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# ***QuadSAT ApS***

Lufthavnvej 151, DK-5270 Odense N

## **Annual Report for 1 January - 31 December 2020**

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CVR No 38 49 52 24

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
15/6 2021

Torben Frigaard  
Rasmussen  
Chairman of the General  
Meeting



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# Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of QuadSAT ApS for the financial year 1 January - 31 December 2020.

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 financial position at 31 December 2020 of the Company and of the results of the Company operations for 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Odense, 15 June 2021

## Executive Board

Joakim Espeland  
CEO

Andrian Buchi  
Executive Officer

## Board of Directors

Torben Frigaard Rasmussen  
Chairman

Andrian Buchi

Joakim Espeland

Simon Frederik Øelund

Rob Desborough

Helge Munk

# Independent Auditor's Report

To the Shareholders of QuadSAT ApS

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of QuadSAT ApS for the financial year 1 January - 31 December 2020, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## Basis for opinion

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

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

## 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 misstate-

# Independent Auditor's Report

ment, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the Financial Statements**

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

# Independent Auditor's Report

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.

Odense, 15 June 2021

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Mette Holy Jørgensen  
statsautoriseret revisor  
mne34359

Anders Kronborg Choy  
statsautoriseret revisor  
mne44142

## Company Information

### **The Company**

QuadSAT ApS  
Lufthavnvej 151  
DK-5270 Odense N

CVR No: 38 49 52 24  
Financial period: 1 January - 31 December  
Municipality of reg. office: Nordfyns

### **Board of Directors**

Torben Frigaard Rasmussen, Chairman  
Andrian Buchi  
Joakim Espeland  
Simon Frederik Øelund  
Rob Desborough  
Helge Munk

### **Executive Board**

Joakim Espeland  
Andrian Buchi

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Munkebjergvænget 1, 3. og 4. sal  
DK-5230 Odense M

# Management's Review

## Key activities

The company's purpose is to conduct trade, industry, development and investment activities.

## Development in the year

The income statement of the Company for 2020 shows a loss of DKK 8,865,325, and at 31 December 2020 the balance sheet of the Company shows equity of DKK 8,933,265.

## Capital resources

The company has received a cash capital increase of MDKK 21,4 in 2020 and an additional cash capital increase was made in January 2021 of MDKK 3,8. Further, the company has received a loan from Vækstfonden in February 2021 of MDKK 8,8. On the basis of this, it is management's assessment that the company's financing situation is secured and the annual report is presented on the basis of going concern

## Unusual events

The financial position at 31 December 2020 of the Company and the results of the activities of the Company for the financial year for 2020 have not been affected by any unusual events.

## Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



## Income Statement 1 January - 31 December

	Note	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>-5.117.379</b>	<b>-466.626</b>
Staff expenses	1	-5.437.082	-2.864.755
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-328.096	-80.247
<b>Profit/loss before financial income and expenses</b>		<b>-10.882.557</b>	<b>-3.411.628</b>
Financial income	3	365	0
Financial expenses		-243.201	-528.554
<b>Profit/loss before tax</b>		<b>-11.125.393</b>	<b>-3.940.182</b>
Tax on profit/loss for the year	4	2.260.068	819.710
<b>Net profit/loss for the year</b>		<b>-8.865.325</b>	<b>-3.120.472</b>

## Distribution of profit

### Proposed distribution of profit

Retained earnings		-8.865.325	-3.120.472
		<b>-8.865.325</b>	<b>-3.120.472</b>

# Balance Sheet 31 December

## Assets

	Note	2020 DKK	2019 DKK
Acquired patents		267.198	37.894
<b>Intangible assets</b>	5	<b>267.198</b>	<b>37.894</b>
Other fixtures and fittings, tools and equipment		613.505	200.369
Prepayments for property, plant and equipment		108.584	114.176
<b>Property, plant and equipment</b>	6	<b>722.089</b>	<b>314.545</b>
Investments in subsidiaries	7	8	8
Deposits	8	50.267	49.742
<b>Fixed asset investments</b>		<b>50.275</b>	<b>49.750</b>
<b>Fixed assets</b>		<b>1.039.562</b>	<b>402.189</b>
Trade receivables		830	311.035
Receivables from group enterprises		162.634	0
Other receivables		864.923	742.785
Deferred tax asset		10.000	10.000
Corporation tax		2.260.068	822.014
<b>Receivables</b>		<b>3.298.455</b>	<b>1.885.834</b>
<b>Cash at bank and in hand</b>		<b>6.895.929</b>	<b>1.016.368</b>
<b>Currents assets</b>		<b>10.194.384</b>	<b>2.902.202</b>
<b>Assets</b>		<b>11.233.946</b>	<b>3.304.391</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2020 DKK	2019 DKK
Share capital		89.912	52.000
Retained earnings		8.843.353	-3.671.920
<b>Equity</b>		<b>8.933.265</b>	<b>-3.619.920</b>
Credit institutions		10.765	0
Convertible instruments of debt		0	6.499.419
Prepayments received from customers		342.086	0
Trade payables		1.108.839	247.732
Other payables		838.991	177.160
<b>Short-term debt</b>		<b>2.300.681</b>	<b>6.924.311</b>
<b>Debt</b>		<b>2.300.681</b>	<b>6.924.311</b>
<b>Liabilities and equity</b>		<b>11.233.946</b>	<b>3.304.391</b>
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## Statement of Changes in Equity

