



BoMill

Adds more value  
to your grain



INTERIM REPORT JULY 1 – SEPTEMBER 30 2021

# BoMill AB

## Summary of the third quarter (Q3 2021)

**BoMill AB, organization number 556556-4332.**

### **Net sales and income for the third quarter (July – September, 2021)**

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- Net sales increased to KSEK 339 (KSEK 0).
- Net income after financial items amounted to KSEK -4 264 (KSEK -4 725).
- Net income per share amounted to SEK -0,34 (SEK -0,68).
- Cash flow during the third quarter amounted to KSEK 7 248 (KSEK -4 624).

### **Net sales and income for the first nine months (January – September, 2021)**

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- Net sales increased to KSEK 405 (KSEK 53).
- Net income after financial items amounted to KSEK -16 983 (KSEK -15 358).
- Net income per share amounted to SEK -1,37 (SEK -2,22).
- Cash flow during the period amounted to KSEK -6 582 (KSEK 3 904).
- As of September 30, 2021, cash and cash equivalents in the Company amounted to KSEK 18 765 (KSEK 8 123). In August 2021, BoMill raised approximately SEK 14.3 million prior to transaction costs via a directed share issue to a number of key investors.

### **Highlights during the third quarter**

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- On July 5, 2021, BoMill announced that the Company is moving ahead, focusing on setting a plan for commercialization for its new high-capacity sorting equipment. The new equipment is aimed to be launched during 2022.
- On August 15, 2021, BoMill carried out a directed share issue. The issue was subscribed by a number of key investors and raised proceeds of approximately SEK 14.3 million prior to transaction costs.
- On September 3, 2021, BoMill announced that the company's long-term incentive program for employees was fully subscribed. The purpose of the incentive program is to strengthen the employees of the company's interest and incentives for the company's financial growth.
- On September 10, 2021, BoMill recruited Peter L Nilsson as business advisor. Peter L Nilsson adds substantial expertise and knowhow from international businesses and the global food industry.
- On September 16, 2021, BoMill's management and Board of Directors along with current shareholders increased their ownership in BoMill, acquiring Industrifonden's holdings in BoMill.
- On September 21, 2021, BoMill intensified the development project with a global player in the food industry. The parties share a mutual ambition to commercialize BoMill's technology and have identified market segments.
- On September 28, 2021, BoMill was granted patent protection for a new detector system in China and an intention to grant patent protection in Japan.

# BoMill AB

## Summary of the third quarter (Q3 2021)

### Highlights after the end of the period

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- On October 1, 2021, BoMill signed a contract with the major grain processing company JTS Metelitca (part of Transchemexpert Group) in Russia. BoMill's unique technology and its grain sorting equipment IQ with an order value of KSEK 450 will be installed in the JTS Metelitca's new state-of-the-art pre-cleaning grain processing plant in the Novosibirsk region.
  - On October 22, 2021, BoMill's largest shareholder Capagro SAS changed its representative in the Board of Directors. Onwards, Pierre Kiener will be the co-opted member and Tom Espiard-Cignaco will act as observer.
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## CEO COMMENT

With the travel restrictions easing up, we can finally meet with our customers, prospects and other stakeholders, and together address the latest challenges the grain and food industry is facing with the quality of the recent harvest. In several regions, this year's climate conditions during growing and harvesting seasons have been problematic, producing variable quality and lower yield. This is leading, today and in the future, to a potential shortage of supply for certain quality grades, which is already reflected on the global price of crops such as barley, durum and wheat. These conditions emphasize the need to optimize the use of our resources as efficiently as possible to mitigate increasing variation of quality and potential deficit while reducing our environmental impact. BoMill's revolutionary grain sorting technology has the potential to make such a difference, helping the global grain and food industry in responding to those challenges through sustainable and efficient production.



We are currently on a scale-up journey, accelerating our go-to-market strategy and building long-term opportunities in the agricultural and food industries. As we bring a disruptive technology to the industry, building our brand and developing trust remain crucial to us, being a key partner for sustainable and efficient grain quality sorting solutions.

