Runway Holding ApS

Lufthavnsvej 7A, DK-6580 Vamdrup

Annual Report for 2024

CVR No. 31 59 32 47

The Annual Report was presented and adopted at the Annual General Meeting of the company on 27/6 2025

Halldor Sigurdarson
Chairman of the general meeting

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Management's statement

The Executive Board has today considered and adopted the Annual Report of Runway Holding ApS for the financial year 1 January - 31 December 2024.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2024.

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.

Vamdrup, 25 June 2025

Executive Board

Jesper Rungholm   Kirsten Rungholm

Independent Auditor's report

To the shareholder of Runway Holding ApS

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Runway Holding ApS for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for 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' 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 Financial 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 Statements 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 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.

Independent Auditor's report

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 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditor's report

Trekantområdet, 25 June 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Jan Bunk Harbo Larsen
State Authorised Public Accountant
mne30224

Company information

The Company	Runway Holding ApS Lufthavnsvej 7A DK-6580 Vamdrup CVR No: 31 59 32 47 Financial period: 1 January - 31 December Municipality of reg. office: Vamdrup
Executive Board	Jesper Rungholm Kirsten Rungholm
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

Group Chart

Company	Residence	Ownership
Runway Holding ApS	**Vamdrup, Denmark**	
DAT Holding A/S	Vamdrup, Denmark	100%
DAT A/S	Vamdrup, Denmark	100%
DAT Leasing A/S	Vamdrup, Denmark	100%
DAT LT, UAB	Kaunas, Lithuania	100%
Runway Leasing ApS	Vamdrup, Denmark	100%
Runway Exit ApS	Vamdrup, Denmark	100%
KØ 2005 ApS	Vamdrup, Denmark	100%
UAB KUN Hangar LT	Kaunas, Lithuania	100%
UAB Tower 1	Kaunas, Lithuania	100%
Nordic Crew Supply Ltd	Nicosia, Cyprus	100%
Nordic Flight Capacity Ltd	Nicosia, Cyprus	100%
RSB Asset Trading Limited	Nicosia, Cyprus	26%

Runway Holding ApS continues to exercise controlling influence over RSB Asset Trading Limited despite holding less than 51% of the ownership.

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	1,304,461	1,038,735	795,896	573,647	428,307
Gross profit	505,340	341,874	234,905	212,060	256,514
Profit/loss of primary operations	224,228	81,215	9,532	44,131	19,480
Profit/loss of financial income and expenses	-28,903	-17,897	-1,880	-26,528	-17,075
Net profit/loss for the year	167,182	52,248	9,673	2,513	3,921
Balance sheet					
Balance sheet total	1,502,049	1,251,360	934,929	852,250	900,162
Investment in property, plant and equipment	504,237	218,385	158,191	68,248	46,894
Equity	506,256	340,783	238,412	228,737	226,222
Cash flows					
Cash flows from:					
- operating activities	393,502	246,869	23,656	94,810	121,370
- investing activities	-221,579	-208,814	-133,269	-14,261	-17,750
- financing activities	-43,220	144,342	39,077	-48,136	6,513
Change in cash and cash equivalents for the year	128,703	182,397	-70,356	32,413	110,133
Number of employees	279	323	330	237	342
Ratios					
Gross margin	38.7%	32.9%	29.5%	37.0%	59.9%
Profit margin	17.2%	7.8%	1.2%	7.7%	4.5%
Return on assets	14.9%	6.5%	1.0%	5.2%	2.2%
Solvency ratio	33.7%	27.2%	25.5%	26.8%	25.1%
Return on equity	39.5%	18.0%	4.1%	1.1%	1.7%

The key figures have been prepared in accordance with the recommendations and key figures of the Finance Association. Refer to the definitions in the section on accounting policies.

Management's review

Key activities

The Group’s activities consist of two airlines and related activities using both owned and leased aircraft, as well as, trading of aircraft and parts.

The Company’s activities comprise holding shares in subsidiaries.

Development in the year

The income statement of the Group for 2024 shows a profit of TDKK 167,182, and at 31 December 2024 the balance sheet of the Group shows a positive equity of TDKK 506,256.

The early winter months of the year were reasonably busy with 2-3 Airbus aircraft under contract and all the ATR fleet assign to scheduled services. Activities within the scheduled service segment were at a lower level throughout the year compared to the previous year. Frequency reductions were implemented within the Danish market in the early months and additional flying was added in Norway associated with the PSO contract that started in the spring. The Airbus fleet was operating at full capacity from early summer until early winter when only about half of the Airbus fleet continued under ACMI contracts. The revenue share between scheduled services and ACMI / Ad-hoc services was approximately 50 / 50.

The average number of passengers carried per scheduled flight improved to approximately 35 compared to 34 the year before (+2.83%) and yield was marginally higher than last year. Daily flight frequency during the winter months was 43 on average and 51 during the summer months. Overall, scheduled activity dropped from the year before by 8.19%. Scheduled services as a whole performed in line with expectations.

