



BoMill

Adds more value
to your grain



ANNUAL REPORT 2020

BoMill AB (publ) in brief

The Board and CEO of BoMill AB (publ), with registration number 556556-4332 and with registered office in Malmö, hereby submit the Annual Report for the financial year 2020.

The Annual Report is presented in Swedish krona, SEK.

In the Annual Report, the following definitions shall apply unless otherwise specified: "BoMill" or the "Company" refers to BoMill AB (publ).

BoMill has developed and is marketing a patented technology for sorting grain on a commercial scale, based on the internal qualities of each kernel. The method is the only one of its kind on the market today and is estimated to have the potential to become a Golden Standard within the industry. The Company operates in several markets and has sold sorting equipment to a number of reputable companies in the grain industry.

Net sales and net income for the financial year (January – December, 2020)

- Net sales during amounted to KSEK 57 (KSEK 2 443).
- Net income after financial items amounted to KSEK -21 582 (KSEK -25 480). During the year listing-related costs of a non-recurring nature amounted to KSEK 1 070 (KSEK 0) has deducted net income for the year.
- Net income per share amounted to SEK -1,81 (SEK -6,17).
- The equity / assets ratio, calculated as equity's share of total assets, amounted to 84% (62%).
- Cash flow during the year amounted to KSEK 21 128 (KSEK -6 918).
- As of December 31, 2020, cash and cash equivalents in the Company amounted to KSEK 25 346 (KSEK 4 218).

Highlights during the year

- In June 2020, BoMill conducted a Private Placement amounting to approx. SEK 14 million.
- On September 1, Andreas Jeppsson was appointed as CEO.
- On September 24, an oversubscribed new share issue amounting to SEK 30 million (before issue costs) was completed.
- On October 20, the Company was listed at Nasdaq First North Growth Market.
- On November 25, BoMill announced that the Company was streamlining its communication and would use English as its primary language. The decision is in line with BoMill's ambitions to increase sales in North America, Europe and China.
- On December 4, BoMill announced that the Company had entered into a development agreement with a global player in the food industry, with headquarters in the US.

The CEO has the floor

New agreements and updated business strategy

2020 has certainly been a groundbreaking and eventful year for BoMill. Roughly six months have passed since our listing on Nasdaq First North Growth Market – an important milestone in the Company's history.

With a revamped strategy that will lay the foundation for a stronger focus on key segments, we are ready to expand our market presence and accelerate the Company's growth. As we are taking these important steps, it is also clear that our business has been affected by the Covid-19 virus. In particular, we have been unable to physically meet with potential customers to any greater extent. Because BoMill's technology is unique and different from alternatives on the market, it is necessary to be able to demonstrate the equipment in a relevant environment which means that online communication is limiting our sales efforts. The effects are seen in the financial outcome for the year as a whole.

BoMill's unique offering has the potential to disrupt the whole grain industry, providing added value to producers, traders and consumers alike. As I have previously stated, I have made it one of my top priorities to unleash that potential by revising and updating our business strategy. This effort has been fruitful, and I am convinced that we have set in place a robust strategy for growth. For example, we have identified significant business opportunities in the brewing industry (i.e. malt houses and breweries). Through our patented sorting technology, malt houses are able to achieve homogenous barley and wheat, which is absolutely key in the brewing and distilling process. In order to increase focus on this segment, we have recruited a new Area Sales Manager based in Germany, with significant experience from the industry. His expertise will enable us to navigate the market even better and initiate sales to potential customers.

During the last quarter we signed a development agreement with a major player in the global food industry. The US-based company will evaluate how our sorting technology can be used in broader applications relating to sorting of various grains based on protein content. This project illustrates both the market's great interest in BoMill's patented technology and our ability, as a growing company, to partner with market-leading multinationals.

Recently, we signed an agreement with Lilla Harrie Valskvarn, a company within the Pågen Group, a leading bakery in Sweden and the Nordics. We are now testing our updated sorting technology in Lilla Harrie's facilities. The purpose of the agreement is to run extensive tests on the new version in a suitable environment, providing our team with access to grains and infrastructure. Our ambition is to continue collaborating with Lilla Harrie also in the longer term, including running tests of our other major development project: a second-generation sorting system, with a capacity of handling higher volumes addressing additional customer segments.

