ANNUAL REPORT 2019.

TPAerospace

TPA Holding I A/S
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CVR No 38 47 34 92
Date of the Annual General Meeting: 29th of May 2020
Chairman of the Annual General Meeting: Peter Ryttergaard

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Chapter 1

OVERVIEW

MAKING WHEELS AND BRAKES SIMPLE

At any given time of day, an aircraft touches ground somewhere in the world. Being the only point of contact between an aircraft and the ground, wheels and brakes are central to any landing, take-of and to all runway traffic. That is why these elements are subject to continuous and rigorous examinations to be deemed airworthy.

While being the first point of contact between the aircraft and the ground, wheels and brakes are also amongst the highest cost drivers of all airframe components and require the most frequent removal and replacement: they therefore represent a major challenge for all operators, particularly due to the many separate processes and logistical challenges required to effectively handle the job at hand. Failing to manage this operation may cause a plane to be grounded, costing an airline thousands of dollars in fines for late departure.

At TP Aerospace, we understand these challenges. Our business is solving them in the best way possible.

As the leading aftermarket wheel and brake provider in aviation, we can handle every operator's day-to-day requirements and AOG (Aircraft on Ground) situations from any of our growing number of strategic locations around the globe.

What sets us apart from the competition and keeps us ahead of the game, is our people: we call ourselves the Green Team. Together, we represent a global organization passionate about aviation, and we work hard every day to provide airlines with the best, most flexible and most responsible solutions.

Basically, we keep our customers' aircraft in the air and solve costly AOG situations by providing wheels and brakes anytime, anywhere.

It's that simple.

DID YOU KNOW...

It is estimated that an average of around 10,000 planes are in the sky at any time, carrying more than 1 million passengers. In 2019, August 9th was estimated to be the busiest travel day in the world, with almost 116,000 landings and 17 million passengers within a 24-hours period.

YOU'RE GROUNDED

Aircraft on Ground, or AOG, is an aviation term indicating that a maintenance issue is serious enough to prevent an aircraft from flying. Acquiring and fitting parts is time sensitive as the aircraft must be put back into service as quickly as possible to prevent delays or cancellations.

2019 RESULTS

815

Aircraft on contract
up from 590 at year end 2018

342K

Landings supported
via our most popular program type

525

Unique customers
in 88 countries

111

USDm ready-to-go aircraft components
to support our customer portfolio

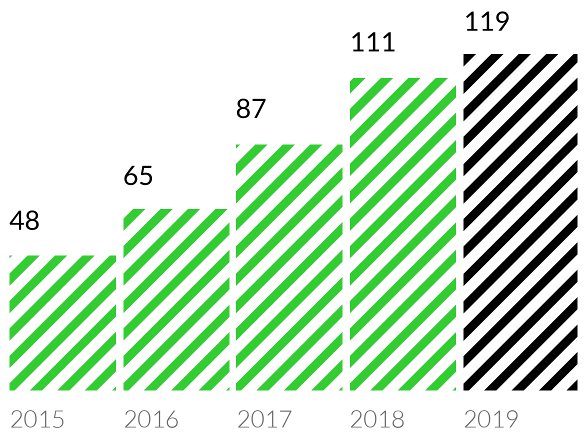
12

TP Aerospace locations
around the world

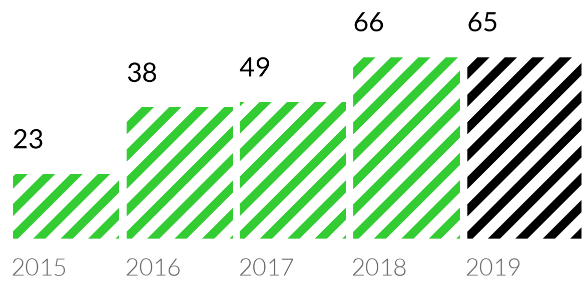
284

Green Team members
up from 269 in 2018

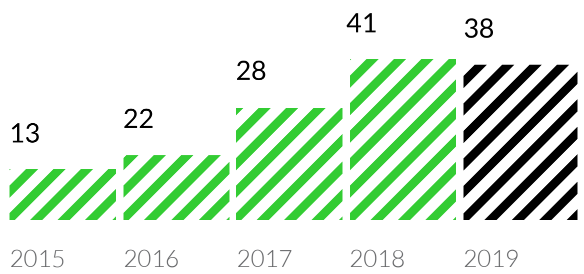
Revenue
(USDm)



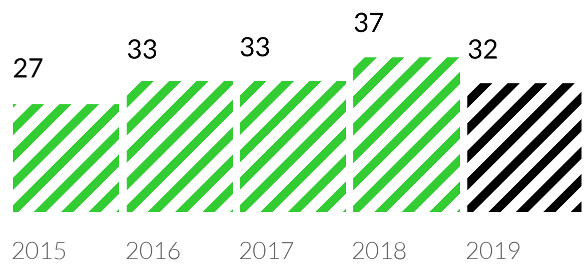
Gross Profit
(USDm)



EBITDA*
(USDm)



EBITDA margin*
(%)



*Before special items / *Note: Treatment of comparison figures is explained in the section "Financial highlights and key figures"*

FINANCIAL HIGHLIGHTS AND KEY FIGURES

	2019	2018	2017	2016	2015
INCOME STATEMENT (USDm)					
Revenue	119.3	110.7	86.6	65.4	47.8
Revenue growth (%)	7.7%	27.9%	32.4%	36.8%	32.9%
Gross profit	65.0	66.2	49.3	38.0	23.2
Gross profit margin (%)	54.5%	59.8%	56.9%	58.1%	48.5%
EBITDA before special items	37.8	40.6	28.3	21.8	12.9
EBITDA margin before special items (%)	31.7%	36.7%	32.7%	33.3%	27.1%
EBITA before special items	12.7	19.0	15.0	10.1	6.3
EBITA margin before special items (%)	10.6%	17.2%	17.4%	15.4%	13.1%
EBIT before special items	12.1	18.7	14.8	10.1	6.3
EBIT margin before special items (%)	10.1%	16.9%	17.1%	15.4%	13.1%
Special items	5.1	3.2	5.1	0.0	0.0
EBIT after special items	7.0	15.4	9.6	10.1	6.3
EBIT margin after special items (%)	5.8%	14.0%	11.1%	15.4%	13.1%
Profit before tax	3.0	12.4	5.0	9.5	5.9
Net profit for the year	2.2	9.9	3.3	7.0	4.6
Net profit for the year (%)	1.8%	8.9%	3.8%	10.7%	9.6%
BALANCE SHEET (USDm)					
Total assets	201.3	180.5	132.7	63.0	37.0
Equity	89.6	86.3	66.5	21.4	15.1
Net interest-bearing debt	73.6	61.9	51.7	28.7	14.3
Invested capital	119.0	103.8	71.9	50.8	29.9
Net working capital	67.9	69.6	46.0	32.6	24.8
Total aircraft components	111.5	93.5	63.5	48.1	26.7

	2019	2018	2017	2016	2015
CASH FLOW (USDm)					
Cash flow from operating activities	-5.3	-8.0	-13.8	1.2	-5.5
Cash flow from investment activities	-19.3	-21.8	-74.3	-15.7	-1.9
Cash flow from financing activities	13.6	31.8	88.3	14.8	7.6
Net cash flow	-0.5	2.0	0.2	0.4	0.1
Free cash flow	-14.0	-29.8	-88.1	-14.5	-7.4
Free cash flow before change in aircraft components and IFRS16 lease liability	5.3	8.4	-72.6	6.9	4.3
EMPLOYEES					
Number of employees (end of year)	284	269	234	177	124
FINANCIAL RATIOS					
Return on invested capital excluding goodwill (ROIC) (%)	34.0%	46.2%	46.2%	54.0%	56.3%
Net interest-bearing debt to EBITDA	1.9x	1.5x	1.8x	1.3x	1.1x
Equity ratio (%)	44.5%	47.8%	50.1%	34.0%	40.9%
Return on Equity (ROE) (%)	2.5%	13.0%	7.5%	38.3%	36.3%

The changes in the legal structure of the Group in connection with CataCap and other investors assuming majority ownership of the Group on 27 April 2017 as well as the Group's adoption of the financial reporting framework IFRS, complicate the direct comparison of the 2017 and 2018 performance to previous years, where Danish GAAP was the financial reporting framework.

To provide transparency, the above reflects a pro forma overview of Group key figures with estimated full year 2017 figures and an estimated restatement of the 2014 to 2016 figures to IFRS.

Definitions of financial highlights and ratios are provided in the section "Other information".

2019 IN A FLASH

Official opening in Hamburg

In early 2019, we were officially ready to serve customers from our new facility just north of Hamburg, Germany. This was marked with a big launch party for customers and friends in March.

Strengthened MRO presence in Asia

During the year, we opened two new MRO workshops in Asia to support the growth in the region. The facilities are located in Kuala Lumpur and Bangkok.

Sales representative office in China

We opened our first ever representative office in Shenzhen, China, to move closer to current and future customers.

First steps in Russia and UK

We strengthened our position in Europe with the addition of two new MRO facilities in Moscow and East Midlands.

New facility in Orlando

After the construction of a new building in Orlando, our Florida Green Team moved into a brand new, modern facility.

New co-investor

In May, Kirk Kapital joined CataCap as co-investors replacing Danica. At the same time, we welcomed Nina Fisker Olesen, Investment Manager at Kirk Kapital, to our Board of Directors.

Largest program to date

In December 2019, we secured our largest program contract to date with Scandinavian Airlines (SAS), covering 124 aircraft. The program is starting in the beginning of 2020.

Approval of paperless system

We received EASA approval of our new paperless system, thereby taking a leading role in MRO digitalization.

CHAIRMAN'S INSIGHT

Since we are a company with great growth ambitions and potential, 2019 was an important year for TP Aerospace. It was a year when we reached several significant milestones and confirmed our commitment to our customers and our strategy as we made significant investments for the future.

With the ongoing roll-out of our growth strategy, Green Sunrise, we see that our footprint is solidly expanding into new areas of the world. We opened five new locations during the year and secured new program customers from five new countries: some of which were a direct result of our growing network of MRO facilities. As an example, in December, we secured a significant program with NokScoot in Thailand which materialized because of our new facility in Bangkok.

Another notable milestone in 2019 was the signing of the Nordic Region's leading flag carrier, Scandinavian Airlines, as a new program customer. With 124 aircraft covered in the program, this is TP Aerospace's largest contract to date and is an important milestone for the company and for the Program Division in particular. In my view, this program does not only verify the value proposition of TP Aerospace, but also the dedication, competencies and drive of the people within the company.

TP Aerospace added 225 aircraft to the program portfolio in 2019. In addition to Scandinavian Airlines and NokScott, these customers counted renowned airlines, such as ASL Airlines Belgium and Avion Express. With these new aircraft, our total program fleet increased from 590 at the start of 2019 to 815 at end of the year, equaling a 39% growth, which made 2019 a record-breaking year for us in terms of number of aircraft under contract.

Despite ending 2019 with an all-time high number of aircraft under contract and several promising entries into new countries, our financial results were impacted by two unprecedented events causing a decline in our profitability compared to 2018. Firstly, two large program customers, WOW air and Aigle Azur went bankrupt early in the year which had negative impact on our program business. Secondly, our Trading Division was impacted by the lowest amount of aircraft transactions in six years. We believe the primary driver of this was the grounding of the Boeing 737 Max but also that it was amplified by the Airbus A320neo experiencing delivery delays. Both events drove a significantly lower amount of fleet changes, which typically accounts for a large share of our trading activity.

Approximately 200 new aircraft signed by TP Aerospace in 2019 were signed near the end of year, so while these had limited to no impact on our 2019 financial performance, we are in a strong position as we enter 2020. As the number of aircraft transactions returns to a level closer to the historic level, we expect to also see a favorable impact on our Trading Division.

In 2017, TP Aerospace signed the UN Global Compact, thereby committing to internationally recognized principles for responsible business conduct. As our commitment to the initiative stays strong, we continue to see good momentum in all areas of the organization to strive for a higher level of social, environmental and ethical awareness in the daily business. Our core business model continues to revolve around the reuse and recycling of parts, thereby encouraging greater resource efficiency in the industry. At the same time, I see that it is an integral part of the employees' everyday work life to look for ways to innovate and rethink business procedures, towards not only smarter, but also more sustainable operations.

The management team's ability to encourage a culture where employees are given the space to be creative in their way of thinking, will be essential for TP Aerospace to be at the forefront of the sustainability agenda, and thereby be able to support our customers well into the future.

Flemming Jensen,
Chairman

LETTER FROM THE FOUNDERS

For everyone in TP Aerospace, 2019 was a year characterized by the many investments we continued to make in our strategy and our business model; Investments that are necessary for us to build and act on our ambitious vision for the company.

We are founded on a passion for the industry and with a vision to create new ways of delivering our services within the aftermarket in a more flexible, more responsible and more customer-oriented manner.

This vision is materializing in the Green Sunrise strategy, and only a year after the launch of the strategy, we have established ourselves in five new locations around the world, implemented new processes, procedures and systems and are now working towards a completely digital and paper free environment to mention just a few of our initiatives. We consider all these initiatives to be investments in our customers and our future, as they are designed to make sure that TP Aerospace stay at the forefront of the global aviation industry.

Despite continued growth in 2019, the year turned out to be more challenging than previous years. This was partly driven by two large airline bankruptcies within our customer portfolio, which primarily impacted the year-end results of our Program Division. Further, the grounding of the Boeing 737 Max and the delivery delays of the Airbus A320neo stalled the retirement and mobility of fleets to some degree, thereby impacting the aftermarket of components.

Even for a year when we have seen some of our loyal customers go out of business, we are leaving 2019 with a record number of aircraft in our program fleet. At the end of the year, we secured a significant number of new programs that we look forward to seeing have a positive impact in 2020. As we continue to see a strong demand for our services, our belief in the Green Sunrise strategy is reinforced.

From the end of 2018 through the first month of 2019, we reached out to our customers, as part of a customer experience survey, to ask them about their perception of and experience working with TP Aerospace. We were overwhelmed by the amount of positive customer responses and that so many customers took the time to actively help us strengthen our partnership with them. The survey showed us that we have an attractive position towards the airlines, which has only strengthened our belief and commitment to our vision and the promises we make

to our customers. However, we know that we need to keep up the hard work to continue to earn the trust and loyalty of our customers.

For us, there is no doubt that key to maintaining a strong position with the airlines is our people: our Green Team. It is the dedication and passion of our people that drives the performance of our organization. They drive the optimizations we achieve, the projects we complete and the unique company culture that continues to grow stronger every day.

In the coming years, we will continue to focus on the strategy and the initiatives that are driving our success. We expect this to be the cornerstone in improving our market position and creating a world class sustainable organization.

We would like to once again thank our entire Green Team for the dedication and effort they have put into TP Aerospace this year. From the youngest trainee to the members of our Board of Directors, everyone has contributed.

Peter Lyager, CEO
Thomas Ibsø, President

TP AEROSPACE IN BRIEF

TP Aerospace was born out of passion: a passion for aircraft, the destinations they reach and the endless opportunities they bring. Our passion gives us purpose.

Who We Are

TP Aerospace is a leading supplier in the aviation industry, specializing in the recycling and reuse of aircraft wheels and brakes. By offering tailor-made solutions to airlines operating fleets of all sizes and compositions, we are determined to keep otherwise complex operations simple.

Since 2008, the company has grown from a small start-up in Denmark to a team of almost 300 people in 12 locations around the world. Named after our prominent company color, we call ourselves the Green Team.

As a team, we have a clear vision to challenge status quo and to always look to create new ways of working and thinking for the benefit of our customers, our Green Team and the environment. With highly passionate people in all corners of our business, we're committed to delivering the best, most flexible and most responsible solutions for airlines in all over the world, anywhere, anytime.

Business Model

The value of TP Aerospace is in the simplicity of our business model. Keeping our core business simple not only allows us to focus on what we are good at; it also enables increased focus on promoting a closed loop supply chain and circular resource flow for the purpose of resource efficiency and returning value.

Operating mainly in the aftermarket, we acquire used serviceable wheels and brakes from various sources, including airlines and teardown companies.

All sourced units are repaired or overhauled at one of our in-house MRO facilities, all of which are certified to the highest industry standards to ensure that units leaving our facilities are airworthy. This process is governed by strict regulations, which requires the proper approvals from aviation authorities as well as a strong quality culture.

Airworthy units are stored in one of our strategically located warehouses around the world. At any given point in time, TP Aerospace holds one of the world's largest ready-to-go inventories of wheels and brakes, ready for immediate delivery to our customers, wherever and whenever they need it.

With our in-depth understanding of the airlines' needs and operating environments, we work with our customers to create and develop solutions that support the industry in the best way possible.

Based on the individual customer's needs, TP Aerospace provide aftermarket wheels and brakes either as a service to customers on a long-term program or as outright sales to a recurring customer base. Units returned to us after service from our program customers, go back into our MRO shops for repair. When parts are no longer serviceable, they are scrapped and recycled by one of our recycling partners.

Ownership

In the spring of 2017, the Danish private equity firm CataCap acquired a majority stake in TP Aerospace, enabling the company to unleash its growth ambitions while also strengthening the company's strategic and operational competencies.

Today, CataCap, together with co-investors Schroder Adveq and Kirk Kapital, holds majority ownership of close to 80%, while close to 20% is still held by the two founders, Thomas Ibsø and Peter Lyager, who also constitute the company's Executive Management team together with CFO, Nikolaj Jacobsen. The remaining shares are held by Senior Management and key employees of the company.

MRO

In the aerospace industry, Maintenance, Repair & Overhaul, or MRO, is widely used to describe aircraft maintenance activity. The vital role MRO plays in keeping supply chains running smoothly can be underestimated and unappreciated. The capacity to routinely maintain, repair, and overhaul components and the diligent monitoring of inventory and systems means supply chains are optimized to better deliver products to customers on time and wherever they are required.

OUR GLOBAL TEAM

* *( ) indicates change in employee count from 2018*

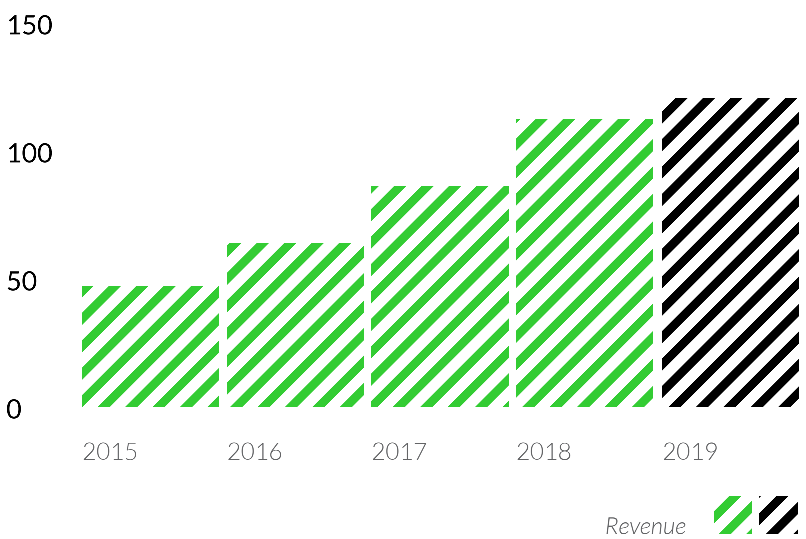
FINANCIAL REVIEW

TP Aerospace reached a record-high number of aircraft under contract in 2019, particularly driven by significant signings near the end of 2019. The financial result was, however, impacted by two unprecedented events: first, the bankruptcy of two large program customers at the beginning of the year and second, the lowest amount of aircraft transactions in six years, which we believe was driven primarily by the Boeing 737 Max grounding and delivery delays of the Airbus A320neo.

