



**Avy B.V.
Attn. Mr. P. Zaman
Donauweg 21
1043 AJ AMSTERDAM**

Annual report 2021

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Annual report 2021

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1. FINANCIAL REPORT

Avy B.V.
Mr. P. Zaman
Donauweg 21
1043 AJ AMSTERDAM

Subject: Annual report 2021

Amsterdam, August 30 2022

Dear mister Zaman,

Herewith we submit you a report of our activities on the annual account 2021 of your company.

The balance sheet as of 31 December 2021, the profit and loss account 2021 and the notes, together forming part of the annual report 2021 are components of this report.

1.1 Instructions

Introduction

On the basis of information provided by the company's management, we have compiled the financial statements of Avy B.V., Noordwijk, for the year 2021.

Scope

We have compiled the financial statements in accordance with Dutch law. Our procedures were limited primarily to gathering, processing, classifying and summarising financial information.

Confirmation

Based on the information provided to us, we have compiled the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code.

1.2 Fiscal position

Calculation taxable amount 2021

The indebted corporate income tax for the financial year 2021 amounts to € 0. This amount is calculated as follows:

	2021	
	€	€
Result after taxation		-1.483.999
More:		
Fiscal adjustment due to depreciation terms	33.606	
Fiscal limited deductible expenses	<u>5.690</u>	
		<u>39.296</u>
		-1.444.703
Less:		
Corporate income tax	<u>153.253</u>	
		<u>153.253</u>
Taxable amount 2021		<u><u>-1.597.956</u></u>

When publishing this report, notices of corporate income tax are cleared-down up to the financial year 2020.

Provision for deferred tax obligations

Due to differences between the valuation principles in the annual accounts and the valuation for tax purposes of the relevant balance sheet items, a provision for deferred tax liabilities has been made in the annual accounts. The calculation of the provision is as follows:

There are two types of differences between commercial valuation and fiscal valuation.

1. Fiscal valuation doesn't know a receivable on compensable losses. Therefore a difference occurs between fiscal and commercial valuation which stated below.
2. Fiscal depreciation has certain minimum years over which you need to depreciate. The minimum for fiscal purposes is five years. Here raises a difference because the demo drones are depreciated within two years. Therefore you see that the valuation for tax purposes is higher because the drones are depreciated over a longer period then in the financial statements.

	31-dec-21	
	€	€
Valuation for compensable losses according to financial statements	4.867.509	
Valuation for tax purposes	<u>-</u>	
		4.867.509
Valuation depreciation terms according to financial statements	74.191	
Valuation for tax purposes	<u>123.705</u>	
		<u>-49.514</u>
Total difference between valuation according to financial statements and for tax purposes		<u><u>4.817.995</u></u>
Provision for deferred tax obligations (10% of 4.817.995)		<u><u>481.799</u></u>

1.2 Fiscal position

Deductible losses

At 31 december 2021 the company possesses the following deductible losses. These losses can be deducted against future fiscal profits.

	Balance	Deducted	Remaining	Deductible until
	€	€	€	
Deductible loss from 2016	61.000	-	61.000	2025
Deductible loss from 2017	4.891	-	4.891	2026
Deductible loss from 2018	461.066	-	461.066	2027
Deductible loss from 2019	751.738	-	751.738	2025
Deductible loss from 2020	1.990.858	-	1.990.858	2026
Deductible loss from 2021	1.597.956	-	1.597.956	2027
	<u>4.867.509</u>	<u>-</u>	<u>4.867.509</u>	

2. FINANCIAL STATEMENTS

2.1 Balance sheet as of 31 December 2021

(After result appropriation)

