

Swissport Denmark A/S

C/O Terminal 2, Københavns Lufthavn 1
2770 Kastrup

CVR no. 20 56 69 81

Annual report for the period 1 January – 31 December 2016

The annual report was presented and approved at the
Company's annual general meeting on

31 May 2017



Mario Alexandre Viegas Beringel
chairman



Swissport Denmark A/S
Annual report 2016
CVR no. 20 56 69 81

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Swissport Denmark A/S for the financial year 1 January – 31 December 2016.

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 Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.


We recommend that the annual report be approved at the annual general meeting.

31 May 2017
Executive Board:



Mario Alexandre
Viegas Beringel


Menno Biersma

Board of Directors:


Simon Lothar
Wolfgang Leo
Messner
Chairman


Joseph James Phelan


David Alfredo Vega
Ruiz



Independent auditor's report

To the shareholders of Swissport Denmark A/S

Opinion

We have audited the financial statements of Swissport Denmark A/S for the financial year 1 January – 31 December 2016 comprising income statement, balance sheet and notes, including 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 Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

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' 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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





Independent auditor's report

audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 May 2017

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

David Olafsson
State Authorised
Public Accountant

Swissport Denmark A/S
Annual report 2016
CVR no. 20 56 69 81

Management's review

Company details

Swissport Denmark A/S
C/O Terminal 2, Københavns Lufthavn 1
2770 Kastrup

Telephone: 32314047
Fax: 32314043
Website: København

CVR no.: 20 56 69 81
Established: 14 November 1997
Registered office:
Financial year: 1 January – 31 December

Board of Directors

Simon Lothar Wolfgang Leo Messner, Chairman
Joseph James Phelan
David Alfredo Vega Ruiz

Executive Board

Mario Alexandre Viegas Beringel
Menno Biersma

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Annual general meeting

The annual general meeting will be held on 31 May 2017 at the Company's address.

Management's review

Operating review

Principal activities

The Company's activity consist of performing executive lounge activities on behalf of the air-traffic authorities, airlines and flight operators at Copenhagen Airport.

Development in activities and financial position

The income statement of the Company for 2016 shows a loss of DKK -1,130 thousand, which is considered unsatisfactory. The Company's equity amounts to DKK 7,999 thousand.

Events after the balance sheet date

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

Financial statements 1 January – 31 December

Income statement

| DKK | Note | 2016 | 2015 |
|---|------|--------------------------|--------------------------|
| Revenue | | <u>11,911,388</u> | <u>10,374,321</u> |
| Other external costs | | <u>-9,318,994</u> | <u>-8,650,696</u> |
| Gross profit | | 2,592,394 | 1,723,625 |
| Staff costs | 2 | -2,950,185 | -2,654,455 |
| Depreciation, amortisation and impairment | | <u>-621,075</u> | <u>-594,755</u> |
| Operating loss | | -978,866 | -1,525,585 |
| Financial income | 3 | 86,101 | 85,270 |
| Financial expenses | 4 | <u>-237,035</u> | <u>-94,680</u> |
| Loss before tax | | -1,129,800 | -1,534,995 |
| Tax on profit/loss for the year | | <u>0</u> | <u>0</u> |
| Loss for the year | | <u>-1,129,800</u> | <u>-1,534,995</u> |

Proposed distribution of loss

| | | | |
|-------------------|--|--------------------------|--------------------------|
| Retained earnings | | <u>-1,129,800</u> | <u>-1,534,995</u> |
| | | <u>-1,129,800</u> | <u>-1,534,995</u> |

Financial statements 1 January – 31 December

Balance sheet

| DKK | Note | 2016 | 2015 |
|--|------|--------------------------|--------------------------|
| ASSETS | | | |
| Fixed assets | | | |
| Property, plant and equipment | 5 | | |
| Fixtures and fittings, tools and equipment | | <u>941,204</u> | <u>1,453,735</u> |
| | | <u>941,204</u> | <u>1,453,735</u> |
| Total fixed assets | | <u>941,204</u> | <u>1,453,735</u> |
| Current assets | | | |
| Receivables | | | |
| Trade receivables | | 1,402,702 | 916,403 |
| Receivables from group entities | | 8,080,087 | 8,047,630 |
| Other receivables | | 662,594 | 662,594 |
| Prepayments | | <u>771,760</u> | <u>831,528</u> |
| | | <u>10,917,143</u> | <u>10,458,155</u> |
| Cash at bank and in hand | | <u>1,763,481</u> | <u>1,445,168</u> |
| Total current assets | | <u>12,680,624</u> | <u>11,903,323</u> |
| TOTAL ASSETS | | <u><u>13,621,828</u></u> | <u><u>13,357,058</u></u> |