We are confident that our foothold and presence on key markets will grow as we develop both our offering and business strategy. In addition, we are updating our corporate identity, including more targeted customer communication materials. 2020 was an important year for us, and we remain optimistic about the Company's growth prospects going forward. BoMill has a unique technology that meets demands from actors throughout the value chain, and with an even more focused sales strategy, we are building the company for growth in promising market segments.

Andreas Jeppsson, CEO

BoMill AB

Management review

The business

The global population is estimated to reach ten billion by 2050, with an increased crop demand for human consumption and feed by 100%. Approximately 37% of the total global land is classified as "agricultural area", most of which is already utilized. To meet growing demands, farmers and other actors in the value chain must maximize the yield of food quality grades from existing land and crops.

Grain is the world's second largest traded commodity, after oil. The correct grading and sorting of the grain thus have a direct impact on global Food Security and Food Safety.

Individual grain sorting is a relatively new approach attracting increasing interest in the grain industry. Environmental influences, such as a warmer climate, will continue to cause fluctuations in quality and price. In parallel, new and more restrictive food standards for mycotoxins and new guidelines requiring specific handling of the grain are expected. All of this will encourage and motivate grain producers and processors to maximize the value of the harvest and this is where BoMill's offering – the use of single kernel sorting systems – represents a unique possibility to ensure, in a sustainable way, Food Security and Food Safety with improved profitability for the entire value chain.

The founder of BoMill, Dr. Bo Löfqvist, started developing the technology in 2001 and the Company's operations have resulted in two commercial products: IQ sorters for use in laboratories, and TriQ sorters used in an industrial scale.

Today, BoMill is the only company in the world that, in commercial quantities, can sort based on the internal qualities of the kernel and not its visual properties, which is the traditional method. The ability to sort each kernel by internal qualities, such as protein content, provides possibilities to maximize the use of different grain batches in a way that has not previously been possible.

The traditional methods of grain sorting are limited to the removal of odd-looking kernels as observed and judged from the visual inspection of their surface properties, i.e. discolored kernels or kernels with abnormal morphological properties. These methods are, however, unable to judge the quality of the most valuable part of the kernel – its inner part.

Today's photo optical sorters, which can only address visual defects of the grain, make up a market of roughly USD 16 billion, with approximately 70 000 units sold, of which 55 000 are sold in the agricultural sector.

Business model

BoMill generates revenue through B2B sales and offer the grain industry sorting equipment that 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 machine. With a sales office in Sweden and agents/distributors across the globe, BoMill can cover a large geographical area.

The main sources of revenue are:

- Pre-study/project of customer needs (lab-bench sample sorting).
- Customer ROI calculation based on customer's pre-study/project results.
- Hardware (machine-, wear- and spare parts).
- Software (upfront plus yearly license fees).
- Cluster solution, ie. several interconnected units (the Company charges an extra fee for cluster solutions).
- Installation and monitoring of the equipment, as well as training/education.
- Support, service and maintenance contract, incl. remote support.
- Education/consultation/yearly training.

