
DATA/S

Lufthavnsvej 4, DK-6580 Vamdrup

Annual Report for 2023

CVR No. 12 65 46 93

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 23/5 2024

Halldor Sigurdarson
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Management's Review	
Company information	4
Financial Highlights	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	9
Balance sheet 31 December	10
Statement of changes in equity	12
Notes to the Financial Statements	13

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of DAT A/S for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Vamdrup, 23 May 2024

Executive Board

Jesper Rungholm
CEO

Board of Directors

Halldor Sigurdarson
Chairman

Kristian Anders Hvass

Jesper Rungholm

Independent Auditor's report

To the shareholder of DAT A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DAT A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

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

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

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

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

Management's responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Trekantområdet, 23 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jan Bunk Harbo Larsen

State Authorised Public Accountant

mne30224

Company information

The Company	DAT A/S Lufthavnsvej 4 DK-6580 Vamdrup CVR No: 12 65 46 93 Financial period: 1 January - 31 December Municipality of reg. office: Vamdrup
Board of Directors	Halldor Sigurdarson, chairman Kristian Anders Hvass Jesper Rungholm
Executive Board	Jesper Rungholm
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	631,393	820,389	559,988	418,390	1,004,095
Profit/loss of ordinary primary operations	27,554	-55,024	-90,016	15,229	-16,150
Profit/loss of primary operations	35,591	-41,746	32,327	15,229	-9,288
Profit/loss of financial income and expenses	-26,107	5,648	-18,098	-25,111	-21,425
Net profit/loss for the year	6,737	-24,414	22,330	-4,101	-40,784
Balance sheet					
Balance sheet total	677,133	587,928	555,736	518,027	445,510
Investment in property, plant and equipment	7,908	47,811	7,031	4,135	-19,867
Equity	-27,280	-34,017	-9,603	-31,933	-27,832
Number of employees	149	200	125	160	208
Ratios					
Gross margin	24.1%	10.8%	21.8%	34.5%	16.4%
Profit margin	5.6%	-5.1%	5.8%	3.6%	-0.9%
Solvency ratio	-4.0%	-5.8%	-1.7%	-6.2%	-6.2%

Management's review

Key activities

The Company's activities consist of operating fixed wing aircraft and related activities using own and leased aircraft.

Development in the year

The income statement of the Company for 2023 shows a profit of TDKK 6,737, and at 31 December 2023 the balance sheet of the Company shows a negative equity of TDKK 27,280.

General business resumed to normality with no direct COVID implication for the full year. Yield across the network of Scheduled Services improved year-on-year, in particular during the first few months of 2023, and the number of passengers carried per flight exceeded the 2022 level. The activity level within the Schedule Services segment was, as in years before, reasonably stable throughout the year although there was seasonality impact with in frequency with the winter months having 48 daily flights on average and the summer months having 56 daily flights on average. Overall flight activity dropped from the year before, largely because of a combination of discontinued, as well as reduced frequency on, routes in Denmark. Scheduled services performed mostly to expectations.

Jet production, servicing ACMI markets in Europe and Asia, had a slow start to the year with aircraft mostly sitting idle until the spring and only a handful of flights operated. This changed dramatically to the better from early on in April and into June and then continued throughout the summer season into early winter. Some of the aircraft carried on under Wet lease contracts into the winter and some continue into this coming spring. Demand for Ad-hoc services on short notice was much higher than it has been before and the aircraft dedicated for Ad-hocs and to service internally as back-up was almost in full production from early summer until end of the summer season. Performance and results from both ACMI and Ad-hoc services exceeded expectations.

The severe negative impacts in 2022 caused by the Russian invasion into Ukraine eased somewhat in 2023. Price of fuel came back down and the US Dollar recovered although it continued throughout the year 2023 to be at a historical strong level. Strong US Dollar works against the Company as a good portion of our cash outflows are US Dollar denominated and thus negatively impacts the bottom-line results.

One Airbus aircraft entered the fleet in early 2023. The active operating fleet consisted of 14 ATR aircraft, 6 Airbus aircraft, and 1 Citation aircraft. One further Airbus aircraft joined the fleet in early 2024.

