

Worldwide Flight Services Denmark A/S

Kystvejen 32

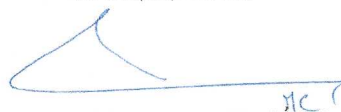
2770 Kastrup

CVR No. 28488262

Annual Report 2020

16. financial year

The Annual Report was approved at the Annual General Meeting of
the Company on 7 July 2021



Marc Claesen
Chairman

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Worldwide Flight Services Denmark A/S

Management's Statement

Today, Management has considered and adopted the Annual Report of Worldwide Flight Services Denmark A/S for the financial year 1 January 2020 - 31 December 2020.

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 assets, liabilities and financial position of the Company at 31 December 2020 and of the results of the Company's operations and cash flow for the financial year 1 January 2020 - 31 December 2020. Further in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial position.

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

Copenhagen, 7 July 2021

Executive Board

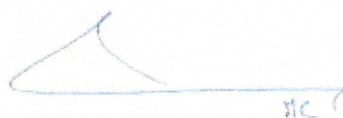


Marc Claesen

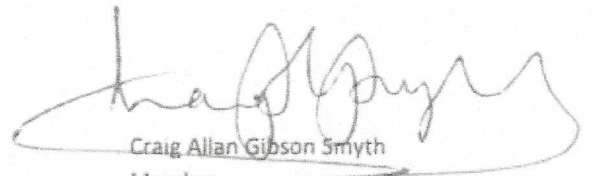
Supervisory Board



John Andrew Batten
Chairman



Marc Claesen
Member



Craig Allan Gibson Smyth
Member



Independent auditor's report

To the shareholder of Worldwide Flight Services Danmark A/S

Opinion

We have audited the financial statements of Worldwide Flight Services Danmark A/S for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement 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 financial position of the Company at 31 December 2020 and of the results of the Company's operations as well as the cash flows for the financial year 1 January - 31 December 2020 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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 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 the 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.

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 note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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, 7 July 2021

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Birgit Morville Schrøder
State Authorised Public Accountant
mne21337



Anders Roe Eriksen
State Authorised Public Accountant
mne46667

Worldwide Flight Services Denmark A/S

Company details

Company	Worldwide Flight Services Denmark A/S Kystvejen 32 2770 Kastrup
Telephone	32465000
Website	www.wfsdenmark.com
CVR No.	28488262
Date of formation	10 February 2005
Registered office	Tårnby
Supervisory Board	John Andrew Batten Marc Claesen Craig Allan Gibson Smyth
Executive Board	Marc Claesen, Manager
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg CVR-no.: 30700228

Management's Review

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2020 - 31 December 2020 shows a result of DKK -14.149.973 and the Balance Sheet at 31 December 2020 a balance sheet total of DKK 297.851.122 and an equity of DKK 43.839.917.

During 2020, the Company completed a sale and lease back transaction related to the Company's premises at Kystvejen, Copenhagen Airport.

The liquidity from the sale and lease back transaction has been used to repay intercompany debt and at 31 December 2020, the company holds long-term intercompany receivables of DKK 136,267 thousand.

For 2020, the Company realized a profit from ordinary operating activities of DKK 8,726 thousand, and pre-tax positive profit DKK 10,415 thousand.

The result for the year is positively impacted by DKK 4.5m from governmental compensation arrangement from COVID-19, reference is made to note 1. Further, the result for the year has been positively impacted by financial income of DKK 3.3m related to the intercompany receivables, reference is made to note 4.

Further, the operations for the year has been less negatively impacted from COVID-19 than anticipated. A positive driver in 2020 has been the trucked cargo volume, which increased inbound and outbound Copenhagen. This trend continued through 2020 and across the global network. We had through 2020 an increase in tonnage month vs. month although below budget tonnage and 2019 level.

The net profit for the year amounts to DKK -14,150 thousand compared to an outlook for 2020 included in the financial statements 2019 of DKK 4-6m. The variance is mainly due to larger income tax expense related to capital gains tax expense from the sale of the buildings in 2020 than anticipated in the outlook.

Management considers the result for 2020 as acceptable considering the COVID-19 circumstances and market conditions as a whole.

Post financial year events

There are no subsequent events that have affected the company's financial position.