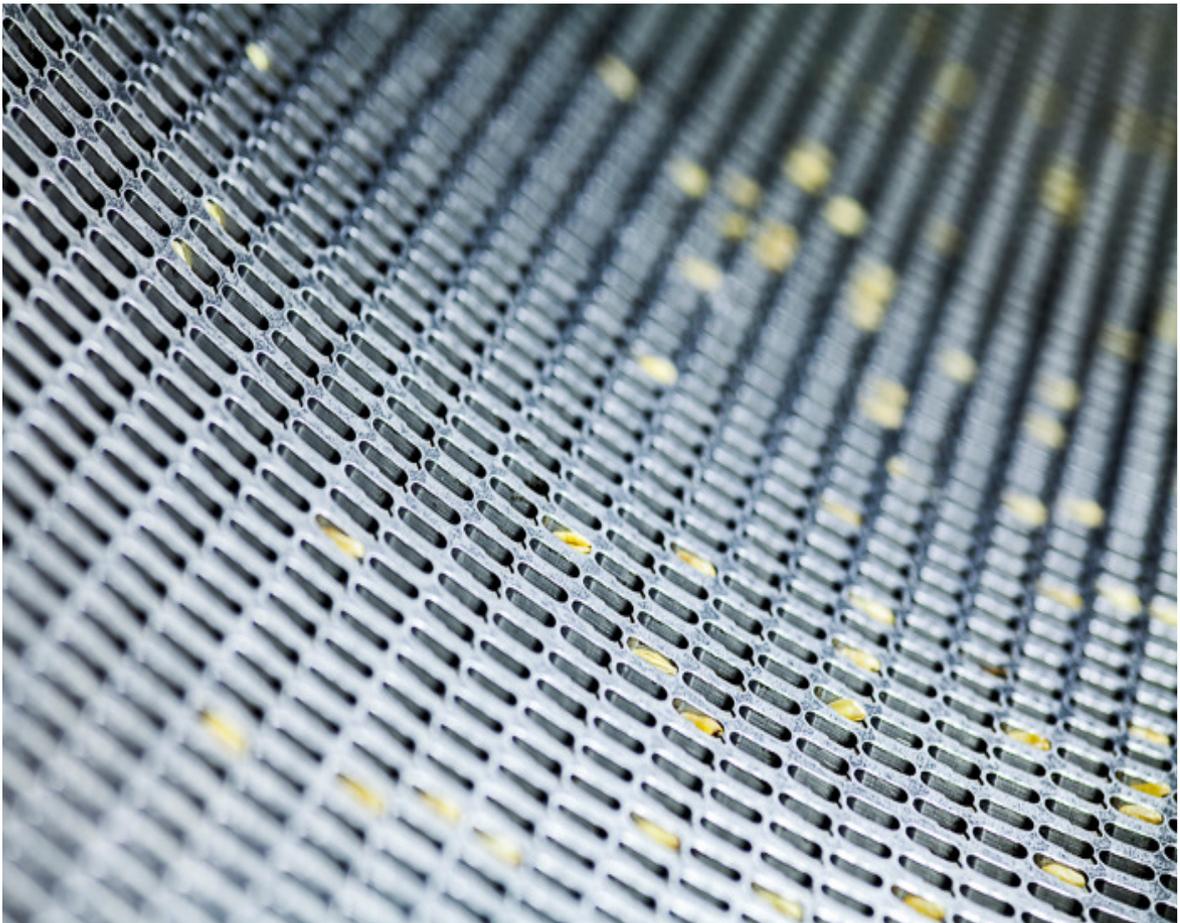
BoMill's technology

BoMill's sorting technology is built on a special technology called near-infrared technology in transmittance mode, or "near-infrared (NIR/T) analysis in transmittance mode", which makes it possible to analyze and sort each kernel based on its structural and chemical composition. The system enables sorting of internal qualities such as DON or protein content to a capacity of 3 tons/hour per unit. The units can be mounted modularly in the customer's existing process facility. BoMill's sorters thus enable grain sorting on different scales, for example in the following applications:

- Removal of toxic kernels infected with Fusarium – upgrading the value of a batch of grain that would otherwise have been largely lost without this kind of sorting. The typical customer can either be a large-scale farmer/farmer cooperative, or a mill.
- Sorting by protein content into fractions of high and low protein kernels – when there is a premium price for a specific protein range, there is an opportunity to increase the value of the product throughout the entire value chain.

Based on the Company's deep understanding and knowledge of the various components needed to measure internal properties of grain, a new sorting system is now under development. This second-generation sorting system aims at expanding the range of applications of the technology by including, for example, maize and soybeans in combination with a significantly higher capacity.

BoMill works actively with its patent portfolio to ensure the protection of single kernel sorting in an industrial scale based on internal properties.



Financial Statements

Net sales during the year amounted to KSEK 57 (KSEK 2 443).

Net income after financial items during the year amounted to KSEK -21 582 (KSEK -25 480), and net income per share amounted to SEK -1,81 (SEK -6,17).