ASSETS	31 December 2021		31 December 2020	
	€	€	€	€
Fixed assets				
<i>Intangible fixed assets</i>				
Development costs	<u>282.038</u>	282.038	<u>25.871</u>	25.871
<i>Tangible fixed assets</i>				
Renovation	8.724		-	
Avy fleet	74.186		67.269	
Equipment	<u>54.476</u>	137.386	<u>69.619</u>	136.888
<i>Financial fixed assets</i>				
Other receivables	<u>481.799</u>	481.799	<u>328.546</u>	328.546
Current assets				
<i>Inventories</i>				
Raw materials and consumables	<u>56.392</u>	56.392	<u>57.111</u>	57.111
<i>Receivables</i>				
Trade receivables	80.486		16.476	
Taxes and premiums social insurance	-		51.576	
Other receivables	29.434		28.471	
Other prepayments and accrued income	<u>69.042</u>	178.962	<u>95.493</u>	192.016
<i>Cash at bank and in hand</i>		42.096		57.465
Total assets		<u><u>1.178.673</u></u>		<u><u>797.897</u></u>

2.1 Balance sheet as of 31 December 2021

(After result appropriation)

LIABILITIES	31 December 2021		31 December 2020	
	€	€	€	€
Shareholders' equity				
Issued share capital	500		500	
Share premium	4.400.814		1.568.584	
Legal reserves	282.038		-	
Other reserves	<u>-4.682.542</u>		<u>-2.916.505</u>	
		810		-1.347.421
Non-current liabilities				
Debts to group companies	<u>386.250</u>		<u>1.211.334</u>	
		386.250		1.211.334
Current liabilities				
Debts to credit institutions	-		467	
Accounts payable	46.124		9.215	
Debts to group companies	-		74.191	
Debts to participants and companies	6.377		6.050	
Taxes and premiums social insurance	68.562		50.516	
Other debts	125.000		2.727	
Accrued liabilities	<u>545.550</u>		<u>790.818</u>	
		791.613		933.984
Total liabilities		<u><u>1.178.673</u></u>		<u><u>797.897</u></u>

2.2 Profit and loss account 2021

	2021		2020	
	€	€	€	€
Net turnover		1.097.167		264.542
Cost of sales	44.712		446.342	
Changes in inventories	3.481		-	
		<u>48.193</u>		<u>446.342</u>
Gross operating result		1.048.974		-181.800
Wages and salaries	649.418		794.721	
Social insurances	318.495		241.316	
Amortisation intangible fixed assets	51.515		1.585	
Depreciation tangible fixed assets	82.863		42.521	
Other personnel costs	187.157		145.250	
Housing costs	139.946		88.920	
Exploitation costs	5.398		-	
Selling costs	61.017		67.476	
Car costs	16.921		11.124	
Office costs	78.785		91.899	
General costs	214.843		195.342	
Development Costs	816.865		-	
Total operating costs		2.623.223		1.680.154
Operating result		-1.574.249		-1.861.954
Interest and similar expenditure	-63.003		-25.405	
Total financial income and expenditure		-63.003		-25.405
Result before taxation		-1.637.252		-1.887.359
Taxation		153.253		200.677
Result after taxation		-1.483.999		-1.686.682

2.3 Notes to the annual report

General notes

Activities

The activities of Avy B.V., having its registered office at Noordwijk primarily consist of:

- Development and product of sustainable drones
- Development of a drones network aimed at medical transport, urgent logistics and emergency services.

The actual activities are carried out at Donauweg 21, Amsterdam.

Registered office, legal form and registration number at the chamber of commerce

Avy B.V., Noordwijk has been registered at the Chamber of Commerce under file number 64101339.

Estimates

In applying the principles and policies for drawing up the financial statements, the management of the Company makes different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under art. 362, sub 1, book 2 of the Dutch Civil Code the nature of these estimates and judgments, including related assumptions, is disclosed in the Notes to the relevant financial statement item.

General accounting policies

General

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards applicable to small legal entities, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

2.3 Notes to the annual report

Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year, with the exception of the changes in accounting policies as set out in the relevant sections.

Foreign currency

Functional currency

Items included in the financial statements of the company are valued with due regard for the currency in the economic environment in which the company carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency of the company.

Transactions, receivables and liabilities

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date.

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the income statement, unless hedge-accounting is applied.

Non-monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Non-monetary assets valued at fair value in a foreign currency are converted at the exchange rate on the date on which the fair value was determined.

Leasing

Operational leasing

The company may have lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of nor incurred by the company. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the income statement for the duration of the contract.

