DXC Technology Airline Solutions Denmark A/S

Company Registration No 14 27 81 76
Retortvej 8, 2500 Valby

Annual report

(April 1 2018 to March 31 2019)

The annual report is presented and adopted on the Annual General Meeting on 30 September 2019

Chairman of the Annual General Meeting

Jukka Jantti

Contents

Company
DXC Technology Airline Solutions Denmark A/S
Company Registration No: 14 27 81 76
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Board of Directors
Jørgen Jakobsen, Chairman
Ebba Waltre
Charlotte Grønfeldt Lundblad
Annette Skov Svendsen*
Curt Kjærsgaard Raavig*

* Elected by employees

Executive Board
Pål Svendsen

Company auditors
Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Copenhagen S 2300

Management's statement

The Board of Directors and the Executive Board have today considered and approved the annual report of DXC Technology Airline Solutions Denmark A/S for the financial year 1 April 2018 to 31 March 2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the Company's financial position at 31 March 2019 and of its financial performance for the financial year 1 April 2018 – 31 March 2019.

We believe that the management report contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 20 September 2019

Executive Board

Pål Svendsen
Managing Director

Board of Directors

Jørgen Jakobsen Chairman	Ebba Waltre	Charlotte Grønfeldt Lundblad
Annette Skov Svendsen	Curt Kjærsgaard Raavig	

To the shareholders of DXC Technology Airline Solutions Denmark A/S

Opinions
We have audited the financial statements of DXC Technology Airline Solutions Denmark A/S for the financial year 01.04.2018 - 31.03.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.03.2019 and of the results of its operations for the financial year 01.04.2018 - 31.03.2019 in accordance with the Danish Financial Statements Act..

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 30 September 2019

Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Henrik Hjort Kjelgaard
State-Authorised
Public Accountant
MNE no: 29484

Kåre Konge Breindal
State-Authorised
Public Accountant
MNE no: 40761

Financial Highlights	**2018/19**	**2017/18**	**2016/17**	**2015/16**	**2014/15**
Key figures	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**	**DKK'000**
Revenue	116,653	98,828	132,403	178,626	392,914
Earnings from operating activity	41,035	18,309	43,010	29,090	42,898
Net financial costs	(2,842)	(4,310)	(6,279)	(1,370)	(1,729)
Profit/(loss) for the period	29,580	10,432	31,731	14,530	28,978
Equity	207,162	177,582	167,150	135,419	120,889
Balance sheet total	253,240	229,824	199,486	186,481	189,018
Investment in property, plant & equipment	-	-	3,419	42	-
Average operational assets	16,195	14,700	15,846	30,285	71,160
Ratios*					
Operation margin (%)	35	19	32	16	11
Return on operating assets (%)	253	125	271	96	60
Return on equity (%)	15	6	21	11	27
Equity share (%)	82	77	84	73	64

*Key ratios are calculated in accordance with the "The Danish Society of Financial Analysts recommendations & Financial Ratios 2015”

Core business activity

DXC Technology Airline Solutions Denmark A/S is a subsidiary of the IT group DXC Technology Danmark A/S.

The company's core business is the sales of products and services within the development, maintenance, integration and operation of IT solutions for the international aviation industry.

The company develops applications using advanced technologies, such as web and mobility solutions for ticketless travel and passenger information. In addition, the company develops and maintains systems for handling booking, ticket, aircraft maintenance, cargo inspection and other solutions that supports core airline processes.

Development of activities and financial matters

Result for the year

Revenue DKKm 116 increased by DKKm 18 (18%) as compared to the prior financial year. Earnings from operating activity DKKm 41 increased by DKKm 22 as compared to the prior financial year.

Evaluation of last year's expectations

In the annual report for the financial year 2017/18 the expectation for 2018/19 was that the restructuring of the company to align the cost base to the new and lower activity level would continue in the coming years and the company expected positive earnings from operating activities excluding restructuring costs.

The planned activities to improve the operations were executed as expected and the management considers the earnings for the financial year as acceptable.

Expectations for the future

The company's key customer (SAS) has terminated the contracts regarding IT Services from DXC Technology to be ended during this fiscal year. Management is investigating if the activities in the company should be attempted to continue by attracting new customers or if the company should be dissolved. As a consequence, management expects that the activity in the company nonetheless will decrease significantly next year

Uncertainties related to going concern

The Financial statements are prepared under the going concern assumption as management consider it likely that the company is operating for the next year. However, this decision is pending the conclusions from management's investigation of the future business potential for the company. As such, management may decide to dissolve the company if it concludes that new investments are not profitable.

