

Satcom1 Airtime Services ApS

Strandesplanaden 110, 2665, Vallensbæk Strand, Denmark

CVR no. 35634541

Annual report 2021

Approved at the Company's annual general meeting on

Chairman:

DocuSigned by:
Thinus Svendsen
0D582531131741B

Thinus Svendsen

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COMPANY INFORMATION

Entity

Satcom1 Airtime Services ApS
Strandesplanaden 110
2665, Vallensbæk Strand , Denmark
Telephone: +45 46 15 45 46
Telefax: +45 46 15 45 46
Website: www.satcom1.com

Company CVR: 35634541
Established on: 09-01-2014

Financial year: 2021-01-01 - 2021-12-31
Municipality of reg. office: Vallensbæk

Annual general meeting:

Executive Board

Thinus Svendsen
Director

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the annual report of Satcom1 Airtime Services ApS for the financial year 1 January - 31 December 2021.

The annual report has been prepared in accordance with the Danish Financial Statements Act.


In my opinion, the company financial statements give a true and fair view of the company's financial position at 31 December 2021 and of the results of the company's operations and cash flows for the financial year 1 January - 31 December 2021.

Further, in my opinion, the Management's review gives a fair review of the development in the company's operations and financial matters and the results of the company's operations and financial position.

I recommend that the annual report be approved at the annual general meeting.

Copenhagen, 21/06/2022

Executive Board:

DocuSigned by:

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Thinus Svendsen
Director

**Independent auditor's report
To the shareholders of Satcom1 Airtime Services ApS**

Opinion

We have audited the financial statements of Satcom1 Airtime Services ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared under 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 1 January - 31 December 2021, and of the results of the company operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

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

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.

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 judgment 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.

Independent auditor's report**To the shareholders of Satcom1 Airtime Services ApS****Auditor's responsibilities for the audit of the financial statements (continued)**

- 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 in-adequate, to modify our opinion. Our conclusion is 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
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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.

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, 21.06.2022

DocuSigned by:

Jan Larsen

DS9DFD24BEC4FC

Deloitte Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Jan Larsen

State Authorised Public Accountant

Identification No (MNE) mne16541

COMPANY

Financial highlights

31 december

	2021	2020	2019	2018	2017
	USD	USD	USD	USD	USD
Key figures					
Revenue	49.697.220	37.193.928	35.521.305	33.612.003	19.483.411
Profit/loss from ordinary activities	2.480.269	2.527.472	3.950.430	(4.141.201)	2.047.451
Profit/loss from net financials	(1.465.137)	(702.660)	(1.298.991)	(1.683.097)	376.690
Profit/loss for the year	791.588	1.422.654	2.059.880	(4.556.657)	1.890.830
	USD	USD	USD	USD	USD
Investments in property, plant and equipment	0	0	696.850	0	0
Total assets	67.921.421	63.671.334	60.561.023	52.334.815	29.743.839
Equity	7.243.603	6.452.015	5.029.364	2.969.482	4.560.847

31 december

	USD	USD	USD	USD	USD
Financial ratios %					
Profit/(loss) margin	5,0	6,8	11,1	(12,3)	10,5
Gross margin	32,4	9,4	17,0	(5,5)	10,5
Solvency ratio	10,7	10,1	8,3	5,7	15,3
Return on assets	3,8	4,1	7,0	(10,1)	9,2
Return on equity	11,6	24,8	51,5	(121,0)	52,3

31 december

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

Financial highlights for the year 2018 does not reconcile to last year due to merger of Satcom1 Aps into Satcom1 Airtime Services Aps.

Financial highlights for the year 2017 are not reinstated to include retrospective effect of the merger of Satcom1 Aps into Satcom1 Airtime Services Aps.

The financial ratios stated under "Financial highlights" have been calculated as follows:

COMPANY

Financial highlights (continued)

Profit margin	$\frac{\text{Operating profit(EBIT) x 100}}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Cash conversion ratio	$\frac{\text{Free cash flow before acquisitions x 100}}{\text{Operating profit (EBIT)}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total Equity and liabilities, year-end}}$
Profit/loss for analytical purposes	Profit/loss for the year less non-controlling interests' share hereof
Return on assets	$\frac{\text{Profit/loss for the year x 100}}{\text{Average assets}}$
Return on equity	$\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

COMPANY

Management commentary

Business review

The company provides connectivity services solutions for business and private aircrafts.

