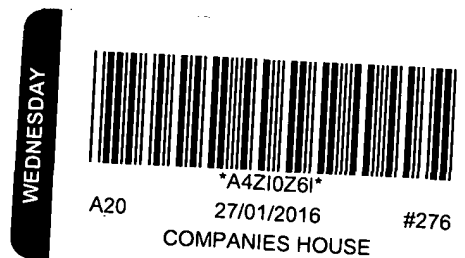


Jetset Group Holding (Brazil) Limited (formerly Laterooms Group Holding (Brazil) Limited)

Reports of the Directors and financial statements

for the year ended 30 September 2015

Company number 4879656



Jetset Group Holding (Brazil) Limited (formerly Laterooms Group Holding (Brazil) Limited)
Reports of the Directors for the year ended 30 September 2015

The Directors present their reports and the audited financial statements of Jetset Group Holding (Brazil) Limited ("the Company") for the year ended 30 September 2015. On 23 October 2015 the Company changed its name to Jetset Group Holding (Brazil) Limited from Laterooms Group Holding (Brazil) Limited.

STRATEGIC REPORT

The Company's principal activity during the year continued to be that of a holding company within the TUI AG group of companies ("the Group").

Review of the business

During the year, the Company's subsidiaries comprised the Hotelbeds Group online accommodation business in Brazil. Details of subsidiary undertakings are provided in Note 4 of these financial statements.

Since the Company is an intermediate parent company, the Company's business performance and key performance indicators are driven by both the underlying operating performance of its subsidiaries and the capital structure of the Company.

On 19 March 2015 the Company issued 12,700,000 ordinary shares of £1 each to its parent company Jetset Group Holding Limited at par value for cash consideration of £12,700,000. This funding was used to provide capital into Mala Pronta Viagens e Turismo Ltda. During the year, the Company fully impaired its costs of investment in Mala Pronta Viagens e Turismo Ltda following the announcement of the cessation of that company's business. The total impairment charge recognised in the profit and loss account was £21,953,694 (2014: £nil). Details of the Company's investments, including additions and impairment charges are provided in Note 4.

The Company's loss on ordinary activities before taxation for the year ended 30 September 2015 was £21,953,695 (2014: £nil). No interim dividends were paid during the year to the parent company Jetset Group Holding Limited (2014: £nil) and the Directors do not recommend the payment of a final dividend (2014: £nil).

At 30 September 2015, the Company had net assets of £nil (2014: £9,253,695). The Directors have considered the future activities and funding requirements for the Company. As the Company is not expected to trade in the foreseeable future, the Directors do not expect there to be any transactions that would require financial support from a parent company and therefore consider it appropriate to continue to prepare the financial statements on the going concern basis.

To effectively measure the development, performance and position of the Company, the following Key Performance Indicators (KPIs) are of most relevance.

	Year ended		Year ended
	30 September 2015		30 September 2014
	£		£
(Loss) / result on ordinary activities before taxation	(21,953,695)		-
Net assets	-		9,253,695

As the Company does not employ personnel or provide tour operating services itself, analysis of the Company's performance using KPIs relating to environmental and employee matters are not considered relevant.

The Directors consider the future outlook of the Company to be satisfactory.

Principal risks and uncertainties

The principal risks and uncertainties which are common to the TUI AG group of companies ("the Group") and the Company are:

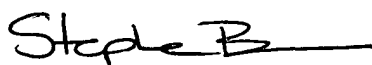
- **Profitability of the Company's subsidiaries and dividends received.** Dividends received from the Company's subsidiaries are variable and the timing and amount of each dividend is dependent upon the long-term success and profitability of each subsidiary. Since the majority of the Company's profits are generated by dividends received from its subsidiaries, the Company's profitability from one year to another can therefore vary significantly.

Principal risks and uncertainties (continued)

- **Recoverability of the carrying value of investments.** The Company provides capital to its subsidiary undertakings when necessary in order to promote their long-term development and success. The recoverability of each investment will depend upon this long-term success and the future cash flows that are expected to be generated by each subsidiary. To the extent that the future cash flows do not support the carrying value of the investment, an impairment is required to be recognised in the Company's profit and loss account.

During the year, the Directors managed these risks and uncertainties of the Company in co-ordination with the Directors of the Group. Further information on these risks, together with how these are mitigated, can be found on pages 97-114 of the TUI AG Annual report and Accounts, 2014/15. Details of where these financial statements can be obtained are in Note 10 of these financial statements.

On behalf of the Board



S J Brann
Director

Company Number 4879656

Dated: 25 January 2016

DIRECTORS' REPORT

Directors

The Directors of the Company at the date of this report are:

S J Brann	(appointed on 24 September 2015)
A K Jarvis	(appointed on 20 January 2016)

Other Directors who served during the year were:

J Vila Bosch	(resigned on 25 September 2015)
J With-Fogstrup	(resigned on 25 September 2015)
J Walter	(resigned on 18 December 2015)

Business review

A fair review of the business, including an analysis of the development, performance and financial position of the Company, together with key performance indicators and a description of the principal risks and uncertainties facing the Company, has been included within the Strategic Report.

Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and PricewaterhouseCoopers LLP will therefore continue in office.

Directors' insurance

From 1 October 2014 to 11 December 2014, the intermediate parent company, TUI Travel PLC (now TUI Travel Limited), maintained Directors' and Officers' Liability insurance policies on behalf of the Directors of the Company. Following the merger of TUI Travel PLC and TUI AG on 11 December 2014, until the date of approval of these financial statements, the ultimate parent company, TUI AG, maintained these insurance policies. These policies meet the Companies Act 2006 definition of a qualifying third party indemnity provision.

Statement as to disclosure of information to auditors

The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Intention to adopt FRS 102

Following the publication by the Financial Reporting Council of FRS 100, 'Application of financial reporting requirements', the Company is permitted to adopt FRS 102, 'Financial Reporting Standard applicable in the UK and Republic of Ireland' for its entity financial statements for the financial year ending 30 September 2016.

The Directors of the Company consider that it is in the best interests of the Company and the TUI Group to adopt FRS 102 as its accounting framework for the financial year ending 30 September 2016 and hereby notifies its shareholder that it intends to do so.

As Jetset Group Holding Limited ("JGHL") is the holder of all of the issued shares of the Company, JGHL is entitled to serve an objection to the use of FRS 102 as the Company's accounting framework. Should JGHL choose to object to the use of FRS 102, objections should be made in writing to the Company's registered office address by no later than 30 September 2016.

On the basis that no objections are received, the Company's use of FRS 102 as the accounting framework is expected to remain in force for the foreseeable future or until the earlier of the following events:

- JGHL is no longer a shareholder(s) of the Company; or
- there is a change to the balances in the Company's balance sheet or there are new transactions that cause the Company to cease being dormant.

Funding and liquidity and going concern

The Directors have considered the funding and liquidity position of the Company. Following this review, the Directors consider it appropriate to continue to prepare the financial statements on the going concern basis (see Note 1).

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

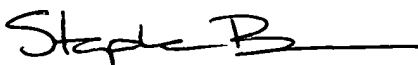
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 and then apply them consistently;
- make judgements 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; and
- 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 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.

On behalf of the Board



S J Brann
Director

Company Number 4879656

Dated: 25 January 2016

Report on the financial statements

Our opinion

In our opinion, Jetset Group Holding (Brazil) Limited's financial statements (the "Financial Statements"):

- give a true and fair view of the state of the Company's affairs as at 30 September 2015 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.

What we have audited

The financial statements, included within the Reports of the Directors and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 30 September 2015;
- the profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they 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 (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Archie Wilson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge

25 January 2016

Jetset Group Holding (Brazil) Limited (formerly Laterooms Group Holding (Brazil) Limited)
Profit and loss account for the year ended 30 September 2015

		30 September 2015 £	30 September 2014 £
	Note		
Administrative expenses	2	(1)	-
Amounts written off investments	4	(21,953,694)	-
(Loss)/result on ordinary activities before taxation		(21,953,695)	-
Tax on (loss)/result on ordinary activities	3	-	-
(Loss)/result for the financial year	7	(21,953,695)	-

The results stated above are all derived from continuing operations.

A note on historical cost profit and loss has not been included as part of these financial statements as the results disclosed in the profit and loss account are prepared on an unmodified historical cost basis.

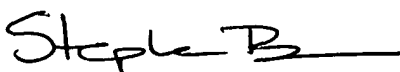
The Company has no recognised gains or losses other than those included in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented.

Jetset Group Holding (Brazil) Limited (formerly Laterooms Group Holding (Brazil) Limited)
Balance sheet as at 30 September 2015

	Note	30 September 2015 £	30 September 2014 £
Fixed assets			
Investments	4	-	9,253,694
Current assets			
Debtors	5	-	1
Net current assets		-	1
Total assets less current liabilities		-	9,253,695
Net assets		-	9,253,695
Capital and reserves			
Called up share capital	6	21,953,695	9,253,695
Profit and loss account	7	(21,953,695)	-
Total shareholders' funds	8	-	9,253,695

The notes on pages 8 to 11 form part of these financial statements.

The financial statements on pages 6 to 11 were approved by the Board of Directors on 25 January 2016 and signed on its behalf by:



S J Brann
Director

1. Accounting policies

The following accounting policies have been consistently applied in dealing with items which are considered material in relation to the Company's financial statements, except as noted below.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard No. 1 (revised 1996) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Going concern

At 30 September 2015, the Company had net assets of £nil (2014: £9,253,695). The Directors have considered the future activities and funding requirements for the Company. As the Company is not expected to trade in the foreseeable future, the Directors do not expect there to be any transactions that would require financial support from a parent company and therefore consider it appropriate to continue to prepare the financial statements on the going concern basis.

Investments

Investments are stated at cost less provision for diminution in value. The carrying amounts of the Company's investments are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If such an indication exists, the investment's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an investment exceeds its recoverable amount.

Taxation

Taxation comprises current tax. Current tax is the average expected tax payable (or recoverable) for the current year, and any adjustment to tax payable in respect of previous years, using tax rates enacted or substantively enacted at the balance sheet date.

