JT3H ApS under tvangsopløsning

Teglholm Allé 13, DK-2450 København SV

Annual Report for 2019/20

CVR No 37 30 42 39

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 6 /5 2021

Peter Schäfer
Chairman of the General Meeting

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Management's Statement

The Executive Board has today considered and adopted the Annual Report of JT3H ApS under tvangsopløsning for the financial year 1 September 2019 - 31 August 2020.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In my opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 August 2020 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2019/20.

In my opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

I recommend that the Annual Report be adopted at the Annual General Meeting.

Kastrup, 6 May 2021

Executive Board

Lars Thuesen

Independent Auditor's Report

To the Shareholder of JT3H ApS under tvangsopløsning

Qualified Opinion
In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements, except for the possible effects of the matter described in the Basis for Qualified Opinion, give a true and fair view of the financial position of the Group and the Parent Company at 31 August 2020 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 September 2019 - 31 August 2020 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of JT3H ApS under tvangsopløsning for the financial year 1 September 2019 - 31 August 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for Qualified Opinion
As part of the formation of Jettime A/S, the Group has entered into leasing agreements on aircrafts containing requirements regarding maintenance and related receivable for future aircraft maintenance. The Group has not estimated the gross amounts for the receivable and provisions. The amounts are presented net in the Consolidated Financial Statements. We have not been presented with sufficient and appropriate audit evidence regarding the presentation of the provision for aircraft maintenance and the associated receivable for future aircraft maintenance in the Consolidated Financial Statements at 31 August 2020 and we have not been able to estimate these gross amounts. The effect on profit and shareholder's equity is not deemed material.

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 Group 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 qualified opinion.

Material Uncertainty Related to Going Concern
We draw attention to note 1 in the Financial Statements stating that additional funding is needed in order for the Company to continue as going concern. As stated in note 1 the situation indicated that a material uncertainty exists that may cast significant doubt on the Groups and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Statement on Management's Review
Management is responsible for Management's Review.

Independent Auditor's Report

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. We have not found any material misstatement in the Management's Review. In reading Management's Review, we noted that Management's Review does not include CSR information and information regarding the underrepresented gender in accordance with the Danish Financial Statements Act §99a and §99b respectively.

Management's responsibilities for the Financial Statements
Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and 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 Group or 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 and the Group'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 Group's and 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 Group and 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 Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group 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.

Independent Auditor's Report

Hellerup, 6 May 2021
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jacob F Christiansen
statsautoriseret revisor
mne18628

Jakob Thisted Binder
statsautoriseret revisor
mne42816

Company Information

The Company	JT3H ApS under tvangsopløsning Teglholm Allé 13 DK-2450 København SV CVR No: 37 30 42 39 Financial period: 1 September - 31 August Incorporated: 15 December 2015 Municipality of reg. office: Copenhagen
Executive Board	Lars Thuesen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Group is described by the following financial highlights:

	Group				
	2019/20	2018/19	2017/18	2016/17	2015/16
	MDKK	MDKK	MDKK	MDKK	MDKK
Key figures					
Profit/loss					
Revenue	0	1,444	1,130	1,459	1,221
Gross profit/loss	-11	286	218	374	90
Operating profit/loss	-17	39	773	-4	-400
Profit/loss before financial income and expenses	-17	39	8	9	-400
Net financials	182	-7	-5	4	-13
Net profit/loss for the year	164	30	3	12	-413
Balance sheet					
Balance sheet total	30	415	189	242	403
Equity	-18	-270	-434	-450	-468
Cash flows					
Cash flows from:					
- operating activities	-15	113	-37	-133	-157
- investing activities	-20	-20	16	39	18
including investment in property, plant and equipment	-18	-1	7	7	10
- financing activities	37	-20	-4	116	196
Change in cash and cash equivalents for the year	2	74	-25	22	57
Number of employees	29	397	373	583	690

Financial Highlights

	Group				
	2019/20	2018/19	2017/18	2016/17	2015/16
	MDKK	MDKK	MDKK	MDKK	MDKK
Ratios					
Gross margin	0.0%	19.8%	19.3%	25.6%	7.4%
Profit margin	0.0%	2.7%	0.7%	0.6%	-32.8%
Return on assets	-56.7%	9.4%	4.2%	3.7%	-99.3%
Solvency ratio	-60.0%	-65.1%	-229.6%	-186.0%	-116.1%
Return on equity	-113.9%	-8.5%	-0.7%	-2.6%	176.5%

The financial highlights from 2018/19 and prior are including the former subsidiary Jet Time A/S which filed for bankruptcy as at 21. July 2020. Due to lack of information from Jet Time A/S (Luftfartsselskabet af 21. juli 2020 A/S under konkurs) the financial highlights for 2019/20 only includes information about the Group i.e JT3H ApS under tvangsopløsning and Jettime A/S.