Financial review

The income statement of the Company for 2021 shows a profit of USD 791,588 and at 31 december 2021 the balance sheet of the Company shows equity of USD 7,243,603 .

The Sales for 2021 was USD 49,697,220 compared to USD 37,193,928 for 2020.

The Operating income for the company was USD 2,480,269. The result for 2021 represents USD 791,588 compared to gain of USD 1,422,654 for 2020 and is at expected level. After the result of the year the solvency ratio is 10.66% compared to 10.13% in 2020.

The company did not have any major COVID-19 impact. The company did not close the business and employees were asked to work from home following the general work-from-home policies and guidance from the company and local authorities.

COMPANY**Management commentary (continued)****Outlook**

At the end of 2015, Satcom 1 was sold to Honeywell International, offering operators a seamless experience with an all-in-one connectivity solution spanning routing software, airtime, hardware, avionics flight support services and applications. Honeywell's partnership with Inmarsat to be the exclusive hardware provider for commercial aircraft connecting to Inmarsat's GX Network and the exclusive airtime distributor for business aviation provides aircraft owners and operators the-best-in-flight bandwidth globally.

Combining Honeywell's over 100 years of success in aviation with Satcom's 1 VIP cabin, airtime, network software management and engineering expertise provides a foundation for the best satellite communications offerings in the industry and around the world.

Honeywell Aerospace product and services are found on virtually every commercial, defense and space aircraft. The aerospace business unit develops innovative solutions for fuel efficient airplanes, enabling more direct and on time flights, safer flying, and runway traffic, along with aircraft engines, cockpit and cabin electronics, wireless connectivity services, logistics and more. The business delivers safer, faster, and more efficient and comfortable transportation related experience worldwide. For more information visit www.honeywell.com or follow @Honeywell_Aero and @Honeywell on social media platforms.

Honeywell is a fortune 100 diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services, control technologies for buildings, homes and industry complexes of any kind.

With regards to the Covid-19 pandemic, the general Business Aviation market recovered during second half of 2020 and the beginning of 2021, so overall 2021 did not have a negative impact on the business as such. With the roll-out of Covid vaccines, the Covid-19 pandemic seems to be under control and in decline. Along with the rapid release of travel restrictions world-wide, Covid-19 is not expected to have any impact on the business outlook for 2022.

The 2022 Annual Operating Plan (AOP) forecasted revenue is \$57,677,966.

Following the geopolitical events since 24 February 2022, and the ongoing conditions in eastern Europe, Honeywell has suspended substantially all sales, distribution and service activities in Russia and Belarus. The situation is under continuous evaluation and how it will affect the business through 2022 is unclear.

External environment

Honeywell is committed to become carbon neutral in its operations and facilities by 2035. These initiatives represent a continuation of the company's sustainability efforts since 2004, which have already driven a more than 90% reduction in the greenhouse gas intensity of its operations and facilities. Within the aviation sector, Honeywell Aerospace is involved in several green transformation initiatives, including Sustainable Aviation Fuel (SAF), electric powered aircrafts and drones, turbojet engines using less fuel etc. Read more on <https://www.honeywell.com/us/en/company/sustainability>

COMPANY**Management commentary (continued)****Uncertainty relating to recognition and measurement**

Satcom1 Airtime Services ApS abides with Honeywell Inc.'s strong financial and ethical controls to minimize any revenue recognition issues. Stringent controls remain in place and are reviewed annually, including Foreign Corrupt Practices Act (FCPA) training which is established as a mandatory requirement for all Honeywell employees.

Knowledge resources

The Company maintain and drives Honeywell Aerospace's sales team for the Business Aviation Connectivity products for Europe. Each employee participates in Honeywell's comprehensive on-line training academy within Business Code of Conduct, Inclusion & Diversity, Product Training, business insight and intelligence courses etc., along with regular webinars, TEAMS meetings with Product Management and R&D functions, as well as general on-the-job training in the field. Honeywell Aerospace also has a structured and wide-ranged On-Boarding programme for New Hires covering same topics as above.