Expectations for the future

Start 2021 the COVID-19 virus still impacting and Airlines still struggling. Denmark sees the grip of lockdown slowly reducing as of March and the volume trend from 2020 continuing into 2021. The overall expectations for the remaining part of 2021 we will see a small increase in tonnage towards end year and resulting in tonnage slightly below 2019 level. In the light of the worldwide vaccination programs, the expectations are that we slowly recover to 2019 conditions end 2021 and overall deliver a positive result.

As part of our commercial and optimization strategy, WFS is building our Terminal 3 in direct association with Terminal 2. The construction starts in Q1 2021 and the construction is planned finalized by 01. September 2022

Knowledge resources

The company handles Cargo on behalf of its airlines and is responsible for handling this according to the contractual agreements. This requires specially trained staff. The company ensures constantly updating existing staff on the latest rules by attending courses internally and externally.

Management's Review

Risks

Special Risks:

Air Cargo is depending on aircrafts but not especially on passenger aircrafts. The Air cargo industry has been impacted by the reduced flights due to COVID-19. The need for air cargo is still present and we therefore see more airlines using regularly passenger flight to fly with cargo only. Over the last years the trend of E-commerce has been positive. This is a direct driver for air cargo. World economy is controlling the purchasing power. The purchasing power is controlling the need for air cargo. Between 50-60% of our costs are staff related. This gives the company the possibility to adjust the main part of the costs according to the marked need and trend. This according to the national union agreements and terms.

Currency; The Company's trading and financing is in EUR or DKK so the company is not exposed to currency risk.

Environmental issues

The activities of the Company does not have material impact on the external environment. The Company makes an effort to use scanning instead of printing to avoid unnecessary waste of paper resources.

Worldwide Flight Services Denmark A/S

Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:

Numbers appear in thousands

	2020	2019	2018	2017	2016
Gross profit	101.712	105.593	98.944	102.760	95.329
Operating profit/loss	8.726	4.461	2.046	6.606	-7.260
Net financial income and expenses	1.689	-1.737	-8.011	-12.332	-12.490
Profit/loss for the year	-14.150	13.121	-5.965	-5.726	-20.981
Total assets	297.851	133.428	110.858	117.129	120.322
Investment in non-current assets	20.976	14.395	838	4.887	1.776
Total equity	43.840	57.990	44.869	5.834	-43.940
Return on equity (ROE) (%)	-27,79	26,00	-23,53	-30,05	-62,72
Solvency ratio (%)	14,72	43,00	40,47	4,98	-36,52

For definitions of key ratios, see Accounting policies and Valuation Principles

Accounting Policies

Reporting Class

The Annual Report of Worldwide Flight Services Denmark A/S for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed new and amended presentation and disclosure requirements. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Translation policies

Foreign exchange differences arising between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or financial expenses.

Income Statement

Gross profit/loss

The Company has decided to aggregate certain items of the Income Statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories, other operating income, cost of raw and consumables and other external expenses.

Revenue from sale of services

The Company has chosen IAS 18 as interpretation for revenue recognition. The company provide handling and transportation related services to customers for inbound and outbound cargo. Income from the rendering of services is recognised as revenue as the transport services are rendered to the customers.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates are deducted in revenue.

Other operating income

Other operating income comprises items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of fixed assets.

Other operating income includes public grants provided by the Danish Authorities during the COVID-19 pandemic to cover salary expenses. The public grants are recognized in the income statements when it is likely that all grant criteria have been met.

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises, loss of debtors, operating leasing costs etc.

Staff costs

Staff expenses comprise wages, salaries and other pay-related costs, such as sickness benefits for enterprise employees less wage/salary reimbursement, pensions and social security costs.

Other operating expenses

Other operating expenses include items relating to activities secondary to the main activity of the enterprises.

Accounting Policies

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, finance charges in respect of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the tax prepayment scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Intangible assets

Acquired goodwill is measured at cost on initial recognition and subsequently at cost less accumulated amortisation and impairment losses.

Tangible assets

Tangible assets are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual components differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

Properties:	20-40 years
Plant and machinery:	5-7 years
Tools and equipment:	3-5 years
Leasehold improvements	3-5 years

Gains or losses arising from the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amounts at the time of sale. Gains or losses are recognised in the income statement as other operating income or other operating expense.

