

**Registre de Commerce et des Sociétés**

Numéro RCS : B213430

Référence de dépôt : L240232610

Déposé et enregistré le 17/10/2024

OUDFVBP20240317T14431701\_002

RCSL Nr. : B213430

Matricule : 2017 2202 463

eCDF entry date : 15/10/2024

**ABRIDGED BALANCE SHEET****Financial year from** <sup>01</sup> 01/01/2023 **to** <sup>02</sup> 31/12/2023 (in <sup>03</sup> EUR )

ispace EUROPE S.A.

5, rue de l'Industrie  
L-1811 LUXEMBOURG**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
<b>B. Formation expenses</b>	1107 _____	107 _____	108 _____
<b>C. Fixed assets</b>	1109 _____ <u>3</u>	109 _____ <u>118.774,82</u>	110 _____ <u>53.842,92</u>
I. Intangible assets	1111 _____	111 _____ <u>589,97</u>	112 _____ <u>5.068,31</u>
II. Tangible assets	1125 _____	125 _____ <u>118.184,85</u>	126 _____ <u>48.774,61</u>
III. Financial assets	1135 _____	135 _____	136 _____
<b>D. Current assets</b>	1151 _____	151 _____ <u>3.839.664,04</u>	152 _____ <u>2.248.008,27</u>
I. Stocks	1153 _____ <u>4</u>	153 _____ <u>2.030.741,39</u>	154 _____ <u>347.899,31</u>
II. Debtors	1163 _____ <u>5</u>	163 _____ <u>443.273,36</u>	164 _____ <u>1.219.166,33</u>
a) becoming due and payable within one year	1203 _____	203 _____ <u>443.273,36</u>	204 _____ <u>1.219.166,33</u>
b) becoming due and payable after more than one year	1205 _____	205 _____	206 _____
III. Investments	1189 _____	189 _____	190 _____
IV. Cash at bank and in hand	1197 _____	197 _____ <u>1.365.649,29</u>	198 _____ <u>680.942,63</u>
<b>E. Prepayments</b>	1199 _____	199 _____ <u>33.005,82</u>	200 _____ <u>34.981,62</u>
<b>TOTAL (ASSETS)</b>		201 _____ <u>3.991.444,68</u>	202 _____ <u>2.336.832,81</u>

The notes in the annex form an integral part of the annual accounts

**CAPITAL, RESERVES AND LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>			
	1301 <u>6</u>	301 <u>-1.607.436,88</u>	302 <u>42.130,34</u>
I. Subscribed capital	1303 _____	303 <u>40.000,00</u>	304 <u>40.000,00</u>
II. Share premium account	1305 _____	305 <u>500.000,00</u>	306 <u>500.000,00</u>
III. Revaluation reserve	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 _____	310 _____
V. Profit or loss brought forward	1319 _____	319 <u>-497.869,66</u>	320 <u>-1.260.952,71</u>
VI. Profit or loss for the financial year	1321 _____	321 <u>-1.649.567,22</u>	322 <u>763.083,05</u>
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
<b>B. Provisions</b>	1331 _____	331 _____	332 _____
<b>C. Creditors</b>	1435 <u>7</u>	435 <u>3.905.295,56</u>	436 <u>1.119.166,47</u>
a) becoming due and payable within one year	1453 _____	453 <u>3.905.295,56</u>	454 <u>1.119.166,47</u>
b) becoming due and payable after more than one year	1455 _____	455 _____	456 _____
<b>D. Deferred income</b>	1403 <u>8</u>	403 <u>1.693.586,00</u>	404 <u>1.175.536,00</u>
<b>TOTAL (CAPITAL, RESERVES AND LIABILITIES)</b>		405 <u>3.991.444,68</u>	406 <u>2.336.832,81</u>

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**ABRIDGED PROFIT AND LOSS ACCOUNT****Financial year from** <sup>01</sup> 01/01/2023 **to** <sup>02</sup> 31/12/2023 (in <sup>03</sup> EUR )

ispace EUROPE S.A.