Cash flow during the year amounted to KSEK 21 128 (KSEK -6 918). As of December 31, 2020, the Company's cash and cash equivalents amounted to KSEK 25 346 (KSEK 4 218). Equity amounted to KSEK 31 984 (KSEK 13 717) at the end of the period, resulting in a solidity of 84% (62%).

An amount of SEK 30 million was credited to the Company on October 12, 2020, after a completed issue of units.

Investments

Investments in intangible fixed assets during the year amounted to KSEK 2 524 (KSEK 3 778). Investments in current assets during the year amounted to KSEK 94 (KSEK 398).

Staff and organization

As of December 31, 2020, BoMill had 14 employees (13 employees).

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". According to BoMill's Articles of Association, the share capital shall amount to a minimum of SEK 4,125,000 and a maximum of SEK 16,500,000, distributed over a minimum of 4,125,000 and a maximum of 16,500,000 shares. At the beginning of the financial year 2020, the Company had 41,284 outstanding shares. In June 2020, the Company conducted a Private Placement, which increased the number of outstanding shares by 28,000 shares. In June 2020, a split (1:100) increased the number of shares by 6,859,116. Thereafter, the Company's share capital amounted to SEK 6,928,400.00.

On October 13, 2020, the Company's issue of units was registered with the Swedish Companies Registration Office, after which the number of registered shares increased by 5,001,000 shares to a total of 11,929,400 shares. As of December 31, 2020, the number of shares in the Company amounted to 11,929,400. In addition, there are a total of 3,334,000 warrants of series TO 1 issued. Each warrant of series TO 1 entitles the holder the right to subscribe for one (1) new share in BoMill at a subscription price of SEK 7.10 per share during the exercise period September 16, 2021 – October 7, 2021. BoMill's warrants of series TO 1 are traded under the ticker "BOMILL TO 1" with ISIN SE0014829479.

After the end of the period, the Extraordinary General Meeting in BoMill resolved on a directed issue of 330,000 warrants to founder Bo Löfqvist (205,000) and Managing Director Andreas Jeppsson (125,000). For full terms, see Minutes from the Meeting on www.bomill.com/investors/egm.

Shareholders

The table below presents major shareholders in BoMill as per December 31, 2020

Name	Shares	Votes
Capagro SAS	2 384 732	19,99%
Henrik Hedlund	1 651 498	13,84%
Stiftelsen Industrifonden	1 251 400	10,49%
Nordnet Pensionsförsäkring AB	1 116 874	9,36%
Mosiki Svenska AB	747 998	6,27%
<i>Others</i>	<i>4 776 898</i>	<i>40,05%</i>
TOTAL	11 929 400	100,00%

Amounts in multi-year comparison in KSEK

	2020	2019	2018	2017	2016
Net sales	57	2 443	7 863	11 850	6 314
Net income after financial items	-21 582	-25 480	-26 672	-15 294	-13 625
Totalt equity and liabilities	37 982	22 040	24 619	23 394	15 063
Equity/assets ratio (%)	84,2	62,2	24,2	58,3	-34,7

**For definitions of key figures, see notes*

The Board's proposed appropriation of BoMill's profit

The board of Directors proposes the following appropriation of the profit (KSEK),

Profit/loss carried forward	-105 938
Share premium reserve	142 162
Profit/loss for the year	-21 582
	14 642
Be appropriated as follows;	
To be carried forward	14 642
	14 642

For more information regarding earnings and financial position of the company, refer to the income statement, balance sheet, cash-flow statement and notes below.