Income statement

Overall, 2019 revenue grew by 7.7% to USD 119.3m compared to USD 110.7m in 2018. The Program Division grew by 12.1% to USD 59.3m compared to USD 52.9m in 2018. Within the Program Division, the EMEA region grew by 19.5%, APAC by 14.2% and Americas was slightly below 2018. Existing customers contributed 37% of the total growth, whereas new customers signed during the year contributed with 63% of the growth. Activity with existing customers was impacted by bankruptcies early in the year mainly related to WOW Air and Aigle Azur. This was offset by the full-year effect of programs signed in 2018 and the addition of more aircraft by existing customers in 2019. The Program Division again this year reached a record-high number of aircraft under contract 815 aircraft compared to 590 aircraft in 2018. The majority of the new aircraft signed in 2019 was achieved at the end of the year and therefore had no impact on 2019 revenue and profitability.

Revenue
(USDm)



Of our two program types, our Flat-Rate programs grew 12.9%, whereas the For-Less programs grew 9.6%.

The Trading Division grew by 2.6% to USD 56.8m compared to USD 55.4m in 2018. The lower-than-historic growth was driven by a low amount of aircraft transactions, which was the lowest recorded in the last six years. We believe that this was mainly driven by the grounding of the Boeing 737 Max and delivery delays of the Airbus A320neo. As a result of these events, we saw a significantly lower amount of fleet changes in 2019, which would typically account for a large share of our trading activity. The EMEA region was especially impacted as this is the largest and most mature region for TP Aerospace. In this region, sales decreased by 14.8% and totaled USD 33.8m compared to USD 39.6m in 2018. Americas and APAC both showed strong growth of 51.2% and 47.3%, respectively, both driven by our expansion into new markets. In the Americas, especially LATAM added significant growth, whereas growth in APAC was related to the new Green Sunrise countries. In 2019, the Trading Division sold aircraft components into 80 countries, adding 7 new countries.

Overall gross profit for 2019 was USD 65.0m compared to USD 66.2m in 2018. The gross profit margin decreased by 5.3 percentage points compared to 2018 and equaled 54.5%. This was driven by the Trading Division which decreased by 12.7 percentage points whereas the Program Division gross profit margin was on par with last year. The decrease in the Trading Division gross profit margin was driven by the lower amount of fleet changes referenced above, impacting demand and gross profit margins.

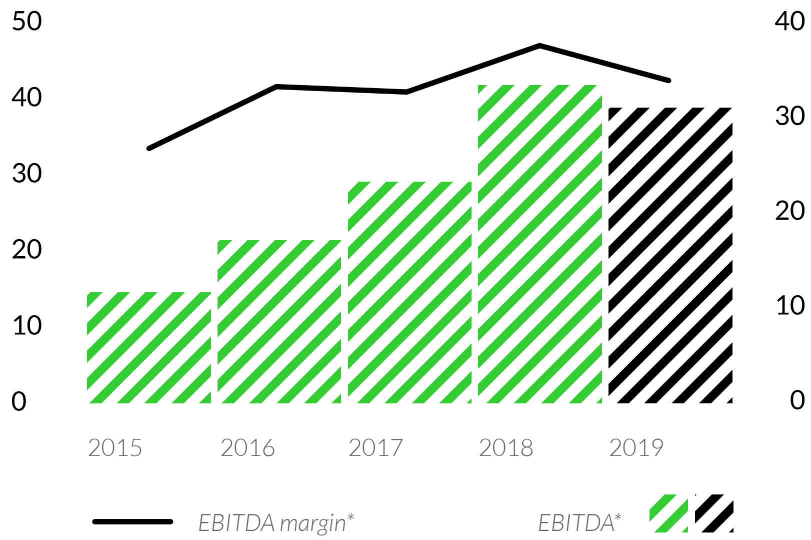
Staff Costs and Other External Expenses were USD 27.2m compared to USD 25.6m in 2018 amounting to an increase of USD 1.6m or 6.3%. The main part of the increase related to the Green Sunrise strategy which included the establishment of five new Green Sunrise locations, relocation to new facilities in Hamburg and Orlando as well as new hires in central positions. Despite these substantial investments, Staff Costs and Other External Expenses relative to sales improved by 0.3 percentage points from 23.1% to 22.8%.

Earnings before interest, tax, depreciation and amortization (EBITDA before special items) for 2019 amounted to USD 37.8m compared to USD 40.6m in 2018. The EBITDA margin before special items was 31.7% which was 5% percentage points below last year. This was driven by the lower realized gross profit margins in the Trading Division and counterbalanced by a favorable ratio effect between Trading and Programs and scalability in Staff Costs and Other External Expenses.

Earnings before interest, tax and amortization before special items (EBITA before special items) for 2019 amounted to USD 12.7m compared to USD 19.0m in 2018. The decrease was driven by the lower Trading gross profit margin, depreciation related to mainly Green Sunrise investments and slightly higher MRO repair cost depreciations compared to last year. The EBITA margin before special items decreased by 6.5 percentage points, driven by the above impacts.

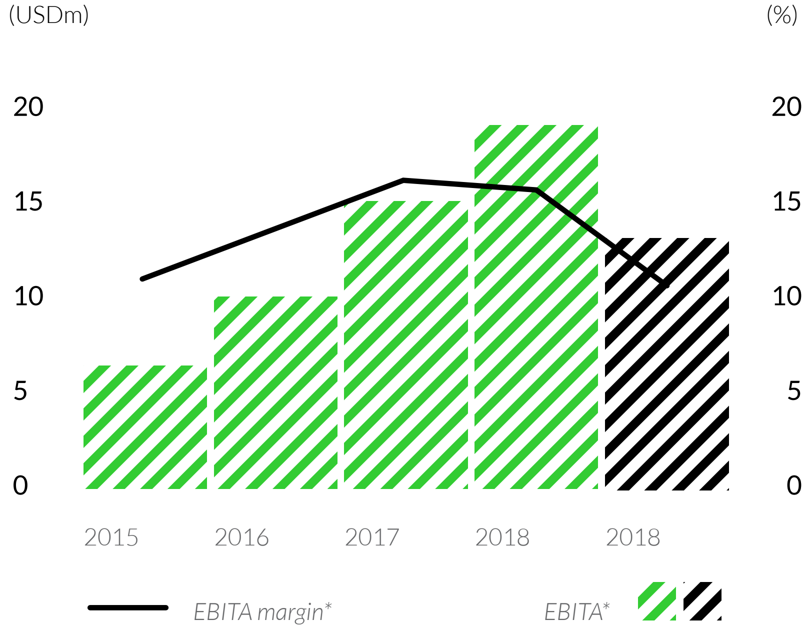
Earnings before interest and tax before special items (EBIT before special items) for 2019 was USD 12.1m compared to USD 18.7m in 2018. The EBIT margin before special items was 10.1%.

EBITDA & EBITDA margin*
(USDm) (%)



*Before special items

EBITA & EBITA margin*



Special items amounted to USD 5.1m, compared to USD 3.2m in 2018, and included non-recurring expenses in connection with the relocation and upgrade of the MRO shop in Orlando, non-recurring losses related to receivables, management and organization restructuring, and non-recurring establishment costs of the new Green Sunrise MRO shops.

Net financials for 2019 amounted to USD 3.9m compared to USD 3.1m in 2018. The increase was driven by increased net interest bearing debt (NIBD) which increased by USD 11.8m compared to last year. The increase in NIBD was mainly driven by increases in total aircraft components related to establishing the aircraft component pools to support the significant amount of new aircraft contracted in 2019 of which the majority was signed in the end of 2019.

Profit before tax was equal to USD 3.0 compared to USD 12.4 in 2018.

Tax on the profit for 2019 was an expense of USD 0.9m, of this USD 0.3m related to prior years.

The effective tax rate of the year equaled 28%. Adjusted for tax expenses related to prior years of USD 0.3m, 2019 was 20%.

Net profit for the year amounted to USD 2.2m compared to USD 9.9m in 2019.

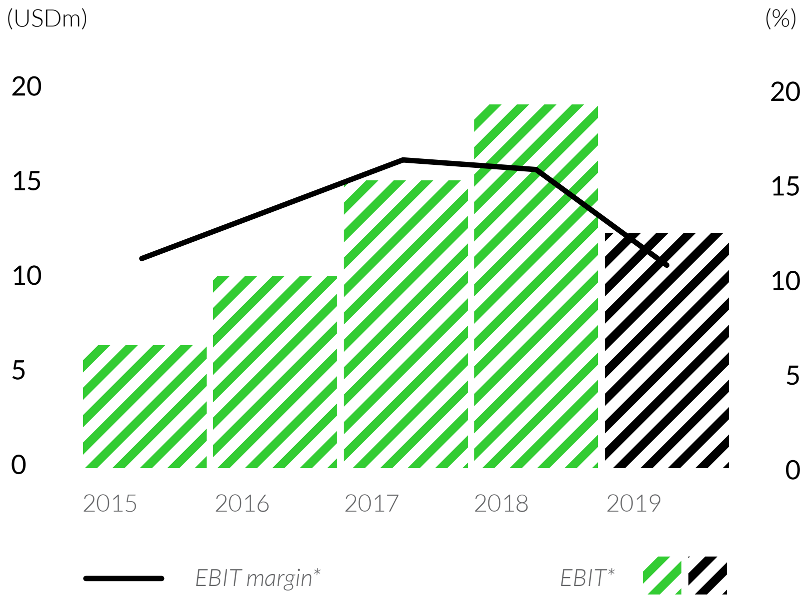
Assets

At December 31 2019, TP Aerospace's total assets amounted to USD 201.3m compared to USD 180.5m in 2018 equal to an increase of USD 20.8m. This was driven primarily by an increase in total aircraft components by USD 18.0m, of which USD 13.1m was treated as financial assets and USD 4.9m as inventory (accounting treatment is further explained in the section "Consolidated Financial Statements" under notes).

Net working capital

Net working capital ended at USD 67.9m compared to USD 69.6m in 2018. The decrease was driven by an increase in payables equal to USD 7.0m driven by overall growth and purchase orders to support the significant amount of aircraft signed at the end of 2019. This was partly counterbalanced by the increase in inventory equal to USD 4.9m. Total aircraft components ended at USD 111.5m compared to USD 93.5m in 2018 equal to an increase of USD 18m. The increase was driven by investments in aircraft components to support the Green Sunrise strategy especially related to increasing the aircraft component pools to support the new aircraft signed at the end of 2019 including, but not limited to, Scandinavian Airlines, ASL Belgium and Avion Express.

EBIT & EBIT margin*



*Before special items

Equity

Total equity amounted to USD 89.6m at December 31 2019, compared to USD 86.3m in 2018, equal to an increase of USD 3.3m. This was driven by the result of 2019 and a management incentive program involving key employees.

Net debt

The net interest-bearing debt amounted to USD 73.6m or 1.9x 2019 EBITDA before special items, compared to 61.9m or 1.5x EBITDA before special items at December 31 2018.

Return on invested capital (ROIC)

The return of invested capital excluding goodwill was equal to 34.0% compared to 46.2% in 2018. The decrease in ROIC was driven by the lower EBITDA before special items and the increased invested capital driven by investment into aircraft components.

Cash flow

Cash flow from operating activities was USD 5.3m compared to USD -8.0m in 2018. This included an interest expence of USD 4.2m.

Free cash flow amounted to USD -14.0m compared to USD -29.8m in 2018. Before changes in aircraft components and IFRS16 lease liability free cash flow was equal to USD 5.3m.

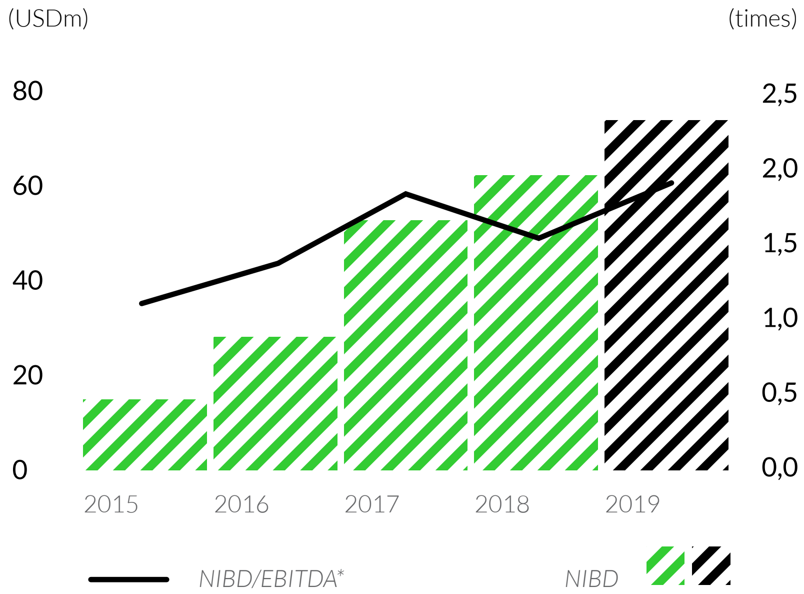
Outlook

The Group's outlook for 2020 is negatively affected by the COVID-19 outbreak and the measures taken by most governments around the world to mitigate the impacts of the outbreak. See also subsequent events disclosures in note 25. It is, however, too early to give an opinion as to the extent of the negative implications on the Group's outlook for 2020.

Events after the balance sheet date

For information regarding events after the balance sheet date, a reference is made to note 25 for the group and note 12 for the parent company.

NIBD & NIBD/EBITDA*



*Before special items

Chapter 2

BUSINESS & STRATEGY

OUR STRATEGY - GREEN SUNRISE

Our own ambitions continue to set the bar high for TP Aerospace. We want to be the No. 1 choice for aftermarket wheels and brakes, and after ten years in business we launched a new strategy in 2018. A strategy that focuses on moving closer to our customers in terms of physical proximity and stronger cooperation. We call it the Green Sunrise.

Our goal with the Green Sunrise strategy is to ensure TP Aerospace's competitiveness and position as the No. 1 choice for wheels and brakes. To achieve this, we place our customers at the core of everything we do, and we have a mission to build strong partnerships with our customers to ensure that we are always on top of their needs and challenges and that we are working closely together on finding the right solutions.

At the same time, we want to ensure that our operations are forward-looking and that our growth is sustainable; we are in it for the long run, and we are determined to support our customers well into the future where social and environmental concerns will increasingly be part of the industry.

HYPERLOCAL AND HIGHLY GLOBAL

A core element of our strategy to move closer to our customers is to build a strong global network of MRO facilities, customer support and commercial teams, while still being present locally and having local teams with in-depth understanding and insight into the local culture, environment and traditions.

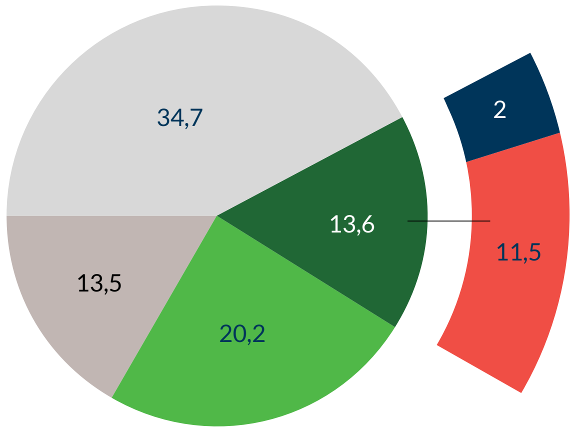
That is why we have hubs in all major regions which are operated by our local Green Teams who support all customers in the regions through physical proximity and increased insight into local culture and conditions. To reach our customers even closer to home, we are continuously evaluating the need and opportunity for TP Aerospace to open local MRO shops and support offices in various parts of the world. This aims to give our customers the experience and comfort of a local supplier, but the benefits of a truly global partner.

Market Outlook

While Green Sunrise strengthens our service and relationship to customers, it also allows us to approach relatively untouched markets and puts us in a stronger position to keep up with the forecast growth in global aviation.

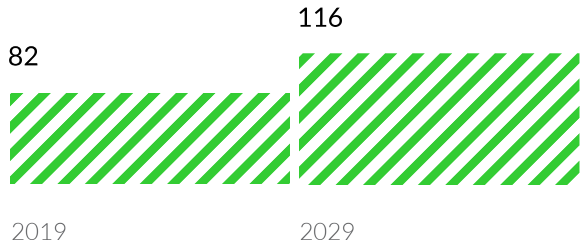
With the global commercial fleet expected to grow significantly over the next ten years (increasing from 27,492 aircraft in 2019 to 39,175 aircraft in 2029), the underlying demand for MRO services is expected to increase significantly from USD 82bn to USD 116bn in the same period. A considerable amount of the growth relates to components, of which the wheel and brake MRO market is estimated at 2.0bn. This shows significant untapped market potential for TP Aerospace and supports the Green Sunrise growth strategy.

2019 MRO market by segment (USD bn)



Source: Oliver Wyman and ICF

Global MRO market forecast (USD bn)



The strategic pillars

This is not growth simply for growth's sake. Our business model builds on a high level of flexibility and reliability towards our customers, and growth is important to keep up with market demands and to continue to deliver on our simple promise of wheels and brakes anywhere anytime.

However, an ambitious growth strategy requires a strong operating model and guiding principles, and we believe that as we grow, our people and our processes need to grow with us – taking the experience of our people and their ways of working to new territories to create a global brand that shares our guiding principles and entrepreneurial spirit wherever in the world you meet us. Therefore, the Green Sunrise builds on four core strategic pillars, all of which are key to fulfilling our ambitions.

Excellence: Drive operational excellence throughout our business, from commercial execution to maintenance operations and customer support.

People: Develop our people and our organizational structure to continue to exceed the standards of our industry.

Technology: Explore opportunities for utilizing technological advancements in our daily operations to foster innovation and increase efficiency.

Footprint: Expand our value proposition to new geographical areas around the world as well as continually improving our existing sites to cater for our customers' needs.

EXCELLENCE

For us, excellence is not just about refining our operations, procedures and overall business model to become more efficient but rather a mindset and a culture to always seek to create added value for our customers and achieve sustainable growth.

Customer insight leads to excellence

Our customer portfolio is growing. In 2019, we supported a total of 554 unique customers in over 90 countries. This was close to 20% up compared to the amount of unique customers in 2018. Looking specifically at our Program Division, the portfolio grew from 590 aircraft on contract across 81 operators in 2018, to 815 aircraft across 97 operators in 2019. Thereby, the average number of aircraft per program customer increased from 7.3 to 8.4 between 2018 and 2019.

Growing our customer base while also maintaining a high service level requires a strong focus on commercial excellence. For us, excellence is when we take away all worries from our customers and manage to reduce complexity by making otherwise complex operations simple.

In early 2019, we finalized our first global customer experience survey, where all customers globally were invited to answer a range of questions related to our products, effort and conduct, purpose and dedication. With this being our first global survey, we have considered the results of the survey against an appropriate benchmark. This benchmark is based on the average of approximately 200 similar B2B surveys completed over the past four years, with a total of approximately 500,000 responses.

