TP Aerospace

ANNUAL REPORT 2021.

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Chapter 1

OVERVIEW

2021 RESULTS

834

Aircraft on contract
up from 801 at year end 2020

408K

Landings supported
via our integrated programs

600

Unique customers
across more than 90 countries

103

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

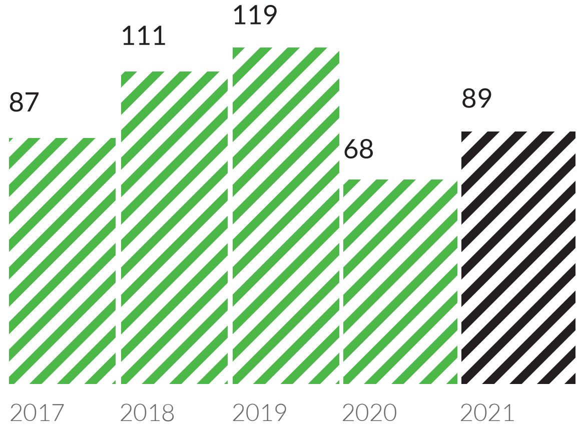
11

TP Aerospace locations
around the world

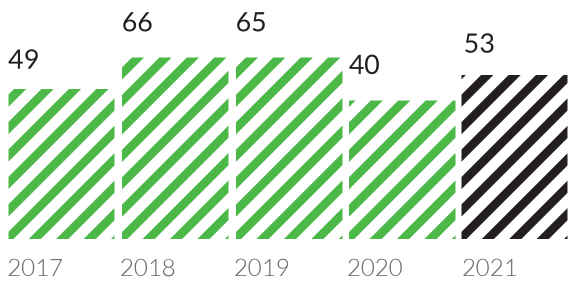
245

Green Team members
up from 228 in 2020

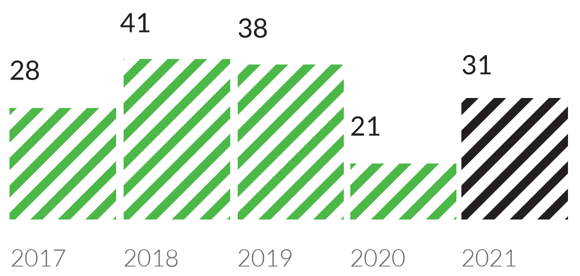
Revenue
(USDm)



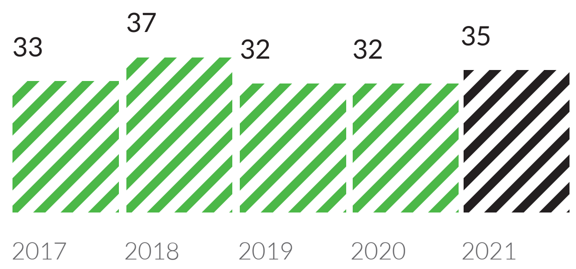
Gross Profit
(USDm)



EBITDA*
(USDm)



EBITDA margin*
(%)



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

FINANCIAL HIGHLIGHTS AND KEY FIGURES

	2021	2020	2019	2018	2017
INCOME STATEMENT (USDm)					
Revenue	88.8	67.7	119.3	110.7	86.6
Revenue growth (%)	31.3%	-43,3%	7.7%	27.9%	32.4%
Gross profit	53.1	40.4	65.0	66.2	49.3
Gross profit margin (%)	59.8%	59.8%	54.5%	59.8%	56.9%
EBITDA before special items	31.3	21.4	37.8	40.6	28.3
EBITDA margin before special items (%)	35.2%	31.6%	31.7%	36.7%	32.7%
EBITA before special items	7.7	1.2	12.7	19.0	15.0
EBITA margin before special items (%)	8.7%	1.8%	10.6%	17.2%	17.4%
EBIT before special items	6.5	0.4	12.1	18.7	14.8
EBIT margin before special items (%)	7.4%	0.6%	10.1%	16.9%	17.1%
Special items	2.0	6.8	5.1	3.2	5.1
EBIT after special items	4.5	-6.4	7.0	15.4	9.6
EBIT margin after special items (%)	5.1%	-9.5%	5.8%	14.0%	11.1%
Profit before tax	2.0	-13.9	3.0	12.4	5.0
Net profit for the year	1.5	-11.4	2.2	9.9	3.3
Net profit for the year (%)	1.7%	-16.8%	1.8%	8.9%	3.8%
BALANCE SHEET (USDm)					
Total assets	189.9	198.1	201.3	180.5	132.7
Equity	91.9	90.2	89.6	86.3	66.5
Net interest-bearing debt	69.3	76.7	73.6	61.9	51.7
Invested capital	116.1	122.1	119.0	103.8	71.9
Net working capital	64.8	62.1	67.9	69.6	46.0
Total aircraft components	103.4	112.2	111.5	93.5	63.5

	2021	2020	2019	2018	2017
CASH FLOW (USDm)					
Cash flow from operating activities	14.5	-2.7	5.3	-8.0	-13.8
Cash flow from investing activities	-6.2	-9.5	-19.3	-21.8	-74.3
Cash flow from financing activities	-7.7	11.5	13.6	31.8	88.3
Net cash flow	0.7	-0.6	-0.5	2.0	0.2
Free cash flow	8.4	-12.1	-14.0	-29.8	-88.1
Free cash flow before interest paid	12.3	-6.4	-9.8	-26.7	-86.4
EMPLOYEES					
Number of employees (end of year)	245	228	284	269	234
FINANCIAL RATIOS					
Return on invested capital excluding goodwill (ROIC) (%)	26.3%	17.7%	34.0%	46.2%	46.2%
Net interest-bearing debt to EBITDA	2.2x	3.6x	1.9x	1.5x	1.8x
Equity ratio (%)	48.4%	45.5%	44.5%	47.8%	50.1%
Return on Equity (ROE) (%)	1.7%	-12.6%	2.5%	13.0%	7.5%

2021 IN A FLASH

New leadership
We announced Nikolaj Lei Jacobsen, who has been part of the company's Executive Management since 2017, as new CEO, effective January 1, 2022. Co-founder Peter Lyager will be transitioning to a Non-Executive position in the Board of Directors. We also welcomed Tinneke Torpe as Group CFO and member of the Executive Management.

Winner of the Top Shop Awards
TP Aerospace was awarded as the best wheel and brake MRO in the US in 2021.

Sales representation in Latin America
We strengthened our regional presence in the Americas with sales representation in Latin America, thereby broadening our footprint, and strengthening our proximity to our customers.

Signing of Brussels Airlines
TP Aerospace signed a long-term contract with national flag carrier Brussels Airlines. With almost 40 aircraft, Brussels Airlines became one of the largest fleets in our customer portfolio.

Carbon emission reporting and targets
We established global carbon emission reporting in accordance with the Greenhouse Gas Protocol and defined ambitious, science-based reduction targets, thereby underlining our commitment to the green transition of our industry.

Distributor of Honeywell B737NG platform
Honeywell International awarded TP Aerospace the global rights to distribute wheel and brake parts related to the B737NG platform. This comes on top of the exclusive distribution agreement for B737CL signed with Honeywell in 2020.

Strengthening our position in the UK market
During the year, we signed two significant additional contracts with UK operators Flybe and DHL. Both will be serviced locally from our MRO facility in East Midlands, which was established in 2019.

CHAIRMAN'S INSIGHT

When we entered 2021, it was with a mix of anticipation and confidence: anticipation about what the new year would bring for our industry, but also a strong confidence that TP Aerospace was in an excellent position for a fast rebound. Looking back, 2021 confirmed that TP Aerospace has a resilient and agile business model, which is key as the industry recovers from the pandemic.

2021 continued to be dominated by the COVID-19 pandemic's impacts on our industry. Especially the uncertainties unleashed by the detection of new COVID variants had a significant impact on travel restrictions, travel patterns and overall activity in our industry.

Despite the challenged market conditions and high volatility, TP Aerospace has performed very well and better than the market in general throughout the pandemic. In 2021, we grew more than 30% from 2020 and ended the year with a robust profitability and cash flow.

The 2021 revenue ended approximately 25% below pre-COVID level in 2019. However, when we look towards the rest of the industry, the total commercial flights – a key measure of aviation activity - remained 42% below 2019 levels globally. This is a strong indicator that TP Aerospace has a robust business model with a relevant and attractive value proposition. TP Aerospace is now on the right track for a faster and stronger recovery than the industry in general.

The Board of Directors ascribe the strong performance to the company's fundamental business model and ability to adapt to and maneuver through difficult times, which was clearly demonstrated in 2020 when the Executive Management promptly executed on a contingency plan to mitigate the negative impacts of the pandemic. This plan was central to the recovery that we saw in 2021, and it proved the scalability of our operations and business model.

Over the past few years, we have seen a significant shift in the industry towards a higher level of climate awareness and commitments. Though air travel is an emission-intense activity, commercial aviation is only responsible for 2-3% of global carbon emissions, according to IATA.

We support the further growth of aviation in the coming years as the industry remains an important enabler of social, economic and cultural development.

However, we also acknowledge that growth must take place in a sustainable way. In TP Aerospace, we are committed to be at the forefront of the green transition, and we have completed the first annual greenhouse gas emission reporting, which is included in this 2021 annual report. It is our ambition to show full transparency of our climate footprint.

When TP Aerospace became signatory to the UN Global Compact in 2017, we committed to internationally recognized principles for responsible business conduct - a commitment that remains strong. We consider our approach to climate action to be a natural extension of this commitment as we continue to look towards internationally recognized standards for tackling climate challenges.

With a high level of integration between environmental focus and the daily operations, we are confident that we are well positioned for not only meeting future legislative requirements, but also for proactively supporting our customers in their increasing efforts to decarbonize their supply chains.

Flemming Jensen, Chairman

LETTER FROM THE EXECUTIVE MANAGEMENT

Travel restrictions remained one of the overarching themes of 2021, but despite the continued impacts of the pandemic, we grew more than 30% in 2021. Again this year, we attribute the initial successful rebound to the loyalty and commitment of our employees, who have been key to positioning TP Aerospace for further growth.

For TP Aerospace, 2021 was a year of resilience and recovery. While the confidence in the resilience of our business model has been strong throughout the pandemic, our recovery has been dependent on our organization's ability to adapt to changing dynamics as well as the general uptake in air traffic globally. Throughout all areas of our business, our employees have been key to adapting not only to the changing activity level, but also to the continuous restrictions on their work life, be it social distancing, work-from-home practices, or other.

While vaccination rates and a growing passenger confidence in air travel drove a slow but steady rebound of the aviation industry in general, certain regions and countries remained significantly impacted by the pandemic. For us, it was evident already early on that the speed of our recovery would vary significantly in different regions, driven by regional travel restrictions and our mix of customers.

Our Components business, previously referred to as Trading, remained impacted across our regions in 2021. Despite the tough market conditions, we still managed to grow this division by more than 29% in sales compared to 2020, however still ending the year below pre-COVID levels. Our Programs Divisions demonstrated a very good performance and almost recovered to pre-COVID revenue. In the Americas, the strong performance was driven by the high activity within the cargo segment which has been above pre-COVID levels throughout the pandemic. The high activity within cargo did not only contribute to high activity within the existing fleet, but we also succeeded in securing a significant number of additional cargo aircraft to existing programs. For TP Aerospace, it is a great testament to our business model and strategy that we are able to grow with our customers.

In Europe, Middle East and Africa (EMEA), the growth was primarily driven by the increase within the passenger segment in Europe, which picked up towards the end of the first half of the year, where we saw the first significant signs of a rebound within leisure travel. Compared to the US and Europe, Asia Pacific (APAC) remained subject to changing travel restrictions and border closures, resulting in continued uncertainties in travel patterns and activity level. However, despite the APAC region still performing below pre-COVID levels, we ended 2021 with a record high 834 aircraft on contract and 15 new programs covering 85 new aircraft signed throughout the year.

Our Distribution Division, which had its first full year of operation in 2021, also performed very well and reached a revenue more than six times higher than 2020, supporting more than 200 customers all over the world.

As we go into 2022, we are seeing positive trends within the airline industry to outsource activities to specialist players to reduce complexity and save cost. We are all confident that TP Aerospace is in a strong position to cater for the increasing demand as a one-stop-shop for wheel and brake solutions.

After almost 14 years, Peter Lyager stepped down as CEO at end December 2021. He has been replaced by Nikolaj Lei Jacobsen who has been part of TP Aerospace and the Executive Management team since 2017. The transition to a new CEO has been planned for some time as part of the company's agreed succession plan with the Board of Directors. We consider it a natural extension of the development that the company has undergone over the past few years, and we are confident in Nikolaj's ability take on the CEO role and deliver on our ambitious growth strategy together with President Thomas Ibsø and Tinneke Torpe, who joined TP Aerospace as CFO after Nikolaj Lei Jacobsen in the fall of 2021.

Peter Lyager will continue to be invested in TP Aerospace as co-owner and will transition to a Non-Executive role in the Board of Directors from where he will remain involved in the strategic development of the company.

Nikolaj Lei Jacobsen, CEO (effective January 1, 2022)
Thomas Ibsø, President
Tinneke Torpe, CFO
Peter Lyager, Former CEO (departing December 31, 2021)

TP AEROSPACE IN BRIEF

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

Who We Are

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

Since 2008, the company has grown from a small start-up in Denmark to almost 250 people in 11 locations worldwide. Named after our prominent company color, we call ourselves the Green Team.

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

Business Model

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

Operating primarily in the aftermarket, we acquire used serviceable and unserviceable wheels and brakes from various sources, including airlines and teardown companies. All sourced units are repaired or overhauled at one of our in-house MRO facilities, all of which are certified to the highest industry standards. This process is governed by strict regulations, which requires the proper approvals from the appropriate aviation authorities combined with a strong quality culture.

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

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

In addition to aftermarket wheels and brakes solutions, we also cater to airlines, brokers and wheel and brake maintenance providers with the distribution of factory-new piece parts and assemblies as well as brake repair services on behalf of the OEMs. With attractive prices, the right stock and minimal lead time, we deliver a superior service to airlines, maintenance and repair stations and brokers all over the world.

MRO

In the aerospace industry, Maintenance, Repair & Overhaul, or MRO, is widely used to describe the sector providing aircraft maintenance activity. The vital role MRO plays in keeping supply chains running smoothly cannot be underestimated. The capacity to routinely maintain, repair, and overhaul components and the diligent monitoring of inventory and systems means supply chains are optimized to deliver products to customers on time and wherever they are required.

Ownership

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

Today, CataCap, together with co-investors Schroder Capital and Kirk Kapital, holds majority ownership of 79%, while close to 18% is still held by the two founders, Thomas Ibsø and Peter Lyager, who in 2021 also constituted the company's Executive Management team together with new CEO, Nikolaj Lei Jacobsen and CFO, Tinneke Torpe. The remaining shares are held by Senior Management and key employees of the company.

OUR GLOBAL TEAM

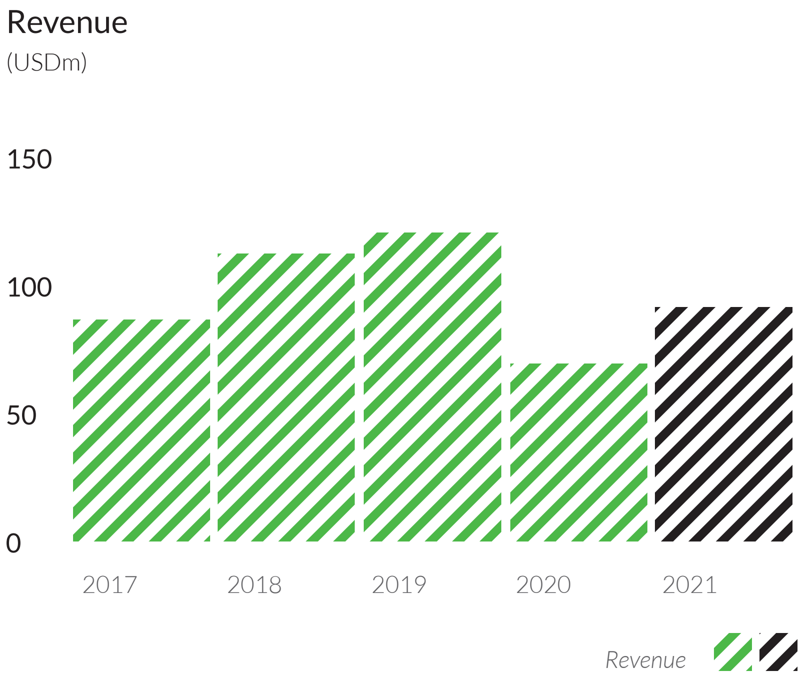
** ( ) indicates change in employee count from 2020*

FINANCIAL REVIEW

The pandemic continued to impact the aviation industry and the activity levels in 2021, especially in first half of the year, where globally imposed travel restrictions and general travel concerns resulted in a lower-than-normal flight activity. Being the leading aftermarket wheels and brakes provider, the lower activity levels in aviation also impacted TP Aerospace.
Due to a diversified customer base including a significant number of cargo airlines, a limited long-haul exposure, a broad geographical scope and a cost base already adapted to the lower activity level, TP Aerospace succeeded in delivering a strong financial performance in 2021 with significant top-line growth, improved EBITDA earnings, an all-time high positive free cash flow and a strong liquidity position entering 2022.

