Nordic microbes A/S

Kochsgade 25, 5000 Odense C

CVR no. 42 55 99 97

Annual report for the period

1 January to 31 December 2024

Adopted at the annual general meeting on 21 May 2025

Morten Østergaard Andersen
Chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management´s review	
Company details	5
Management's review	6
Financial statements	
Income statement 1 January 2024 - 31 December 2024	7
Balance sheet at 31 December 2024	8
Statement of changes in equity	10
Notes	11
Accounting policies	14

Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Nordic microbes A/S for the financial year 1 January - 31 December 2024.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Odense C, 28 March 2025

Executive board

Morten Østergaard Andersen
Director

Supervisory board

Thomas Hessellund chairman	Anders Kjær	Morten Østergaard Andersen
Anders Peter Gram	Henrik Busch-Larsen	

Independent auditor's report

To the shareholders of Nordic microbes A/S

Opinion

We have audited the financial statements of Nordic microbes A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the “Auditor's responsibilities for the audit of the financial statements” section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the 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 audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark 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 financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 our opinion. 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 internal control relevant to the 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that management's review 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 of management's review.

Copenhagen, 28 March 2025

Baker Tilly Denmark
Godkendt Revisionspartnerselskab
CVR no. 35 25 76 91

Peter Aagesen
State Authorised Public Accountant
mne41287

Company details

The company	Nordic microbes A/S Kochsgade 25 5000 Odense C	
	CVR no.:	42 55 99 97
	Reporting period:	1 January - 31 December 2024
	Incorporated:	23 July 2021
	Domicile:	Odense
Supervisory board	Thomas Hessellund, chairman Anders Kjær Morten Østergaard Andersen Anders Peter Gram Henrik Busch-Larsen	
Executive board	Morten Østergaard Andersen, director	
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby	

Management's review

Business review

Nordic microbes A/S (formerly Bioomix A/S) is a Danish ag/biotech company that develops, produces, and sells microbiological products for agriculture.

In 2024, Nordic Microbes (formerly Bioomix) made strong progress toward our mission of making agriculture more productive, profitable, and sustainable with microbial products. We rebranded to better reflect our Nordic roots and microbial focus. Commercially, we achieved sales in all quarters, recorded our first international sales in Sweden, signed our first off-take agreement, and introduced a direct-to-farmer sales channel for SeedSpeed®. We also strengthened our presence through trade shows, a new website, and a newsletter. Sales revenue grew four-fold compared to 2023.

To support commercial expansion, we invested in a new production facility and partnered with contract manufacturers to meet rising demand. Our R&D efforts delivered strong results for SeedSpeed®, RootRocket®, and FungiFoe™, and we filed two new patent applications and three new trademark applications. RootRocket® was successfully registered as a biostimulant with the Danish authorities, and we advanced region-specific products based on new microbe discoveries in Sweden and the UK.

Our team grew to 21 people, and we welcomed Thomas Hessellund as our new chairman to support international expansion. Entering 2025, we are well-positioned for continued growth, backed by a robust IP portfolio, scalable production, and strong customer demand.

Financial review

The company's income statement for the year ended 31 December 2024 shows a loss of DKK 6.523.266, and the balance sheet at 31 December 2024 shows equity of DKK 44.158.935.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement
1 January 2024 - 31 December 2024

	Note	2024	2023
		DKK	DKK
Gross profit		**6.147.617**	**4.541.580**
Staff costs	1	-13.867.450	-9.615.354
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-1.993.176	-801.434
Other operating costs		-88.898	-3.138
Profit/loss before net financials		**-9.801.907**	**-5.878.346**
Financial income		1.202.438	298.952
Financial costs		-11.767	-347.749
Profit/loss before tax		**-8.611.236**	**-5.927.143**
Tax on profit/loss for the year	2	2.087.970	1.400.689
Profit/loss for the year		**-6.523.266**	**-4.526.454**
Recommended appropriation of profit/loss			
Transferred to reserve for development expenditure		9.811.315	4.383.943
Retained earnings		-16.334.581	-8.910.397
		-6.523.266	**-4.526.454**