With a high response rate as well as a Net Promoter Score, or NPS, significantly above the benchmark, the survey confirmed that our value proposition and our approach to building relations have a strong place in the industry. Additionally, the survey provided valuable insight into each individual customer's experience working with TP Aerospace, thereby enabling us to work targeted at strengthening our services towards both our Programs and Trading customers.

We experience that customer surveys support our commercial and operational teams in engaging in deeper dialogue with our customers and thereby providing an even better service. Customer feedback also enables our management team to continuously assess and adapt our value proposition towards the market.

WHAT OUR CUSTOMERS SAY

On a scale from **0-100**, here's how our customers rate their experience with TP Aerospace*

TP Aerospace is dedicated about what they do:
90 / *Benchmark: 73*

It is clear what TP Aerospace stands for:
87 / *Benchmark: 72*

The support from TP Aerospace employees is satisfying:
91 / *Benchmark: 78*

TP Aerospace is trustworthy:
90 / *Benchmark: 76*

**benchmark is based on the average of roughly 500,000 responses through approximately 200 similar B2B surveys conducted over the past four years.*

Towards smarter MRO operations

Our service to our customers is dependent on our ability to run smooth maintenance operations and deliver on our ambitious targets in a timely manner. In 2019, our MRO facilities maintained more than 20,000 wheels and brakes, and in our largest MRO facility, we saw a growth of 11%. Whereas some of our facilities specialize in specific part numbers, other sites are equipped to handle most or all part numbers, which allows us to utilize our facilities and our capacity to the highest extent possible.

With a rapidly growing network of inhouse MRO facilities all over the world, excellence is dependent on our ability to create lean operations throughout our global network and thereby provide added value to our customers while also eliminating waste.

During the year, we continued working on several initiatives to improve lead time and automation in our facilities while at the same time maintaining our high quality. To do this we have assessed and optimized our physical workflows and machinery to ensure the optimal setup. One example has been the installation of assembly machines, torque machines and wheel lifters in most of our facilities minimizing manual labor, removing human errors and improving quality standards.

In 2019, we maintained a low warranty claim rate, indicating that our continuous efforts to work smarter are proven to have a positive impact on the quality of the services we provide.

A range of technology and digitalization initiatives were also implemented to drive excellence in our MRO facilities. These initiatives are described further in the chapter "Technology".

TRANSFORMING OUR LARGEST MRO FACILITY

We set up our very first MRO facility in 2010, just north of Hamburg, Germany. Since then, activity has increased significantly and our organization has grown. After eight years in the same building, we decided that the original building was no longer fit for our needs. So we set out for a new adventure.

During the last months of 2018, we moved into a new building not too far from where we started almost 10 years ago. In this building, we have created a state-of-the-art MRO facility with a layout that is designed to secure the best possible flow from the moment a unit enters our facility until it is shipped to our customers.

The facility is equipped with modern machinery to not only minimize the physical load on our people, but also to allow them to work smarter and utilize their skills in the best way possible.

With the right physical surroundings as well as the right organization in place, we are confident that we will support our EMEA based customers well into the future from our new facility in Hamburg.

PEOPLE

It is the people behind TP Aerospace that make the difference, and it is the people who are ultimately allowing us to reach our goals. We have determined efforts to provide our people with the right environment, skills and tools to succeed.

A strong culture

We give high priority to retaining skilled and experienced employees while also bringing in new employees with new skills and knowledge that between them will help us reach our goals. In TP Aerospace, we have learned that our company culture plays an essential role in our ability to retain and attract talent. In 2019, our global workforce grew approximately 5% to 284 people at year end. Some of these people joined TP Aerospace at one of our new MRO facilities, whereas others joined our current locations and headquarters.

With a growing and diverse workforce, we are increasingly strengthening our efforts to sustain a strong and unique culture. As a company, we believe in individuality: personality matters. Therefore we are committed to fostering and building a culture of respect, individuality and creativity which we believe are some of the cornerstones of our success.

During the year, we have strengthened our global HR team with additional local resources, allowing us to develop and target our efforts to each region in consideration of local conditions and cultural aspects. Throughout TP Aerospace, we work in a structured manner with a number of initiatives to continuously assess, define and strengthen our company culture. At the core of these initiatives lies an overarching understanding of our company values and incorporation of these values in our employee life cycle, from recruiting and on-boarding to development and termination.

In 2019, we carried out our first global workplace assessment. The assessment was anonymous and covered areas ranging from overall job satisfaction and wellbeing to ergonomics and safety. With a response rate of almost 80%, the assessment has provided valuable insight into our organization and enabled us to put in place targeted activities to strengthen our people's experience of working with TP Aerospace. The survey showed a general job satisfaction of close to 90% amongst our global Green Team, which was above target. However, we are committed to continuing to identify areas of improvement. Amongst many initiatives, the workplace assessment has resulted in a redesigned global communication plan as well as the establishment of a regional Safety Steering Committee for our US operations with the aim of supporting safe work practices, improving overall safety and creating a safety incentives program to promote safe habits.

The workplace assessment will be performed annually, thereby ensuring that we continue to work actively with our work environment and making TP Aerospace an attractive employer, allowing us to continue to attract, retain and develop talent.

Building our competencies

Though our core business, vision and product offerings are the same as when we started over ten years ago, the nature of our operations is in constant development as a result of the changes in the industry, the needs of our customers and our own ambitions.

In TP Aerospace, it is our people who are key to achieving operational excellence and to ensuring that we continue to deliver the best, most efficient and most responsible solutions to our customers, now and in the future. That is why we have a strong focus on ensuring that our internal competencies and skill levels match our future business which not only puts a pressure on us to develop our current workforce and bring in new competences but also to continue to work smarter and increase efficiency.

In 2019, we implemented a global employee development initiative called Development & Performance Dialogues to enable in-depth dialogues between managers and employees about the individual employee's wellbeing, performance and development opportunities. This initiative not only supports the individual employee's development but also TP Aerospace's overall ability to develop and grow our internal skill level. The Development & Performance Dialogues are being rolled out in steps. In 2019, the initiative was rolled out to 45% of our global workforce.

In addition to developing and bringing in new skills, we also continue to work with our global matrix organization and on strengthening the corporation across our global and functional areas. A focus area for 2019 has been the continuous development of our Sales & Operational Planning (S&OP) procedures to unite and ensure harmonization across our commercial, operational, financial and maintenance operations. With our increasing focus on and investments in initiatives such as S&OP, we see that our efficiency is increasing.

Total headcount	Number of different nationalities	Average age
284	**42**	**40**

TECHNOLOGY

Although we believe that our people are the key to success, we need to pair our employees with the right tools and systems to get the job done and to empower employees to work smarter and at the same time increase the quality of our services.

Towards data-driven and automated processes

We continue to build our digital competencies and have made it an ever integrated part of our strategy to continue to look for digital tools to help us automate repetitive tasks, support innovation and identify new and more efficient ways of working, spanning from finance and administration to warehouse and maintenance procedures.

We continued the implementation of our digitalization project initiated in 2018. At the core of the project lies a goal to create transparency and build an increasingly solid data foundation enabling more enlightened decision making throughout TP Aerospace, ultimately creating better experiences for our customers. During the year, our main focus was on the continuous development of our business intelligence software. With this, we are creating a single entry to all data in TP Aerospace and allowing for smarter and more efficient data analysis across financial, commercial and maintenance operations.

We have initiated a pilot project to investigate how we can use robotics software in our business to further automize some of the more generic and repetitive tasks in TP Aerospace. By using robotics software, we aim to create better utilization of our people's skillsets on more value adding tasks. The pilot project is focusing on the automation of different tasks within our finance and accounting teams, but with positive feedback we are looking into expanding the project to other areas of our business.

In 2019, we also implemented a new, global quality management system for the purpose of streamlining our quality efforts and performance globally and reduce the risk of human error in quality reporting and data capturing. The implementation of the system will continue into 2020 and will provide a crucial platform for auditing, training, reporting and document management.

Working towards paperless operations

We have developed and implemented our own paperless system in our MRO facilities to simplify processes and digitalize data to document our work. The system has been approved by the European Aviation Safety Agency (EASA), the Civil Aviation Safety Authority (CASA) and a number of local aviation authorities, including the Malaysian and Thai authorities.

With these approvals, TP Aerospace has become a frontrunner in MRO digitalization as we are working to eliminate paper and implement fully paperless processes throughout our inhouse MRO shops.
The initial phase of the paperless project began in 2018, and is a strategic initiative supporting our Green Sunrise growth plan. Since then, we have invested significant resources into developing a structure and system that digitalizes our work order process flow. It is an efficient method for easing the workflow, reducing risk of mistakes and ensuring the best possible service to our customers worldwide.

The Paperless System is a direct data entry method where no paper is needed on any work processes. It will replace the old barcode scanning system, where barcoding was needed on all tools and hardcopy work orders. With the new system, the number of procedures to be completed are linked to digital protocols. This provides a stronger quality control and reduces the risk of mistakes.

With the Paperless System, we have developed a state-of-the-art tool for handling complex work orders in a simple way.

At year-end 2019, the paperless system was implemented at half of our facilities around the world, and we aim to roll out the system to all our facilities in 2020.

FOOTPRINT

A core element of our business strategy is our ability to increase our global presence as well as our competencies and capacity to enable a further expansion of our value proposition into new markets and to an increasing diverse customer portfolio.

Expanding our geographic footprint

With the launch of the Green Sunrise strategy in 2018, we announced our intention to significantly increase the number of TP Aerospace facilities and offices worldwide. Through proximity, increased brand visibility and market penetration, our new locations are intending to support current customers locally as well as to unlock new market opportunities for our commercial teams.

INITIATING OPERATIONS IN NEW ORLANDO FACILITY

In 2019, we moved into our completely new and purpose-built facility in Orlando, Florida. The new building is fitted and designed to become TP Aerospace's regional center of excellence in the Americas region and to support our solid customer base in the region.

With the new facility, we are not only increasing our Orlando capacity significantly, we are also creating a state-of-the-art MRO facility and office space where employees have the ideal surroundings to succeed in their everyday work life.

In 2018, we added the first two new facilities to our global MRO network, as we established ourselves in the East Midlands in the United Kingdom and in Kuala Lumpur, Malaysia. Both facilities were approved by the relevant aviation authorities in the beginning of 2019 and have been fully operational through most of 2019.

During the first half on 2019, we added a second MRO facility in the Asia Pacific region when we welcomed a new Green Team in Bangkok, Thailand. This facility was added to our global network due to our existing strong customer base in Thailand as well as the projected growth in the country. This was a strategic decision in line with the objectives of the Green Sunrise strategy. The facility was approved in April and was fully operational in the last eight months of the year.

In 2019, we also established ourselves in Moscow, Russia, and a full MRO workshop has been set up and is awaiting approval in early 2020. Although we already have strong ties to Russian airlines as well as a good insight and understanding of the culture and market conditions, various restrictions on imports and exports make it necessary for TP Aerospace to be locally present to enable us to further develop our relationships with the airlines and provide them with the same support as we offer customers in other parts of the world.

In addition to new MRO facilities, we have also added a representative office in Shenzhen, China. According to leading industry expert Oliver Wyman, the Chinese market is projected to account for above 30% of net aircraft growth in the next ten years. To address this, we have added a legal entity and welcomed a Business Development Manager in China, enabling us to gain access and insight into the market and utilize the potential.

With this expansion of our geographic footprint in 2019, we increased our presence from nine locations in 2018 to 12 in 2019, and we can now support customers from two more time zones.

This global expansion is also supporting our commercial entry into completely new and surrounding countries, and in 2019, our commercial teams secured entry into 7 new countries.

WELCOMING SAS ONBOARD

In December, we officially welcomed Scandinavian Airlines – SAS – into our customer portfolio.

The selection process was professionally run by SAS with support from external consultants, who performed extensive due diligence investigations on all aspects of TP Aerospace's business.

With full transparency from TP Aerospace and a solid commitment and good communication from SAS, the final agreement was signed in December 2019.

For TP Aerospace, this program is our largest to date and is a perfect testament to the operational and financial advantages of our program offerings, assisting our customers around the world to realize cost savings while also making efficiency gains.

SAS is the leading airline in Scandinavia and has awarded TP Aerospace with the responsibility of supporting 124 aircraft, covering a mix of A319, A320, A321, A330 and A340 as well as B737-700 and B737-800.

Targeting larger airlines

During the first ten years in business, TP Aerospace's focus was on providing small and medium sized airlines with a smart and cost-effective alternative to component management. This strategy kicked off a significant growth journey that is now allowing us to expand our value proposition even further.

With the addition of new MRO facilities in 2019 as well as the full utilization of our new facilities in Germany and Orlando, our total capacity grew close to 20% from 2018 to 2019. Additionally, our continuous work towards excellence and digital transformation is also strengthening our ability to manage more customers as well as more complex programs at the same time.

Although our core customer base continues to consist of small and medium-sized airlines, with fleet sizes ranging from 1-25 aircraft, our size, capacity and proven ability to deliver a high-quality service is also becoming increasingly appealing to larger airlines and national flag carriers.

At the end of 2019, we secured our largest program contract to date measured by fleet size with Scandinavian Airlines. The contract covers 124 aircraft, and together with a number of other new programs, the average number of aircraft per contract grew from 7.3 in 2018 to 8.4 in 2019.

As a business partner, we take pride in continuing to support and deliver a quality service to smaller airlines, just as we see great business and development opportunities in expanding our value proposition to larger airlines and succeeding in delivering flexible solutions to more demanding customers.

Chapter 3

GOVERNANCE

CORPORATE GOVERNANCE

Our principles for good corporate governance are based on our Articles of Association and governed by our Board of Directors and our Executive Management team.

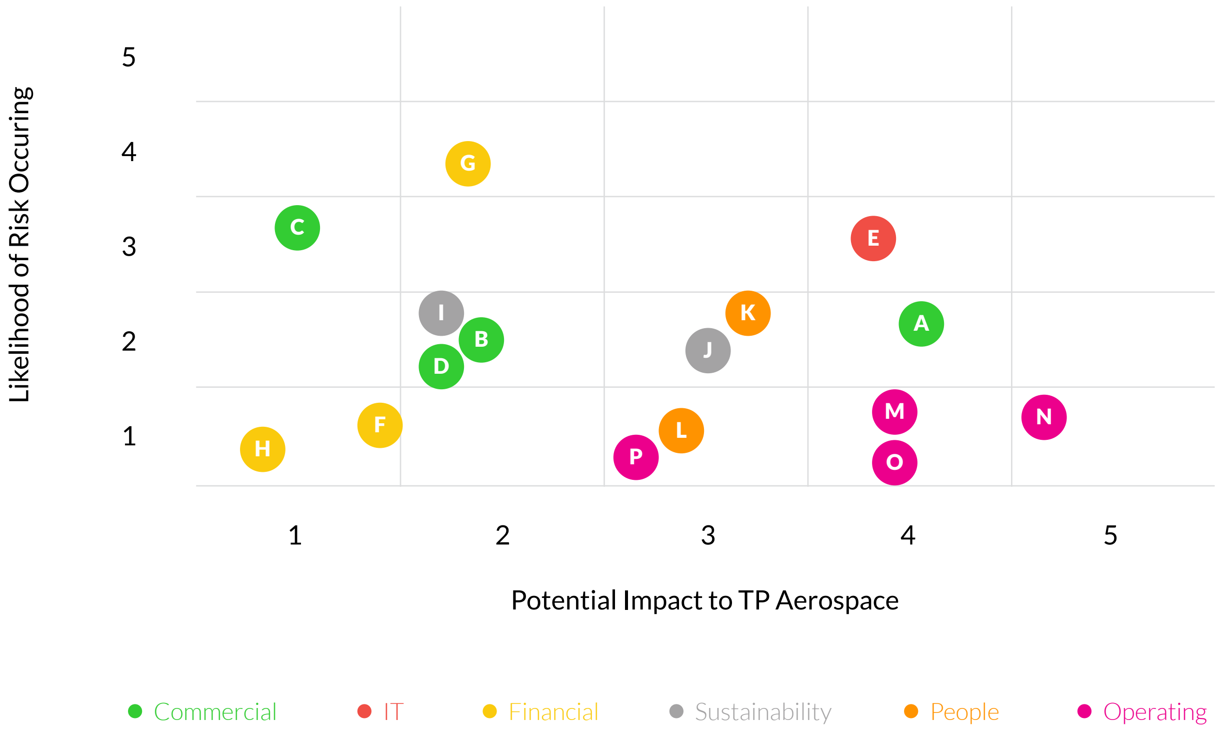
We align our corporate governance efforts with the “Recommendations on Corporate Governance” issued by the Danish Committee on Corporate Governance. This is achieved by maintaining an ongoing dialogue with our owners and other stakeholders, by reporting results on a quarterly basis and facilitating an ongoing strategic development process that creates value for our stakeholders.

Furthermore, as our majority owner CataCap is a member of the Danish Venture Capital and Private Equity Association (DVCA), TP Aerospace must comply with the guidelines issued by the DVCA available at the DVCA’s website www.dvca.dk. The guidelines released in June 2008, with subsequent modifications, recommend extended coverage of a number of factors in annual reports, including corporate governance, financial risk, employee relations and strategy.

RISK MANAGEMENT

Risk management is fully integrated into our operational activities and decision-making at all levels of our business. With our risk management structure, we aim to secure proper and efficient management of identified risks and to reduce any uncertainty in reaching our business objectives.

Risk Matrix



A Component availability
B Market risk
C Oil prices
D Customer Concentration
E IT security
F Liquidity
G Credit
H Currency
I Environmental
J Anti-corruption
K Qualified employees
L Occupational Health & Safety
M MRO Capacity
N Safety
O Asset security
P Quality

With a risk policy and procedures in place, we have a systematic approach to the efficient management of risk, letting us identify risk early and proactively work to prevent an increase in exposure.

Risk is continuously identified and monitored by the Executive Management and presented to the Audit Committee who monitors the company's risk management procedures.

Identified risk is assessed based on its potential impact on our business and the likelihood of the risk materializing. The most significant risk is reported to the Board of Directors.

The key risk areas related to TP Aerospace's business are presented on the left page and described further on the following pages.

Risk Management Structure

- Approval of Risk Management Policy
- Review of essential risk areas

- Monitoring of risk management procedures and the development of key risks
- Reporting to the Board on compliance with Risk Management Policy
- Monitoring of the Executive Management's reporting to the Board concerning the development in the most essential risks

- Identification and monitoring of risk, including proposals for mitigation activities
- Continuously present changes to the risk picture to the Audit Committee
- Reporting of essential risk to the Board of Directors

KEY RISK

Risk	Description of risk	Risk control measures
A Component availability	Lack of available piece parts and wheels and brakes in the market could have an impact on our business model.	Our continuously strengthened market position enables us to cooperate closely with key stakeholders in the industry to ensure sufficient influx of components.
B Market risk	Risk related to macro-economic trends as well as market and competitive trends.	Global growth in the air travel is expected to outgrow GDP especially in the APAC region. TP Aerospace has a highly diversified customer portfolio with over 550 customers and no customer representing more than 4% of total revenue. TP Aerospace is also geographically diversified with sales in more then 90 countries.
C Oil prices	High oil prices can have an impact on airlines' operating costs and profitability.	The potential impact for TP Aerospace is considered low due to limited correlation between oil prices and demand for MRO services.
D Customer Concentration	The risk of being dependent on a limited number of key customers, thus being more vulnerable to potential bankruptcies within our customer portfolio	We have a fragmented customer portfolio, which is continuously assessed to mitigate risk.
E IT security	Disruptions to our IT systems, especially cyber-attacks, pose a risk to our business and our industry in general.	Continuous improvements of procedures pertaining to cyber security, i.e. through Cyber Security Training, threat assessments and contingency plans. To mitigate potential implications of an attack, we have a disaster recovery procedure in place.
F Liquidity	The risk of not being able to meet our future cash flow needs.	"We have secured a sufficient capital position to meet the current and future cash flow needs of the Green Sunrise strategy. If any additional liquidy is needed our owners holds a strong financial position. "
G Credit	The risk of incurring a financial loss if a customer or counterparty fails to fulfil their contractual obligations.	Our highly diverse and fragmented customer portfolio, credit and collection policy including continuous risk assessments allows us to take the necessary precautions to mitigate this risk.
H Currency	TP Aerospace's functional currency is USD, and currency risk from operations is mainly towards DKK and EUR.	The typical exposure towards currencies other than USD is minor with DKK being the largest.