The past year and follow-up on development expectations from last year

In 2022, the primary expectations, for the financial year of 2023, was that the revenue at the group level would increase by 16% from the year before. The realised revenue in 2023 was however approximately 30% higher than in 2022. The reason for the greater than initially expected revenue increase was because of the combination of (i) ACMI and Ad-hoc activities being higher than was envisaged, and (ii) better selling prices achieved than anticipated. These resulted in a robust financial performance starting from the spring and until end of the summer season. Until then, the financial performance was disappointing, albeit expected. Whilst the winter 2023 was loss making, it was notably better than the harsh winter before it. Overall, a reasonable financial result with profit with a net profit margin of 5.6% in DAT A/S.

Management's review

Capital resources

Aside from equity, the Group's operations are largely financed through external credit lines provided by the Group's bank. Credit lines are granted at the Group level therefore the assessment of adequate liquidity reserves for the coming year has been made at this level.

The Group has total debt towards Sydbank amounting to DKK 140 mill as of year-end 2023. Thereof, DKK 45 mill is in form of two revolving facilities with annual extensions during the summer time each year. Additional facilities were provided during the year. One in relation to past aircraft improvements and the other against future of aircraft and engines.

As of April 2024, the liquidity is adequate with a short-term headroom totalling around DKK 144 mill. Being cautiously optimistic, the long-term liquidity forecast (12 months) shows a headroom of DKK 112 mill under the budgeted scenario. Management view is that the budgeted scenario is reasonable.

Based on this, it is management's assessment that the Group has the required capital and liquidity resources to carry through the plans for the financial year 2024. The Annual Report is therefore presented on the assumption of continued operations.

Foreign exchange risks

A large portion of the Group's income, expenses, and external financing is settled in foreign currencies which exposes profits to currency fluctuations. It is Group policy not to partake in speculative currency positions.

Targets and expectations for the year ahead

It is anticipated for the year 2024 to yield a profit before tax of approximately DKK 45 mill at the group level. The continued geopolitical situation in Europe and the war in Ukraine can have unforeseen implications. Cost across all aspects of the business remains uncapped and thus challenging to predict. A key to meeting the profit target is to deliver smooth, reliable, and on-time operations. One very important element to achieving that is to have all required resources available which is why the timing of both recruitment and the successful completion of training of flight crew personnel can play a crucial role. Nevertheless, it is Management's view that its expectations are achievable.

External environment

DAT Group's primary environmental influence is through CO₂-emissions from aircraft operations. DAT Group seeks to reduce fuel consumption and CO₂-emission as much as possible. Among other things this is done by continuously training pilots, adjusting aircraft sizes to the number of passengers, optimizing flight height, and investing in more fuel-efficient aircraft which have lower CO₂-emissions. Every pilot is trained in fuel-efficient flight as an integrated part of their training in the Group's aircraft fleet. DAT Group continues to invest in new aircraft to achieve the optimum utilization based on the Group's activities, including the optimal utilisation related to fuel consumption. Furthermore, the Group did in 2022 exit its services of planned charter services and is not intending to resume such services.

DAT A/S and UAB DAT LT are in the aviation industry which impacts the climate with CO₂ emissions. It has been estimated that the aviation industry is responsible for about to 3% of the EU's annual CO₂ emissions, and as a responsible airline the Group is invested in reducing its climate impact. This is achieved by utilizing aircraft relevant to the passenger load, continuous education of pilots, and investments in new aircraft and engines that have lower emissions overall.

The environmental and climate impact is being addressed by evaluating the introduction of more fuel efficient engines. There were no noise violations were reported in 2023.

Branches abroad

- DAT A/S, Italy, VAT no. IT10399580967.
- UAB DAT LT, Italy, VAT no IT10448800960.

Management's review

Statement of corporate social responsibility, cf. section 99a of the Financial Statements Act

We refer to the description about Corporate Social Responsibility, hereunder human rights, social and labor conditions, climate, environment and anti-corruption in the consolidated financial statements for DAT Holding A/S.

Statement on gender composition, cf. section 99b of the Financial Statements Act

DAT Holding A/S, DAT Leasing A/S, and DAT A/S have the same board of directors. In 2023, the board of directors was below the targeted goal of 40% female. There has been no change in board directors during the year and as of writing, the current ratio is 0% female. It should be noted that qualifications are always prioritized above gender. It is the Group's intention to re-equalise its male-to-female representation and its board of directors by 2025.