Management's Review

Key activities

The Group is solely engaged in the Business-to-Business market offering air transport solutions.

Unusual Conditions

The Group's primary activities are Business-to-business air transport solutions through the subsidiaries. Due to the outbreak of Covid-19 in February / March 2020 all travel activities across the world was stopped resulting in the bankruptcy of the subsidiary Luftfartsselskabet af 21. juli 2020 A/S ("Jet Time") with effect from 21 July 2020.

Prior to the bankruptcy some assets and employees in Jet Time was transferred to the newly established 100 % owned subsidiary Jettime A/S ("Jettime").

Due to the bankruptcy of Jet Time it has not been possible to retrieve the financial information needed to include them in the consolidated financial statements from 1 September 2019 – 21 July 2020. As such all financial information from Jet Time in the consolidated financial statements has been disposed as at 1 September 2019 resulting in a accounting gain of DKK 270 million, of purely technical character, which equals to the negative equity in Jet Time at 31 August 2019.

Development in activities and financial matters

The financial year 2019/20 was The Group's fifth operating year.

As described in the section "unusual conditions" the subsidiary Jet Time filed bankruptcy resulting in a gain in the consolidated financial statements of DKK 270 million. Jettime was established 8 June 2020 and is as such included in the consolidated financial statements for the period 8 June – 31 August 2020. There has been no active operation in Jettime in 2019/20 due to the travel restrictions through the summer of 2020.

The financial result for 2019/20 for the Group is heavily impacted by the events described above. The bankruptcy of the subsidiary Jet Time and financial results for the Group are in its course unsatisfactory however due to Covid-19 and the impact on the global airline industry as expected.

Management's Review

Capital resources

As at 31 August 2020 the equity in the Group amounted to DKK -18 million. Based on the internal non-audited reporting the loss in financial year 2020/21 amounts to DKK 27 million as at 31 March 2021 resulting in a negative equity of aproximately DKK 45 million as at 31 March 2021. The Group expects to start operation in beginning of July 2021 with increasing activity across the months July – September 2021 (summer season) going from 2 to 5 flights in operation however still with loss making operations during the summer season 2021 and winter season 2021/22. The Group expects full operation in summer season 2022 with a total of 8 flights in operation.

The Group has prepared a cash flow forecast for the remaining part of financial year 2020/21 and 2021/22.

Based on the current cash available the Group expects to have sufficient liquidity to follow the business plan based on the assumptions as stated above.

Due to Covid-19 the business plan for the coming 18 months is in its nature uncertain. If significant changes to the base assumptions occur the Group expects that additional funding will be raised, either or combined of capital contributions, additional government support schemes and other short term bridge financing.

Based on the above the Group expects to continue as going concern and the financial statements are prepared under this assumption.

Outlook

Due to the ongoing travel restrictions the outlook for 2020/21 is still very uncertain. As of April 2021 the Group has still not had any flights in the core business in the financial year 2020/21 and as such a significant loss for 2020/21 is expected.

The Group expects the travel restrictions to be reduced over the summer 2021 and expects to start operation of 2 flights in July 2021 with increasing activity in the period from July – September 2021.

Management's Review

Subsequent events

The travel restrictions as a result of Covid-19 has continued through 2020/21.

In March 2021 the Government Schemes were adjusted so new established entities as Jettime could be eligble for the Government Schemes when a transfer of activity was made from Companies going bankrupt as a result of Covid-19.

In March 2021 the parent company JT3H ApS under tvangsopløsning was sent to forced dissolution by the Danish Business Authority due to missing of filing the annual report for 2019/20. JT3H ApS under tvangsopløsning is expected to be withdrawn from the forced dissolution just after filing of this annual report for 2019/20.