Jet production, servicing ACMI markets in Europe and Asia, was relatively busy throughout the year. The six months of winter generated 5,619 hours and the six months of the summer generated 12,158 hours. The greatest improvement from the year before was the first three months of 2024 vs the first three months in 2023 when the entire Airbus fleet was effectively sitting idle aside from a handful of ad-hoc charters. The performance and results from the ACMI and Adhoc services exceeded expectations.

The continued Russian aggression against Ukraine did not have much impact on the Group‘s performance other than to prevent some asset trading opportunities. The US Dollar strengthening toward the end of 2024 has had negative implications on the Group as part of the cost base is US Dollar denominated. Some contracts with clients are however contracted in US Dollar which helps to off-set some of the US Dollar requirement. The price of fuel stayed within an acceptable range and did not have adverse effects on the year‘s performance. One Airbus aircraft entered the fleet in early 2024 and one Airbus was sold late in the year. Seven ATR aircraft were purchased during the year for the purpose of trading, part-out, and fleet renewal. Two further ATR aircraft that had previously been in the fleet under terms of operating leases were purchased. The active operating fleet at the end of the year 2024 consisted of 15 ATR aircraft, 6 Airbus aircraft, and 1 Citation aircraft.

The past year and follow-up on development expectations from last year

One of the primary expectations ahead of the year 2024 was that the revenue at the group level would increase by 13% from the year before. The realized revenue in 2024 was however approximately 26% higher than in 2023. The revenue increase to expectations was because of significantly better selling prices contracted under ACMI and Ad-hoc terms. These, and particularly from about around half way through the year, paved the way for a robust financial performance for the full year. The first three months of the year were, as expected, significantly loss making but the summer months and a relative strong last quarter secured a record profit to be posted with a net profit margin of 17.2%.

Profit before tax in 2024 was TDKK 195,325 at the group level which exceeded the approximately DKK 45 mill forecast anticipated early in the year. The surplus profit is attributed to the better selling prices contracted under ACMI and Ad-hoc terms.

Management's review

Capital resources

Aside from equity, the Group's operations are largely financed through external credit lines provided by the Group's bank. Credit lines are granted at the Group level therefore the assessment of adequate liquidity reserves for the coming year has been made at this level.

The Group has a total debt towards Sydbank AS and Investec Bank Plc amounting to DKK 214 mill and DKK 122 mill respectively as of year-end 2024. Thereof, DKK 74 mill is in form of three revolving facilities. Additional facilities were provided during the year. A new revolving facility, as well as one facility in relation to past aircraft improvements and another against future aircraft and engine investments.

As of June 2025, the liquidity is adequate with a short-term headroom totalling around DKK 306 mill. Being cautiously optimistic, the long-term liquidity forecast (12 months) shows a headroom of DKK 239 mill according to the budgeted scenario. Management view is that the budgeted scenario is reasonable. Based on this, it is management's assessment that the Group has the required capital and liquidity resources to carry through the plans for the financial year 2025. The Annual Report is therefore presented on the assumption of continued operations.

Foreign exchange risks

A large portion of the Group's income, expenses, and external financing is settled in foreign currencies which exposes profits to currency fluctuations. It is Group policy not to partake in speculative currency positions.

Targets and expectations for the year ahead

It is anticipated for the year 2025 to yield a profit before tax of approximately DKK 43 mill at the group level. The continued geopolitical situation in Europe and the war in Ukraine can have unforeseen implications. Smooth, reliable, and on-time operations are all key ingredients to meet the profit target. Careful and controlled planning of resources is required to prevent unnecessary and avoidable cost being incurred. Outside factors can furthermore have damaging effects, both in respect of additional expenses as well as substandard service levels. Cost discipline and sharp focus must be attained. Nevertheless, it is Management's view that its expectations are achievable.

External environment

The Group's primary environmental influence is through CO2-emissions from aircraft operations. DAT seeks to reduce fuel consumption and CO2-emission as much as possible. Among other things this is done by continuously training pilots, adjusting aircraft sizes to the number of passengers, optimizing flight altitudes, and investing in more fuel-efficient aircraft which have lower CO2-emissions. Every pilot is trained in fuel efficient flight as an integrated part of their training in the Group's aircraft fleet. DAT Group continues to invest in new aircraft to achieve the optimum utilization based on the Group's activities, including the optimal utilisation related to fuel consumption. Furthermore, since exiting its planned charter services in 2022, there are no intentions to resume such services.

DAT A/S and UAB DAT LT are in the aviation industry which impacts the climate with CO2 emissions. It has been estimated that the aviation industry is responsible for about to 3% of the EU's annual CO2 emissions, and as a responsible airline the Group is invested in reducing its climate impact. This is achieved by utilizing aircraft relevant to the passenger load, continuous education of pilots, and investments in new aircraft and engines that have lower emissions overall. The environmental and climate impact is being addressed by evaluating the introduction of more fuel efficient engines. There were no noise violations reported in 2024.

