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CVR no. 20 22 26 70

NABO FARM APS
FREDERIKSBORGVEJ 59, 2400 KØBENHAVN NV
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2020

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 18 May 2021**

Birgitte Hetland Bülow

CVR NO. 39 92 06 89

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COMPANY DETAILS**Company**

Nabo Farm ApS
Frederiksborgvej 59
2400 Copenhagen N

CVR No.: 39 92 06 89
Established: 4 October 2018
Registered Office: Copenhagen
Financial Year: 1 January - 31 December

Board of Directors

Birgitte Hetland Bülow, chairman
Jakob Heiberg, deputy chairman
Jens Juul Krogshede
Sebastian Dragelykke
Christina Yding Hahn Elgaard

Executive Board

Jens Juul Krogshede
Sebastian Dragelykke

Auditor

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
1561 Copenhagen V

BOARD OF DIRECTORS STATEMENT AND MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Nabo Farm ApS for the financial year 1 January - 31 December 2020.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

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

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

The board of directors and board of executives remain of the opinion that the conditions for opting out of audit have been fulfilled.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 18 May 2021

Executive Board

Jens Juul Krogshede

Sebastian Dragelykke

Board of Directors

Birgitte Hetland Bülow
Chairman

Jakob Heiberg
Deputy chairman

Jens Juul Krogshede

Sebastian Dragelykke

Christina Yding Hahn Elgaard

ENGAGEMENT TO COMPILE FINANCIAL INFORMATION

To the Shareholder of Nabo Farm ApS

We have compiled the Financial Statements of Nabo Farm ApS for the financial year 1 January - 31 December 2020 based on the Company's accounting records and other information provided by Management.

The Financial Statements comprise a summary of income statement, Balance Sheet, statement of changes in equity, notes and significant accounting policies.

We performed this compilation engagement in accordance with the International Standard, Compilation Engagements.

We have applied our professional expertise to assist Management in the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant statutory provisions of the Danish Audit Act, the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark.

The Financial Statements and the accuracy and completeness of the information used to compile the Financial Statements are Management's responsibility.

Since an engagement to compile financial information is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by Management to us to compile the Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 18 May 2021

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Per Frost Jensen
State Authorised Public Accountant
MNE no. mne27740

MANAGEMENT COMMENTARY

Principal activities

The principal activities comprise production of microgreens, herbs and chlorophyll for restaurants, catering and canteens.

Development in activities and financial and economic position

Covid-19 restrictions have had a significant negative impact on the result for the year.

The board finds the result satisfactory.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 DKK	2019 DKK
GROSS PROFIT		907.255	220.522
Staff costs.....	1	-1.185.290	-380.491
Depreciation, amortisation and impairment losses.....		-102.078	-124.157
OPERATING LOSS		-380.113	-284.126
Result of equity investments in group.....		110.072	0
Other financial expenses.....	2	-6.962	-11.988
LOSS BEFORE TAX		-277.003	-296.114
Tax on loss for the year.....	3	31.075	0
LOSS FOR THE YEAR		-245.928	-296.114
 PROPOSED DISTRIBUTION OF LOSS			
Allocation to reserve for net revaluation according to equity value method.....		10.072	0
Retained earnings.....		-256.000	-296.114
TOTAL		-245.928	-296.114

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2020 DKK	2019 DKK
Production plant and machinery.....		39.438	78.461
Property, plant and equipment.....	4	39.438	78.461
Equity investments in group enterprises.....		160.072	0
Rent deposit.....		38.394	38.394
Financial non-current assets.....	5	198.466	38.394
NON-CURRENT ASSETS.....		237.904	116.855
Trade receivables.....		41.789	110.960
Receivables from associated enterprises.....		4.780	0
Other receivables.....		2.053	0
Joint tax contribution receivable.....		31.075	0
Receivables.....		79.697	110.960
CURRENT ASSETS.....		79.697	110.960
ASSETS.....		317.601	227.815

