

CC Fly Holding I ApS

**Niels Hemmingsens Gade 36
1153 København K**

CVR No 39 40 20 25

Annual report for

01.01.2019

-

31.12.2019

The Annual Report was presented and adopted at the Annual General Meeting of the Company on: 19 / 02 - 2020

Chairman

Peter Ryttergaard

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Company Information

Company

CC Fly Holding I ApS
Niels Hemmningsens Gade 36
DK - 1153 København K

Central Business Registration No 39 40 20 25
Registered in Copenhagen

Financial period: 1 January - 31 December 2019

Board of Directors

Adam Nederby Falbert

Executive Board

Claus Juel Jensen
Vilhelm Eigil Hahn-Petersen
Sophie Louise Knauer
Rasmus Philip Buhl Lokvig
Adam Nederby Falbert
Morten Nødgaard Albæk

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
Cvr nr. 33 77 12 31

Management's Review

Primary activities

The Company's main activity is to act as a holding company of group subsidiaries.

Development in activities and finances

The income statement of the Company for 2019 shows a loss of KDKK 4,617 compared to a loss in 2018 at KDKK 3,669 and at 31 December 2019 the balance sheet of the Company shows equity of KDKK 293,369 compared to 267,689 at 31 December 2018.

Management's Statement

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of CC Fly Holding I ApS for the financial year 01.01.2019 - 31.12.2019.

The Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and further requirements in the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31.12.2019 of the Company and of the results of the Company 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 development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company.

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

Copenhagen, 19 february 2020

Executive Board

Adam Nederby Falbert

Board of Directors

Claus Juel Jensen

Vilhelm Eigil Hahn-Petersen

Sophie Louise Knauer

Rasmus Philip Buhl Lokvig

Adam Nederby Falbert

Morten Nødgaard Albæk

Independent Auditor's Report

To the Shareholders of CC Fly Holding I ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2019 and the results of the Company's operations and cash flows for the financial year of 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 Financial Statements of CC Fly Holding I ApS for the financial year 01.01.2019 - 31.12.2019, 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 the 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these 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 Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of 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.

Independent Auditor's Report

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional 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 over-ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent Auditor's Report

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, 19 february 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jacob F Christiansen

State Authorised Public Accountant

mne18628

Kristian Højgaard Carlsen

State Authorised Public Accountant

mne44112

Profit and loss 1 January - 31 December

	Note	2019 KDKK	12.03.2018- 31.12.2018 KDKK
General and administrative expenses		(35)	(28)
Gross profit		(35)	(28)
Operating profit		(35)	(28)
Finance income		3,487	0
Finance costs	3	(9,117)	(4,675)
Profit before income tax		(5,665)	(4,704)
Income tax expenses	4	1,048	1,035
Profit for the period		(4,617)	(3,669)

Statement of comprehensive income 1 January- 31 December

	<u>Notes</u>	<u>2019 KDKK</u>	<u>2018 KDKK</u>
Profit for the period		(4,617)	(3,669)
Other comprehensive income for the period, net of tax		0	0
Total comprehensive income for the period		(4,617)	(3,669)

Balance sheet 31 December

	Notes	2019 KDKK	2018 KDKK
Investment in subsidiaries	5	393,000	393,000
Deferred tax asset		203	0
Total non-current assets		393,203	393,000
Income tax receivable		1,884	1,035
Intercompany		49,207	3,475
Cash and cash equivalents		3	57
Total current assets		51,094	4,567
Total assets		444,297	397,567

Balance sheet 31 December

	Note	2019 KDKK	2018 KDKK
Share capital	6	5,924	5,385
Share premium		295,731	265,973
Retained earnings		(8,286)	(3,669)
Total equity		293,369	267,689
Vendor loan	9	150,811	129,849
Total non-current liabilities		150,811	129,849
Intercompany		53	0
Other payables		64	28
Total current liabilities		117	28
Total liabilities		150,928	129,878
Total equity and liabilities		444,297	397,567

Statement of changes in equity

	Share capital	Share premium	Retained earnings	Total
	KDKK	KDKK	KDKK	KDKK
Equity at 01.01.2019	5,385	265,973	(3,669)	267,689
Own shares	0	(13,134)	0	(13,134)
Profit for the period	0	0	(4,617)	(4,617)
Other comprehensive income	0	0	0	0
Total comprehensive income for the period	<u>5,385</u>	<u>252,839</u>	<u>(8,286)</u>	<u>249,938</u>
<i>Transactions with owners in their capacity as owners</i>				
Capital increase	<u>539</u>	<u>42,892</u>	<u>0</u>	<u>43,431</u>
Equity at 31.12.2019	<u>5,924</u>	<u>295,731</u>	<u>(8,286)</u>	<u>293,369</u>