Income Statement

KSEK	Note	2020-01-01 -2020-12-31	2019-01-01 -2019-12-31
Income			
Net sales		57	2 443
Activated work for own account		1 672	3 484
Other operating income	2	2 587	2 603
		4 317	8 530
Operating expenses			
Raw materials and consumables		-599	-3 449
Other external expenses	5	-12 391	-13 391
Staff costs	3	-9 687	-13 987
Depreciation and write-downs of tangible and intangible fixed assets	6-9	-2 982	-3 079
Other operating expenses		-8	-31
		-25 667	-33 936
		-21 350	-25 407
Income from financial items			
Income from other securities and receivables that are fixed assets		-	7
Interest expenses and similar items		-232	-80
		-232	-73
		-21 582	-25 480
Income after financial items			
Tax on result for the year	4	0	0
		0	0
		-21 582	-25 480
Income for the year			

Balance Sheet

KSEK	Note	2020-12-31	2019-12-31
ASSETS			
FIXED ASSETS			
Intangible fixed assets			
Balanced expenses for development work and similar work	6	5 393	5 984
Concessions, patents, licenses, trademarks and similar intellectual rights	7	1 000	565
		6 393	6 549
Tangible fixed assets			
Invested costs in other property	8	1 526	1 627
Inventories, tools and installations	9	493	933
		2 019	2 560
Financial assets			
Shares in group companies	10	8	8
Receivables from group companies	11	48	48
		56	56
Total fixed assets		8 468	9 165
CURRENT ASSETS			
Inventories			
Raw materials and consumables		293	888
Prepared goods and commercial goods		2 755	1 240
Advances to suppliers		0	0
		3 048	2 128
Receivables			
Accounts receivables		10	4 737
Other receivables		512	616
Prepaid expenses and accrued income	12	599	1 176
		1 121	6 529
Cash and bank			
Cash and bank	13	25 346	4 218
Total cash and bank		25 346	4 218
Total current assets		29 515	12 875
TOTAL ASSETS		37 982	22 040

Balance Sheet

KSEK	Note	2020-12-31	2019-12-31
EQUITY AND LIABILITIES			
EQUITY			
Restricted equity			
Share capital		11 929	4 128
Reserve fund		20	20
Development expenditure fund		5 393	5 984
		17 343	10 133
Non-restricted equity			
Capital surplus		142 176	110 113
Accumulated profit or loss		-105 953	-81 049
Profit/loss for the year		-21 582	-25 480
		14 642	3 584
Total equity		31 984	13 717
LIABILITIES			
Current liabilities			
Accounts payable		2 008	2 435
Tax payable		27	156
Other payables		3 650	416
Accrued expenses and deferred income	14	312	5 317
Total current liabilities		5 998	8 324
TOTAL EQUITY AND LIABILITIES		37 982	22 040

Changes in Equity

JANUARY 1, 2020 – DECEMBER 31, 2020

KSEK	Share capital	Other restricted equity	Other un-restricted equity	Profit/loss for the year	Total un-restricted equity
Amount at the beginning of the year	4 128	6 004	29 064	-25 480	3 584
Share issue / surplus	7 801		32 048		32 048
Development expenditure fund		-591	591		591
Accumulated profit or loss			-25 480	25 480	
Profit/loss for the year				-21 582	-21 582
Amount at the end of the year	11 929	5 413	36 224	-21 582	14 642

JANUARY 1, 2019 – DECEMBER 31, 2019

KSEK	Share capital	Other restricted equity	Other un-restricted equity	Profit/loss for the year	Total un-restricted equity
Amount at the beginning of the year	1 164	4 783	26 696	-26 673	23
Share issue / surplus	2 964		30 262		30 262
Development expenditure fund		1 221	-1 221		-1 221
Accumulated profit or loss			-26 673	26 673	
Profit/loss for the year				-25 480	-25 480
Amount at the end of the year	4 128	6 004	29 064	-25 480	3 584

Cash Flow Statement

KSEK	Note	2020-01-01 -2020-12-31	2019-01-01 -2019-12-31
Operating activities			
Income after financial items		-21 582	-25 480
Adjustments for items not included in cash flow etc.		2 982	3 139
Cash flow from operating activities		-18 600	-22 341
Cash flow from changes in working capital			
Increase (-)/decrease (+) in inventory		920	686
Increase (-)/decrease (+) in operating receivables		-5 408	-3 922
Increase (-)/decrease (+) in operating liabilities		-2 325	2 314
Cash flow from operating activities		-16 437	-23 264
Investing activities			
Acquisition of intangible fixed assets	6, 7	-2 524	-3 778
Acquisition of property, plant and equipment	9	-94	-398
Divestment of fixed assets		334	-
Cash flow from investing activities		-2 285	-4 176
Financing activities			
Issue of shares		39 849	33 226
Amortization of loans		-	-12 705
Cash flow from financing activities		39 849	20 521
Cash flow for the period		21 128	-6 918
Cash at the beginning of the period		4 218	11 137
Cash at the end of the period		25 346	4 218

