

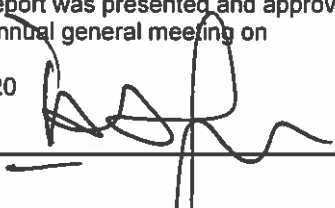
Entry Point North Denmark ApS

c/o KPMG P/S, Dampfærgevej 28
2100 København Ø

CVR no. 36 92 80 18

Annual report for the period 1 January – 31 December 2019

The annual report was presented and approved at the
Company's annual general meeting on
27 March 2020



chairman

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Entry Point North Denmark ApS
Annual report 2019
CVR no. 36 92 80 18

Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Entry Point North Denmark ApS for the financial year 1 January – 31 December 2019.

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

In my opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019.

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

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

Copenhagen, 27 March 2020
Executive Board:

Rasmus Henriksen



Independent auditor's report

To the shareholders of Entry Point North Denmark ApS

Opinion

We have audited the financial statements of Entry Point North Denmark ApS for the financial year 1 January – 31 December 2019 comprising income statement, balance sheet and notes, including accounting policies. 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 assets, liabilities and financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January – 31 December 2019 in accordance with the Danish Financial Statements Act.

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 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made 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 company 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

- 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 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 27 March 2020

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98

Klaus Rytz
State Authorised
Public Accountant
mne33205

Entry Point North Denmark ApS
Annual report 2019
CVR no. 36 92 80 18

Management's review

Company details

Entry Point North Denmark ApS
c/o KPMG P/S
Dampfærgevej 28
2100 København Ø

CVR no.: 36 92 80 18
Registered office: Copenhagen
Financial year: 1 January – 31 December

Executive Board

Rasmus Henriksen

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfaergevej 28
DK-2100 Copenhagen

Management's review

Operating review

Principal activities

Entry Point North Denmark ApS 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 assists 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

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

The Company's financial position and the results for the year are presented in the following income statement for the financial year 1 January - 31 December 2019 and the balance sheet at 31 December 2019.

The profit for the year amounts to DKK 199,542 compared to DKK 162,310 last year. The result for the year is considered satisfactory.

The total assets for the year amounts to DKK 1,330,513 compared to DKK 1,131,221 last year.

The total equity for the year amounts to DKK 742,714 compared to DKK 543,172 last year.

Events after the balance sheet date

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

Financial statements 1 January – 31 December

Income statement

| DKK | Note | 2019 | 2018 |
|---|------|----------------|----------------|
| Gross profit | | 4,955,164 | 3,719,372 |
| Staff costs | 2 | -4,431,191 | -3,229,095 |
| Depreciation, amortisation and impairment | | -249,515 | -273,698 |
| Operating profit | | 274,458 | 216,579 |
| Financial income | | 0 | 5,794 |
| Financial expenses | | -20,002 | -14,107 |
| Profit before tax | | 254,456 | 208,266 |
| Tax on profit/loss for the year | 3 | -54,914 | -45,956 |
| Profit for the year | | <u>199,542</u> | <u>162,310</u> |
| Proposed profit appropriation | | | |
| Retained earnings | | <u>199,542</u> | <u>162,310</u> |
| | | <u>199,542</u> | <u>162,310</u> |

Financial statements 1 January – 31 December

Balance sheet

| DKK | Note | 31/12 2019 | 31/12 2018 |
|--|------|-------------------------|-------------------------|
| ASSETS | | | |
| Fixed assets | | | |
| Property, plant and equipment | 4 | | |
| Fixtures and fittings, tools and equipment | | <u>108,007</u> | <u>295,393</u> |
| Total fixed assets | | <u>108,007</u> | <u>295,393</u> |
| Current assets | | | |
| Receivables | | | |
| Receivables from group entities | | 440,235 | 252,784 |
| Other receivables | | 109,198 | 94,589 |
| Deferred tax asset | | <u>84,927</u> | <u>66,262</u> |
| | | <u>634,360</u> | <u>413,635</u> |
| Cash at bank and in hand | | <u>588,146</u> | <u>422,193</u> |
| Total current assets | | <u>1,222,506</u> | <u>835,828</u> |
| TOTAL ASSETS | | <u><u>1,330,513</u></u> | <u><u>1,131,221</u></u> |

Financial statements 1 January – 31 December

Balance sheet

| DKK | Note | 31/12 2019 | 31/12 2018 |
|-------------------------------------|------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Contributed capital | | 50,000 | 50,000 |
| Retained earnings | | <u>692,714</u> | <u>493,172</u> |
| Total equity | | <u>742,714</u> | <u>543,172</u> |
| Liabilities | | | |
| Non-current liabilities | | | |
| Other payables | | <u>103,998</u> | <u>0</u> |
| Current liabilities | | | |
| Corporation tax | | 52,646 | 184,631 |
| Other payables | | <u>431,155</u> | <u>403,418</u> |
| | | <u>483,801</u> | <u>588,049</u> |
| Total liabilities | | <u>587,799</u> | <u>588,049</u> |
| TOTAL EQUITY AND LIABILITIES | | <u><u>1,330,513</u></u> | <u><u>1,131,221</u></u> |

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Entry Point North Denmark ApS for 2019 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

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.

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 income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, 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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Balance sheet

Property, plant and equipment

Plant and machinery and fixtures and fittings, tools 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. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item 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:

| | |
|--|---------|
| Fixtures and fittings, tools and equipment | 3 years |
|--|---------|

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement as depreciations.

Gains and losses on the disposal of 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.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

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.

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 value in use.

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.

Financial statements 1 January – 31 December

Notes

2 Staff costs

| DKK | 2019 | 2018 |
|---------------------------------------|------------------|------------------|
| Wages and salaries | 3,753,833 | 2,827,755 |
| Pensions | 167,172 | 138,244 |
| Other staff costs | 510,186 | 263,096 |
| | <u>4,431,191</u> | <u>3,229,095</u> |
| Average number of full-time employees | <u>11</u> | <u>8</u> |

3 Tax for the year

| | | |
|---|---------------|---------------|
| Current tax for the year | 74,645 | 62,421 |
| Adjustment to deferred tax | -18,664 | -16,465 |
| Adjustment of tax concerning previous years | -1,067 | 0 |
| | <u>54,914</u> | <u>45,956</u> |

4 Property, plant and equipment

| DKK | Fixtures and fittings, tools and equipment |
|--|--|
| Cost at 1 January 2019 | 1,346,704 |
| Additions for the year | 62,129 |
| Cost at 31 December 2019 | <u>1,408,833</u> |
| Depreciation and impairment losses at 1 January 2019 | -1,051,311 |
| Depreciation for the year | -249,515 |
| Depreciation and impairment losses at 31 December 2019 | <u>-1,300,826</u> |
| Carrying amount at 31 December 2019 | <u>108,007</u> |

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Rasmus Henriksen

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Klaus Rytz

Statsautoriseret revisor

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