BEIERHOLM
VI SKABER BALANCE

Global Aviation Contractors A/S

A.P. Møllers Allé 9 C, 2791 Dragør

CVR no. 30 24 44 78

Annual report for 2019

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 22.04.20

Morten Bendesgaard Pedersen
Dirigent

Table of contents

Company information etc.	3
Statement of the Board of Directors and Executive Board on the annual report	4
Independent auditor's report	5 - 7
Management's review	8
Income statement	9
Balance sheet	10 - 11
Statement of changes in equity	12
Cash flow statement	13
Notes	14 - 23

Company information etc.

The company

Global Aviation Contractors A/S
A.P. Møllers Allé 9 C
2791 Dragør

Registered office: Dragør
CVR no.: 30 24 44 78
Financial year: 01.01 - 31.12

Executive Boards

Kaj Thomsen

Board of Directors

Kaj Thomsen
Morten Bendesgaard Pedersen
Tage Thomsen

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement of the Board of Directors and Executive Board on the annual report

We have on this day presented the annual report for the financial year 01.01.19 - 31.12.19 for Global Aviation Contractors A/S.

The annual report is presented in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the the company's assets, liabilities and financial position as at 31.12.19 and of the results of the the company's activities and cash flows for the financial year 01.01.19 - 31.12.19.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Dragør, April 22, 2020

Executive Boards

Kaj Thomsen

Board Of Directors

Kaj Thomsen	Morten Bendesgaard Pedersen	Tage Thomsen

To the Shareholders of Global Aviation Contractors A/S

Opinion

We have audited the financial statements of Global Aviation Contractors A/S for the financial year 01.01.19 - 31.12.19, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.19 and of the results of the company's operations and cash flows for the financial year 01.01.19 - 31.12.19 in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing 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 requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement regarding the 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, we conclude that management’s review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of management’s review.

Management's responsibility for the financial statements

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 International Standards on Auditing 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 International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment 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 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 audit.

Vejle, April 22, 2020

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Boye Graversen
State Authorized Public Accountant
MNE-no. mne44109

Primary activities

The company's activities comprise to offer education and training services to the aviation industry.

Development in activities and financial affairs

The income statement for the period 01.01.19 - 31.12.19 shows a profit/loss of DKK 1,888,778 against DKK 3,814,210 for the period 01.01.18 - 31.12.18. The balance sheet shows equity of DKK 16,505,056.

The management considers the net profit for the year to be satisfactory.

Subsequent events

The company is adversely affected by the general market downturn due to COVID-19. An auxiliary package is expected to be obtained for labor costs and fixed costs, thereby reducing the negative effect.

Income statement

Note		2019 DKK	2018 DKK
	Gross profit	**7,360,334**	**10,503,532**
2	Staff costs	-4,714,098	-6,455,904
	Profit before depreciation, amortisation, write-downs and impairment losses	**2,646,236**	**4,047,628**
3	Income from equity investments in group enterprises	-170,311	648,937
4	Financial income	48,000	65,000
	Financial expenses	-45,811	-46,213
	Profit before tax	**2,478,114**	**4,715,352**
	Tax on profit or loss for the year	-589,336	-901,142
	Profit for the year	**1,888,778**	**3,814,210**

Proposed appropriation account

	2019 DKK	2018 DKK
Reserve for net revaluation according to the equity method	-170,311	275,124
Proposed dividend for the financial year	14,000,000	0
Retained earnings	-11,940,911	3,539,086
Total	**1,888,778**	**3,814,210**

Balance sheet

ASSETS

Note		31.12.19 DKK	31.12.18 DKK
	Equity investments in group enterprises	1,104,813	775,124
	Total investments	**1,104,813**	**775,124**
	Total non-current assets	**1,104,813**	**775,124**
5	Work in progress for third parties	363,681	0
	Trade receivables	1,594,213	4,894,234
	Receivables from group enterprises	1,123,848	1,338,269
	Other receivables	0	2,091,250
	Prepayments	17,000	23,372
	Total receivables	**3,098,742**	**8,347,125**
	Cash	**13,371,915**	**7,557,663**
	Total current assets	**16,470,657**	**15,904,788**
	Total assets	**17,575,470**	**16,679,912**

Balance sheet

EQUITY AND LIABILITIES

Note		31.12.19 DKK	31.12.18 DKK
	Share capital	500,000	500,000
	Reserve for net revaluation according to the equity method	104,813	275,124
	Retained earnings	1,900,243	13,841,154
	Proposed dividend for the financial year	14,000,000	0
	Total equity	**16,505,056**	**14,616,278**
6	Other payables	28,600	0
	Total long-term payables	**28,600**	**0**
	Payables to other credit institutions	163,405	187,980
	Trade payables	468,035	457,194
	Payables to group enterprises	0	2,795
	Income taxes	89,336	901,142
	Other payables	321,038	514,523
	Total short-term payables	**1,041,814**	**2,063,634**
	Total payables	**1,070,414**	**2,063,634**
	Total equity and liabilities	**17,575,470**	**16,679,912**

