomery, Chief Financial Officer

See Section 4.1.

Simon Weeks, Chief Administrative Officer

See Section 4.1.

Gordon Nardini, Chief Marketing Officer

See Section 4.1.

4.2.2 *Guarantor: Ambassador Cruise Holidays Limited*

Name	Position	Served/employed since
Christian Verhounig	Chief Executive Officer	29/03/2021
Fraser Montgomery	Chief Financial Officer	17/10/2023
Simon Weeks	Chief Administrative Officer	29/03/2021

Christian Verhounig, Chief Executive Officer

See Section 4.1.

Fraser Montgomery, Chief Financial Officer

See Section 4.1.

Simon Weeks, Chief Administrative Officer

See Section 4.1.

4.2.3 *Guarantor: Wake Asset Co Ltd*

Name	Position	Served/employed since
Christian Verhounig	Chief Executive Officer	28/10/2021
Fraser Montgomery	Chief Financial Officer	17/10/2023
Simon Weeks	Chief Administrative Officer	08/11/2021

Christian Verhounig, Chief Executive Officer

See Section 4.1.

Fraser Montgomery, Chief Financial Officer

See Section 4.1.

Simon Weeks, Chief Administrative Officer

See Section 4.1.

4.3 **Conflict of interest**

There are no other arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any board member or member of management in the Issuer was selected as a member of the Issuer's board of directors or management nor other actual or potential conflicts of interest between the Issuer and the private interests or other duties of any of the board members and the members of the management of the Issuer, including, to the knowledge of the Issuer, any family relationships between such persons. The foregoing also applies to the Guarantors.

5 **MAJOR SHAREHOLDERS**

At the date of this Registration Document, Njord Partners, Ilmarinen Mutual Pension Insurance and the board and management of Ambassador Cruise Line Limited indirectly and ultimately own 87 %, 9 % and 4 % of the issued share capital of the Issuer, respectively. As the biggest shareholder of the Issuer, Njord Partners could significantly influence the outcome of matters submitted for vote in the general meetings. The commercial goals and interests of Njord as shareholder and the commercial goals and interest of the Issuer and/or the other shareholders, may not always be aligned. Other than general rules in the local legislation to prevent abuse of major shareholding, there are no measures in place to ensure that the above mentioned shareholders do not abuse its positions as major shareholders.

There is no arrangement known to the Issuer or any of the Guarantors that may lead to a change of control in the Issuer or any of the Guarantors.

6 FINANCIAL INFORMATION

6.1 Overview of Financial Statements of the Issuer and the Guarantors

In addition to the Issuer, the Bonds are currently guaranteed by three Guarantors. The audited historical accounts for the Issuer and the Guarantors referred to in 6.2 and 6.3 below are included in Schedule 2 (together, the "**Financial Statements**").

There is no financial information in this Registration Document not extracted from the Financial Statements. No information other than the audited Financial Statements have been audited by the relevant auditors in this Registration Document. Unless explicitly referred to in this section 6 (*Financial information*), no audit reports on the historical financial information have been refused by the statutory auditors nor do they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter.

The following Financial Statements are attached to the Registration Document in Schedule 2:

1. Audited financial statements of ACL Holdings Limited for 2021/2022 and 2023/2024, including auditor reports.
2. Audited financial statements of Ambassador Cruise Line Limited for 2021/2022 and 2023/2024, including auditor reports.
3. Audited financial statements of Ambassador Cruise Holidays Limited for 2021/2022 and 2023/2024, including auditor reports.
4. Audited financial statements of Wake Asset Co for 2021/2022 and 2023/2024, including auditor reports.

6.2 Financial Statements of the Issuer

The Issuer's consolidated financial statements for the financial years 2021/2022 and 2023/2024, have been prepared in accordance with UK GAAP, as well as additional reporting requirements pursuant to the UK Companies Act 2006 and are attached together with the auditor reports to the Registration Document in Schedule 2. The financial information of the Issuer included in the Registration Document has thus not been prepared in accordance with International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002 ("**IFRS**"), and there may be material differences in the financial information had IFRS been applied to the historical financial information.

IFRS differs to UK GAAP in a number of areas. With regards to the Issuer, the most significant change in accounting treatment will be in the treatment of marketing costs, where IFRS will require a greater emphasis on marketing costs being expensed as incurred and not matched to the associated revenue. There will be also be an impact on the treatment of borrowing costs and intangibles (development costs and goodwill. IFRS has other areas of difference (eg leases) but these do not impact the Issuer materially at this time.

The Issuer's accounting reference date is 31 March, and this has not changed during the period for which historical financial information is provided.

The independent auditor is Xeinadin Audit Limited, with registration number 11364541 and registered address 36 Old Jewry, London, EC2R 8 DD. Xeinadin Audit Limited has been the independent auditor for the historical financial periods covered by this Registration Document. Xeinadin Audit Limited are members of the Institute of Chartered Accountants in England & Wales. The audit reports contain no qualifications, modifications of opinion, disclaimers or an emphasis of matter.

The auditor reports for the financial years 2021/2022 and 2023/2024 have been prepared in accordance with International Standards on Auditing.

6.3 Financial Statements of the Guarantors

6.3.1 *Ambassador Cruise Line Limited*

The financial statements for the financial years 2021/2022 and 2023/2024 have been prepared in accordance with UK GAAP as well as additional reporting requirements pursuant to the UK Companies Act 2006, and are attached together with the auditor reports to the Registration Document in [Schedule 2](#). The financial information of Ambassador Cruise Line Limited included in the Registration Document has thus not been prepared in accordance IFRS, and there may be material differences in the financial information had IFRS been applied to the historical financial information.

IFRS differs to UK GAAP in a number of areas. With regards to the Guarantors, the most significant change in accounting treatment will be in the treatment of marketing costs, where IFRS will require a greater emphasis on marketing costs being expensed as incurred and not matched to the associated revenue. There will be also be an impact on the treatment of borrowing costs and intangibles (development costs and goodwill. IFRS has other areas of difference (eg leases) but these do not impact Ambassador Cruise Line Limited materially at this time.

Ambassador Cruise Line Limited's accounting reference date is 31 March, and this has not changed during the period for which historical financial information is provided.

The independent auditor is Xeinadin Audit Limited, with registration number 11364541 and registered address 36 Old Jewry, London, EC2R 8 DD. Xeinadin Audit Limited has been the independent auditor for the historical financial periods covered by this Registration Document. Xeinadin Audit Limited are members of the Institute of Chartered Accountants in England & Wales. The audit reports contain no qualifications, modifications of opinion, disclaimers or an emphasis of matter.

The auditor reports for the financial years 2021/2022 and 2023/2024 have been prepared in accordance with International Standards on Auditing.

6.3.2 *Ambassador Cruise Holidays Limited*

The financial statements for the financial years 2021/2022 and 2023/2024 have been prepared in accordance with UK GAAP as well as additional reporting requirements pursuant to the UK Companies Act 2006, and are attached together with the auditor reports to the Registration Document in [Schedule 2](#). The financial information of Ambassador Cruise Holidays Limited included in the Registration Document has thus not been prepared in accordance IFRS, and there may be material differences in the financial information had IFRS been applied to the historical financial information.

IFRS differs to UK GAAP in a number of areas. With regards to the Guarantors, the most significant change in accounting treatment will be in the treatment of marketing costs, where IFRS will require a greater emphasis on marketing costs being expensed as incurred and not matched to the associated revenue. There will be also be an impact on the treatment of borrowing costs and intangibles (development costs and goodwill. IFRS has other areas of difference (eg leases) but these do not impact Ambassador Cruise Holidays Limited materially at this time.

Ambassador Cruise Holidays Limited's accounting reference date is 31 March, and this has not changed during the period for which historical financial information is provided.

The independent auditor is Xeinadin Audit Limited, with registration number 11364541 and registered address 36 Old Jewry, London, EC2R 8 DD. Xeinadin Audit Limited has been the independent auditor for the historical financial periods covered by this Registration Document. Xeinadin Audit Limited are members of the Institute of Chartered Accountants in England & Wales. The audit reports contain no qualifications, modifications of opinion, disclaimers or an emphasis of matter.

The auditor reports for the financial years 2021/2022 and 2023/2024 have been prepared in accordance with International Standards on Auditing.

6.3.3 *Wake Asset Co*

The financial statements for the financial years 2021/2022 and 2023/2024 have been prepared in accordance with UK GAAP as well as additional reporting requirements pursuant to the UK Companies Act 2006, and are attached together with the auditor reports to the Registration Document in Schedule 2. The financial information of Wake Asset Co included in the Registration Document has thus not been prepared in accordance IFRS, and there may be material differences in the financial information had IFRS been applied to the historical financial information.

IFRS differs to UK GAAP in a number of areas. With regards to the Guarantors, the most significant change in accounting treatment will be in the treatment of marketing costs, where IFRS will require a greater emphasis on marketing costs being expensed as incurred and not matched to the associated revenue. There will be also be an impact on the treatment of borrowing costs and intangibles (development costs and goodwill. IFRS has other areas of difference (eg leases) but these do not impact Wake Asset Co materially at this time.

Wake Asset Co's accounting reference date is 31 March, and this has not changed during the period for which historical financial information is provided.

The independent auditor is Xeinadin Audit Limited, with registration number 11364541 and registered address 36 Old Jewry, London, EC2R 8 DD. Xeinadin Audit Limited has been the independent auditor for the historical financial periods covered by this Registration Document. Xeinadin Audit Limited are members of the Institute of Chartered Accountants in England & Wales. The audit reports contain no qualifications, modifications of opinion, disclaimers or an emphasis of matter.

The auditor reports for the financial years 2021/2022 and 2023/2024 have been prepared in accordance with International Standards on Auditing.

6.4 Financial performance and position – Statement of no significant changes

There has been no significant changes in the financial performance or financial position of the Issuer, the Guarantors or the Group as such since the end of the last financial period for which any financial information has been published and to the date of this Registration Document.

6.5 Additional information

There have been no material adverse changes in the prospects of the Issuer, the Guarantors or the Group since the date of its last published audited financial statements.

7 ADDITIONAL INFORMATION

For the life of this Registration Document, the following documents (and copies thereof) are available for inspection at the Issuer's offices and can be downloaded from the Issuer's web page at www.aclholdingscorporate.com:

- Up to date Articles of Incorporation of the Issuer and each Guarantor;
- This Registration Document; and
- The Financial Statements.

Any information sourced from third parties in this Registration Document has been accurately reproduced and, as far as the Issuer is aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition the source of such information has been identified where relevant.

The Issuer confirms that no letter, valuation, statement, report or other document attributed to a person as an expert is referred to in this Registration Document save for the Financial Statements referred to above, and no such document is consequently not made available for inspection.

8 DEFINITIONS AND GLOSSARY OF TERMS

Bond Issue	ACL Holdings Limited 11.50% senior secured callable EUR 100,000,000 bonds 2024/2027 with ISIN NO0013143966.
Bond Terms	The bond agreement dated 14 February 2024.
Bonds	The bonds issued in ACL Holdings Limited 11.50% senior secured callable EUR 100,000,000 bonds 2024/2027 with ISIN NO0013143966.
Financial Statements	The financial statements included in <u>Schedule 2</u> .
Group	The Issuer and its Subsidiaries as at the date of this Registration Document.
Guarantors	Means the guarantors from time to time under the Bond Terms.
IFRS.....	International Financial Reporting Standards.
Issuer.....	ACL Holdings Limited
Issuer Group.....	The Issuer and the Guarantors together.
LEI	Legal Entity Identifier.
NFSA	The Financial Supervisory Authority of Norway.
Norwegian Securities Trading Act.....	The Norwegian Securities Trading Act of 29 June 2007 No. 75.
Oslo Stock Exchange.....	Oslo Børs ASA, or, as the context may require, Oslo Børs, a Norwegian regulated stock exchange operated by Oslo Børs ASA.
Prospectus Regulation..	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the Registration Document to be published when securities are offered to the public or admitted to trading on a regulated market, repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act.
Registration Document	This document dated 25 June 2024.
Securities Note	The document to be prepared for each new issue of bond under the Prospectus, including, but not limited to, the Issuer's securities note dated 25 June 2024.
Trustee	Nordic Trustee AS, a Norwegian private limited liability company with company registration number 963 342 624.

ACL Holdings Limited

North Suite, First Floor Regency Court Glatigny Esplanade St Peter Port, Guernsey GY1 1WW

<https://www.ambassadorcruise.com>

investorrelations@ambassadorcruise.com

SCHEDULE 1: ARTICLES OF INCORPORATION OF THE ISSUER AND THE GUARANTORS

1. ACL Holdings Limited
2. Ambassador Cruise Line Limited
3. Ambassador Cruise Holidays Limited
4. Wake Asset Co

ARTICLES OF INCORPORATION OF THE ISSUER AND THE GUARANTORS

1. ACL Holdings Limited

ARTICLES OF INCORPORATION

of

ACL HOLDINGS LIMITED

(Incorporated in Guernsey under Registered No. 68957)

Adopted by special resolution passed on 27 June 2022

A handwritten signature in black ink, appearing to be "Kellie", followed by a horizontal line.

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ARTICLES OF INCORPORATION

of

ACL HOLDINGS LIMITED (the “Company”)

1. DEFINITIONS AND INTERPRETATION

1.1 In the Articles, unless the context requires otherwise, the following expressions shall have the following meanings:

“**A Ordinary Share**” means an A Ordinary Share of £0.01 each in the capital of the Company;

“**Acceptance Period**” has the meaning given in Article 11.2(d);

“**Aggregate Prior Shareholder Returns**” means, in respect of any return of capital, an amount equal to the aggregate of all amounts paid to the holders of A Ordinary Shares prior to the relevant return of capital:

- (a) as a result of an Exit; or
- (b) by any Group Company in respect of any Securities and/or loan (whether by way of repayment, dividend, return of capital, repurchase, redemption or otherwise but excluding any amounts paid in connection with any Reorganisation Transaction)

(without double counting);

“**Articles**” means these articles of incorporation of the Company;

“**Asset Sale**” means a sale by the Company or another Group Company of all, or substantially all, of the Group’s business, assets and undertaking to one or more buyers (other than to a group undertaking of the Company or that Group Company) as part of a single transaction or series of connected transactions other than as part of a Reorganisation Transaction;

“**Associated Person**” means:

- (a) in respect of any person, any other person who is connected to such person in accordance with the provisions of section 1122 of the Corporation tax Act 2010 of the United Kingdom; and:
- (b) without prejudice to the generality of the foregoing, in respect of any person that is:
 - (i) an individual:
 - (A) a Family Member of such individual;

- (B) a Family Trust of such individual; and/or
- (C) any company where such individual and/or any Family Member or Family Trust of such individual holds more than 10% of the issued share capital;
- (ii) a company, any parent company or subsidiary of such company or any subsidiary of a parent company of such company;
- (iii) a partnership, any general partner, limited partner or other partner in, or trustee, nominee, manager of, or adviser to, that partnership or any of its group undertakings;
- (iv) an Investor:
 - (A) any group undertaking of any trustee, nominee, custodian, operator or manager of, or adviser to, that Investor or any of its group undertakings;
 - (B) any Fund which has the same general partner, trustee, nominee, manager or adviser as that Investor or any of its group undertakings;
 - (C) any Fund which is advised, or the assets of which (or some material part of which) are managed (whether solely or jointly with others), by that Investor or any of its group undertakings;
 - (D) any Fund which acquires all or substantially all of the securities held by an Investor in both the Company and all or substantially all of its other portfolio companies; and
 - (E) a scheme under which certain officers, employees, members or partners of the Investor or its adviser, manager, operator, nominee or any member of its or their group undertakings are entitled or required (as individuals or through a Fund or any other vehicle) to acquire shares or loan notes or any other security issued by the Company;

“B Adjusted Return” shall have the meaning given in Article 4.1(b);

“B Ordinary Share” means a B Ordinary Share of £0.01 each in the capital of the Company;

“Bad Leaver” means any Leaver who is not a Good Leaver or a Very Bad Leaver;

“Board” means the board of directors of the Company (or any duly appointed committee of it) from time to time;

“Business Day” means any day other than a Saturday, Sunday or English bank or public holiday;

“Call” shall have the meaning given in Article 26.1;

“Call Notice” shall have the meaning given in Article 26.1;

“Call Payment Date” shall have the meaning given in Article 26.9;

“CEO” means the Group’s chief executive officer from time to time;

“Chairman” means the Group’s chairman from time to time;

“Commencement Date” shall have the meaning given in Article 10.2;

“Compulsory Transfer Completion Date” shall have the meaning given in Article 10.1;

“Compulsory Transfer Notice” shall have the meaning given in Article 10.1;

“Compulsory Transferee” shall have the meaning given in Article 10.1;

“Contingent Consideration” means any amount of consideration (whether in cash or otherwise), the payment of which is subject to the satisfaction of a condition which is to be satisfied after completion of a Sale or Asset Sale (and which, for the avoidance of doubt, shall include any consideration in the form of an earn out and any consideration placed into an escrow account or similar arrangement on completion of the relevant Sale or Asset Sale);

“Departing Employee” means any person:

- (a) who is an employee or director of one or more Group Companies who ceases to be an employee or director of any Group Company; or
- (b) whose services are otherwise provided to any Group Company and cease to continue to be provided to any Group Company;

“Director” means a director of the Company from time to time, and includes any person occupying the position of director, by whatever name called, and any reference to the Directors means the Company’s directors or any of them acting as the Board;

“Dividend Prior Returns” means, in respect of any return of capital, the amount of any Aggregate Prior Shareholder Returns paid to the holders of the A Ordinary Shares by the Company under Article 3.1;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“Drag Along Notice” has the meaning given in Article 12.2;

“Drag Along Right” has the meaning given in Article 12.1;

“Drag Completion Date” has the meaning given in Article 12.3(d);

“Drag Majority Shareholders” has the meaning given in Article 12.1;

“Drag Purchaser” has the meaning given in Article 12.1;

“Dragged Shareholders” has the meaning given in Article 12.1;

“Dragged Shares” has the meaning given in Article 12.1;

“Drag Trigger Shares” has the meaning given in Article 12.3;

“Drag Trigger Transfer” has the meaning given in Article 12.1;

“Exit” means a Sale, Listing, Asset Sale or Liquidation;

“Fair Market Value” shall have the meaning given in Article 10.2;

“Family Member” means in relation to any individual:

- (a) his or her spouse or civil partner; and
- (b) all of his or her lineal descendants who are aged 18 years or over (including for this purpose any step-child or adopted child);

“Family Trust” means, in relation to any individual, a trust or settlement, discretionary or otherwise, set up wholly for the benefit of that person and/or his or her Family Members and no other person;

“First Hurdle Amount” means an amount equal to the Total Investment Amount multiplied by 1.5;

“First Hurdle Proceeds” means the First Hurdle Amount less an amount equal to the Aggregate Prior Shareholder Returns, save that the First Hurdle Proceeds cannot be less than zero;

“FSMA” means the Financial Services and Markets Act 2000 of the United Kingdom;

“Fund” means any fund, bank, company, unit trust, investment trust, investment company, limited, general or other partnership, industrial provident or friendly society, any collective investment scheme (as defined by the FSMA), any investment professional (as defined in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005 (the **“FPO”**)), any high net worth company, unincorporated association or partnership (as defined in article 49(2) of the FPO) or any high value trust (as defined in article 49(6) of the FPO), any pension fund or insurance company or any person who is an authorised person under the FSMA;

“Good Leaver” means any Leaver who becomes a Leaver by reason of:

- (a) the death of such Leaver or the relevant Departing Employee;
- (b) satisfactory completion of a fixed term employment contract by the Leaver or the relevant Departing Employee which is not renewed at the end of such fixed term;
- (c) the Leaver or the relevant Departing Employee retirement on reaching retirement age under the terms of his or her employment; or

- (d) by any other reason where the Board (with Investor Consent) determines in its discretion that a Leaver is a Good Leaver;

“Group” means the Company and any company which is a subsidiary of the Company from time to time and any New Holding Company which is inserted as a parent company of the Company, and references to **“Group Company”** and **“members of the Group”** shall be construed accordingly;

“Independent Expert” means a partner of at least 10 years’ standing at one of the following accountancy firms:

- (a) Deloitte LLP;
- (b) KPMG LLP;
- (c) PricewaterhouseCoopers LLP;
- (d) Ernst & Young Global Limited;
- (e) Alix Partners; LLP; or
- (f) FTI Consulting, Inc.,

that the Company resolves to appoint (with Investor Consent), on the basis that such firm shall act as an expert and not as an arbitrator;

“Investor(s)” means any person holding A Ordinary Shares on the date of adoption of these Articles and any Shareholders who is otherwise designated as an Investor by the Board (with Investor Consent);

“Investor Consent” means the approval of the Investor Majority;

“Investor Majority” means the holders of not less than 50 per cent. in nominal value of A Ordinary Shares in issue from time to time;

“Law” means the Companies (Guernsey) Law, 2008;

“Leaver” means:

- (a) any Shareholder that is a Departing Employee;
- (b) any Shareholder that is holding Shares:
 - (i) at the direction of;
 - (ii) as nominee for or on behalf of; or
 - (iii) following a transfer from (other than any transfer pursuant to Article 10)
a Departing Employee; and
- (c) any Shareholder who becomes bankrupt and/or any person who holds or

becomes entitled to any Shares following the bankruptcy of a Shareholder;

“Leaver Date” means the date on which the relevant person becomes a Leaver, provided that:

- (a) (subject to paragraph (b) below) where the Leaver’s employment or directorship or a contract for services ceases by virtue of notice given by the Leaver or by the relevant Group Company, it shall mean the date on which such notice is given, whether or not the Leaver is placed on garden leave and without taking into account the notice period;
- (b) where a payment is made in lieu of notice, it shall mean the date on which that payment is made; and
- (c) where the Leaver dies, it shall mean the date of his or her death or certification of such death (if the date of death is unknown);

“Leaver Sale Shares” shall have the meaning given in Article 10.1

“Lien Enforcement Notice” shall have the meaning given in Article 25.2;

“Liquidation” means a winding up, dissolution or liquidation of the Company or any New Holding Company;

“Listing” means the admission of the shares in the capital of any Group Company to public trading on a regulated market or other recognised investment exchange;

“Listing Exit Value” means, an amount equal to:

- (a) the total number of Listing Shares to be sold by the Shareholders in any primary offering made in connection with the Listing multiplied by the Listing Price; plus
- (b) the total number of Listing Shares which will be held by the Shareholders immediately following the Listing multiplied by the Listing Price,

net of the aggregate costs of the Listing attributable to the Shareholders (other than any costs taken into account in the definition of the Listing Price);

“Listing Price” means, in connection with any Listing, the price per share set out or that would be set out on the cover page of a prospectus for such Listing less the per share allocation of the underwriting discounts and commissions and other fees and expenses incurred by the Company in connection with the Listing;

“Listing Shares” means, with respect to a Listing, the shares of the relevant Group Company or New Holding Company which are to be admitted to trading in connection with such Listing;

“New Holding Company” means a new holding company of the Company formed for the purpose of implementing or facilitating a Refinancing or in advance of an Exit;

“Notice” means any notice, resolution, document or information to be communicated

by the Company to the Shareholders or other persons or by any person to the Company whether pursuant to the Law or these Articles;

“payee” means, in respect of a Share in respect of which a dividend or other sum is payable:

- (a) the holder of the Share;
- (b) if the Share has two or more joint holders, whichever of them is named first in the register of members;
- (c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee; or
- (d) such other person or persons as the holder (or, in the case of joint holders, all of them) may direct;

“proxy notice” has the meaning given in Article 15.3;

“Proceeds” means in respect of a Sale or Asset Sale (as relevant), the aggregate consideration payable in respect of such Sale or Asset Sale, but excluding any: (i) Contingent Consideration; and (ii) Withheld Proceeds;

“Refinancing” means:

- (a) the raising of third party debt financing for the Group; or
- (b) any refinancing of the existing third party debt financing arrangements of the Group; or
- (c) a recapitalisation of the Company (including the repayment or redemption of all or any of the Shares) or any other reorganisation which does not involve an acquisition of any third party trading entity or business;

“Relevant Rate” shall have the meaning given in Article 26.9;

“Reorganisation Transaction” means any actions taken by any Group Company as the Investor Majority considers (in its absolute discretion) necessary, appropriate or desirable for the purposes of enabling or assisting an Exit or Refinancing to occur, including:

- (a) to liquidate, dissolve or wind up, to merge, to reorganise, recapitalise, refinance or otherwise restructure any Group Company; and/or
- (b) to establish a New Holding Company;

“Repayment Amount” shall have the meaning given in Article 10.5(b);

“Reserved Shares” means up to an amount of 5,066.80 B Ordinary Shares which are reserved for issue by the Company to such current or prospective directors, officers or employees of or consultants to a member of the Group as the Board may determine from time to time;

“Sale” means the sale of all or substantially all of the issued equity share capital of the Company to a single buyer or to one or more buyers as part of a single transaction or a series of related transactions, other than a sale of all or substantially all of the issued equity to a New Holding Company or otherwise as part of a Reorganisation Transaction;

“Sale Price” shall have the meaning given in Article 10.2;

“Second Hurdle Amount” means an amount equal to the Total Investment Amount multiplied by 2;

“Second Hurdle Proceeds” means:

- (a) the Second Hurdle Amount; less
- (b) an amount equal to the Aggregate Prior Shareholder Returns; less
- (c) the First Hurdle Proceeds,

save that the Second Hurdle Proceeds cannot be less than zero;

“Securities” means together, the Shares and any other security of any type or class issued in the capital of, or any debt securities or other securities issued by, the Company or any other Group Company from time to time;

“Security Interest” means any mortgage, charge (whether fixed or floating), lien, option, pledge, assignment, trust arrangement or other security interest of any kind and any agreement, whether conditional or otherwise, to create any of the foregoing;

“Share” means any share in the capital of the Company from time to time;

“Shareholder” means any holder of any Share from time to time;

“Tag Along Notice” has the meaning given in Article 11.2(a);

“Tag Along Offer” has the meaning given in Article 11.2(c);

“Tag Along Shares” has the meaning given in Article 11.2(c);

“Tag Completion Date” has the meaning given in Article 11.3(b)(ii);

“Tag Majority Seller” has the meaning given in Article 11.1;

“Tag Minority Shareholders” has the meaning given in Article 11.2(a);

“Tag Purchaser” has the meaning given in Article 11.1;

“Tag Trigger Shares” has the meaning given in Article 11.2;

“Tag Trigger Transfer” has the meaning given in Article 11.1;

“Third Hurdle Amount” means an amount equal to the Total Investment Amount multiplied by 3;

“Third Hurdle Proceeds” means:

- (a) the Third Hurdle Amount; less
- (b) an amount equal to the Aggregate Prior Shareholder Returns; less
- (c) the First Hurdle Proceeds; less
- (d) the Second Hurdle Proceeds,

save that the Third Hurdle Proceeds cannot be less than zero;

“Total Investment Amount” means, from time to time, the aggregate of all amounts contributed to, lent by or invested by any holder of A Ordinary Shares in any Group Company (whether by way of subscription for Securities or otherwise) (without double counting);

“Transmittee” has the meaning given in Article 13.1;

“Very Bad Leaver” means a Leaver where the Leaver or the relevant Departing Employee in respect of such Leaver:

- (a) has breached or breaches any non-compete, non-solicit, non-interference or other restrictive covenants given by the relevant Leaver or Departing Employee in favour of the Investor(s) and/or any Group Company, including but not limited to, under:
 - (i) the terms of any contract of employment, appointment or engagement of the Leaver or Departing Employee;
 - (ii) any compromise or settlement agreement entered into by such Leaver or Departing Employee with a Group Company; and/or
 - (iii) any subscription or investment agreement; and/or
- (b) has committed or commits fraud against, acting on behalf of or in respect of any Group Company;

“Withheld Proceeds” means any amount of the consideration paid in respect of an Sale or Asset Sale which the Investors reasonably direct should be held back rather than distributed to the Shareholders in order to satisfy potential future claims: (i) in respect of a Sale, against the Shareholders in respect of such Sale; and (ii) in respect of an Asset Sale, against the Company in respect of such Asset Sale; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

1.2 Standard articles as may be prescribed from time to time pursuant to section 16(2) of the Law shall not apply to the Company.

1.3 Unless the context otherwise requires, words and expressions defined in or having a

meaning provided by the Law shall have the same meaning in these Articles.

1.4 Unless the context otherwise requires, references in these Articles to:

- (a) a “**person**” includes any individual, body corporate, trust, partnership, joint venture, unincorporated association or governmental, quasi-governmental, judicial or regulatory entity (or any department, agency or political subdivision of such an entity), in each case whether or not having a separate legal personality, and any reference to a “**company**” includes any company, corporation or other body corporate, wherever and however incorporated or established;
- (b) any of the masculine, feminine and neuter genders shall include other genders;
- (c) the singular includes the plural and vice versa;
- (d) the words “**including**”, “**include**”, “**in particular**” and words of similar effect shall not be deemed to limit the general effect of the words which precede them;
- (e) a statute, statutory provision or subordinate legislation (“**legislation**”) refers to:
 - (i) such legislation, as amended and in force from time to time, and to any legislation that (either with or without modification) re-enacts, consolidates or enacts in rewritten form any such legislation; and
 - (ii) any former legislation that it re-enacts, consolidates or enacts in rewritten form; and

1.5 Subject to Article 7.3, a reference in these Articles to a “**transfer**” of Shares or any similar expression shall be deemed to include (without limitation):

- (a) any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share);
- (b) the creation of any mortgage, charge, pledge or other Security Interest over the legal or equitable interest in a Share (including any voting right attached to a Share);
- (c) the renunciation of a right to be issued a Share by any member entitled to any such issue;
- (d) any direction by a member entitled to an issue of Shares that a Share issued to some person other than himself; and
- (e) any grant of an option to acquire either or both of the legal and equitable ownership of any Share in the capital of the Company by any member entitled to any such Share.

2. **LIABILITY OF SHAREHOLDERS**

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares that are held by them.

3. **SHARE RIGHTS: INCOME**

3.1 **Entitlement to Distributions**

Any distribution that is declared by the Board (with prior Investor Consent) in accordance with the requirements of the Law shall be distributed to the holders of A Ordinary Shares (in that capacity) pro rata to the number of A Ordinary Shares held by them. For the avoidance of doubt, the holders of the B Ordinary Shares (in that capacity) shall not be entitled to receive any distribution from the Company other than upon a return of capital or an Exit.

3.2 **Nil Paid and Partly Paid Shares**

Any and all distributions declared by the Company in accordance with these Articles in respect of any nil paid or partly paid Shares shall first be applied in satisfaction of any outstanding amounts then owed to the Company in respect of the relevant nil paid or partly paid Shares, until such time as the relevant nil paid or partly paid Shares are fully paid up or credited as fully paid up.

4. **SHARE RIGHTS: RETURN OF CAPITAL AND EXIT**

4.1 **Return of Capital**

(a) Subject to Article 4.1(b), on a return of capital (whether on a Liquidation, reduction of capital or otherwise), the surplus assets of the Company remaining after repayment of its liabilities and the costs, charges and expenses of such return of capital (the “**Surplus Assets**”) shall be distributed amongst the Shareholders as follows:

- (i) first, in paying to the holders of the A Ordinary Shares (in that capacity) an amount equal to the First Hurdle Proceeds to be shared amongst the holders of the A Ordinary Shares pro rata to the number of A Ordinary Shares held by them; and
- (ii) second and subject thereto, in paying the balance (if any) up to an amount equal to the Second Hurdle Proceeds as follows:
 - (A) 5% of such amount shall be paid to the holders of B Ordinary Shares (in that capacity) pro rata to the number of B Ordinary Shares held by them; and
 - (B) the remainder of such amount shall be paid to the holders of A Ordinary Shares (in that capacity) pro rata to the number of A Ordinary Shares held by them;
- (iii) third and subject thereto, in paying the balance (if any) up to an amount equal to the Third Hurdle Proceeds as follows:

- (A) 12.5% of such amount shall be paid to the holders of B Ordinary Shares (in that capacity) pro rata to the number of B Ordinary Shares held by them; and
 - (B) the remainder of relevant amount shall be paid to the holders of A Ordinary Shares (in that capacity) pro rata to the number of A Ordinary Shares held by them; and
- (iv) fourth and subject thereto, in paying the balance (if any) as follows:
 - (A) 17.5% of the relevant amount shall be paid to the holders of B Ordinary Shares (in that capacity) pro rata to the number of B Ordinary Shares held by them; and
 - (B) the remainder of relevant amount shall be distributed to the holders of A Ordinary Shares (in that capacity) pro rata to the number of A Ordinary Shares held by them.
- (b) If, in respect of any return of capital, the holders of B Ordinary Shares (in that capacity) would receive a higher amount under Article 4.1(a) if: (i) the Surplus Assets were deemed to be increased by the amount of the Dividend Prior Returns; and (ii) the Aggregate Prior Shareholders Returns were deemed to be reduced by the amount of the Dividend Prior Returns (such higher amount being the “**B Adjusted Return**”), the Surplus Assets shall be distributed amongst the Shareholders so that:
 - (i) an amount equal to the lower of the B Adjusted Return and the Surplus Assets shall be paid to the holders of the B Ordinary Shares (in that capacity) pro rata to the number of B Ordinary Shares held by them; and
 - (ii) the remainder of the Surplus Assets (if any), shall be distributed to the holders of A Ordinary Shares (in that capacity) pro rata to the number of A Ordinary Shares held by them.

4.2 Sale

- (a) In the event of a Sale, the Company and the Shareholders (immediately prior to such Sale) shall procure that the Proceeds of such Sale in whatever form received or receivable by Shareholders in respect of the Shares that are the subject of the Sale shall be allocated between them in the manner and order of priority set out in Article 4.1 as if such proceeds were Surplus Assets.
- (b) Any Proceeds to be allocated under this Article 4.2 may, with Investor Consent, be allocated after deduction of all costs, fees, charges and expenses of the Shareholders who are selling their Shares (pro-rata to the proceeds received by them in respect of such Sale) and/or any Group Company incurred in connection with the Sale, in each case as approved by Investor Consent.

4.3 Asset Sale

In the event of an Asset Sale, the Company and the Shareholders shall procure that the

Proceeds of such Asset Sale in whatever form received or receivable by the Group in respect of the Asset Sale (net of the aggregate costs of the Asset Sale) shall be distributed to the Shareholders as soon as reasonably and legally practicable following completion of the Asset Sale by way of return of capital or otherwise as the Investor Majority deem appropriate and shall be allocated between the Shareholders in the manner and order of priority set out in Article 4.1 as if such proceeds were Surplus Assets (subject to deduction for repayment of the Group's liabilities and costs incurred by the Group in relation to such distribution).

4.4 Contingent Consideration and Withheld Proceeds

If following completion of any Sale or Asset Sale:

- (a) any Contingent Consideration that was deducted from the Proceeds of such Sale or Asset Sale for the purposes of allocation of such Proceeds to the Shareholders in accordance with Articles 4.2 and 4.3 is actually paid; or
- (b) the Investors direct that any Withheld Proceeds that were deducted from the Proceeds of such Sale or Asset Sale for the purposes of allocation of such Proceeds to the Shareholders in accordance with Articles 4.2 and 4.3 can be distributed to the Shareholders,

the amount actually paid or that the Investors direct can be distributed (as relevant) shall be distributed to the Shareholders in accordance with the order of priority set out in Article 4.1 and for these purposes: (i) the payment of the Contingent Consideration and/or the distribution of the Withheld Proceeds shall be deemed to be the “return of capital”; and (ii) the amount of the Contingent Consideration and/or Withheld Proceeds actually paid or distributed (as relevant) shall be deemed to be the “Surplus Assets”.

4.5 Listing

In the event of a Listing, the Company and the Shareholders shall procure (to the extent within a Shareholder’s power by exercising its voting rights (if any)) that:

- (a) if the company whose shares are to be listed is to be the Company, a Reorganisation Transaction shall be effected to reclassify the Shares into Listing Shares and, as required, into deferred shares having such rights as may be determined by the Board (with Investor Consent), such that the Listing Shares held by each Shareholder following such Reorganisation Transaction have an aggregate value (based on the Listing Price) equal to the amount which such Shareholder would have received if the Company had distributed an amount equal to the Listing Exit Value to the Shareholders in the manner and order of priority set out in Article 4.1 as if such Listing Exit Value was Surplus Assets; and
- (b) if the company whose shares are to be listed is to be a New Holding Company, a Reorganisation Transaction shall be effected such that the Listing Shares in such New Holding Company which are held by each Shareholder following such Reorganisation Transaction have an aggregate value (based on the Listing Price) equal to the amount which such Shareholder would have

received if the Company had distributed an amount equal to the Listing Exit Value to the Shareholders in the manner and order of priority set out in Article 4.1 as if such Listing Exit Value was Surplus Assets.

4.6 Nil and Partly Paid Shares

In respect of any nil paid or partly paid Shares, any and all amounts received by a Shareholder pursuant to Articles 4.1 to 4.5 shall first be applied towards the satisfaction of any outstanding amounts then owed to the Company in respect of such nil paid or partly paid Shares.

5. SHARE RIGHTS: VOTING

5.1 Written Resolutions

On a written resolution, every Shareholder who holds one or more A Ordinary Share(s) on the date on which the resolution is circulated shall have one vote for each A Ordinary Share held by such Shareholder. For the avoidance of doubt, the holders of B Ordinary Shares shall not (in that capacity) be entitled to receive copies of or vote on any resolutions proposed as written resolutions of the Company.

5.2 General Meeting

- (a) Every Shareholder who holds one or more A Ordinary Share(s) is entitled to receive notice of, and to attend and vote at, general meetings of the Company.
- (b) Every Shareholder who holds one or more A Ordinary Share(s) and who (being an individual) is present in person or by proxy or who (being a corporate entity) is present by a duly authorised representative or by proxy at a general meeting of the Company shall have one vote for each A Ordinary Share held by such Shareholder on any resolution to be passed at a general meeting of the Company whether on a show of hands or a poll.
- (c) For the avoidance of doubt, the holders of B Ordinary Shares shall not (in that capacity) be entitled to receive notice of, attend, speak or vote at, general meetings of the Company.