Income statement

Overall, 2021 revenue of USD 88.8m increased by 31.3% compared to USD 67.7m in 2020, while it was USD 30.5m equal to 25.6% lower than 2019 revenue of USD 119.3m. The revenue decrease from 2019 to 2021 was less than the overall decrease in the aviation industry where capacity (measured on number of commercial flights) had dropped by 42%, thereby showing a faster recovery for TP Aerospace in 2021 than in the aviation industry in general.



The 2021 revenue of USD 54.3m in the Programs Division increased by 22.9% from USD 44.2m in 2020, of which USD 21.2m was realised in first half and USD 33.1m in second half of the year. Compared to revenue in 2019 of USD 59.3m, this was USD 5.0m lower equal to fall of 8.5%.

Besides the impact of the higher flight activity, especially in second half of 2021, the main driver behind the improved revenue was a diversified aircraft base and geographically diversified portfolio of larger and smaller customers, with 37% of total contracted aircraft being cargo operators and 63% being passenger operators.

In 2021, revenue from the Cargo segment grew by 25.4% to USD 30.8m whereas revenue from the Passenger segment improved with 19.7% to USD 23.5m. Revenue in the Programs Division was positively impacted by higher activity among existing customers with new aircraft additions as well as contracts signed with new customers late 2020 and throughout 2021.

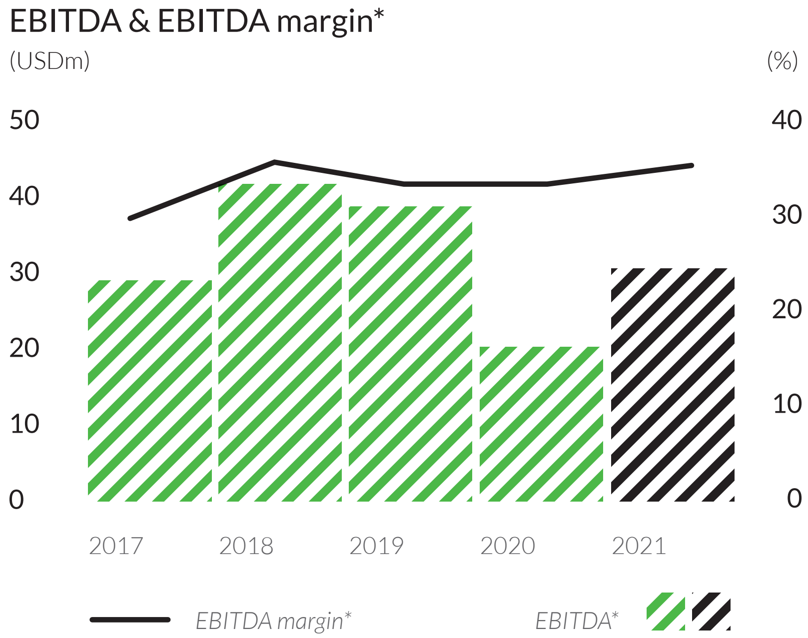
Within the Programs Division, EMEA increased by 25.6%, Americas by 17.4% and APAC by 19.0% from 2020 to 2021. The improved performance in EMEA was driven by the Cargo segment and ACMI** operators whereas Americas was driven by the cargo segment, which represented more than 80% of the revenue.

Compared to 2020, revenue from existing customers improved with USD 8.0m equal to an increase of 18.2% whereas new customers signed during the year contributed with USD 2.1m in growth. Activity with existing customers was impacted by the continuously changing market situation for all non-cargo customers. The Programs Division ended the year with 834 aircraft on contract, a net increase of 33 aircraft compared to 2020. Existing customers added 99 new aircraft to the portfolio while further 85 aircraft were added by new customers. These additions more than counterbalanced the unfavourable impact of 151 aircraft coming off contract due to various airline restructurings and ordinary contract adjustments. Of the 151 aircraft, 89 aircraft were related to customers adjusting the number of aircraft due to phase-out while remaining on contract with TP Aerospace. In comparison, 2020 included 74 aircraft additions by existing customers and 59 aircraft additions from new customers, offset by 147 aircraft coming off contract.

Within our two program types, revenue from the Flat-Rate programs improved by 32.7% while revenue from the For-Less programs increased with 21.1%. In first half of 2021, revenue for both program types were slightly behind same period last year with decreases of 3.6% and 9.7% respectively. This improved significantly in second half of 2021 where revenue from the Flat-Rate programs increased with 71.6% while revenue from the For-Less programs increased with 56.0% compared to same period last year.

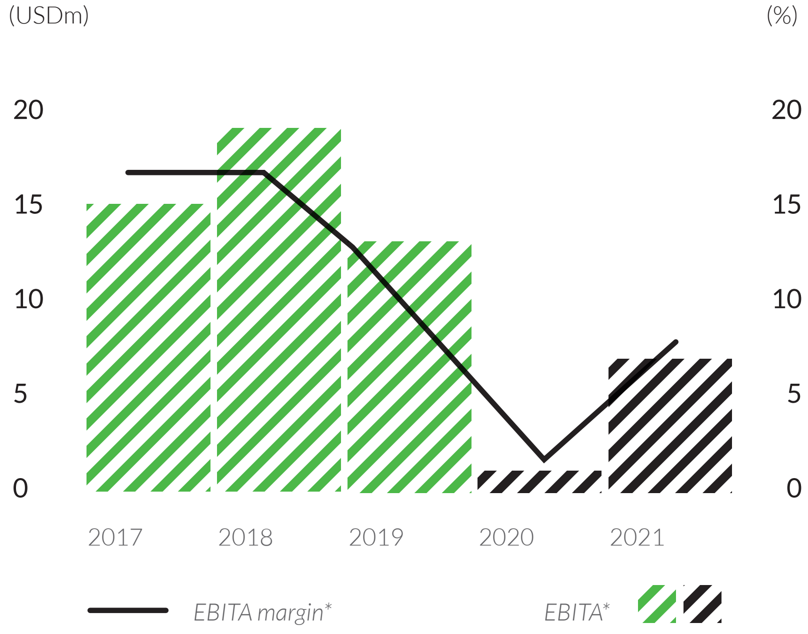
The 2021 revenue in the Components Division of USD 27.1m improved by 29.2% compared to 2020 revenue of USD 21.0m, while it was still lower than 2019 revenue of USD 56.8m.

*** Aircraft, Crew, Maintenance, Insurance*



**Before special items*

EBITA & EBITA margin*



The main driver of the Components Division is aircraft transitions, where airlines return aircraft to lessors and the aircraft are transitioned to a new operator. Like in 2020, there was significantly less aircraft transactions in 2021 compared to pre-pandemic years and the Components Division continued to be impacted by airlines and leasing companies delaying repair work to reduce spending and safeguard liquidity. In general, many leases have been extended to compensate for the grounding of aircraft, hence many aircraft transitions have been postponed.

The increase in revenue in the Components Division was driven by improvements in EMEA and Americas with revenue growth of 42.7% and 54.0% respectively, while APAC continued to experience lower activity with revenue remaining, with a minor decrease of 4.3%, almost at the same level as in 2020. Activity in APAC was negatively impacted by strict travel restrictions and border closures in the region.

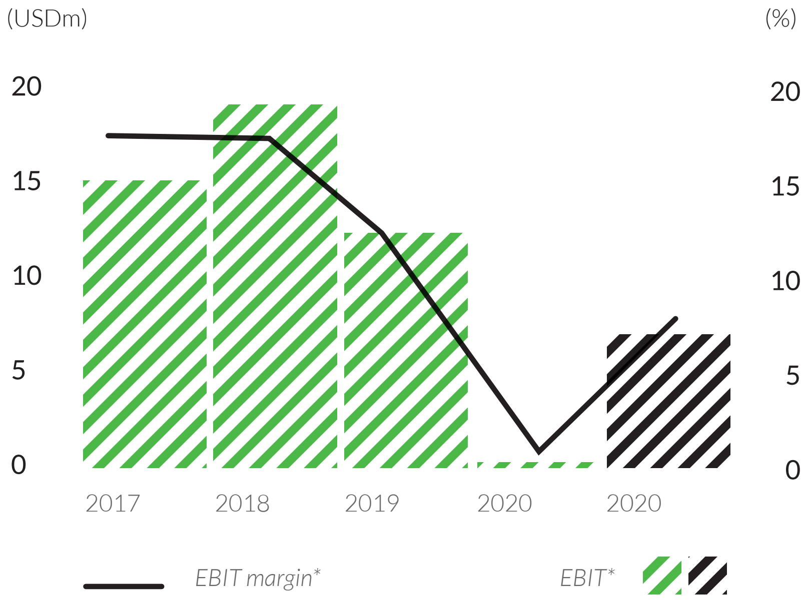
In 2021, the share of revenue from repeat customers*** totalled 61% in the Components Division, and aircraft components were sold to customers in 79 countries, adding 5 new countries during the year.

2021 was the first full year of activity for our newest business area, the Distribution Division. Revenue reached USD 4.4m which was six times higher than revenue in 2020 of USD 0.7m. The increase was especially driven by a strong traction on sales of Safran assemblies and piece parts as well as the Honeywell 737CL platform for which TP Aerospace in 2020 was awarded exclusive distributorship.

Gross profit for 2021 amounted to USD 53.1m compared to USD 40.4m in 2020. The gross profit margin remained on par with 2020 at 59.8%.

Staff Costs and Other External Expenses including Other Income amounted to USD 21.9m compared to USD 19.1m in 2020, reflecting an increase of USD 2.8m or 14.6%. The higher costs related to increased headcount due to the increased activity level, the phase-out of a salary reductions scheme that was introduced in 2020 and less income recognised from government compensation schemes in 2021 compared to 2020.

EBIT & EBIT margin*



*Before special items

Earnings before interest, tax, depreciation, and amortization (EBITDA before special items) for 2021 amounted to USD 31.3m, which was USD 9.9m higher than USD 21.4m in 2020. The EBITDA margin before special items was 35.2%, an improvement of 3.7 percentage point compared to 2020. This was mainly related to the lower increase in Staff Costs and Other External Expenses relative to the increase in revenue and favorable margins from changed product mix.

Earnings before interest, tax, amortisation and special items (EBITA before special items) for 2021 amounted to USD 7.7m which was an improvement of USD 6.5m compared to USD 1.2m in 2020. The higher activity in the Programs Division drove MRO repair cost depreciation up with USD 3.4m compared to 2020.

Earnings before interest, tax and special items (EBIT before special items) for 2021 amounted to USD 6.5m compared to USD 0.4m in 2020. The EBIT margin before special items was 7.4%.

Special items amounted to USD 2.0m compared to USD 6.8m in 2020, which mainly included non-recurring expenses in connection with one-off losses driven by COVID-19. These costs primarily covered loss on receivables and inventory write-down.

Net financial items for 2021 amounted to USD (2.5)m compared to USD (7.5)m in 2020. The change was driven by lower net interest bearing debt (NIBD) which was reduced by USD 7.4m compared to 2020, and favourable impact from foreign exchange rates in 2021. Gains on foreign exchange rates were mostly driven by the appreciation of the US Dollar.

Profit before tax was equal to USD 2.0m compared to USD (13.9)m in 2020.

Tax on the profit for 2021 was an expense of USD (0.5)m. The effective tax rate equalled 24.9%.

Net profit for the year amounted to USD 1.5m compared to USD (11.4)m in 2020.

*** *Defined as customers who have made purchases in 2021 as well as in 2020*

Assets
On 31 December 2021, TP Aerospace's total assets amounted to USD 189.9m which was a decrease of USD 8.2m from USD 198.1m in 2020. This was driven by a reduction in aircraft components of USD 8.8m which primarily related to the Programs Division with new contracts added to the portfolio improving the utilisation of the asset pool to service these. By year-end 2021, aircraft components amounted to USD 103.4m of which USD 40.2m was classified as property, plant and equipment under non-current assets (being aircraft components assigned to the programme activities) and USD 63.2m as inventory (accounting treatment is further explained in the section "Consolidated Financial Statements" under notes).

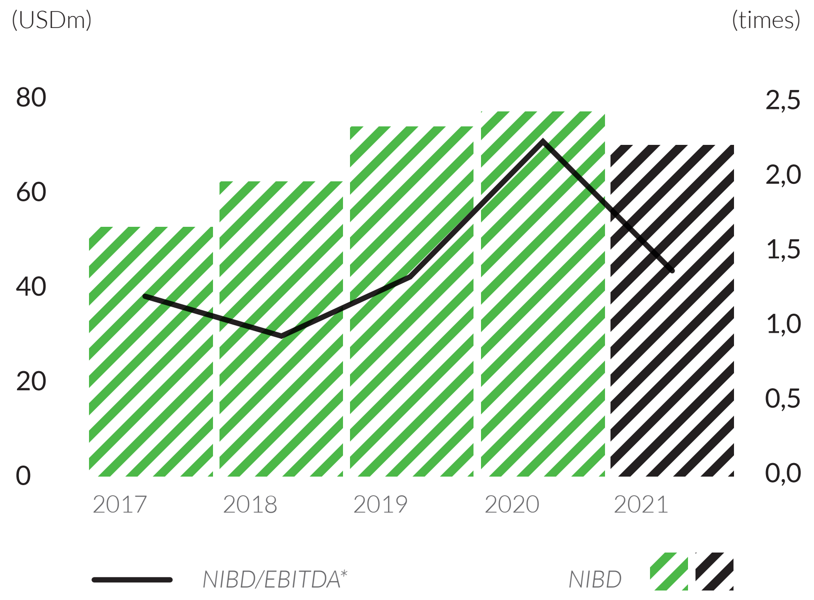
Net working capital
Net working capital ended at USD 64.8m compared to USD 62.1m in 2020. The increase was driven by higher receivables and lower payables than last year partially offset by a decrease in inventory. The aircraft components owned by TP Aerospace are all deemed current based on the composition of parts and the aircraft platforms for which they are used.

Equity
Total equity amounted to USD 91.9m as of 31 December 2021 compared to USD 90.2m by year-end 2020, equal to a change of USD 1.7m. This was driven by the 2021 result of USD 1.5m.

Net interest-bearing debt
As of 31 December 2021, the net interest-bearing debt amounted to USD 69.3m or 2.2x EBITDA before special items, compared to USD 76.7m or 3.6x EBITDA before special items as of 31 December 2020.

Return on invested capital (ROIC)
The return of invested capital excluding goodwill was equal to 26.3% compared to 17.7% in 2020. The higher EBITDA before special items drove the increase in ROIC.

NIBD & NIBD/EBITDA*



Cash flow
Cash flow from operating activities amounted to USD 14.5m compared to USD -2.7m in 2020 while free cash flow amounted to USD 8.4m compared to USD (12.1)m in 2020. Free cash flow before interest paid totalled USD 12.3m, an improvement of USD 18.7m compared to USD (6.4)m in 2020.

*Before special items

Outlook
In 2021, TP Aerospace has continued to operate the business in a way that caters for the high degree of uncertainty in the aviation industry and ensures a sustainable financial position while at the same time seeking to materialise the business opportunities that may arise.

Given the positive development in flight activity in second half of 2021, our expectation for 2022 is a return to a normalised flight activity level amongst our customers and thereby higher demand, although at a slower pace in the first half of the year. As we approach the summer, we expect that demand will increase and that this will continue throughout second half of 2022.

Our financial performance for 2022 is expected to reflect the above with sales and earnings returning to pre-pandemic level.

The expectations stated above are based on the assumptions that recovery from the COVID pandemic will occur in first half of 2022 without any return to lockdowns or strict travel restrictions later in the year, that other global macroeconomic and political environment will not significantly change business conditions for TP Aerospace, and that the exchange rates, especially the US dollar, will remain at the current level versus the Danish krone.

Chapter 2

BUSINESS & STRATEGY

OUR STRATEGY - GREEN SUNRISE 2.0

We originally launched the Green Sunrise Strategy in 2018 as an ambitious growth and expansion strategy, designed to gear TP Aerospace to grow significantly, i.a. with an ambitious geographical expansion.

In 2020, just a couple of years into our strategy period, the dynamics of our industry changed drastically with the outbreak of the pandemic, and we quickly adapted our business strategy to the new reality and introduced Green Sunrise 2.0.

Green Sunrise 2.0 is a calibrated version of the original growth strategy, aiming at ensuring that TP Aerospace will be able to further expand our solutions and contribute to reduced complexity in our industry.

With the current market outlook and TP Aerospace's business model, there are ample growth opportunities for us going forward. These opportunities lie within each of our business areas, and cover 1) evolving the Programs business, 2) recapturing and growing the Components business, and 3) expanding and maturing the Distribution business.