In April 2021 a remission of debt of DKK 25 million has been made to the parent company JT3H ApS under tvangsopløsning.

Beside of the above-mentioned no material events have occurred after the balance sheet date.

Income Statement 1 September - 31 August

	Note	Consolidated		Parent Company	
		2019/20	2018/19	2019/20	2018/19
		TDKK	TDKK	TDKK	TDKK
Revenue	3	**0**	**1,443,508**	**0**	**0**
Production costs		-4,813	-945,753	0	0
Lease costs		-1,966	-110,058	0	0
Other external expenses		-4,678	-101,250	-225	-101
Gross profit/loss		**-11,457**	**286,447**	**-225**	**-101**
Staff expenses	4	-4,739	-242,141	0	0
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-332	-5,709	0	0
Profit/loss before financial income and expenses	5	**-16,528**	**38,597**	**-225**	**-101**
Income from investments in subsidiaries	5	270,098	0	-16,196	0
Financial income	6	64	997	0	3,166
Financial expenses	7	-88,094	-7,734	-88,064	-3,166
Profit/loss before tax		**165,540**	**31,860**	**-104,485**	**-101**
Tax on profit/loss for the year	8	-1,525	-1,551	-1,525	0
Net profit/loss for the year		**164,015**	**30,309**	**-106,010**	**-101**

Balance Sheet 31 August

Assets

	Note	Consolidated		Parent Company	
		2019/20	2018/19	2019/20	2018/19
		TDKK	TDKK	TDKK	TDKK
Software		382	2,778	0	0
Acquired trademarks		245	0	0	0
Intangible assets	9	**627**	**2,778**	**0**	**0**
Land and buildings		13,980	6,024	0	0
Other fixtures and fittings, tools and equipment		4,025	270	0	0
Leasehold improvements		0	818	0	0
Property, plant and equipment in progress		0	962	0	0
Modification of leased aircraft		0	10,271	0	0
Property, plant and equipment	10	**18,005**	**18,345**	**0**	**0**
Investments in subsidiaries	11	0	0	8,804	0
Receivables from group enterprises	12	0	0	11,936	100,000
Deposits	12	1,352	46,415	0	0
Receivable future maintenance	12	0	144,538	0	0
Fixed asset investments		**1,352**	**190,953**	**20,740**	**100,000**
Fixed assets		**19,984**	**212,076**	**20,740**	**100,000**
Inventories		**3,000**	**7,561**	**0**	**0**
Trade receivables		0	4,801	0	0
Other receivables		1,272	11,987	0	0
Receivable future maintenance		0	26,257	0	0
Prepayments	13	3,446	25,473	0	0
Receivables		**4,718**	**68,518**	**0**	**0**
Cash at bank and in hand		**1,932**	**126,823**	**87**	**88**
Currents assets		**9,650**	**202,902**	**87**	**88**
Assets		**29,634**	**414,978**	**20,827**	**100,088**

Balance Sheet 31 August

Liabilities and equity

		Consolidated		Parent Company	
	Note	2019/20	2018/19	2019/20	2018/19
		TDKK	TDKK	TDKK	TDKK
Share capital		50	50	50	50
Retained earnings		-18,069	-270,148	-18,069	-123
Equity		**-18,019**	**-270,098**	**-18,019**	**-73**
Provisions for aircraft maintenance		352	238,076	0	0
Other provisions		0	22,820	0	0
Provisions		**352**	**260,896**	**0**	**0**
Credit institutions		0	2,077	0	0
Other loan agreements		36,936	190,000	36,936	100,000
Other payables		3,653	0	0	0
Long-term debt	15	**40,589**	**192,077**	**36,936**	**100,000**
Credit institutions	15	0	701	0	0
Prepayments received from customers		0	76,590	0	0
Trade payables		4,149	70,798	250	25
Payables to group enterprises		0	0	0	74
Corporation tax		1,525	1,404	1,525	0
Other payables	15	1,038	82,610	135	62
Short-term debt		**6,712**	**232,103**	**1,910**	**161**
Debt		**47,301**	**424,180**	**38,846**	**100,161**
Liabilities and equity		**29,634**	**414,978**	**20,827**	**100,088**

