



BoMill

Adds more value
to your grain



Q4

YEAR-END REPORT, JANUARY 1 – DECEMBER 31, 2020

BoMill AB

Summary of the year-end report

BoMill AB, organization number 556556-4332.

Net sales and income for the fourth quarter (October – December, 2020)

- Net sales amounted to KSEK 5 (KSEK -319).
- Net income after financial items amounted to KSEK -6 163 (KSEK -8 303). During the fourth quarter listing-related costs of a non-recurring nature amounted to KSEK 370 which have been deducted from equity.
- Net income per share amounted to SEK -0,52 (SEK -1,20).
- Cash flow during the fourth quarter amounted to KSEK 17 207 (KSEK -5 183).

Net sales and 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 which have been deducted from equity.
- Net income per share amounted to SEK -1,81 (SEK -3,68).
- 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.

Highlights after the end of the period

- On January 26, 2021, BoMill announced that the Company had signed an agreement with Lilla Harrie Valskvarn AB to test the Company's updated sorting technology, which is based on the TriQ model.
- On January 27, 2021, the Extraordinary General Meeting in BoMill resolved on a directed issue of 330,000 warrants. The warrants shall entitle rights for founder, Bo Löfqvist (205 000 warrants), and Managing Director Andreas Jeppsson (125 000 warrants), to subscribe for new shares in the Company. Minutes with complete resolutions are available on BoMill's website (www.bomill.com/investors/egm).

"BoMill's unique offering has the potential to disrupt the whole grain industry."

Andreas Jeppsson, CEO BoMill

The CEO has the floor

New agreements and updated business strategy

2020 has certainly been a groundbreaking and eventful year for BoMill. At the time of writing, roughly four 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 last quarter and 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, as part of the final development phase of a premium version of our TriQ model. 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. We are of course very excited about soon being able to launch the updated model on the market. 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

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.

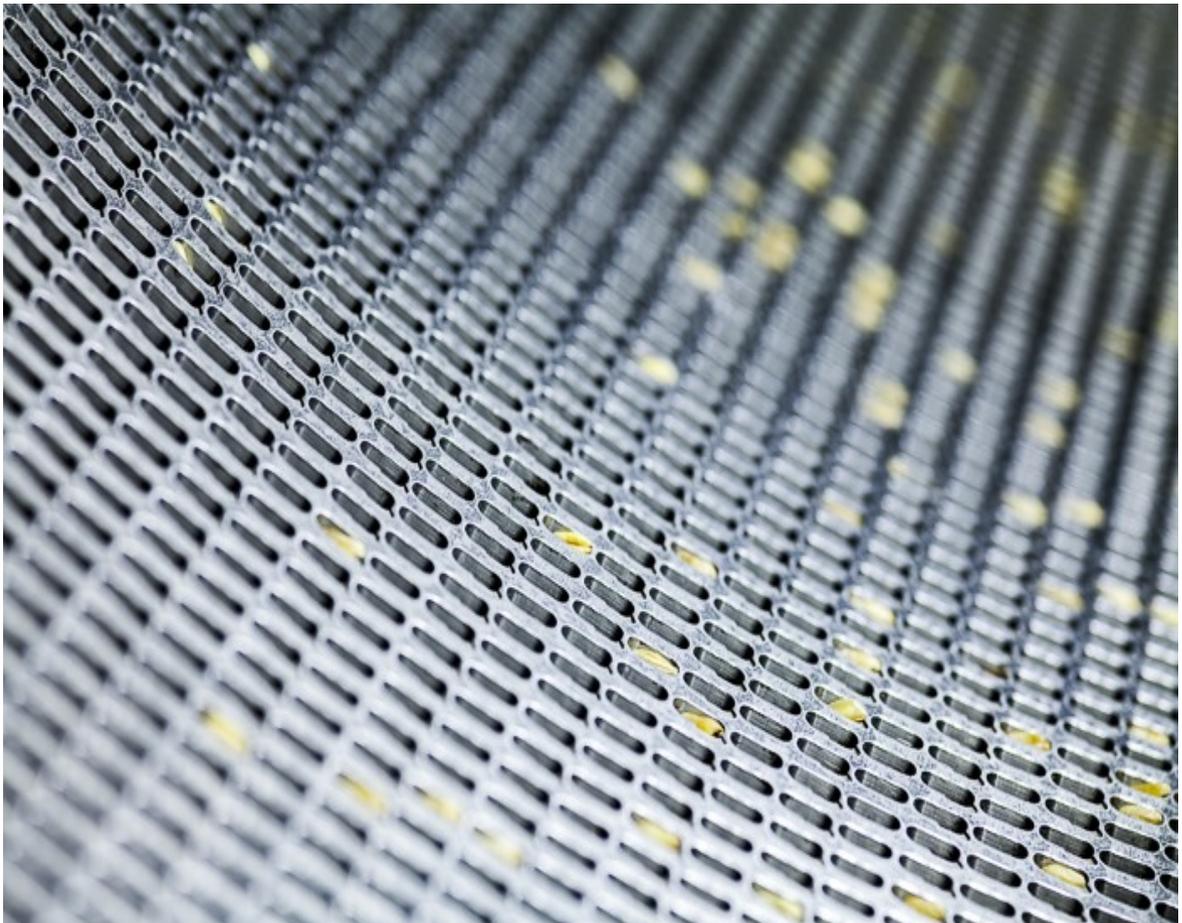
BoMill's technology

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.