Designed to secure TP Aerospace's competitiveness and market position, Green Sunrise 2.0 is forward looking, and it dictates sustainable growth towards 2025. The recent years' market volatility has made it more evident than ever, that sustainable financials and a robust operational model are key to long term success. Thus, our primary focus is on enabling growth by reducing complexity and increasing scalability of our daily operations. By doing this, we will be able to support a significantly higher number of customers even better. Additionally, our determination to support our customers well into the future will require us to support them in decarbonizing their supply chains, as climate action is increasingly becoming an integrated part our customers' reality. As a result, environmental and climate concerns are an integrated part of our business model and strategy as well.

Market Outlook

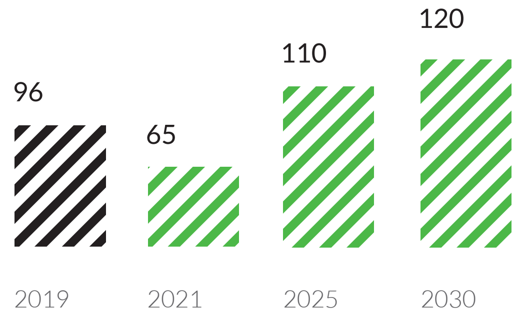
In 2021, the global demand for MRO services was approximately 30% below 2019 levels, however, significantly above 2020 levels because of the ongoing rebound of the aviation industry.

Though COVID-19 remains a determining factor going into 2022, the market has started its recovery, primarily driven by the rate of vaccine deployment and re-vaccinations. According to market reports from leading industry experts, the aviation industry is expected to recover fully in 2023, while the Components segment, which includes wheels and brakes, are forecasted to recover almost fully in 2022.

Over the next almost 10 years, the global commercial air transport fleet is forecasted to grow from 22,774 aircraft in 2021 to 35,746 in 2030. The underlying demand for MRO services will increase accordingly and is expected to reach USD 110bn by 2025 and USD 120bn by 2030, compared to USD 96bn in 2019 and USD 65bn in 2021. In 2025, components, including wheels and brakes, is forecast to reach almost USD 20bn, compared to approximately USD 12bn in 2021, underlining significant growth opportunities within TP Aerospace's market.

However, as has been seen throughout 2021, the risk of new variants of the virus and uncertainties regarding the vaccines' effectiveness against new variants remain the biggest unknown factors in the prediction of travel restrictions and travel patterns in 2022 and onwards.

Global MRO market forecast (USD bn)



**Source: Oliver Wyman, forecast as of October 2021*

POTENTIAL POSITIVE EFFECTS OF COVID-19

Over the past couple of years, where the COVID-19 pandemic has been overshadowing the industry, emerging trends are supporting an increased interest in TP Aerospace's products and services.

Airlines are focusing on their core business, and they are increasingly looking to optimize on cash flow and liquidity. Thus, more are looking to outsource to specialist like TP Aerospace to reduce complexity of their operations and free up cash.

Additionally, cost awareness is leading airlines and lessors to look more within the aftermarket for wheels and brakes, while maintenance providers are focusing on cost optimizations on piece parts. Both of which TP Aerospace is very well positioned to cater for through its Components and Distribution Divisions.

As one of the biggest stockists on the aftermarket, TP Aerospace is also in a strong position to handle temporary shortages caused by disruptions in the global supply chains.

PROGRAMS

TP Aerospace's Programs Division offers tailor-made solutions through full-service and all-inclusive long-term programs to operators worldwide. In 2021, our Programs activities accounted for 61% of the total business revenue.

Through TP Aerospace's Programs Division, we offer two types of programs that differ in setup and structure, ensuring that all programs are designed to accommodate our customers' short and long-term requirements while fully complying with their maintenance budgets.

In 2021, our Programs Division ended the year with 834 aircraft on contract, which was an increase from 801 at end of 2020 and slightly above the amount contracted before we were impacted by the pandemic.

This increase in number of aircraft on contract was driven by two primary factors. First is the add-on business, where existing customers added a total of 99 additional aircraft to keep up with demand. Second, we succeeded in securing 15 new customers to the Programs portfolio, covering a total of 85 new aircraft.

The Programs Division ended the year at USD 54.3m in sales, which was 23% above 2020 and significantly above the general activity increase in the global industry. This was driven by a favorable mix of customers across customer types and platforms, as well as a strong activity and traction, especially within the EMEA region.

Looking at the customer mix, 37% of the aircraft on contract in 2021 was freighters, whose general activity increased during the pandemic. Especially in the Americas, where a significant amount of our Programs business was represented by cargo operators, we benefited from the steady increase in activity levels as well as the addition of new aircraft. Globally, the demand in freight continued to counterbalance the missing activity in the first half of the year within the passenger segment.

During the year, we saw a significantly faster recovery of narrowbody aircraft compared to widebody, to a large extent because the narrowbody aircraft serve the domestic and regional passenger markets, which were less impacted by travel restrictions in 2021. With approximately 65% of TP Aerospace's Programs portfolio being narrowbody aircraft, we were well positioned in 2021.

Overall, the Programs Division experienced a strong rebound in activity in the second half of the year when travel restrictions were loosened. Compared to the first half of the year, the total amount of flight cycles grew 74% in the second half of the year, which resulted in a 56% growth in sales from the first to the second half of 2021.

Increasing demand from major airlines

During 2021, we experienced an increased demand for our services from major airlines. In the wake of the recent years' crisis, it has become evident that more airlines are rethinking and restructuring their supply chains and maintenance activities, among other things in an effort to obtain a higher level of operational and cost flexibility during times of activity volatility.

As an example, TP Aerospace welcomed Brussels Airlines and its fleet of 38 aircraft to our portfolio of Programs customers in 2021. With an all-inclusive and long-term flat-rate program, Brussels Airlines chose TP Aerospace as its dedicated wheel and brake partner as they also prepare to expand their operations and grow their activity.

The trend for major airlines outsourcing specific activities to specialists like TP Aerospace to increase flexibility and save resources, underlines the strength of our business model and strategy, which shows that our services are relevant and attractive to all different types of operators.

FLATE-RATE PROGRAMS

Our fully integrated, all-inclusive and plug'n'play cost-per-landing concept where the customer pays a fixed rate per landing.

FOR-LESS PROGRAMS

The less integrated all-inclusive concept where the customer pays a fixed fee per exchange event.

COMPONENTS

With the largest ready-to-go wheel and brake inventory in the aftermarket, TP Aerospace Components supports a recurring customer base on an outright and ad-hoc exchange basis. The component market remained challenged in 2021, which impacted the performance of the Components Division.

As expected at the beginning of the year, TP Aerospace's Components Division, which was previously referred to as Trading, remained impacted by the pandemic throughout 2021. The year ended at USD 27.1m in sales, which was almost 30% above 2020, but approximately 50% below pre-pandemic level.

The slow rebound of Components sales was driven by the continued reduced activity level in global aviation, reinforced by a high level of cost awareness amongst the airlines, pushing them to fully utilize remaining life on their components and rotate their existing pools, thereby keeping new purchases and exchanges at a minimum.

During the year, APAC was most impacted, with sales ending 4% below 2020. However, this was counterbalanced by the remaining regions, as Americas and EMEA grew 54% and 43% respectively, though still below 2019 levels with 45% and 57% respectively.

In the spring of 2021, we strengthened our presence in Latin America with regional sales representation.

These additional resources increased sales in the region and secured the highest performance in Latin America and the Caribbean in the past years, supporting the overall growth in the Americas.

With the slow recovery within Components in 2021, we expect that the impacts of the pandemic will continue to affect the Components business in 2022. However, as air traffic increases, we expect to see an increasing demand for components when the airlines will need to restock their pools. TP Aerospace is well positioned to service customers when demand returns.

Recovery accelerating in Europe and the US

Though the activity within Components remained low throughout the year, we did see positive trends towards the end of the year, indicating that the pace of recovery was picking up. However, the recovery varied between the regions.

While we did see a slight growth in activity and sales in China in 2021, the rest of the Asia Pacific region remained below expectations, and at level with 2020 performance. This is in line with the general trend in the industry where the rebound rate in Asia Pacific was below the rest of the world.

For the Americas region, which showed the highest growth in 2021, we saw a significant growth in sales towards the end of the year with the first half of 2021 being 21% above same period last year, while the second half was 109% above.

A similar trend was evident in EMEA, where sales during the first six months ended 12% above the same period last year, while this number reached 87% in the last six months of the year.

For both Americas and EMEA, we saw the sharpest rebound in the third quarter of the year, and with the positive trends towards the second half of 2021, we are confident that the recovery will continue steadily into the new year.

DISTRIBUTION

Through TP Aerospace Distribution, we have new OEM parts on stock ready for dispatch to customers worldwide with minimal lead time. During the first full year of operation, we have supported more than 200 distribution customers.

TP Aerospace Distribution was added to our business towards the end of 2020, and as the third commercial business leg in our portfolio, Distribution has affirmed our position as a one-stop-shop for wheels and brakes.

As a distributor, TP Aerospace has new wheel and brake OEM piece parts and assemblies ready for immediate dispatch to airlines, maintenance providers, and third-party customers worldwide. With the right stock of commercial wheel and brake piece parts and assemblies, good pricing, minimal lead time, and extensive knowledge, TP Aerospace is a reliable distribution partner with superior customer support.

2021 was the first full year of operation for Distribution, demonstrating a strong traction and ending at USD 4.4m. Throughout the year, we saw a steady monthly increase in customers, resulting in TP Aerospace serving more than 200 customers in 2021. These customers presented a diversified portfolio of airlines, MROs and brokers.

Our distribution business is governed by good OEM agreements, and to ensure that the Distribution Division will eventually grow to become a significant and strategic part of the total business activity, TP Aerospace continues to work to strengthen the relationships to the OEMs even further, by identifying possibilities for building mutually value-adding opportunities. During the year, we continued our strategic focus on developing our relations to the OEMs.

New distribution platform

In December 2021, we signed a second distribution agreement with Honeywell for B737NG wheel and brake parts. With this agreement, TP Aerospace became an official distributor for Honeywell on the B737NG platform, thus enabling us to support all 737NG operators running on Honeywell parts with immediate access to parts and components.

The agreement will further accelerate distribution sales in 2022.

This is the second platform awarded by Honeywell after TP Aerospace was appointed exclusive distributor for B737CL wheels and brakes parts in October 2020. Throughout 2021, the B737CL platform performed above expectations and confirmed the mutual benefits of the partnership for Honeywell and TP Aerospace.

OEM

OEM stands for Original Equipment Manufacturer, and is a term used for the manufacturers that initially produced the wheels, brakes, piece parts or tires.

PEOPLE & CULTURE

Our people are central to TP Aerospace and to the successful execution of our business strategy. As we rebound along with the industry, it is our employees who position us for growth and excellence, and we ascribe great value to the importance of continuing to mobilize the potential in our people.

In 2021, and throughout the last few years' highly dynamic business environment, our people have been central to carrying TP Aerospace to the strong position it is in today. Through the year, we welcomed new colleagues to our global workforce to adjust for the increasing activity level, and at year-end, our global headcount was 245, compared to 228 at year-end 2020. These new employees were primarily added within our MRO facilities, while some were also added in customer operations positions.

With employees working across 10 countries and 11 locations around the world, and with significant changes to our organization over the past two years, it is always a priority to invest in fostering and building a strong culture across our global teams. In TP Aerospace, a healthy culture is characterized by respect, individuality, and inclusiveness, and with approximately 40 different nationalities in 2021, we must continue to insist on building and maintaining a unified culture.

COVID-19 continued to influence the daily work within our offices and facilities around the world, and we kept a sharp focus on limiting the risk of virus spreading for the safety and wellbeing of employees. In accordance with national guidelines and practices, some employees worked partly from home, while additional actions were taken to protect those who had to come to work physically. These efforts included extra requirements for testing, use of masks and social distancing.

Introducing a global leadership program

As TP Aerospace grows, we expect our organization to grow with it, and we are determined to provide our people with the right work environment, competencies, and tools needed to develop and succeed.

Key to the development of our people is our department and team managers' ability to demonstrate authentic and strong leadership to identify the potential in our people and help them grow their strengths.

In 2021, we conducted our first leadership program in Europe for our department and team managers. The primary objective of the three-module program was to build a common understanding of and language for what good leadership practice is in TP Aerospace.

The leadership program touched upon topics such as personality types, communication, feedback and change management, and was designed to allow the managers time to reflect and use the tools in between the modules to ensure that focus remained on the practical use of the tools in everyday work life.

TP Aerospace aims to expand the leadership program to further regions, to cover the global organization.

Total headcount	Number of different nationalities	Average age
245	**40+**	**40.4**

Chapter 3

GOVERNANCE

CORPORATE GOVERNANCE

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

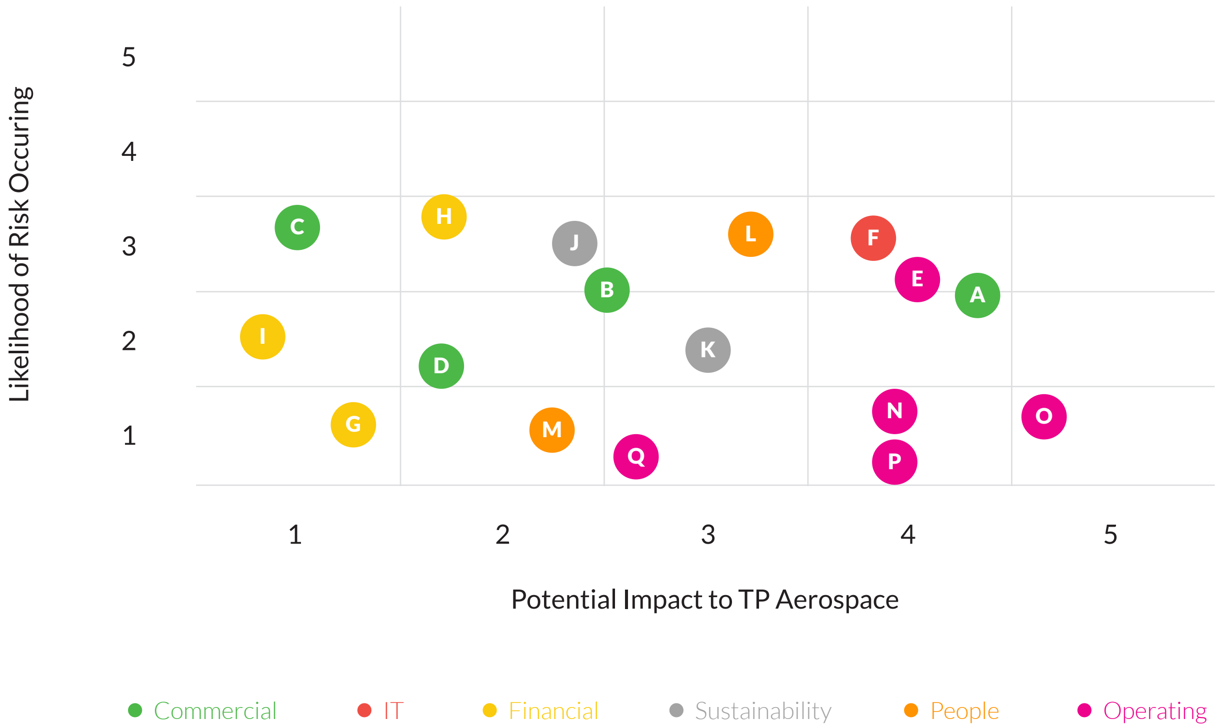
We align our corporate governance efforts with the "Recommendations on Corporate Governance" issued by the Danish Committee on Corporate Governance. This is achieved by maintaining an ongoing dialog with our owners and other stakeholders, reporting results monthly, and facilitating an ongoing strategic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

Furthermore, as our majority owner CataCap is a member of the Danish private equity association, Active Owners Denmark, TP Aerospace complies with the guidelines issued by them available on their website www.aktiveejere.dk. The guidelines released in June 2008, with subsequent modifications, recommend extended coverage in several areas in annual reports, including corporate governance, financial risk, employee relations and strategy.

RISK MANAGEMENT

During volatile times, risk management become core to responding, managing, and recovering from difficult and unforeseen events. This has also been the case for TP Aerospace during the past few years, and our approach to risk management is key to remaining resilient towards the challenging market conditions.

Risk Matrix



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

COVID-19

After more than two years since the first outbreak of the COVID-19 virus, the pandemic continues to present a considerable factor of uncertainty for the aviation industry and for TP Aerospace.

The consequences of the COVID-19 pandemic have been unprecedented, and when the crisis was at its highest in 2020, TP Aerospace took the necessary steps to scale the global organization to the reduced activity level.

The pandemic continues to cause fluctuations in activity as well as disruptions to global supply chains, both of which contribute to a higher level of uncertainty in our industry. Over the past two years, TP Aerospace's business model has proven to be resilient toward market changes, and we believe that the business and the organization is in the best and healthiest place to tackle any future resurgence of the pandemic and the potential consequences it may have for air traffic and supply chains. Thus, we are confident that our mitigation efforts to preserve as many jobs as possible as well as protect liquidity have been appropriate and have paved the way for a strong rebound as the market returns to normal.