The broader management team currently consists of 100% men and 0% women. Should one take a wider perspective and consider flight crew composition there are gender ratios of varying degrees. The Group acknowledges diversity as a source of competitive advantages and, therefore, wants to secure an equal gender distribution at the broader management team and flight crew level. As stated previously, qualifications are prioritized compared to other factors and the company does not discriminate during its hiring or promotion of colleagues. To work towards achieving the goal of increasing the number of the underrepresented gender on the board, DAT A/S focuses on following the policy, when there is to be a replacement. Active work has been done in 2023 with the policy to increase the share of the underrepresented gender in the coming years, to reach the targets by 2025.

	<u>2023</u>
Top management	
Total number of members	3
Underrepresented gender %	0%
Target figure %	40%
Year for meeting target	2025
Other management levels	
Total number of members	1

Qualifications are prioritized when hiring, however ensuring a wide-ranging applicant pool is important to the Group. The policy for gender equalisation is a two-pronged approach. Internal candidates of all genders are encouraged to apply for management positions. External job postings are placed in industry-specific outlets, in addition to, female-focused outlets if available and relevant to the management position at hand. Since the broader management team of DAT A/S consists of one person, the company is exempt from stating the proportion of the underrepresented gender and from setting targets and policies for the broader management team.

Statement on data ethics, cf. section 99d of the Financial Statements Act

We refer to the description about the data ethics of management in the consolidated financial statements for DAT Holding A/S.

Uncertainty relating to recognition and measurement

The assessments of indications of impairment per 31 December 2023 is based on the future cash flows expected by management per 31 December 2023, which due to external uncontrollable impacts, such as the war in Ukraine, may differ from the expectations for future cash flows that management has at the time of approval of the Annual Report. Hence, after the balance sheet date there is uncertainty in recognizing and measuring the Group's investments in airplanes and associated spare parts.

Income statement 1 January - 31 December

	Note	2023	2022
		TDKK	TDKK
Revenue	2	631,393	820,389
Other operating income	3	8,037	15,511
Direct expenses		-440,156	-697,611
Other external expenses		-47,247	-49,308
Gross profit		152,027	88,981
Staff expenses	4	-100,657	-119,086
Earnings Before Interest Taxes Depreciation and Amortization		51,370	-30,105
Depreciation and impairment losses of property, plant and equipment		-15,779	-11,641
Profit/loss before financial income and expenses		35,591	-41,746
Financial income	5	12,590	27,385
Financial expenses	6	-38,697	-21,737
Profit/loss before tax		9,484	-36,098
Tax on profit/loss for the year	7	-2,747	11,684
Net profit/loss for the year	8	6,737	-24,414

Balance sheet 31 December

Assets

	Note	2023	2022
		TDKK	TDKK
Land and buildings		2,873	2,952
Other fixtures and fittings, tools and equipment		2,356	2,252
Aircraft and related		215,417	228,235
Property, plant and equipment	9	220,646	233,439
Deposits	10	21,234	19,888
Fixed asset investments		21,234	19,888
Fixed assets		241,880	253,327
Raw materials and consumables		75,945	67,935
Carbon emission allowances		18,922	10,484
Inventories		94,867	78,419
Trade receivables		73,265	73,594
Receivables from group enterprises		118,242	71,187
Other receivables		59,008	58,359
Deferred tax asset	11	3,651	3,470
Corporation tax receivable from group enterprises		0	8,214
Prepayments	12	8,150	7,101
Receivables		262,316	221,925
Cash at bank and in hand		78,070	34,257
Current assets		435,253	334,601
Assets		677,133	587,928

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		TDKK	TDKK
Share capital		10,000	10,000
Retained earnings		-37,280	-44,017
Equity		-27,280	-34,017
Other provisions	13	7,130	7,130
Provisions		7,130	7,130
Subordinate loan capital		10,000	10,000
Credit institutions		53,625	58,625
Lease obligations		24,816	218,567
Payables to group enterprises		18,250	0
Other payables		10,134	8,288
Long-term debt	14	116,825	295,480
Credit institutions	14	5,995	5,815
Lease obligations	14	192,722	14,672
Prepayments received from customers		6,040	12,344
Trade payables		78,286	81,756
Payables to group enterprises	14	171,160	115,628
Payables to owners and Management		42	42
Corporation tax		118	0
Payables to group enterprises relating to corporation tax		1,614	0
Other payables	14	124,481	89,078
Short-term debt		580,458	319,335
Debt		697,283	614,815
Liabilities and equity		677,133	587,928
Going concern	1		
Contingent assets, liabilities and other financial obligations	15		
Related parties	16		
Fee to auditors appointed at the general meeting	17		
Subsequent events	18		
Accounting Policies	19		

Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	10,000	-44,017	-34,017
Net profit/loss for the year	0	6,737	6,737
Equity at 31 December	10,000	-37,280	-27,280

Notes to the Financial Statements

1. Going concern

The Company's financial performance for 2023 shows a profit before tax of TDKK 9.484 and the equity is as of 31 December 2023 negative of TDKK 27.280.

Next to equity the Group's operations is financed through external credit lines provided by the Group's bank. The credit lines are granted at Group level and hence the assessment of adequate liquidity reserves for the coming year has been made at this level.

The Group has total debt towards Sydbank amounting to DKK 140 mill as of year-end 2023. Thereof, DKK 45 mill is in form of two revolving facilities with annual extensions during the summer time each year.

The current credit facilities are assessed to provide sufficient liquidity to secure the Groups operations in the years to come. The credit facilities are classified as non-current debt in the balance sheet.

For 2024, the Group's budget is based on an increase in revenues of around 13% compared to 2023. The revenue growth is expected to be generated from the newly added Airbus aircraft that joined the fleet in early 2024, better utilisation of an Airbus aircraft that was under long-term maintenance in 2023, and improved yield (including PSO contributions) from before. The budget for 2024 is based on some assumptions for securing additional winter production from the winter before.

As of April 2024, the liquidity is adequate with a short-term headroom totalling around DKK 144 mill. Being cautiously optimistic, the long-term liquidity forecast (12 months) shows a headroom of DKK 112 mill under the budgeted scenario. Management view is that the budgeted scenario is reasonable. This includes scheduled instalments on loans of around DKK 20 mill during 2024, new facilities against aircraft investments, and the refinancing of aircraft related purchase options.

Based on this, it is the management's assessment that the Company has the necessary capital and liquidity resources to carry through the plans for the financial year 2024. The Annual Report is therefore presented on the assumption of continued operations.

2. Revenue

Geographical segments

Revenue, Europe

	2023	2022
	TDKK	TDKK
Revenue, Europe	631,393	820,389
	<u>631,393</u>	<u>820,389</u>

Business segments

Scheduled Services

Charter Services

ACMI Services

Scheduled Services	623,855	611,597
Charter Services	7,538	42,693
ACMI Services	0	166,099
	<u>631,393</u>	<u>820,389</u>

Notes to the Financial Statements

	2023	2022
	TDKK	TDKK
3. Other operating income		
Profit on sale of fixed assets	2,228	0
Profit on sale of inventory	4,531	7,694
Salary refund	1,278	2,233
COVID-19 support	0	5,584
	<u>8,037</u>	<u>15,511</u>
	2023	2022
	TDKK	TDKK
4. Staff Expenses		
Wages and salaries	93,074	110,762
Pensions	6,874	7,558
Other social security expenses	709	766
	<u>100,657</u>	<u>119,086</u>
Including remuneration to the Executive Board and Board of Directors	<u>2,137</u>	<u>3,069</u>
Average number of employees	<u>149</u>	<u>200</u>
	2023	2022
	TDKK	TDKK
5. Financial income		
Interest received from group enterprises	1,790	0
Other financial income	6,421	21,921
Exchange gains	4,379	5,464
	<u>12,590</u>	<u>27,385</u>

Notes to the Financial Statements

9. Property, plant and equipment

	Land and buildings	Other fixtures and fittings, tools and equipment	Aircraft and related
	TDKK	TDKK	TDKK
Cost at 1 January	11,641	17,487	270,814
Additions for the year	0	811	7,096
Disposals for the year	0	0	-6,175
Cost at 31 December	<u>11,641</u>	<u>18,298</u>	<u>271,735</u>
Impairment losses and depreciation at 1 January	8,689	15,235	42,579
Depreciation for the year	79	707	14,993
Reversal of impairment and depreciation of sold assets	0	0	-1,254
Impairment losses and depreciation at 31 December	<u>8,768</u>	<u>15,942</u>	<u>56,318</u>
Carrying amount at 31 December	<u>2,873</u>	<u>2,356</u>	<u>215,417</u>
Including assets under finance leases amounting to	<u>0</u>	<u>0</u>	<u>209,618</u>

