

ANNUAL REPORT

2016

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REPORT BY THE CHAIRMAN

Dear Shareholders,

During 2016, the audited consolidated results of Perfect Holding SA were revenues of CHF 17.9 million (CHF 15.6 million in 2015), net operating loss of CHF 1.1 million (CHF 1.6 million in 2015) and negative net operating cash flow of CHF 0.1 million (also CHF 0.1 million in 2015).

Despite operating in a highly competitive industry, coupled with struggling economies in key markets, the Group's UK subsidiary Oxygen Aviation, which is active in the charter sales business, has shown positive signs of progress in 2016: charter sales revenues have increased by 15% in comparison with 2016. Diversification into new markets and changes in personnel have begun to show promise. The company continues focus on the Russian market which, although showing signs of recovery, is still down on previous years. Considerable investment has been made in recruitment and software development during 2016 which is showing positive results. It is anticipated that these positive results will continue in 2017 with the further development of existing markets as well as exploration of new markets and product offerings.

With regard to non-recurring items, the 2016 results have been affected by the increase of KCHF 643 of a loan provision as a result of some uncertainty about the loan repayment timing.

At the ordinary shareholders' meeting of May 27, 2016, the shareholders accepted the proposal of the Board to reduce the share capital of the Company from CHF 18'101'828.10 to CHF 7'240'731.24, through a reduction of the nominal value of each share from CHF 0.10 to CHF 0.04, to absorb the accumulated losses appearing in the balance sheet.

The Group continues its proactive research and time-consuming evaluation of carefully selected potential acquisitions, in order profitably to develop its growth. Existing corporate instruments such as an authorized capital and a conditional capital reserved for convertible loans are available for the development of the Group's business and possible external growth transactions.

We wish to take this opportunity to thank our employees and shareholders for their continuing support.



Jean-Claude Roch (Chairman)
PERFECT HOLDING SA

CORPORATE GOVERNANCE

The following section has been prepared in accordance with the Swiss Code of Obligations and the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange. Additional disclosures required by the Directive on Information Relating to Corporate Governance for issuers subject to the Ordinance against Excessive Compensation at Listed Companies (OaEC) can be found in the separate section Remuneration Report or in Perfect Holding SA's Articles of Association (<http://www.perfect.aero/en/investor-relations/adhoc-publicity-and-shareholders-information>).

■ 1. GROUP STRUCTURE AND SHAREHOLDERS

GROUP STRUCTURE

Perfect Holding SA (Perfect Holding or the Company) was incorporated in Yverdon-les-Bains (Switzerland) as a Swiss limited company on April 8, 1997 with the Register of Commerce of the Canton of Vaud. The Company has its corporate legal headquarter at 3, Avenue de Florimont, 1006 Lausanne, Switzerland. Its duration is undetermined. The corporate purpose of the Company, according to Article 2 of its Articles of Association, is the acquisition and the management of participations in other companies as well as any directly or indirectly related purposes. Globally, the purpose of the Perfect Group is the provision of business aviation services, including organisation of charters, as specified hereafter.

Perfect Holding, the ultimate parent company, is listed on the SIX Swiss Exchange, SIX Main Standard. The Company is listed under the symbol "PRFN". The valor number is 911512 and the ISIN code is CH0009115129. The market capitalisation as at December 31, 2016 amounts to CHF 5.43 million (December 31, 2015: CHF 7.24 million).

Perfect Holding's subsidiaries are:

	Registered office	Country	Currency	Share capital	Ownership Interest
Perfect Aviation SA	Lausanne	Switzerland	CHF	1'300'000	100%
Oxygen Aviation Ltd	Horsham	UK	GBP	360	100%

Perfect Holding and its subsidiaries (the Perfect Group) are dedicated to the following services to the business aircraft market: world wide charters, aircraft acquisitions and sales, as well as aircraft consultancy.

MAIN SHAREHOLDERS

As at December 31, 2016, the main shareholders of the Company are as follows:

	Ownership Interest
Haute Vision SA, Mauritius	37.90%
Grover Ventures Inc, British Virgin Islands	6.85%
Nicholas Grey	5.39%
Roderick Glassford	4.76%
Steven A Jack	4.76%
Perfect Holding SA (see section "Treasury shares" below)	4.45%
Stephen Grey	4.39%

Mr. Stephen Grey, Mr. Nicholas Grey, Haute Vision SA and Grover Ventures Inc, who are deemed to form a group based on their family and business relationships and voting agreement (as disclosed in the Swiss Official Gazette of Commerce of August 6, 2008), hold in aggregate 98'704'873 shares, i.e. 54.53% of the current share capital of CHF 7'240'731.24 (divided into 181'018'281 shares with a nominal value of CHF 0.04 each).

In May 2016, as a result of the release of shares from a lock-up arrangement (see section "Treasury shares" below), Roderick Glassford and Steven A Jack's shareholdings fell below the threshold of 5% of voting rights (see disclosure published on <https://www.six-exchange-regulation.com/fr/home/publications/significant-shareholders.html#notificationId=TAG5100023> and TAG5100031) and Perfect Holding's shareholding (treasury

shares) passed above the threshold of 3% of voting rights (see disclosure published on <https://www.six-exchange-regulation.com/fr/home/publications/significant-shareholders.html#notificationId=TAG5100015>).

CROSS SHAREHOLDINGS

There are no cross shareholdings between the Company and any other company, and no subsidiary of Perfect Holding holds any shares of the Company.

■ 2. CAPITAL STRUCTURE

SHARE CAPITAL

At December 31, 2016, the share capital amounts to CHF 7'240'731.24, consisting of 181'018'281 issued and fully paid-in registered shares with a nominal value of CHF 0.04 each.

At the shareholders' general meeting held on May 27, 2016, the shareholders accepted the Board's proposal to reduce the share capital of the Company from CHF 18'101'828.10 to CHF 7'240'731.24 by a reduction of the nominal value of each share from CHF 0.10 to CHF 0.04.

TREASURY SHARES

As at December 31, 2016, Perfect Holding SA owns 8'059'426 of its own shares. Further information can be found in Note 21 of the consolidated financial statements.

AUTHORISED SHARE CAPITAL

At the shareholders' general meeting held on May 27, 2016, the shareholders accepted the Board's proposal to create, in order to dispose of a maximum flexibility for the development of the group's business and possible external growth transactions, an authorised capital of a maximum amount of CHF 3'620'000 (divided into a maximum of 90'500'000 registered shares of CHF 0.04 nominal value each), for (i) the acquisition of businesses or participations in businesses and/or (ii) the financing of the development of the business and/or the acquisitions of the company and its subsidiaries, for a 2-year period until 27 May 2018, with the possibility for the Board of Directors to suppress and/or restrict the preferential subscription rights of the shareholders in respect of the new shares to be issued in connection with any acquisitions of businesses and/or participations in businesses.

CONDITIONAL SHARE CAPITAL

In relation with the capital reduction (by way of a reduction in the share's nominal value) accepted by the shareholders on May 27, 2016 (see above), the conditional share capital of the Company has been restructured: both the former conditional

capital reserved for share option plans (CHF 60'000) and the former conditional capital reserved for convertible loans (CHF 8'990'000) have been cancelled and a new conditional capital reserved for convertible loans has been created (CHF 3'620'000).

Conditional capital reserved for convertible loans

At the shareholders' general meeting of May 27, 2016, a conditional capital of maximum CHF 3'620'000 (divided into a maximum of 90'500'000 registered shares of a nominal value of CHF 0.04 each, to be fully paid up) was created in order to secure the exercise of conversion rights that may be issued under future convertible loans of the Company. The new shares may be acquired by creditors of future convertible loans of the Company. The preferential subscription right of shareholders was suppressed for these new shares. The Board of Directors may decide to restrict the preferential right of shareholders to subscribe to such convertible loans by setting minimum individual loan tranches of CHF 50'000. The conversion right can only be exercised for up to 3 years from the date of issuance of the convertible loan. The issuance of the new shares is subject to the applicable conditions of conversion, whereby the conversion price must correspond to the nominal value of the shares.

SHARES

All shares of the Company are registered shares with a nominal value of CHF 0.04 each. The Company has one single class of shares. Each registered share carries one vote at the shareholders' meeting. Each shareholder recorded in the share register with voting rights may be represented at the General Meeting by the independent representative or a third party. Shareholders have the right to receive dividends decided by the shareholders' meeting and have all other rights provided for by the Swiss Code of Obligations.

The Company has not issued any preferred voting shares or non-voting equity securities, such as participation certificates or profit sharing certificates.

TRANSFER OF SHARES & RESTRICTION TO TRANSFERABILITY

The transfer of shares registered in the shareholders' register of the Company (for as long as they are book-entry shares and not issued in a certificated form) is effected by means of a corresponding entry in the books of a bank or depository institution following any transfer instructions by the transferor shareholder and the corresponding notification of the transfer to the Company.

The Articles of Association do not provide for any particular restrictions to transferability of the shares or for any nominee registrations.

CORPORATE GOVERNANCE

CONVERTIBLE BONDS

Neither the Company nor any of its subsidiaries have issued convertible bonds or other securities giving a right to acquire shares of the Company.

OPTION RIGHTS

As indicated in the above section "Conditional share capital", there is currently no option plan in place in the Company.

■ 3. BOARD OF DIRECTORS

MEMBERS OF THE BOARD OF DIRECTORS

Currently, the members of the Board of Directors of the Company are as follows:

		First election date	Last election date	Next re-election date
Jean-Claude Roch	Chairman	February 2002	May 2016	May 2017
Stephen Grey	Member	May 2002	May 2016	May 2017
Anouck Ansermoz	Member	May 2009	May 2016	May 2017

Jean-Claude Roch, Swiss, after a university education in Commercial and Economics studies at the University of Lausanne and a certification as Swiss Certified Public Accountant in 1980, has specialised in the management, restructuring and development of companies and enjoys an excellent financial and industrial network. Mr. Roch is currently acting as a Board member of several companies, in particular in the fields of medical, banking and balneology: he is Chairman of the Board of Directors of Vidy Med Holding SA, as well as Board member of Banque Havilland SA and of the company Les Bains de Lavey SA. Previously, Mr. Roch served in various key positions with Sicpa SA and Sicpa Holding SA, amongst others. Mr. Jean-Claude Roch is acting as Executive Chairman of the Board of Directors and as Chief Executive Officer and Chief Financial Officer of Perfect Holding.

Stephen Grey, Swiss, after an education in architecture, has extensive experience in Switzerland and abroad in the areas of manufacture and distribution of capital goods and in the financial and service sectors. Mr. Grey has also been particularly active as a turnaround manager of companies and groups in difficult financial and/or business situations in multiple industries. Mr. Stephen Grey was previously acting as Chief Executive Officer of the Perfect Group and is now acting as a non-executive member of the Board of Directors.

Anouck Ansermoz, Swiss, holds a master in economics and management from HEC in Lausanne and became a Swiss Certified Public Accountant in 2001. She has worked in the fields of audit and consolidation with STG-Coopers & Lybrand, Sicpa SA and Tetra Laval Finance, prior to joining the Perfect Group in 2002. Since 2012, she is working as a partner at CapFinance, a finance and management consulting company.

Mrs. Anouck Ansermoz was previously acting as Chief Financial Officer of the Perfect Group and has, since June 2012, been acting as a non-executive member of the Board of Directors and as an external consultant to the Company.

ELECTION TO THE BOARD OF DIRECTORS AND DURATION OF MANDATE

The Articles of Association provide that the Board of Directors must consist of at least three members. The Chairman of the Board of Directors and the members of the Board of Directors shall be elected individually by the General Meeting for a term of office until the next Annual General Meeting. Members of the Board of Directors whose term of office has expired shall be immediately eligible for re-election, without limitation.

ORGANISATION OF THE BOARD OF DIRECTORS

The Board of Directors has delegated the management of the operations of Perfect Holding and of the operating subsidiaries of the Perfect Group to the Executive Management. The Board of Directors is therefore primarily responsible for the definition of the strategy of the Perfect Group and the giving of instructions and supervision of the actions of the Executive Management. The coordination between the Board of Directors and the Executive Management is very close and efficient, especially as one member of the Board of Directors has executive functions for the Perfect Group.

The Board of Directors deals with all matters falling within its competencies in its plenary meetings, without any allocation of specific tasks to individual members and/or committees. The Board of Directors meets for regular meetings between four and six times per year, and in any event before the publication of

financial statements or of any other important press releases. These meetings generally last approximately half a day, with the presence of all members and the occasional attendance of external persons. Extraordinary meetings can be organised on an ad hoc basis. In 2016, the Board of Directors held 3 regular meetings.

COMMITTEES OF THE BOARD OF DIRECTORS / REMUNERATION COMMITTEE

In view of the corporate structure and organisation of the Perfect Group and of the limited size of the Board of Directors, the Board had not set any committees until the end of the year 2013. As from the shareholders' meeting held in May 2014, a Remuneration Committee consisting of at least 2 members of the Board of Directors has been put in place. The members of such Remuneration Committee are elected individually by the shareholders' meeting for a term of office running until the next annual General Meeting.

The Remuneration Committee assists the Board of Directors in establishing and periodically reviewing the Company's compensation strategy and guidelines as well as in preparing the proposals to the General Meeting regarding the compensation of the members of the Board of Directors and of the Executive Management. It may submit proposals and recommendations to the Board of Directors regarding other compensation-related issues. The Board of Directors may promulgate regulations to determine for which positions of the Board of Directors and of the Executive Management the Compensation Committee, together with the Chairman of the Board of Directors or on its own, shall submit proposals for the compensation, and for which positions it shall determine the compensation in accordance with the Articles of Association and the compensation guidelines established by the Board of Directors. The Board of Directors may delegate further tasks and powers to the Remuneration Committee.

The Company's Board of Directors decides upon the Executives' and Directors' remunerations, including any entitlements under participation and/or share option plans, within the limits of the maximum amounts fixed by the General Meeting. Executives and Directors are remunerated in relation to their qualifications and responsibilities. The remuneration currently paid to the members of the Board of Directors and Executive Management consists exclusively of a fixed remuneration, subject to the possibility (not used in 2016) for the Board of Directors to grant a variable remuneration element

OTHER MANDATES OF THE MEMBERS OF THE BOARD OF DIRECTORS

No member of the Board of Directors can hold more than 4 additional mandates (i.e. positions in the highest body of a legal entity registered with a register of commerce or similar register) in public companies and more than 15 additional

mandates in non-public companies, whereby the following mandates do not fall within the scope of this limitation: mandates in companies controlled by the Company, mandates held at the request of the Company (subject to a maximum limit of 10 such mandates) and mandates in associations, foundations, trusts, welfare organisations (subject to a maximum limit of 10 such mandates).

