HWF Denmark ApS

Kystvejen 14, 1. th.

2770 Kastrup

CVR No. 32478107

Annual Report 2019

10. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 31 August 2020

Nicolaj Mariegaard
Chairman

Contents

Management's Statement

Today, Management has considered and adopted the Annual Report of HWF Denmark ApS for the financial year 1 January 2019 - 31 December 2019.

The Annual Report is presented 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 2019 and of the results of the Company's operations for the financial year 1 January 2019 - 31 December 2019.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

København, 31 August 2020

Executive Board

Nicolaj Mariegaard
Man. Director

Supervisory Board

Bertrand Schmoll Chairman	Nicolaj Mariegaard Member	Jerome Martin Member

Independent Auditors' Report

To the shareholders of HWF Denmark ApS

Opinion
We have audited the financial statements of HWF Denmark ApS for the financial year 1 January 2019 - 31 December 2019, which comprise an income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2019 and of the results of its operations for the financial year 1 January 2019 - 31 December 2019 in accordance with the Danish Financial Statements Act.

Basis of opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in our auditors' report under “Auditors' responsibility for the audit of the financial statements”. As required by the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, we are independent of the Company, 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 on 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 opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Management's responsibility for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements
Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with

Independent Auditors' Report

ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.

* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.

* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Kgs. Lyngby, 31 August 2020

Revisionsfirmaet Aage & Povl Holm I/S
CVR-no. 14759840

Arne Jakobsen
State Authorised Public Accountant
mne7731

Company details

Company	HWF Denmark ApS
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	2770 Kastrup
Telephone	32502503
email	info@hwfdenmark.dk
Website	www.ecsgroup.aero
CVR No.	32478107
Date of formation	7 October 2009
Registered office	København
Supervisory Board	Bertrand Schmoll
	Nicolaj Mariegaard, Man. Director
	Jerome Martin
Executive Board	Nicolaj Mariegaard, Man. Director
Auditors	Revisionsfirmaet Aage & Povl Holm I/S
	Rustenborgvej 7a
	2800 Kongens Lyngby
	CVR-no.: 14759840

Management's Review

The Company's principal activities
The Company's principal activities consist in airtransport of cargo.

Development in activities and financial matters
The Company's Income Statement of the financial year 1 January 2019 - 31 December 2019 shows a result of DKK 1.720.198 and the Balance Sheet at 31 December 2019 a balance sheet total of DKK 8.845.643 and an equity of DKK 2.258.533.

Post financial year events
After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class
The Annual Report of HWF Denmark ApS for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency
The Annual Report is presented in Danish kroner.

Consolidated Financial Statements
The Consolidated Financial Statements comprise the parent company HWF Denmark ApS and subsidiaries in which HWF Denmark ApS directly or indirectly holds more than 50% of the voting rights or in other ways has control. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant but not controlling influence are considered associates, cf. Group chart.

For the consolidation, intercompany income and costs, shareholdings, intercompany balances and dividends as well as realised and unrealised profit and loss are eliminated in connection with transactions between the consolidated enterprises.

Equity investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' market value of net assets and liabilities at the time of acquisition.

Newly acquired or established enterprises are recognised in the Consolidated Financial Statements from the date of acquisition. Enterprises sold or liquidated are recognised in the Consolidated Income Statement up to the date of disposal. Comparative figures are not corrected for enterprises newly acquired, sold or liquidated.

General Information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost princip.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

Accounting Policies

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income Statement

Revenue
Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the byer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised exclusive og VAT and net of sales discounts.

Income from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer beforeyear-end, if it is possible to calculate the income reliably. The revenue is exclusive of VAT and net of sales discounts.

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

Accounting Policies

Staff expenses

Amortisation and impairment of tangible and intangible assets

Amortisation and impairment of intangible and tangible assets has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortised on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Properties	20-50 years	0%
Other fixtures and fittings, tools and equipment	3-10 years	0%
Leasehold improvements	5 years	0%

Land is not amortised.

Profit or loss resulting from the sale of intangible or tangible assets is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the Income Statement under other operating income or expenses.

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 offinance 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.

