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# ***Star Air A/S***

Lyngby Hovedgade 85

DK-2800 Kongens Lyngby

## **Annual Report 2023**

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CVR No. 19 32 87 32

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on  
2 July 2024

Jacob Ramsgaard Nielsen  
Chair of the General Meeting

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# Management's Statement

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

The Annual Report has been 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.

Kongens Lyngby, 2 July 2024

## Executive Board

Finn Neesgaard  
*CEO*

## Board of Directors

Casper Munch  
*Chair*

Jacob Ramsgaard Nielsen

Lars Jordahn

# Independent Auditor's Report

To the Shareholder of Star Air 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 Star Air 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 ("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.

# Independent Auditor's Report

## 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.

## 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.

# Independent Auditor's Report

- 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.

Hellerup, 2 July 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Kristian Pedersen  
State Authorised Public Accountant  
mne35412

Philip Olsen  
State Authorised Public Accountant  
mne49060

## **Company Information**

### **The Company**

Star Air A/S  
Lyngby Hovedgade 85  
DK-2800 Kongens Lyngby

CVR No.: 19 32 87 32

Financial period: 1 January - 31 December  
Municipality of reg. office: Lyngby-Taarbaek

### **Board of Directors**

Casper Munch, Chair  
Jacob Ramsgaard Nielsen  
Lars Jordahn

### **Executive Board**

Finn Neesgaard

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# **Management's Review**

## **Primary activities**

The activity for the year was 100% ownership of Maersk Air Cargo A/S and Star Air Crew & Training Company A/S.

## **Development in activities and financial position**

The Company's income statement for the year ending 31 December 2023 showed a loss of USD 30,073k, and the Company's balance sheet at 31 December 2023 showed an equity of USD 121,022k. The result for 2023 is significantly impacted by Maersk Air Cargo's initial investments in a new business activity.

## **Subsequent events**

No significant events have occurred subsequently to the balance sheet date, which would have a material impact on the financial position of the Company.



## Income Statement 1 January - 31 December

<i>(USD '000)</i>	Note	<b>2023</b>	<b>2022</b>
Other external expenses		-	-68
<b>Gross profit</b>		-	<b>-68</b>
Income/loss from investments in subsidiaries	2	-28,803	10,151
Financial income	3	-	1,028
Financial expenses	4	-1,628	-26
<b>Profit/loss before tax</b>		<b>-30,431</b>	<b>11,085</b>
Tax on profit/loss for the year	5	358	4,255
<b>Profit/loss for the year</b>	6	<b>-30,073</b>	<b>15,340</b>

## Balance Sheet at 31 December

### Assets

<i>(USD '000)</i>	Note	<b>2023</b>	<b>2022</b>
Investments in subsidiaries	2	74,112	102,915
<b>Financial assets</b>		<b>74,112</b>	<b>102,915</b>
<b>Fixed assets</b>		<b>74,112</b>	<b>102,915</b>
Receivables from group entities	7	46,552	48,132
Company tax, group entities		358	-
Other receivables		-	273
<b>Receivables</b>		<b>46,910</b>	<b>48,405</b>
<b>Current assets</b>		<b>46,910</b>	<b>48,405</b>
<b>Assets</b>		<b>121,022</b>	<b>151,320</b>

## Balance Sheet at 31 December

### Liabilities and Equity

<i>(USD '000)</i>	Note	<b>2023</b>	<b>2022</b>
Share capital	8	1,483	1,435
Reserve for net revaluation under the equity method		-	1,151
Retained earnings		119,539	148,509
<b>Equity</b>		<b>121,022</b>	<b>151,095</b>
Company tax, group entities		-	205
Other payables		-	20
<b>Short-term debt</b>		<b>-</b>	<b>225</b>
<b>Debt</b>		<b>-</b>	<b>225</b>
<b>Liabilities and equity</b>		<b>121,022</b>	<b>151,320</b>
Accounting policies	1		
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## Statement of Changes in Equity

<i>(USD '000)</i>	Share capital	Reserve for net revaluation un- der the equity method	Retained earnings	Total
Equity at 1. January 2023	1,435	1,151	148,509	151,095
Exchange rate effect	48	-	-48	-
Reclassification	-	-1,151	1,151	-
Transferred over the profit appropri- ation	-	-	-30,073	-30,073
<b>Equity at 31. December 2023</b>	<b>1,483</b>	<b>-</b>	<b>119,539</b>	<b>121,022</b>

# Notes to the Financial Statements

## 1. Accounting Policies

The Annual Report of Star Air A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B with selection of certain provisions from reporting class C.

The accounting policies applied has changed from reporting class C (large) to reporting class B with selection of certain provisions. The change in reporting class has not led to changes in the recognition in either the income statement or the balance sheet.

