

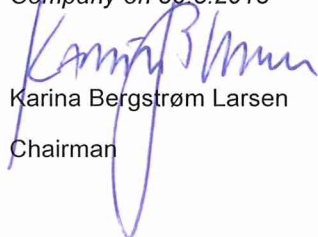
Satcom1 ApS

Strandesplanaden 110, 2665 Vallensbæk Strand Denmark

CVR- nr. 27 92 47 78

Annual Report for 1 January - 31 December 2017

*The Annual Report was
presented and adopted at the
Annual General Meeting of the
Company on 30.5.2018*



Karina Bergstrøm Larsen
Chairman

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Management's Statement

The Executive Board have today considered and adopted the Annual Report of Satcom1 ApS for the financial year 1 January - 31 December 2017.

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 2017 of the Company and of the results of the Company operations for 2017.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position. We recommend that the annual report be approved at the annual general meeting.

Vallensbæk, 30 05 .2018



Karina Bergstrøm Larsen

Executive Board



Jackie Lund Nikolajsen

Independent Auditor's Report

Independent auditor's report

To the shareholders of Satcom1 ApS

Opinion

We have audited the financial statements of Satcom1 ApS for the financial year 01.01.2017 - 31.12.2017, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement 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 31-12-2017 and of the results of its operations and cash flows for the financial year 01.01.2017 - 31.12.2017 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 skepticism 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

Independent Auditor's Report

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, __.__.2018

Deloitte

Statsautoriseret Revisionspartnerselskab

Business Registration No 33 96 35 56

Jan Larsen

State-Authorised Public Accountant

MNE-number: mne16541

Company Information

The Company

Satcom1 ApS
Strandesplanaden 110
2665 Vallensbaek Strand
Telephone: +45 46 15 45 46
Telefax: +45 46 15 45 36
Website: www.satcom1.com
CVR No.: 27 92 47 78
Established: 01 07 2004
Financial period: 1 January 2017 - 31 December 2017
Municipality of reg. office: Vallensbaek

Executive Board

Karina Bergstrøm Larsen
Jackie Lund Nikolajsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6,
DK-2300 København

Lawyers

Moltke-Leth
Amaliegade 12,
DK-1256 København K



Management's Review

Principal activity

The company's main activity is the delivery of management, employees and other shared functions to group companies providing satellite communication services.

Financial review

In 2017, the company's revenue came in at USD 440,000 against USD 7,433,822 last year. The income statement of the Company for 2017 shows a loss of USD -455,099 and at 31 December 2017 the balance sheet of the Company shows equity of USD 7,535,226.

The Operating loss for Satcom1 ApS was USD -1,782,439. The result for 2017 represents USD -455,099 compared to USD 1,618,310 for 2016 and is at expected level.

Combining Honeywell's over 100 years of success in aviation with Satcom's VIP cabin, airtime, network software management and engineering expertise provides a foundation for the best satellite communications offerings in the industry and around the world.

Honeywell Aerospace products and services are found on virtually every commercial, defense and space aircraft, and its turbochargers are used by nearly every automaker and truck manufacturer around the world. The Aerospace business unit develops innovative solutions for more fuel-efficient automobiles and airplanes, more direct and on-time flights, safer flying and runway traffic, along with aircraft engines, cockpit and cabin electronics, wireless connectivity services, logistics, and more. The business delivers safer, faster, and more efficient and comfortable transportation-related experiences worldwide. For more information, visit www.honeywell.com or follow us at @Honeywell_Aero and @Honeywell_Turbo.

Honeywell (www.honeywell.com) is a Fortune 100 diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; turbochargers; and performance materials. For more news and information on Honeywell, please visit www.honeywell.com/newsroom.

Uncertainty relating to recognition and measurement

Satcom1 abides with Honeywell Inc.'s strong financial and ethical controls and undertakes Internal Financial compliance audits to minimize any revenue recognition issues. Stringent controls remain in place and are reviewed annually, including FCPA training which is established as a mandatory requirement for all Intermec Technologies employees.

Subsequent events

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



Accounting Policies

Financial Statements of Satcom1 ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and elective choice of certain provisions applying to reporting class C entities.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2017 are presented in *USD*. The presentation currency of the company has changed from DKK to USD. The figures for year 2016 are also restated to USD.