6. SHARE CAPITAL: GENERAL POWERS OF THE COMPANY

6.1 Power of the Board to issues Shares

Subject to the provisions of the Law, these Articles and any resolution of the Company, the Board may (in each case subject to prior Investor Consent):

- (a) exercise the power of the Company to issue Shares or grant rights to subscribe for, or convert any Security into Shares, in accordance with section 291 of the Law;
- (b) issue Shares of different types within the meaning of section 277 of the Law or shares of different classes, and the creation or issuance of any such shares or any additional shares ranking equally with an existing type of class of share is deemed not to vary the rights of any existing member;

- (c) subject to sections 342 and 348 of the Law, convert all or any classes of Shares into redeemable shares;
- (d) issue Shares which have a nominal or par value;
- (e) issue Shares of no par value;
- (f) issue any number of Shares they see fit;
- (g) issue fractions of a Share within the meaning of section 280 of the Law;
- (h) make arrangements on the issue of shares to distinguish between shareholders as to the amounts and times of payments of calls on their Shares; and
- (i) pay commissions in such manner and in such amounts as the Board may determine,

on such terms and conditions as it sees fit.

6.2 Reserved Shares

The Reserved Shares shall be issued to current or prospective directors, officers, employees or consultants of the Group as the Board shall determine, free from any rights in favour of any other Shareholder under these Articles or otherwise, and the Company shall issue the Reserved Shares on the basis so determined.

6.3 Treasury Shares

Subject to prior Investor Consent, the Company may hold treasury Shares in accordance with the provisions of the Law.

6.4 Purchase of own Shares

Subject to the provisions of the Law, these Articles and prior Investor Consent, the company may purchase its own Shares and with respect to those Shares, cancel them or hold them as treasury Shares.

6.5 Alteration of Share capital

Subject to prior Investor Consent, the members may, by ordinary resolution alter the company's share capital in accordance with section 287 of the Law.

6.6 Beneficial Interests

Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

6.7 Redemption

- (a) The B Ordinary Shares may be redeemed by the Company in the manner set out in Article 10 or in such other manner as may be agreed in writing between the Company and the relevant Shareholder from time to time.
- (b) Subject to the Articles and the Law, the A Ordinary Shares may be redeemed in such manner as may be agreed in writing between the Company and the relevant Shareholder from time to time.

7. **SHARE TRANSFERS: GENERAL**

7.1 Shares may only be transferred (whether by a person who holds or who becomes entitled to Shares), if the transfer is:

- (a) permitted or required under Article 8; or
- (b) made in accordance with Article 10, 11 or 12.

7.2 Any transfer in breach of the Articles shall be void.

7.3 Notwithstanding the provisions of Article 7.1, neither of the following shall, or shall be deemed to be, a transfer of Shares:

- (a) a transfer by any partner, unitholder, shareholder, or other participant in, or operator, manager or custodian of, any Fund (a “**Fund Participant**”) (or by any trustee or nominee of any such Fund Participant) of any interest in such Fund to any person who is, or as a result of such transfer becomes, a Fund Participant; nor
- (b) the creation of any Security Interest over an interest in a Fund.

8. **PERMITTED TRANSFERS**

8.1 **Permitted Transfers: General Provisions**

The following transfers of Shares shall be permitted:

- (a) any Shareholder may transfer Securities to any person with Investor Consent;
- (b) any Shareholder may transfer Shares as part of an Exit or a Reorganisation Transaction (subject always to compliance with Article 11 and, in respect of a Listing, compliance with any agreed dealing restrictions on or in relation to the Shares);
- (c) any Investor may transfer Shares in accordance with the provisions of Article 8.2;
- (d) any transfer of Shares pursuant to the compulsory transfer provisions set out in Article 10; and
- (e) any transfer of Shares in accordance with Article 11 or 12.

8.2 **Permitted Transfers: Investors**

Any Shareholder who is an Investor or any person who holds Shares as a nominee, custodian, trustee or otherwise on behalf of an Investor may at any time transfer any Share held by it to any of the following (subject to prior Investor Consent if the transferring Investor is not the Investor Majority):

- (a) any Associated Person of that Investor;
- (b) any other Investor;
- (c) in the case of a Shareholder which holds Shares as a nominee, custodian, trustee or otherwise on behalf of an Investor to the person on whose behalf it holds such Shares as nominee, custodian, trustee or otherwise or to another person acting as nominee custodian, trustee or otherwise on behalf of such person;
- (d) any person who is an employee, director, officer or consultant of the Group; or
- (e) to the Company, in accordance with the provisions of the Law.

9. REGISTRATION OF TRANSFERS

9.1 Registration of Transfers by the Board

The Board:

- (a) shall register any transfer which is made in accordance with the provisions of these Articles within 21 days of receipt of the duly executed instrument of transfer (at the registered office of the company, or such other place as the Board may prescribe) together with the certificate (if any) of every Share to be transferred and such other evidence as the Board may reasonably require to prove the title of the transferor or his or her right to transfer the Shares.
- (b) may refuse to register a transfer of shares or may refuse to register a transfer until such information as the Board may require has been provided; and
- (c) shall decline to register any transfer that is not made in accordance with the provisions of these Articles.

If the Board refuses to register a transfer of shares it shall, within a period of 2 months after the date on which the Board resolved to refuse the transfer, send to the transferor a written notice of the refusal and return the instrument of transfer to the transferor. These articles are subject to, and do not limit or restrict the Company's powers to transfer shares in accordance with, the Uncertificated Securities (Enabling Provisions) (Guernsey) Law, 2005.

9.2 Instrument of Transfer

- (a) Shares may be transferred by means of an instrument of transfer that has been executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee. Such instrument of transfer must be in any usual form or any other form as may be approved by the Directors.

- (b) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- (c) The Company may retain any instrument of transfer which is registered.

9.3 **Registration of New Holder**

The transferor remains the holder of the Shares concerned until the transferee's name is entered in the register of members in respect of those Shares.

10. **COMPULSORY TRANSFER PROVISIONS**

10.1 **Service of Compulsory Transfer Notice**

- (a) At any time from the Leaver Date up until midnight on the first anniversary of the Leaver Date, the Board shall be entitled (with Investor Consent) to serve a written notice on a Leaver (the "**Compulsory Transfer Notice**") requiring such Leaver to:
 - (i) transfer to the Company or such other person as the Board may specify (with Investor Consent) in the Compulsory Transfer Notice (the "**Compulsory Transferee**"); or, at the sole discretion of the Board,
 - (ii) have redeemed by the Company,

all or such other number of their Shares as may be specified in such Compulsory Transfer Notice ("**Leaver Sale Shares**") in accordance with Article 10.3 in consideration for payment of the Sale Price.
- (b) The Compulsory Transfer Notice shall specify:
 - (i) the Leaver Sale Shares;
 - (ii) the Sale Price payable for the Leaver Sale Shares (or, to the extent the Sale Price of any of the Leaver Sale Shares is Fair Market Value, include the Company's proposal in respect of the Fair Market Value of such Leaver Sale Shares);
 - (iii) if in respect of a transfer pursuant to Article 10.1(a)(i) above, the identity of the Compulsory Transferee;
 - (iv) the proposed date for completion of the transfer and/or redemption of the Leaver Sale Shares.
- (c) For the avoidance of doubt, to the extent that any Compulsory Transfer Notice served in accordance with Article 10.1(a) is in respect of some, but not all, of a Leaver's Shares, the Board shall be entitled (with Investor Consent) to serve further Compulsory Transfer Notice(s) in accordance with Article 10.1(a) in respect of the remainder (or any part of the remainder) of the Leaver's Shares provided that such further Compulsory Transfer Notice is served prior to the date set out in Article 10.1(a).

- (d) At any time after service of a Compulsory Transfer Notice pursuant to Article 10.1(a) but prior to the completion of the transfer/redemption of the relevant Leaver Sale Shares on the Compulsory Transfer Completion Date, the Board shall be entitled (with Investor Consent) to revoke the Compulsory Transfer Notice, in which case the transfer/redemption of the relevant Leaver Sale Shares will not take place. Revocation of a Compulsory Transfer Notice shall not preclude the Board from serving further Compulsory Transfer Notice(s) in accordance with Article 10.1(a) in respect of the Leaver's Shares provided that such further Compulsory Transfer Notice is served prior to the date set out in Article 10.1(a).

10.2 Sale Price

- (a) For the purposes of this Article 10, the “**Sale Price**” shall be:
- (i) in respect of a Good Leaver, an amount calculated as follows:
- (A) in respect of the proportion of their Leaver Sale Shares set out in column (2) of the table below, the Fair Market Value of such Leaver Sale Shares; and
- (B) in respect of the proportion of their Leaver Sale Shares set out in column (3) of the table below, nil

depending on the period of time elapsed between the date on which the relevant Leaver Sale Shares were first issued to the Leaver (the “**Commencement Date**”) and the Leaver Date as set out in column (1) of the table below

(1) Leaver Date	(2) Vested Shares	(3) Unvested Shares
Before the date falling one year after the Commencement Date	0%	100%
On or after the date falling one year after the Commencement Date but before the date falling two years after the Commencement Date	30%	70%
On or after the date falling two years after the Commencement Date but before the date falling three years after the Commencement Date	47.5%	52.5%
On or after the date falling three years after the Commencement Date but before the date falling four years after the Commencement Date	65%	35%
On or after the date falling four years after the Commencement Date but before the date falling five years after the Commencement Date	82.5%	17.5%

(1) Leaver Date	(2) Vested Shares	(3) Unvested Shares
On or after the date falling five years after the Commencement Date	100%	0%

- (ii) in respect of a Bad Leaver and/or a Very Bad Leaver, nil.
- (b) For the purposes of this Article 10, the “**Fair Market Value**” of any Leaver Sale Shares shall be:
- (i) the price that is proposed by the Company (acting reasonably and in good faith) as being a genuine estimate of the market value of the Leaver Sale Shares as between a willing seller and a willing buyer as at the Leaver Date, and that is accepted by the Leaver, provided that for these purposes a Leaver shall be deemed to have accepted the price proposed by the Company, if he or she fails to notify the Company within 10 Business Days of the date of the Compulsory Transfer Notice that he or she does not accept the price so proposed; or
 - (ii) if the Leaver notifies the Company that he or she does not accept the price proposed by the Company within 10 Business Days of the date of the Compulsory Transfer Notice the Leaver and the Board shall use all reasonable efforts (acting in good faith) to meet and discuss the proposed adjustments to the price proposed by the Company within 10 Business Days after such notification and:
 - (A) if the Leaver and the Board agree a price within such period, such price shall be the Fair Market Value for the purposes of this Article 10; and
 - (B) if the Leaver and the Board do not reach agreement on a price within such period, then the matter shall be referred to an Independent Expert in accordance with Article 10.2(c) and amount determined by the Independent Expert shall be the Fair Market Value for the purposes of this Article 10.
- (c) If the Fair Market Value is to be determined by an Independent Expert:
- (i) the Company shall, as soon as reasonably practicable following expiry of the 10 Business Day period referred to in Article 10.2(b)(ii), instruct the Independent Expert to determine the Fair Market Value on the basis which, in their opinion, represents a fair price for the Leaver Sale Shares as at the Leaver Date as between a willing seller and a willing buyer. In making their determination, the Independent Expert shall not attribute any premium or discount to the percentage of the issued share capital of the Company which the Leaver Sale Shares represent or to the restrictions on transfer applying to the Articles;

- (ii) the Leaver and the Board may make representations to the Independent Expert in respect of the determination of the Fair Market Value of the Leaver Sale Shares;
- (iii) the Independent Expert shall certify the Fair Market Value as soon as possible after being instructed by the Company and, in so certifying, the Independent Expert shall be deemed to be acting as experts and not as arbitrators;
- (iv) the certificate of the Independent Expert shall be final and binding, save in the case of fraud or manifest error; and
- (v) the costs of obtaining the Independent Expert's determination shall be borne by the Company, save where the Fair Market Value as determined by the Independent Expert is lower than 110 per cent. of the last price proposed by the Company, in which case the Leaver and the Company shall bear the costs of obtaining the Independent Expert's determination 50:50.

10.3 Completion of Compulsory Transfers of Shares

- (a) Completion of the sale and purchase and/ or redemption of the Leaver Sale Shares shall take place on the date specified in the Compulsory Transfer Notice or, if later and applicable, the date falling 2 Business Days after the date on which the Fair Market Value of such Shares is agreed or determined in accordance with Article 10.2 (the "**Compulsory Transfer Completion Date**").
- (b) Upon the Compulsory Transfer Completion Date:
 - (i) the Leaver shall:
 - (A) transfer the relevant Leaver Sale Shares to the relevant Compulsory Transferee free from all Security Interests and/or take any action required or desirable in connection with the redemption of the Leaver Sale Shares, in accordance with the terms and conditions of these Articles by means of the execution of a transfer instrument in a customary form in respect of the relevant Shares and/or such documents as the Company reasonably requires to implement the transfer or redemption of the Leaver Sale Shares; and
 - (B) deliver to the Company the transfer instrument in respect of the Leaver Sale Shares duly executed by the Leaver together with any relevant share certificate(s) (or an indemnity in respect of such Leaver Sale Shares, in a form satisfactory to the Board) and/or such documents as the Company reasonably requires to implement the transfer or redemption of the Leaver Sale Shares;

- (ii) the Compulsory Transferee, or in the case of a redemption, the Company, shall pay the Sale Price for the relevant Leaver Sale Shares,

and as soon as reasonably practicable following the transfer and/or redemption of the relevant Leaver Sale Shares, the Company shall register in its register of members: (i) the transfer of the applicable Shares by the Leaver to the Compulsory Transferee and the Compulsory Transferee as the new holder of the such Shares; or (ii) in the case of a redemption, the cancellation of such Shares.

10.4 Failure to transfer Leaver Sale Shares

- (a) If a Leaver fails to comply with his or her obligations under Article 10.3 on the Compulsory Transfer Completion Date (in respect of all of the Leaver Sale Shares, which he or she is due to transfer and/or redeem):
 - (i) the Company may receive the relevant Sale Price and may nominate any Director to execute an instrument of transfer and/or such other documents as the Company reasonably requires to implement the transfer or redemption of the Leaver Sale Shares in the name of, and as agent for, the Leaver;
 - (ii) the Board shall authorise registration of the transfer(s)/redemption(s), and:
 - (A) in respect of a redemption, the Company shall cause its register of members to be updated to reflect the cancellation of such Leaver Sale Shares;
 - (B) in the event of a transfer, the Company shall cause the name of the Compulsory Transferee to be entered in the register of members as the holder of such Leaver Sale Shares and, unless the Compulsory Transferee is the Company:
 - (1) the Company shall hold the Sale Price on trust (without interest) for the Compulsory Transferee;
 - (2) the receipt of the Company of the Sale Price shall be a good discharge to the Compulsory Transferee (who shall not be bound to see to the application of such consideration) and, after the name of the Compulsory Transferee has been entered in the register of members, the validity of the proceedings shall not be questioned by any person.
- (b) The Shareholders acknowledge and agree that the authority conferred under this Article 10.4 is necessary as security for the performance by the Leavers of their obligations under these Articles.

10.5 Very Bad Leavers

If:

- (a) a Leaver who was previously treated as a Good Leaver for the purposes of Articles 10.1 to 10.4 becomes a Very Bad Leaver; and
- (b) such Leaver received a Sale Price in respect of his or her Leaver Sale Shares that was greater than the Sale Price that would have been payable in respect of such Leaver Sale Shares had the Leaver been treated as a Very Bad Leaver for the purposes of such transfer (the additional amount being the “**Repayment Amount**”),

the Leaver shall promptly, upon receiving written notice from the Company to do so, pay to the Company an amount equal to the Repayment Amount.

11. TAG ALONG RIGHTS

11.1 Application of Tag Along Rights

Subject to Article 11.6, the provisions of Article 11 shall apply when a transfer or transfers of Shares by the Investors (each being a “**Tag Majority Seller**”) to any person or persons (the “**Tag Purchaser**”) would, if registered, result in such Investors ceasing to hold at least 50% of the total number of issued A Ordinary Shares in the capital of the Company (the “**Tag Trigger Transfer**”).

11.2 Operation of Tag Along Rights

A Tag Trigger Transfer may only be made and registered, if:

- (a) all of the Shareholders in the Company who are not party to the Tag Trigger Transfer (the “**Tag Minority Shareholders**”) are notified in writing by the Tag Majority Seller at least 10 Business Days prior to the proposed completion date of the Tag Trigger Transfer (the “**Tag Along Notice**”);
- (b) the Tag Along Notice sets out the following information (save to the extent that such matters are clearly described in any of the documents that are sent to accompany the Tag Along Notice):
 - (i) the identity of the Tag Purchaser;
 - (ii) the number of Shares proposed to be acquired by the Tag Purchaser under the terms of the Tag Trigger Transfer (the “**Tag Trigger Shares**”);
 - (iii) the consideration to be paid for the Shares to be acquired under the Tag Trigger Transfer and any terms and conditions of payment; and
 - (iv) the proposed date for completion of the Tag Trigger Transfer;
- (c) the Tag Along Notice includes an offer (the “**Tag Along Offer**”) by the Tag Along Purchaser to purchase the same proportion of Shares held by the Tag Minority Shareholders as the Tag Trigger Shares represent of the A Ordinary Shares held by the Tag Majority Seller (the “**Tag Along Shares**”) on no less preferential terms and conditions as those offered to the Tag Majority Seller in respect of the Tag Trigger Transfer for an amount equal to the portion of an

aggregate amount equal to:

- (i) the total equity value of the Company implied by the price payable for the Tag Trigger Shares under the terms of the Tag Trigger Transfer; *multiplied by*
- (ii) the percentage that the Tag Trigger Shares represent of the total number of A Ordinary Shares

(the “**Tag Total Proceeds**”) that the holder of the relevant Tag Along Shares would be entitled to receive in the event of an apportionment of the Tag Total Proceeds following a Sale (in accordance with the priority contemplated at Article 4.2), as determined by the Board acting in good faith (and with Investor Consent) and in the same form (or combination or forms) as the consideration payable under the terms of the Tag Trigger Transfer (or, in respect of any non-cash consideration payable under the Tag Trigger Transfer and at the option of the Tag Purchaser, the cash equivalent);

- (d) the Tag Along Offer has been open for acceptance for at least 10 Business Days from the date of the Tag Along Notice (the “**Acceptance Period**”); and
- (e) the Tag Majority Seller(s) deliver or procure the delivery to the Tag Minority Shareholder(s) of copies of all transaction documents that relate to the proposed Tag Trigger Transfer as soon as reasonably practicable as the same become available, to the extent that they have not been sent together with the Tag Along Notice,

the “**Tag Along Right**”.

11.3 Acceptance of Tag Along Offer

- (a) A Tag Minority Shareholder who wishes to accept the Tag Along Offer that has been made to him or her, should confirm his or her acceptance by means of notice in writing to the Tag Purchaser (with a copy to the Company and the Tag Majority Seller) before the expiry of the Acceptance Period. In this written notice of acceptance, the Tag Minority Shareholder must indicate his or her acceptance of the Tag Along Offer in respect of all (but not some only) of the Shares to which the Tag Along Offer relates.
- (b) Within three Business Days of the expiry of the Acceptance Period:
 - (i) the Company shall notify the Tag Majority Seller in writing of the names and addresses of the Tag Minority Shareholders who have accepted the Tag Along Offer; and
 - (ii) the Company’s notification above shall indicate the date, time and place on which the sale and purchase of the Tag Along Shares is to be completed, being the same date of completion of the Tag Trigger Transfer (the “**Tag Completion Date**”).
- (c) Each Tag Minority Shareholder that has accepted the Tag Along Offer shall transfer (with full title guarantee and free from all Security Interests), the legal

and beneficial title to its Tag Along Shares to the Tag Purchaser on the terms set out in this Article 11, by delivering to the Company on or before the Tag Completion Date:

- (i) a duly executed transfer form(s) in respect of such Tag Along Shares registered in its name;
- (ii) any relevant share certificate(s) which were issued in respect of such Tag Along Shares (or an indemnity in respect of such share certificate, in a form that is satisfactory to the Board); and
- (iii) a duly executed sale agreement or form of acceptance in a form required by the Tag Purchaser,

and, to the extent required by the Tag Purchaser, shall sign such other documents as are signed by the Tag Majority Sellers pursuant to the offer (which may include representations and warranties as to title and ownership of the Tag Along Shares and other matters).

- (d) If any Tag Minority Shareholder fails to comply with this obligations under Article 11.3(c) on or before the Tag Completion Date (save where such failure itself results from any non-compliance with the requirements of Article 11.2):
 - (i) the completion of the Tag Trigger Transfer may be made without completion of the sale and purchase of that Tag Minority Shareholder's Shares (provided that it shall be on no more favourable terms and conditions to the Tag Minority Sellers than those stated in the original Tag Along Offer); and
 - (ii) the Tag Majority Seller shall not be under any further obligation to purchase those Shares.

11.4 Completion of Tag Trigger Transfer

If some or all of the Tag Minority Shareholders do not accept the Tag Along Offer within the Acceptance Period, the Tag Trigger Transfer (together, if applicable, with any transfers from Tag Minority Shareholders who have accepted the Tag Along Offer) may be completed within 30 Business Days of the date on which the Acceptance Period expired, provided that the Tag Trigger Transfer is concluded:

- (a) on terms and conditions that are no more favourable to any Tag Majority Seller than the terms and conditions that were stated in the Tag Along Offer; and
- (b) on the basis that all of the Shares that the Tag Majority Shareholders proposed to sell under the terms of the Tag Trigger Transfer are sold.

11.5 Costs

- (a) Each Tag Minority Shareholder who accepts the Tag Along Offer shall pay a pro rated share, of the costs of the Tag Majority Sellers in connection with the Tag Trigger Transfer.

- (b) The pro rated share of such costs shall be calculated by reference to the aggregate proceeds received in respect of the Tag Trigger Transfer and the sale of the Tag Along Shares, and shall be deducted from the gross pre-tax proceeds to be received by the relevant Tag Minority Shareholder, without prejudice to any other deductions that may be required to be made as a matter of law.

11.6 Exclusions to Tag Along Rights

The provisions of Article 11 will not apply to any transfer of Shares:

- (a) in respect of which a Drag Along Notice has been served; or
- (b) which is permitted pursuant to Article 8.2; or
- (c) which is part of a Reorganisation Transaction.

12. DRAG ALONG RIGHTS

12.1 Drag Along

- (a) If any Investor(s) (the “**Drag Majority Shareholder(s)**”) proposes to transfer any Shares to any person or persons (the “**Drag Purchaser**”) on arm’s length terms that would, if registered, result in such Investor(s) ceasing to hold at least 50% of the total number of issued A Ordinary Shares in the capital of the Company (the “**Drag Trigger Transfer**”), the Drag Majority Shareholder(s) shall have the right to require all of the other Shareholders (each a “**Dragged Shareholder**” and together the “**Dragged Shareholders**”) to sell and transfer the same proportion of Shares held by each Dragged Shareholder as the Drag Trigger Shares represent of the A Ordinary Shares held by the Drag Majority Shareholder(s) (the “**Dragged Shares**”) to the Drag Purchaser(s) in accordance with the provisions of this Article 12 (the “**Drag Along Right**”).
- (b) For the avoidance of doubt, and without prejudice to Article 12.1(a), the Drag Along Right may be operated and enforced in relation to a transfer to a New Holding Company.

12.2 Drag Along Right

The Drag Majority Shareholders may exercise their Drag Along Right by giving notice in writing to the Dragged Shareholders requiring them to transfer all of their Dragged Shares in the Company to the Drag Purchaser (the “**Drag Along Notice**”). Upon receipt of the Drag Along Notice, the Dragged Shareholders will become bound to transfer all of their Dragged Shares in accordance with this Article 12.

12.3 Drag Along Notice

The Drag Along Notice must:

- (a) state the number of Shares that the Drag Majority Shareholders have agreed to transfer to the Drag Purchaser pursuant to the Drag Trigger Transfer (the “**Drag Trigger Shares**”);

- (b) state the name and address of the Drag Purchaser;
- (c) state the proposed amount and form of consideration to be offered to the Dragged Shareholders and any other terms and conditions of payment that are offered in respect of the Dragged Shares; and
- (d) specify a date, time and place for the Dragged Shareholders to execute transfers in respect of their Dragged Shares, which is not less than five Business Days after the date of the Drag Along Notice and not earlier than the date of the Drag Trigger Transfer (the “**Drag Completion Date**”).

The Drag Along Notice may state that completion of the sale of the Dragged Shares held by the Dragged Shareholders on the Drag Completion Date shall be conditional upon completion of the Drag Trigger Transfer by the Drag Majority Shareholders.

12.4 Amount and Form of Consideration

- (a) The consideration payable to the Dragged Shareholder(s) for their Dragged Shares shall be an amount equal to the portion of an aggregate amount equal to:
 - (i) the total equity value of the Company implied by the price payable for the Drag Trigger Shares under the terms of the Drag Trigger Transfer; *multiplied by*
 - (ii) the percentage that the Drag Trigger Shares represent of the total number of A Ordinary Shares

(the “**Drag Total Proceeds**”) that the holder of the relevant Dragged Shares would be entitled to receive in the event of an apportionment of the Drag Total Proceeds following a Sale (in accordance with the priority contemplated at Article 4.2), as determined by the Board acting in good faith (and with Investor Consent) and in the same form (or combination or forms) as the consideration payable under the terms of the Drag Trigger Transfer (or, in respect of any non-cash consideration payable under the Drag Trigger Transfer and at the option of the Drag Purchaser(s), the cash equivalent).

- (b) Subject always to Article 12.4(a), the Drag Purchaser may offer a loan note and/or share and/or cash alternative to either some or all of the Drag Majority Shareholders and/or the Dragged Shareholders. The Drag Along Notice may make provision for the Dragged Shareholders to elect to receive consideration in the form of shares or loan notes and on terms that are different to the terms that have been agreed with Drag Majority Shareholders.

12.5 Representations and Warranties

- (a) Dragged Shareholders will make or give the same representations, warranties, covenants and indemnities as to title to the Dragged Shares and as to capacity as are given by the Drag Majority Shareholders.
- (b) Where a Dragged Shareholder is also a director or employee of a Group member, he or she will, if required, give additional warranties about the Group

and its business.

12.6 Drag Along Completion: Obligations of Dragged Shareholders

Upon receipt of a Drag Along Notice, each Dragged Shareholder will be obliged:

- (a) to transfer their Dragged Shares to the Drag Purchaser (or to its nominee, if so stipulated in the Drag Along Notice) with full title guarantee and free from all Security Interests on the Drag Completion Date
- (b) to deliver to the Company on or before the Drag Completion Date:
 - (i) a form of transfer in respect of their Dragged Shares in favour of the Drag Purchaser (or its nominee);
 - (ii) a duly executed sale agreement or form of acceptance (to the extent, and in the form, required by the Drag Purchaser), pursuant to which the Dragged Shareholder provides representations and warranties as to title to, and ownership of, the Shares held by them (and any other representations and warranties that may be required pursuant to Article 12.5); and
 - (iii) any share certificate(s) (or an indemnity in a form acceptable to the Company in its place) in respect of the Dragged Shares held by such Dragged Shareholder.

12.7 Costs

Each Dragged Shareholder is responsible for his or her proportionate share of the costs of the Drag Trigger Transfer and the sale of the Dragged Shares, to the extent that such costs are not paid or reimbursed by the Drag Purchaser. A Dragged Shareholder's proportionate share shall be determined by reference to the aggregate proceeds received in respect of the Drag Trigger Transfer and the sale of the Dragged Shares establishing, and such costs will be deducted from the proceeds to be received by the relevant Dragged Shareholder.

12.8 Failure to comply with Drag Along Right

- (a) If a Dragged Shareholder fails to comply with his or her obligations under Article 12.6 by the Drag Completion Date, the Board is entitled to authorise and instruct such person as it thinks fit:
 - (i) to execute, complete and deliver the necessary forms of transfer and other documents, as agent for and on behalf of the Dragged Shareholder;
 - (ii) to deliver the documents referred to in Article 12.8(a)(i) to the Drag Purchaser or its nominee, against receipt by the Company (on trust for the Dragged Shareholder) of the consideration payable for the relevant Shares; and
 - (iii) to register the Drag Purchaser (or its nominee) as the holder of those

Shares.

- (b) After the Drag Purchaser or its nominee has been registered as the holder of the relevant Shares in accordance with this Article, the validity of such proceedings may not be questioned by any person.
- (c) The Shareholders acknowledge and agree that the authority conferred under this Article 12.8 is necessary as security for the performance by the Dragged Shareholders of their obligations under these Articles.

12.9 Payment of Consideration

Where a Company has received the consideration that is payable to a Dragged Shareholder and holds it on trust in accordance with Article 12.8(a), the Company will deliver the consideration payable to the relevant Dragged Shareholder as soon as practicable, and in the event a share certificate was issued by the Company in respect of such Shares, following the delivery to the Company by (or on behalf of) that Shareholder of his or her original share certificate(s) in respect of such Shares, or an indemnity for a lost share certificate in a form that is reasonably acceptable to the Board.

12.10 Restriction of Transfers

Following service of a Drag Along Notice upon a Dragged Shareholder, a Dragged Shareholder must not transfer his or her Shares otherwise than under this Article.

13. TRANSMISSION OF SHARES

13.1 General

Subject always to the provisions of Article 7 and to the restrictions on transfers of Shares that are set out in these Articles, if title to a Share passes to a person in consequence of the death or bankruptcy of a Shareholder or otherwise by operation of law (a “**Transmittee**”), the Transmittee shall be the only person recognised by the Company as having title to that Share.

13.2 Registration as Shareholder

- (a) Subject always to the restrictions on transfers of Shares set out in these Articles, any Transmittee may, upon such evidence as to his or her title being produced as may be reasonably required by the Board, elect either to be registered as the holder of the Share or to have a person nominated by such Transmittee registered as the holder of that Share.
- (b) If the Transmittee elects to become the holder and is permitted, he or she shall give notice in writing to the Board to that effect.
- (c) If the Transmittee elects to have another person registered, he or she shall execute an instrument of transfer of the Share to that person.
- (d) All the provisions of these Articles relating to the transfer of Shares shall apply to the notice or instrument of transfer as if the death or bankruptcy of

the member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer were an instrument of transfer executed by that member.

13.3 Receipt of Dividends

- (a) Subject always to the restrictions on transfers of Shares that are set out in these Articles, any Transmitttee shall, subject to the provisions of this Article, be entitled to receive, and may give a good discharge for, all dividends and other money that may be payable from time to time in respect of the Share.
- (b) Notwithstanding the provisions of Article 13.3(a), a Transmitttee shall not be entitled to receive notice of or to attend or vote at meetings of the Company or at any separate meetings of the holders of any class of Shares or to any of the rights or privileges of a Shareholder, unless and until he or she shall be registered as the holder of the Share in question.
- (c) Subject always to the restrictions on transfers of Shares that are set out in these Articles, the Board may at any time give notice requiring any such Transmitttee to elect either to be registered or to transfer the Share, and if the notice is not complied with within 60 days, the Board may withhold payment of all dividends and other distributions and payments declared in respect of the Share until the requirements of the notice have been complied with.

14. DECISION MAKING BY SHAREHOLDERS: GENERAL

14.1 Ability to exercise the right to speak at General Meetings

A person is able to exercise the right to speak at a general meeting, when during the course of the meeting that person is in a position to communicate to all those attending the meeting, any information or opinions which he or she has in relation to the business of the meeting.

14.2 Ability to exercise at General Meetings

A person is able to exercise the right to vote at a general meeting when:

- (a) during the course of the meeting, that person is able to vote on any resolution that is put to the vote at the meeting; and
- (b) that person's vote can be taken into account at the same time as the votes of all the other persons who are attending the meeting are taken into account for the purposes of determining whether or not such resolutions are passed.

14.3 Directors' Discretion to make arrangements

The Directors may make any such arrangements as they consider to be appropriate in order to enable those attending a general meeting to exercise their rights to speak or to vote at it.

14.4 Attendance at General Meetings

- (a) For the purposes of determining whether a person is in attendance at a general meeting, it is immaterial whether any two or more Shareholders attending such meeting are in the same place as each other.
- (b) Two or more persons who are not in the same place as each other attend a general meeting, if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

14.5 Quorum for General Meetings

- (a) No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business and for its duration.
- (b) Two persons entitled to vote upon the business to be transacted at the meeting shall be a quorum, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a Shareholder which is a corporation (at least one of which shall be a proxy for, or a duly authorised representative of, the Investor Majority).

14.6 Corporate Representatives

- (a) Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such persons as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company, and (except as otherwise provided in these Articles) the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he or she represents as that corporation could exercise if it were an individual member of the Company.
- (b) A corporation which is a member of the Company may authorise more than one person to act as its representative pursuant to this Article in respect of any meeting or meetings, and such a member who holds different classes of Shares may so authorise one or more different persons for each class of Shares held.

14.7 Chairing General Meetings

- (a) The chairman of the Board shall chair every general meeting of the Company. If there is no such chairman or if the chairman is unwilling to chair the meeting or is not present within 10 minutes of the time at which a general meeting was due to start, the Investor Majority shall choose one of the Directors to be chairman of the meeting.
- (b) If no Directors are present at the general meeting, or if all of the Directors present decline to take the chair when requested to do so by the Investor Majority, the Shareholders who are present at the general meeting in person or by proxy or by corporate representative and who are entitled to vote and who represent a simple majority of the total voting rights of the Shareholders attending the meeting, shall choose one of their number to be chairman of the meeting, and such appointment must be the first business of the meeting.

14.8 Attendance at General Meetings by Non-Members

A Director shall be entitled to attend and speak at any general meeting, whether or not he or she is a member of the Company. The chairman of the meeting (as determined in accordance with Article 14.7) may permit other persons who are neither Shareholders of the Company, nor otherwise entitled to exercise the rights of Shareholders in relation to general meetings, to attend and speak (but not to vote) at a general meeting.

14.9 Adjournment

If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding 10 minutes, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as the Shareholders present may decide. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Shareholder or Shareholders present shall constitute a quorum.

15. VOTING AT GENERAL MEETINGS

15.1 General

- (a) A resolution put to the vote at a general meeting shall be decided on a show of hands, save where a poll is duly demanded either before or after the declaration of the show of hands.
- (b) Subject to the provisions of the Law, a poll may be demanded at any general meeting by the chairman of the meeting (as determined in accordance with Article 14.7) or by any Shareholder who is present in person or by proxy and who is entitled to vote or by a duly authorised representative of a corporation, which is a Shareholder that is entitled to vote.
- (c) Polls must be taken immediately following a demand and in such manner as the chairman of the meeting directs. A demand for a poll may be withdrawn, if the poll has not yet been taken and the chairman of the meeting consents to the withdrawal.

15.2 Objections

No objection may be raised to the qualification of any person to vote at a general meeting, except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote that is not disallowed at the meeting is valid. Any such objection must be referred to the chairman of the meeting (as determined in accordance with Article 14.7), whose decision is final.

15.3 Appointment of Proxies

Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:

- (a) states the name and address of the Shareholder appointing the proxy;

- (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting relating to the appointment of a proxy.

15.4 Form of Proxy Notice: General

The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes. Proxy notices may specify how the proxy appointed under them is to vote (or may specify that the proxy is to abstain from voting) on one or more resolutions.

15.5 Delivery of Proxy Notices

Proxy notices in hard copy form must be received at such place and by such deadline as is specified in the notice convening the meeting. If no place is specified, then the proxy notice must be received at the registered office of the Company. If no deadline is specified, proxy notices must be received, before the start of the meeting or adjourned meeting or, if a poll is taken otherwise than at or on the same day as the meeting or adjourned meeting, at the time appointed for the taking of the poll at which it is to be used.

15.6 Member's Entitlement to Attend, Speak or Vote at a Meeting

A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

15.7 Revoking a Proxy Notice

An appointment of a proxy made under a proxy notice may be revoked by delivering a notice in writing to the Company given by or on behalf of the person by whom or on whose behalf the proxy notice was given. A notice revoking a proxy appointment only takes effect, if it is delivered prior to the start of the meeting or adjourned meeting to which it relates.

15.8 Basis of Appointment of Proxy

If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

16. DIRECTORS' POWERS AND RESPONSIBILITIES

16.1 Directors' Powers

The business of the Company shall be managed by the Board, subject always to the provisions of the Law, the provisions of these Articles and to any directions given by the Shareholders to the Directors to take, or to refrain from taking specified action. The Directors may exercise all of the powers of the Company for this purpose. No alteration of these Articles, and no direction given by special resolution shall invalidate any prior act of the Board, which would have been valid, if such alteration had not been made or such direction had not been given.

16.2 Delegation of Powers

- (a) The Board may, with Investor Consent, delegate any of its powers to any committee consisting of one or more Directors.
- (b) The Board may also, with Investor Consent, delegate to any Director holding any executive office such of its powers as it considers desirable to be exercised by such Director.
- (c) Any delegation of powers by the Board may be made by such means (including by means of a power of attorney), to such an extent and subject to any conditions that the Board may impose.
- (d) Subject to any such conditions, the proceedings of a committee shall be governed by these Articles regulating the proceedings of the Board so far as they are capable of applying to any such committee.
- (e) The Board may at any time and with Investor Consent revoke any delegation whether in whole or in part, or alter its terms and conditions.

16.3 Appointment of Attorney

The Board may, with Investor Consent from time to time by power of attorney appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit. The Board may revoke or vary any such appointment, but no person dealing in good faith and without notice of such revocation or variation shall be affected by it.

17. DIRECTORS' DECISION MAKING

17.1 Directors' Resolutions

- (a) The Directors may take decisions either at a duly convened and quorate meeting of the Board or by means of a Directors' written resolution.
- (b) A resolution proposed at a meeting of the Board shall be passed when a majority of the Directors who are present and who are entitled to vote on the resolution in question have voted in its favour.
- (c) A resolution proposed by means of a Directors' written resolution shall be passed when a majority of the Directors who are entitled to vote have voted in

favour of the resolution.