5, rue de l'Industrie  
L-1811 LUXEMBOURG

	Reference(s)	Current year	Previous year
<b>1. to 5. Gross profit or loss</b>	1651 <u>9</u>	651 <u>1.644.574,33</u>	652 <u>3.069.470,65</u>
<b>6. Staff costs</b>	1605 <u>10</u>	605 <u>-3.172.888,79</u>	606 <u>-2.225.761,29</u>
a) Wages and salaries	1607 _____	607 <u>-2.815.115,63</u>	608 <u>-1.974.055,32</u>
b) Social security costs	1609 _____	609 <u>-357.773,16</u>	610 <u>-251.705,97</u>
i) relating to pensions	1653 _____	653 <u>-219.366,48</u>	654 <u>-155.598,00</u>
ii) other social security costs	1655 _____	655 <u>-138.406,68</u>	656 <u>-96.107,97</u>
c) Other staff costs	1613 _____	613 _____	614 _____
<b>7. Value adjustments</b>	1657 _____	657 <u>-28.091,67</u>	658 <u>-14.033,83</u>
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 <u>-28.091,67</u>	660 <u>-14.033,83</u>
b) in respect of current assets	1661 _____	661 _____	662 _____
<b>8. Other operating expenses</b>	1621 _____	621 <u>-45.364,22</u>	622 <u>-32.770,70</u>

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
<b>9. Income from participating interests</b>	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
<b>10. Income from other investments and loans forming part of the fixed assets</b>	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
<b>11. Other interest receivable and similar income</b>	1727	727 <u>4.211,73</u>	728 <u>297,92</u>
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731 <u>4.211,73</u>	732 <u>297,92</u>
<b>12. Share of profit or loss of undertakings accounted for under the equity method</b>	1663	663	664
<b>13. Value adjustments in respect of financial assets and of investments held as current assets</b>	1665	665	666
<b>14. Interest payable and similar expenses</b>	1627	627 <u>-50.403,60</u>	628 <u>-29.304,70</u>
a) concerning affiliated undertakings	1629	629 <u>-49.995,37</u>	630 <u>-25.778,55</u>
b) other interest and similar expenses	1631	631 <u>-408,23</u>	632 <u>-3.526,15</u>
<b>15. Tax on profit or loss</b>	1635	635	636
<b>16. Profit or loss after taxation</b>	1667	667 <u>-1.647.962,22</u>	668 <u>767.898,05</u>
<b>17. Other taxes not shown under items 1 to 16</b>	1637	637 <u>-1.605,00</u>	638 <u>-4.815,00</u>
<b>18. Profit or loss for the financial year</b>	1669	669 <u>-1.649.567,22</u>	670 <u>763.083,05</u>

## Note 1. GENERAL

ispace EUROPE S.A. (the “Company”) was incorporated in Luxembourg on 15 March 2017 as a *société anonyme* (“S.A.”) subject to the Luxembourg law for an unlimited period of time. The Company has its registered office at L-1811 Luxembourg, 5 rue de l’Industrie. The Company is registered with the “Registre de Commerce et des Sociétés” in Luxembourg under the number B213430.

The purpose of the Company is research and development, advertising and providing data and payload opportunities to the customers in creating systems to and on the moon.

The Company may make any transactions pertaining directly or indirectly to the taking of participating interests in any enterprises in whatever form, as well as the administration, the management, the control and the development of such participating interests.

The Company may particularly use its funds for the setting-up, the management, the development and the disposal of a portfolio consisting of any securities and patents of whatever origin, participate in the creation, the development and the control of any enterprise, acquire by way of contribution, subscription, underwriting or by option to purchase and any other way whatever, any type of securities and patents, realise them by way of sale, transfer, exchange or otherwise, have developed these securities and patents.

The Company may borrow in any form whatever.

The Company may grant to the companies of the group or to its shareholders, any support, loans, advances or guarantees, within the limits of the Luxembourg Law.

Within the limits of its activity, the Company can grant mortgage, contract loans, with or without guarantee, and stand security for other persons or companies, within the limits of the concerning legal dispositions.

The Company may take any measure to safeguard its rights and make any transactions whatsoever which are directly or indirectly connected with its purposes and which are liable to promote its development or extension.

The Company can generally undertake all industrial, commercial, financial, investment or real estate operations in the Grand Duchy of Luxembourg and abroad which are connected directly or indirectly in whole or in part to the corporate purpose.