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Fee to auditors	

Statement of Changes in Equity

Consolidated

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 September	50	-270,148	-270,098
Other equity movements	0	88,064	88,064
Net profit/loss for the year	0	164,015	164,015
Equity at 31 August	**50**	**-18,069**	**-18,019**

Parent Company

	Share capital	Retained earnings	Total
Equity at 1 September	50	-123	-73
Other equity movements	0	88,064	88,064
Net profit/loss for the year	0	-106,010	-106,010
Equity at 31 August	**50**	**-18,069**	**-18,019**

Cash Flow Statement 1 September - 31 August

	Note	Consolidated 2019/20 TDKK	2018/19 TDKK
Net profit/loss for the year		164,015	30,309
Adjustments	20	-179,969	-1,104
Change in working capital	21	1,313	91,035
Cash flows from operating activities before financial income and expenses		**-14,641**	**120,240**
Financial income		0	997
Financial expenses		-9	-7,734
Cash flows from ordinary activities		**-14,650**	**113,503**
Corporation tax paid		0	-143
Cash flows from operating activities		**-14,650**	**113,360**
Purchase of intangible assets		-650	-11,326
Purchase of property, plant and equipment		-18,352	-962
Fixed asset investments made etc		-1,353	-13,202
Sale of property, plant and equipment		0	3,649
Sale of fixed asset investments etc		0	2,224
Cash flows from investing activities		**-20,355**	**-19,617**
Repayment of loans from credit institutions		0	-583
Group Contribution		0	147,777
Raising of other long-term debt		36,936	-166,993
Cash flows from financing activities		**36,936**	**-19,799**
Change in cash and cash equivalents		**1,932**	**73,944**
Cash and cash equivalents at 1 September		126,823	52,879
Disposal of cash - bankruptcy		-126,823	0
Cash and cash equivalents at 31 August		**1,932**	**126,823**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		1,932	126,823
Cash and cash equivalents at 31 August		**1,932**	**126,823**

Notes to the Financial Statements

1 Capital resources and liquidity

The equity in the Group amounted to DKK -18 million as at 31 August 2019. The Group has realized a negative result in the period 1 September 2020 – 31 March 2021 in the amount of aproximately 27 million resulting in the equity being negative as at 31 March 2021.

The Group expects to start operation in beginning of July 2021 with increasing activity across the months July – September 2021 (summer season) going from 2 to 5 flights in operation however still with loss making operations during the summer season of 2021 and winter season 2021/22. The Group expects full operation in summer season 2022 with a total of 8 flights in operation.

The Group has prepared a cash flow forecast for the remaining part of financial year 2020/21 and 2021/22.

Based on the current cash available the Group expects to have sufficient liquidity to follow the business plan based on the assumptions stated above.

The business plan for the coming 18 months is in its nature uncertain. If significant changes to the base assumptions occur the Group expects that additional funding will be raised, either or combined of capital contributions, additional government support schemes and other short term bridge financing.

Due to the uncertainty regarding the budget assumptions and the extent of the ongoing travel restrictions under Covid-19 a material uncertainty exist that may cast significant doubt on the Groups and the Company's ability to continue as a going concern. Management expects that sufficient liquidity will be available and as such has prepared the Consolidated Financial Statements for 2019/20 under the going concern assumption.

2 Subsequent events

The travel restrictions as a result of Covid-19 has continued through 2020/21.

In March 2021 the Government Schemes were adjusted so new established entities as Jettime could be eligble for the Government Schemes when a transfer of activity was made from Companies going bankrupt as a result of Covid-19.

In March 2021 the parent company JT3H ApS under tvangsopløsning was sent to forced dissolution by the Danish Business Authority due to missing of filing the annual report for 2019/20. JT3H ApS under tvangsopløsning is expected to be withdrawn from the forced dissolution just after filing of this annual report for 2019/20.

In April 2021 a remission of debt of DKK 25 million has been made to the parent company JT3H ApS under tvangsopløsning.

Beside of the above-mentioned no material events have occurred after the balance sheet date.