17.2 Meetings of the Board

- (a) Subject to Article 17.3 the quorum for any meeting of the Board shall be two directors (each appointed by the Investor), the CEO and Chairman.
- (b) A quorum of Directors must be present throughout all meetings of the Board, save that, if the number of Directors is less than the number fixed as the quorum, the continuing Director or Directors may act only for the purpose of appointing another Director or Directors or for the purpose of calling a general meeting.
- (c) If a quorum is not present within 30 minutes of the time specified for the relevant meeting of the Board in the notice of the meeting then the meeting shall be adjourned for 2 Business Days to the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes of the time specified, then the Directors present will constitute a quorum provided they include at least two directors appointed by the Investor.
- (d) The Directors may appoint one of the Directors as chairman. The chairman of the Board shall not have a second or casting vote, in the case of an equality of votes.

17.3 Participation in Meetings

- (a) Any Director or alternate director may validly participate in a meeting of the Board through the medium of telephone conference, video conference or any other similar form of communication equipment or medium, provided that all Directors or alternate directors participating in the meeting are able to communicate to the other Directors any information or opinions that they may have on any particular item of the business to be considered at the Meeting.
- (b) Any Director or alternate director who participates in a meeting in the manner set out in Article 17.3(a) shall be deemed to be present in person at the meeting and shall be counted in a quorum and subject to any interest that he or she may have in relation to the matters to be considered shall be entitled to vote.
- (c) Subject to the Law, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board irrespective of where the Directors are and how they communicate with each other. If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

17.4 Convening Meetings of the Board

- (a) Any Director may call a meeting of the Board. A meeting of the Board (including any adjourned meeting) is called by giving notice of the meeting to the Directors.

- (b) Notice of any meeting of the Board must indicate the proposed date, time and location of the meeting, and if it is anticipated that the Directors participating in the meeting will not be in the same place, the notice should state how it is proposed that they should communicate with each other during the meeting. Notice of a meeting of the Board must be given to each Director, but need not be in writing.

17.5 Directors' Written Resolutions

A Director shall be entitled to propose a matter to the other Directors by circulating a Directors' written resolution.

17.6 Notice of a proposed Written Resolution

Notice of a proposed Directors' written resolution must be given in writing to every Director and must indicate both the resolution that is being proposed and the time by which it is proposed that the Directors should approve the resolution. A resolution is passed as a Directors' written resolution when a majority of the Directors who would have been entitled to vote on the resolution at a meeting of the Directors, have signed a copy of such resolution or have otherwise approved such resolution in writing.

17.7 Waiver of Entitlement to Notice of Written Resolution

A Director may waive his or her entitlement to notice of any Directors' written resolution either prospectively or retrospectively. Where notice is so waived, the validity of the Directors' written resolution shall not be called into question on the grounds that notice was not given to that Director.

17.8 Alternate Directors

A Directors' written resolution that is signed or approved by an alternate director need not also be signed or approved by the Director who appointed him or her and vice versa.

17.9 Validity of Directors' Acts

All acts done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company be valid, notwithstanding that there was some defect in the appointment of any Director or any such persons, or that any such persons were disqualified or had vacated office, or were not entitled to vote.

18. DIRECTORS' APPOINTMENTS AND INTERESTS AND CONFLICTS OF INTEREST

- 18.1 Subject to the provisions of the Law, the Directors may appoint one or more of their number to the office of managing director or to any other executive office in the Company and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may

remunerate any such Director for his services as they think fit. Any appointment of a Director to an executive office shall terminate if he ceases to be a Director but without prejudice to any claim for damages for breach of the contract of service between the Director and the Company.

- 18.2 Subject to and in accordance with the Law, a Director must, upon becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose that fact to the Directors.
- 18.3 For the purposes of the preceding article a general disclosure given to the Directors to the effect that a Director has an interest (as director, officer, employee, member or otherwise) in a party and is to be regarded as interested in any transaction which may after the date of the disclosure be entered into with that party shall be deemed to be sufficient disclosure of his interest in any such transaction or arrangement.
- 18.4 Without limitation to the provisions of the Law, provided that he has disclosed his interests in accordance with the preceding two articles, a Director, notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
 - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
 - (d) may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as though he were not a Director of the Company.

19. APPOINTMENT AND REMOVAL OF DIRECTORS

19.1 Appointment of Directors: General

Any person who is willing to act as a Director and who is permitted by law to do so may be appointed as a Director of the Company either:

- (a) by ordinary resolution of the members; or
- (b) subject to Investor Consent, by a resolution of the Board.

19.2 Appointment and Removal of Directors by the Investor Majority

In addition to the powers of appointment and removal conferred by Articles 19.1 and 19.3 respectively, the Investor Majority shall be entitled at any time to appoint any person or persons to the Board, and to remove any Director from the Board for any

reason whatsoever, and to appoint another person or persons in his or her place. Each such appointment and removal shall be made by notice in writing served on the Company and shall take effect on the date specified in the notice.

19.3 Removal of Directors

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Law or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (f) he or she is removed in accordance with Article 19.2; or
- (g) notice of termination is served or deemed served upon the Director and that notice is given by all the other Directors for the time being.

20. ALTERNATE DIRECTORS

20.1 Alternate Directors

A Director other than an alternate director, may appoint any other person to be an alternate director, and may remove from office any alternate director so appointed.

20.2 Appointment and Removal of Alternate Directors

An alternate director may be appointed or removed by notice in writing to the Company, or in any other manner approved by the Board from time to time. Any notice of appointment or removal shall be signed by the Director making or revoking the appointment. The notice must identify the proposed alternate director clearly and must state when the appointment or termination of appointment is to take effect.

20.3 Automatic Cessation of Appointment as Alternate Director

- (a) An alternate director shall automatically cease to be an alternate director, if his or her appointor ceases to be a Director.
- (b) The appointment of an alternate director shall also cease automatically upon the occurrence of any event which, if he or she were a Director, would cause

him or her to vacate office.

20.4 Rights and Responsibilities of Alternate Directors

- (a) An alternate director has the same rights, in relation to any Board meeting or directors' written resolution, as the alternate's appointor.
- (b) Except as otherwise provided in these Articles, alternate directors:
 - (i) are deemed for all purposes to be Directors of the Company;
 - (ii) are liable for their own costs and omissions;
 - (iii) are subject to the same restrictions as their appointors; and
 - (iv) are not deemed to be agents of or for their appointors.
- (c) A person who is an alternate director but not a Director may be counted for the purposes of determining whether a quorum is present at a meeting of the Board. If an alternate director is himself or herself a Director or shall attend a Board meeting as an alternate for more than one Director, his or her voting rights shall be cumulative, but he or she shall not be counted more than once for the purposes of the quorum.
- (d) A person who is an alternate director but not a Director may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).
- (e) An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director, except such part of the alternate appointor's remuneration as the appointor may direct by notice in writing made to the Company.

21. INDEMNITY

- 21.1 Subject to the provisions of applicable law, the Company may indemnify any director of the Company or any Group Company, out of the assets of the Company or under any relevant insurance policy maintained by the Company, against all costs, charges, losses and liabilities which he or she may sustain or incur in the proper execution of the duties of his or her office or the proper exercise of his or her powers, authorities and discretions, including, without limitation, a liability incurred:
- (a) defending proceedings (whether civil or criminal) in which judgment is given in his or her favour, or in which he or she is acquitted or which are otherwise disposed of without a finding or admission of material breach of duty on his or her part; or
 - (b) in connection with any application in which relief is granted to him or her by the court from liability for negligence.
- 21.2 This Article 21 does not allow for or provide (to any extent) an indemnity, which is more extensive than is permitted by applicable law, and any such indemnity is limited

accordingly.

22. INSURANCE

Subject to the provisions of applicable law, the Board shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company or any Group Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and/or any such other company, body or pension fund.

23. DIVIDENDS AND DISTRIBUTIONS

23.1 Subject to the Law, and, in each case, subject to the provisions of Article 3, the Company may by ordinary resolution and with Investor Consent declare dividends, and the Directors may, with Investor Consent, decide to pay interim dividends. A dividend must not be declared unless the Directors have a recommendation as to its amount. Any such dividend must not exceed the amount that is recommended by the Directors for payment.

23.2 No dividend may be declared or paid unless it is in accordance with the Shareholders' respective rights and priorities as set out in the Articles. Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, any dividend that is declared must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or on the date of the decision to declare or pay it.

23.3 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

- (a) by transfer to a bank or building society account specified by the payee either in writing or as the Directors may otherwise decide;
- (b) by sending a cheque made payable to the payee by post to the payee at the payee's registered address (if the payee is a holder of the Share), or (in any other case) to an address specified by the payee either in writing or as the Directors may otherwise decide; or
- (c) by any other means of payment as the Directors agree with the payee either in writing or by such other means as the Directors decide.

23.4 Subject to the provisions of these Articles and to the rights attaching to any Shares, any dividend or other sum payable on or in respect of a Share may be paid in such currency as the Directors may resolve, using such exchange rate for currency conversions as the Directors may select.

23.5 If:

- (a) a Share is subject to a company lien; and

- (b) the Directors are entitled to issue a Lien Enforcement Notice in respect of any such lien,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the Share a sum of money up to but not exceeding such part of the sum for which the lien exists as is presently payable. Money so deducted must be applied towards payment of the sum for which the lien exists.

23.6 The Company must notify the distribution recipient in writing of:

- (a) the fact and amount of any such deduction;
- (b) any non-payment of a dividend or other sum payable in respect of a Share that results from any such deduction; and
- (c) how the money deducted has been applied.

23.7 The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which the Share was issued, or the provisions of another agreement between the holder of that Share and the Company.

23.8 All dividends or other sums which are payable in respect of Shares and which are unclaimed after having been declared or become payable, may be invested or otherwise applied by the Directors for the benefit of the Company until such sums are claimed. The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

23.9 If 12 years have passed from the date on which a dividend or other sum became due for payment, and the payee has not claimed it, the payee is no longer entitled to that dividend or other sum, and the Company shall cease to owe such amount.

23.10 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors (with Investor Consent), direct the payment of a dividend in whole or in part by the transfer of non-cash assets of equivalent value (including, without limitation, shares or other securities in any company) and the Directors shall give effect to such resolution. For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution with respect to fixing the value of any assets, paying cash to any payee on the basis of that value in order to adjust the rights of recipients, and vesting any assets in trustees.

23.11 A person who is entitled to a dividend or other distribution payable in respect of a Share may waive their entitlement to any such dividend or other distribution in whole or in part by giving the Company notice in writing to that effect. If the Share has more than one holder, or more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, any such notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

24. **NOTICES**

24.1 **General**

Subject to the specific terms of these Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Law provides for documents or information which are authorised or required by any provision of the Law to be sent or supplied by or to the Company.

24.2 **Service of Notices**

Any Notice may be served on or delivered to the intended recipient as follows:

- (a) in person; or
- (b) by sending it by first-class post in a pre-paid envelope addressed to such Shareholder or other person at his or her postal address (as appearing in the Company's register of members in the case of Shareholders); or
- (c) by sending or supplying it in electronic form to the Shareholder's electronic address.

24.3 **Deemed Delivery**

Any Notice shall be deemed served on or delivered to the intended recipient as follows:

- (a) ***in person***: if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (b) ***by first class post***: at the expiration of 48 hours after the envelope containing it was posted. In calculating the period of hours for the purposes of this Article, no account shall be taken of days that are not Business Days; and
- (c) ***in electronic form***: on the same day as it was sent to the address supplied by the Shareholder.

24.4 **Failure to provide Postal or Electronic Address**

- (a) A Shareholder who has not supplied the Company with either a postal or an electronic address for the service of notices shall not be entitled to receive notices from the Company.
- (b) If an address (whether postal or electronic) has been provided by a Shareholder, but on three consecutive occasions, a notice to a Shareholder has been returned undelivered, such Shareholder shall not be entitled to receive notices from the Company until he or she shall have communicated with the Company and supplied in writing to the office a new postal or electronic address for the service of notices.
- (c) For the purposes of this Article 24.4, a Notice shall be treated as returned undelivered, if the Notice is sent by post and is returned to the Company (or its agents) or, if sent in electronic form, if the Company (or its agents) receive(s) notification that the notice was not delivered to the address to which it was

sent.

24.5 Notices to Joint Holders of Shares

- (a) If a Share is registered in the name of two or more joint holders, all Notices shall be sent or supplied to the joint holder who is named first in the register, and a Notice sent or supplied in this way shall be deemed sent or supplied to all joint holders.
- (b) Any provision of this Article 24 which refers to anything agreed, notified or specified by a member shall be deemed to have been validly agreed, notified or specified, if agreed, notified or specified by only one and not all of the joint holders of any Shares held in joint names.

25. COMPANY LIEN

25.1 General

- (a) The Company has a lien over every Share which is nil paid or partly paid for any money payable in respect of that Share whether or not a call notice has been sent in respect of it.
- (b) The company lien over any Share takes priority over any third party's interest in that Share, and extends to any dividend or other money payable by the Company in respect of that Share and (if the company lien is enforced and the share is sold by the Company) to the proceeds of sale of that Share.
- (c) With Investor Consent, the Directors may at any time decide that any Share which is or would otherwise be subject to the company lien shall not be subject to it, whether in whole or in part.

25.2 Enforcement of the Company's Lien

- (a) If a notice in relation to the enforcement of the company's lien (a "**Lien Enforcement Notice**") has been given in respect of any Share, and the person to whom the Lien Enforcement Notice was given has failed to comply with it, the Company may with Investor Consent (and subject always to the provisions of these Articles) sell that Share and apply any dividends or other money payable in respect of that Share in satisfaction of any amounts owed to the Company in respect of that Share, in such manner as the Board may (with Investor Consent) decide.
- (b) A Lien Enforcement Notice:
 - (i) may only be given in respect of any Share which is subject to the company lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - (ii) must specify the Share(s) concerned;
 - (iii) must require payment of the sum payable within 14 Business Days of the Lien Enforcement Notice;

- (iv) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
 - (v) must state the Company's intention to sell the Share(s), if the notice is not complied with.
- (c) Where Shares are sold under this Article 25.2(c) the Board may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- (d) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the company lien) must be applied:
- (i) first, in payment of so much of the sum for which the company lien exists as was payable at the date of the Lien Enforcement Notice; and
 - (ii) second, to the person entitled to the Share(s) at the date of the sale, but only after the certificate for the Share(s) being sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company lien over the Share(s) before the sale for any money payable in respect of the Share(s) after the date of the Lien Enforcement Notice.
- (e) A statutory declaration by a Director that the declarant is a Director and that a Share has been sold to satisfy the company lien on a specified date is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share(s), and subject to compliance with any other formalities of Transfer required by these Articles or by law, constitutes a good title to the Share(s).

26. **CALLS**

26.1 Subject to these Articles and to the terms on which Shares are issued (including any payments terms), the Board may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**Call**"), which is payable in respect of any partly paid shares which that Shareholder holds at the date when the Board decide to send the Call Notice.

26.2 A Call Notice:

- (a) may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that member's Share(s);
- (b) must state when and how any Call to which it relates is to be paid; and
- (c) may permit or require the Call to be paid by instalments.

26.3 A Shareholder must comply with the requirements of a Call Notice, but a Shareholder

is not obliged to pay a Call within 14 Business Days of the date of a Call Notice.

26.4 Before the Company has received any Call that is due in respect of a Call Notice the Board:

- (a) may revoke it wholly or in part; or
- (b) specify a later time for payment than is specified in the Call Notice,

in each case by a further notice in writing to the Shareholder in respect of whose Share(s) the Call is made.

26.5 Liability to pay a Call is not extinguished or transferred by transferring the Share(s) in respect of which it is required to be paid. Joint holders of Shares are jointly and severally liable to pay all Calls in respect of the relevant Share(s).

26.6 Subject to the terms on which B Ordinary Shares are issued, the Board may, when issuing shares, provide that Call Notices sent to the relevant Shareholders may require them to pay Calls which are not the same or to pay Calls at different times.

26.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which Shares are issued, as being payable to the Company in respect of the relevant Share(s) on issue, on the occurrence of a particular event or on a date fixed by or in accordance with the terms of issue. If, however, the due date for payment of such a sum has passed and the relevant sum has not been paid, the Shareholder in question will be treated in all respects as if he or she has failed to comply with a Call Notice in respect of that sum, and he or she shall be liable to the same consequences as regards the payment of interest and forfeiture.

26.8 If a Shareholder is liable to pay a Call and fails to do so by the Call Payment Date, the Board may issue a notice of intended forfeiture to that Person and until the Call is paid, that Shareholder must pay the Company interest at the Relevant Rate on the Call from the Call Payment Date.

26.9 For the purposes of this Article 26:

- (a) the “**Call Payment Date**” is the time when the Call Notice states that a Call is payable, unless the Board give a notice specifying a later date, in which case the “**Call Payment Date**” is that later date; and
- (b) the “**Relevant Rate**” is:
 - (i) the rate fixed by the terms on which the Share(s) in respect of which the Call is due was issued;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Board; or
 - (iii) if no rate is fixed in either of these ways, five per cent. per annum.

26.10 The Relevant Rate must not exceed the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its

responsibilities under Part 2 of the Bank of England Act 1998 by more than five percentage points.

26.11 The Board may waive any obligation to pay interest on a Call wholly or in part.

27. FORFEITURE

27.1 General

- (a) A notice of intended forfeiture:
 - (i) may be sent in respect of any Share(s) in respect of which a Call Notice has been issued but the Call has not been paid;
 - (ii) must be sent to the relevant Shareholder or to a person entitled to such Shares by reason of the Shareholder's death, bankruptcy or otherwise;
 - (iii) must require payment of the Call and any accrued interest by a date which is not less than 14 Business Days after the date of the notice;
 - (iv) must state how the payment is to be made; and
 - (v) must state that the Shares in respect of which the Call is payable will be liable to be forfeited, if the notice is not complied with.
- (b) If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required issued under Article 27.1, the Board may decide that any Share is forfeited in respect of which such notice was given, and that the forfeiture shall include all dividends or other moneys payable in respect of the forfeited Shares, which have not been paid before the forfeiture.
- (c) Subject to these Articles, the forfeiture of a Share extinguishes all interests in the relevant Share, and all claims and demands against the Company in respect of it and all other rights and liabilities incidental to the Share(s) as between the member who was the holder of such Share(s) prior to the forfeiture and the Company.
- (d) Any Share which is forfeited in accordance with the Articles:
 - (i) is deemed to have been forfeited when the Board decides that it is forfeited;
 - (ii) is deemed to be the property of the Company; and
 - (iii) may be sold, re-issued or otherwise disposed of as the Board thinks fit.
- (e) If a Share is forfeited:
 - (i) the Company must notify the relevant Shareholder that forfeiture has occurred and update the register of members of the Company to reflect such forfeiture;

- (ii) the relevant Shareholder shall cease to be a member in respect of the relevant Share(s);
 - (iii) the relevant Shareholder must surrender the certificate for the Share(s) that have been forfeited to the Company for cancellation;
 - (iv) the former Shareholder remains liable to the Company for all sums payable by such former Shareholder under these Articles as at the date of forfeiture, in respect of those Share(s), including any interest in the Share(s) (whether accrued before or after the date of forfeiture); and
 - (v) the Board may waive payment of such sums wholly, whether or in part, or may enforce payment without any allowance for the value of the Share(s) at the time of forfeiture or for any consideration received on their disposal.
- (f) At any time before the Company disposes of a forfeited Share, the Board may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit.

27.2 Procedure following Forfeiture

- (a) If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Board may authorise any Shareholder to execute the instrument of transfer. A statutory declaration by a Director that the declarant is a Director and that Share has been forfeited on a specified date:
 - (i) is conclusive evidence of the facts stated in it as against all members claiming to be entitled to the relevant Share(s); and
 - (ii) subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the relevant Share(s).
- (b) A Shareholder to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any), and nor is that Shareholder's title to the Share(s) affected by any irregularity in, or invalidity of, the process leading to the forfeiture or transfer of the Share(s).
- (c) If the Company sells a forfeited Share, the Shareholder who held such Share prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
 - (i) was, or would have become, payable; and
 - (ii) had not, when that Share was forfeited, been paid by that member in respect of that Share,

but no interest is payable to such Shareholder in respect of such proceeds, and the Company is not required to account for any money earned on them.

27.3 Surrender of Shares

- (a) A Shareholder may surrender any Share:
 - (i) in respect of which the Board may issue a notice of intended forfeiture;
 - (ii) which the Board may forfeit; or
 - (iii) which has been forfeited.
- (b) The Board may accept the surrender of any such Share. The effect of surrender on a Share is the same as the effect of forfeiture on such Share. Any Share which has been surrendered may be dealt with in the same way as any Share which has been forfeited.

28. COMPANY SEALS

The Company shall not have a common seal.

29. SHARE CERTIFICATES

- 29.1 The Company may issue one or more certificates to each Shareholder in respect of the Shares which that member holds. Except as otherwise specified in these Articles, all certificates must be issued free of charge.
- 29.2 A certificate may only be issued in respect of one class of Share.
- 29.3 If a Share is registered in the name of more than one person, only one certificate may be issued in respect of it.
- 29.4 Every certificate that is issued pursuant to Article 29.1 must specify:
 - (a) the number and class of Shares to which it relates;
 - (b) the nominal value of those Shares;
 - (c) whether or not the Shares are fully paid; and
 - (d) any distinguishing numbers assigned to the Shares (if any).
- 29.5 Certificates must be otherwise executed in accordance with the Law.
- 29.6 When a Shareholder's holding of Shares of a particular class increases, the Company may, at its discretion:
 - (a) issue the Shareholder with a single, consolidated certificate in respect of all of the Shares of the class held by the Shareholder in question; or
 - (b) issue a further, separate certificate in respect of those additional Shares by which the member's holding has increased.
- 29.7 When a member's holding of shares of a particular class is reduced and such Shareholder has been issued with a share certificate in respect of such Shares, the

Company must ensure that the member is issued with one or more certificates in respect of the number of Shares held by the Shareholder after any such reduction.

- 29.8 A Shareholder who has been issued with separate certificates in respect of the same class of Shares may submit a request in writing that these share certificates be replaced with a consolidated certificate. The Company may comply with such request at its discretion. A Shareholder who has a consolidated share certificate may request in writing to the Company that it be replaced with two or more separate certificates representing the Shares, in such proportions as he or she may specify. The Company may comply with such request at its discretion.
- 29.9 If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, the Shareholder may, upon request, be issued with a replacement certificate representing the same Shares.
- 29.10 No new certificate will be issued pursuant to Articles 29.7, 29.8 and 29.9 unless the Shareholder has:
- (a) delivered the old certificate or certificates to the Company for cancellation;
 - (b) complied with such conditions as to evidence and indemnity, as the Directors may think fit; and
 - (c) paid such reasonable fee as the Directors may decide.
- 29.11 In the case of Shares that are held jointly by several persons, any request pursuant to Articles 29.7, 29.8 and 29.9 may be made by any one of the joint holders, subject always to compliance with Article 29.10.

30. GENERAL ADMINISTRATIVE

30.1 Inspection Rights

Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person (other than the Investors or as otherwise agreed with the Company, with Investor Consent) is entitled to inspect any of the Company's accounting or other records or documents.

30.2 Authentication of Documents

- (a) Any Director or the Secretary (if any) or any person appointed by the Directors for the purpose shall have power to authenticate:
 - (i) any document affecting the constitution of the Company;
 - (ii) any resolution passed at a general meeting or at a meeting of the Directors or any committee; and
 - (iii) any book, record, document or account relating to the business of the Company,and to certify copies or extracts as true copies or extracts.

- (b) A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

ARTICLES OF INCORPORATION OF THE ISSUER AND THE GUARANTORS

2. Ambassador Cruise Line Limited

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A
PRIVATE LIMITED COMPANY**

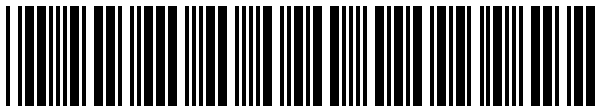
Company Number **13326491**

The Registrar of Companies for England and Wales, hereby certifies that

ACL OPERATING COMPANY LIMITED

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **9th April 2021**



N13326491G



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**



Companies House

IN01_(ef)

Application to register a company



Received for filing in Electronic Format on the: **08/04/2021**

XA1ZATC2

Company Name in full:

ACL OPERATING COMPANY LIMITED

Company Type:

Private company limited by shares

Situation of Registered Office:

England and Wales

Proposed Registered Office Address:

**8TH FLOOR BECKET HOUSE 36 OLD JEWRY
LONDON
ENGLAND EC2R 8DD**

Sic Codes:

79110

I wish to entirely adopt the following model articles:

Private (Ltd by Shares)

Company Director *1*

Company Director 2

Type:	Person
Full Forename(s):	MR CHRISTIAN
Surname:	VERHOUNIG
Former Names:	
Service Address:	recorded as Company's registered office
Country/State Usually Resident:	GREECE

Date of Birth: ****/07/1977** *Nationality:* **AUSTRIAN**
Occupation: **COMPANY DIRECTOR**

The subscribers confirm that the person named has consented to act as a director.

Company Director 3

Type:	Person
Full Forename(s):	MR CHRISTOPHER
Surname:	COATES
Former Names:	
Service Address:	recorded as Company's registered office
Country/State Usually Resident:	ENGLAND

Date of Birth: ****/10/1958** *Nationality:* **BRITISH**

Occupation: **COMPANY DIRECTOR**

The subscribers confirm that the person named has consented to act as a director.

Statement of Capital (Share Capital)

<i>Class of Shares:</i>	ORDINARY	<i>Number allotted</i>	1
<i>Currency:</i>	GBP	<i>Aggregate nominal value:</i>	1
<i>Prescribed particulars</i>			

FULL RIGHTS REGARDING VOTING, PAYMENT OF DIVIDENDS AND DISTRIBUTIONS

Statement of Capital (Totals)

<i>Currency:</i>	GBP	<i>Total number of shares:</i>	1
		<i>Total aggregate nominal value:</i>	1
		<i>Total aggregate unpaid:</i>	0

Initial Shareholdings

Name: **ACL HOLDINGS LIMITED**

Address **FIRST FLOOR ALBERT
HOUSE SOUTH ESPLANADE
ST PETER PORT
GUERNSEY
GY1 1AJ**

Class of Shares: **ORDINARY**

Number of shares: **1**

Currency: **GBP**

*Nominal value of each
share:* **1**

Amount unpaid: **0**

Amount paid: **1**

Persons with Significant Control (PSC)

Statement of no PSC

The company knows or has reason to believe that there will be no registerable Person with Significant Control or Relevant Legal Entity (RLE) in relation to the company

Statement of Compliance

I confirm the requirements of the Companies Act 2006 as to registration have been complied with.

memorandum delivered by an agent for the subscriber(s): **YES**

Agent's Name: **ELMAN WALL LIMITED**

Agent's Address: **8TH FLOOR BECKET HOUSE 36 OLD JEWRY
LONDON
ENGLAND
EC2R 8DD**

Authorisation

Authoriser Designation: **agent** *Authenticated* **YES**

Agent's Name: **ELMAN WALL LIMITED**

Agent's Address: **8TH FLOOR BECKET HOUSE 36 OLD JEWRY
LONDON
ENGLAND
EC2R 8DD**

COMPANY HAVING A SHARE CAPITAL

Memorandum of Association of ACL OPERATING COMPANY LIMITED

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

Name of each subscriber	Authentication
ACL HOLDINGS LIMITED	Authenticated Electronically

Dated: 08/04/2021



FILE COPY

CERTIFICATE OF INCORPORATION ON CHANGE OF NAME

Company Number **13326491**

The Registrar of Companies for England and Wales hereby certifies that under the Companies Act 2006:

ACL OPERATING COMPANY LIMITED

a company incorporated as private limited by shares, having its registered office situated in England and Wales, has changed its name to:

AMBASSADOR CRUISE LINE LIMITED

Given at Companies House on **14th May 2021**



* N13326491G *

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Notice of Change of Name by Resolution

Company Number: **13326491**

Company Name: **ACL OPERATING COMPANY LIMITED**

Received for filing in Electronic Format on the: **13/05/2021**

Notice is hereby given that the company has changed its name as set out in the attached resolution

Authorisation

Authenticated

This form was authorised by one of the following:

Director, Secretary, Person Authorised, Administrator, Administrative Receiver, Receiver, Receiver manager, Charity Commission Receiver and Manager, CIC Manager

COMPANIES ACT 2006
SPECIAL RESOLUTION ON CHANGE OF NAME

Company number: 13326491

Existing company name:
ACL OPERATING COMPANY LIMITED

The following special resolution to change the name of the company was agreed and passed by the members.

On the 12th May 2021

That the name of the company be changed to:
AMBASSADOR CRUISE LINE LIMITED

ARTICLES OF INCORPORATION OF THE ISSUER AND THE GUARANTORS

3. Ambassador Cruise Holidays Limited

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A
PRIVATE LIMITED COMPANY**

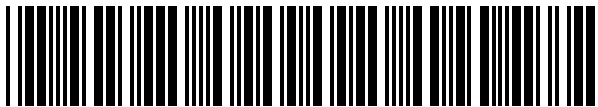
Company Number **13299365**

The Registrar of Companies for England and Wales, hereby certifies that

ACL HOLIDAY COMPANY LIMITED

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **29th March 2021**



N13299365P



Companies House



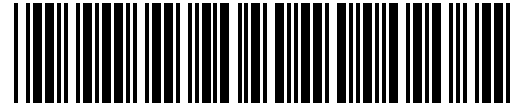
**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**



Companies House

IN01_(ef)

Application to register a company



Received for filing in Electronic Format on the: **26/03/2021**

XA12V5RE

Company Name in full:

ACL HOLIDAY COMPANY LIMITED

Company Type:

Private company limited by shares

Situation of Registered Office:

England and Wales

Proposed Registered Office Address:

**8TH FLOOR BECKET HOUSE 36 OLD JEWRY
LONDON
ENGLAND EC2R 8DD**

Sic Codes:

79110

I wish to entirely adopt the following model articles:

Private (Ltd by Shares)

Company Director *1*

Company Director 2

Type: **Person**

Full Forename(s): **MR CHRISTIAN**

Surname: **VERHOUNIG**

Former Names:

Service Address: **recorded as Company's registered office**

Country/State Usually **GREECE**

Resident:

Date of Birth: ****/07/1977** *Nationality:* **AUSTRIAN**

Occupation: **COMPANY DIRECTOR**

The subscribers confirm that the person named has consented to act as a director.

Statement of Capital (Share Capital)

<i>Class of Shares:</i>	ORDINARY	<i>Number allotted</i>	1
<i>Currency:</i>	GBP	<i>Aggregate nominal value:</i>	1
<i>Prescribed particulars</i>			

FULL RIGHTS REGARDING VOTING, PAYMENT OF DIVIDENDS AND DISTRIBUTIONS

Statement of Capital (Totals)

<i>Currency:</i>	GBP	<i>Total number of shares:</i>	1
		<i>Total aggregate nominal value:</i>	1
		<i>Total aggregate unpaid:</i>	0

Initial Shareholdings

Name: **ACL HOLDINGS LIMITED**

Address **FIRST FLOOR ALBERT
HOUSE SOUTH ESPLANADE
ST PETER PORT
GUERNSEY
GY1 1AJ**

Class of Shares: **ORDINARY**

Number of shares: **1**

Currency: **GBP**

*Nominal value of each
share:* **1**

Amount unpaid: **0**

Amount paid: **1**

Persons with Significant Control (PSC)

Statement of no PSC

The company knows or has reason to believe that there will be no registerable Person with Significant Control or Relevant Legal Entity (RLE) in relation to the company

Statement of Compliance

I confirm the requirements of the Companies Act 2006 as to registration have been complied with.

memorandum delivered by an agent for the subscriber(s): **YES**

Agent's Name: **ELMAN WALL LIMITED**

Agent's Address: **8TH FLOOR BECKET HOUSE 36 OLD JEWRY
LONDON
ENGLAND
EC2R 8DD**

Authorisation

Authoriser Designation: **agent** *Authenticated* **YES**

Agent's Name: **ELMAN WALL LIMITED**

Agent's Address: **8TH FLOOR BECKET HOUSE 36 OLD JEWRY
LONDON
ENGLAND
EC2R 8DD**

COMPANY HAVING A SHARE CAPITAL

Memorandum of Association of ACL HOLIDAY COMPANY LIMITED

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

Name of each subscriber	Authentication
ACL HOLDINGS LIMITED	Authenticated Electronically

Dated: 26/03/2021



FILE COPY

**CERTIFICATE OF INCORPORATION
ON CHANGE OF NAME**

Company Number 13299365

The Registrar of Companies for England and Wales hereby certifies that under the Companies Act 2006:

ACL HOLIDAY COMPANY LIMITED

a company incorporated as private limited by shares, having its registered office situated in England and Wales, has changed its name to:

AMBASSADOR CRUISE HOLIDAYS LIMITED

Given at Companies House on **14th May 2021**



* N13299365P *

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**



Notice of Change of Name by Resolution

Company Number: **13299365**

Company Name: **ACL HOLIDAY COMPANY LIMITED**

Received for filing in Electronic Format on the: **13/05/2021**

Notice is hereby given that the company has changed its name as set out in the attached resolution

Authorisation

Authenticated

This form was authorised by one of the following:

Director, Secretary, Person Authorised, Administrator, Administrative Receiver, Receiver, Receiver manager, Charity Commission Receiver and Manager, CIC Manager

COMPANIES ACT 2006
SPECIAL RESOLUTION ON CHANGE OF NAME

Company number: 13299365

Existing company name:
ACL HOLIDAY COMPANY LIMITED

The following special resolution to change the name of the company was agreed and passed by the members.

On the 12th May 2021

That the name of the company be changed to:
AMBASSADOR CRUISE HOLIDAYS LIMITED

ARTICLES OF INCORPORATION OF THE ISSUER AND THE GUARANTORS

4. Wake Asset Co

CERTIFIED TRUE COPY

Rika Jewels *1st July 2022*
Notary Public Date

**TERRITORY OF THE BRITISH VIRGIN ISLANDS
BVI BUSINESS COMPANIES ACT, 2004**



D5F48B4C72



**CERTIFICATE OF INCORPORATION
(SECTION 7)**

The REGISTRAR of CORPORATE AFFAIRS, of the British Virgin Islands HEREBY CERTIFIES, that pursuant to the BVI Business Companies Act, 2004, all the requirements of the Act in respect of incorporation having been complied with,

Wake Asset Co Ltd

BVI COMPANY NUMBER: 2054235

is incorporated in the BRITISH VIRGIN ISLANDS as a BVI BUSINESS COMPANY, this 5th day of February, 2021.



m ef

for **REGISTRAR OF CORPORATE AFFAIRS**
5th day of February, 2021

CERTIFIED TRUE COPY

Harneys Fides 1st July 2022
Notary Public Date



BRITISH VIRGIN ISLANDS
BVI Business Companies Act 2004

**Memorandum of Association
and Articles of Association of**



Wake Asset Co Ltd

A COMPANY LIMITED BY SHARES

Incorporated on 5th day of February 2021

HARNEYS
FIDUCIARY

HARNEYS CORPORATE SERVICES LIMITED
Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands
+1284 494 2233
+1284 494 3547
harneysfiduciary.com

**TERRITORY OF THE BRITISH VIRGIN ISLANDS
BVI BUSINESS COMPANIES ACT, 2004**

MEMORANDUM OF ASSOCIATION

OF

Wake Asset Co Ltd

1 NAME

The name of the Company is Wake Asset Co Ltd.

2 STATUS

The Company is a company limited by shares.

3 REGISTERED OFFICE AND REGISTERED AGENT

3.1 The first registered office of the Company is at Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands.

3.2 The first registered agent of the Company is Harneys Corporate Services Limited of Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, VG 1110, British Virgin Islands.

3.3 The Company may, by Resolution of Shareholders or by Resolution of Directors, change the location of its registered office or change its registered agent.

3.4 If at any time the Company does not have a registered agent it may, by Resolution of Shareholders or Resolution of Directors, appoint a registered agent.

4 CAPACITY AND POWERS

4.1 Subject to the Act and any other British Virgin Islands legislation, the Company has, irrespective of corporate benefit:

- (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and
- (b) for the purposes of paragraph (a), full rights, powers and privileges.

4.2 For the purposes of section 9(4) of the Act, there are no limitations on the business that the Company may carry on.

5 NUMBER AND CLASSES OF SHARES

5.1 Shares in the Company may be issued in any currency.

5.2 The Company is authorised to issue a maximum of 50,000 Ordinary Shares of a single class with a par value of USD 1.00.

5.3 The Company may issue fractional Shares and a fractional Share shall have the corresponding fractional rights, obligations and liabilities of a whole Share of the same class or series of Shares.

5.4 The Company may issue a class of Shares in one or more series. The division of a class of Shares into one or more series and the designation to be made to each series shall be determined by the directors from time to time.

6 RIGHTS OF SHARES

Each Share in the Company confers upon the Shareholder:

- (a) the right to one vote on any Resolution of Shareholders;
- (b) the right to an equal share in any dividend paid by the Company; and
- (c) the right to an equal share in the distribution of the surplus assets of the Company.

7 REGISTERED SHARES

The Company shall issue registered Shares only. The Company is not authorised to issue bearer Shares, convert registered Shares to bearer Shares or exchange registered Shares for bearer Shares.

8 AMENDMENT OF THE MEMORANDUM AND THE ARTICLES

8.1 The Company may amend this Memorandum or the Articles by Resolution of Shareholders or by Resolution of Directors, save that no amendment may be made by Resolution of Directors:

- (a) to restrict the rights or powers of the Shareholders to amend this Memorandum or the Articles;
- (b) to change the percentage of Shareholders required to pass a Resolution of Shareholders to amend this Memorandum or the Articles;
- (c) in circumstances where this Memorandum or the Articles cannot be amended by the Shareholders; or
- (d) to this Clause 8.

8.2 Any amendment of this Memorandum or the Articles will take effect from the date that the notice of amendment, or restated Memorandum and Articles incorporating the amendment, is registered by the Registrar or from such other date as determined pursuant to the Act.