Management has assessed that the difference between the book values and market values for fixed and intangible assets is immaterial.

Special risks

Risk management policy

As a result of its operations and financing, the company is exposed to a number of financial risks e.g. changes in currency and interest rates, liquidity risks and credit risks. Management of financial risks is centralized and handled by the parent company (DXC Technology Danmark A/S). The general framework for financial risk management is determined in the DXC Technology Group's finance policy which is applicable to all DXC Technology entities.

Operational risks

The company's most significant operational risk is related to its ability to be price-competitive as well as deliver solutions to clients who demand a highly qualified workforce at a competitive price. It is thus essential, that the workforce is continuously molded to fit the actual demands of clients. Furthermore, it is important that the company continuously innovate in order to be on the forefront in terms of the IT systems used in the aviation industry.

Market risks

The Company's most significant market risk is tied to its ability to be strongly positioned within the important Nordic markets in which it operates and has only one client and thereby highly depend on that client.

Currency risks

The company invoices primarily in SEK, whereas the bulk of the costs for salary and other external costs are received in DKK. The company is thus exposed to currency exchange fluctuations but is generally hedged against these risks by using currency forward contracts. However, no speculative positions are held.

Interest risks

The interest-bearing debt is held against the parent company DXC Technology Danmark A/S, partially in variable and fixed intercompany loans as well as external variable rate financing. Changes in interest rates will have a moderate and indirect effect on the Company's earnings, due to the Company's involvement in the Group's cash pool scheme.

Liquidity risks

The Company is dependent on having access to long-term financing. This is why the Company adheres to the policy of having interminable credit limits that are sufficient to cover the planned operations.

The company is only exposed to the changes in interest rates. The Company's financial resources are comprised of cash and cash equivalents and unutilized credit facilities. Cash pools have been established in the relevant currencies (DKK, SEK, NOK & EUR).

Credit risks

Credit risks tied to financial assets relate to those values which are recognized in the Company's balance sheet. The Company's main business risk is related to the fact that revenues from one client represent a significant part of the total company revenue.

Historically, the Company has found that there have been only small losses on receivables which also applies to the current fiscal year.

Intellectual capital property

The company's business model seeks to create value for clients by delivering IT solutions which are adaptable to future needs. This makes large demands on knowledge based resources and business processes.

In order to be able to deliver these solutions, it is paramount that the Company is able to recruit and retain individuals who are highly educated within IT advisory and IT architect solutions.

In order to ensure competitive and high quality of services delivered, a high competency level is required. Therefore the Company offers internal and external training. Further education gives the employee the opportunity to develop competencies and gain qualifications which strengthen individual professional development.

Corporate social responsibility

DXC Technology is an environmentally aware organization and continually strives to reduce the detrimental environmental effects of its operations by way of process optimization, paper use, environmentally friendly cars and cooling of server and data centers.

DXC Technology Danmark A/S, which is the head office for DXC Technology Nordics and parent of DXC Technology Airline Solutions Denmark A/S is ISO9001/ISO20000 certified. This commits the Company to optimize daily routines and processes in order to minimize the use of resources. The Company's subsidiaries are covered by this certification.

Over and above this, the parent company DXC Technology Danmark A/S is ISO14001 environmentally certified, which is an important parameter for the Group's clients. DXC Technology Airline Solutions Denmark A/S benefit by this certification in the following areas.

Cooling of servers and data centers occurs by using cold air in winter. The effect of server virtualization has also saved on Kwh used, due to less physical servers. These methods have had a positive effect on electricity usage, the external environment as well as the internal work environment in the Company's server room.

Corporate social responsibility in DXC Technology is comprised of five pillars:

- Clients. Providing our customers with innovation to help resolve pressing global issues associated with climate change and natural resource usage.
- Employees. Striving to be the employer of choice, offering professional development, ensuring staff well-being and valuing creativity, respect and diversity.
- Community. Developing sustainable business-community partnerships to address local economic, social and environmental issues and contribute to sustainable development.
- Environment. Effectively managing our internal environmental sustainability, across energy, CO2 emissions, waste and water and natural resource use.
- Governance. Running our global business with high ethical, environmental and supply chain standards.