■ 4. EXECUTIVE MANAGEMENT

Currently, the executive management team (the "Executive Management") is composed as follows:

Jean-Claude Roch	Chief Executive Officer and Chief Financial Officer of Perfect Holding
Steven A Jack	Director of the aircraft charter business of Oxygen Aviation
Roderick Glassford	Director of the aircraft charter business of Oxygen Aviation

Please refer to section "Board of Directors" for the biographical description of Mr. Jean-Claude Roch.

Steven A Jack, British, started his career with Norwich Union Insurance Group specialising in third party litigation claims. Five years later, he joined Bond Helicopters Ltd working directly for the owner in the commercial and marketing department. In 1997, he became an aircraft charter broker, latterly specialising in the Russian market. Eight years later, he founded Oxygen Aviation Ltd (formerly named Oxygen 4 Ltd) with Messrs. Mark Green and Rod Glassford. Mr. Steven A Jack is acting as Director of the aircraft charter business of Oxygen Aviation.

Roderick Glassford, British, achieved International Baccalaureate Diploma then went on to study Law at the University of Northumbria in Newcastle. He began his aviation career in 1998 with First Choice Holidays PLC as a commercial flight trader. After two and a half years, Mr. Glassford joined one of the world's largest air charter brokers within the executive aviation division. Four years later, he founded Oxygen Aviation Limited (formerly named Oxygen 4 Ltd) with Messrs. Mark Green and Steven Jack. Mr. Glassford is acting as Director of the aircraft charter business of Oxygen Aviation.

No member of the Executive Management can hold more than 2 additional mandates in public companies and more than 10 additional mandates in non-public companies. The definition of the concept of "mandate" as well as the exceptions to these limitations are the same as those applicable to the members of the Board of Directors. In addition, the acceptance of any such external mandate by a member of the Executive Management is subject to the approval of the Board of Directors.

CORPORATE GOVERNANCE

■ 5. COMPENSATION, SHAREHOLDINGS AND LOANS

COMPENSATION POLICIES

Compensation of the non-executive members of the Board of Directors comprises fixed compensation elements, as well as a possible variable remuneration element. Compensation of the members of the Executive Management may comprise fixed and variable compensation elements. Fixed compensation comprises the base salary and may comprise other compensation elements and benefits. Variable compensation may comprise short-term and long-term compensation elements.

The Board of Directors submits proposals to the General Assembly regarding the maximum amounts of the fixed compensation (for the following business year) and variable compensation (for the past business year). Within such limits, the Board of Directors, upon a proposal of the Remuneration Committee, decides upon the fixed and variable compensation elements, their components and the possible performance metrics for the variable compensation. Compensation may be paid or granted in the form of cash, shares, other benefits or in kind; compensation to members of the Board of Directors and of the Executive Management may also be paid or granted in the form of financial instruments or similar products. The Board of Directors, upon proposal of the Remuneration Committee, determines grant, vesting, blocking, exercise and forfeiture conditions; it may provide for continuation, acceleration or removal of vesting and exercise conditions, for payment or grant of compensation assuming target achievement or for forfeiture, for example in case of pre-determined events such as a termination of an employment or mandate agreement. Compensation may be paid by the Company or companies controlled by it. The Board of Directors evaluates compensation according to the principles that apply to the remuneration report.

The Chairman of the Board of Directors receives an annual fixed remuneration, subject to the possibility (not used in 2016) for the Board of Directors to grant a variable remuneration element. He is compensated in cash for the performance of his duties, including ordinary and extraordinary meetings, committee activities and other extraordinary activities. There is no remuneration for the other members of the Board of Directors. Out-of-pocket expenses are reimbursed to all members of the Board of Directors.

Any loans to members of the Board of Directors and/or the Executive Management can only be granted at market conditions and may not exceed, at the time of grant, the annual compensation of the relevant member during the previous business year.

COMPENSATION DISCLOSURES

Compensation

Further information can be found in the separate section Remuneration Report.

SHAREHOLDINGS, LOANS

Loans and credits

Further information can be found in the separate section Remuneration Report.

Participations

Further information can be found in the separate section Remuneration Report.

■ 6. VOTING RIGHTS AND PARTICIPATION AT SHAREHOLDERS' MEETINGS

Each share carries one vote at the shareholders' meetings of the Company. Voting rights may be exercised only after a shareholder has been registered in the Company's share register as a shareholder with voting rights. The deadline for registration in the Company's share register before a shareholders' meeting is in principle 15 working days prior to the meeting.

Subject to the registration of the shares in the share register, the Articles of Association do not impose any restrictions on the voting rights of shareholders. Specifically, there is no limitation on the number of voting rights per shareholder.

The other aspects relating to voting rights as well as the procedure for the exercise of such rights, including the rules governing the rights for a shareholder to ask for the calling of a shareholders' meeting and/or to ask that an item be added to the agenda of a shareholders' meeting, are governed by the Articles of Association in accordance with the applicable provisions of the Swiss Code of Obligations. The Articles of Association do not contain any special rules in relation to quorums, qualified majorities, calling of shareholders' meetings, participation in shareholders' meetings and/or the adding of an item to the agenda of shareholders' meetings that derogate from the provisions of the Swiss Code of Obligations.

Each shareholder recorded in the share register with voting rights may be represented at the General Meeting by the independent representative or a third party.

■ 7. TAKEOVER AND DEFENSIVE MEANS

OPTING-OUT

Previously, in accordance with the applicable provisions of the Swiss Stock Exchanges and Securities Trading Act (Stock Exchange Act) and the Articles of Association, whoever acquired shares of the Company, whether directly, indirectly or acting in concert with third parties, which, when added to the shares already held, exceeded the threshold of 49% of the voting rights (whether exercisable or not) of the Company was under an obligation to make an offer to acquire all listed shares of the Company.

However, at the shareholders' meeting held on April 27, 2007, the shareholders of the Company decided, in accordance with article 22 para. 3 of the Stock Exchange Act, to "opt out" from the provisions of the Stock Exchange Act dealing with the duty to submit takeover offers by adopting the following new wording of article 9 of the Articles of Association: "The obligation to submit a takeover offer within the meaning of article 32 of the Stock Exchanges and Securities Trading Act does not apply to the owners and acquirers of shares of the Company in accordance with article 22 para. 3 of such Act." (such clause being referred to as an "Opting-out"). The validity of this "Opting-out" clause was confirmed by the shareholders at the shareholders' meeting held on May 24, 2013 on the basis of a proposal to that effect made by the group of shareholders referred to as a group under "Main Shareholders" above following a decision of the Swiss Takeover Board of April 26, 2013. As a result, the Articles of Association no longer provide for a duty of any owner or acquirer of shares of the Company to make an offer to all other shareholders upon reaching any level of shareholding, regardless of the level of his/her/its participation.

There are no provisions dealing with possible takeovers in the agreements with, and/or any incentive schemes for, the members of the Board of Directors and/or Executive Management.

■ 8. AUDITORS

DURATION OF CURRENT AUDIT MANDATE AND OF AUDIT RESPONSIBLE FUNCTION

PricewaterhouseCoopers SA has been appointed as the statutory auditor of Perfect Holding SA since 1997. The lead auditor since 2010 is Mr. Didier Ehret, Swiss Certified Public Accountant, partner.

AUDIT FEES

The fees for professional services related to the audit of the Perfect Group's annual accounts for the FY 2016 amounted to KCHF 106. This amount includes fees for the audit of Perfect Holding, of its subsidiaries and of the consolidated financial statements.

AUDIT RELATED FEES

No further audit related services were rendered by PricewaterhouseCoopers SA in 2016.

OTHER FEES

Other services (M&A related) were rendered by PricewaterhouseCoopers SA for KCHF 38 in 2016.

ASSESSMENT OF EXTERNAL AUDIT

The assessment of the external auditors and supervision of their audit work is done by the Board of Directors. PricewaterhouseCoopers SA has been kept informed of the Board of Directors' feedback through the minutes of the Board of Directors and through some meetings with one or several members of the Board of Directors. PricewaterhouseCoopers has informed the Board of Directors about the audit work and conclusions by means of a "Detailed Report to the Board of Directors", remitted to the members of the Board of Directors during an audit closing meeting. During such audit closing meeting, the Board of Directors and the auditors reviewed together the financial statements of the Perfect Group and in particular of Perfect Holding. Two audit closing meetings are normally held per year, one for interim financial statements and one for annual financial statements.

■ 9. FURTHER INFORMATION

The following source of information is available :

<http://www.perfect.aero/en/investor-relations>.

Interim reporting, as well as annual reports and any press releases are regularly published on the above internet site (<http://www.perfect.aero/en/investor-relations/annual-and-interim-reports>).

IMPORTANT DATES

19.05.2017	Ordinary Shareholders General Meeting
29.09.2017	Interim Half-Year 2017 Report

INVESTOR RELATIONS

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REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF PERFECT HOLDING SA, LAUSANNE

■ REPORT OF THE STATUTORY AUDITOR ON THE REMUNERATION REPORT

We have audited the accompanying remuneration report (pages 14 to 16) of Perfect Holding SA for the year ended December 31, 2016.

BOARD OF DIRECTORS' RESPONSIBILITY

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINION

In our opinion, the remuneration report of Perfect Holding SA for the year ended December 31, 2016 complies with Swiss law and articles 14–16 of the Ordinance.



A handwritten signature in black ink, appearing to be 'D. Ehret'.

Didier Ehret
Audit expert
Auditor in charge

A handwritten signature in black ink, appearing to be 'A. Joly'.

Aude Joly
Audit expert

Lausanne, March 28, 2017

REMUNERATION REPORT

The remuneration report contains information about the principles of remuneration, procedures for determining remuneration and components of compensation for the Board of Directors and Executive Management of Perfect Holding SA. It is based on the provisions of the Articles of Association, the transparency requirements set out in Article 663b bis and Article 663c of the Swiss Code of Obligations, Articles 13-16 and Article 20 of the Swiss Ordinance against Excessive Remuneration at Listed Companies (OaEC), the SIX Swiss Exchange Directive on Information relating to Corporate Governance and the Swiss Code of Best Practice for Corporate Governance drawn up by Economiesuisse.

■ 1. REMUNERATION SYSTEM

PRINCIPLES

At the Annual General Meeting of May 29, 2015, the shareholders had approved revised Articles of Association designed to implement the requirements of the OaEC. Amongst other things, the amended Articles of Association include the general principles regarding the elements of remuneration paid to Members of the Board of Directors and of the Executive Management. The amendments to the Articles of Association also set out the competencies of the Remuneration Committee, clarify the role of the independent representative and the possibility of electronic voting, as well as the duration of the employment contracts of the Board members and the Executive Management.

ORGANISATION AND COMPETENCIES

As from the shareholders' meeting held on May 23, 2014, a Remuneration Committee consisting of at least 2 members of the Board of Directors has been put in place. At the Annual General Meeting of May 27, 2016, Mr. Jean-Claude Roch (Chairman of the Board of Directors), Mr. Stephen Grey (Board member) and Mrs Anouck Ansermoz (Board member) have been elected. The members of such Remuneration Committee are elected individually by the shareholders' meeting for a term of office running until completion of the next annual General Meeting.

The Remuneration Committee assists the Board of Directors in establishing and periodically reviewing the Company's compensation strategy and guidelines as well as in preparing the proposals to the General Meeting regarding the compensation of the members of the Board of Directors and of the Executive Management. It may submit proposals and recommendations to the Board of Directors regarding other compensation-related issues. The Board of Directors may promulgate regulations to determine for which positions of the Board of Directors and of the Executive Management the Compensation Committee,

together with the Chairman of the Board of Directors or on its own, shall submit proposals for the compensation, and for which positions it shall determine the compensation in accordance with the Articles of Association and the compensation guidelines established by the Board of Directors. The Board of Directors may delegate further tasks and powers to the Remuneration Committee.

The Company's Board of Directors decides upon the Executives' and Directors' remunerations, including any entitlements under participation and/or share option plans, within the limits of the maximum amounts fixed by the General Meeting. Executives and Directors are remunerated in relation to their qualifications and responsibilities. The remuneration currently paid to the members of the Board of Directors and Executive Management consists exclusively of a fixed remuneration, subject to the possibility (not used in 2016) for the Board of Directors to grant variable remuneration components.

GENERAL COMPENSATION PRINCIPLES

Compensation of the non-executive members of the Board of Directors comprises a fixed compensation as well as a possible variable remuneration element. Compensation of the members of the Executive Management may comprise fixed and variable compensation elements. Fixed compensation comprises the base salary and may comprise other compensation elements and benefits. Variable compensation may comprise short-term and long-term compensation elements.

The Board of Directors submits proposals to the General Assembly regarding the maximum amounts of the fixed compensation (for the following business year) and variable compensation (for the past business year). Within such limits, the Board of Directors, upon a proposal of the Remuneration Committee, decides upon the fixed and variable compensation elements, their components and the possible performance metrics for the variable compensation. Compensation may be paid or granted in the form of cash, shares, other benefits or in kind; compensation to members of the Board of Directors and of the Executive Management may also be paid or granted in the form of financial instruments or similar products. The Board of Directors, upon proposal of the Remuneration Committee, determines grant, vesting, blocking, exercise and forfeiture conditions; it may provide for continuation, acceleration or removal of vesting and exercise conditions, for payment or grant of compensation assuming target achievement or for forfeiture, for example in case of pre-determined events such as a termination of an employment or mandate agreement. Compensation may be paid by the Company or companies controlled by it. The Board of Directors evaluates compensation according to the principles that apply to the remuneration report.

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

Currently, the members of the Board of Directors of the Company are as follows:

Jean-Claude Roch	Chairman
Stephen Grey	Member
Anouck Ansermoz	Member

The Chairman of the Board of Directors receives an annual fixed remuneration, subject to the possibility (not used in 2016) for the Board of Directors to grant a variable remuneration element. He is compensated in cash for the performance of his duties, including ordinary and extraordinary meetings, committee activities and other extraordinary activities. There was no remuneration paid for the other members of the Board of Directors in 2016. Out-of-pocket expenses are reimbursed to all members of the Board of Directors.

Statutory and regulatory social security contributions due on the remuneration paid to the Chairman of the Board of Directors are paid by Perfect Holding SA.