Exceptional items

Exceptional items are items of income and expense from the normal, non-incidental activities or transactions, but which need to be disclosed separately on the basis of the nature, size or incidental character of the item.

2.3 Notes to the annual report

ACCOUNTING POLICIES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Intangible fixed assets

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset (or of the cash-generating unit to which the asset belongs) is higher than its realisable value.

With regard to the determination as to whether an intangible fixed asset is subject to an impairment, please refer to note 'Impairment of fixed assets'.

Development costs

Expenditure on development projects is capitalised as part of the production cost if it is likely from both a commercial and technical perspective that the project will be successful (i.e.: if it is likely that economic benefits will be realised) and the cost can be determined reliably. A legal reserve has been recognised within equity with regard to the recognised development costs for the capitalised amount. The amortisation of capitalised development costs commences at the time when the commercial production starts and takes place over the expected future useful life of the asset.

Research costs are recognised in the income statement.

Concessions, licenses and intellectual property

Costs of intangible assets other than those internally generated, including patents and licences, are valued at acquisition cost and amortised on a straight-line basis over their estimated future useful lives, with a maximum of 20 years.

Tangible fixed assets

Land and buildings are valued at historical cost plus additional costs or production cost less straight-line depreciation based on the expected life. Land is not depreciated. Impairments expected on the balance sheet date are taken into account. With regard to the determination as to whether a tangible fixed asset is subject to an impairment, please refer to the relevant note.

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Subsidies on investments will be deducted from the historical cost price or production cost of the assets to which the subsidies relate.

2.3 Notes to the annual report

Financial fixed assets

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred income taxes are recognised at nominal value.

Other receivables

Other receivables presented under financial assets include issued loans and other receivables as well as purchased loans that will be held to their maturity date. These receivables are initially measured at fair value and subsequently carried at amortised cost. If loans are issued at a discount or premium, the discount or premium is recognised through profit or loss over the maturities of the loans using the effective interest method. Also transaction costs are included in the initial valuation and recognised through profit or loss as part of the effective interest method. Impairment losses are deducted from amortised cost and expensed in the income statement.

Inventories

Inventories (stocks) are valued at historical price or production cost based on the FIFO method (first in, first out) or lower realisable value.

The historical cost or production cost consist of all costs relating to the acquisition or production and the costs incurred in order to bring the inventories to their current location and current condition. The production cost includes direct labour and fixed and variable production overheads, taking into account the costs of the operations office, the maintenance department and internal logistics.

The realisable value is the estimated sales price less directly attributable sales costs. In determining the realisable value the obsolescence of the inventories is taken into account.

Accounts receivable

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash at bank and in hand

Cash at bank and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at bank and in hand is carried at nominal value.

2.3 Notes to the annual report

Non-current liabilities (Long-term debts)

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the income statement on the basis of the effective interest rate during the estimated term of the long-term debts.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Profit or loss is determined taking into account the recognition of unrealised changes in fair value of investment property, securities included in current assets and derivative financial instruments not designated as hedging instruments.

2.3 Notes to the annual report

Revenue recognition

General

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Sales of goods

Revenues from the goods supplied are recognised when all significant risks and rewards in respect of the goods have been transferred to the buyer.

Sales of services

Revenues from the services rendered are recognised in proportion to the services delivered, based on the services rendered up to the balance sheet date in proportion to the total of services to be rendered.

Subsidy revenue and costs

If the outcome of a project can be estimated reliably, contract revenue and contract costs are recognised as net revenue and expenses in the profit and loss account by reference to the stage of completion of the contract as at the balance sheet date (the 'Percentage of Completion' method, or PoC method).

The progress made on the contract is determined based on the contract costs incurred as at the balance sheet date in proportion to the total estimated contract costs. If the result of the contract cannot (yet) be estimated reliably, the revenue is recognised in the profit and loss account for the amount of the contract costs incurred from which it is likely that they can be recovered; the contract costs are then recognised in the profit and loss account for the period in which they were incurred. As soon as the result can be estimated reliably, revenue recognition takes place in accordance with the PoC method in proportion to the stage of completion of the contract as at the balance sheet date.

The result is the difference between the contract revenue and - costs.