Property, plant and equipment held under leases and qualifying as finance leases are treated according to the same guidelines as assets owned.

The Company has chosen IAS 17 as interpretation for classification and recognition of leases. The company only

Accounting Policies

has finance leases coming from sale- and lease back transactions and operating leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Sale and lease back transaction:

The sale and leaseback transaction are recognised as a borrowing according to one the possibilities in IAS 17. The leased asset is then recognized as its previous carrying amount as if no sale had taken place, and the proceeds received is recognised as a liability. The liability obligation is reduced by lease payments over the lease period and an interest expense is calculated and recognised in the income statement accordingly.

Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realisable value is lower than cost, the inventories are written down to this lower value.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

The cost of goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables. Write-down for bad and doubtful debts is made when there is objective evidence that the receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Prepayments

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Deferred tax

Deferred tax is measured according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions

Provisions comprise of demolition commitments related to building on leased land.

Accounting Policies

Provisions are recognised when the Company has a legal or actual obligation as a result of a past event, and it is likely that settlement will result in the company spending financial resources.

Provisions that measured at value in use.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Liabilities

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the Income Statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortised cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortised cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Lease commitments are measured at the present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the individual leases.

Accounting Policies

Cash Flow Statement

The Cash Flow Statement shows the Company's cash flows for the year presented by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortisation and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible, tangible and investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios"

Return on equity (%)	=	$\frac{\text{Profit/loss for the year} \times 100}{\text{Avg. equity}}$
Solvency ratio (%)	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$

Worldwide Flight Services Denmark A/S

Income Statement

	Note	2020 kr.	2019 kr.
Gross profit		101.711.677	105.593.356
Staff costs	2	-86.468.158	-94.718.476
Depreciation and amortisation	3	-6.517.659	-6.414.122
Profit from ordinary operating activities		8.725.860	4.460.758
Financial income	4	3.271.631	22.071
Financial expenses	5	-1.582.802	-1.758.995
Profit/loss from ordinary activities before tax		10.414.689	2.723.834
Tax for the year	6, 7	-24.564.662	10.396.995
Profit/loss for the year		-14.149.973	13.120.829
Proposed distribution of results	8		

Worldwide Flight Services Denmark A/S

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Assets			
Goodwill	9	0	0
Intangible assets		0	0
Buildings	10	98.312.997	83.610.248
Buildings under construction	11	207.200	0
Fixtures, fittings, tools and equipment	12	925.048	1.377.126
Property, plant and equipment		99.445.245	84.987.374
Deposits		88.330	261.079
Long-term receivables from group enterprises	13	136.267.091	0
Financial assets		136.355.421	261.079
Total non-current assets		235.800.666	85.248.453
Raw materials and consumables		463.433	476.295
Inventories		463.433	476.295
Trade receivables		20.544.764	25.429.416
Receivables from group enterprises		643.032	420.356
Deferred tax		9.522.000	10.396.995
Other receivables		18.330.000	504.132
Prepayments		588.438	4.625.422
Receivables		49.628.234	41.376.321
Cash		11.958.789	6.326.891
Total current assets		62.050.456	48.179.507
Total Assets		297.851.122	133.427.960

Worldwide Flight Services Denmark A/S

Balance Sheet as of 31 December

	Note	2020 kr.	2019 kr.
Equity and liabilities			
Share capital	14	502.000	502.000
Retained earnings		43.337.917	57.487.890
Equity		43.839.917	57.989.890
Other provisions	15	4.221.760	2.423.394
Total provisions		4.221.760	2.423.394
Other payables		212.110.653	3.142.541
Total non-current liabilities other than provisions	16	212.110.653	3.142.541
Short-term part of long-term liabilities other than provisions		12.804.000	0
Trade payables		6.443.376	9.913.441
Payables to group enterprises		40.380	46.362.855
Income tax payables		3.489.067	0
Other payables		14.901.969	13.595.839
Total current liabilities		37.678.792	69.872.135
Total Liabilities		249.789.445	73.014.676
Total equity and liabilities		297.851.122	133.427.960
Contingent liabilities and leasing commitments	17		
Related parties	18		