	Share capital	Share premium	Retained	Total
	<u>DKK</u>	<u>account</u>	<u>earnings</u>	<u>DKK</u>
	DKK	DKK	DKK	DKK
Equity at 1 January	52.000	0	-3.671.920	-3.619.920
Cash capital increase	37.912	21.380.598	0	21.418.510
Net profit/loss for the year	0	0	-8.865.325	-8.865.325
Transfer from share premium account	0	-21.380.598	21.380.598	0
<b>Equity at 31 December</b>	<b>89.912</b>	<b>0</b>	<b>8.843.353</b>	<b>8.933.265</b>

## Notes to the Financial Statements

	2020 <u>DKK</u>	2019 <u>DKK</u>
<b>1 Staff expenses</b>		
Wages and salaries	5.134.222	2.736.053
Pensions	89.583	0
Other social security expenses	95.768	130.067
Other staff expenses	117.509	-1.365
	<u><b>5.437.082</b></u>	<u><b>2.864.755</b></u>
<b>Average number of employees</b>	<u><b>12</b></u>	<u><b>7</b></u>
<b>2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Amortisation of intangible assets	14.710	14.720
Depreciation of property, plant and equipment	313.386	65.527
	<u><b>328.096</b></u>	<u><b>80.247</b></u>
<b>3 Financial income</b>		
Interest received from group enterprises	365	0
	<u><b>365</b></u>	<u><b>0</b></u>
<b>4 Tax on profit/loss for the year</b>		
Current tax for the year	-2.260.068	-822.014
Adjustment of tax concerning previous years	0	2.304
	<u><b>-2.260.068</b></u>	<u><b>-819.710</b></u>

## Notes to the Financial Statements

### 5 Intangible assets

	Acquired pa- tents
	DKK
Cost at 1 January	73.600
Additions for the year	244.014
Cost at 31 December	317.614
Impairment losses and amortisation at 1 January	35.690
Amortisation for the year	14.726
Impairment losses and amortisation at 31 December	50.416
<b>Carrying amount at 31 December</b>	<b>267.198</b>

### 6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Prepayments for property, plant and equipment	Total
	DKK	DKK	DKK
Cost at 1 January	265.896	114.176	380.072
Additions for the year	612.346	108.584	720.930
Transfers for the year	114.176	-114.176	0
Cost at 31 December	992.418	108.584	1.101.002
Impairment losses and depreciation at 1 January	65.527	0	65.527
Depreciation for the year	313.386	0	313.386
Impairment losses and depreciation at 31 December	378.913	0	378.913
<b>Carrying amount at 31 December</b>	<b>613.505</b>	<b>108.584</b>	<b>722.089</b>

## Notes to the Financial Statements

	2020 DKK	2019 DKK
<b>7 Investments in subsidiaries</b>		
Cost at 1 January	8	0
Additions for the year	0	8
<b>Carrying amount at 31 December</b>	<b>8</b>	<b>8</b>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
QuadSAT Limited	London, UK	1 GBP	100%	-99.984	-99.992

### 8 Other fixed asset investments

	Deposits DKK
Cost at 1 January	49.742
Additions for the year	525
Cost at 31 December	50.267
<b>Carrying amount at 31 December</b>	<b>50.267</b>

### 9 Contingent assets, liabilities and other financial obligations

#### Rental and lease obligations

Rent obligation	84.840	89.827
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# Notes to the Financial Statements

## 10 Accounting Policies

The Annual Report of QuadSAT ApS for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020 are presented in DKK.

### Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

### Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.



# Notes to the Financial Statements

## 10 Accounting Policies (continued)

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income and other external expenses.

### Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

### Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale 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 relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

## Balance Sheet

### Intangible assets

Patents and licences are measured at the lower of cost less accumulated amortisation and recoverable amount. Patents are amortised over the remaining patent period, and licences are amortised over the licence period; however not exceeding 5 years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	2	years
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The fixed assets' residual values are determined at nil.

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

Depreciation period and residual value are reassessed annually.

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### Other fixed asset investments

Other fixed asset investments consist of deposit.

### Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

# Notes to the Financial Statements

## 10 Accounting Policies (continued)

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

### **Financial debts**

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.