8.3 The rights conferred upon the holders of the Shares of any class may only be varied, whether or not the Company is in liquidation, with the consent in writing of the holders of a majority of the issued Shares of that class or by a resolution approved at a duly convened and constituted meeting of the Shares of that class by the affirmative vote of a majority of the votes of the Shares of that class which were present at the meeting and were voted.

8.4 The rights conferred upon the holders of the Shares of any class shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking equally with such existing Shares.

9 DEFINITIONS AND INTERPRETATION

9.1 In this Memorandum of Association and the attached Articles of Association, if not inconsistent with the subject or context:

Act means the BVI Business Companies Act 2004, as amended from time to time, and includes the BVI Business Companies Regulations 2012 and any other regulations made under the Act.

Articles means the attached Articles of Association of the Company.

Memorandum means this Memorandum of Association of the Company.

person includes individuals, corporations, trusts, the estates of deceased individuals, partnerships and unincorporated associations of persons.

Proscribed Powers means the powers to: (a) amend this Memorandum or the Articles; (b) designate committees of directors; (c) delegate powers to a committee of directors; (d) appoint or remove directors; (e) appoint or remove an agent; (f) approve a plan of merger, consolidation or arrangement; (g) make a declaration of solvency or to approve a liquidation plan; or (h) make a determination that immediately after a proposed distribution the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

Resolution of Directors means either:

- (a) a resolution approved at a duly convened and constituted meeting of directors of the Company or of a committee of directors of the Company by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or
- (b) a resolution consented to in writing by all directors or by all members of a committee of directors of the Company, as the case may be.

Resolution of Shareholders means either:

- (a) a resolution approved at a duly convened and constituted meeting of the Shareholders by the affirmative vote of a majority of the votes of the Shares entitled to vote thereon which were present at the meeting and were voted; or
- (b) a resolution consented to in writing by a majority of the votes of the Shares entitled to vote on such resolution.

Seal means any seal which has been duly adopted as the common seal of the Company.

Share means a share issued or to be issued by the Company.

Shareholder means a person whose name is entered in the register of members of the Company as the holder of one or more Shares or fractional Shares.

written or any term of like import includes information generated, sent, received or stored by electronic, electrical, digital, magnetic, optical, electromagnetic, biometric or photonic means, including electronic data interchange, electronic mail, telegram, telex or telecopy, and in **writing** shall be construed accordingly.

9.2 In this Memorandum and the Articles, unless the context otherwise requires, a reference to:

- (a) a **Regulation** is a reference to a regulation of the Articles;

- (b) a **Clause** is a reference to a clause of this Memorandum;
- (c) voting by Shareholders is a reference to the casting of the votes attached to the Shares held by the Shareholder voting;
- (d) the Act, this Memorandum or the Articles is a reference to the Act or those documents as amended or, in the case of the Act any re-enactment thereof; and
- (e) the singular includes the plural and vice versa.

9.3 Where a period of time is expressed as a number of days, the days on which the period begins and ends are not included in the computation of the number of days.

9.4 Any reference to a **month** shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month and a reference to a period of several months shall be construed accordingly.

9.5 Any words or expressions defined in the Act bear the same meaning in this Memorandum and the Articles unless the context otherwise requires or they are otherwise defined in this Memorandum or the Articles.

9.6 Headings are inserted for convenience only and shall be disregarded in interpreting this Memorandum and the Articles.



Signed for HARNEYS CORPORATE SERVICES LIMITED of Graigmuir Chambers, Road Town, Tortola, VG1110, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands on 05 February 2021:

Incorporator

.....

Indira Ward-Lewis
Authorised Signatory
HARNEYS CORPORATE SERVICES LIMITED

TERRITORY OF THE BRITISH VIRGIN ISLANDS
BVI BUSINESS COMPANIES ACT 2004

ARTICLES OF ASSOCIATION

OF

Wake Asset Co Ltd

A Company Limited By Shares

1 DISAPPLICATION OF THE ACT

The following sections of the Act shall not apply to the Company:

- (a) section 46 (*Pre-emptive rights*);
- (b) section 60 (*Process for acquisition of own shares*);
- (c) section 61 (*Offer to one or more shareholders*);
- (d) section 62 (*Shares redeemed otherwise than at the option of company*); and
- (e) section 175 (*Disposition of assets*).

2 SHARES

- 2.1 Every Shareholder is entitled to a certificate signed by a director or officer of the Company, or any other person authorised by Resolution of Directors, or under the Seal specifying the number of Shares held by him and the signature of the director, officer or authorised person and the Seal may be facsimiles.
- 2.2 Any Shareholder receiving a certificate shall indemnify and hold the Company and its directors and officers harmless from any loss or liability which it or they may incur by reason of any wrongful or fraudulent use or representation made by any person by virtue of the possession thereof. If a certificate for Shares is worn out or lost it may be renewed on production of the worn out certificate or on satisfactory proof of its loss together with such indemnity as may be required by Resolution of Directors.
- 2.3 If several persons are registered as joint holders of any Shares, any one of such persons may give an effectual receipt for any distribution.
- 2.4 Shares and other securities may be issued at such times, to such persons, for such consideration and on such terms as the directors may by Resolution of Directors determine.
- 2.5 A Share may be issued for consideration in any form or a combination of forms, including money, a promissory note, or other written obligation to contribute money or property, real property, personal property (including goodwill and know-how), services rendered or a contract for future services.
- 2.6 The consideration for a Share with par value shall be not less than the par value of the Share. If a Share with par value is issued for consideration less than the par value, the person to whom the Share

is issued is liable to pay to the Company an amount equal to the difference between the issue price and the par value.

2.7 Before issuing Shares for a consideration which is, in whole or in part, other than money, a Resolution of Directors shall be passed stating:

- (a) the amount to be credited for the issue of the Shares; and
- (b) that, in the opinion of the directors, the present cash value of the non-money consideration and money consideration, if any, is not less than the amount to be credited for the issue of the Shares.

2.8 The Company shall keep a register of members containing:

- (a) the names and addresses of the persons who hold Shares;
- (b) the number of each class and series of Shares held by each Shareholder;
- (c) the date on which the name of each Shareholder was entered in the register of members; and
- (d) the date on which any person ceased to be a Shareholder.

2.9 The register of members may be in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until the directors otherwise determine, the magnetic, electronic or other data storage form shall be the original register of members.

2.10 A Share is deemed to be issued when the name of the Shareholder is entered in the register of members.

3 REDEMPTION OF SHARES AND TREASURY SHARES

3.1 The Company may purchase, redeem or otherwise acquire and hold its own Shares save that the Company may not purchase, redeem or otherwise acquire its own Shares without the consent of Shareholders whose Shares are to be purchased, redeemed or otherwise acquired unless the Company is permitted by the Act or any other provision in the Memorandum or Articles to purchase, redeem or otherwise acquire the Shares without their consent.

3.2 The Company may acquire its own fully paid Shares for no consideration by way of surrender of Shares to the Company by the person holding the Shares. Any such surrender shall be in writing and signed by the person holding the Shares.

3.3 The Company may only offer to purchase, redeem or otherwise acquire Shares if the Resolution of Directors authorising the purchase, redemption or other acquisition contains a statement that the directors are satisfied, on reasonable grounds, that immediately after the purchase, redemption or other acquisition the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

3.4 Shares that the Company purchases, redeems or otherwise acquires may be cancelled or held as treasury shares provided that the number of Shares purchased, redeemed or otherwise acquired and held as treasury shares, when aggregated with Shares of the same class already held by the Company as treasury shares, may not exceed 50% of the Shares of that class previously issued by the Company

excluding Shares that have been cancelled. Shares which have been cancelled shall be available for reissue.

3.5 All rights and obligations attaching to a treasury share are suspended and shall not be exercised by the Company while it holds the Share as a treasury share.

3.6 Treasury shares may be transferred by the Company on such terms and conditions (not otherwise inconsistent with the Memorandum and the Articles) as the Company may by Resolution of Directors determine.

4 MORTGAGES AND CHARGES OF SHARES

4.1 Shareholders may mortgage or charge their Shares.

4.2 There shall be entered in the register of members at the written request of the Shareholder:

- (a) a statement that the Shares held by him are mortgaged or charged;
- (b) the name of the mortgagee or chargee; and
- (c) the date on which the particulars specified in subparagraphs (a) and (b) are entered in the register of members.

4.3 Where particulars of a mortgage or charge are entered in the register of members, such particulars may be cancelled:

- (a) with the written consent of the named mortgagee or chargee or anyone authorised to act on his behalf; or
- (b) upon evidence satisfactory to the directors of the discharge of the liability secured by the mortgage or charge and the issue of such indemnities as the directors shall consider necessary or desirable.

4.4 Whilst particulars of a mortgage or charge over Shares are entered in the register of members pursuant to this Regulation:

- (a) no transfer of any Share the subject of those particulars shall be effected;
- (b) the Company may not purchase, redeem or otherwise acquire any such Share; and
- (c) no replacement certificate shall be issued in respect of such Shares,

without the written consent of the named mortgagee or chargee.

4.5 The directors may not resolve to refuse or delay the transfer of a Share pursuant to the enforcement of a valid security interest created over the Share.

5 FORFEITURE

5.1 Shares that are not fully paid on issue are subject to the forfeiture provisions set forth in this Regulation and for this purpose Shares issued for a promissory note, other written obligation to contribute money or property or a contract for future services are deemed to be not fully paid.

- 5.2 A written notice of call specifying the date for payment to be made shall be served on the Shareholder who defaults in making payment in respect of the Shares.
- 5.3 The written notice of call referred to in Regulation 5.2 shall name a further date not earlier than the expiration of 14 days from the date of service of the notice on or before which the payment required by the notice is to be made and shall contain a statement that in the event of non-payment at or before the time named in the notice the Shares, or any of them, in respect of which payment is not made will be liable to be forfeited.
- 5.4 Where a written notice of call has been issued pursuant to Regulation 5.2 and the requirements of the notice have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the Shares to which the notice relates.
- 5.5 The Company is under no obligation to refund any moneys to the Shareholder whose Shares have been cancelled pursuant to Regulation 5.4 and that Shareholder shall be discharged from any further obligation to the Company.

6 TRANSFER OF SHARES

- 6.1 Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to the Company for registration.
- 6.2 The transfer of a Share is effective when the name of the transferee is entered on the register of members.
- 6.3 If the directors of the Company are satisfied that an instrument of transfer relating to Shares has been signed but that the instrument has been lost or destroyed, they may resolve by Resolution of Directors:
- (a) to accept such evidence of the transfer of Shares as they consider appropriate; and
 - (b) that the transferee's name should be entered in the register of members notwithstanding the absence of the instrument of transfer.

- 6.4 The personal representative of a deceased Shareholder may transfer a Share even though the personal representative is not a Shareholder at the time of the transfer.

- 6.5 The directors may not resolve to refuse or delay the transfer of a Share unless the Shareholder has failed to pay an amount due in respect of the Share.

7 MEETINGS AND CONSENTS OF SHAREHOLDERS

- 7.1 Any director of the Company may convene meetings of the Shareholders at such times and in such manner and places within or outside the British Virgin Islands as the director considers necessary or desirable.
- 7.2 Upon the written request of Shareholders entitled to exercise 30% or more of the voting rights in respect of the matter for which the meeting is requested the directors shall convene a meeting of Shareholders.
- 7.3 The director convening a meeting shall give not less than 7 days' notice of a meeting of Shareholders to:

- (a) those Shareholders whose names on the date the notice is given appear as Shareholders in the register of members of the Company and are entitled to vote at the meeting; and
- (b) the other directors.
- 7.4 The director convening a meeting of Shareholders may fix as the record date for determining those Shareholders that are entitled to vote at the meeting the date notice is given of the meeting, or such other date as may be specified in the notice, being a date not earlier than the date of the notice.
- 7.5 A meeting of Shareholders held in contravention of the requirement to give notice is valid if Shareholders holding at least 90% of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting and, for this purpose, the presence of a Shareholder at the meeting shall constitute waiver in relation to all the Shares which that Shareholder holds.
- 7.6 The inadvertent failure of a director who convenes a meeting to give notice of a meeting to a Shareholder or another director, or the fact that a Shareholder or another director has not received notice, does not invalidate the meeting.
- 7.7 A Shareholder may be represented at a meeting of Shareholders by a proxy who may speak and vote on behalf of the Shareholder.
- 7.8 The instrument appointing a proxy shall be produced at the place designated for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. The notice of the meeting may specify an alternative or additional place or time at which the proxy shall be presented.
- 7.9 The instrument appointing a proxy shall be in substantially the following form or such other form as approved by the directors or as the chairman of the meeting shall accept as properly evidencing the wishes of the Shareholder appointing the proxy.

Wake Asset Co Ltd

I/We being a Shareholder of the above Company HEREBY APPOINT
 of or failing him
 of to be my/our proxy to vote for me/us at the meeting
 of Shareholders to be held on the day of, 20..... and at any
 adjournment thereof.
 (Any restrictions on voting to be inserted here.)
 Signed this day of, 20.....

 Shareholder

- 7.10 The following applies where Shares are jointly owned:
- (a) if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of Shareholders and may speak as a Shareholder;
- (b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and

(c) if two or more of the joint owners are present in person or by proxy they must vote as one.

- 7.11 A Shareholder shall be deemed to be present at a meeting of Shareholders if he participates by telephone or other electronic means and all Shareholders or their authorised representatives participating in the meeting are able to hear each other.
- 7.12 A meeting of Shareholders is duly constituted if, at the commencement of the meeting, there are present in person or by proxy not less than 50% of the votes of the Shares entitled to vote on Resolutions of Shareholders to be considered at the meeting. A quorum may comprise a single Shareholder or proxy and then such person may pass a Resolution of Shareholders and a certificate signed by such person accompanied where such person be a proxy by a copy of the proxy instrument shall constitute a valid Resolution of Shareholders.
- 7.13 If within two hours from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved; in any other case it shall stand adjourned to the next business day in the jurisdiction in which the meeting was to have been held at the same time and place or to such other time and place as the directors may determine, and if at the adjourned meeting there are present within one hour from the time appointed for the meeting in person or by proxy not less than one third of the votes of the Shares or each class or series of Shares entitled to vote on the matters to be considered by the meeting, those present shall constitute a quorum but otherwise the meeting shall be dissolved.
- 7.14 At every meeting of Shareholders, the chairman of the board of directors shall preside as chairman of the meeting. If there is no chairman of the board of directors or if that chairman is not present at the meeting, the Shareholders present shall choose one of their number to be the chairman. If the Shareholders are unable to choose a chairman for any reason, then the person representing the greatest number of voting Shares present in person or by proxy at the meeting shall preside as chairman failing which the oldest individual Shareholder or representative of a Shareholder present shall take the chair.
- 7.15 The chairman may, with the consent of the meeting, adjourn any meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 7.16 At any meeting of the Shareholders the chairman is responsible for deciding in such manner as he considers appropriate whether any resolution proposed has been carried or not and the result of his decision shall be announced to the meeting and recorded in the minutes of the meeting. If the chairman has any doubt as to the outcome of the vote on a proposed resolution, he shall cause a poll to be taken of all votes cast upon such resolution. If the chairman fails to take a poll then any Shareholder present in person or by proxy who disputes the announcement by the chairman of the result of any vote may immediately following such announcement demand that a poll be taken and the chairman shall cause a poll to be taken. If a poll is taken at any meeting, the result shall be announced to the meeting and recorded in the minutes of the meeting.
- 7.17 Subject to the specific provisions contained in this Regulation for the appointment of representatives of persons other than individuals the right of any individual to speak for or represent a Shareholder shall be determined by the law of the jurisdiction where, and by the documents by which, the person is constituted or derives its existence. In case of doubt, the directors may in good faith seek legal advice from any qualified person and unless and until a court of competent jurisdiction shall otherwise rule, the directors may rely and act upon such advice without incurring any liability to any Shareholder or the Company.

- 7.18 Any person other than an individual which is a Shareholder may by resolution of its directors or other governing body authorise such individual as it thinks fit to act as its representative at any meeting of Shareholders or of any class of Shareholders, and the individual so authorised shall be entitled to exercise the same rights on behalf of the Shareholder which he represents as that Shareholder could exercise if it were an individual.
- 7.19 The chairman of any meeting at which a vote is cast by proxy or on behalf of any person other than an individual may call for a notarially certified copy of such proxy or authority which shall be produced within 7 days of being so requested or the votes cast by such proxy or on behalf of such person shall be disregarded.
- 7.20 Directors of the Company may attend and speak at any meeting of Shareholders and at any separate meeting of the holders of any class or series of Shares.
- 7.21 An action that may be taken by the Shareholders at a meeting may also be taken by a resolution consented to in writing, without the need for any notice, but if any Resolution of Shareholders is adopted otherwise than by the unanimous written consent of all Shareholders, a copy of such resolution shall forthwith be sent to all Shareholders not consenting to such resolution. The consent may be in the form of counterparts, each counterpart being signed by one or more Shareholders. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the earliest date upon which Shareholders holding a sufficient number of votes of Shares to constitute a Resolution of Shareholders have consented to the resolution by signed counterparts.

8 DIRECTORS

- 8.1 The first directors of the Company shall be appointed by the first registered agent within 6 months of the date of incorporation of the Company; and thereafter, the directors shall be elected by Resolution of Shareholders or by Resolution of Directors. If, before the Company has any members, all of the directors appointed by the registered agent resign or die or otherwise cease to exist, the registered agent may appoint one or more further persons as directors of the Company.
- 8.2 No person shall be appointed as a director or alternate director, or nominated as a reserve director, of the Company unless he has consented in writing to be a director or alternate director, or to be nominated as a reserve director.
- 8.3 Subject to Regulation 8.1, the minimum number of directors shall be one and there shall be no maximum number.
- 8.4 Each director holds office for the term, if any, fixed by the Resolution of Shareholders or the Resolution of Directors appointing him, or until his earlier death, resignation or removal. If no term is fixed on the appointment of a director, the director serves indefinitely until his earlier death, resignation or removal.
- 8.5 A director may be removed from office:
- (a) with or without cause, by Resolution of Shareholders passed at a meeting of Shareholders called for the purpose of removing the director or for purposes including the removal of the director or by a written resolution passed by at least 75% of the votes of the Shares of the Company entitled to vote; or

- (b) with cause, by Resolution of Directors passed at a meeting of directors called for the purpose of removing the director or for purposes including the removal of the director.
- 8.6 A director may resign his office by giving written notice of his resignation to the Company and the resignation has effect from the date the notice is received by the Company or from such later date as may be specified in the notice. A director shall resign forthwith as a director if he is, or becomes, disqualified from acting as a director under the Act.
- 8.7 The directors may at any time appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. Where the directors appoint a person as director to fill a vacancy, the term shall not exceed the term that remained when the person who has ceased to be a director ceased to hold office.
- 8.8 A vacancy in relation to directors occurs if a director dies or otherwise ceases to hold office prior to the expiration of his term of office.
- 8.9 Where the Company only has one Shareholder who is an individual and that Shareholder is also the sole director of the Company, the sole Shareholder/director may, by instrument in writing, nominate a person who is not disqualified from being a director of the Company as a reserve director of the Company to act in the place of the sole director in the event of his death.
- 8.10 The nomination of a person as a reserve director of the Company ceases to have effect if:
- (a) before the death of the sole Shareholder/director who nominated him,
 - (i) he resigns as reserve director, or
 - (ii) the sole Shareholder/director revokes the nomination in writing; or
 - (b) the sole Shareholder/director who nominated him ceases to be able to be the sole Shareholder/director of the Company for any reason other than his death.
- 8.11 The Company shall keep a register of directors containing:
- (a) the names and addresses of the persons who are directors of the Company or who have been nominated as reserve directors of the Company;
 - (b) the date on which each person whose name is entered in the register was appointed as a director, or nominated as a reserve director, of the Company;
 - (c) the date on which each person named as a director ceased to be a director of the Company;
 - (d) the date on which the nomination of any person nominated as a reserve director ceased to have effect; and
 - (e) such other information as may be prescribed by the Act.
- 8.12 The register of directors may be kept in any such form as the directors may approve, but if it is in magnetic, electronic or other data storage form, the Company must be able to produce legible evidence of its contents. Until a Resolution of Directors determining otherwise is passed, the magnetic, electronic or other data storage shall be the original register of directors.

8.13 The directors may, by Resolution of Directors, fix the emoluments of directors with respect to services to be rendered in any capacity to the Company.

8.14 A director is not required to hold a Share as a qualification to office.

9 POWERS OF DIRECTORS

9.1 The business and affairs of the Company shall be managed by, or under the direction or supervision of, the directors of the Company. The directors of the Company have all the powers necessary for managing, and for directing and supervising, the business and affairs of the Company. The directors may pay all expenses incurred preliminary to and in connection with the incorporation of the Company and may exercise all such powers of the Company as are not by the Act or by the Memorandum or the Articles required to be exercised by the Shareholders.

9.2 Each director shall exercise his powers for a proper purpose and shall not act or agree to the Company acting in a manner that contravenes the Memorandum, the Articles or the Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of the Company.

9.3 If the Company is the wholly owned subsidiary of a parent, a director of the Company may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the parent even though it may not be in the best interests of the Company.

9.4 Any director which is a body corporate may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

9.5 The continuing directors may act notwithstanding any vacancy in their body.

9.6 The directors may by Resolution of Directors exercise all the powers of the Company to incur indebtedness, liabilities or obligations and to secure indebtedness, liabilities or obligations whether of the Company or of any third party.

9.7 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as shall from time to time be determined by Resolution of Directors.

10 PROCEEDINGS OF DIRECTORS

10.1 Any one director of the Company may call a meeting of the directors by sending a written notice to each other director.

10.2 The directors of the Company or any committee thereof may meet at such times and in such manner and places within or outside the British Virgin Islands as the directors may determine to be necessary or desirable.

10.3 A director is deemed to be present at a meeting of directors if he participates by telephone or other electronic means and all directors participating in the meeting are able to hear each other.

10.4 A director shall be given not less than 3 days' notice of meetings of directors, but a meeting of directors held without 3 days' notice having been given to all directors shall be valid if all the directors

entitled to vote at the meeting who do not attend waive notice of the meeting, and for this purpose the presence of a director at a meeting shall constitute waiver by that director. The inadvertent failure to give notice of a meeting to a director, or the fact that a director has not received the notice, does not invalidate the meeting.

- 10.5 A director of the company (the **appointing director**) may appoint any other director or any other eligible person as his alternate to exercise the appointing director's powers and carry out the appointing director's responsibilities in relation to the taking of decisions by the directors in the absence of the appointing director.
- 10.6 The appointment and termination of an alternate director must be in writing, and written notice of the appointment and termination must be given by the appointing director to the Company as soon as reasonably practicable.
- 10.7 An alternate director has the same rights as the appointing director in relation to any directors' meeting and any written resolution circulated for written consent. An alternate director has no power to appoint a further alternate, whether of the appointing director or of the alternate director, and the alternate does not act as an agent of or for the appointing director.
- 10.8 The appointing director may, at any time, voluntarily terminate the alternate director's appointment. The voluntary termination of the appointment of an alternate shall take effect from the time when written notice of the termination is given to the Company. The rights of an alternate shall automatically terminate if the appointing director dies or otherwise ceases to hold office.
- 10.9 A meeting of directors is duly constituted for all purposes if at the commencement of the meeting there are present in person or by alternate not less than one-half of the total number of directors, subject to a minimum of 2.
- 10.10 If the Company has only one director the provisions herein contained for meetings of directors do not apply and such sole director has full power to represent and act for the Company in all matters as are not by the Act, the Memorandum or the Articles required to be exercised by the Shareholders. In lieu of minutes of a meeting the sole director shall record in writing and sign a note or memorandum of all matters requiring a Resolution of Directors. Such a note or memorandum constitutes sufficient evidence of such resolution for all purposes.
- 10.11 The directors may appoint a director as chairman of the board of directors. At meetings of directors at which the chairman of the board of directors is present, he shall preside as chairman of the meeting. If there is no chairman of the board of directors or if the chairman of the board is not present, the directors present shall choose one of their number to be chairman of the meeting.
- 10.12 An action that may be taken by the directors or a committee of directors at a meeting may also be taken by a Resolution of Directors or a resolution of a committee of directors consented to in writing by all directors or by all members of the committee, as the case may be, without the need for any notice. The consent may be in the form of counterparts each counterpart being signed by one or more directors. If the consent is in one or more counterparts, and the counterparts bear different dates, then the resolution shall take effect on the date upon which the last director has consented to the resolution by signed counterparts.

11 COMMITTEES

- 11.1 The directors may, by Resolution of Directors, designate one or more committees, each consisting of one or more directors, and delegate one or more of their powers, including the power to affix the Seal, to the committee.
- 11.2 The directors have no power to delegate to a committee of directors any of the Proscribed Powers.
- 11.3 A committee of directors, where authorised by the Resolution of Directors appointing such committee or by a subsequent Resolution of Directors, may appoint a sub-committee and delegate powers exercisable by the committee to the sub-committee.
- 11.4 The meetings and proceedings of each committee of directors consisting of 2 or more directors shall be governed *mutatis mutandis* by the provisions of the Articles regulating the proceedings of directors so far as the same are not superseded by any provisions in the Resolution of Directors establishing the committee.
- 11.5 Where the directors delegate their powers to a committee of directors they remain responsible for the exercise of that power by the committee, unless they believed on reasonable grounds at all times before the exercise of the power that the committee would exercise the power in conformity with the duties imposed on directors of the Company under the Act.

12 OFFICERS AND AGENTS

- 12.1 The Company may by Resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient. The officers shall perform such duties as are prescribed at the time of their appointment subject to any modification in such duties as may be prescribed thereafter by Resolution of Directors.
- 12.2 The emoluments of all officers shall be fixed by Resolution of Directors.
- 12.3 The officers of the Company shall hold office until their successors are duly appointed, but any officer elected or appointed by the directors may be removed at any time, with or without cause, by Resolution of Directors. Any vacancy occurring in any office of the Company may be filled by Resolution of Directors.
- 12.4 The directors may, by Resolution of Directors, appoint any person, including a person who is a director, to be an agent of the Company.
- 12.5 An agent of the Company shall have such powers and authority of the directors, including the power and authority to affix the Seal, as are set forth in the Articles or in the Resolution of Directors appointing the agent, except that no agent has any power or authority with respect to the following:
- (a) the Proscribed Powers;
 - (b) to change the registered office or agent;
 - (c) to fix emoluments of directors; or
 - (d) to authorise the Company to continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands.

12.6 The Resolution of Directors appointing an agent may authorise the agent to appoint one or more substitutes or delegates to exercise some or all of the powers conferred on the agent by the Company.

12.7 The directors may remove an agent appointed by the Company and may revoke or vary a power conferred on him.

13 CONFLICT OF INTERESTS

13.1 A director of the Company shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other directors of the Company.

13.2 For the purposes of Regulation 13.1, a disclosure to all other directors to the effect that a director is a member, director or officer of another named entity or has a fiduciary relationship with respect to the entity or a named individual and is to be regarded as interested in any transaction which may, after the date of the entry into the transaction or disclosure of the interest, be entered into with that entity or individual, is a sufficient disclosure of interest in relation to that transaction.

13.3 A director of the Company who is interested in a transaction entered into or to be entered into by the Company may:

- (a) vote on a matter relating to the transaction;
 - (b) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and
 - (c) sign a document on behalf of the Company, or do any other thing in his capacity as a director, that relates to the transaction,
- and, subject to compliance with the Act, shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

14 INDEMNIFICATION

14.1 Subject to the limitations hereinafter provided the Company shall indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings any person who:

- (a) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of the Company; or
- (b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise.

14.2 The indemnity in Regulation 14.1 only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

- 14.3 For the purposes of Regulation 14.2 and without limitation, a director acts in the best interests of the Company if he acts in the best interests of the Company's parent in the circumstances specified in Regulation 9.3.
- 14.4 The decision of the directors as to whether the person acted honestly and in good faith and with a view to the best interests of the Company and as to whether the person had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of the Articles, unless a question of law is involved.
- 14.5 The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a *nolle prosequi* does not, by itself, create a presumption that the person did not act honestly and in good faith and with a view to the best interests of the Company or that the person had reasonable cause to believe that his conduct was unlawful.
- 14.6 Expenses, including legal fees, incurred by a director in defending any legal, administrative or investigative proceedings may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of the former director to repay the amount if it shall ultimately be determined that the director is not entitled to be indemnified by the Company in accordance with Regulation 14.1.
- 14.7 Expenses, including legal fees, incurred by a former director in defending any legal, administrative or investigative proceedings may be paid by the Company in advance of the final disposition of such proceedings upon receipt of an undertaking by or on behalf of the former director to repay the amount if it shall ultimately be determined that the former director is not entitled to be indemnified by the Company in accordance with Regulation 14.1 and upon such terms and conditions, if any, as the Company deems appropriate.
- 14.8 The indemnification and advancement of expenses provided by, or granted pursuant to, this section is not exclusive of any other rights to which the person seeking indemnification or advancement of expenses may be entitled under any agreement, Resolution of Shareholders, resolution of disinterested directors or otherwise, both as to acting in the person's official capacity and as to acting in another capacity while serving as a director of the Company.
- 14.9 If a person referred to in Regulation 14.1 has been successful in defence of any proceedings referred to in Regulation 14.1, the person is entitled to be indemnified against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred by the person in connection with the proceedings.
- 14.10 The Company may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

15 CORPORATE RECORDS

- 15.1 The Company shall keep the following documents at the office of its registered agent:

- (a) the Memorandum and the Articles;
- (b) the register of members, or a copy of the register of members;

- (c) the register of directors, or a copy of the register of directors; and
- (d) copies of all notices and other documents filed by the Company with the Registrar in the previous 10 years.

15.2 Until the directors determine otherwise by Resolution of Directors the Company shall keep the original register of members and original register of directors at the office of its registered agent.

15.3 If the Company maintains only a copy of the register of members or a copy of the register of directors at the office of its registered agent, it shall:

- (a) within 15 days of any change in either register, notify the registered agent in writing of the change; and
- (b) provide the registered agent with a written record of the physical address of the place or places at which the original register of members or the original register of directors is kept.

15.4 The Company shall keep the following records at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine:

- (a) minutes of meetings and Resolutions of Shareholders and classes of Shareholders; and
- (b) minutes of meetings and Resolutions of Directors and committees of directors.

15.5 Where any original records referred to in this Regulation are maintained other than at the office of the registered agent of the Company, and the place at which the original records is changed, the Company shall provide the registered agent with the physical address of the new location of the records of the Company within 14 days of the change of location.

15.6 The records kept by the Company under this Regulation shall be in written form or either wholly or partly as electronic records complying with the requirements of the Electronic Transactions Act 2001 as from time to time amended or re-enacted.

16 SEAL

The Company shall have a Seal an impression of which shall be kept at the office of the registered agent of the Company. The Company may have more than one Seal and references herein to the Seal shall be references to every Seal which shall have been duly adopted by Resolution of Directors. The directors shall provide for the safe custody of the Seal and for an imprint thereof to be kept at the registered office. Except as otherwise expressly provided herein the Seal when affixed to any written instrument shall be witnessed and attested to by the signature of any one director or other person so authorised from time to time by Resolution of Directors. Such authorisation may be before or after the Seal is affixed, may be general or specific and may refer to any number of sealings. The directors may provide for a facsimile of the Seal and of the signature of any director or authorised person which may be reproduced by printing or other means on any instrument and it shall have the same force and validity as if the Seal had been affixed to such instrument and the same had been attested to as hereinbefore described.

17 DISTRIBUTIONS BY WAY OF DIVIDEND

17.1 The directors of the Company may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that,

immediately after the distribution, the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

17.2 Dividends may be paid in money, shares, or other property.

17.3 Notice of any dividend that may have been declared shall be given to each Shareholder as specified in Regulation 19 and all dividends unclaimed for 3 years after having been declared may be forfeited by Resolution of Directors for the benefit of the Company.

17.4 No dividend shall bear interest as against the Company and no dividend shall be paid on treasury shares.

18 ACCOUNTS AND AUDIT

18.1 The Company shall keep records and underlying documentation that are sufficient to show and explain the Company's transactions and that will, at any time, enable the financial position of the Company to be determined with reasonable accuracy.

18.2 The records and underlying documentation of the Company shall be kept at the office of its registered agent or at such other place or places, within or outside the British Virgin Islands, as the directors may determine and if the records and underlying documentation are kept in a location other than the office of the registered agent, the Company shall provide the registered agent with written record of:

- (a) the physical address of the place at which the records and underlying documentation are kept; and
- (b) the name of the person who maintains and controls the Company's records and underlying documentation.

18.3 If the location at which the records and underlying documentation are kept or the name of the person who maintains and controls the records and underlying documentation changes, the Company shall, within 14 days of the change provide its registered agent with:

- (a) the physical address of the new location at which the records and underlying documentation are kept; and
- (b) the name of the new person who maintains and controls the Company's records and underlying documentation

18.4 The Company may by Resolution of Shareholders call for the directors to prepare periodically and make available a profit and loss account and a balance sheet. The profit and loss account and balance sheet shall be drawn up so as to give respectively a true and fair view of the profit and loss of the Company for a financial period and a true and fair view of the assets and liabilities of the Company as at the end of a financial period.

18.5 The Company may by Resolution of Shareholders call for the accounts to be examined by auditors.

18.6 The first auditors shall be appointed by Resolution of Directors; subsequent auditors shall be appointed by Resolution of Shareholders or by Resolution of Directors.

18.7 The auditors may be Shareholders, but no director or other officer shall be eligible to be an auditor of the Company during their continuance in office.

- 18.8 The remuneration of the auditors of the Company may be fixed by Resolution of Directors.
- 18.9 The auditors shall examine each profit and loss account and balance sheet required to be laid before a meeting of the Shareholders or otherwise given to Shareholders and shall state in a written report whether or not:
- (a) in their opinion the profit and loss account and balance sheet give a true and fair view respectively of the profit and loss for the period covered by the accounts, and of the assets and liabilities of the Company at the end of that period; and
 - (b) all the information and explanations required by the auditors have been obtained.
- 18.10 The report of the auditors shall be annexed to the accounts and shall be read at the meeting of Shareholders at which the accounts are laid before the Company or shall be otherwise given to the Shareholders.
- 18.11 Every auditor of the Company shall have a right of access at all times to the books of account and vouchers of the Company, and shall be entitled to require from the directors and officers of the Company such information and explanations as he thinks necessary for the performance of the duties of the auditors.
- 18.12 The auditors of the Company shall be entitled to receive notice of, and to attend any meetings of Shareholders at which the Company's profit and loss account and balance sheet are to be presented.

19 NOTICES

- 19.1 Any notice, information or written statement to be given by the Company to Shareholders shall be in writing and may be given by personal service, mail, courier, email, or fax to such Shareholder's address as shown in the register of members or to such Shareholder's email address or fax number as notified by the Shareholder to the Company in writing from time to time.
- 19.2 Any summons, notice, order, document, process, information or written statement to be served on the Company may be served by leaving it, or by sending it by registered mail addressed to the Company, at its registered office, or by leaving it with, or by sending it by registered mail addressed to the Company at the offices of the registered agent of the Company.

- 19.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing notice, and shall be deemed to be received on the fifth business day following the day on which the notice was posted. Where a notice is sent by fax or email, notice shall be deemed to be effected by transmitting the email or fax to the address or number provided by the intended recipient and service of the notice shall be deemed to have been received on the same day that it was transmitted.

20 VOLUNTARY LIQUIDATION

Subject to the Act, the Company may by Resolution of Shareholders or by Resolution of Directors appoint an eligible individual as voluntary liquidator alone or jointly with one or more other voluntary liquidators.

21 CONTINUATION

The Company may by Resolution of Shareholders or by a resolution passed unanimously by all directors of the Company continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.

Signed for HARNEYS CORPORATE SERVICES LIMITED of Craigmuir Chambers, Road Town, Tortola, VG1110, British Virgin Islands for the purpose of incorporating a BVI Business Company under the laws of the British Virgin Islands on 05 February 2021:

Incorporator



.....

Indira Ward-Lewis

Authorised Signatory

HARNEYS CORPORATE SERVICES LIMITED



SCHEDULE 2: FINANCIAL STATEMENTS OF THE ISSUER AND THE GUARANTORS

1. Audited financial statements of ACL Holdings Limited for 2021/2022 and 2023/2024, including auditor reports
2. Audited financial statements of Ambassador Cruise Line Limited for 2021/2022 and 2023/2024, including auditor reports
3. Audited financial statements of Ambassador Cruise Holidays Limited for 2021/2022 and 2023/2024, including auditor reports
4. Audited financial statements of Ambassador Wake Asset Co for 2021/2022 and 2023/2024, including auditor reports

FINANCIAL STATEMENTS OF THE ISSUER AND THE GUARANTORS

1. Audited financial statements of ACL Holdings Limited for 2021/2022 and 2023/2024, including auditor reports

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ACL HOLDINGS (GUERNSEY) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

THURSDAY



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19/01/2023

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COMPANIES HOUSE

ACL HOLDINGS (GUERNSEY) LIMITED

COMPANY INFORMATION

Directors	T JA Durston (appointed 1 July 2021, resigned 30 June 2022) E JC Kjellberg (appointed 1 July 2021) C Verhounig (appointed 1 July 2021) G A Wilson (appointed 1 July 2021) M A Seeger (appointed 15 July 2022)
Registered number	68957 / FC038565
Registered office	First Floor Albert House South Esplanade St Peter Port Guernsey GY1 1AJ
Independent auditors	Xeinadin Audit Limited t/a Elman Wall Statutory Auditor 36 Old Jewry London EC2R 8DD
Accountants	Elman Wall Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

ACL HOLDINGS (GUERNSEY) LIMITED

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ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022**

The directors present their report and the financial statements for the period ended 31 March 2022.

Principal activity

The principal activity of the Company is that of a holding company.

Dividends paid

There were no dividends paid in the under review.

Results

The Profit and loss account for the period is set out on page 12.