Cash flow statement 1 January - 31 December

	Notes	2019 KDKK	2018 KDKK
Operating profit		(35)	(28)
Change in net working capital	11	35	28
Cash flows from primary operating activities		0	0
Interests paid		(9,117)	(4,675)
Tax paid		(5)	0
Net cash flow from operating activities		(9,122)	(4,675)
Payment for acquisition of subsidiary		0	(393,000)
Net cash flow from investing activities		0	(393,000)
Proceeds from borrowings	12	20,962	129,849
Loans to intercompany	12	(45,678)	(3,475)
Capital increase and formation	12	43,431	271,358
Purchase of own shares		(13,134)	0
Cash flow from financing activities		5,581	397,732
Net cash flow for the year		(3541)	57
Cash and cash equivalents, beginning of the year		57	0
Unrealised exchange rate gains and losses on cash		0	0
Cash and cash equivalents, end of the year		(3,484)	57

Notes

1. Accounting policies
2. Critical accounting estimates and judgements
3. Financial expenses
4. Tax on profit for the year
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11. Changes in net working capital
12. Changes in liabilities arising from financing activities

Notes

1. Accounting policies

CC Fly Holding I ApS was founded on 12 March 2018.

The Financial Statements for the company, CC Fly 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.

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

The functional currency of the Company is DKK.

General information on recognition and measurement

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

Consolidated financial statements

Referring to IFRS 10 no consolidated financial statements have been prepared, due to the fact that the ultimate parent company, CataCap II K/S, publishes IFRS financial statement as investment company, where the company are recognised and measured at fair value.

New standards

The IASB has issued a number of new or amended standards and interpretations effective for financial years beginning on or 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 company.

Foreign currency translation

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.

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

General and administrative expenses

General and administrative expenses include expenses relating to the Company's ordinary activities.

Finance income

Finance income comprise interest income, including receivables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Finance expenses

Finance expenses comprise interest expenses, including payables and transactions in foreign currencies as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

Notes

1. Accounting policies - continued

Income tax and deferred tax

The company is jointly taxed with the parent company CC Fly Invest ApS and the Danish subsidiaries. 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 Financial Statements. 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 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.

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.

Notes

1. Accounting policies - continued

Receivables

Receivables are initially recognised at fair value adjusted for any transaction costs. Subsequently, receivables are measured at amortised cost, which usually corresponds to the nominal value. Write-down is made to net realisable value to provide for expected losses.

Equity

Dividend distribution

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

Share Premium

Share Premium relate to capital increases.

Treasury share reserve

The reserve comprises the nominal value of treasury shares. The difference between the market price paid and the nominal value plus dividends on treasury shares is recognised directly as retained earnings in equity.

Vendor loan and other payables

Vendor loan relates to the formation of CC Fly Holding II ApS. Other debt or liabilities covering trade creditors and other debt are recognised at amortized cost, which usually corresponds to the nominal value.

Statement of cash flow

The cash flow statement shows the 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, development, improvement, sale 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, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents

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

Notes

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 judgements, 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 test of investments in subsidiaries

The Company tests, if there are indicators of impairment, whether investments in subsidiaries has suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units will be determined based on value-in-use calculations. These calculations require the use of estimates.

Investments in subsidiaries amounts to KDKK 393,000 and no impairment losses has been recognised in 2019.

Notes

	2019	2018
	KDKK	KDKK
3. Financial expenses		
Interest expenses	(9,117)	(4,675)
	(9,117)	(4,675)
4. Tax on profit for the year		
Current tax:		
Regulation of prior year	(198)	0
Current tax on profits for the year	1,246	1,035
Total current tax expense	1,048	1,035
Income tax expenses for the period	1,048	1,035
Income tax expenses are specified as follows:		
Calculated 22.0% tax on profit for the year before income tax	(1,246)	(1,035)
Tax effects of:		
Non-taxable income	0	0
Non-deductable expenses	0	0
	(1,246)	(1,035)
Effective tax rate	22%	22%

Notes

5. Investment in subsidiaries

	2019	2018
	KDKK	KDKK
Cost:		
At 01.01.2019	393,000	0
Additions during the year	0	393,000
Disposals during the year	0	0
At 31.12.2019	<u>393,000</u>	<u>393,000</u>
Impairment:		
At 01.01.2019	0	0
Impairment charge	0	0
At 31.12.2019	<u>0</u>	<u>0</u>
Carrying amount 31.12.2019	<u>393,000</u>	<u>393,000</u>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Place of registered office</u>	<u>Vote</u>	<u>Ownership</u>
CC Fly Holding II ApS	Copenhagen	100%	100%

Notes

6. Share capital

The company's share capital is divided into two classes of shares, A-shares and B1-shares each of a nominal value of DKK 0,01. Each A-share shall carrying one vote and none of the B1-shares shall carry any votes.