The Company can achieve its objective directly or indirectly in its own name or for the account of a third party, alone or in association, undertaking all operations by nature in favour of the corporate purpose or the purpose of the companies in which it holds interests.

The financial year of the Company starts from 1 January up to 31 December of each year.

## Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1. Basis of preparation

These annual accounts have been prepared in conformity with applicable legal and regulatory requirements in Luxembourg under the historical cost convention.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which they changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Notes to the annual accounts for the year ended 31 December 2023

## 2.2. Going Concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company incurred a net loss of EUR 1,649,567.22 for the year ended December 31, 2023 (2022: net gain of EUR 763,083.05), and shows a negative equity of EUR 1,607,436.89 at that date (2022: positive equity of EUR 42.130,34).

As indicated in Note 6, the Company has lost more than 50% of its share capital as of 31 December 2023.

The directors of the Company will have to convene a General Assembly within 2 months from the approval of the annual accounts to propose to the shareholder to decide on the continuation of the Company's activities, in accordance with article 480-2 of the Luxembourg law on commercial companies, as amended.

However, the Board of Directors considers existing cash resources to be sufficient to continue operating activities for at least one year past the issuance date of the financial statements.

The Directors have made this assessment based on the following factors:

### a) Letter of Comfort:

The Company has received a letter of Comfort from its sole shareholder which owns the loan described in Note 7. The sole shareholder intends not to demand the repayment of this loan within the foreseeable future until the Company secured its financial stability.

### b) Cash Flow Projections:

Detailed cash flow projections have been prepared for the next 12 months, which indicate that the Company will have sufficient liquidity to continue its operations.

Based on these considerations, the Directors believe that the Company will continue as a going concern for at least the next 12 months.

## 2.3. Significant accounting policies

The following are the significant accounting policies and valuation rules adopted by the Company in the preparation of these annual accounts.

### 2.3.1. Foreign currency translation

The Company maintains its books and records in Euro ("EUR"). The abridged balance sheet and the abridged profit and loss account are expressed in EUR.

Foreign currency transactions are translated into EUR using the exchange rates prevailing at the dates of the transactions.

At the balance sheet date:

- Current assets denominated in currencies other than EUR are translated at the lower between the exchange rate prevailing at the balance sheet date and historical exchange rate;
- Creditors denominated in currencies other than EUR are translated at the higher between the exchange rate prevailing at the balance sheet date and historical exchange rate; and
- Cash at bank and in hand denominated in currencies other than EUR are translated at the exchange rates prevailing at the balance sheet date.

As a result, realised exchange gains and losses and unrealised exchange losses are recorded in the profit and loss account. Unrealised exchange gains are not recognised unless they arise from cash at bank and in hand.

### 2.3.2. Intangible assets

Intangible assets are valued at purchase price including the expenses incidental thereto or at production cost, less cumulated depreciation amounts written off and value adjustments.

Intangible assets with an indefinite useful life are not amortized. In case of durable decline in value according to the opinion of the Board of Directors, value adjustments are made in respect of intangible assets so that these are valued at the lower figure to be attributed at the balance sheet date. These value adjustments are not continued if the reasons for which they were made ceased to apply.

The depreciation rates and methods are as follows:

	<b>Depreciation</b>	<b>Depreciation</b>
Software licenses	20.00%	straight-line

### 2.3.3. Tangible assets

Tangible assets are valued at purchase price including the expenses incidental thereto or at production cost. They are depreciated over their estimated useful economic lives.

The depreciation rates and methods are as follows:

	<b>Depreciation</b>	<b>Depreciation</b>
Fixt. & fitting-outs of building	28.57%	straight-line
Furniture	10% - 28.57%	straight-line
Tools	12.50%	straight-line
Computer equipment	20% - 33.33%	straight-line

In case of a durable decline in value according to the opinion of the Board of Directors, value adjustments are made in respect of tangible assets so that these are valued at the lower figure to be attributed at the balance sheet date. These value adjustments are not continued if the reasons for which they were made ceased to apply.