Notes

Note 1 *Accounting principles and valuation rules*

The Annual report is prepared according to the Annual Accounts Act and BFNAR 2012:1 Annual report and consolidation principles (K3).

The accounting principles and valuation rules are unchanged compared to previous year.

Receivables

Receivables has been valued to amounts by which they are expected to be received.

Other assets, allocations and debts

Other assets, allocations and debts has been valued at acquisition value unless otherwise stated.

Revenue recognition

Income has been accounted to actual value of what has been received or will be received. The company therefore reports the income at nominal value (invoiced amount) if the compensation is received in cash and cash equivalents directly upon delivery. Deductions are made for discounts provided.

Sales of goods

Sales of goods are reported when the company has transferred the significant risks and benefits associated with ownership, to the buyer, normally when the customer has the goods in his possession.

Revenue from the sale of goods that doesn't have any significant service obligations, is reported upon delivery.

Tangible fixed assets

Tangible fixed assets are reported at acquisition value less accumulated depreciation and any write-downs. The assets are written off on a straight-line basis over the assets' estimated useful life, except for land that is not depreciated. The useful life is reconsidered on each balance sheet date. The following periods of use apply:

	Number of years
Machinery and other technical facilities	3-5
Equipment, tools and machines	5
Building equipments	10

Intangible assets

Intangible fixed assets are reported at acquisition value less accumulated depreciation and any write-downs. The assets are amortized on a straight-line basis over the assets' estimated useful life. The useful life is reconsidered on each balance sheet date. Ongoing projects are not depreciated but are tested for impairment annually. The following periods of use apply:

	Number of years
Capitalized expenses for development work and similar work	5
Concessions, patents, licenses, trademarks and similar rights	5

Inventories

Inventories are valued at the lower of acquisition value, calculated according to first-in-first-out, and net sales value. The net sales value has been calculated at the sales value after deduction of the estimated sales cost, with which obsolescence has been taken into account.

Raw materials and finished and semi-finished products have been valued at the lower of acquisition value, calculated according to first-in-first-out, and calculated net sales value. In the acquisition value of self-manufactured semi-finished and finished products, direct and indirect manufacturing costs have increased the acquisition value.

Current tax

Current tax is income tax for the current financial year that refers to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been reported.

Current tax is valued at the probable amount according to the tax rates and tax rules that apply on the balance sheet date.

Deferred tax is income tax for taxable profit for future financial years as a result of previous transactions or events.

Deferred tax is calculated on temporary differences. A temporary difference exists when the carrying amount of an asset or liability differs from the tax value. Temporary differences are not taken into account in differences attributable to investments in subsidiaries, fihals, associated companies or joint ventures if the company can control the timing of reversal of the temporary differences and it is not obvious that the temporary difference will be reversed in the foreseeable future. Differences arising from the first recognition of goodwill or in the first recognition of an asset or liability unless the attributable transaction is a business combination or affects tax or reported profit also do not constitute temporary differences.

Deferred tax assets relating to loss carryforwards or other future tax deductions are reported to the extent that it is probable that the deductions can be offset against future tax surpluses.

Receivables and liabilities in foreign currency

Monetary receivables and liabilities in foreign currency have been translated at the exchange rate on the balance sheet date.

Exchange rate differences that arise when adjusting or translating monetary items are reported in the income statement in the financial year in which they arise, either as an operating item or as a financial item based on the underlying business event.

