



Tel.: +45 39 15 52 00
koebenhavn@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR no. 20 22 26 70

NABO FARM APS
FREDERIKSBORGVEJ 59, 2400 KØBENHAVN NV
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2019

The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 2 July 2020

Sebastian Dragelykke

CONTENTS

	Page
Company Details	
Company Details.....	3
Statement and Report	
Statement by Board of Directors and Board of Executives.....	4
Engagement to Compile Financial Information.....	5
Management's Review	
Management's Review	6
Financial Statements 1 January - 31 December	
Income Statement.....	7
Balance Sheet.....	8-9
Notes.....	10-11
Accounting Policies.....	12-14

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	Jens Juul Krogshede
	Sebastian Dragelykke
	Sven Søndergaard Winther Møller
	Rasmus Tim Bjerngaard
Board of Executives	Jens Juul Krogshede
	Sebastian Dragelykke
Auditor	BDO Statsautoriseret revisionsaktieselskab
	Havneholmen 29
	1561 Copenhagen V

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Nabo Farm ApS for the financial year 1 January - 31 December 2019.

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 financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the Review.

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, 2 July 2020

Board of Executives

Jens Juul Krogshede

Sebastian Dragelykke

Board of Directors

Jens Juul Krogshede

Sebastian Dragelykke

Sven Søndergaard Winther Møller

Rasmus Tim Bjerngaard

ENGAGEMENT TO COMPILE FINANCIAL INFORMATION

To the Shareholders of Nabo Farm ApS

We have compiled the Financial Statements of Nabo Farm ApS for the financial year 1 January - 31 December 2019 based on the Company's accounting records and other information provided by Management.

The Financial Statements comprise a summary of income statement, balance sheet, 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, 2 July 2020

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Per Frost Jensen
State Authorised Public Accountant
MNE no. mne27740

MANAGEMENT'S REVIEW

Principal activities

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

Development in activities and financial position

The company has invested significantly in production plants in 2019, which has had a negative impact on the financial result for the financial year 2019.

Net revenue for the year amounts to tDKK 783. In the 4th quarter of 2019, the revenue amounts to tDKK 304, equal to 39 % of the total revenue for the financial year 2019. The net revenue has increased month by month, due to an increase in sales activities.

The board finds the result satisfactory.

Significant events after the end of the financial year

Nabo Farm ApS has been granted financial support from Innovation Fund Denmark, under the Innobooster programme. The financial support will be paid to the company in 2nd and 3rd quarter of 2020.

It is the Board's expectation, that the positive development in the company revenue, combines with the financial reimbursement of expenses from Innovation Fund Denmark, is sufficient for reestablishing the equity of the company.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK	2018 DKK
GROSS PROFIT.....		220.522	-140.210
Staff costs.....	1	-380.491	-37.960
Depreciation, amortisation and impairment losses.....		-124.157	-32.335
OPERATING LOSS.....		-284.126	-210.505
Other financial expenses.....		-11.988	0
LOSS BEFORE TAX.....		-296.114	-210.505
Tax on loss for the year.....		0	0
LOSS FOR THE YEAR.....		-296.114	-210.505
PROPOSED DISTRIBUTION OF LOSS			
Retained earnings.....		-296.114	-210.505
TOTAL.....		-296.114	-210.505

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 DKK	2018 DKK
Production plant and machinery.....		78.461	39.300
Tangible fixed assets.....	2	78.461	39.300
Rent deposit.....		38.394	23.101
Fixed asset investments.....	3	38.394	23.101
FIXED ASSETS.....		116.855	62.401
Trade receivables.....		110.960	0
Other receivables.....		0	48.104
Receivables.....		110.960	48.104
Cash and cash equivalents.....		0	12.184
CURRENT ASSETS.....		110.960	60.288
ASSETS.....		227.815	122.689

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2019 DKK	2018 DKK
Share capital.....		68.493	50.000
Share premium account.....		0	250.000
Retained earnings.....		-140.112	-210.505
EQUITY.....	4	-71.619	89.495
Other liabilities.....		100.346	7.001
Long-term liabilities.....	5	100.346	7.001
Bank debt.....		56.566	0
Trade payables.....		47.057	7.386
Payables to owners and management.....		11.949	13.160
Other liabilities.....		83.516	5.647
Current liabilities.....		199.088	26.193
LIABILITIES.....		299.434	33.194
EQUITY AND LIABILITIES.....		227.815	122.689
Uncertainty with respect to going concern	6		

NOTES

	2019 DKK	2018 DKK	Note
Staff costs			1
Average number of employees 2 (2018: 2)			
Wages and salaries.....	358.564	29.811	
Pensions.....	3.976	568	
Social security costs.....	2.168	0	
Other staff costs.....	15.783	7.581	
	380.491	37.960	
 Tangible fixed assets			 2
		Production plant and machinery	
Cost at 1 January 2019.....		41.458	
Additions.....		75.668	
Cost at 31 December 2019.....		117.126	
Depreciation and impairment losses at 1 January 2019.....		2.158	
Depreciation for the year.....		36.507	
Depreciation and impairment losses at 31 December 2019.....		38.665	
 Carrying amount at 31 December 2019.....		 78.461	
 Fixed asset investments			 3
		Rent deposit	
Cost at 1 January 2019.....		23.101	
Additions.....		16.293	
Disposals.....		-1.000	
Cost at 31 December 2019.....		38.394	
 Carrying amount at 31 December 2019.....		 38.394	

NOTES

Note

Equity

4

	Share capital	Share premium account	Retained earnings	Total
Equity at 1 January 2019.....	300.000	0	-233.029	66.971
Change of equity due to correction of errors.....	-250.000	250.000	22.524	22.524
Adjusted equity at 1 January 2019.....	50.000	250.000	-210.505	89.495
Capital increase.....	18.493		116.507	135.000
Transfers to/from other items.....		-250.000	250.000	
Proposed distribution of profit.....			-296.114	-296.114
Equity at 31 December 2019.....	68.493	0	-140.112	-71.619

Long-term liabilities

5

	31/12 2019 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2018 total liabilities	Current portion at the beginning of the year
Other liabilities.....	100.346	0	100.346	7.001	0
	100.346	0	100.346	7.001	0

Uncertainty with respect to going concern

6

Nabo Farm ApS has been granted financial support from Innovation Fund Denmark, under the Innobooster programme. The financial support will be paid to the company in 2nd and 3rd quarter of 2020.

ACCOUNTING POLICIES

The Annual Report of Nabo Farm ApS for 2019 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.

Corrections due to fundamental errors

We have found that the annual report for 2018 contained a material error due to incorrect recognition of premium in connection with payment of share capital at the company's formation.

The error has been incorporated in the annual report and has the effect that the accounting item 'premium', in the company's equity, is increased by DKK 250,000 and the comparative figures have been adjusted. The correction has no impact on the company's total equity.

The company's results for 2018 have been corrected by an amount of DKK 22,524 because fundamental errors were identified. The impact of the material error is recognised in equity at beginning of the year in the line 'correction of error' where the amount is recognised in 'retained earnings' and the comparative figures are adjusted.

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.

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, 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.

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.

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.

ACCOUNTING POLICIES

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

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

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.

ACCOUNTING POLICIES

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.

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.