Development projects are key to build reference cases and develop trust. A good example is our development project with a global player in the food industry, based in the US, which is now intensified, and moved into a larger scale. We have also taken the first steps into the Russian market through our agreement with a major grain processing and production company for their new, advanced, pre-cleaning plant for grain sorting and handling. We are looking forward to starting the collaboration with them and bring our technology to Russia to develop the grain industry with sustainability and improved quality.



In parallel, the strategy on the expansion of our product portfolio is progressing with the development of our high-capacity sorting machine which will be launched in 2022. Our new detector system has now been granted patent rights in China after being previously granted in Sweden and the US. We have only started exploring what this exceptional technology can offer in our system and to our customers, but the potential is vast, and I am convinced it will set new standards of grain specifications for the future.



Andreas Jeppsson, CEO



## ABOUT BOMILL AB

BoMill is the only company in the world that can, in commercial quantities, sort grains based on the internal properties of the kernel. This new sorting process makes it possible to maximize the use of different grain batches in a way that has not previously been feasible.

### CHALLENGES IN THE GRAIN INDUSTRY

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With a growing global population, there is a huge demand to maximize food quality and yields from existing land and crops. Environmental influences, such as a warmer climate, will continue to cause fluctuations in grain quality and price. In parallel, more restrictive food standards for mycotoxins and new guidelines for securing grain quality are to be expected.

This requires grain producers and processors to maximize the value of the harvest. BoMill's offering brings a unique possibility to optimize processes and use the grains for what they are best suited for.

### A TRULY SUSTAINABLE SOLUTION

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BoMill's sorting system is a thoroughly sustainable solution. Single kernel sorting based on inner properties makes it possible to, for example, remove individual toxic kernels. And so, the value of a batch of grain that would otherwise have been largely lost can be upgraded and utilized. BoMill's equipment can basically turn waste into food. Optimizing batches, the BoMill way means that the grains can be used according to what they are best suited for in order to address Food Security and Food Safety.



## FLEXIBLE BUSINESS MODEL

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BoMill generates revenue through B2B sales and offer the grain industry sorting equipment which can be integrated into their existing pre-cleaning lines. To identify potential customers, BoMill uses its own sales organization and agents/distributors. BoMill handles everything from feasibility studies to installations as well as service and maintenance of the equipment. With sales offices in Sweden and Germany and with agents/distributors across the globe, BoMill cover a large geographical area.

## A UNIQUE TECHNOLOGY

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BoMill's sorting equipment is built on a special technology called near-infrared analysis in transmittance mode (NIR/T). It makes it possible to analyze and sort each kernel based on its structural and chemical composition. BoMill works actively with its patent portfolio to ensure the protection of its unique system.

## KEY BENEFITS

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The major advantage of BoMill's technology is, as mentioned before, the sustainability values. In today's quest for sustainable food production, BoMill's solution delivers instant results.

BoMill's solution delivers economic benefits as well. As one example, sorting into fractions of high and low protein kernels is an opportunity to increase the value of the product throughout the entire value chain.

BoMill is introducing new technology to the traditional grain industry. Moving away from optical sorting is one step closer to a modern, optimized production process.

## THE COMPANY IN SHORT

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BoMill's single kernel sorting technology has so far resulted in two commercial products, IQ and TriQ, the former designed for laboratories and the latter for industrial use. The commercial phase began in 2015 with customers such as Varaslättens Lagerhus, Carlsberg and Casillo. Based on BoMill's deep



understanding and knowledge of the various components needed to measure internal properties of the grain, a new high-capacity equipment able to sort up to 15 tons/h (reaching the maximum of traditional sorting capacity) is being developed.





## Results and financial position

### July-September 2021

Net sales during the third quarter increased to KSEK 339 (KSEK 0). Other operating income during the third quarter amounted to KSEK 575 (KSEK 671). Other operating income consists of contribution from EU projects. During the period capitalized income amounted to KSEK 278 (0).

Net income after financial items during the third quarter amounted to KSEK -4 264 (KSEK -4 725), while net income per share amounted to SEK -0,34 (SEK -0,68).