Information to individual positions

KSEK

Note 2	Other operating income	2020	2019
	<i>Other operating income divided by type of income</i>		
	EU-contribution	2 575	2 536
	Other income	12	67
	Total	2 587	2 603

Note 3	Employees and costs of personnel	2020	2019
	Average number of employees		
	Men	4	4
	Women	10	9
	Total	14	13

Salaries, allowances and social expenses

Board of Directors and CEO	1 809	1 693
(whereof Board of Directors)	(131)	(183)
Other employess	4 955	7 715
Social expenses	2 795	4 215
(where of pension costs)	(787)	(1 053)
Education and other	128	364
Total	9 687	13 987

Outstanding pension obligations to the CEO amount to KSEK 0 (KSEK 0)

Note 4 Tax on result for the year

Difference between reported tax and tax based on the applicable tax rate consists of the following components.

	2020	2019
Profit/loss before tax		
	-21 582	-25 480
Tax according to the current tax rate	4 619	5 453
Tax effect of costs that are not tax deductible	-3	-186
Tax effect of non-taxable income	178	0
Tax on unbalanced loss carry-forward	-4 794	-5 267
Reported tax	0	0

Tax loss carry-forward – By the end of 2020, the tax loss carry-forward amounted to KSEK 159 234 (KSEK 136 835).

Note 5 Fees and cost reimbursement to auditors

2020 **2019**

Resursgruppen Ekonomi & Revision AB

The audit assignment	120	100
Auditory operation beyond the auditory assignment	83	-
Other assignments	21	27
	224	127

Audit assignments refer to the audit of the annual report and accounting as well as the administration of the Board and the CEO, other tasks that the company's auditor is required to perform and advice or other assistance that is caused by observations in such auditing or the execution of such other tasks. Everything else is other assignments.

Note 6 Capitalized expenses for development work and similar work

2020-12-31 **2019-12-31**

Opening balance acquisition value	30 197	26 713
Investements during the year	1 672	3 484
Closing balance accumulated acquisition values	31 869	30 197
Opening balance amortizations	-22 592	-20 280
This year's amortizations	-2 263	-2 312
Closing balance accumulated amortizations	-24 855	-22 592
Opening balance write-downs	-1 621	-1 621
Closing balance write-downs	-1 621	-1 621
Closing balance net value	5 393	5 984

Note 7 Intangible assets etcetera

2020-12-31 **2019-12-31**

Opening balance acquisition value	2 743	2 450
Investements during the year	852	293
Closing balance accumulated acquisition values	3 595	2 743
Opening balance amortizations	-2 178	-1 915
This year's amortizations	-417	-263
Closing balance accumulated amortizations	-2 595	-2 178
Closing balance net value	1 000	565

Note 8	Expenditure on rental property	2020-12-31	2019-12-31
	Opening balance acquisition value	3 028	3 028
	Closing balance accum. acquisition value	3 028	3 028
	Opening balance depreciations	-1 401	-1 283
	This year's depreciations	-101	-118
	Closing balance accumulated depreciations	-1 502	-1 401
	Closing balance net value	1 526	1 627

Note 9	Tangible assets	2020-12-31	2019-12-31
	Opening balance acquisition value	2 127	1 729
	Investements during the year	94	398
	Deinvestments during the year	-910	-
	Closing balance accumulated acquisition values	1 311	2 127
	Opening balance depreciations	-1 194	-808
	Depreciations on deinvestments	576	-
	This year's depreciations	-200	-386
	Closing balance accumulated depreciations	-818	-1 194
	Closing balance net value	493	933

Note 10	Shares in group company		2020-12-31	2019-12-31
Company	Reg office	Number share %	Residual value	Residual value
Bomill Inc.	Naperville, USA	5 000 100%	8	8
			8	8

Note 11	Receivables from group companies	2020-12-31	2019-12-31
	Receivables at the beginning of the year	48	41
	New loans	-	6
	Exchange rate differences	0	1
	Receivables at the end of the year	48	48
	Net value	48	48

Note 12	Prepaid expenses & accrued income	2020-12-31	2019-12-31
	Rent	169	169
	Insurances	90	155
	Patent	65	230
	Others	275	622
	Total	599	1 176

Note 13	Bank overdraft	2020-12-31	2019-12-31
	Granted bank overdraft sums up to:	500	500
		500	500

