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# ***AviationCloud A/S***

Englandsgade 25, DK-5000 Odense C

## **Annual Report for 1 January - 31 December 2015**

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CVR No 34 60 63 82

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
13/4 2016.

Tyson Weihs  
Chairman



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of AviationCloud A/S for the financial year 1 January - 31 December 2015.

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 2015 of the Company and of the results of the Company operations for 2015.

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.

Odense, 31 March 2016

## Executive Board

Kim Lantz

## Board of Directors

Christopher Tyson Weihs  
Chairman

Brian Hall Clarke

Jason Andrew Miller

Kim Lantz

Henrik Møller Hansen

# **Independent Auditor's Report on the Financial Statements**

To the Shareholders of AviationCloud A/S

## **Report on the Financial Statements**

We have audited the Financial Statements of AviationCloud A/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### **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 determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

# Independent Auditor's Report on the Financial Statements

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

## Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Trekantområdet, 31 March 2016

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Morten Elbæk Jensen  
State Authorised Public Accountant

Jørn Viggo Jørgensen  
Certified Accountant

## Company Information

### **The Company**

AviationCloud A/S  
Englandsgade 25  
DK-5000 Odense C

CVR No: 34 60 63 82

Financial period: 1 January - 31 December

Municipality of reg. office: Odense

### **Board of Directors**

Christopher Tyson Weihs, Chairman

Brian Hall Clarke

Jason Andrew Miller

Kim Lantz

Henrik Møller Hansen

### **Executive Board**

Kim Lantz

### **Auditors**

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Herredsvej 32

DK-7100 Vejle

# **Management's Review**

## **Main activity**

The purpose of the company is to make available flight related IT services to either own developed integrators or integrators to be re-sold from relevant providers.

## **Development in the year**

The income statement of the Company for 2015 shows a loss of DKK 172,763, and at 31 December 2015 the balance sheet of the Company shows equity of DKK 1,084,229.

## **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

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
<b>Gross profit/loss</b>		<b>252.041</b>	<b>602.140</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-159.970	0
<b>Profit/loss before financial income and expenses</b>		<b>92.071</b>	<b>602.140</b>
Financial income		1.199	4
Financial expenses		0	-2.361
<b>Profit/loss before tax</b>		<b>93.270</b>	<b>599.783</b>
Tax on profit/loss for the year	2	-266.033	120.674
<b>Net profit/loss for the year</b>		<b>-172.763</b>	<b>720.457</b>

## Distribution of profit

### Proposed distribution of profit

Proposed dividend for the year		0	0
Retained earnings		-172.763	720.457
		<b>-172.763</b>	<b>720.457</b>



# Balance Sheet 31 December

## Assets

	Note	2015 DKK	2014 DKK
Completed development projects		1.211.905	1.066.464
<b>Intangible assets</b>	1	<b>1.211.905</b>	<b>1.066.464</b>
<b>Fixed assets</b>		<b>1.211.905</b>	<b>1.066.464</b>
Trade receivables		821.140	70.679
Other receivables		157.130	84.889
Deferred tax asset		0	120.674
Corporation tax		8.000	0
Prepayments		8.944	3.141
<b>Receivables</b>		<b>995.214</b>	<b>279.383</b>
<b>Cash at bank and in hand</b>		<b>104.357</b>	<b>777.065</b>
<b>Currents assets</b>		<b>1.099.571</b>	<b>1.056.448</b>
<b>Assets</b>		<b>2.311.476</b>	<b>2.122.912</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2015 DKK	2014 DKK
Share capital		500.000	500.000
Unpaid share capital		0	-250.000
Retained earnings		584.229	756.992
<b>Equity</b>	3	<b>1.084.229</b>	<b>1.006.992</b>
Provision for deferred tax		261.659	0
<b>Provisions</b>		<b>261.659</b>	<b>0</b>
Trade payables		965.588	1.115.920
<b>Short-term debt</b>		<b>965.588</b>	<b>1.115.920</b>
<b>Debt</b>		<b>965.588</b>	<b>1.115.920</b>
<b>Liabilities and equity</b>		<b>2.311.476</b>	<b>2.122.912</b>
Contingent assets, liabilities and other financial obligations	4		

# Notes to the Annual Report

## 1 Intangible assets

	Completed development projects DKK
Cost at 1 January	1.066.464
Additions for the year	<u>305.411</u>
Cost at 31 December	<u>1.371.875</u>
Impairment losses and amortisation at 1 January	0
Amortisation for the year	<u>159.970</u>
Impairment losses and amortisation at 31 December	<u>159.970</u>
<b>Carrying amount at 31 December</b>	<b><u>1.211.905</u></b>
Amortised over	<u>6,67 years</u>

## 2 Tax on profit/loss for the year

	<u>2015</u> DKK	<u>2014</u> DKK
Current tax for the year	0	0
Deferred tax for the year	24.685	-120.674
Adjustment of deferred tax concerning previous years	<u>241.348</u>	<u>0</u>
	<b><u>266.033</u></b>	<b><u>-120.674</u></b>

## Notes to the Annual Report

### 3 Equity

	Share capital	Unpaid share capital	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	500.000	-250.000	756.992	1.006.992
Payment of unpaid share capital	0	250.000	0	250.000
Net profit/loss for the year	0	0	-172.763	-172.763
<b>Equity at 31 December</b>	<b>500.000</b>	<b>0</b>	<b>584.229</b>	<b>1.084.229</b>

The share capital consists of 500 shares of a nominal value of DKK 1,000. No shares carry any special rights.

### 4 Contingent assets, liabilities and other financial obligations

There are no security and contingent liabilities at 31 December 2015.

# Accounting Policies

## Basis of Preparation

Financial Statements of AviationCloud A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in DKK.

## Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

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

## Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

# **Accounting Policies**

## **Income Statement**

### **Gross profit/loss**

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

### **Revenue**

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

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

### **Expenses for raw materials and consumables**

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### **Other external expenses**

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

### **Financial income and expenses**

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

### **Tax on profit/loss for the year**

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

## **Balance Sheet**

### **Intangible assets**

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 8 years.

## **Accounting Policies**

### **Receivables**

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

### **Prepayments**

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, 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 within the same legal tax entity.

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

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

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