

# **Orbital Express Launch ApS**

**Kanalholmen 14, 1., 2650 Hvidovre**

**Annual report for 2021**

**CVR no. 38 10 62 60**

Adopted at the annual general meeting on 21 June 2022

chairman: Christopher Nigel Larmour

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## Statement by management on the annual report

The executive board has today discussed and approved the annual report of Orbital Express Launch ApS for the financial year 1 January - 31 December 2021.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Hvidovre, 16 June 2022

### Executive board

Christopher Nigel Larmour  
Director

Kristian Bengtson  
Director

## Auditor's report on compilation of the financial statements

### *To the shareholder of Orbital Express Launch ApS*

We have compiled the financial statements of Orbital Express Launch ApS for the financial year 1 January - 31 December 2021 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 16 June 2022

Ecovis Danmark  
statsautoriseret revisionsinteressentskab  
CVR no. 28 93 95 23

Jerrick Olsen  
State Authorized Public Accountant  
MNE no. mne46584

## Company details

### The company

Orbital Express Launch ApS  
Kanalholmen 14, 1.  
2650 Hvidovre

CVR no.: 38 10 62 60

Reporting period: 1 January - 31 December 2021

Domicile: Hvidovre

### Executive board

Christopher Nigel Larmour, director  
Kristian Bengtson, director

### Auditors

Ecovis Danmark  
statsautoriseret revisionsinteressentskab  
St. Kongensgade 36, 3.th  
1264 København K

## Management's review

### Business review

The company's main activity is development and production of air- and spacecraft or parts thereof.

### Financial review

The company's income statement for the year ended 31 December 2021 shows a loss of DKK 4.721.456, and the balance sheet at 31 December 2021 shows negative equity of DKK 7.270.060.

### Description of significant changes in the company's business and financial conditions

The company has change it's financial year from 1 June - 31 May to 1 January - 31 December. The transition year includes the period 1 June - 31 December 2020. The comparative figures therefore only covers a 7 months period.

## Income statement 1 January - 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Revenue</b>		<b>2.827.769</b>	<b>1.728.772</b>
Other operating income		1.017.377	49.859
Other external expenses		<u>-5.010.480</u>	<u>-1.030.887</u>
<b>Gross profit</b>		<b>-1.165.334</b>	<b>747.744</b>
Staff costs	1	<u>-5.733.359</u>	<u>-1.329.825</u>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	<u>-1.645.616</u>	<u>-35.405</u>
Financial income		151.168	15.845
Financial costs		<u>36.452</u>	<u>0</u>
<b>Profit/loss before tax</b>		<b>-8.356.689</b>	<b>-601.641</b>
Tax on profit/loss for the year	3	<u>3.635.233</u>	<u>253.662</u>
<b>Profit/loss for the year</b>		<b><u>-4.721.456</u></b>	<b><u>-347.979</u></b>
Retained earnings		<u>-4.721.456</u>	<u>-347.979</u>
		<b><u>-4.721.456</u></b>	<b><u>-347.979</u></b>

## Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Assets</b>			
Development projects in progress		12.176.990	5.095.348
<b>Intangible assets</b>	4	<b><u>12.176.990</u></b>	<b><u>5.095.348</u></b>
Plant and machinery		23.683.138	3.906.070
Other fixtures and fittings, tools and equipment		244.275	0
Leasehold improvements		1.117.872	0
<b>Tangible assets</b>	5	<b><u>25.045.285</u></b>	<b><u>3.906.070</u></b>
<b>Total non-current assets</b>		<b><u>37.222.275</u></b>	<b><u>9.001.418</u></b>
Receivables from group companies		2.525.050	9.963.844
Other receivables		1.747.109	620.445
Corporation tax		5.863.440	476.979
Prepayments		1.020.420	618.625
<b>Receivables</b>		<b><u>11.156.019</u></b>	<b><u>11.679.893</u></b>
<b>Cash at bank and in hand</b>		<b><u>354.937</u></b>	<b><u>509.249</u></b>
<b>Total current assets</b>		<b><u>11.510.956</u></b>	<b><u>12.189.142</u></b>
<b>Total assets</b>		<b><u>48.733.231</u></b>	<b><u>21.190.560</u></b>



## Balance sheet 31 December

	<u>Note</u>	<u>2021</u> DKK	<u>2020</u> DKK
<b>Equity and liabilities</b>			
Share capital		50.000	50.000
Reserve for development expenditure		9.498.052	3.974.373
Retained earnings		<u>-16.818.112</u>	<u>-6.572.977</u>
<b>Equity</b>		<b><u>-7.270.060</u></b>	<b><u>-2.548.604</u></b>
Provision for deferred tax		<u>2.490.453</u>	<u>739.221</u>
<b>Total provisions</b>		<b><u>2.490.453</u></b>	<b><u>739.221</u></b>
Payables to group companies		41.471.698	21.335.828
Other payables		6.106.792	0
Holiday allowance		<u>443.067</u>	<u>434.379</u>
<b>Total non-current liabilities</b>	6	<b><u>48.021.557</u></b>	<b><u>21.770.207</u></b>
Short-term part of long-term debet	6	3.053.089	0
Trade payables		1.462.926	686.945
Other payables		<u>975.266</u>	<u>542.791</u>
<b>Total current liabilities</b>		<b><u>5.491.281</u></b>	<b><u>1.229.736</u></b>
<b>Total liabilities</b>		<b><u>53.512.838</u></b>	<b><u>22.999.943</u></b>
<b>Total equity and liabilities</b>		<b><u>48.733.231</u></b>	<b><u>21.190.560</u></b>