Balance sheet at 31 December 2024

	Note	2024	2023
		DKK	DKK
Assets			
Completed development projects		3.629.091	1.581.983
Acquired patents		352.320	163.776
Development projects in progress		18.447.057	7.915.556
Intangible assets	3	**22.428.468**	**9.661.315**
Other fixtures and fittings, tools and equipment	4	4.418.724	3.497.952
Leasehold improvements	4	806.970	92.038
Tangible assets		**5.225.694**	**3.589.990**
Deposits	5	530.424	517.512
Fixed asset investments		**530.424**	**517.512**
Total non-current assets		**28.184.586**	**13.768.817**
Trade receivables		0	20.274
Other receivables		2.945.776	2.035.890
Deferred tax asset		0	201.652
Corporation tax		2.568.993	1.275.168
Prepayments		19.709	24.795
Receivables		**5.534.478**	**3.557.779**
Cash at bank and in hand		**12.350.008**	**34.845.836**
Total current assets		**17.884.486**	**38.403.615**
Total assets		**46.069.072**	**52.172.432**

Balance sheet 31 December

	Note	2024	2023
		DKK	DKK
Equity and liabilities			
Share capital		402.520	402.520
Reserve for development expenditure		17.219.395	7.408.080
Retained earnings		26.537.020	42.871.601
Equity		**44.158.935**	**50.682.201**
Provision for deferred tax		279.371	0
Total provisions		**279.371**	**0**
Trade payables		1.060.744	764.749
Debt to credit institutions		70.341	0
Other payables		499.681	725.482
Total current liabilities		**1.630.766**	**1.490.231**
Total liabilities		**1.630.766**	**1.490.231**
Total equity and liabilities		**46.069.072**	**52.172.432**
Contingent liabilities	6		

Statement of changes in equity

	Share capital	Reserve for development expenditure	Retained earnings	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	402.520	7.408.080	42.871.601	50.682.201
Net profit/loss for the year	0	9.811.315	-16.334.581	-6.523.266
Equity at 31 December	**402.520**	**17.219.395**	**26.537.020**	**44.158.935**

Notes

		2024	2023
		DKK	DKK
1	**Staff costs**		
	Wages and salaries	12.318.636	8.731.234
	Pensions	960.736	621.271
	Other social security costs	135.676	98.760
	Other staff costs	452.402	164.089
		13.867.450	**9.615.354**
	Number of fulltime employees on average	20	15
2	**Tax on profit/loss for the year**		
	Current tax for the year	-2.568.993	-1.275.168
	Deferred tax for the year	481.023	-125.521
		-2.087.970	**-1.400.689**

Notes

3 Intangible assets

	Completed development projects	Acquired patents	Development projects in progress
	DKK	DKK	DKK
Cost at 1 January	1.757.759	191.936	9.239.691
Additions for the year	0	242.899	11.677.238
Transfers for the year	2.469.871	0	-2.469.872
Cost at 31 December	4.227.630	434.835	18.447.057
Impairment losses and amortisation at 1 January	175.776	28.161	0
Amortisation for the year	422.763	54.354	0
Impairment losses and amortisation at 31 December	598.539	82.515	0
Carrying amount at 31 December	**3.629.091**	**352.320**	**18.447.057**

The company's development projects relate to the development of cells and microbes within agriculture. The projects are expected to be continuously developed in the coming financial years, and none of the projects have currently been completed.

4 Tangible assets

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	2.906.636	108.543
Additions for the year	3.622.631	927.465
Cost at 31 December	6.529.267	1.036.008
Impairment losses and depreciation at 1 January	801.685	21.837
Depreciation for the year	1.308.858	207.201
Impairment losses and depreciation at 31 December	2.110.543	229.038
Carrying amount at 31 December	**4.418.724**	**806.970**

Notes

5 Fixed asset investments

	Deposits DKK
Cost at 1 January	517.512
Additions for the year	12.912
Cost at 31 December	530.424
Carrying amount at 31 December	**530.424**

6 Contingent liabilities

The company has entered into rental and leasing agreements with a total obligation per 31 December 2024 on TDKK 2.741.

Accounting policies

The annual report of Nordic microbes A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2024 is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Revenue

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Other operating income

The item Other operating income includes items of a secondary nature relative to the company's activities.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and items of property, plant and equipment.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Intangible assets

Development projects and patents

Development costs comprise costs, wages/salaries and amortisation losses that are directly and indirectly attributable to the company's development activities.

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 10 years.

Patents are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, however not more than 8 years.

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale.

Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Fixed asset investments

Deposits are measured af cost.

Accounting policies

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Accounting policies

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.