Special risks*Operating risks and financial risks*

Price Risks: The Company is not subject to any significant price risks.

Foreign Currency Risks: Due to activities abroad, profit, cash flows and equity are affected by the development in exchange rates between a number of currencies.

Interest Rate Risks: The Company does not have any significant interest-bearing debt and therefore the interest level will not have any significant impact on earnings. Accordingly, no interest-rate instruments are entered to hedge interest-rate risks.

Events after the balance sheet date

No significant events have occurred after the end of the financial year.

	Note	2021 USD	2020 USD
Revenue		49.697.220	37.193.928
Cost of sales		(43.881.273)	(31.815.610)
Other external expenses		(2.347.855)	(1.899.662)
Gross margin		<u>3.468.092</u>	<u>3.478.656</u>
Staff costs	3	(938.116)	(905.038)
Amortisation, depreciation and impairment losses		(49.707)	(46.146)
Operating profit		<u>2.480.269</u>	<u>2.527.472</u>
Profit before net financials		2.480.269	2.527.472
Financial income	4	26.462	418.787
Finance expenses	5	(1.491.599)	(1.121.447)
Profit before tax		<u>1.015.132</u>	<u>1.824.812</u>
Tax benefit/(expense) for the year	6	(223.544)	(402.158)
Profit for the year		<u>791.588</u>	<u>1.422.654</u>

	Note	2021 USD	2020 USD
ASSETS			
Non-current assets			
<i>Property, plant and equipment</i>			
Fixtures and fittings, plant and equipment	8	590.738	640.445
		<u>590.738</u>	<u>640.445</u>
Total non-current assets		<u>590.738</u>	<u>640.445</u>
Current assets			
<i>Receivables</i>			
Trade receivables		3.191.934	1.418.052
Other receivables		21	3.377
Prepayments	9	83.850	558.123
Receivables from group enterprises		63.742.594	60.073.515
		<u>67.018.399</u>	<u>62.053.067</u>
Cash		312.285	977.820
Total current assets		<u>67.330.684</u>	<u>63.030.887</u>
TOTAL ASSETS		<u>67.921.422</u>	<u>63.671.332</u>

(continued)

	Note	2021 USD	2020 USD
Equity and liabilities			
Equity			
Share capital		7.010	7.010
Retain earnings		7.236.594	6.445.006
Total equity		<u>7.243.604</u>	<u>6.452.016</u>
Provisions			
Provision for deferred tax		23.004	15.319
		<u>23.004</u>	<u>15.319</u>
Current liabilities			
Trade payables		3.578.962	3.622.738
Payables to group enterprises		54.534.821	52.986.452
Other payables		2.325.170	201.644
Corporation tax payable		215.861	393.163
Total current liabilities		<u>60.654.814</u>	<u>57.203.997</u>
Total liabilities		<u>60.677.818</u>	<u>57.219.316</u>
Total equity and liabilities		<u>67.921.422</u>	<u>63.671.332</u>

31 december

	Note	Share Capital USD	Retained earning USD	Total USD
Equity at 1 January 2021		7.010	6.445.006	6.452.016
Transfer, see "Appropriation of profit/loss"	13	0	791.588	791.588
Equity at 31 December 2021		<u>7.010</u>	<u>7.236.594</u>	<u>7.243.604</u>

NOTES TO THE FINANCIAL STATEMENTS

Contents of the notes to the financial statements

- 1 Accounting policies
- 2 Unusual matters
- 3 Staff costs and incentive plans
- 4 Financial income
- 5 Financial expenses
- 6 Tax for the year
- 7 Deferred tax
- 8 Property, plant and equipment
- 9 Deferred tax assets
- 10 Contractual obligations and contingencies, etc.
- 11 Collateral
- 12 Related parties
- 13 Appropriation of profit/loss

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies**

The annual report of Satcom1 Airtime Services ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium size reporting class C entities.

1.1 Omission of a cash flow statement

With reference to section 86 of the Danish Financial Statements Act, Cash Flow Statement has not been prepared for the Company as it is included in the Consolidated Financial Statement of Honeywell International Inc. The Financial Statement for the Honeywell Group can be obtained at www.honeywell.com. The company will ensure that consolidated financial statement of Honeywell International Inc will be available to public before the company's result are being publicized.