Risk management is fully integrated into the strategic and operational activities in TP Aerospace, and with a risk policy and procedures in place, we have a systematic approach to efficient risk management, allowing us to identify risk early and proactively work to prevent an increase in exposure.

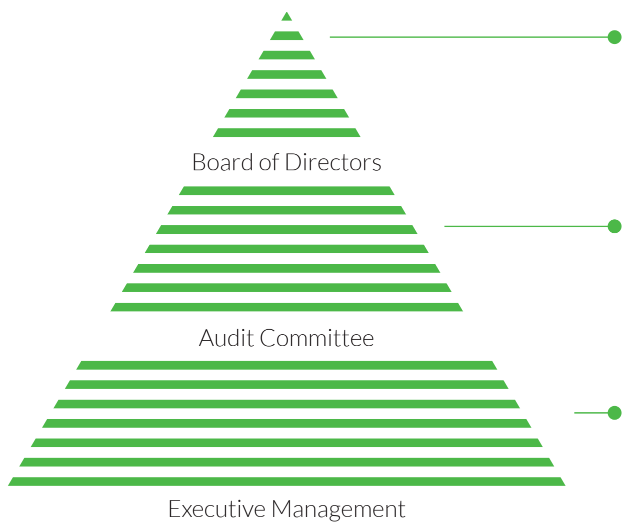
With our risk management structure, we ensure proper and efficient identification, assessment and mitigation of risks to reduce the likelihood of unforeseen events causing harm to TP Aerospace, our business model or strategy.

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

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

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

Risk Management Structure



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

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

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

Risk	Description of risk	Risk control measures
A Component availability	Lack of available piece parts, tires and wheels and brakes in the market could have an impact on our business model.	Our strong market position enables us to cooperate closely with key stakeholders in the industry to ensure a sufficient influx of components.
B Market risk	Risk related to market and competitive trends.	Diversification is core to our strategy and to mitigating portfolio and market risk. We have a high level of geographic diversity, while we also secure product diversity through our various offers and a contract portfolio spanning widely across passenger and cargo aircraft.
C Oil prices	High oil prices have an impact on airlines' operating costs and profitability.	The potential impact for TP Aerospace is considered low due to limited correlation between oil prices and demand for MRO services.
D Customer Concentration	The risk of being dependent on a limited number of key customers, thus being more vulnerable to potential bankruptcies within our customer portfolio.	We have a fragmented customer portfolio, which is continuously assessed to mitigate risk.
E Supply Chain	The COVID-19 pandemic has led to various levels of disruptions to the global supply chains, leading to material shortages and an increasing pressure on costs.	Being subject to this risk, we work closely with our suppliers to ensure that we understand their lead times and set our replenishment levels accordingly. Further, we continuously seek to improve our value chains to mitigate the pressure on costs, and, where this is not possible, pass on the cost to customers. A continued focus is on addressing this risk and creating optimizations where possible.
F IT security	Disruptions to our IT systems, especially cyber attacks, pose a risk to our business and our industry in general.	Continuous improvements of procedures pertaining to cyber security, i.e. through cyber security training, threat assessments, and contingency plans. To mitigate the potential implications of an attack, we have disaster recovery procedures in place.
G Liquidity	The risk of not being able to meet our future cash flow needs.	We continuously assess and monitor that we have adequate capital resources and liquidity to meet our existing and future obligations, including securing required loan facilities, when necessary. Also, we work in a structured way with cash management to ensure timely collection of receivables from customers and timely settlement of our obligations to vendors. If any additional liquidity is needed, our owners hold a strong financial position.
H Credit	The risk of incurring a financial loss if a customer or counterparty fails to fulfil their contractual obligations.	Our diverse and fragmented customer portfolio together with our credit and collection policies, including continuous risk assessments, allow us to take the necessary precautions to mitigate this risk.
I Currency	TP Aerospace's functional currency is USD, and currency risk from operations is mainly towards DKK and EUR.	We work in a structured way with environmental concerns throughout TP Aerospace, and starting 2021, we are annually reporting our carbon footprint in accordance with the Greenhouse Gas Protocol, aiming at creating carbon transparency and working actively to reduce our footprint.

KEY RISK

Risk	Description of risk	Risk control measures
J Environmental	With the increasing focus on climate change from society and authorities, the industry in general is creating increased requirements for companies to take action to reduce their footprint and ensure carbon transparency.	We work in a structured way with environmental concerns throughout TP Aerospace, and starting 2021, we are annually reporting our carbon footprint in accordance with the Greenhouse Gas Protocol, aiming at creating carbon transparency and working actively to reduce our footprint.
K Anti-corruption	The risk of being involved in or associated with illegal or unethical acts within our company or value chain, potentially leading to criminal action towards TP Aerospace or reputational damage.	Through our Anti Bribery and Corruption Policy, we define the minimum standards of conduct that all employees must abide by. Our focus is on creating awareness about our zero-tolerance policy and training our employees to identify illegal or unethical situations and report potential concerns.
L Qualified employees	Risk related to a potential shortage of qualified employees. COVID-19 has caused a level of disruption to the labor markets around the world, leading to a shortage of labor and a risk of increases in operating costs due to higher wages.	Through various initiatives, we continuously work to raise the skill level of our workforce and strengthen our employer brand to attract the right talent. The risk is continuously assessed by Executive Management to ensure that appropriate mitigation efforts are put in place in due time.
M Occupational Health & Safety	The safety of our people is our highest priority, as incidences could have serious consequences for our people, operations and reputation. The biggest safety risk lies within our MRO shops.	Through our safety management system, we work to manage safety risks in the workplace by conducting regular risk assessments of the different workstations, implementing new policies and procedures, and by increasing employees' awareness of safety issues.
N MRO Capacity	The risk of our MRO capacity not meeting market demands or our sales expectations.	We have sufficient capacity worldwide to meet the current demand. By continuously optimizing our operational model and footprint, we continue to expand and scale our capacity to match market demands.
O Safety	Hull losses as well as liability for passenger injuries, environmental and third-party damage caused by aircraft accidents related to TP Aerospace.	We live up to the highest quality and safety standards of some of the world's most recognized aviation authorities, including the FAA and EASA. In case of an incident, our Aviation Liability Insurance provides coverage for financial damages.
P Asset security	Damage to our stock could potentially have a critical financial impact on our business.	We maintain an appropriate stock level at various facilities worldwide, thereby mitigating the potential risk of asset damage on our delivery performance. Our assets and liabilities are generally covered by insurance taken out with first-class insurance companies.
Q Quality	Failing to obtain or maintain the necessary approvals to stay in operation or defects in product quality.	Policies, procedures and systems are in place to ensure that our operations and products live up to the highest quality standards and to continuously assess and improve our procedures.

QUALITY MANAGEMENT

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

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

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

At TP Aerospace, our policy is to be certified to the industry's highest quality standards. Our Part 145 approvals combined with our AS9120 Rev. B accreditations allow us to drive and strengthen quality management and achieve goals. In 2020, we transitioned from AS9120 Rev. B single site approval to a multisite approval enabling us to gather all operations within one quality system and thereby further streamline our global processes and procedures and become more efficient.

In 2021, we intensified our efforts in building a global and unified quality management system with the establishment of a central engineering services and compliance function. In this function, we brought together existing skills and competencies and added additional resources to build a strong team to take our quality efforts to a new level of higher strategic importance.

CORPORATE RESPONSIBILITY

Aviation is at the center of global connectivity. Being the only mode of rapid transport across the world, aviation generates economic, social and cultural growth, and it facilitates international trade and tourism. With growing climate changes, it is essential that the industry transitions towards more efficient and sustainable solutions, and that everyone takes their fair share of the responsibility.

At TP Aerospace, corporate responsibility is an integral part of our business strategy and how we do business, and it refers to our combined efforts to not only create growth for our owners but also to create value for our employees, customers, business partners, and society.

As part of a global industry, we acknowledge that our responsibility towards our stakeholders goes beyond short term financial returns, and that we have a responsibility to assess how our operations influence our surroundings and to take action to mitigate these impacts. To do this, we continue to work to make economic, social, and environmental concerns an increasing part of our day-to-day business activities and decision making at all organizational levels.

Global air traffic is estimated to account for only 2-3% of global carbon emissions. However, for passengers, travel by air constitutes a significant part of the personal contribution to climate change, and thus the aviation industry is experiencing an increasing pressure to present more efficient travel options with reduced climate impact. TP Aerospace's focus in 2021 was on further developing carbon transparency, aiming at enabling us to take appropriate action to reduce our footprint and support our customers in decarbonizing their supply chains.

With a clear vision in mind, we place high expectations upon ourselves to conduct business with the highest level of integrity and ethical, environmental, and social awareness within all areas of our business model, as described on page 17.

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

Based on our Corporate Responsibility Policy, our approach is built to continuously assess and optimize our operations and procedures to minimize the potential negative impact of our business activities and to contribute positively to the development within our four key areas:

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

UN GLOBAL COMPACT
COMMUNICATION ON PROGRESS

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

We welcome feedback on its contents.

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

Human and labour rights

Our policy

Our policy builds on the UN Guiding Principles on Business and Human Rights (UNGP). We use these guidelines as a framework for understanding human rights in a business context, whether our potential impact on human rights is internal: our employees, or external: people working within or being affected by the operations of our greater value chain.

We regard human rights in the context of our own business environment, and we focus our efforts and policies where we have greatest opportunity to impact the human rights and where we see the most significant risk our business, which is within discrimination, equal pay and safe and healthy working conditions (further detailed on the next page).

We continuously conduct human rights due diligence to help address potential human rights risks linked to our business activities. The process includes the following steps: 1) identify and assess potential adverse impacts, 2) take action to prevent and mitigate risk and impacts, 3) track actions and ensure we follow up on potential risk and actual impacts, and 4) communicate our impacts and actions to affected stakeholders.

Our actions

At TP Aerospace, we consider diversity as a quality that develops different views, ideas, and analyses. Therefore, our policy is to actively promote diversity and inclusion to eliminate discrimination of any diversity traits, including gender, age, nationality, cultural background or other. We do so by assessing and optimizing all processes and procedures related to the employee lifecycle to ensure that we do not discriminate in hiring, developing, and termination processes.

Through our annual global workplace assessments, we seek to gain an insight into our employees' perception of diversity and inclusion in TP Aerospace, to enable us to take the required action to address challenges.

Working in an industry and sector that is traditionally male-dominated, we continuously strive for a balanced gender representation throughout the company. Our efforts focus on our recruiting procedures, and on training our team leaders and department managers to avoid bias. Similarly, we are committed to more balanced gender representation within our global management team, and we always strive to have potential candidates of both genders when recruiting or promoting for a managerial position.

Risk

Our biggest potential impacts on human rights are related to a safe and healthy work environment (described further on the next page) and workplace discrimination. The risk related to workplace discrimination specifically revolves around gender diversity and neglecting to create an inclusive work environment where everyone is equally accepted and recognized.

Indicators

We aim at maintaining a reasonable representation of both genders within the global management team, and our target is that the gender composition within the global management team always represents the overall gender profile of our global workforce.

We also measure and report on gender representation at our top level of the organization and within our Board of Directors (in accordance with §99b of the Danish Financial Statements Act).
Our target is to have minimum two female board members by end 2023.

Performance

At year-end 2021, 17% of our global workforce was female and 83% male. To compare, 31% of the global management team was female, while female representation in the Executive Management team was 25%. We are satisfied with our ability to promote the lesser represented gender in management positions; however, we acknowledge the challenge we face within our type of business to attract female talent to the general workforce.

During the year there were no changes to the Board of Directors, and so TP Aerospace continued to have one female and six male board members.

DATA ETHICS ACCORDING TO §99D

At TP Aerospace, we are committed to protecting our employees right to privacy, and we fully comply with GDPR legislation relating to our employees and any other personal data we may possess.

Today, TP Aerospace does not have a business policy on data ethics as this is not considered business critical. However, as with all other human rights, TP Aerospace continuously assess our potential impact on the right to privacy, and should the risk picture change, we will take the necessary steps with our top management to put in place adequate policies and procedures to ensure that we continue to comply with the highest level of data ethics and protection of people's right to privacy.

Health & safety at work

Our policy
Safe and healthy working conditions are a fundamental human right and a top management priority at TP Aerospace. Our employees must always feel safe and should never worry about being involved in an accident or experience a negative impact on their physical or mental health as a result of their job.

Our policy is to always provide safe and healthy working conditions for our employees and make safety everyone's business. We are committed to continuously assessing our employees' perception of TP Aerospace as a workplace and addressing any challenges.

Our actions
Through our annual anonymous workplace assessments, we continue to assess employees' perception of safety at TP Aerospace and take action accordingly. In 2021, we took the first steps in incorporating occupational health and safety into our global quality management system, thus strengthening the framework that governs our occupational health and safety efforts, including policies, procedures and control measures.

During the year, we continued to follow the development of the pandemic, and initiatives were in place to prevent the spread of COVID-19 within our organization to protect our employees and their families. These efforts included work-from-home policies where the nature of the job allowed, and where the workplace did not allow for sufficient social distancing.

Following government recommendations and requirements, we took action to minimize the risk of spreading the virus. These initiatives varied from country to country, but included continued temperature checks, awareness campaigns, social distancing guidelines and test or vaccine mandate.

During the year we increased our focus on the mental health and wellbeing of our employees, as repeated lockdowns and general uncertainty about the pandemic continued to be a constant factor in our employees' work and private life. Additionally, with the workforce reduction in 2020, we were constantly tracking the workload of our employees as activity started to increase, enabling us to add additional resources in areas of the business where the activity increased first.

Risk
The key safety risk in TP Aerospace relates to accidents potentially occurring within our workshops or warehouses, where employees work with heavy components and machinery on a daily basis.

As in all other organizations, workload and employee's mental wellbeing always pose a risk. However, due to the past two years' volatility, we estimate that the likelihood of the risk occurring was higher than normal in 2021.

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

We track both short- and long-term illness as well as data from our annual workplace assessments to measure our overall performance on securing a workplace that fosters good physical and mental health.

Performance
In 2021, we stayed below our targets for lost time injuries.

Anti-Corruption

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

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

Our policy builds on the United Nations Convention against Corruption and various national laws, including the UK Bribery Act.

Our actions
Through 2021, we continued our efforts to increase employees' awareness of bribery and corruption challenges.

Through our Anti Bribery & Corruption Policy and Procedure from 2019, we define the minimum standards of conduct that all employees must abide by, and the duty to report any concerns or suspected breaches of the policy by others. Through our Whistleblowing Policy and Procedure, we encourage employees to report any concerns of behavior that is against company policy to our 'Speak-Up'-hotline.

In 2021 we updated our global Code of Conduct to reflect the company's development over the past years, as well as changes to the legislative environment. The Code of Conduct sets forth our commitments, responsibilities and ethical obligations as a company, and was developed to provide guidance to all employees on what is expected from them when working at and representing TP Aerospace, no matter what position you are in. The Code of Conduct is part of the onboarding of all new employees in TP Aerospace and is also publicly available at www.tpaerospace.com.

Since 2020, we have conducted annual mandatory online Anti-Bribery and Corruption training for all employees in relevant positions within TP Aerospace. We define relevant positions as positions that are potentially at risk of being exposed to corrupt behavior through interaction with external parties. The training is in line with our policy's principles, the UN Convention against Corruption and the UK Bribery Act.

Risk
Our greatest anti-corruption risk relates to non-compliance. While TP Aerospace are taking every step necessary to have all the right policies, procedures and control mechanisms in place to avoid and mitigate the potential risk of non-compliance, the risk will always be there within every organization.

Additionally, the highly global nature of our business adds an increasing risk, as we are subject to and need to navigate through various legislation schemes and cultural practices. As an example, in some countries and cultures, it is customary for public or government officials to request unofficial fees for facilitating certain business activities. In TP Aerospace, these are considered facilitation payments and, therefore, a bribe, which is never tolerated.

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

Performance
TP Aerospace did not register any compliance violations in 2021, and there were no incidents reported through our whistleblowing hotline.

Environment & climate

Our policy

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

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

Our actions

During the year, we took a significant step in our commitment to climate mitigation, with the establishment of annual greenhouse gas reporting, creating transparency on our actual scope 1 and scope 2 emissions. From 2021, our greenhouse gas reporting will be part of our Annual Report, in line with all other financial and non-financial information.

In addition to calculating our actual scope 1 and scope 2 emissions, we also initiated a structured screening of our scope 3 emissions to gain full understanding of where in our extended value chain we contribute to the greatest impact. This work will continue in 2022.

While the primary focus in 2021 was on climate action and carbon footprint, we continued the monitoring and management of waste activities within our MRO facilities. This remains a highly regulated area throughout the world, and we aim at always complying with the minimum standards for waste management practices. Additionally, we addressed waste management regarding the responsible scrapping of wheels and brakes as they reach end of life, to ensure that we identify and maintain close working relationships with external recycling partners all over the world.

Risk

The greatest risk related to the environment and climate relates to the risk of neglecting to acknowledge and take action to mitigate our climate footprint. Though the primary risk relates to our scope 1 and scope 2 emissions, there are also potential risks involved in neglecting to understand the impact of our scope 3 emissions.

