



**DANISH AEROSPACE MEDICAL
COMPANY A/S**

Hvidkærvej 31A st, 5250 Odense SV

Company reg. no. 25 13 60 71

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 6 June 2025.

Chantal Pernille Patel Simonsen
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of DANISH AEROSPACE MEDICAL COMPANY A/S for the financial year 1 January - 31 December 2024.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

We recommend that the annual report be approved at the Annual General Meeting.

Odense SV, 28 May 2025

Managing Director

Thomas Axel Esbern Andersen

Board of directors

Niels Thomas Heering

Søren Bjørn Hansen

James Vernon Zimmerman

Independent auditor's report

To the shareholder of DANISH AEROSPACE MEDICAL COMPANY A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January to 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DANISH AEROSPACE MEDICAL COMPANY A/S for the financial year 1 January to 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 attention to note 2 in the financial statements, where Management's assumptions for presenting the financial statements on the basis of going concern are set forth. The conditions described in note 2 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 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.

Independent auditor's report

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 in a manner that gives a true and fair view.

Independent auditor's report

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 the internal control that we identify during our audit.

Odense M, 28 May 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
Company reg. no. 33 77 12 31

Henrik Kyhnaav
State Authorised Public Accountant
mne40028

Claus Damhave
State Authorised Public Accountant
mne34166

Company information

The company

DANISH AEROSPACE MEDICAL COMPANY A/S
Hvidkærvej 31A st
5250 Odense SV

Company reg. no. 25 13 60 71
Established: 15 December 1999
Domicile: Odense
Financial year: 1 January 2024 - 31 December 2024

Board of directors

Niels Thomas Heering
Søren Bjørn Hansen
James Vernon Zimmerman

Managing Director

Thomas Axel Esbern Andersen

Auditors

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
Munkebjergvænget 1
5230 Odense M

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
Gross profit	-104.760	-26.994
3 Staff costs	<u>0</u>	<u>0</u>
Profit before net financials	-104.760	-26.994
4 Other financial income	376	657
5 Other financial expenses	<u>-118.723</u>	<u>-116.073</u>
Pre-tax net profit or loss	-223.107	-142.410
6 Tax on net profit or loss for the year	<u>49.084</u>	<u>34.111</u>
Net profit or loss for the year	-174.023	-108.299
Proposed distribution of net profit:		
Allocated from retained earnings	<u>-174.023</u>	<u>-108.299</u>
Total allocations and transfers	-174.023	-108.299

Balance sheet at 31 December

All amounts in DKK.

Assets		<u>2024</u>	<u>2023</u>
<u>Note</u>			
Non-current assets			
7	Development projects in progress	5.853.426	5.853.426
	Total intangible assets	<u>5.853.426</u>	<u>5.853.426</u>
	Total non-current assets	<u>5.853.426</u>	<u>5.853.426</u>
Current assets			
8	Income tax receivables	0	36.417
	Other receivables	4.560	21.719
	Total receivables	<u>4.560</u>	<u>58.136</u>
	Cash and cash equivalents	<u>722</u>	<u>33.878</u>
	Total current assets	<u>5.282</u>	<u>92.014</u>
	Total assets	<u>5.858.708</u>	<u>5.945.440</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity		
Contributed capital	500.000	500.000
Reserve for development costs	4.565.673	4.565.673
Retained earnings	-4.762.816	-4.588.793
Total equity	<u>302.857</u>	<u>476.880</u>
Provisions		
Provisions for deferred tax	697.843	746.927
Total provisions	<u>697.843</u>	<u>746.927</u>
Liabilities other than provisions		
Trade payables	20.022	0
Payables to group enterprises	4.792.986	4.698.883
Other payables	45.000	22.750
Total short term liabilities other than provisions	4.858.008	4.721.633
Total liabilities other than provisions	<u>4.858.008</u>	<u>4.721.633</u>
Total equity and liabilities	<u>5.858.708</u>	<u>5.945.440</u>

- 1 The significant activities of the enterprise**
- 2 Going Concern**
- 9 Contingencies**

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Reserve for development costs	Retained earnings	Total
Equity 1 January 2024	500.000	4.565.673	-4.588.793	476.880
Retained earnings for the year	0	0	-174.023	-174.023
	500.000	4.565.673	-4.762.816	302.857

Notes

All amounts in DKK.

1. The significant activities of the enterprise

The primary activities of the company is to carry out research, development and other related activities.

2. Going Concern

As the Company's financing of its operations is obtained from the Parent Company a support letter stating that the Parent Company will provide financing until 1 January 2026 has been obtained. Due to this, Management has evaluated that the financial statements can be prepared on a going concern basis.

The Parent Company's ability to continue as a going concern, however, is subject to a material uncertainty. Thus, a material uncertainty exists that the Parent Company will not be able to support the Company as set forth in the support letter which may cast significant doubt on the Company's ability to continue as a going concern.

The above noted circumstances imply an uncertainty that the Company may not be able to complete and exploit its development project and thus that an uncertainty on the recognition and measurement of development projects in progress exists.

	<u>2024</u>	<u>2023</u>
3. Staff costs		
Average number of employees	<u>0</u>	<u>0</u>
4. Other financial income		
Interest, banks	<u>376</u>	<u>657</u>
	<u>376</u>	<u>657</u>
5. Other financial expenses		
Financial costs, group enterprises	118.723	115.472
Other financial costs	<u>0</u>	<u>601</u>
	<u>118.723</u>	<u>116.073</u>
6. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	0	-36.417
Adjustment of deferred tax for the year	-49.084	2.306

Notes

All amounts in DKK.

	<u>2024</u>	<u>2023</u>
	<u>-49.084</u>	<u>-34.111</u>
7. Development projects in progress		
Cost 1 January 2024	5.853.426	5.687.892
Additions during the year	<u>0</u>	<u>165.534</u>
Cost 31 December 2024	<u>5.853.426</u>	<u>5.853.426</u>
Carrying amount, 31 December 2024	<u>5.853.426</u>	<u>5.853.426</u>

During 2024 the Company continued an internal development project about its health monitoring technology for astronauts and private space tourists. The development project is expected to lead to new products with commercial potential such as sale to space agencies and private spaceflight companies. The project progresses according to plan. A statement of support has been submitted from the parent company Danish Aerospace Company A/S and the Company has adequate resources to complete the project within the determined deadlines.

8. Income tax receivables

According to LL §8X, receivable tax is regarding tax credit for incurred development costs.

9. Contingencies

Joint taxation

With DANISH AEROSPACE COMPANY A/S, company reg. no 12424248 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

Accounting policies

The annual report for DANISH AEROSPACE MEDICAL COMPANY A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Income statement

Gross loss

Gross loss comprises the revenue, own work capitalised, other operating income, cost of raw materials, consumables and external costs.

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 write downs of receivables recognised in current assets.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or 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.

Statement of financial position

Intangible assets

Intellectual property rights etc.

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Accounting policies

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5-10 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement. Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Impairment loss relating to non-current assets

The carrying amount of intangible assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Receivables

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

Cash and cash equivalents

Cash comprises cash in hand and bank deposits.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Accounting policies

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

According to the rules of joint taxation, DANISH AEROSPACE MEDICAL COMPANY A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Liabilities other than provisions

Other liabilities concerning payables to suppliers and group enterprises are measured at amortised cost which usually corresponds to the nominal value.