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Havneholmen 29  
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CVR no. 20 22 26 70

**NABO FARM APS**  
**SILJANGADE 6B, ST. 9., 2300 KØBENHAVN S**  
**ANNUAL REPORT**  
**1 JANUARY - 31 DECEMBER 2023**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 27 June 2024**

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**Chairman of the meeting**

**CVR NO. 39 92 06 89**

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**COMPANY DETAILS**

<b>Company</b>	Nabo Farm ApS Siljangade 6B, st. 9. 2300 Copenhagen S
	CVR No.: 39 92 06 89 Established: 4 October 2018 Municipality: Copenhagen Financial Year: 1 January - 31 December
<b>Board of Directors</b>	Birgitte Hetland Bülow, chairman Jakob Heiberg, deputy chairman Sebastian Dragelykke Jacob Kampp Berliner
<b>Executive Board</b>	Sebastian Dragelykke
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V
<b>Bank</b>	Arbejdernes Landsbank Nørrebrogade 50-52 2200 Copenhagen N

## 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 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

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

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

Copenhagen, 27 June 2024

Executive Board

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Sebastian Dragelykke

Board of Directors

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Birgitte Hetland Bülow  
Chairman

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Jakob Heiberg  
Deputy chairman

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Sebastian Dragelykke

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Jacob Kampp Berliner

## THE INDEPENDENT AUDITOR'S REPORT

### To the Shareholder of Nabo Farm ApS

#### Conclusion

We have performed an extended review of the Financial Statements of Nabo Farm ApS for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

Based on the work performed in our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

#### Basis for Conclusion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of Financial Statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Extended Review of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### Material uncertainty relating to Going Concern

We point out that there is significant uncertainty that may cast substantial doubt on the Company's ability to continue its operations. We refer to the note "Information on uncertainty with respect to going concern" in the annual report, which states that it is currently uncertain whether the Company will generate enough liquidity to cover the operations in the coming years. It is the Management's assessment that the necessary cash flow will be generated through the operations from the Subsidiary Company. The annual report has been prepared on the basis of the company's continued operation.

Our conclusion is not modified regarding this matter.

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

#### Auditor's Responsibilities for the Extended Review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the Financial Statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

## THE INDEPENDENT AUDITOR'S REPORT

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the Financial Statements.

### **Statement on the Management Commentary**

Management is responsible for the Management Commentary.

Our conclusion 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 extended review 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 during the extended review, 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 in the Management Commentary.

Copenhagen, 27 June 2024

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 development of software, as well as ownership of Subsidiary Companies.

### **Development in activities and financial and economic position**

The Company's equity as of 31 December 2023 is negative by DKK ('000) 1.544, and the result for the year 2023 is negative by DKK ('000) 673.

The Company has lost all of its share capital and the Companies Act requires re-establishing initiatives. The Company's Management expects to re-establish the share capital within some years through capital increases and dividend payment from Subsidiary Company.

Based on Management's expectation of additional capital infusion from dividends as well as further measures, Management believes that the Company can continue operations for the next 12 months from the reporting date. We refer to further description in note "Information on uncertainty with respect to going concern" in the annual report.

### **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	2023 DKK	2022 DKK
<b>GROSS PROFIT</b> .....		<b>36.781</b>	<b>-71.014</b>
Staff costs.....	1	-991.200	-1.368.140
Depreciation, amortisation and impairment losses.....		-144.534	-156.783
Other operating expenses.....		-18.441	0
<b>OPERATING LOSS</b> .....		<b>-1.117.394</b>	<b>-1.595.937</b>
Income from investments in subsidiaries.....		450.372	473.679
Other financial income.....		24	0
Other financial expenses.....	2	-150.238	-76.645
<b>LOSS BEFORE TAX</b> .....		<b>-817.236</b>	<b>-1.198.903</b>
Tax on profit/loss for the year.....	3	144.571	142.014
<b>LOSS FOR THE YEAR</b> .....		<b>-672.665</b>	<b>-1.056.889</b>
<b>PROPOSED DISTRIBUTION OF LOSS</b>			
Retained earnings.....		-672.665	-1.056.889
<b>TOTAL</b> .....		<b>-672.665</b>	<b>-1.056.889</b>



## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Development projects completed.....		424.590	566.120
<b>Intangible assets.....</b>	<b>4</b>	<b>424.590</b>	<b>566.120</b>
Equity investments in group enterprises.....		512.608	537.236
Rent deposit.....		65.000	65.000
<b>Financial non-current assets.....</b>	<b>5</b>	<b>577.608</b>	<b>602.236</b>
<b>NON-CURRENT ASSETS.....</b>		<b>1.002.198</b>	<b>1.168.356</b>
Trade receivables.....		0	7.951
Other receivables.....		25.357	17.004
Joint tax contribution receivable.....		144.571	142.014
<b>Receivables.....</b>		<b>169.928</b>	<b>166.969</b>
Cash and cash equivalents.....		22.270	28.345
<b>CURRENT ASSETS.....</b>		<b>192.198</b>	<b>195.314</b>
<b>ASSETS.....</b>		<b>1.194.396</b>	<b>1.363.670</b>

## BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital.....		67.226	67.226
Reserve for development costs.....		331.181	441.574
Retained earnings.....		-1.942.137	-1.379.865
<b>EQUITY.....</b>		<b>-1.543.730</b>	<b>-871.065</b>
Other liabilities.....		1.529.707	1.420.750
Rent deposits.....		0	4.500
The Holiday Allowance Fund.....		32.562	32.562
<b>Non-current liabilities.....</b>	<b>6</b>	<b>1.562.269</b>	<b>1.457.812</b>
Trade payables.....		259.560	64.690
Debt to group enterprises.....		633.157	398.587
Payables to owners and management.....		5.919	5.919
Other liabilities.....		93.621	62.927
Accruals and deferred income.....		183.600	244.800
<b>Current liabilities.....</b>		<b>1.175.857</b>	<b>776.923</b>
<b>LIABILITIES.....</b>		<b>2.738.126</b>	<b>2.234.735</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>1.194.396</b>	<b>1.363.670</b>
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## EQUITY

DKK	Share Capital	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2023.....	67.226	441.574	-1.379.865	-871.065
Proposed loss allocation.....			-672.665	-672.665
<b>Transfers</b>				
Depreciations.....		-141.530	141.530	0
Tax on changes in equity.....		31.137	-31.137	0
<b>Equity at 31 December 2023.....</b>	<b>67.226</b>	<b>331.181</b>	<b>-1.942.137</b>	<b>-1.543.730</b>

## NOTES

	2023 DKK	2022 DKK	Note
<b>Staff costs</b>			<b>1</b>
Average number of full time employees	2	4	
Wages and salaries.....	967.902	1.331.526	
Pensions.....	8.236	12.023	
Social security costs.....	15.062	24.591	
	<b>991.200</b>	<b>1.368.140</b>	
<b>Other financial expenses</b>			<b>2</b>
Group enterprises.....	34.138	6.719	
Other interest expenses.....	116.100	69.926	
	<b>150.238</b>	<b>76.645</b>	
<b>Tax on loss for the year</b>			<b>3</b>
Calculated tax on taxable income of the year.....	-144.571	-142.014	
	<b>-144.571</b>	<b>-142.014</b>	
<b>Intangible assets</b>			<b>4</b>
		Development projects completed	
DKK			
Cost at 1 January 2023.....		707.650	
<b>Cost at 31 December 2023.....</b>		<b>707.650</b>	
Amortisation at 1 January 2023.....		141.530	
Amortisation for the year.....		141.530	
<b>Amortisation at 31 December 2023.....</b>		<b>283.060</b>	
<b>Carrying amount at 31 December 2023.....</b>		<b>424.590</b>	

The company's development costs comprise the development of Nabo Tool, a software developed for the planning and operation of a vertical urban food production farm.