Cash flow during the third quarter amounted to KSEK 7 248 (KSEK -4 624).

### January - September 2021

For the first nine months net sales increased to KSEK 405 (KSEK 53). Other operating income during the period amounted to KSEK 1 834 (1 342). Other operating income consists of contribution from EU projects. During the period capitalized income amounted to KSEK 407 (0).

Net income after financial items during the first nine months amounted to KSEK -16 983 (KSEK -15 358), while net income per share amounted to SEK -1,37 (SEK -2,22).

For the first nine months cash flow amounted to KSEK -6 582 (KSEK 3 904). As of September 30, 2021, the Company's cash and cash equivalents amounted to KSEK 18 765 (KSEK 8 123). Equity amounted to KSEK 28 562 (KSEK 10 991) at the end of the period, resulting in a solidity of 90,6% (44,4%). In August 2021, BoMill raised approximately SEK 14.3 million prior to transaction costs via a directed share issue to a number of key investors.

## Investments

Investments in intangible fixed assets (patents) during the third quarter amounted to KSEK 631 (KSEK 236). Investments in current assets during the third quarter amounted to KSEK 221 (KSEK 18).



## Staff and organization

As of September 30, 2021, BoMill had 11 employees (14).

## The share

There is one class of shares in BoMill. The share was listed at Nasdaq First North Growth Market on October 20, 2020, under the ticker "BOMILL".

As of September 30, 2021, the number of shares in the Company amounted to 15 507 400 (6 928 400). After the end of the period, a total of 2 290 new shares have been issued following the exercise of warrants of series TO 1.

On January 27, 2021, the Extraordinary General Meeting in BoMill resolved on a directed issue of 330,000 warrants to founder Bo Löfqvist (205,000) and CEO Andreas Jeppsson (125,000). For full terms, see Minutes from the Meeting on [www.bomill.com/investors/egm](http://www.bomill.com/investors/egm).

On May 6, 2021, the Annual General Meeting in BoMill, resolved on a directed issue of 200,000 warrants to management and employees in BoMill. For full terms, see Minutes from the Meeting on <https://www.bomill.com/corporate-governance/shareholders-meetings/agm2021/>. On September 3, 2021, BoMill announced that the incentive program was fully subscribed.

## Shareholders

The table below presents major shareholders in BoMill as per September 30, 2021

Name	Shares	Votes
Capagro SAS	2 384 732	15,38%
Henrik Hedlund	1 801 498	11,62%
Långbers Förvaltnings AB	977 067	6,30%
Ponderus Invest AB	954 133	6,15%
Theodor Jeansson	954 133	6,15%
Mosiki Svenska AB	897 998	5,79%
<b>Largest shareholders</b>	<b>7 969 561</b>	<b>51,39%</b>
<i>Others</i>	<i>7 537 839</i>	<i>48,61%</i>
<b>TOTAL</b>	<b>15 507 400</b>	<b>100,00%</b>



### Certified Adviser

Svensk Kapitalmarknadsgranskning AB is appointed the Company's Certified Adviser.

E-mail: [ca@skmg.se](mailto:ca@skmg.se)

Phone: +46 70 755 95 51

### Principles for the preparation of the quarterly report

This report has been established in accordance with Swedish Accounts Legislation and BFNAR 2012:1 (K3).

### Auditor's review

This report has not been subject to review by the Company's auditor.

### Financial calendar

- Year-End Report, February 16, 2022.
- Annual General Meeting 2022, May 12, 2022.
- Q1 report, May 12, 2022.
- Q2 report, August 24, 2022.
- Q3 report, November 18, 2022

### Company information

BoMill AB (publ), organizational number 556556-4332, is a public company based in Malmö.

### Contact person for further information

If you have any questions, please contact Andreas Jeppsson, CEO.