7 Contingent liabilities
8 Charges and security

Statement of changes in equity

Figures in DKK	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend for the financial year	Total equity
Statement of changes in equity for 01.01.18 - 31.12.18					
Balance as at 01.01.18	500,000	0	10,302,068	0	10,802,068
Net profit/loss for the year	0	275,124	3,539,086	0	3,814,210
Balance as at 31.12.18	500,000	275,124	13,841,154	0	14,616,278
Statement of changes in equity for 01.01.19 - 31.12.19					
Balance pr. 01.01.19	500,000	275,124	13,841,154	0	14,616,278
Net profit/loss for the year	0	-170,311	-11,940,911	14,000,000	1,888,778
Balance as at 31.12.19	500,000	104,813	1,900,243	14,000,000	16,505,056

Cash flow statement

Note		2019 DKK	2018 DKK
	Net profit/loss for the year	**1,888,778**	**3,814,210**
9	Adjustments	757,458	233,418
	Change in working capital:		
	Receivables	5,248,382	-2,873,661
	Trade payables	-156,839	-320,464
	Cash flows from operating activities before net financials	**7,737,779**	**853,503**
	Interest income and similar income received	48,000	65,000
	Interest expenses and similar expenses paid	-45,810	-46,213
	Income tax paid	-1,401,142	-1,092,678
	Cash flows from operating activities	**6,338,827**	**-220,388**
	Purchase of investments	-500,000	0
	Cash flows from investing activities	**-500,000**	**0**
	Total cash flows for the year	**5,838,827**	**-220,388**
	Cash, beginning of year	7,557,663	7,857,266
	Short-term payables to credit institutions, beginning of year	-187,980	-267,195
	Cash, end of year	**13,208,510**	**7,369,683**
	Cash, end of year, comprises:		
	Cash	13,371,915	7,557,663
	Short-term payables to credit institutions	-163,405	-187,980
	Total	**13,208,510**	**7,369,683**

1. Subsequent events

The company is adversely affected by the general market downturn due to COVID-19. An auxiliary package is expected to be obtained for labor costs and fixed costs, thereby reducing the negative effect.

	2019 DKK	2018 DKK

2. Staff costs

	2019 DKK	2018 DKK
Wages and salaries	4,091,809	5,506,474
Pensions	0	116,333
Other social security costs	57,223	65,262
Other staff costs	565,066	767,835
Total	4,714,098	6,455,904
Average number of employees during the year	7	9

3. Income from equity investments in group enterprises

	2019 DKK	2018 DKK
Share of profit or loss of group enterprises	-170,311	648,937
Total	-170,311	648,937

4. Financial income

	2019 DKK	2018 DKK
Interest, group enterprises	48,000	35,000
Other interest income	0	30,000
Total	48,000	65,000

	31.12.19 DKK	31.12.18 DKK

5. Work in progress for third parties

Work in progress for third parties	363,681	0
Work in progress for third parties	363,681	0

6. Long-term payables

Figures in DKK	Outstanding debt after 5 years	Total payables at 31.12.19
Other payables	0	28,600
Total	0	28,600

7. Contingent liabilities

Other contingent liabilities

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The perception from the management is that the company has acted in accordance with the law.

8. Charges and security

The company has not provided any other security over assets.

9. Adjustments for the cash flow statement

	2019 DKK	2018 DKK
Income from equity investments in group enterprise	170,311	-648,937
Financial income	-48,000	-65,000
Financial expenses	45,811	46,213
Tax on profit or loss for the year	589,336	901,142
Total	757,458	233,418

10. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

In accordance with section 110 of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

10. Accounting policies - continued -

INCOME STATEMENT

Gross profit

Gross profit comprises revenue and cost of sales and other external expenses.

Revenue

Income from the sale of services is recognised as delivery takes place. Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Cost of sales

Cost of sales comprises cost of sales for the year measured at cost plus any changes in inventories, including write-downs to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff costs comprise wages and salaries as well as other staff-related costs.

Income from equity investments in group entreprises

For equity investments in subsidiaries, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

For equity investments in subsidiaries, measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

10. Accounting policies - continued -

Income from equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

Income from equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

BALANCE SHEET

Equity investments in group entreprises

Equity investments in subsidiaries are recognised and measured according to the equity method, meaning that these equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of positive or negative goodwill and gains and losses on transactions with the enterprises in question.

Gains or losses on the divestment of subsidiaries are determined as the difference between the divestment consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

10. Accounting policies - continued -

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.
If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Work in progress for third parties

Work in progress for third parties is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the

10. Accounting policies - continued -

selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.
When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Cash

Cash includes deposits in bank accounts.

Equity

The proposed dividend for the financial year is recognised as a separate item in equity.

The proposed dividend for the financial year is recognised as a separate item in equity.

The net revaluation of equity investments in subsidiaries is recognised in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

The net revaluation of equity investments in subsidiaries is recognised in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

Current and deferred tax

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

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences

10. Accounting policies - continued -

between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the company's share capital and associated costs and financing from and dividends paid to shareholders as well as the arran-

10. Accounting policies - continued -

gement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash and short-term payables to credit institutions.