Directors

The directors who served during the period were:

T JA Durston (appointed 1 July 2021, resigned 30 June 2022)
E JC Kjellberg (appointed 1 July 2021)
C Verhounig (appointed 1 July 2021)
G A Wilson (appointed 1 July 2021)

ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

Review of the business

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd. ACL Holdings (Guernsey) Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched in under five months from being founded. Sales exceeded expectations, with 50% of the 2022/23 programme sold within three months of going on sale. This demonstrates that Ambassador was correctly positioned, that ample pent-up demand existed for a niche operator and confirmed our belief in the underlying strength of the UK travel market as it emerged from the pandemic.

We have developed a proposition for guests who want a quality offering at an accessible price point. This we coined 'premium-value'. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We will continue to blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, the basis of our ever-growing database.

Ambassador is built on six key values:

- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

In our first financial year ending March 2022, we set-up our organisation and operations, purchased our first two ships and launched commercially resulting in above industry forward bookings.

Ambience is our flagship of the fleet. Her maiden voyage took place in April 2022 and her homeport is London Tilbury. She was refurbished and upgraded with sustainability central to decision making. Onboard, no single-use plastic is a prerequisite, and from in-room amenities to staff uniforms we have selected eco-conscious products. Ambassador Cruise Line is also committed to smart technology with a strong paperless ethos, reducing wastage. Technology has also been used as an alternative to printing menus, shore plans and activity schedules.

With its careful configuration, Ambience offers a feeling of spaciousness. Facilities wise, guests can be entertained at The Observatory, The Palladium providing musical, dance and theatre shows, or bars such as Raffles Bar, Botanical Lounge, SW19 and The Purple Turtle Pub. Other areas include Aces & Eights bridge and card room, the Ambassador Casino, the gym, Green Sea Spa, Kapoor's crafting studio, Brontë's library, the shopping galleria, swimming and relaxation pools, two hot tubs and an outdoor movie screen. Dining options include Buckingham restaurant for traditional formal dining, Borough Market serving international cuisine, Alfresco Grill for outdoor eating or a la carte at Saffron, Sea & Grass and the Chef's Table.

ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

Her maiden season sees her sail to, among others, the Norwegian Fjords, Nordic countries, British Isles, the Mediterranean and the Canary Islands, as well as longer cruises to Canada and Cuba.

Ambassador's second ship Ambition will set sail in 2023, providing no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth.

Our ships operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. Ambience is in the top 10%-15% of environmentally sustainable ships allowing her to journey to some of Europe's most untouched corners including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed a new advanced wastewater treatment system, a new ballast water treatment system and new biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us. The same upgrades will be applied to Ambition ahead of her coming into service.

Ambassador has formed a long-term strategic partnership with Hamburg based BSM (Bernhard Schulte Ship Management) who operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Business Review 2021/22 & Outlook 2022/23

The launch of Ambassador Cruise Line was fully equity funded.

In its first year of operation ending 31 March 2022, we did not generate any revenue as Ambience only started cruising in April 2022. This resulted in an operating loss of (£7.6m) behind costs to set-up the business operation.

Our first eight cruises customer survey results (available at date of report) show that 9 out of 10 guests would cruise with Ambassador again and would recommend Ambassador to others.

At the start of our FY22/23 in April 2022, we had already sold more than 70% of our target for our fiscal year ending March 2023, and we are well on track to be a profitable cruise line in our first year of operation despite economic pressures such as the increase of fuel prices and increase of operating costs related to inflation.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Aligning our price point closer to the 'value' cruise category, our outlook is positive as we may see a shift in guests moving across from other lines.

ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

Principal risks and uncertainties

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans in place to mitigate and minimises these risk. As a lean business, we are very agile to take action executing our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. We have the ability to quickly and efficiently adjust to geopolitical and macroeconomic changes due to our moveable assets. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of the COVID-19 pandemic and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests must take a Covid test prior to sailing to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are fully endorsed by port health authorities and leading in the cruise industry.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In additional to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Our guests and their payments for cruises are fully protected as all payments are put in a trust account. Funds are only released to us when the cruise has started.

ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

Directors' section 172 statement

Section 172 deals with the Board of Directors' duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships.

The Board of Directors have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, the directors understand that the business can only grow and prosper over the long-term if the Group and its Board of Directors understand and respect the views and needs of the customers, colleagues and the communities in which the business operates, as well as the suppliers, the environment and the shareholders to whom the Board of Directors is accountable. This is reflected in the Group's business principles.

The directors ensure that the requirements of s172 Companies Act 2006 are met and the interests of all stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review process, which considers the Group strategy for the following years, supported by the budget for the following year and secured by adequate funds.
- Regular scheduled Board presentations and reports; for example, monthly performance reviews including, but not limited to, updates on business and operational matters, Health & Safety and key risks.
- Regular engagement with stakeholders, including, but not limited to, suppliers, customers and employees.
- Consideration of the impact of the Group's operations on the community and the environment, and how this can be improved.

Company's policy for payment of creditors

Payments are made to suppliers according to the terms of the agreement.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

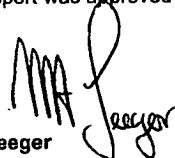
Auditors

Xeinadin Audit Limited t/a Elman Wall was appointed as auditors and have expressed a willingness to continue in office.

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2022**

This report was approved by the board on 12 December 2022 and signed on its behalf.


M A Seeger
Director

ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 MARCH 2022

The directors are responsible for preparing the Directors' report and the consolidated financial statements in accordance with applicable law and generally accepted accounting practice.

Company law applicable to companies in Guernsey requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACL HOLDINGS (GUERNSEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED

Opinion

We have audited the financial statements of ACL Holdings (Guernsey) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 31 March 2022, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and of the parent Company's affairs as at 31 March 2022 and of the Group's loss for the period then ended;
- the financial statements have been prepared in accordance with the Companies (Guernsey) Law, 2008; and
- the financial statements have been properly prepared in accordance with Generally Accepted Accounting Practice; and
- the information given in the Directors' report is consistent with the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the Financial Reporting Council. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ACL HOLDINGS (GUERNSEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the parent Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing. Those standards require us to comply with the Financial Reporting Council's Ethical Standard.

The directors' responsibilities for preparing the financial statements in accordance with applicable law and accounting standards are set out in the Directors' responsibilities statement on page 7.

ACL HOLDINGS (GUERNSEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

ACL HOLDINGS (GUERNSEY) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED
(CONTINUED)**

Xeinadin Audit Limited

Ian Palmer FCA (Senior statutory auditor)

for and on behalf of

Xeinadin Audit Limited t/a Elman Wall

Statutory Auditor

36 Old Jewry

London

EC2R 8DD

Date: *13 December 2022*

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022**

	Note	2022 £
Turnover		2,728
Cost of sales		(39,187)
Gross (loss)/profit		(36,459)
Administrative expenses		(7,717,333)
Other operating income	3	135,371
Operating (loss)/profit	4	(7,618,421)
Interest payable and similar expenses		(68)
(Loss)/profit before taxation		(7,618,489)
(Loss)/profit for the financial period		(7,618,489)
Total comprehensive income for the period		(7,618,489)
(Loss) for the period attributable to:		
Owners of the parent Company		(7,618,489)
		(7,618,489)
Total comprehensive income for the period attributable to:		
Owners of the parent Company		(7,618,489)
		(7,618,489)

The notes on pages 17 to 26 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	Note	2022 £
Fixed assets		
Intangible assets	6	380,229
Tangible assets	7	71,441,518
		<u>71,821,747</u>
Current assets		
Stocks	9	2,214,217
Debtors: amounts falling due within one year	10	2,085,293
Cash at bank and in hand	11	17,229,339
		<u>21,528,849</u>
Creditors: amounts falling due within one year	12	<u>(28,205,713)</u>
Net current (liabilities)/assets		<u>(6,676,864)</u>
Total assets less current liabilities		<u>65,144,883</u>
Creditors: amounts falling due after more than one year - Shareholders' loans	13	(61,359,531)
Provisions for liabilities		
Net assets excluding pension asset		<u>3,785,352</u>
Net assets		<u><u>3,785,352</u></u>
Capital and reserves		
Called up share capital	16	8,903,841
Share premium account	17	2,500,000
Profit and loss account	17	(7,618,489)
Equity attributable to owners of the parent Company		<u>3,785,352</u>
		<u><u>3,785,352</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

12 December 2022


M A Seeger
Director

The notes on pages 17 to 26 form part of these financial statements.

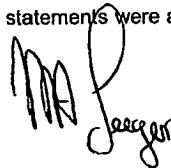
ACL HOLDINGS (GUERNSEY) LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £
Fixed assets		
Investments	8	72,763,371
		<u>72,763,371</u>
Total assets less current liabilities		72,763,371
Creditors: amounts falling due after more than one year - Shareholders' loans	13	(61,359,530)
		<u>11,403,841</u>
Net assets excluding pension asset		11,403,841
Net assets		<u>11,403,841</u>
Capital and reserves		
Called up share capital	16	8,903,841
Share premium account	17	2,500,000
		<u>11,403,841</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
12 December 2022

M A Seeger
Director



The notes on pages 17 to 26 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
Comprehensive income for the period					
Loss for the period	-	-	(7,618,489)	(7,618,489)	(7,618,489)
Other comprehensive income for the period					
	-	-	-	-	-
Total comprehensive income for the period	-	-	(7,618,489)	(7,618,489)	(7,618,489)
Shares issued during the period	8,903,841	2,500,000	-	11,403,841	11,403,841
Total transactions with owners	8,903,841	2,500,000	-	11,403,841	11,403,841
At 31 March 2022	8,903,841	2,500,000	(7,618,489)	3,785,352	3,785,352

The notes on pages 17 to 26 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital	Share premium account	Total equity
	£	£	£
Shares issued during the period	8,903,841	2,500,000	11,403,841
Total transactions with owners	8,903,841	2,500,000	11,403,841
At 31 March 2022	8,903,841	2,500,000	11,403,841

The notes on pages 17 to 26 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

1. General information

ACL Holdings (Guernsey) Limited is a private company limited by shares incorporated in Guernsey, Channel Islands. The address of the registered office is given in the company information page of these financial statements.

The principal activity of the Company is that of a holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies (Guernsey) Law, 2008.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 17 March 2021.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognized by cruise over the period of the respective cruise operation.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.8 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.13 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.15 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

3. Other operating income

	2022 £
Other operating income	135,371
	<u>135,371</u>

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

4. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2022 £
Exchange differences	(29,127)
Other operating lease rentals	733
	<u>733</u>

5. Auditors' remuneration

	2022 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	41,500
	<u>41,500</u>

6. Intangible assets

Group and Company

	Computer software £	Goodwill £	Total £
Cost			
Additions	425,787	1,013,868	1,439,655
Disposals	-	(195,815)	(195,815)
At 31 March 2022	<u>425,787</u>	<u>818,053</u>	<u>1,243,840</u>
Amortisation			
Charge for the period on owned assets	45,558	-	45,558
On disposals	-	(15,815)	(15,815)
Impairment charge	-	833,868	833,868
At 31 March 2022	<u>45,558</u>	<u>818,053</u>	<u>863,611</u>
Net book value			
At 31 March 2022	<u>380,229</u>	<u>-</u>	<u>380,229</u>

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

7. Tangible fixed assets

Group

	Motor vehicles £	Office equipment £	Computer equipment £	Vessels £	Total £
Cost or valuation					
Additions	58,314	2,357	45,444	71,344,696	71,450,811
At 31 March 2022	58,314	2,357	45,444	71,344,696	71,450,811
Depreciation					
Charge for the period on owned assets	5,903	286	3,104	-	9,293
At 31 March 2022	5,903	286	3,104	-	9,293
Net book value					
At 31 March 2022	52,411	2,071	42,340	71,344,696	71,441,518

8. Fixed asset investments

Company

	Investments in subsidiary companies £	Total £
Cost or valuation		
Additions	72,763,371	72,763,371
At 31 March 2022	72,763,371	72,763,371
Net book value		
At 31 March 2022	72,763,371	72,763,371

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

8. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Ambassador Cruise Line Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%
Ambassador Cruise Holidays Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%
Wake Asset Co Ltd	Craigmuir Chambers, Road Town, Tortola, Virgin Islands, Vg 1110	Ordinary	100%
CVI Group Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Ambassador Cruise Line Limited	2,857,576	(7,597,026)
Ambassador Cruise Holidays Limited	(26,350)	(26,351)
Wake Asset Co Ltd	62,307,029	(1,740)
CVI Group Limited	6,832	-

9. Stocks

	Group 2022 £
Food, beverage, housekeeping and fuel stocks	2,214,217
	2,214,217

The difference between purchase price or production cost of stocks and their replacement cost is not material.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

10. Debtors

	Group 2022 £
Trade debtors	71,198
Other debtors	780,552
Prepayments and accrued income	1,233,543
	<u>2,085,293</u>

11. Cash and cash equivalents

	Group 2022 £
Cash at bank and in hand	17,229,339
	<u>17,229,339</u>

Customers' payments for cruises are fully protected as all payments are paid into a trust account. Funds are only released when the cruise has started. The amount held in the trust account as at 31 March 2022 was £14,445,840.

12. Creditors: Amounts falling due within one year

	Group 2022 £
Trade creditors	1,157,584
Other taxation and social security	94,909
Other creditors	467,944
Accruals and deferred income	26,485,276
	<u>28,205,713</u>

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

13. Creditors: Amounts falling due after more than one year

	Group 2022 £	Company 2022 £
Shareholder loans	61,359,531	61,359,530
	<u>61,359,531</u>	<u>61,359,530</u>

Amounts owed to group companies are long-term loans from the ultimate controlling shareholders.

14. Financial instruments

	Group 2022 £
Financial assets	
Financial assets measured at fair value through profit or loss	<u>17,229,339</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

15. Deferred taxation

The Group has unrecognised deferred tax asset in the UK of approximately £1,740,458 that relates to losses and accelerated capital allowances.

16. Share capital

	2022 £
Allotted, called up and fully paid	
8,903,841 Ordinary shares of £1.00 each	<u>8,903,841</u>

17. Reserves**Share premium account**

Share premium includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

18. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £30,700. Contributions totalling £8,590 were payable to the fund at the reporting date and are included in creditors.

19. Commitments under operating leases

At 31 March 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £
Not later than 1 year	5,765
Later than 1 year and not later than 5 years	21,166
	<hr/> 26,931 <hr/>

20. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

	2022 £
Wake Luxco S.a.r.l	(61,359,532)
	<hr/> (61,359,532) <hr/>

21. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

ACL HOLDINGS (GUERNSEY) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

THURSDAY



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COMPANIES HOUSE

ACL HOLDINGS (GUERNSEY) LIMITED
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COMPANY INFORMATION

Directors

E JC Kjellberg
M A Seeger (appointed 6 September 2022)
C Verhounig
G A Wilson
T J A Durston (resigned 29 June 2022)

Registered number

FC038565

Registered office

First Floor Albert House
South Esplanade
St Peter Port
Guernsey
GY1 1AJ

Independent auditors

Xeinadin Audit Limited
Statutory Auditor
36 Old Jewry
London
EC2R 8DD

Accountants

Elman Wall Limited
8th Floor Becket House
36 Old Jewry
London
EC2R 8DD

ACL HOLDINGS (GUERNSEY) LIMITED

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ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2023**

The directors present their report and the financial statements for the period ended 31 March 2023.

Principal activity

The principal activity of the Company is that of a holding company.

Dividends paid

There were no dividends paid in the period under review (2022 - £NIL).

Results

The Profit and loss account for the period is set out on page 12.

Directors

The directors who served during the period were:

E JC Kjellberg
M A Seeger (appointed 6 September 2022)
C Verhounig
G A Wilson
T J A Durston (resigned 29 June 2022)

ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2023

Review of the business

Strategic Report

The directors present their strategic report for the financial period which consists of the year ended 31st March 2023.

Review of the business

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade and has successfully completed its first full fiscal year ending 31st March 2023 of providing no-fly, premium-value cruises.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, as the basis of our ever-growing customer base.

Ambassador is built on six key values:

- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

We offer a premium-value proposition for guests who want a quality product and experience at an accessible price point. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd and CVI Group Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched its successful 2022/23 programme in June 2021 in under five months from being founded. Ambience's maiden voyage took place in April 2022 followed by the our second ship, Ambition, in May 2023. Ambience's homeport is London Tilbury whereas Ambition provides also no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth.

Prior to starting operation, both ships were refurbished and upgraded with sustainability being central to decision making. As a consequence, our ships now operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. Ambience and Ambition are in the top 10%-15% of environmentally sustainable ships allowing them to journey to some of Europe's most untouched corners including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed new advanced wastewater treatment systems, new ballast water treatment systems and new

ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2023

biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us.

Ambassador has formed a long-term strategic partnership with BSM (Bernhard Schulte Ship Management) who operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Business Review 2022/23 & Outlook 2023/24

Our first year of operation as a cruise line was a success story. We completed 22 cruise, visiting close to 100 different destinations. Our commercial occupancy levels averaged more than 90% across the full fiscal year increasing to close to 100% over the last 6 months of the year. Guest feedback was overwhelmingly positive and customer survey results show that 9 out of 10 guest would cruise again with Ambassador and would recommend Ambassador to others.

Importantly, we improved our year-on-year profit by more than +£10m delivering a positive profit (EBITDA of +£3.1m before exceptional items) in our first year of operation after generating an operating loss in 2021/22 (-£7.6m) as we had invested setting-up the business. Net exceptional costs of £0.7m related to the termination/cancellation of two cruises in December 2022. The positive EBITDA in 2022/23 is a strong indicator for a successful future as the business was able to deliver profits from year one of operation and this despite economic pressures such as the increase of fuel prices and increased operating costs due to inflation all created by geopolitical and macro-economical circumstances.

Ambition was on a 7 months humanitarian mission serving as a temporary home for Ukrainian refugees in Glasgow as part of the Scottish resettlement programme while waiting for her refurbishment ahead of her Maiden season.

Ambassador Cruise Line was approved by ABTA as a member in October 2022 providing an additional re-assurance for our guests that enjoy full protection for their piece of mind.

The launch and investment of Ambassador Cruise Line's operation was fully equity funded. In addition, we secured the support of a third-party for a loan to fund the investment to refit our second ship Ambition.

In our second year of operation starting on 1st April 2023, we will more than double the number of cruises and unique destinations contributing to strong top line growth. The 23/24 programme includes itineraries for our popular cruises around Britain, cruises to highlights in Northern Europe, Iceland and the Fjordlands, as well as itineraries in the Mediterranean Sea cruising to Italy, Turkey, Egypt among many others. Furthermore, we will offer our first round-the-world cruise starting in Tilbury and featuring the most amazing destinations that this world offers during its 120 days voyage. Other longer distance cruises take our guests to Canada, the Caribbean, the Canaries and Cape Verde as well as to South America. We will continue to invest in building Ambassador as the number one "premium-value" brand offering an affordable, yet high quality and unforgettable cruise experience.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Providing a premium value product at an affordable price positions Ambassador well to be successful in a competitive and economically challenging environment.

ACL HOLDINGS (GUERNSEY) LIMITED**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023****Principal risks and uncertainties**

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans to mitigate and minimises these risk. As a lean business, we are very agile to take action and execute our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of infectious diseases on board and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are leading in the cruise industry and that are fully endorsed by port health authorities.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In additional to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Fuel price volatility and exchange rate changes can negatively impact operational costs. The Board has established policies that monitor these risks and mitigates them through a balanced approach to hedging.

Our guests and their payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started.

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Directors' section 172 statement

Section 172 deals with the Board of Directors' duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships.

The Board of Directors have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, the directors understand that the business can only grow and prosper over the long-term if the Group and its Board of Directors understand and respect the views and needs of the customers, colleagues and the communities in which the business operates, as well as the suppliers, the environment and the shareholders to whom the Board of Directors is accountable. This is reflected in the Group's business principles.

The directors ensure that the requirements of s172 Companies Act 2006 are met and the interests of all stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review process, which considers the Group strategy for the following years, supported by the budget for the following year and secured by adequate funds.
- Regular scheduled Board presentations and reports; for example, monthly performance reviews including, but not limited to, updates on business and operational matters, Health & Safety and key risks.
- Regular engagement with stakeholders, including, but not limited to, suppliers, customers and employees.
- Consideration of the impact of the Group's operations on the community and the environment, and how this can be improved.

Company's policy for payment of creditors

Payments are made to suppliers according to the terms of the agreements.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Xeinadin Audit Limited, have expressed a willingness to continue in office.

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

This report was approved by the board on 6/10/2023

and signed on its behalf.

DocuSigned by:
Christian Verhounig
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C Verhounig
Director

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2023**

The directors are responsible for preparing the Directors' report and the consolidated financial statements in accordance with applicable law and generally accepted accounting practice.

Company law applicable to companies in Guernsey requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACL HOLDINGS (GUERNSEY) LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED****Opinion**

We have audited the financial statements of ACL Holdings (Guernsey) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 31 March 2023, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and of the parent Company's affairs as at 31 March 2023 and of the Group's loss for the period then ended;
- the financial statements have been prepared in accordance with the Companies (Guernsey) Law, 2008; and
- the financial statements have been properly prepared in accordance with Generally Accepted Accounting Practice; and
- the information given in the Directors' report is consistent with the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the Financial Reporting Council. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ACL HOLDINGS (GUERNSEY) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED
(CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the parent Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing. Those standards require us to comply with the Financial Reporting Council's Ethical Standard.

The directors' responsibilities for preparing the financial statements in accordance with applicable law and accounting standards are set out in the Directors' responsibilities statement on page 7.

ACL HOLDINGS (GUERNSEY) LIMITED
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED
(CONTINUED)**

Auditors' 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 Auditors' 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 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

ACL HOLDINGS (GUERNSEY) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED
(CONTINUED)**

DocuSigned by:

Ian Palmer

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Ian Palmer FCA (Senior statutory auditor)

for and on behalf of
Xeinadin Audit Limited

Statutory Auditor

36 Old Jewry
London
EC2R 8DD
Date: 6/10/2023

ACL HOLDINGS (GUERNSEY) LIMITED
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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover		83,044,580	2,728
Cost of sales		(68,248,766)	(39,187)
Gross profit/(loss)		14,795,814	(36,459)
Administrative expenses		(15,676,332)	(7,717,333)
Exceptional administrative expenses		(717,591)	-
Other operating income	3	-	135,371
Operating loss	4	(1,598,109)	(7,618,421)
Interest receivable and similar income		107,572	-
Interest payable and similar expenses		(1,024,965)	(68)
Loss before taxation		(2,515,502)	(7,618,489)
Loss for the financial period		(2,515,502)	(7,618,489)
(Loss) for the period attributable to:			
Owners of the parent Company		(2,515,502)	(7,618,489)
		(2,515,502)	(7,618,489)
Total comprehensive income for the period attributable to:			
Owners of the parent Company		(2,515,502)	(7,618,489)
		(2,515,502)	(7,618,489)

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2023 (2022: £NIL).

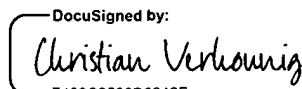
The notes on pages 20 to 33 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	10	640,321	380,229
Tangible assets	11	90,105,740	71,441,518
		<u>90,746,061</u>	<u>71,821,747</u>
Current assets			
Stocks	13	5,713,297	2,214,217
Debtors: amounts falling due after more than one year	14	1,022,614	-
Debtors: amounts falling due within one year	14	9,285,868	2,085,293
Cash at bank and in hand	15	29,964,448	17,229,339
		<u>45,986,227</u>	<u>21,528,849</u>
Creditors: amounts falling due within one year	16	(38,257,889)	(28,205,713)
Net current assets/(liabilities)		<u>7,728,338</u>	<u>(6,676,864)</u>
Total assets less current liabilities		<u>98,474,399</u>	<u>65,144,883</u>
Creditors: amounts falling due after more than one year	17	(97,204,549)	(61,359,531)
Provisions for liabilities			
Net assets excluding pension asset		<u>1,269,850</u>	<u>3,785,352</u>
Net assets		<u><u>1,269,850</u></u>	<u><u>3,785,352</u></u>
Capital and reserves			
Called up share capital	21	8,903,841	8,903,841
Share premium account	22	2,500,000	2,500,000
Profit and loss account	22	(10,133,991)	(7,618,489)
Equity attributable to owners of the parent Company		<u>1,269,850</u>	<u>3,785,352</u>
		<u><u>1,269,850</u></u>	<u><u>3,785,352</u></u>

The financial statements were approved and authorised for issue by the directors and were signed on their behalf on 6/10/2023

DocuSigned by:

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C Verhounig
Director

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2023**

The notes on pages 20 to 33 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	12	80,603,699	72,763,371
		<u>80,603,699</u>	<u>72,763,371</u>
Current assets			
Debtors: amounts falling due within one year	14	8,247,160	-
Cash at bank and in hand	15	3,719	-
		<u>8,250,879</u>	<u>-</u>
Creditors: amounts falling due within one year	16	(7,854,047)	-
		<u>396,832</u>	<u>-</u>
Net current assets		<u>396,832</u>	<u>-</u>
Total assets less current liabilities		<u>81,000,531</u>	<u>72,763,371</u>
Creditors: amounts falling due after more than one year - Shareholders' loans	17	(69,608,977)	(61,359,530)
		<u>11,391,554</u>	<u>11,403,841</u>
Net assets excluding pension asset		<u>11,391,554</u>	<u>11,403,841</u>
Net assets		<u>11,391,554</u>	<u>11,403,841</u>
Capital and reserves			
Called up share capital	21	8,903,841	8,903,841
Share premium account	22	2,500,000	2,500,000
Loss/(profit) for the period		(12,287)	-
Profit and loss account carried forward		(12,287)	-
		<u>11,391,554</u>	<u>11,403,841</u>

The financial statements were approved and authorised for issue by the directors and were signed on their behalf on 6/10/2023

DocuSigned by:

Christian Verhounig

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C Verhounig

Director

The notes on pages 20 to 33 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 April 2022	8,903,841	2,500,000	(7,618,489)	3,785,352	3,785,352
Comprehensive income for the period					
Loss for the period	-	-	(2,515,502)	(2,515,502)	(2,515,502)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(2,515,502)	(2,515,502)	(2,515,502)
Total transactions with owners	-	-	-	-	-
At 31 March 2023	8,903,841	2,500,000	(10,133,991)	1,269,850	1,269,850

The notes on pages 20 to 33 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £	Share premium account £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
Comprehensive income for the period					
Loss for the period	-	-	(7,618,489)	(7,618,489)	(7,618,489)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(7,618,489)	(7,618,489)	(7,618,489)
Contributions by and distributions to owners					
Shares issued during the period	8,903,841	2,500,000	-	11,403,841	11,403,841
Total transactions with owners	8,903,841	2,500,000	-	11,403,841	11,403,841
At 31 March 2022	8,903,841	2,500,000	(7,618,489)	3,785,352	3,785,352

The notes on pages 20 to 33 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED
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**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2022	8,903,841	2,500,000	-	11,403,841
Comprehensive income for the period				
Loss for the period	-	-	(12,287)	(12,287)
	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	8,903,841	2,500,000	(12,287)	11,391,554
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 20 to 33 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED
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**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £	Share premium account £	Total equity £
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	-	-
Contributions by and distributions to owners			
Shares issued during the period	8,903,841	2,500,000	11,403,841
Total transactions with owners	8,903,841	2,500,000	11,403,841
At 31 March 2022	8,903,841	2,500,000	11,403,841

The notes on pages 20 to 33 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023****1. General information**

ACL Holdings (Guernsey) Limited is a private company limited by shares incorporated in Guernsey, Channel Islands. The address of the registered office is given in the company information page of these financial statements.

The principal activity of the Company is that of a holding company.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies (Guernsey) Law, 2008.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 17 March 2021.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognized by cruise over the period of the respective cruise operation.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Research and development

IT project costs are recognised as intangible fixed assets. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 5 years.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.12 Exceptional items

Exceptional items are non-recurring transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

3. Other operating income

	2023	2022
	£	£
Other operating income	-	135,371
	<u>-</u>	<u>135,371</u>
	<u>-</u>	<u>135,371</u>

4. Operating loss

The operating loss is stated after charging:

	2023	2022
	£	£
Research & development charged as an expense	7,795	-
Exchange differences	(67,368)	(29,127)
Other operating lease rentals	4,509	733
	<u>4,509</u>	<u>733</u>

5. Auditors' remuneration

	2023	2022
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	35,500	20,000
Non-audit services	22,500	21,500
	<u>35,500</u>	<u>21,500</u>

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	4,551,125	3,238,202
Social security costs	435,912	292,980
Cost of defined contribution scheme	64,768	30,700
	<u>5,051,805</u>	<u>3,561,882</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2023 No.	2022 No.
Staff	<u>57</u>	<u>33</u>

7. Interest receivable

	2023 £	2022 £
Other interest receivable	107,572	-
	<u>107,572</u>	<u>-</u>

8. Interest payable and similar expenses

	2023 £	2022 £
Other loan interest payable	1,024,965	68
	<u>1,024,965</u>	<u>68</u>

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

9. Exceptional items

	2023 £	2022 £
Exceptional items	717,591	-
	<u>717,591</u>	<u>-</u>

The exceptional items are non-reoccurring costs related to two cancelled cruises in December 2022.

10. Intangible assets**Group and Company**

	Computer software £	Goodwill £	Total £
Cost			
At 1 April 2022	425,787	818,053	1,243,840
Additions	385,490	-	385,490
At 31 March 2023	<u>811,277</u>	<u>818,053</u>	<u>1,629,330</u>
Amortisation			
At 1 April 2022	45,558	818,053	863,611
Charge for the period on owned assets	125,398	-	125,398
At 31 March 2023	<u>170,956</u>	<u>818,053</u>	<u>989,009</u>
Net book value			
At 31 March 2023	<u>640,321</u>	<u>-</u>	<u>640,321</u>
At 31 March 2022	<u>380,229</u>	<u>-</u>	<u>380,229</u>

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

11. Tangible fixed assets**Group**

	Motor vehicles £	Office equipment £	Computer equipment £	Vessels £	Total £
Cost or valuation					
At 1 April 2022	58,314	2,357	45,444	71,344,696	71,450,811
Additions	-	2,021	53,549	22,507,102	22,562,672
At 31 March 2023	58,314	4,378	98,993	93,851,798	94,013,483
Depreciation					
At 1 April 2022	5,903	286	3,104	-	9,293
Charge for the period on owned assets	19,438	1,051	22,381	3,855,580	3,898,450
At 31 March 2023	25,341	1,337	25,485	3,855,580	3,907,743
Net book value					
At 31 March 2023	32,973	3,041	73,508	89,996,218	90,105,740
At 31 March 2022	52,411	2,071	42,340	71,344,696	71,441,518

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

12. Fixed asset investments**Company**

	Investments in subsidiary companies £	Trade investments £	Total £
Cost or valuation			
At 1 April 2022	72,763,371	-	72,763,371
Additions	-	7,840,328	7,840,328
At 31 March 2023	<u>72,763,371</u>	<u>7,840,328</u>	<u>80,603,699</u>
Net book value			
At 31 March 2023	<u>72,763,371</u>	<u>7,840,328</u>	<u>80,603,699</u>
At 31 March 2022	<u>72,763,371</u>	<u>-</u>	<u>72,763,371</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Ambassador Cruise Line Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%
Ambassador Cruise Holidays Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%
Wake Asset Co Ltd	Craigmuir Chambers, Road Town, Tortola, Virgin Islands, Vg 1110	Ordinary	100%
CVI Group Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

12. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 March 2023 and the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Ambassador Cruise Line Limited	10,697,697	(2,716,878)
Ambassador Cruise Holidays Limited	154,539	180,886
Wake Asset Co Ltd	62,339,805	32,775
CVI Group Limited	6,832	-

13. Stocks

	Group 2023 £	Group 2022 £
Food, beverage and fuel stocks	5,713,297	2,214,217
	<u>5,713,297</u>	<u>2,214,217</u>

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

14. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due after more than one year				
Other debtors	1,022,614	-	-	-
	<u>1,022,614</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due within one year				
Trade debtors	591,633	71,198	-	-
Amounts owed by group undertakings	-	-	8,247,160	-
Other debtors	3,872,632	780,552	-	-
Prepayments and accrued income	4,821,603	1,233,543	-	-
	<u>9,285,868</u>	<u>2,085,293</u>	<u>8,247,160</u>	<u>-</u>

15. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	29,964,448	17,229,339	3,719	-
	<u>29,964,448</u>	<u>17,229,339</u>	<u>3,719</u>	<u>-</u>

Customers' payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started. The amount held in the trust account as at 31 March 2023 was £15,200,000 (2022: £14,445,840).

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

16. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Other loans	4,062,828	-	-	-
Trade creditors	4,286,880	1,157,584	-	-
Amounts owed to group undertakings	-	-	7,840,328	-
Other taxation and social security	121,669	94,909	-	-
Other creditors	1,853,531	467,944	13,719	-
Accruals and deferred income	27,932,981	26,485,276	-	-
	<u>38,257,889</u>	<u>28,205,713</u>	<u>7,854,047</u>	<u>-</u>

17. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Other loans	27,595,572	-	-	-
Shareholder loans	69,608,977	61,359,531	69,608,977	61,359,530
	<u>97,204,549</u>	<u>61,359,531</u>	<u>69,608,977</u>	<u>61,359,530</u>

18. Loans

Analysis of the maturity of loans is given below:

	Group 2023 £	Group 2022 £
Amounts falling due within one year		
Other loans	4,062,828	-
Amounts falling due 1-2 years		
Other loans	5,065,344	-
Amounts falling due 2-5 years		
Other loans	22,530,228	-
	<u>31,658,400</u>	<u>-</u>

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

19. Financial instruments

	Group 2023 £	Group 2022 £
Financial assets		
Financial assets measured at fair value through profit or loss	29,964,448	17,229,339

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

20. Deferred taxation

The Group has unrecognised deferred tax asset in the UK of approximately £TBC (2022: £1,740,458) that relates to losses and accelerated capital allowances.

21. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
8,903,841 (2022 - 8,903,841) Ordinary shares of £1.00 each	8,903,841	8,903,841

22. Reserves**Share premium account**

Share premium includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

The profit and loss account represents cumulative profit and loss net of distributions to owners.

23. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £47,452 (2022: £30,700). Contributions totalling £11,862 (2022: £8,590) were payable to the fund at the reporting date and are included in creditors.

ACL HOLDINGS (GUERNSEY) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

24. Commitments under operating leases

At 31 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Not later than 1 year	5,765	5,765	5,765	5,765
Later than 1 year and not later than 5 years	15,401	21,166	15,401	21,166
	<u>21,166</u>	<u>26,931</u>	<u>21,166</u>	<u>26,931</u>

25. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

	2023 £	2022 £
Wake Luxco S.a.r.l	(68,768,277)	(61,359,532)
	<u>(68,768,277)</u>	<u>(61,359,532)</u>

26. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

Guernsey 68957 / England & Wales FC 038565

ACL HOLDINGS (GUERNSEY) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ACL HOLDINGS (GUERNSEY) LIMITED

COMPANY INFORMATION

Directors	C Verhounig L J Sinclair (appointed 16 October 2023) F S Montgomery (appointed 17 October 2023) S E M Higginson (appointed 16 October 2023) T J A Durston (appointed 16 October 2023) G A Wilson E J C Kjellberg
Registered number	FC038565
Registered office	First Floor Albert House South Esplanade St Peter Port Guernsey GY1 1AJ
Independent auditors	Xeinadin Audit Limited Statutory Auditors & Chartered Accountants Becket House 36 Old Jewry London EC2R 8DD

ACL HOLDINGS (GUERNSEY) LIMITED

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ACL HOLDINGS (GUERNSEY) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

Principal activity

The principal activity of the Company is that of a holding company. The principal activity of the Group is that of a cruise line operator.

Business review

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade and has successfully completed its second full fiscal year ending 31st March 2024 of providing no-fly, premium-value cruises.

Our unit economics show clear evidence of progress with both Ambience and Ambition demonstrating considerable profitability on a cruise by cruise at peak times which, when a full year of cruising takes place in 24/25, with an additional 100 days should represent a strong drive to profitability.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, as the basis of our ever-growing customer base.

Ambassador is built on six key values:

- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

We offer a premium-value proposition for guests who want a quality product and experience at an accessible price point. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd and CVI Group Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched its successful 2022/23 programme in June 2021 in under five months from being founded. Ambience's maiden voyage took place in April 2022 followed by our second ship, Ambition, in May 2023. Ambience's homeport is London Tilbury whereas Ambition provides also no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth and as such offering the most regional departures of any cruise line in the UK and making cruising accessible to the entire UK population.

Prior to starting operation, both ships were refurbished and upgraded with sustainability being central to decision making. As a consequence, our ships now operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. Ambience and Ambition are in the top 15% of environmentally sustainable ships allowing them to journey to some of Europe's most untouched corners

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed new advanced wastewater treatment systems, new ballast water treatment systems and new biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us.

Ambassador has formed a long-term strategic partnership with BSM (Bernhard Schulte Ship Management) who operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Ambassador Cruise Line was approved as member by ABTA in October 2022 providing an additional reassurance for our guests that already enjoy full protection through our unique trust arrangements where monies are held prior sailing for their piece of mind.

Business Review 2023/24 & Outlook 2024/25

Our second year of operation as a cruise line was a year of firsts. Our second ship, Ambition, entered service in May 2023 and together with Ambience carried over 52,000 guests on 49 cruises to 155 destinations; this includes Ambience's Maiden Round the World Cruise which departed from London Tilbury on 6th January 2024 for 120 nights visiting 37 ports. Our commercial occupancy levels averaged 87%, with guest feedback still overwhelmingly positive and customer survey results still showing show that more than 93% of all guests would cruise again with Ambassador and would recommend Ambassador to others.

Total revenue grew from £83.0m to £96.4m, EBITDA loss for the year was in line with expectations and management forecast due to the growth of the business and actual available operating nights at -£11.7m. We completed successfully Ambience's first dry dock, which, when combined with Ambition's launch in May, left 100 operating nights without cruises.

In the first two months of 2024 we successfully completed a bond raise in the Norwegian Bond Market to refinance the existing third party loan, which also includes a tap facility to fund future expansions. This represents a significant milestone for the company as we become a more public facing business and shows confidence from the investment markets in our brand and vision.