## Statement of changes in equity

	Share capital	Reserve for development expenditure	Retained earnings	Total
Equity at 1 January 2021	50.000	3.974.373	-6.572.977	-2.548.604
Transferred cf. distribution of net profit	0	5.523.679	-5.523.679	0
Net profit/loss for the year	0	0	-4.721.456	-4.721.456
<b>Equity at 31 December 2021</b>	<b>50.000</b>	<b>9.498.052</b>	<b>-16.818.112</b>	<b>-7.270.060</b>

## Notes

	<u>2021</u> DKK	<u>2020</u> DKK
<b>1 Staff costs</b>		
Wages and salaries	9.108.152	2.688.003
Other social security costs	118.381	22.598
Other staff costs	90.408	445
	<b><u>9.316.941</u></b>	<b><u>2.711.046</u></b>
Capitalised staff costs	<u>-3.583.582</u>	<u>-1.381.221</u>
	<b><u>5.733.359</u></b>	<b><u>1.329.825</u></b>
Average number of employees	<u>15</u>	<u>6</u>
<b>2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Depreciation tangible assets	<u>1.645.616</u>	<u>35.405</u>
	<b><u>1.645.616</u></b>	<b><u>35.405</u></b>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	-5.500.000	-405.620
Deferred tax for the year	1.751.228	151.958
Adjustment of tax concerning previous years	<u>113.539</u>	<u>0</u>
	<b><u>-3.635.233</u></b>	<b><u>-253.662</u></b>

## Notes

### 4 Intangible assets

	Development projects in progress
Cost at 1 January 2021	5.095.349
Additions for the year	8.499.677
Grants and compensations	-1.418.036
Cost at 31 December 2021	<u>12.176.990</u>
<b>Carrying amount at 31 December 2021</b>	<b><u>12.176.990</u></b>

### 5 Tangible assets

	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January 2021	4.063.111	0	0
Additions for the year	21.302.662	277.768	1.204.400
Cost at 31 December 2021	<u>25.365.773</u>	<u>277.768</u>	<u>1.204.400</u>
Impairment losses and depreciation at 1 January 2021	157.041	0	0
Depreciation for the year	1.525.594	33.493	86.528
Impairment losses and depreciation at 31 December 2021	<u>1.682.635</u>	<u>33.493</u>	<u>86.528</u>
<b>Carrying amount at 31 December 2021</b>	<b><u>23.683.138</u></b>	<b><u>244.275</u></b>	<b><u>1.117.872</u></b>

## Notes

### 6 Long term debt

	Debt at 1 January 2021	Debt at 31 December 2021	Instalment next year	Debt outstanding after 5 years
Payables to group companies	21.335.828	41.471.698	0	0
Other payables	0	9.159.881	3.053.089	0
Holiday allowance	434.379	443.067	0	0
	<b>21.770.207</b>	<b>51.074.646</b>	<b>3.053.089</b>	<b>0</b>

### 7 Related parties and ownership structure

#### Consolidated financial statements

Orbital Express Launch ApS is part of the consolidated financial statements of Orbital Express Launch Limited, London, UK, which is the smallest group the Company is included as a subsidiary.

## Accounting policies

The annual report of Orbital Express Launch ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in DKK

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

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

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### Income statement

#### Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue and other operating income less other external expenses.

#### Revenue

Income from the sale of services is recognised in the income statement, provided that the transfer of risk has taken place and that the income can be measured reliably and is expected to be received.

## Accounting policies

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

### Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment.

### Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses foreign currency transactions.

### Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Balance sheet

### Intangible assets

#### *Development projects*

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

## Accounting policies

Development projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually five years.

### Tangible assets

Items of fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Plant and Machinery	5 years	0 %
Other fixtures and fittings, tools and equipment	5 years	0 %
Leasehold improvements	5 years	0 %

### Receivables

Receivables are measured at amortised cost.

### Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

### Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

### Equity

#### Reserve for development costs

An amount corresponding to capitalised development costs is recognised in the reserve. The reserve is reduced as development costs are amortised.



## Accounting policies

### Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

### Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.


Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Dette dokument er underskrevet af nedenstående parter, der med deres underskrift har bekræftet dokumentets indhold samt alle datoer i dokumentet.

This document is signed by the following parties with their signatures confirming the documents content and all dates in the document.




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**Kristian Bengtson**   
Som Direktør  
IP-adresse: 83.151.137.166:28677  
Tidspunkt for underskrift: 21-06-2022 kl.: 10:52:50  
Underskrevet med esignatur EasySign




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**Christopher Nigel Larmour**   
Som Direktør  
IP-adresse: 51.155.11.115:59349  
Tidspunkt for underskrift: 27-06-2022 kl.: 11:42:38  
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### Jerrick Olsen

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**Som Revisor**   
RID: 1288694695955 NEM ID  
Tidspunkt for underskrift: 27-06-2022 kl.: 11:43:31  
Underskrevet med NemID

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**Christopher Nigel Larmour**   
Som Dirigent  
IP-adresse: 51.155.11.115:10925  
Tidspunkt for underskrift: 27-06-2022 kl.: 12:18:56  
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