Contract revenue is the contractually agreed revenues and revenues from extra work and less work, claims and compensations if and insofar as it is likely that they are realised and can be estimated reliably. Contract costs are the expenditures directly related to the project, which in general can be attributed to project activities and allocated to the project, and other costs which can be attributed under the contract to the commissioner of the project.

If it is probable that the total contract costs exceed the total revenue, the expected losses will be directly recognised in the profit and loss account. This loss is taken into account in the cost price of the operating result.

2.3 Notes to the annual report

Costs

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Employee benefits

Benefits to be paid periodically

The benefits payable to personnel are recorded in the profit and loss account on the basis of the employment conditions.

Amortisation of intangible fixed assets and depreciation of tangible fixed assets

Intangible assets, including goodwill, are amortised and tangible fixed assets are depreciated over their estimated useful lives as from the moment that they are ready for use. Land and investment property are not depreciated.

Government grants

Operating subsidies are recorded as income in the income statement in the year in which the subsidised costs were incurred or income was lost or when there was a subsidised operating deficit. Income is recognised when it is probable that it will be received.

Subsidies related to investments in tangible fixed assets are deducted from the asset to which they relate and recorded in the income statement as part of the amortisation costs.

Government taxes are recorded as expenses at the time all conditions with regard to the applicable government tax have been met.

Financial income and expense

Interest income and interest expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Currency translation differences

Currency translation differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they are realised, unless hedge accounting is applied.

Income tax

Tax on the result is calculated based on the result before tax in the profit and loss account, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

2.4 Notes to the balance sheet

ASSETS

FIXED ASSETS

Intangible fixed assets

A summary of the movements of intangible fixed assets is given below:

	Development costs
	€
Acquisition value	226.474
Accumulated amortisations	-200.603
Book value as of 1 January 2021	<u>25.871</u>
Investments	307.682
Disposals	-226.474
Amortisation disposals	226.474
Amortisation	-51.515
Movements 2021	<u>256.167</u>
Acquisition value	307.682
Accumulated amortisations	-25.644
Book value as of 31 december	<u>282.038</u>
Amortisation percentages:	
Development costs	20 %

Tangible fixed assets

A summary of the movements of tangible fixed assets is given below:

	Renovation	Avy fleet	Equipment	Total 2021
	€	€	€	€
Acquisition value	-	90.503	110.759	201.262
Accumulated depreciations	-	-23.234	-41.141	-64.375
Book value as of 1 January 2021	<u>-</u>	<u>67.269</u>	<u>69.618</u>	<u>136.887</u>
Investments	9.578	66.080	7.704	83.362
Depreciation	-854	-59.163	-22.846	-82.863
Movements 2021	<u>8.724</u>	<u>6.917</u>	<u>-15.142</u>	<u>499</u>
Acquisition value	9.578	156.583	118.463	284.624
Accumulated depreciations	-854	-82.397	-63.987	-147.238
Book value as of 31 december	<u>8.724</u>	<u>74.186</u>	<u>54.476</u>	<u>137.386</u>
Depreciation percentages:				
Renovation		10 %		
Avy fleet		50 %		
Equipment		20 %		

2.4 Notes to the balance sheet

Financial fixed assets

Other receivables

Deferred tax asset compensable losses
Deferred tax liability depreciation terms

31-12-2021	31-12-2020
€	€
486.750	330.137
-4.951	-1.591
<u>481.799</u>	<u>328.546</u>

Deferred tax asset compensable losses

Value as of 1 January 2021

Mutation due to taxable amount

Correction 2020

Value as of 31 december

2021	2020
€	€
330.137	330.137
159.795	-
-3.182	-
<u>486.750</u>	<u>330.137</u>

Deferred tax liability depreciation terms

Value as of 1 January 2021

Mutation due to difference in depreciation terms

Value as of 31 december

-1.591	-1.591
-3.360	-
<u>-4.951</u>	<u>-1.591</u>

CURRENT ASSETS

Inventories

Raw materials and consumables

Raw materials

Provision of raw materials

31-12-2021	31-12-2020
€	€
89.882	75.985
-33.490	-18.874
<u>56.392</u>	<u>57.111</u>

The provision is compiled on the combination of the static and dynamic method. At first the static provision is determined and over the remaining part of inventory 10% is included in the provision.

