



## FaunaPhotonics Agriculture & Environmental A/S

Støberigade 14  
2450 København SV  
CVR No. 35642986

## Annual report 2020

The Annual General Meeting adopted the annual report on 24.06.2021

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**Jesper Baagøe-Kronborg**  
Chairman of the General Meeting

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# Entity details

## Entity

FaunaPhotonics Agriculture & Environmental A/S

Støberigade 14

2450 København SV

CVR No.: 35642986

Registered office: København

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Torben Ladegaard, chairman of the board

Christian Madsen Motzfeldt

Jes Broeng

Frederik Taarnhøj

Duncan Trevor Aust

## Executive Board

Michael Stanley Pedersen

Frederik Taarnhøj

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of FaunaPhotonics Agriculture & Environmental A/S for the financial year 01.01.2020 - 31.12.2020.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

København, 24.06.2021

## Executive Board

**Michael Stanley Pedersen**

**Frederik Taarnhøj**

## Board of Directors

**Torben Ladegaard**  
chairman of the board

**Christian Madsen Motzfeldt**

**Jes Broeng**

**Frederik Taarnhøj**

**Duncan Trevor Aust**

# Independent auditor's extended review report

## To the shareholders of FaunaPhotonics Agriculture & Environmental A/S

### Conclusion

We have performed an extended review of the financial statements of FaunaPhotonics Agriculture & Environmental A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the 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 Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 24.06.2021

#### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

#### **Mads Fauerskov**

State Authorised Public Accountant  
Identification No (MNE) mne35428

# Management commentary

## Primary activities

The Company's object is to operate within Lys technology for monitoring atmospheric and aquatic fauna and related activities.

## Development in activities and finances

The financial statements for the period 01.01.20 - 31.12.20 show a loss of DKK 17,918,982 against a loss of DKK 10,896,689 for the period 01.01.19 - 31.12.19. The balance sheet shows equity of DKK 20,969,694. According to Management, the financial performance was as expected. In 2020, the Company focused on developing a cheaper and more stable sensor product as well as expanding the number of business partners. Management considers these efforts to be very satisfactory. In 2020, the Company received a total of DKK 17.9m in capital contributions.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Management has confirmed that the Company is in the process of obtaining new liquidity through new investments in the Company, for which reason the financial statements for 2020 are presented on a going concern basis. At the time signing this annual report the company have recieved confirmations for a contributions of at least DKK 14 mio.

# Income statement for 2020

	Notes	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>(2,948,091)</b>	<b>(2,956,001)</b>
Staff costs	2	(16,656,340)	(9,715,092)
Depreciation, amortisation and impairment losses		(956,266)	(102,218)
<b>Operating profit/loss</b>		<b>(20,560,697)</b>	<b>(12,773,311)</b>
Other financial income		5,986	10,177
Other financial expenses		(267,448)	(73,945)
<b>Profit/loss before tax</b>		<b>(20,822,159)</b>	<b>(12,837,079)</b>
Tax on profit/loss for the year	3	2,903,177	1,940,390
<b>Profit/loss for the year</b>		<b>(17,918,982)</b>	<b>(10,896,689)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(17,918,982)	(10,896,689)
<b>Proposed distribution of profit and loss</b>		<b>(17,918,982)</b>	<b>(10,896,689)</b>



# Balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Acquired patents		346,505	229,605
<b>Intangible assets</b>	4	<b>346,505</b>	<b>229,605</b>
Other fixtures and fittings, tools and equipment		1,999,118	56,216
Leasehold improvements		35,688	0
<b>Property, plant and equipment</b>	5	<b>2,034,806</b>	<b>56,216</b>
Deposits		228,948	102,605
<b>Financial assets</b>		<b>228,948</b>	<b>102,605</b>
<b>Fixed assets</b>		<b>2,610,259</b>	<b>388,426</b>
Raw materials and consumables		612,909	0
<b>Inventories</b>		<b>612,909</b>	<b>0</b>
Trade receivables		554,071	0
Receivables from group enterprises		0	64,247
Other receivables		3,111,509	5,843,185
Income tax receivable		2,903,177	1,936,673
Prepayments		0	97,588
<b>Receivables</b>		<b>6,568,757</b>	<b>7,941,693</b>
<b>Cash</b>		<b>22,087,439</b>	<b>15,153,483</b>
<b>Current assets</b>		<b>29,269,105</b>	<b>23,095,176</b>
<b>Assets</b>		<b>31,879,364</b>	<b>23,483,602</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Contributed capital		400,000	98,806
Retained earnings		20,569,694	20,855,871
<b>Equity</b>		<b>20,969,694</b>	<b>20,954,677</b>
Debt to other credit institutions		6,069,863	0
Other payables		1,056,292	323,396
<b>Non-current liabilities other than provisions</b>	<b>6</b>	<b>7,126,155</b>	<b>323,396</b>
Trade payables		748,970	1,239,290
Payables to shareholders and management		143,998	138,459
Other payables		2,181,267	827,780
Deferred income		709,280	0
<b>Current liabilities other than provisions</b>		<b>3,783,515</b>	<b>2,205,529</b>
<b>Liabilities other than provisions</b>		<b>10,909,670</b>	<b>2,528,925</b>
<b>Equity and liabilities</b>		<b>31,879,364</b>	<b>23,483,602</b>
Going concern	1		
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		
Assets charged and collateral	9		