1.2 Financial statements

The Financial Statements have been prepared under the historical cost method.

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.

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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions, existing at the balance sheet date.

US Dollar is used as the measurement currency. All other currencies are regarded as as foreign currencies.

1.3 Income statement**(a) Revenue**

The Company has chosen IFRS 15 as interpretation for revenue recognition.

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.

A sale is considered completed when:

- delivery has taken place before the end of the financial year,
- a binding sales agreement has been entered into,
- the sales price has been determined, and payment has been received or it is reasonably certain that payment will be received.

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies (continued)****(b) Expenses for raw materials and consumables**

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc., as well as operation and administration.

Cost of sales also includes research and development costs that do not qualify for capitalisations well as amortisation of capitalised development costs. Finally, provisions for losses on contract work are recognised.

(c) Other external expenses

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

(d) Staff expenses

Staff costs comprise wages and salaries as well as related costs.

(e) Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and financial expenses comprise interest, realised and unrealised exchange rate adjustments as well as value adjustment of securities.

(f) Tax for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

The Company is jointly taxed with the Danish subsidiaries in the Honeywell group. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

1.4 Balance sheet**(a) Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises of cost of acquisition and expenses directly related to the acquisition up till the time asset is ready for use. In case of assets of own construction, cost comprises of direct and indirect expenses for labour, materials, components and sub-suppliers.

Interest expenses on loans raised specifically to finance the manufacture of property, plant and equipment are recognised in cost over the manufacturing period. All indirectly attributable borrowing costs are recognised in the income statement.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Other fixtures and fittings, plant and equipment

3 - 15 years

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies (continued)***(a) Property, plant and equipment (continued)*

Assets costing less than USD 1,886 are expensed in the year of acquisition.

(b) Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of 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"

(c) Impairment of assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Gain and losses on sale of intangible assets are recognised in the income statement under "other operating income" or "other operating expense", respectively. Gain and losses are calculated as difference between selling price less selling expense and carrying amount at time of sale.

(d) Write-down of non-current assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

If this is the case, an impairment test is made in order to determine whether the recoverable amount is lower than the carrying amount, and a write-down is made to this lower value.

The recoverable amount for the asset concerned is made up as the higher of the net selling price and the net present value. If it is not possible to determine the recoverable amount for individual assets, the assets are assessed jointly in the smallest identifiable group of assets to determine a reliable recoverable amount.

Assets for which no separate value in use can be determinable, as the asset does not in itself generate any future cash flows, are subject to review for impairment together with the group of assets to which they belong.

(e) Receivables

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

Exchange rate adjustments of long-term loans to group enterprises are taken to equity, as these loans are considered "equity" loans.

NOTES TO THE FINANCIAL STATEMENTS**1. Accounting policies (continued)****(f) Prepayments**

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

(g) Cash at hand and in bank

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

(h) Equity*(i) Dividend*

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

(i) Other financial liabilities

Other financial liabilities are recognised at cost at the time of contracting the debt. Subsequently, it is stated at amortised cost, which in respect of short—term and non—interest. Bearing debt and in respect of floating-rate loans usually corresponds to nominal value.

(j) 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.

(k) Corporation 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.

(l) Other payables

Other payables are measured at amortised cost, which usually corresponds to nominal value.

NOTES TO THE FINANCIAL STATEMENTS

2. Unusual matters

The ongoing military conflict in Ukraine and the related sanctions targeted against the Russian Federation may have an impact on the European and global economy. The entity does not have any significant direct exposure to Ukraine, Russia or Belarus. At the date of these financial statements, the Company continues to meet its obligations as they fall due and therefore continues to apply the going concern basis of preparation.