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Phone: +46 72 700 11 82



## INCOME STATEMENT

<b>KSEK</b>	<b>2021-07-01</b>	<b>2020-07-01</b>	<b>2021-01-01</b>	<b>2020-01-01</b>	<b>2020-01-01</b>
	<b>2021-09-30</b>	<b>2020-09-30</b>	<b>2021-09-30</b>	<b>2020-09-30</b>	<b>2020-12-31</b>
<b>Income</b>					
Net sales	339	0	405	53	57
Activated work for own account	278	0	407	0	1 672
Other operating income	575	671	1 834	1 342	2 587
	<b>1 192</b>	<b>671</b>	<b>2 645</b>	<b>1 395</b>	<b>4 317</b>
<b>Operating expenses</b>					
Raw materials and consumables	-42	-4	-48	-8	-599
Other external expenses	-2 027	-2 736	-8 448	-7 314	-12 391
Staff costs	-2 778	-1 767	-9 208	-6 999	-9 687
Depreciation and write-downs of tangible and intangible fixed assets	-606	-839	-1 854	-2 334	-2 982
Other operating expenses	-3	-8	-57	-10	-8
	<b>-5 456</b>	<b>-5 353</b>	<b>-19 614</b>	<b>-16 664</b>	<b>-25 667</b>
<b>Operating profit/loss</b>	<b>-4 264</b>	<b>-4 682</b>	<b>-16 969</b>	<b>-15 269</b>	<b>-21 350</b>
<b>Income from financial items</b>					
Income from other securities and receivables that are fixed assets	0	0	0	0	0
Interest expenses and similar items	0	-43	-14	-89	-232
	<b>0</b>	<b>-43</b>	<b>-14</b>	<b>-89</b>	<b>-232</b>
<b>Income after financial items</b>	<b>-4 264</b>	<b>-4 725</b>	<b>-16 983</b>	<b>-15 358</b>	<b>-21 582</b>
<b>Income for the period</b>	<b>-4 264</b>	<b>-4 725</b>	<b>-16 983</b>	<b>-15 358</b>	<b>-21 582</b>

## BALANCE SHEET

<b>KSEK</b>	<b>2021-09-30</b>	<b>2020-09-30</b>	<b>2020-12-31</b>
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible fixed assets</b>			
Balanced expenses for development work and similar work	4 423	4 287	5 393
Concessions, patents, licenses, trademarks, and similar intellectual rights	1 205	996	1 000
	<b>5 629</b>	<b>5 283</b>	<b>6 393</b>
<b>Tangible fixed assets</b>			
Invested costs in other property	1 453	1 553	1 526
Inventories, tools, and installations	542	683	493
	<b>1 995</b>	<b>2 236</b>	<b>2 019</b>
<b>Financial assets</b>			
Shares in group companies	8	8	8
Receivables from group companies	48	48	48
	<b>56</b>	<b>56</b>	<b>56</b>
<b>Total fixed assets</b>	<b>7 680</b>	<b>7 575</b>	<b>8 468</b>
<b>CURRENT ASSETS</b>			
<b>Inventories</b>			
Raw materials and consumables	248	1 282	293
Prepared goods and commercial goods	2 755	1 240	2 755
Advances to suppliers	0	0	0
	<b>3 003</b>	<b>2 522</b>	<b>3 048</b>
<b>Receivables</b>			
Accounts receivables	342	4 496	10
Other receivables	986	1 364	512
Prepaid expenses and accrued income	763	666	599
	<b>2 092</b>	<b>6 526</b>	<b>1 121</b>
<b>Cash and bank</b>			
Cash and bank	18 765	8 123	25 346
<b>Total cash and bank</b>	<b>18 765</b>	<b>8 123</b>	<b>25 346</b>
<b>Total current assets</b>	<b>23 860</b>	<b>17 171</b>	<b>29 515</b>
<b>TOTAL ASSETS</b>	<b>31 539</b>	<b>24 745</b>	<b>37 982</b>