2. Auditors' and Directors' remuneration

The audit fee for 2015 was £5,000. In 2014, it was not possible to separately identify the audit fee relating to the entity. These fees have been borne by another Group company in both years and have not been recharged to the Company.

The remuneration of all the Directors is borne by a fellow Group subsidiary which makes no recharge to the Company. The Directors are also directors of a number of fellow Group subsidiaries. It is therefore not possible to make an accurate apportionment of their remuneration in respect of each of the fellow Group subsidiaries of which they are a Director.

There were no employees of the Company in the years ending 30 September 2015 and 2014.

3. Tax on (loss)/result on ordinary activities

(i) Analysis of tax charge in the year

There is no tax charge for the year ended 30 September 2015 or the year ended 30 September 2014. The current tax charge for the year is different to (2014: equal to) the standard rate of corporation tax in the UK of 20.5% (2014: 22%). This is shown below:

	Year ended 30 September 2015 £	Year ended 30 September 2014 £
(Loss)/result on ordinary activities before taxation	<u>(21,953,695)</u>	<u>-</u>
(Loss)/result on ordinary activities at the standard rate of UK corporation tax of 20.5% (2014: 22%)	(4,500,507)	-
- Expenses not deductible for tax purposes	<u>4,500,507</u>	<u>-</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

(ii) Factors affecting the future tax charge

The rate of taxation is expected to follow the standard rate of UK corporation tax in future years. Proposals to reduce the main UK corporation tax to 19% on 1 April 2017 and 18% on 1 April 2020 had not been substantively enacted at the balance sheet date and are therefore not included in these financial statements.

These reductions may reduce the Company's future current tax charge accordingly, however it has not yet been possible to quantify the full anticipated effect of the announced further rate reduction. Although this should further reduce the Company's future current tax charge, it is estimated that this will not have a material effect on the Company.

There are no unprovided deferred tax liabilities nor unrecognised deferred tax assets at either 30 September 2015 or 30 September 2014

4. Investments

	Investments in subsidiary undertakings £
Cost:	
At 1 October 2014	9,253,694
Additions	<u>12,700,000</u>
At 30 September 2015	<u>21,953,694</u>
Impairment:	
At 1 October 2014	-
Provided during the year	<u>(21,953,694)</u>
At 30 September 2015	<u>(21,953,694)</u>
Net book value:	
At 30 September 2015	<u>-</u>
At 30 September 2014	<u>9,253,694</u>

4. Investments (continued)

Investment in subsidiary undertaking

Name of Undertaking	Country of incorporation	Share class	% held directly by the Company	Total % held by the Group
Mala Pronta Viagens e Turismo Ltda	Brazil	BRL1.00 Ordinary shares	100	100

On 19 March 2015 the Company made a capital injection of £12,700,000 into Mala Pronta Viagens e Turismo Ltda which was funded by the issue of 12,700,000 ordinary shares of £1 each to the Company's immediate parent company, Jetset Group Holding Limited, at par value for cash consideration.

During the year ended 30 September 2015, the investment in Mala Pronta Viagens e Turismo Ltda was fully impaired by £21,953,694 to leave a value of £nil, following the announcement of the cessation of that company's business.

5. Debtors

	30 September 2015 £	30 September 2014 £
Amounts owed by Group undertakings	-	1

The amounts owed by Group undertakings are unsecured, bear no interest and were written off during the year.

6. Called up share capital

	30 September 2015 £	30 September 2014 £
Issued and fully paid:		
21,953,695 (2014: 9,253,695) ordinary shares of £1 each	<u>21,953,695</u>	<u>9,253,695</u>

On 19 March 2015 the Company issued 12,700,000 ordinary shares of £1 each to its parent company Jetset Group Holding Limited at par value for cash consideration of £12,700,000.

7. Profit and loss account

	£
At 1 October 2014	-
Loss for the financial year	(21,953,695)
At 30 September 2015	<u>(21,953,695)</u>

8. Reconciliation of movements in shareholders' funds

	30 September 2015 £	30 September 2014 £
Opening shareholders' funds	9,253,695	7,750,634
(Loss)/result for the financial year	(21,953,695)	-
Issue of share capital (Note 6)	<u>12,700,000</u>	<u>1,503,061</u>
Closing shareholders' funds	<u>-</u>	<u>9,253,695</u>

9. Related party transactions

The Company has taken advantage of the exemption contained in Financial Reporting Standard No. 8 "Related Party Disclosure" as it is a wholly-owned subsidiary of TUI AG. Therefore the Company has not disclosed transactions or balances with wholly-owned entities that form part of the Group headed by TUI AG.

10. Ultimate parent company

The Company is controlled by TUI AG – a company registered in Berlin and Hanover (Federal Republic of Germany) which is the ultimate parent company and controlling party. The immediate parent company is Jetset Group Holding Limited.

The smallest and largest group in which the results of the Company are consolidated is that headed by TUI AG. Copies of the TUI AG financial statements are available from Investor Relations, TUI AG, Karl-Wiechert-Allee 4, D-30625, Hanover or from the website www.tui-group.com. No other financial statements include the results of the Company.