3. Staff costs and incentive plans

	2021 USD	2020 USD
Wages and salaries	847.073	955.639
Pensions	91.043	2.466
Other social security costs	0	(53.067)
	<u>938.116</u>	<u>905.038</u>
Average number of full-time employees	<u>4</u>	<u>4</u>

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

4. Financial income

	2021 USD	2020 USD
Interest income from group enterprises	4.452	415.806
Other financial income	22.010	2.981
	<u>26.462</u>	<u>418.787</u>

5. Financial expenses

	2021 USD	2020 USD
Interest expenses, group enterprises	80.812	77.805
Foreign exchange losses	1.410.787	1.043.643
	<u>1.491.599</u>	<u>1.121.448</u>

NOTES TO THE FINANCIAL STATEMENTS

6. Tax for the year

	2021 USD	2020 USD
<i>Tax for the year</i>		
Current tax charge for the year	215.861	393.163
Adjustment of the deferred tax charge for the year	7.683	8.995
	223.544	402.158

7. Deferred tax

	Note 2021 USD	2020 USD
Deferred tax at 1 January	15.319	(1.253.498)
Adjustment of the deferred tax charge for the year	7.683	8.995
Adjustment of the deferred tax charge for prior year	0	1.259.822
	23.002	15.319

8. Property, plant and equipment**31 december****2021**

	Fixtures and fittings, plant and equipment USD	Total
Cost at 1 January 2021	877.086	877.086
Cost at 31 december 2021	877.086	877.086
Depreciation and impairment losses at 1 January 2021	236.641	236.641
Depreciation	49.707	49.707
Depreciation and impairment losses at 31 december 2021	286.348	286.348
Carrying amount at 31 december 2021	590.738	590.738

9. Prepayments

Prepayment include accrual of expenses relating to subsequent financial years, which consists of prepaid air time service cost for \$83,850.

10. Contingent assets, liabilities and other financial obligations

NOTES TO THE FINANCIAL STATEMENTS

10. Contractual obligations and contingencies, etc. (continued)

The Company is jointly taxed with the sister company Honeywell A/S and has joint and several liability for the payment of income taxes for the income year 2015 and onwards as well as for withholding taxes on interest, royalties and dividends falling due for payment on or after 10 December 2015.

The Company has provided the guarantee in favour of Strandesperplanaden APS amounting to DKK 949.828,13 .

11. Collateral

The Company has not placed any assets or other as security for loans at 31/12/2021.

12. Related parties and ownership**12.1 Related party transactions**

The company's related parties are Honeywell International Inc. and its subsidiaries. With reference to section 98 C (7) of the Danish Financial Statements Act, the company has chosen only to disclose transactions with related parties not carried through on normal market terms. All transactions between the related parties are based on arms-length term. The type of transactions with the related parties can be specified as buying and selling of components, management fees, IT-service fees and loan.

Only transactions with related parties that have not been carried through on normal market terms will be disclosed. The Company has not been part in such transactions in the accounting year.

Controlling interest	Registered address	Basis
Honeywell International Inc.	251 Little Falls Drive Wilmington DE 19808 United States	100 Llc Membership Interest shares
Honeywell Specialty Materials, LLC	251 Little Falls Drive Wilmington DE 19808 United States	3.05898259% Llc Membership Interest
UOP LLC	251 Little Falls Drive Wilmington DE 19808 United States	3.05898259% 96062488 Uop International Holdings Limited shares
UOP International Holdings Limited	Honeywell House, Skimped Hill Lane, Bracknell, Berkshire, RG12 1EB, United Kingdom	3.05898259% 200 Ordinary shares
Honeywell Switzerland PMT Sarl	Zurichstrasse 9, 6004, Lucerne, Lucerne, Switzerland	3.05898259% 181 Ordinary Shares
Honeywell International Sarl	Zone d'Activités La Pièce 16,180 Rolle, Switzerland	100% 1 Capital share

The Company is owned 100% by Honeywell International Sarl. Satcom1 is included in the Group Annual Report as a subsidiary. Satcom1 is ultimately owned by Honeywell International Inc.

The Group Annual Report of Honeywell International Inc. may be obtained at the following address:
251 Little Falls Drive
Wilmington DE 19808
United States

Or on the home page <http://investor.honeywell.com>

NOTES TO THE FINANCIAL STATEMENTS

13. Appropriation of profit/loss

	2021 USD	2020 USD
<i>Recommended appropriation of profit/loss</i>		
Transferred to reserves under equity	791.588	1.423.000
	<u>791.588</u>	<u>1.423.000</u>