Risk	Description of risk	Risk control measures
I Environmental	The strong focus on climate change from authorities as well as the general public, impose increased requirements for reduced environmental impacts and creates a general uncertainty about the future legislative and operating environment.	We structure our environmental efforts throughout TP Aerospace as a means to always be ahead of any potential new regulatory requirements. We deem the risk to be low but are strictly following the developments as we acknowledge that the risk level may increase due to external circumstances.
J Anti-corruption	The risk of being involved in or associated with illegal or unethical acts within our company or value chain, potentially leading to criminal action towards TP Aerospace or reputational damage.	We have implemented a global Anti Bribery and Corruption Policy to increase awareness and define the minimum standards of conduct that all employees must abide by. As the materialization of this risk may depend on individuals within our company, our focus is on creating awareness, building schemes for reporting concerns and for communicating the consequences of any potential involvement by an employee.
K Qualified employees	With our growth plans and a projected shortage of skilled engineers and mechanics in our industry, we are at risk of facing an expertise gap, a drop in skill levels and an increase in operating costs resulting from higher wages.	Various initiatives are implemented to raise the skill level of our workforce and to strengthen our employer brand to be able to attract the right talent in the market. Examples are leadership development, succession planning and continuous training programs.
L Occupational Health & Safety	The safety of our people is our highest priority, as incidences could have serious consequences for our people, operations and reputation. The biggest safety risk lies within our MRO shops.	Through our safety management system, we work to manage safety risk in the workplace by conducting regular risk assessments of the different work stations, implementing new policies and procedures and by increasing employees' awareness of safety issues.
M MRO Capacity	The risk of our MRO capacity not meeting market demands or our sales level.	We mitigate this risk through our growth strategy by setting up new MRO facilities around the world and by continuously optimizing our operations to increase capacity in existing facilities.
N Safety	Hull losses as well as liability for passenger injuries, environmental and third-party damage caused by aircraft accidents related to TP Aerospace.	We live up to the highest quality and safety standards of some of the world's most recognized aviation authorities including the FAA and EASA. In case of an incident, our Aviation Liability Insurance provides coverage for financial damages.
O Asset security	Damage to our stock could potentially have a critical financial impact on our business.	Our assets and liabilities are generally covered by insurance taken out with first-class insurance companies. We always strive to secure certain safety margins to avoid serious financial consequences from an incident or casualty.
P Quality	Failing to obtain or maintain the necessary approvals to stay in operation and defects in product quality.	Policies, procedures and systems are in place to ensure that our operations and products live up to the highest quality standards and to continuously assess and improve our procedures.

QUALITY MANAGEMENT

As a leader in the wheels and brake aftermarket, it is our responsibility to deliver reliable, safe and quality products and services. Quality is an integrated part of our business and cannot be considered independently from our operations.

We are committed to continuously strengthening our quality culture to consistently meet and exceed our customers' expectations.

We continue to raise the bar for quality and safety in aviation; we do so by identifying the challenges in the industry and adopting best practices, allowing us to develop and improve our company's processes to ensure compliance with applicable regulation and customer requirements. We pride ourselves in how our commitment to quality is embedded in our company culture: a culture that empowers employees at all levels of the organization to proactively get involved and contribute to quality and safety management.

At TP Aerospace, it is our policy to be certified to the highest quality standards in the industry. Our Part 145 approvals combined with our AS9120 Rev. B accreditations allow us to drive and strengthen quality management and achieve goals.

In 2019 we initiated the roll-out of a new Quality Management software for auditing, training, reporting and managing documents throughout our global operations. The new system will provide us with a centralized focal point for effectively capturing information in relation to quality management, streamlining processes and promoting quality and safety. During 2020, we will continue the integration of the new software to ensure maximum utilization and further strengthen our quality culture.

CORPORATE RESPONSIBILITY

We are committed to responsible business conduct and consider it part of our DNA to take responsibility for how our operations influence our surroundings. For us, this means that we are continuously making economic, social and environmental concerns part of our day-to-day business activities and decision making.

Operating in a rapidly growing industry with ambitions to become the leading supplier in our niche, we acknowledge that our role and responsibility towards our stakeholders and society, goes beyond short-term financial returns. Therefore, we have designed our corporate responsibility efforts to not only create long-term growth for our owners, but also to create value for our employees, business partners and society by limiting our environmental impact, providing a safe and stimulating work environment and delivering services to our customers of the highest quality and ethical standards.

With a clear vision in mind, we continue to place high expectations upon ourselves to conduct business with the highest level of integrity and ethical, environmental and social awareness within all areas of our business model as described on page 19.

Since 2017, we have been signatory to the UN Global Compact, the world's largest voluntary initiative within corporate responsibility. With this step, we committed to aligning our business strategy and operations with ten universally accepted principles within human rights, labor, environment and anti-corruption - and to take action to advance broader societal goals. Based on the principles of the UN Global Compact, our global Corporate Responsibility Policy from 2017 forms a framework for decision-making throughout TP Aerospace, and we continuously strive to strengthen the level of integration between the policy and our everyday operations.

Based on our Corporate Responsibility Policy, our strategy is built to continuously assess and optimize our operations and procedures to minimize the impact of our business activities and to contribute positively to the development within our four key focus areas, which are defined as:

- Human rights, including labour rights
- Health & safety at work
- Climate & environment
- Anti-corruption

UN GLOBAL COMPACT
COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

This section serves as our Communication on Progress to the UN Global Compact and meets the requirements of the Danish Financial Statements Act sections 99a and 99b.

Human and labour rights

Our policy

We respect the human rights, including labor rights, of all people within our sphere of influence, whether they are part of TP Aerospace or of our general value chain.

Our policy builds on the UN Guiding Principles on Business and Human Rights (UNGP). We use these guidelines as a framework for understanding human rights in a business context, and we continuously conduct human rights due diligence to help address potential human rights risk linked to our business activities. The process includes steps to, 1) identify and assess potential adverse impacts, 2) take action to prevent and mitigate risk and impacts, 3) track actions and ensure we follow up on potential risk and actual impacts, and 4) communicate our impacts and actions to affected stakeholders.

We recognize diversity as a quality in itself that develops different views, ideas and analyses. It is therefore our policy to actively promote a diverse workforce and to eliminate discrimination of any diversity traits, including gender, nationality, personal and professional experience, cultural background and other diversity factors. It is therefore our policy to promote diversity within our global workforce as well as in our management team, which includes striving towards a more equal gender representation at all levels of our company.

With the growth of TP Aerospace and our expansion into new countries and territories, we must also have processes in place to assess the human rights risk in each country, to ensure proper prevention of potential risk through compliance with existing labor legislation in all countries, as well as with the minimum standards for respecting human rights as they are outlined in the UNGPs.

Outside TP Aerospace itself, we must also actively take part in assessing how our operations and our products affect the people working within and affected by the operations of our value chain.

Our actions

At the core of our work with diversity and inclusion, there is a fundamental value of respect: Respect for other people and for their differences. We are committed to continuously promote respect within our workforce and eliminate any kind of harassment or discrimination.

In 2019, we conducted our first global workplace assessment, covering a variety of areas, including questions relating to the psychological work environment, trust and respect, harassment and inclusion. Based on these results, action plans have been put in place for all our locations to ensure that we identify challenges and actively work to promote a healthy and positive work environment for all employees.

Working in an industry and niche that is traditionally male-dominated, we continuously strive for a more balanced gender representation throughout the company. The majority of our efforts focuses around the recruiting of new employees to ensure that we do not discriminate in our recruiting procedures but actively appeal to all. That includes supporting our hiring managers and providing them with the right tools to avoid bias in the selection and development processes.

Within our value chain, we continue to assess our options for engaging in a deeper dialogue with business partners on matters relation to human and labor rights to ensure that our business relationships do not conflict with our ethical guidelines.

Risk

Due to the nature of our business, we recognize a risk of not being objective in recruiting procedures, thus contributing to an industry culture not reflecting the surrounding world. Consequently, there is a risk of being biased in identifying internal candidates for higher level positions.

Additionally, with our highly diverse workforce comes a risk of people neglecting to respect and recognize each other's differences, leading to discriminatory behavior.

Within our value chain, we risk purchasing goods from suppliers or selling services to customers who do not actively promote respect for human rights.

Indicators

We aim to increase the number of applicants of the lesser represented gender in the specific position or department, and we internally follow up on our progress in this area.

We further wish to achieve a reasonable representation of both genders within the global management team, and our target is that the gender composition within the global management team should, as a minimum, represent the overall gender profile of our general global workforce.

Within our Board of Directors, our target is to have minimum one female member by 2020.

Our newly introduced annual workplace assessments will be used to track our ability and success in building a culture and work environment characterized by respect and inclusion.

Performance

At year-end 2019, 20% of our global workforce was female and 80% male. To compare, 26% of the global management team was female. We are satisfied with our ability to promote the lesser represented gender in management positions, however, we acknowledge the challenge we face in our industry to attract female talent.

During the year, we welcomed a new female Board Member in our Board of Directors, thus reaching our target of minimum one female Board Member by 2020.

Our 2019 workplace assessment revealed that less than 7% of our global workforce did not feel part of the "Green Family" at work. Action has been taken to engage in dialogue with our employees worldwide to increase the understanding and individual commitment to a culture characterized by inclusion.

Health & safety at work

Our policy
Our employees should always feel safe at work; they should never worry about being involved in an accident at work or being physically or mentally worn out because of their job.

We consider safety in the workplace a fundamental right and prerequisite for well-being and job satisfaction.

It is our policy to always provide safe and healthy working conditions for our employees and to make safety everyone's business.

Our actions
Throughout our global group of companies, we continuously engage our employees in discussions regarding safety issues, and we use safety representatives among the workforce to promote safe procedures.

In our MRO facilities, where we identify the highest safety risk, we conduct regular safety reviews of all workstations, and share findings and knowledge between our sites. Our key efforts relate to the continuous training of employees in high risk positions.

In 2019, we made safety a central part of our global anonymous workplace assessment as a means to gain an overall insight into how employees perceive safety risks within TP Aerospace, and action plans have been developed to increase safety awareness and performance globally as well as locally.

To promote health within TP Aerospace, we undertake a variety of different initiatives at our sites, including the offering of professional health assessments through external partners as well as social activities revolving around physical exercise.

At our headquarters in Denmark, physical activity is a natural part of our daily work life, where employees are encouraged to exercise during work hours. A majority of employees make use of this possibility and regularly go for a run with a colleague, use the in-house gym or take part in company-financed activities, such as running, yoga or CrossFit.

Risk
The key safety risk in TP Aerospace relates to accidents potentially occurring within our workshops or warehouses, where employees work with heavy components and machinery daily. Further, health and safety risk also relates to our employees' exhaustion level, deriving from both physically and mentally demanding jobs caused by a high workload and a general job dissatisfaction.

Indicators
We record all injuries occurring within TP Aerospace and have defined targets for the number of lost time injuries, though we always strive for zero accidents throughout our operations.

We use the results from our workplace assessment to assess our performance on areas such as safety, workload, ergonomics and job satisfaction, which enables us to set targets and put in place global and local action plans. With annual assessments, we will track the effectiveness of the actions put in place to continue to improve employees' perception and experience of health and safety within TP Aerospace.

Performance
In 2019, we stayed below our targets for lost time injuries.

Environment & climate

Our policy
We are committed to continuously assess and optimize our operations to minimize the environmental impact of our business and to be fully compliant with environmental legislation wherever in the world we operate.

We want to contribute to a more efficient use of resources and promote less waste, and all decisions we make must be in support of this commitment.

Our actions
In 2019, we continued our efforts to continuously minimize our environmental footprint. Our activities were primarily targeted at reducing our energy consumption in our facilities, wastewater management, minimizing and recycling waste and optimizing transportation operations.

Our primary energy heavy activities take place within our MRO facilities, where the activity level continues to increase as we grow. During the year, we continued our MRO automatization project, which entails the installation of new, modern and more efficient equipment in our facilities, ultimately allowing us to work not only smarter but also reduce our energy use.

Another milestone in the optimization project in 2019 was the launch and roll out of a paperless system which does not only allow for fully digital work orders, but also eliminates paper in our MRO facilities.

The transportation of goods between TP Aerospace and our customers as well as between sites is outsourced to third party freight companies. To reduce emissions in our value chain as a direct cause of our operations, we continue to work to optimize our logistics procedures without compromising our commitment to our customers.

During the year, we continued our efforts to increase the use of sea freight rather than higher impact transportation modes, such as air and ground freight. Additionally, a core element of our Green Sunrise strategy is the de-centralization of our MRO activities. This strategy moves us physically closer to our customers, which facilitates both closer collaborations and strengthened support as well as shorter distances for transporting units between TP Aerospace and our customers.

Risk
Our main environmental risk relates to any potential unintentional impacts of our MRO activities. This includes unintentional discharge of wastewater and non-optimal maintenance operations leading to a higher level of energy consumption and/or emissions.

Another potential risk relates to the scrapping of our components when they reach end of life.

Finally, inadequate planning of logistics activities may also pose an unnecessary risk to the environment.

Indicators
We measure our energy consumption and have a target to continuously increase energy efficiency within all our facilities. Additionally, we track and document the handling of all hazardous waste.

Furthermore, we continuously monitor our logistics activities to ensure optimal planning and use of the most environmentally efficient transport modes where possible.

Performance
The energy efficiency in our MRO facilities is increasing, mainly as a result of the use of new and more energy efficient equipment. In 2019, we did not note any incidents relating to unintentional discharge of waste.

With the roll-out of new MRO facilities, we have moved closer to many of our customers which has made more efficient logistics operations possible.

Anti-Corruption

Our policy

High business ethics are at the core of who we are, and we want to supply high-quality products to a market characterized by fair competition.

It is our policy to conduct business activities in an honest and ethical manner through acting transparently, professionally, fairly and with integrity in all business dealings and relationships no matter where we operate. Thus, we have a zero tolerance towards bribery and corruption in any form.

Our actions

We are committed to compliance with all anti-corruption laws. We must always comply with the global minimum standards as well as with local regulations in the areas in which we operate.

We continue our efforts to increase awareness of corruption and bribery challenges in our industry and in the world in general.

In 2019, our main work within anti-corruption revolved around the development and publishing of a global Anti Bribery & Corruption Policy and Procedure, which defines the minimum standards of conduct that all employees must abide by, as well as duties to report any concerns or suspected breaches of the Policy by others.

Our Anti Bribery & Corruption Policy and Procedure is a supplement to our overarching Corporate Responsibility Policy and builds on the principles of the United Nations Convention against Corruption along with various national laws, including the UK Bribery Act. The policy is made operational in our global Code of Conduct which, together with the Anti Bribery & Corruption Policy and Procedures, provides guidance to employees on how to avoid being involved in any corrupt or unethical practices.

In 2019, we also implemented a whistleblower scheme to allow stakeholders to anonymously report concerns of compliance violations and illegal and unethical behavior by someone within our organization.

Risk

Our greatest anti-corruption risk relates to non-compliance.

Our increased risk of non-compliance derives from our highly global operations, causing us to be subject to a variety of legislation schemes. Additionally, in some cultures, it is customary to for public or government official to request unofficial fees for facilitating certain business activities. In TP Aerospace, these are considered facilitation payments and, therefore, a bribe which is never tolerated.

Indicators

We have a clear target to avoid any kind of violation of anti-corruption rules and legislation.

Performance

TP Aerospace did not note any compliance violations in 2019.

BOARD OF DIRECTORS

Flemming Jensen
Chairman,
Born 1959, Appointed by CataCap, Member since 2017
Flemming holds the position of CEO of DSB, the Danish Railways, but brings almost 30 years' experience from aviation. He is a trained pilot from the Royal Danish Air Force and spent almost 10 years as a fighter pilot. He entered the commercial aviation industry in the 80's, first with Sterling Airways and later SAS as Captain and Chief Pilot, respectively. Before joining DSB in 2015, Flemming had held the position of COO of SAS for several years.

Peter Ryttergaard
Deputy Chairman,
Born 1970, Appointed by CataCap, Member since 2017
Peter is a partner in the Danish private equity fund CataCap and has a strong operational background. He holds an Executive MBA from the Cranfield School of Management and a Master's in accounting from Copenhagen Business School. Throughout his career, he has gained extensive experience within private equity, but has also gained insight into the aviation industry as CFO of FLS Aerospace/SR Technics UK.

Andrew Hoad
Member,
Born 1963, Appointed by CataCap, Member since 2017
Andrew is an aviation veteran having been in the industry for more than half his life. He's particularly strong in the technical elements of aviation and holds a degree in Mechanical Engineering. Throughout his more than 30 years in the industry, Andrew has held various positions within Rolls-Royce, Cathay Pacific Airways/HAECO in Hong Kong and FLS Aerospace. Most recently, he comes from 14 years as Senior Vice President, Engineering, of Emirates in Dubai.

Jesper Blom
Member,
Born 1969, Appointed by Peter Lyager and Thomas Ibso through their respective holding companies,
Member Since 2017
Jesper has worked with TP Aerospace as an auditor and advisor before joining the Board of Directors 2017. He holds a degree as a Chartered Accountant and has been with both KPMG and Deloitte, and having worked as an auditor and advisor for e.g. Air Greenland, ST Aerospace, Aviator and the former Maersk Air, Jesper knows his way around aviation. Most recently, Jesper held the position of CFO of Andersen Biler - the largest car retailer in Zealand, Denmark.

Nina Fisker Olesen
Member,
Born 1991, Appointed by Kirk Kapital, Member Since 2019
Nina holds a Master's in Business Administration, Finance and Accounting from Copenhagen Business School, and has held various finance positions from companies such as Novo Nordisk and Nordea. Since 2017, Nina has been employed with Kirk Kapital A/S, and currently holds the position of Investment Manager.

Vilhelm Hahn-Petersen
Member,
Born 1960, Appointed by CataCap, Member since 2017
Vilhelm is a partner in the Danish private equity fund CataCap and he is experienced in strategic and operational management from both the Danish and international business environments. He holds a degree in political science from Aarhus University and has several years' experience from the aviation industry, first as CEO of FLS Aerospace and later as COO of easyJet.