Please see the comments sections of the 2019 report of the ultimate parent company DXC Technology Company at https://www.dxc.technology/investor_relations/insights/146827-2019_annual_report

Share of the under-represented gender

DXC Technology Airline Solutions Denmark A/S has set a target of at least 33.33% female board members in 2019. The current status is that there are two elected female members (66.66%).

DXC Technology will try to ensure, at least one female candidate is presented to all senior management positions. If two candidates are equal on qualifications the female candidate will be chosen. No changes in the senior management positions in current year.

DXC Technology has implemented employee performance appraisal reviews and personal development plans for all employees, to ensure that all employees are measured up against individual goals and get immediate feedback to these. Development plans are set to reach the best possible use of the employee qualifications. The plans are consolidated in a system, to ensure that DXC Technology has a cross organizational overview of qualifications. This has enabled the company to utilize the employee qualifications in the best way.

It is important to DXC Technology that female employees find that they have the same opportunities for career development and access to management positions as their male colleagues. DXC Technology has flexible working conditions to ensure work life balance.

Subsequent events

No events have occurred after the fiscal year end up until this date that affect the balance sheet and subsequently this annual report.

This annual report for DXC Technology Airline Solutions Denmark A/S for the financial year 2018/19 has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

In accordance with provision 86, 4 of the Danish Financial Statements Act, the company has omitted to prepare a cash flow statement as the cash flow is part of the cash flow statement for the group annual report for DXC Technology Company, Tysons, Virginia, USA.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable that – as a result of a prior event – future economic benefits will flow to the Company, and the value of the assets can be measured reliably.

Liabilities are recognized in the balance sheet when the company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Financial assets and liabilities are measured on the basis of amortized cost – within which a fixed interest rate is used. Amortized cost is calculated as the purchase price inclusive of any accumulated amortized additions/deductions of the difference between the cost price and the nominal value.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income hereunder valuation adjustments of financial assets and liabilities measured at fair value or amortized cost is recognized in the income statement when earned. Costs that have been incurred in order to generate earnings are recognized in the income statement hereunder depreciation, write downs, provisions.

Foreign currency translation

On initial recognition, foreign currency transactions are converted by applying the exchange rate as at the transaction date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date and the rate at the balance sheet date are recognized in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are converted using the exchange rate at the balance sheet date. The difference between the spot exchange rate and the date when the receivable or liability is realized, is recognized in the income statement under financial income and costs.

Plant and equipment, intangible assets and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognized under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognized asset or a recognized liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

When the hedged transactions are realized, the accumulated changes are recognized as part of cost of the relevant financial statement items.

Income statement

Revenue

Revenue from the sale of services is recognized in the income statement when delivery is made, risk has transferred to the buyer, if the revenue can be calculated reliably and it is expected that payment is received. Revenue is recognized net of VAT, duties and sales discounts and is measured at fair value of the fixed consideration net of VAT and duties charged on behalf of a third party.

Other external expenses

Other external expenses include expenses for distribution, sale, marketing, administration, premises, loss on bad debts etc.

Personnel expenses

Personnel expenses include salaries and wages as well as social insurance contributions, pension contributions etc. for the company’s employees.

Regulatory mechanisms for benefits to employees by social security, pensions or insurance nature is recognized in income, as the obligation arises, as a proportion of its staff costs.

Financial income and expenses

These items comprise interest income and expenses, realized and unrealized capital gains and losses on payables and transactions in foreign currencies etc. as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Income tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intangible assets

Purchased software's are measured at cost less accumulated amortization and impairment losses. These are amortized over the term of agreement usually 3-10 years.

Plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Costs include the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation.

For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and carrying amount at the time of sale. Profits or losses are recognized in the income statement as adjustment to depreciation and impairment losses, or under other operating income if the selling price exceeds original cost.

Impairment of fixed assets

Tangible assets are written down to the recoverable amount if this is lower than the carrying amount.

The accounting value of fixed assets is evaluated yearly for indications of a decrease in value over and above that caused by depreciation.

If it becomes apparent that assets devalue, an impairment test is made of each and every asset or asset class.

Receivables

Receivables are measured at amortized cost, usually equaling nominal value.

A write down to counter to receivables will be performed if there are objective indications that the receivable or portfolio of receivables have devalued. If a single receivable is deemed to have devalued, then the write down will be undertaken on an individual receivable.

Write downs are calculated as the difference between the accounting value of receivables and the present value of the expected cash flows.

