

ANNUAL REPORT
1. August - 31. December 2018

Norwegian Air Resources DK LH ApS
Lufthavnsboulevarden 6
2770 Kastrup

CVR nr. 39754150

Submitter:

Sønderup I/S

Statsautoriserede revisorer

CVR no. 31824559

**Presented and approved at the company's ordinary
general meeting 18. June 2019**



Chairman

Lars Rønnov

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Management's Statement on the Annual Report

The management have today considered and approved the annual report for Norwegian Air Resources DK LH ApS for the financial year 1 January to 31 December 2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In the managements opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of its financial performance for the financial year 1 January to 31 December 2018.

We recommend the annual report for approval at the annual general meeting.

Kastrup, 18. June 2019

Executive Board



Lars Rolf Rønnev

Board of Directors:



Helga Bollmann Leknes



Guro Halvorsen Poulsen



Frøde Berg

Accounting principles applied

The annual report for Norwegian Air Resources DK LH ApS 2018 has been prepared in accordance with the Danish Financial Statements Act for class B companies with application of individual rules from class C.

The income statement is presented by type of expenditure and the balance sheet is presented in account from. The measurement currency used is Danish kroner. All other currencies are considered foreign currency.

The accounting principles were applied consistently with the principles of last year's financial reporting.

General information on recognition and measurement

Income is recognized in the income statement as earned, including any value adjustments of financial assets and liabilities. Furthermore, all costs, including amortisation/depreciation and write-downs, are recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of the assets can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow out of the company, and the value of the liabilities can be measured reliably.

The first recognition measures assets and liabilities at cost. Subsequently, assets and liabilities will be measured individually in respect of each accounting item as described below.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income statement

Gross profit

In pursuance of section 32 (1) of the Danish Financial Statements Act, the first item in the income statement is the gross profit. The item gross profit is the result of revenue, cost of sales, other external cost and other operating income.

Revenue

Revenue from the sale of services is recognized in the income statement as performed, if the income can be determined reliably and is expected to be received. Revenue is recognized ex. VAT and net of discounts in connection with the sale. Revenue corresponds to the market value of the work in progress (production method).

Cost of goods sold

Cost of goods sold comprises the financial year's cost of sales measured to sales price, adjusted for ordinary inventory write-offs.

Accounting principles applied

Other external costs

Other external cost comprise costs for distribution, sales, advertising, administration costs etc.

Staff costs

Staff costs contains salaries and wages, including holiday payment, pensions and other social security costs etc. to the company's employees. In staff expenses are received subsidies from public authorities, deducted.

Financial items

Financial income and expenses are recognized in the income statement with the amounts relating to the financial year. The financial items comprise interest income and expense, realized and unrealized exchange rate, gains and losses resulting from transactions in foreign currencies and surcharges and refunds regarding corporation tax.

Tax for the year

The company is jointly taxed with other group companies. The current corporation tax is divided between the jointly taxed companies pro rata to their taxable incomes. The parent company functions as the management company for the joint taxation and handles the tax payments to the danish tax authorities.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and recognized directly on equity by the portion attributable to entries directly on equity.

Balance sheet

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value. Value is reduced by provisions for bad debts.

Prepayments

Prepaid expenses are recorded as assets.

Securities

Securities included in current assets, are measured at fair value at the balance sheet date. Listed securities are measured at market price. Non-listed securities are measured at market value based on the calculated capital value.

Cash funds

Cash funds are measured at nominal value.

Dividend

Proposed dividend for the financial year is recognized as a separate component of the equity. Proposed dividends are recognized as a liability at the time of adoption.

Accounting principles applied

Tax payable and deferred tax

Current tax liabilities and current tax assets are recognized in the balance sheet as tax calculated on the taxable income allocated with the current tax rate, and adjusted for tax on prior years taxable income and prepaid taxes.

Deferred tax is measured by the liability method concerning temporary differences between the carrying value and tax value of assets and liabilities, calculated based on the planned use of the assets and settlement of the obligation, respectively.

Deferred tax assets, including the tax value of tax losses allowed for carry-forward, are measured at the value at which the asset is expected to be realisable, either through elimination in tax on future earnings or through offsetting in deferred tax liabilities in the same legal tax unit. Any deferred net tax assets are measured at their net realisation values.

Deferred tax is measured based on the tax rules and tax rates applicable in pursuance of the legislation in force on the balance sheet date when the deferred tax is expected to become payable as current tax. Changes in deferred tax due to change in tax rates is recognized in the income statement.

Liabilities

Other liabilities are measured at amortised cost corresponding to the nominal value.

Deferred revenue

Deferred revenue is received payments regarding income related to future financial years.

Conversion of foreign currency

Transactions in foreign currencies are converted at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognized in the income statement as a financial income or expense. If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognized directly in the equity.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are converted at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the receivable or payable is recognized in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are converted at the rate of exchange on the transaction date.

Income statement 1 January - 31 December

Note	2018
Gross profit	21.203.908
1. Staff costs	<u>-20.724.370</u>
OPERATING PROFIT	<u>479.538</u>
Other financial costs	<u>-126.576</u>
PROFIT/-LOSS BEFORE TAX	<u>352.962</u>
Tax for the year	<u>-77.638</u>
NET PROFIT/-LOSS FOR THE YEAR	<u>275.324</u>
Appropriation of profit	
Retained earnings	<u>275.324</u>
Total appropriation	<u>275.324</u>

Balance sheet 31 December

Note	2018
ASSETS	
Receivables from group companies	23.650.810
Other receivables	<u>1.228.876</u>
Total receivables	<u>24.879.686</u>
Cash funds	<u>14.026.188</u>
Total cash funds	<u>14.026.188</u>
TOTAL CURRENT ASSETS	<u>38.905.874</u>
TOTAL ASSETS	<u><u>38.905.874</u></u>

Balance sheet 31 December

Note	2018
EQUITY AND LIABILITIES	
2. Equity	
Share capital	50.000
Retained earnings	275.324
TOTAL EQUITY	325.324
Payables to group companies	20.524.389
Total long-term liabilities	20.524.389
Payables to group companies	12.449.068
Income tax	77.638
Other payables	5.529.455
Total short-term liabilities	18.056.161
TOTAL LIABILITIES	38.580.550
TOTAL EQUITY AND LIABILITIES	38.905.874
3. Main activity	
4. Contingencies	
5. Ownership	

Noter

	2018
1. Staff costs	
Salaries	20.830.241
Other social security costs	<u>-105.871</u>
Total staff costs	<u>20.724.370</u>
Persons employed on average	256
2. Equity	
Share capital	
Beginning of year	<u>50.000</u>
End of year	<u>50.000</u>
Retained earnings	
Transferred from net profit	<u>275.324</u>
End of year	<u>275.324</u>
Equity end of year	<u>325.324</u>
3. Main activity	
The company's main activity is to hire and employ within recruitment business related to the aviation industry.	
4. Contingencies	
The company participates in a Danish joint taxation arrangement in which Norwegian Air Resources ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2018 for income taxes etc for the jointly taxed companies and from 1. August 2018 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.	
5. Ownership	
The following shareholders hold more than 5%:	
Norwegian Air Resources Limited	
Imbus House	
Dublin Airport	
Ireland	