Finished goods for resale

Finished product

Provision for finished products

-	11.179
-	-11.179
<u>-</u>	<u>-</u>

2.4 Notes to the balance sheet

Receivables

	31-12-2021	31-12-2020
	€	€
Trade receivables		
Trade debtors	80.486	16.476
	<u>80.486</u>	<u>16.476</u>
A provision for doubtful accounts is not considered to be necessary.		
Taxes and premiums social insurance		
Value added tax	-	51.576
	<u>-</u>	<u>51.576</u>
Other receivables		
Avy Technologies B.V.	4.150	4.150
Deposits	25.284	24.321
	<u>29.434</u>	<u>28.471</u>
Other prepayments and accrued income		
Prepaid amounts	6.081	42.899
Amounts to be received	45.297	14.350
Subsidies	-	20.580
NOW 1 settlement	17.664	17.664
	<u>69.042</u>	<u>95.493</u>
Cash at bank and in hand		
Current account bank	42.096	57.465
	<u>42.096</u>	<u>57.465</u>

2.4 Notes to the balance sheet

LIABILITIES

SHAREHOLDERS' EQUITY

	<u>2021</u>	<u>2020</u>
	€	€
Issued share capital		
Value as of 31 december	<u>500</u>	<u>500</u>

The authorised share capital amounts to € 500, divided in 50.000 shares with a face value of € 0,01.
As of balance date the issued share capital was divided as follows:
- 50.000 ordinary shares (€ 0,01)

Share premium

Value as of 31 december	<u>4.400.814</u>	<u>1.568.584</u>
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Legal reserves

Value as of 1 January 2021	-	-
Mutation 2021	<u>282.038</u>	<u>-</u>
Value as of 31 december	<u>282.038</u>	<u>-</u>

The legal reserves consist of the book value of the capitalized development costs.

Other reserves

Value as of 1 January 2021	-2.916.505	-1.229.823
From proposal profit appropriation	-1.483.999	-1.686.682
Movement legal reserve	<u>-282.038</u>	<u>-</u>
Value as of 31 december	<u>-4.682.542</u>	<u>-2.916.505</u>

Proposed appropriation of result for the financial year 2021

In accordance with the legal provisions, the loss for the financial year 2021 in the amount of € 1.483.999 has been deducted from the other reserves. This has already been incorporated in the annual accounts.

NON-CURRENT LIABILITIES

	<u>31-12-2021</u>	<u>31-12-2020</u>
	€	€
Debts to group companies		
Debt to Avy Group (i.r.t. COL INH)	292.500	-
Debt to Avy Group (i.r.t. Orange Wings)	93.750	-
Debt to Avy Group I	-	1.021.334
Debt to Avy Group II	-	190.000
	<u>386.250</u>	<u>1.211.334</u>

The part of the debts to group companies with a duration of longer than 5 years is € 0

2.4 Notes to the balance sheet

	2021	2020
	€	€
<i>Debt to Avy Group (i.r.t. COL INH)</i>		
Value as of 1 January 2021	-	-
Transfer from C/A Avy Group	379.346	-
Interest 2021	6.904	-
Short-term part of liability	-93.750	-
Value as of 31 december	<u>292.500</u>	<u>-</u>

No securities have been provided

<i>Debt to Avy Group (i.r.t. Orange Wings)</i>		
Value as of 1 January 2021	-	-
Transfer from C/A Avy Group	125.000	-
Short-term part of liability	-31.250	-
Value as of 31 december	<u>93.750</u>	<u>-</u>

No securities have been provided

<i>Debt to Avy Group I</i>		
Value as of 1 January 2021	1.021.334	1.000.000
Interest	-	21.334
Transfer to C/A Avy Group	-1.021.334	-
Value as of 31 december	<u>-</u>	<u>1.021.334</u>

<i>Debt to Avy Group II</i>		
Value as of 1 January 2021	190.000	190.000
Transfer to C/A Avy Group	-190.000	-
Value as of 31 december	<u>-</u>	<u>190.000</u>