## BALANCE SHEET

<b>KSEK</b>	<b>2021-09-30</b>	<b>2020-09-30</b>	<b>2020-12-31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Restricted equity</b>			
Share capital	15 507	6 928	11 929
Unregistered share capital	0	0	0
Reserve fund	20	20	20
Share issue	0	0	0
Development expenditure fund	5 341	5 984	5 393
	<b>20 868</b>	<b>12 933</b>	<b>17 343</b>
<b>Non-restricted equity</b>			
Capital surplus	152 159	119 960	142 176
Accumulated profit or loss	-127 482	-106 544	-105 953
Profit/loss for the year	-16 983	-15 358	-21 582
	<b>7 694</b>	<b>-1 942</b>	<b>14 642</b>
<b>Total equity</b>	<b>28 562</b>	<b>10 991</b>	<b>31 984</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Amounts owed to credit institutions	0	0	0
<b>Total long-term liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Current liabilities</b>			
Accounts payable	1 569	1 292	2 008
Tax payable	214	99	27
Other payables	388	7 523	2 653
Accrued expenses and deferred income	807	4 841	1 310
<b>Total current liabilities</b>	<b>2 977</b>	<b>13 755</b>	<b>5 998</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31 539</b>	<b>24 745</b>	<b>37 982</b>

## CHANGE IN EQUITY

2021-01-01 – 2021-09-30

KSEK	Share capital	Other restricted equity	Other un-restricted equity	Profit/loss for the year	Total equity
Amount at the beginning of the period	11 929	5 413	36 224	-21 582	31 984
Share issue / surplus	3 578		9 875		13 453
Development expenditure fund		-52	52		0
Warrants			108		108
Accumulated profit or loss			-21 582	21 582	0
Profit/loss for the period				-16 983	-16 983
<b>Amount at the end of the period</b>	<b>15 507</b>	<b>5 361</b>	<b>24 676</b>	<b>-16 983</b>	<b>28 562</b>

2020-01-01 – 2020-09-30

KSEK	Share capital	Other restricted equity	Other un-restricted equity	Profit/loss for the year	Total equity
Amount at the beginning of the period	4 128	6 004	29 064	-25 480	13 717
Share issue / surplus	2 800		9 832		12 632
Accumulated profit or loss			-25 480	25 480	0
Profit/loss for the period				-15 358	-15 358
<b>Amount at the end of the period</b>	<b>6 928</b>	<b>6 004</b>	<b>13 416</b>	<b>-15 358</b>	<b>10 991</b>

2020-01-01 – 2020-12-31

KSEK	Share capital	Other restricted equity	Other un-restricted equity	Profit/loss for the year	Total equity
Amount at the beginning of the year	4 128	6 004	29 064	-25 480	13 717
Share issue / surplus	7 801		32 048		39 849
Development expenditure fund		-591	591		0
Accumulated profit or loss			-25 480	25 480	0
Profit/loss for the year				-21 582	-21 582
<b>Amount at the end of the year</b>	<b>11 929</b>	<b>5 413</b>	<b>36 224</b>	<b>-21 582</b>	<b>31 984</b>

## CASH FLOW STATEMENT

KSEK	2021-07-01 2021-09-30	2020-07-01 2020-09-30	2021-01-01 2021-09-30	2020-01-01 2020-09-30	2020-01-01 2020-12-31
<b>Operating activities</b>					
Income after financial items	-4 264	-4 725	-16 983	-15 358	-21 582
Adjustments for items not included in cash flow etc.	606	791	1 854	2 239	2 982
<b>Cash flow from operating activities</b>	<b>-3 658</b>	<b>-3 934</b>	<b>-15 129</b>	<b>-13 119</b>	<b>-18 600</b>
<b>Cash flow from changes in working capital</b>					
Increase (+)/decrease (-) in inventory	39	-401	45	-394	-920
Increase (+)/decrease (-) in operating receivables	-779	-1 280	-971	3	5 408
Increase (+)/decrease (-) in operating liabilities	-981	1 233	-3 021	5 431	-2 325
<b>Cash flow from operating activities</b>	<b>-5 379</b>	<b>-4 338</b>	<b>-19 076</b>	<b>-7 990</b>	<b>-16 437</b>
<b>Investing activities</b>					
Acquisition of intangible fixed assets	-631	-236	-878	-707	-2 524
Acquisition of property, plant, and equipment	-221	-18	-188	-30	-94
Divestment of fixed assets	0	0	0	0	334
<b>Cash flow from investing activities</b>	<b>-852</b>	<b>-254</b>	<b>-1 066</b>	<b>-738</b>	<b>-2 285</b>
<b>Financing activities</b>					
Issue of shares	13 453	-31	13 453	12 632	39 849
Issue of warrants	26		108		
Amortization of loans	0	0	-1 000	0	0
<b>Cash flow from financing activities</b>	<b>13 479</b>	<b>-31</b>	<b>12 561</b>	<b>12 632</b>	<b>39 849</b>
<b>Cash flow for the period</b>	<b>7 248</b>	<b>-4 624</b>	<b>-6 582</b>	<b>3 904</b>	<b>21 127</b>
<b>Cash at the beginning of the period</b>	<b>11 516</b>	<b>12 746</b>	<b>25 346</b>	<b>4 218</b>	<b>4 218</b>
<b>Cash at the end of the period</b>	<b>18 765</b>	<b>8 123</b>	<b>18 765</b>	<b>8 123</b>	<b>25 346</b>