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2020 DKK	2019 DKK
Share capital.....		68.493	68.493
Retained earnings.....		-386.040	-140.112
EQUITY.....		-317.547	-71.619
Other liabilities.....		143.347	100.346
The Holiday Allowance Fund.....		28.200	0
Non-current liabilities.....	6	171.547	100.346
Bank debt.....		55.967	56.566
Trade payables.....		37.147	47.057
Debt to group enterprises.....		206.511	0
Payables to owners and management.....		11.485	11.949
Other liabilities.....		152.491	83.516
Current liabilities.....		463.601	199.088
LIABILITIES.....		635.148	299.434
EQUITY AND LIABILITIES.....		317.601	227.815
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EQUITY

	Share capital	Reserve for net revaluati- on according to equity va- lue method	Retained earnings	Total
Equity at 1 January 2020.....	68.493	0	-140.112	-71.619
Proposed distribution of loss.....		10.072	-256.000	-245.928
Transfers				
Transfers to/from other items.....		-10.072	10.072	0
Equity at 31 December 2020.....	68.493	0	-386.040	-317.547

NOTES

	2020 DKK	2019 DKK	Note
Staff costs			1
Average number of employees	4	2	
Wages and salaries.....	1.140.034	358.564	
Pensions.....	13.443	3.976	
Social security costs.....	11.342	2.168	
Other staff costs.....	20.471	15.783	
	1.185.290	380.491	
Other financial expenses			2
Group enterprises.....	1.511	0	
Other interest expenses.....	5.451	11.988	
	6.962	11.988	
Tax on loss for the year			3
Calculated tax on taxable income of the year.....	-31.075	0	
	-31.075	0	
Property, plant and equipment			4
		Production plant and machinery	
Cost at 1 January 2020.....		117.126	
Cost at 31 December 2020.....		117.126	
Depreciation and impairment losses at 1 January 2020.....		38.665	
Depreciation for the year.....		39.023	
Depreciation and impairment losses at 31 December 2020.....		77.688	
Carrying amount at 31 December 2020.....		39.438	

NOTES

	Note
Financial non-current assets	5

	Equity investments in group enterprises	Rent deposit
Cost at 1 January 2020.....	0	38.394
Additions.....	50.000	0
Cost at 31 December 2020.....	50.000	38.394
Result of the year.....	110.072	0
Revaluation at 31 December 2020.....	110.072	0
Carrying amount at 31 December 2020.....	160.072	38.394

Investments in subsidiaries (DKK)

Name and domicil	Equity	Profit for the year	Ownership
Nabo Farm Nordvest ApS, Copenhagen.....	160.072	110.072	100 %

Long-term liabilities

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	31/12 2020 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2019 total liabilities
Other liabilities.....	143.347	0	43.347	100.346
The Holiday Allowance Fund.....	28.200	0	28.200	0
	171.547	0	71.547	100.346

Contingencies etc.

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Contingent liabilities

The company has entered into a rental agreement. The total commitment amounts to DKK ('000) 64.

Joint liabilities

The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 0 at the balance sheet date.

Uncertainty with respect to going concern

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Nabo Farm ApS has been granted financial support from Innovation Fund Denmark, under the Innobooster People programme. Additionally, the owners has taken in new investors in order to secure the capital base for the future development of the company.

ACCOUNTING POLICIES

The Annual Report of Nabo Farm ApS for 2020 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from sale of finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Rental income and expenses have been accrued to cover the period up to the end of the financial year. Payments charged to cover heating are not included in rental income.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, etc.

Payments related to operating lease expenses and other lease agreements are recognised in the Income Statement during the continuance of the contract. The Company's total liability concerning operating and other lease agreements are stated under contingencies, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Income from equity interests in subsidiaries

The income statement of the parent company recognises the proportional share of the results of each subsidiary after full elimination of intercompany profits/losses and deduction of amortisation of goodwill.

In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses debt and transactions in foreign currencies as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

ACCOUNTING POLICIES

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets

Production plant and machinery are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Production plant and machinery.....	3 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Fixed asset investments

Investments in subsidiaries are measured in the company's balance sheet under the equity method.

The combination method is applied when acquiring enterprises within the Group, where the combination is regarded as completed at the date of acquisition, and by using the carrying amounts of the assets and liabilities acquired.

Net revaluation of investments in subsidiaries and associates is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the company's has a legal or actual liability to cover the subsidiary's deficit.

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Tax payable and deferred tax

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

The company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the balance sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against 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 under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Amortised cost for short-term liabilities usually corresponds to the nominal value.