NOTES

**Financial non-current assets** **Note**  
**5**

DKK	Equity investments in group enterprises	Rent deposit
Cost at 1 January 2023.....	50.000	65.000
<b>Cost at 31 December 2023.....</b>	<b>50.000</b>	<b>65.000</b>
Revaluation at 1 January 2023.....	487.236	0
Dividend.....	-475.000	0
Profit for the year.....	450.372	0
<b>Revaluation at 31 December 2023.....</b>	<b>462.608</b>	<b>0</b>
<b>Carrying amount at 31 December 2023.....</b>	<b>512.608</b>	<b>65.000</b>

**Investments in subsidiaries**

Name and domicil	Ownership
Nabo Farm Nordvest ApS, Copenhagen.....	100 %

**Long-term liabilities** **6**

DKK	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Other liabilities.....	1.529.707	0	0	1.420.750
Rent deposits.....	0	0	0	4.500
The Holiday Allowance Fund.....	32.562	0	32.562	32.562
	<b>1.562.269</b>	<b>0</b>	<b>32.562</b>	<b>1.457.812</b>

**Contingencies etc.** **7**

**Contingent liabilities**

The company has entered into rental agreements. The total commitment amounts to DKK ('000) 430.

**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.

## NOTES

## Note

**Charges and securities**

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As security for debt to The Danish Growth Fund with a total of DKK ('000) 1.300, the company has pledged a floating charge. The floating charge comprises the following assets, whose carrying amount at the balance sheet date is:

	DKK
Development projects completed.....	424.590

**Information on uncertainty with respect to going concern**

9

The Company's equity as of 31 December 2023 is negative by DKK ('000) 1.544, and the result for the year 2023 is negative by DKK ('000) 673.

The Company is an administrative company for the underlying operating company. The Company does not generate revenue on its own, but depends on dividend payment from the Subsidiary Company. The Management's expectations for future liquidity contain significant uncertainty, which is important for the Company's continued operations. The Company needs additional liquidity, and Management has entered into installment agreements on debt obligations, as well as deferring installments on loan agreements. Furthermore, the Company's investors have made a declaration of support totaling DKK ('000) 200.

Based on Management's expectation of additional capital infusion, from dividends as well as the above mentioned measures, Management believes that the Company can continue operations for the next 12 months from the reporting date.

## ACCOUNTING POLICIES

The Annual Report of Nabo Farm ApS for 2023 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.

### Comparative figures

In the annual report for 2022 expenses were included in the item Staff costs, which should have been correctly classified as Other external expenses.

The changed classification has been incorporated into the comparative figures of the annual report for 2023 and has the effect that the comparative figures for the item Staff costs have been reduced by DKK 24,880 and the item Other external expenses has been increased by DKK 24,880 in the income statement.

The changed classification entails that the Gross profit has been reduced by DKK 24,880. The change has no effect on the net profit or loss for 2022. The equity and the balance sheet total for 2022 have not been affected.

## 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.

### 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.

### Other operating expenses

Other operating expenses include items of a secondary nature in relation to the enterprises' principal activities, including loss from sale of intangible and tangible fixed assets.

## ACCOUNTING POLICIES

### Income from investments 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.

### 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

### Intangible fixed assets

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 5 years.

Intangible fixed assets are generally written down to the lower of recoverable value and carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

### Financial non-current assets

Investments in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring/consolidation.

Investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

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.



## ACCOUNTING POLICIES

The difference between the acquisition cost and carrying amounts is recognised directly in equity.

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

Profit and loss at disposal of investments in subsidiaries are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down 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 has a legal or actual liability to cover the subsidiaries deficit.

### Impairment of fixed assets

The carrying amount of intangible fixed 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.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

### 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.

## ACCOUNTING POLICIES

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.

### **Accruals, liabilities**

Accruals recognised as liabilities include payments received regarding income in subsequent years.