Prepayments

Prepayments disclosed as current assets include incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Costs for conclusion of outsourcing contracts are recognized in prepayments and amortized over the contract period.

Cash

Cash comprises cash in hand and bank deposits.

Tax payable and deferred tax

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year taxable income, adjusted for prepaid tax.

Deferred tax is recognized on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the value of the carried forward taxable losses, are recognized in the balance sheet at their estimated realizable value, either to off-set future taxable income or deferred tax liabilities within the same legal entity or jurisdiction.

The company has entered into a joint taxation agreement. The actual Danish corporate tax is divided between the jointly taxed companies in proportion to their taxable income (distribution with reimbursement on losses).

Provisions

Provisions regard expected costs for restructuring and pensions. Accrued provisions are recognized when the company – due to a prior period event – has a legal or actual obligation and that fulfilling these obligations will lead to use of the company's financial resources. Provisions are measured at net realization value.

Other liabilities

Financial liabilities which include trade payables and liabilities to other group entities are measured at net realization value which usually corresponds to nominal value.

Deferred income

Deferred income includes received income for recognition in subsequent financial years. Deferred income is measured at cost.

Financial highlights

The definition of key ratios is in accordance with "The Danish Society of Financial Analysts Recommendations & Financial Ratios 2015"

$$\text{Operating margin (\%)} = \frac{\text{Earnings from operating act. x 100}}{\text{Revenue}}$$

$$\text{Return on operating assets} = \frac{\text{Earnings from operating act. x 100}}{\text{Average operating assets}}$$

$$\text{Return on equity (\%)} = \frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$$

$$\text{Equity share (\%)} = \frac{\text{Equity x 100}}{\text{Total Assets}}$$

Operating assets = Operating assets are all assets less cash.

DXC Technology Airline Solutions Denmark A/S
Income statement for the financial year 1 April 2018 – 31 March 2019

	Note	2018/19 DKK'000	2017/18 DKK'000
Revenue		116,653	98,828
Other external expenses		(53,236)	(55,864)
Gross profit		**63,417**	**42,964**
Personnel expenses	2	(21,664)	(23,935)
Depreciation and amortization	5,6	(718)	(720)
Earnings from operating activity		**41,035**	**18,309**
Financial expenses		(2,842)	(4,310)
Profit/(loss) before income tax		**38,193**	**13,999**
Tax on profit /(loss)	3	(8,613)	(3,567)
Profit/(loss) for the year		**29,580**	**10,432**
Proposed distribution of profit/(loss for the year	4		

DXC Technology Airline Solutions Denmark A/S
Balance sheet as at 31 March 2019

Assets	**Note**	**2019 DKK'000**	**2018 DKK'000**
Acquired software	5	51	73
Intangible assets		**51**	**73**
Other fixtures and fittings, tools and equipment		1,548	2,244
Plant and equipment	6	**1,548**	**2,244**
Non-current assets		**1,599**	**2,317**
Trade receivables		10,137	8,186
Group entity receivables		197	-
Other receivables	8	2,534	5,173
Prepayments	7	2,156	92
Receivables		**15,024**	**13,451**
Cash and cash equivalents		**236,617**	**214,056**
Current assets		**251,641**	**227,507**
Assets		**253,240**	**229,824**

Liabilities	**Note**	**2019 DKK'000**	**2018 DKK'000**
Share capital		5,000	5,000
Retained earnings		202,162	172,582
Equity		**207,162**	**177,582**
Other provisions		1,369	1,067
Provisions	10	**1,369**	**1,067**
Trade payables		26	143
Group entity payables		29,127	40,335
Other payables		6,943	7,130
Income tax liability		8,613	3,568
Current liabilities		**44,709**	**51,175**
Liabilities other than provisions		**44,709**	**51,175**
Equity provisions and liabilities		**253,240**	**229,824**

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DXC Technology Airline Solutions Denmark A/S
Statement of changes in equity for 1 April 2018 - 31 March 2019

	Share Capital DKK'000	Retained Earnings DKK'000	Total DKK'000
Equity as at 1 April 2018	5,000	172,582	177,582
Profits of the year	-	29,580	29,580
Equity as at 31 March 2019	**5,000**	**202,162**	**207,162**

1 Uncertainties related to going concern

The Financial statements are prepared under the going concern assumption as management consider it likely that the company is operating for the next year. However, this decision is pending the conclusions from management's investigation of the future business potential for the company. As such, management may decide to dissolve the company if it concludes that new investments are not profitable.