No distribution of dividends shall be made to the B1-shareholders before A-shares have received payment in full, ie. have received re-payment of the capital invested.

The share capital comprise 5 shares of a nominal value of DKK 0,01 each. Following transactions have been carried out on the share capital in the financial year:

	<u>Share class</u>	<u>Number of shares ('000)</u>	<u>Nominal value KDKK</u>
Changes in share capital:			
Share capital at 01.01.2019	A	504,569	5,046
Share capital at 01.01.2019	B1	33,890	339
Capital increase at 24.07.2019	A	6.453	65
Capital increase at 24.07.2019	B1	2.451	24
Capital increase at 23.08.2019	A	6.466	65
Capital increase at 20.11.2019	A	38.517	385
Share capital at 31.12.2019		592,346	5,924

Notes

6. Treasury shares

Treasury shares are held for sales to employees under the Groups share programme. The valuation of the shares are valuated each year in accordance with the groups share programme. The treasury shares are recognized at cost in the financial statements.

Share class	Number of
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	Share class	shares ('000)	Nominal value KDKK	Købsværdi KDKK
Changes in treasury shares:				
Treasury shares at 01.01.2019	A	0	0	0
Treasury shares at 01.01.2019	B1	0	0	0
Acquisition of shares 05.03.2019	A	(313)	(3)	(168)
Acquisition of shares 05.03.2019	B1	(261)	(3)	(7)
Acquisition of shares 18.06.2019	A	(310)	(3)	(166)
Acquisition of shares 18.06.2019	B1	(336)	(3)	(9)
Acquisition of shares 18.06.2019	A	(222)	(2)	(119)
Acquisition of shares 18.06.2019	B1	(224)	(2)	(6)
Acquisition of shares 10.07.2019	A	(90)	(1)	(48)
Acquisition of shares 10.07.2019	B1	(75)	(1)	(2)
Purchase of shares 26.07.2019	A	935	9	501
Purchase of shares 26.07.2019	B1	896	9	24
Acquisition of shares 10.11.2019	A	(17,500)	(175)	(13,134)
Share capital at 31.12.2019		(17,500)	(175)	(13,134)

The company's treasury shares amount to 2,9 % of the nominal value of the share capital.

7. Related parties

The company is controlled by CC Fly Invest ApS. The groups ultimate parent is CataCap II K/S.

The following transactions were carried through with related parties:

	2019 KDKK	2018 KDKK
Transactions with CC Fly Invest ApS		
Formation of company	0	550
Capital increase	0	270,808
Transactions with CC Fly Holding II ApS		
Payment for formation of subsidiaries	0	(393,000)
Proceeds from borrowing - group interprises	45,732	0
Transactions with Rekom ManCo ApS		
Proceeds from borrowing - group interprises	55	0
Capital increase	3,525	0
Transactions with Bærekraften AS		
Capital increase	4,800	0
Transactions with Amixam Holding ApS		
Capital increase	35,106	0

In 2019 transactions with related parties relates to formation and capital increase of the company by CC Fly Invest ApS and formation of CC Fly Holding II ApS and further investments in the group.

Notes

8. Commitments and contingent liabilities

Contingent liabilities

Joint taxation

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the CC Fly Invest ApS. The total amount of corporation tax payable is disclosed in the Annual Report of CC Fly Invest ApS, which is the management company of the joint taxation. 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 adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company has provided several guarantees in subsidiaries contributed capital for Ares and Nordea. The guarantees constitutes DKK 85 mill. at 31 December 2019.

9. Financial risk management

Credit risks

The company is not exposed to any significant credit risks, due to the fact that the company main activity is to own shares in subsidiaries.

Liquidity risks

The company is not exposed to any significant liquidity risks, due to the fact that the company main activity is to own shares in subsidiaries financed by equity.

The vendor loan expires 8 years from May 2019 and interests are rolled up during the period. Therefor no current liquidity risk is deem on the repayment on this loan.

Foreign exchange risk and interest rate risk

Management consider the foreign exchange risk as immaterial due to the limited number of transactions. The company is not exposed to any significant interest rate risk, due to the fact that the company not have any significant borrowings.

Capital management

The company's objectives when managing capital are to secure the group's (investments in subsidiaries) 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 management monitors the share and capital structure to ensure that the company's capital resources support the strategic goals.

Notes

10. Events after the balance sheet date

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

11. Changes in net working capital

Changes in trade and other payables

	<u>2019</u> KDKK	<u>2018</u> KDKK
	64	28
	<u>64</u>	<u>28</u>

12. Changes in liabilities arising from financing activities

Proceeds from borrowings

20,962 129,849

Receivables from intercompany

(45,678) (3,475)

Capital increase

43,431 271,358

Repayment of borrowings

,0 0

Purchase of own shares

(13,134) 0

Cash flow from financing activities at 31.12.2019

5,581 397,732