Worldwide Flight Services Denmark A/S

Statement of changes in Equity

	Share capital	Retained earnings	Total
Equity 1 January 2020	502.000	57.487.890	57.989.890
Profit (loss)	0	-14.149.973	-14.149.973
Equity 31 December 2020	<u>502.000</u>	<u>43.337.917</u>	<u>43.839.917</u>

Worldwide Flight Services Denmark A/S

Cash Flow Statement

	2020 kr.	2019 kr.
Profit for the year	8.725.860	4.460.758
Depreciation and amortisation	6.517.659	6.414.122
Adjustments for decrease (increase) in working capital	8.575.879	459.520
Cash flow from operating activities before financial items	23.819.398	11.334.400
Interest received	0	22.071
Interest paid	-1.037.624	-1.759.809
Cash flow from ordinary operating activities	22.781.774	9.596.662
Income taxes paid	-20.200.000	0
Cash flows from operating activities	2.581.774	9.596.662
Purchase of property, plant and equipment	-17.173.588	-14.394.973
Other components of cash flows from investing activities	0	484.523
Cash flows from investing activities	-17.173.588	-13.910.450
Proceeds from long-term liabilities	210.000.000	0
Repayments of long-term liabilities	-10.856.214	0
Decrease (increase) in intercompany	-178.920.074	3.037.540
Cash flows from financing activities	20.223.712	3.037.540
Net increase (decrease) in cash and cash equivalents	5.631.898	-1.276.248
Cash and cash equivalents, beginning balance	6.326.891	7.603.139
Cash and cash equivalents, ending balance	11.958.789	6.326.891

Notes

1. Other operating income

In 2020, the Company has recognised 4,5 mio.dkk as other operating income which comprise of government grants from COVID-19.

	2020	2019
2. Staff costs		
Wages and salaries	74.514.572	81.422.969
Pensions	9.027.860	9.851.470
Other social security costs	1.879.384	1.710.111
Other employee expense	1.046.342	1.733.926
	<u>86.468.158</u>	<u>94.718.476</u>
 Average number of employees	 <u>148</u>	 <u>155</u>

In accordance with section 98b(3)(ii) of the Danish Financial Statements Act. the Company does not disclose remuneration to the Executive Board.

3. Depreciation and amortisation

Depreciation of intangible assets	0	-1.063.197
Depreciation on property, plant and equipment	-6.517.659	-5.350.925
	<u>-6.517.659</u>	<u>-6.414.122</u>

4. Finance income

Accounts receivable	0	16.789
Interest intercompany	3.271.631	5.282
	<u>3.271.631</u>	<u>22.071</u>

5. Finance expenses

Finance expenses arising from group enterprises	495.737	1.530.246
Other finance expenses	1.087.065	228.749
	<u>1.582.802</u>	<u>1.758.995</u>

6. Tax for the year

Income tax for the year	-23.689.667	0
Deferred tax adjustment for the year	-874.995	10.396.995
	<u>-24.564.662</u>	<u>10.396.995</u>

7. Deferred tax

The deferred tax is related to goodwill, property, plant and equipment and demolition accrual. The total deferred tax amounts to 32 mio. dkk, and the Management have decided to capitalize 9,5 mio. dkk based on future earnings the next three years.

Deferred tax at the beginning of the year	10.396.995	0
Deferred tax	-874.995	10.396.995
Deferred tax at end of the year	<u>9.522.000</u>	<u>10.396.995</u>

Worldwide Flight Services Denmark A/S

Notes

8. Proposed distribution of results

	2020	2019
Retained earnings	-14.149.973	13.120.829
	<u>-14.149.973</u>	<u>13.120.829</u>

9. Goodwill

	2020	2019
Cost at the beginning of the year	7.087.981	7.087.981
Cost at the end of the year	<u>7.087.981</u>	<u>7.087.981</u>
Amortisation at the beginning of the year	-7.087.981	-6.024.784
Amortisation for the year	0	-1.063.197
Amortisation at the end of the year	<u>-7.087.981</u>	<u>-7.087.981</u>
Carrying amount at the end of the year	<u>0</u>	<u>0</u>

Goodwill is amortised over 5 years, corresponding to the expected useful life. Goodwill primarily consists of contracts with air craft companies. The goodwill is fully amortized.