# Statement of changes in equity for 2020

	<b>Contributed capital DKK</b>	<b>Share premium DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	98,806	0	20,855,871	20,954,677
Increase of capital	301,194	17,916,308	(283,503)	17,933,999
Transfer to reserves	0	(17,916,308)	17,916,308	0
Profit/loss for the year	0	0	(17,918,982)	(17,918,982)
<b>Equity end of year</b>	<b>400,000</b>	<b>0</b>	<b>20,569,694</b>	<b>20,969,694</b>

# Notes

## 1 Going concern

The Entity's annual report has been presented under the going concern assumption.

The Entity's ability to continue as going concern arises a need for additional funding pursuant to the forecasts submitted.

The Entity is in a funding process by which the necessary funding is expected to be arranged by means of capital increases in the summer of 2021.

## 2 Staff costs

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	14,404,017	8,032,216
Pension costs	1,296,939	820,513
Other social security costs	832,369	513,509
Other staff costs	123,015	348,854
	<b>16,656,340</b>	<b>9,715,092</b>
Average number of full-time employees	<b>25</b>	<b>13</b>

## 3 Tax on profit/loss for the year

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	(2,903,177)	(1,936,673)
Adjustment concerning previous years	0	(3,717)
	<b>(2,903,177)</b>	<b>(1,940,390)</b>

## 4 Intangible assets

	<b>Acquired patents</b>
	<b>DKK</b>
Cost beginning of year	229,605
Additions	196,430
Disposals	(79,530)
<b>Cost end of year</b>	<b>346,505</b>
<b>Carrying amount end of year</b>	<b>346,505</b>

## 5 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>
Cost beginning of year	395,020	0
Additions	2,894,707	40,149
<b>Cost end of year</b>	<b>3,289,727</b>	<b>40,149</b>
Depreciation and impairment losses beginning of year	(338,804)	0
Impairment losses for the year	(620,466)	0
Depreciation for the year	(331,339)	(4,461)
<b>Depreciation and impairment losses end of year</b>	<b>(1,290,609)</b>	<b>(4,461)</b>
<b>Carrying amount end of year</b>	<b>1,999,118</b>	<b>35,688</b>

## 6 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2020 DKK</b>	<b>Outstanding after 5 years 2020 DKK</b>
Debt to other credit institutions	6,069,863	2,186,828
Other payables	1,056,292	1,056,292
	<b>7,126,155</b>	<b>3,243,120</b>

Other payables is non-current holiday pay obligation.

## 7 Unrecognised rental and lease commitments

	<b>2020 DKK</b>	<b>2019 DKK</b>
Liabilities under rental or lease agreements until maturity in total	<b>1,109,742</b>	<b>597,976</b>

## 8 Contingent liabilities

The Entity has until 20.05.2020 participated in a Danish joint taxation arrangement where FaunaPhotonics Founders Holding ApS serves as the administration company. The Entity is up until the change in the joint taxation circle liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

## 9 Assets charged and collateral

Selected facilities are secured on domestic guarantees by way of a mortgage of a nominal amount of DKK 1,831k in a pledged account. The pledged account appears from the Company's cash.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year, however with a few reclassifications.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

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

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales and external expenses.

### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

**Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

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

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to other fixtures and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and other fixtures.

**Other financial income**

Other financial income comprises interest income, including exchange gains on securities, payables and transactions in foreign currencies and tax relief under the Danish Tax Prepayment Scheme etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including exchange losses on securities, payables and transactions in foreign currencies, and tax surcharge under the Danish Tax Prepayment Scheme etc.

**Tax on profit/loss for the year**

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

**Balance sheet****Intellectual property rights etc**

Intellectual property rights etc comprise patents.

Patents are amortised on a straight-line basis over their remaining duration.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Inventories**

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

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

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

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### **Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### **Cash**

Cash comprises cash in bank deposits.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

### **Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.