Notes to the Financial Statements

	Consolidated		Parent Company	
	2019/20	2018/19	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK
3 Revenue				
Geographical segments				
Charter and ad hoc	0	1,357,672	0	0
ACMI	0	85,836	0	0
	0	**1,443,508**	**0**	**0**

	Consolidated		Parent Company	
	2019/20	2018/19	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK
4 Staff expenses				
Wages and salaries	4,288	218,750	0	0
Pensions	382	20,603	0	0
Other social security expenses	41	2,788	0	0
Other staff expenses	28	0	0	0
	4,739	**242,141**	**0**	**0**
Average number of employees	**29**	**397**	**0**	**0**

The average number of employees are the employees employed in Jettime A/S in the period 8 June - 31 August 2020.

With reference to the Danish Financial Statements Act § 98 B para. 3, the remuneration of the Executive Board is not stated.

Notes to the Financial Statements

5 Special items

The consolidated financial statements include a gain of DKK 270 million due to reversal of the negative equity of Jet Time included in prior years Financial Statements. The reversal of the negative equity is due to bankruptcy in the former subsidiary Jet Time A/S. The gain has been recognized in the financial item line “Income from investments in subsidiaries”.

The consolidated financial statements and the parent company financial statements include a loss of DKK 100 million due to write-down of receivable to Jet Time A/S, the former subsidiary. The write-down has been recognized on the financial item line “financial expenses”. The accounting gain of DKK 270 million, is of purely technical character.

	Consolidated		Parent Company	
	2019/20	2018/19	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK
6 Financial income				
Interest income, credit institutes	0	0	0	2,302
Other financial income	0	133	0	0
Exchange adjustments	64	864	0	864
	64	**997**	**0**	**3,166**
7 Financial expenses				
Impairment on receivable from group enterprises	100,000	0	0	0
Interest expenses, credit institutes	0	316	0	0
Other financial expenses	-11,927	3,780	88,064	2,302
Exchange adjustments, expenses	21	3,638	0	864
	88,094	**7,734**	**88,064**	**3,166**
8 Tax on profit/loss for the year				
Current tax for the year	1,525	1,547	1,525	0
Deferred tax for the year	0	4	0	0
	1,525	**1,551**	**1,525**	**0**

Notes to the Financial Statements

9 Intangible assets

Consolidated

	Software	Acquired trade-marks
	TDKK	TDKK
Cost at 1 September	9,631	0
Additions for the year	400	250
Disposals due to bankruptcy	-9,631	0
Cost at 31 August	400	250
Impairment losses and amortisation at 1 September	6,853	0
Amortisation for the year	18	5
Disposals due to bankruptcy	-6,853	0
Impairment losses and amortisation at 31 August	18	5
Carrying amount at 31 August	**382**	**245**

Notes to the Financial Statements

10 Property, plant and equipment

Consolidated

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress	Modification of leased aircraft
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 September	12,430	6,432	1,826	962	27,958
Additions for the year	14,000	4,352	0	0	0
Disposals due to bankruptcy	-12,430	-6,432	-1,826	-962	-27,958
Cost at 31 August	14,000	4,352	0	0	0
Impairment losses and depreciation at 1 September	6,406	6,162	1,008	0	17,687
Depreciation for the year	20	327	0	0	0
Disposals due to bankruptcy	-6,406	-6,162	-1,008	0	-17,687
Impairment losses and depreciation at 31 August	20	327	0	0	0
Carrying amount at 31 August	**13,980**	**4,025**	**0**	**0**	**0**

Notes to the Financial Statements

11 Investments in subsidiaries

	Parent Company	
	2019/20	2018/19
	TDKK	TDKK
Cost at 1 September	0	0
Additions for the year	25,000	0
Cost at 31 August	25,000	0
Value adjustments at 1 September	0	0
Net profit/loss for the year	-16,196	30,309
Fair value adjustment of hedging instruments for the year	0	-13,893
Other adjustments	0	-16,416
Value adjustments at 31 August	-16,196	0
Carrying amount at 31 August	**8,804**	**0**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Votes and ownership
Jettime a/s, Amager Strandvej 390-392, DK-2770 Kastrup	Denmark	100%

Notes to the Financial Statements

12 Other fixed asset investments

	Consolidated		Parent Company
	Deposits	Receivable future maintenance	Receivables from group enterprises
	TDKK	TDKK	TDKK
Cost at 1 September	47,415	144,538	100,000
Additions for the year	352	0	0
Disposals due to bankruptcy	-46,415	0	0
Cost at 31 August	1,352	144,538	100,000
Impairment losses for the year	0	0	88,064
Transfers for the year	0	144,538	0
Impairment losses at 31 August	0	144,538	88,064
Carrying amount at 31 August	**1,352**	**0**	**11,936**

13 Prepayments

Prepayments in 2020 consists of insurance, rent and other prepaid costs.

