



## Farmdroid ApS

Industrisvinget 5  
6600 Vejen  
CVR No. 39408589

## Annual report 2022

The Annual General Meeting adopted the  
annual report on 04.07.2023

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**Kristian Vest Warming**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2022	8
Balance sheet at 31.12.2022	9
Statement of changes in equity for 2022	11
Notes	12
Accounting policies	16

# Entity details

## Entity

Farmdroid ApS  
Industrisvinget 5  
6600 Vejen

Business Registration No.: 39408589  
Registered office: Vejen  
Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Richa Hallundbæk Misri, chairman  
Kristian Vest Warming  
Jens Vest Warming  
Esben Hallundbæk Østergaard  
Henrik Wendelboe  
Peter Smedegaard

## Executive Board

Renè Jannick Jørgensen, managing director  
Kristian Vest Warming, director  
Jens Vest Warming

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Dokken 8  
6700 Esbjerg

Lead Client Service Partner: Mikael Grosbøl

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Farmdroid ApS for the financial year 01.01.2022 - 31.12.2022.

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 Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Vejen, 04.07.2023

## Executive Board

**Renè Jannick Jørgensen**  
managing director

**Kristian Vest Warming**  
director

**Jens Vest Warming**

## Board of Directors

**Richa Hallundbæk Misri**  
chairman

**Kristian Vest Warming**

**Jens Vest Warming**

**Esben Hallundbæk Østergaard**

**Henrik Wendelboe**

**Peter Smedegaard**

# Independent auditor's report

## To the shareholders of Farmdroid ApS

### Opinion

We have audited the financial statements of Farmdroid ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity 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.

### 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Esbjerg, 04.07.2023

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Christian Holdensen**

State Authorised Public Accountant

Identification No (MNE) mne49072

# Management commentary

## Primary activities

The company's primary activities comprise of production and sales of the company's commercial field robot, and meanwhile developing of further innovative solutions for sustainable efficiency and automisation of agriculture, with a focus on plant breeding.

## Description of material changes in activities and finances

Profit of the year amount to DKK 5.833.476 for 2022. The company's equity as of 31. december 2022 amounts to DKK 13.467.606.

The company's activities have developed satisfactory in the financial year, and in accordance to the expectations.

Sales of the robot FD20 are in continued growth, and its commercial propagation met the expectation for the financial year 2022.

In the coming year, the focus will be on growth in Europe and establishing the company globally. Furthermore, the development of the innovative products within the company's core competences is continued.



# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>		<b>31,124,829</b>	<b>19,937,572</b>
Staff costs	1	(19,509,161)	(10,249,809)
Depreciation, amortisation and impairment losses	2	(3,755,806)	(4,305,158)
Other operating expenses		(67,097)	(75,458)
<b>Operating profit/loss</b>		<b>7,792,765</b>	<b>5,307,147</b>
Other financial income		92,294	1,781
Other financial expenses	3	(1,086,765)	(569,216)
<b>Profit/loss before tax</b>		<b>6,798,294</b>	<b>4,739,712</b>
Tax on profit/loss for the year	4	(964,818)	(639,132)
<b>Profit/loss for the year</b>		<b>5,833,476</b>	<b>4,100,580</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		5,833,476	4,100,580
<b>Proposed distribution of profit and loss</b>		<b>5,833,476</b>	<b>4,100,580</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Completed development projects	6	11,816,948	7,707,288
Acquired patents		378,109	320,150
Development projects in progress	6	4,988,759	3,346,665
<b>Intangible assets</b>	5	<b>17,183,816</b>	<b>11,374,103</b>
Other fixtures and fittings, tools and equipment		3,703,713	1,654,340
Leasehold improvements		957,415	30,370
<b>Property, plant and equipment</b>	7	<b>4,661,128</b>	<b>1,684,710</b>
Deposits		622,000	190,000
<b>Financial assets</b>	8	<b>622,000</b>	<b>190,000</b>
<b>Fixed assets</b>		<b>22,466,944</b>	<b>13,248,813</b>
Raw materials and consumables		31,116,418	8,768,107
Prepayments for goods		1,747,612	1,186,260
<b>Inventories</b>		<b>32,864,030</b>	<b>9,954,367</b>
Trade receivables		1,259,774	3,037,924
Receivables from group enterprises		1,672	0
Other receivables		1,643,559	1,538,673
Joint taxation contribution receivable		0	1,672
Prepayments		562,688	300,861
<b>Receivables</b>		<b>3,467,693</b>	<b>4,879,130</b>
<b>Cash</b>		<b>0</b>	<b>1,905</b>
<b>Current assets</b>		<b>36,331,723</b>	<b>14,835,402</b>
<b>Assets</b>		<b>58,798,667</b>	<b>28,084,215</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
Contributed capital		95,834	95,834
Reserve for development expenditure		13,108,451	8,622,083
Retained earnings		263,321	(1,083,787)
<b>Equity</b>		<b>13,467,606</b>	<b>7,634,130</b>
Deferred tax		2,277,000	1,312,182
<b>Provisions</b>		<b>2,277,000</b>	<b>1,312,182</b>
Convertible and dividend-yielding debt instruments		1,074,745	995,134
Payables to group enterprises		149,854	138,754
Other payables		2,493,807	2,728,418
Deferred income		304,929	490,830
<b>Non-current liabilities other than provisions</b>	<b>9</b>	<b>4,023,335</b>	<b>4,353,136</b>
Current portion of non-current liabilities other than provisions	9	597,272	186,099
Bank loans		23,302,806	3,170,749
Prepayments received from customers		2,788,332	2,466,434
Trade payables		11,305,420	6,699,500
Other payables	10	1,036,896	2,261,985
<b>Current liabilities other than provisions</b>		<b>39,030,726</b>	<b>14,784,767</b>
<b>Liabilities other than provisions</b>		<b>43,054,061</b>	<b>19,137,903</b>
<b>Equity and liabilities</b>		<b>58,798,667</b>	<b>28,084,215</b>
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Assets charged and collateral	13		

