



## FaunaPhotonics ApS

Støberigade 14  
2450 København SV  
CVR No. 35642986

## Annual report 2019

The Annual General Meeting adopted the  
annual report on 20.05.2020

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**David Hardwick**

Chairman of the General Meeting

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# Entity details

## Entity

FaunaPhotonics ApS

Støberigade 14

2450 København SV

CVR No.: 35642986

Registered office: København

Financial year: 01.01.2019 - 31.12.2019

## Board of Directors

David Hardwick, chairman

Torben Ladegaard, deputy chairman

Jes Broeng

Frederik Taarnhøj

## Executive Board

Michael Stanley Pedersen , CEO

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 ApS for the financial year 01.01.2019 - 31.12.2019.

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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

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 S, 20.05.2020

## Executive Board

**Michael Stanley Pedersen**  
CEO

**Frederik Taarnhøj**

## Board of Directors

**David Hardwick**  
chairman

**Torben Ladegaard**  
deputy chairman

**Jes Broeng**

**Frederik Taarnhøj**

# Independent auditor's report

## To the shareholders of FaunaPhotonics ApS

### Opinion

We have audited the financial statements of FaunaPhotonics ApS for the financial year 01.01.2019 - 31.12.2019, 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.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements 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 audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

#### **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 audit 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 audit 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 the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 20.05.2020

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Mads Fauerskov**

State Authorised Public Accountant

Identification No (MNE) mne35428

# Management commentary

## Primary activities

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

## Development in activities and finances

The financial statements for the period 01.01.19 - 31.12.19 show a loss of DKK 10,896,689 against a loss of DKK 2,440,538 for the period 01.01.18 - 31.12.18. The balance sheet shows equity of DKK 20,954,677. According to Management, the financial performance was as expected. In 2019, 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 2019, the Company received a total of DKK 25.5m in capital contributions.

## Events after the balance sheet date

The outbreak and spread of COVID-19 at the beginning of 2020 has not and is not expected to have a significant impact on the Company's financial position and development.

Apart from the above, no events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.



# Income statement for 2019

	Notes	2019 DKK	2018 DKK
<b>Gross profit/loss</b>		<b>(2,956,001)</b>	<b>1,905,520</b>
Staff costs	1	(9,715,092)	(4,490,732)
Depreciation, amortisation and impairment losses		(102,218)	(95,656)
<b>Operating profit/loss</b>		<b>(12,773,311)</b>	<b>(2,680,868)</b>
Other financial income		10,177	2,481
Other financial expenses		(73,945)	(40,114)
<b>Profit/loss before tax</b>		<b>(12,837,079)</b>	<b>(2,718,501)</b>
Tax on profit/loss for the year	2	1,940,390	277,963
<b>Profit/loss for the year</b>		<b>(10,896,689)</b>	<b>(2,440,538)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(10,896,689)	(2,440,538)
<b>Proposed distribution of profit and loss</b>		<b>(10,896,689)</b>	<b>(2,440,538)</b>

# Balance sheet at 31.12.2019

## Assets

	Notes	2019 DKK	2018 DKK
Acquired patents		229,605	0
<b>Intangible assets</b>	3	<b>229,605</b>	<b>0</b>
Other fixtures and fittings, tools and equipment		56,216	120,934
<b>Property, plant and equipment</b>	4	<b>56,216</b>	<b>120,934</b>
Deposits		102,605	102,414
<b>Other financial assets</b>		<b>102,605</b>	<b>102,414</b>
<b>Fixed assets</b>		<b>388,426</b>	<b>223,348</b>
Trade receivables		0	1,220,905
Receivables from group enterprises		64,247	61,776
Other receivables		5,843,185	281,076
Income tax receivable		1,936,673	332,483
Prepayments		97,588	75,574
<b>Receivables</b>		<b>7,941,693</b>	<b>1,971,814</b>
<b>Cash</b>		<b>15,153,483</b>	<b>5,487,528</b>
<b>Current assets</b>		<b>23,095,176</b>	<b>7,459,342</b>
<b>Assets</b>		<b>23,483,602</b>	<b>7,682,690</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2019 DKK</b>	<b>2018 DKK</b>
Contributed capital		98,806	73,649
Retained earnings		20,855,871	6,251,105
<b>Equity</b>		<b>20,954,677</b>	<b>6,324,754</b>
Other payables		323,396	0
<b>Non-current liabilities other than provisions</b>	<b>5</b>	<b>323,396</b>	<b>0</b>
Prepayments received from customers		0	314,919
Trade payables		1,239,290	331,812
Payables to shareholders and management		138,459	133,134
Other payables		827,780	578,071
<b>Current liabilities other than provisions</b>		<b>2,205,529</b>	<b>1,357,936</b>
<b>Liabilities other than provisions</b>		<b>2,528,925</b>	<b>1,357,936</b>
<b>Equity and liabilities</b>		<b>23,483,602</b>	<b>7,682,690</b>
Unrecognised rental and lease commitments	6		
Contingent liabilities	7		
Assets charged and collateral	8		

# Statement of changes in equity for 2019

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
Equity beginning of year	73,649	0	6,251,105	6,324,754
Increase of capital	25,157	25,501,455	0	25,526,612
Transfer to reserves	0	(25,501,455)	25,501,455	0
Profit/loss for the year	0	0	(10,896,689)	(10,896,689)
<b>Equity end of year</b>	<b>98,806</b>	<b>0</b>	<b>20,855,871</b>	<b>20,954,677</b>

# Notes

## 1 Staff costs

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	8,032,216	3,832,195
Pension costs	820,513	251,056
Other social security costs	513,509	346,029
Other staff costs	348,854	61,452
	<b>9,715,092</b>	<b>4,490,732</b>
Average number of full-time employees	<b>13</b>	<b>8</b>

## 2 Tax on profit/loss for the year

	<b>2019</b>	<b>2018</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	(1,936,673)	(277,963)
Adjustment concerning previous years	(3,717)	0
	<b>(1,940,390)</b>	<b>(277,963)</b>

## 3 Intangible assets

	<b>Acquired patents DKK</b>
Additions	229,605
<b>Cost end of year</b>	<b>229,605</b>
<b>Carrying amount end of year</b>	<b>229,605</b>

## 4 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>
Cost beginning of year	357,520
Additions	37,500
<b>Cost end of year</b>	<b>395,020</b>
Depreciation and impairment losses beginning of year	(236,586)
Depreciation for the year	(102,218)
<b>Depreciation and impairment losses end of year</b>	<b>(338,804)</b>
<b>Carrying amount end of year</b>	<b>56,216</b>

## 5 Non-current liabilities other than provisions

	<b>Due after more than 12 months 2019 DKK</b>
Other payables	323,396
	<b>323,396</b>

## 6 Unrecognised rental and lease commitments

	<b>2019 DKK</b>	<b>2018 DKK</b>
Liabilities under rental or lease agreements until maturity in total	<b>597,976</b>	<b>75,747</b>

## 7 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where FaunaPhotonics Founders Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore 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.

## 8 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, 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 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 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

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.

**Receivables**

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

**Income 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.

**Prepayments received from customers**

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