
TP Aerospace Distribution ApS

Stamholmen 165R st., DK-2650 Hvidovre

Annual Report for 22 September 2020 - 31 December 2021

CVR No 41 69 62 49

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
18/3 2022

Tinneke Torpe
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of TP Aerospace Distribution ApS for the financial year 22 September 2020 - 31 December 2021.

The Annual Report is 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 December 2021 of the Company and of the results of the Company operations for 2020/21.

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, 11 February 2022

Executive Board

Thomas Daniel Ibsø

Nikolaj Lei Jacobsen

Tinneke Torpe

Independent Auditor's Report

To the Shareholder of TP Aerospace Distribution ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 22 September 2020 - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of TP Aerospace Distribution ApS for the financial year 22 September 2020 - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

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 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 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent Auditor's Report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 11 February 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
mne18651

Thomas Baunkjær Andersen
State Authorised Public Accountant
mne35483

Company Information

The Company

TP Aerospace Distribution ApS
Stamholmen 165R st.
DK-2650 Hvidovre

CVR No: 41 69 62 49

Financial period: 22 September 2020 - 31 December 2021

Incorporated: 22 September 2020

Financial year: 1st financial year

Municipality of reg. office: Hvidovre

Executive Board

Thomas Daniel Ibsø
Nikolaj Lei Jacobsen
Tinneke Torpe

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

TP Aerospace is the leading aftermarket supplier of wheels and brakes, carrying the world's largest ready to-go inventory in the market for most commercial, regional and commuter aircraft types.

From our locations in Copenhagen, Hamburg, Las Vegas, Orlando, Singapore, Bangkok, Moscow, East Midland (UK), Kuala Lumpur, Shenzhen and Melbourne, we offer our services to airlines all over the world through our Trading and Program divisions, supported by our extensive in-house MRO capabilities.

The main activity of TP Aerospace Distribution ApS consists of trading and wholesale of aircraft parts.

Development in the year

The income statement of the Company for 2020/21 shows a profit of TUSD 23, and at 31 December 2021 the balance sheet of the Company shows equity of TUSD 29.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 22 September - 31 December

	<u>Note</u>	<u>2020/21</u> TUSD
Gross profit/loss		1,222
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-526
Profit/loss before financial income and expenses		696
Financial income	2	272
Financial expenses	3	-938
Profit/loss before tax		30
Tax on profit/loss for the year	4	-7
Net profit/loss for the year		23

Distribution of profit

Proposed distribution of profit

Retained earnings		23
		23

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2021</u> TUSD
Acquired other similar rights		3,688
Intangible assets	5	<u>3,688</u>
Fixed assets		<u>3,688</u>
Inventories		<u>7,704</u>
Trade receivables		107
Receivables from group enterprises		8,526
Other receivables		1
Corporation tax		10
Receivables		<u>8,644</u>
Cash at bank and in hand		<u>44</u>
Currents assets		<u>16,392</u>
Assets		<u>20,080</u>

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2021</u> TUSD
Share capital		6
Retained earnings		23
Equity		29
Provision for deferred tax		17
Provisions		17
Prepayments received from customers		21
Trade payables		825
Payables to group enterprises		19,188
Short-term debt		20,034
Debt		20,034
Liabilities and equity		20,080
Contingent assets, liabilities and other financial obligations	6	
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Statement of Changes in Equity

	<u>Share capital</u> TUSD	<u>Retained earnings</u> TUSD	<u>Total</u> TUSD
Equity at 22 September	6	0	6
Net profit/loss for the year	0	23	23
Equity at 31 December	6	23	29

Notes to the Financial Statements

	2020/21
	TUSD
1 Staff expenses	
Average number of employees	0
The company has no employees, the company hires labor from group companies, the cost of which is recognized in the company's gross profit.	
2 Financial income	
Interest received from group enterprises	272
	272
3 Financial expenses	
Interest paid to group enterprises	762
Other financial expenses	2
Exchange loss	174
	938
4 Tax on profit/loss for the year	
Current tax for the year	-10
Deferred tax for the year	17
	7

Notes to the Financial Statements

5 Intangible assets

	Acquired other similar rights <u>TUSD</u>
Cost at 22 September	0
Additions for the year	<u>4,214</u>
Cost at 31 December	<u>4,214</u>
Impairment losses and amortisation at 22 September	0
Amortisation for the year	<u>526</u>
Impairment losses and amortisation at 31 December	<u>526</u>
Carrying amount at 31 December	<u>3,688</u>
Amortised over	<u>10 years</u>

6 Contingent assets, liabilities and other financial obligations

Guarantee obligations

TP Aerospace Distribution ApS has provided a guarantee for the Parent Companies TP Aerospace Holding A/S and TPA Holding I A/S' bank debt.

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the 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 un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

7 Related parties

Basis

Controlling interest

CataCap I K/S, Copenhagen	Ultimate capital owner, 28 %
TP Aerospace Holding A/S, Hvidovre	Capital owner, 100 %

CataCap I K/S ultimately controls the majority of the votes in the Group, due to specific rights in the ownership agreement between parties.

Transactions

All transactions with related parties have occurred on normal market conditions in the financial year 2020-21.

Consolidated Financial Statements

Name and registered office of the Parents preparing consolidated financial statements for the smallest and largest group:

Name	Place of registered office
TPA Holding I A/S	Hvidovre

The Group Annual Report of TPA Holding I A/S may be obtained at the following address:

TPA Holding I A/S
Stamholmen 165 rst.
DK-2650 Hvidovre
Danmark

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of TP Aerospace Distribution ApS for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2021 are presented in TUSD. The exchange rate is 6,56 as of 31 December 2021.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

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

Notes to the Financial Statements

8 Accounting Policies (continued)

Income Statement

Revenue

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

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

Cost of sales

Cost of sales comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, cost of sales and other external expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of acquired rights.

Financial income and expenses

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

Notes to the Financial Statements

8 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with their Danish parent company. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 10 years.

Impairment of fixed assets

The carrying amounts of acquired rights are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Notes to the Financial Statements

8 Accounting Policies (continued)

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

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