KKAG Komplementarselskab ApS

Damhaven 5D, DK-7100 Vejle

Annual Report for 1 January - 31 December 2017

CVR No 34 48 71 11

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 25/4 2018

Søren Lindgaard
Chairman

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Management’s Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of KKAG Komplementarselskab 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.

In our opinion, 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.

Vejle, 25 April 2018

Executive Board

Søren Lindgaard

Board of Directors

Martin Deppe Mørup Chairman	Signe Krog Jensen	Søren Lindgaard

Independent Auditor's Report

To the Shareholder of KKAG Komplementarselskab ApS

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017 and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of KKAG Komplementarselskab ApS for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these 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 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 Financials Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

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.

Independent Auditor's Report

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 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 scepticism 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

Independent Auditor's Report

scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, 25 April 2018
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Kragh
State Authorised Public Accountant
mne26783

Company Information

The Company	KKAG Komplementarselskab ApS Damhaven 5D DK-7100 Vejle CVR No: 34 48 71 11 Financial period: 1 January - 31 December Municipality of reg. office: Vejle
Board of Directors	Martin Deppe Mørup, Chairman Signe Krog Jensen Søren Lindgaard
Executive Board	Søren Lindgaard
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Management's Review

Key activities

The objective of the Company is to operate business within trade and industry, including aircraft leasing, and other related activities.

Development in the year

The income statement of the Company for 2017 shows a loss of USD 2,145, and at 31 December 2017 the balance sheet of the Company shows equity of USD 13,236.

Subsequent events

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

Income Statement 1 January - 31 December 2017

	Note	2017	2016
		USD	USDk
Gross profit/loss		**-2,811**	**-1**
Financial income	1	98	0
Financial expenses	2	-18	0
Profit/loss before tax		**-2,731**	**-1**
Tax on profit/loss for the year	3	586	-1
Net profit/loss for the year		**-2,145**	**-2**

Distribution of profit

Proposed distribution of profit

Retained earnings	-2,145	-2
	-2,145	**-2**

Balance Sheet 31 December 2017

	Note	2017	2016
		USD	USDk
Assets			
Trade receivables		0	2
Receivables from group enterprises		21,834	26
Corporation tax		602	0
Receivables		**22,436**	**28**
Cash at bank and in hand		**3,970**	**0**
Currents assets		**26,406**	**28**
Assets		**26,406**	**28**
Liabilities and equity			
Share capital		13,922	14
Retained earnings		-686	2
Equity	4	**13,236**	**16**
Payables to group enterprises		10,332	10
Other payables		2,838	2
Short-term debt		**13,170**	**12**
Debt		**13,170**	**12**
Liabilities and equity		**26,406**	**28**
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Notes to the Financial Statements

	2017	2016
	USD	USDk
1 Financial income		
Interest received from group enterprises	39	0
Other financial income	14	0
Exchange gains	45	0
	98	**0**
2 Financial expenses		
Interest paid to group enterprises	18	0
	18	**0**
3 Tax on profit/loss for the year		
Current tax for the year	-601	0
Adjustment of tax concerning previous years	15	1
	-586	**1**

4 Equity

	Share capital	Retained earnings	Total
	USD	USD	USD
Equity at 1 January	13,922	1,459	15,381
Net profit/loss for the year	0	-2,145	-2,145
Equity at 31 December	**13,922**	**-686**	**13,236**

The share capital consists of 80 shares of a nominal value of USD 174. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

Notes to the Financial Statements

5 Contingent assets, liabilities and other financial obligations

Contingent liabilities

The Company is a general partner in KA1 P/S. The Company is liable for the obligations in KA1 P/S unlimited.The assets in KA1 P/S amounts to kUSD 87,715 and the liabilities amounts to kUSD 42,451.

The Danish group enterprises are jointly and severally liable for tax on the jointly taxed income of the Group and for Danish taxes at source such as dividend tax, tax on royalty payments and withholding tax. The total payable corporation tax is disclosed in the Annual Report of KIRK KAPITAL A/S, which is the management company of the joint taxation.

6 Related parties

Consolidated Financial Statements

The Company is included in the Group Annual Report of

Name	Place of registered office
KIRK KAPITAL A/S, CVR No: 31 15 98 57, and municipality and reg. office: Vejle.	Damhaven 5D, DK 7100 Vejle

Notes to the Financial Statements

7 Accounting Policies

The Annual Report of KKAG Komplementarselskab ApS for 2017 has been prepared 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.

The Financial Statements for 2017 are presented in USD, which is the functional currency of the Company. At 31 December 2017 the USD/DKK exchange rate is 620.77. The corresponding exchange rate at 31 December 2016 was 705.28.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income Statement

Other external expenses

Other external expenses comprise expenses related to administration.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised capital and exchange gains and losses on foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Notes to the Financial Statements

7 **Accounting Policies** (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with the Parent Company and all Danish group enterprises. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance Sheet

Receivables

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

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

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.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.