Dividends equity investments are recognised as income in the financial year in which the dividends are declared.

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

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 priceand 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 seperately depreciated if the usefull lives of the individual components differ.

Accounting Policies

Depreciation is calculated using the straight-line method over teh 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.

Receivables
Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

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

Accrued income, assets
Accrued income 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 as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity
Equity comprises the working capital and a number of equity items that may be statutory or stipulated in tha articles of association.

Proposed dividend for the year is recognised as a separate item in equity.

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,

Accounting Policies

which usually corresponds to the nominal value.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2019 kr.	2018 kr.
Gross profit		**6.425.668**	**5.178.146**
Employee benefits expense	1	-4.067.407	-4.594.341
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-101.529	-24.548
Profit from ordinary operating activities		**2.256.732**	**559.257**
Finance expences	2	-18.852	-18.537
Profit from ordinary activities before tax		**2.237.880**	**540.720**
Tax expense on ordinary activities	3	-517.682	-146.762
Profit		**1.720.198**	**393.958**

Proposed distribution of results			
Proposed dividend recognised in equity		1.750.000	400.000
Retained earnings		-29.802	-6.042
Distribution of profit		**1.720.198**	**393.958**

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Assets			
Deposits, investments		104.400	54.000
Investments		**104.400**	**54.000**
Fixed assets		**104.400**	**54.000**
Short-term trade receivables		6.430.258	7.379.447
Short-term tax receivables		0	44.139
Other short-term receivables		3.269	0
Deferred income		10.656	10.656
Receivables		**6.444.183**	**7.434.242**
Cash and cash equivalents		**2.297.060**	**2.046.486**
Current assets		**8.741.243**	**9.480.728**
Assets		**8.845.643**	**9.534.728**

Balance Sheet as of 31 December

	Note	2019 kr.	2018 kr.
Liabilities and equity			
Contributed capital	4	125.000	125.000
Share premium	5	8.750	8.750
Retained earnings	6	374.783	404.584
Proposed dividend recognised in equity	7	1.750.000	400.000
Equity		**2.258.533**	**938.334**
Trade payables		2.123.708	1.248.806
Payables to group enterprises		2.600.000	3.282.804
Tax payables		379.952	0
Other payables		680.109	641.018
Deferred income, liabilities		803.341	3.423.766
Short-term liabilities other than provisions		**6.587.110**	**8.596.394**
Liabilities other than provisions within the business		**6.587.110**	**8.596.394**
Liabilities and equity		**8.845.643**	**9.534.728**

Contingent liabilities	8
Collaterals and assets pledges as security	9
Other disclosures	10

Notes

	2019	2018

1. Employee benefits expense

	2019	2018
Wages and salaries	3.364.026	3.729.275
Post-employement benefit expense	506.352	576.076
Social security contributions	45.675	56.235
Other employee expense	151.354	232.755
	4.067.407	**4.594.341**
Average number of employees	7	8

The company has had an average of 8 employees during the accounting period.

2. Finance expenses

	2019	2018
Other finance expenses	18.852	18.537
	18.852	**18.537**

3. Tax expense

	2019	2018
Skat af årets resultat	517.682	146.762
	517.682	**146.762**

4. Contributed capital

	2019	2018
Balance at the beginning of the year	125.000	125.000
Balance at the end of the year	**125.000**	**125.000**

The share capital has remained unchanged for the last 5 years.

5. Share premium

	2019	2018
Balance at the beginning of the year	8.750	8.750
Balance at the end of the year	**8.750**	**8.750**

6. Retained earnings

	2019	2018
Balance at the beginning of the year	404.585	410.626
Additions during the year	-29.802	-6.042
Balance at the end of the year	**374.783**	**404.584**

7. Proposed dividend for the financial year

	2019	2018
Balance at the beginning of the year	400.000	500.000
Additions during the year	1.750.000	400.000
Disposals during the year	-400.000	-500.000
Balance at the end of the year	**1.750.000**	**400.000**

8. Contingent liabilities

No contingent liabilities exist at the balance sheet date.

Notes

	2019	2018

9. Collaterals and securities
No securities or mortgages exist at the balance sheet date.

10. Special items