10. Other fixed asset investments

	Deposits
	TDKK
Cost at 1 January	19,888
Exchange adjustment	59
Additions for the year	1,287
Cost at 31 December	<u>21,234</u>
Carrying amount at 31 December	<u>21,234</u>

11. Deferred tax asset

	2023	2022
	TDKK	TDKK
Deferred tax asset at 1 January	3,470	0
Amounts recognised in the income statement for the year	181	3,470
Deferred tax asset at 31 December	<u>3,651</u>	<u>3,470</u>

Notes to the Financial Statements

12. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

13. Other provisions

Aircraft maintenance

	<u>2023</u>	<u>2022</u>
	TDKK	TDKK
	7,130	7,130
	<u>7,130</u>	<u>7,130</u>

The provisions are expected to mature as follows:

Provisions falling due after 5 years

	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

14. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Subordinate loan capital

After 5 years	0	0
Between 1 and 5 years	<u>10,000</u>	<u>10,000</u>
Long-term part	10,000	10,000
Within 1 year	<u>0</u>	<u>0</u>
	<u>10,000</u>	<u>10,000</u>

Credit institutions

After 5 years	6,250	11,250
Between 1 and 5 years	<u>47,375</u>	<u>47,375</u>
Long-term part	53,625	58,625
Within 1 year	5,000	5,000
Other short-term debt to credit institutions	<u>995</u>	<u>815</u>
	<u>59,620</u>	<u>64,440</u>

Notes to the Financial Statements

	2023	2022
	TDKK	TDKK
14. Long-term debt		
Lease obligations		
After 5 years	0	0
Between 1 and 5 years	24,816	218,567
Long-term part	24,816	218,567
Within 1 year	192,722	14,672
	217,538	233,239
Payables to group enterprises		
After 5 years	0	0
Between 1 and 5 years	18,250	0
Long-term part	18,250	0
Other short-term debt to group enterprises	171,160	115,628
	189,410	115,628
Other payables		
After 5 years	0	0
Between 1 and 5 years	10,134	8,288
Long-term part	10,134	8,288
Other short-term payables	124,481	89,078
	134,615	97,366
	2023	2022
	TDKK	TDKK
15. Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Buildings	2,874	2,952
The following assets have been placed as security for lease obligations:		
The company has provided Sydbank with a floating charge providing Sydbank with collateral in the company's receivables. The floating charge amounts to:	30,000	30,000

Notes to the Financial Statements

	2023	2022
	TDKK	TDKK
15. Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	42,957	19,043
Between 1 and 5 years	134,646	68,970
After 5 years	10,758	89,941
	<u>188,361</u>	<u>177,954</u>

Other contingent liabilities

The company has provided DAT Leasing A/S with a full surety in relation to Sydbank.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Runway Holding ApS, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

16. Related parties and disclosure of consolidated financial statements

Transactions

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

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Runway Holding ApS	Lufthavnsvej 7A, 6580 Vamdrup
DAT Holding A/S	Lufthavnsvej 4, 6580 Vamdrup

17. Fee to auditors appointed at the general meeting

According to section 96(3) of the Danish Financial Statement Act, audit fees are only specified in the consolidated financial statement for the parent company DAT Holding A/S.

Notes to the Financial Statements

18. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

19. Accounting policies

The Annual Report of DAT A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 are presented in TDKK.

Adjustment of comparative figures

Few comparative figures have been reclassified in the balance sheet in order to present the figures correctly. It has no effect on the equity or the fair view of the Annual Report.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of DAT Holding A/S & Runway Holding ApS, the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Notes to the Financial Statements

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Segment information on revenue

Information on business segments and geographical segments is based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Income statement

Revenue

Revenue from the sale of goods and services are recognised when the risks and rewards relating to the goods and services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Other operating income and expenses

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Notes to the Financial Statements

The Company is jointly taxed with Danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Aircraft	10-20 years
Other buildings	10-30 years
Other fixtures and fittings, tools and equipment	3-7 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Notes to the Financial Statements

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Financial Highlights

Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$