Consolidated financial statements

In accordance with section 112(2) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Satcom1 ApS and subsidiaries are included in the consolidated financial statements of Honeywell International Inc.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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 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.

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

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

The annual report is presented in USD in accordance with section 16(2) of the Danish Financial Statements Act. At 31 December 2017, the exchange rate was 621 DKK/USD (2016: 713 DKK/USD). The average exchange rate in 2017 was 659 DKK/USD (2016: 677 DKK/USD).

Translation policies

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 transaction date rates are recognised in financial income and expenses in the income statement.

Income Statement

Revenue

Income from the rendering of services, is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

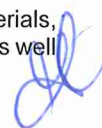
Revenue is recognised exclusive of VAT and net of discounts relating to sales.

A sale is considered completed when:

- delivery has taken place before the end of the financial year,
- a binding sales agreement has been entered into,
- the sales price has been determined, and payment has been received or it is reasonably certain that payment will be received.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc., as well as operation, administration and management of factories.



Accounting Policies

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff costs

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. The item is net of refunds made by public authorities.

Income from investments in group entities

These include the parent's proportionate share of the profit or loss for the year and adjustment of intra-group gains/losses, and net of amortisation of goodwill on consolidation.

Financial income and expenses

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

Financial income and financial expenses comprise interest, financial expenses on finance leases, realised and unrealised exchange rate adjustments as well as value adjustment of securities.

Tax on profit/loss for the year

The parent company is covered by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The parent company is the management company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

On payment of joint taxation contributions, the current Danish corporation tax charge is allocated between the jointly taxed enterprises in proportion to their taxable income. Enterprises with tax losses receive joint taxation contributions from enterprises that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current corporation tax, joint taxation contributions for the year and changes in deferred tax for the year - including changes resulting from changes in the tax rate. 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.

Balance Sheet

Non-current assets

Intangible assets

Intangible assets comprise software licences and other acquired rights. Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Intangible assets are amortised on a straight-line basis over the expected useful life which is 5 years.

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. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub—suppliers.

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:

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

Assets costing less than USD 1,766 are expensed in the year of acquisition.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Accounting Policies

Prepayments and payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Investments in group entities

Investments in group enterprises are measured, using the equity method, at the parent's proportionate share of such enterprises' equity plus goodwill on consolidation and less intra-group profits and negative goodwill. Enterprises whose equity is negative are measured at zero, as the proportionate share corresponding to the negative value is set off against receivables, if any. Any additional amounts are recognised under 'Provisions' if the parent is liable for the debt.

Write-down of non-current assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. If this is the case, an impairment test is made in order to determine whether the recoverable amount is lower than the carrying amount, and a write-down is made to this lower value.

The recoverable amount for the asset concerned is made up as the higher of the net selling price and the net present value. If it is not possible to determine the recoverable amount for individual assets, the assets are assessed jointly in the smallest identifiable group of assets to determine a reliable recoverable amount.

Assets for which no separate value in use can be determinable, as the asset does not in itself generate any future cash flows, are subject to review for impairment together with the group of assets to which they belong.

Foreign exchange forward contracts

Foreign exchange forward contracts are initially recognised at cost. The Company provides for losses in respect of outstanding contracts as at balance sheet date on marked to market basis. At the time of finalisation of contract, currency adjustment is recognised through profit and loss.

Current assets

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.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Cash at hand and in bank

Cash at hand and in bank comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Equity and liability

Dividend

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

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve may be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Accounting Policies

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, restructurings, etc. Provisions are recognised when the company has a legal or constructive obligation as a result of a past event at the balance sheet date and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation concerned is expected to be settled far into the future.

Deferred tax assets and liabilities

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. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

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.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortised cost, using the effective interest rate method. Other debt is subsequently measured at amortised cost corresponding to the nominal unpaid debt.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

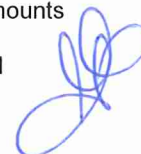
Other payables

Other payables are measured at amortised cost, which usually corresponds to nominal value.

Rectification of information of previous financial period

There are following reclassifications of prior year's balances as per the correct nature of balances:

1. Intercompany payables of USD 1,936,938 in 2016 reclassified from "Other payables" to "Payables to group enterprises".
2. Intercompany receivables of USD 1,304,166 in 2016 reclassified from "Other payables" to "Amounts owed by group enterprises".
3. Staff expenses of USD 1,004,117 in 2016 reclassified from "Staff expenses" to "Other external expenses".