14 Provision, aircraft maintenance

	Consolidated		Parent Company	
	2019/20	2018/19	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK
Comprises:				
Provision for future aircraft maintenance	0	209,911	0	0
Provision for obligation to return	352	28,165	0	0
	352	**238,076**	**0**	**0**
Within 1 year	0	50,805	0	0
Between 1 and 5 years	133	172,402	0	0
After 5 years	219	14,869	0	0
	352	**238,076**	**0**	**0**

Notes to the Financial Statements

15 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Consolidated		Parent Company	
	2019/20	2018/19	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK
Credit institutions				
Between 1 and 5 years	0	2,077	0	0
Long-term part	0	2,077	0	0
Other short-term debt to credit institutions	0	701	0	0
	0	**2,778**	**0**	**0**
Other loan agreements				
Between 1 and 5 years	36,936	190,000	36,936	100,000
Long-term part	36,936	190,000	36,936	100,000
Within 1 year	0	0	0	0
	36,936	**190,000**	**36,936**	**100,000**
Other payables				
After 5 years	3,653	0	0	0
Long-term part	3,653	0	0	0
Other short-term payables	1,038	82,610	135	62
	4,691	**82,610**	**135**	**62**

16 Distribution of profit

Retained earnings	164,015	30,309	-106,010	-101
	164,015	**30,309**	**-106,010**	**-101**

Notes to the Financial Statements

	Consolidated		Parent Company	
	2019/20	2018/19	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK

17 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

	2019/20	2018/19	2019/20	2018/19
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	9,559	140,832	0	0
Between 1 and 5 years	173,302	354,695	0	0
After 5 years	13,685	0	0	0
	196,546	**495,527**	**0**	**0**

Lease obligations comprise of aircrafts, rent and other minor obligations.

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The group companies are also jointly and severally liable for Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any subsequent corrections to corporation taxes and withholding taxes may result in the group's liability constituting a larger amount.

18 Related parties

	Basis
Controlling interest	
Lars Thuesen	IC King Street St. James London SW1Y 6QG United Kingdom

Notes to the Financial Statements

	Consolidated		Parent Company	
	2019/20	2018/19	2019/20	2018/19
	TDKK	TDKK	TDKK	TDKK
19 Fee to auditors appointed at the general meeting				
PricewaterhouseCoopers				
Audit fee	250	1,313	0	25
Tax advisory services	0	205	0	10
Other services	200	269	0	39
	450	**1,787**	**0**	**74**

	Consolidated	
	2019/20	2018/19
	TDKK	TDKK
20 Cash flow statement - adjustments		
Financial income	-64	-997
Financial expenses	88,094	7,734
Depreciation, amortisation and impairment losses, including losses and gains on sales	332	7,641
Income from investments in subsidiaries	-270,098	0
Tax on profit/loss for the year	1,525	629
Other adjustments	242	-16,111
	-179,969	**-1,104**

21 Cash flow statement - change in working capital

Change in inventories	-3,000	-1,056
Change in receivables	-4,718	-154,002
Change in other provisions	352	181,428
Change in trade payables, etc	8,679	64,665
	1,313	**91,035**

Notes to the Financial Statements

22 Accounting Policies

The Annual Report of JT3H ApS under tvangsopløsning for 2019/20 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied remain unchanged from last year.

The Consolidated and Parent Company Financial Statements for 2019/20 are presented in TDKK.

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.

Basis of consolidation

In accordance with section 114, para. 2 of the Danish Financial Statements Act. the former subsidiary Jet Time A/S has not been included in the Consolidated Financial Statements in 2020/21.