Branches abroad

- DAT A/S, Italy, VAT no. IT10399580967.
- UAB DAT LT, Italy, VAT no IT10448800960.

Statement of corporate social responsibility, cf. section 99a of the Financial Statements Act

Management's review

The Group's corporate social responsibility (CSR) is necessary to lead a sustainable business, and the Group strives in all its activities to operate socially responsible, not only within flight operations but also in relation to general management and broader activities related to flight operations. Throughout the years the Group has continuously worked on establishing a range of policies and guidance material related to its CSR, especially within environmental and climate related aspects as well as overall safety in all areas.

The Group's business model focuses on two areas: scheduled flights and flights for other airlines (ACMI). Adhoc and short-series charters will be operated but not multi series of seasonal charter flights. Operations are primarily based in the European market with a focus on the Nordic region. Some ACMI activities take place outside of this area as well as outside of Europe. DAT sells tickets under its own brand direct to passengers as well as in the business-to-business markets. There is no exposure to markets or customers that infringe upon human rights nor are there signs that suppliers do not adhere to human rights.

Due to the nature of the Group's activities, there are environmental risks and impacts related to the operations. The large amount of energy needed for aircraft to get, and stay, airborne creates a large environmental risk as one of the most carbon-intensive forms of travel. Environmental and climate aspects have been incorporated into the business through operational procedures and strategic focus on addressing CO2 emissions. Fuel consumption is monitored and thereby carbon footprint. In 2024 we reduced our fuel carbon consumption by 5.02% from 2023 (including flights operating under the Group's call signs). This is attributed mainly to the reduction in activities under scheduled services. The Group is working on a fleet renewal plan with the aim of replacing aircraft with those more fuel efficient. This initiative will continue in the future. Crew are trained to minimize fuel usage throughout our operations while maintaining full compliance with aviation regulations, for both environmental and cost optimization. In 2020 DAT A/S announced its intention to join the Air Transport Climate Fund (i.e. Luftfartens Klimafond), whose intentions were to facilitate the industry's green transition and contribute to Denmark's climate goals. This fund has since been discontinued due to a change in focus within the Danish government. The Group's cooperation is built upon trust and respect. We treat all – customers, suppliers, employees, and colleagues alike – as we ourselves wish to be treated. Such behavior requires that we regard all humans as equal with a right to equal treatment and respect regardless of race, color, gender, age, nationality, religion, or political or sexual orientation. The Group respects international law regarding human rights and will react to violations of these laws.

Employees face many potential hazards on the job, from strains due to assisting passengers with luggage to, falls on wet surfaces, to more severe injuries in cases of emergency landings. There are defined social and employment conditions within the Group to ensure a productive and safe environment. There are regular activities to promote the physical and psychological environments as well as employees' welfare. One stated goal of the Group is a high level of health and safety regarding the physical and psychological working environments. This is seen through the Group's focus on sickness levels, alcohol and smoking policies, safety and security policies, random testing for psychoactive substances, a peer support program for flight crew, and the requirements regarding continuous health checks for its flight crew. We have regular evaluations of the Group's alcohol and smoking policies, as well as a triennial evaluation among all staff of the Group's working environment. There is a Safety Management System to ensure the security and safety of the airlines which follows a bottom-up approach that builds on reports from colleagues to the safety system.

The working environment has in 2024 been evaluated through several initiatives, both formal and informal. Formal initiatives include: Working Environmental Committee, Safety Action Groups, and Safety Review Board meetings. Within the Group a formal Working Environment Committee solicits input from personnel and addresses specific issues. A triannual risk assessment is completed surveying the work environment and health and safety of the following employee groups: flight crew, mechanics, and administrative staff. The triannual assessment is not done in the same year for all employee groups. The operational environment is regularly evaluated through quarterly and biannual Safety Action Groups (i.e. Peer Support, Fatigue, and Flight and Airworthiness). These initiatives will continue in the future. Issues are brought forward to midmanagement from both anonymous and identifiable front-line personnel reports through the Safety Management System. Finally, biannual Safety Review Board meetings address matters that require upper management involvement, most often raised from Safety Action Group meetings. Finally, ad-hoc informal meetings are held with front-line personnel to address either timely or less pressing matters. An example of a formal initiative implemented in 2022 include improving accommodation suppliers in a training location for flight crew and an informal initiative include liaising with flight crew regarding a route's timetable to align commercial and operational aspects. This initiative has continued in 2024, and will further continue into future years. The significant reduction in work and various initiatives implemented to reduce costs throughout the year may impact evaluations in the future, but at the same time, may be an opportunity to improve efficiency (e.g. long flying days but not impacting fatigue due to reduced working days.