### 2.3.4. Inventories of finished goods and work and contracts in progress

Inventories of finished goods and work and contracts in progress are valued at the lower of production cost including the purchase price of the raw materials and consumables, the costs directly attributable to the product/contract in question and a proportion of the costs indirectly attributable to the product/contract in question, and market value. A value adjustment is recorded where the market value is below the production cost. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

### 2.3.5. Debtors

Debtors are recorded at their nominal value. These are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which they were made ceased to apply.

### **2.3.6. Provisions**

Provisions are intended to cover losses or debts which originate in the financial year under review or in the previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date they will arise.

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed are recorded under the caption "Creditors becoming due and payable within one year". The advance payments are shown in the assets of the balance sheet under the "Debtors becoming due and payable within one year" item.

### **2.3.7. Creditors**

Creditors are recorded at their reimbursement value.

### **2.3.8. Deferred income**

Deferred income comprises income received during the financial year but relating to a subsequent financial year.

### **2.3.9. Gross profit or loss**

Gross profit or loss comprises the amount derived from the sale of products and services after deducting sales rebates and value added tax and other taxes directly linked to the gross profit or loss.

### **2.3.10. Revenue recognition**

The Company recognizes revenue when control of the goods is transferred to the customer or when the services are delivered to the customer, which reflects the completion of the performance obligation under the contract.

If a contract stipulates specific milestones, revenue is only recognized upon the full satisfaction of each milestone. The Company does not recognize revenue based on partial completion or as progress is made towards the fulfillment of a milestone.

Any payments received prior to the achievement of the corresponding milestone are recorded as deferred revenue and are only recognized as revenue when the respective milestone is completed.

In the case of intercompany (interco) revenue not governed by a milestone-defined contract, the Company recognizes revenue on a quarterly basis. Revenue is recognized based on the work hours recorded and the relevant costs incurred during the period for each interco project.

### **2.3.11. Income tax**

The Company is subject to income taxes in Luxembourg.

### Note 3. FIXED ASSETS

Movements during the year are as follows:

	Intangible assets EUR	Tangible assets EUR	Total EUR
<b>Gross book value – opening balance</b>	<b>60,958.40</b>	<b>61,366.98</b>	<b>122,325.38</b>
Additions during the year		93,023.57	93,023.57
Disposals during the year			
<b>Gross book value – closing balance</b>	<b>60,958.40</b>	<b>154,390.55</b>	<b>215,348.95</b>
<b>Accumulated value adjustment – opening balance</b>	<b>(55,890.09)</b>	<b>(12,592.37)</b>	<b>(68,482.46)</b>
Allocation during the year	(4,478.34)	(23,613.33)	(28,091.67)
Reversals during the year			
<b>Accumulated value adjustment – closing balance</b>	<b>(60,368.43)</b>	<b>(36,205.70)</b>	<b>(96,574.13)</b>
<b>Net book value – closing balance</b>	<b>589.97</b>	<b>118,184.85</b>	<b>118,774.82</b>

Intangible assets consist of licenses.

Tangible assets consist of technical equipment, tools, furniture and computer equipment.

### Note 4. INVENTORIES OF WORK AND CONTRACTS IN PROGRESS

The amount of work in progress corresponds to the production costs of the work performed to fulfill the revenue that is deferred at year end (Note 8).

Movements during the year are as follows:

	31/12/2023 EUR	31/12/2022 EUR
Work and contracts in progress, related to prior year	347,899.31	166,506.75
Work and contracts in progress recognized in 2023 from prior year	(347,899.31)	(166,506.75)
Work and contracts in progress related to current year	2,030,741.38	347,899.31
<b>Total</b>	<b>2,030,741.38</b>	<b>347,899.31</b>

### Note 5. DEBTORS

Debtors are composed of the following and are becoming due and payable within one year:

	31/12/2023 EUR	31/12/2022 EUR
VAT receivable	183,872.85	52,079.12
Amount owed by Ispace, Inc. (“Sole Shareholder”)	252,271.31	263,723.15
Net wealth tax advance	3,217.20	
Withholding tax on wages and salaries		6,934.06
Other miscellaneous receivables	3,912.00	896,430.00
<b>Total</b>	<b>443,273.36</b>	<b>1,219,166.33</b>

## Note 6. CAPITAL AND RESERVES

Movements during the year are as follows:

	Subscribed capital EUR	Share premium account EUR	Profit or loss brought forward EUR	Profit or loss for the financial year EUR	Total EUR
<b>Opening balance</b>	<b>40,000.00</b>	<b>500,000.00</b>	<b>(1,260,952.71)</b>	<b>763,083.05</b>	<b>42,130.34</b>
Previous year's result (not yet allocated)			763,083.05	(763,083.05)	
Result for the financial year				(1,649,567.22)	(1,649,567.22)
<b>Closing balance</b>	<b>40,000.00</b>	<b>500,000.00</b>	<b>(497,869.66)</b>	<b>(1,649,567.22)</b>	<b>(1,607,436.89)</b>

### Subscribed capital

As at 31 December 2023, the subscribed capital of the Company amounts to EUR 40,000 represented by 1,000 shares with nominal value of EUR 40.00 each, all of which are fully paid (31/12/2022: EUR 40,000.00).

### Share premium account

As at 31 December 2023, the Company share premium account amounted to EUR 500,000.00 (31/12/2022: EUR 500,000.00).

### Legal reserve

In accordance with relevant law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders. The Company incurred a loss during the previous financial year, hence, no legal reserve was allocated.

## Note 7. CREDITORS

Creditors are composed of the following and are becoming due:

	31/12/2023 EUR	31/12/2022 EUR
Amounts payable to Shareholder	3,383,686.88	864,782.76
Trade creditors	392,066.67	147,069.06
Amounts payable to administrations	129,542.01	100,185.25
Amounts payable to staff		7,129.40
<b>Total</b>	<b>3,905,295.56</b>	<b>1,119,166.47</b>

On 31 July 2023, the loan agreement dated 31 July 2022 was terminated and replaced with a new loan for an amount of EUR 858,292.66 effective as of 1 August 2023 with a 1 year maturity and a rate of 3% per annum.

On 5 September 2023, a facility agreement for a maximum amount of EUR 10,000,000 was set up by the company's sole shareholder for a period of one year at an interest rate of 4.37%. On 5 September 2023, Ispace Europe S.A. received an amount of EUR 2,500,000.- under this facility agreement.

During the financial year ended 31 December 2023, the Company incurred interest of EUR 49,995.37 (2022: EUR 25,748.78).

### Note 8. DEFERRED INCOME

This liability item includes income received during the financial year but relating to a subsequent financial year.

Movements during the year are as follows:

	31/12/2023	31/12/2022
	EUR	EUR
Advance payment from ESA	1,055,662.00	475,536.00
Advance payment from ispace, inc	627,424.00	700,000.00
Other deferred income	10,500.00	
<b>Total</b>	<b>1,693,586.00</b>	<b>1,175,536.00</b>

During the year, the Company received advance payments in relation to the sale of services to ESA and ispace inc (Note 9).

### Note 9. GROSS PROFIT

The gross profit is composed as follows:

	31/12/2023	31/12/2022
	EUR	EUR
Sales of services	2,037,427.70	3,562,057.02
Change in inventories of work in progress (Note 4)	1,682,842.08	181,392.56
Subsidies and miscellaneous operating activities	16,500.00	15,332.33
External charges	(2,092,195.45)	(689,311.26)
<b>Total</b>	<b>1,644,574.33</b>	<b>3,069,470.65</b>

During the year, the Company was providing services to the European Space Agency (“ESA”) under a LuxIMPULSE contract and to ispace, inc under various service Agreements.

### Note 10. STAFF COSTS

The Company had an average of 31 employees during the financial year ended 31 December 2023 (2022: 25 employees).

### Note 11. EMOLUMENTS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES AND COMMITMENTS IN RESPECT OF RETIREMENT PENSIONS FOR FORMER MEMBERS OF THOSE BODIES

The Company did not grant any emoluments and has no commitments in respect of retirement pensions to members of its management during the financial year ended 31 December 2023 (2022: nil).

**Note 12. ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES**

The Company did not grant any advances or loans to members of its management during the financial year ended 31 December 2023 (2022: nil).

**Note 13. OFF BALANCE SHEET COMMITMENTS**

There are no off-balance sheet commitments as at 31 December 2023.

**Note 14. SUBSEQUENT EVENTS**

There are no significant events after the balance sheet date.