REMUNERATION OF THE EXECUTIVE MANAGEMENT

Currently, the executive management team (the "Executive Management") is composed as follows:

Jean-Claude Roch	Chief Executive Officer and Chief Financial Officer of Perfect Holding
Roderick Glassford	Director of the aircraft charter business of Oxygen Aviation
Steven A Jack	Director of the aircraft charter business of Oxygen Aviation

Mr. Jean-Claude Roch's remuneration as CEO and CFO is included in his above-described remuneration as Chairman of the Board of Directors.

The compensation of the other members of the Executive Management is a fixed remuneration in cash, taking into account their qualifications, experience and area of responsibility, at prevailing market conditions. Remuneration borne by the group comprises also the employer's contribution to social insurance, as well as a participation to an individual pension plan.

EMPLOYMENT CONTRACTS

Members of the Executive Management, apart from Mr. Jean-Claude Roch who has only an oral agreement, have written permanent employment contracts that can be terminated on 6 months' notice.

There is no contractual provision regarding a severance pay for members of the Board of Directors or of the Executive Management.

2. COMPENSATION DISCLOSURES

COMPENSATION

The following compensations have been paid to the members of the Executive Management:

(in CHF '000)	2016	2015
Mr. Jean-Claude Roch, Chairman of the Board of Directors, CFO and CEO of Perfect Holding SA **	134	134
Mr. Roderick Glassford, Director of the aircraft charter business of Oxygen Aviation *	243	261
Mr. Steven A Jack, Director of the aircraft charter business of Oxygen Aviation *	243	261
Mr. Mark Green, former director of the aircraft charter business of Oxygen Aviation ***	-	261
	620	916

* Salaries and social charges

** Board membership remuneration

*** Mr. Mark Green, former director of the aircraft charter business of the subsidiary Oxygen Aviation, left the company as from January 2016.

Mrs. Anouck Ansermoz, as an external consultant to Perfect Holding SA, received fixed monthly fees of CHF 10'000 during the year 2016 (2015: idem) for specific tasks relating mainly to consolidation and corporate finance matters, in addition to (and separate from) her duties as member of the Board of Directors.

Mr. Stephen Grey and Mrs. Anouck Ansermoz did not receive any remuneration for their tasks as members of the Board of Directors in 2016 or 2015.

COMPARISON BETWEEN ACTUAL FIGURES AND FIGURES APPROVED BY THE ANNUAL GENERAL MEETING (PROSPECTIVE VOTE)

(in CHF '000)	Actual figures 2016	Figures approved by the AGM for 2016
Fixed remuneration of the members of the Board of Directors	134	250
Fixed remuneration of the members of the Executive Management	486	800
	620	1'050

REMUNERATION REPORT

■ 3. SHAREHOLDINGS, LOANS

LOANS AND CREDITS

At December 31, 2016 and at December 31, 2015, there were no loans and/or credits granted by any company of the Perfect Group to any current or former member of the Board of Directors or Executive Management.

PARTICIPATIONS

At December 31, 2016 and at December 31, 2015, the participations held by members of the Board of Directors and Executive Management were as follows:

(in nb of shares)	Dec. 31, 2016		Dec. 31, 2015	
	Shares	Option rights	Shares	Option rights
Mr. Stephen Grey, member of the Board of Directors	7'940'361	-	7'940'361	-
Mr. Roderick Glassford, Director of the aircraft charter business of Oxygen Aviation	8'625'001	-	9'968'238	-
Mr. Steven A Jack, Director of the aircraft charter business of Oxygen Aviation	8'625'001	-	9'938'238	-
Mr. Mark Green, former director of the aircraft charter business of Oxygen Aviation *	N/A	-	6'244'724	-
	25'190'363	-	34'091'561	-

* Mr. Mark Green, former director of the aircraft charter business of the subsidiary Oxygen Aviation, left the company as from January 2016.

Apart from the shares held by Messrs. Stephen Grey, Steven A Jack and Rod Glassford, no member of the Board of Directors and/or Executive Management holds any shares in the Company. No options have currently been issued to any member of the Board of Directors and/or Executive Management under any stock option plan.

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF PERFECT HOLDING SA, LAUSANNE

■ REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Perfect Holding SA and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2016 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements (pages 24 to 51) give a true and fair view of the consolidated financial position of the Group as at December 31, 2016 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

BASIS FOR OPINION

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the IESBA Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw your attention to note 4.1 to these financial statements, which states the financial and revenue situation of the company and of the Perfect Holding group for the year 2016 and as of December 31, 2016. This, along with other matters as described in note 4.1, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the company to continue as a going concern. Our opinion is not qualified in respect of this matter.

OUR AUDIT APPROACH



Overview

Overall Group materiality: CHF 164'000

In two countries, we concluded full scope audit work at two reporting units and review work at one reporting unit out of the three reporting units of the group. Our full audit scope addressed 99% of the Group's revenue and 88% of assets figures.

As key audit matters the following areas of focus have been identified:

- Goodwill impairment assessment
- Recoverability of long-term loan

AUDIT SCOPE

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Perfect Holding SA, the ultimate parent company, and its two subsidiaries are dedicated to services to the business aircraft market (worldwide charters, aircraft acquisition and sales, as well as aircraft consultancy). The Group financial statements are based on the consolidation of the 3 components, representing 3 reporting units.

Following our assessment of the risk of material misstatement to the Group financial statements, we selected all three components. Two of these components were subject to a full audit and one was subject to a review work. The extent of review work was based on our assessment of the risks of material misstatement outlined below and the materiality of the location's business operations relative to the Group.

The components subject to full audit accounted for 99% of Group revenue and 88% of Group's assets.

The group audit team was responsible for auditing the two Swiss components directly, being one full scope audit and one review work. The group audit team directs the component team auditing the remaining foreign reporting unit subject of a full scope audit at all stages of the audit.

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF PERFECT HOLDING SA, LAUSANNE

MATERIALITY

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

<i>Overall Group materiality</i>	CHF 164'000
<i>How we determined it</i>	1% of total revenues, rounded
<i>Rationale for the materiality benchmark applied</i>	We chose total revenues as the benchmark due to the volatility of the group earnings. As loss before tax fluctuates widely from year to year, a group materiality based on profit before tax was considered as inappropriate. Further, management uses revenues as Key Performance Indicator, as revenues is a generally accepted benchmark in charter and brokerage segments and as profit before tax is influenced by external factors.

We agreed with the Board of Directors that we would report to them misstatements above CHF 16'400 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the "Material uncertainty related to going concern" section, we have determined the matters described below to be the key audit matters to be communicated in our report.

GOODWILL IMPAIRMENT ASSESSMENT

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p>The Group's goodwill amounting to KCHF 3'984 is allocated to only one Cash Generating Unit (CGU): Oxygen Aviation Ltd, UK and is subject to annual impairment assessment.</p> <p>We focused on this area due to the size of goodwill balance as at December 31, 2016 and because the directors' assessment of the 'value in use' of the group's Cash Generating Unit involves judgements about the future results of the business and the discount rates applied to future cash flow forecast.</p> <p>For the year ended December 31, 2016, management has performed an impairment assessment over the goodwill balance and performed a sensitivity analysis over the value in use calculations, by varying the assumptions used (revenue growth and margin level, both assumptions being more business-oriented as opposed to the discount rate and long-term average growth rate, which are two more technical assumptions) to assess the impact on the valuations.</p>	<p>We evaluated management's cashflow forecasts and the process by which they were developed, including verifying the mathematical accuracy of the underlying calculations.</p> <p>We found that the budget used in the Enterprise Value calculations was consistent with Oxygen's Directors approved budget, and that the key assumptions were subject to oversight by Perfect Holding Board of Directors. We noted that the approved budget cover a period of 1 year, but that forecasts for the purposes of the enterprise value calculation extend out to 5 years (2017 – 2021). We therefore made years 2-5 a particular focus area for the procedures below.</p> <p>We compared current year (2016) actual results with the figures included as budget in the prior year (2015) forecast to consider whether any forecasts included assumptions that, with hindsight, had been optimistic. We found that actual performance was materially consistent with forecast performance.</p>

Refer to note 4.1 "Critical accounting estimates and judgments", and note 14 "Intangible assets" for details of management's impairment test and assumptions.

We also challenged:

- management's key assumptions for revenue growth, margin, evolution of staff and operating expenses and long-term growth rates in the forecasts by comparing them to historical results and economic and industry forecasts; and
- the discount rate used in the model by assessing the cost of capital for Oxygen Aviation Ltd by comparing it to market data and industry research.

We found that the rates used for revenue growth, margin, evolution of staff and operating expenses and long-term growth were acceptable.

We found that the discount rate used by management of 10.7% pre-tax for charter was consistent with market data and industry research.

We then stress-tested the assumptions used by analysing the impact on results from using other margin rate and revenue growth rate, which were within a reasonably foreseeable range.

We did not encounter any issues through our audit procedures that indicated the investments in subsidiaries should be impaired.

RECOVERABILITY OF LONG-TERM LOAN

Key audit matter

We focused on this area due to management's judgement in assessing the ability of Mondema SA to respect the repayment schedule.

The Company had entered into an agreement concerning the sale of certain assets and liabilities, as well as the transfer of its leased facilities and certain contracts in relation to the production of its optical disc manufacturing machines, with effect as of December 31, 2008, to the company Mondema SA. The consideration for such sale was a loan to Mondema SA. In 2009 another amount had been granted to Mondema SA as an additional working capital loan.

For the year ended December 31, 2016, only KCHF 70 instead of KCHF 357 have been paid as loan reimbursement. At December 31, 2016, the balance of the loan amounts to KCHF 1'356 less a provision of KCHF 713.

As it remains an important uncertainty regarding the repayment of the loan due as scheduled, management has decided to increase the provision up to 100% of the loan.

Refer to note 4.2 "Critical accounting estimates and judgments", note 16 "Long-term loan (including current portion)" for details of management's judgement.

How our audit addressed the key audit matter

We have discussed throughout fiscal year 2016 with management the open position, including how the interest 2015 outstanding as of December 31, 2015 and the interest 2016 of 4% and the annual reimbursement foreseen of KCHF 357 would be paid.

We have obtained bank evidence for the payments received during the year (KCHF 70 instead of KCHF 357 per reimbursement schedule).

We have obtained and reviewed management's analysis assessing the financial ability of Mondema SA to repay this loan.

We have discussed with management and challenged the various security elements such as pledges in place.

Based on the information provided and above procedures, we found reasonable management's judgement to fully provision the long-term loan.

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF PERFECT HOLDING SA, LAUSANNE

OTHER INFORMATION IN THE ANNUAL REPORT

The Board of Directors is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements and the remuneration report of Perfect Holding SA and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Swiss law, ISAs and Swiss Auditing Standards 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 consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTSuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.



A handwritten signature in black ink, appearing to be 'D. Ehret', written over a light blue horizontal line.

Didier Ehret
Audit expert
Auditor in charge

A handwritten signature in black ink, appearing to be 'A. Joly', written over a light blue horizontal line.

Aude Joly
Audit expert

Lausanne, March 28, 2017

CONSOLIDATED INCOME STATEMENTS

(in CHF '000)	Notes	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Revenue	26	17'944	15'594
Cost of services sold		-15'744	-13'784
Gross profit		2'200	1'810
Marketing & sales expenses		-1'466	-1'594
General & administrative expenses		-1'242	-1'129
Other operating income / (expenses)		-561	-674
Operating profit / (loss)		-1'069	-1'587
Finance income	7	57	59
Finance expenses	7	-39	-36
Exchange differences		170	-109
Profit / (loss) before taxes		-881	-1'673
Income tax income / (expenses)	8	-135	39
Net profit / (loss) for the year		-1'016	-1'634
Attributable to:			
Owners of the parent		-1'016	-1'634
Non-controlling interests		Nil	Nil
Earnings per share	9		
Basic and diluted profit / (loss) per share (in CHF)		-0.006	-0.009

The notes on pages 29 to 51 form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Net profit / (loss) for the year	-1'016	-1'634
Other comprehensive income / (loss):		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurements on defined benefit plans, net of taxes	-	-
Total items that will not be reclassified to profit or loss	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	-183	-24
Total items that may be reclassified subsequently to profit or loss	-183	-24
Other comprehensive income / (loss) for the year, net of tax	-183	-24
Total comprehensive income / (loss) for the year	-1'199	-1'658
Attributable to:		
Owners of the parent	-1'199	-1'658
Non-controlling interests	-	-

CONSOLIDATED BALANCE SHEETS

(in CHF '000)	Notes	Dec. 31, 2016	Dec. 31, 2015
ASSETS			
Current assets			
Cash and cash equivalents	10/15b	975	1'113
Trade account receivables	11/15b	1'280	1'276
Current portion of long-term loan	16/15b	-	357
Other current assets	12	474	180
Total current assets		2'729	2'926
Non-current assets			
Property, plant and equipment	13	311	385
Intangible assets	14	4'049	4'279
Deferred tax assets	17	-	19
Long-term loan	16/15b	-	357
Total non-current assets		4'360	5'040
Total assets	26	7'089	7'966
LIABILITIES AND EQUITY			
Current liabilities			
Trade account payables		429	325
Other current liabilities	18	723	775
Income tax payables		134	7
Advances from customers		109	109
Current portion of long-term debt	20	242	23
Short-term provisions	19	246	-
Total current liabilities		1'883	1'239
Non-current liabilities			
Long-term debt	20/24	-	286
Deferred tax liabilities	17	72	108
Defined benefit liabilities		93	93
Total non-current liabilities		165	487
Total liabilities		2'048	1'726
Equity attributable to owners of the parent			
Share capital	21	7'241	18'102
Share premium	21	220	1'989
Other reserves		-214	-214
Treasury shares	21	-443	-282
Cumulative translation adjustment		-157	26
Accumulated losses		-1'606	-13'381
Total equity		5'041	6'240
Total liabilities and equity		7'089	7'966

The notes on pages 29 to 51 form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in CHF '000)	Notes	Attributable to owners of the parent						Total
		Share capital	Share premium	Other reserves	Treasury shares	Cumulative translation adjustment	Accumulated losses	
January 1, 2015		18'102	1'989	-214	-	50	-12'029	7 898
Net profit / (loss) for the year		-	-	-	-	-	-1'634	-1'634
Translation adjustment		-	-	-	-	-24	-	-24
Total other comprehensive income / (loss), net of taxes		-	-	-	-	-24	-	-24
<i>Total comprehensive income / (loss) for the year</i>		-	-	-	-	-24	-1'634	-1'658
Treasury shares	21	-	-	-	-282	-	282	-
Total transactions with owners		-	-	-	-282	-	282	-
December 31, 2015		18'102	1'989	-214	-282	26	-13'381	6'240
January 1, 2016		18'102	1'989	-214	-282	26	-13'381	6'240
Net profit / (loss) for the year		-	-	-	-	-	-1'016	-1'016
Translation adjustment		-	-	-	-	-183	-	-183
Total other comprehensive income / (loss), net of taxes		-	-	-	-	-183	-	-183
<i>Total comprehensive income / (loss) for the year</i>		-	-	-	-	-183	-1'016	-1'199
Use of reserves to cover accumulated losses	21	-	-1'769	-	-	-	1'769	-
Share capital reduction	21	-10'861	-	-	-	-	10'861	-
Treasury shares	21	-	-	-	-161	-	161	-
Total transactions with owners		-10'861	-1'769	-	-161	-	12'791	-
December 31, 2016		7'241	220	-214	-443	-157	-1'606	5'041