Income statement

for the year ended 31 December 2017

	Notes	2017	2016
		USD	USD
Revenue		440,000	7,433,822
Other external expenses		-597,924	-3,941,982
Gross profit		-157,924	3,491,840
Staff expenses	1	-955,169	-784,624
Depreciation, amortization and impairment of intangible assets and property, plant and equipment	2,3	-669,346	-744,668
Operating profit		-1,782,439	1,962,548
Income from shares in group undertakings		1,890,830	-560,207
Financial income	5	1,578	1,143,856
Financial expenses	6	-1,204,497	-294,818
Profit before tax		-1,094,527	2,251,379
Tax benefit/(expense) for the year	7	639,428	-633,069
Profit for the year		-455,099	1,618,310
<i>Distribution of profit:</i>			
Transfer to net revaluation reserve according to the equity method		1,890,830	-560,207
Transfer to retained earnings		-2,345,929	2,178,517
		-455,099	1,618,310

Balance sheet

at 31 December 2017

	Notes	2017 USD	2016 USD
Assets			
Non-current assets			
Intangible assets			
Acquired intangible assets	2	0	653,475
		0	653,475
Property, plant and equipment			
Other fixtures and fittings, tools and equipment	3	0	15,871
Construction in Progress at cost	4	0	63,898
		0	79,769
Financial assets			
Investments in subsidiaries	8	4,560,847	2,670,017
Other receivables	9	40,811	40,811
Deferred tax assets			
	7	14,635	0
Total non-current assets		4,616,293	3,444,072
Current assets			
Receivables			
Trade receivables		9,622	495,166
Amounts owed by subsidiaries		28,799,116	5,934,448
Corporation tax	7	509,108	0
Other receivables		16,005	22,944
		29,333,851	6,452,559
Cash at hand and in bank		289,567	1,339,708
Total current assets		29,623,418	7,792,266
Total assets		34,239,711	11,236,339

Balance sheet

at 31 December 2017

	Notes	2017 USD	2016 USD
Equity and liabilities			
Equity			
Share capital		20,740	20,740
Net revaluation reserve according to equity method		4,553,839	2,663,009
Retained earnings		2,960,647	5,306,576
		<u>7,535,226</u>	<u>7,990,325</u>
Provisions			
Provision for deferred tax	7	0	291,037
		<u>0</u>	<u>291,037</u>
Current liabilities			
Trade payables		32,319	70,185
Payables to group enterprises		26,512,488	1,936,938
Joint tax contribution		0	699,413
Other payables		159,678	248,441
Total current liabilities		<u>26,704,485</u>	<u>2,954,976</u>
Total liabilities		<u>26,704,485</u>	<u>3,246,014</u>
Total equity and liabilities		<u>34,239,711</u>	<u>11,236,338</u>
Collateral	10		
Contingent assets, liabilities and other financial obligations	11		
Related parties and ownership	12		

Statement of changes in Equity

at 31 December 2017

	Share capital	Net revaluation reserve according to equity method	Retained earnings	Total
	<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
Equity at 1 January	20,740	2,663,009	5,306,576	7,990,325
Net profit / loss for the year	0	1,890,830	-2,345,929	-455,099
Equity at 31 December	20,740	4,553,839	2,960,647	7,535,226

The share capital consists of 147,967 shares at DKK 1. In 2014, share capital of DKK 192,967 was reduced by DKK 45,000.

	Number	Nominal Value DKK
Shares at DKK 1	147,967	1
		147,967

Notes to the annual report

at 31 December 2017

1. Staff expenses

	<u>2017</u>	<u>2016</u>
	<i>USD</i>	<i>USD</i>
Wages and salaries	814,442	612,808
Pensions	110,797	50,593
Other social security expenses	0	2,508
Other staff costs	29,930	118,715
	<u>955,169</u>	<u>784,624</u>

Average number of employees 16 15

Staff costs relating to 2017 is reduced with USD 868,708 (2016: USD 713,600) following a cost allocation in the Satcom group.

Staff costs include director's remuneration of USD 225,075.