Results and financial position

Net sales during the fourth quarter amounted to KSEK 5 (KSEK -319). Net sales during the year amounted to KSEK 47 (KSEK 4 443).

Net income after financial items during the fourth quarter amounted to KSEK -6 163 (KSEK -8 303), while net income per share amounted to SEK -0,52 (SEK -1,20). Net income after financial items during the year amounted to KSEK -21 582 (KSEK -25 480), and net income per share amounted to SEK -1,73 (SEK -3,68).

Cash flow during the fourth quarter amounted to KSEK 17 207 (KSEK -5 183). 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 fourth quarter amounted to KSEK 1 518 (KSEK 3 526) and for the year to KSEK 2 524 (KSEK 3 778). Investments in current assets during the fourth quarter amounted to KSEK 64 (KSEK 196) and for the year 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%
Mosiki Svenska AB	747 998	6,27%
Sum largest shareholders	6 035 628	50,59%
<i>Others</i>	<i>5 893 772</i>	<i>49,41%</i>
TOTAL	11 929 400	100,00%

Certified Adviser

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

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Principles for the preparation of the Year-End Report

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

Auditor's review

This report has been subject to review by the Company's auditor.

Proposed appropriation of BoMill's profit or loss

The Board of Directors and the CEO have proposed that no dividend shall be paid for the fiscal year 2020-01-01 – 2020-12-31.

Annual General Meeting and Annual Report

BoMill's Annual General Meeting will be held on the Company's address in Vintrie, Malmö, on May 6, 2021. BoMill's Annual Report will be made available on the Company's website on April 15, 2021:

<https://www.bomill.com/investors/reports>.

Financial calendar

Annual Report, April 15, 2021

Interim Report Q1, May 6, 2021

Annual General Meeting, May 6, 2021

Interim Report Q2, August 27, 2021

Interim Report Q3, November 25, 2021

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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Income Statement

KSEK	2020-10-01 -2020-12-31	2019-10-01 -2019-12-31	2020-01-01 -2020-12-31	2019-01-01 -2019-12-31
Income				
Net sales	5	-319	57	2 443
Activated work for own account	1 672	137	1 672	3 484
Other operating income	1 245	53	2 587	2 603
	2 922	-129	4 317	8 530
Operating expenses				
Raw materials and consumables	-591	803	-599	-3 449
Other external expenses	-5 017	-4 064	-12 391	-13 391
Staff costs	-2 688	-3 488	-9 687	-13 987
Depreciation and write-downs of tangible and intangible fixed assets	-649	-1 415	-2 982	-3 079
Other operating expenses	-	-	-8	-31
	-8 944	-8 165	-25 667	-33 936
Operating profit/loss	-6 022	-8 294	-21 350	-25 407
Income from financial items				
Income from other securities and receivables that are fixed assets	-	-	-	7
Interest expenses and similar items	-140	-9	-232	-80
	-140	-9	-232	-73
Income after financial items	-6 163	-8 303	-21 582	-25 480
Income for the period	-6 163	-8 303	-21 582	-25 480

Balance Sheet

KSEK	2020-12-31	2019-12-31
ASSETS		
FIXED ASSETS		
Intangible fixed assets		
Balanced expenses for development work and similar work	5 393	5 984
Concessions, patents, licenses, trademarks and similar intellectual rights	1 000	565
	6 393	6 549
Tangible fixed assets		
Invested costs in other property	1 526	1 627
Inventories, tools and installations	493	933
	2 019	2 560
Financial assets		
Shares in group companies	8	8
Receivables from group companies	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
	3 048	2 128
Receivables		
Accounts receivables	10	4 737
Other receivables	512	616
Prepaid expenses and accrued income	599	1 176
	1 121	6 529
Cash and bank		
Cash and bank	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	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	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
Reserve fund					
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	-21 852	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
Reserve fund					
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	2020-10-01 -2020-12-31	2019-10-01 -2019-12-31	2020-01-01 -2020-12-31	2019-01-01 -2019-12-31
Operating activities				
Income after financial items	-6 163	-8 303	-21 582	-25 480
Adjustments for items not included in cash flow etc.	649	1 087	2 982	3 139
Cash flow from operating activities	-5 514	-7 216	-18 600	-22 341
Cash flow from changes in working capital				
Increase (-)/decrease (+) in inventory	-526	128	920	686
Increase (-)/decrease (+) in operating receivables	-4 909	-1 633	-5 408	-3 922
Increase (-)/decrease (+) in operating liabilities	-7 338	658	-2 325	2 314
Cash flow from operating activities	-8 469	-4 796	-16 437	-23 264
Investing activities				
Acquisition of intangible fixed assets	-1 817	-3 526	-2 524	-3 778
Acquisition of property, plant and equipment	-64	-196	-94	-398
Divestment of fixed assets	339	-	334	-
Cash flow from investing activities	-1 542	-3 722	-2 285	-4 176
Financing activities				
Issue of shares	27 217	15 199	39 849	33 226
Amortization of loans	-	-11 863	-	-12 705
Cash flow from financing activities	27 217	3 335	39 849	20 521
Cash flow for the period	17 207	-5 183	21 128	-6 918
Cash at the beginning of the period	8 139	9 402	4 218	11 137
Cash at the end of the period	25 346	4 218	25 346	4 218



Board declaration

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

Malmö, March 19, 2021

The Board of Directors



BoMill

Adds more value
to your grain

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