CURRENT LIABILITIES

	31-12-2021	31-12-2020
	€	€
Debts to credit institutions		
Debt to credit institution	<u>-</u>	<u>467</u>
Trade creditors		
Creditors	<u>46.124</u>	<u>9.215</u>

2.4 Notes to the balance sheet

	31-12-2021	31-12-2020
	€	€
Debts to group companies		
Debt to Avy Group B.V.	-	74.191
	<u>-</u>	<u>74.191</u>
	2021	2020
	€	€
<i>Debt to Avy Group B.V.</i>		
Value as of 1 January 2021	74.191	74.191
Movement from long-term debts	1.211.334	-
Movement to long-term debts	-504.346	-
Deposits during 2021 from Avy Group B.V.	2.051.051	-
Reclassification to share premium reserve	-2.832.230	-
Value as of 31 december	<u>-</u>	<u>74.191</u>
	31-12-2021	31-12-2020
	€	€
Debts to participants and companies		
Debt to Patrique Holding B.V.	6.377	6.050
	<u>6.377</u>	<u>6.050</u>
	2021	2020
	€	€
<i>Debt to Patrique Holding B.V.</i>		
Value as of 1 January 2021	6.050	6.050
Mutation 2021	327	-
Value as of 31 december	<u>6.377</u>	<u>6.050</u>
	31-12-2021	31-12-2020
	€	€
Taxes and premiums social insurance		
Value added tax	19.824	-
Wage tax	48.738	50.516
	<u>68.562</u>	<u>50.516</u>
Other debts		
Short-term part of liabilities	125.000	-
Other Payables	-	2.727
	<u>125.000</u>	<u>2.727</u>
Accrued liabilities		
Invoices in advance	89.126	76.180
Subsidies received in advance	202.352	645.445
Holiday allowance	60.444	53.953
Advances NOW	185.301	-
Holiday days provision	8.327	-
Management fee	-	15.240
	<u>545.550</u>	<u>790.818</u>

2.4 Notes to the balance sheet

Off-balance sheet incorporated rights and obligations

Conditional obligations and substantial financial obligations

Rental obligations

The company has entered into a lease to rent the premises at Donauweg 21 in 2018. The original rental contract expired in June 2021 but will be extended continuously by one year. The yearly rental obligation is € 102.000 per year and runs until June 2023 because the rental obligation has not been terminated at 31st of December 2021. The remaining obligation at balance date is € 153.000.

2.5 Notes to the profit and loss account

	2021	2020
	€	€
Net turnover		
Turnover from projects	146.208	61.813
Turnover from onsite-maintenance	6.030	-
Turnover from sale of spareparts	9.426	-
Turnover from training & documentation	9.900	-
Turnover from EIC subsidy	920.209	147.016
Turnover from Hydrone subsidy	5.394	18.929
Turnover from Cameroon subsidy	-	17.979
Turnover from Solar drone subsidy	-	13.310
Price	-	5.495
	<u>1.097.167</u>	<u>264.542</u>
	<u>1.097.167</u>	<u>264.542</u>
<p>The net turnover of 2021 increased by 314,7% versus prior year.</p> <p>The costs related to the turnover from subsidies are presented seperatly as costs in the P&L. Therefore the gross-margin is a bit to high compared to the costs made regarding the subsidies.</p>		
Cost of sales		
Production tools	14.698	-
Cost of sales of projects	16.798	446.342
Cost of Drones	13.216	-
	<u>44.712</u>	<u>446.342</u>
	<u>44.712</u>	<u>446.342</u>
Changes in stock		
Costs of inventory provision	25.795	-
Mutation inventory	-22.314	-
	<u>3.481</u>	<u>-</u>
	<u>3.481</u>	<u>-</u>
Wages and salaries		
Wages and salaries	1.422.508	1.146.713
Holiday payments	116.767	-
Holiday days	8.327	-
	<u>1.547.602</u>	<u>1.146.713</u>
Received benefits on sick pay	-54.360	-22.812
Received benefits on wages (WBSO)	-210.716	-133.969
Development personnell costs	-633.108	-32.800
NOW subsidy	-	-162.411
	<u>649.418</u>	<u>794.721</u>
	<u>649.418</u>	<u>794.721</u>
Social insurances		
Social securities	<u>318.495</u>	<u>241.316</u>
	<u>318.495</u>	<u>241.316</u>