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in CHF '000)	Notes	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Cash flows from operating activities			
Net profit / (loss) for the year		-1'016	-1'634
Adjustments for non-monetary items:			
Allocation to provision for receivables impairment	11	29	-
Allocation to provision on long-term loan	16	643	713
Allocation to provision for litigation	19	246	-
Depreciation of property, plant and equipment	13	24	29
Amortisation of intangible assets	14	193	202
Result on disposals of fixed assets	14/15	1	-
Foreign exchange differences		-11	-2
Interest expense	7	39	36
Interest income	7	-57	-59
Income taxes	8	135	-39
<i>Operating profit / (loss) before working capital changes</i>		226	-754
(Increase) / decrease in trade account receivables		-133	268
(Increase) / decrease in other current assets		-307	636
(Decrease) / increase in trade account payables		132	-127
(Decrease) / increase in other current liabilities		35	-58
Cash generated from / (used in) operating activities		-47	-35
Interest paid	7	-30	-26
Tax paid		-	-64
Net cash generated from / (used in) operating activities		-77	-125
Cash flows from investing activities			
Purchases of property, plant and equipment	13	-8	-5
Interest received on loan	7	58	71
Proceeds from loan reimbursement	16	70	-
Net cash from / (used in) investing activities		120	66
Cash flows from financing activities			
Repayments of borrowings	20	-20	-22
Interest paid on borrowings		-8	-10
Net cash from / (used in) financing activities		-28	-32
Net increase / (decrease) in cash and cash equivalents		15	-91
Exchange gains / (losses) on cash and cash equivalents		-153	-9
Cash and cash equivalents at beginning of year		1'113	1'213
Cash and cash equivalents at end of year	10/15b	975	1'113
Cash and cash equivalents comprise the following:			
Cash and bank balances		910	1'048
Customers security deposits, available for use under certain conditions		65	65
		975	1'113

The notes on pages 29 to 51 form an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

■ 1. ACTIVITY AND GROUP STRUCTURE

Perfect Holding SA (Perfect Holding or the Company) was incorporated in Yverdon-les-Bains (Switzerland) as a Swiss limited company on April 8, 1997 with the Register of Commerce of the Canton of Vaud. The Company has its corporate legal headquarter at 3, Avenue de Florimont, 1006 Lausanne, Switzerland. Its duration is undetermined. The corporate purpose of the Company, according to Article 2 of its Articles of Association, is the acquisition and the management of participations in other companies as well as any directly or indirectly related purposes.

Perfect Holding, the ultimate parent company, is listed on the SIX Swiss Exchange, SIX Main Standard. The Company is listed under the symbol "PRFN".

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

Perfect Holding and its subsidiaries (the Perfect Group) are dedicated to the following services to the business aircraft market: world wide charters, aircraft acquisitions and sales, as well as aircraft consultancy.

These group consolidated financial statements were authorised for issue by the Board of Directors on March 28, 2017, but they are subject to approval of the shareholders' general meeting.

As at December 31, 2016, Perfect Holding's subsidiaries are:

	Registered office	Country	Currency	Share capital	Ownership Interest
Perfect Aviation SA	Lausanne	Switzerland	CHF	1'300'000	100%
Oxygen Aviation Ltd	Horsham	UK	GBP	360	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

■ 2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS OF PREPARATION

The Perfect Group consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and IFRIC interpretations and comply with the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). The consolidated financial statements have been prepared under the historical cost convention, except for items to be recorded at fair value.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

The following new standards, amendments to standards and interpretations are mandatory for the financial year beginning on January 1, 2016:

- Amendments to IAS 1 'Presentation of Financial Statements' (effective for annual periods beginning on or after January 1, 2016, prospective application, earlier application permitted) - The amendments clarify a number of presentation issues and highlight that preparers are permitted to tailor the format and presentation of the financial statements to their circumstances and the needs of users. The group has applied this amendment from January 1, 2016, but it had no impact on the group's financial statements.

The following relatively minor changes have been applied by the group from their effective date, but they had no significant impact on the group's financial statements:

- Annual Improvements to IFRSs 2012-2014 Cycle - IAS 19 'Employee benefits' (effective date January 1, 2016)

The following new standards, amendments to standards and interpretations are mandatory for the financial year beginning on January 1, 2016, but are currently not relevant for the group:

- Amendment to IAS 27 'Separate financial statements' (effective date January 1, 2016)
- Amendments to IFRS 11 'Accounting for Acquisitions of Interests in Joint Operations' (effective date January 1, 2016)
- Amendments to IFRS 10 'Consolidated financial statements', IFRS 12 'Disclosure of Interests in Other Entities' and IAS 28

'Investments in associates and joint ventures' (effective date January 1, 2016)

- Amendment to IAS 16 and IAS 38 'Clarification of Acceptable Methods of Depreciation and Amortisation' (effective date January 1, 2016)
- Amendments to IAS 16 and IAS 41 'Agriculture: Bearer plants' (effective date January 1, 2016)
- IFRS 14 'Regulatory Deferral Accounts' (effective date January 1, 2016)
- Annual Improvements to IFRSs 2012-2014 Cycle - IFRS 5 'Non-current assets held for sale and discontinued operations' (effective date January 1, 2016)
- Annual Improvements to IFRSs 2012-2014 Cycle - IFRS 7 'Financial instruments: Disclosures' (effective date January 1, 2016)

New standards, interpretations to existing standards and standards amendments that are not yet effective:

The group has not early adopted any other new standards, interpretations to existing standards and standards amendments which need adoption by January 1, 2017 or later. The group has commenced, but not yet completed, an assessment of the impact of the adoption of these new or amended standards on its consolidated financial statements and is currently of the view that the impact would not be significant other than certain additional disclosures. The relevant standards and amendments identified by the group to date relate to:

- Amendment to IAS 7 'Statement of cash flows' (effective for annual periods beginning on or after January 1, 2017, prospective application, earlier application permitted) - The amendment is introducing an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative, which continues to explore how financial statement disclosure can be improved.

The group will apply this amendment from January 1, 2017 but it does not expect any significant impact on the consolidated financial statements.

- IFRS 15 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after January 1, 2018, retrospective application, earlier application permitted) - The new standard on the recognition of revenue from contracts with customers applies to all contracts with customers except those that are financial instruments, leases or insurance contracts. IFRS 15 is based on a five step approach:

- 1) Identify the contract with the customer
- 2) Identify the separate performance obligations in the contract
- 3) Determine the transaction price
- 4) Allocate the transaction price to separate performance obligations
- 5) Recognize revenue when a performance obligation is satisfied.

The new standard will require entities to redefine their revenue recognition, and consider adjustments to the invoicing and

accounting systems and consider renegotiating contracts with their clients. Entities currently using industry-specific guidance may be more significantly affected. In addition, the amount of revenue-related disclosures will increase.

The group will apply IFRS 15 from January 1, 2018, and it is yet to assess IFRS 15's full impact.

- Amendment to IFRS 15 'Revenue from Contracts with Customers' (effective for annual periods beginning on or after January 1, 2018) - The amendments clarify certain areas of IFRS 15, in particular:

- identify a performance obligation (the promise to transfer a good or a service to a customer) in a contract;
- how to determine whether a party involved in a transaction is the principal (responsible for providing the goods or services) or the agent (responsible for arranging for the goods or services to be provided to the customer); and
- how to determine whether the revenue from granting a licence should be recognised at a point in time or over time.

In addition to the clarifications, the amendments include two additional reliefs to reduce cost and complexity for a company when it first applies the new Standard.

The group will apply this amendment together with the related standard.

- IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after January 1, 2018, retrospective application, earlier application permitted) - The complete version of IFRS 9 'Financial Instruments' includes requirements on the classification and measurement of financial assets and liabilities; it defines three classification categories for debt instruments: amortised cost, fair value through other comprehensive income ('FVOCI') and fair value through profit or loss ('FVPL'). Classification for investments in debt instruments is driven by the entity's business model for managing financial assets and their contractual cash flows. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in other comprehensive income, provided the instrument is not held for trading.

No changes were introduced for the classification and measurement of financial liabilities, except for the recognition of changes in own credit risk in other comprehensive income for liabilities designated at fair value through profit or loss.

IFRS 9 also contains a new impairment model which will result in earlier recognition of losses. The expected credit losses (ECL) model is a 'three-stage' model for impairment based on changes in credit quality since initial recognition.

In addition, the new standard contains amendments to general hedge accounting that will enable entities to better reflect their risk management activities in their financial statements.

The group will apply IFRS 9 from January 1, 2018, and it is yet to assess IFRS 9's full impact: no significant impact is expected.

- IFRS 16 'Leases' (effective for annual periods beginning on or after January 1, 2019) - Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. IFRS 16 is likely to have a significant impact on the financial statements of a number of lessees.

For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees.

Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The group will apply IFRS 16 from January 1, 2019, and it is yet to assess IFRS 16's full impact: no significant impact is expected.

- IFRIC Interpretation 22 'Foreign Currency Transaction and Advance Consideration' (effective for annual periods beginning on or after 1 January 2018) - IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance. The Group will apply this amendment from 1 January 2018 but it does not expect any significant impact on the consolidated financial statements.

2.2 CONSOLIDATION

The annual closing date of the individual financial statements is December 31.

Subsidiaries

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 over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are de-consolidated from the date that control ceases.

The group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Intercompany transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

Disposal of subsidiaries

When the group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-

maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Swiss francs ("CHF" or "Swiss francs"), which is the Company's functional and the group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

All foreign exchange gains and losses are presented in the income statement within "Exchange differences".

Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates; and
- (iii) all resulting exchange differences are recognised in other comprehensive income, under "Cumulative translation adjustment".

On consolidation, exchange difference arising from the translation of the net investment in foreign operations are taken to "Cumulative translation adjustment" in other comprehensive income. On the disposal of a foreign operation (that is, a disposal of the group's entire interest in a foreign operation), all of the exchange differences accumulated in equity (in other comprehensive income) in respect of that operation attributable to the equity holders of the Company are reclassified to the income statement as part of the gain or loss on sale.

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.

2.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the balance sheet at nominal value. Cash and cash equivalents include cash in hand, other short-term highly liquid investments with original maturities of three months or less. This position is readily convertible to known amounts of cash. Restricted cash (which comprises customers security deposits) is included in "Cash and cash equivalents".

2.6 TRADE ACCOUNT RECEIVABLES

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 180 days overdue) are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the asset's carrying amount and the recoverable amount, being the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement in "Marketing & sales expenses". When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "Marketing & sales expenses" in the income statement.

2.7 PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and when the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives, as follows:

Building	25 years
Equipments	5 years
Office equipment	3 - 10 years
Vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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 (see accounting policy 2.9 Impairment of non-financial assets).

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within "Other operating income / expenses" in the income statement.

2.8 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 acquiree and the fair value of the non-controlling interest in the acquiree. Goodwill on acquisitions of subsidiaries is included in "Intangible assets". Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, 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 is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the 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 relationship

Customer relationship has been identified in the business combination as of May 21, 2012. It has been recognised at fair value at the acquisition date and classified under "Customer re-

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relationship" in intangible assets. Such customer relationship has an estimated useful life of 5 years. Amortisation is calculated using the straight-line method to allocate the cost of this asset over its estimated useful life.

Software

Software cost relating to the implementation of the Enterprise resource planning system costs are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives, i.e. over three years from the completion date. Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred, because not meeting recognition criteria.

2.9 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset 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 costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal of the impairment at each reporting date.

2.10 FINANCIAL ASSETS

Classification

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The financial assets of the group consist of loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprise trade account receivables, short and long-term loan and cash and cash equivalents in the balance sheet (see accounting policies 2.5 and 2.6).

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been

transferred and the group has transferred substantially all risks and rewards of ownership.

Loans and receivables are initially recognised at fair value plus transaction costs. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

2.11 IMPAIRMENT OF FINANCIAL ASSETS

Assets carried at amortised cost

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired, and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

Assessing the recoverability of trade receivables is described in the accounting policy 2.6.

2.12 TRADE ACCOUNTS PAYABLE

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.13 PROVISIONS

Provisions for environmental restoration, restructuring costs and legal claims are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

2.14 EMPLOYEE BENEFITS

Pension obligations

Group companies operate defined benefit and defined contribution pension schemes in accordance with the local conditions and practices in the countries in which they operate. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity (a fund) and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of the defined benefit plan, recognised in the income statement in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year.

Past service costs, resulting from a plan amendment or curtailment, are recognised immediately in income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or

credited to equity in other comprehensive income in the period in which they arise.

Since 2015, as the Swiss company operating a defined benefit pension scheme has just one employee, the management has made the assumption that employer contributions equal IAS19R's defined benefit pension costs.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the company has no further payment obligations. The contributions are recognised as employee benefit expense when they are due and are included in staff costs. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.15 SHARE CAPITAL

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, for the acquisition of a business, reduce the proceeds from the equity issue and are recognised directly in equity.

2.16 TREASURY SHARES

Treasury shares are recognised at acquisition cost and deducted from shareholders' equity at the time of acquisition, until they are cancelled. Where such shares are subsequently sold, any consideration received is included in shareholders' equity.

2.17 LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.18 BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred.

Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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2.19 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable for the sale of services in the ordinary course of the group's activities. Revenue is shown net of value-added tax, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of services

The group sells services to the business aircraft market: world wide charter, brokerage of aircraft acquisition and sales.

For sales of services, revenue is recognised in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Charters

Revenue from charters is recognised when the group entity has delivered its services to its customers, i.e. when the concerned flight has occurred. In addition, revenue from charter business is recognised in applying the proper "agent VS principal" rule of IAS 18 revenue recognition. In an agency relationship, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission. Determining whether an entity is acting as a principal or as an agent requires judgement and consideration of all relevant facts and circumstances.