10. Buildings

	2020	2019
Cost at the beginning of the year	130.987.968	116.592.995
Addition during the year	20.768.330	14.394.973
Cost at the end of the year	<u>151.756.298</u>	<u>130.987.968</u>
Depreciation at the beginning of the year	-47.377.720	-42.615.949
Depreciation for the year	-6.065.581	-4.761.771
Depreciation at the end of the year	<u>-53.443.301</u>	<u>-47.377.720</u>
Carrying amount at the end of the year	<u>98.312.997</u>	<u>83.610.248</u>

Buildings has been sold in a sale and leaseback transaction in 2020. As a consequence all buildings are leased assets.

11. Buildings under construction

	2020	2019
Cost at the beginning of the year	0	
Addition during the year, incl. improvements	207.200	0
Cost at the end of the year	<u>207.200</u>	<u>0</u>
Carrying amount at the end of the year	<u>207.200</u>	<u>0</u>

Notes

12. Fixtures, fittings, tools and equipment

	2020	2019
Cost at the beginning of the year	20.902.186	20.902.186
Cost at the end of the year	20.902.186	20.902.186
Depreciation at the beginning of the year	-19.525.060	-18.936.726
Depreciation for the year	-452.078	-588.334
Depreciation at the end of the year	-19.977.138	-19.525.060
Carrying amount at the end of the year	925.048	1.377.126

13. Receivables from group enterprises

The receivable from group enterprises are due for repayment on April 21th 2023.

14. Share Capital

	2020	2019
Balance at the beginning of the year	502.000	502.000
Balance at the end of the year	502.000	502.000

Analysis of the share capital:

5.002 shares of DKK 100 per share which amounts to DKK 502.000

	2020	2019	2017	2016	2015
Balance, beginning of the year	502.000	502.000	501.000	500.000	500.000
Additions during the year			1.000	1.000	0
Balance, end of the year	502.000	502.000	502.000	501.000	500.000

Notes

15. Other provisions

	2020	2019
Cost beginning of year	2.423.394	1.938.715
Additions	1.798.366	484.679
Balance at the end of the year	4.221.760	2.423.394

Other provisions comprise of demolition provision related to building on leased land. The provision expires after 15 years.

16. Total non-current liabilities other than provisions

	Total non-current liabilities 31.12.20	Repayment first year	Outstanding debt after 5 years
Lease commitments	205.162.903	12.804.000	141.142.903
Holiday allowance	6.947.750	0	6.947.750
	212.110.653	12.804.000	148.090.653

Frozen holiday funds from 1 September 2019 to 31. August 2020 under the new Danish Holiday Act is presented as long-term payables at 31 December 2020.

17. Contingent liabilities and leasing commitments

Guarantees have been provided at T.DKK 7.904

Commitments under rent agreements and operating leases can be specified as follows (T.DKK)

	2020	2019
< 1 year	8.913	7.741
1 to 5 years	17.389	12.808
Over 5 years	19	0
	26.321	20.549

Worldwide Flight Services Denmark A/S

Notes

18. Related parties

The following related parties exercises control in Worldwide Flight Services Denmark A/S:

- Worldwide Flight Services Holding SA, France
Zone de Fret 6 - 6 rue du Pavé, BP 11546, Tremblay-en-France, 95709 Roissy CDG Cedex
- Worldwide Flight Services Global Holding SAS, France
9, Rue de Grenelle, 75007 Paris, France
- Company Promontoria Holding 264 B.V.,
Oude Utrechtse weg 32, 3743 KN Baarn, The Netherlands

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company Promontoria Holding 264 B.V., Oude Utrechtse weg 32, 3743 KN Baarn, The Netherlands

Transactions with related parties can be specified as follows (T.DKK):

	2020	2019
Recharge of expenses	1.224	2.284
Other outside services (handling, rent of equipm, IT, education)	153	1.319
Insurance	170	397
Management fee	5.107	4.449
Service fee	2.250	0
Royalty	222	422
Interest income	3.272	5
Interest expenses	496	1.530
Receivables from group enterprises	136.910	420
Payables to group enterprises	40	46.363