At the end of March we launched our 25/26 season even earlier than last year which has been well received by guests and partners, and is showing very strong early booking patterns. Itinerary planning is already well advanced for 26/27 and the subsequent season launch is being scheduled.

In our third year of operation starting on 1st April 2024, we will return to profitability as both Ambience and Ambition will operate for the full year on a range of itineraries around Britain and Northern Europe, and further afield to the Mediterranean and Caribbean. We will continue to invest in building Ambassador as the number one "premium-value" brand offering an affordable, yet high quality and unforgettable cruise experience.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Providing a premium value product at an affordable price

Dividends paid

There were no dividends paid in the period under review (2023 - £NIL).

Results

The Profit and loss account for the period is set out on page 10.

Directors

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

The directors who served during the year were:

C Verhounig
L J Sinclair (appointed 16 October 2023)
F S Montgomery (appointed 17 October 2023)
S E M Higginson (appointed 16 October 2023)
T J A Durston (appointed 16 October 2023)
G A Wilson
E J C Kjellberg

Principal risks and uncertainties

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans to mitigate and minimises these risk. As a lean business, we are very agile to take action and execute our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of infectious diseases on board and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are leading in the cruise industry and that are fully endorsed by port health authorities.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In addition to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Fuel price volatility and exchange rate changes can negatively impact operational costs. The Board has established policies that monitor these risks and mitigates them through a balanced approach to hedging.

Our guests and their payments for cruises are fully protected as all payments are put in a trust account. Funds are only released to us when the cruise has started.

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Company's policy for payment of creditors

Payments are made to suppliers according to the terms of the agreements.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Xeinadin Audit Limited, have expressed a willingness to continue in office.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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F S Montgomery
Director

Date: 7/6/2024

ACL HOLDINGS (GUERNSEY) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024**

The directors are responsible for preparing the Directors' report and the consolidated financial statements in accordance with applicable law and generally accepted accounting practice.

Company law applicable to companies in Guernsey requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ACL HOLDINGS (GUERNSEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED

Opinion

We have audited the financial statements of ACL Holdings (Guernsey) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2024, which comprise the Consolidated statement of comprehensive income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and of the parent Company's affairs as at 31 March 2024 and of the Group's loss for the year then ended;
- the financial statements have been prepared in accordance with the Companies (Guernsey) Law, 2008; and
- the financial statements have been properly prepared in accordance with Generally Accepted Accounting Practice; and
- the information given in the Directors' report is consistent with the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the Financial Reporting Council. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In forming our opinion, we have considered the adequacy of the disclosures made in financial statements concerning the Group's ability to continue as a going concern. We draw your attention to Note 2.3. The financial statements do not include any adjustments that would results from a failure to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ACL HOLDINGS (GUERNSEY) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED
(CONTINUED)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the parent Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing. Those standards require us to comply with the Financial Reporting Council's Ethical Standard.

The directors' responsibilities for preparing the financial statements in accordance with applicable law and accounting standards are set out in the Directors' responsibilities statement on page 5.

ACL HOLDINGS (GUERNSEY) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED
(CONTINUED)**

Auditors' 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 Auditors' 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 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Enquiry of management and those charged with governance around actual and potential litigation and claims;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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.

ACL HOLDINGS (GUERNSEY) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACL HOLDINGS (GUERNSEY) LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Ian Palmer FCA (Senior statutory auditor)

for and on behalf of
Xeinadin Audit Limited

Statutory Auditors
Chartered Accountants

Becket House
36 Old Jewry
London
EC2R 8DD
Date: 7/6/2024

ACL HOLDINGS (GUERNSEY) LIMITED**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	As restated 2023 £
Turnover		98,186,004	83,044,580
Cost of sales		(95,521,309)	(69,313,232)
Gross profit		2,664,695	13,731,348
Administrative expenses		(22,374,482)	(15,676,332)
Exceptional administrative expenses		-	(717,591)
Operating loss	4	(19,709,787)	(2,662,575)
Interest receivable and similar income	8	638,899	107,572
Interest payable and similar expenses	9	(9,927,845)	(1,024,965)
Loss before taxation		(28,998,733)	(3,579,968)
Tax on loss	10	(36,482)	-
Loss for the financial year		(29,035,215)	(3,579,968)
(Loss) for the year attributable to:			
Owners of the parent Company		(29,035,215)	(3,579,968)
		(29,035,215)	(3,579,968)
Total comprehensive income for the year attributable to:			
Owners of the parent Company		(570,172)	(3,579,968)
		(570,172)	(3,579,968)

There were no recognised gains and losses for 2024 or 2023 other than those included in the consolidated statement of comprehensive income.

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	12	912,034	640,321
Tangible assets	13	135,067,252	90,105,740
		<u>135,979,286</u>	<u>90,746,061</u>
Current assets			
Stocks	15	5,165,686	5,171,406
Debtors: amounts falling due after more than one year	16	-	1,022,614
Debtors: amounts falling due within one year	16	10,027,449	8,763,293
Cash at bank and in hand	17	24,321,745	29,964,448
		<u>39,514,880</u>	<u>44,921,761</u>
Creditors: amounts falling due within one year	18	(48,543,095)	(38,257,889)
Net current (liabilities)/assets		<u>(9,028,215)</u>	<u>6,663,872</u>
Total assets less current liabilities		<u>126,951,071</u>	<u>97,409,933</u>
Financed by:			
Creditors: Amounts Falling Due After More Than One Year	19	127,315,859	97,204,549
Capital and reserves			
Share Capital	23	8,903,841	8,903,841
Share Premium Account	24	2,500,000	2,500,000
Revaluation Reserve	24	28,465,043	-
Restated Profit And Loss Account	24	(40,233,672)	(11,198,457)
Equity attributable to owners of the parent Company		<u>(364,788)</u>	<u>205,384</u>
Total financing		<u>126,951,071</u>	<u>97,409,933</u>

ACL HOLDINGS (GUERNSEY) LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2024

The financial statements were approved and authorised for issue by the directors and were signed on their behalf by:

DocuSigned by:

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F S Montgomery
Director

Date: 7/6/2024

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
Fixed assets			
Investments	14	103,785,994	80,603,699
		103,785,994	80,603,699
Current assets			
Debtors: amounts falling due within one year	16	49,209,289	8,247,160
Cash at bank and in hand	17	22,756	3,719
		49,232,045	8,250,879
Creditors: amounts falling due within one year	18	(14,612,838)	(7,854,047)
Net current assets		34,619,207	396,832
Total assets less current liabilities		138,405,201	81,000,531
Financed by:			
Creditors: Amounts Falling Due After More Than One Year		127,799,617	69,608,977
Capital and reserves			
Share Capital		8,903,841	8,903,841
Share premium		2,500,000	2,500,000
Profit and loss account		(798,257)	(12,287)
Equity attributable to owners of the parent Company		10,605,584	11,391,554
Total financing		138,405,201	81,000,531

The financial statements were approved and authorised for issue by the directors and were signed on their behalf by:

F S Montgomery
Director

DocuSigned by:
Fraser Montgomery
71B79E06FE0A42F...

Date:

7/6/2024

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024**

	Called up share capital	Share premium account	Revaluation reserve	Restated Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£	£
At 1 April 2023	8,903,841	2,500,000	-	(11,198,457)	205,384	205,384
Comprehensive income for the year						
Loss for the year	-	-	-	(29,035,215)	(29,035,215)	(29,035,215)
Revaluation surplus	-	-	28,465,043	-	28,465,043	28,465,043
Total comprehensive income for the year	-	-	28,465,043	(29,035,215)	(570,172)	(570,172)
At 31 March 2024	8,903,841	2,500,000	28,465,043	(40,233,672)	(364,788)	(364,788)

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 April 2022	8,903,841	2,500,000	(7,618,489)	3,785,352	3,785,352
Comprehensive income for the year					
Loss for the year	-	-	(3,579,968)	(3,579,968)	(3,579,968)
Total comprehensive income for the year	-	-	(3,579,968)	(3,579,968)	(3,579,968)
At 31 March 2023	8,903,841	2,500,000	(11,198,457)	205,384	205,384

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2023	8,903,841	2,500,000	(12,287)	11,391,554
Comprehensive income for the year				
Loss for the year	-	-	(785,970)	(785,970)
Total comprehensive income for the year	-	-	(785,970)	(785,970)
At 31 March 2024	8,903,841	2,500,000	(798,257)	10,605,584

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2022	8,903,841	2,500,000	-	11,403,841
Comprehensive income for the year				
Loss for the year	-	-	(12,287)	(12,287)
Total comprehensive income for the year	-	-	(12,287)	(12,287)
At 31 March 2023	8,903,841	2,500,000	(12,287)	11,391,554

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
Cash flows from operating activities		
Loss for the financial year	(29,035,215)	(3,579,968)
Adjustments for:		
Amortisation of intangible assets	210,959	125,398
Depreciation of tangible assets	7,073,359	3,898,450
Interest paid	9,927,845	1,024,965
Interest received	(638,899)	(107,572)
Taxation charge	36,482	-
Decrease/(increase) in stocks	5,720	(2,957,189)
Decrease/(increase) in debtors	6,758,458	(7,700,614)
Increase in creditors	64,881,812	14,238,794
Net cash generated from operating activities	59,220,521	4,942,264
Cash flows from investing activities		
Purchase of intangible fixed assets	(482,672)	(385,490)
Purchase of tangible fixed assets	(23,569,828)	(22,562,672)
Interest received	638,899	107,572
Net cash from investing activities	(23,413,601)	(22,840,590)

ACL HOLDINGS (GUERNSEY) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from financing activities		
Other new loans	-	31,658,400
Repayment of other loans	(31,658,400)	-
Repayment of/new finance leases	136,622	-
Interest paid	(9,927,845)	(1,024,965)
Net cash used in financing activities	(41,449,623)	30,633,435
Net (decrease)/increase in cash and cash equivalents	(5,642,703)	12,735,109
Cash and cash equivalents at beginning of year	29,964,448	17,229,339
Cash and cash equivalents at the end of year	24,321,745	29,964,448
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	24,321,745	29,964,448
	24,321,745	29,964,448

The notes on pages 20 to 38 form part of these financial statements.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. General information

ACL Holdings (Guernsey) Limited is a private company limited by shares incorporated in Guernsey, Channel Islands. The address of the registered office is given in the company information page of these financial statements. The principal activity of the Company is that of a holding company. The principal activity of the Group is that of a cruise line operator.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies (Guernsey) Law, 2008.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 17 March 2021.

2.3 Going concern

The Company meets its working capital requirements through support from group companies and long-term financing arrangements. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.4 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognized by cruise over the period of the respective cruise operation.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Research and development

IT project costs are recognised as intangible fixed assets. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 5 years.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.9 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.11 Pensions**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.12 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

2.13 Exceptional items

Exceptional items are non-recurring transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.14 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)
2.15 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Vessels	- 15-20 years
Motor vehicles	- 3-5 years
Right of use asset	- 3-5 years
Office equipment	- 3-5 years
Computer equipment	- 3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.18 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.20 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.21 Financial instruments (continued)

course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are recognised to be relevant. Actual results may differ from these estimates. These estimates include depreciation of tangible fixed assets, and amortisation of intangible fixed assets.

4. Operating loss

The operating loss is stated after charging:

	2024 £	2023 £
Research & development charged as an expense	24,765	7,795
Exchange differences	571,081	(67,368)
Other operating lease rentals	(5,808)	4,509

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors and their associates:

	2024 £	2023 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	42,000	35,500
Fees payable to the Company's auditors and their associates in respect of:		
Non-audit services	18,000	22,500

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	4,615,876	4,551,125
Social security costs	406,697	435,912
Cost of defined contribution scheme	84,568	64,768
	5,107,141	5,051,805

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Employees and directors	78	57

7. Directors' remuneration

The highest paid director received remuneration of £780,000 (2023 - £780,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2023 - £NIL).

The total accrued pension provision of the highest paid director at 31 March 2024 amounted to £NIL (2023 - £NIL).

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Interest receivable

	2024 £	2023 £
Other interest receivable	638,899	107,572
	<u>638,899</u>	<u>107,572</u>

9. Interest payable and similar expenses

	2024 £	2023 £
Other loan interest payable	3,951,293	1,024,965
Fleetscape financing costs	5,976,552	-
	<u>9,927,845</u>	<u>1,024,965</u>

10. Taxation

	2024 £	2023 £
Corporation tax		
Current tax on profits for the year	36,482	-
	<u>36,482</u>	<u>-</u>
Total current tax	<u>36,482</u>	<u>-</u>

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

10. Taxation (continued)
Factors affecting tax charge for the year

The tax assessed for the year is higher than (2023 - higher than) the standard rate of corporation tax of 25% (2023 - 19%). The differences are explained below:

	2024 £	2023 £
Loss on ordinary activities before tax	(28,998,733)	(3,579,968)
Loss on ordinary activities multiplied by standard rate of corporation tax of 25% (2023 - 19%)	(7,249,683)	(680,194)
Effects of:		
Other timing differences leading to an increase (decrease) in taxation	7,286,165	680,194
Total tax charge for the year	36,482	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Exceptional items

	2024 £	2023 £
Exceptional items	-	717,591
	-	717,591

The exceptional items in the prior year are non-reoccurring costs related to two cancelled cruises in December 2022.

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Intangible assets
Group and Company

	Computer software £	Goodwill £	Total £
Cost			
At 1 April 2023	811,277	818,053	1,629,330
Additions	482,672	-	482,672
At 31 March 2024	<u>1,293,949</u>	<u>818,053</u>	<u>2,112,002</u>
Amortisation			
At 1 April 2023	170,956	818,053	989,009
Charge for the year on owned assets	210,959	-	210,959
At 31 March 2024	<u>381,915</u>	<u>818,053</u>	<u>1,199,968</u>
Net book value			
At 31 March 2024	<u>912,034</u>	<u>-</u>	<u>912,034</u>
At 31 March 2023	<u>640,321</u>	<u>-</u>	<u>640,321</u>

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Tangible fixed assets
Group

	Motor vehicles £	Right of use asset £	Office equipment £	Computer equipment £	Vessels £
Cost or valuation					
At 1 April 2023	58,314	-	4,378	98,993	93,851,798
Additions	11,409	168,959	724	49,392	23,339,344
Revaluations	-	-	-	-	28,465,043
At 31 March 2024	<u>69,723</u>	<u>168,959</u>	<u>5,102</u>	<u>148,385</u>	<u>145,656,185</u>
Depreciation					
At 1 April 2023	25,341	-	1,337	25,485	3,855,580
Charge for the year on owned assets	21,171	43,384	1,678	44,579	6,962,547
At 31 March 2024	<u>46,512</u>	<u>43,384</u>	<u>3,015</u>	<u>70,064</u>	<u>10,818,127</u>
Net book value					
At 31 March 2024	<u>23,211</u>	<u>125,575</u>	<u>2,087</u>	<u>78,321</u>	<u>134,838,058</u>
At 31 March 2023	<u>32,973</u>	<u>-</u>	<u>3,041</u>	<u>73,508</u>	<u>89,996,218</u>

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Tangible fixed assets (continued)

	Total £
Cost or valuation	
At 1 April 2023	94,013,483
Additions	23,569,828
Revaluations	28,465,043
At 31 March 2024	146,048,354
Depreciation	
At 1 April 2023	3,907,743
Charge for the year on owned assets	7,073,359
At 31 March 2024	10,981,102
Net book value	
At 31 March 2024	135,067,252
At 31 March 2023	90,105,740

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Fixed asset investments
Company

	Investments in subsidiary companies £	Total £
Cost or valuation		
At 1 April 2023	80,603,699	80,603,699
Additions	23,182,295	23,182,295
At 31 March 2024	<u>103,785,994</u>	<u>103,785,994</u>
Net book value		
At 31 March 2024	<u>103,785,994</u>	<u>103,785,994</u>
At 31 March 2023	<u>80,603,699</u>	<u>80,603,699</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Ambassador Cruise Line Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%
Ambassador Cruise Holidays Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%
Wake Asset Co Ltd	Craigmuir Chambers, Road Town, Tortola, Virgin Islands, Vg 1110	Ordinary	100%
CVI Group Limited	8th Floor Becket House, 36 Old Jewry, London, EC2R 8DD	Ordinary	100%

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Fixed asset investments (continued)

Subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 March 2024 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Ambassador Cruise Line Limited	(3,622,296)	(11,603,115)
Ambassador Cruise Holidays Limited	(497,298)	(651,838)
Wake Asset Co Ltd	75,211,436	12,871,631
CVI Group Limited	(8,300)	(15,132)

15. Stocks

	Group 2024 £	Group As restated 2023 £
Food, beverage and fuel stocks	5,165,686	5,171,406
	<u>5,165,686</u>	<u>5,171,406</u>

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Due after more than one year				
Other debtors	-	1,022,614	-	-
	<u>-</u>	<u>1,022,614</u>	<u>-</u>	<u>-</u>
	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Due within one year				
Trade debtors	191,594	591,633	65	-
Amounts owed by group undertakings	-	-	49,209,224	8,247,160
Other debtors	1,975,101	3,350,057	-	-
Prepayments and accrued income	7,860,754	4,821,603	-	-
	<u>10,027,449</u>	<u>8,763,293</u>	<u>49,209,289</u>	<u>8,247,160</u>

17. Cash and cash equivalents

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Cash at bank and in hand	24,321,745	29,964,448	22,756	3,719
	<u>24,321,745</u>	<u>29,964,448</u>	<u>22,756</u>	<u>3,719</u>

Customers' payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started. The amount held in the trust account as at 31 March 2024 was £16,300,000 (2023: £15,200,000).

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Creditors: Amounts falling due within one year

	Group 2024	Group 2023	Company 2024	Company 2023
	£	£	£	£
Other loans	-	4,062,828	-	-
Trade creditors	8,112,947	4,286,880	-	-
Amounts owed to group undertakings	-	-	14,140,082	7,840,328
Corporation tax	36,482	-	-	-
Other taxation and social security	311,713	121,669	-	-
Obligations under finance lease and hire purchase contracts	136,622	-	-	-
Other creditors	1,069,711	1,853,531	22,756	13,719
Accruals and deferred income	38,875,620	27,932,981	450,000	-
	48,543,095	38,257,889	14,612,838	7,854,047

Accruals and deferred income includes receipts from customers for departures after the balance sheet date amounting to £27,616,761 (2023: £24,863,107)

19. Creditors: Amounts falling due after more than one year

	Group 2024	Group 2023	Company 2024	Company 2023
	£	£	£	£
Other loans	-	27,595,572	-	-
Shareholder loans	76,608,977	69,608,977	77,092,735	69,608,977
Other creditors	50,706,882	-	50,706,882	-
	127,315,859	97,204,549	127,799,617	69,608,977

ACL HOLDINGS (GUERNSEY) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

20. Loans

Analysis of the maturity of loans is given below:

	Group 2024 £	Group 2023 £
Amounts falling due within one year		
Other loans	-	4,062,828
	<hr/> -	<hr/> 4,062,828
Amounts falling due 1-2 years		
Other loans	-	5,065,344
	<hr/> -	<hr/> 5,065,344
Amounts falling due 2-5 years		
Other loans	-	22,530,228
	<hr/> -	<hr/> 22,530,228
	<hr/> -	<hr/>
	<hr/> -	<hr/> 31,658,400
	<hr/> <hr/>	<hr/> <hr/>

21. Financial instruments

	Group 2024 £	Group 2023 £
Financial assets		
Financial assets measured at fair value through profit or loss	24,321,745	29,964,448
	<hr/> <hr/>	<hr/> <hr/>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

22. Deferred taxation

The Group has unrecognised deferred tax asset in the UK of approximately £489,225 (2023: £1,740,458) that relates to losses and accelerated capital allowances.

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. Share capital

	2024 £	2023 £
Allotted, called up and fully paid		
8,903,841 (2023 - 8,903,841) Ordinary shares of £1.00 each	<u>8,903,841</u>	<u>8,903,841</u>

24. Reserves

Share premium account

Share premium includes any premium recieved on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve

The Company's revaluation reserves reflect the increase in its valuation of vessels. Valuations were undertaken by a 3rd party company.

Profit and loss account

The profit and loss account represents cumulative profit and loss net of distributions to owners.

25. Prior year adjustment

During the year the directors discovered an incorrect accounting treatment on the consumption of the beverage inventory in the previous year which was corrected by way of a prior year adjustment. The net impact on the reserves brought forward was £541,891 debit.

During the year the directors discovered an incorrect accounting treatment of on board crew purchases in the previous year which was corrected by way of a prior year adjustment. The net impact on the reserves brought forward was £522,575 debit

26. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £84,568 (2023: £55,826). Contributions totalling £32,452 (2023: £11,862) were payable to the fund at the reporting date and are included in creditors.

ACL HOLDINGS (GUERNSEY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

27. Commitments under operating leases

At 31 March 2024 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Not later than 1 year	-	5,765	-	5,765
Later than 1 year and not later than 5 years	-	15,401	-	15,401
	-	21,166	-	21,166

28. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

29. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

FINANCIAL STATEMENTS OF THE ISSUER AND THE GUARANTORS

2. Audited financial statements of Ambassador Cruise Line Limited for 2021/2022 and 2023/2024, including auditor reports

Registered number: 13326491

AMBASSADOR CRUISE LINE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

THURSDAY



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COMPANIES HOUSE

AMBASSADOR CRUISE LINE LIMITED

COMPANY INFORMATION

Directors	C Coates (appointed 9 April 2021, resigned 1 June 2022) T JA Durston (appointed 20 April 2021, resigned 28 June 2022) P M Gardner (appointed 6 April 2022) G J Nardini (appointed 16 November 2021) M A Seeger (appointed 6 April 2022) C Verhounig (appointed 9 April 2021) S M Weeks (appointed 9 April 2021)
Registered number	13326491
Registered office	8th Floor Becket House 36 Old Jewry London EC2R 8DD
Independent auditors	Xeinadin Audit Limited t/a Elman Wall Statutory Auditor 8th floor Becket House 36 Old Jewry London England EC2R 8DD
Accountants	Elman Wall Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

AMBASSADOR CRUISE LINE LIMITED

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**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022**

The directors present their report and the financial statements for the period ended 31 March 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AMBASSADOR CRUISE LINE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2022

Business review

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd. ACL Holdings (Guernsey) Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched in under five months from being founded. Sales exceeded expectations, with 50% of the 2022/23 programme sold within three months of going on sale. This demonstrates that Ambassador was correctly positioned, that ample pent-up demand existed for a niche operator and confirmed our belief in the underlying strength of the UK travel market as it emerged from the pandemic.

We have developed a proposition for guests who want a quality offering at an accessible price point. This we coined 'premium-value'. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We will continue to blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, the basis of our ever-growing database.

Ambassador is built on six key values:

- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

In our first financial year ending March 2022, we set-up our organisation and operations, purchased our first two ships and launched commercially resulting in above industry forward bookings.

Ambience is our flagship of the fleet. Her maiden voyage took place in April 2022 and her homeport is London Tilbury. She was refurbished and upgraded with sustainability central to decision making. Onboard, no single-use plastic is a prerequisite, and from in-room amenities to staff uniforms we have selected eco-conscious products. Ambassador Cruise Line is also committed to smart technology with a strong paperless ethos, reducing wastage. Technology has also been used as an alternative to printing menus, shore plans and activity schedules.

With its careful configuration, Ambience offers a feeling of spaciousness. Facilities wise, guests can be entertained at The Observatory, The Palladium providing musical, dance and theatre shows, or bars such as Raffles Bar, Botanical Lounge, SW19 and The Purple Turtle Pub. Other areas include Aces & Eights bridge and card room, the Ambassador Casino, the gym, Green Sea Spa, Kapoor's crafting studio, Brontë's library, the shopping galleria, swimming and relaxation pools, two hot tubs and an outdoor movie screen. Dining options include Buckingham restaurant for traditional formal dining, Borough Market serving international cuisine, Alfresco Grill for outdoor eating or a la carte at Saffron, Sea & Grass and the Chef's Table.

AMBASSADOR CRUISE LINE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2022**

Her maiden season sees her sail to, among others, the Norwegian Fjords, Nordic countries, British Isles, the Mediterranean and the Canary Islands, as well as longer cruises to Canada and Cuba.

Ambassador's second ship *Ambition* will set sail in 2023, providing no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth.

Our ships operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. *Ambience* is in the top 10%-15% of environmentally sustainable ships allowing her to journey to some of Europe's most untouched corners including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed a new advanced wastewater treatment system, a new ballast water treatment system and new biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us. The same upgrades will be applied to *Ambition* ahead of her coming into service.

Ambassador has formed a long-term strategic partnership with Hamburg based BSM (Bernhard Schulte Ship Management) who operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Business Review 2021/22 & Outlook 22/23

The launch of Ambassador Cruise Line was fully equity funded.

In its first year of operation ending 31 March 2022, we did not generate any revenue as *Ambience* only started cruising in April 2022. This resulted in an operating loss of (£7.6m) behind costs to set-up the business operation.

Our first eight cruises customer survey results show (available at date of report) that 9 out of 10 guests would cruise with Ambassador again and would recommend Ambassador to others.

At the start of our FY22/23 in April 2022, we had already sold more than 70% of our target for our fiscal year ending March 2023, and we are well on track to be a profitable cruise line in our first year of operation despite economic pressures such as the increase of fuel prices and increase of operating costs related to inflation.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Aligning our price point closer to the 'value' cruise category, our outlook is positive as we may see a shift in guests moving across from other lines.

Directors

The directors who served during the period were:

C Coates (appointed 9 April 2021, resigned 1 June 2022)
T JA Durston (appointed 20 April 2021, resigned 28 June 2022)
G J Nardini (appointed 16 November 2021)
C Verhounig (appointed 9 April 2021)
S M Weeks (appointed 9 April 2021)

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2022**

Principal risks and uncertainties

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans in place to mitigate and minimises these risk. As a lean business, we are very agile to take action executing our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. We have the ability to quickly and efficiently adjust to geopolitical and macroeconomic changes due to our moveable assets. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of the COVID-19 pandemic and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests must take a Covid test prior to sailing to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are fully endorsed by port health authorities and leading in the cruise industry.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In additional to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Our guests and their payments for cruises are fully protected as all payments are put in a trust account. Funds are only released to us when the cruise has started.

AMBASSADOR CRUISE LINE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2022**

Directors' section 172 statement

Section 172 deals with the Board of Directors' duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships.

The Board of Directors have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, the directors understand that the business can only grow and prosper over the long-term if the Group and its Board of Directors understand and respect the views and needs of the customers, colleagues and the communities in which the business operates, as well as the suppliers, the environment and the shareholders to whom the Board of Directors is accountable. This is reflected in the Group's business principles.

The directors ensure that the requirements of s172 Companies Act 2006 are met and the interests of all stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review process, which considers the Group strategy for the following years, supported by the budget for the following year and secured by adequate funds.
- Regular scheduled Board presentations and reports; for example, monthly performance reviews including, but not limited to, updates on business and operational matters, Health & Safety and key risks.
- Regular engagement with stakeholders, including, but not limited to, suppliers, customers and employees.
- Consideration of the impact of the Group's operations on the community and the environment, and how this can be improved.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Xeinadin Audit Limited was appointed as auditors and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 12 December 2022 and signed on its behalf.


M A Seeger
Director

AMBASSADOR CRUISE LINE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED

Opinion

We have audited the financial statements of Ambassador Cruise Line Limited (the 'Company') for the period ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

AMBASSADOR CRUISE LINE LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED
(CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED
(CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

AMBASSADOR CRUISE LINE LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited

Ian Palmer FCA (Senior Statutory Auditor)

for and on behalf of

Xeinadin Audit Limited t/a Elman Wall

Statutory Auditor

8th floor Becket House

36 Old Jewry

London

England

EC2R 8DD

Date: *13 December 2022*

AMBASSADOR CRUISE LINE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022**

	2022 £
Turnover	2,728
Cost of sales	(39,187)
Gross (loss)/profit	<u>(36,459)</u>
Administrative expenses	(7,560,706)
Operating (loss)/profit	<u>(7,597,165)</u>
Interest payable and similar expenses	(68)
(Loss)/profit before tax	<u>(7,597,233)</u>
(Loss)/profit for the financial period	<u><u>(7,597,233)</u></u>
Other comprehensive income for the period	
Total comprehensive income for the period	<u><u>(7,597,233)</u></u>

The notes on pages 13 to 22 form part of these financial statements.

AMBASSADOR CRUISE LINE LIMITED
REGISTERED NUMBER: 13326491

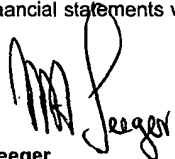
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £
Fixed assets		
Intangible assets	7	380,229
Tangible assets	8	96,822
		<u>477,051</u>
Current assets		
Stocks	10	961,799
Debtors: amounts falling due within one year	11	1,627,478
Cash at bank and in hand	12	1,903,640
		<u>4,492,917</u>
Creditors: amounts falling due within one year	13	(2,112,599)
Net current assets		<u>2,380,318</u>
Total assets less current liabilities		<u>2,857,369</u>
Net assets		<u>2,857,369</u>
Capital and reserves		
Called up share capital		10,454,602
Profit and loss account		(7,597,233)
		<u>2,857,369</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

12 December 2022


M A Seeger
Director

The notes on pages 13 to 22 form part of these financial statements.

AMBASSADOR CRUISE LINE LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £	Profit and loss account £	Total equity £
Comprehensive income for the period			
Loss for the period	-	(7,597,233)	(7,597,233)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	(7,597,233)	(7,597,233)
Shares issued during the period	10,454,602	-	10,454,602
Total transactions with owners	10,454,602	-	10,454,602
At 31 March 2022	10,454,602	(7,597,233)	2,857,369

The notes on pages 13 to 22 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

1. General information

Ambassador Cruise Line Limited is a private company limited by shares incorporated in England and Wales. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company continued to be that of a cruise line operator.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.3 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognized by cruise over the period of the respective cruise operation.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.7 Pensions****Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 3-5 years
Office equipment	- 3-5 years
Computer equipment	- 3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.10 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.13 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.15 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are recognised to be relevant. Actual results may differ from these estimates. These estimates include depreciation of tangible fixed assets, and amortisation of intangible fixed assets

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £
Sales	2,728
	<u>2,728</u>

All turnover arose within the United Kingdom.

Turnover in the period wholly relates to commission received for cruises cancelled in the period.

5. Employees

The average monthly number of employees, including the directors, during the period was as follows:

	2022 No.
Employees and directors	33

6. Directors' remuneration

	2022 £
Directors' emoluments	1,367,295
Company contributions to defined contribution pension schemes	10,584
	<u>1,377,879</u>

AMBASSADOR CRUISE LINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

7. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
Additions	425,787	180,000	605,787
Disposals	-	(15,815)	(15,815)
At 31 March 2022	425,787	164,185	589,972
Amortisation			
Charge for the period on owned assets	45,558	180,000	225,558
On disposals	-	(15,815)	(15,815)
At 31 March 2022	45,558	164,185	209,743
Net book value			
At 31 March 2022	380,229	-	380,229

8. Tangible fixed assets

	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
Additions	58,314	2,357	45,444	106,115
At 31 March 2022	58,314	2,357	45,444	106,115
Depreciation				
Charge for the period on owned assets	5,903	286	3,104	9,293
At 31 March 2022	5,903	286	3,104	9,293
Net book value				
At 31 March 2022	52,411	2,071	42,340	96,822

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

9. Fixed asset investments

	Investments in subsidiary companies £
Additions	660,700
Amounts written off	(660,700)
At 31 March 2022	<u>-</u>

10. Stocks

	2022 £
Food, beverage and housekeeping stocks	961,799
	<u>961,799</u>

11. Debtors

	2022 £
Trade debtors	71,198
Amounts owed by group undertakings	92,823
Other debtors	373,250
Prepayments and accrued income	1,090,207
	<u>1,627,478</u>

12. Cash and cash equivalents

	2022 £
Cash at bank and in hand	1,903,640
	<u>1,903,640</u>

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

13. Creditors: Amounts falling due within one year

	2022 £
Trade creditors	1,113,342
Amounts owed to group undertakings	2,218
Other taxation and social security	94,909
Other creditors	4,520
Accruals and deferred income	897,610
	<u>2,112,599</u>

14. Financial instruments

	2022 £
Financial assets	
Financial assets measured at fair value through profit or loss	<u>1,903,640</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand

15. Deferred taxation

The Company has unrecognised deferred tax asset in the UK of approximately £1,733,436 that relates to losses and accelerated capital allowances.

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £30,700. Contributions totalling £8,590 were payable to the fund at the reporting date and are included in creditors.

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

17. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £
Not later than 1 year	5,765
Later than 1 year and not later than 5 years	21,166
	<hr/> 26,931 <hr/>

18. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

	2022 £
Ambassador Cruise Holidays Limited	92,823
CVI Group Limited	(2,011)
	<hr/> 90,812 <hr/>

19. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

AMBASSADOR CRUISE LINE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

AMBASSADOR CRUISE LINE LIMITED

COMPANY INFORMATION

Directors	S M Weeks C Verhounig P M Gardner G J Nardini M A Seeger T J A Durston (resigned 1 June 2022) C Coates (resigned 28 June 2022)
Registered number	13326491
Registered office	8th Floor Becket House 36 Old Jewry London EC2R 8DD
Independent auditors	Xeinadin Audit Limited Statutory Auditor 8th floor Becket House 36 Old Jewry London England EC2R 8DD
Accountants	Elman Wall Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

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**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2023**

The directors present their report and the financial statements for the period ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Review of the business

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade and has successfully completed its first full fiscal year ending 31st March 2023 of providing no-fly, premium-value cruises.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, as the basis of our ever-growing customer base.

Ambassador is built on six key values:

- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

We offer a premium-value proposition for guests who want a quality product and experience at an accessible price point. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd and CVI Group Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched its successful 2022/23 programme in June 2021 in under five months from being founded. Ambience's maiden voyage took place in April 2022 followed by the our second ship, Ambition, in May 2023. Ambience's homeport is London Tilbury whereas Ambition provides also no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth.

Prior to starting operation, both ships were refurbished and upgraded with sustainability being central to decision making. As a consequence, our ships now operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. Ambience and Ambition are in the top 10%-15% of environmentally sustainable ships allowing them to journey to some of Europe's most untouched corners including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed new advanced wastewater treatment systems, new ballast water treatment systems and new biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us.

Ambassador has formed a long-term strategic partnership with BSM (Bernhard Schulte Ship Management) who operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Business Review 2022/23 & Outlook 2023/24

Our first year of operation as a cruise line was a success story. We completed 22 cruise, visiting close to 100 different destinations. Our commercial occupancy levels averaged more than 90% across the full fiscal year

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

increasing to close to 100% over the last 6 months of the year. Guest feedback was overwhelmingly positive and customer survey results show that 9 out of 10 guest would cruise again with Ambassador and would recommend Ambassador to others.

Importantly, we improved our year-on-year profit by more than +£10m delivering a positive profit (EBITDA of +£3.1m before exceptional items) in our first year of operation after generating an operating loss in 2021/22 (-£7.6m) as we had invested setting-up the business. Net exceptional costs of £0.7m related to the termination/ cancellation of two cruises in December 2022. The positive EBITDA in 2022/23 is a strong indicator for a successful future as the business was able to deliver profits from year one of operation and this despite economic pressures such as the increase of fuel prices and increased operating costs due to inflation all created by geopolitical and macro-economical circumstances.

Ambition was on a 7 months humanitarian mission serving as a temporary home for Ukrainian refugees in Glasgow as part of the Scottish resettlement programme while waiting for her refurbishment ahead of her Maiden season.

Ambassador Cruise Line was approved by ABTA as a member in October 2022 providing an additional re-assurance for our guests that enjoy full protection for their piece of mind.

The launch and investment of Ambassador Cruise Line's operation was fully equity funded. In addition, we secured the support of a third-party for a loan to fund the investment to refit our second ship Ambition.

In our second year of operation starting on 1st April 2023, we will more than double the number of cruises and unique destinations contributing to strong top line growth. The 23/24 programme includes itineraries for our popular cruises around Britain, cruises to highlights in Northern Europe, Iceland and the Fjordlands, as well as itineraries in the Mediterranean Sea cruising to Italy, Turkey, Egypt among many others. Furthermore, we will offer our first round-the-world cruise starting in Tilbury and featuring the most amazing destinations that this world offers during its 120 days voyage. Other longer distance cruises take our guests to Canada, the Caribbean, the Canaries and Cape Verde as well as to South America. We will continue to invest in building Ambassador as the number one "premium-value" brand offering an affordable, yet high quality and unforgettable cruise experience.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Providing a premium value product at an affordable price positions Ambassador well to be successful in a competitive and economically challenging environment.

Results and dividends

The loss for the period, after taxation, amounted to £2,716,878 (2022 - loss £7,597,233).

Directors

The directors who served during the period were:

S M Weeks
C Verhounig
P M Gardner
G J Nardini
M A Seeger
T J A Durston (resigned 1 June 2022)
C Coates (resigned 28 June 2022)

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Principal risks and uncertainties

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans to mitigate and minimises these risk. As a lean business, we are very agile to take action and execute our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of infectious diseases on board and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are leading in the cruise industry and that are fully endorsed by port health authorities.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In addition to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Fuel price volatility and exchange rate changes can negatively impact operational costs. The Board has established policies that monitor these risks and mitigates them through a balanced approach to hedging.

Our guests and their payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started.

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Directors' section 172 statement

Section 172 deals with the Board of Directors' duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships.

The Board of Directors have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, the directors understand that the business can only grow and prosper over the long-term if the Group and its Board of Directors understand and respect the views and needs of the customers, colleagues and the communities in which the business operates, as well as the suppliers, the environment and the shareholders to whom the Board of Directors is accountable. This is reflected in the Group's business principles.

The directors ensure that the requirements of s172 Companies Act 2006 are met and the interests of all stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review process, which considers the Group strategy for the following years, supported by the budget for the following year and secured by adequate funds.
- Regular scheduled Board presentations and reports; for example, monthly performance reviews including, but not limited to, updates on business and operational matters, Health & Safety and key risks.
- Regular engagement with stakeholders, including, but not limited to, suppliers, customers and employees.
- Consideration of the impact of the Group's operations on the community and the environment, and how this can be improved.