Additionally, waste management remains a risk, due to the nature of our operations, primarily within our MRO facilities, but also when it comes to the scrapping and recycling of our core products: wheels and brakes.

Indicators

Related to climate action, we track our absolute energy consumption and scope 1 and 2 emissions, and have defined two targets:

1) Annual growth in energy consumption must remain below sales growth.

2) 28% reduction in scope 1 and scope 2 emissions from 2019 to 2030.
Our emission reduction target is aligned with the goal of the Paris' Agreement to limit global warming to well below 2 degrees.

Regarding waste management, we track and document the handling of all hazardous waste in accordance with industry standards and regulation. Additionally, we track the amounts of scrapped materials deriving from our core products that are recycled through any of our recycling partners.

Performance

From 2020 to 2021, our energy consumption decreased slightly compared to a more than 30% growth in revenue and was thus on target. With the continued operational disruptions caused by the pandemic in 2020 and 2021, our relative energy consumption remains above 2019 level.

From 2019 to 2021, we have reduced our total CO2 emissions 8.5%, which was primarily driven by reduced activity within some facilities around the world. Going forward, the reduction in CO2 emissions is expected to come from various reduction initiatives as well as conversions to sustainable energy sources.

During the year, we did not record any incidents relating to unintentional discharge of waste.

ENVIRONMENTAL PERFORMANCE

	2019	2020	2021
Energy consumption (MWh)	2,638.7	2,761.4	2,721.1
CO2e emissions (tonnes CO2e)	673.3	697.8	616.4
Scope 1 emissions (tonnes CO2e)	109.2	136.2	129.5
Scope 2 emissions (tonnes CO2e)	564.1	561.6	487.0

Accounting principles

ENERGY CONSUMPTION AND GHG EMISSIONS

Our own energy consumption comes from our use of natural gas, gasoline, diesel, electricity and district heating. Reported consumptions are based on meter readings and invoices. Calculation of energy contents are based on latest published DEFRA statistics.

Scope 1 and 2 emission conversion factors: A. Electricity: We use site-specific or actual local CO2 conversion factors where available, and if not available, the latest published country-specific factors from the International Energy Agency. B. Liquid and gaseous fuels: We use latest published GHG conversion factors from DEFRA. C. District heating: We use site-specific or actual local CO2 conversion factors where available, and if not available, we estimate emissions based on emission levels in the specific country.

Emissions are calculated and reported in accordance with the Greenhouse Gas (GHG) Protocol.

All companies within the TP Aerospace Group are included in the reporting scope.

Due to ongoing development of our data collection processes, comparison figures from previous years may include minor adjustments since first reported.

BOARD OF DIRECTORS

Flemming Jensen

Chairman,

Born 1959, Appointed by CataCap, Member since 2017

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

Peter Ryttergaard

Deputy Chairman,

Born 1970, Appointed by CataCap, Member since 2017

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

Andrew Hoad

Member,

Born 1963, Appointed by CataCap, Member since 2017

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

Jesper Blom

Member,

Born 1969, Appointed by Peter Lyager and Thomas Ibso through their respective holding companies, Member Since 2017

Jesper has worked with TP Aerospace as an auditor and advisor before joining the Board of Directors in 2017. He holds a degree as a Chartered Accountant, and through various positions as auditor and advisor for e.g. Air Greenland, ST Aerospace, Aviator and the former Maersk Air, Jesper knows his way around aviation. Today, he holds the position as CFO of Theis Vine.

Nina Fisker Olesen

Member,

Born 1991, Appointed by Kirk Kapital, Member Since 2019

Nina is Investment Director in the Danish family-owned investment company Kirk Kapital. She holds a Master's in Business Administration, Finance and Accounting from Copenhagen Business School, and has worked in Nordea Corporate Finance before joining Kirk Kapital in 2017.

Vilhelm Hahn-Petersen

Member,

Born 1960, Appointed by CataCap, Member since 2017

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

Michael Humphreys

Member,

Born 1964, Appointed by CataCap, Member since 2018

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

EXECUTIVE MANAGEMENT

Nikolaj Lei Jacobsen
CEO (effective January 1, 2022),
Born 1983
Nikolaj has been part of TP Aerospace since the spring of 2018, first as CFO before transitioning to COO in 2020. From January 2022, Nikolaj took on the role as CEO. He holds a MSc in Business Administration from Aarhus University and is an experienced leader from various positions in large corporations. Nikolaj's specialties revolve around corporate strategy and finance, and his exceptional analytical, financial and people skills are key to leading TP Aerospace forward.

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

Tinneke Torpe,
CFO,
Born 1976
Tinneke joined TP Aerospace as CFO in October 2021. Tinneke holds a MSc in Business Economics and Auditing from Copenhagen Business school and has more than 15 years' experience from various senior finance positions, both in Denmark and abroad. Besides her extensive background within financial reporting, controlling, operational finance, risk management and governance, Tinneke's specialties include process optimization through technology.

Peter Lyager
Former CEO (departing December 31, 2021),
Born 1971
Peter has held the position as CEO since the company's start in 2008. After completing his military service with the Royal Danish Navy, Peter acquired a B.Sc. in Economics and Business Administration from Copenhagen Business School. Today, he has more than 20 years of experience from the aviation industry and has held various positions at Leki Aviation and Deloitte prior to founding TP Aerospace. Peter left the position as CEO at end 2021, transitioning to a non-executive position in the Bord of Directors in March 2022.

Chapter 4

FINANCIAL STATEMENT

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CONSOLI-DATED FINANCIAL STATEMENTS

KEY FIGURES

	2021 USD'000	2020 USD'000	2019 USD'000	2018 USD'000	2017 (8months) USD'000
Financial highlights					
Profit and loss accounts					
Revenue	88,815	67,665	119,267	110,722	64,427
Gross profit*	53,144	40,430	64,984	66,181	36,148
Operating profit before special items	6,544	414	12,059	18,679	11,115
Operating profit after special items	4,524	-6,436	6,971	15,447	6,434
Net financials	-2,523	-7,469	-3,927	-3,090	-3,684
Profit for the period	1,504	-11,370	2,184	9,904	1,601
Balance sheet					
Non-current assets	107,215	116,048	108,665	92,281	73,866
Investments in tangible assets	27,351	30,214	48,528	40,694	13,138
Total assets	189,872	198,079	201,329	180,482	132,662
Total equity	91,861	90,163	89,650	86,307	66,497
Cash flows					
Net cash flow from operating activities	14,543	-2,677	5,257	-7,991	-1,107
Net cash flow from investing activities	-6,181	-9,466	-19,306	-21,771	-82,624
Cash flow from financing activities	-7,711	11,523	13,577	31,754	-84,529
Employees					
Average number of employees	234	260	278	252	220
Key Ratios					
Gross margin (%)	60.0%	60.0%	54.0%	60.0%	56.0%
Operating profit before special items margin (%)	7.0%	1.0%	10.0%	17.0%	17.0%
Operating profit after special items margin (%)	5.0%	-10.0%	6.0%	14.0%	10.0%
Return on equity (%)	1.7%	-12.6%	2.5%	13.0%	2.4%
Equity ratio (%)	48.4%	45.5%	44.5%	47.8%	50.1%

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

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

CONSOLIDATED STATEMENT OF PROFIT AND LOSS 1 JANUARY - 31 DECEMBER

	Notes	2021 USD'000	2020 USD'000
Revenue	3	88,815	67,665
Cost of sales		-35,671	-27,235
Gross profit		53,144	40,430
Other Income	4	2,124	3,602
Other external expenses		-5,985	-5,692
Staff costs	5	-17,995	-16,983
Depreciation, amortisation and impairment losses	6	-24,744	-20,943
Operating profit before special items		6,544	414
Special items	8	-2,020	-6,850
Operating profit after special items		4,524	-6,436
Finance income	9	4,221	1,753
Finance costs	10	-6,744	-9,222
Profit before tax		2,001	-13,905
Tax on profit for the year	11	-497	2,535
Profit for the period		**1,504**	**-11,370**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 1 JANUARY - 31 DECEMBER

	Notes	2021 USD'000	2020 USD'000
Profit for the period		1,504	-11,370
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation of subsidiaries (net)		-71	-51
Fair value changes for the year, cash flowhedge	24	50	-50
Income tax relating to these items		-11	11
Other comprehensive income for the period, net of tax		-32	-90
Total comprehensive income for the period		**1,472**	**-11,460**

CONSOLIDATED BALANCE SHEET 31 DECEMBER

	Notes	2021 USD'000	2020 USD'000
Intangible assets	12	51,785	52,551
Property, plant and equipment	13, 14	53,153	61,269
Deferred tax asset	15	2,277	2,228
Total non-current assets		107,215	116,048
Inventory	16	63,238	65,950
Trade receivables	17	14,398	11,635
Other receivables		69	2,432
Prepayments		2,530	243
Cash		2,422	1,771
Total current assets		82,657	82,031
Total assets		**189,872**	**198,079**

CONSOLIDATED BALANCE SHEET 31 DECEMBER

	Notes	2021 USD'000	2020 USD'000
Share capital	19	651	651
Share premium		64,441	64.441
Reserve for exchange rate translation		-138	-67
Reserve for cash flow hedges		-8	-47
Retained earnings		26,915	25,184
Total equity		**91,861**	**90,163**
Borrowings	20	68,108	72,070
Lease liability	14, 20	5,449	6,396
Provisions	21	1,910	1,659
Total non-current liabilities		**75,467**	**80,125**
Borrowings	20	3,597	6,437
Lease liability	14, 20	2,520	2,296
Trade payables		7,855	11,618
Current income tax liabilities		744	477
Payables to group enterprises		287	400
Other payables		6,951	5,873
Prepayments from customers		590	690
Total current liabilities		**22,544**	**27,791**
Total liabilities		**98,011**	**107,916**
Total equity and liabilities		**189,872**	**198,079**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital USD'000	Share premium USD'000	Reserve for exchange rate translation USD'000	Reserve for cash flow hedges USD'000	Retained earnings USD'000	Total USD'000
Equity at 31.12.2019	651	64,441	-16	-8	24,581	89,649
Profit for the period 01.01.2020 - 31.12.2020	0	0	0	0	-11,370	-11,370
Fair value change in the year, cashflow hedges	0	0	0	-39	0	-39
Exchange differences regarding subsidiaries in another currency	0	0	-51	0	0	-51
Total comprehensive income for the period	0	0	-51	-39	-11,370	-11,460
Transactions with owners in their capacity as owners						
Group contribution	0	0	0	0	11,973	11,973
Total transactions with owners in their capacity as owners	0	0	0	0	11,973	11,973
Equity at 31.12.2020	**651**	**64,441**	**-67**	**-47**	**25,184**	**90,163**
Profit for the period 01.01.2021 - 31.12.2021	0	0	0	0	1,504	1,504
Fair value change in the year, cashflow hedges	0	0	0	39	0	39
Exchange differences regarding subsidiaries in another currency	0	0	-71	0	0	-71
Total comprehensive income for the period	0	0	-71	39	1,504	1,472
Transactions with owners in their capacity as owners						
Group contribution	0	0	0	0	227	227
Total transactions with owners in their capacity as owners	0	0	0	0	227	227
Equity at 31.12.2021	**651**	**64,441**	**-138**	**-8**	**26,915**	**91,861**

CONSOLIDATED CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Notes	2021 USD'000	2020 USD'000
Operating profit after special items		4,524	-6,436
Depreciations and amortisations	29	5,283	4,916
Change in net working capital	27	8,912	5,182
Cash flows from primary operating activities		18,719	3,662
Interests and currency exchanges paid		-3,897	-5,730
Income taxes paid		-279	-609
Net cash flow from operating activities		**14,543**	**-2,677**
Payments for property, plant and equipment		-6,216	-4,795
Payments for intangible assets		-30	-4,184
Other non-cash changes		65	-487
Net cash flow from investing activities		**-6,181**	**-9,466**
Proceeds from borrowings	28	-5,428	1,523
Proceeds from intergroup borrowings		-113	49
Group contribution		227	11,973
Lease liability		-2,397	-2,022
Cash flow from financing activities		**-7,711**	**11,523**
Net cash flow for the year		**651**	**-620**
Cash and cash equivalents, beginning of the year		1,771	2,391
Cash and cash equivalents at end of the year		**2,422**	**1,771**

NOTES

Notes

Notes

1. ACCOUNTING POLICIES

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

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

The accounting policies applied remain unchanged from last year.

General information on recognition and measurement

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

Change in accounting estimates

There has been no changes in accounting estimates in the financial year 2021.

New standards implemented in the financial year

No significant new IFRSs or IFRIC interpretations have been implemented in 2021 affecting the recognition and measurement in the Financial Statements.

New standards not yet effective

There are no IFRSs or IFRIC interpretations that are not yet effective that is expected to have a material impact on the Company.

Basis of consolidation

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

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

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

Foreign currency translation

Functional and presentation currency

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

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

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

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

Group companies

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

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

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

Business combinations

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

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

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

Acquisition-related costs are expensed as incurred.

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

Revenue

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

Sale of goods in trading, Distribution, LFL business and MRO

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

Distribution revenue contains of factory new piece parts and assemblies as well as brake repair services on behalf of the OEMs. In the Distribution business revenue is recognized, when the piece parts and assemblies are delivered and invoiced to the customer.

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

Sale of services in the CFR business

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

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

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

Cost of sales of goods

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

Other external expenses

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

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Staff costs

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

Depreciation, amortisation and impairment losses

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

Special items

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

Finance income

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

Finance expenses

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

Income tax and deferred tax

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

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

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

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

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

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

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

Intangible assets

Goodwill

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

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

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

Customer Contracts

The customer contracts were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives of 10 years.

Software

Software is measured at cost less accumulated amortisation. Software is amortised on a straightline basis over theuseful life, which is estimated at 3 years.

Rights

Rights are measured at cost less accumulated amortisation. Rights are amortised on a straight line basis over the useful life, which is estimated at 10 years, which is in accordance with the period of the underlaying agreement of which the rights referred to.

Impairment of non-financial assets

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

Property, plant and equipment

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

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

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

Leasehold improvements .... 3-5 years

Other fixtures and fittings, tools and equipment ....3-20 years
Assets held for lease-out .... 20 years

Buildings................... 20 years

Core units for wheels and brakes, included in other fixtures and fittings......... 20 years

Depreciation on assets, listed below, is calculated using a production based method to allocate their cost over their estimated useful lifes. The depreciation is calculated based on the actual usage of the asset (MRO).

The average cycles - useful life - is estimated based on historical data and contractual conditions in which the assets are used. The useful life for each individual asset types is as follows:

MRO, Steel brakes (CFR)
1,840 - 2,040 cycles

MRO, Carbon brakes (CFR)
1,025 - 1,225 cycles

MRO, Wheels (CFR)
190 - 290 cycles

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

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

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

Leases and lease obligations

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

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

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

Leases and lease obligations (Continued)

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

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

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Inventories

Inventories are measured at the lower of cost on the basis of standard cost price and net realisable value.

Cost consists of purchase price plus delivery cost.