The Group's handbooks are readily available and ensure that all colleagues can quickly find information regarding the Group's policies and other relevant information. The current business environment is not conducive to corruption risks and therefore no anti-corruption policy has been put in place. This policy does not exist because the Group is not directly exposed to corruption issues in its transactions, neither directly nor through suppliers. The Group does declare in its purchase conditions that it will not pay any rebate, commission, salary or any remuneration or reward, indirectly or in any form whatsoever to any officer, employee, agent, or representative employed by or on behalf of the Group.

The Group does not have a formal policy concerning human rights. Such a policy is not in place as the Group is not directly exposed to severe human rights' issues, neither directly nor through suppliers, as far as the Group is aware. The Group respects international law regarding human rights' issues and will react accordingly should the Group be made aware of any breach, either directly or through suppliers.

Statement on gender composition

DAT Holding A/S, DAT Leasing A/S, and DAT A/S have the same board of directors. In 2024, the board of directors was below the targeted goal of 40% female. There has been no change in board directors during the year and as of writing, the current ratio is 0% female. It should be noted that qualifications are always prioritized above gender. It is the Group's intention to re-equalise its male-to-female representation and its board of directors by 2030.

The broader management team currently consists of 100% men and 0% women. Should one take a wider perspective and consider flight crew composition there are gender ratios of varying degrees. The Group acknowledges diversity as a source of competitive advantages and, therefore, wants to secure an equal gender distribution at the broader management team and flight crew level. As stated previously, qualifications are prioritized compared to other factors and the Group does not discriminate during its hiring or promotion of colleagues. To work towards achieving the goal of increasing the number of the underrepresented gender on the board, DAT Holding A/S focuses on following the policy, when there is to be a replacement. Active work has been done in 2024 with the policy to increase the share of the underrepresented gender in the coming years, to reach the targets by 2026.

Runway Holding's top management has no underrepresented gender as the top management consist of one male and one female.

	2024
Top management	
Total number of members	2
Underrepresented gender %	50%
Other management levels	
Total number of members	1

Qualifications are prioritized when hiring, however ensuring a wide-ranging applicant pool is important to the Group. The policy for gender equalisation is a two-pronged approach. Internal candidates of all genders are encouraged to apply for management positions. External job postings are placed in industry-specific outlets, in addition to, female-focused outlets if available and relevant to the management position at hand. Since the broader management team consists of one person, the company is exempt from stating the proportion of the underrepresented gender and from setting targets and policies for the broader management team.

Statement on data ethics, cf. section 99d of the Financial Statements Act

The Group does not apply advanced technologies, such as Artificial Intelligence or machine learning in relation to data management. Data used in relation to customers and employees is sufficiently managed in accordance with GDPR legislation and internal policies for privacy and data security. Given the required management of data, the Group has assessed that a separate policy is not necessary. The Group will evaluate whether a policy is needed on a continuous basis.

In 2023, the Group followed up on its data security by commissioning a report to test the vulnerability from social engineering attacks as well as for penetration tests to be performed against several of its resources. The tests concluded in 2023 and will be followed up on in 2025.

Uncertainty relating to recognition and measurement

The assessments of indications of impairment per 31 December 2024 is based on the future cash flows expected by management per 31 December 2024, which due to external uncontrollable impacts, such as the war in Ukraine, may differ from the expectations for future cash flows that management has at the time of approval of the Annual Report. Hence, after the balance sheet date there is uncertainty in recognizing and measuring the Group’s investments in airplanes and associated spare parts.

Unusual events

An incident occurred on 18 February 2024 when one of the owned aircraft, under sub dry-lease to a third-party, was operating a scheduled flight. When taking off, the aircraft overshot the runway end and impacted with the runway lights. The aircraft completed the take-off and successfully returned to the airport. The incident caused the aircraft however to get so severely damaged that it was subsequently declared a Constructive Total Loss. The aircraft was insured by the lessee and no loss has incurred for the group.

Subsequent events

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

Income statement 1 January - 31 December

	Note	Group 2024	Group 2023	Parent company 2024	Parent company 2023
		TDKK	TDKK	TDKK	TDKK
Revenue	1	1,304,461	1,038,735	0	732
Other operating income	2	72,754	19,283	0	0
Direct expenses		-763,848	-661,580	0	0
Other external expenses		-108,027	-54,564	-1,799	-2,015
Gross profit		**505,340**	**341,874**	**-1,799**	**-1,283**
Staff expenses	3	-147,292	-148,782	0	0
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-133,469	-111,877	0	0
Other operating expenses		-351	0	0	0
Profit/loss before financial income and expenses		**224,228**	**81,215**	**-1,799**	**-1,283**
Income from investments in subsidiaries		0	0	164,894	49,079
Income from investments in associates		3,582	1,342	0	0
Financial income	4	25,278	22,290	3,830	3,632
Financial expenses	5	-57,763	-41,529	-912	-437
Profit/loss before tax		**195,325**	**63,318**	**166,013**	**50,991**
Tax on profit/loss for the year	6	-28,143	-11,070	-361	-599
Net profit/loss for the year	7	**167,182**	**52,248**	**165,652**	**50,392**