An entity is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. Features that indicate that an entity is acting as a principal include:

- (a) the entity has the primary responsibility for providing the goods or services to the customer or for fulfilling the order, for example by being responsible for the acceptability of the products or services ordered or purchased by the customer;
- (b) the entity has inventory risk before or after the customer order, during shipping or on return;
- (c) the entity has latitude in establishing prices, either directly or indirectly, for example by providing additional goods or services; and
- (d) the entity bears the customer's credit risk for the amount receivable from the customer.

An entity is acting as an agent when it does not have exposure to the significant risks and rewards associated with the sale of

goods or the rendering of services. One feature indicating that an entity is acting as an agent is that the amount the entity earns is predetermined, being either a fixed fee per transaction or a stated percentage of the amount billed to the customer.

The group is acting almost exclusively as a principal in this charter business, as it has the exposure to the significant risks and rewards associated with the rendering of those services. Accordingly, the amount invoiced to the final customer is recognised in the income statement in "Revenue"; the amount for the purchase of the flight from an external operator ('subcharter') is recognised in "Cost of services sold".

The only case when the group is acting as an agent is when the group acts as an intermediate and recommends an operator to a customer and vice versa. In such situation, the group will get a commission, which is recognised in "Revenue" in the income statement, when the concerned flight has occurred.

Brokerage

Revenue from brokerage on acquisition and sales of aircrafts, which corresponds to commissions, is recognised when the subject transaction has taken place.

2.20 INTEREST INCOME

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

2.21 CURRENT AND DEFERRED INCOME TAX

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

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 regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Taxes on income are accrued in the same periods as the revenues and expenses to which they relate.

Deferred income tax is recognised, using the liability method, 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. The deferred income tax is not accounted for if it arises from 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 liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, 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 are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable that the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes 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.

2.22 ROUNDING OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Swiss francs unless otherwise stated.

■ 3. FINANCIAL RISK MANAGEMENT

3.1 RISK ASSESSMENT (AS REQUIRED BY SWISS CODE OF OBLIGATIONS)

In the context of the group Internal Control System, the Board of Directors has performed a risk assessment of the Company and of its subsidiaries.

The identification and the risk evaluation have been carried out by taking into consideration the degree of importance of the different processes - applicable to each group company - on the financial and operating risks.

The Board has prepared a detailed risk assessment, and defined the necessary measures to be taken. The Board has taken the short and long-term measures necessary to cover the identified risks. The objectives are the systematic identification

of the risks, their assessment, the classification by priority level, the determination of their impact on the Company, as well as the adoption and controlling of measures taken in order to eliminate or reduce those risks. Such risk assessment, measures follow-up and action plan is performed at least once a year.

3.2 FINANCIAL RISK FACTORS

The group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The group's overall risk management approach focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance. The group does not use derivative financial instruments to hedge these exposures.

Through the group's internal control system, the Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas. It also performs the risk assessment, defines the adequate measures and ensures the monitoring of the internal control system.

Foreign exchange risk

Transaction exposure arises because the amount of local currency paid or received in transactions denominated in foreign currencies may vary due to changes in exchange rates. The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euros, British pounds and US dollars. Foreign exchange risk arises from:

- forecast revenue and costs denominated in a currency other than the entity's functional currency;
- recognised assets and liabilities; and
- net investments in foreign operations.

The foreign currency transaction exposure is limited by aligning the revenue streams to currencies that match the cost base. The group ensures that its net exposure is kept to a minimum level: group companies are responsible for their own cash management and they are invoicing revenue and paying expenses as much as possible in their local currency. The remaining exposure is related to the recognised assets and liabilities, which are denominated in a currency that is not the entity's functional currency. This exposure is kept as low as possible by compensating the risk on invoices in other currencies by purchasing some goods and services in these other currencies.

The group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from these net assets of the group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At December 31, 2016, if the CHF had already weakened / strengthened by 10% against the EUR with all other variables held constant, the pre-tax result for the year would have been KCHF 109 higher / lower, mainly as a result of foreign

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exchange gains / losses on translation of EUR-denominated trade account receivables, bank accounts and trade account payables (2015: KCHF 82).

At December 31, 2016, if the CHF had weakened / strengthened by 10% against the GBP with all other variables held constant, the gain on currency translation differences credited directly to equity and arising on the translation of the net assets of Oxygen Aviation Ltd would have been KCHF 11.5 higher / lower (2015: KCHF 122).

At December 31, 2016, if the CHF had weakened / strengthened by 10% against the USD with all other variables held constant, the pre-tax result for the year would have been KCHF 32 higher / lower, mainly as a result of foreign exchange gains / losses on translation of USD-denominated trade account receivables and bank accounts (2015: KCHF 94).

Interest rate risk

Interest rate risk arises from movements in interest rates which could have adverse effects on the group's net income or financial position. Changes in interest rates cause variations in interest income and expenses on interest-bearing assets and liabilities.

The group's net income and financial position are independent of changes in market interest rates as the group has only interest-bearing assets and liabilities with fixed rates. Actually, the group's fixed rate borrowings and receivables are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit risk

Credit risk is managed on a 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 terms and conditions are offered. Credit risk arises from credit exposures to customers, including outstanding receivables. There is some concentrations of credit risk on trade receivables (see Notes 11 and 15b). Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The credit quality of receivables past due is assessed on an individual basis and on the customer's history of defaults. The group has policies in place to ensure that sales are made to customers by means of advance payment requests as well as use of major credit cards, especially for charters business. Otherwise, the group only gives credit to reputable companies and to certain individuals of high credit quality.

For banks and financial institutions, the group works with different banks in each country.

Liquidity risk

Cash flow forecasting is performed in the operating entities of the group and aggregated by group finance. Group finance monitors rolling forecast of the group's liquidity requirements to

ensure sufficient cash is available to meet operational needs. Weekly cash reports are used to monitor the available cash, the outstanding trade account receivables and payables. Prudent liquidity risk management implies maintaining sufficient cash to cover working capital requirements. Individual companies are responsible for their own cash management, under the supervision of the group management, which is in charge of balancing the subsidiaries cash needs and / or cash surplus.

The table below analyses the group's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(in CHF '000)	Notes	Less than 3 months	Between 3 months and 1 year	More than 1 year
Trade accounts payable		325	-	-
Current portion of long-term debt	20	-	23	-
Long-term debt	20	-	-	286
At December 31, 2015		325	23	286
Trade accounts payable		429	-	-
Current portion of long-term debt	20	242	-	-
Long-term debt	20	-	-	-
At December 31, 2016		671	-	-

3.3 CAPITAL MANAGEMENT

The group considers equity as equivalent to the IFRS equity on the balance sheet.

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern. The objective of the group is to avoid, as much as possible, resorting on external loans. At December 31, 2016, the group has no external financing, apart from the mortgage on the building located in Horsham (see Note 20).

3.4 FAIR VALUE ESTIMATION

The nominal values less any estimated credit adjustments for the following financial assets and liabilities are assumed to approximate their fair values:

- Cash and cash equivalents
- Trade account receivables
- Long-term loan (including current portion) (see Note 16)
- Trade account payables
- Current portion of long-term debt
- Long-term debt (see Note 20)

In 2016, there were no significant changes in the business or economic circumstances that affect the fair value of the group's financial assets and financial liabilities. In 2016, there were no reclassifications of financial assets.

■ 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. Management also needs to exercise judgement in applying the group's accounting policies. 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.

Going concern

Despite operating in a highly competitive industry, coupled with struggling economies in key markets, the group's UK subsidiary Oxygen Aviation, which is active in the charter sales business, is showing positive signs of progress in 2016. Through continued development of existing clients along with diversification of target markets and products, a continued upward trend in charter sales is expected.

The past accumulated losses of Perfect Holding SA had resulted in a situation of loss of capital which required the Board of directors to propose restructuring measures: at the ordinary shareholders' meeting of May 27, 2016, the shareholders accepted the proposal of the Board to reduce the share capital of the Company from CHF 18'101'828.10 to CHF 7'240'731.24, through a reduction of the nominal value of each share from CHF 0.10 to CHF 0.04, to absorb the accumulated losses appearing in the balance sheet.

As mentioned in the Interim HY2016 Report, the group continues its proactive research and time-consuming evaluation of carefully selected potential acquisitions, in order to develop profitably its growth. Existing corporate instruments such as authorized capital and a conditional capital reserved for convertible loans are available for the development of the group's business and possible external growth transactions.

At December 31, 2016, the group continues to have no bank borrowings (apart from a mortgage on the UK office premises - see Note 20). Based on the current commitments

and operations, as well as the expected cash collection, the Board of Directors believes that the Company will be able to meet all of its obligations for at least the next twelve months as they fall due and hence, the consolidated financial statements have been prepared on a going concern basis.

Estimated impairment of goodwill

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy 2.8 Intangible assets. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (see Note 14). As per the impairment test of December 31, 2016, the recoverable amount of the goodwill on Oxygen Aviation being higher than its carrying amount, no impairment has been recorded. If the estimated margin percentage used for the CGU for the periods 2018-2021 was of 10.84% instead of 11.3% or if the estimated annual revenues growth for 2017 was of 11.8% instead of 16.1%, this would remove the remaining headroom. As per the impairment test of December 31, 2015, a decrease in margin to 10.6% for 2017-2020 or a fall in annual revenues growth to 10% (instead of 15%) for 2017 would have removed the remaining headroom.

4.2 CRITICAL JUDGEMENTS IN APPLYING THE ENTITY'S ACCOUNTING POLICIES

Deferred tax assets related to tax losses to be carried-forward

As defined in accounting policy 2.21 Current and deferred income tax, deferred tax assets are recognised to the extent that it is probable that future taxable profit will be realised against which the temporary differences or the unused tax losses can be utilised. The probability of future taxable profit needs management judgements and estimates to be determined. Due to the volatility of the result of the group company benefiting from tax losses, the management has decided not to recognise any deferred income tax assets at December 31, 2016 and 2015. Had the group estimated that all available tax losses could be used, the effect would have been an additional income of KCHF 1'100 as of December 31, 2016 (2015: KCHF 886).

Recoverability of long-term loan

The group had granted a loan to the company Mondema SA (see Note 16). The balance of the loan amounts to KCHF 1'356 at December 31, 2016 (2015: KCHF 1'427). As indicated in Note 16, the company Mondema SA has difficulties in respecting the amended repayment schedule. As it remains an uncertainty regarding the repayment of the loan due as scheduled, the management has decided to increase the provision up to 100% of the loan. Management is following up the ability of the company to respect the repayment plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

■ 5. EMPLOYEE BENEFIT EXPENSES

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Wages, salaries and other costs	1'112	1'358
Social security costs	121	149
Defined benefit plan - pension costs / (income)	4	5
Defined contribution plan - pension costs	6	11
Employee benefit expenses	1'243	1'523

■ 6. INCOME / EXPENSES BY NATURE

This note provides an analysis of expenses by nature.

(in CHF '000)	Notes	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Purchase of charter flights		15'744	13'766
Employee benefit expenses	5	1'243	1'523
Depreciation	13	24	29
Amortisation	14	193	202
Administrative costs (including allocation to provision for receivables impairment)		771	696
Office expenses		47	57
Marketing, representation and travel expenses		353	217
Sales commissions		76	18
Allocation to provision on long-term loan	16	643	713
Other operating expenses / (income)		-81	-40
Total expenses by nature		19'013	17'181

The total income / expenses by nature correspond to the total of the following income / expenses by function: cost of services sold, marketing & sales expenses, general & administrative expenses and other operating income / expenses.

■ 7. FINANCE INCOME AND EXPENSES

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Interest income on long-term loan (Note 16)	57	59
Finance income	57	59
Interest and financial expenses	-39	-36
Finance expenses	-39	-36
Finance income, net	18	23

■ 8. INCOME TAX EXPENSES

This note provides an analysis of the group's income tax expenses, shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax position.

(in CHF '000)	Notes	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Current tax		-139	-
Deferred tax	17	-	41
Tax relating to prior years		4	-2
Income tax income / (expenses)		-135	39

The group's expected tax expenses for each year is based using the applicable tax rate in each individual jurisdiction, which in 2016 ranged between 8% and 21% (2015: between 8% and 21%), in the tax jurisdictions in which the group operates. The tax on the group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Profit / (loss) before taxes	-881	-1 673
Tax calculated at tax domestic rates applicable to profits in the respective countries	111	270
Tax effects of:		
• Tax losses for which no deferred income tax asset was recognised	-236	-413
• Change in deferred tax liabilities / assets	-	41
• Income not subject to tax	57	176
• Expenses not deductible for tax purposes	-53	-33
• Tax relating to prior years	4	-2
• Other	-18	-
Income tax income / (expenses)	-135	39

The weighted average applicable tax rate was 16% (2015: 16%).

Further information is presented in Note 17 about deferred income taxes.

■ 9. EARNINGS PER SHARE

	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Net profit / (loss) attributable to shareholders (in CHF '000)	-1'016	-1'634
Weighted average number of ordinary shares in issue	174'478'255	178'501'090
Basic and diluted profit / (loss) per share (in CHF)	-0.006	-0.009

Basic profit per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares owned by the Company and held as treasury shares (Note 21).

The diluted profit per share is equivalent to the basic profit per share, as there are no dilutive elements to be taken into consideration at December 31, 2016 and 2015.

■ 10. CASH AND CASH EQUIVALENTS

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Cash and bank balances	910	1'048
Customers security deposits, available for use under certain conditions	65	65
	975	1'113

The customers security deposits correspond to the deposits advanced by aircraft management customers. The counterpart can be found in "Advances from customers". These deposits are denominated in Euros (EUR).

■ 11. TRADE ACCOUNT RECEIVABLES

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Trade account receivables	1'308	1'276
Less: Provision for receivables impairment	-28	-
Trade account receivables, net	1'280	1'276

Trade receivables that are less than six months past due are not considered impaired. As of December 31, 2016, trade receivables of KCHF 358 (2015: KCHF 610) are past due but not impaired, as one receivable amount of KCHF 308 has been received in March 2017 and one receivable amount of KCHF 50 is covered by an advance from customer. The ageing analysis of the trade receivables not impaired is as follows:

(in CHF '000)	Notes	Dec. 31, 2016	Dec. 31, 2015
Neither past due nor impaired	15b	922	666
Up to 6 months past due but not impaired		-	-
6 to 12 months past due but not impaired		-	-
Over 12 months past due but not impaired		358	610
		1'280	1'276

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2016, trade receivables of KCHF 28 (2015: nil) are impaired and provided for. The amount of provision is KCHF 28 as of December 31, 2016 (2015: nil). In 2016, the individually impaired receivables relate to subcharter customers. The ageing analysis of these receivables is as follows:

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Up to 6 months	-	-
6 to 12 months	-	-
Over 12 months	28	-
	28	-

The carrying amounts of the group's trade accounts receivables are denominated in the following currencies:

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
CHF Swiss francs	20	66
USD US dollars	289	695
EUR Euros	863	444
GBP British pounds	136	71
	1'308	1'276

Movements on the group provision for impairment on trade receivables are as follows:

(in CHF '000)	2016	2015
January 1	-	17
Allocation to provision for receivables impairment	29	-
Receivables written off during the year as uncollectible	-	- 17
Exchange difference	- 1	-
December 31	28	-

The creation and release of provision for impaired receivables have been included in "Marketing & sales expenses" in the income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above.