Michael Humphreys
Member,
Born 1964, Appointed by CataCap, Member since 2018
Since obtaining a BSc. in Aeronautics and Astronautics from the University of Southampton, Mike has held a number of senior executive positions in aircraft MRO providers including CEO of FLS Aerospace, EVP of Component services at SR Technics and, most recently, President of Airinmar. Through more than 30 years' experience from the commercial aviation aftermarket, Mike has obtained strong skills in strategy and business development.

EXECUTIVE MANAGEMENT

Peter Lyager
CEO,
Born 1971
Peter has held the position as CEO since the company's start in 2008. After completing his military service with the Royal Danish Navy, Peter acquired a B.Sc. in Economics and Business Administration from Copenhagen Business School. Today, he has 20 years of experience from the aviation industry and has held various positions at Leki Aviation and Deloitte prior to founding TP Aerospace.

Thomas Ibsø
President,
Born 1975
As founder, Thomas has held the position as President since 2008. He entered the aviation industry after completing his military service with the Danish Artillery Regiment. He has more than 20 years' industry experience, where his main focus has been on aftermarket sales and business development across a broad range of aviation products lines.

Nikolaj Lei Jacobsen
CFO,
Born 1983
Nikolaj joined TP Aerospace as CFO in March 2018 and has a strong background in corporate finance and strategy. He holds a MSc in Business Administration from Aarhus University, and is an International Finance Graduate from Novozymes. After more than five years in different finance positions, he spent three years with Chr. Hansen in the position of Finance Director and Divisional CFO, before embarking on a career in aviation with TP Aerospace.

Chapter 4

FINANCIAL STATEMENT

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Chapter 4

CONSOLI-DATED FINANCIAL STATEMENTS

KEY FIGURES

	2019 USD'000	2018 USD'000	2017 (8 months) USD'000
Financial highlights			
Profit and loss accounts			
Revenue	119,267	110,722	64,427
Gross profit*	64,984	66,181	36,148
Operating profit before special items	12,059	18,679	11,115
Operating profit after special items	6,971	15,447	6,434
Net financials	-3,927	-3,090	-3,684
Profit for the period	2,184	9,904	1,601
Balance sheet			
Non-current assets	108,665	92,281	73,866
Investments in tangible assets	48,528	40,694	13,138
Total assets	201,329	180,482	132,662
Total equity	89,650	86,307	66,497
Cash flows			
Net cash flow from operating activities	5,257	-7,991	-1,107
Net cash flow from investing activities	-19,306	-21,771	-82,624
Cash flow from financing activities	13,577	31,754	84,529
Employees			
Average number of employees	278	252	220
Key Ratios			
Gross margin (%)	54%	60%	56%
Operating profit before special items margin (%)	10%	17%	17%
Operating profit after special items margin (%)	6%	14%	10%
Return on equity (%)	2.5%	13.0%	2.4%
Equity ratio (%)	44.5%	47.8%	50.1%

*Gross profit is in the financial highlights calculated as revenue deducted with cost of sales.

TPA Holding I A/S was established at 8 March 2017, the consolidated figures for the financial year 2017 includes only the period 27 April - 31 December 2017.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS 1 JANUARY - 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Revenue	3	119,267	110,722
Cost of sales		-54,283	-44,541
Gross profit		**64,984**	**66,181**
Other external expenses		-7,981	-7,426
Staff costs	4	-19,185	-18,136
Depreciation, amortisation and impairment losses	5	-25,759	-21,940
Operating profit before special items		**12,059**	**18,679**
Special items	7	-5,088	-3,232
Operating profit after special items		**6,971**	**15,447**
Finance income	8	4,681	2,385
Finance costs	9	-8,608	-5,476
Profit before tax		**3,044**	**12,357**
Tax on profit for the year	10	-860	-2,453
Profit for the period		**2,184**	**9,904**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 1 JANUARY - 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Profit for the period		2,184	9,904
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation of subsidiaries (net)		-45	276
Fair value changes for the year, cash flowhedge	23	-143	68
Income tax relating to these items		31	-15
Other comprehensive income for the period, net of tax		**-157**	**329**
Total comprehensive income for the period		**2,027**	**10,233**

CONSOLIDATED BALANCE SHEET 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Intangible assets	11	48,847	49,047
Property, plant and equipment	12, 13	59,818	43,234
Total non-current assets		**108,665**	**92,281**
Inventory	15	69,414	64,543
Trade receivables	16	17,821	15,966
Receivables from group enterprises		0	253
Other receivables		2,976	2,837
Prepayments		62	1,738
Cash		2,391	2,863
Total current assets		**92,664**	**88,201**
Total assets		**201,329**	**180,482**

CONSOLIDATED BALANCE SHEET 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Share capital	18	651	651
Share premium		64,441	64,441
Reserve for exchange rate translation		-16	29
Reserve for cash flow hedges		-8	104
Retained earnings		24,581	21,082
Total equity		**89,650**	**86,307**
Borrowings	19	71,653	60,101
Lease liability	13, 19	7,774	6,478
Provisions	20	2,261	1,077
Deferred tax liabilities	14	632	876
Total non-current liabilities		**82,320**	**68,532**
Borrowings	19	3,592	3,530
Lease liability	13, 19	2,245	2,036
Trade payables		14,934	12,750
Current income tax liabilities		761	2,867
Payables to group enterprises		351	1,770
Other payables		6,504	2,282
Prepayments from customers		972	408
Total current liabilities		**29,359**	**25,643**
Total liabilities		**111,679**	**94,174**
Total equity and liabilities		**201,329**	**180,482**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital USD'000	Share premium USD'000	Reserve for exchange rate translation USD'000	Reserve for cash flow hedges USD'000	Retained earnings USD'000	Total USD'000
Equity at 31.12.2017	651	64,441	-247	51	1,601	66,497
Profit for the period 01.01.2018 - 31.12.2018	0	0	0	0	9,904	9,904
Fair value change in the year, cashflow hedges	0	0	0	53	0	53
Exchange differences regarding subsidiaries in another currency	0	0	276	0	0	276
Total comprehensive income for the period	0	0	276	53	9,904	10,233
Transactions with owners in their capacity as owners						
Group contribution	0	0	0	0	9,577	9,577
Total transactions with owners in their capacity as owners	0	0	0	0	9,577	9,577
Equity at 31.12.2018	**651**	**64,441**	**29**	**104**	**21,082**	**86,307**
Profit for the period 01.01.2019 - 31.12.2019	0	0	0	0	2,184	2,184
Fair value change in the year, cashflow hedges	0	0	0	-112	0	-112
Exchange differences regarding subsidiaries in another currency	0	0	-45	0	0	-45
Total comprehensive income for the period	0	0	-45	-112	2,184	2,027
Transactions with owners in their capacity as owners						
Group contribution	0	0	0	0	1,315	1,315
Total transactions with owners in their capacity as owners	0	0	0	0	1,315	1,315
Equity at 31.12.2019	**651**	**64,441**	**-16**	**-8**	**24,581**	**89,650**

CONSOLIDATED CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Operating profit after special items		6,971	15,447
Depreciations and amortisations	28	3,950	3,356
Change in net working capital	26	1,781	-23,124
Cash flows from primary operating activities		12,702	-4,321
Interests and currency exchanges paid		-4,235	-3,090
Income taxes paid		-3,210	-580
Net cash flow from operating activities		**5,257**	**-7,991**
Payments for property, plant and equipment		-15,802	-11,130
Lease asset and other non-cash changes		-3,504	-10,641
Net cash flow from investing activities		**-19,306**	**-21,771**
Proceeds from borrowings	27	11,922	12,147
Proceeds from intergroup borrowings		-1,166	1,517
Group contribution		1,315	9,577
Lease liability		1,506	8,513
Cash flow from financing activities		**13,577**	**31,754**
Net cash flow for the year		**-472**	**1,992**
Cash and cash equivalents, beginning of the year		2,863	871
Cash and cash equivalents at end of the year		**2,391**	**2,863**

NOTES

1. ACCOUNTING POLICIES

The consolidated accounts include the parent company TPA Holding I A/S and subsidiaries in which TPA Holding I A/S directly or indirectly holds more than 50% of the voting rights or otherwise has a controlling interest.

The Consolidated Financial Statements for TPA Holding I A/S have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union as well as additional Danish disclosure requirements applying to entities of reporting class C (large).

General information on recognition and measurement

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

Change in accounting estimates

There has been no changes in accounting estimates in the financial year 2019.

New standards

The IASB has issued a number of new or amended standards and interpretations effective for financial years beginning after 1 January 2019. There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

The group has early adopted IFRS 16 with effect for the financial year beginning 1 January 2018."

Changes in presentation in profit and loss

Presentation of other external expenses has previously been included in gross profit. In the financial year 2019 presentation hereof is included in operating profit, comparative figures has been updated accordingly.

The change in presentation of other external expenses have affected increased gross profit with USD 8,184k for 2019 and increased gross profit for 2018 with USD 7,426k. The changes in presentation of other external expenses has no impact on operating profit, profit for the year, balance or equity.

The accounting policies applied remain unchanged from last year.

Basis of consolidation

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

On consolidation, elimination is made of intra-group income and costs, shareholdings, intra-group balances and dividend and realised and unrealised profits or losses on transactions between the consolidated companies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Foreign currency translation

Functional and presentation currency

Items in the financial statements of each of the reporting companies of the Group are measured in the currency of the primary economic environment in which the company operates (the functional currency).

The financial statements are presented in Dollars (USD), due to the Group's international activities, which is also the parents functional currency. The financial statements have been rounded to the nearest thousand.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs.

Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
b) Income and expenses for each income statement are translated at average exchange rates; and
c) All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group.

Identifiable assets, liabilities and contingent liabilities of acquired businesses are measured initially at fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Revenue

In the trading business revenues consist of sale of repaired or overhauled wheels and brakes to different types of aircrafts. In the program business the group delivers repaired or overhauled wheels or brakes to its customers either as a service (CFR) or as sale of the repaired or overhauled wheel or brakes (LFL). In the program business, the group exchanges the core units of the wheel or brake (core asset) with its customers core unit and the sale therefore consists of the repair or overhaul of the wheel or brake. Other revenue consists of leasing out wheels and brakes to aircrafts and of maintenance, repair or overhaul of wheels or brakes for customers (MRO).

Sale of goods in trading, LFL business and MRO
Sale are recognized at a point in time, when control of the wheels or brakes has transferred to the customer, being when they are delivered to the customer and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the wheels and brakes are handed over to the customer at the company's shop or when the customer takes delivery from an in-house stock of parts and thereby accepts the products in accordance with the sales contract. In the MRO business revenue is recognized, when the maintenance, repair or overhaul is finalised, delivered and invoiced to the customer.

There is no volume discounts or other variable payments in these contracts and no element of financing. Revenue are therefore recognized with the amount specified in the contract.
A receivable is recognized at this point, as this is the point in time where the sales transaction is unconditional, because only the passage of time is required before the payment is due.

Sale of services in the CFR business
The CFR business provides services in the form of repair and overhaul of wheels and brakes. Revenue from providing services is recognized over time in the period in which the services are rendered. In the CFR business, the service is delivered over the period, where the customer uses the wheels and brakes on its planes. Revenue is recognized based on the amount of cycles (landings) the customers has incurred with the wheels and brakes in the given period.

Any increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The group fulfil their performance obligations upon delivery at one point in time or over a short period of time. The payment terms follow the industry and are individually negotiated. No contracts have a significant financing element and no contracts comprise variable consideration elements. The group has no obligations for returns and refunds.

Cost of sales of goods

Cost of sales comprises costs of sales for the financial year measured at cost, adjusted for ordinary inventory write-downs. Such costs include amounts for the restoration liability the Group has for the customer owned assets that could be included in some CFR programs(mutual pools), based on an estimate of the expected expenses.

Other external expenses

Other external expenses include expenses relating to the Group's ordinary activities, including expenses for premises, stationery, office supplies, marketing costs, losses on receivables, etc. This also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages as well as social security contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to intangible assets and property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives if the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Special items

Special items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

Finance income

Finance income comprises interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Finance expenses

Finance expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Income tax and deferred tax

The company is jointly taxed with the parent company CC Green Wall Invest ApS and other Danish companies. The Danish income tax payable is allocated between the jointly taxed Danish companies based on their proportion of taxable income (full absorption including reimbursement of tax deficits). The jointly taxed companies are taxed under the Danish Tax Payment Scheme. Additions, deductions and allowances are recognised under financial income or financial costs.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Intangible assets

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquire.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGU's, or groups of CGU's, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Customer Contracts
The customer contracts were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition and are subsequently

amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives of 10 years.

Impairment of non-financial assets

Intangible assets that have an indefinite useful life (Goodwill) are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairment of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Property, plant and equipment

Leasehold improvements, assets held for lease and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

Cost comprise acquisition price and costs directly related to the acquisition until such time as the assets are ready for use.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values over their estimated useful lives, as follows:

Leasehold improvements	3-5 years
Other fixtures and fittings, tools and equipment	3-20 years
Assets held for lease-out	20 years
Buildings	20 years
Core units for wheels and brakes, included in other fixtures and fittings	20 years
MRO, Steel brakes (CFR)	8 month
MRO, Carbon brakes (CFR)	20 month
MRO, Wheels (CFR)	3 month

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses arising from disposal of property, plant and equipment are calculated as the difference between the sales price less sales costs and the carrying amount at the time of sale. Gains and losses are recognised in the profit and loss account as other operating income or other operating costs.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the income statement when the impairment is identified.

Leases and lease obligations

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option,
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease obligation
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and restoration costs.

Extension and termination options
Extension and termination options are included in a number of property and equipment leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts.

The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Inventories

Inventories are measured at the lower of cost on the basis of standard cost price and net realisable value.
Cost consists of purchase price plus delivery cost.

Cost prices of goods sold are calculated based on the sales price (or the estimated sales price for group internal sales) and the assumed fixed gross margin. The net realisable value of the inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are initially recognised at fair value adjusted for any transaction costs. Subsequently, receivables are measured at amortised cost, as the receivables are assets held for collection of cash flows, where the cash flows represents solely payments of principal and interest. Amortised cost usually corresponds to the nominal value. Write-down is made to net realisable value to provide for expected losses.

For trade receivables the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Prepayments

Prepayments comprise incurred costs related to CFR program activities and prepayments in advance for subsequent financial years. Prepayments are measured at cost.

Equity

Reserve for exchange rate translation
The reserve for exchange adjustments consists of exchange rate differences that occur when translating the foreign subsidiaries financial statements from their functional currency into the Group's presentation currency. On disposal of the net investment, the reserve for exchange adjustments of that foreign subsidiary is recognised in the income statement. Reduction of a net investment in a foreign operation which does not result in loss of control is not treated as a disposal.

Reserve for cash flow hedges
The reserve for hedge accounting consists of the effective portion of gains and losses on hedging instruments designated as cash flow hedges.

Dividend distribution
Dividends are recognised as a liability at the time of adoption at the general meeting.

Provisions

Lending of assets included in the programs by customers (mutual pool) occasionally in connection with the CFR program activities. In case that these programs end, the Company must return similar assets in the same condition as when the lending took place. The provisions include an amount counterbalancing the restoration liability based on an estimate of the expected expenses. The liability is recognised during the application period of the lend assets. The provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Borrowings

Borrowings are initially recognised at fair value, net of transaction expenses incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds and the redemption value are recognised in the income statement over the period of the borrowings using the effective interest method.

Other liabilities

Other debt or liabilities covering trade creditors and other debt are recognised at amortized cost, which usually corresponds to the nominal value.

Prepayments received from customers (contract liabilities)

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Contract liabilities represent mainly obligations in relation to CFR programmes where there may be an obligation to maintain, repair and overhaul (MRO) customer owned units.

Statement of cash flow

The cash flow statement shows the consolidated cash flows during the year distributed on operating, investing and financing activities, changes in cash and cash equivalents at the beginning and at the end of the year.

Cash flows from operating activities are calculated using the indirect method and comprise profit for the year adjusted for non-cash items, changes in working capital, interest paid and received etc., and payments of corporate tax.

Cash flows from investing activities comprise payments in connection with acquisitions and divestment of businesses and purchase and sale of enterprises, activities and fixed asset investments as well as purchase, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases, and short term bank debt.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

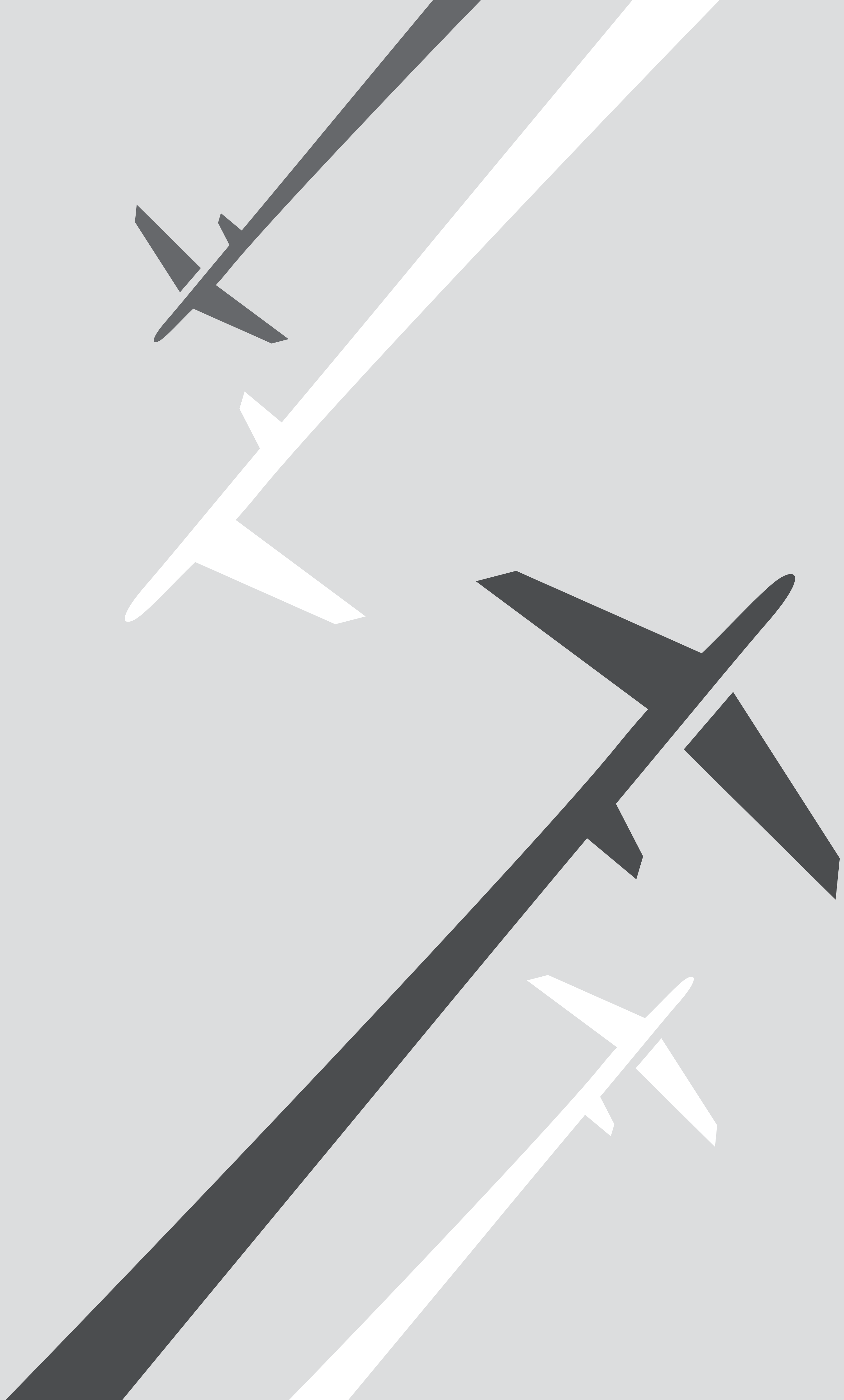
Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand and bank deposits.