Note 14	Accrued expenses & prepaid income	2020-12-31	2019-12-31
	Holiday pay	777	1 165
	Employer contributions on holiday pay	220	342
	Other accrued expenses	313	3 810
		1 310	5 317

Note 15	Pledged assets	2020-12-31	2019-12-31
	Floating charges	1 700	1 700

Note 16 Significant events after the end of the financial year

During the first quarter of 2021, an agreement was signed with Lilla Harrie Valskvarn, a company within the Pågen Group, which is a leading bakery in Sweden and the Nordic countries. The agreement makes it possible to test drive BoMill's updated sorting technology in Lilla Harrie's facilities as part of the final development phase of a premium version of our TriQ model. The purpose of the agreement is to conduct extensive testing of the new version in a suitable environment, and give our team access to grains and infrastructure.

The Company has given special consideration to how the effects of the Covid-19 outbreak affects and may affect the Company's future development and / or the Company's financial development.

Note 17 Definition of key figures

Equity ratio
Adjusted equity as a percentage of total assets.

Financial calendar

Interim Report Q1, May 6, 2021
Annual General Meeting, May 6, 2021
Interim Report Q2, August 27, 2021
Interim Report Q3, November 25, 2021

Contact information

BoMill AB, reg. no. 556556-4332
Andreas Jeppsson, CEO.
E-mail: andreas.jeppsson@bomill.com
Phone: +46 (0)727-001182
Address: BoMill AB
Gottorpssvägen 58
218 45 Vintrie

Certified Adviser

Svensk Kapitalmarknadsgranskning AB is appointed the Company's Certified Adviser.
E-mail: ca@skmg.se
Phone: +46 (0)11-32 30 732

Publication

The Annual Report is published on the Company's website on April 15, 2021.

Dividend

The Board of Directors proposes that no dividend shall be paid for the financial year 2020.

Board declaration

The Board of Directors and the CEO hereby assure that the Annual Report provides a fair overview of the Company's operations, position and results.

The Annual Report will be submitted to the Annual General Meeting for adoption.

Malmö, April 15, 2021

The Board of Directors

Lars Persson
Chairman of the Board

Bo Löfqvist
Board Member

Julie Peyrache
Board Member

Henrik Hedlund
Board Member

Thomas Carlström
Board Member

Andreas Jeppsson
Managing Director

My Audit Report was submitted on April, 15, 2021

Bengt R Andersson
Public Accountant and Auditor in Charge



BoMill

Adds more value
to your grain

BoMill AB
Gottorpsvägen 58
SE-218 45 Vintrie
SWEDEN

www.bomill.com
Email: info@bomill.com



EKONOMI & REVISION

AUDITOR'S REPORT

To the general meeting of the shareholders of BoMill AB
Corporate identity number 556556-4332

Report on the annual accounts

Opinions

I have audited the annual accounts of BoMill AB for the year 2020.

In my opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of BoMill AB as of 31 December 2020 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

I therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

I conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the "Auditor's Responsibilities" section. I am independent of BoMill AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

My objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 annual accounts.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the annual accounts, 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 my opinions. 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 the company's internal control relevant to my 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. I also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify my opinion about the annual accounts. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

I must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. I must also inform of significant audit findings during my audit, including any significant deficiencies in internal control that I identified.

Report on other legal and regulatory requirements

Opinions

In addition to my audit of the annual accounts, I have also audited the administration of the Board of Directors and the Managing Director of BoMill AB for the year 2020 and the proposed appropriations of the company's profit or loss.

I recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

I conducted the audit in accordance with generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the "Auditor's Responsibilities" section. I am independent of BoMill AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

My objective concerning the audit of the administration, and thereby my opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

My objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby my opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, I exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on my professional judgment with starting point in risk and materiality. This means that I focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. I examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to my opinion concerning discharge from liability. As a basis for my opinion on the Board of Directors' proposed appropriations of the company's profit or loss I examined whether the proposal is in accordance with the Companies Act.

Malmö 15 April 2021

Bengt R Andersson
Approved Public Accountant