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

Receivables

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

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

Prepayments

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

Equity

Reserve for exchange rate translation

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

Reserve for cash flow hedges

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

Dividend distribution

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

Provisions

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

Borrowings

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

Other liabilities

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

Prepayments received from customers (contract liabilities)

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

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

Statement of cash flow

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

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

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

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

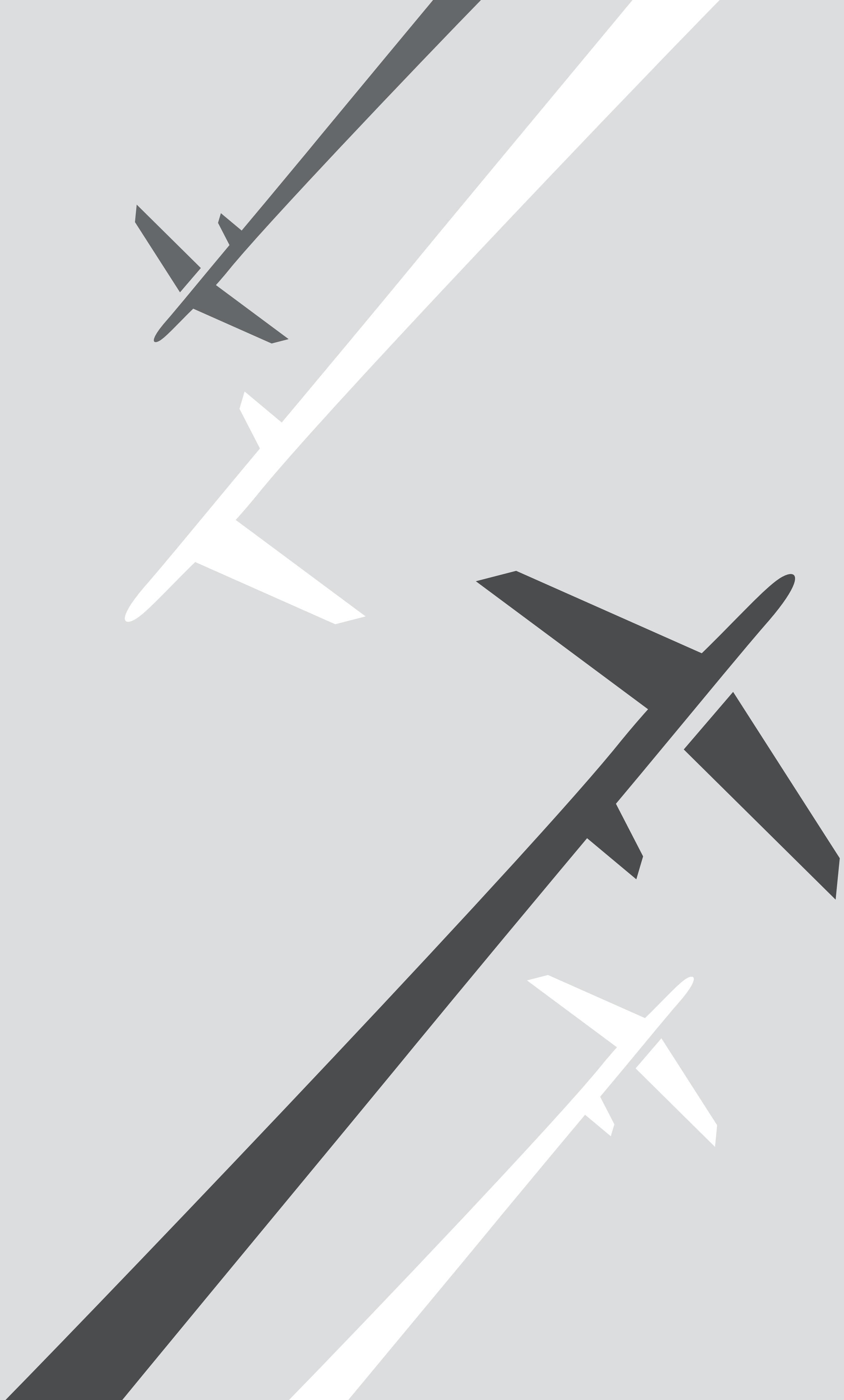
Cash and cash equivalents

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

Consolidated Key Figures

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

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



2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

Customer relations

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

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

The carrying amount of customer relations is USD 1,861k at 31 December 2021.

Impairment test of goodwill

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

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

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

Goodwill amounts to USD 46,139k and no impairment losses has been recognised in 2021. Information on the impairment test, hereunder critical asumptions are disclosed and described in note 12.

Property, plant and equipment (depreciation period)

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

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

The depreciation periods for core units are reassessed every year.

Costs for maintenance, repair and overhaul (MRO) of wheels and brakes are capitalised as part of fixed assets related to the enterprises' CFR programme activities and are in average depreciated over 190 - 290 cycles in respect of the wheels, 1,025 - 1,225 cycles in respect of the steel brakes and 1,840 - 2,040 cycles in respect of the carbon brakes.

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

The number of cycles, for which depreciation of maintenance, repair and overhaul (MRO) is made, will be reassessed every year.

Valuation of inventory

Inventory is stated at the lower of cost or market value. The Group determines cost using the first-in, first out method.
The Group analyses its inventory levels periodically and writes down inventory to its net realizable value if it has become obsolete, has a cost basis in excess of its expected net realizable value or is in excess of expected demand (obsolescence). There were write downs of USD 1.8 million related to obsolescence as of 31 December 2021 (2020: USD 3.2 million).

Provisions

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

Revenue

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

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

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

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2021 USD'000	2020 USD'000
The group has recognised the following amounts of revenue in the statement of profit and loss:		
Revenue from contracts with customers	85,722	65,840
Other revenue, MRO revenue	3,093	1,825
Total	**88,815**	**67,665**

	CFR	LFL	Leasing	Total
Programmes 2021	**USD'000**	**USD'000**	**USD'000**	**USD'000**
Revenue	32,033	20,692	1,542	54,267
Total	**32,033**	**20,692**	**1,542**	**54,267**
Timing of revenue recognition				
At point in time	0	20,692	0	20,692
Over time	32,033	0	1,542	33,575
Total	**32,033**	**20,692**	**1,542**	**54,267**

	CFR	LFL	Leasing	Total
Programmes 2020	**USD'000**	**USD'000**	**USD'000**	**USD'000**
Revenue	23,942	17,354	2,867	44,163
Total	**23,942**	**17,354**	**2,867**	**44,163**
Timing of revenue recognition				
At point in time	0	17,354	0	17,354
Over time	23,942	0	2,867	26,809
Total	**23,942**	**17,354**	**2,867**	**44,163**

	Distribution	Trading	Maintenance, repair and overhaul	Total
Trading and Maintenance 2021	**USD'000**	**USD'000**	**USD'000**	**USD'000**
Revenue	4,366	27,089	3,093	34,548
Total	**4,366**	**27,089**	**3,093**	**34,548**
Timing of revenue recognition				
At point in time	4,366	27,089	3,093	34,548
Over time	0	0	0	0
Total	**4,366**	**27,089**	**3,093**	**34,548**
Trading and Maintenance 2020				
Revenue	711	20,966	1,825	23,502
Total	**711**	**20,966**	**1,825**	**23,502**
Timing of revenue recognition				
At point in time	711	20,966	1,825	23,502
Over time	0	0	0	0
Total	**711**	**20,966**	**1,825**	**23,502**

Total 2021	Programmes USD'000	Trading and Maintenance USD'000	Total USD'000
Revenue	54,267	34,548	88,815
Total	**54,267**	**34,548**	**88,815**
Timing of revenue recognition			
At point in time	20,692	34,548	55,240
Over time	33,575	0	33,575
Total	**54,267**	**34,548**	**88,815**
Total 2020			
Revenue	44,163	23,502	67,665
Total	**44,163**	**23,502**	**67,665**
Timing of revenue recognition			
At point in time	17,354	23,502	40,856
Over time	26,809	0	26,809
Total	**44,163**	**23,502**	**67,665**

2021	Europe USD'000	Americas USD'000	Asia USD'000	Total USD'000
Revenue	52,187	20,104	13,431	85,722
Other revenue, MRO revenue	98	63	2,932	3,093
Total	**52,285**	**20,167**	**16,363**	**88,815**
Timing of revenue recognition				
At point in time	22,990	20,038	12,212	55,240
Over time	29,295	129	4,151	33,575
Total	**52,285**	**20,167**	**16,363**	**88,815**
2020				
Revenue from contracts from customers	39,424	14,372	12.044	65,840
Other revenue, lease revenue	46	131	1,648	1,825
Total	**39,470**	**14,503**	**13,692**	**67,665**
Timing of revenue recognition				
At point in time	16,755	14,381	9,720	40,856
Over time	22,716	122	3,972	26,810
Total	**39,471**	**14,503**	**13,692**	**67,666**

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

The group has recognised the following revenue-related contract liabilities:

	2021 USD'000	2020 USD'000
Contract liabilities - Programme, CFR		
Opening balance	1,659	2,261
Net additions	251	(602)
Closing balance	**1,910**	**1,659**

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

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

	2021 USD'000	2020 USD'000
Programme, CFR	0	0
Total	**0**	**0**

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

4. OTHER INCOME

	2021 USD'000	2020 USD'000
Government grants	2,124	3,602
Total	**2,124**	**3,602**

Government grants does primarily contain income from relief packages.

5. STAFF COSTS

	2021 USD'000	2020 USD'000
Wages and salaries	15,631	15,545
Pensions	549	453
Other social security costs	1,375	1,607
Other staff costs	440	367
Transferred to special items	0	-989
Total	**17,995**	**16,983**
Average number of employees	234	260

Key Management Compensation

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

	2021 USD'000	2020 USD'000
Wages and salaries	1,007	1,048
Pensions	66	42
Other staff costs	0	1
Executive board	**1,073**	**1,091**
Remuneration of management in total:		
Executive Board	1,073	1,091
Board of Directors	117	95
Total	**1,190**	**1,186**

Shares program

In 2020 & 2021 Employees, management and board of TP Aerospace have been offered the opportunity to purchase shares in TPA Green Manco ApS, which is a shareholder of TP Aerospace group. The participants acquired the shares at an estimated market price. If an employee leaves the group before an exit, the company has an option to buy the shares back at an estimated market price. Because the program does not have any negative effect on the company, no expense is recognized in the income statement.

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

Number of shares	2021	2020
As at 1 January	198,503	195,544
Granted during the year	35,952	7,128
Forfeited during the year	-1,312	-4,169
As at 31 December	**233,143**	**198,503**

6. AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

	2021 USD'000	2020 USD'000
Amortisation	1,165	830
Depreciation	23,579	20,113
Total	**24,744**	**20,943**

7. AUDIT FEES

	2021 USD'000	2020 USD'000
PwC		
Statutory audit	107	91
Tax assurance services	46	7
Other services	10	36
Total	**163**	**134**
Other auditors		
Statutory audit	24	42
Other services	0	0
Total	**24**	**42**

8. SPECIAL ITEMS

	2021 USD'000	2020 USD'000
Non-recurring write-downs of receivables	1,480	3,314
Net losses related to new operations in UK, Thailand, Malaysia and Russia	0	316
Non-recurring restructuring of the organisation including management	274	778
Non-recurring write-downs of trading inventory	0	1,984
Cost due to government restrictions	0	458
Moving and upgrading MRO shop in Orlando	266	0
Total	**2,020**	**6,850**

9. FINANCIAL INCOME

	2021 USD'000	2020 USD'000
Interest income	59	289
Interest from group companies	0	0
Exchange rate adjustments	4,162	1,464
Total	**4,221**	**1,753**

10. FINANCIAL EXPENSES

	2021 USD'000	2020 USD'000
Interest expenses	3,669	3,703
Interest to group companies	13	13
Exchange rate adjustments	3,062	5,506
Total	**6,744**	**9,222**

11. TAX ON PROFIT FOR THE YEAR

	2021 USD'000	2020 USD'000
Current tax:		
Current tax on profits for the year	433	128
Current tax on profits for previous years	113	197
Total current tax expense	**546**	**325**
Deferred tax:		
Temporary differences	-49	-2,860
Total deferred tax assets	**-49**	**-2,860**
Income tax expenses for the period	**497**	**-2,535**
Income tax expenses are specified as follows:		
Calculated 22.0% tax on profit for the year before income tax	440	-3,059
Tax effects of:		
Higher/lower tax rate in subsidiaries	-67	-59
Tax of profits for previous years	113	0
Tax on other comprehensive income	11	-11
Non-deductible expenses	0	594
Total	**497**	**-2,535**
Effective tax rate	25%	18%

12. INTANGIBLE ASSETS

	Software USD'000	Goodwill USD'000	Customer contracts USD'000	Rights USD'000	Total USD'000
Cost:					
At 01.01.2020	172	46,139	3,490	0	49,801
Additions during the year	7	0	0	4,184	4,191
At 31.12.2020	179	46,139	3,490	4,184	53,992
Amortisation and impairment:					
At 01.01.2020	23	0	931	0	954
Amortisation for the year	33	0	349	105	487
At 31.12.2020	56	0	1,280	105	1,441
Carrying amount 31.12.2020	**123**	**46,139**	**2,210**	**4,079**	**52,551**
Cost:					
At 01.01.2021	179	46,139	3,490	4,184	53,992
Additions during the year	7	0	0	30	37
At 31.12.2021	186	46,139	3,490	4,214	54,029
Amortisation and impairment:					
At 01.01.2021	56	0	1,280	105	1,441
Amortisation for the year	34	0	349	420	803
At 31.12.2021	90	0	1,629	525	2,244
Carrying amount 31.12.2021	**96**	**46,139**	**1,861**	**3,689**	**51,785**

Impairment test for goodwill

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

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

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

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

Assumptions at 31.12.2021	
Average sales growth (% annual growth rate) from year 2022 to year 2024	26,4%
Average sales growth (% annual growth rate) from year 2025 to year 2030	6,2%
EBITA margin (%) from year 2022 to year 2024	12,9%
EBITA margin (%) from year 2025 to year 2030	14,4%
Marginal tax rate (%)	22,0%
Long term growth rate (%)	1,5%
Pre-tax discount rate (%)	10,2%
Assumptions at 31.12.2020	
Average sales growth (% annual growth rate) from year 2021 to year 2023	36,1%
Average sales growth (% annual growth rate) from year 2024 to year 2029	7,9%
EBITA margin (%) from year 2021 to year 2023	8,0%
EBITA margin (%) from year 2024 to year 2029	13,0%
Marginal tax rate (%)	22,0%
Long term growth rate (%)	1,5%
Pre-tax discount rate (%)	10,2%

Description of assumptions

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

Projection of the revenue is based on existing and new sales and whether this supports passenger or cargo demand. Existing passenger sales is based on leading industry expects view on the return profile of the passenger activity. In terms of existing cargo this is projected based on dialog with the customers and expectations going forward. New customers both within the passenger and cargo segment is based on historic growth combined with TP Aerospace's current pipeline. Growth is larger in the short term due to the low baseline driven by the COVID-19 impact, therefore the average annual sales growth is broken down in two periods.

EBITA margin is the average margin as a percentage of revenue over the forecast period. It is based on the current sales margin levels and expectations to sales mix and the expectation that the budgeted increasing level of activity will have a positive spill-over effect on the Company's EBITA margin. EBITA margin is expected to increase from the current level driven by the increased activity mentioned above, therefore the EBITA margin is broken down in two periods.
Marginal tax rate is the expected rate over the nine-year forecast period. It is based on current Danish tax legislation.

Sensitivity to changed assumptions

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

13. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings USD'000	Other fixtures and fittings, tools and equipment USD'000	Leasehold improvements USD'000	Total USD'000
Cost:				
At 01.01.2020	13,716	59,580	1,752	75,048
Exchange differences	148	455	3	606
Regulation	0	4,199	0	4,199
Reclasification	0	-407	407	0
Additions during the year	695	29,424	95	30,214
Disposals during the year	-404	-27,660	-1,135	-29,199
At 31.12.2020	14,155	65,591	1,122	80,868
Amortisation and impairment:				
At 01.01.2020	3,954	10,976	302	15,230
Exchange differences	0	142	3	145
Regulation	0	4.199	0	4.199
Depreciation for the year	2,264	18,016	247	20,527
Reversal regarding disposals	-404	-19,864	-234	-20,502
At 31.12.2020	5,814	13,469	319	19,599
Carrying amount 31.12.2020	**8,341**	**52,122**	**803**	**61,269**
Cost:				
At 01.01.2021	14,155	65,591	1,122	80,868
Exchange differences	-120	-504	0	-624
Regulation	0	0	0	0
Reclasification	0	0	0	0
Additions during the year	1,674	25,516	161	27,351
Disposals during the year	0	-31,010	-125	-31,135
At 31.12.2021	15,709	59,593	1,158	76,460
Amortisation and impairment:				
At 01.01.2021	5,814	13,469	319	19,600
Exchange differences	0	-172	-1	-173
Regulation	0	0	0	0
Depreciation for the year	2,323	21,084	187	23,594
Reversal regarding disposals	0	-19,714	0	-19,714
At 31.12.2021	8,137	14,667	505	23,307
Carrying amount 31.12.2021	**7,572**	**44,926**	**653**	**53,153**

14. LEASES

Amounts recognised in the balance sheet

The balance show the following amounts relating to leases:

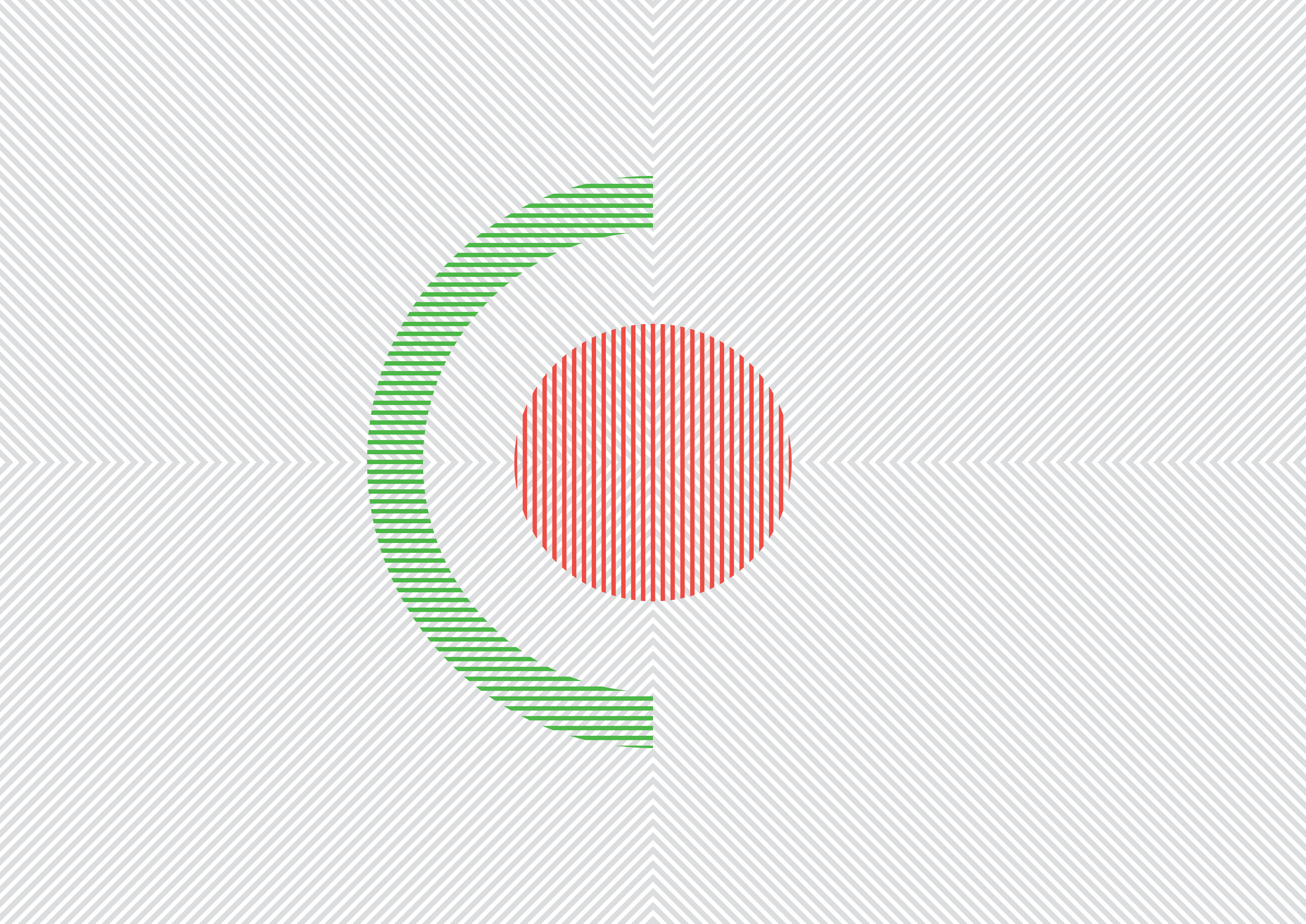
	Land and buildings USD'000	Total USD'000
Right-of-use assets		
Carrying amount 1 January 2020	9,634	9,634
Exchange differences	148	148
Additions	695	695
Depreciation for the year	-2,258	-2,258
Carrying amount 31 December 2020	**8,219**	**8,219**
Right-of-use assets		
Carrying amount 1 January 2021	8,219	8,219
Exchange differences	-80	-80
Additions	1,674	1,674
Depreciation for the year	-2,315	-2,315
Carrying amount 31 December 2021	**7,498**	**7,498**

	2021 USD'000	2020 USD'000
Lease liability		
Non-current	5,449	6,396
Current	2,520	2,296
Total	**7,969**	**8,692**

Amounts recognised in the statement of profit or loss

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

	2021 USD'000	2020 USD'000
Depreciation charge of right-of-use assets		
Land and buildings	2,315	2,258
Total	**2,315**	**2,258**
Interest expense		
Expenses relating to leases	313	376
Total	**313**	**376**



15. DEFERRED TAX

	2021 USD'000	2020 USD'000
Deferred tax at 01.01	2,228	-632
Deferred tax recognised in the income statement	49	2,860
Deferred tax at 31.12	**2,277**	**2,228**
Deferred tax relates to:		
Intangible assets	-303	-253
Property, plant and equipment	-842	-1,020
Provisions	371	337
Amortisation costs	284	218
Tax loss carry-forward	2,767	2,946
Total	**2,277**	**2,228**
Of which presented as deferred tax asset	-2,277	-2,228

The recognised tax asset is primary attributable to tax loss carry-forward, in the coming years the Danish joint taxation group expects earnings and taxable income to be positive and has accordingly recognised deferred tax asset at 31 December 2021.

16. INVENTORIES

	2021 USD'000	2020 USD'000
Finished goods	65,067	69,197
Total inventories	**65,067**	**69,197**
Less: Provision for inventory reserves	-1,829	-3,247
Total net inventories	**63,238**	**65,950**

The cost of inventories recognised as an expense and included in 'Cost of sales' amounted to USD 30,904k.

Provision for inventory reserves amounts to USD 1,829k at 31 December 2021. Provision for inventory reserves are carried out based on a write-down model used by the Group as a whole. The write-down principles are based on comparison of the book value per part number and internal market data for net realisable value. Write-downs of inventories are made when the book value is above net realisable value.

17. TRADE RECEIVABLES

	2021 USD'000	2020 USD'000
Trade receivables and other receivables at 31.12	15,447	12,818
Less provision for impairment of trade receivables	-1,049	-1,183
Trade receivables net	**14,398**	**11,635**
Movement on the Group provision for impairment of trade receivables are as follows:		
Opening balances	1,183	701
Allowances during the year	653	1,392
Write-offs during the year	-449	-887
Reversed allowances	-338	-23
Impairment of trade receivables at 31.12	**1,049**	**1,183**
Allocation of receivables past due but not impaired by maturity period are as follows:		
Up to 30 days	3,143	1,517
Between 31 and 90 days	1,333	1,074
More than 90 days	2,448	2,769
Overdue net receivables at 31.12	**6,924**	**5,359**

Expected credit losses

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

18. FAIR VALUES

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

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

Fair value measurements at 31 December 2021

	Quoted prices (Level 1) USD'000	Significant other observable inputs (Level 2) USD'000	Significant unobservable inputs (Level 3) USD'000	Total USD'000
Interest rate swap	0	-9	0	-9
As at 31.12.2021	**0**	**-9**	**0**	**-9**

Fair value measurements at 31 December 2020

	Quoted prices (Level 1) USD'000	Significant other observable inputs (Level 2) USD'000	Significant unobservable inputs (Level 3) USD'000	Total USD'000
Interest rate swap	0	-59	0	-59
As at 31.12.2020	**0**	**-59**	**0**	**-59**

Fair values are approximately the same as the carrying amounts.

19. SHARE CAPITAL

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

	Number of shares	Nominal value USD'000
Changes in share capital:		
Share capital at 08.03.2017	500,000	73
Capital increase at 27.04.2017	3,949,950	578
Share capital at 31.12.2021	**4,449,950**	**651**

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

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

20. BORROWINGS

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

	Effective interest rate	Currency	Maturity	Carrying amount USD'000
Loan from credit institution	3,3% - 5,5%	DKK, USD	30 November 2024	36,961
Term Loan	4,4% - 4,5%	USD	30 November 2024	7,158
Revolving Facility	5,5% - 5,6%	DKK, EUR, USD	30 November 2024	27,543
Total bank borrowings at 31.12.2021				**71,662**
Loan from credit institution	3,3% - 5,6%	DKK, USD	26 November 2022	40,207
Term Loan	4,4% - 6,2%	USD	26 May 2022	8,978
Revolving Facility	4,2% -5,8%	DKK, EUR, USD	26 November 2022	29,533
Total bank borrowings at 31.12.2020				**78,718**

Loan from credit institutions and revolving facilities are structured with commitment cancellation to reflect the Green Sunrise 2.0 strategy. The terms and conditions of the term loan and revolving facility were renegotiated in March 2020, and extended to current maturity in December 2021.

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

Term Loan is repayable in instalments as of 27 April 2019 to 30 Nov 2024.

Revolving facilities starts repayment as of 30 november 2024 and is paid in full at maturity.

21. PROVISIONS

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

	2021 USD'000	2020 USD'000
Provisions at 01.01	1,659	2,261
Additions during the year	251	-602
Provisions at 31.12	**1,910**	**1,659**

22. RELATED PARTIES

The group is controlled by TPA Holding II ApS, which is controlled by CC Green Wall Invest ApS. The groups ultimate parent is CataCap I K/S.
"Key management compensation" is disclosed in note 5

The following transactions were carried through with related parties:

	2021 USD'000	2020 USD'000
Transactions with CataCap I K/S:		
Cost from CataCap I K/S	0	14
Total	**0**	**14**
Transactions with CataCap Management A/S:		
Cost from CataCap Management A/S	7	0
Total	**7**	**0**
Transactions with CC Green Wall Invest ApS:		
Settlement of taxes in joint taxation	60	7
Interest income	17	17
Proceeds from borrowings	1	57
Repayment of borrowings	0	113
Total	**78**	**194**
Transactions with TPA Holding II A/S:		
Proceeds from borrowings	3	7
Group contribution	227	11,973
Interest income	0	1
Total	**230**	**11,981**
Transactions with Dancing Monkey ApS:		
Proceeds from borrowings	0	3,500
Repayment of borrowings	0	5,500
Purchase of goods	4,318	200
Payments for goods	3,486	0
Total	**7,804**	**9,200**

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

23. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities

Joint taxation

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

Charges and security

As security for borrowings, as well as group companies' bank commitments, security in share capital, inventory, tangible assets and goodwill, regarding the Group companies TP Aerospace PRO ApS, TP Aerospace Solutions ApS, TP Aerospace Distribution ApS, TP Aerospace Holding A/S and TPA Holding I A/S nominal USD 14,3.m, is effective.

Guarantee obligations

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

24. FINANCIAL RISK MANAGEMENT

Financial risk factors

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

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

Market risk

Foreign exchange risk

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

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

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

Sensitivity analysis

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

Impact on post tax profit	2021 USD'000	2020 USD'000
DKK/USD exchange rate – increase 10%	2,982	3,722
DKK/USD exchange rate – decrease 10%	-2,982	-3,722

All other variables are held constant.

Interest rate risk

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

Sensitivity analysis

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

Impact on post tax profit	2021 USD'000	2020 USD'000
Interest rates – increase by 100 basis points	-520	-467
Interest rates – decrease by 100 basis points	150	111

All other variables are held constant.

Credit risks

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

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

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

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

Hedging

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

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

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

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

No other sources of ineffectiveness emerged from these hedging relationships.

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

There was no ineffectiveness during 2021 in relation to the interest rate swaps.

	Notional principal USD'000	Amount recognised in OCI USD'000	Fair value USD'000
Interest rate swaps - cash flow hedge	7,182	50	-9
As at 31.12.2021	7,182	50	-9
Interest rate swaps - cash flow hedge	8,978	-50	-59
As at 31.12.2020	**8,978**	**-50**	**-59**

Derivative financial instruments – interest rate swaps	2021 USD'000	2020 USD'000
Carrying amount ((-) Liability)	-9	-59
Maturity Date	27 May 2022	27 May 2022
Hedge ratio	17.0%	41%
Weighted average hedged rate for the year	1.81%	1.81%

Liquidity

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

The group has undrawn borrowing facilities of USD 9.8m that together with the USD 2.4m in cash, gives af a total of USD 12.2m available for settling future operating activities and to settle capital commitments.

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

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

Non-derivatives	Less than 1 year USD'000	1-5 years USD'000	>5 years USD'000	Total USD'000
As at 31.12.2020				
Borrowings	10,415	76,922	0	87,337
Lease liability	2,293	5,792	1,958	10,043
Trade payables	11,041	577	0	11,618
Other payables	3,749	0	0	3,749
Total	**27,498**	**83,291**	**1,958**	**112.747**
As at 31.12.2021				
Borrowings	7,056	81,694	0	88,750
Lease liability	2,293	5.792	1.958	10,043
Trade payables	11,041	0	0	11,041
Other payables	3,749	0	0	3,749
Total	**24,139**	**87,486**	**1,958**	**113,583**

25. FINANCIAL ASSETS AND LIABILITIES

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

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

	2021 USD'000	2020 USD'000
Financial assets		
Financial assets at amortised cost:		
Trade receivables	14,398	11,635
Other receivables	69	2,432
Prepayments	2,530	243
Cash	2,422	1,771
Financial assets at fair value over other comprehensive income:		
Interest rate swaps	0	0
Total	**19,419**	**16,081**
Financial liabilities		
Financial liabilities at amortised cost:		
Borrowings	71,705	78,507
Lease liability	7,969	8,692
Trade payables	7,855	11,618
Other payables	6,951	5,873
Prepayments from customers	590	690
Financial liabilities at fair value over profit and loss:		
Interest rate swaps	9	59
Total	**95,079**	**105,439**

The carrying amount of the Group's financial assets at Fair Value Through Profit & Loss as disclosed in note 24 best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

26. EVENTS AFTER THE BALANCE SHEET DATE

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

27. CHANGES IN NET WORKING CAPITAL

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

	2021 USD'000	2020 USD'000
Changes in inventories	2,712	3,464
Non-cash inventory transfer from Property, plant and equipment	11,421	0
Changes in trade receivables	-2,763	6,186
Changes in other receivables and prepayments	76	363
Changes in trade payables, other payables and prepayments from customers	-2,534	-4,831
Total	**8,912**	**5,182**

28. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2021 USD'000	2020 USD'000
Proceeds from borrowings	0	1,523
Repayment of borrowings	-5,428	0
Total	**-5,428**	**1,523**

29. DEPRECIATIONS AND AMORTISATIONS

	2021 USD'000	2020 USD'000
Depreciations and amortizations from Note 6	24,744	20,943
Depreciations related to MRO	-19,461	-16,027
Total	**5,283**	**4,916**

Depreciation relating to MRO on the CFR activities has a direct impact on the Group's cash flows, and are therefore adjusted in the cash flow statement for the financial year 2021

30. EXEMPTION FROM AUDIT OF FOREIGN SUBSIDIARIES

The German subsidiary TP Aerospace Technics GmbH made use of the exemption option in accordance with § 264 par. 3 HGB (German Commercial Code) concerning the obligation to prepare notes and a management report as well as to audit and to disclosure the annual financial statements and the management report for fiscal year 2021.

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

Chapter 4

PARENT COMPANY FINANCIAL STATEMENTS

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

	Notes	2021 USD'000	2020 USD'000
General and administrative expenses		-11	-13
Operating profit		**-11**	**-13**
Finance income	3	324	335
Finance costs	4	-503	-559
Profit before income tax		**-189**	**-237**
Income tax expenses	5	24	70
Profit for the period		**-165**	**-167**

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

	Notes	2021 USD'000	2020 USD'000
Profit for the period		-165	-167
Fair value changes for the year, cash flowhedge		50	-50
Income tax relating to these items		-11	11
Other comprehensive income for the period, net of tax		**39**	**-39**
Total comprehensive income for the period		**-126**	**-206**

BALANCE SHEET (PARENT COMPANY) 31 DECEMBER

	Notes	2021 USD'000	2020 USD'000
Investment in subsidiaries	6	88,075	87,848
Deferred tax asset	7	68	83
Financial assets		**88,143**	**87,931**
Total non-current assets		**88,143**	**87,931**
Receivables from group enterprises	10	6,073	7,988
Other receivables		0	0
Income tax receivable		26	8
Receivables		**6,100**	**7,996**
Cash		**1**	**8**
Total current assets		**6,101**	**8,004**
Total assets		**94,244**	**95,935**
Share capital	8	651	651
Share premium		64,441	64,441
Reserve for cash flow hedges		-8	-47
Retained earnings		21,959	21,897
Total equity		**87,043**	**86,942**
Borrowings	9	6,558	5,305
Total non-current liabilities		**6,558**	**5,305**
Borrowings		600	3,591
Other payables		43	97
Total current liabilities		**643**	**3,688**
Total liabilities		**7,201**	**8,993**
Total equity and liabilities		**94,244**	**95,935**

STATEMENT OF CHANGES IN EQUITY (PARENT COMPANY)

	Share capital USD'000	Share premium USD'000	Reserve for cash flow hedges USD'000	Retained earnings USD'000	Total USD'000
Equity at 01.01.2020	651	64,441	-8	10,091	75,175
Profit for the period 01.01.2020 - 31.12.2020	0	0	0	-167	-167
Fair value change in the year	0	0	-39	0	-39
Total comprehensive income for the period	**0**	**0**	**-39**	**-167**	**-206**
Transactions with owners in their capacity as owners					
Group contribution	0	0	0	11,973	11,973
Equity at 31.12.2020	**651**	**64,441**	**-47**	**21,897**	**86,942**
Profit for the period 01.01.2021 - 31.12.2021	0	0	0	-165	-165
Fair value change in the year	0	0	39	0	39
Total comprehensive income for the period	**0**	**0**	**39**	**-165**	**-126**
Transactions with owners in their capacity as owners					
Group contribution	0	0	0	227	227
Equity at 31.12.2021	**651**	**64,441**	**-8**	**21,959**	**87,043**

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

	Notes	2021 USD'000	2020 USD'000
Operating profit		-11	-13
Change in net working capital	13	-54	22
Cash flows from primary operating activities		-65	9
Interests received		0	2
Interests paid		-394	-523
Net cash flow from operating activities		**-458**	**-512**
Group contribution		-227	-11,973
Net cash flow from investing activities		**-227**	**-11,973**
Repayment of borrowings		-1,796	0
Intergroup borrowings		2,247	512
Group contribution		227	11,973
Cash flow from financing activities		**678**	**12,485**
Net cash flow for the year		-7	0
Cash and cash equivalents, beginning of the year		8	8
Cash and cash equivalents, end of the year		**1**	**8**

NOTES

Notes

1. ACCOUNTING POLICIES

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

New standards

The annual report is prepared according to standards and interpretations effective for financial years beginning on 1 January 2021. No standards or interpretations have been adopted early.
The parent company has the same accounting policies for recognition and measurement as Group. The parent company's accounting policies deviate from the Group's accounting policies as described below. For a detailed description of the group's accounting policies please refer to the consolidated financial statements, Note 1.