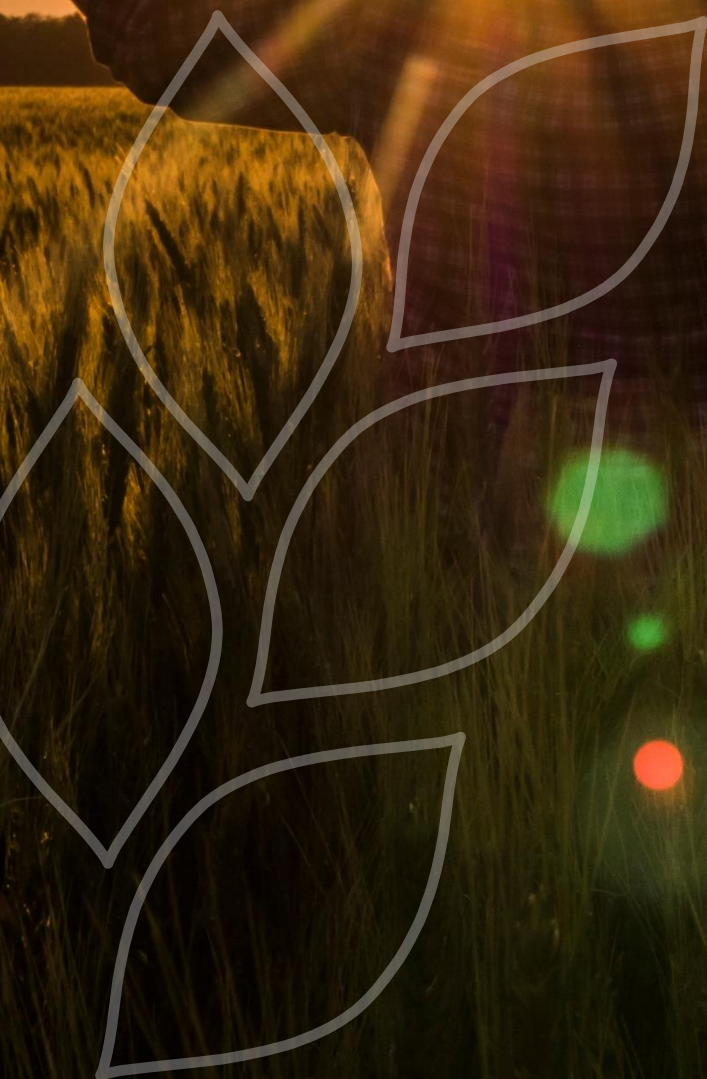
## BOARD DECLARATION

The Board of Directors and the CEO certify that these consolidated financial statements and January - September report of 2021 have been prepared in accordance with Swedish Accounts Legislation and BFNAR 2012:1 (K3) and gives a fair view of the Company's financial position and results of operations.

Malmö, November 25, 2021

Board of Directors





**BoMill**

Adds more value  
to your grain