Balance sheet 31 December

Assets

	Note	Group 2024	Group 2023	Parent company 2024	Parent company 2023
		TDKK	TDKK	TDKK	TDKK
Acquired licenses		50	0	0	0
Intangible assets	8	**50**	**0**	**0**	**0**
Land and buildings		25,198	26,270	0	0
Other fixtures and fittings, tools and equipment		3,445	3,612	0	0
Aircraft and related		800,465	662,090	0	0
Property, plant and equipment	9	**829,108**	**691,972**	**0**	**0**
Investments in subsidiaries	10	0	0	462,000	299,353
Investments in associates	11	4,924	1,342	0	0
Receivables from group enterprises	12	0	0	51,000	51,000
Deposits	12	13,863	21,234	0	0
Fixed asset investments		**18,787**	**22,576**	**513,000**	**350,353**
Fixed assets		**847,945**	**714,548**	**513,000**	**350,353**
Raw materials and consumables		83,126	77,576	0	0
Carbon emission allowance		14,410	18,922	0	0
Inventories		**97,536**	**96,498**	**0**	**0**
Trade receivables		107,790	94,210	0	0
Receivables from group enterprises		0	0	13,635	56,835
Other receivables		23,472	64,334	228	98
Corporation tax receivable from group enterprises		0	0	1,460	10,299
Prepayments	13	20,035	10,834	0	0
Receivables		**151,297**	**169,378**	**15,323**	**67,232**
Current asset investments	14	**70,072**	**62,008**	**21**	**21**

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Cash at bank and in hand		**335,199**	**208,928**	**15,462**	**11,029**
Current assets		**654,104**	**536,812**	**30,806**	**78,282**
Assets		**1,502,049**	**1,251,360**	**543,806**	**428,635**

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2024	2023	2024	2023
		TDKK	TDKK	TDKK	TDKK
Share capital		152	152	152	152
Reserve for net revaluation under the equity method		0	0	340,413	177,296
Reserve for exchange rate conversion		102	3	0	0
Retained earnings		504,414	338,762	164,103	161,469
Equity attributable to shareholders of the Parent Company		**504,668**	**338,917**	**504,668**	**338,917**
Minority interests		1,588	1,866	0	0
Equity		**506,256**	**340,783**	**504,668**	**338,917**
Provision for deferred tax	15	25,813	28,680	0	0
Provisions relating to investments in group enterprises		0	0	8,292	8,757
Other provisions	16	86,551	77,911	0	0
Provisions		**112,364**	**106,591**	**8,292**	**8,757**
Mortgage loans		13,688	15,070	0	0
Credit institutions		319,624	114,960	0	0
Lease obligations		18,092	24,816	0	0
Payables to owners and Management		4,823	4,682	4,823	4,682
Deposits		6,571	8,228	0	0
Other payables		37,307	118,724	0	0
Long-term debt	17	**400,105**	**286,480**	**4,823**	**4,682**

Balance sheet 31 December

Liabilities and equity

	Note	Group 2024	Group 2023	Parent company 2024	Parent company 2023
		TDKK	TDKK	TDKK	TDKK
Mortgage loans	17	1,482	1,453	0	0
Credit institutions	17	55,712	26,216	0	0
Lease obligations	17	8,189	192,722	0	0
Prepayments received from customers		43,730	6,040	0	0
Trade payables		125,736	91,096	0	0
Payables to group enterprises		0	0	21,658	61,037
Payables to owners and Management	17	4,025	4,177	3,983	3,983
Corporation tax		18,593	21,106	0	10,898
Payables to group enterprises relating to corporation tax		1,061	0	0	0
Deposits	17	2,143	0	0	0
Other payables	17	222,653	174,427	382	361
Deferred income	18	0	269	0	0
Short-term debt		**483,324**	**517,506**	**26,023**	**76,279**
Debt		**883,429**	**803,986**	**30,846**	**80,961**
Liabilities and equity		**1,502,049**	**1,251,360**	**543,806**	**428,635**

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Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	152	3	338,762	338,917	1,866	340,783
Ordinary dividend paid	0	0	0	0	-1,837	-1,837
Dissolution of previous years' revaluation	0	0	0	0	29	29
Exchange adjustments relating to foreign entities	0	99	0	99	0	99
Net profit/loss for the year	0	0	165,652	165,652	1,530	167,182
Equity at 31 December	**152**	**102**	**504,414**	**504,668**	**1,588**	**506,256**