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

Dividend

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

Investments in subsidiaries

Investments in subsidiaries are measured at cost.

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

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

Impairment of investment in subsidiary

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

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

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

3. FINANCIAL INCOME

	2021 USD'000	2020 USD'000
Other interest	0	2
Interest income from group enterprises	324	333
Total	**324**	**335**

4. FINANCIAL EXPENSES

	2021 USD'000	2020 USD'000
Interest expenses	445	501
Other financial expenses	58	58
Total	**503**	**559**

5. TAX ON PROFIT FOR THE YEAR

	2021 USD'000	2020 USD'000
Current tax:		
Current tax on profits for the year	-39	-8
Current tax profits for previous years	0	14
Total current tax expense	**-39**	**6**
Deferred tax:		
Temporary differences	-3	-76
Adjustment to previous years	18	0
Total deferred tax assets	**15**	**-76**
Income tax expenses for the period	**-24**	**-70**
Income tax expenses are specified as follows:		
Calculated 22.0% tax on profit for the year before income tax	-42	-52
Tax effects of:		
Adjustments in respect of prior years	18	-18
Total	**-24**	**-70**
Effective tax rate	**13%**	**30%**

6. INVESTMENT IN SUBSIDIARIES

	2021 USD'000	2020 USD'000
Cost:		
At 01.01	95,195	83,222
Additions during the year	227	11,973
At 31.12	95,422	95,195
Impairment:		
At 01.01	7,347	7,347
Impairment charge	0	0
At 31.12	7,347	7,347
Carrying amount 31.12	**88,075**	**87,848**

Investments in subsidiaries are specified as follows:

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

7. DEFERRED TAX

	2021 USD'000	2020 USD'000
Deferred tax at 01.01.	83	7
Deferred tax recognised in the income statement	-15	76
Deferred tax 31.12.	**68**	**83**
Deferred tax relates to:		
Amortisation cost, Bank debt	25	37
tax loss carry-forward	43	46
Total	**68**	**83**

The recognised tax asset is primary attributable to tax loss carry-forward, in the coming years the Danish joint taxation group expects earnings and taxable income to be positive and has accordingly recognised deferred tax asset at 31 December 2021.

8. SHARE CAPITAL

For a specification of share capital please refer to the consolidated financial statements, Note 19.

9. BORROWINGS

For a specification of the Company's borrowings, please refer to the consolidated financial statements, Note 20.

10. RELATED PARTIES

The company is controlled by TPA Holding II ApS. The company's ultimate parent is CataCap I K/S.
Key management compensation" is disclosed in note 5 in the consolidated financial statement.

The following transactions were carried through with related parties:

	2021 USD'000	2020 USD'000
Transactions with CC Green Wall Invest ApS:		
Proceeds from borrowings	0	102
Total	**0**	**102**
Transactions with TPA Holding II A/S:		
Interest expense	0	3
Group contribution	227	11,973
Total	**227**	**11,976**
Transactions with TP Aerospace Holding A/S:		
Interest income	324	332
Repayment of borrowings	0	20
Proceeds from borrowings	-2,248	-563
Group contribution	-227	-11,973
Total	**-2,151**	**-12,184**

Expected credit losses – Receivables from group enterprises
At year end TPA Holding I A/S had receivables from group enterprises on USD 6,073k (2020: USD 7,988k).
The impairment provision on the receivables from group enterprises are considered as immaterial.

11. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities

Joint taxation

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

Charges and security

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

Guarantee obligations

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

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

12. EVENTS AFTER THE BALANCE SHEET

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

13. CHANGES IN NET WORKING CAPITAL

	2021 USD'000	2020 USD'000
Changes in other receivables	0	0
Changes in trade and other payables	-54	22
Total	**-54**	**22**

14. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2021 USD'000	2020 USD'000
Cash flow from financing activities at 01.01	8,977	8,977
Proceeds from borrowings	0	0
Repayment of borrowings	-1,796	0
Cash flow from financing activities at 31.12	**7,181**	**8,977**

15. CAPITAL MANAGEMENT

For a description of capital management please refer to the consolidated financial statements, Note 19.

Chapter 4

SIGNATURES

MANAGEMENT'S STATEMENT

The Boards of Directors and the Executive Board have today considered and adopted the Annual Report of TPA Holding I A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Group and the Parent Company, and of the results of the Group and the Parent Company's operations and cash flows for the financial year 01.01.2021 - 31.12.2021.

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

Board of Directors

Jens Flemming Jensen
Chairman

Peter Ryttergaard
Deputy Chairman

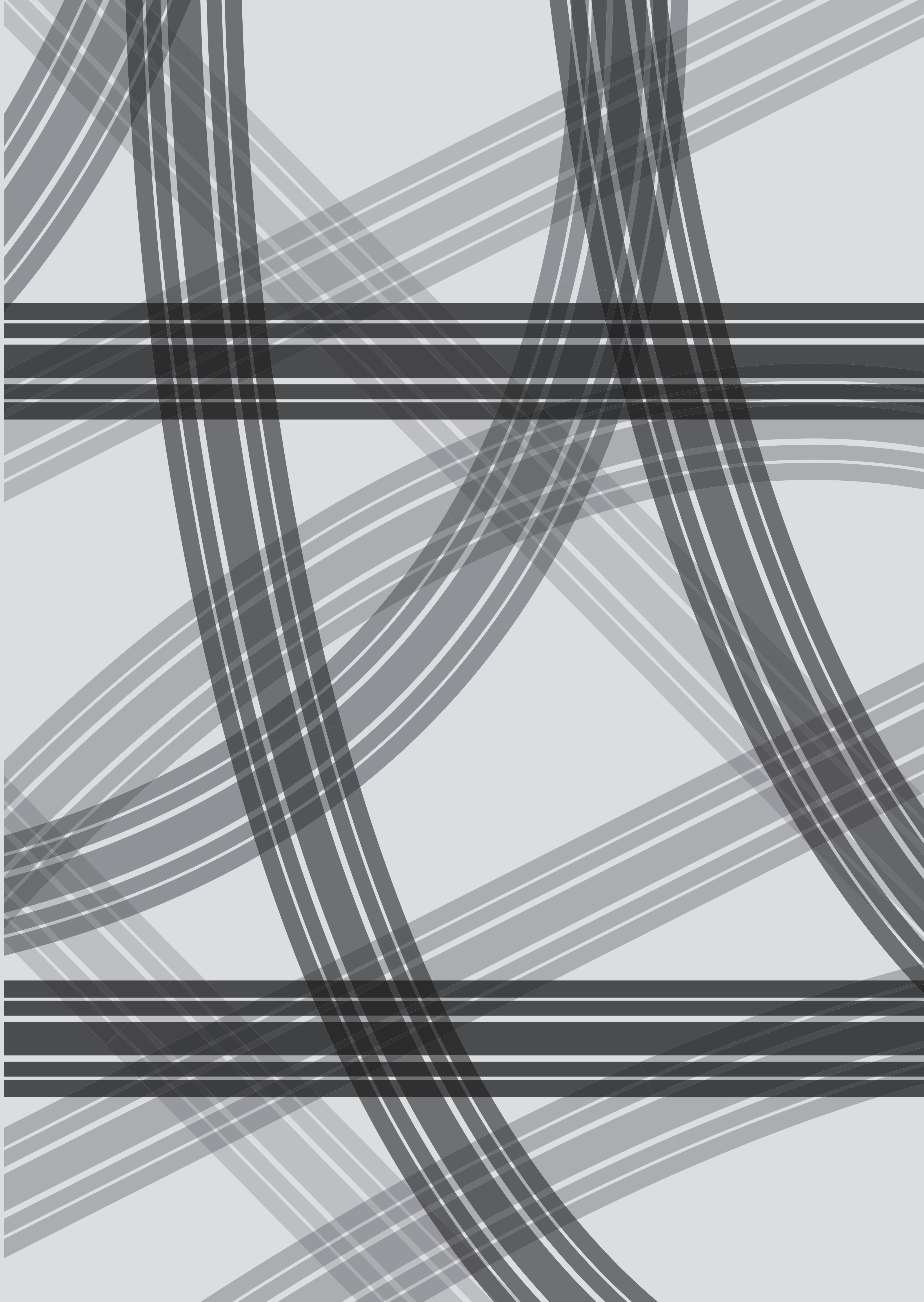
Andrew Hoad

Jesper Abildskov Blom

Vilhelm Eigil Hahn-Petersen

Michael John Humphreys

Nina Fisker Olesen



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of TPA Holding I A/S

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2021 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of TPA Holding I A/S for the financial year 1 January - 31 December 2021, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for both the Group and the Parent Company ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements section* of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' 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 Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s and the Parent Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Hellerup, 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

Chapter 5

OTHER INFORMATION

DEFINITION OF KEY FIGURES AND FINANCIAL RATIOS

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

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Flemming Jensen

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

Peter Ryttergaard

Company	Function
Ryttergaard Invest A/S	Board of Directors, Executive Management
Buldus ejendomme ApS	Executive Management
Investeringsselskabet af 27/12 1985 ApS	Executive Management
Kjærulff Pedersen A/S	Board Member
CataCap Management A/S	Board Member
CataCap OP ApS	Executive Management
CataCap DM ApS	Executive Management
CataCap DM II ApS	Executive Management
CC II Management Invest 2017 GP ApS	Executive Management
CataCap General Partner I ApS	Executive Management
CataCap General Partner II ApS	Board Member
CC Explorer Invest ApS	Board Member
HB-Care Leasing ApS	Board Member
CC Sky Invest ApS	Board Member, Executive Management
Altantic HoldCo Limited	Deputy Chairman
Altantic OfferCo Limited	Deputy Chairman
CC Globe Invest ApS	Executive Management
CC Tool Invest ApS	Board Member, Executive Management
G.S.V. Holding A/S	Deputy Chairman
G.S.V. Materieludlejning A/S	Deputy Chairman
CC Oscar Invest ApS	Board Member, Executive Management
CC Oscar Holding I A/S	Board Member
CASA A/S	Board Member
Casa ManCo ApS	Executive Management

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Peter Ryttergaard

Company	Function
CC Green Wall Invest ApS	Board Member, Executive Management
TPA Holding I A/S	Deputy Chairman
TPA Holding II A/S	Deputy Chairman
TP Aerospace Holding A/S	Deputy Chairman
TPA Green ManCo ApS	Executive Management
CC Lingo Invest ApS	Board Member, Executive Management
LW ManCo ApS	Executive Management
CC Fly Invest ApS	Executive Management
Rekom ManCo ApS	Executive Management
Aerfin Holdings Limited	Deputy Chairman
Aerfin Limited	Deputy Chairman

Jesper Blom

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

Nina Fisker Olesen

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

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Andrew Hoad

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

Michael Humphreys

Company	Function
TPA Holding I A/S	Board Member
TPA Holding II A/S	Board Member
TP Aerospace Holding A/S	Board Member
GHF Advisory Ltd.	Executive Management
Aerfin Ltd	Board Member
Aerfin Holdings Ltd	Board Member
Atlantic HoldCo Limited	Board Member
Atlantic OfferCo Limited	Board Member

Vilhelm Hahn-Petersen

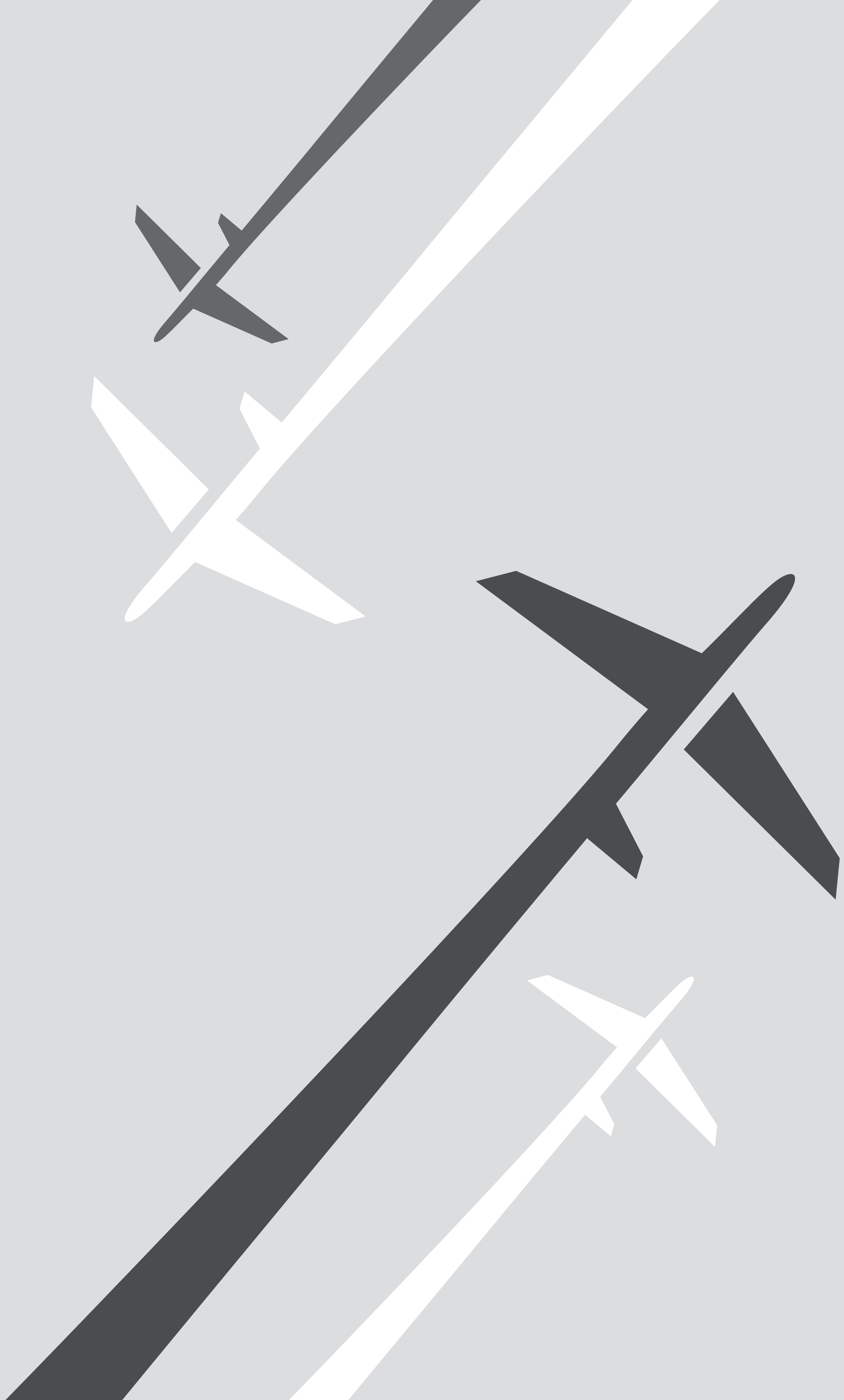
Company	Function
Myco ApS	Executive Management
Airhelp Limited.	Board Member
CataCap Management A/S	Board Member
CataCap OP ApS	Executive Management
CataCap DM ApS	Executive Management
CataCap DM II ApS	Executive Management
CC II Management Invest 2017 GP ApS	Executive Management
CATACAP GENERAL PARTNER I ApS	Executive Management
CataCap General Partner II ApS	Board Member
CC Track Invest ApS	Executive Management, Board Member
Lyngsoe Systems Holding A/S	Board Member
Lyngsoe Systems A/S	Board Member
CC Explorer Invest ApS	Board Member
CC Tool Invest ApS	Board Member
G.S.V. Holdiing A/S	Board Member
G.S.V. Materieludlejning A/S	Board Member
CC Globe Invest ApS	Executive Management
Atlantic HoldCo Limited	Board Member
Atlantic OfferCo Limited	Board Member
Aerfin Holdings Limited	Board Member
Aerfin Limited	Board Member
CC Oscar Invest ApS	Board Member
CC Oscar Holding I A/S	Deputy Chairman
CASA A/S	Deputy Chairman

ADDITIONAL MANAGEMENT DUTIES OF THE BOARD

Vilhelm Hahn-Petersen

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

COMPANY DETAILS



The Company

TPA Holding I A/S
c/o TP Aerospace
Stamholmen 165R
2650 Hvidovre
Telephone: +45 8993 9929

CVR no.: 38473492
Registered in Hvidovre
Financial period:
1 January - 31 December 2020

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

Board of Directors

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

Executive Management

Peter Lyager
Thomas Ibsø
Nikolaj Lei Jacobsen

Auditor

PricewaterhouseCoopers
Statsaut. Revisionspartnerselskab
Strandvejen 44
2900 Hellerup
Denmark

CVR no.: 33771231

WHEELS AND BRAKES

- IT'S THAT SIMPLE