■ 12. OTHER CURRENT ASSETS

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
VAT receivable, net	10	19
Accrued income and prepaid expenses	432	99
Other current assets	32	62
	474	180

This class of assets does not contain impaired assets.

■ 13. PROPERTY, PLANT AND EQUIPMENT

(in CHF '000)	Building	Equipments	Office equipment	Vehicles	Total
COST					
January 1, 2015	526	1	98	7	632
Reclassification	-	-1	1	-	-
Additions	-	-	5	-	5
Exchange difference	-5	-	-	-	-5
December 31, 2015	521	-	104	7	632
Additions	-	-	8	-	8
Disposals and scrapping	-17	-	-8	-	-25
Exchange difference	-78	-	-13	-	-91
December 31, 2016	426	-	91	7	524
ACCUMULATED DEPRECIATION					
January 1, 2015	131	1	83	3	218
Reclassification	-	-1	1	-	-
Depreciation charge	20	-	7	2	29
December 31, 2015	151	-	91	5	247
Depreciation charge	18	-	5	2	25
Disposals and scrapping	-17	-	-7	-	-24
Exchange difference	-21	-	-14	-	-35
December 31, 2016	131	-	75	7	213
NET BOOK AMOUNT					
December 31, 2015	370	-	13	2	385
December 31, 2016	295	-	16	-	311

Depreciation expense has been included in the functional line "General & administrative expenses" in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

■ 14. INTANGIBLE ASSETS

(in CHF '000)	Goodwill	Customer relationship	Software	Other intangible assets	Total
COST					
January 1, 2015	3'984	1'018	17	9	5'028
Exchange difference	-	-5	-	-	-5
December 31, 2015	3'984	1'013	17	9	5'023
Exchange difference	-	-42	-	-	-42
December 31, 2016	3'984	971	17	9	4'981
ACCUMULATED AMORTISATION					
January 1, 2015	-	530	6	-	536
Amortisation charge	-	197	5	-	202
Exchange difference	-	6	-	-	6
December 31, 2015	-	733	11	-	744
Amortisation charge	-	179	5	9	193
Exchange difference	-	-6	1	-	-5
December 31, 2016	-	906	17	9	932
NET BOOK AMOUNT					
December 31, 2015	3'984	280	6	9	4'279
December 31, 2016	3'984	65	-	-	4'049

Amortisation has been recorded to the following functional lines in the income statement:

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Aviation costs	179	197
General & administrative expenses	14	5
	193	202

Goodwill - impairment test as at December 31, 2016

The group tests annually whether goodwill has suffered any impairment, irrespective of indicators of impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. The group is relying on the estimation of value in use. Estimating value in use is a matter of judgement, not fact, requiring estimates of cash flows many years into the future and determining appropriate discount rates to bring them back to their present values.

Regarding the impairment of the goodwill, this latter is attributed to the cash-generating unit corresponding to the UK entity Oxygen Aviation Ltd. The recoverable amount of this CGU has been determined based on value-in-use calculations. These calculations use the Discounted Cash Flow method, for the 5-year period from 2017 until 2021. 2017 figures have been taken

from the group projections, and then, the following key assumptions have been used:

- revenues growth : +16.1% for 2017 (based on market diversification efforts) and then, +5% per year (based on management's expectations of market development)
- margin: 12% for 2017 (based on management estimates) and then, 11.3% (based on past performance - average margin 2012-2017 - and industry trends in the concerned markets)
- staff and operating expenses: +10% for 2017 (based on team development) and then, +2% per year (management forecasts these costs based on the same structure of the business as 2017, adjusting only for inflationary increases)
- long-term average growth rate: 1%

A discount rate of 10.7% has been used.

The recoverable amount calculated based on value-in-use exceeded carrying value by KGBP 617; therefore no impairment arose. A decrease in margin to 10.84% for 2018-2021 or a fall in annual revenues growth to 11.8% (instead of 16.1%) for 2017 would remove the remaining headroom.

Goodwill - impairment test as at December 31, 2015

These calculations used the Discounted Cash Flow method, for the 5-year period from 2016 until 2020. 2016 figures had been taken from the group projections, and then, the following key assumptions had been used:

- revenues growth: +12.5% for 2016 and +15% for 2017

(based on market diversification efforts) and then, +5% per year (based on management's expectations of market development)

- margin: 12.1% for 2016 (based on management estimates) and then, 11.1% (based on past performance - average margin 2012-2016 - and industry trends in the concerned markets)
- staff expenses: -5% for 2016 (based on organisation changes) and then, +1% per year (management forecasts these costs based on the same structure of the business as 2016, adjusting only for inflationary increases)
- operating expenses: +2.1% for 2016 (based on organisation changes) and then, +1% per year (those costs are fixed costs and do not vary significantly with sales volumes)
- long-term average growth rate: 1%

A discount rate of 11.6% had been used.

The recoverable amount calculated based on value-in-use exceeded carrying value by KGBP 197; therefore no impairment arose. A decrease in margin to 10.6% for 2017-2020 or a fall in annual revenues growth to 10% (instead of 15%) for 2017 would have removed the remaining headroom.

■ 15a. FINANCIAL INSTRUMENTS BY CLASS AND BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

(in CHF '000)	Notes	Dec. 31, 2016	Dec. 31, 2015
Financial assets -			
loans and receivables			
Cash and cash equivalents	10	975	1'113
Trade account receivables	11	1'280	1'276
Long-term loan (including current portion)	16	-	714
Total financial assets		2'255	3'103

Financial liabilities -			
other financial liabilities at amortised cost			
Trade account payables		429	325
Current portion of long-term debt	20	242	23
Long-term debt	20	-	286
Total financial liabilities		671	634
Net financial position		1'584	2'469
of which at fair value		-	-

As indicated in Note 3.4, carrying amount of these instruments is a reasonable approximation of their fair value. For long-term loan, included in financial assets, see Note 16, and for long-term debt, included in financial liabilities, see Note 20.

■ 15b. CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit rating (if available) or to historical information about counterparty default rates:

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Cash and cash equivalents		
AA	145	122
A	830	991
	975	1'113

Trade account receivables (without external credit rating)		
Group 1	82	125
Group 2	840	541
Group 3	-	-
	922	666

Long-term loan (including current portion)		
Group 3	-	714
	-	714

Group 1 - new customers / counterparties (less than 12 months)

Group 2 - existing customers / counterparties (more than 12 months) with no defaults in the past

Group 3 - existing customers / counterparties (more than 12 months) with some defaults in the past.

■ 16. LONG-TERM LOAN (INCLUDING CURRENT PORTION)

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Total long-term loan	1'356	1'427
Provision on long-term loan	-1'356	-713
	-	714
of which:		
Current portion of long-term loan	-	357
Long-term loan	-	357
	-	714

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The Company had entered into an agreement concerning the sale of certain assets and liabilities, as well as the transfer of its leased facilities and certain contracts in relation to the production of its optical disc manufacturing machines, with effect as of December 31, 2008, to the company Mondema SA. The consideration for such sale was a loan to Mondema SA for an amount of KCHF 1'733. As defined in the assets' sale agreement between the Company and Mondema SA, an additional working capital loan of KCHF 600 had been granted to Mondema SA in spring 2009. The balance of the loan amounted to KCHF 1'784 as at December 31, 2014. The repayment schedule and the interest rate had been updated and this loan, bearing interest at 4.00% since January 1, 2014, should be reimbursed within 5 years. The first reimbursement instalment according to the repayment schedule has been received on February 9, 2015. In 2016, an amount of KCHF 70 has been reimbursed. The balance of the loan amounts to KCHF 1'356 at December 31, 2016. The company Mondema is pursuing its strategic goal, as manufacturer of specific high-value-added machines, for large customers in the medical, luxury and food sectors. The company Mondema SA has difficulties in respecting the repayment schedule. As it remains an uncertainty regarding the repayment of the loan due as scheduled, the management has decided to increase the provision up to 100% of the loan.

This loan is secured by the following guarantees:

- promissory notes for a total of KCHF 1'784 issued by Mondema SA
- personal guarantee of Mondema SA's shareholder for KCHF 100
- pledge of some shares of Mondema SA with a total nominal value of CHF 250'000, as well as pledge of the shares of another company owned by Mondema SA's shareholder (with a total nominal value of CHF 609'500)
- pledge of Mondema SA's receivables.

The long-term loan has not been discounted, as the impact is not significant.

■ 17. DEFERRED INCOME TAXES

The analysis of deferred tax assets and deferred tax liabilities is as follows:

(in CHF '000)	Employee benefits (IAS 19)	Total
Deferred tax assets		
January 1, 2015	20	20
Credited/(charged) to income statement	-1	-1
December 31, 2015	19	19
Credited/(charged) to income statement	-19	-19
December 31, 2016	-	-

(in CHF '000)	Building	Customer relationship (intangible assets)	Total
Deferred tax liabilities			
January 1, 2015	-69	-85	-154
Credited/(charged) to income statement	6	36	42
Exchange difference (CTA)	1	3	4
December 31, 2015	-62	-46	-108
Credited/(charged) to income statement	-7	26	19
Exchange difference (CTA)	10	7	17
December 31, 2016	-59	-13	-72

The gross movement on the net deferred income tax account is as follows:

(in CHF '000)	2016	2015
January 1	-89	-134
Income statement credit / (charge) (Note 8)	-	41
Exchange difference (CTA)	17	4
December 31	-72	-89

Deferred income tax assets were recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits was probable. Due to the volatility of the result of the group company benefiting from tax losses, the management has decided not to recognise any deferred income tax assets at December 31, 2016.

Tax losses to be carried-forward (in CHF '000):

Years of expiry	Not recognised	
	Dec. 31, 2016	Dec. 31, 2015
2016	-	200
2017	-	-
2018	-	-
2019	3'988	3'988
2020	635	635
Beyond 2021	5'655	3'870
	10'278	8'693

Out of these CHF 10 million, CHF 8 million relate to Perfect Holding SA, which benefits of a holding status.

In 2016, unused tax losses of CHF 0.2 million have expired (2015: CHF 13 million).

■ 18. OTHER CURRENT LIABILITIES

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Accrued operating expenses	109	128
Payroll and social charges	134	128
Commissions	-	41
Professional expenses	169	60
Deferred income	297	409
Various taxes	6	6
Other	8	3
	723	775

■ 19. PROVISIONS

Movements on the provisions are as follows:

(in CHF '000)	2016	2015
January 1	-	-
Additions	246	-
December 31	246	-
Expected cash outflows:		
▪ not later than 1 year	246	-
▪ later than 1 year and not later than 5 years	-	-
	246	-

The amount of KCHF 246 corresponds to a short-term provision for litigation, created in 2016. The 2016 allocation to this provision is included in the income statement in "Other operating income / (expenses)".

■ 20. BORROWINGS

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Current portion of long-term debt	242	23
Long-term debt	-	286
Mortgage debt	242	309

The above mortgage debt, due by Oxygen Aviation Ltd, is secured by one mortgage on the Horsham building (see Note 13). The maturity date as per the current mortgage agreement is March 2017, and the management is currently negotiating for its renewal. The applicable interest rate is a fixed interest rate of 3.11% (2015: 3.11%).

The mortgage debt is denominated in British pounds (GBP).

The long-term debt has not been discounted, as the impact is not significant.

■ 21. SHARE CAPITAL

(in CHF '000)	Number of shares	Ordinary shares	Share premium	Treasury shares	Total
Jan. 1, 2015	181'018'281	18'102	1'989	-	20'091
Treasury shares	-	-	-	-282	-282
Dec. 31, 2015	181'018'281	18'102	1'989	-282	19'809
Capital reduction	-	-10'861	-	-	-10'861
Use of reserves to cover accumulated losses	-	-	-1'769	-	-1'769
Treasury shares	-	-	-	-161	-161
Dec. 31, 2016	181'018'281	7'241	220	-443	7'018

At December 31, 2016, the share capital amounts to CHF 7'240'731.24, consisting of 181'018'281 issued and fully paid-in registered shares with a nominal value of CHF 0.04 each.

At the shareholders' general meeting held on May 27, 2016, the shareholders accepted the Board's proposal to reduce the share capital of the Company from CHF 18'101'828.10 to CHF 7'240'731.24 by a reduction of the nominal value of each share from CHF 0.10 to CHF 0.04.

In addition, an amount of CHF 1'768'942.41 of the legal reserve has been used to absorb the accumulated losses.

Each share carries one vote at the shareholders' meetings. Voting rights may be exercised only after a shareholder has been registered in the Company's share register as a shareholder with voting rights.

Treasury shares

On May 21, 2012, Perfect Holding SA had completed the acquisition of the entire share capital of Oxygen Aviation Ltd, Horsham (UK). Part of the acquisition price consists in a contingent consideration (see Note 26), based on an earn-out clause

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(achievement of certain performance criteria during 3 financial years after the acquisition).

The performance check processed in spring 2015 on 2014 audited statutory accounts had confirmed that the performance criteria for the financial year 2014 had unfortunately not been met. Consequently, the second portion of escrow shares had not been released in favour of the former shareholders of Oxygen Aviation Ltd, but in favour of Perfect Holding SA. Accordingly, Perfect Holding SA had received, in 2015, 4'029'713 of its own shares, considered at a price of CHF 0.07 per share, corresponding to the market price as of the date of the official notice of non-release of the second portion of escrow shares to the former shareholders of Oxygen Aviation Ltd. An amount of KCHF 282 had therefore been reclassified from "Accumulated losses" to "Treasury shares", in the equity. There has been no impact on the 2015 income statement.

