

9 April 2020

ALBATROSS TOURS AND THE CORONAVIRUS CRISIS

The rapid spread of coronavirus (COVID-19) is an extraordinary and unexpected event that has impacted travel companies across Australia and throughout the world and Albatross Tours is no exception. With resultant travel restrictions and border closures taking effect, we have been forced to withdraw numerous departures from our European tour programme, disappointing both travellers and suppliers alike.

We would like to update you on the financial stability and security of Albatross Tours in the current environment as we believe it's important to keep you up to date on the health of our company in these difficult times.

Whether you are a customer, travel agent or supplier, you have supported the growth of Albatross Tours and we are so thankful for the trust you have placed in our business. Having a trusted relationship means being honest with you about the steps we are taking to protect you, your money, our company and people.

As soon as the true impact of coronavirus became apparent, we undertook significant measures to maintain cash flow and control costs in order to weather what is likely to be a prolonged restriction on international travel and tourism.

Some of steps we took had a direct impact on the lives and livelihoods of many of our people. This was very distressing, but necessary, to secure the future of the business with our brand and culture intact, so that once again we will be able to create remarkable memories that last a lifetime for our travellers. It is our intention that we will be able to bring back many of our friends and colleagues once the business returns to some sense of normality.

We have also been overwhelmed by the support from many of our customers as we negotiate this ongoing crisis. As the situation began to unfold, we were under the impression that the restrictions would be limited in scope and time, but now they are broad based, without any foreseeable end point. As such we are implementing a consistent policy to protect the interests of our customers, travel industry partners and our business. Because of this, Albatross Tours is offering travel credits in line with ACCC guidance and industry standards.

Albatross has already committed significant non-refundable and non-transferable deposits on behalf of our customers and by supporting us it enables us to absorb those substantial outlays. So, whether you have agreed to transfer your tour to a later date or agreed for us to hold your payment as a credit against future travel this not only allows you to look forward to a remarkable holiday, it is the best outcome for you, as we absorb these costs without passing on any penalty to you. It is also the best outcome for Albatross and for the travel industry in general securing future bookings and maintaining jobs. For this, we cannot express our thanks enough for your understanding.

However, it is also important for you to know that your money is safe with us. Rest assured that all

funds paid in advance of travel or held in credit is set aside, in a dedicated Client Account, until after the completion of your tour.

Lastly, you should be aware that Albatross Tours is part of a larger, diverse group of companies, Albatross Group Limited, based in the United Kingdom. Whilst nearly all of the Groups' brands have also been affected by coronavirus, each has taken its own measures to protect the business and the group as a whole has secured government backed funding to underpin its long-term future.

Once again, we would like to thank you for your ongoing support and understanding during these extraordinary times. It is difficult to see right now, but we remain excited about the prospect of once again being able to showcase the best of what Europe has to offer to our customers, and we hope you are too.

If you have any questions, please feel free to contact us and we will do everything we can to assist you.

Yours sincerely,



Euan Landsborough, Managing Director
Albatross Tours



Steve Hornby, Group CEO
Albatross Group

ABOUT ALBATROSS TOURS AND ALBATROSS GROUP LIMITED

About Albatross Tours Australia

Albatross Tours Australia is now enjoying its 25th year of business. The company was established by Euan Landsborough in 1996, who continues to hold a 25% partnership in Albatross Tours Australia and is actively involved in the Brisbane based business today, including the design of all new touring programs. Albatross Group CEO, Steve Hornby, and CFO, Adam Handy, regularly visit Australia and are actively involved in the strategic development and leadership of the business.

About Albatross Group Limited

The Albatross Group is a multi-award-winning collection of group tourism businesses based in Kent, in the United Kingdom. The business was founded in 1985 to provide group accommodation packages to coach operators throughout the United Kingdom and since then has grown to become the United Kingdom's largest wholesaler for groups. In addition to coach wholesaling through Albatross Travel, the Albatross Group is comprised of two specialist tour operating businesses, Scenic Car Tours and Success Tours, has an online presence through its group portal, Door2Tour.com and has a well-established, specialist tour operator, Albatross Tours, based in Brisbane, Australia, which provides small group touring holidays to Europe. The Group has offices and staff based across the United Kingdom and Australia as well as in Ireland and Germany.

Financial Security

In Australia, Albatross Tours has accreditation with ATAS (AFTA Travel Accreditation Scheme) and is a member of CATO (Council of Australia Tour Operators). Albatross Tours Australia also ensures that customer money paid in advance of travel is set aside in a dedicated Client Account until after the completion of the tour.

In the United Kingdom, where Albatross acts as the tour operator, consumer money is protected in the event of financial failure, through ABTOT (Association of Bonded Travel Organisers Trust) and ATOL (Air Tour Operators Licence).

Wholesale operations in the United Kingdom are governed by conditions of BAWTA (British Association of Tour Agents) that requires its members to agree to set aside advance wholesale tour payments until each tour is completed. These monies are either held in a separate designated account(s) or accounted for in a way which clearly identifies them as being held on behalf of clients.

Financial Stability

Albatross Group Limited is a privately-owned company. The Group has been consistently profitable from its outset, never having posted a loss. It also remains financially independent from external, third-party investment, being owner-managed by its two main shareholders and board of directors.

Over the last 35 years Albatross has enjoyed carefully managed expansion through a combination of organic growth and selected acquisitions. Although it has expanded and diversified its operations beyond coach wholesaling, the core business still accounts for more than 50% of group sales of £35m, the balance being derived from its group tour operating businesses in the United Kingdom and Australia.

Tour Crisis Management

In the event of any unexpected incidents on tour all brands across the group have on call support facilities, 24 hours a day, 7 days a week to help and support in every way possible. In the unfortunate event of a major on-tour crisis, Albatross has a trained Incident Response Team on call to manage the incident, provide information and support to all parties involved and, if required, to deploy travelling responders to the scene.

For more information, please visit www.albatrossgroup.com