Parent company

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	152	177,296	161,469	338,917
Exchange adjustments relating to foreign entities	0	99	0	99
Dividend from group enterprises	0	-1,876	1,876	0
Net profit/loss for the year	0	164,894	758	165,652
Equity at 31 December	**152**	**340,413**	**164,103**	**504,668**

Cash flow statement 1 January - 31 December

	Note	Group 2024	Group 2023
		TDKK	TDKK
Result of the year		167,182	52,248
Adjustments	19	149,956	128,529
Change in working capital	20	146,943	99,248
Cash flow from operations before financial items		**464,081**	**280,025**
Financial income		19,645	18,580
Financial expenses		-57,762	-41,529
Cash flows from ordinary activities		**425,964**	**257,076**
Corporation tax paid		-32,462	-10,207
Cash flows from operating activities		**393,502**	**246,869**
Purchase of intangible assets		-75	0
Purchase of property, plant and equipment		-503,191	-218,385
Fixed asset investments made etc		-2,341	-7,621
Sale of property, plant and equipment		274,316	17,192
Sale of fixed asset investments made etc		9,712	0
Cash flows from investing activities		**-221,579**	**-208,814**
Repayment of mortgage loans		-1,353	-1,242
Repayment of loans from credit institutions		0	-20,914
Reduction of lease obligations		-191,257	-15,702
Repayment of other long-term debt		-82,933	0
Raising of loans from credit institutions		234,160	0
Raising of other long-term debt		0	123,498
Cash capital increase		0	60,105
Dividend paid		-1,837	-1,403
Cash flows from financing activities		**-43,220**	**144,342**
Change in cash and cash equivalents		**128,703**	**182,397**
Cash and cash equivalents at 1 January		270,936	84,829
Exchange adjustment of current asset investments		5,632	3,710
Cash and cash equivalents at 31 December		**405,271**	**270,936**

Cash flow statement 1 January - 31 December

		Group	
	Note	2024	2023
		TDKK	TDKK
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		335,199	208,928
Current asset investments		70,072	62,008
Cash and cash equivalents at 31 December		**405,271**	**270,936**

Notes to the Financial Statements

1. Revenue

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Geographical segments				
Revenue, Europe	1,304,461	1,038,735	0	732
	1,304,461	**1,038,735**	**0**	**732**
Business segments				
Scheduled Services	639,135	561,589	0	0
Charter Services	24,899	39,475	0	0
ACMI and Dry lease Services	640,427	437,671	0	0
Other income	0	0	0	732
	1,304,461	**1,038,735**	**0**	**732**

2. Other operating income

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Profit on sale of fixed assets	40,658	7,590	0	0
Profit on sale of inventory	9,594	9,887	0	0
Salary refund	2,398	1,278	0	0
Profit from termination of lease obligations for aircraft	18,570	0	0	0
Other income	1,534	528	0	0
	72,754	**19,283**	**0**	**0**

Notes to the Financial Statements

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
3. Staff expenses				
Wages and salaries	136,174	137,702	0	0
Pensions	6,755	6,957	0	0
Other social security expenses	4,363	4,123	0	0
	147,292	**148,782**	**0**	**0**
Including remuneration to the Executive Board:				
Executive board	1,240	1,208	0	0
	1,240	**1,208**	**0**	**0**
Average number of employees	**279**	**323**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
4. Financial income				
Interest from group enterprises	0	0	3,424	3,540
Other financial income	14,551	12,533	308	92
Exchange adjustments	10,727	9,757	98	0
	25,278	**22,290**	**3,830**	**3,632**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
5. Financial expenses				
Interest to group enterprises	0	0	248	0
Other financial expenses	42,628	41,529	664	402
Exchange adjustments, expenses	15,135	0	0	35
	57,763	**41,529**	**912**	**437**

6. Income tax expense

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Current tax for the year	30,810	22,785	361	599
Deferred tax for the year	-2,867	-12,917	0	0
Adjustment of tax concerning previous years	200	1,202	0	0
	28,143	**11,070**	**361**	**599**

7. Profit allocation

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Reserve for net revaluation under the equity method	0	0	164,894	47,658
Minority interests' share of net profit/loss of subsidiaries	1,530	1,856	0	0
Retained earnings	165,652	50,392	758	2,734
	167,182	**52,248**	**165,652**	**50,392**

8. Intangible fixed assets

Group

	Acquired licenses
	TDKK
Cost at 1 January	0
Additions for the year	75
Cost at 31 December	75
Impairment losses and amortisation at 1 January	0
Amortisation for the year	25
Impairment losses and amortisation at 31 December	25
Carrying amount at 31 December	**50**