Company's policy for payment of creditors

Payments are made to suppliers according to the terms of the agreements.

Disclosure of information to auditors

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

AMBASSADOR CRUISE LINE LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

This report was approved by the board on 5 October 2023 and signed on its behalf.

S M Weeks
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED

Opinion

We have audited the financial statements of Ambassador Cruise Line Limited (the 'Company') for the period ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and

claims;

- Enquiry of management and those charged with governance to identify any instances of non-compliance

with laws and regulations;

- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries

and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside

the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Palmer FCA (Senior Statutory Auditor)

for and on behalf of

Xeinadin Audit Limited

Statutory Auditor

8th floor Becket House

36 Old Jewry

London

England

EC2R 8DD

5 October 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023**

		2023 £	2022 £
Turnover	4	59,376,594	2,728
Cost of sales		(57,409,589)	(39,187)
Gross profit/(loss)		<u>1,967,005</u>	<u>(36,459)</u>
Administrative expenses		(4,261,582)	(7,560,706)
Exceptional administrative expenses		(422,301)	-
Operating loss		<u>(2,716,878)</u>	<u>(7,597,165)</u>
Interest payable and similar expenses		-	(68)
Loss before tax		<u>(2,716,878)</u>	<u>(7,597,233)</u>
Loss for the financial period		<u><u>(2,716,878)</u></u>	<u><u>(7,597,233)</u></u>

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 15 to 25 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	11	640,321	380,229
Tangible assets	12	109,522	96,822
		<u>749,843</u>	<u>477,051</u>
Current assets			
Stocks	13	4,085,524	961,799
Debtors: amounts falling due within one year	14	7,145,619	1,627,478
Cash at bank and in hand	15	13,507,320	1,903,640
		<u>24,738,463</u>	<u>4,492,917</u>
Creditors: amounts falling due within one year	16	(17,507,487)	(2,112,599)
Net current assets		<u>7,230,976</u>	<u>2,380,318</u>
Total assets less current liabilities		<u>7,980,819</u>	<u>2,857,369</u>
Net assets		<u><u>7,980,819</u></u>	<u><u>2,857,369</u></u>
Capital and reserves			
Called up share capital		18,294,930	10,454,602
Profit and loss account		(10,314,111)	(7,597,233)
		<u><u>7,980,819</u></u>	<u><u>2,857,369</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 October 2023.

S M Weeks

Director

The notes on pages 15 to 25 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2023**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2022	10,454,602	(7,597,233)	2,857,369
Comprehensive income for the period			
Loss for the period	-	(2,716,878)	(2,716,878)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	(2,716,878)	(2,716,878)
Contributions by and distributions to owners			
Shares issued during the period	7,840,328	-	7,840,328
Total transactions with owners	7,840,328	-	7,840,328
At 31 March 2023	18,294,930	(10,314,111)	7,980,819

The notes on pages 15 to 25 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Called up share capital £	Profit and loss account £	Total equity £
Comprehensive income for the period			
Loss for the period	-	(7,597,233)	(7,597,233)
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	(7,597,233)	(7,597,233)
Contributions by and distributions to owners			
Shares issued during the period	10,454,602	-	10,454,602
Total transactions with owners	10,454,602	-	10,454,602
At 31 March 2022	<u>10,454,602</u>	<u>(7,597,233)</u>	<u>2,857,369</u>

The notes on pages 15 to 25 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

1. General information

Ambassador Cruise Line Limited is a private company limited by shares incorporated in England and Wales. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company continued to be that of a cruise line operator.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognized by cruise over the period of the respective cruise operation.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Research and development

IT project costs are recognised as intangible fixed assets. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 5 years.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Exceptional items

Exceptional items are non-recurring transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 3-5 years
Office equipment	- 3-5 years
Computer equipment	- 3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are recognised to be relevant. Actual results may differ from these estimates. These estimates include depreciation of tangible fixed assets, and amortisation of intangible fixed assets

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Sales	59,376,594	2,728
	<u>59,376,594</u>	<u>2,728</u>

5. Operating loss

The operating loss is stated after charging:

	2023 £	2022 £
Research & development charged as an expense	7,795	-
Exchange differences	(778,890)	(29,127)
Other operating lease rentals	<u>4,509</u>	<u>733</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	4,551,125	3,238,202
Social security costs	435,912	292,980
Cost of defined contribution scheme	64,768	30,700
	<u>5,051,805</u>	<u>3,561,882</u>

The average monthly number of employees, including the directors, during the period was as follows:

	2023 No.	2022 No.
Employees and directors	<u>53</u>	<u>33</u>

7. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	1,964,627	1,367,295
Company contributions to defined contribution pension schemes	17,316	10,584
	<u>1,981,943</u>	<u>1,377,879</u>

8. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	-	68
	<u>-</u>	<u>68</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

9. Taxation

	2023 £	2022 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the period

The tax assessed for the period is the same as (2022 - the same as) the standard rate of corporation tax in the UK of 19% (2022 - 19%) as set out below:

	2023 £	2022 £
Loss on ordinary activities before tax	(8,316,878)	(7,597,233)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(1,580,207)	(1,443,474)
Effects of:		
Fixed asset differences	(25,908)	(3,330)
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,024	2,294
Other permanent differences	370	-
Group relief surrendered/(claimed)	29,362	-
Remeasurement of deferred tax for changes in tax rates	(495,903)	(456,160)
Movement in deferred tax not recognised	2,066,262	1,900,670
Total tax charge for the period	-	-

Factors that may affect future tax charges

The rate of corporation tax has been increased from 19% to 25% with effect from 1 April 2023. Deferred tax assets and liabilities have therefore been remeasured at 25%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

10. Exceptional items

	2023 £	2022 £
Exceptional items	422,301	-
	<u>422,301</u>	<u>-</u>

The exceptional items are non-reoccurring costs related to two cancelled cruises in December 2022.

11. Intangible assets

	Computer software £
Cost	
At 1 April 2022	425,787
Additions - internal	385,490
At 31 March 2023	<u>811,277</u>
Amortisation	
At 1 April 2022	45,558
Charge for the period on owned assets	125,398
At 31 March 2023	<u>170,956</u>
Net book value	
At 31 March 2023	<u>640,321</u>
At 31 March 2022	<u>380,229</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

12. Tangible fixed assets

	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	58,314	2,357	45,444	106,115
Additions	-	2,021	53,549	55,570
At 31 March 2023	58,314	4,378	98,993	161,685
Depreciation				
At 1 April 2022	5,903	286	3,104	9,293
Charge for the period on owned assets	19,438	1,051	22,381	42,870
At 31 March 2023	25,341	1,337	25,485	52,163
Net book value				
At 31 March 2023	32,973	3,041	73,508	109,522
At 31 March 2022	52,411	2,071	42,340	96,822

13. Stocks

	2023 £	2022 £
Food, beverage and fuel	4,085,524	961,799
	<u>4,085,524</u>	<u>961,799</u>

14. Debtors

	2023 £	2022 £
Amounts owed by group undertakings	28,320	92,823
Other debtors	3,663,267	444,448
Prepayments and accrued income	3,454,032	1,090,207
	<u>7,145,619</u>	<u>1,627,478</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

15. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	13,507,320	1,903,640
	<u>13,507,320</u>	<u>1,903,640</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	4,111,558	1,113,342
Amounts owed to group undertakings	11,946,347	2,218
Other taxation and social security	121,669	94,909
Other creditors	625,166	4,520
Accruals and deferred income	702,747	897,610
	<u>17,507,487</u>	<u>2,112,599</u>

17. Deferred taxation

The Company has unrecognised deferred tax asset in the UK of approximately £- (2022: £1,733,436) that relates to losses and accelerated capital allowances.

18. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
18,294,930 (2022 - 10,454,602) Ordinary shares of £1.00 each	<u>18,294,930</u>	<u>10,454,602</u>

Ambassador Cruise Line Limited capitalised the £7,840,328 intercompany loan from ACL Holdings (Guernsey) Ltd.

19. Reserves

Profit and loss account

Includes all current and prior period retained profit and losses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £55,826 (2022: £30,700). Contributions totalling £11,862 (2022: £8,590) were payable to the fund at the reporting date and are included in creditors.

21. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	5,765	5,765
Later than 1 year and not later than 5 years	15,401	21,166
	<u>21,166</u>	<u>26,931</u>

22. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

23. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

AMBASSADOR CRUISE LINE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

AMBASSADOR CRUISE LINE LIMITED

COMPANY INFORMATION

Directors	F S Montgomery (appointed 17 October 2023) G J Nardini C Verhounig S M Weeks
Registered number	13326491
Registered office	8th Floor Becket House 36 Old Jewry London EC2R 8DD
Independent auditors	Xeinadin Audit Limited Statutory Auditors & Chartered Accountants 8th floor Becket House 36 Old Jewry London England EC2R 8DD

AMBASSADOR CRUISE LINE LIMITED

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AMBASSADOR CRUISE LINE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

Introduction

The directors present their strategic report for the financial period which consists of the year ended 31st March 2024.

Review of the business

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade and has successfully completed its second full fiscal year ending 31st March 2024 of providing no-fly, premium-value cruises.

Our unit economics show clear evidence of progress with both Ambience and Ambition demonstrating considerable profitability on a cruise by cruise at peak times which, when a full year of cruising takes place in 24/25, with an additional 100 days should represent a strong drive to profitability.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, as the basis of our ever-growing customer base.

Ambassador is built on six key values:

- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

We offer a premium-value proposition for guests who want a quality product and experience at an accessible price point. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd and CVI Group Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched its successful 2022/23 programme in June 2021 in under five months from being founded. Ambience's maiden voyage took place in April 2022 followed by our second ship, Ambition, in May 2023. Ambience's homeport is London Tilbury whereas Ambition provides also no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth and as such offering the most regional departures of any cruise line in the UK and making cruising accessible to the entire UK population.

Prior to starting operation, both ships were refurbished and upgraded with sustainability being central to decision making. As a consequence, our ships now operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. Ambience and Ambition are in the top 15% of environmentally sustainable ships allowing them to journey to some of Europe's most untouched corners including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have

AMBASSADOR CRUISE LINE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed new advanced wastewater treatment systems, new ballast water treatment systems and new biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us.

Ambassador has formed a long-term strategic partnership with BSM (Bernhard Schulte Ship Management) who operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Ambassador Cruise Line was approved as member by ABTA in October 2022 providing an additional re-assurance for our guests that already enjoy full protection through our unique trust arrangements where monies are held prior sailing for their piece of mind.

Business Review 2023/24 & Outlook 2024/25

Our second year of operation as a cruise line was a year of firsts. Our second ship, Ambition, entered service in May 2023 and together with Ambience carried over 52,000 guests on 49 cruises to 155 destinations; this includes Ambience's Maiden Round the World Cruise which departed from London Tilbury on 6th January 2024 for 120 nights visiting 37 ports. Our commercial occupancy levels averaged 87%, with guest feedback still overwhelmingly positive and customer survey results still showing show that more than 93% of all guests would cruise again with Ambassador and would recommend Ambassador to others.

Total revenue grew from £83.0m to £98.2m, EBITDA loss for the year was in line with expectations and management forecast due to the growth of the business and actual available operating nights at -£11.7m. We completed successfully Ambience's first dry dock, which, when combined with Ambition's launch in May, left 100 operating nights without cruises.

In the first two months of 2024 we successfully completed a bond raise in the Norwegian Bond Market to refinance the existing third party loan, which also includes a tap facility to fund future expansions. This represents a significant milestone for the company as we become a more public facing business and shows confidence from the investment markets in our brand and vision.

At the end of March we launched our 25/26 season even earlier than last year which has been well received by guests and partners, and is showing very strong early booking patterns. Itinerary planning is already well advanced for 26/27 and the subsequent season launch is being scheduled.

In our third year of operation starting on 1st April 2024, we will return to profitability as both Ambience and Ambition will operate for the full year on a range of itineraries around Britain and Northern Europe, and further afield to the Mediterranean and Caribbean. We will continue to invest in building Ambassador as the number one "premium-value" brand offering an affordable, yet high quality and unforgettable cruise experience.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Providing a premium value product at an affordable price positions Ambassador well to be successful in a competitive and economically challenging environment.

AMBASSADOR CRUISE LINE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Principal risks and uncertainties

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans to mitigate and minimises these risk. As a lean business, we are very agile to take action and execute our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of infectious diseases on board and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are leading in the cruise industry and that are fully endorsed by port health authorities.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In additional to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Fuel price volatility and exchange rate changes can negatively impact operational costs. The Board has established policies that monitor these risks and mitigates them through a balanced approach to hedging.

Our guests and their payments for cruises are fully protected as all payments are put in a trust account. Funds are only released to us when the cruise has started.

AMBASSADOR CRUISE LINE LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Directors' statement of compliance with duty to promote the success of the Company

Section 172 deals with the Board of Directors' duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships.

The Board of Directors have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, the directors understand that the business can only grow and prosper over the long-term if the Group and its Board of Directors understand and respect the views and needs of the customers, colleagues and the communities in which the business operates, as well as the suppliers, the environment and the shareholders to whom the Board of Directors is accountable. This is reflected in the Group's business principles.

The directors ensure that the requirements of s172 Companies Act 2006 are met and the interests of all stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review process, which considers the Group strategy for the following years, supported by the budget for the following year and secured by adequate funds.
- Regular scheduled Board presentations and reports; for example, monthly performance reviews including, but not limited to, updates on business and operational matters, Health & Safety and key risks.
- Regular engagement with stakeholders, including, but not limited to, suppliers, customers and employees.
- Consideration of the impact of the Group's operations on the community and the environment, and how this can be improved.

This report was approved by the board and signed on its behalf.

DocuSigned by:

71B79E06FE0A42F...
F S Montgomery
Director

Date: 7/6/2024

AMBASSADOR CRUISE LINE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

The directors present their report and the financial statements for the year ended 31 March 2024.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £28,311,589 (2023 - loss £3,781,344).

Directors

The directors who served during the year were:

P M Gardner (resigned 18 April 2024)
F S Montgomery (appointed 17 October 2023)
G J Nardini
C Verhounig
S M Weeks
M A Seeger (resigned 19 September 2023)

Company's policy for payment of creditors

Payments are made to suppliers according to the terms of the agreements.

AMBASSADOR CRUISE LINE LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

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F S Montgomery
Director

Date: 7/6/2024

AMBASSADOR CRUISE LINE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED

Opinion

We have audited the financial statements of AMBASSADOR CRUISE LINE LIMITED (the 'Company') for the year ended 31 March 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In forming our opinion, we have considered the adequacy of the disclosures made in financial statements concerning the Company's ability to continue as a going concern. We draw your attention to Note 2.3. The financial statements do not include any adjustments that would result from a failure to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

AMBASSADOR CRUISE LINE LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED
(CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AMBASSADOR CRUISE LINE LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED
(CONTINUED)**

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Enquiry of management and those charged with governance around actual and potential litigation and claims;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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

AMBASSADOR CRUISE LINE LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE LINE LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Ian Palmer FCA (Senior Statutory Auditor)

for and on behalf of
Xeinadin Audit Limited

Statutory Auditors
Chartered Accountants

8th floor
Becket House
36 Old Jewry
London
England
EC2R 8DD
Date: 7/6/2024

AMBASSADOR CRUISE LINE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	As restated 2023 £
Turnover	4	98,186,004	59,376,594
Cost of sales		(110,670,837)	(58,474,055)
Gross (loss)/profit		<u>(12,484,833)</u>	<u>902,539</u>
Administrative expenses		(15,823,963)	(4,261,582)
Exceptional administrative expenses		-	(422,301)
Operating loss	5	<u>(28,308,796)</u>	<u>(3,781,344)</u>
Interest receivable and similar income		15,448	-
Loss before tax		<u>(28,293,348)</u>	<u>(3,781,344)</u>
Tax on loss		(18,241)	-
Loss for the financial year		<u><u>(28,311,589)</u></u>	<u><u>(3,781,344)</u></u>

There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2024 (2023:£NIL).

The notes on pages 15 to 27 form part of these financial statements.

AMBASSADOR CRUISE LINE LIMITED
REGISTERED NUMBER: 13326491

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 £	As restated 2023 £
Fixed assets			
Intangible assets	11	912,034	640,321
Tangible assets	12	229,194	109,522
		<u>1,141,228</u>	<u>749,843</u>
Current assets			
Stocks	13	5,165,686	3,543,633
Debtors: amounts falling due within one year	14	33,694,402	6,623,044
Cash at bank and in hand	15	5,899,756	13,507,320
		<u>44,759,844</u>	<u>23,673,997</u>
Creditors: amounts falling due within one year	16	(44,114,013)	(17,507,487)
Net current assets		<u>645,831</u>	<u>6,166,510</u>
Total assets less current liabilities		<u>1,787,059</u>	<u>6,916,353</u>
Net assets excluding pension asset		<u>1,787,059</u>	<u>6,916,353</u>
Net assets		<u><u>1,787,059</u></u>	<u><u>6,916,353</u></u>
Capital and reserves			
Called up share capital	18	41,477,225	18,294,930
Profit and loss account	19	(39,690,166)	(11,378,577)
		<u>1,787,059</u>	<u>6,916,353</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

71B79E06FE0A42F...
F S Montgomery
Director

Date: 7/6/2024

The notes on pages 15 to 27 form part of these financial statements.

AMBASSADOR CRUISE LINE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2023	18,294,930	(11,378,577)	6,916,353
Comprehensive income for the year			
Loss for the year	-	(28,311,589)	(28,311,589)
Total comprehensive income for the year	-	(28,311,589)	(28,311,589)
Contributions by and distributions to owners			
Shares issued during the year	23,182,295	-	23,182,295
At 31 March 2024	<u>41,477,225</u>	<u>(39,690,166)</u>	<u>1,787,059</u>

The notes on pages 15 to 27 form part of these financial statements.

AMBASSADOR CRUISE LINE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2022	10,454,602	(7,597,233)	2,857,369
Comprehensive income for the year			
Loss for the year	-	(3,781,344)	(3,781,344)
Total comprehensive income for the year	-	(3,781,344)	(3,781,344)
Shares issued during the year	7,840,328	-	7,840,328
Total transactions with owners	7,840,328	-	7,840,328
At 31 March 2023	18,294,930	(11,378,577)	6,916,353

The notes on pages 15 to 27 form part of these financial statements.

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. General information

Ambassador Cruise Line Limited is a private company limited by shares incorporated in England and Wales. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company continued to be that of a cruise line operator.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.3 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognised by cruise over the period of the respective cruise operation.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Research and development

IT project costs are recognised as intangible fixed assets. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 5 years.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.10 Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 3-5 years
Right of use asset	- 3-5 years
Office equipment	- 3-5 years
Computer equipment	- 3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.14 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 Financial instruments

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.20 Financial instruments (continued)**

The Company has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial assets

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)

2.20 Financial instruments (continued)

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are recognised to be relevant. Actual results may differ from these estimates. These estimates include depreciation of tangible fixed assets, and amortisation of intangible fixed assets.

4. Turnover

An analysis of turnover by class of business is as follows:

	2024 £	2023 £
Sales	98,186,004	59,376,594
	<u>98,186,004</u>	<u>59,376,594</u>

5. Operating loss

The operating loss is stated after charging:

	2024 £	2023 £
Research & development charged as an expense	24,765	7,795
Depreciation of tangible fixed assets	110,812	42,870
Amortisation of intangible assets, including goodwill	210,959	125,398
Exchange differences	1,103,556	(778,890)
Defined contribution pension cost	84,568	64,768
	<u>1,534,660</u>	<u>242,031</u>

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2024 £	2023 £
Wages and salaries	4,615,876	4,551,125
Social security costs	406,697	435,912
Cost of defined contribution scheme	84,568	64,768
	<u>5,107,141</u>	<u>5,051,805</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Employees and directors	<u>75</u>	<u>53</u>

7. Directors' remuneration

	2024 £	2023 £
Directors' emoluments	1,400,954	1,964,627
Company contributions to defined contribution pension schemes	17,564	17,316
	<u>1,418,518</u>	<u>1,981,943</u>

The highest paid director received remuneration of £ 780,000 (2023 - £780,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2023 - £NIL).

8. Interest receivable

	2024 £	2023 £
Other interest receivable	15,448	-
	<u>15,448</u>	<u>-</u>

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2023 - the same as) the standard rate of corporation tax in the UK of 25% (2023 - 19%) as set out below:

	2024 £	2023 £
Loss on ordinary activities before tax	(28,293,348)	(3,781,344)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%)	(7,073,337)	(718,455)
Effects of:		
Fixed asset differences	(70,631)	(25,908)
Expenses not deductible for tax purposes	-	6,024
Income not taxable for tax purposes	-	(1,064,000)
Other permanent differences	18,241	370
Group relief surrendered/(claimed)	133,148	29,362
Remeasurement of deferred tax for changes in tax rates	-	(495,903)
Movement in deferred tax not recognised	(3,571,973)	2,066,262
Adjustments to brought forward values	1,385	-
Other timing differences leading to an increase (decrease) in taxation	-	202,248
Adjustments to losses	3,871,621	-
Other differences leading to an increase (decrease) in the tax charge	6,709,787	-
Total tax charge for the year	18,241	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

10. Exceptional items

	2024 £	2023 £
Exceptional items	-	422,301
	-	422,301

The exceptional items in the prior year are non-reoccurring costs related to two cancelled cruises in December 2022.

AMBASSADOR CRUISE LINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Intangible assets

	Computer software £
Cost	
At 1 April 2023	811,277
Additions	482,672
At 31 March 2024	1,293,949
Amortisation	
At 1 April 2023	170,956
Charge for the year on owned assets	210,959
At 31 March 2024	381,915
Net book value	
At 31 March 2024	912,034
At 31 March 2023	640,321

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Tangible fixed assets

	Motor vehicles £	Right of use asset £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2023	58,314	-	4,378	98,993	161,685
Additions	11,409	168,959	724	49,392	230,484
At 31 March 2024	<u>69,723</u>	<u>168,959</u>	<u>5,102</u>	<u>148,385</u>	<u>392,169</u>
Depreciation					
At 1 April 2023	25,341	-	1,337	25,485	52,163
Charge for the year on owned assets	21,171	43,384	1,678	44,579	110,812
At 31 March 2024	<u>46,512</u>	<u>43,384</u>	<u>3,015</u>	<u>70,064</u>	<u>162,975</u>
Net book value					
At 31 March 2024	<u>23,211</u>	<u>125,575</u>	<u>2,087</u>	<u>78,321</u>	<u>229,194</u>
At 31 March 2023	<u>32,973</u>	<u>-</u>	<u>3,041</u>	<u>73,508</u>	<u>109,522</u>

13. Stocks

	2024 £	As restated 2023 £
Food, beverage and fuel	5,165,686	3,543,633
	<u>5,165,686</u>	<u>3,543,633</u>

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Debtors

	2024 £	As restated 2023 £
Trade debtors	191,529	-
Amounts owed by group undertakings	24,954,302	28,320
Other debtors	1,848,028	3,140,692
Prepayments and accrued income	6,700,543	3,454,032
	<u>33,694,402</u>	<u>6,623,044</u>

15. Cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	5,899,756	13,507,320
	<u>5,899,756</u>	<u>13,507,320</u>

16. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	7,975,584	4,111,558
Amounts owed to group undertakings	24,358,861	11,946,347
Corporation tax	18,241	-
Other taxation and social security	311,713	121,669
Obligations under finance lease and hire purchase contracts	136,622	-
Other creditors	1,036,049	625,166
Accruals and deferred income	10,276,943	702,747
	<u>44,114,013</u>	<u>17,507,487</u>

17. Deferred taxation

The Company has unrecognised deferred tax asset in the UK of approximately £122,919 (2023: £70,631) that relates to losses and accelerated capital allowances.

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Share capital

	2024 £	2023 £
Allotted, called up and fully paid		
41,477,225 (2023 - 18,294,930) Ordinary shares of £1.00 each	41,477,225	18,294,930
	<u>41,477,225</u>	<u>18,294,930</u>

Ambassador Cruie Line Limited capitalised the £23,182,295 intercompany loan from ACL Holdings (Guernsey) Ltd.

19. Reserves

Profit and loss account

Includes all current and prior period retained profit and losses.

20. Prior year adjustment

During the year the directors discovered an incorrect accounting treatment on the consumption of the beverage inventory in the previous year which was corrected by way of a prior year adjustment. The net impact on the reserves brought forward was £541,891 debit.

During the year the directors discovered an incorrect accounting treatment of on board crew purchases in the previous year which was corrected by way of a prior year adjustment. The net impact on the reserves brought forward was £522,575 debit.

21. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £84,568 (2023: £55,826). Contributions totalling £32,452 (2023: £11,862) were payable to the fund at the reporting date and are included in creditors.

22. Commitments under operating leases

At 31 March 2024 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2024 £	2023 £
Not later than 1 year	5,765	5,765
Later than 1 year and not later than 5 years	9,636	15,401
	<u>15,401</u>	<u>21,166</u>

AMBASSADOR CRUISE LINE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

23. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

24. Controlling party

The parent company is ACL Holdings (Guernsey) Limited, a company incorporated in Guernsey and registered as a UK establishment.

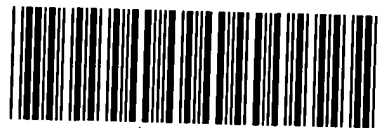
The ultimate controlling company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

FINANCIAL STATEMENTS OF THE ISSUER AND THE GUARANTORS

3. Audited financial statements of Ambassador Cruise Holidays Limited for 2021/2022 and 2023/2024, including auditor reports

AMBASSADOR CRUISE HOLIDAYS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

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COMPANIES HOUSE

AMBASSADOR CRUISE HOLIDAYS LIMITED

COMPANY INFORMATION

Directors	S M Weeks (appointed 29 March 2021) C Verhounig (appointed 29 March 2021) M A Seeger (appointed 6 April 2022)
Registered number	13299365
Registered office	8th Floor Becket House 36 Old Jewry London EC2R 8DD
Independent auditors	Xeinadin Audit Limited t/a Elman Wall 36 Old Jewry London EC2R 8DD
Accountants	Elman Wall Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

AMBASSADOR CRUISE HOLIDAYS LIMITED

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Statement of financial position	8
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AMBASSADOR CRUISE HOLIDAYS LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022**

The directors present their report and the financial statements for the period ended 31 March 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the period were:

S M Weeks (appointed 29 March 2021)
C Verhounig (appointed 29 March 2021)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Xeinadin Audit Limited was appointed as auditors and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

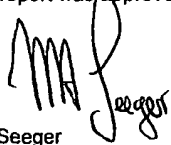
Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

AMBASSADOR CRUISE HOLIDAYS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2022**

This report was approved by the board on 12 December 2022 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'M A Seeger', is written over the printed name.

M A Seeger
Director

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED

Opinion

We have audited the financial statements of Ambassador Cruise Holidays Limited (the 'Company') for the period ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited

Ian Palmer FCA (Senior statutory auditor)

for and on behalf of

Xeinadin Audit Limited t/a Elman Wall

Statutory Auditors

36 Old Jewry

London

EC2R 8DD

Date: *13 December 2022*

AMBASSADOR CRUISE HOLIDAYS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022**

	2022 £
Administrative expenses	(26,348)
Operating (loss)/profit	<u>(26,348)</u>
(Loss)/profit for the financial period	<u>(26,348)</u>
Other comprehensive income for the period	
Total comprehensive income for the period	<u><u>(26,348)</u></u>

The notes on pages 9 to 12 form part of these financial statements.

AMBASSADOR CRUISE HOLIDAYS LIMITED
REGISTERED NUMBER: 13299365

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £
Current assets		
Debtors: amounts falling due within one year	4	65,690
Cash at bank and in hand	5	14,454,690
		<u>14,520,380</u>
Creditors: amounts falling due within one year	6	<u>(14,546,727)</u>
Net current (liabilities)/assets		<u>(26,347)</u>
Total assets less current liabilities		<u>(26,347)</u>
Net (liabilities)/assets		<u><u>(26,347)</u></u>
Capital and reserves		
Called up share capital		1
Profit and loss account		<u>(26,348)</u>
		<u><u>(26,347)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

12 December 2022


M A Seeger
Director

The notes on pages 9 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

1. General information

Ambassador Cruise Lines Limited is a private company limited by shares incorporated in England and Wales. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company continued to be that of a cruise tour operator and travel agent.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ACL Holdings (Guernsey) Limited as at 31 March 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.4 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.6 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

3. Employees

The average monthly number of employees, including directors, during the period was 2.

4. Debtors

	2022 £
Amounts owed by group undertakings	20
Other debtors	112
Prepayments and accrued income	65,558
	<u>65,690</u>

AMBASSADOR CRUISE HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

5. Cash and cash equivalents

	2022 £
Cash at bank and in hand	14,454,690
	<u>14,454,690</u>

Customers' payments for cruises are fully protected as all payments are paid into a trust account. Funds are only released when the cruise has started. The amount held in the trust account as at 31 March 2022 was £14,445,840.

6. Creditors: Amounts falling due within one year

	2022 £
Trade creditors	8,064
Amounts owed to group undertakings	92,823
Accruals and deferred income	14,445,840
	<u>14,546,727</u>

Accruals and deferred income includes receipts from customers for departures after the balance sheet date amounting to £14,445,840.

7. Financial instruments

	2022 £
Financial assets	
Financial assets measured at fair value through profit or loss	<u>14,454,690</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

8. Deferred taxation

The Company has unrecognised deferred tax asset in the UK of approximately £6,587 that relates to losses and accelerated capital allowances.

AMBASSADOR CRUISE HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

9. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

	2022 £
Ambassador Cruise Lines Limited	(92,823)
Wake Asset Co Limited	17
	<u>(92,806)</u>

10. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

AMBASSADOR CRUISE HOLIDAYS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

AMBASSADOR CRUISE HOLIDAYS LIMITED

COMPANY INFORMATION

Directors	S M Weeks C Verhounig M A Seeger
Registered number	13299365
Registered office	8th Floor Becket House 36 Old Jewry London EC2R 8DD
Independent auditors	Xeinadin Audit Limited 36 Old Jewry London EC2R 8DD
Accountants	Elman Wall Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

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AMBASSADOR CRUISE HOLIDAYS LIMITED

**STRATEGIC REPORT
FOR THE PERIOD ENDED 31 MARCH 2023**

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

Strategic Report

The directors present their strategic report for the financial period which consists of the year ended 31st March 2023.

Review of the business

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade and has successfully completed its first full fiscal year ending 31st March 2023 of providing no-fly, premium-value cruises.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, as the basis of our ever-growing customer base.

Ambassador is built on six key values:

- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

We offer a premium-value proposition for guests who want a quality product and experience at an accessible price point. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd and CVI Group Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched its successful 2022/23 programme in June 2021 in under five months from being founded. Ambience's maiden voyage took place in April 2022 followed by the our second ship, Ambition, in May 2023. Ambience's homeport is London Tilbury whereas Ambition provides also no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth.

Prior to starting operation, both ships were refurbished and upgraded with sustainability being central to decision making. As a consequence, our ships now operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. Ambience and Ambition are in the top 10%-15% of environmentally sustainable ships allowing them to journey to some of Europe's most untouched corners including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed new advanced wastewater treatment systems, new ballast water treatment systems and new biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us.

Ambassador has formed a long-term strategic partnership with BSM (Bernhard Schulte Ship Management) who

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Business Review 2022/23 & Outlook 2023/24

Our first year of operation as a cruise line was a success story. We completed 22 cruise, visiting close to 100 different destinations. Our commercial occupancy levels averaged more than 90% across the full fiscal year increasing to close to 100% over the last 6 months of the year. Guest feedback was overwhelmingly positive and customer survey results show that 9 out of 10 guest would cruise again with Ambassador and would recommend Ambassador to others.

Importantly, we improved our year-on-year profit by more than +£10m delivering a positive profit (EBITDA of +£3.1m before exceptional items) in our first year of operation after generating an operating loss in 2021/22 (-£7.6m) as we had invested setting-up the business. Net exceptional costs of £0.7m related to the termination/ cancellation of two cruises in December 2022. The positive EBITDA in 2022/23 is a strong indicator for a successful future as the business was able to deliver profits from year one of operation and this despite economic pressures such as the increase of fuel prices and increased operating costs due to inflation all created by geopolitical and macro-economical circumstances.

Ambition was on a 7 months humanitarian mission serving as a temporary home for Ukrainian refugees in Glasgow as part of the Scottish resettlement programme while waiting for her refurbishment ahead of her Maiden season.

Ambassador Cruise Line was approved by ABTA as a member in October 2022 providing an additional re-assurance for our guests that enjoy full protection for their piece of mind.

The launch and investment of Ambassador Cruise Line's operation was fully equity funded. In addition, we secured the support of a third-party for a loan to fund the investment to refit our second ship Ambition.

In our second year of operation starting on 1st April 2023, we will more than double the number of cruises and unique destinations contributing to strong top line growth. The 23/24 programme includes itineraries for our popular cruises around Britain, cruises to highlights in Northern Europe, Iceland and the Fjordlands, as well as itineraries in the Mediterranean Sea cruising to Italy, Turkey, Egypt among many others. Furthermore, we will offer our first round-the-world cruise starting in Tilbury and featuring the most amazing destinations that this world offers during its 120 days voyage. Other longer distance cruises take our guests to Canada, the Caribbean, the Canaries and Cape Verde as well as to South America. We will continue to invest in building Ambassador as the number one "premium-value" brand offering an affordable, yet high quality and unforgettable cruise experience.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Providing a premium value product at an affordable price positions Ambassador well to be successful in a competitive and economically challenging environment.

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

Principal risks and uncertainties

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans to mitigate and minimises these risk. As a lean business, we are very agile to take action and execute our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of infectious diseases on board and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are leading in the cruise industry and that are fully endorsed by port health authorities.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In additional to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Fuel price volatility and exchange rate changes can negatively impact operational costs. The Board has established policies that monitor these risks and mitigates them through a balanced approach to hedging.

Our guests and their payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started.

Directors' section 172 statement

Section 172 deals with the Board of Directors' duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships.

The Board of Directors have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, the directors understand that the business can only grow and prosper over the long-term if the Group and its Board of Directors understand and respect the views and needs of the customers, colleagues and the communities in which the business operates, as well as the suppliers, the environment and the shareholders to whom the Board of Directors is accountable. This is reflected in the Group's business principles.

STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review process, which considers the Group strategy for the following years, supported by the budget for the following year and secured by adequate funds.
- Regular scheduled Board presentations and reports; for example, monthly performance reviews including, but not limited to, updates on business and operational matters, Health & Safety and key risks.
- Regular engagement with stakeholders, including, but not limited to, suppliers, customers and employees.
- Consideration of the impact of the Group's operations on the community and the environment, and how this can be improved.

Company's policy for payment of creditors

Payments are made to suppliers according to the terms of the agreements.

This report was approved by the board on 5 October 2023 and signed on its behalf.

S M Weeks

Director

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2023**

The directors present their report and the financial statements for the period ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dividends

The profit for the period, after taxation, amounted to £180,886 (2022 - loss £26,348)

Directors

The directors who served during the period were:

S M Weeks
C Verhounig
M A Seeger

Disclosure of information to auditors

Each of the persons who are directors at the time when the Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 5 October 2023 and signed on its behalf.

S M Weeks

Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED

Opinion

We have audited the financial statements of Ambassador Cruise Holidays Limited (the 'Company') for the period ended 31 March 2023, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Palmer FCA (Senior statutory auditor)

for and on behalf of
Xeinadin Audit Limited

Statutory Auditors

36 Old Jewry
London
EC2R 8DD

5 October 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023**

		2023 £	2022 £
Turnover	3	48,485,780	-
Cost of sales		(48,085,581)	-
Gross profit		400,199	-
Administrative expenses		(31,595)	(26,348)
Exceptional administrative expenses		(295,290)	-
Operating profit/(loss)		73,314	(26,348)
Interest receivable and similar income	4	107,572	-
Profit/(loss) before tax		180,886	(26,348)
Profit/(loss) for the financial period		180,886	(26,348)

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 14 to 20 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Current assets			
Debtors: amounts falling due within one year	7	9,109,947	65,690
Cash at bank and in hand	8	16,450,582	14,454,690
		<u>25,560,529</u>	<u>14,520,380</u>
Creditors: amounts falling due within one year	9	(25,405,990)	(14,546,727)
Net current assets/(liabilities)		<u>154,539</u>	<u>(26,347)</u>
Total assets less current liabilities		<u>154,539</u>	<u>(26,347)</u>
Net assets/(liabilities)		<u><u>154,539</u></u>	<u><u>(26,347)</u></u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		<u>154,538</u>	<u>(26,348)</u>
		<u><u>154,539</u></u>	<u><u>(26,347)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 October 2023.

S M Weeks

Director

The notes on pages 14 to 20 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

1. General information

Ambassador Cruise Lines Limited is a private company limited by shares incorporated in England and Wales. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company continued to be that of a cruise tour operator and travel agent.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ACL Holdings (Guernsey) Limited as at 31 March 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognized by cruise over the period of the respective cruise operation.

2.5 Advanced payments and receipts

Balances received relating to bookings that depart after the balance sheet date are treated as advance receipts and are separately disclosed under accruals and deferred income. Payments made to suppliers relating to bookings that depart after the balance sheet date are treated as advance payments and are separately disclosed under prepayments and accrued income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

3. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Intercompany revenue	48,485,780	-
	<u>48,485,780</u>	<u>-</u>

4. Interest receivable

	2023 £	2022 £
Other interest receivable	107,572	-
	<u>107,572</u>	<u>-</u>

5. Taxation

	2023 £	2022 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Tax on profit/(loss)	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

5. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period is the same as (2022 - the same as) the standard rate of corporation tax in the UK of 19% (2022 - 19%) as set out below:

	2023 £	2022 £
Profit/(loss) on ordinary activities before tax	<u>180,886</u>	<u>(26,348)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	34,368	(5,006)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	3,800
Group relief surrendered / (claimed)	(29,362)	-
Remeasurement of deferred tax for changes in tax rates	1,581	(381)
Movement in deferred tax not recognised	<u>(6,587)</u>	<u>1,587</u>
Total tax charge for the period	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The rate of corporation tax has been increased from 19% to 25% with effect from 1 April 2023. Deferred tax assets and liabilities have therefore been remeasured at 25%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

6. Exceptional items

	2023 £	2022 £
Exceptional items	295,290	-
	<u>295,290</u>	<u>-</u>

The exceptional items are non-reoccurring costs related to two cancelled cruises in December 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

7. Debtors

	2023 £	2022 £
Amounts owed by group undertakings	8,233,420	20
Other debtors	16,060	112
Prepayments and accrued income	860,467	65,558
	<u>9,109,947</u>	<u>65,690</u>

8. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	16,450,582	14,454,690
	<u>16,450,582</u>	<u>14,454,690</u>

Customers' payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started. The amount held in the trust account as at 31 March 2023 was £15,200,000 (2022: £14,445,840).

9. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	-	8,064
Amounts owed to group undertakings	536,221	92,823
Other creditors	6,662	-
Accruals and deferred income	24,863,107	14,445,840
	<u>25,405,990</u>	<u>14,546,727</u>

Accruals and deferred income includes receipts from customers for departures after the balance sheet date amounting to £24,863,107 (2022: £14,445,840).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

10. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>16,450,582</u>	<u>14,454,690</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

11. Deferred taxation

The Company has unrecognised deferred tax asset in the UK of approximately £- (2022: £6,587) that relates to losses and accelerated capital allowances.

12. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

13. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

AMBASSADOR CRUISE HOLIDAYS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

AMBASSADOR CRUISE HOLIDAYS LIMITED

COMPANY INFORMATION

Directors	S M Weeks C Verhounig F S Montgomery (appointed 17 October 2023)
Registered number	13299365
Registered office	8th Floor Becket House 36 Old Jewry London EC2R 8DD
Independent auditors	Xeinadin Audit Limited Chartered Accountants & Statutory Auditors Becket House 36 Old Jewry London EC2R 8DD

AMBASSADOR CRUISE HOLIDAYS LIMITED

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AMBASSADOR CRUISE HOLIDAYS LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 MARCH 2024

Strategic Report

The directors present their strategic report for the financial period which consists of the year ended 31st March 2024.

Review of the business

Ambassador Cruise Line was founded in January 2021 as the first new British cruise line to launch in over a decade and has successfully completed its first full fiscal year ending 31st March 2023 of providing no-fly, premium-value cruises.

Our unit economics show clear evidence of progress with both Ambience and Ambition demonstrating considerable profitability on a cruise by cruise at peak times which, when a full year of cruising takes place in 24/25, with an additional 100 days should represent a strong drive to profitability.

Our purpose is to inspire and delight every guest to enjoy an authentic cruise experience effortlessly, and sustainably. We blend traditional best practice and innovation to enhance the guest experience, whilst fostering a welcoming atmosphere that creates a community between guests and crew, as the basis of our ever-growing customer base.

Ambassador is built on six key values:

- A Wonderful Welcome – We operate classic ships, with charming crews, exceptional cuisine and great entertainment
- Voyages of Exploration – We provide affordable access to remote places and hidden treasures across the globe
- Sail with Friends – Meet like-minded people and make long-lasting friendships
- Unbeatable Value – We offer a premium value, authentic and traditional cruise experience at a fantastically affordable price
- Sustainable & Ethical – We operate some of the most environmentally friendly ships afloat
- Peace of Mind – We guarantee high onboard health, hygiene and safety standards, and financial protection for our guest's payments

We offer a premium-value proposition for guests who want a quality product and experience at an accessible price point. We offer guests classic, mid-sized ships, traditional values, strong environmental credentials, high service levels, professional entertainment, and quality cuisine on no-fly cruises that sail from UK ports. Our Feefo customer rating is one of the highest in the industry.

The group consists of the holding company ACL Holdings (Guernsey) Ltd and its fully owned subsidiaries; Ambassador Cruise Line Ltd, Ambassador Cruise Holidays Ltd and Wake Asset Co Ltd and CVI Group Ltd is fully owned by Wake Luxco S.a.r.l.

Ambassador Cruise Line launched its successful 2022/23 programme in June 2021 in under five months from being founded. Ambience's maiden voyage took place in April 2022 followed by the our second ship, Ambition, in May 2023. Ambience's homeport is London Tilbury whereas Ambition provides also no-fly sailings from six additional UK ports, including Newcastle, Dundee, Belfast, Liverpool, Bristol and Falmouth.

Prior to starting operation, both ships were refurbished and upgraded with sustainability being central to decision making. As a consequence, our ships now operate in line with the highest environmental standards for cruise ships (IMO Tier III) to reduce their impact on the marine environment. Ambience and Ambition are in the top 10%-15% of environmentally sustainable ships allowing them to journey to some of Europe's most untouched corners including the breath-taking Norwegian World Heritage fjords. Our efforts and renovations mean that we have reduced nitrogen oxide emissions by approximately 95% and reduced our sulphur oxide emissions by 80%. We have installed new advanced wastewater treatment systems, new ballast water treatment systems and new

AMBASSADOR CRUISE HOLIDAYS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2024

biodigesters, all of which ensure that we protect the seas we sail upon and the ocean wildlife around us.

Ambassador has formed a long-term strategic partnership with BSM (Bernhard Schulte Ship Management) who operates and manages our ships; the Schulte Group was founded in 1893, owns and manages c700 ships globally.

Ambassador Cruise Line was approved as member by ABTA in October 2022 providing an additional re-assurance for our guests that already enjoy full protection through our unique trust arrangements where monies are held prior sailing for their piece of mind.

Business Review 2023/24 & Outlook 2024/25

Our second year of operation as a cruise line was a year of firsts. Our second ship, Ambition, entered service in May 2023 and together with Ambience carried over 52,000 guests on 49 cruises to 155 destinations; this includes Ambience's Maiden Round the World Cruise which departed from London Tilbury on 6th January 2024 for 120 nights visiting 37 ports. Our commercial occupancy levels averaged 87%, with guest feedback still overwhelmingly positive and customer survey results still showing show that more than 93% of all guests would cruise again with Ambassador and would recommend Ambassador to others.

Total revenue grew from £83.0m to £96.4m, EBITDA loss for the year was in line with expectations and management forecast due to the growth of the business and actual available operating nights at -£11.7m. We completed successfully Ambience's first dry dock, which, when combined with Ambition's launch in May, left 100 operating nights without cruises.

In the first two months of 2024 we successfully completed a bond raise in the Norwegian Bond Market to refinance the existing third party loan, which also includes a tap facility to fund future expansions. This represents a significant milestone for the company as we become a more public facing business and shows confidence from the investment markets in our brand and vision.

At the end of March we launched our 25/26 season even earlier than last year which has been well received by guests and partners, and is showing very strong early booking patterns. Itinerary planning is already well advanced for 26/27 and the subsequent season launch is being scheduled.

In our third year of operation starting on 1st April 2024, we will return to profitability as both Ambience and Ambition will operate for the full year on a range of itineraries around Britain and Northern Europe, and further afield to the Mediterranean and Caribbean. We will continue to invest in building Ambassador as the number one "premium-value" brand offering an affordable, yet high quality and unforgettable cruise experience.

Ambassador targets to become the leading cruise line in the no-fly, premium-value segment of the cruise market, and building a fleet of several mid-sized ships over the next few years. Providing a premium value product at an affordable price positions Ambassador well to be successful in a competitive and economically challenging environment.

AMBASSADOR CRUISE HOLIDAYS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2024

Principal risks and uncertainties

The Group faces geopolitical, macro-economic, operational and financial risks relating to its chosen activities.

The Group uses a thorough risk management approach for our in-house systems, processes and controls that support the efficient and effective management of its operations. Business Continuity plans are in place to ensure continuation of operations and disaster recovery of IT Systems in the event of an incident or failure. The Group and its directors regularly monitor key business risks and review them quarterly with the Board. Appropriate actions are taken to address any immediate risks and to mitigate future risks.

Geopolitical and macroeconomic risks include war or unrest in destination, pandemics, low consumer confidence and inflation. The management closely monitors these risks and has been putting plans to mitigate and minimises these risk. As a lean business, we are very agile to take action and execute our mitigation plan. When the war in the Ukraine started, we were the first cruise line to adjust our itineraries. As consumer confidence is low and travel by air is unreliable, Ambassador is well positioned with its affordable, drive and cruise offer sailing from UK ports.

Management is constantly assessing the risks of infectious diseases on board and is prepared to take corrective steps. The health and well-being of our guests and our crew is paramount. All our guests are required to be vaccinated to highest standard and all guests to ensure a worry free, healthy and enjoyable cruise experience. In addition we are having robust protocols and procedures in place that are leading in the cruise industry and that are fully endorsed by port health authorities.

Ambassador continually reviews its offer to its guest to ensure that we deliver on our premium value promise with affordable prices without compromising quality and service.

Ambassador has a strategic partnership with BSM which has been successfully since its start. The ships are operated to a high standard. Operational risks are monitored in close collaborations and pro-active actions are taken to mitigate any operational risk.

In additional to the impact from geopolitical, macroeconomic and pandemic risk, financial risks are mainly driven by low occupancy rates and volatile prices of key supplies. Ambassador monitors these risks and takes corrective actions to protect its cash sufficiency. Ambassador's shareholders are prepared to be supportive as the ultimate resort.

Fuel price volatility and exchange rate changes can negatively impact operational costs. The Board has established policies that monitor these risks and mitigates them through a balanced approach to hedging.

Our guests and their payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started.

Directors' section 172 statement

Section 172 deals with the Board of Directors' duty to promote the success of the company for the benefit of shareholders as a whole, having regard to a number of broader matters including the likely consequence of decisions for the long term, the need to act fairly between members of the company, and the company's wider relationships.

The Board of Directors have always taken decisions for the long-term and collectively and individually our aim is always to uphold the highest standard of conduct and act fairly. Similarly, the directors understand that the business can only grow and prosper over the long-term if the Group and its Board of Directors understand and respect the views and needs of the customers, colleagues and the communities in which the business operates, as well as the suppliers, the environment and the shareholders to whom the Board of Directors is accountable. This is reflected in the Group's business principles.

The directors ensure that the requirements of s172 Companies Act 2006 are met and the interests of all

AMBASSADOR CRUISE HOLIDAYS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2024

stakeholder groups are considered through a combination of the following:

- Standing agenda points and papers presented at each Board meeting.
- A rolling agenda of matters to be considered by the Board throughout the year, which includes a strategy review process, which considers the Group strategy for the following years, supported by the budget for the following year and secured by adequate funds.
- Regular scheduled Board presentations and reports; for example, monthly performance reviews including, but not limited to, updates on business and operational matters, Health & Safety and key risks.
- Regular engagement with stakeholders, including, but not limited to, suppliers, customers and employees.
- Consideration of the impact of the Group's operations on the community and the environment, and how this can be improved.

Company's policy for payment of creditors

Payments are made to suppliers according to the terms of the agreements.

This report was approved by the board and signed on its behalf.

DocuSigned by:

Fraser Montgomery

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F S Montgomery
Director

Date: 7/6/2024

AMBASSADOR CRUISE HOLIDAYS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2024

The directors present their report and the financial statements for the period ended 31 March 2024.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dividends

The profit for the period, after taxation, amounted to £651,838 (2022 - £180,886)

Directors

The directors who served during the period were:

S M Weeks
C Verhounig
M A Seeger (resigned 19 September 2023)
F S Montgomery (appointed 17 October 2023)

AMBASSADOR CRUISE HOLIDAYS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2024

Disclosure of information to auditors

Each of the persons who are directors at the time when the Directors' report is approved has confirmed that:

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

71B79E06FE0A42F...
F S Montgomery
Director

Date: 7/6/2024

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED

Opinion

We have audited the financial statements of Ambassador Cruise Holidays Limited (the 'Company') for the period ended 31 March 2024, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In forming our opinion, we have considered the adequacy of the disclosures made in financial statements concerning the Company's ability to continue as a going concern. We draw your attention to Note 2.3. The financial statements do not include any adjustments that would result from a failure to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Enquiry of management and those charged with governance around actual and potential litigation and claims;

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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.

AMBASSADOR CRUISE HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AMBASSADOR CRUISE HOLIDAYS LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Palmer FCA (Senior statutory auditor)

for and on behalf of
Xeinadin Audit Limited

Chartered Accountants
Statutory Auditors

Becket House
36 Old Jewry
London
EC2R 8DD
Date:

AMBASSADOR CRUISE HOLIDAYS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
Turnover	3	79,547,697	48,485,780
Cost of sales		(80,040,169)	(48,085,581)
Gross (loss)/profit		<u>(492,472)</u>	<u>400,199</u>
Administrative expenses		(73,765)	(31,595)
Exceptional administrative expenses		-	(295,290)
Operating (loss)/profit		<u>(566,237)</u>	<u>73,314</u>
Interest receivable and similar income	4	623,451	107,572
Profit before tax		<u>57,214</u>	<u>180,886</u>
Profit for the financial period		<u><u>57,214</u></u>	<u><u>180,886</u></u>

There were no recognised gains and losses for 2024 or 2023 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2024 (2023:£NIL).

The notes on pages 13 to 19 form part of these financial statements.

AMBASSADOR CRUISE HOLIDAYS LIMITED
REGISTERED NUMBER: 13299365

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Current assets			
Debtors: amounts falling due within one year	7	9,881,192	9,109,947
Cash at bank and in hand	8	18,399,233	16,450,582
		28,280,425	25,560,529
Creditors: amounts falling due within one year	9	(28,068,672)	(25,405,990)
Net current assets		211,753	154,539
Total assets less current liabilities		211,753	154,539
Net assets		211,753	154,539
Capital and reserves			
Called up share capital		1	1
Profit and loss account		211,752	154,538
		211,753	154,539

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

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F S Montgomery
Director

Date: 7/6/2024

The notes on pages 13 to 19 form part of these financial statements.

AMBASSADOR CRUISE HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024**

1. General information

Ambassador Cruise Lines Limited is a private company limited by shares incorporated in England and Wales. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company continued to be that of a cruise tour operator and travel agent.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ACL Holdings (Guernsey) Limited as at 31 March 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, reduced by discounts, rebates, and excluding value added tax and other sales taxes. Revenue is recognised by cruise over the period of the respective cruise operation.

2.5 Advanced payments and receipts

Balances received relating to bookings that depart after the balance sheet date are treated as advance receipts and are separately disclosed under accruals and deferred income. Payments made to suppliers relating to bookings that depart after the balance sheet date are treated as advance payments and are separately disclosed under prepayments and accrued income.

AMBASSADOR CRUISE HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

AMBASSADOR CRUISE HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.11 Financial instruments (continued)**

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

AMBASSADOR CRUISE HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

3. Turnover

An analysis of turnover by class of business is as follows:

	2024 £	2023 £
Intercompany revenue	79,547,697	48,485,780
	<u>79,547,697</u>	<u>48,485,780</u>

4. Interest receivable

	2024 £	2023 £
Other interest receivable	623,451	107,572
	<u>623,451</u>	<u>107,572</u>

AMBASSADOR CRUISE HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024

5. Taxation

Factors affecting tax charge for the period/year

The tax assessed for the year is the same as (2023 - the same as) the standard rate of corporation tax in the UK of 25% (2023 - 19%) as set out below:

	2024 £	2023 £
Profit on ordinary activities before tax	57,214	180,886
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%)	(162,960)	34,368
Effects of:		
Group relief surrendered / (claimed)	-	(29,362)
Remeasurement of deferred tax for changes in tax rates	-	1,581
Movement in deferred tax not recognised	162,960	(6,587)
Total tax charge for the period/year	-	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

6. Exceptional items

	2024 £	2023 £
Exceptional items	-	295,290
	-	295,290

Exceptional items in prior years was a non-reoccurring cost relating to two cancelled cruises in December 2022.

AMBASSADOR CRUISE HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024**

7. Debtors

	2024 £	2023 £
Amounts owed by group undertakings	8,716,860	8,233,420
Other debtors	48,628	16,060
Prepayments and accrued income	1,115,704	860,467
	<u>9,881,192</u>	<u>9,109,947</u>

8. Cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	18,399,233	16,450,582
	<u>18,399,233</u>	<u>16,450,582</u>

Customers' payments for cruises are fully protected as all payments are fully insured by a Financial Failure policy underwritten by Accelerant EU. Additionally, customers' funds are paid into a trust account and only released when the cruise has started. The amount held in the trust account as at 31 March 2024 was £16,300,000 (2023: £15,200,000).

9. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	131,450	-
Amounts owed to group undertakings	536,221	536,221
Other creditors	10,907	6,662
Accruals and deferred income	27,390,094	24,863,107
	<u>28,068,672</u>	<u>25,405,990</u>

Accruals and deferred income includes receipts from customers for departures after the balance sheet date amounting to £27,390,093 (2023: £24,863,107).

10. Deferred taxation

The Company has unrecognised deferred tax asset in the UK of approximately £162,959 (2023: £Nil) that relates to losses and accelerated capital allowances.

AMBASSADOR CRUISE HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024**

11. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

12. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

FINANCIAL STATEMENTS OF THE ISSUER AND THE GUARANTORS

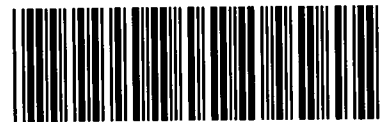
4. Audited financial statements of Ambassador Wake Asset Co for 2021/2022 and 2023/2024, including auditor reports

100744/20

Registered number: FC039012

WAKE ASSET CO LTD (BVI)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

THURSDAY



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COMPANIES HOUSE

WAKE ASSET CO LTD (BVI)

COMPANY INFORMATION

Directors	T J A Durston (appointed 22 October 2021, resigned 11 July 2022) C Verhounig (appointed 8 November 2021) S M Weeks (appointed 8 November 2021) M A Seeger (appointed 11 July 2022)
Registered number	FC039012
Registered office	Craigmuir Chambers Road Town Tortola Virgin Islands Vg 1110
Independent auditors	Xeinadin Audit Limited t/a Elman Wall Statutory Auditors 36 Old Jewry London EC2R 8DD
Accountants	Elman Wall Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

WAKE ASSET CO LTD (BVI)

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WAKE ASSET CO LTD (BVI)

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 MARCH 2022**

The directors present their report and the financial statements for the period ended 31 March 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the period were:

T J A Durston (appointed 22 October 2021, resigned 11 July 2022)
C Verhounig (appointed 8 November 2021)
S M Weeks (appointed 8 November 2021)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Xeinadin Audit Limited was appointed as auditors and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

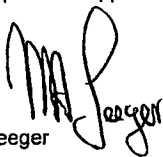
WAKE ASSET CO LTD (BVI)

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2022**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 12 December 2022 and signed on its behalf.


M A Seeger
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI)

Opinion

We have audited the financial statements of Wake Asset Co Ltd (BVI) (the 'Company') for the period ended 31 March 2022, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited

Ian Palmer FCA (Senior statutory auditor)

for and on behalf of

Xeinadin Audit Limited t/a Elman Wall

Statutory Auditors

36 Old Jewry

London

EC2R 8DD

Date: *13 December 2022*

WAKE ASSET CO LTD (BVI)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022**

	2022 £
Administrative expenses	(1,740)
Operating (loss)/profit	<u>(1,740)</u>
(Loss)/profit for the financial period	<u>(1,740)</u>
Other comprehensive income for the period	<u> </u>
Total comprehensive income for the period	<u><u>(1,740)</u></u>

The notes on pages 9 to 13 form part of these financial statements.

WAKE ASSET CO LTD (BVI)
REGISTERED NUMBER: FC039012

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £
Fixed assets		
Tangible assets	4	71,344,696
		<u>71,344,696</u>
Current assets		
Stocks		1,252,418
Debtors: amounts falling due within one year	6	468,051
Cash at bank and in hand	7	868,183
		<u>2,588,652</u>
Creditors: amounts falling due within one year	8	<u>(11,626,319)</u>
Net current (liabilities)/assets		<u>(9,037,667)</u>
Total assets less current liabilities		<u>62,307,029</u>
Net assets		<u><u>62,307,029</u></u>
Capital and reserves		
Called up share capital		62,308,769
Profit and loss account		<u>(1,740)</u>
		<u><u>62,307,029</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

12 December 2022


M A Seeger
Director

The notes on pages 9 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

1. General information

Wake Asset Co Limited Ltd is a private company limited by shares incorporated in the British Virgin Islands. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company is that of an asset owning company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ACL Holdings (Guernsey) Limited as at 31 March 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Vessels	- 15-20 years
---------	---------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.9 Financial instruments (continued)

flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

3. Employees

The average monthly number of employees, including directors, during the period was 3.

4. Tangible fixed assets

	Vessels £
Cost or valuation	
Additions	71,344,696
At 31 March 2022	<u>71,344,696</u>
Net book value	
At 31 March 2022	<u><u>71,344,696</u></u>

The vessels acquired during the period were not brought into use until after the period-end and therefore no depreciation has been charged during the period.

5. Stocks

	2022 £
Fuel and lubricant stocks	1,252,418
	<u><u>1,252,418</u></u>

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

6. Debtors

	2022 £
Other debtors	390,273
Prepayments and accrued income	77,778
	<u>468,051</u>

7. Cash and cash equivalents

	2022 £
Cash at bank and in hand	868,183
	<u>868,183</u>

8. Creditors: Amounts falling due within one year

	2022 £
Trade creditors	21,049
Amounts owed to group undertakings	20
Other creditors	463,424
Accruals and deferred income	11,141,826
	<u>11,626,319</u>

9. Financial instruments

	2022 £
Financial assets	
Financial assets measured at fair value through profit or loss	<u>868,183</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022**

10. Deferred taxation

The Group has unrecognised deferred tax asset in the UK of approximately £435 that relates to losses and accelerated capital allowances.

11. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

12. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

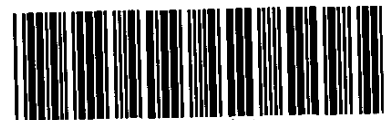
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WAKE ASSET CO LTD (BVI)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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COMPANIES HOUSE

WAKE ASSET CO LTD (BVI)

COMPANY INFORMATION

Directors	M A Seeger (appointed 11 July 2022) C Verhounig S M Weeks T J A Durston (resigned 29 June 2022)
Registered number	FC039012
Registered office	Craigmuir Chambers Road Town Tortola Virgin Islands Vg 1110
Independent auditors	Xeinadin Audit Limited Chartered Accountants & Statutory Auditors 8th Floor Becket House 36 Old Jewry London EC2R 8DD
Accountants	Elman Wall Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

WAKE ASSET CO LTD (BVI)

CONTENTS

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Independent auditors' report	3 - 6
Statement of comprehensive income	7
Statement of financial position	8
Notes to the financial statements	9 - 17

WAKE ASSET CO LTD (BVI)

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2023

The directors present their report and the financial statements for the period ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.*

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the period were:

M A Seeger (appointed 11 July 2022)
C Verhounig
S M Weeks
T J A Durston (resigned 29 June 2022)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

WAKE ASSET CO LTD (BVI)

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2023**

Auditors

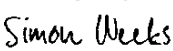
The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 5/10/2023

and signed on its behalf.

DocuSigned by:

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.....
S M Weeks
Director

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI)

Opinion

We have audited the financial statements of Wake Asset Co Ltd (BVI) (the 'Company') for the period ended 31 March 2023, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Owing to the inherent limitations of an audit there is unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. In addition as with any audit there remained a higher risk of nondetection of irregularities as these may involve collusion, forgery, intentional omissions, misrepresentation or override of internal controls. We are not responsible for prevention non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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.

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Ian Palmer

E1489DD707F840B

Ian Palmer FCA (Senior statutory auditor)

for and on behalf of

Xeinadin Audit Limited

Chartered Accountants

Statutory Auditors

8th Floor Becket House

36 Old Jewry

London

EC2R 8DD

Date: 6/10/2023

WAKE ASSET CO LTD (BVI)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023**

	2023 £	2022 £
Turnover	23,657,892	-
Cost of sales	(11,229,282)	-
Gross profit	<u>12,428,610</u>	<u>-</u>
Administrative expenses	(11,370,870)	(1,740)
Operating profit/(loss)	<u>1,057,740</u>	<u>(1,740)</u>
Interest payable and similar expenses	(1,024,965)	-
Profit/(loss) before tax	<u>32,775</u>	<u>(1,740)</u>
Profit/(loss) for the financial period	<u>32,775</u>	<u>(1,740)</u>
Other comprehensive income for the period		
Total comprehensive income for the period	<u>32,775</u>	<u>(1,740)</u>

The notes on pages 9 to 17 form part of these financial statements.

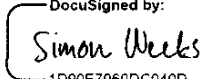
WAKE ASSET CO LTD (BVI)
REGISTERED NUMBER: FC039012

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	89,996,218	71,344,696
		<u>89,996,218</u>	<u>71,344,696</u>
Current assets			
Stocks	6	1,627,773	1,252,418
Debtors: amounts falling due after more than one year	7	1,022,614	-
Debtors: amounts falling due within one year	7	5,643,184	468,051
Cash at bank and in hand	8	-	868,183
		<u>8,293,571</u>	<u>2,588,652</u>
Creditors: amounts falling due within one year	9	(8,354,412)	(11,626,319)
Net current liabilities		<u>(60,841)</u>	<u>(9,037,667)</u>
Total assets less current liabilities		<u>89,935,377</u>	<u>62,307,029</u>
Creditors: amounts falling due after more than one year	10	(27,595,572)	-
Net assets		<u><u>62,339,805</u></u>	<u><u>62,307,029</u></u>
Capital and reserves			
Called up share capital		62,308,769	62,308,769
Profit and loss account		31,036	(1,740)
		<u><u>62,339,805</u></u>	<u><u>62,307,029</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5/10/2023

DocuSigned by:

 1D90E7960DC040D
S M Weeks
 Director

The notes on pages 9 to 17 form part of these financial statements.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

1. General information

Wake Asset Co Limited Ltd is a private company limited by shares incorporated in the British Virgin Islands. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company is that of an asset owning company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ACL Holdings (Guernsey) Limited as at 31 March 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of *monetary assets and liabilities denominated in foreign currencies* are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Turnover represents amounts receivable for ship charters. Revenue is recognised in accordance with the contracts.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Vessels	- 15-20 years
---------	---------------

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

2. Accounting policies (continued)
2.12 Financial instruments (continued)

flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

3. Employees

The average monthly number of employees, including directors, during the period was 3 (2022 - 3).

4. Taxation

	2023 £	2022 £
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax on profit/(loss)	-	-

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

4. Taxation (continued)
Factors affecting tax charge for the period

The tax assessed for the period is the same as (2022 - the same as) the standard rate of corporation tax in the UK of 19% (2022 - 19%) as set out below:

	2023 £	2022 £
Profit/(loss) on ordinary activities before tax	5,632,775	(1,740)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	1,070,227	(331)
Effects of:		
Remeasurement of deferred tax for changes in tax rates	337,966	(104)
Movement in deferred tax not recognised	(1,408,194)	435
Rounding	1	-
Total tax charge for the period	-	-

Factors that may affect future tax charges

The rate of corporation tax has been increased from 19% to 25% with effect from 1 April 2023. Deferred tax assets and liabilities have therefore been remeasured at 25%.

WAKE ASSET CO LTD (BVI)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023****5. Tangible fixed assets**

	Vessels £
Cost or valuation	
At 1 April 2022	71,344,696
Additions	22,507,102
At 31 March 2023	<u>93,851,798</u>
Depreciation	
Charge for the period on owned assets	3,855,580
At 31 March 2023	<u>3,855,580</u>
Net book value	
At 31 March 2023	<u>89,996,218</u>
At 31 March 2022	<u>71,344,696</u>

6. Stocks

	2023 £	2022 £
Fuel and lubricant stocks	1,627,773	1,252,418
	<u>1,627,773</u>	<u>1,252,418</u>

7. Debtors

	2023 £	2022 £
Due after more than one year		
Long-term financing	1,022,614	-
	<u>1,022,614</u>	<u>-</u>
Due within one year		
Trade debtors	584,803	-
Amounts owed by group undertakings	4,398,875	-

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

7. Debtors (continued)

Other debtors	152,402	390,273
Prepayments and accrued income	507,104	77,778
	<u>5,643,184</u>	<u>468,051</u>

8. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	-	868,183
	<u>-</u>	<u>868,183</u>

9. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	4,062,828	-
Trade creditors	159,914	21,049
Amounts owed to group undertakings	556,559	20
Other creditors	1,207,984	463,424
Accruals and deferred income	2,367,127	11,141,826
	<u>8,354,412</u>	<u>11,626,319</u>

10. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	27,595,572	-
	<u>27,595,572</u>	<u>-</u>

WAKE ASSET CO LTD (BVI)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023****11. Loans**

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Other loans	4,062,828	-
	<u>4,062,828</u>	<u>-</u>
Amounts falling due 1-2 years		
Other loans	5,065,344	-
	<u>5,065,344</u>	<u>-</u>
Amounts falling due 2-5 years		
Other loans	22,530,228	-
	<u>22,530,228</u>	<u>-</u>
	<u>31,658,400</u>	<u>-</u>

Loans secured on ships.

These loans are secured on the value of the vessels.

12. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through profit or loss	-	868,183
	<u>-</u>	<u>868,183</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023**

13. Deferred taxation

The Group has unrecognised deferred tax asset in the UK of approximately £- (2022: £435) that relates to losses and accelerated capital allowances.

14. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

15. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.

WAKE ASSET CO LTD (BVI)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

WAKE ASSET CO LTD (BVI)

COMPANY INFORMATION

Directors	C Verhounig S M Weeks F S Montgomery (appointed 17 October 2023)
Registered number	FC039012
Registered office	Craigmuir Chambers Road Town Tortola Virgin Islands Vg 1110
Independent auditors	Xeinadin Audit Limited Chartered Accountants & Statutory Auditors 8th Floor Becket House 36 Old Jewry London EC2R 8DD

WAKE ASSET CO LTD (BVI)

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Independent Auditors' Report	3 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Notes to the Financial Statements	9 - 18

WAKE ASSET CO LTD (BVI)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

The directors present their report and the financial statements for the year ended 31 March 2024.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

M A Seeger (resigned 20 September 2023)
C Verhounig
S M Weeks
F S Montgomery (appointed 17 October 2023)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

WAKE ASSET CO LTD (BVI)

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Auditors

The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:

71B79E06FE0A42F...
F S Montgomery
Director

Date: 7/6/2024

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI)

Opinion

We have audited the financial statements of Wake Asset Co Ltd (BVI) (the 'Company') for the year ended 31 March 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In forming our opinion, we have considered the adequacy of the disclosures made in financial statements concerning the Company's ability to continue as a going concern. We draw your attention to Note 2.3. The financial statements do not include any adjustments that would result from a failure to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Auditors' 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 Auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Owing to the inherent limitations of an audit there is unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. In addition as with any audit there remained a higher risk of non-detection of irregularities as these may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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.

WAKE ASSET CO LTD (BVI)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAKE ASSET CO LTD (BVI) (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

E1489DD707F840B...

Ian Palmer FCA (Senior Statutory Auditor)

for and on behalf of
Xeinadin Audit Limited

Chartered Accountants
Statutory Auditors

8th Floor Becket House
36 Old Jewry
London
EC2R 8DD
Date: 7/6/2024

WAKE ASSET CO LTD (BVI)**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
Turnover		15,642,000	23,657,892
Cost of sales		-	(11,229,282)
Gross profit		15,642,000	12,428,610
Administrative expenses		(6,446,293)	(11,370,870)
Operating profit		9,195,707	1,057,740
Interest payable and similar expenses	5	(9,147,119)	(1,024,965)
Profit before tax		48,588	32,775
Tax on profit	6	(18,241)	-
Profit for the financial year		30,347	32,775
Other comprehensive income for the year			
Revaluation reserve		28,465,043	-
Other comprehensive income for the year		28,465,043	-
Total comprehensive income for the year		28,495,390	32,775

The notes on pages 9 to 18 form part of these financial statements.

WAKE ASSET CO LTD (BVI)
REGISTERED NUMBER: FC039012

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	7	134,838,058	89,996,218
		<u>134,838,058</u>	<u>89,996,218</u>
Current assets			
Stocks	8	-	1,627,773
Debtors: amounts falling due after more than one year	9	-	1,022,614
Debtors: amounts falling due within one year	9	16,224,758	5,643,184
		<u>16,224,758</u>	<u>8,293,571</u>
Creditors: amounts falling due within one year	10	(60,227,621)	(8,354,412)
Net current liabilities		<u>(44,002,863)</u>	<u>(60,841)</u>
Total assets less current liabilities		<u>90,835,195</u>	<u>89,935,377</u>
Creditors: amounts falling due after more than one year	11	-	(27,595,572)
Net assets		<u><u>90,835,195</u></u>	<u><u>62,339,805</u></u>
Capital and reserves			
Called up share capital	14	62,308,769	62,308,769
Revaluation reserve	15	28,465,043	-
Profit and loss account	15	61,383	31,036
		<u><u>90,835,195</u></u>	<u><u>62,339,805</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

71B79E06FE0A42F...
F S Montgomery
Director

Date: 7/6/2024

The notes on pages 9 to 18 form part of these financial statements.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. General information

Wake Asset Co Limited Ltd is a private company limited by shares incorporated in the British Virgin Islands. The address of the registered company is given on the Company Information page of these financial statements.

The principal activity of the company is that of an asset owning company.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of ACL Holdings (Guernsey) Limited as at 31 March 2024 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Company meets its working capital requirements through support from group companies. Having considered this, the directors are confident that the Company will continue to receive support from its ultimate parent, Wake Luxco S.a.r.l, for a period of at least twelve months from the signing of the financial statements.

On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.4 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue represents amounts receivable for ship charters. Revenue is recognised in accordance with the contracts.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.9 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Vessels	- 15-20 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)**2.13 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary

WAKE ASSET CO LTD (BVI)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.14 Financial instruments (continued)

course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below;

(i) Useful economic lives of tangible assets and intangible assets;
The annual depreciation charge of aniglbe and intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

(ii) Valuation of vessels;:
The Company show Vessels at cost value. The directors assess the conditions affecting such assets when valuing at each year end.

4. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Directors	3	3

WAKE ASSET CO LTD (BVI)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****5. Interest payable and similar expenses**

	2024 £	2023 £
Other loan interest payable	3,170,567	1,024,965
Loans from group undertakings	5,976,552	-
	9,147,119	1,024,965

6. Taxation**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2023 - *the same as*) the standard rate of corporation tax in the UK of 25% (2023 - 19%) as set out below:

	2024 £	2023 £
Profit on ordinary activities before tax	48,588	32,775
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%)	12,147	6,227
Effects of:		
Fixed asset differences	(1,407,759)	-
Expenses not deductible for tax purposes	-	1,064,000
Remeasurement of deferred tax for changes in tax rates	-	337,966
Movement in deferred tax not recognised	1,407,759	(1,408,193)
Other permanent differences	18,241	-
Other differences leading to an increase (decrease) in the tax charge	121,001	-
Group relief surrendered/(claimed)	(133,148)	-
Total tax charge for the year	18,241	-

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

WAKE ASSET CO LTD (BVI)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Tangible fixed assets

	Vessels £
Cost or valuation	
At 1 April 2023	93,851,798
Additions	23,339,344
Revaluations	28,465,043
At 31 March 2024	145,656,185
Depreciation	
At 1 April 2023	3,855,580
Charge for the year on owned assets	6,962,547
At 31 March 2024	10,818,127
Net book value	
At 31 March 2024	134,838,058
At 31 March 2023	89,996,218

8. Stocks

	2024 £	2023 £
Fuel and lubricant stocks	-	1,627,773
	-	1,627,773

WAKE ASSET CO LTD (BVI)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****9. Debtors**

	2024 £	2023 £
Due after more than one year		
Long-term financing	-	1,022,614
	<u>-</u>	<u>1,022,614</u>
	<u><u>-</u></u>	<u><u>1,022,614</u></u>
Due within one year		
Trade debtors	-	584,803
Amounts owed by group undertakings	16,178,221	4,398,875
Other debtors	2,030	152,402
Prepayments and accrued income	44,507	507,104
	<u>16,224,758</u>	<u>5,643,184</u>
	<u><u>16,224,758</u></u>	<u><u>5,643,184</u></u>

10. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other loans	-	4,062,828
Trade creditors	5,913	159,914
Amounts owed to group undertakings	59,444,884	556,559
Corporation tax	18,241	-
Other creditors	-	1,207,984
Accruals and deferred income	758,583	2,367,127
	<u>60,227,621</u>	<u>8,354,412</u>
	<u><u>60,227,621</u></u>	<u><u>8,354,412</u></u>

11. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Other loans	-	27,595,572
	<u>-</u>	<u>27,595,572</u>
	<u><u>-</u></u>	<u><u>27,595,572</u></u>

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. Loans

Analysis of the maturity of loans is given below:

	2024 £	2023 £
Amounts falling due within one year		
Other loans	-	4,062,828
	<u>-</u>	<u>4,062,828</u>
Amounts falling due 1-2 years		
Other loans	-	5,065,344
	<u>-</u>	<u>5,065,344</u>
Amounts falling due 2-5 years		
Other loans	-	22,530,228
	<u>-</u>	<u>22,530,228</u>
	<u>-</u>	<u>31,658,400</u>

13. Deferred taxation

The Group has unrecognised deferred tax asset in the UK of approximately £nil (2023: £4,723,605) that relates to losses and accelerated capital allowances.

14. Share capital

	2024 £	2023 £
Allotted, called up and fully paid		
62,308,769 (2023 - 62,308,769) Ordinary shares of £1.00 each	<u>62,308,769</u>	<u>62,308,769</u>

WAKE ASSET CO LTD (BVI)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Reserves

Revaluation reserve

The Company's revaluation reserves reflect the increase in its valuation of vessels. Valuations were undertaken by a 3rd party company.

Profit and loss account

Includes all current and prior period retained profit and losses.

16. Related party transactions

The company has taken advantage of the exemption available under FRS102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly-owned.

17. Controlling party

The ultimate parent company is Wake Luxco S.a.r.l, a company incorporated and registered in Luxembourg.