Consolidated Key Figures

The key figures and financial ratios have been prepared on a consolidated basis. The financial ratios have been calculated in accordance with the following definitions:

- Gross margin is calculated as the gross profit divided by net revenue.
- Operating profit before special items margin is calculated as the operating profit before special items margin divided by net revenue.
- Operating profit after special items margin is calculated as the operating profit after special items margin divided by net revenue.
- Return on equity is calculated as the profit or loss for the year after tax divided by the average equity.
- Equity ratio is calculated as the equity divided by the total assets.



2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgments, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates and assumptions for the individual items are described below.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Customer relations

The value of customer relations and the expected useful life are assessed based on long-term and stable relations with the customers and the expected related profitability.

The measurement is based on the expected cash flows from customer relations, costs relating to invested capital, the tax effect and a calculated discount rate.

The carrying amount of customer relations is USD 2,259k at 31 December 2019.

Impairment test of goodwill

The Group annually tests whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 1.

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

The estimates and assumptions are based on historical experience and other factors, such as management but as by nature it is uncertain and unpredictable. Due to the risks and uncertainties which the group is subject to, actual outcomes may differ from the estimates made.

Goodwill amounts to USD 46,139k and no impairment losses has been recognised in 2019. Information on the impairment test are disclosed and described in note 11.

Property, plant and equipment (depreciation period)

The Group recognises its core units as property, plant and equipment with respect to core units included as part of the Group's programme activities. Core units used for the Group's programme activities are subject to impairment during their useful lives that ends, at the same time as the aircraft platform it services, is terminated.

The depreciation period has been determined at 20 years for these core units. Management's estimate of the expected useful lives is based on historical experience and market data factors, but is naturally subject to uncertainty.

The depreciation periods for core units are reassessed every year.

Costs for maintenance, repair and overhaul (MRO) of wheels and brakes are capitalised as part of fixed assets related to the enterprises' CFR programme activities and are in average depreciated over 3 months in respect of the wheels, 8 months in respect of the steel brakes and 20 months in respect of the carbon brakes.

The average deprecation periods have been determined based on historical data, corresponding to useful life for wheels, steel brakes and carbon brakes, respectively.

The depreciation periods for maintenance, repair and overhaul (MRO) are reassessed every year.

Provisions

Lending of assets included in the programs by customers (mutual pool) occasionally occur in connection with the CFR program activities. In case that these programs end, the Company must return similar assets in the same condition as when the lending took place. The provisions for such restoration liabilities include an amount counterbalancing the expected expenses. The amount is based on an estimate.

Revenue

Revenue related to programs are recognised as a service exclusive of the value of the core assets that are exchanged during delivery within the program as they are considered exchange of assets of similar nature and value. Cost of the delivered core asset is transferred for recognition as cost of the core asset received.

For assets to be included in programs, the allocation of total cost between the core element and the MRO element, respectively, is determined at the first exchange based on an estimate.

The sales value of the CFR programs is recognised concurrently with the customer's use of the asset delivered (per cycle). Cost related to CFR programs are depreciated over the useful life until the next exchange calculated for wheels, steel brakes and carbon brakes in all CFR programs, this period is based on historical data.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2019 USD'000	2018 USD'000
The group has recognised the following amounts of revenue in the statement of profit and loss:		
Revenue from contracts with customers	116,144	108,265
Other revenue, MRO revenue	3,123	2,457
Total	**119,267**	**110,722**

Programmes 2019	CFR USD'000	LFL USD'000	Leasing USD'000	Total USD'000
Revenue	30,206	24,759	4,345	59,310
Total	**30,206**	**24,759**	**4,345**	**59,310**
Timing of revenue recognition				
At point in time	0	24,759	0	24,759
Over time	30,206	0	4,345	34,551
Total	**30,206**	**24,759**	**4,345**	**59,310**

Programmes 2018	CFR USD'000	LFL USD'000	Leasing USD'000	Total USD'000
Revenue	26,745	22,582	3,566	52,893
Total	**26,745**	**22,582**	**3,566**	**52,893**
Timing of revenue recognition				
At point in time	0	22,582	0	22,582
Over time	26,745	0	3,566	30,311
Total	**26,745**	**22,582**	**3,566**	**52,893**

Trading and Maintenance 2019	Trading USD'000	Maintenance, repair and overhaul USD'000	Total USD'000
Revenue	56,834	3,123	59,957
Total	**56,834**	**3,123**	**59,957**
Timing of revenue recognition			
At point in time	56,834	3,123	59,957
Over time	0	0	0
Total	**56,834**	**3,123**	**59,957**
Trading and Maintenance 2018			
Revenue	55,372	2,457	57,829
Total	**55,372**	**2,457**	**57,829**
Timing of revenue recognition			
At point in time	55,372	2,457	57,829
Over time	0	0	0
Total	**55,372**	**2,457**	**57,829**

Total 2019	Programmes USD'000	Trading and Maintenance USD'000	Total USD'000
Revenue	59,310	59,957	119,267
Total	**59,310**	**59,957**	**119,267**
Timing of revenue recognition			
At point in time	24,759	59,957	84,716
Over time	34,551	0	34,551
Total	**59,310**	**59,957**	**119,267**
Total 2018			
Revenue	52,893	57,829	110,722
Total	**52,893**	**57,829**	**110,722**
Timing of revenue recognition			
At point in time	22,582	57,829	80,411
Over time	30,311	0	30,311
Total	**52,893**	**57,829**	**110,722**

2019	Europe USD'000	Americas USD'000	Asia USD'000	Total USD'000
Revenue	70,630	23,439	22,075	116,144
Other revenue, MRO revenue	237	313	2,573	3,123
Total	**70,867**	**23,752**	**24,648**	**119,267**
Timing of revenue recognition				
At point in time	44,741	23,264	16,711	84,716
Over time	26,127	488	7,936	34,551
Total	**70,868**	**23,752**	**24,647**	**119,267**
2018				
Revenue from contracts from customers	70,533	20,653	17,079	108,265
Other revenue, lease revenue	197	334	1,926	2,457
Total	**70,730**	**20,987**	**19,005**	**110,722**
Timing of revenue recognition				
At point in time	47,737	20,140	12,535	80,411
Over time	22,993	848	6,470	30,311
Total	**70,730**	**20,987**	**19,005**	**110,722**

There was no revenue recognised in the current reporting period that relates to performance obligations that were satisfied in a prior year.

	2019 USD'000	2018 USD'000
The group has recognised the following revenue-related contract liabilities:		
Contract liabilities - Programme, CFR		
Opening balance	1,077	618
Net additions	1,184	459
Closing balance	**2,261**	**1,077**

There were no significant changes in the contract liability balances during the reporting period.

Revenue recognised that was included in the contract liability balance at the beginning of the period:

	2019 USD'000	2018 USD'000
Programme, CFR	0	0
Total	**0**	**0**

The Group has not realised any contract liability costs in the period.

4. STAFF COSTS

	2019 USD'000	2018 USD'000
Wages and salaries	17,499	16,296
Pensions	580	422
Other social security costs	1,397	1,508
Other staff costs	960	1,210
Transferred to special items	-1,251	-1,300
Total	**19,185**	**18,136**
Average number of employees	278	252

Key Management Compensation

Key Management includes Board of Directors and Executive Board. The compensation paid or payables to key management for employee services is shown below:

	2019 USD'000	2018 USD'000
Wages and salaries	1,130	901
Pensions	51	38
Long term Bonus	0	0
Other staff costs	1	1
Executive board	**1,182**	**940**
Remuneration of management in total:		
Executive Board	1,182	940
Board of Directors	167	167
Total	**1,349**	**1,107**

Shares program

In 2018 & 2019 Employees, management and board of TP Aerospace have been offered the opportunity to purchase shares in TPA Green Manco ApS, which is a shareholder of TP Aerospace group. The participants acquired the shares at an estimated market price. If an employee leaves the group before an exit, the company has an option to buy the shares back at an estimated market price. Because the program does not have any negative effect on the company, no expense is recognized in the income statement.

The following table shows the number of shares granted and outstanding at the beginning and end of the reporting period:

Number of shares	2019	2018
As at 1 January	195,544	0
Granted during the year	0	195,544
As at 31 December	**195,544**	**195,544**

5. AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

	2019 USD'000	2018 USD'000
Amortisation	640	349
Depreciation	25,119	21,591
Total	**25,759**	**21,940**

6. AUDIT FEES

	2019 USD'000	2018 USD'000
PwC		
Statutory audit	110	106
Tax assurance services	11	66
Other services	84	191
Total	**205**	**363**
Other auditors		
Statutory audit	35	15
Other services	0	0
Total	**35**	**15**

7. SPECIAL ITEMS

	2019 USD'000	2018 USD'000
Non-recurring write-downs of receivables	1,630	0
Net losses related to new operations in UK, Thailand, Malaysia and Russia	2,285	1,057
Non-recurring restructuring of the organisation including management	225	1,365
Moving and upgrading MRO shop in Orlando	948	0
Moving and upgrading MRO shop in Hamburg	0	810
Total	**5,088**	**3,232**

8. FINANCIAL INCOME

	2019 USD'000	2018 USD'000
Interest income	89	15
Interest from group companies	20	0
Exchange rate adjustments	4,572	2,371
Total	**4,681**	**2,385**

9. FINANCIAL EXPENSES

	2019 USD'000	2018 USD'000
Interest expenses	4,260	4,049
Interest to group companies	0	35
Exchange rate adjustments	4,348	1,392
Total	**8,608**	**5,476**

10. TAX ON PROFIT FOR THE YEAR

	2019 USD'000	2018 USD'000
Current tax:		
Current tax on profits for the year	725	2,840
Current tax on profits for previous years	379	-423
Total current tax expense	1,104	2,417
Deferred tax:		
Temporary differences	-244	36
Total deferred tax assets	**-244**	**36**
Income tax expenses for the period	**860**	**2,453**
Income tax expenses are specified as follows:		
Calculated 22.0% tax on profit for the year before income tax	670	2,719
Tax effects of:		
Higher/lower tax rate in subsidiaries	-178	45
Tax of profits for previous years	379	-423
Tax on other comprehensive income	-31	15
Non-deductible expenses	20	98
Total	**860**	**2,453**
Effective tax rate	28%	20%

11. INTANGIBLE ASSETS

	Software USD'000	Goodwill USD'000	Customer contracts USD'000	Total USD'000
Cost:				
At 01.01.2018	0	46,139	3,490	49,629
At 31.12.2018	0	46,139	3,490	49,629
Amortisation and impairment:				
At 01.01.2018	0	0	233	233
Amortisation for the year	0	0	349	349
At 31.12.2018	0	0	582	582
Carrying amount 31.12.2018	**0**	**46,139**	**2,908**	**49,047**
Cost:				
At 01.01.2019	0	46,139	3,490	49,629
Additions during the year	172	0	0	172
At 31.12.2019	172	46,139	3,490	49,801
Amortisation and impairment:				
At 01.01.2019	0	0	582	582
Amortisation for the year	23	0	349	372
At 31.12.2019	23	0	931	954
Carrying amount 31.12.2019	149	46,139	2,559	48,847

Impairment test for goodwill

Goodwill is monitored by management at the level of TPA Holding I A/S as one CGU.

The group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the entity is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a nine-year period.

Cash flows beyond the nine-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which the entity operates.

Key assumptions, long term growth rate and discount rate used in the value-in-use calculations are as follows:

Assumptions at 31.12.2019	
Average sales growth (% annual growth rate) from year 2020 to year 2028	8.7%
EBITA margin (%)	14.0%
Marginal tax rate (%)	22.0%
Long term growth rate (%)	2.0%
Pre-tax discount rate (%)	8.7%
Assumptions at 31.12.2018	
Average sales growth (% annual growth rate) from year 2019 to year 2027	9.9%
EBITA margin (%)	18.0%
Marginal tax rate (%)	22.0%
Long term growth rate (%)	2.0%
Pre-tax discount rate (%)	9.6%

Description of assumptions

Average sales growth is the average annual growth rate over the nine-year forecast period. It is based on past performance and management's expectations of market development.

EBITA margin is the average margin as a percentage of revenue over the nine-year forecast period. It is based on the current sales margin levels and expectations to sales mix and the expectation that the budgeted increasing level of activity will have a positive spill-over effect on the Company's EBITA margin.

Marginal tax rate is the expected rate over the nine-year forecast period. It is based on current Danish tax legislation.

Sensitivity to changed assumptions

The calculated value in use of the cash-generating unit is considerably higher than the carrying amount, and the prepared impairment test shows that goodwill and customer relations are not impaired. In Management's opinion, no reasonable likely change to the above-mentioned assumptions will imply that the carrying amount of the cash-generating unit will exceed the value in use significantly.

12. PROPERTY, PLANT AND EQUIPMENT

2019	Land and buildings USD'000	Other fixtures and fittings, tools and equipment USD'000	Leasehold improvements USD'000	Total USD'000
Cost:				
At 01.01.2018	148	25,007	528	25,683
Exchange differences	0	126	0	126
Additions during the year	10,041	29,581	1,072	40,694
Disposals during the year	0	-13,573	-110	-13,683
At 31.12.2018	10,189	41,141	1,490	52,820
Amortisation and impairment:				
At 01.01.2018	8	1,130	75	1,213
Depreciation for the year	1,812	19,664	115	21,591
Reversal regarding disposals	0	-13,108	-110	-13,218
At 31.12.2018	1,820	7,686	80	9,586
Carrying amount 31.12.2018	**8,369**	**33,455**	**1,410**	**43,234**
Cost:				
At 01.01.2019	10,189	41,141	1,490	52,820
Exchange differences	0	-48	-1	-49
Additions during the year	3,527	44,738	263	48,528
Disposals during the year	0	-26,251	0	-26,251
At 31.12.2019	13,716	59,580	1,752	75,048
Amortisation and impairment:				
At 01.01.2019	1,820	7,686	80	9,585
Exchange differences	0	8	0	8
Depreciation for the year	2,134	22,820	222	25,175
Reversal regarding disposals	0	-19,538	0	-19,539
At 31.12.2018	3,954	10,976	303	15,230
Carrying amount 31.12.2019	**9,762**	**48,604**	**1,449**	**59,818**

13. LEASES

Amounts recognised in the balance sheet

The balance show the following amounts relating to leases:

	Land and buildings USD'000	Total USD'000
Right-of-use assets		
Carrying amount 1 January 2018	0	0
Effect of adoption of IFRS 16	3,950	3,950
Corrected carrying amount 1 January 2018	3,950	3,950
Additions	6,091	6,091
Depreciation for the year	-1,806	-1,806
Carrying amount 31 December 2018	**8,235**	**8,235**
Carrying amount 1 January 2019	8,235	8,235
Additions	3,527	3,527
Depreciation for the year	-2,128	-2,128
Carrying amount 31 December 2019	**9,634**	**9,634**

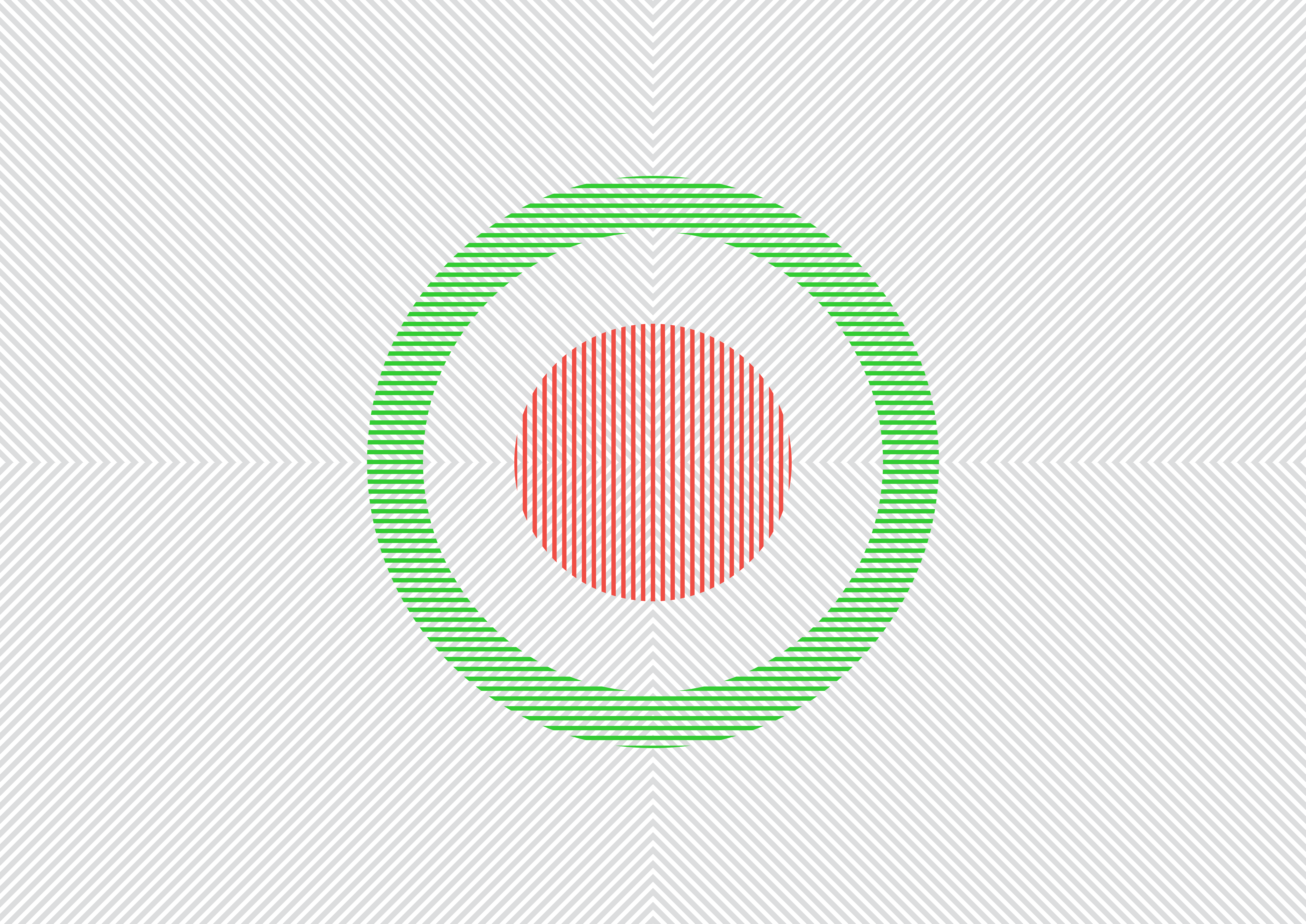
	2019 USD'000	2018 USD'000
Lease liability		
Non-current	7,774	6,478
Current	2,245	2,036
Total	**10,019**	**8,513**

Right-of-use assets not recognised in the balance sheet under the two exemption rules, short-term and low-value leases, amounts to USD 65k.