Management has assessed that the difference between the book values and market values for fixed and intangible assets is immaterial.

2 Personnel expenses

	2018/19 DKK'000	2017/18 DKK'000
Salaries and wages	19,786	21,698
Pension costs	1,718	2,075
Other social security costs	159	162
	21,663	**23,935**
Total compensation and remuneration to Executive board and Board of directors	**2.050**	**1,896**
Average number of employees	**21**	**25**

Management is employed in and remunerated by both DXC Technology Danmark A/S and DXC Technology Airline Solutions Denmark A/S. The stated amount is allocated based on an estimate over the management's time consumption.

In accordance with provision 98 b, 3 of the Danish Financial Statements Act the remuneration of the managing director and Board of Directors is disclosed as a combined amount.

The restructuring costs in current year is 911 DKK'000 (2017/18: 0 DKK'000).

3 Income taxes

	2018/19 DKK'000	2017/18 DKK'000
Current tax	8,613	3,567
Change in deferred tax	(224)	103
Change in not recognized part of tax asset	224	(103)
	8,613	**3,567**

4 Proposed distribution of profit/loss for the year

	2018/19 DKK'000	2017/18 DKK'000
Retained earnings	29,580	10,432
	29,580	**10,432**

5 Intangible assets

	Software DKK'000
Cost as at 1 April 2018	111
Cost as at 31 March 2019	**111**
Amortisation as at 1 April 2018	38
Amortisation for the year	22
Depreciation and impairment of losses as at 31 March 2019	**60**
Carrying amount as at 31 March 2019	**51**

6 Plant and equipment

	Other fixtures DKK'000
Cost as at 1 April 2018	3,461
Cost as at 31 March 2019	**3,461**
Depreciation and impairment losses at 1 April 2018	1,217
Depreciation for the year	696
Depreciation and impairment losses as at 31 March 2019	**1,913**
Carrying amount as at 31 March 2019	**1,548**

7 Prepayments

Prepayments are made up primarily of prepaid costs relating to support and maintenance licenses.

8 Derivative financial instruments

Included in other receivables is the unrealized gain on a currency hedge of 70 DKK’000

The company entered the monthly currency hedging to eliminate the currency risk on assets and liabilities in foreign currency. The hedges are settled monthly.

9 Deferred Tax

	2019 DKK'000	2018 DKK'000
Deferred tax regards the following financial statement items:		
Intangible assets	(11)	(16)
Tangible assets	421	268
Pension provisions	175	235
Restructuring provisions	126	-
	711	**487**
Not recognized amounts	(711)	(487)
Carrying value at 31 March	-	-

10 Other provisions

	2019 DKK'000	2018 DKK'000
Pension provision	795	1,067
Provision for restructuring costs	574	-
	1,369	**1,067**

Period when accrued pensions and restructuring are expected to become payable		
0-1 years	1,369	416
1-5 years	-	651
	1,369	**1,067**

11 Commitments and contingencies etc.

The company's cash is part of a joint Nordic cash pool and used as collateral for the debt to the banks in other Nordic companies.

The Company participates in a Danish joint taxation arrangement in which DXC Technology Denmark A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

12 Related parties

Related parties with a controlling interest
The following related parties have a controlling interest in DXC Technology Airline solutions Denmark A/S:

Name	Municipality of domicile	Basis of influence
DXC Technology Danmark A/S	Copenhagen, Denmark	Danish parent
DXC Technology Company	Tysons, Virginia, USA	Ultimate parent

Transactions with related parties	**2018/19 DKK'000**	**2017/18 DKK'000**
Revenue with related parties	14,157	13,063
Costs from related parties	51,782	57,052
Receivable/Payable with related parties	(28,931)	(40,335)

12 Related parties (continued)

Ownership
The following shareholders, who hold minimum 5% of the votes or minimum 5% of the nominal value of the share capital, are listed in the Company's register of owners:
DXC Technology Danmark A/S, Copenhagen.

Group ownership
DXC Technology Airline Solutions Denmark A/S is included in the consolidated financial statements of DXC Technology Company, Tysons, Virginia, USA. The consolidated financial statements for DXC Technology Company is available at https://www.dxc.technology/investor_relations/ds/140309-dxc_financial_reports.

13 Subsequent events

No events have occurred after the fiscal year end up until this date that affect the balance sheet and subsequently this annual report.