# Statement of changes in equity for 2022

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	95,834	8,622,083	(1,083,787)	7,634,130
Transfer to reserves	0	4,486,368	(4,486,368)	0
Profit/loss for the year	0	0	5,833,476	5,833,476
<b>Equity end of year</b>	<b>95,834</b>	<b>13,108,451</b>	<b>263,321</b>	<b>13,467,606</b>

# Notes

## 1 Staff costs

	2022 DKK	2021 DKK
Wages and salaries	16,137,250	9,098,182
Pension costs	1,428,128	755,971
Other social security costs	620,272	219,336
Other staff costs	1,323,511	176,320
	<b>19,509,161</b>	<b>10,249,809</b>
Average number of full-time employees	<b>35</b>	<b>19</b>

## 2 Depreciation, amortisation and impairment losses

	2022 DKK	2021 DKK
Amortisation of intangible assets	2,954,961	1,927,134
Depreciation of property, plant and equipment	800,845	2,378,024
	<b>3,755,806</b>	<b>4,305,158</b>

## 3 Other financial expenses

	2022 DKK	2021 DKK
Financial expenses from group enterprises	11,322	10,278
Other financial expenses	1,075,443	558,938
	<b>1,086,765</b>	<b>569,216</b>

## 4 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Change in deferred tax	964,818	640,804
Refund in joint taxation arrangement	0	(1,672)
	<b>964,818</b>	<b>639,132</b>

## 5 Intangible assets

	Completed development projects DKK	Acquired patents DKK	Development projects in progress DKK
Cost beginning of year	10,387,849	356,591	3,346,665
Transfers	7,017,463	0	(7,017,463)
Additions	0	105,117	8,659,557
<b>Cost end of year</b>	<b>17,405,312</b>	<b>461,708</b>	<b>4,988,759</b>
Amortisation and impairment losses beginning of year	(2,680,561)	(36,441)	0
Amortisation for the year	(2,907,803)	(47,158)	0
<b>Amortisation and impairment losses end of year</b>	<b>(5,588,364)</b>	<b>(83,599)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>11,816,948</b>	<b>378,109</b>	<b>4,988,759</b>

## 6 Development projects

Development projects primarily concern the further development of the company's field robots for sowing and cleaning crops. The company will continue to develop in the coming years and add additional value-adding functions. The robot has been launched on the market with satisfactory commercial results and due to increasing international knowledge and increased interest in the robot, there are positive expectations for sales in the coming years.

## 7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	2,279,132	39,613
Additions	3,197,615	972,811
Disposals	(524,806)	0
<b>Cost end of year</b>	<b>4,951,941</b>	<b>1,012,424</b>
Depreciation and impairment losses beginning of year	(624,792)	(9,243)
Depreciation for the year	(755,079)	(45,766)
Reversal regarding disposals	131,643	0
<b>Depreciation and impairment losses end of year</b>	<b>(1,248,228)</b>	<b>(55,009)</b>
<b>Carrying amount end of year</b>	<b>3,703,713</b>	<b>957,415</b>

## 8 Financial assets

	Deposits DKK
Cost beginning of year	190,000
Additions	432,000
<b>Cost end of year</b>	<b>622,000</b>
<b>Carrying amount end of year</b>	<b>622,000</b>

## 9 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK	Due within 12 months 2021 DKK	Due after more than 12 months 2022 DKK	Outstanding after 5 years 2022 DKK
Convertible and dividend-yielding debt instruments	0	0	1,074,745	1,074,745
Payables to group enterprises	0	0	149,854	149,854
Other payables	411,272	0	2,493,807	2,493,807
Deferred income	186,000	186,099	304,929	0
	<b>597,272</b>	<b>186,099</b>	<b>4,023,335</b>	<b>3,718,406</b>

The due date can according to the loan agreements be affected by the company's results and resignation statements.

## 10 Other payables

	2022 DKK	2021 DKK
Wages and salaries, personal income taxes, social security costs, etc. payable	248,382	621,395
Holiday pay obligation	566,632	248,279
Other costs payable	221,882	1,392,311
	<b>1,036,896</b>	<b>2,261,985</b>

## 11 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	<b>2,859,504</b>	<b>677,000</b>

## 12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where JK Warming Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, limited to the ownership share with which the company is part of the group, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the

joint taxation arrangement is disclosed in the administration company's financial statements.

### **13 Assets charged and collateral**

Bank loans are secured by way of a company mortgage deed registered to the mortgagor of DKK 000' 10.000 nominal in simple claims, stocks of raw materials, semi-finished product and finished products, operating equipment and material and immaterial rights, etc., at a total carrying amount of DKK 000' 57.614.



# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, other operating income, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

**Own work capitalised**

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

**Other operating income**

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

**Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc. for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

**Other operating expenses**

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

**Other financial income**

Other financial income comprises net capital or exchange gains on securities, etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities,.

**Tax on profit/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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****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.

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 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.

### **Property, plant and equipment**

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	5
Leasehold improvements	5

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### **Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials and consumables.

### **Receivables**

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

doubtful debts.

**Joint taxation contributions receivable or payable**

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises bank deposits.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Operating leases**

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.