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

Depreciation charge of right-of-use assets		
Land and buildings	2,128	1,806
Total	**2,128**	**1,806**
Interest expense		
Expenses relating to leases	330	335
Total	**330**	**335**



14. DEFERRED TAX

	2019 USD'000	2018 USD'000
Deferred tax at 01.01.2019	-876	-840
Deferred tax recognised in the income statement	244	-36
Deferred tax at 31.12.2019	**-632**	**-876**
Deferred tax relates to:		
Intangible assets	-316	-378
Property, plant and equipment	-897	-796
Provisions	454	237
Amortisation costs	119	61
Other liabilities	8	0
Total	**-632**	**-876**
Of which presented as deferred tax liabilities	632	876

15. INVENTORIES

	2019 USD'000	2018 USD'000
Finished goods	70,632	65,905
Total inventories	**70,632**	**65,905**
Less: Provision for inventory reserves	-1,218	-1,362
Total net inventories	**69,414**	**64,543**

The cost of inventories recognised as an expense and included in 'Cost of sales' amounted to USD 46,935k.

Provision for inventory reserves amounts to USD 1,218k at 31 December 2019. Provision for inventory reserves are carried out based on a write-down model used by the Group as a whole. The write-down principles are based on comparison of the book value per part number and internal market data for net realisable value. Write-downs of inventories are made when the book value is above net realisable value.

16. TRADE RECEIVABLES

	2019 USD'000	2018 USD'000
Trade receivables and other receivables at 31.12.2019	18,522	17,455
Less provision for impairment of trade receivables	-701	-1,489
Trade receivables net	**17,821**	**15,966**

Movement on the Group provision for impairment of trade receivables are as follows:

	2019 USD'000	2018 USD'000
Opening balances	1,489	1,057
Allowances during the year	321	601
Write-offs during the year	-1,040	0
Reversed allowances	-69	-169
Impairment of trade receivables at 31.12.2019	**701**	**1,489**

Allocation of receivables past due but not impaired by maturity period are as follows:

	2019 USD'000	2018 USD'000
Up to 30 days	4,203	3,572
Between 31 and 90 days	2,898	2,022
More than 90 days	2,212	1,786
Overdue net receivables at 31.12.2019	**9,313**	**7,380**

Expected credit losses
The group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information. The credit risk is generally considered immaterial.

17. FAIR VALUES

Financial instruments measured at fair value can be divided into three levels:
Level 1 - Quoted prices in active markets for identical assets or liabilities
Level 2 - Inputs other than quoted prices included in level 1 that are observable for the asset or liability
Level 3 - Inputs for the asset or liability that are not based on observable market data.

The fair value of bank borrowings does not differ significantly from the carrying amount. The fair value of derivatives are calculated on level 2 in the fair value hierarchy using direct quotes.

Fair value measurements at 31 December 2019

	Quoted prices (Level 1) USD'000	Significant other observable inputs (Level 2) USD'000	Significant unobservable inputs (Level 3) USD'000	Total USD'000
Interest rate swap	0	-9	0	-9
Interest rate cap	0	0	0	0
As at 31.12.2019	**0**	**-9**	**0**	**-9**

Fair value measurements at 31 December 2018

	Quoted prices (Level 1) USD'000	Significant other observable inputs (Level 2) USD'000	Significant unobservable inputs (Level 3) USD'000	Total USD'000
Interest rate swap	0	134	0	134
Interest rate cap	0	-36	0	-36
As at 31.12.2018	**0**	**98**	**0**	**98**

Fair values are approximately the same as the carrying amounts.

18. SHARE CAPITAL

The share capital comprise 4,449,950 shares of a nominal value of USD 0.15 each. No shares carry any special rights.

	Number of shares	Nominal value USD'000
Changes in share capital:		
Share capital at 08.03.2017	500,000	73
Capital increase at 27.04.2017	3,949,950	578
Share capital at 31.12.2019	**4,449,950**	**651**

Capital management
The group's objectives when managing capital are to secure the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital. Any surplus liquidity is used to reduce debt.

The board of directors monitors the share and capital structure to ensure that the group's capital resources support the strategic goals.

19. BORROWINGS

The borrowings comprise of acquisition related loans as well as revolving facilities to fund the ongoing operations. There are covenants attached to the loan facilities.

	Effective interest rate	Currency	Maturity	Carrying amount USD'000
Loan from credit institution	3,0% - 3,5%	DKK, USD	26 November 2022	30,581
Term Loan	3,3% - 3,8%	USD	26 May 2022	8,838
Revolving Facility	3,0% - 3,5%	DKK, EUR, USD	26 November 2022	35,826
Total bank borrowings at 31.12.2019				**75,245**
Loan from credit institution	3,0% - 3,5%	DKK, USD	26 November 2022	31,220
Term Loan	3,3% - 3,8%	USD	26 May 2022	12,371
Revolving Facility	3,0% - 3,5%	DKK, EUR, USD	26 November 2022	20,040
Total bank borrowings at 31.12.2018				**63,631**

Loans from credit institutions and revolving facilities are structured with commitment cancellation to reflect the Green Sunrise strategy. The terms and conditions of the term loan and revolving facility were renegotiated in May 2020. For further information related to the renegotiated terms and capital resources, see information in Note 25 - Events after the balance sheet date.

Loan from credit institutions starts repayment as of 26 May 2020 and is paid in full at maturity.

The term loan is repayable in installments from 27 April 2019 to 26 May 2022.

Revolving facilities start repayment as of 26 May 2022 and is paid in full at maturity.

20. PROVISIONS

Lending of assets included in the programs by customers (mutual pool) occasionally occur in connection with the CFR program activities. In case that these programs end, the Group must return similar assets in the same condition as when the lending took place. The provisions include an amount counterbalancing the restoration liability based on an estimate of the expected expenses. The liability is recognised during the application period of the lend assets.

	2019 USD'000	2018 USD'000
Provisions at 01.01	1,077	618
Additions during the year	1,184	459
Provisions at 31.12	**2,261**	**1,077**

21. RELATED PARTIES

The group is controlled by TPA Holding II ApS, which is controlled by CC Green Wall Invest ApS. The groups ultimate parent is CataCap I K/S.
Key management compensation" is disclosed in note 4.

The following transactions were carried through with related parties:

	2019 USD'000	2018 USD'000
Transactions with CataCap I K/S:		
Cost from CataCap I K/S	0	0
Total	**0**	**0**
Transactions with CC Green Wall Invest ApS:		
Settlement of taxes in joint taxation	1,590	0
Interest income	17	0
Proceeds from borrowings	1,653	9,483
Repayment of borrowings	157	9,230
Total	**3,417**	**18,713**
Transactions with TPA Holding II A/S:		
Proceeds from borrowings	62	1,244
Repayment of borrowings	1,321	0
Group contribution	1,315	9,577
Interest income	64	0
Interest expenses on borrowings	18	35
Total	**2,780**	**10,855**
Transactions with Dancing Monkey ApS:		
Proceeds from borrowings	2,000	0
Total	**2,000**	**0**

Dancing Monkey ApS is controlled by Peter Lyager and Thomas Ibsø, which is part of the executive management of TP Aerospace Group.

22. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities

Joint taxation

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. for the Danish companies of the TP Aerospace Group. The total amount of corporation tax payable is disclosed in the Annual Report of CC Green Wall Invest ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustment of corporation taxes and withholding taxes may increase the Groups liability.

Charges and security

As security for borrowings, as well as group companies' bank commitments, security in share capital, inventory, tangible assets and goodwill, regarding the Group companies TP Aerospace PRO ApS, TP Aerospace Solutions ApS, TP Aerospace Holding A/S and TPA Holding I A/S nominal USD 1,4m, is effective.

Guarantee obligations

The Group has issued a guarantee of payment between the Danish Group companies TP Aerospace PRO ApS, TP Aerospace Solutions ApS, TP Aerospace Holding A/S and TPA Holding I A/S and the Groups credit institutions.

23. FINANCIAL RISK MANAGEMENT

Financial risk factors

The group's activities expose it to a variety of financial risks: currency risk, interest risk, credit risk and liquidity risk. The group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

The Financial risks of the group are managed centrally. The overall risk management guidelines and policies have been approved by the board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Group management manages contracts and risk exposures in accordance with the guidelines and policies and reports to the board of directors on a regular basis.

Market risk

Foreign exchange risk

As a consequence of the Group's structure, most net sales and expenditure in foreign currency are set off against each other, so that the Group is not exposed to major exchange-rate risks.

The groups revenue and expenses are mostly in the functional currency of the operating entity creating a natural currency hedge. Consequently, the group treasury's risk management policy is not to hedge foreign exchange rate risks.

The main borrowings are in USD or DKK. Board of Directors have decided not to hedge borrowings in DKK and the groups main currency risk is therefore related to loan in DKK.

Sensitivity analysis

The group is primarily exposed to changes in DKK/USD exchange rate. The sensitivity of profit or loss to changes in the exchange rates arises mainly from expenses and loans in DKK.

Impact on post tax profit	2019 USD'000	2018 USD'000
DKK/USD exchange rate – increase 10%	2,544	3,470
DKK/USD exchange rate – decrease 10%	-3,109	-4,241

All other variables are held constant.

Interest rate risk

The group's interest rate risk arises from long-term borrowings related to the acquisitions. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk. Group policy is to hedge as a minimum 67% of the cash flow interest rate risk on the term loan A. The Group uses interest rate swaps to hedge this risk.

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest from borrowings and fair value changes of interest rate derivatives as a result of changes in interest rates. The sensibility analysis are calculated after the impact of the hedging instruments.

Impact on post tax profit	2019 USD'000	2018 USD'000
Interest rates – increase by 100 basis points	553	510
Interest rates – decrease by 100 basis points	-553	-510

All other variables are held constant.

Credit risks

Credit risk is managed on group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. For accounts over a certain size group management has to be consulted.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. For banks and financial institutions, only independently rated parties with a high credit rating are accepted. For customers individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

The maximum exposure corresponds to the carrying amount of receivables. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

The group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses below also incorporate forward looking information. The credit risk is generally considered immaterial.

Hedging

The group's activities expose it to foreign currency risk and interest rate risk. In order to minimise any adverse effects on the financial performance of the group, derivative financial instruments, such as interest rate swaps are used to fix variable future cash flows. These instruments reduce the uncertainty of interest payments. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. The effective portion of the change in the fair value of the hedging instrument is deferred into the cash flow hedge reserve through OCI and will be recognised in profit or loss when the hedged item affects profit or loss. This will effectively result in recognising interest expense at a fixed interest rate for the hedged loans.

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt and the cash flow exposures on the issued variable rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates.

No other sources of ineffectiveness emerged from these hedging relationships.

The following tables detail various information regarding interest rate swap contracts outstanding at the end of the reporting period and their related hedged items. Interest rate swap contract assets and liabilities are included in the 'Other receivables' and 'Other payables' line items in the consolidated statement of financial position respectively.

There was no ineffectiveness during 2019 in relation to the interest rate swaps.

	Notional principal USD'000	Amount recognised in OCI USD'000	Fair value USD'000
Interest rate swaps - cash flow hedge	8,838	-112	-7
As at 31.12.2019	**8,838**	**-112**	**-7**
Interest rate swaps - cash flow hedge	12,371	53	105
As at 31.12.2018	**12,371**	**53**	**105**

Derivative financial instruments – interest rate swaps	**2019 USD'000**	**2018 USD'000**
Carrying amount ((-) Liability)	-9	134
Maturity Date	26 May 2022	26 May 2022
Hedge ratio	67%	67%
Weighted average hedged rate for the year	1.81%	1.79%

Liquidity

Cash flow forecasting is performed on group level by management. Management monitors rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the group does not breach borrowing limits or covenants (where applicable) or any of its borrowing facilities. Such forecasting takes into consideration the group's debt financing plans and covenant compliance.

The group has undrawn borrowing facilities of USD 2.3m that together with the USD 2.4m in cash, gives af a total of USD 4.7m available for settling future operating activities and to settle capital commitments.

The table below analyses the group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

For floating rate borrowings, the rate at the balance sheet date has been applied.

Non-derivatives	**Less than 1 year USD'000**	**1-5 years USD'000**	**>5 years USD'000**	**Total USD'000**
As at 31.12.2018				
Borrowings	5,813	66,681	0	72,494
Lease liability	2,036	5,441	1,037	8,514
Trade payables	12,750	0	0	12,750
Other payables	2,122	159	0	2,281
Total	**22,721**	**72,281**	**1,037**	**96,039**
As at 31.12.2019				
Borrowings	7,369	77,664	0	85,033
Lease liability	2,346	7,314	1,458	11,118
Trade payables	14,934	0	0	14,934
Other payables	6,504	0	0	6,504
Total	**31,153**	**84,978**	**1,458**	**117,589**

24. FINANCIAL ASSETS AND LIABILITIES

The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model with the objective of collecting the contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

	2019 USD'000	2018 USD'000
Financial assets		
Financial assets at amortised cost:		
Trade receivables	17,821	15,966
Other receivables	2,976	2,837
Prepayments	62	1,738
Cash	2,391	2,863
Financial assets at fair value over other comprehensive income:		
Interest rate swaps	0	134
Total	**23,250**	**23,538**
Financial liabilities		
Financial liabilities at amortised cost:		
Borrowings	75,245	63,631
Lease liability	10,019	8,513
Trade payables	14,934	12,750
Other payables	6,504	2,282
Prepayments from customers	972	408
Financial liabilities at fair value over profit and loss:		
Interest rate swaps	9	0
Interest rate caps	0	36
Total	**107,683**	**87,620**

The carrying amount of the Group's financial assets at Fair Value Through Profit & Loss as disclosed in note 23 best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

25. EVENTS AFTER THE BALANCE SHEET DATE

The implications of COVID-19, including the decision of many governments around the world to close their borders, will have great impact on the global economy. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Company and the Group.

COVID-19 is expected to have a negative effect on the Group's revenue and EBITDA compared to last year. The reason for this is the global decline in the aviation industry in general and number aircraft in operation.

Currently, it is not possible to accurately estimate the extent of the COVID-19 impact for the financial year 2020.

In April 2020, the Group received a capital increase of USD 12 million and added a new credit facility of USD 8 million in May 2020. The amortization of the term loan is suspended for 2020. Based on this, Management considers the Company's and the Group's capital resources to be adequate.Based on this, Management considers the Company's and the Group's capital resources to be adequate.

26. CHANGES IN NET WORKING CAPITAL

No events have occurred after the balance sheet date of importance to the Annual Report.

	2019 USD'000	2018 USD'000
Changes in inventories	-4,871	-21,829
Changes in trade receivables	-1,855	-1,894
Changes in other receivables and prepayments	1,537	-3,436
Changes in trade payables, other payables and prepayments from customers	6,970	4,035
Total	**1,781**	**-23,124**

27. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2019 USD'000	2018 USD'000
Proceeds from borrowings	15,513	12,147
Repayment of borrowings	-3,591	0
Total	**11,922**	**12,147**

28. DEPRECIATIONS AND AMORTISATIONS

	2019 USD'000	2018 USD'000
Depreciations and amortizations from Note 5	25,759	21,940
Depreciations related to MRO	-21,809	-18,584
Total	**3,950**	**3,356**

Depreciation relating to MRO on the CFR activities has a direct impact on the Group's cash flows, and are therefore adjusted in the cash flow statement for the financial year 2019.

29. EXEMPTION FROM AUDIT OF FOREIGN SUBSIDIARIES

The German subsidiary TP Aerospace Technics GmbH made use of the exemption option in accordance with § 264 par. 3 HGB (German Commercial Code) concerning the obligation to prepare notes and a management report as well as to audit and to disclosure the annual financial statements and the management report for fiscal year 2019.

TP Aerospace Technics UK Ltd is exempt from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The group has given a guarantee in respect of the subsidiary company's debts.

Chapter 4

PARENT COMPANY FINANCIAL STATEMENTS

PROFIT AND LOSS (PARENT COMPANY) 1 JANUARY - 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
General and administrative expenses		-26	-50
Operating profit		**-26**	**-50**
Finance income	3	524	585
Finance costs	4	-827	-979
Profit before income tax		**-329**	**-444**
Income tax expenses	5	73	94
Profit for the period		**-256**	**-350**

STATEMENT OF COMPREHENSIVE INCOME (PARENT COMPANY) 1 JANUARY - 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Profit for the period		-256	-350
Fair value changes for the year, cash flowhedge		-143	68
Income tax relating to these items		31	-15
Other comprehensive income for the period, net of tax		**-112**	**53**
Total comprehensive income for the period		**-368**	**-297**

BALANCE SHEET (PARENT COMPANY) 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Investment in subsidiaries	6	75,875	74,560
Deferred tax asset	7	7	9
Financial assets		**75,882**	**74,569**
Total non-current assets		**75,882**	**74,569**
Receivables from group enterprises	10	8,092	11,900
Other receivables		0	134
Income tax receivable		106	79
Receivables		**8,198**	**12,113**
Cash		**8**	**4**
Total current assets		**8,206**	**12,117**
Total assets		**84,088**	**86,686**
Share capital	8	651	651
Share premium		64,441	64,441
Reserve for cash flow hedges		-8	104
Retained earnings		10,091	9,032
Total equity		**75,175**	**74,228**
Borrowings	9	5,246	8,832
Total non-current liabilities		**5,246**	**8,832**
Borrowings		3,592	3,539
Other payables		75	87
Total current liabilities		**3,667**	**3,626**
Total liabilities		**8,913**	**12,458**
Total equity and liabilities		**84,088**	**86,686**

STATEMENT OF CHANGES IN EQUITY (PARENT COMPANY)

	Share capital USD'000	Share premium USD'000	Reserve for cash flow hedges USD'000	Retained earnings USD'000	Total USD'000
Equity at 01.01.2018	651	64,441	51	-195	64,948
Profit for the period 01.01.2018 - 31.12.2018	0	0	0	-350	-350
Fair value change in the year	0	0	53	0	53
Total comprehensive income for the period	**0**	**0**	**53**	**-350**	**-297**
Transactions with owners in their capacity as owners					
Group contribution	0	0	0	9,577	9,577
Equity at 31.12.2018	**651**	**64,441**	**104**	**9,032**	**74,228**
Profit for the period 01.01.2019 - 31.12.2019	0	0	0	-256	-256
Fair value change in the year	0	0	-112	0	-112
Total comprehensive income for the period	**0**	**0**	**-112**	**-256**	**-368**
Transactions with owners in their capacity as owners					
Group contribution	0	0	0	1,315	1,315
Equity at 31.12.2019	**651**	**64,441**	**-8**	**10,091**	**75,175**

CASH FLOW STATEMENT (PARENT COMPANY) 1 JANUARY - 31 DECEMBER

	Notes	2019 USD'000	2018 USD'000
Operating profit		-26	-50
Change in net working capital	13	-146	-19
Cash flows from primary operating activities		-172	-69
Interests received		56	0
Interests paid		-643	-989
Net cash flow from operating activities		**-759**	**-1,058**
Group contribution		-1,315	0
Net cash flow from investing activities		**-1,315**	**0**
Repayment of borrowings		-3,592	-2,822
Intergroup borrowings		4,355	-5,695
Group contribution		1,315	9,577
Cash flow from financing activities		**2,078**	**1,060**
Net cash flow for the year		4	2
Cash and cash equivalents, beginning of the year		4	2
Cash and cash equivalents, end of the year		**8**	**4**

NOTES

Notes

1. ACCOUNTING POLICIES

The Financial Statements for the parent company, TPA Holding I ApS have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union as well as additional Danish disclosure requirements applying to entities of reporting class B.