The performance check processed in spring 2016 on 2015 audited statutory accounts also confirmed that the performance criteria for the financial year 2015 had unfortunately not been met. Consequently, the third and final portion of escrow shares has not been released in favour of the former shareholders of Oxygen Aviation Ltd, but in favour of Perfect Holding SA. Accordingly, Perfect Holding SA received, in 2016, 4'029'713 of its own shares, considered at a price of CHF 0.04 per share, corresponding to the market price as of the date of the official notice of non-release of the third portion of escrow shares to the former shareholders of Oxygen Aviation Ltd. An amount of KCHF 161 has therefore been reclassified from "Accumulated losses" to "Treasury shares", in the equity. There has been no impact on the 2016 income statement.

As at December 31, 2016, Perfect Holding SA owns 8'059'426 own shares for a value of KCHF 443.

Authorised capital

At the shareholders' general meeting held on May 27, 2016, the shareholders accepted the Board's proposal to create, in order to dispose of a maximum flexibility for the development of the group's business and possible external growth transactions, an authorised capital of a maximum amount of CHF 3'620'000 (divided into a maximum of 90'500'000 registered shares of CHF 0.04 nominal value each), for (i) the acquisition of businesses or participations in businesses and/or (ii) the financing of the development of the business and/or the acquisitions of the company and its subsidiaries, for a 2-year period until 27 May 2018, with the possibility for the Board of Directors to suppress and/or restrict the preferential subscription rights of the shareholders in respect of the new shares to be issued in connection with any acquisitions of businesses and/or participations in businesses.

Conditional share capital

In relation with the capital reduction (by way of a reduction in the share's nominal value) accepted by the shareholders on

May 27, 2016 (see above), the conditional share capital of the Company has been restructured: both the former conditional capital reserved for share option plans (CHF 60'000) and the former conditional capital reserved for convertible loans (CHF 8'990'000) have been cancelled and a new conditional capital reserved for convertible loans has been created (CHF 3'620'000).

Conditional capital reserved for convertible loans

At the shareholders' general meeting of May 27, 2016, a conditional capital of maximum CHF 3'620'000 (divided into a maximum of 90'500'000 registered shares of a nominal value of CHF 0.04 each, to be fully paid up) was created in order to secure the exercise of conversion rights that may be issued under future convertible loans of the Company. The new shares may be acquired by creditors of future convertible loans of the Company. The preferential subscription right of shareholders was suppressed for these new shares. The Board of Directors may decide to restrict the preferential right of shareholders to subscribe to such convertible loans by setting minimum individual loan tranches of CHF 50'000. The conversion right can only be exercised for up to 3 years from the date of issuance of the convertible loan. The issuance of the new shares is subject to the applicable conditions of conversion, whereby the conversion price must correspond to the nominal value of the shares.

Significant shareholders

The main shareholders of the Company are as follows:

	Dec. 31, 2016	Dec. 31, 2015
Haute Vision SA, Mauritius	37.90%	37.90%
Grover Ventures Inc, British Virgin Islands	6.85%	6.85%
Nicholas Grey	5.39%	5.39%
Roderick Glassford	4.76%	5.51%
Steven A Jack	4.76%	5.51%
Perfect Holding SA (see "Treasury shares" above)	4.45%	2.23%
Stephen Grey	4.39%	4.39%
Mark Green	N/A	3.45%

Mr. Stephen Grey, Mr. Nicholas Grey, Haute Vision SA and Grover Ventures Inc, who are deemed to form a group based on their family and business relationships and voting agreement (as disclosed in the Swiss Official Gazette of Commerce of August 6, 2008), hold in aggregate 98'704'873 shares (2015: 98'704'873 shares), i.e. 54.53% (2015: 54.53%) of the current share capital of CHF 7'240'731.24 (divided into 181'018'281 shares with a nominal value of CHF 0.04 each).

Dividend

At the Annual General Meeting on May 19, 2017, the Board of Directors will not propose any dividend in respect of fiscal year 2016 (2015: nil).

■ 22. LEASES

The future minimum lease payments under non cancellable operating leases are as follows:

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Not later than 1 year	12	19
Later than 1 year and not later than 5 years	-	3
More than 5 years	-	-
	12	22

These operating leases mainly concern office and vehicle rentals. Lease payments incurred during 2016 (office and vehicle rentals) and recorded in the income statement amount to KCHF 31 (2015: KCHF 31).

■ 23. CONTINGENT LIABILITIES

The group has contingent liabilities in respect of legal claims arising in the ordinary course of business. In management's opinion, it is not anticipated that any material liabilities will arise from the contingent liabilities (2015: same).

■ 24. ASSETS PLEDGED

As explained in Note 20, there is a charge on the building registered as security against the company Oxygen Aviation Ltd under a loan agreement with Lloyds TSB Plc (2015: same).

■ 25. RELATED PARTIES

The following transactions were carried out with related parties.

Key management compensation:

The compensation paid to key management (please refer to section Remuneration Report) is shown below:

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Salaries and other short-term employee benefits (including KCHF 6 of pension costs)	619	916

In 2016 (and in 2015), no other compensation elements were granted to key management (neither share options, nor any other compensation).

Year-end balances:

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Included in:		
Trade account receivables	308	559

The trade account receivables from related parties arise from revenue from brokerage. These receivables are unsecured in nature and bear no interest. These receivable amounts are not impaired as they have been received in March 2017 (see Note 11).

■ 26. SEGMENT INFORMATION

The strategic steering committee is the group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the strategic steering committee for the purpose of allocating resources and assessing performance.

The committee considers the business from a service perspective. Management assesses the performance of the following segments:

- charters
- brokerage.

The strategic steering committee assesses the performance of the operating segments based on a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA). This measurement basis excludes the effects of non-recurring expenditure from the operating segments, such as restructuring costs, legal expenses and impairments when the impairment is the result of an isolated, non-recurring event. Interest income and expenditure are not included in the result for each operating segment that is reviewed by the strategic steering committee. Other information provided, except as noted below, to the strategic steering committee is measured in a manner consistent with that in the financial statements.

Total segments' assets exclude certain current assets and certain financial assets (including liquidity).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The segment information from continuing operations provided to the strategic steering committee for the reportable segments is as follows:

(in CHF '000)	Charters	Brokerage	Total
2015			
Total revenue	15'594	-	15'594
Inter-segment revenue	-	-	-
Revenue from external customers	15'594	-	15'594
Adjusted EBITDA	108	-	108
Depreciation/amortisation/impairment	-223	-	-223
2016			
Total revenue	17'944	-	17'944
Inter-segment revenue	-	-	-
Revenue from external customers	17'944	-	17'944
Adjusted EBITDA	508	-	508
Depreciation/amortisation/impairment	-202	-	-202
TOTAL ASSETS			
December 31, 2015	5'374	559	5'933
December 31, 2016	5'509	308	5'817

The revenue from external customers reported to the strategic steering committee is measured in a manner consistent with that presented in the income statement.

There are no differences from the last annual financial statements in the basis of measurement of segment profit or loss.

OTHER SEGMENT INFORMATION

The acquisition of property, plant and equipment and the acquisition of intangible assets amount respectively to KCHF 8 and nil in 2016 (KCHF 5 and nil in 2015).

A reconciliation of total adjusted EBITDA to operating result is provided as follows:

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Adjusted EBITDA for reportable segments	508	108
Corporate overheads	-717	-751
Allocation to provision on long-term loan	-643	-713
Depreciation	-24	-29
Amortisation	-193	-202
Operating profit / (loss)	- 1'069	-1 587
Finance income, net	18	23
Exchange differences	170	-109
Profit / (loss) before taxes	-881	-1 673

A reconciliation of total segments' assets to group assets is provided as follows:

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Total segments' assets	5'817	5'933
Unallocated amounts:		
Cash and cash equivalents	975	1'113
Loan (long-term, current portion and accrued interest)	25	773
Property, plant and equipment (part of)	2	4
Intangible assets (part of)	-	14
Deferred tax assets	-	19
Trade account receivables (part of)	70	64
Other current assets (part of)	200	46
Group assets	7'089	7'966

Breakdown of the revenue from all segments is as follows:

(in CHF '000)	Year ended Dec. 31, 2016	Year ended Dec. 31, 2015
Revenue from services	17'944	15'594
	17'944	15'594

The Company, as well as one of its subsidiaries, is domiciled in Switzerland. The result of its revenue from external customers in Switzerland is nil (2015: nil) and the results of its revenue from external customers in United Kingdom is KCHF 17'944 (2015: KCHF 15'594).

The total of non-current assets (there are no financial instruments) located in Switzerland is KCHF 2 (2015: KCHF 732) and the total of the non-current assets located in the UK is KCHF 309 (2015: KCHF 381).

In 2016, the group has realised more than 10% of 2016 revenues with two customers from the charter segment (KCHF 1'859 and KCHF 1'754). In 2015, the group has realised more than 10% of 2015 revenues with two customers from the charter segment (KCHF 2'170 and KCHF 1'971).

■ 27. CONTINGENT CONSIDERATION

On May 21, 2012, Perfect Holding SA had completed the acquisition of the entire share capital (100%) of a UK company, Oxygen Aviation Ltd, Horsham (UK). The purchase price of the shares of Oxygen Aviation Ltd had been settled mainly in the form of new shares of Perfect Holding SA (issued out of its authorised capital) and in cash for the balance. As a result, the nominal value of the share capital of Perfect Holding SA had been increased through contribution in kind.

The consideration for this transaction was valued at KGBP 4'275, payable partly in cash for KGBP 675 and partly in shares for KGBP 3'600. The corresponding CHF values, at acquisition date, were a total consideration of KCHF 6'391, composed of a cash consideration of KCHF 1'009 (of which KCHF 269 had been paid in June 2012, KCHF 471 in August 2012 and KCHF 269 in September 2012) and a consideration in shares of KCHF 5'382.

The consideration payable to the former shareholders of Oxygen Aviation Ltd had been set on the basis of the assumption that the acquired business would achieve certain performance criteria during the 3 business years following the acquisition. Accordingly, a portion corresponding to 30% of the total consideration (i.e. 30% of KGBP 4'275, the equivalent of a fair value in CHF at date of acquisition of KCHF 1'917), withheld exclusively from the component of the consideration paid in the form of Perfect Holding SA's shares, had been put in escrow at the acquisition date in accordance with the share purchase agreement, for holding (in the name of the designated escrow agent) and release of the escrowed shares by the escrow agent in favour of the former shareholders of Oxygen Aviation Ltd in three identical 1/3 instalments subject (in respect of each instalment) to the satisfaction of an increase of 3% per year over a defined-baseline profit.

The fair value of the contingent consideration had been estimated by considering that the performance criteria will be entirely met. For the financial year 2012, the performance criteria had been met. For 2013, further to performance lower than fixed criteria, the Board of Directors of Perfect Holding SA had decided to amend the share purchase agreement and therefore to extend and move the performance check by one year until 2015 (instead of 2014). The performance check processed in spring 2015 on 2014 audited statutory accounts had

confirmed that the performance criteria for the financial year 2014 had unfortunately not been met. Consequently, the second portion of escrow shares had not been released in favour of the former shareholders of Oxygen Aviation Ltd, but in favour of Perfect Holding SA (see Note 21).

The performance check processed in spring 2016 on 2015 audited statutory accounts also confirmed that the performance criteria for the financial year 2015 had unfortunately not been met. Consequently, the third and final portion of escrow shares has not been released in favour of the former shareholders of Oxygen Aviation Ltd, but in favour of Perfect Holding SA (see Note 21).

■ 28. EVENTS AFTER THE REPORTING DATE

Nil.

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF PERFECT HOLDING SA, LAUSANNE

■ REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Perfect Holding SA, which comprise the balance sheet as at December 31, 2016, income statement and notes for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 56 to 61) as at December 31, 2016 comply with Swiss law and the company's articles of incorporation.

BASIS FOR OPINION

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw your attention to note 1.7 to these financial statements, which states the financial situation for the year 2016 and as of December 31, 2016. This, along with other matters as described in note 1.7, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the company to continue as a going concern. Our opinion is not qualified in respect of this matter.

OUR AUDIT APPROACH



Overview

Overall materiality: CHF 70'000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

As key audit matter the following area of focus has been identified:

- Valuation of investments in subsidiaries

AUDIT SCOPE

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

MATERIALITY

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF PERFECT HOLDING SA, LAUSANNE

<i>Overall materiality</i>	CHF 70'000
<i>How we determined it</i>	1% of total assets, rounded
<i>Rationale for the materiality benchmark applied</i>	We chose total assets as the benchmark because, in our view, it is the most appropriate benchmark for a holding company which has limited operating activities.

We agreed with the Board of Directors that we would report to them misstatements above CHF 7'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

REPORT ON KEY AUDIT MATTERS BASED ON THE CIRCULAR 1/2015 OF THE FEDERAL AUDIT OVERSIGHT AUTHORITY

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the "Material uncertainty related to going concern" section, we have determined the matter described below to be the key audit matter to be communicated in our report.

VALUATION OF INVESTMENTS IN SUBSIDIARIES

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
-------------------------	---

Perfect Holding SA's investments in Group companies are valued at CHF 7'041'125.

We focused on this area due to the size of the balance, which represent almost the total amount of the balance sheet, and because the directors' assessment of the Enterprise Value of investment in Oxygen Aviation Ltd, UK, involves judgements about the future results of the business and the discount rates applied to future cash flow forecast.

For the year ended December 31, 2016, management have performed an impairment assessment over the financial investments in Group companies. The carrying amount of each investment in subsidiaries has been compared to the higher of its equity value or Enterprise Value.

For Perfect Aviation SA, management used its related statutory equity value and as a result booked an incremental provision of CHF 675'000.

For Oxygen Aviation Ltd, management used its Enterprise Value. To determine it, management relied on the discounted cash flow method used for the annual goodwill impairment test (consolidated accounts).

Refer to note 2.1 "Investments" for details of the investments.

For the investment in Perfect Aviation SA, we compared the carrying amount of CHF 650'000 with its equity value as per the statutory financial statements audited by us and the values correspond, after the booking for the incremental provision of 675'000 in 2016.

For the investment in Oxygen Aviation Ltd, UK, we evaluated management's cash flow forecasts and the process by which they were developed, including verifying the mathematical accuracy of the underlying calculations.

We found that the budget used in the Enterprise Value calculations was consistent with Oxygen's Directors approved budget, and that the key assumptions were subject to oversight by Perfect Holding Board of Directors. We noted that the approved budget covers a period of 1 year, but that forecasts for the purposes of the enterprise value calculation extend out to 5 years (2017 – 2021). We therefore made years 2-5 a particular focus area for the procedures below.

We compared current year (2016) actual results with the figures included as budget in the prior year (2015) forecast to consider whether any forecasts included assumptions that, with hindsight, had been optimistic. We found that actual performance was materially consistent with forecast performance.

