

Entry Point North Denmark ApS www.entrypointnorth.com
c/o ReviPoint A/S
Ragnagade 7
2100 København Ø
Denmark

Entry Point North Denmark ApS

**Annual report for the period 17
June - 31 December 2015**

The annual report was presented and adopted at the
Company's annual general meeting

on 1. March 20 16

Anne Lilljendahl
chairman

CVR no. 36 92 80 18

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Statement by the Executive Management

The Executive Management has today discussed and approved the annual report of Entry Point North Denmark ApS for the financial year 17 June – 31 December 2015.

The annual report has been 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 assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 17 June – 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report should be approved at the annual general meeting.

Copenhagen, 18 February 2016



Søren Schütt



KPMG
Statsautoriseret Revisionspartnerselskab
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Independent auditor's report

To the shareholders of Entry Point North Denmark ApS

Independent auditor's report on the financial statements

We have audited the financial statements of Entry Point North Denmark ApS for the financial year 17 June – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. 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 that 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 as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's activities for the financial year 17 June – 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 18 February 2016

KPMG
Statsautoriseret Revisionspartnerselskab



Klaus Rytz
State Authorised
Public Accountant

Management's review

Company details

Entry Point North Denmark ApS
c/o ReviPoint A/S
Ragnagade 7
2100 København Ø
Denmark

Telephone: +46 40 694 43 00
Website: www.entrypointnorth.com

CVR no.: 36 92 80 18
Established: 17 June 2015
Registered office: Copenhagen
Financial year: 17 June – 31 December

Executive Management

Søren Schütt

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø
Denmark

Ownership control

The Company is 100 % owned by:

Entry Point North AB
Flygledningsvägen 2
SE-23032 Malmö Sturup
Sweden

Annual general meeting

The annual general meeting will be held on 1 March 2016.

Management's review

Operating review

Primary activities

Entry Point North Denmark ApS (36928018) was founded in June 2015, became operational in August 2015 and is a wholly owned subsidiary of Entry Point North AB, based in Malmö, Sweden. The purpose of Entry Point North Denmark ApS is to provide simulator hardware and competent simulator pilots to its parent company, Entry Point North AB, who in turn assist Naviair, the Danish Air Navigation Service Provider (ANSP) to run their airport tower and radar approach based simulator training for Air Traffic Management in respect to its main operational airports in Denmark.

Development in activities and finances

During its first few months of operation, Entry Point North Denmark ApS simulators were used by Naviair for tower, unit and continuation based training for their controllers from the 6 main Danish airports, namely Copenhagen Kastrup, Roskilde, Aalborg, Århus, Billund and Ronne, Bornholm. This is expected to continue in 2016 as all relevant Naviair personnel working within air traffic control services at these locations receive further training at Entry Point North Denmark ApS.

Entry Point North Denmark ApS delivers intercompany services to Entry Point North AB and is reimbursed by a cost-based recharging method, which is in line with the Danish transfer pricing guidelines. This recharge method is expected to continue during 2016.

Development in activities and finances

No events have occurred after the balance sheet date to this date, which would influence the evaluation of the annual report.

Financial statements 17 June – 31 December

Accounting policies

The annual report of Entry Point North Denmark ApS for the period 17 June – 31 December 2015 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income comprises services rendered to the parent company.

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has chosen not to disclose its revenue. Gross profit is aggregated from revenue and costs directly related to revenue.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial statements 17 June – 31 December

Accounting policies

Other operating costs

Other operating costs comprise items secondary to the activities of the entities, including losses on the disposal of property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

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

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Plant and machinery	3 years
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Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Financial statements 17 June – 31 December

Accounting policies

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Cash and cash equivalents

Cash and cash equivalents comprise cash.

Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Financial statements 17 June – 31 December

Accounting policies

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Provisions

Provisions are recognised when, as a result of past events, the Company has a legal or a constructive obligation, and it is probable that there may be outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value or fair value if the obligation is expected to be settled in the distant future.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

Financial statements 17 June – 31 December

Income statement

	Note	2015
Gross profit		1,284,630
Staff costs	2	-1,022,527
Depreciation on property, plant and equipment,		-119,440
Ordinary operating profit		142,663
Financial expenses		-64,133
Profit before tax		78,530
Tax on profit for the year	3	-18,454
Profit for the year		60.076
Proposed profit appropriation		
Proposed dividends for the financial year 2015		0
Retained earnings		60.076
		60.076

Financial statements 17 June – 31 December

Balance sheet

	Note	2015
ASSETS		
Non-current assets		
Property, plant and equipment		
Plant and machinery	4	743,192
		<u>743,192</u>
Total non-current assets		<u>743,192</u>
Current assets		
Other receivables		50,215
Receivables		<u>50,215</u>
Cash at bank and in hand		<u>213,149</u>
Total current assets		<u>263,364</u>
TOTAL ASSETS		<u>1,006,556</u>
EQUITY AND LIABILITIES		
Equity		
Share capital		50,000
Retained earnings		60,076
Total equity	1	<u>110,076</u>
Provisions		
Provisions for deferred tax	3	18,455
Total provisions		<u>18,455</u>
Current liabilities other than provisions		
Debt to group companies		656,526
Other debt		221,499
		<u>878,025</u>
Total liabilities other than provisions		<u>878,025</u>
TOTAL EQUITY AND LIABILITIES		<u>1,006,556</u>

Financial statements 17 June – 31 December

Notes

1 Equity

	Share capital	Retained earnings	Total
Balance at 17 June 2015	50,000	0	50,000
Profit for the year	0	60,076	60,076
Balance at 31 December 2015	50,000	60,076	110,076

2 Staff costs

	2015
Wages and salaries	936,709
Pension contributions	8,640
Other staff costs	77,178
Total staff costs	1,022,527

3 Tax for the year

Current tax	0
Adjustment to deferred tax	18,455
Total tax for the year	18,455

4 Property, plant and equipment

	Plant and machinery
Cost at 17 June 2015	0
Additions	862,632
Disposals	0
Cost at 31 December 2015	862,632
Depreciation and impairment losses at 17 June 2015	0
Depreciation	119,440
Depreciations and impairment losses at 31 December 2015	119,440
Carrying amount at 31 December 2015	743,192