2. Intangible Assets

	<u>Acquired</u>
	<u>Intangible assets</u>
	<i>USD</i>
Cost at 1 January 2017	2,893,515
Cost at 31 December 2017	<u>2,893,515</u>
Impairment losses and amortization at 1 January 2017	-2,240,040
Amortisation for the year	-653,475
Impairment losses and amortisation at 31 December 2017	<u>-2,893,515</u>
Carrying amount at 31 December 2017	<u>0</u>

3. Property, Plant and Equipment

	<u>Other fixtures and</u>
	<u>fittings, tools and</u>
	<u>equipment</u>
	<i>USD</i>
Cost at 1 January 2017	180,236
Cost at 31 December 2017	<u>180,236</u>
Impairment losses and depreciation at 1 January 2017	-164,365
Depreciation for the year	-15,871
Impairment losses and depreciation at 31 December 2017	<u>-180,236</u>
Carrying amount at 31 December 2017	<u>0</u>

4. Construction in progress at cost

	<u>CWIP</u>
	<u>USD</u>
Cost at 1 January 2017	63,898
Written off	-63,898
Cost at 31 December 2017	<u>-</u>
Impairment losses and amortization at 1 January 2017	-
Depreciation for the year	-
Impairment losses and Depreciation at 31 December 2017	<u>-</u>
Carrying amount at 31 December 2017	<u>-</u>

Notes to the annual report

at 31 December 2017

5. Financial income

	<u>2017</u>	<u>2016</u>
	<i>USD</i>	<i>USD</i>
Interest received from group enterprises	0	0
Other financial income	1,578	158,855
Exchange adjustments	0	985,001
	<u>1,578</u>	<u>1,143,856</u>

6. Finance expenses

	<u>2017</u>	<u>2016</u>
	<i>USD</i>	<i>USD</i>
Exchange adjustments, expenses	1,204,497	2,500
Other financial expenses	0	292,318
	<u>1,204,497</u>	<u>294,818</u>

7. Tax on profit / loss for the year

	<u>2017</u>	<u>2016</u>
	<i>USD</i>	<i>USD</i>
Current tax charge for the year	-509,108	699,413
Deferred tax charge for the year	-142,378	
Current tax prior year adjustment	175,353	
Deferred tax prior year adjustment	-163,295	0
Balance as on 31 December 2017	<u>-639,428</u>	<u>699,413</u>
Deferred tax at 1 January	291,037	291,037
Adjustment of the deferred tax charge for the year	-305,673	0
Deferred tax at 31 December	<u>-14,635</u>	<u>291,037</u>

8. Investments in subsidiaries

	<u>2017</u>
	<i>USD</i>
Cost	
Balance at 1 January 2017	7,008
Disposal	0
Balance at 31 December	<u>7,008</u>
Value	
Balance at 1 January	2,663,009
Share of Profit/loss for the year	1,890,830
Balance at 31 December	<u>4,553,839</u>
Carrying amount at 31 December	<u>4,560,847</u>

Name	Registered office	2017 Financial Result (USD)	2017 Equity (USD)	Voting shares and ownership
Satcom1 Airtime Services ApS	Denmark	1,890,830	4,560,847	100%

The equity and results are presented for the latest approved annual report.

9. Financial assets

	<u>2017</u>
	<i>USD</i>
Cost at 1 January 2017	40,811
Cost at 31 December 2017	40,811
Carrying amount at 31 December 2017	<u>40,811</u>

Notes to the annual report

at 31 December 2017

10. Collateral

The Company has not placed any assets or other as security for loans at 31/12/2017.

11. Contractual obligations and contingencies. etc.

Other contingent liabilities

The Company is jointly taxed with the sister company Honeywell A/S and has joint and several liability for the payment of income taxes for the income year 2015 and onwards as well as for withholding taxes on interest, royalties and dividends falling due for payment on or after 10 December 2015.

Other financial obligations

Rent payments concerning a contract, which is interminable for 6 months total USD 241,760.

12. Related parties and ownership

Transactions

The company's related parties are Honeywell International Inc. and its subsidiaries. All transactions between the related parties are based on arms-length terms. The type of transactions with the related parties can be specified as buying and selling of components, management fees, IT-service fees and loans.

Consolidated Financial Statements

The Company is owned 100% by Honeywell International Sàrl. Satcom1 is included in the Group Annual Report as a subsidiary. Satcom1 is ultimately owned by Honeywell International Inc.

The Group Annual Report of Honeywell International Inc. may be obtained at the following address:

251 Little Falls Drive
Wilmington DE 19808
United States

Or on the home page www.investor.honeywell.com.