2.5 Notes to the profit and loss account

	2021	2020
	€	€
Amortisation intangible fixed assets		
Research and development amortization	51.515	1.585
Depreciation tangible fixed assets		
Renovation	854	-
Demo Drones	59.163	22.527
Equipment	22.846	19.994
	<u>82.863</u>	<u>42.521</u>
Other personnel costs		
Kilometer compensation	16.270	42.341
Compensation travel expenses forensic movement	85.039	-
Expenses allowance	3.372	33.691
Travelling expenses	17.815	8.896
External hiring	11.090	-
Canteen costs	22.020	24.620
Education- and training costs	9.862	3.584
Work clothes	434	-
Recruitment costs	12.472	3.706
Invalidity insurance	24.901	5.900
Safety, health and welfare service	1.599	7.104
Other personnel costs	-17.717	15.408
	<u>187.157</u>	<u>145.250</u>
Housing costs		
Cost of hiring real estate	125.030	94.854
Local Taxes	1.682	-
Rent test fields	7.600	-
Insurance real estate	-	7.497
Cleaning costs	8.935	-
Other housing costs	6.418	7.461
	<u>149.665</u>	<u>109.812</u>
Rental income	-9.719	-20.892
	<u>139.946</u>	<u>88.920</u>
Exploitation costs		
Repairing and maintenance machines	2.929	-
Equipment & tools	2.469	-
	<u>5.398</u>	<u>-</u>

2.5 Notes to the profit and loss account

	2021	2020
	€	€
Selling costs		
Publicity - and advertisement costs	35.569	29.334
Sponsoring	3.095	-
Costs of representation	6.048	9.038
Travel expenses	6.457	13.422
Conferences	-	6.428
Shipping costs	7.622	-
Website	-	9.000
Other selling costs	2.226	254
	<u>61.017</u>	<u>67.476</u>
Car Costs		
Fuels	3.213	-
Repairing and maintenance	2.241	-
Insurance	2.655	-
Motor vehicle tax	581	-
Costs rental cars	1.076	-
Lease costs	5.673	-
Car costs total	-	11.124
Other car costs	1.482	-
	<u>16.921</u>	<u>11.124</u>
Office costs		
Office equipment	2.879	27.120
Telecommunication	110	-
Internet costs	11.791	11.824
Automation costs	54.678	52.757
Contributions and subscriptions	5.483	198
Other office costs	3.844	-
	<u>78.785</u>	<u>91.899</u>
General costs		
Auditor´s costs	62.909	27.655
Administrative costs	1.850	-
Counselling costs	111.463	81.862
Legal costs	3.502	-
Business insurance	14.132	3.656
Management fees	5.265	63.548
Certification costs	9.683	17.219
Other general costs	6.039	1.402
	<u>214.843</u>	<u>195.342</u>

2.5 Notes to the profit and loss account

	2021	2020
	€	€
Development costs		
Licenses / Patents	131	-
R&D parts	444.805	-
Software development	43.664	-
R&D other costs	2.839	-
Development team salary	633.108	-
Capitalised development costs	-307.682	-
	<u>816.865</u>	<u>-</u>
Financial income and expenditure		
Interest and similar expenditure		
Interest costs Avy Group (i.r.t. COL INH)	11.380	-
Interest costs Avy Group (i.r.t. Orange Wings)	29.342	-
Interest costs Avy Group (i.r.t. Patrique Holding)	6.825	-
Interest costs payables from Group company	-	24.107
Banking fees and provision	1.852	1.277
Currency exchange differences	7.832	-
Payment differences	5.650	-
Other interest expenditure	122	21
	<u>63.003</u>	<u>25.405</u>
Taxation		
Movement provision deferred tax asset	<u>-153.253</u>	<u>-200.677</u>