9. Property, plant and equipment
Group

	Land and buildings	Other fixtures and fittings, tools and equipment	Aircraft and related
	TDKK	TDKK	TDKK
Cost at 1 January	36,981	30,848	1,395,381
Additions for the year	0	1,046	503,191
Disposals for the year	0	-508	-288,872
Cost at 31 December	36,981	31,386	1,609,700
Impairment losses and depreciation at 1 January	10,711	27,236	733,291
Impairment losses for the year	0	0	13,566
Depreciation for the year	1,072	1,213	121,296
Impairment and depreciation of sold assets for the year	0	-508	-55,215
Reversal of impairment and depreciation of sold assets	0	0	-3,703
Impairment losses and depreciation at 31 December	11,783	27,941	809,235
Carrying amount at 31 December	**25,198**	**3,445**	**800,465**
Including assets under finance leases amounting to	0	0	30,793

10. Investments in subsidiaries

	Parent company 2024 TDKK	Parent company 2023 TDKK
Cost at 1 January	113,219	53,114
Additions for the year	55	60,105
Disposals for the year	-11	0
Cost at 31 December	113,263	113,219
Value adjustments at 1 January	177,296	129,635
Exchange adjustment	99	19
Net profit/loss for the year	167,016	49,079
Dividend to the Parent Company	-1,876	-1,437
Change in intercompany profit	-2,122	0
Value adjustments at 31 December	340,413	177,296
Equity investments with negative net asset value amortised over receivables	32	81
Equity investments with negative net asset value transferred to provisions	8,292	8,757
Carrying amount at 31 December	**462,000**	**299,353**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
DAT Holding A/S	Vamdrup, Denmark	100%
- DAT A/S	Vamdrup, Denmark	100%
- DAT Leasing A/S	Vamdrup, Denmark	100%
- DAT LT, UAB	Kaunas, Lithuania	100%
Runway Leasing ApS	Vamdrup, Denmark	100%
Runway Exit ApS	Vamdrup, Denmark	100%
KØ 2005 ApS	Vamdrup, Denmark	100%
UAB KUN Hangar LT	Kaunas, Lithuania	100%
UAB Tower 1	Kaunas, Lithuania	100%
Nordic Crew Supply Ltd	Nicosia, Cyprus	100%
Nordic Flight Capacity Ltd	Nicosia, Cyprus	100%
RSB Asset Trading Limited	Nicosia, Cyprus	26%

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

11. Investments in associates

	2024	2023	2024	2023
Cost at 1 January	2,796	2,796	0	0
Cost at 31 December	2,796	2,796	0	0
Value adjustments at 1 January	-1,454	-2,796	0	0
Net profit/loss for the year	3,582	2,236	0	0
Reversals for the year of revaluations in previous years	0	-894	0	0
Value adjustments at 31 December	2,128	-1,454	0	0
Carrying amount at 31 December	**4,924**	**1,342**	**0**	**0**

Investments in associates are specified as follows:

Name	Place of registered office	Ownership
Nordic Regional Airlines AB	Stockholm, Sweden	60%

12. Other fixed asset investments

	Group	Parent company
	Deposits	Receivables from group enterprises
	TDKK	TDKK
Cost at 1 January	21,234	51,000
Additions for the year	2,341	0
Disposals for the year	-9,712	0
Cost at 31 December	13,863	51,000
Carrying amount at 31 December	**13,863**	**51,000**

13. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

14. Fair values

	Value adjustment, income statement	Fair value at 31 December
	TDKK	TDKK
Group		
Securities	5,633	70,051
Parent company		
Securities	0	21

15. Provision for deferred tax

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Deferred tax liabilities at 1 January	28,680	43,975	0	0
Amounts recognised in the income statement for the year	-2,867	-12,917	0	0
Amounts recognised in equity for the year	0	-2,378	0	0
Deferred tax liabilities at 31 December	**25,813**	**28,680**	**0**	**0**

16. Other provisions

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Provision for aircraft maintenance	56,756	37,845	0	0
Provision for unflown exposure	15,669	28,855	0	0
Other provisions	14,126	11,211	0	0
	86,551	**77,911**	**0**	**0**
The provisions are expected to mature as follows:				
Provisions falling due after 5 years	8,788	0	0	0
	8,788	**0**	**0**	**0**

Notes to the Financial Statements

17. Long-term debt

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

The debt falls due for payment as specified below:

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Mortgage loans				
After 5 years	0	0	0	0
Between 1 and 5 years	13,688	15,070	0	0
Long-term part	13,688	15,070	0	0
Within 1 year	1,482	1,453	0	0
	15,170	**16,523**	**0**	**0**
Credit institutions				
After 5 years	19,857	9,319	0	0
Between 1 and 5 years	299,767	105,641	0	0
Long-term part	319,624	114,960	0	0
Within 1 year	55,080	25,221	0	0
Other short-term debt to credit institutions	632	995	0	0
	375,336	**141,176**	**0**	**0**
Lease obligations				
After 5 years	0	0	0	0
Between 1 and 5 years	18,092	24,816	0	0
Long-term part	18,092	24,816	0	0
Within 1 year	8,189	192,722	0	0
	26,281	**217,538**	**0**	**0**
Payables to owner and Management				
After 5 years	0	0	0	0
Between 1 and 5 years	4,823	4,682	4,823	4,682
Long-term part	4,823	4,682	4,823	4,682
Other short-term debt to owners and Management	4,025	4,177	3,983	3,983
	8,848	**8,859**	**8,806**	**8,665**