The Financial Statements for 2023 are presented in USD. The exchange rate applied on 31 December is 6.7438 (2022: 6.9686).

### ***Recognition and measurement***

Revenue is 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 assets 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.

### ***Foreign currency translation***

Transactions in foreign currencies are translated at the exchange rate at the dates of transaction. Exchange rate differences arising due to differences between the transaction dates rates and the rates at the dates of payment are recognised in the financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

# Notes to the Financial Statements

## 1. Accounting Policies (cont'd)

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 receivables or the debt arose are recognised in the financial income and expenses in the income statement.

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

### **Income Statement**

#### ***Other external expenses***

Other external expenses comprise sales costs and costs related to advertising, administration, office premises, bad debt losses, etc.

#### ***Income/loss from investments in subsidiaries***

The item 'Income/loss from investments in subsidiaries' in the income statement includes the proportional share of the profit for the year.

#### ***Financial items***

Financial items include interest and exchange gains and losses on items denominated in foreign currencies.

#### ***Tax on profit/loss for the year***

Tax on profit/loss for the year comprises the amount that is expected to be paid for the year together with deferred tax.

The Company is jointly taxed with other Danish companies in A.P. Møller Holding A/S. The current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income (full absorption with refunds).

# Notes to the Financial Statements

## 1. Accounting Policies (cont'd)

### **Balance Sheet**

#### ***Investments in subsidiaries***

Investments in subsidiaries are recognised and measured under the equity method.

The item 'Investments in subsidiaries' in the balance sheet include the proportionate ownership share of the net asset value of the enterprise calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to 'reserve for net revaluation under the equity method' under Equity. The reserve is reduced by dividends distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net asset value are recognised at USD zero. Any legal or constructive obligations of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

#### ***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.

#### ***Equity***

##### *Dividends*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### ***Financial liabilities***

Financial liabilities are measured at amortised cost, substantially corresponding to nominal value.

## Notes to the Financial Statements

### 2. Investments in subsidiaries

<i>(USD '000)</i>	<b>2023</b>	<b>2022</b>
Costs on 1 January	101,764	-
Addition during the year (due to the restructuring of Star Air A/S)	-	101,764
<b>Costs at 31 December</b>	<b>101,764</b>	<b>101,764</b>
Value adjustment 1 January	1,151	-
Profit/loss for the year	-28,803	10,151
Received dividend	-	-9,000
<b>Value adjustment at 31 December</b>	<b>-27,652</b>	<b>1,151</b>
<b>Carrying amount at 31 December</b>	<b>74,112</b>	<b>102,915</b>

Name / legal form	Registered office	Voting rights and ownership interest
Maersk Air Cargo A/S	Lyngby-Taarbaek	100%
Star Air Crew & Training Company A/S	Lyngby-Taarbaek	100%

### 3. Financial income

Interest income from group entities	-	1,028
	-	<b>1,028</b>

### 4. Financial expenses

Interest expense from group entities	1,628	-
Exchange losses	-	26
	<b>1,628</b>	<b>26</b>

### 5. Tax on loss for the year

Current tax for the year	-358	206
Adjustment of deferred tax concerning previous years	-	-4,461
	<b>-358</b>	<b>-4,255</b>

### 6. Proposed profit appropriation

Retained earnings	-30,073	15,340
	<b>-30,073</b>	<b>15,340</b>



## Notes to the Financial Statements

### 7. Receivables from group entities

Receivables from group entities consists primarily of cash at bank in a cash pool arrangement with group entities.

### 8. Share capital

The share capital consists of shares with a nominal value of DKK 10,000 each or multiples thereof. There have been no changes in the share capital during the last five years. The share capital is DKK 10,000,000.

### 9. Contingent assets, liabilities, and other financial obligations

#### *Other contingent liabilities*

The Company is jointly taxed with all other Danish companies in A.P. Møller Holding A/S. As a consolidated entity, the Company has unlimited and joint liability together with the other companies under joint taxation for Danish corporation tax and withholding tax on dividends, interest, and royalties within the jointly taxed companies.

### 10. Related party disclosures

Star Air A/S' related parties comprise the following:

Companies in A.P. Møller Holding A/S, Esplanaden 50, Copenhagen Denmark.

A/S Maersk Aviation Holding exercises direct control over the Company.

#### **Related party transactions**

(USD '000)

	<b>2023</b>	<b>2022</b>
Interest income from group entities	-	1,028
Receivables from group entities	46,910	48,132
Interest expense to group entities	1,628	-
Payables to group entities	-	205

#### **Consolidated financial statements**

The Company is included in the Consolidated Financial Statements of A.P. Møller – Mærsk A/S (immediate parent company presenting consolidated financial statements).

The Company is included in the Consolidated Financial Statements of A.P. Møller Holding A/S (ultimate parent presenting consolidated financial statements).