We also challenged:

- management's key assumptions for revenue growth, margin, evolution of staff and operating expenses and long-term growth rates in the forecasts by comparing them to historical results and economic and industry forecasts; and
- the discount rate used in the model by assessing the cost of capital for Oxygen Aviation Ltd by comparing it to market data and industry research.

We found that the rates used for revenue growth, margin, evolution of staff and operating expenses and long-term growth were acceptable.

We found that the discount rate used by management of 10.7% pre-tax for charter was consistent with market data and industry research.

We then stress-tested the assumptions used by analysing the impact on results from using other margin rate and revenue growth rate, which were within a reasonably foreseeable range.

Based on above procedure, we agree with management on the valuation of the investments in subsidiaries at the balance sheet date.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors 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, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity 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 Swiss law and Swiss Auditing Standards 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.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.



A handwritten signature in black ink, appearing to read "Didier Ehret".

Didier Ehret
Audit expert
Auditor in charge

A handwritten signature in black ink, appearing to read "Aude Joly".

Aude Joly
Audit expert

Lausanne, March 28, 2017

INCOME STATEMENTS

(in CHF '000)	Notes	2016	2015
INCOME			
Dividend income	2.6	220	-
		220	-
EXPENSES			
Personnel expenses		-134	-134
General and administrative expenses		-398	-388
Allocation to the provision on investments in subsidiaries		-675	-2'250
Amortisation of trademark		-9	-
Exchange differences		-14	-3
		-1'230	-2'775
Profit (Loss) before taxes		-1'010	-2'775
Income tax		-	-
Profit (Loss) for the year		-1'010	-2'775

BALANCE SHEETS

(in CHF '000)	Notes	December 31, 2016	December 31, 2015
ASSETS			
Current assets			
Cash and cash equivalents		2	2
Other current receivables			
Due from third parties		7	13
Accrued income and prepaid expenses		17	25
Total current assets		26	40
Non-current assets			
Investments	2.1	7'041	10'641
Total non-current assets		7'041	10'641
Total assets		7'067	10'681
LIABILITIES			
Current liabilities			
Trade accounts payable			
Due to third parties		56	79
Accrued expenses and deferred income		110	51
Total current liabilities		166	130
Non-current liabilities			
Long-term liabilities			
Due to Group companies	2.2	451	3'091
Total non-current liabilities		451	3'091
Total liabilities		617	3'221
Shareholders' equity			
Share capital	2.3	7'241	18'102
Treasury shares	2.4	-	-
Legal reserves from capital contributions	2.5	219	1'989
Profit (Loss) brought forward	2.3	-	-9'856
Profit (Loss) for the year		-1'010	-2'775
Total shareholders' equity		6'450	7'460
Total liabilities and shareholders' equity		7'067	10'681

NOTES TO THE FINANCIAL STATEMENTS

■ 1. PRINCIPLES

1.1 GENERAL ASPECTS

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles are described below.

1.2 INVESTMENTS

Investments are valued at cost less necessary depreciation.

1.3 TREASURY SHARES

Treasury shares are recognized at acquisition cost and deducted from shareholders' equity at the time of acquisition. In case of a resale, the gain or loss is recognized through the income statement as financial income or financial expenses.

1.4 LONG-TERM LIABILITIES (NON-INTEREST BEARING)

Long-term liabilities are recognized in the balance sheet at nominal value.

1.5 FOREIGN CURRENCIES

Monetary and non-monetary items in foreign currency are translated into Swiss francs at the following exchange rates:

		Balance Sheet Dec. 31, 2016	Balance Sheet Dec. 31, 2015
US dollar	USD	1.0274	1.0118
Euro	EUR	1.0865	1.0945
British pound	GBP	1.2871	1.5216

The exchange rates used for balance sheet items are the rates prevailing on December 31; the exchange rates used for transactions conducted during the course of the year and for items in the income statement are monthly average rates published by the Federal Tax Administration.

1.6 FOREGOING A CASH FLOW STATEMENT AND ADDITIONAL DISCLOSURES IN THE NOTES

As Perfect Holding SA has prepared its consolidated financial statements in accordance with a recognized accounting standard (IFRS), it has decided to forego presenting additional information on audit fees in the notes as well as a cash flow statement in accordance with the law.

1.7 GOING CONCERN

Despite operating in a highly competitive industry, coupled with struggling economies in key markets, the Company's UK subsidiary Oxygen Aviation, which is active in the charter sales business, is showing positive signs of progress in 2016. Through

continued development of existing clients along with diversification of target markets and products, a continued upward trend in charter sales is expected.

The past accumulated losses of Perfect Holding SA had resulted in a situation of loss of capital which required the Board of directors to propose restructuring measures: at the ordinary shareholders' meeting of May 27, 2016, the shareholders accepted the proposal of the Board to reduce the share capital of the Company from CHF 18'101'828.10 to CHF 7'240'731.24, through a reduction of the nominal value of each share from CHF 0.10 to CHF 0.04, to absorb the accumulated losses appearing in the balance sheet.

As mentioned in the Interim HY2016 Report, the group continues its proactive research and time-consuming evaluation of carefully selected potential acquisitions, in order to develop profitably its growth. Existing corporate instruments such as an authorized capital and a conditional capital reserved for convertible loans are available for the development of the group's business and possible external growth transactions.

At December 31, 2016, the group continues to have no bank borrowings (apart from a mortgage on the UK office premises). Based on the current commitments and operations, as well as the expected cash collection, the Board of Directors believes that the Company will be able to meet all of its obligations for at least the next twelve months as they fall due and hence, the consolidated financial statements have been prepared on a going concern basis.

■ 2. INFORMATION ON BALANCE SHEET AND INCOME STATEMENT ITEMS

2.1 INVESTMENTS

Perfect Holding and its subsidiaries (the Perfect Group) are dedicated to the following services to the business aircraft market: world wide charters, aircraft acquisitions and sales, as well as aircraft consultancy.

(in CHF '000)	Share capital	Dec. 31, 2016	Dec. 31, 2015
Perfect Aviation SA, Lausanne, Switzerland (100% share capital and voting rights):	CHF 1'300'000		
Gross book value, at the beginning of the period		10'699	10'699
Capital reduction of subsidiary		-2'925	-
Gross book value, at the end of the period		7'774	10'699
Provision		-7'124	-6'449
Net book value		650	4'250
Oxygen Aviation Ltd, Horsham, UK (100% share capital and voting rights):	GBP 360	6'391	6'391
		7'041	10'641

In 2016, an allocation to the provision an investment has been made for the subsidiary Perfect Aviation SA, Lausanne for an amount of KCHF 675 (2015: KCHF 2'250)

2.2 LONG-TERM LIABILITIES DUE TO GROUP COMPANIES

This amount represents a long-term liability due to the subsidiary Perfect Aviation SA, Lausanne. It does not bear any interest.

In 2016, the amount has been reduced by a compensation of KCHF 2'925 with the capital reduction of Perfect Aviation SA (2015: Nil).

2.3 SHARE CAPITAL

As at 31 December 2016, the share capital amounts to CHF 7'240'731, consisting of 181'018'281 authorised, issued and fully paid-in registered shares with a nominal value of CHF 0.04 each (2015: 181'018'281 shares with a nominal value of 0.10 each).

At the shareholders' general meeting held on May 27, 2016, the shareholders have accepted the Board resolution to

reduce the share capital of the Company from KCHF 18'102 to KCHF 7'241 through a reduction of the nominal value from CHF 0.10 to CHF 0.04 per share. The number of shares remained unchanged at 181'018'281 shares. This transaction reduced the accumulated losses by KCHF 10'861.

In addition, an amount of KCHF 1'769 of the legal reserve has been used to absorb the accumulated losses.

2.4 TREASURY SHARES

Number of registered shares	Acquisition cost (in CHF '000)	Number of shares
Owned by Perfect Holding S.A.		
as at 31.12.2015	-	4'029'713
Acquisition (1 transaction)	-	4'029'713
Owned by Perfect Holding S.A. as at 31.12.2016	-	8'059'426

As at balance sheet date, Perfect Holding S.A. owns 8'059'426 of its own shares, with an acquisition cost of Nil (2015: 4'029'713 shares, Nil).

2.5 LEGAL RESERVES FROM CAPITAL CONTRIBUTIONS

The reserves from capital contributions include the premium from capital increases in the year 2012, reduced by an amount of KCHF 1'769 used to absorb the accumulated losses in 2016 (2015: Nil).

2.6 DIVIDEND INCOME

The amount of KCHF 220 recorded in 2016 represents a dividend distributed by the subsidiary Oxygen Aviation Ltd, Horsham (UK) for the 2015 business year (2015: Nil).

■ 3. OTHER INFORMATION

3.1 FULL-TIME EQUIVALENTS

In 2016 and 2015, Perfect Holding S.A. employed no more than ten full-time equivalents on an annual average basis.

3.2 AUTHORISED SHARE CAPITAL

At the shareholders' general meeting held on May 27, 2016, the shareholders had accepted the Board's resolution to create, in order to dispose of a maximum flexibility for the development of the group's business and possible external growth transactions, an authorised capital of a maximum amount of KCHF 3'620 (divided into a maximum of 90'500'000 registered shares of CHF 0.04 nominal value each), for (i) the acquisition of businesses or participations in businesses and/or (ii) the financing of the development of the business and/or the acquisitions of the company and its subsidiaries, for a 2-year

NOTES TO THE FINANCIAL STATEMENTS

period until 27 May 2018, with the possibility for the Board of Directors to suppress and/or restrict the preferential subscription rights of the shareholders in respect of the new shares to be issued in connection with any acquisitions of businesses and/or participations in businesses.

3.3 CONDITIONAL SHARE CAPITAL

In relation with the capital reduction (by way of a reduction in the share's nominal value) accepted by the shareholders on May 27, 2016 (see above), the conditional share capital of the Company has been restructured: both the former conditional capital reserved for share option plans (KCHF 60) and the former conditional capital reserved for convertible loans (KCHF 8'990) have been cancelled and a new conditional capital reserved for convertible loans has been created (KCHF 3'620).

Conditional capital reserved for convertible loans

At the shareholders' general meeting of May 27, 2016, a conditional capital of maximum KCHF 3'620 (divided into a maximum of 90'500'000 registered shares of a nominal value of CHF 0.04 each, to be fully paid up) was created in order to secure the exercise of conversion rights that may be issued under future convertible loans of the Company. The new shares may be acquired by creditors of future convertible loans of the Company. The preferential subscription right of shareholders was suppressed for these new shares. The Board of Directors may decide to restrict the preferential right of shareholders to subscribe to such convertible loans by setting minimum individual loan tranches of KCHF 50. The conversion right can only be exercised for up to 3 years from the date of issuance of the convertible loan. The issuance of the new shares is subject to the applicable conditions of conversion, whereby the conversion price must correspond to the nominal value of the shares.

3.4 SIGNIFICANT SHAREHOLDERS

The following shareholders are considered as significant:

(in % of share capital)	Dec. 31, 2016	Dec. 31, 2015
Haute Vision SA, Mauritius	37.90%	37.90%
Grover Ventures Inc, British Virgin Islands	6.85%	6.85%
Nicholas Grey	5.39%	5.39%
Roderick Glassford	4.76%	5.51%
Steven A Jack	4.76%	5.51%
Perfect Holding S.A. (see note 2.4 "Treasury shares")	4.45%	2.23%
Stephen Grey	4.39%	4.39%

Mr. Stephen Grey, Mr. Nicholas Grey, Haute Vision SA and Grover Ventures Inc, who are deemed to form a group based on their family and business relationships and voting agreement (as disclosed in the Swiss Official Gazette of Commerce

of August 6, 2008), hold in aggregate 98'704'873 shares (2015: 98'704'873), i.e. 54.53% (2015: 54.53%) of the current share capital of KCHF 7'241.

3.5 SHARES AND OPTIONS HELD BY THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

At December 31, 2016 and at December 31, 2015, the shares held by members of the Board of Directors and the Executive Management (including persons closely related to these members) were as follows:

(in thousands)	Dec. 31, 2016		Dec. 31, 2015	
	Shares	Option rights	Shares	Option rights
Mr. Stephen Grey, member of BoD	7'940	-	7'940	-
Mr. Roderick Glassford, Director of the aircraft charter business of Oxygen Aviation	8'625	-	9'968	-
Mr. Steven A Jack, Director of the aircraft charter business of Oxygen Aviation	8'625	-	9'968	-
Mr. Mark Green, former Director of the aircraft charter business of Oxygen Aviation	N/A	-	6 245	-
	25'190	-	34'121	-

Mr. Mark Green, former managing director of the aircraft charter business of the subsidiary Oxygen Aviation, left the company as from January 2016.

3.6 COMPENSATION TO THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The following compensations have been paid to the Executive management:

(in CHF '000)	2016	2015
Mr. Jean-Claude Roch, Chairman of BoD, CFO and CEO of Perfect Holding SA **	134	134
Mr. Roderick Glassford, Director of the aircraft charter business of Oxygen Aviation *	243	261
Mr. Steven A Jack, Director of the aircraft charter business of Oxygen Aviation *	243	261
Mr. Mark Green, former Director of the aircraft charter business of Oxygen Aviation ***	-	260
	620	916

* Salaries and social charges

** Board member remuneration

*** Mr. Mark Green, former managing director of the aircraft charter business of the subsidiary Oxygen Aviation, left the company as from January 2016.

3.7 LOANS AND CREDITS GRANTED TO THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

At December 31, 2016, there were no loans and/or credits granted by any company of the Perfect Group to any current or former members of the Board of Directors or Executive management (at December 31, 2015: none).

3.8 CONTINGENT LIABILITIES DUE TO VAT GROUP

From the VAT point of view (art. 22 LTVA), the Swiss companies of Perfect Group are considered as one and sole company.

In case of insolvency of a group company, the other group companies are jointly responsible for the VAT liabilities (art. 32e LTVA).

4. EVOLUTION OF ACCUMULATED LOSSES

(in CHF '000)	Dec. 31, 2016	Dec. 31, 2015
Profit (Loss) brought forward from prior years	-12'630	-9'855
Capital reduction	10'861	-
Dissolution of legal reserves	1'769	-
Profit (Loss) for the year	-1'010	-2'775
Profit (Loss) brought forward at the end of the year	-1'010	-12'630

IMPORTANT DATES IN 2017

19.05.2017	Ordinary Shareholders General Meeting
29.09.2017	Interim Half-Year 2017 Report



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