Financial statements 1 January – 31 December

Balance sheet

| DKK | Note | 2016 | 2015 |
|--|------|-------------------|-------------------|
| EQUITY AND LIABILITIES | | | |
| Equity | 6 | | |
| Share capital | | 700,000 | 700,000 |
| Retained earnings | | <u>7,299,474</u> | <u>8,429,274</u> |
| Total equity | | <u>7,999,474</u> | <u>9,129,274</u> |
| Liabilities other than provisions | | | |
| Current liabilities other than provisions | | | |
| Trade payables | | 348,507 | 103,121 |
| Payables to group entities | | 3,587,612 | 3,223,432 |
| Other payables | | <u>1,686,235</u> | <u>901,231</u> |
| | | <u>5,622,354</u> | <u>4,227,784</u> |
| Total liabilities other than provisions | | <u>5,622,354</u> | <u>4,227,784</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>13,621,828</u> | <u>13,357,058</u> |
| Contractual obligations, contingencies, etc. | 7 | | |
| Related party disclosures | 8 | | |

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Swissport Denmark A/S for 2016 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

As from 1 January 2016, the Company has implemented Act no. 738 of 1 June 2015.

The changes have no monetary effect on the income statement or the balance sheet for 2016 or for the comparative figures for 2015.

Apart from the above, the accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Revenue

Revenue from the sale of services is recognised in the income statement when delivery and transfer of risk has been made before year end.

Other external costs

Other external costs comprise consumables in the lounge, expenses for premises as well as office expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Depreciation and impairment losses

Depreciation and impairment losses comprise amortisation, depreciation and impairment losses 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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Tax on profit/loss for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable income.

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

| | |
|--|------------|
| Fixtures and fittings, tools and equipment | 3-10 years |
|--|------------|

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Equity

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of the declaration by the annual general meeting.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax is adjusted for elimination of unrealised intra-group gains and losses.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at cost, corresponding to nominal value.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Financial statements 1 January – 31 December

Notes

2 Staff costs

| DKK | 2016 | 2015 |
|-----------------------------|------------------|------------------|
| Wages and salaries | 1,981,081 | 1,952,065 |
| Pensions | 163,862 | 147,944 |
| Other social security costs | 13,759 | 12,060 |
| Other staff expenses | 791,483 | 542,386 |
| | <u>2,950,185</u> | <u>2,654,455</u> |
| Average number of employees | <u>5</u> | <u>5</u> |

3 Financial income

| | | |
|-------------------------------------|---------------|---------------|
| Interest income from group entities | 86,101 | 85,270 |
| | <u>86,101</u> | <u>85,270</u> |

4 Financial expenses

| | | |
|------------------------------------|----------------|---------------|
| Interest expense to group entities | 228,826 | 115,422 |
| Other financial expenses | 8,209 | -20,742 |
| | <u>237,035</u> | <u>94,680</u> |

5 Property, plant and equipment

| | |
|--|--|
| DKK | Fixtures and fittings, tools and equipment |
| Cost at 1 January 2016 | <u>2,993,476</u> |
| Additions | <u>108,544</u> |
| Cost at 31 December 2016 | <u>3,102,020</u> |
| Depreciation and impairment losses at 1 January 2016 | <u>-1,539,741</u> |
| Depreciation | <u>-621,075</u> |
| Depreciation and impairment losses at 31 December 2016 | <u>-2,160,816</u> |
| Carrying amount at 31 December 2016 | <u><u>941,204</u></u> |

Financial statements 1 January – 31 December

Notes

6 Equity

| DKK | Share capital | Retained earnings | Total |
|---|---------------|-------------------|------------|
| Equity at 1 January 2016 | 700,000 | 8,429,274 | 9,129,274 |
| Transferred over the distribution of loss | 0 | -1,129,800 | -1,129,800 |
| Equity at 31 December 2016 | 700,000 | 7,299,474 | 7,999,474 |

There have been no changes in the share capital during the last five years.

The share capital consists of 700 shares of a nominal value of DKK 1,000. No shares carry any special rights.

7 Contingencies and other financial liabilities

Rental agreements

Lease obligations, non-terminability period of 12 months DKK 2,793,000

As the administrative company, the Company is jointly taxed with other Danish group entities and has unlimited joint and several liability with the other jointly taxed entities for Danish corporation taxes and withholding taxes on dividends, interest and royalties under the joint taxation scheme.

8 Related party disclosures

Ownership

The company is wholly owned by:

Servisair Holding BV, Rotterdam Airport 60, 3045 Rotterdam, Holland.

Consolidated financial statements

The Company is included in the Group Annual Report of PAI Partners

The Group Annual Report of PAI Partners may be obtained at the following address:

232 Rue de Rivoli 75001 Paris
France