The Consolidated Financial Statements comprise the Parent Company, JT3H ApS under tvangsopløsning, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Compa-

22 Accounting Policies (continued)

ny's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Business acquisitions carried through before 1 July 2018

Subject to some exemptions, acquisitions carried through before 1 July 2018 are accounted for under the same accounting policies as those applying to business combinations carried through on or after 1 July 2018. The most material exemptions are:

- Identifiable assets and liabilities of the entity acquired are recognised only if they are probable.

- Identifiable contingent liabilities of the entity acquired are not recognised in the consolidated balance sheet.

- Where the purchase price allocation is not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of

22 Accounting Policies (continued)

goodwill or negative goodwill, including in amortisation already made.

- Transaction costs directly attributable to the acquisition of subsidiaries are included as part of cost.

- After the initial recognition, adjustment of contingent consideration is recognised directly with its counter entry in initial purchase price, thus correcting the value of goodwill or negative goodwill.

- In respect of step acquisitions, the carrying amount of the existing investments is recognised in cost.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

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. 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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

22 Accounting Policies (continued)

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as ”Other receivables” and ”Other payables”, respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Revenue

Information on business segments and geographical segments based on the Group´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Lease costs

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

Production costs comprise e.g. costs of fuel, charges in connection with air transport and other costs of maintenance and operation of the aircraft fleet.

Notes to the Financial Statements

22 Accounting Policies (continued)

Other external expenses

Other external expenses comprise rent and related costs, IT costs, travelling expenses, training and education costs, administrative expenses and marketing, etc.

Staff expenses

Staff costs comprise wages, salaries, pension and social security costs to own staff.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

The proportionate share of the results after tax of the individual group entities is recognized in the income statement of the Parent Company after full elimination of intra-group profits/losses.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies as well as extra payments and repayment under the on account tax scheme, etc.

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

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Property, plant and equipment

Aircraft, modifications of aircraft as well as major maintenance work on aircraft on finance leases, buildings, leasehold improvements, fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time

Notes to the Financial Statements

22 Accounting Policies (continued)

when the asset is ready 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.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Buildings and installations: 10-15 years
Leasehold improvements: 3-5 years
Other fixtures and fittings, tools and equipment: 3-5 years
Modifications, leased aircraft: Remaining term of the lease, however not exceeding 5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed 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.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

Investments in group entities are measured at the proportionate share of the entities' net asset values calculated in accordance with the Group's accounting policies minus or plus unrealised intra-group profits and losses and plus or minus any residual value of positive or negative goodwill determined in accordance with the acquisition method.

Investments in group entities with negative net asset values are measured at DKK 0 (nil), and any amounts owed are written down if the amount owed is irrecoverable. If the Parent Company has a legal or constructive obligation to cover a deficit that exceeds the amount owed, the remaining amount is recognized under provisions.

Net revaluation of investments in group entities is recognized in the reserve for net revaluation according to the equity method in equity to the extent that the carrying amount exceeds cost. Dividends

Notes to the Financial Statements

22 Accounting Policies (continued)

from group entities which are expected to be adopted before the approval of the Annual Report of JT3H ApS are not recognized in the reserve for net revaluation.

On acquisition of enterprises, the purchase method is applied.

Other fixed asset investments

Other fixed asset investments consist of .

Notes to the Financial Statements

22 Accounting Policies (continued)

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

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.

Prepayments

Prepayments comprise prepaid expenses concerning costs incurred concerning subsequent financial years.

Equity

Net revaluation of investments in subsidiaries is recognized at cost in the reserve for net revaluation according to the equity method.

The reserve is eliminated in case of losses, realisation of investments or a change in accounting estimates.

Dividend

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

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Notes to the Financial Statements

22 Accounting Policies (continued)

Other provisions include warranty obligations in respect of repair work within the warranty period of . Provisions are measured and recognised based on experience with guarantee work.

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 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 or in equity if the deferred tax relates to items recognised in equity.

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

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

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

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

The cash flow statement shows the Group´s cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group´s cash and cash equivalents at the beginning and end of the year.

Notes to the Financial Statements

22 Accounting Policies (continued)

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand”, ”Current asset investments” and ”Overdraft facilities”. ”Current asset investments” consist of short-term securities with an insignificant risk of value changes that can readily be turned into cash.

The cash flow statement cannot be immediately derived from the published financial records.

Notes to the Financial Statements

22 Accounting Policies (continued)

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$