New standards

The annual report is prepared according to standards and interpretations effective for financial years beginning on 1 January 2019. No standards or interpretations have been adopted early.

The parent company has the same accounting policies for recognition and measurement as Group. The parent company's accounting policies deviate from the Group's accounting policies as described below. For a detailed description of the group's accounting policies please refer to the consolidated financial statements, Note 1.

The functional currency of the parent Company is USD. The financial statement have been rounded to the nearest thousand.

Dividend

Dividend from investments in subsidiaries are recognised as income in the parent company profit and loss account in the year where the dividends are declared.

Investments in subsidiaries

Investments in subsidiaries are measured at cost.

Impairment tests are performed on subsidiaries if events or changes in circumstances indicate that their carrying amount may not be recoverable. If cost exceeds the recoverable amount, the carrying amount is written down to the recoverable amount.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgments, estimates and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates and assumptions for the individual items are described below.

The company is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Impairment of investment in subsidiary

The group tests, if there are indicators of impairment, whether investment in subsidiary has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units will be determined based on value-in-use calculations. These calculations require the use of estimates.

For a description of other significant accounting estimates, assumptions and uncertainties please refer to the consolidated financial statements, stated in note 2.

It is the managements judgement that no critical accounting estimates and judgements are made with regards to the accounting principles of the parent company, except for the above described.

3. FINANCIAL INCOME

	2019 USD'000	2018 USD'000
Other interest	56	0
Interest income from group enterprises	468	585
Total	**524**	**585**

4. FINANCIAL EXPENSES

	2019 USD'000	2018 USD'000
Interest expenses	769	921
Other financial expenses	58	58
Total	**827**	**979**

5. TAX ON PROFIT FOR THE YEAR

	2019 USD'000	2018 USD'000
Current tax:		
Current tax on profits for the year	-75	-94
Total current tax expense	**-75**	**-94**
Deferred tax:		
Origination and reversal of temporary differences	2	0
Total deferred tax assets	**2**	**0**
Income tax expenses for the period	**-73**	**-94**
Income tax expenses are specified as follows:		
Calculated 22.0% tax on profit for the year before income tax	-72	-98
Tax effects of:		
Adjustments in respect of prior years	-1	4
Total	**-73**	**-94**
Effective tax rate	22%	22%

6. INVESTMENT IN SUBSIDIARIES

	2019 USD'000	2018 USD'000
Cost:		
At 01.01	81,907	72,330
Additions during the year	1,315	9,577
At 31.12	83,222	81,907
Impairment:		
At 01.01	7,347	7,347
Impairment charge	0	0
At 31.12	7,347	7,347
Carrying amount 31.12	**75,875**	**74,560**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Vote and ownership
TP Aerospace Holding A/S	Hvidovre, Denmark	100%
TP Aerospace Solutions ApS	Hvidovre, Denmark	100%
TP Aerospace PRO ApS	Hvidovre, Denmark	100%
TP Aerospace Asia Pte. Ltd.	Singapore	100%
TP Aerospace Americas Corp	Las Vegas, US	100%
TP Aerospace Technics LLC	Orlando, US	100%
TP Aerospace Technics NV LLC	Las Vegas, US	100%
TP Aerospace Technics GmbH	Norderstedt, Germany	100%
TP Aerospace Asia Technics Pte. Ltd.	Singapore	100%
TP Aerospace Malaysia Sdn. Bhd.	Kuala Lumpur, Malaysia	100%
TP Aerospace Technics FZE	Dubai, UAE	100%
TP Aerospace Technics Pty Ltd.	Melbourne, Australia	100%
TP Aerospace Technics UK LTD.	United Kingdom	100%
TP Aerospace (Thailand) Co., Ltd.	Bangkok, Thailand	100%
TP Aerospace Technics Russia	Moscow, Russia	100%

7. DEFERRED TAX

	2019 USD'000	2018 USD'000
Deferred tax at 01.01.	9	9
Deferred tax recognised in the income statement	-2	0
Deferred tax 31.12.	**7**	**9**
Deferred tax relates to:		
Amortisation cost, Bank debt	7	9
Total	**7**	**9**

8. SHARE CAPITAL

For a specification of share capital please refer to the consolidated financial statements, Note 18.

9. BORROWINGS

For a specification of the Company's borrowings, please refer to the consolidated financial statements, Note 19.

10. RELATED PARTIES

The company is controlled by TPA Holding II ApS. The company's ultimate parent is CataCap I K/S.
Key management compensation" is disclosed in note 4 in the consolidated financial statement.

The following transactions were carried through with related parties:

	2019 USD'000	2018 USD'000
Transactions with CC Green Wall Invest ApS:		
Proceeds from borrowings	79	32
Total	**79**	**32**
Transactions with TPA Holding II A/S:		
Interest expense	2	0
Group contribution	1,315	9,577
Total	**1,317**	**9,577**
Transactions with TP Aerospace Holding A/S:		
Interest income	483	585
Proceeds from borrowings	-4,204	-3,882
Group contribution	-1,315	-9,577
Total	**-5,036**	**-12,874**

Expected credit losses – Receivables from group enterprises
At year end TPA Holding I A/S had receivables from group enterprises on USD 8,092k (2018: USD 11,900k).
The impairment provision on the receivables from group enterprises are considered as immaterial.

11. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities

Joint taxation

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc. for the Danish companies of the TP Aerospace Group. The total amount of corporation tax payable is disclosed in the Annual Report of CC Green Wall Invest ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustment of corporation taxes and withholding taxes may increase the Groups liability.

Charges and security

As security for bank loans, as well as group companies' bank commitments, security in share capital regarding the subsidiary TP Aerospace Holding A/S nominal USD 0,3m, is effective.

Guarantee obligations

TPA Holding I A/S has issued a guarantee of payment between the Parent Company TPA Holding II A/S and Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige.

Furthermore TPA Holding I A/S has issued a guarantee of payment between the subsidiaries TP Aerospace PRO ApS, TP Aerospace Solutions ApS and TP Aerospace Holding A/S and Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige.

Guarantee obligations

TPA Holding I A/S has issued a guarantee of payment between the Parent Company TPA Holding II A/S and Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige.

Furthermore TPA Holding I A/S has issued a guarantee of payment between the subsidiaries TP Aerospace PRO ApS, TP Aerospace Solutions ApS and TP Aerospace Holding A/S and Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige.

12. EVENTS AFTER THE BALANCE SHEET

See note 25 in the Consolidated Financial Statements.

13. CHANGES IN NET WORKING CAPITAL

	2019 USD'000	2018 USD'000
Changes in other receivables	-134	68
Changes in trade and other payables	-12	-88
Total	**-146**	**-19**

14. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2019 USD'000	2018 USD'000
Cash flow from financing activities at 01.01	12,569	15,134
Proceeds from borrowings	0	0
Repayment of borrowings	-3,592	-2,565
Cash flow from financing activities at 31.12	**8,977**	**12,569**

15. CAPITAL MANAGEMENT

For a description of capital management please refer to the consolidated financial statements, Note 18.

Chapter 4

SIGNATURES

MANAGEMENT'S STATEMENT

The Boards of Directors and the Executive Board have today considered and adopted the Annual Report of TPA Holding I A/S for the financial year 01.01.2019 - 31.12.2019.

The Consolidated Financial Statements and the Parent Company Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU, and further requirements in the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Group and the Parent Company, and of the results of the Group and the Parent Company's operations and cash flows for the financial year 01.01.2019 - 31.12.2019.

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

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

Hvidovre, 25 May 2020

Executive Board

Peter Jørgen Lyager

Thomas Daniel Ibsø

Nikolaj Lei Jacobsen

Board of Directors

Jens Flemming Jensen
Chairman

Peter Ryttergaard
Deputy Chairman

Andrew Hoad

Jesper Abildskov Blom

Vilhelm Eigil Hahn-Petersen

Michael John Humphreys

Nina Fisker Olesen

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
TPA Holding I A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2019 and of the results of the Group's and Parent Company's operations and cash flows for the financial year 01.01.2019 - 31.12.2019 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements for the financial year 01.01.2019 - 31.12.2019 of TPA Holding I A/S, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("financial statements").

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 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 opinion.

Statement on Management's Review

Management is responsible for Management's Review.

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 Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

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 International Financial Reporting Standards as adopted by the EU and further requirements in 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 Parent 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 Parent 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 skepticism 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 Group's and the Parent 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 Group's and the Parent 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 Parent 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.

Hellerup, 25 May 2020

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
mne18651

Thomas Baunkjær Andersen
State Authorised Public Accountant
mne35483

Chapter 5

OTHER INFORMATION

DEFINITION OF KEY FIGURES AND FINANCIAL RATIOS

Definition	Description
EBITDA	Earnings before interest, tax, depreciation, amortisation and impairment losses as well as profit from sale of property, plant and equipment and amortisation of intangible assets.
EBITDA margin	EBITDA as a % of net revenue.
EBIT	Earnings before interest and tax.
EBIT margin	EBIT as a percentage of net revenue.
Net interest-bearing debt	Mortgage debt and debt to credit institutions less cash at bank and in hand, interest-bearing current investments and receivables.
Net working capital	Inventories + receivables - current liabilities except for corporation tax receivable/payable as well as mortgage debt and debt to credit institutions.
Invested capital	Equity, including minority interests + net interest-bearing debt at year-end
Free cash flow	Cash flow from operating activities less net investments in property, plant and equipment and plus dividends from associates.
Return on invested capital excluding goodwill (ROIC)	EBITDA before special items as a percentage of average invested capital, excluding goodwill.
Net interest-bearing debt/ EBITDA before special items	The ratio of net interest-bearing debt at year end to EBITDA.
Equity ratio	Equity at year end as a percentage of total assets.
Return on equity (ROE)	Consolidated profit after tax as a percentage of average equity.
Aircraft components	Wheel and brake components regardless of accounting treatment including piece parts.
Special items	See Special items note under the "Financial Statements" section.

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Flemming Jensen

Company	Function
TPA Holding I A/S	Chairman
TPA Holding II A/S	Chairman
TP Aerospace Holding A/S	Chairman
DSB	Executive Management
Copenhagen Industry Employer Confederation	Board member
The Confederation of Danish Industry	Member of the Central Board

Peter Ryttergaard

Company	Function
Ryttergaard Invest A/S	Board of Directors, Executive Management
Buldus ejendomme ApS	Executive Management
Investeringsselskabet af 27/12 1985 ApS	Executive Management
Kjærulff Pedersen A/S	Board Member
CataCap Management A/S	Board Member
CataCap OP ApS	Executive Management
CataCap DM ApS	Executive Management
CataCap DM II ApS	Executive Management
CC II Management Invest 2017 GP ApS	Executive Management
CataCap General Partner I ApS	Executive Management
CataCap General Partner II ApS	Board Member
CC Orange Invest ApS	Board Member
Mobylife Holding A/S	Board Member
Mobylfie DM ApS	Executive Management
Mobylife DK A/S	Board Member
Mobylife AB	Board Member
Mobylife AS	Board Member
Mobylife OY	Board Member
CC Explorer Invest ApS	Board Member
HB-Care Leasing ApS	Board Member
CC Sky Invest ApS	Board Member, Executive Management
Altantic HoldCo Limited	Chairman
Altantic OfferCo Limited	Chairman
CC Globe Invest ApS	Executive Management

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Peter Ryttergaard

Company	Function
CC Tool Invest ApS	Board Member, Executive Management
G.S.V. Holding A/S	Deputy Chairman
G.S.V. Materieludlejning A/S	Deputy Chairman
CC Oscar Invest ApS	Board Member, Executive Management
CC Oscar Holding I A/S	Board Member
CASA A/S	Board Member
Casa ManCo ApS	Executive Management
CC Green Wall Invest ApS	Board Member, Executive Management
TPA Holding I A/S	Deputy Chairman
TPA Holding II A/S	Deputy Chairman
TP Aerospace Holding A/S	Deputy Chairman
TPA Green ManCo ApS	Executive Management
CC Lingo Invest ApS	Board Member, Executive Management
LW ManCo ApS	Executive Management
CC Fly Invest ApS	Executive Management
Rekom ManCo ApS	Executive Management
Aerfin Holdings Limited	Chairman
Aerfin Limited	Chairman

Jesper Blom

Company	Function
Artha Holding A/S	Board member
Artha Kapital forvaltning Fondsmæglerskab A/S	Board member
Ferdinand Holding 2017 ApS	Executive Management
TP Aerospace Holding A/S	Board member
TPA Holding I A/S	Board member
TPA Holding II A/S	Board member
Nordic Drive ApS	Board member

Nina Fisker Olesen

Company	Function
TP Aerospace Holding A/S	Board member
TPA Holding I A/S	Board member
TPA Holding II A/S	Board member
PNO Holding A/S	Board member

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Andrew Hoad

Company	Function
TPA Holding I A/S	Board Member
TPA Holding II A/S	Board Member
TP Aerospace Holding A/S	Board Member
TD Aerospace (UK) Ltd	Executive Management

Michael Humphreys

Company	Function
TPA Holding I A/S	Board Member
TPA Holding II A/S	Board Member
TP Aerospace Holding A/S	Board Member
GHF Advisory Ltd.	Executive Management

Vilhelm Hahn-Petersen

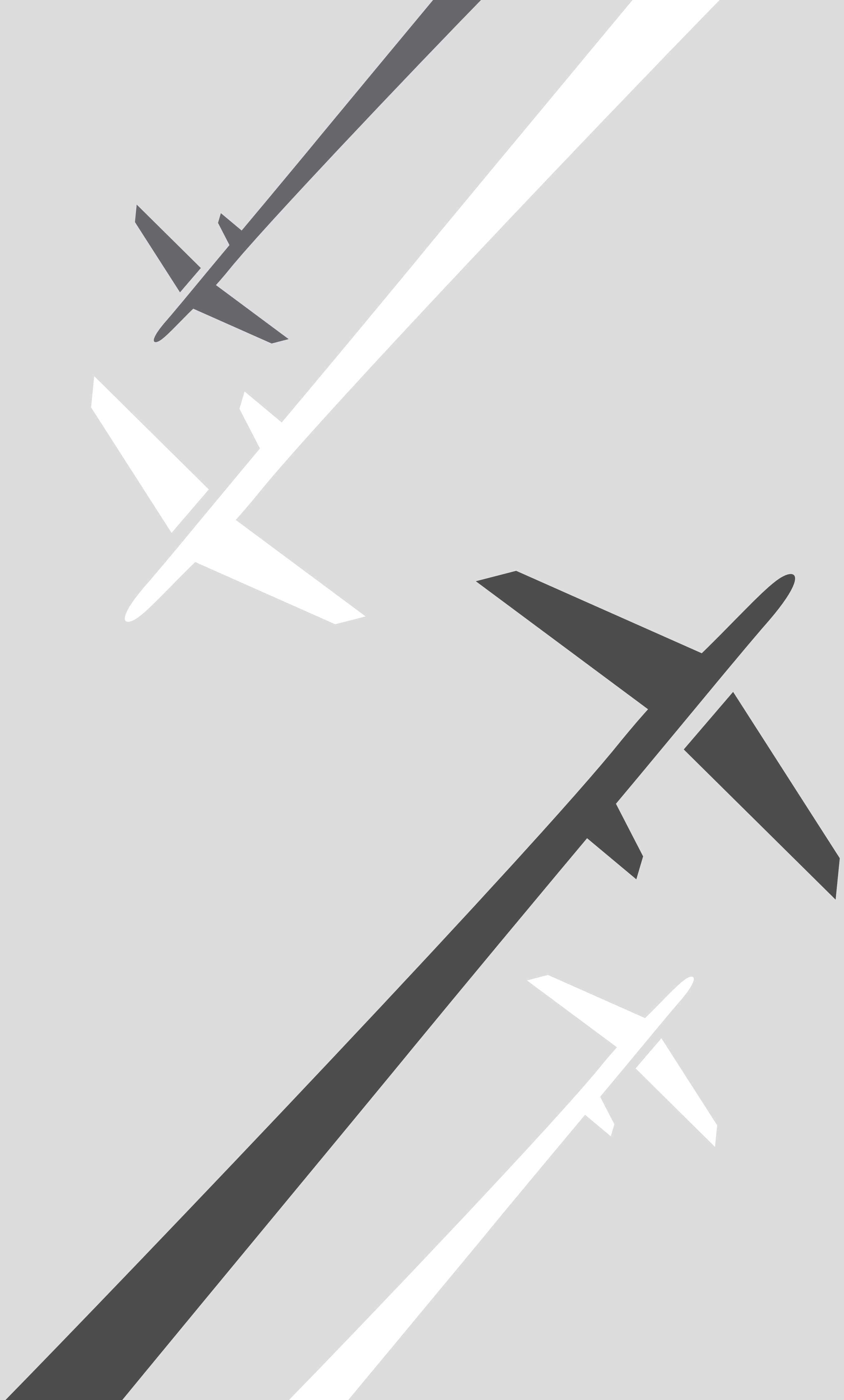
Company	Function
Myco ApS	Executive Management
Airhelp Limited.	Board Member
CataCap Management A/S	Board Member
CataCap OP ApS	Executive Management
CataCap DM ApS	Executive Management
CataCap DM II ApS	Executive Management
CC II Management Invest 2017 GP ApS	Executive Management
CATACAP GENERAL PARTNER I ApS	Executive Management
CataCap General Partner II ApS	Board Member
CC Orange Invest ApS	Board Member
Mobylife Holding A/S	Deputy Chairman
Mobylfie DM ApS	Executive Management
Mobylife DK A/S	Deputy Chairman
Mobylife AB	Deputy Chairman
Mobylife AS	Deputy Chairman
Mobylife OY	Deputy Chairman
CC Track Invest ApS	Executive Management
Lyngsoe Systems Holding A/S	Board Member
Lyngsoe Systems A/S	Board Member
CC Explorer Invest ApS	Board Member
CC Tool Invest ApS	Board Member
G.S.V. Holdiing A/S	Board Member
G.S.V. Materieludlejning A/S	Board Member
CC Globe Invest ApS	Executive Management

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Vilhelm Hahn-Petersen

Company	Function
CC Oscar Invest ApS	Board Member
CC Oscar Holding I A/S	Deputy Chairman
CASA A/S	Deputy Chairman
Casa ManCo ApS	Executive Management
CC Green Wall Invest ApS	Chairman
TPA Holding I A/S	Board Member
TPA Holding II A/S	Board Member
TP Aerospace Holding A/S	Board Member
TPA Green ManCo ApS	Executive Management
CC Lingo Invest ApS	Chairman
LW ManCo ApS	Executive Management
Rekom Group A/S	Deputy Chairman
Rekom ManCo ApS	Executive Management
CC Fly Invest ApS	Executive Management
CC Fly Holding I ApS	Deputy Chairman
CC Fly Holding II A/S	Deputy Chairman

COMPANY DETAILS



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Telephone: +45 8993 9929

CVR no.: 38473492
Registered in Hvidovre
Financial period:
1 January - 31 December 2019

Website: www.tpaerospace.com
Email: sales@tpaerospace.com

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Flemming Jensen
Peter Ryttergaard
Andrew Hoad
Jesper Blom
Nina Fisker Olesen
Vilhelm Hahn-Petersen
Michael Humphreys

Executive Management
Peter Lyager
Thomas Ibsø
Nikolaj Lei Jacobsen

Auditor
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WHEELS AND BRAKES

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