	Group 2024 TDKK	Group 2023 TDKK	Parent company 2024 TDKK	Parent company 2023 TDKK
17. Long-term debt				
Deposits				
After 5 years	0	0	0	0
Between 1 and 5 years	6,571	8,228	0	0
Long-term part	6,571	8,228	0	0
Other deposits	2,143	0	0	0
	8,714	**8,228**	**0**	**0**
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	37,307	118,724	0	0
Long-term part	37,307	118,724	0	0
Other short-term payables	222,653	174,427	382	361
	259,960	**293,151**	**382**	**361**

18. Deferred income

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

	Group 2024 TDKK	Group 2023 TDKK
19. Cash flow statement - Adjustments		
Financial income	-25,278	-22,290
Financial expenses	57,763	41,529
Depreciation, amortisation and impairment losses, including losses and gains on sales	92,811	99,543
Income from investments in associates	-3,582	-1,342
Tax on profit/loss for the year	28,143	11,070
Exchange adjustments	99	19
	149,956	**128,529**

20. Cash flow statement - Change in working capital

	Group 2024	Group 2023
	TDKK	TDKK
Change in inventories	-1,038	-16,464
Change in receivables	18,081	-11,702
Change in other provisions	8,640	70,781
Change in trade payables, etc	121,260	56,633
	146,943	**99,248**

21. Contingent assets, liabilities and other financial obligations

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK
Charges and security				
The following assets have been placed as security with bankers:				
Land and buildings with a carrying amount of	25,198	27,260	0	0
Company charge of nominally TDKK 191.635 provide security in aircraft with a booked value of	800,465	662,090	0	0
The company has provided Sydbank with a floating charge providing Sydbank with collateral in the company's receivables. The floating charge amounts to:	30,000	30,000	0	0
Aircraft have been placed as security with SEBC Aviation Leasing. The booked value of the particular aircraft amounts to:	115,767	116,052	0	0
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	59,604	42,957	0	0
Between 1 and 5 years	156,131	134,646	0	0
After 5 years	779	10,758	0	0
	216,514	**188,361**	**0**	**0**

	Group		Parent company	
	2024	2023	2024	2023
	TDKK	TDKK	TDKK	TDKK

21. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The Danish 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 Kilo Delta Holding ApS, which is the management company of the joint taxation purposes. Moreover, the Danish 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.

22. Related parties and disclosure of consolidated financial statements

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(6) of the Danish Financial Statements Act.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Kilo Delta Holding ApS	Vamdrup, Denmark

23. Fee to auditors appointed at the general meeting

	Group	
	2024	2023
	TDKK	TDKK
PricewaterhouseCoopers		
Audit fee	683	695
Tax advisory services	803	787
Non-audit services	495	85
	1,981	**1,567**

24. Subsequent events

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

Notes to the Financial Statements

25. Accounting policies

The Annual Report of Runway Holding ApS for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024 are presented in TDKK.

Adjustment of comparative figures

Few comparative figures have been reclassified in the balance sheet in order to present the figures correctly. It has no effect on the equity or the fair view of the Annual Report.

Recognition and measurement

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

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

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

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

Basis of consolidation

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

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

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquistition of subsidiaries.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Notes to the Financial Statements

Leases

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

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

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

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies. If currency positions are considered to hedge future cash flows, value adjustments are recognized directly in equity.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses 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.

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.

Segment information on revenue

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

Income statement

Revenue

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

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

Direct expenses

Direct expenses primarily include operating expenses for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales as well as office expenses, etc.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Notes to the Financial Statements

Amortisation, depreciation and impairment losses

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

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries and associates

The items “Income from investments in subsidiaries” and “Income from investments in associates” in the income statement include the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

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

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Danish group companies. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Licences are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Software licences are amortised over the period of the agreements, which is 3-5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

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

Aircraft and related	10-20 years
Other buildings	10-30 years
Other fixtures and fittings, tools and equipment	3-7 years

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

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

Investments in subsidiaries and associates

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

The items “Investments in subsidiaries” and “Investments in associates” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries and the associates.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Inventories

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

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

The cost of raw materials and consumables equals landed cost.

Receivables

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

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Current Asset Investments

Current Asset Investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Provisions

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

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

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

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

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

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

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

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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

Deferred income

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

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

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

Cash flows from operating activities

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

Notes to the Financial Statements

Cash flows from investing activities

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

Cash flows from financing activities

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

Cash and cash equivalents

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

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

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of primary operations x 100 / Revenue
Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity