GREENFOOD
ANNUAL REPORT
2021

GREENFOOD®

A GROUP WITH A PASSION FOR GREEN FOOD

GREENFOOD IS A LEADING EUROPEAN PLAYER IN THE PLANT BASED FOOD SECTOR. Through what we call Green Convenience, we create sustainable and healthy food that is tasty, affordable and easily accessible. The business is divided into three segments: Fresh Produce, Food Solutions and Picadeli. Through these areas, we offer everything from healthy fast food and ready meals, to fruits and vegetables sourced directly from farms spread across much of the globe. Our main markets are Sweden, Finland, France, Denmark, Germany, and Belgium.

WE DEMOCRATIZE HEALTHY AND SUSTAINABLE FOOD!

GREEN FOOD TODAY FOR A GREEN WORLD TOMORROW

As the name would suggest, our job is all about green food. For us, "green" means our food is healthy and nutritious, as well as produced respecting human rights and the environment. Our vision is to democratize healthy, sustainable food and create a world where everyone has the opportunity to eat "green". We help achieve this by making our products and assortment more accessible, affordable and appetizing. Eating healthy and sustainable food should not be a privilege; it should be every human being's right.

CREATING GROWTH THROUGH DIGITALIZATION

Foodtech is on the rise, and IT and tech skills are becoming increasingly important. One of the factors behind Greenfood's success has been recruiting outside of traditional areas of food expertise and hiring programmers, engineers and AI specialists. This has helped the Group scale up and automate its operations, such as through proprietary digital tools that generate consumer insights, streamline the ordering process, reduce food waste and make life easier for our customers.

OUR THREE BUSINESS AREAS

FRESH PRODUCE

A FULL-SERVICE IMPORTER AND DISTRIBUTOR OF FRUITS AND VEGETABLES

The business area buys seasonal products from both local and global producers and supplies fruits, berries, herbs and vegetables to stores, hotels, restaurants and catering businesses throughout Europe, with a focus on Sweden and Finland. In-depth knowledge of cultivation, product ranges, quality, logistics and the handling of fruits and vegetables allows it to offer a wide range of products, from affordable basics to the very best premium quality.

FOOD SOLUTIONS

HEALTHY CONVENIENCE FOOD THAT IS TASTY AND ACCESSIBLE

The product range includes everything from pre-cut fruits and vegetables, grain and pasta mixes, to consumer packaged salads, wraps and smoothies. These solutions simplify healthy food by minimizing prep time in the kitchen. Customers include grocery stores, convenience stores, some restaurant chains, and providers to hotel, restaurant and institutional end customers.

PICADELI

A HIGH-TECH, SUSTAINABLE SALAD CONCEPT

Picadeli is the Swedish salad pioneer that has used AI and high-tech salad bars to conquer the market. Its innovative take-away concept can be found in some 2,000 convenience stores and grocery stores throughout Europe and the USA. Since its inception in 2009, Picadeli has made dedicated efforts to make healthy food fairer by making it accessible, tasty and affordable.

MENU

Download a print-optimized PDF (A4)

DESPITE A MARKET IN RECOVERY, 2021 YIELDED **GOOD RESULTS** AND ROOM FOR NEW INVESTMENTS

OPERATIONS	REVENUE
FRESH PRODUCE • 338 employees • 240,000 tonnes of fresh vegetables	SEK 2,964.3 million
FOOD SOLUTIONS • 361 employees • 13 million packages of ready meals	SEK 888.3 million
PICADELI • 220 employees • 1,950 salad bars • 30 million portions of self-serve salad	SEK 825.0 million

EARNINGS

SEK 161.7 million
Adjusted EBITDA

SEK 169.7 million
Operating cash flow

CAPITAL

SEK 478 million
Available liquidity

SEK 1,681 million
Total net debt

SEK 1,279 million
External net debt

DEVELOPMENT

188%
growth in **EBITDA**

2.4%
increase in **EBITDA-margin**

See definitions of financial measures on page 88.

THE YEAR WAS MARKED BY NEW VENTURES AND INNOVATION

DEMAND FOR HEALTHY FAST FOOD IS INCREASING WORLDWIDE.

GREENFOOD GREENHOUSE – A SUSTAINABLE INVESTMENT IN THE FUTURE

In May, Greenfood broke ground on the 44,000 square-meter Greenfood Greenhouse in Helsingborg, one of northern Europe's largest centers for sustainable and healthy food. The new facility will be at the forefront of energy and environmental efficiency, by using efficient cooling systems and modern heat recovery, as well as a photovoltaic system that will cover most of the business's electricity needs. Construction will be completed by 2023.

LAUNCHING OUR OWN AI PLATFORM: ARCORDER

A few years ago, Picadeli decided to really speed up the pace of digitalization. One clear result of this is the new AI platform, Arcorder, developed by Picadeli. This platform calculates order recommendations based on planograms, current inventory levels, and sales history, as well as external factors such as weather forecasts and calendar days. All to maximize availability while minimizing waste.

DISPLAY FOR HEALTHY FAST FOOD AS PICADELI OPENS RESTAURANT IN PARIS

In the midst of the ongoing pandemic, Picadeli opened the doors of a flagship restaurant in Paris's famous Dôme de la Défense shopping center, which attracts 42 million visitors a year. The restaurant will serve as a showcase for the salad concept and has been designed for both guests on-the-go and those who want to sit down and eat their salad at a table. The Picadeli business segment is already well-established in France, with salad bars at over 400 locations. This novel restaurant concept makes healthy fast food of the future more accessible and enables us to fine-tune our offering to stores and consumers.

GREENFOOD SPEEDING INTO THE FUTURE WITH JAGUAR

Quality requirements, purchasing power and larger product ranges are behind Greenfood's declaration of intent to acquire 10 percent of Dutch fruit and vegetable supplier Jaguar. This strategic acquisition gives the Fresh Produce segment greater presence in several of the world's most important farming regions, while Jaguar's purchasing offices in China, South Africa, Peru and Egypt will make it easier to promote sustainability along the supply chain, to strive towards improving working conditions and resource-efficient agriculture.

GREENFOOD STRENGTHENS PREMIUM RANGE OF FRUITS AND VEGETABLES AND PRESENCE IN WESTERN SWEDEN

Greenfood acquired 100 percent ownership of Lundgrens Primörer, a specialist purveyor of fine fruits and vegetables. Based on Sweden's west coast, the company has annual turnover of nearly SEK 90 million and is known for its extensive premium range of fruits, vegetables and processed raw materials. Lundgrens represents some of the world's leading fruit and vegetable producers. With this purchase, the Fresh Produce segment is strengthening its presence in western Sweden and becoming a nationwide supplier of fruit and vegetables.

GREENFOOD CONTINUES FOCUS ON PLANT-BASED FOOD

Greenfood continued its focus on plant-based food throughout the year. Among other things, Ahlströms has further developed its range of plant-based alternatives under the Ahlgood brand. These products are based on traditional, locally grown, organic and KRAV-labelled crops. In addition, Picadeli has phased out all red meat from its salad bars and continued its focus on alternative protein sources and plant-based products.

SCIENCE BASED TARGETS INITIATIVE (SBTI)

Greenfood has decided to join SBTi. As part of our work with the initiative, we will set climate targets that include direct emissions and indirect emissions from our whole value chain. Our targets will be set in accordance with the Paris Agreement and the ambition to limit global warming to a maximum of 1.5°C.

A TOP-RATED BOND LINKED TO SUSTAINABILITY WORK

In November 2021, Greenfood successfully issued a four-year sustainability-linked bond of just over SEK 1 billion. This bond is linked to the objectives of Greenfood's sustainability framework and has received the highest possible rating from The Governance Group, an independent research and advisory firm.

PICADELI ESTABLISHES HEALTHY FAST FOOD STATE-SIDE

Picadeli took its popular salad concept across the Atlantic, establishing Greenfood on a new continent. Demand for healthy fast food is increasing worldwide, and the USA is no exception. With a consumption pattern where many people eat outside the home and are also hungry for healthy food options, there is a huge interest in salad bars. The aim is to accelerate rapid growth by establishing Picadeli with a lower price point than other players in the "fast casual" category of fast food restaurants without table service.

ALL EFFORTS TOWARD THE FUTURE

There is an urgent need for change – change in order to protect people, ecosystems and our food production. A large proportion of global climate impact comes from food consumption, while there is tremendous potential to reduce it by changing the way we eat. There is also a clear correlation between food and health. How healthy we humans are is also a reflection of the food we eat. Many people don't eat fruit and vegetables regularly – food that helps keep us healthy. Some people don't because they lack inspiration, others because they simply can't afford it.

THIS IS WHAT UNDERPINS my conviction that Greenfood's focus on sustainability, health and value for money is more relevant than ever. This is why our businesses are clearly bound together by a shared vision to democratize healthy food and to make it more easily accessible to consumers. It is on the basis of this vision that we built our strategy and gradually developed our offering and product range.

GREENFOOD HAS A STRONG future. We have three business areas that efficiently supply the Nordic region and Europe with easily accessible plant-based food. In Food Solution, we can offer innovative products produced in ultra-modern facilities with high productivity and low levels of food waste. Our foodtech company Picadeli is currently the European market leader in the field of healthy fast food. Through our digitalized salad bars, we offer consumers easily accessible, sustainable, value-for-money and healthy salad-based meals. The fruit and vegetable specialist Fresh Produce has expanded its range, not only of value-for-money basic products, but also of colorful premium products from the world's top growers, as well as locally grown fruits and vegetables of the highest quality.

THE SOCIETAL CHANGE WE ARE NOW undergoing, with increased demands for sustainability, and increased awareness of health and the climate impact of food, is creating the conditions for long-term, profitable and sustainable growth for Greenfood. We have never

GREENFOOD'S FOCUS ON SUSTAINABILITY, HEALTH AND VALUE FOR MONEY IS MORE RELEVANT THAN EVER.

had a stronger foundation. And as leader of the Group, I have probably never been prouder of what we have managed to achieve together.

ALL EFFORTS FOCUSED ON THE FUTURE

In 2021, we continued to consolidate our position as a leader in the field of healthy, sustainable food. We made use of the strength of our core business and built for the future through strategic consolidations, both in Finland and in Sweden, as well as by making additional investments in the efficiency of the business. This allowed us to boost our competitiveness and reduce our costs. We have also re-financed the company via a sustainability-linked bond, and we are currently in a financial position that enables continued proactive investments and initiatives.

One of our biggest investments to date is Greenfood Greenhouse – a specially adapted, ultra-modern and environmentally efficient food and logistics center that is currently being built by Skanska in Helsingborg. The new 44,000 square meter building will be one of Northern Europe's largest eco-systems for sustainable and healthy food. This investment means that we can continue to grow in Europe, increase our volumes and further develop our product range.

To supplement the Greenfood family and create increased competitiveness, we have also acquired the premium supplier Lundgrens Primörer, and laid the foundations for a long-term partnership with the Dutch fruit and vegetable supplier Jaguar. By acquiring Lundgrens, we are increasing both our presence in western Sweden and our premium range, and a long-term partnership with a global supplier such as Jaguar enables us to boost our presence in the world's important growing regions.

> "DESPITE THE EXCEPTIONAL CIRCUMSTANCES CREATED BY THE PANDEMIC, WE MANAGED TO REACH SEVERAL IMPORTANT MILESTONES IN 2021 BY MEANS OF AGILE INNOVATION AND A CONTINUED FOCUS ON DIGITALIZATION AND PRODUCT DEVELOPMENT.

A GROWTH ROCKET THAT AIMS TO REACH NEW MARKETS

With our foodtech company Picadeli, we have succeeded in creating a scalable model with great growth potential. Picadeli is now the market leader in six mature European countries, and sells about one salad every second, 24 hours a day, all year round. This shows the possibilities of the business model and gives an indication of Picadeli's growth potential in the years ahead. We can now expand cost-efficiently into new countries, as we proved once more in 2021, when we crossed the Atlantic and established the concept in the US market.

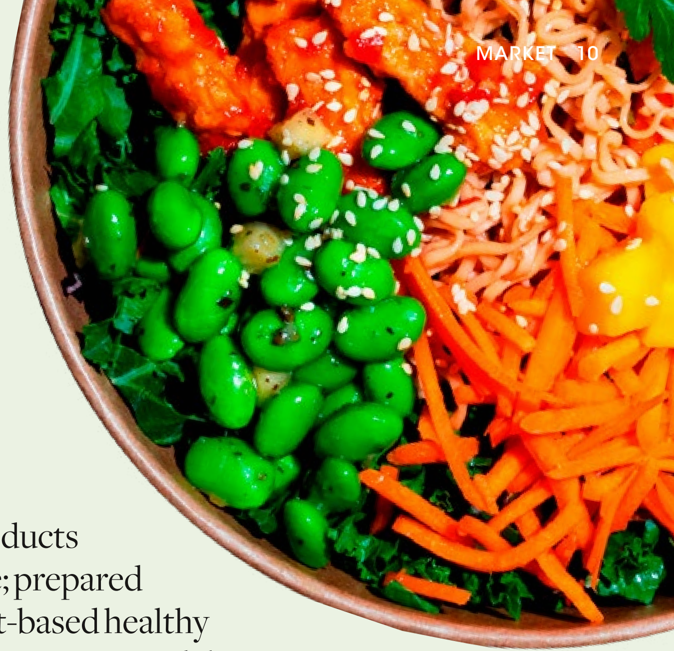
Despite the exceptional circumstances created by the pandemic, we managed to reach several important milestones in 2021 by means of agile innovation and a continued focus on digitalization and product development. Thanks to Greenfood's extensive experience of plant-based food combined with an advanced high-tech salad bar, we have managed to create a healthy and sustainable fast-food concept that is perfectly in line with the trends that characterize our society today.

SUSTAINABLE AGENDA WITH ENHANCED CLIMATE AMBITION

2021 has been an intense and historic year, with clear steps towards continued growth and a leading position in the area of sustainability. We have signed up for the Science Based Targets initiative, initiated a number of new food waste projects, increased sales of plant-based food, reduced the plastic in our packaging solutions, and also had the courage to connect a sustainability-linked bond to our sustainability goals. The bond gives us scope to invest in even more projects that will make us more sustainable, climate-smarter and more resource-efficient while continuing to grow.

Greenfood shall be an important force for change in the food industry. A company that takes the lead, and offers the market's best plant-based product range, and that makes a difference – for consumers, customers, employees, suppliers, partners and the planet. As we look ahead, we do so based on a stronger business and a strategy that is ideally adapted for the future.

David von Laskowski
Group President and CEO



GREENFOOD OPERATES IN A LARGE AND GROWING MARKET

GREENFOOD OPERATES IN THE MARKET FOR HEALTHY AND PLANT-BASED FOODS. In this market we offer products in three overarching categories. Fresh fruits and vegetables, such as apples, bananas, and heads of lettuce; prepared vegetable products, such as chopped vegetables or ready-made mixtures of grains; and ready-made plant-based healthy food, such as sandwiches, wraps, ready-made salads, and salads the customer can select in our salad bar concept, Picadeli. Our products are primarily sold to two customer segments: retailers, and HoReCA (hotels, restaurants and catering). In the retail segment, our customers are in both the grocery and the convenience sectors, while the HoReCa segment is served through specific HoReCa wholesalers as well as directly to some specific fast-food customers, such as McDonalds.

GROCERY AND CONVENIENCE – STABLE CUSTOMERS WITH GROWING DEMAND FOR GREEN FOOD

The majority of Greenfood's turnover consists of sales to grocery and convenience stores. Our entire range can be found in supermarkets. Our fresh fruits and vegetables fill the fresh produce department while the shelves are packed with ready-made plant-based products in the form of salads, wraps and sandwiches, as well as healthy fast food through our store concept Picadeli. Through the convenience segment, we primarily sell our ready-made plant-based products, which are available on shelves or in our salad bars in convenience stores, kiosks and gas stations.

In 2021, grocery trade demand has been stable. Due to the Covid-19 pandemic, we closed a large number of our store-based salad bars during 2020, but recovery has been good in 2021. The convenience side was hit harder by the pandemic but has also recovered well. In both these segments, demand for plant-based food is increasing. In Swedish grocery stores, fruit and vegetables account for about 15 percent of sales, and vegetable sales per capita have increased by 4.1 percent since 2016[1].

HORECA – SHARP DECLINE DURING COVID BUT GREEN FOOD IS BECOMING INCREASINGLY IMPORTANT

Greenfood sells its entire range to the hotel, restaurant, and catering customer segment, with a focus on prepared plant-based products such as rinsed, peeled and chopped fruit and vegetables. Sales take place both directly to larger fast-food chains but also through food service wholesalers such as Martin & Servera and Svensk Cater. Within HoReCa, there are both private and public actors.

This market was hit hard by the Covid19 pandemic, but its recovery has also been good in 2021. On the public side, the effects of covid were not as significant. Commercial kitchens in the public sector were mostly open, except for the short-term closure of schools. Within HoReCa, the trend towards a more plant-based product range is strong.

1) Source: Svensk Dagligvaruhandel (Swedish Food Retailers Federation), Annual report 2021.

STRONG CONSUMER TRENDS DRIVING DEMAND FOR PLANT-BASED FOOD

THE MARKET FOR GREEN, HEALTHY AND FAST FOOD is experiencing a number of strong trends, all of which are driving underlying structural growth. Throughout Greenfood's history, the trend towards more sustainable, healthy and plant-based food has been significant, but the last decade has seen historically increased focus on the sustainability issue. There are a number of trends that are positive for the market in general, and Greenfood's business in particular.

SUSTAINABILITY

Consumers around the world are focusing increasingly on climate issues and that the food we eat has the smallest possible impact on our planet. Sustainability is also driving the strong trends on health, locally produced, organic and vegetarian.

HEALTH

The importance of food to health is an issue that has become increasingly high on the agenda. There is a widespread awareness that fruits and vegetables have great health benefits compared to other foods and the demand for healthier fast food is rising significantly.

LOCALLY PRODUCED

The closer the food is produced, the better. There are several driving factors behind this trend. Locally produced food reduces the climate impact in terms of transport, but it also contributes to jobs and a vibrant countryside. Labels that show that the food is locally produced are gaining an increasingly prominent place on packaging and in advertising.

ORGANIC & VEGETARIAN

Although the overall demand for organic goods has levelled-off, the demand for vegetarian and other products continues to rise. There is a shift in consumption towards more vegetarian dishes and plant-based proteins. There is still increased demand for the fruit and vegetables we buy to be organically produced.

AVAILABILITY

Another strong trend affecting the market is consumers' desire to access healthy food quickly and conveniently. Driven by such factors as a more urban lifestyle, consumers demand easy- and quick-cooked food and healthier choices when food is eaten on the go.

DIGITALIZATION

Digitalization affects our entire society, including the market for healthy green fast food. By taking advantage of the benefits that digitalization brings, the consumer gets informed about choices better adapted to its needs. A better match between supply and demand also leads to lower food waste.

GREENFOOD IS WELL POSITIONED **TO MEET THE MARKET'S NEEDS**

OVER THE YEARS, GREENFOOD HAS BUILT up a competitive range of plant-based foods. With such a comprehensive offering of healthy and sustainable vegetarian and vegan foods, we are ready to respond to consumers' increased awareness of health issues and environmental concerns. Our strategic focus places a natural emphasis on sustainability and health. The ambition is to, with the application of new technology and new methods, be an innovative guiding light for sustainability in greener, healthier food, available everywhere.

SUSTAINABILITY IS A NATURAL PART OF OUR BUSINESS

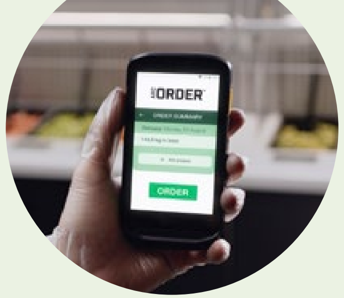
At Greenfood, sustainability is not just a goal, it's in our DNA. Our agenda is ambitious, and sustainability must be an integral part of our entire business. With a range that is 95 percent plant-based, our offer is well adapted to a world where sustainability is in focus. Still, we want to do more. We want our decisions to lead to a more sustainable society and we are therefore always looking at the big picture: food, environment and people. We are constantly working to strengthen sustainability in these strategic focus areas. We recently set measurable and very ambitious sustainability goals in all of these areas, and by joining the Science Based Targets initiative, we are demonstrating that we really take these goals seriously.

OUR PLANT-BASED RANGE IS BOTH HEALTHY AND TASTY

Our plant-based offers are coming along just in time to benefit from an increased demand for healthier food. We have taken several important steps in developing a range that is both healthy and good for the planet. Our salad pioneer, Picadeli, has completely eliminated red meat. Today, the range consists of 90 percent vegetarian products and 70 percent vegan. Another of Greenfood's companies, Ahlström's Factory, offers healthy food concepts that allow more people to eat vegetarian meals. They have also developed a range of plant-based products made from Nordic raw materials. To ensure that our food is both good and healthy, we follow the accepted standard Nutri-Score which, in a simple way, informs people about the nutritional value of each product and shows the product's balanced nutritional content on a scale of A-E, where A is best.

READY-MADE GREEN FOOD AND CONVENIENT SELF-SERVICE REPRESENTS THE NEW, HEALTHY FAST FOOD

Greenfood's range for Food Solutions and Picadeli offers healthy food that is simple, convenient, and flexible. Our ready-chopped and rinsed vegetables save consumers time, and through ready-prepared vegetables, healthy sandwiches, wraps and salads, as well as Picadeli's excellent salad bars, Greenfood is well positioned to meet consumers' demands for simpler and more accessible healthy food. Fast food has long had negative connotations, but after continuous product development, we now have a range that can change the fast-food landscape and quickly become synonymous with healthy eating. Our offer is aimed at an unsatisfied demand: food that is both available, tasty, and affordable.



A FOCUS ON TECHNOLOGY STRENGTHENS ALL ASPECTS OF OUR BUSINESS

A technology-oriented approach strengthens our entire business through continuous improvements in efficiency and quality. In connection with the creation of the new Greenfood, where the Fresh Produce and Food Solutions companies merged with Picadeli in 2015, the Greenfood Group took an active decision to increase our digitalization development, which led to the foodtech profile we have today. We are now working continuously for further digitalization within the Group, where the latest technology is used to develop our business models, our value chains and make life easier for our customers. This applies in particular to the Picadeli business area which, with the help of data collection and newly developed AI technology, can deliver valuable consumer insights to the rest of the Group and to our customers. Greenfood's strategic technology focus has accelerated our growth rate and scalability, and has been crucial to our opportunities to expand internationally.

THREE BUSINESS AREAS WITH POWERFUL SYNERGIES

THROUGH ITS THREE BUSINESS AREAS, Greenfood provides fresh, healthy plant-based food in various stages of processing for customers in hotels, restaurants, and catering businesses, as well as the grocery trade. The Picadeli growth engine also reaches the consumer, giving the entire organization access to valuable customer insights.

THE SAME CUSTOMERS BUT DIFFERENT CONSUMER NEEDS

In the Food Solutions and Fresh Produce business areas, Greenfood sells green, plant-based products under both its own brands, and unbranded products as a supplier to the grocery trade's own branded products. These two business areas mostly have the same customers in hotels, restaurants, and catering, as well as retail. Picadeli, on the other hand, is particularly focused on retail. The fact that the different business areas generally have the same customers creates synergies and benefits in customer management and creates strong relationships, while at the same time providing knowledge about the market and trends that benefit the whole of Greenfood.

OPERATIONAL EFFICIENCY IN PROCUREMENT AND PROCESSING

The Food Solutions business area acts as a connecting node for the other business areas. Together with Fresh Produce, sourcing of fruit and vegetables can be coordinated in an effective way for the parts of the range where this is relevant. Food Solutions prepares and processes fruits and vegetables, and supplies about half of the products that Picadeli sells. For Food Solutions' offering of chopped fruit and vegetables, distribution to customers can be coordinated with Fresh Produce's logistics solution.

FOODTECH AND CUSTOMER INSIGHTS GUIDE OUR WAY

Picadeli's salad bars contain advanced technology that keeps track of a variety of variables related to each salad bar. With advanced data analysis, we can quickly transform this data into deep consumer and market insights, which benefits all business areas.

A UNIQUE MARKET POSITION

With a common foundation in healthy, plant-based green food, Greenfood is achieving critical mass when it comes to fresh fruit and vegetables. Through our three business areas, we have access to a diversity of customer relationships, data and insights, while knowledge of the development process for greener, healthier fast-food is built into every part of the company. All in all, this gives Greenfood a unique market position with a solid base and an innovative growth engine.

GREENFOOD CONSISTS OF THREE DIFFERENT BUSINESS AREAS, ALL OF WHICH PROVIDE FRESH, SUSTAINABLE AND HEALTHY FOOD.

TOGETHER, OUR THREE BUSINESS AREAS CREATE A COMPLETE GREEN OFFERING

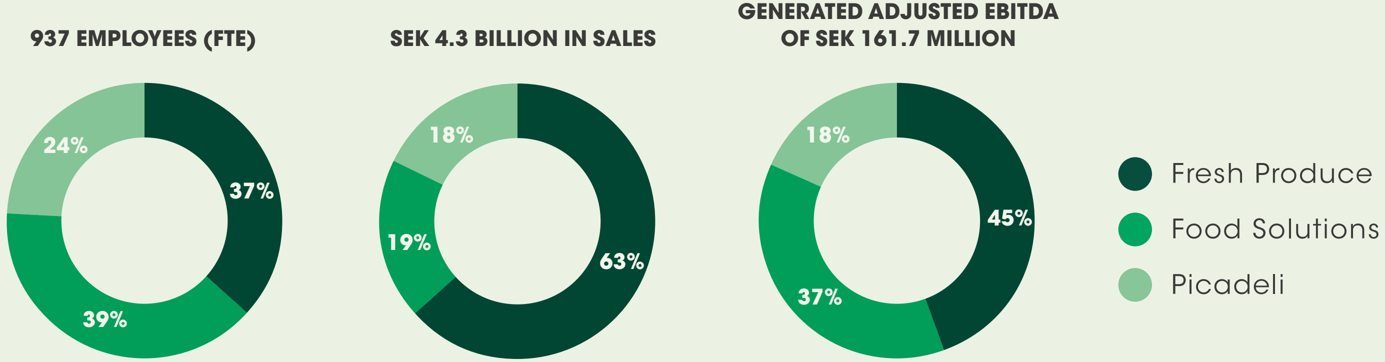
FRESH PRODUCE buys fruits and vegetables, both locally sourced and imported, and offers a complete product range to retail, hotels and restaurants. **FOOD SOLUTIONS** creates ready-made and packaged healthy and sustainable food that is sold to hotels, restaurants, grocery stores, convenience stores, and catering businesses. The third area, **PICADELI**, is an advanced, high-tech salad bar, and also a healthy and sustainable fast food concept aimed at grocery and convenience stores. Our three business areas cater to roughly the same customer, but with different services that together create a complete sustainable and healthy food offering.

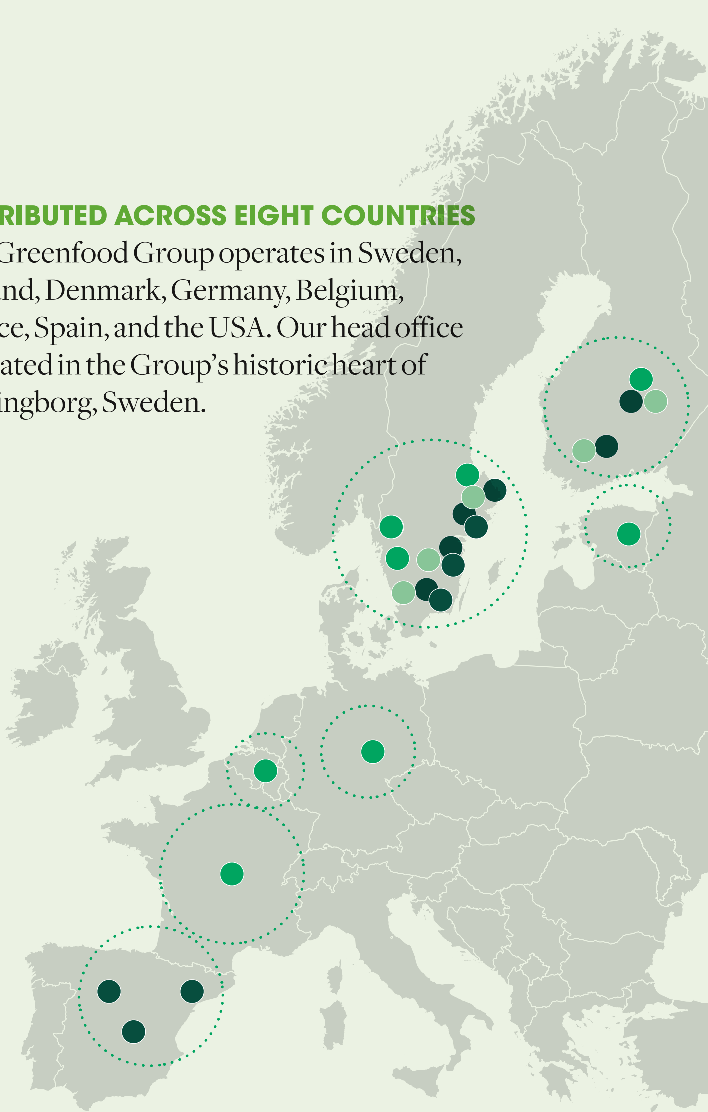
MARKET LEADERS IN EACH SEGMENT

Fresh Produce and Food Solutions are large, stable and very well-established businesses that create a solid base for Greenfood's future development. Picadeli is the fast-growing and scalable upstart driving the Group's international growth. Greenfood's various business areas all have a strong position on their respective markets. Picadeli, which is offered to consumers in Sweden, Finland, France, Germany, Belgium and Estonia, has a market-leading position on all of these markets except Belgium, which is one of our newest markets. In 2021, this concept was also established in the USA. Food Solutions operates in Sweden, Denmark and Finland and is the market leader or No. 2 in the areas of Food-to-Go and Fresh Cut. The Fresh Produce business area is the market leader in Finland and No. 2 in Sweden.

DISTRIBUTED ACROSS EIGHT COUNTRIES

The Greenfood Group operates in Sweden, Finland, Denmark, Germany, Belgium, France, Spain, and the USA. Our head office is located in the Group's historic heart of Helsingborg, Sweden.





INCLUDING SEVERAL STRONG BRANDS

GREENFOOD'S PORTFOLIO INCLUDES SEVERAL STRONG BRANDS. BELOW ARE OUR LARGEST ONES.

Picadeli

Market leader in Europe with a high-tech self-serve salad concept that helps millions of people eat healthier and more sustainable food.

Salla Caute

One of the Nordic region's leading brands in fresh processed fruits and vegetables.

GREEN DELI

Nordic leader in healthy and tasty food-to-go products

DAILY GREENS

Leading brand in fresh fruits and vegetables sourced directly from growers

TUOREKSET

One of Finland's leading brands in healthy, fresh vegetable mixes.

GROUP BOOSTS PROFITS AND MARKET POSITION

CONTINUED RESTRICTIONS HAMPERING SALES, BUT PROFITS BOOSTED BY STREAMLINING EFFORTS

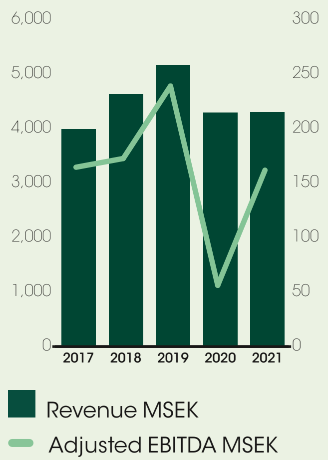
Greenfood has taken great strides in recent years. The Group saw major development between 2016 and 2019, with sales increasing from SEK 3.9 billion to SEK 5.2 billion. Due to the COVID-19 pandemic and accompanying restrictions, our market suffered a significant drop in demand in 2020, reducing sales and earnings. As with many other companies, these circumstances have forced us to become more streamlined. That's why, in 2020 and 2021, we invested heavily in reducing our costs and increasing our efficiency, which led to good margins and boosted results.

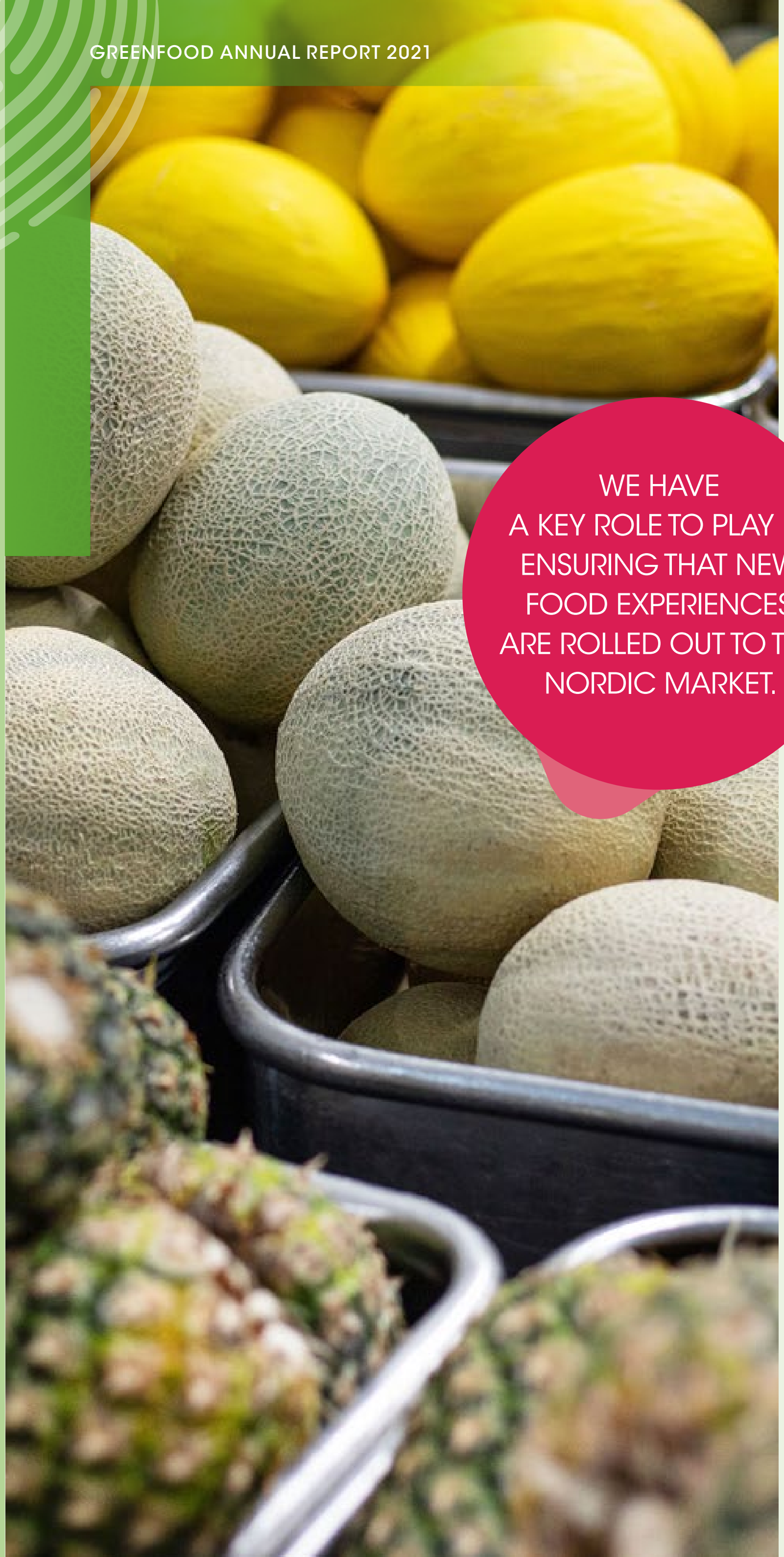
Due to an easing of restrictions and strong sales work in 2021, sales increased compared to 2020. But the impact of the pandemic can still be felt, and is mainly evident in Picadeli and Food Solutions. Profit measured in EBITDA, on the other hand, improved significantly in 2021.

MAJOR INVESTMENT IN NEW FOOD AND LOGISTICS FACILITY

This year has been marked by many developments within the Group. One of the most significant is our major investment in a state-of-the-art food and logistics facility: Greenfood Greenhouse. This new 44,000 square-meter building will be one of Northern Europe's largest centers for healthy and sustainable food. We broke ground in 2021 and construction will finish in 2023. The facility will house Greenfood's existing Helsingborg companies, with purchasing operations, product development, processing, production, packaging, warehousing and distribution. With Greenhouse, we are creating an ecosystem for healthy and sustainable food. A customized, state-of-the-art and environmentally efficient food and logistics center that will allow us to continue to grow in Europe, increase our volumes, and develop our product range.

REVENUE AND EBITDA 2017–2021



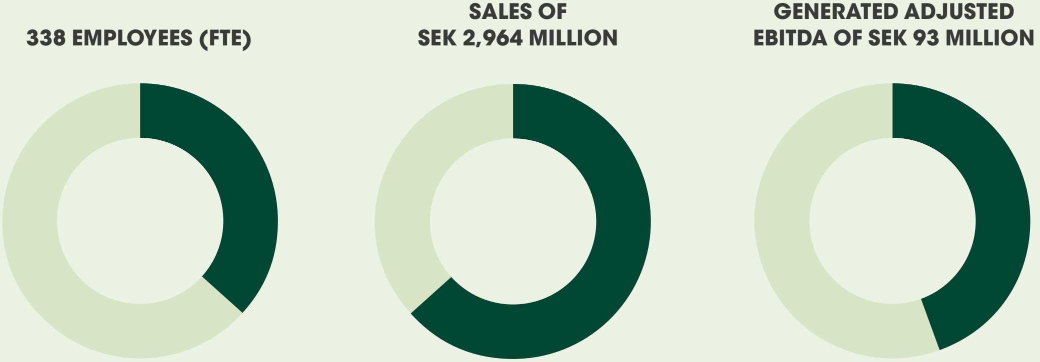


WE HAVE A KEY ROLE TO PLAY IN ENSURING THAT NEW FOOD EXPERIENCES ARE ROLLED OUT TO THE NORDIC MARKET.

FRESH PRODUCE

THE MARKET'S LARGEST SELECTION OF FRUITS AND VEGETABLES

FRESH PRODUCE is the oldest part of Greenfood's business. At Fresh Produce, we buy and resell fruits and vegetables to customers from local and global suppliers alike, primarily on the Nordic market.

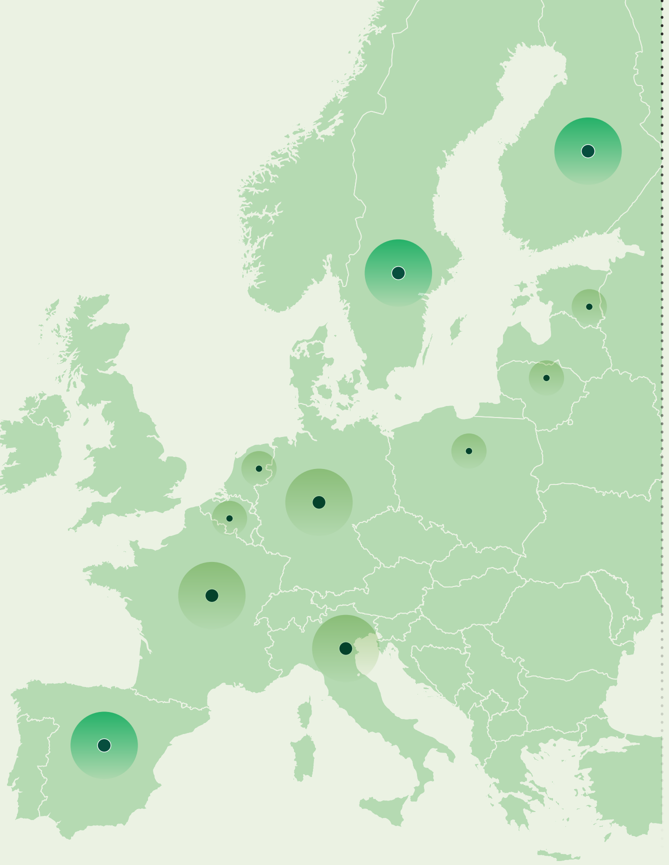


A WIDE RANGE OF FRUITS & VEGETABLES

Our extensive experience and great passion for fruits and vegetables means that today we can offer a complete product range. But it's not just affordable basic products. We also offer a colourful range of niche products like berries, exotic fruits, and organic and locally grown produce. Our wide range of basic-goods such as potatoes, onions, tomatoes, cucumbers and salads is sourced from the local area and also further afield whenever the climate demands. We're constantly expanding our range of exotic fruits and vegetables to include exciting new green goods. Not so long ago, kiwis and avocados were considered exotic fruits, but today they are part of everyday life. As an importer, we have a key role to play in ensuring that new food experiences and cultures are rolled out to the Nordic market.

IMPORTING FROM ALL OVER THE WORLD, DISTRIBUTING IN THE NORDIC REGION

Fresh Produce's purchasing operations are located in the Nordic region and in Spain, and we can also reach producers across large parts of the world via our purchasing channels. The close proximity of our own purchasing operations to European producers gives us a high level of knowledge on the purchase, quality and handling of fruits and vegetables. This benefits our customers who are primarily located in the Nordic region. Fresh Produce supplies fruits and vegetables to stores, hotels, restaurants and catering businesses on the Nordic market.



Operating market
European sourcing market

GREEN IMPORTER SINCE 1964

Our journey started back in 1964 when Ewerman AB was founded in Helsingborg, the city that was (and still is) the hub of Swedish fruit and vegetable imports. Our extensive experience in Fresh Produce means that we have built up lots of industry knowledge and a large network of customers and suppliers. The legacy of nurturing long and mutually successful relationships with our suppliers, be they farmers, cooperatives, packing houses, exporters or any other type of business, has been an asset to the entire Group. Long-term relationships with suppliers and customers mean stability and security along our value chain even during troubled times, such as during the COVID-19 pandemic.

MARKET LEADER IN FINLAND AND NO. 2 IN SWEDEN

With total deliveries of more than 240,000 tonnes of fresh fruits and vegetables to our customers, Greenfood has a strong position on the Swedish and Finnish markets. On the Swedish market, Greenfood is the second largest player, with many major customers such as ICA, Hemköp, City Gross, Lidl and Mathem. In Finland, we are the market leader, with substantial sales to the grocery chains SOK and Kesko as well as to the country's two largest food service operators, Kespro and Meira Nova.

HOME TO STRONG BRANDS

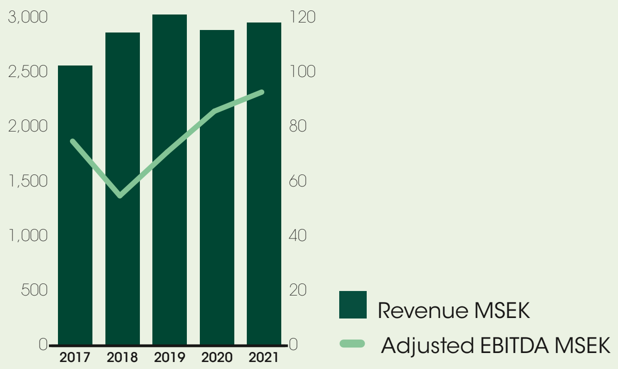
In the Fresh Produce business area, a large portion of our goods are delivered to customers who sell products under their own brand, so-called "private labels". But we also deliver our products under our own strong brands that are recognized by customers and consumers. One of them is Daily Greens, an up-and-comer that imports fruits and vegetables directly from farms in Europe. In a new venture, we have developed the brand Ju närmre desto bättre – our own seal for locally grown produce. It is intended to be a quality seal that helps consumers choose fruits and vegetables that have not travelled very far.

FRESH PRODUCE SEES STRONG RESULTS AND SEVERAL NEW INVESTMENTS

BOOST IN PROFIT DRIVEN BY STREAMLINING MEASURES AND RECOVERY IN DEMAND

Although the market for fresh fruits and vegetables was not quite so badly affected by the impact of the COVID-19 pandemic, demand did fall slightly in 2020, mainly within HoReCa. 2021 saw a degree of recovery, but the pandemic-related restrictions continued to have a negative impact. As a result, sales in Fresh Produce did not reach the levels we were achieving pre-pandemic. Nevertheless, Fresh Produce was able to generate a strong EBITDA that exceeded the previous year's results. This improved result was driven primarily by cost reductions. Contributing to this are previous efforts to reduce material costs and integrating the value chains of the Group's companies, a measure that has cut costs by creating shared product flows.

REVENUE AND EBITDA 2017–2021



ACQUISITIONS AND INVESTMENTS STRENGTHENING QUALITY AND EFFICIENCY

2021 saw the launch of one of Greenfood's most ambitious ventures yet: Greenfood Greenhouse. The 44,000 square-meter super-facility in Helsingborg will centralize and streamline Greenfood's operations. For Fresh Produce, this means a customized, state-of-the-art and environmentally efficient food and logistics center that will enable continued growth in Europe, increased volumes and larger product ranges. 2021 also saw development in the form of acquisitions: during the year we acquired 100 percent of Lundgrens Primörer, a premium purveyor of fruits and vegetables. The west coast company, Lundgrens, has a turnover of almost SEK 90 million, and the addition of its large, premium range of top-quality produce will help to further expand Fresh Produce's range of quality products. Greenfood also announced its intention to acquire 10 percent of the Dutch fruit and vegetable supplier Jaguar, which has offices in some of the world's most important fruit and vegetable-growing countries, such as South Africa, China, Peru, Egypt and the Netherlands.

MORE SUSTAINABLE PACKAGING AND PLANTING TREES

In 2021, Fresh Produce took quite active steps to comply with our ambitious Packaging Policy, in which we set goals for reducing our plastic use and increasing levels of recycled materials. In line with this plan, we implemented several improvements over the course of the year. For example, Daily Greens' avocadopackaging got a new, thinner plastic film and a bottom tray made from recycled paper. Replacing the previous packaging will mean a reduction in plastic use of 6,984 kg per year, calculated with Dailty Green's average yearly sales. Our banana boxes also underwent a change and are now made of 100 percent recycled paper. For every tonne of recycled paper, emissions of carbon dioxide equivalents are reduced by 308 kg, while every container shipped with our new recycled boxes helps save 17 trees. Through the project Plant for life the organization Plant for the planet plants a tree for every tonne of fruits and vegetables sold under the brand Daily Greens. In 2021, 7,824 trees were planted as part of the project, with a total of 16,726 trees planted so far. Plant for life calculates that every planted tree absorbs 200 kg CO_2 during its life time.

FOOD SOLUTIONS

CONVENIENCE FOOD THAT IS SUSTAINABLE AND EASILY ACCESSIBLE

IN THE FOOD SOLUTIONS SEGMENT, we focus on creating a range that is simple and accessible. We divide this segment into two sub-areas: Food-to-Go, which offers convenience products directly to consumers, and Fresh Cut, which supplies grocery stores' fruit and vegetable counters and professionals in the food service industry with prepared and processed raw materials.

361 EMPLOYEES (FTE)

SEK 888 MILLION IN SALES

GENERATED ADJUSTED EBITDA OF SEK 78 MILLION

OVER MORE THAN 30 YEARS OF WORKING WITHIN FRESH CUT, WE HAVE BUILT MANY LONG-TERM CUSTOMER RELATIONSHIPS.

READY-MADE FOOD FOR PEOPLE ON THE MOVE

Within the Food-to-Go sub-area, we have created a range that is aimed at sales to consumers in convenience stores, also known as the convenience retail trade. This is a relatively new business area for us, which takes special aim at consumers' demands for accessible and simple food that is both tasty and healthy. Food-to-Go contains a wide range of ready-made green food products in the form of wraps, pre-packaged salads, baguettes, sandwiches and bagged salad. Through our strong own brands like Green Deli, we build a relationship directly with the consumer, but we also manufacture goods for other brands, including private labels.

PRE-SLICED AND CUT FRUIT AND VEG

Salico AB was one of the first operators to join Fresh Cut when it was established over 30 years ago. In this segment, we simplify everyday life by offering fresh pre-cut and rinsed salad mixes, fruits and vegetables, various mixes of grains, quinoa, bulgur and pasta, as well as pre-cooked eggs, potato salads, and much more. Our customers are primarily in HoReCa and retail. Sales are made through our own brands such as Sallacarte, but also to our customers' own brands. With a range comprising around 350 different products, Fresh Cut has one of the widest product ranges on the market.

> "WITH A RANGE COMPRISING AROUND 350 DIFFERENT PRODUCTS, FRESH CUT HAS ONE OF THE WIDEST PRODUCT RANGES ON THE MARKET.

LEADING POSITIONS IN SWEDEN AND FINLAND

Over more than 30 years of working within Fresh Cut, we have built many long-term customer relationships. Especially in partnership with food service operators, where we are the market-leading supplier in both Sweden and Finland. We are also a strong supplier to the retail sector, as a leader position in Finland and the second largest supplier in Sweden. We have not had as much time to establish ourselves in the Food-to-Go segment but we are already the market leader in Sweden and the No. 2 in Finland.

MULTIPLE STRONG BRANDS UNDER ONE UMBRELLA

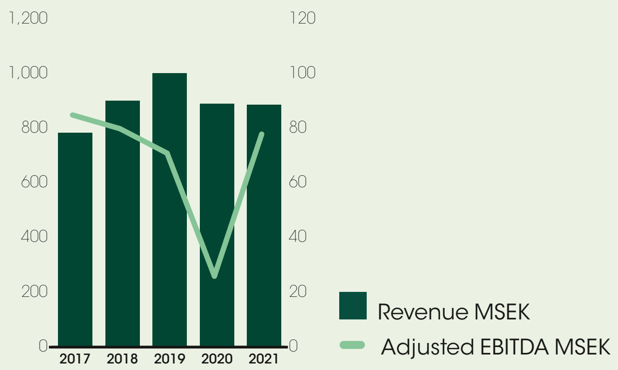
One of our strongest consumer brands in Food-to-Go is the recently launched Greendeli range which is available at Pressbyån and 7-Eleven. Fresh Cut includes the SallaCarte brand which is aimed at professionals in the food service industry, i.e. hotels, restaurants and catering businesses. Within our newly developed Ahlgood segment, we also have a brand focused entirely on stustainable prepared food.

STRATEGIC CONSOLIDATIONS AND SEVERAL NEW CONTRACTS SIGNED

RECOVERY IN EBITDA, BUT PANDEMIC CONTINUES TO DRAG SALES DOWN

During the COVID-19 pandemic, HoReCa was among those sectors hit hardest by restrictions and social distancing. As a major supplier to areas that saw significant declines in demand, Food Solutions was also affected. In 2021 as well, restrictions continued to have a negative impact, meaning that sales remained lower. EBITDA, however, has managed to recover to its pre-pandemic level. It proved possible to reduce costs through strategic consolidations, both in Finland and in Sweden, leading to consistently strong margins for Food Solutions and a significantly strengthened EBITDA margin for 2021.

REVENUE AND EBITDA 2017–2021

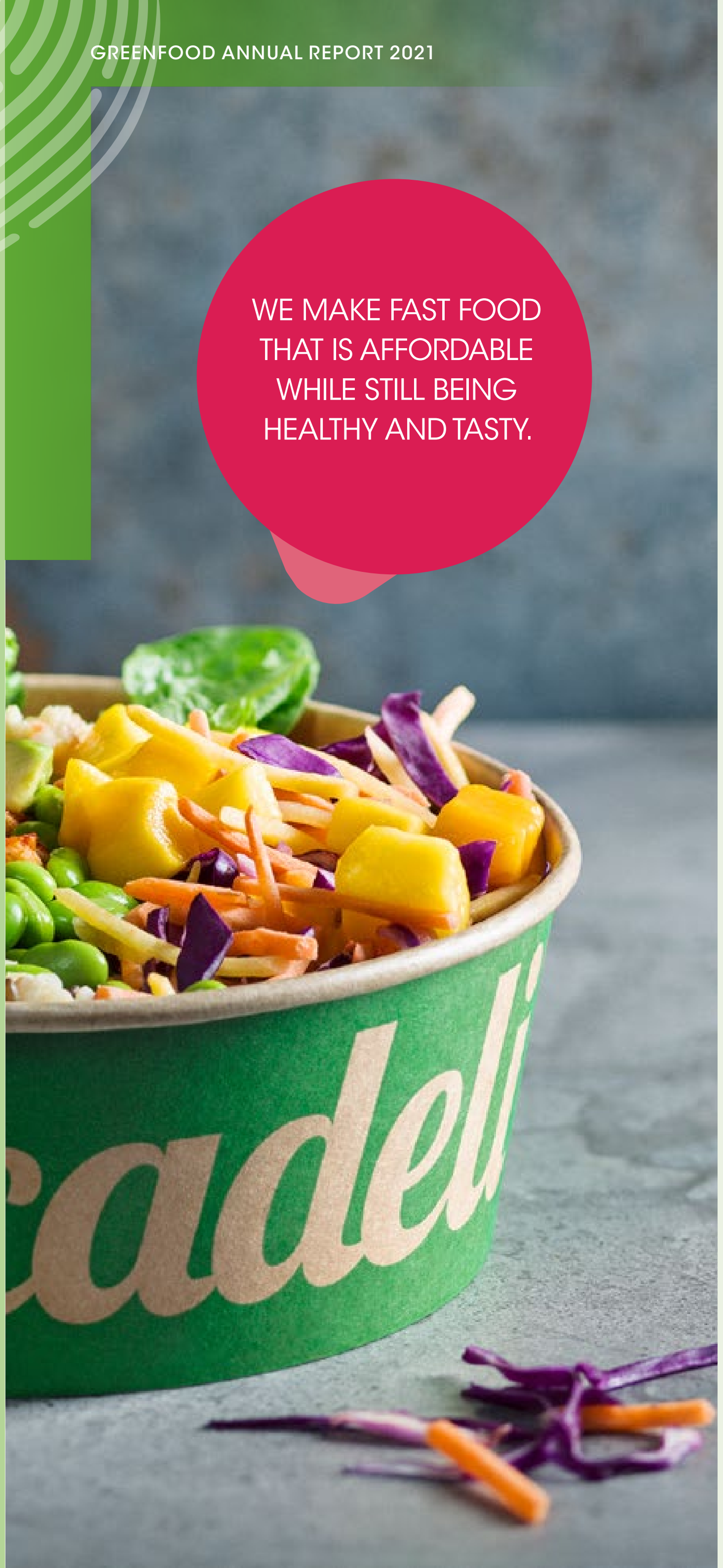


NEW CONTRACTS WITH LARGE FOOD SERVICE CHAINS AND INVESTMENTS IN PRODUCTION CAPACITY

We signed new agreements with several major players in the HoReCa segment over the past year. In the second quarter of 2021, we began collaborating with MAX Burgers, Pizza Hut and Burger Concept. We also managed to extend our agreements with several of our major customers, which was made possible by our significant investment in Greenfood Greenhouse, among other things. This new food and logistics center, set for completion in 2023, will improve production and storage capacity and will further streamline our operations through modern technology and automation.

LOCALLY GROWN PLANT PROTEIN AND MULTIPLE SUSTAINABILITY INITIATIVES

Consumers' increased demands for sustainable and locally grown products have led Greenfood-owned Ahlströms to expand its product range. The new Ahlgood brand sells green food based on traditional, Swedish-grown, organic and KRAV-labelled crops that are grown conscientiously. The brand's products include falafel made from field peas and autumn peas, lentil bites, and organic legume mince made from quinoa and field peas, to name just a few. Another way to work towards sustainability is to take advantage of the value chain's waste products. At Food Solutions company Mixum, an initiative was launched to recover shells from the more than two million eggs peeled every week. These eggshells are sent to farmers who use them to enrich their soil with essential nutrients like calcium and other minerals. Further sustainability initiatives have been launched within Salico's operations in Finland and Sweden, as well as at Mixum which has installed new, efficient cooling systems to cool the water it uses to rinse its raw materials. Mixum also reuses the heat generated by the cooling system for heating cookware and for cleaning – thereby reducing their energy use by about 20 percent.



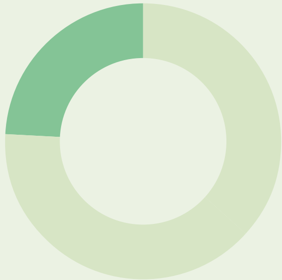
PICADELI

FOODTECH PIONEER AND MARKET LEADER WITHIN **HEALTHY FAST FOOD**

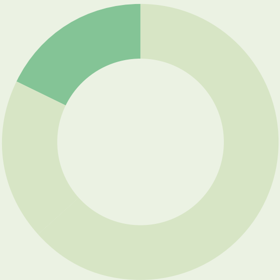
AS PICADELI, Greenfood offers a salad bar that uses advanced technology and design to make healthy and sustainable fast food more widely available.

PICADELI WAS FOUNDED IN 2009 with the ambition of making healthy food fairer by making it tasty, accessible and affordable. For the masses. The combination of Greenfood's extensive experience in plant-based food and its advanced, high-tech salad bar has enabled Picadeli to develop a fast food concept that is perfectly in line with the health and sustainability trends that characterize our society today. A salad bar where the consumer puts together their own salad by choosing from a plentiful selection of ingredients, a whopping 70% of which are unique vegan options. Consumers have themselves a healthy and affordable salad in the space of just a few minutes. Picadeli's range thus targets a segment whose needs have never been met before on such a large scale. A segment that finds itself caught between cheap but unhealthy fast food, and healthy but more expensive fast casual. We create fast food that is affordable, but also healthy and tasty.

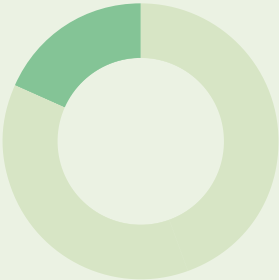
220 EMPLOYEES (FTE)



SEK 825 MILLION IN SALES



GENERATED ADJUSTED EBITDA OF SEK 23.7 MILLION



Download a print-optimized PDF (A4)

A TURNKEY SOLUTION THAT YIELDS GREAT CUSTOMER BENEFITS

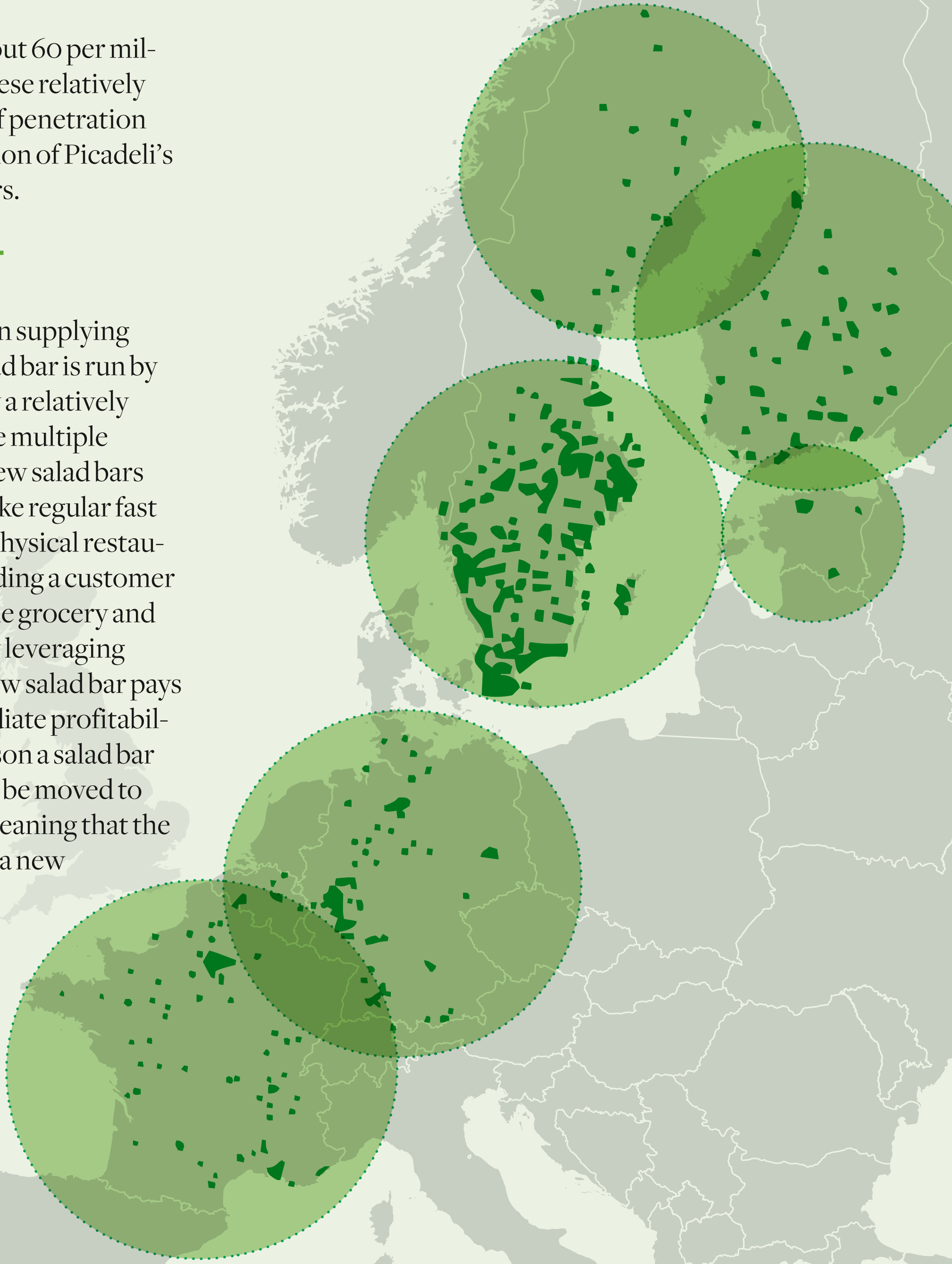
Picadeli offers a complete solution with everything from an innovative, fresh and tasty product range to high-tech salad counters, logistics, support and service. The salad bar is placed in the store where it is managed day-to-day by the store staff. Technical solutions allow Picadeli's salad bars to be managed easily and efficiently, minimising working hours and improving profitability for customers. Our salad bars make a massive contribution to our customers' profitability and are often one of the largest profit drivers per square meter, with a high net margin for the customer. In addition, we expand the customer's range by improving its healthy and fresh produce profile and offering a way to compete with fast food chains. Picadeli's range yields great benefits for the customer, as is evidenced by the fact that we have never lost a customer with whom we have entered into an agreement.

MARKET-LEADING POSITION ON SIX EUROPEAN MARKETS

Picadeli is established in Sweden, Finland, France, Germany, Belgium and Estonia and has a market-leading position on all these markets except Belgium, which is our newest market. In 2021, we also established ourselves on the American market. Since launching Picadeli in 2009, we have established more than 2,000 salad bars, and business continues to boom. Our strongest position is on the Swedish market where we have around 1,200 salad bars and over 100 salad bars per million inhabitants. We are also firmly established in Finland, with just over 200 Picadeli salad bars and about 60 per million inhabitants. Our position on these relatively mature markets shows the degree of penetration that is possible, and gives an indication of Picadeli's growth potential in the coming years.

A SCALABLE MODEL WITH GREAT GROWTH POTENTIAL

Picadeli's business model is based on supplying stores with salad bars. Since the salad bar is run by the customer, Picadeli requires only a relatively small central organization to engage multiple markets. In addition, establishing new salad bars requires very little investment. Unlike regular fast food chains, which build and open physical restaurants and then invest heavily in building a customer flow, we operate primarily within the grocery and convenience retail channel, thereby leveraging existing customer flows. A brand new salad bar pays for itself in about a year, with immediate profitability for the customer. If for some reason a salad bar were to prove unsuccessful, it could be moved to another location at very low cost, meaning that the risk involved in establishing a bar in a new area is relatively low. There are also a number of different ways Picadeli can be established on new markets, from wholly owned to fully franchised models. All in all, this results in a highly scalable model that has the potential for great growth in the coming years.



DATA-DRIVEN INSIGHTS AND AI TECHNOLOGY CREATING EFFICIENCY

BY LEVERAGING ADVANCED TECHNOLOGIES, such as data collection and AI, Picadeli has created a salad bar that minimizes customer effort, creating a simpler and fresher experience for the consumer. Each salad bar has a variety of sensors that collect data in real time which are then sent to our central database. This gives us a variety of customer and consumer insights, as well as the opportunity to constantly develop and improve the concept. We can analyse customer preferences in real time and adapt our product range accordingly. By reading the temperature, humidity, and time since a product was refilled at the counter, we can determine when the product will start to go bad and need replacing. Plus, with our new Arcorder AI system, a new order is automatically placed based on a forecast of when the item will run out or go bad.

Unique customer insights
Ability to better understand consumer behavior and purchasing patterns, and incorporate these learnings into operations.

Full transparency
All salad bars connected to Picadeli Cloud allowing for remote management of individual salad bars across Europe, including sales, stock levels, temperature, and more.

Increased efficiency
Faster replenishment through prediction of need of stock refills as well as no need for additional storage space within store.

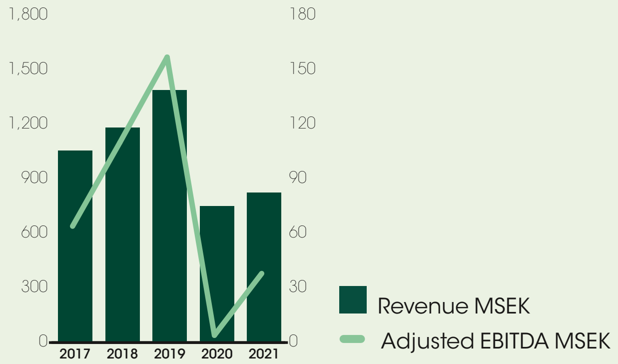
Improved customer experience
Easy navigation of products, clear labelling of ingredients, and enticing product descriptions and pictures contribute to prove consumers with inspiration and an enhanced experience.

PICADELI NET PROFIT RECOVERS AND ESTABLISHES OPERATIONS IN USA

MORE ACTIVE SALAD BARS, BUT MANY STILL TO OPEN

Before the COVID-19 pandemic, Picadeli sold almost 100 salads a minute around the clock, and the number of operational salad bars grew by a whopping 69 percent from 2015 to 2019. However, the effects of the pandemic hit Picadeli's operations hard; in early 2020, approximately 80 percent of our more than 2,000 active salad bars were closed down in the space of just a few weeks. The majority of our salad bars managed to reopen in 2020, but when the second wave of the pandemic arrived, over half closed again. By the end of 2021, we had about 1450 active salad bars, with around 500 inactive and waiting to get up and running.

REVENUE AND EBITDA 2017–2021



RECOVERY AND REDUCTIONS IN COSTS PRODUCE POSITIVE RESULTS

From 2017 to 2019, Picadeli saw organic sales growth of 14.7 percent. Its EBITDA more than doubled during the same period. However, the closure of our salad bars as a result of the COVID-19 pandemic hit sales and earnings hard. In 2021, both sales and earnings recovered somewhat, but we have a long way to go before we get back to 2019 levels. Due to the difficult situation in 2020 in particular, we introduced a cost reduction programme during the year. The fact that Picadeli can record a positive result for 2021, despite the fact that a large portion of its capacity was shut down during the year, can partly be explained by the cost reductions we managed to achieve through the programme, as well as the investments in product development and technology that were made during the pandemic.

NEW AI PLATFORM AND DEBUT ON US MARKET

In 2021 we launched our new AI platform, Arcorder. The platform will assist in replenishing Picadeli salad bars by placing product orders . Arcorder's proposed order combines internal factors, such as current inventory levels and sales history, with external factors such as weather forecasts and calendar days. The result is faster, more accurate orders that reduce the risk of products being thrown away unnecessarily, minimising working hours and increasing profitability for the customer. Another development was that Picadeli crossed the Atlantic to the birthplace of fast food, the USA, thus establishing Greenfood on a new continent. The aim is to accelerate rapid growth by establishing Picadeli with a more affordable range than other players in the "fast casual" category of fast food restaurants without table service. A new flagship restaurant was also opened in 2021 in Paris's famous Dôme de la Défense shopping center. This restaurant will serve as a showcase for the salad concept and has been designed for both guests on-the-go and for those who want to sit down and eat their salad at a table.

SUSTAINABILITY BOOSTED BY CUTTING OUT RED MEAT AND INTRODUCING NEW TECHNOLOGIES

In 2021, we phased out redmeat from Picadeli's salad bars around the world. Picadeli's range was already 90 percent lacto-ovo-vegetarian and 70 percent fully vegan. Removing red meat was a natural step in reducing our carbon footprint in line with the latest report from the Intergovernmental Panel on Climate Change (IPCC). With our new Arcorder AI platform, we provide the foundations for our customers to increase their sustainability significantly. Arcorder helps store staff order the right products in the right quantities for their salad bars, meaning less food goes bad and has to be thrown away. This increased precision in ordering reduces food waste, one of the major enemies of sustainability in the food industry. Stores have shown significant interest in using Arcorder's technology to ensure the sustainability of other fresh foods on their shelves, and we are excited to see where this tech development can take Picadeli in the future.

WE WANT TO MAKE THE WORLD GREENER

GREENFOOD WANTS TO CONTRIBUTE TO A GREENER, MORE RESPONSIBLE, AND BETTER WORLD. Sustainability permeates all our operations and should be part of each employee's everyday life. For us, acting sustainably is about looking at the big picture, and working together to make changes that are truly effective. We consider how the environment and people are affected by our business and by the decisions we make. At the same time, we are humble, knowing it is a complex issue, but we are moving forward with our work in a structured and focused way.

THE GROUP'S SUSTAINABILITY STRATEGY WAS RENEWED TWO YEARS AGO. We have since then set goals, frameworks, action plans, and implemented several measures. We have also developed tools for identifying and managing sustainability risks at the supplier level, developed sustainability training for the Group's employees and developed new policies and guidelines.

OUR MAIN AREAS: FOOD, ENVIRONMENT & PEOPLE

OUR SUSTAINABILITY WORK IS focused on three main areas: food, environment, and people. Food is the core of everything we do. Our passion is to make food healthier, tastier, and more accessible to everyone. Related to the environment, we focus on what we can do to reduce our impact globally as well as locally; among other things by focusing on plant-based products, more efficient production, better transportation, minimizing the amount of food we waste, and switching to renewable energy. In everything we do for social sustainability, we focus on people. This is the case both internally with our employees, as well as with all our partners in different parts of the world.

EVERYTHING WE DO related to food, environment and people must also support economic sustainability – a profitable business that, through food, contributes to a better world for both people and the environment. The Group's sustainability work has been developed in connection with the UN's global sustainability goals, where the focus is primarily on Goals 2, 8, 12 and 13. By getting more people to eat greener and healthier meals, we are contributing to reducing our impact on the climate while, at the same time, contributing to better public health.

CONTRIBUTING TO SDGS

The Group's sustainability work has been developed in connection with the UN's Sustainable Development Goals, focusing primarily on Goals 2, 8, 12 and 13. By getting more people to eat more green and healthy options, we help to reduce the impact on our climate while contributing to better public health.

» Read more in our Sustainability Report for 2021

FOOD

GREEN FOOD IS AT THE HEART OF EVERYTHING WE DO

THE ENTIRE GREENFOOD UNIVERSE REVOLVES AROUND GOOD FOOD. With fruits and vegetables as our foundation, we want to make healthier and tastier food more accessible to everyone. The majority of our products are vegetarian, and our range of plant-based products is constantly growing.

WE WANT TO MAKE HEALTHY FOOD A NATURAL CHOICE

Research shows that in order to combat climate change and the numerous lifestyle diseases that affect many people today, such as cardiovascular diseases and obesity, we need to eat more plant-based alternatives and fewer meat-based foods. These are major challenges for humanity, and we can help by supplying our products. We want to simplify everyday choices with ready-made and easily accessible meals based on fruits and vegetables. When people choose healthy food because it is tasty, smart and safe, we contribute to the health of the planet and to a lifestyle that benefits both mind and body.

SUSTAINABILITY TARGETS /FOOD

HEALTHY FOOD
Actively working to make healthy food accessible.
TARGET: 90% of Greenfood's own brands to achieve a Nutri-Score[1)] of A or B by 2025.

FOOD WASTE
Using technology and focusing on innovation to increase operational efficiency and thereby reduce food waste.
TARGET: Reduce food waste by 20% per tonne of food sold by 2025 and by 40% by 2030. (baseline 2020).

FOOD SAFETY
Systematic quality assurance of working methods, processes and standards to ensure maximum quality and food safety.
TARGET 1: 100% of purchases to be made from approved suppliers (approved supplier = agreement & signed Code of Conduct) by 2025.
TARGET 2: All food suppliers are certified according to a food safety standard by 2025.

1) Nutri-Score is a food label indicating the nutritional value of a product. The Nutri-Score labelling system indicates a product's combined nutritional content using a five-point scale from A (the best) to E, measured in terms of the percentage of fruit and vegetables, calories, saturated fat, sugar, salt, protein and fibre. Nutri-Score is a recognized labelling system in many European countries today.

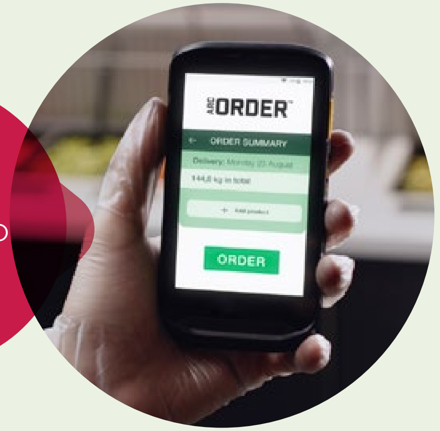
HEALTHY FOOD
In 2021, we began our work to implement calculations according to the Nutri-Score labelling standard. We also began working on reviewing our product range based on the Nutri-Score, a process that will continue in 2022.

WITH TECHNICAL INNOVATIONS, WE ARE REDUCING FOOD WASTE.
Food production and consumption have a major impact on the environment and climate. Products that are wasted are not profitable, either for our business or for the climate, so the less food we waste, the better at all levels.

At Greenfood, we have a clear ambition to reduce our food waste, and we are investing heavily in both technical innovations and product development to get where we want to go. Our food waste, which includes both edible and non-edible elements, accounts for just over 70 percent of all our waste. Since 2021, this has decreased by 1 percent per tonne of food sold, compared to our base year 2019.

CERTIFICATIONS AND CLEAR PROCESSES ENSURING HIGH LEVEL OF FOOD SAFETY
Today's food industry must be innovative and anticipate customers' needs and expectations for the food of the future, but there is another important and obvious parameter that is often taken for granted – food safety. It's only natural that all our foods should be nutritious and safe. We avoid unnecessary and questionable ingredients like trans fats and certain additives. We are constantly striving to improve, and we develop our products according to relevant dietary guidelines.

WE INVEST IN TECHNICAL INNOVATION TO TACKLE FOOD WASTE.



With 23 operating companies and operations in several different European countries, we at Greenfood know exactly how much work it takes to ensure a high level of safety where nothing can go wrong. For us, this means mapping every step of the supply chain, from the water on the farm to harvesting and how goods are transported.

We apply recognized certifications such as Global GAP, BRC Food and ISO FSSC 22000 on our supply chain and in our own food processing activities. Our Supplier Code of Conduct clearly states that we only allow pesticides that are authorised for use within the EU. We comply with EU regulations on pesticides which in some cases go beyond national legislation and which are founded on the principle of protecting both human health and environmental sustainability.

By 2025, our goal is for 100% of our purchases to be made by suppliers who have signed our code of conduct.

» Read more in our Sustainability Report for 2021.

ENVIRONMENT
GREEN FOOD TODAY FOR A SUSTAINABLE TOMORROW

WE MAKE A LIVING FROM PROCESSING NATURE'S BOUNTY and want our healthy options to reach as many people as possible. Changing circumstances affect both us and the suppliers who grow the fruits and vegetables for our products. Our future growth is entirely dependent on a healthy planet with prosperous ecosystems. That's why we strive to minimize the environmental impact of our operations.

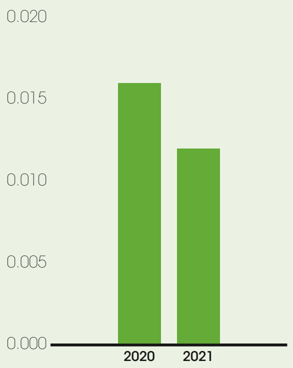
ONE OF OUR PRIORITY AREAS is to reduce our climate footprint. We are doing this, among other initiatives, by changing to environmentally optimized packaging, reducing the amount of food waste, and through energy efficiency and the transition to renewable energy. We monitor our climate footprint carefully to check that our activities are effective.

OUR CLIMATE IMPACT IS MAINLY CAUSED BY TRANSPORT AND FARMING

We calculate our climate footprint according to the GHG protocol's guidelines and include measurement areas from all three protocol areas. Based on the 2021 measurement areas or Scopes, it is clear that it is in Scope 3 that we have our greatest climate impact. Over 90 percent of these emissions are linked to the transportation of our products. In addition to the climate impact, we currently report within Scope 3, and we are also working on calculations of the climate impact of cultivation and production of the products we purchase. Our initial calculations show that if this impact is included, it would account for most of our emissions within Scope 3.

IN 2021, WE JOINED the Science Based Targets initiative (SBTi) with a commitment to set a science-based goal to reduce our climate impact. In 2022, we will carefully analyse emissions throughout the value chain to set ambitious climate targets that include direct emissions, indirect emissions from purchased energy, and emissions in the rest of the value chain. The next step is to get the goals verified by SBTi.

MARKET BASED SCOPE 1 & 2
TCO_2 PER TONNE OF SOLD FOOD



DISTRIBUTION OF CARBON DIOXIDE EMISSIONS ACCORDING TO THE GHG PROTOCOL

Scope	TCO_2/year	%
Scope #1	1,082	**3**
Scope #2	2,281	**6**
Scope #3	34,926	**91**
TOTAL	38,289	**100**

IN 2021, OUR CARBON FOOTPRINT WITHIN SCOPE 1 and Scope 2 was 0.013 tCO_2e per tonne of food sold, a decrease of 21 percent compared to the previous year (0.016 tCO_2e per tonne of food sold).

WE REPLACE FOSSIL FUEL BASED PLASTICS WITH MATERIALS BASED ON RENEWABLES.

OUR PACKAGING SHOULD BE ENVIRONMENTALLY FRIENDLY AND FUNCTIONAL

Packaging is often criticized for creating environmental problems and is seen as an unnecessary consumption of resources. But it is necessary, and it fills a function. Packaging protects food so that it is safe to eat and makes fresh produce last longer to avoid food waste. Packaging also has an important task to inform consumers about allergens and the product's content. All Greenfood's packaging must meet three criteria: it must be customer-adapted, production-adapted and as environmentally friendly as possible while retaining functionality. Today, about 75% of our total packaging material is made from renewable raw materials and 99% of our packaging material is recyclable.

WE MEASURE EVERY DROP

Water is the world's most important raw material and crucial for farming worldwide. We are committed to the challenges that exist around water and act to contribute to more sustainable production in cases where water is a scarce commodity. For several years, we have measured water consumption and water emissions in our own facilities. In our own operations, our production facilities use the most water. In terms of our value chain, water use is greatest in cultivation. Our goal now is for us to follow the WWF's water stewardship steps. Work to begin in 2022.

SUSTAINABILITY TARGETS /ENVIRONMENT

CARBON FOOTPRINT

Reducing our carbon footprint with more environmentally friendly logistics, improving processes, adjusting product ranges and using new technology.
TARGET 1: Reduce total emissions (Scope 1 & 2) by 55% per tonne of food sold by 2025.
TARGET 2: Set approved climate targets according to SBTi by 2023.

PACKAGING

Reduce the use of packaging materials through smart product development, innovation and requirements.
TARGET 1: Reduce plastic use by 50% by 2025. Base year 2021.
TARGET 2: By 2025, all Greenfood's own brands' packaging must be recyclable.
TARGET 3: By 2025, 80 percent of our own brand's packaging will be made of renewables
materials and 100 percent by 2030.

WATER CONSUMPTION

Reduce water consumption within our own operations and address the water issue along the supply chain.
TARGET 1: WWF's Water Stewardship "Internal Action" level to be reached within our own production by 2023.
TARGET 2: All companies along supply chain to reach WWF's "Internal Action" level by 2025.

PEOPLE – OUR MOST IMPORTANT ASSET

WE DO BUSINESS WITH SUPPLIERS, CUSTOMERS AND PARTNERS ALL OVER THE WORLD. For us, it goes without saying that we should treat everyone we encounter with respect, and we expect everyone who works along our value chain to observe human rights. We want to act as role models for a better society and are convinced that this also boosts our profitability.

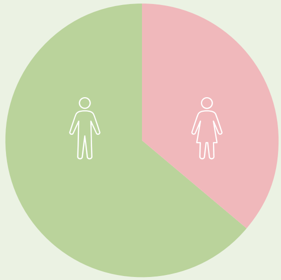
OUR EMPLOYEES ARE OUR MOST IMPORTANT ASSET

Greenfood's success is entirely dependent on having committed and motivated employees. Our culture is based on trust and respect, and we strive to be an inclusive workplace where everyone has the confidence to make their voice heard. We have a strong focus on finding competent employees and offer professional development opportunities to keep them with the Group. Our goal is to create safe workplaces, free from discrimination and harassment.

At present, the majority of our employees are men. This is partly because most of our employees work in male-dominated professions such as warehouses and production.

Our operations in Finland have the most equal gender divide in leadership positions, but we see a clear advantage in increasing the proportion of female employees in the Group and have therefore developed an action plan to this end.

GENDER DISTRIBUTION 2021[1)]



Men	835 st	63.7%
Women	476 st	36.3%
TOTAL	1,311 st	100%

1) Includes full-time and part-time workers.

OUR CULTURE IS BASED ON TRUST AND RESPECT.

WE ACTIVELY ENGAGE WITH BUSINESS ETHICS AND ANTI-CORRUPTION EFFORTS

For us, it is important that we work preventively to combat corruption. The Group's Anti-Corruption Policy is part of our Employee Code of Conduct. Among other things, it clarifies what corruption is, so that employees can identify situations where corruption may occur and know what to do if they ever come across corruption.

TAKING RESPONSIBILITY FOR THE ENTIRE SUPPLY CHAIN

We require all our food suppliers to comply with our Supplier Code of Conduct in order to reduce the risk of human rights violations and ensure good working conditions. Greenfood also conducts visits and/or audits of selected suppliers to discuss product knowledge and product development, to monitor compliance with the Code of Conduct and, where applicable, to investigate and address any shortcomings.

We also work with the global network, Amfori BSCI, which works on promoting social responsibility and sustainable working conditions for suppliers in the fields of agriculture and production. In the Fresh Produce business area, which accounts for about 75 percent of our food suppliers, we also require social certification through the Global GRASP accreditation system or equivalent.

» Read more in our Sustainability Report for 2021

SUSTAINABILITY TARGETS /PEOPLE

SOCIAL RESPONSIBILITY ALONG THE SUPPLY CHAIN

Securing processes and requirements to ensure that we only buy from socially responsible suppliers.

TARGET 1: 100% of suppliers for Greenfood's own brands to have social certification or be part of approved third-party certification system by 2025.

TARGET 2: 100% of purchases to be made from approved suppliers (approved supplier = agreement & signed Code of Conduct) by 2025.

WORKING CONDITIONS WITHIN OUR ORGANIZATION

Maintain a safe and secure work environment that creates conditions for committed and responsible staff.

TARGET 1: 100% signed Codes of Conduct.

TARGET 2: Achieve 90% response rate to annual employee surveys.

TARGET 3: Achieve green score in annual employee surveys in the areas of Satisfaction, Management and Equal Opportunities.

TARGET 4: 40/60 female-male gender divide for employees with management responsibility by 2025.

TARGET 5: 40/60 gender divide at management level by 2025.

GREENFOOD'S FIRST SUSTAINABILITY-LINKED BOND

IN 2021, GREENFOOD ISSUED A FOUR-YEAR SUSTAINABILITY-LINKED BOND FOR SEK 1,050 MILLION. The bond is listed on the Frankfurt Open Market and will in 2022 also be listed on NASDAQ Stockholm. The bond is linked to the objectives of our sustainability framework, and a premium of 50 base points will be added to the nominal amount if the targets are not met as promised.

THE BOND IS LINKED TO THE OUTCOME OF THREE OF OUR SUSTAINABILITY TARGETS

	TARGET	STATUS
#1	Reduce climate emissions from Scope 1 and Scope 2 by 55% per tonne of food sold by 2025 (base year 2020)	24% reduction
#2	Define science-based targets for reducing climate emissions and have targets validated by Science Based Targets initiative by 2023.	Greenfood has joined the SBTi and validation of our targets has begun.
#3	Reduce food waste by 20% by 2025 and by 45% by 2030 (base year 2019)	1% reduction 1)

THE BOND GIVES US GREATER financial flexibility to invest in more sustainability projects and in future growth. At the same time, the bond is a clear and transparent visualization of our ambitious sustainability goals. After great interest from both leading Nordic and European investors, the bond was quickly oversubscribed.

HIGHEST RATING IN INDEPENDENT REVIEW

The Governance Group (TGG) conducted an independent review of the framework and the design and level of ambition of our goals. In the review, the framework received the highest possible rating, an A-rating.

WHAT IS A SUSTAINABILITY LINKED BOND?

A sustainability-linked bond is a bond that creates an incentive for the issuer to achieve defined sustainability goals. The issuer's performance in sustainability is measured in relation to stated targets, and the terms of the bond change based on the target fulfilment rate.

FOR DETAILED INFORMATION
about the targets and the framework, see https://www.greenfood.se/obligation

FOLLOWING GREAT INTEREST FROM LEADING NORDIC AND EUROPEAN INVESTORS, OUR BOND WAS QUICKLY OVERSUBSCRIBED.

1) The pandemic has had a significant impact on our food waste, and it is currently difficult to draw any major conclusions about our present reduction. We are currently intensifying work to reduce food waste, and we have several ongoing and promising initiatives. Read more in our sustainability report.

WORKING CONTINUOUSLY ON REDUCING RISK

ALL BUSINESS ENTAILS RISKS, and the Greenfood Group is no exception. The work of managing and minimising risks and their impact on the business is well integrated into our business processes since this work is crucial for the Group's performance and financial profit.

GREENFOOD'S BOARD OF DIRECTORS HAS OVERALL RESPONSIBILITY for ensuring that the Group employs adequate risk management, including through the identification, assessment and reduction of risks. Operational responsibility lies with the CEO who is responsible for ensuring that the company manages the risks in line with the framework approved by the Board of Directors. Greenfood has several policies to support risk management in a number of areas. Other risks are managed organically in the Group's day-to-day work, through reporting to the Board of Directors and at management team meetings.

The Greenfood Group has identified the following significant risk areas: operational risks, market risks and financial risks.

Below is a brief description of the main risks in Greenfood's operations.

OPERATIONAL RISKS

Description of risk	Risk mitigation
EMPLOYEES	
An important factor for Greenfood's business is the ability to recruit, develop and retain committed and competent key employees. The departure of key employees constitutes a risk.	We work actively to offer a safe and inclusive work environment with good and healthy working conditions for all employees.
WAREHOUSE	
At Greenfood's central warehouse, our products are received, sorted, shared, assembled, packed and loaded for transport to the customer. In other words, the warehouse is also a production facility and disruptions or problems in Greenfood's warehouse as well as in suppliers' warehouses can pose a risk to Greenfood's operations.	Greenfood has extensive experience and strong procedures related to warehouse management for both end products and raw materials for further processing in our production facilities. Redundant solutions for various likely scenarios
SUPPLIERS AND LOGISTICS	
Since most fruits and vegetables are grown some distance from Greenfood's production facilities, an efficient, smooth and sustainable logistics chain is important for maintaining excellent product quality. Disruptions in this supply chain constitute a risk.	Greenfood has extensive experience and well-established contacts in all critical agricultural regions. The Group has alternative solutions in the logistics chain.

MARKET RISKS

Description of risk	Risk mitigation
PRICES	
Greenfood is exposed to variations in global market prices for raw materials, especially fruits and vegetables but also plastics and paper pulp. Climate change causes water scarcity, erosion and extreme weather conditions such as drought, heavy rainfall or floods. All this can affect the ability to grow raw materials and thus lead to increases in the prices of raw materials.	Variations in raw material costs and other cost increases are to an extent handled differently by different business areas. All business areas have either contract clauses that address price adjustments or a variable market price. In the event of a sudden increase in costs outside these windows, temporary gaps may occur.
GLOBAL ECONOMIC TRENDS	
Economic and political factors can affect customers' disposable income and consumption patterns and thus the demand for the company's products. Epidemics and pandemics – including COVID-19 – have affected the company's operations and profitability, and could continue to do so going forward.	The Group addresses methods that increase scalability and ensure productivity in the event of both increases and decreases in sales. By having a strong focus on productivity and quality, the Group can also cope with a recession.
COMPETITION	
Greenfood faces strong competition in all its product areas, from both other Fruit and Vegetable producers and other suppliers of ready meals. If larger customers in the grocery retail segment were to integrate their value chain, there would be a risk of increased competition.	Greenfood is well aware of the potential for increased competition and ensures its own competitiveness through continuous productivity improvements and increased innovation
DEMAND	
Greenfood's ability to anticipate and respond to changes in consumer trends is crucial to mitigating the risk of changes or declines in demand.	Greenfood monitors market trends and applies this information to its product development and marketing. With its plant-based, healthy, climate-smart food solutions, the Group is well in line with existing trends.
CUSTOMER AGREEMENTS	
Greenfood has a history of long-standing relationships with loyal customers in the grocery retail sector. The grocery retail sector is characterized by a high degree of competition but has relatively few players on the different markets. Consolidation on this market may lead to lost customer contracts, which would affect Greenfood's business.	To remain a relevant partner for our customers, Greenfood focuses on innovation and productivity for both the company and the company's customers.
QUALITY AND REPUTATIONAL RISKS	
The food industry is facing stricter requirements and closer scrutiny regarding food safety from authorities and the public. It is crucial for Greenfood that customers continue to have confidence in the high quality and safety of our products.	Greenfood ensures that its processing facilities possess relevant certifications. The Group also has a Code of Conduct for all its suppliers which describes these requirements. When it comes to salad bars, Picadeli is a clear leader in food safety.

FINANCIAL RISKS

Description of risk	Risk mitigation
FOREX	
Since Greenfood has operations and sales in several countries, fluctuating exchange rates, especially between SEK, EUR and USD, can create unexpected variations in cash flow and earnings.	Greenfood employs efficient forex management, with a policy that pragmatically addresses the flows that exist in its various business areas.
INTEREST RATES	
Elevated market interest rates increase Greenfood's costs and impair earnings and cash flow.	Greenfood continuously monitors developments on the interest rate market and considers various management options. Greenfood has strong liquidity that can handle currently expected interest rate adjustments without affecting its expansion plans.

OTHER RISKS

Description of risk	Risk mitigation
LAWS AND REGULATIONS	
Greenfood's operations are subject to regulations related to occupational and environmental safety, and health and safety, as well as rules on financial reporting. Any non-compliance with these regulations can lead to costs and damage confidence.	Greenfood has a well-communicated Code of Conduct and works actively on safety inspections and employee surveys. We also work with advisors and auditors to constantly improve our financial reporting process.
POLITICAL RISKS	
Political decisions affect Greenfood's operations. Proposals for a tax on single-use packaging, for example, may entail increases in costs.	Greenfood monitors changes in legal issues and acts to adjust procedures that ensure that these are analysed and addressed.

ANNUAL REPORT

DIRECTORS' REPORT

The Board of Directors of Greenfood AB (publ) hereby submits the annual report and consolidated financial statements for the financial year 01/01/2021 – 31/12/2021.

Information about the business
Greenfood AB (publ) is the parent company of the Greenfood Group, a leading player in fresh healthy food. The business comprises three business areas: Fresh Produce, Food Solutions and Picadeli. Through them, the Group offers several different concepts all of which have fruit and vegetables as their base. Everything from self-serve salad bars, pre-packaged healthy to-go food, pre-cut lettuce and vegetables to fruits and vegetables straight from the farms. The main markets are Sweden, Finland, Denmark, Germany, Belgium and France. The most important customer categories are grocery and convenience stores, as well as HoReCa. HoReCa is a common definition for direct and indirect sales to hotels, restaurants and commercial kitchens.

Picadeli, a business area whose salad bars are primarily located in grocery and service stores, provides a unique concept for self-service salad. The concept is established in Sweden, Finland, France, Germany, Belgium, Estonia and in a test phase in the USA. In Sweden, Finland and France, the concept is very well established and is available at most grocery chains and in most of the larger cities. In Germany, Belgium and Luxembourg, the concept has been very well received and interest in the concept is continuing to grow. In 2020, the business area also established a joint venture company that will grow in the large U.S. market. The COVID-19 pandemic significantly negatively impacted the business area during 2021 due to shut-downs and restrictions that have affected both travel and societal functions. Nevertheless, the business area enters 2022 in a significantly stronger position than it had the same time last year.

The Food Solutions business area develops, produces and delivers a broad range of products in the growing food-to-go category, as well as cut fresh fruit and vegetables for our customers in the convenience and grocery trades, as well as the HoReCa sector. Greenfood is a leading operator in Sweden and Finland with production and sales in both countries with significant exports to Denmark as well. During 2020, one of the business area's Finnish companies, Salico OY, incorporated a business acquired in 2019. By merging the aquired business with the existing, production is concentrated in new premises in Helsinki. This meant that one production unit was closed and that the production was centralized. The business area also consolidated the production of food-to-go in Sweden in 2020 by closing one production unit and focusing the volumes to the other unit. Although the business area was affected by the ongoing pandemic during 2021, these two consolidation activities have created efficient and scalable solutions for both cut fruit and salad in Finland as well as the production of food-to-go in Sweden. This is also evident in the figures shown for the business area in the company's reporting.

Interest in vegetables is growing as more and more people choose a plant-based diet. At the same time, interest in locally produced fruits and vegetables is also growing. Greenfood's Fresh Produce business area is well-positioned in both of these trends and has a strong position in imports, exports, distribution and trade in fresh fruit and vegetables in their non-processed form. The business area builds a strong offering to the grocery trade and HoReCa based on a deep knowledge in cultivation, assortment, quality, logistics and handling of fruit and vegetables. The leading competence is an understanding of both the needs of the growers and the requirements of the customers. Although sales have been affected by the pandemic, this business area has generated a strong result, the strongest underlying EBITDA during the relevant five-year period.

FIVE YEAR OVERVIEW FOR THE GROUP

MSEK	2021	2020	2019	2018	2017
Net sales	4,321.0	4,290.3	5,156.3	4,625.3	3,987.4
Operating profit/loss	–81.2	–162.4	–5.1	55.8	78.7
Profit/loss before tax	–190.5	–254.4	–91.7	–15.5	18.6
Adjusted EBITDA 1)	161.7	56.1	263.8	172.4 5)	164.4 5)
Balance sheet total	3,530.9	3,340.3	3,504.7	3,065.6	2,929.3
Equity/assets ratio 2)	19.5%	25.9%	29.1%	36.5%	39.1%
Return on equity 3)	–21.9%	–22.7%	–8.6%	–1.4%	1.7%
Return on total capital 4)	–2.3%	–4.6%	–0.1%	1.9%	0.0%
Average number of employees	937	971	1139	957	859

1) EBITDA adjusted for Non-recurring items and unestablished business.
2) Equity / Total assets.
3) Profit/loss for the year / Average equity.
4) (Profit/loss before tax + interest expense) / Average total assets.
5) IFRS 16 is applied from 2019, but comparables for 2018 and 2017 are not restated. Estimated impact on EBITDA is 50–55 MSEK.

Development of operations, performance and position

The Group's financial position

During the year, the Group achieved sales of SEK 4,321 million (4,290), and adjusted EBITDA of SEK 162 million (56) and an operating loss of SEK –81 million (–162). Operating profit was positively impacted by the consolidation activities of production facilities that was the main reason for the improved underlying result for the Food Solutions business area, by SEK 52 million compared to the previous year. Fresh Produce had a loss of sales towards customers in the HoReCa sector, but managed to contain the situation through a strong collaboration throughout the value chain to address food waste and margins. Operating profit in this segment is therefore also satisfactory with an improvement of SEK 6.1 million, compared to the previous year. Picadeli has improved its operating profit by SEK 20 million compared to 2020, taking into account start-up costs in the US. The restrictions in the first seven months of the year and then again in December had a negative impact on performance. The business area's earnings rate during the last quarter of 2021 corresponds to an improvement on earnings in 2021 of SEK 75 million, or SEK 89 million if taking start-up costs in the US, amounting to 14 million SEK, into consideration. The company believes that the effect of Covid-19 in the 2021 result is significant for all business areas, but within Picadeli this has been significant when excluding the support that the Group has received from various authorities of SEK 13.5 million (see Note 33).

By a refinancing of the group's borrowing, through the issue of a sustainability-linked bond, improved liquidity was obtained as well as an amortization-free financing that extends over four years from November 2021. The bond has three sustainability-related conditions that must be met before the bond matures. The bond is described in detail in Note 25. This main financing has no traditional financial terms or amortization. The loan structure and its terms fit well into the group's underlying strong focus on sustainability, where the financial targets are in line with the sustainability-related objective. In addition to this, the amortization-free structure fits the flexibility the Group needs to be able to take advantage of the opportunities we see in front of us.

The Group has subsidiaries in Sweden, Denmark, Finland, Spain, France, Germany, Denmark and the U.S. The total number of full-time employees at the end of the year was 937 (968).

Acquisitions and divestments

During 2021, the Group has, through Fresh Produce Int'l AB, acquired all shares in Lundgrens Primörer AB for SEK 5 million for a cash- and debt-free company. Through Greenfood Food Solutions AB, the Group has also acquired the remaining shares in Ahlströms Factory AB, as well as Svenska Smörgåstårtor Kvalité AB. Salico OY, a subsidiary of Greenfood Fresh Cut AB, has divested all shares of its ownership in OY Avant-Niko Ab (27 percent directly and 19 percent indirectly), see note 28. OY Avant-Niko Ab is a company that operates and owns the property in Juva that Salico OY previously rented. The sale was to Juva municipality, which owned the remaining 54 percent of the company. During the year, Örebro Trädgårdshall AB, Växjö Partiaffär AB, and Trädgårdshallen i Skåne AB have also been merged into Allfrukt i Stockholm AB. The latter company has since changed its name to Trädgårdshallen i Sverige AB.

Parent company

Greenfood AB (publ), based in Helsingborg, owns and manages shares in subsidiaries and manages the Greenfood Group.

The company has three employees and no invoicing to external customers.

Greenfood AB (publ) is 100% owned by Greenfood MC AB, which in turn is 89% owned by Greenfood TC AB. 73.3% of this company is owned by Cidron Greenfood S.A.R.L. in Luxembourg, which is indirectly owned by Nordic Capital VIII Alpha, L.P. and Nordic Capital VIII Beta, L.P. (jointly "Nordic Capital Fond VIII", which acts through its general partner Nordic Capital VIII Limited, and together with earlier funds, "Nordic Capital"). Nordic Capital is a leader in "private equity" investments in companies in Europe, as well as healthcare and technology & payments companies in North America. The remaining 26.7% is owned indirectly by Fidelio Capital AB (corp. ID no. 556811 0851) through Acetaria Holding AB (corp. ID no. 559051-3221) both with their registered office in Stockholm. Fidelio Capital AB is a Swedish investment company that invests in small and medium-sized enterprises.

During the year, the company has primarily led the Greenfood Group and provided financing in the form of a sustainability-linked bond. Financial year 2021 is the first year with an audited Group Annual report for the Greenfood AB (publ) Group, as a consequence of the issued bond. Thereby an audited Group Annual report is only available for the Greenfood TC AB Group for FInancial year 2020.

FIVE YEAR OVERVIEW FOR THE PARENT COMPANY

MSEK	2021	2020	2019	2018	2017
Net sales	12.9	14.0	14.5	3.6	5.4
Operating profit/loss	–7.0	–3.4	–17.2	–18.7	–12.0
Profit/loss before tax	–34.4	–38.1	–35.6	–23.5	–36.6
Balance sheet total	2,463.4	2,170.6	2,134.4	2,052.1	2,060.3
Equity/assets ratio [1]	41.2%	48.4%	49.0%	52.7%	53.4%
Return on equity [2]	–3.5%	–3.6%	–1.6%	–1.7%	–1.1%
Return on total capital [3]	1.8%	2.7%	–3.1%	–2.4%	–1.8%
Average number of employees	3	3	3	3	1

1) Adjusted equity / Total assets.
2) Profit/loss for the year / Average equity.
3) (Profit/loss before tax + interest expense) / Average total assets.

Significant events during the financial year

During the year, the Group issued a sustainability-linked bond with a nominal value of SEK 1,050 million, a maturity of four years from 5 November 2021, and a coupon of 700 basis points. This loan-to-value was used to re-settle existing bank loans of SEK 832 million to a consortium of three banks (Swedbank, Nykredit and Natixis), cover transaction costs of SEK 37 million, to regulate Swedish tax deferrals of SEK 178 million over time and to finance future planned expansion. At the same time, the Group contracted a credit facility of SEK 200 million. At year end, the company's available liquidity was SEK 478 million.
The bond has three sustainability-related conditions that must be met before the bond matures. The bond is described in detail in Note 25. This main financing has no traditional financial terms or amortization. The loan-to-value structure and its terms fit well into the Group's underlying strong focus on sustainability, where

the financial targets are in line with the sustainability-related objective. In addition to this, the amortization-free structure fits the flexibility the Group needs to be able to take advantage of the opportunities that we envision.

Through its subsidiaries, the Greenfood Group has entered into two new lease agreements with occupancy0 in April 2023. The property is under construction in Helsingborg and is more suitable because it means that several of the Group's companies can increase their productivity, reduce climate impact and improve the conditions for further development with their business partners.

As a consequence, there have been write-downs of right-of-use assets linked to existing lease agreements in the Group of SEK 21.9 million to reflect a use up to the date of moving out and a conservative assessment of the ability to sublet existing premises until the current lease expires. There have also been write-downs of improvements on external properties, as well as parts of machinery and equipment, of SEK 25.5 million that it is estimated cannot be brought to the new premises. These write-downs are of a non-recurring nature and are shown in Notes 18 and 19.

Significant risks and uncertainties

Operative risks

Greenfood mainly works with fresh plant based food solutions. Fresh products are in themselves sensitive to climate changes that affect the harvesting volumes and times. Consumption of some products is also sensitive to the weather and has a seasonal emphasis to some extent.

In some cases, our delivery chain comprises the purchase of raw materials and products from countries where there is an elevated risk of corruption or human rights violations. To identify potential risks early, a risk analysis is conducted annually. A close dialogue with the supplier and a structured purchasing process are important and are also supplemented with audits and Greenfood's Code of Conduct.

The Group also has a risk in terms of food safety. The Group has particularly good procedures around the handling of fruits and vegetables in processing as well as in other handling, but a contamination of any kind would affect consumption of fresh plant-based food in general. In order to manage risks associated with fresh food, the Group has relevant policies and procedures that are both used internally and are included in a Code of Conduct that the Group's suppliers sign. We actively work with audits that these commitments are met.

How the company manages operational risk is described in further detail on pages 40–42.

External risks

Part of the Group's sales goes to customers that were negatively impacted by the then on-going pandemic. Restrictions in the form of closures of parts or all of society impact the consumer's consumption patterns and thereby some categories harder, but the total consumption of fruits and vegetables is impacted to a lesser extent. In 2021, the Group successfully launched new products adapted to new consumption patterns and succeeded in redirecting part of the sales to the channels where sales are less affected, primarily the retail trade. The Group has a good equity/assets ratio, strong owners and a healthy liquidity, which means that we can take a long-term perspective to prevailing circumstances and are entering 2022 with strong, efficient companies and very good conditions with both our customers and suppliers.

IT-risks

Greenfood is dependent on functioning digital tools and infrastructure. Risk related to IT-applications are mapped and managed though redundancy and constant analysis of weaknesses. There are actors that actively try to intrude into the digital environments of companies as well as individuals. To prevent such lapses in cyber-security, the group has put together a solid activity program based on a mapping of potentially existing weaknesses. All salaried employees within the Group have undergone training programs related to data security. The board follows up on how the group develops data security and how it stands in relation to identified goals. Presently, the company is well in line with the Board's objectives.

Financial instruments and risk management

The Group uses financial instruments to a limited extent, and the ones we use are not fundamentally complex. Identified currency risks are mainly managed using forward contracts. How the group handles financial risk is shown in note 3.

Significant events after the end of the financial year

In January, Picadeli opened a logistics company in Belgium to handle goods flows to customers in Central Europe, primarily Germany and Belgium.

Restrictions related to the Covid-19 pandemic were gradually released in the group's markets during the first four months of 2022. This has led to higher activity in the market in general and within HoReCa specifically.

Underlying inflation, which began in the last quarter of 2021, escalated during the first quarter of 2022 and became acute when Russia invaded Ukraine at the end of February. The Group proactively manages the consequences of this inflation by utilizing the existing price increase mechanisms. See also note 32.

Research and development

The Group conducts product development at business area level with a cooperation across the business areas where it is relevant. Development is also done of salad bars and production processes.

Sustainability report

The Group's sustainability report can be read at www.greenfood.se/hallbarhetsrapporter

Proposed appropriation of earnings (SEK)

The following profits are at the disposal of the Annual General Meeting:

Profit/loss brought forward	1,049,307,927
Profit/loss for the year	–35,892,047
	1,013,415,880
The Board proposes the following amount be carried forward	
	1,013,415,880

For more information about the position and performance of the Parent Company and the Group otherwise, please refer to the following income statements and balance sheets, statements of changes in equity, cash flow statements and the notes to the accounts. All amounts are expressed in millions of Swedish kronor (MSEK) where otherwise stated.

GREENFOOD'S BOARD OF DIRECTORS

Stefan Jacobsson
Chairperson

Former CEO of Puma, NFI Corp, ABU/Garcia and Tretorn

Former Chairman of Thule Group and HBG, and Board member at NOBIA and HBG

Anette Rosengren
Member of the board

Nordic Managing Director at Philip Morris International

Previously a board member at Altia plc, Food Companies, Confederation of Swedish Enterprise (Svenskt Näringsliv), DLF, Lantmännen Research Foundation, Center of Innovation, European Snacks Association and Lantmännen Axa

Previous work experience from Unilever, Kraft Foods, Lantmännen and Fazer.

BSc in Marketing from Lund University

Tiemo Grimm
Member of the board

Principal at Nordic Capital 16 years of experience in finance

Current board member of four other companies owned by Nordic Capital.

MBA from University of Passau

Fabian Suessenguth
Member of the board

Investment Manager at Nordic Capital

Former M&A analyst at J.P. Morgan and Equity Research Analyst at LBBW

MSc in Advanced Finance from IE Business School

Martin Erleman
Member of the board

Partner at Fidelio Capital Currently board member at Vimian Group, Nabo, SBC, Rendall & Rittner and iBinder

Previously a board member at LYKO, Anicura, NN07 and Nextmune

Previous work experience from Nordic Capital, Goldman Sachs and SEB Enskilda

MSc from Stockholm School of Economics

GREENFOOD'S MANAGEMENT

David von Laskowski
CEO of Greenfood & Picadeli

At Greenfood since 2014

Former Vice President at Accent of Scandinavia and CEO of Candyking Group and Visma Retail.

PhD in Strategic Management from the Stockholm School of Economics and visiting researcher at Columbia and Stanford Universities.

Mattias Engberg
CFO

Part of group management since 2014

21 years of experience in fruit and vegetables, most recently as CFO of Dole Europe. More than 34 years of experience in finance.

MBA from Rotterdam School of Management

Lisa Isaksson
Head of Communications and Sustainability

Part of group management team since 2018

Over 15 years of experience in marketing and communication in the food industry with brands such as Picadeli, Ridderheims, Santa Maria, Dafgård and Gorbys

Bjorn Johansson
CEO of Food Solutions

Part of group management team since 2010

Industry experience since 1989 with leading positions in the food industry

Involved in Salico's start-up and a board member of entrepreneurial restaurant and food companies

David Bennertun
Vice President of Food Solutions

Part of group management since 2017

Previous leading and market development positions within e.g. Axfood, ÖoB and OKQ8

Ted Stenshed
CEO of Fresh Produce

Part of group management since 2017

Broad industry experience. Previously in group management of Bama Fresh Cuts, KLS Ugglarps & Dalsjöfors Kött, Charkprodukter i Billesholm, Sydgrönt, Sydlog, and Sydflora

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

MSEK	Note	2021	2020
Operating income			
Net sales	6	4,321.0	4,290.3
Other operating income	7, 33	69.7	60.4
		4,390.7	**4,350.7**
Operating expenses			
Goods for resale		–3,363.2	–3,383.0
Other external expenses	8–10, 33	–262.8	–289.9
Employee benefit expenses	11, 33	–623.5	–651.7
Depreciation, amortization and impairment	12, 17–19, 33	–222.3	–188.1
Other operating expenses		–0.1	–0.4
Operating profit/loss		**-81.2**	**-162.4**
Profit/loss from financial items			
Financial income	13, 14	1.7	3.9
Financial expenses	13, 14	–111.0	–95.9
Profit/loss before tax		**-190.5**	**-254.4**
Tax	15	20.3	39.9
PROFIT/LOSS FOR THE YEAR		**-170.2**	**-214.5**
Attributable to:			
Shareholders of the Parent Company		–166.0	–205.0
Non-controlling interests		–4.2	–9.4

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	Note	2021	2020
Profit/loss for the year		–170.2	–214.5
Other comprehensive income			
Items that may be reclassified to the income statement:			
Translation differences for the year		4.1	–1.0
Total other comprehensive income, net after tax		**4.1**	**-1.0**
COMPREHENSIVE INCOME FOR THE YEAR		**-166.2**	**-215.5**
Attributable to:			
Shareholders of the Parent Company		–163.0	–205.8
Non-controlling interests		–3.1	–9.7

CONSOLIDATED STATEMENT OF **FINANCIAL POSITION**

MSEK	Note	31/12/2021	31/12/2020
ASSETS			
Fixed assets			
Intangible fixed assets	17		
Goodwill		1,641.5	1,638.1
Trademarks		290.9	288.8
Other intangible assets		68.8	54.5
		2,001.2	**1,981.4**
Tangible fixed assets	18		
Land and buildings		68.1	87.3
Cost of improvements on external properties		7.0	29.3
Plant and machinery		139.3	154.2
Equipment, tools, fixtures and fittings		113.7	145.9
Construction in progress		27.0	31.9
Right-of-use assets	19	272.8	325.1
		627.9	**773.7**
Other fixed assets			
Participations in associates		0.4	0.4
Financial fixed assets	20	25.2	9.9
Deferred tax assets	15	37.6	23.8
		63.2	**34.1**
Total fixed assets		**2,692.4**	**2,789.2**
Current assets			
Inventories	21	117.5	103.6
Accounts receivable	22	299.0	257.0
Current tax receivables	15	10.5	6.6
Other receivables		39.4	28.1
Prepaid expenses and accrued income	23	38.9	28.0
Cash and cash equivalents	30	277.4	127.7
Total current assets		**782.7**	**551.1**
TOTAL ASSETS		**3,475.0**	**3,340.3**

MSEK	Note	31/12/2021	31/12/2020
EQUITY AND LIABILITIES			
Equity			
Share capital	24	0.5	0.1
Other capital contributions		29.8	29.8
Translation reserve		9.1	6.2
Retained earnings including profit/loss for the year		633.5	810.4
Total equity attributable to Parent Company shareholders		**672.9**	**846.4**
Non-controlling interests		17.2	19.7
Total equity		**690.0**	**866.1**
Non-current liabilities			
Sustainability-Linked Bond	3, 25, 29	1,013.0	–
Liabilities to credit institutions	3, 25, 29	15.6	876.1
Liabilities to parent companies	3, 25, 29	401.7	373.3
Other non-current liabilities	3, 25,29	0	95.8
Leasing liabilities	19	253.4	289.6
Deferred tax liabilities	15	17.3	29.0
Other provisions		60.1	37.8
Total non-current liabilities		**1,761.0**	**1,701.6**
Current liabilities			
Liability to credit institutions	3, 25, 29	10.4	31.0
Advance payments from customers		0.5	0.3
Leasing liabilities	19	79.9	74.7
Accounts payable		334.6	302.3
Liabilities to group companies		0	0.4
Current tax liabilities	15	1.6	1.7
Other current liabilities	3, 25, 29	243.7	53.4
Accrued expenses and deferred income	26	353.3	308.6
Total current liabilities		**1,024.0**	**772.6**
TOTAL EQUITY AND LIABILITIES		**3,475.0**	**3,340.3**

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

	Note	Share capital	Other contributed capital	Translation reserve	Retained earnings including profit/loss for the year	Total equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Opening equity 1/1 2020		**0.1**	**29.8**	**6.9**	**982.7**	**1,019.4**	**11.6**	**1,031.0**
Profit/loss for the year					–205.0	**–205.0**	–9.4	–214.5
Translation reserve for the year, net after tax				–0.7	0	**–0.7**	–0.3	–1.0
Comprehensive income for the year				**–0.7**	**–205.0**	**–205.8**	**–9.7**	**–215.5**
Shareholder contributions received from non-controlling interests							2.0	2.0
Transactions with non-controlling interests					–9.9	**–9.9**	15.9	6.1
Shareholder contributions received					42.6	**42.6**	–	42.6
Total		**-**	**-**	**-**	**32.8**	**32.8**	**17.9**	**50.6**
Closing equity 31/12/2020	**24**	**0.1**	**29.8**	**6.2**	**810.4**	**846.4**	**19.7**	**866.1**
Opening equity 1/1 2021		**0.1**	**29.8**	**6.2**	**810.4**	**846.4**	**19.7**	**866.1**
Profit/loss for the year					–166.0	**–166.0**	–4.2	–170.2
Translation reserve for the year, net after tax				3.0	–	**3.0**	1.1	4.1
Comprehensive income for the year				**3.0**	**–166.0**	**–163.0**	**–3.1**	**–166.2**
Bonus issue		0.4			–0.4	**-**	–	–
Transactions with non-controlling interests					–10.5	**–10.5**	0.6	–9.9
Total		**0.5**	**-**	**-**	**–10.9**	**–10.5**	**0.6**	**–9.9**
Closing equity 31/12/2021	**24**	**0.5**	**29.8**	**9.1**	**633.5**	**672.9**	**17.2**	**690.0**

CONSOLIDATED STATEMENT OF **CASH FLOWS**

MSEK	Note	2021	2020
Operating activities			
Operating profit/loss		–81.2	162.4
Adjustments for non-cash items:			
Depreciation, amortization and impairment	12, 17–19	230.3	194.5
Capital gains/losses		0	–0.1
Deferment of tax payments (as a result of the COVID-19 pandemic)	29, 33	83.7	93.9
Other items		–1.3	17.7
Interest received	14	0.4	0.1
Interest paid	14	–49.7	54.0
Income tax paid		–8.5	–16.5
Cash flow from operating activities before changes in working capital		**173.6**	**73.3**
Changes in working capital			
Decrease(+)/increase(–) in inventories		–12.4	14.0
Decrease(+)/increase(–) in operating receivables		–46.0	176.1
Decrease(–)/increase (+) in operating liabilities		54.6	–143.2
Changes in working capital		**–3.9**	**46.9**
Cash flow from operating activities		**169.7**	**120.2**

MSEK	Note	2021	2020
Investing activities			
Acquisitions of subsidiaries	29	–4.7	0
Divestment of subsidiaries	29	2.8	–1.0
Acquisitions of intangible assets	17	–25.8	–19.7
Acquisitions of tangible fixed assets	18	–42.6	–91.3
Sales of tangible fixed assets		1.4	1.2
Investments in financial fixed assets	20	–2.1	–6.8
Cash flow from investing activities		**–71.0**	**–117.6**
Financing activities			
Shareholder contributions received		0	42.6
Transactions with non-controlling interests	28	–6.7	10.1
Loans raised	29	1,050.1	101.0
Repayment of loans	29	–887.1	–7.4
Expenses concerning loans raised	29	–37.0	–5.4
Repayments of lease liabilities attributable to leases	19, 29	–72.5	–76.7
Cash flow from financing activities		**46.8**	**64.2**
Cash flow for the year		**145.5**	**66.8**
Cash and cash equivalents at beginning of the year		**127.7**	**66.1**
Exchange rate differences in cash and cash equivalents		4.2	–5.2
Cash and cash equivalents at end of year	30	**277.4**	**127.7**

PARENT COMPANY **INCOME STATEMENT**

MSEK	Note	2021	2020
Operating income			
Net sales	6	12.9	14.0
Other operating income	7	0	0.1
		12.9	**14.1**
Operating expenses			
Other external expenses	8	-15.3	-13.3
Employee benefit expenses	11	-14.3	-12.0
Operating profit/loss		**-16.7**	**-11.1**
Profit/loss from financial items			
Profit/loss from participations in Group companies	3	0	0
Interest income and similar profit items	14	34.8	34.4
Interest expenses and similar profit/loss items	14	-67.2	-59.1
Profit/loss after financial items		**-49.1**	**-35.9**
Appropriations			
Submitted / Received group contribution		14.7	2.2
Profit/loss before tax		**-34.4**	**-38.1**
Tax on profit/loss for the year	15	-1.5	0
PROFIT/LOSS FOR THE YEAR		**-35.9**	**-38.1**

PARENT COMPANY STATEMENT OF **COMPREHENSIVE INCOME**

MSEK	Note	2021	2020
Profit/loss for the year		-35.9	-38.1
Other comprehensive income		-	-
COMPREHENSIVE INCOME FOR THE YEAR		**-35.9**	**-38.1**

PARENT COMPANY
BALANCE SHEET

MSEK	Note	31/12/2021	31/12/2020
ASSETS			
Fixed assets			
Participations in Group companies	16	1,407.7	1,407.7
Receivables from Group companies	20	840.6	674.2
Deferred tax assets	15	9.3	10.8
Financial fixed assets	20	1.9	1.2
Total fixed assets		**2,259.6**	**2,093.9**
Current assets			
Current receivables			
Receivables from Group companies		42.3	31.8
Current tax receivables		0.8	0.7
Prepaid expenses and accrued income	23	0.5	0.1
Total current receivables		**43.6**	**32.6**
Cash and bank balances	30	**160.3**	**44.1**
Total current assets		**203.9**	**76.7**
TOTAL ASSETS		**2,463.4**	**2,170.6**

MSEK	Note	31/12/2021	31/12/2020
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		0.5	0.1
		0.5	**0.1**
Non-restricted equity			
Profit/loss brought forward		1,049.3	1,087.8
Profit/loss for the year		–35.9	–38.1
		1,013.4	**1,049.8**
Total equity		**1,013.9**	**1,049.8**
Provisions			
Deferred tax liabilities	15	0.1	0.1
Other provisions		1.9	1.1
Total provisions		**2.0**	**1.3**
Non-current liabilities			
Borrowing	25	1,013.0	732.6
Liabilities to parent companies		401.7	373.3
Other non-current liabilities		0	3.2
Total non-current liabilities		**1,414.7**	**1,107.1**
Current liabilities			
Accounts payable		3.9	0.7
Liabilities to group companies		0.1	0.6
Current tax liabilities	15	0	0.1
Other liabilities	25	9.9	3.4
Accrued expenses and deferred income	26	19.0	5.7
Total current liabilities		**32.8**	**13.6**
TOTAL EQUITY AND LIABILITIES		**2,463.4**	**2,170.6**

PARENT COMPANY STATEMENT OF **CHANGES IN EQUITY**

	Restricted equity	Non-restricted equity		
	Share capital	**Balanced profit or loss**	**Profit/loss for the year**	**Total equity**
Opening equity 1/1 2020	**0.1**	**1,081.4**	**-36.2**	**1,045.2**
Appropriation of previous year's profit/loss		–36.2	36.2	0
Profit/loss for the year			–38.1	–38.1
Other comprehensive income			–	–
Comprehensive income for the year			**-38.1**	**-38.1**
Transactions with shareholders:				
Shareholder contribution received		42.6	–	42.6
Total transactions with shareholders		**42.6**	**-**	**42.6**
Closing equity 31/12/2020	**0.1**	**1,087.8**	**-38.1**	**1049.8**
Opening equity 1/1 2021	**0.1**	**1,087.8**	**-38.1**	**1,049.8**
Appropriation of previous year's profit/loss		–38.1	38.1	–
Bonus issue	0.4	–0.4	–	–
Profit/loss for the year			–35.9	–35.9
Other comprehensive income			–	–
Comprehensive income for the year		**1,049.8**	**-35.9**	**1,013.9**
Closing equity 31/12/2021	**0.5**	**1,049.3**	**-35.9**	**1,013.9**

PARENT COMPANY **CASH FLOW STATEMENT**

MSEK	**Note**	**2021**	**2020**
Cash flow from operating activities			
Operating profit/loss		–6.9	–3.4
Adjustments for non-cash items:			
Interest received	14	34.8	29.5
Interest paid	14	–34.8	–39.0
Income tax paid		–0.2	0
Other items		0.7	–0.7
Cash flow from operating activities before changes in working capital		**-6.5**	**-13.5**
Changes in working capital			
Decrease(+)/increase(–) in operating receivables		–10.8	13.8
Decrease(–)/increase (+) in operating liabilities		2.1	–0.1
Changes in working capital		**-8.8**	**13.7**
Cash flow from operating activities		**-15.2**	**0.2**
Investing activities			
Investments in other financial assets		–167.1	–6.5
Cash flow from investing activities		**-167.1**	**-6.5**
Financing activities			
Loans raised	29	1,013.0	11.8
Shareholder contribution received		–	42.6
Repayment of loans	29	–732.7	–2.5
Received (+)/ (–) group contributions received		14.7	–2.2
Cash flow from financing activities		**298.6**	**49.7**
Cash flow for the year		**116.2**	**43.4**
Cash and cash equivalents at beginning of the year		44.1	0.7
Cash and cash equivalents at end of year	30	**160.3**	**44.1**

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NOTES

NOTES TO THE FINANCIAL STATEMENTS

Greenfood AB (publ), with corporate identification number 559035-9104, is a limited company registered in Sweden with its registered office in Stockholm. The address of the Head Office is Knut Påls väg 9, Helsingborg, Sweden.

Greenfood AB (publ) is a company of the Greenfood Group, a leading player in fresh healthy food. The business comprises three business areas: Picadeli, Food Solutions and Fresh Produce. Through them, the Group offers several different concepts all of which have fruit and vegetables as their base. Everything from self-serve salad bars, pre-packaged healthy to-go food, pre-cut lettuce and vegetables to fruits and vegetables straight from the farms. The main markets are Sweden, Finland, Denmark, Germany, Belgium and France. The most important customer segments are the retail and convenience trades, as well as hotels, restaurants and catering (HoReCa).

The consolidated financial statements for the year 2021 consist of the parent company and its subsidiaries, together referred to as the Group. Greenfood AB (publ) is a subsidiary of Greenfood MC AB with corporate identification number 559035-9096 which in turn is wholly the owned subsidiary of Greenfood TC AB with corporate identification number 559034-3645 and the majority owner is Greenfood Cidron S.A.R.L. of Luxembourg, indirectly owned by Nordic Capital Fond VIII. Nordic Capital is a leader in "private equity" investments in companies in the Nordic region and Europe's German-speaking areas, as well as healthcare companies globally. Minority owner of the remaining shares is Fidelio Capital AB (corp. ID no. 559109 8818) through Acetaria Holding AB (corp. ID no. 559051-3221) both with their registered office in Stockholm. Fidelio Capital AB is a Swedish investment company that invests in small and medium-sized enterprises.

The annual report and consolidated financial statements were approved for publication by the Board of Directors on 26 April 2022. The consolidated income statement, statement of comprehensive income and statement of financial position and the Parent Company's income statement and balance sheet are subject to adoption by the Annual General Meeting on 4 May 2022.

NOTE 1 SIGNIFICANT ACCOUNTING PRINCIPLES

The consolidated financial statements for Greenfood AB (publ) were prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the EU. The Group does not apply IAS 33 Earnings per share in accordance with the exemption rules for unlisted companies. In addition, the Group applies the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 Supplemental accounting rules for groups.

It can occur that the total amount in tables and accounts does not add up due to rounding differences. The aim is for each subline to agree with its original source and rounding differences can therefore arise.

New and revised standards applied by the Group

There are no new IFRS standards that have been approved for application beginning in 2021. The amendments to standards approved for application as of 2021 are not expected to have any material impact on the Group's financial statements.

New standards and interpretations which have not yet been applied by the Group

Company management deems that new and revised standards and interpretations that enter into effect after 31 December 2021 are not expected to have any material impact on the consolidated financial statements.

Accounting Policy Operating Segment

The Group's top decision-making body has been identified as the Group's Executive Director as well as the management team. The management team evaluates the Group's operations on an ongoing basis and has identified three reportable segments in addition to geographic markets; Fresh Produce business area, Food Solutions business area, and Picadeli business area. The term "Business Area" shall be seen as synonymous with Operating Segment.

The Fresh Produce business area includes companies which, by acting as an importer, exporter or distributor, supply fruit and vegetables, in their original or partially processed form. It is a classic wholesale business.

The Food Solutions business area includes companies that, through process or assembly units, refine fruit and vegetables and supply them as washed and pre-cut salad, food salads or other fresh, plant-based ready-to-eat dishes.

The Picadeli business area includes corporations providing salad bars and products to salad bars via the Picadeli concept.

Group revenues and earnings are also reported and evaluated based on geographic market, as shown in Note 5.

Transactions between business areas are essentially limited to 1) ready-made salad shipped from Food Solutions to Fresh Produce for collusion with fresh products, 2) in season, salad from Fresh Produce Spanish unit to Food Solutions process units in Sweden and Finland, 3) salad based products delivered in trays from Food Solutions to Picadeli, as well as 4) trays of products with the Picadeli brand supplied from Food Solutions to Picadeli.

Group joint functions consist essentially of, corporate governance and coordination of IT, sustainability, consolidation and accounting. The group has a joint Service Center that handles accounting, pay, and the group's cash-pool, primarily for the Swedish companies.

Consolidated financial statements

Subsidiaries are companies that are subject to controlling influence (control) of Greenfood AB (publ). Control exists if the Parent Company has influence over the investment object, is exposed to or has the right to variable returns from its engagement and can use its influence over the investment to influence the return. When assessing whether control exists, consideration is given to potential shares with entitlement to vote and whether de facto control exists.

Subsidiaries are included in the consolidated financial statements from the time that control is achieved in the acquisition to the point at which the Parent Company no longer has a controlling influence over the subsidiary. The accounting principles for subsidiaries are adjusted as necessary to agree with the Group's accounting principles. All intra-Group transactions, balances and unrealised gains and losses relating to intra-Group transactions have been eliminated in the preparation of the consolidated financial statements.

Transactions with non-controlling interests

Changes in the parent company's stake in a subsidiary that do not result in a loss of controlling power are recognized as equity transactions. Any differences between the amount with which non-controlling interests are adjusted and the fair value of the consideration paid or received are recognized directly in equity and allocated to the Parent Company's owners.

When the Parent Company loses control over a subsidiary, the profit or loss upon divestment is calculated as the difference between

i) the total of the fair value of the consideration received and the fair value of any remaining holdings, and

ii) the previous carrying amounts for the subsidiary's assets (including goodwill), and liabilities and any non-controlling interest.

The fair value of remaining holdings in the previous subsidiary at the point at which the controlling influence is lost is regarded as the fair value on initial recognition for a financial asset, in accordance with IFRS 9 Financial Instruments: Recognition and measurement, or, where appropriate, the cost on initial recognition for an investment in an associate or jointly controlled entity.

Business combinations

Business combinations are reported according to the acquisition method.

The purchase price of the business combination is valued at fair value at the time of acquisition, which is calculated as the total fair value at the time of acquisition of the assets acquired, liabilities arising or assumed, as well as equity instruments issued in exchange for control over the acquired operation. Acquisition-related expenses are recognized in the income statement as they arise.

The purchase consideration also includes the fair value at the time of acquisition of all assets and liabilities that results from an agreement covering a contingent consideration. Changes in fair value for a contingent consideration, which arise due to additional information being obtained after the acquisition date regarding facts and circumstances that existed on the acquisition date, qualify as adjustments during the valuation period and are adjusted retroactively, with a corresponding adjustment of goodwill. A contingent consideration classified as equity is not revalued and its subsequent settlement is recognized within equity. All other changes to the fair value of a contingent consideration are recognized in profit or loss.

The identifiable acquired assets and assumed liabilities are recognized at fair value as of the acquisition date with the following exceptions:

- deferred tax assets or liabilities and liabilities or assets attributable to the acquired company's agreements on employee benefits are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits.
- liabilities or equity instruments attributable to the acquired company's share-based allocations or to the exchange of the acquired company's share-based allocations with the acquirer's share-based allocations measured at the time of acquisition in accordance with IFRS 2 Share-Based Payment.
- assets (or divestment groups) classified as held for sale according to IFRS 5 Fixed Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- lease liabilities where the acquired company is the lessee shall be measured at the present value of the remaining leasing expenses as if it were a new lease on the acquisition date.
- the rights of use shall then be measured at the same amounts as the leasing liability, but adjusted for any terms that deviate from a market-based assessment.

For each business combination, non-controlling interests in the acquired company are either recognized at fair value or the value of the non-controlling interests' proportionate share of the acquired company's identifiable net assets.

Goodwill

Goodwill, which arises in the preparation of the consolidated financial statements, constitutes the difference between cost and the Group's share of the fair value of an acquired subsidiary's identifiable assets and liabilities on the acquisition date. At the time of acquisition, goodwill is recognized at cost and after initial recognition, it is valued at cost less any accumulated impairment. In testing for impairment, goodwill is distributed to the cash-generating units. Any impairment of goodwill is recognized immediately as an expense and is not reversed.

Revenue

The Group's operations primarily consist of the sale of fruit and vegetable products with varying degrees of processing. The Group offers its customers self-serve salads through Picadeli's salad bars, pre-cut salads in bags or trays, ready-made meal solutions and fresh fruits and vegetables. The Group's customer segments are mainly the retail trade, restaurants, hotels and catering.

The Group applies IFRS 15 Revenue from Contracts with Customers, a model for revenue recognition for nearly all income generated through agreements with customers, with the exception of leases, financial instruments and insurance contracts. The core principle of IFRS 15 is to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Revenue is recognized when the control of the products is transferred, which occurs when they are delivered to the customer, the customer has full right of disposal over the sales channel and the sales price of the products, and there are no unfulfilled commitments that can affect the customer's approval of the products.

Valuation of the Group's revenues is based on compensation according to contracts and excludes amounts received on behalf of third parties, such as Value Added Tax. Some contracts with customers include volume discounts based on accumulated sales. The discounts are settled retrospectively once the customer has reached a certain sales volume. Assessments are made continuously based on the expected annual sales, but adjusted once real sales are known. The revenue from sales is recognized based on the price in the contract less estimated volume discounts. Historical data is used to estimate the discounts' anticipated value and the revenue is only recognized insofar as it is highly likely that a material reversal will not arise. A liability (which is included in the item "Accrued expenses and deferred income", see Note 27) is recognized for anticipated volume discounts in relation to the sales up to the balance sheet date.

Some contracts contain agreements that the Group provides certain compensations to its customers, such as marketing contributions. If the compensation that the Group provides is in exchange for a distinct product or service and corresponds to market value for this product or service, the transaction is recognized in the same way as purchases from other suppliers. If the amount of consideration paid to the customer exceeds the fair value of the distinct good or service, such an excess is recognized as a reduction of the transaction price. If the Group does not receive a distinct product or service in exchange for the compensation, the entire amount is recognized as a reduction of the transaction price.

A receivable is recognized when the goods have been delivered as this is the time the compensation becomes unconditional (i.e., only the passing of time is required for payment to be made). There are no contract assets. The Group has no contracts with originally expected durations that exceed 12 months, which is why information on contracted, but not yet fulfilled performance obligations is not provided.

Dividends and interest income

Dividend income is recognized when the shareholder's right to receive payment has been established.

Interest income is recognized divided across the duration by applying the effective interest method.

Leases according to IFRS 16

The Group as lessee

As of 1 January 2019, leases are recognized as right-of-use (ROU) assets and leasing liabilities in the balance sheet. In order to meet the requirements on a lease, the right of disposal for an identified asset must be transferred to the user during a certain period of time against compensation.

Greenfood as the lessee recognizes an ROU asset and a lease liability, short- and long-term component, at the start date of the lease. The lease liability is initially valued at the present value of the remaining leasing fees during an assessed leasing period. This period is comprised of the non-cancellable period with the possible addition of supplemental periods in the agreement, which are deemed to be reasonably certain to be utilized. The lease liability also includes, for example, the present value of fixed fees, variable fees linked to an index and any restoration expenses that are payable upon cancellation of a lease.

The leasing fees shall be discounted with the lease's implicit interest, but in most leases, it is difficult to establish, so the Group has chosen a practical solution for portfolios of leases with similar characteristics. The discount rate used is 3.75%, which corresponds to the loan rate that the Group initially had on its borrowing. The Group's operations are primarily concentrated to EUR and SEK countries. Our assessment is that the risk of the various asset classes is not larger or smaller between different contracts and we have therefore used the same discount rate for all leases.

The Group also applies the simplification rules for short-term leases, of less than one year, and leases where the underlying asset has a low value, of less than SEK 50 thousand, which accordingly are not recognized as ROU assets and lease liabilities. These payments are instead expensed straight-line in the income statement.

For leases concerning office and warehouse properties, the Group has chosen to not separate non-leasing components from leasing components.

The Greenfood Group still serves as the lessor in the letting of Picadeli counters to customers where salads are then sold on to the end-consumer. The counters are still classified as subject to an operating lease as the financial risks and rewards associated with the ownership of the underlying asset are essentially not transferred. Nor is the underlying asset transferred to the lessee once the lease expires.

Group as lessor

The Group is a lessor through operating leases regarding Picadeli counters that are let to customers. The classification has been established through a general assessment that essentially the leases do not transfer the financial risks and benefits associated with ownership of the underlying asset. At the beginning of every lease, according to IFRS 16, a classification is made that determines if the agreement is a financial or operational lease.

The reporting is unchanged for these contracts. Leasing income in operating leases is recognized as revenue straight-line over the term of the lease, unless another systematic approach better reflects how the financial rewards from the object decrease over time.

Foreign currencies

Items included in the financial statements for the different units in the Group are recognized in the currency used in the primary economic environment in which the relevant unit is primarily active (functional currency). In the consolidated financial statements, all amounts are translated to Swedish kronor (SEK), which is the Parent Company's functional and presentation currency.

Transactions in foreign currencies are translated in the respective unit to the unit's functional currency at the exchange rates applicable on the transaction date. At every closing date, monetary items in foreign currencies are translated at the closing day rate. Non-monetary items, which are valued at fair value in a foreign currency, are translated at the exchange rate on the date that the fair value was determined. Non-monetary items, which are valued at historical cost in a foreign currency, are not translated.

Exchange rate differences are recognized in the income statement for the period in which they arise, except for transactions that constitute hedges that fulfil the conditions for hedge accounting of cash flows or of net investments, in which case gains and losses are recognized in other comprehensive income.

In the preparation of consolidated financial statements, the assets and liabilities of foreign subsidiaries are translated to SEK at the closing day rate. Income and expense items are translated at the average exchange rate for the period unless the exchange rate fluctuated substantially during the period in which case the exchange rates on the transaction dates are used instead. Any translation differences arising are recognized as other comprehensive income and are transferred to the Group's translation reserve. In the divestment of a foreign subsidiary, such translation differences are recognized in the income statement as a part of capital gains/losses.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities in this operation and are translated at the exchange rate on the balance sheet date.

Borrowing expenses

Borrowing expenses, which are directly attributable to the purchase, construction or production of an asset that requires a significant amount of time to finish for its intended use or sale, are included in the asset's cost of acquisition until the point in time at which the asset is finished for its intended use or sale. Interest income from temporary investment of borrowed funds for the asset described above is deducted from the borrowing expenses that may be included in the asset's cost of acquisition. Other borrowing expenses are recognized in the income statement in the period in which they arise.

Employee benefits

Employee benefits in the form of salaries, bonuses, paid holiday, paid sick leave, etc., as well as pensions, are recognized as they are earned. Pensions and other benefits after concluded employment are classified as defined-contribution or defined-benefit pension plans. The ITP plan (Swedish supplementary pension for salaried workers) through Alecta is a defined-benefit pension plan, in accordance with UFR 10, however, this plan is reported as defined contribution. For further information, see note 11.

Defined-contribution plans

With defined-contribution plans, the Group makes fixed contributions to a separate independent legal entity and has no obligation to make any further contributions. Expenses are charged to consolidated profit or loss when the benefits are earned, which is normally when the premiums are paid.

Taxes

Tax expenses comprise the sum of current and deferred tax.

Current tax

Current tax is calculated on the taxable profit for the period. Taxable profit differs from the recognized profit in the income statement because it has been adjusted for non-taxable income and non-deductible expenses as well as income and expenses that are taxable or deductible in other periods. The Group's current tax liability is calculated according to the tax rates that apply on the closing date.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the taxable value used to calculate the taxable profit. Deferred tax is recognized according to the so-called balance sheet method. Deferred tax liabilities are recognized for essentially all taxable temporary differences, and deferred tax assets are recognized for essentially all deductible temporary differences to the extent it is likely that the amounts may be utilized against future taxable surpluses. Deferred tax liabilities and tax assets are not recognized if the temporary difference is attributable to goodwill, or if it arises as a result of a transaction that constitutes the initial recognition of an asset or liability (that is not a business combination), and that, at the time of the transaction, affects neither the recognized nor the taxable result.

Deferred tax liabilities are recognized for taxable temporary differences attributable to investments in subsidiaries, except the cases where the Group can determine the time for the reversal of the temporary differences, and it is likely that such a reversal will not occur within the foreseeable future. The deferred tax assets that are attributable to deductible temporary differences regarding such investments are only recognized to the extent it is likely that the amounts may be utilized against future taxable surpluses, and it is likely that such utilisation will occur in the foreseeable future.

The carrying amount of deferred tax assets is tested every closing date and reduced insofar as it is no longer likely that adequate taxable profit will be available to be used, in part or in whole, against the deferred tax asset.

Deferred tax is calculated according to the tax rates expected to apply to the period when the asset is regained or the debt is settled, based on the tax rates (and tax laws) enacted or announced as of the balance sheet date.

Deferred tax assets and tax liabilities are offset when they are related to income tax that is charged by the same authority and when the Group has the intention of settling the tax with a net amount.

Current and deferred tax for the period

Current and deferred tax is recognized as an expense or income in the income statement, except when the tax is attributable to transactions recognized in other comprehensive income or directly against equity. In such cases, the tax is also recognized in other comprehensive income or directly against equity. For current and deferred tax arising on recognition of business combinations, the tax effect will be recognized in the acquisition calculation.

Right-of-use assets

Right-of-use (ROU) assets are measured at cost, which includes the following components:

- valuation of the original lease liability
- leasing fees that have been paid in connection with entering the lease less any benefits received
- direct acquisition costs
- expenses to restore the asset to the condition prescribed in the terms of the lease

ROU assets primarily relate to rented premises and vehicles and are depreciated straight-line over the shorter of the asset's useful life and the term of the lease.

The Greenfood Group has chosen to not separate non-leasing components from leasing components. Property tax is not included in the rent. If there is an extension option on the rent, it is taken into account.

Tangible assets

Tangible fixed assets are recognized at cost less accumulated depreciation and any impairment.

The cost consists of the purchase price, expenditures directly attributable to the asset to put it in the place and condition to be used, and estimated expenditures for disassembly and removal of the asset and restoration of the site it is on. Additional expenses are included in the asset or recognized as a separate asset only when it is probable that future financial benefits that can be attributed to the asset accrue to the Group and that the cost for the asset can be reliably calculated. All other costs for repairs and maintenance and additional expenses are recognized in the income statement in the period in which they arise.

When the difference in the consumption of significant components of a tangible asset is deemed to be material, the asset is divided up into these components

Depreciation of tangible fixed assets is expensed so that the asset's cost, potentially reduced by estimated residual value at the end of its useful life, is depreciated straight-line over the course of the asset's estimated useful life. Depreciation is begun when the tangible asset can be brought into use. Useful lives of tangible fixed assets are estimated at:

Buildings	20—40 years
Plant and machinery	5—10 years
Equipment, tools, fixtures and fittings	3—5 years

Land is not depreciated.

Estimated useful lives, residual values and depreciation methods are reviewed at least at the end of each financial period; the effect of potential changes to estimates is recognized prospectively.

The carrying amount for a tangible asset is removed from the balance sheet upon disposal or divestment, or when no future economic benefits are expected from the use or the disposal or divestment of the asset. The gain or loss that arises upon disposal or divestment of the asset is comprised of the difference between the potential net income upon divestment and its carrying amount and is recognized in profit or loss in the period when the asset is removed from the balance sheet.

Intangible assets
Internally produced intangible assets that originate from the Group's product development are only recognized if the following condition are met:
- it is technically possible to complete the intangible asset and use or sell it,
- the company's intention is to complete the intangible asset and use or sell it,
- conditions exist to use or sell the intangible asset,
- the company shows how the intangible asset will generate probable future financial benefits,
- there are adequate technical, financial and other resources in place to complete the development process and to use or sell the intangible asset, and
- the expenditures that are attributable to the intangible asset during its development can be reliably calculated.

If it is not possible to recognize an internally produced intangible asset, the expenses for development are recognized as an expense in the period in which they arise.

The capitalisations pertain to the development of new product, production processes and software.

After initial recognition, internally generated intangible assets are recognized at cost less accumulated amortisation and any accumulated impairment. The assessed useful life is five years. Estimated useful lives and amortisation methods are reviewed at least at the end of each financial year, and the effect of any changes to assessments are recognized prospectively. The amortisation period is begun when the asset is brought into use.

Acquisition through separate acquisitions
Intangible assets with definite useful lives acquired separately are recognized at cost less accumulated amortisation and any accumulated impairment. Amortisation occurs straight-line over the course of the asset's estimated useful life. Estimated useful lives and amortisation methods are reviewed at least at the end of each financial year, and the effect of any changes to assessments are recognized prospectively.

Acquisition as part of a business combination
Intangible assets acquired in a corporate acquisition are identified and recognized separately from goodwill when they fulfil the definition of an intangible asset, and their fair value can be reliably calculated. The cost for such intangible assets comprises their fair value at the time of acquisition.

After their initial recognition, intangible assets acquired in a business combination are recognized at cost less accumulated amortisation and any accumulated impairment losses in the same way as separately acquired intangible assets.

Trademarks
The Group's trademarks have been acquired through business combinations and have been measured at fair value at the time of acquisition. After initial recognition, trademarks are recognized at cost less any accumulated impairments. Trademarks are deemed to have an indefinite useful life and are subject to impairment testing as soon as there is an indication of a decrease in value or at least annually.

The acquired trademarks are deemed to have an indefinite useful life. The assessment that the useful life for these trademarks is indefinite is based on the following circumstances. It is a matter of well-established trademarks within their respective areas, which the Group intends to retain and further develop. The trademarks are considered to be of material financial significance because they constitute an integrated part of the product offering to the market by indicating quality and innovation in the products. Such trademarks are thereby considered to affect pricing and competitiveness for the products. Through their connection to the ongoing operations, they are considered to have an indefinite useful life and are expected to be used as long as relevant operations re under way. At present, only the trademark "Picadeli" is capitalized.

Considering that an assessment has been made that cash flows attributable to trademarks cannot be distinguished from other cash flows in the respective cash-generating units, impairment testing is done for both goodwill and trademarks jointly by calculating the recoverable amount for the cash-generating units to which goodwill and trademarks are allocated.

Other intangible assets
The Group's other intangible assets consist of knowledge in development, refrigeration and food safety linked to salad bars, as well as capitalized expenses for software. Directly attributable external and internal expenses for development of software for own use are recognized as assets in the statement of financial position on condition that future efficiency gains are likely and exceed expenses paid.

Amortisation periods for intangible assets are:

Capitalized development expenditures	5 years
Licences	5 years

Impairment of ROU assets, tangible and intangible fixed assets (excl. Goodwill)
At the end of every accounting period, the Group analyses the carrying amounts of tangible and intangible assets to establish if there are any indications that these assets have decreased in value. If this is the case, the asset's recoverable amount is calculated to be able to establish the value of any impairment losses. If it is not possible to calculate the recoverable amount for an individual asset, the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets that are not yet ready for use shall be tested annually with regard to any impairment requirements, or when there is an indication of a decrease in value.

The recoverable amount is the higher of fair value less selling expenses and value in use. In the calculation of value in use, estimated future cash flows are discounted to present value with a discount rate before tax that reflects the current market evaluation of the time value of money and the risks associated with the asset.

If the recoverable amount for an asset (or cash-generating unit) is set at an amount lower than the carrying amount, the carrying amount of the asset (or cash-generating unit) is written down to the recoverable amount. An impairment loss is immediately expensed in the income statement.

If an impairment loss is later reversed, the asset's (or cash-generating unit's) carrying amount increases to the revalued recoverable amount, but the increased carrying amount may not exceed the carrying amount that would have been established if no impairment loss had been applied to the asset (or cash-generating unit) in previous years. A reversal of an impairment loss is recognized directly in the income statement.

Financial instruments
Balance sheet recognition and derecognition
A financial asset or financial liability is recognized on the balance sheet when the Group becomes a party to the instrument's contractual terms. A financial asset is derecognized from the balance sheet when the right to receive cash flows from the instrument expires or is settled or when the Group has transferred virtually all risks and rewards of ownership. A financial liability, or part thereof, is removed from the balance sheet when the obligation in the agreement is fulfilled or otherwise expires.

Classification

The Group classifies its financial instruments in the following categories:

- financial assets recognized at fair value via profit or loss,
- financial assets recognized at fair value through other comprehensive income,
- financial assets recognized at amortized cost.

The classification of investments in debt instruments depends on the Group's business model for handling financial assets and the contractual terms for the assets' cash flows. The Group reclassifies debt instruments only in the cases where the Group's business model for the instruments changes. All of the group's equity instruments are presented at fair value via the income statement.

Measurement

Financial assets and financial liabilities, which at subsequent recognition are not measured at fair value through profit or loss, are recognized at initial recognition at fair value with supplements or deductions for transaction expenses. Financial assets and financial liabilities, which at subsequent recognition are measured at fair value through profit or loss, are recognized at fair value at initial recognition. Transaction expenses attributable to financial assets recognized at fair value through profit or loss are expensed directly in the income statement.

Investments in debt instruments

Subsequent measurement of investments in debt instruments depends on the Group's business model for the handling of the asset and what kind of cash flows the asset gives rise to. All of Greenfood's debt instruments are held for the purpose of collecting contractual cash flows and where these cash flows solely consist of principal and interest are recognized at amortized cost. Interest income from such financial assets is recognized as financial income, using the effective interest method. Gains and losses that arise upon removal from the balance sheet are recognized directly in profit or loss in other gains and losses together with the exchange rate gains and losses. Impairment losses are recognized on the line for other external expenses in the income statement.

Investments in equity instruments

Changes in the fair value of financial assets recognized at fair value through profit or loss are recognized as other profit or loss in the income statement.

Fair value of financial instruments

The fair value of financial assets and financial liabilities is determined as follows: The fair value of financial assets and liabilities traded on an active market is determined with reference to their quoted market price.

The fair value of other financial assets and liabilities is determined according to generally accepted valuation models, such as discounting of future cash flows and use of information obtained from current market transactions.

For all financial assets and liabilities, the carrying amount is deemed to be a good approximation of their fair value, unless otherwise specifically stated in the subsequent notes.

Amortized cost

Amortized cost refers to the amount at which the asset or liability is initially recognized less repayments, additions or deductions for accumulated period allocation according to the effective interest method of the initial difference between received/paid amounts and amounts to pay/receive on the maturity date and with deductions for impairment losses.

The effective interest rate is the interest rate which, when discounting all future anticipated cash flows over the expected term, gives the value initially recognized for the financial asset or the financial liability.

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, as well as other current liquid investments that can easily be converted to cash and are subject to an insignificant risk of changes in value. To be classified as cash and cash equivalents, the maturity period may not exceed three months from the time of acquisition. Cash and bank balances are categorised as "Assets measured at amortized cost". Because bank balances are payable on demand, amortized cost corresponds to the nominal amount. Short-term investments are measured at fair value via the income statement.

Accounts receivable

Accounts receivable are classified as assets measured at amortized cost. The accounts receivables' anticipated maturity period is short, however, which is why they are recognized as nominal amounts without discount. Deductions are made for receivables assessed to be doubtful. Impairments of accounts receivable are recognized under the heading of operating expenses.

Impairment losses

The Group measures the future anticipated credit losses related to investments in debt instruments recognized at amortized cost based on prospective information. The Group chooses the reservation method based on if there was an increase in the credit risk or not.

In accordance with the rules in IFRS 9, the Group applies a simplified method for impairment testing of accounts receivable. The simplification means that the reserve for expected credit losses is based on the loss risk for the receivable's entire duration and is recognized when the receivable is recognized for the first time. For more information, see Notes 3 and 23.

Accounts payable

Accounts payable are classified as "Other financial liabilities", which entails measurement at amortized cost. The accounts payable's anticipated maturity period is short, however, which is why the liability is recognized as a nominal amount without discount.

Liabilities to credit institutions and other borrowings

Interest-bearing bank loans, bank overdraft facilities and other loans are categorised as "Other financial liabilities" and measured at amortized cost in accordance with the effective interest method. Any differences between loan amounts received (net after transaction expenses) and repayment or amortisation of loans are recognized over the duration of the loan.

Derivatives

The Group enters derivative transactions with the aim of managing interest and currency risks. The Group does not apply hedge accounting and all derivative instruments are therefore

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measured at fair value through profit or loss. Derivatives with positive fair values are recognized as other receivables (non-current or current). Derivatives with negative fair values are recognized as other financial liabilities. Changes in value from derivative instruments are recognized in net financial items.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated by applying the first-in first-out method (FIFO). Net realisable value is the estimated selling price less estimated costs of completion and selling expenses that are necessary to achieve a sale.

Provisions

Provisions are reported when the Group has an existing obligation (legal or constructive) as a result of an occurred event, it is likely that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

The amount reserved constitutes the best estimate of the amount required to settle the existing obligation on the balance sheet date, considering risks and uncertainties associated with the obligation. When a provision is calculated by estimating the disbursements expected to be required to settle the obligation, the carrying amount shall correspond to the present value of these disbursements.

When part or all of the amount required to settle a provision is expected to be reimbursed by a third party, this restitution shall be separately reported as an asset on the statement of financial position when it is virtually certain that it will be received if the company settles the obligation, and the amount can be reliably calculated.

Government assistance

Government grants are recognized in the statement of financial position when there is reasonable certainty that the terms associated with the grant will be fulfilled and that the grant will be received. The assistance is allocated to periods in the income statement over the same periods that the Group recognizes expenses for related expenses that the assistance is intended to compensate for. Grants attributable to assets are recognized as a reduction of the carrying amounts of the assets in question. If a government grant or assistance is neither related to the acquisition of assets nor to compensation for costs, the grant is recognized as other income.

Cash flows

The consolidated statement of cash flow shows the Group's changes in the company's liquid funds during the financial year and has been prepared in accordance with the indirect method. The reported cash flow solely comprises transactions that result in payments made and received.

Parent Company accounting

The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Application of RFR 2 means that the Parent Company shall apply all of the IFRS approved by the EU to the furthest possible extent within the scope of the Annual Accounts Act and the Safeguarding of Pension Commitments Act and shall observe the connection between accounting and taxation. Company management assesses that changes to RFR 2 that entered into force in 2021 or were decided to take effect have not had or will not have a material impact on the financial statements of the parent company's undertaking for the financial year. The differences between the accounting principles of the Parent Company and those of the Group are described below:

Change of accounting principles

In the parent company, a transition from K3 to RFR 2 has occurred with the point of transition being 1 January 2020. This has not resulted in any material financial impact in the income statement, balance sheet or equity beyond as described below in terms of presentation methods.

Classification and presentation methods

The Parent Company's income statement and balance sheet are presented in accordance with the Swedish Annual Accounts Act's format. The difference from IAS 1 The format of the financial statements applied in the formatting of the consolidated financial statements is mainly statements of financial income and expenses, fixed assets and equity, as well as the existence of provisions as a separate heading in the balance sheet. *Financial fixed assets*

Participations in subsidiaries are recognized at cost in the Parent Company balance sheet. Transaction expenses are included in the carrying amount for participations in Group companies. Dividends from subsidiaries are recognized as income when the right to receive a dividend is deemed to be certain and can be reliably calculated.

Financial instruments

The Parent Company does not apply IFRS 9 Financial Instruments: Recognition and measurement. A method based on cost according to the Annual Accounts Act is applied in the Parent Company.

Group Contributions

Consolidated group contributions obtained and submitted are reported as a financial statement position.

Taxes

In the Parent Company's balance sheet, untaxed reserves are recognized without being divided between equity and deferred tax liabilities, in contrast to the Group. There is no allocation of a share of appropriations to deferred tax expenses in the Parent Company's income statement.

Leases

The parent company does not apply IFRS 16 in legal entity. The lease fee is reported as a cost linearly over the lease period.

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NOTE 2 SIGNIFICANT ESTIMATES AND ASSESSMENTS

Key sources of uncertainty in estimates

An account is provided below of the most important assumptions about the future, and other important sources of uncertainty in estimates as of the closing date, which entail a substantial risk of material adjustments in carrying amounts of assets and liabilities in the next financial year.

Impairment testing of goodwill and trademarks

Several assumptions about future conditions and parameter estimates are made in the calculation of cash-generating units' recoverable amounts for the assessment of possible impairment requirements for goodwill and trademarks.

These calculations are made by calculating the relevant cash-generating unit's present value based on the area's weighted cost of capital. In this testing, no impairment requirements were identified because the calculated present value from future income exceeds the carrying amounts.

In the calculation of this value, the Group's current loan and capital structure, as well as future development were used. The valuation came out well above the carrying amount at 31/12/2021.

Critical assessments in the application of the Group's accounting principles

The following section describes the most important assessments, besides those that include estimates (see above), that company management has made in the application of the Group's accounting principles and have the most significant effect on the carrying amounts in the financial statements.

Evaluation of the length of the leasing period

Extension options are included in a number of the Group's lease to ensure a flexibility in the management of the assets used in the Group. When the lease's length is determined, management takes into account all available information to determine if an extension option will be exercised, or if the lease will be cancelled. The possibility of extending the leasing period is only taken into account if it is reasonably certain that the lease will be extended.

For office and warehouse premises, the following factors have primarily been deemed material in the assessment of whether an option shall be extended or a lease cancelled:

- Historical information has been used in the assessment of a lease's length
- When there are improvement expenses on external properties of a significant value, they are also taken into account
- Expenses linked to replacing or restoring the leased asset
- Interruptions in operations

Reconsideration of the leasing period is only done if an option is utilized or not utilized. If a significant event or changed circumstance arises, the assessment of reasonable certainty can be re-evaluated.

Measurement of inventories

The Group measures inventories at cost. Because the company's products are perishable goods, the value of the Group's inventories is low and there is only a small risk that the market value is below the historical value of the products.

NOTE 3 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

In its operations, the Group is exposed to various kinds of financial risks, such as market, liquidity and credit risks. Market risks primarily consist of interest-rate risk and currency risk. It is the company's Board of Directors that bears utmost responsibility for exposure, management and follow-up of the Group's financial risks. The limits that apply for exposure, management and follow-up of the financial risks are set by the Board of Directors through its Finance and Audit Committee in a finance policy that is revised annually. In the finance policy, the Audit Committee has delegated the responsibility for the daily risk management to the company's CFO. The Board has the possibility of deciding on temporary deviations from the set finance policy.

Market risks

Currency risks

Currency risk refers to the risk that fair value or future cash flows may fluctuate as a result of changed exchange rates. Through its business, Greenfood is exposed to various types of currency risks.

The primary exposure to currency risk mainly originates from the Group's purchases and sales in foreign currencies, known as transaction exposure. These currency risks consist in part of a risk of fluctuations in the value of financial instruments, accounts receivable and accounts payable and in part of the currency risk in expected and contracted payment flows. The company imports significant volumes of fruits and vegetables to Sweden from countries with a functional currency other than the SEK. This is generally managed through contracts made in SEK, the adjustment of market prices or currency hedges. The largest exposure is to EUR, but management finds that the existing risk management is adequate. Currency risks are also found in the translation of foreign subsidiaries' income statements and balance sheets to the Group's functional currency, which is the SEK; these risks are called translation exposure. The company owns assets in countries with a functional currency other than SEK. Essentially, this currency is EUR and to a lesser degree USD. Group management does not expect the translation risk of assets and liabilities to materially impact the company's financial position. No hedging is done of net investments in foreign currencies. The Group is also exposed to currency risks regarding payment flows for loans and investments in foreign currencies, known as financial exposure.

Transaction exposure

Transaction exposure entails a risk that profit is negatively impacted by fluctuations for changed exchange rates for the cash flows that take place in foreign currency. The Group's outflows mainly consist of EUR and in a limited way USD related to imports from Latin America, at the same time that the Group's inflows mainly consist of SEK and EUR. The Group is thereby affected to some extent by changes in these exchange rates. The transaction exposure is mainly managed by matching inflows and outflows in the same currency both in terms of time and amounts, to the furthest possible extent, to thereby achieve a natural hedge. It is also common practice in the industry for fresh fruit and vegetables to sell at the daily price, taking the exchange rate into account, because there is full transparency in the market with daily prices. At the same time imports mainly take place from the same region from all market operators. As all operators purchase from the same region during the same season, the exchange rate is reflected in the daily market price. A temporary currency exposure then arises in the accounts payable ledger, which is hedged with short forward contracts. During the summer, the Group can buy products locally and the currency exposure is then limited to tropical products that cannot be grown in Scandinavia. This does not apply to volumes acquired for further processing. The Group manages this by entering contracts in the purchasing company's currency and to some extent using forward contracts to manage 50% to 75% of this currency risk.

The table below presents the nominal net amounts for the significant flows that constitute transaction exposure. The exposure is shown based on the Group's payment flows in the most significant currencies translated to SEK millions.

Currency	31/12 2021	Average exchange rate 2021	31/12 2020	Average exchange rate 2020
DKK	1.9	(1.36)	–1.9	(1.41)
EUR	–804.1	(10.14)	–668.7	(10.49)
GBP	–0.9	(11.80)	–1.0	(11.80)
USD	–70.2	(8.58)	–51.9	(9.20)
Total	**–873.2**		**–723.6**	

At the closing date, the net carrying amount of the Group's monetary assets and liabilities that are subject to translation to SEK millions amount to:

Currency	31/12 2021	Closing day rate 2021	31/12 2020	Closing day rate 2020
DKK	6.9	(1.38)	6.9	(1.35)
EUR	–8.3	(10.23)	–73.7	(10.04)
GBP	–	(12.18)	0	(11.09)
USD	3.8	(9.04)	–7.3	(8.19)
Total	**2.4**		**–74.1**	

Translation exposure

Translation exposure entails a risk that the value of the Group's net investments in foreign currency, primarily in EUR, is negatively impacted by changes in exchange rates. The Group consolidates the net assets in SEK on the closing date. This risk is called translation exposure and it is not currency hedged according to the Group's finance policy.

The table below presents the translation exposure for net investments in foreign currencies translated to SEK thousands.

Currency	31/12 2021	Closing day rate 2021	31/12 2020	Closing day rate 2020
DKK	0.7	(1.38)	–1.2	(1.35)
USD	23.4	(9.04)	–	(8.19)
EUR	182.1	(10.23)	134.2	(10.04)
Total	**206.2**		**133.2**	

Financial exposure

The Group's financial exposure is mainly comprised of loans in foreign currencies, where the distribution of the loan structure is essentially adapted to the sales in different currencies. Interest payments are made monthly on the loans in foreign currencies, which reduces the net exposure linked to the transaction exposure in foreign currency. The amounts are in the table where all monetary assets and liabilities are presented as net amounts above. Hedge accounting is not applied.

Under "Sensitivity analysis for market risks" below, the effects of changed exchange rates against the SEK are presented for the most significant foreign currencies.

Interest-rate risk

Interest-rate risk refers to the risk that fair value or future cash flows may fluctuate as a result of changed market interest rates. The Group is primarily exposed to interest-rate risk through its bond financing.

The group issued a bond financing of SEK 1,050 million on 5 November. At the time of writing, these financial instruments are traded on Frankfurt OM (Open Market). The intention according to the bond commitments is to list the bond on the NASDAQ/Stockholm bond within 12 months.

The section "Sensitivity analysis for market risks" below presents effects of changed market interest rates.

Sensitivity analysis for market risks

The sensitivity analysis for currency risk shows the Group's sensitivity to an increase and/or decrease of 5% of SEK against the most significant currencies. For the transaction exposure, it is shown how the Group's profit after tax would have been affected by a change in the exchange rate. This also includes outstanding monetary receivables and liabilities in foreign currency on the closing date including loans between Group companies where the currency effects impact the consolidated income statement. For the translation exposure, it is shown how the Group's profit after tax and equity would have been affected by a change in the exchange rate.

The sensitivity analysis for interest-rate risk shows the Group's sensitivity in the event of an increase or decrease of 1% of the market interest rate. The interest rate sensitivity is based on the effect on profit after tax that a change in the market interest rate yields, both in terms of interest income and expenses. As the Group does not recognize any value changes in other comprehensive income or equity, a corresponding effect arises in equity. Note that the Group's main interest expense within the bond agreement has a margin with a floor of 0% and that the current STIBOR is negative. This means that there is not an upside for the Group in the event of an interest rate reduction and that an interest rate increase by 1% only has an impact with the extent that leads to an STIBOR above 0%.

	2021		2020	
MSEK	**Effect on profit/loss**	**Effect on total profit/loss**	**Effect on profit/loss**	**Effect on total profit/loss**
Transaction exposure				
EUR +5%	–5.1	–5.1	–3.6	–3.6
EUR –5%	+5.1	+5.1	+3.6	+3.6
Restatement exposure				
EUR +5%	–2.4	–0.5	–3.6	–2.3
EUR –5%	+2.4	+0.5	+3.6	+2.3
Interest rate risk				
Interest +1.0%	–12.8	–12.8	–9.1	–9.1
Interest –1.0%	–	–	–	–

Liquidity and financing risk

Liquidity risk refers to the risk that the Group will have problems fulfilling commitments related to the Group's financial liabilities. Financing risk refers to the risk that the Group cannot raise enough financing at a reasonable cost. To reduce liquidity risk and financing risk, the Group has entered into a credit agreement with Swedbank for a Super Senior revolving credit facility. This agreement includes given space for increased borrowing under a credit facility of SEK 200 million. Cash flow forecasts are prepared continuously. Management carefully monitors rolling forecasts of the Group's liquidity reserve to ensure that the Group has sufficient cash to meet the needs of operating activities. The liquidity risks in the Group's subsidiaries and the Parent Company are deemed to be limited.

The duration distribution of contractual payment obligations related to the Group's financial liabilities is presented by the tables below. It can be noted that the bond is due in full on the fourth anniversary after issuance. There are no amortisation requirements or other financial conditions related to the bond. The Group has amortised the existing loan in 2021, according to plan. The amounts in these tables are not discounted values and, where appropriate, they also include interest payments, which means that these amounts cannot be reconciled against the amounts recognised in the balance sheets. Interest payments are set based on the conditions that apply on the closing date. Amounts in foreign currencies have been translated to SEK at the closing day rate.

The Group's current funding consists of a sustainability-related bond, a revolving credit facility, liabilities to parent companies, and equity. There are some small local loans.

Despite the impact of COVID-19, the Group had a strong liquidity at the end of 2021. For further description of actions taken due to COVID-19, see Note 25.

Borrowing is further described under the Interest Risk section as well as in Note 25.

31/12/2021	**Within 3 months**	**3 - 12 months**	**1 - 5 years**	**More than 5 years**	**Total**
Bond loan	18.4	55.1	1,270.5	–	**1,344.0**
Liabilities to credit institutions	2.6	7.9	15.7	–	**26.2**
Lease liabilities	16.9	63.0	184.9	68.5	**333.3**
Accounts payable	334.6	–	–	–	**334.6**
Other current liabilities	59.2	190.0	–	–	**249.2**
Total	**431.7**	**316.0**	**1,471.1**	**68.5**	**2,287.3**

31/12/2020	**Within 3 months**	**3 - 12 months**	**1 - 5 years**	**More than 5 years**	**Total**
Liabilities to credit institutions	9.5	60.7	912.0	–	**982.3**
Other non-current liabilities	–	–	100.8	–	**100.8**
Lease liabilities	17.3	64.3	215.7	120.8	**418.1**
Accounts payable	302.4	–	–	–	**302.4**
Other current liabilities	53.4	–	–	–	**53.4**
Total	**382.7**	**125.1**	**1,228.5**	**120.8**	**1,857.0**

Credit and counterparty risks

Credit risk relates to the risk that the counterparty in a transaction causes a loss to the Group by failing to fulfil its contractual obligations. The Group's exposure to credit risk is mainly attributable to accounts receivable. To limit the Group's credit risk, a credit assessment is done of each new customer. Existing customers' financial situations are also continuously monitored to identify warning signals at an early phase. In addition to this, the Group has credit insurance agreements for certain companies where the customer structure is deemed to be riskier, and it can be compensated.

Credit risk also arises when the company's surplus liquidity is placed in different kinds of financial instruments. According to the finance policy, surplus liquidity may be placed in interest-bearing bank accounts or in interest-bearing securities. According to the finance policy, credit risk in the placement of surplus liquidity must be reduced by only placing funds with counterparties with very good ratings. In addition, the finance policy states that placements shall normally be spread over several counterparties or issuers. At present, there are no such investments.

Accounts receivable are spread over a large number of customers and no customer accounts for a significant part of the total accounts receivable. Accounts receivable are also not concentrated to a specific geographic area. The Group thereby deems that the concentration risks are limited.

The Group's maximum exposure to credit risk is deemed to correspond to the carrying amounts of all financial assets and is presented in the table below.

Accounts receivable	**31/12 2021**	**31/12 2020**
Accounts receivable	*299.0*	*257.0*
Other current receivables	78.3	56.1
Cash and cash equivalents	27.4	127.7
Maximum exposure to credit risk	**654.7**	**440.9**

Categorisation of financial instruments

The carrying amounts of financial assets and financial liabilities broken down by valuation category in accordance with IFRS 9 for 2021 and 2020 in SEK million are presented in the table below.

31/12/2021	"Fair value through profit or loss (compulsory)"	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount
Financial assets				
Other long-term receivables	–	25.6	–	25.6
Accounts receivable	–	299.0	–	299.0
Cash and cash equivalents	–	277.4	–	277.4
	-	**601.9**	**-**	**601.9**
Financial liabilities				
Sustainability-linked bond	–	–	1,013.0	1,013.0
Liabilities to credit institutions, non-current	–	–	15.6	15.6
Derivatives	1.2	–	–	1.2
Other liabilities, current	–	–	194.9	194.9
Lease liabilities, current and non-current	–	–	333.3	333.3
Accounts payable	–	–	334.6	334.6
	1.2	**-**	**1,891.4**	**1,892.6**

31/12/2020	"Fair value through profit or loss (compulsory)"	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount
Financial assets				
Other long-term receivables	–	10.3	–	10.3
Derivatives	*3.0*	–	–	*3.0*
Accounts receivable	–	257.0	–	257.0
Cash and cash equivalents	–	127.7	–	127.7
	3.0	**395.1**	**-**	**398.0**
Financial liabilities				
Liabilities to credit institutions, non-current	–	–	876.1	876.1
Other non-current liabilities	–	–	95.8	95.8
Lease liabilities, current and non-current	–	–	364.3	364.3
Liabilities to credit institutions, current	–	–	31.0	31.0
Accounts payable	–	–	302.3	302.3
	-	**-**	**1,669.6**	**1,669.6**

Net gains/losses from financial assets and financial liabilities broken down by valuation category in accordance with IFRS 9 in SEK million are presented in the table below.

2021	"Fair value through profit or loss (compulsory)"	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount
Operating profit/loss				
Other operating receivables – exchange-rate differences	–	4.3	–	4.3
Other operating liabilities – exchange-rate differences	–	–	–0.1	–0.1
	–	**4.3**	**–0.1**	**4.2**
Net financial items				
Interest income	0.1	–	–	0.1
Interest expenses	–	–	–92.8	–92.8
Exchange rate differences	–4.2	1.6	–3.0	–5.6
	–4.1	**1.6**	**–95.9**	**–98.4**

2020	"Fair value through profit or loss (compulsory)"	Financial assets at amortised cost	Financial liabilities at amortised cost	Carrying amount
Operating profit/loss				
Other operating receivables – exchange-rate differences	–	10.3	–	10.3
Other operating liabilities – exchange-rate differences	–	–	–0.1	–0.1
	–	**10.3**	**–0.1**	**10.2**
Net financial items				
Interest income	0.1	–	–	0.1
Interest expenses	–	–	—83.9	—83.9
Exchange rate differences	3.1	0	–2.4	0.8
	3.3	**0**	**–86.3**	**–83.0**

Valuation of financial instruments at fair value

Financial assets and financial liabilities measured at fair value on the balance sheet, or where information is provided on fair value, are classified into one of the three levels based on the information used to determine the fair value.

For financial assets and liabilities, the carrying amounts are deemed to be a good approximation of their fair value.

Level 1 – Financial instruments where fair value is determined based on observable (unadjusted) quoted prices in an active market for identical financial assets and liabilities. A market is considered active if quoted prices from a stock exchange, broker, industry group, pricing service or supervisory authority are readily and regularly available and these prices represent actual and regular market transactions at arm's length.

Level 2 – Financial instruments where fair value is determined based on valuation models based on observable data for the asset or liability other than quoted prices included in Level 1, either directly (i.e., as price quotations) or indirectly (i.e., derived from price quotations).

Examples of observable data within level 2 are:

- Quoted prices for similar assets and liabilities.
- Data that can form the basis of an assessment of price, e.g., market interest rates and yield curves.

Level 3 – Financial instruments where fair value is determined based on valuation models where substantial input data is based on non-observable data.

Financial assets and financial liabilities measured at fair value on the balance sheet are comprised of interest-rate swaps and currency futures. These are measured in Level 2 as per above. During the periods, no material transfers between the levels occurred.

For other financial assets and liabilities, the carrying amounts are deemed to be a good approximation of the fair values as a result of the maturity period and/or fixed-rate period being less than three months, which means that a discount based on current market conditions is not assessed to lead to any material effect.

NOTE 4 CAPITAL MANAGEMENT

The Group's objective with regard to the capital structure is to safeguard the Group's ability to continue its operations so it can generate a return for its shareholders and benefits for other stakeholders and to also maintain an optimum capital structure in order to keep capital costs down.

The Group monitors the capital structure on the basis of the debt/equity ratio. The debt/equity ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowing (long-term and short-term) and lease liabilities less cash and cash equivalents. Total capital consists of total equity and net debt.

The company's financial target is that the net debt divided by profit before depreciation (leverage) shall be less than 5 times. At the end of the financial year, leverage amounted to 7.92 times. Net debt is then adjusted with liabilities to parent companies and profit adjusted for one-time items as defined in Note 5. At the end of the financial year, the debt/equity ratio in SEK million amounts to:

	31/12/2021	31/12/2020
Borrowing	1,039.0	907.1
Lease liability	333.3	364.3
Other interest-bearing liabilities	184.5	95.8
Less cash and cash equivalents	–277.4	–127.7
Net debt excluding debt to parent companies	**1,279.4**	**1,239.5**
Liabilities to parent companies	401.7	373.3
Total net debt	**1,681.1**	**1,612.8**
Total equity	690.0	866.1
Total capital	**2,371.1**	**2,479.0**
Debt ratio excluding debt to parent companies	54%	50%
Debt ratio including debt to parent companies	71%	65%

The increased debt/equity ratio during the financial year is mainly a consequence of the Corona pandemic and the Group has therefore carried out a refinancing in 2021. For more information, see Note 25.

NOTE 5 OPERATING SEGMENTS

	Fresh Produce		Food Solutions		Picadeli		Group joint		Eliminations		Group	
Per operating segment	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Net External Sales	2,907.6	2,860.5	603.2	697.9	810.1	736.4	–	–	–	–	4,321.0	4,290.3
Net Internal Sales	56.7	35.5	285.1	194.1	14.8	15.0	–	–	–356.6	–249.0	–	–
Net Sales	**2,964.3**	**2,896.0**	**888.3**	**892.0**	**825.0**	**751.4**	**–**	**–**	**–356.6**	**–249.0**	**4,321.0**	**4,290.3**
Operating profit/loss (EBIT)	**4.7**	**27.2**	**3.7**	**–68.4**	**–42.4**	**–60.8**	**–47.2**	**–60.3**			**–81.2**	**–162.4**
Depreciation, amortisation and impairment	85.0	53.0	71.8	72.1	64.7	62.9	0.8	0.1			222.3	188.1
EBITDA	**89.7**	**80.2**	**75.3**	**3.7**	**22.3**	**2.1**	**–46.3**	**–60.3**			**141.1**	**25.7**
Non-recurring items (NRI)	2.8	6.2	2.2	22.0	–1.4	–1.4	–	0.0			6.4	29.6
Adjustment for unestablished units	–	0.0	–	–	14.2	0.8	–	–			14.2	0.8
Adjusted EBITDA	**92.5**	**86.4**	**77.6**	**25.8**	**37.9**	**4.3**	**–46.4**	**–60.3**			**161.7**	**56.1**
Net financial items											–109.4	–92.0
Group profit/loss before tax											**–190.5**	**–254.4**
Other information												
Investments in intangible fixed assets	–3.1	–4.0	–1.2	–6.9	–21.5	–8.7	–	–			–25.8	–19.7
Investments in tangible fixed assets	–4.4	–4.8	–16.4	–37.9	–21.9	–48.6	–	–			–42.6	–91.3
Total investments	**–7.5**	**–8.8**	**–17.5**	**–44.8**	**–43.4**	**–57.3**					**–68.4**	**–110.9**

Definitions

The Greenfood Group management team follows up on the three identified segments based on a monthly report with financial as well as non-financial ratios. The main segments have been identified as the three business areas of Greenfood; Fresh Produce, Food Solutions and Picadeli. To make results more comparable and clearer, management adjusts the EBITDA for non-recurring items (NRI) as well as not yet established operations. The key ratios above are defined below:

Operating profit/loss (EBIT) is earnings from operations before financial items and taxes.

EBITDA refers to operating profit/loss excluding depreciation, amortizations and impairments.

Non-recurring items (NRI) are income or costs of a one-time nature, which do not recur in normal operations. For example, restructuring costs, acquisition costs or capital gains. The purpose of separating these revenues and costs is to be able to demonstrate the development of the underlying business.

Unestablished unit is a newly established business that is under construction and not yet fully integrated. Management assess that when entering a new market, the costs prevent comparisons until the Company has a possibility to be profitable through customer contracts or an order stock with competitive terms that may, over time, support the Company.

Adjusted EBITDA refers to operating profit/loss adjusted for non-recurring items (NRI) and unestablished units.

External Net Sales per geographic market	**2021**	**2020**
Sweden	2,894.0	2,806.7
Finland	1,098.0	1,121.5
Other Nordics	120.7	130.2
France	98.6	111.8
Germany	60.1	60.5
Other EU	44.5	46.9
Other markets	5.1	12.8
Total	**4,321.0**	**4,290.3**

Intangible and tangible fixed assets per geographic market	2021	2020
Sweden	2,162.3	2,248.1
Finland	138.7	116.1
Other Nordics	0.1	0.3
France	31.3	41.5
Germany	16.3	21.7
Other EU	2.3	2.2
Other markets	5.4	0.0
Total	**2,356.4**	**2,430.0**

NOTE 6 NET REVENUE

The Group's sales consist of income from the sale of fruits and vegetables with varying degrees of processing. All revenue is recognised at any given time.

Net sales are broken down by geographic market as follows.

	Group		Parent company	
	2021	**2020**	**2021**	**2020**
Sweden	2,894.0	2,806.7	12.9	14.1
Rest of Nordic region	1,218.6	1,251.7	–	–
Rest of EU	203.2	219.1	–	–
Other markets	5.1	12.8	–	–
Total	**4,321.0**	**4,290.3**	**12.9**	**14.1**

The Group's revenue from external customers is split into three business areas, Fresh Produce, Picadeli and Food Solutions.

	2021	2020
Fresh Produce	2,907.6	2,852.4
Picadeli	810.2	740.1
Food Solutions	603.2	697.9
Totalt	**4,321.0**	**4,290.3**

NOTE 7 OTHER OPERATING INCOME

	Group		Parent company	
	2021	**2020**	**2021**	**2020**
Commission revenues	0	0.4	–	–
Leasing income	21.1	29.9	–	–
Public grants	14.1	3.2	–	–
Other	34.5	26.9	0	0.1
Total	**69.7**	**60.4**	**0**	**0.1**

Government assistance and public grants received are presented in Note 33.

NOTE 8 OTHER EXTERNAL EXPENSES

	Group		Parent company	
	2021	**2020**	**2021**	**2020**
Rents and other premises costs	62.4	85.8	0.1	0
Consumable equipment, software and consumable materials	68.9	64.4	0.3	0.2
Selling and marketing expenses	33	26.6	0.2	0.6
Transport expenses	19.5	20.1	0.8	0.9
Insurance expenses	3.3	3.5	0	0
Unsecured accounts receivable	3.0	17.6	–	–
Contracted personnel	10.0	5.2	1.9	1.7
Consulting expenses	50.4	59.7	2.4	2.1
Other	12.2	7.0	0	0
Total	**262.8**	**289.9**	**5.6**	**5.5**

Assistance received due to the COVID-19 pandemic is included in other external expenses in an amount of SEK 5.2 (7.3) million; also refer to Note 33.

Rent and other premises costs have increased in particular as a result of the aforementioned restructurings in Finland. The lower costs of consumable equipment etc. are due to lower costs of repair and maintenance.

NOTE 9 REMUNERATION OF AUDITORS

	Group		Parent company	
	2021	**2020**	**2021**	**2020**
Deloitte AB				
Audit assignment	2.5	2.1	0.3	0
Audit activities in addition to audit assignment	0.5	0.4	–	–
Tax advice	0.1	0.3	–	–
Other services	0	0	0	–
Other auditors				
Audit assignment	0.2	0.2	–	–
Audit activities in addition to audit assignment	0	0	–	–
Tax advice	0	0	–	–
Other services	0.5	–	–	–
Total	**3.7**	**3.1**	**0.3**	**0**

Audit assignment refers to the auditor's remuneration for the statutory audit. The work includes the review of the annual and consolidated financial statements and accountancy, management of the Board and the fees for audit advice provided in connection with the audit assignment.

Audit activities in addition to the audit assignment relate to review of transitional support resulting from Corona as well as advice regarding IFRS, acquisition analyses and acquisition management.

NOTE 10 LEASES

Operating leases – lessor

The Group is a lessor through operating leases regarding Picadeli counters that are let to customers. The total of the year's lease income recognised as revenue for operating leases amounted to SEK 21.1 thousand (29.9) in the Group.

Future minimum leasing fees for non-cancellable operating leases fall due as follows:

Due date:	2021	2020
Within one year	20.2	16.9
More than one year but within five years	50.7	33.9
Later than five years	–	–
Total	**70.9**	**50.9**

NOTE 11 NUMBER OF EMPLOYEES, EMPLOYEE BENEFIT EXPENSES AND SENIOR EXECUTIVES

Average number of employees 2021	Women	Men	Total
Parent Company			
Sweden	1	2	3
Total in Parent Company	**1**	**2**	**3**
Subsidiaries			
Sweden	237	402	639
Denmark	–	–	–
Finland	98	132	230
Spain	8	10	18
France	12	17	29
Germany	5	8	13
USA	1	4	5
Total in subsidiaries	**361**	**573**	**934**
Total in the Group	**362**	**575**	**937**

Average number of employees 2020	Women	Men	Total
Parent Company			
Sweden	1	2	3
Total in Parent Company	**1**	**2**	**3**
Subsidiaries			
Sweden	204	413	617
Denmark	–	2	2
Finland	127	161	288
Spain	5	11	16
France	14	16	30
Germany	4	7	11
Benelux	2	1	3
Total in subsidiaries	–	1	1
Total in subsidiaries	**356**	**612**	**968**
Total in the Group	**357**	**614**	**971**

Board members and other senior executives	31/12/ 2021	31/12/ 2020
Parent Company		
Women:		
Board of Directors	0	0
Other senior executives including CEO	1	0
Men:		
Board of Directors	0	2
Other senior executives including CEO	2	0
Total in Parent Company	**3**	**2**
Group		
Women:		
Board of Directors	1	1
Other senior executives including CEO	1	1
Men:		
Board of Directors	5	5
Other senior executives including CEO	5	5
Total in the Group	**15**	**14**
Total		

Salaries and other benefits

Costs for employee benefits	2021	2020
Parent Company		
Salaries and other benefits	8.6	6.9
Social security contributions	3.4	2.3
Pension expenses	2.0	2.0
Subsidiaries		
Salaries and other benefits	449.7	444.6
Social security contributions	123.8	119.0
Pension expenses	35.9	37.5
Total salaries and other benefits in the Group	*458.3*	*451.5*
Total social security contributions in the Group	*127.2*	*121.3*
Total pension expenses in the Group	*37.8*	*39.5*
Total in the Group	**623.3**	**612.3**
Other employee benefit expenses	0.2	39.4
Total employee benefit expenses	**623.5**	**651.7**

Assistance received due to the COVID-19 pandemic reduced the employee benefit expenses for the year by SEK 10.0 (31.2) million. The majority of this assistance was linked to salaries, remuneration and social security contributions, but pension expenses and other employee benefit expenses were also affected. Also refer to Note 33.

Salaries and other benefits distributed between senior executives and other employees	2021	2020
Parent Company		
Salaries and other benefits to senior executives (3 people)	8.6	6.9
of which bonus and similar benefits to senior executives	2.7	1.0
Salaries and other benefits to other employees	–	–
Total salaries and other benefits in the Parent Company	**8.6**	**6.9**

Salaries and other benefits and pensions to senior executives	2021	2020
Group		
Salaries and other benefits to senior executives (6 people)	11.3	12.3
of which bonus and similar benefits to senior executives	3.1	2.4
Salaries and other benefits to other employees	2.7	2.9
Total salaries and other benefits, as well as pensions for senior executives in the Group	**14.0**	**15.2**

Pensions

The cost for the year for defined-contribution pension plans amounts to SEK 35.9 (38.2) thousand.

In the Group, the collectively agreed insurance policies supplement the national pension and provide an extra insurance protection for the employees. The employer is responsible for and pays for these insurance policies, which provide security and are a valuable employee benefit.

Through membership in an employers' organisation within the Confederation of Swedish Enterprise, the employer is bound by a collective agreement. The collective agreement includes an obligation to take out insurance for the employees. The same obligation applies to employers that have reached a collective agreement with a labour union, known as a local collective agreement.

Note 11, cont'd.

The collectively agreed insurance policies apply for both blue- and white-collar employees. The insurance policies for blue-collar workers are taken out with FORA and for white-collar employees with FORA and Collectum.

The pension plan for blue-collar workers is called SAF-LO Collective Pension Insurance and is a defined-contribution solution that covers: Retirement pension, Illness, Parental leave, death, work-related injury and shortage of work.

The pension plan for white-collar employees is divided into sections.

ITP1, which is a defined-contribution solution and covers: retirement pension, illness, death, work-related injury and shortage of work.

ITP2 for white-collar employees, which is a defined-benefit solution and covers: retirement pension, illness, death, work-related injury and shortage of work.

At present, the Group accounts for an insignificant part of the ITP2 plan.

The collective consolidation level is comprised of the market value of Alecta's assets as a percentage of insurance commitments calculated according to Alecta's actuarial methods and assumptions, which do not comply with IAS 19. The collective consolidation level is normally allowed to vary between 125% and 155%. If Alecta's collective consolidation level falls below 125% or exceeds 175%, actions must be taken to create the conditions enabling the consolidation level to revert to the normal interval. In the event of low consolidation, one action may be to increase the agreed price for new subscriptions and expansion of existing benefits. In the event of high consolidation, a measure can be to introduce premium reductions. At the end of 2020, Alecta's surplus in the form of the collective consolidation level amounted to 148% (148%).

Pensions

The retirement age for the CEO is 65 years. The pension premium is to amount to 27% of the pensionable salary. Only the basic salary is pensionable salary.

The retirement age for other senior executives varies between 60 and 65. The pension agreement states that the pension premium is to amount to 20–30% of the pensionable salary.

Agreement on severance pay

A mutual period of notice of six months applies between the company and the CEO. On termination by the company, severance pay is paid amounting to 12 months' salary. The severance pay may be offset against other incomes.

Upon resignation by the CEO, no severance pay is payable.

NOTE 12 IMPAIRMENT AND DEPRECIATION/AMORTISATION OF INTANGIBLE AND TANGIBLE FIXED ASSETS AND ROU ASSETS

	2021		2020	
	Depreciation and amortisation	**Impairment losses**	**Depreciation and amortisation**	**Impairment losses**
Goodwill	–	–	–	-1.7
Other intangible fixed assets	-13.5	–	-12.7	–
Land and buildings	-4.2	–	-4.8	-12.9
Cost of improvements on external properties	-3.6	-18.8	-3.4	–
Plant and machinery	-35.9	-6.7	-34.6	–
Equipment, tools, fixtures and fittings	-54.0	–	-55.2	–
Construction in progress	0	–	0	–
Right-of-use assets	-71.5	-21.9	-69.2	–
Total	**-182.8**	**-47.5**	**-179.9**	**-14.6**
Total depreciation/amortisation and impairment	**-230.3**		**-194.5**	
Less transitional support received for depreciation/amortisation	8.0		6.5	
Total recognised in the income statement	**-222.3**		**-188.1**	

NOTE 13 EXCHANGE-RATE EFFECTS

Exchange-rate effects have been reported in the income statement as follows:

	Group		Parent company	
	2021	**2020**	**2021**	**2020**
Other operating expenses	–0.1	–0.1	–	0
Cost of goods sold	4.3	10.3	–	–
Financial income	1.6	3.1	–	–
Financial expenses	–7.2	–2.4	1.7	4.9
Total	**-1.4**	**11.0**	**1.7**	**4.9**

NOTE 14 FINANCIAL INCOME AND EXPENSES

	Group		Parent company	
Financial income	**2021**	**2020**	**2021**	**2020**
Interest income, parent company	0	0	33.1	29.5
Interest income	0.1	0.1	0	0
Exchange-rate differences	1.6	3.1	1.7	4.9
Other financial income	0	0.6	0	0
Total	**1.7**	**3.9**	**34.8**	**34.4**

All interest income relates to financial assets not valued at fair value through profit or loss.

	Group		Parent company	
Financial expenses	**2021**	**2020**	**2021**	**2020**
Interest expenses	–51.5	–43.5	–38.9	–32.7
Interest expenses, intra-Group	–28.4	–26.4	–28.4	–26.4
Interest expenses, leasing	–12.9	–14.0	–	–
Fair value valuation, derivatives	–4.1	–	–	–
Exchange-rate differences	–3.0	–2.4	–	–
Submitted group contributions	–	–0.4	–	–
Capital gain on sale of shares	–0.2	–	–	–
Other financial expenses	–10.8	–9.3	–9.7	–7.8
Total	**-111.0**	**-95.9**	**-76.9**	**-66.9**

All interest income expenses are attributable to financial liabilities that are measured at amortised cost.

NOTE 15 TAX

	Group		Parent company	
	2021	**2020**	**2021**	**2020**
Current tax				
Current tax on profit/loss for the year	–4.7	–5.1	–	0
Adjustments recognised in the present year regarding prior years' current tax	0.1	0.1	–	0
Total current tax	**-4.6**	**-5.0**	–	**0**
Deferred tax				
Attributable to temporary differences, intangible assets	–0.9	–2.5	–	–
Attributable to temporary differences, tangible assets	3.8	5.2	–	–
Attributable to fiscal deficit deductions	19.6	38.8	–1.5	–
Attributable to lease liabilities	0.6	–0.2	–	–
Other items	1.9	3.5	–	–
Total deferred tax	**24.9**	**44.8**	**-1.5**	**-**
Total tax on profit for the year	**20.3**	**39.9**	**-1.5**	**0**
Profit/loss before tax	–190.6	–254.4	–34.4	–38.1
Tax calculated at Swedish tax rate 20.6% (21.4%)	39.3	54.4	7.1	8.1
Tax effect of changed tax rate	–	–3.7	–	–
Tax effect of other tax rates on foreign subsidiaries	1.7	1.9	–	–
Tax effect of non-deductible expenses	–9.3	–1.9	–0.2	–0.2
Tax effect of reversal of non-deductible net interest expense (Sweden)	–15.0	–12.7	–8.3	–7.9
Tax effect of revaluation of previous years' loss carry-forwards not recognised	–1.0	5.7	–	–
Tax effect of adjustment of current and deferred tax attributable to earlier years	0.2	0.2	–	–
Tax effect of unrecognised deferred tax assets on the year's tax loss carry-forwards	–0.9	–3.9	–	–
Tax effect of untaxable income	6.0	–	–	–
Other	–0.6	–0.2	–	–
Reported tax expense for the year	**20.3**	**39.9**	**-1.5**	**0**

The tax amount for the year is positive and amounts to SEK 20.3 million due to a loss before tax. The tax expense amounted to SEK 39.9 million in the previous year. The effective tax rate was 11%.

The average tax rate was 22%. It has been calculated through a weighing of the subsidiaries' profit/loss before tax with the local tax rates for the relevant countries.

Note 15, cont'd.

Deferred tax assets and deferred tax liabilities

The Group's deferred tax assets and deferred tax liabilities pertain to the following items:

	Group		Parent company	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Deferred tax assets				
Loss carry-forwards	69.6	50.0	9.3	10.8
Other deductible temporary differences	14.6	9.2	–	–
ROU assets/lease liabilities	9.3	8.7	–	–
Deferred tax assets	**93.5**	**67.9**	**9.3**	**10.8**
Offset of offsettable assets/liabilities per jurisdiction	–55.9	–44.1	–	–
As per balance sheet	**37.6**	**23.8**	**9.3**	**10.8**
Deferred tax liabilities				
Untaxed reserves	–1.7	–1.5	–	–
Intangible assets	–63.4	–62.5	–	–
Tangible assets	–4.6	–8.4	–	–
Other deductible temporary differences	–3.4	–0.8	0.1	0.1
Deferred tax liabilities	**-73.1**	**-73.1**	**0.1**	**0.1**
Offset of offsettable assets/liabilities per jurisdiction	55.9	44.1	–	–
As per balance sheet	**-17.3**	**-29.0**	**0.1**	**0.1**
Net deferred tax asset (+)/- liability (-)	**20.3**	**-5.2**	**9.2**	**10.7**

Offsettable receivables and liabilities concerning current tax have also been offset.

Reconciliation of deferred tax assets/liabilities, net

	Group		Parent company	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
At start of year	–5.2	–47.5	10.7	10.7
Recognised in profit or loss	24.9	44.8	–1.5	–
Net acquisitions/divestments of subsidiaries	–0.1	–1.5	–	–
Translation differences	0.7	–1.1	–	–
At year-end	**20.3**	**-5.2**	**9.2**	**10.7**

Deferred tax assets are valued at no more than the amount likely to be recovered, based on the current and future taxable profit. The Group has loss carry-forwards amounting to SEK 318.3 million, of which SEK 312.6 million forms the basis of the deferred tax assets of SEK 69.6 million. All loss carry-forwards have an unlimited maturity except those in Finland, which can be utilised for 10 years. The remaining time for them is five years at the lowest. The Group has chosen to not recognise tax on non-deductible net interest items, which arose as a result of the new interest deduction limitations in Sweden. This is because we do not consider it to be possible to deem if it will be possible to utilise them during the maturity period, which is six years. Non-deductible net interest income at the end of 2021 amounted to SEK 192.4 (121.2) million.

Corporate tax in Sweden was reduced on 1 January 2021 to 20.6%. All countries have calculated deferred tax according to the rates applicable locally. The tax rate in the Group varied between 20% and 33.33%.

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NOTE 16 GROUP COMPOSITION

The Group had the following subsidiaries on 31 December 2021:

Name	Corp. ID no. and country of operations	Operations	% voting rights	% voting rights
Greenfood AB (publ)	559035-9104, Sweden	Holding company	100%	100%
Greendeli Investment Holding AB	559016-4058, Sweden	Holding company	100%	100%
Greenfood Services AB	559016-8919, Sweden	Holding company	100%	100%
Picadeli AB	556814-8067, Sweden	Picadeli	100%	100%
Picadeli Restaurants Sweden Hötorget AB	556856-9866, Sweden	Picadeli	100%	100%
Picadeli Aps	37 24 08 85, Denmark	Picadeli	100%	100%
Picadeli Deutschland GmbH	HRB 142975, Germany	Picadeli	100%	100%
Picadeli Finland OY	25 90 747-7, Finland	Picadeli	100%	100%
Picadeli France SAS	828 212 761, France	Picadeli	93.3%	93.3%
Picadeli France Restaurant SAS	891 648 115, France	Picadeli	100%	100%
Picadeli US Inc.	EIN 85-3549191	Picadeli	62.5%	62.5%
Greenfood Fresh Cut AB	556914-7605, Sweden	Food Solutions	100%	100%
Greenfood Real Estate AB	559001-9203, Sweden	Picadeli	100%	100%
Måbo i Motala AB	556304-7959, Sweden	Picadeli	100%	100%
Mixum AB	556462-5803, Sweden	Picadeli	100%	100%
PF Food AB	556794-4771, Sweden	Food Solutions	50%	50%
Salico AB	556320-8874, Sweden	Food Solutions	100%	100%
Salico OY	15 68 508-1, Finland	Food Solutions	100%	100%
Valintavarkaus OY	08 11 202-3, Finland	Food Solutions	100%	100%
Greenfood Food Solutions AB	556890-1754, Sweden	Food Solutions	100%	100%
Ahlströms Factory AB	556801-2685, Sweden	Food Solutions	100%	100%
Svenska Smörgåstårtor Kvalité AB	556800-2934, Sweden	Food Solutions	100%	100%
Wrapsons & Deli AB	556740-3166, Sweden	Food Solutions	100%	100%
Green Deli Sweden AB	556896-6625, Sweden	Food Solutions	100%	100%
Green Deli Oy	20 21 507-6, Finland	Food Solutions	100%	100%
LD Kiinteistöt OY	07 54 016-5, Finland	Food Solutions	100%	100%
Greenfood Fresh Produce Int'l AB	556115-6778, Sweden	Fresh Produce	100%	100%
Ewerman AB	556095-5840, Sweden	Fresh Produce	100%	100%
Greenfood Iberica S.L.U	B-65002453, Spain	Fresh Produce	100%	100%
Greenfood Fresh Food AB	559149-1682, Sweden	Fresh Produce	100%	100%
Satotukku OY	01 13 698-9, Finland	Fresh Produce	100%	100%
SP Greenfood Sourcing AB	556759-6811, Sweden	Fresh Produce	100%	100%
Trädgårdshallen Sverige AB	556381-2451, Sweden	Fresh Produce	100%	100%
Greens & Friends AB	556889-9990, Sweden	Fresh Produce	50%	50%
Lundgrens Primörer AB	556643-7976, Sweden	Fresh Produce	100%	100%

The Group has no significant non-controlling interests. Greenfood holds the Chairmanship of the Boards of PF Food and Greens & Friends, of which it owns 50% and they are thereby considered Group companies.

In 2021 Greenfood Fresh Produce Int'l AB has acquired all stakes in Lungrens Primörer AB. In addition, the remaining stakes in Svenska Smörgåstårtor Kalité AB and Ahlströms Factory AB have been acquired from the minority owners. Salico OY has acquired the remaining stakes in Valintavarkaus OY via its subsidiary OY Avant-Niko Ab, which has been divested to minority shareholders.

Trädgårdshallen i Skåne AB, Örebro Törgårdshall AB and Växjö Partiaffär AB have merged into Trädgårdshallen Sverige AB.

NOTE 17 INTANGIBLE ASSETS

	Goodwill	Trademarks	Other intangible assets	Total
Opening cost 01/01/2020	**1,641.0**	**288.8**	**149.3**	**2,079.1**
Acquisitions/investments	–	–	19.7	**19.7**
Exchange rate differences	–1.1	–	–1.2	**–2.4**
Sales/disposals	–	–	–1.0	**–1.0**
Reclassifications	0	–	–1.5	**–1.5**
Closing accumulated cost 31/12/2020	**1,639.9**	**288.8**	**165.1**	**2,093.8**
Opening depreciation	–	–	**–47.7**	**–47.7**
Acquisition of group companies	–	–	0.2	**0.2**
Sales/disposals	–	–	0.4	**0.4**
Exchange rate differences	–	–	0.8	**0.8**
Depreciation for year	–	–	–12.7	**–12.7**
Closing accumulated depreciation 31/12/2020	–	–	**–59.0**	**–59.0**
Opening impairment losses	–	–	**–52.4**	**–52.4**
Sales/disposals	–	–	0.5	**0.5**
Exchange rate differences	0	–	0.2	**0.2**
Impairment losses for the year	–1.8	–	–	**–1.8**
Closing accumulated impairment losses, 31/12/2020	**–1.8**	–	**–51.6**	**–53.4**
Carrying amount 31/12/2020	**1,638.1**	**288.8**	**54.5**	**1,981.4**

	Goodwill	Trademarks	Other intangible assets	Total
Opening cost 01/01/2021	**1,639.9**	**288.8**	**165.1**	**2,093.8**
Acquisition/divestment of Group companies	2.8	2.2	1.4	**6.5**
Acquisitions/investments	–	–	25.8	**25.8**
Exchange rate differences	0.7	–	0.7	**1.4**
Sales/disposals	–	–	–0.4	**0.4**
Reclassifications	–	–	–0	**0**
Closing accumulated cost 31/12/2021	**1,643.4**	**291.0**	**192.6**	**2,127.0**
Opening depreciation	**-**	–	**–59.0**	**–47.7**
Acquisition of group companies	–	–	0.4	**0.4**
Sales/disposals	–	–	0.4	**0.4**
Exchange rate differences	–0.1	–	0.4	**–0.5**
Depreciation for year	–	–0.1	–13.4	**–13.5**
Closing accumulated depreciation 31/12/2021	**–0.1**	**–0.1**	**–72.1**	**–72.3**
Opening impairment losses	**0**	–	**–51.6**	**–53.4**
Sales/disposals	–	–	–	**-**
Exchange rate differences	0	–	–0.1	**–0.1**
Impairment losses for the year	–1.8	–	–	–
Closing accumulated impairment losses, 31/12/2021	**–1.8**	–	**–51.7**	**–53.5**
Carrying amount 31/12/2021	**1,641.5**	**290.9**	**68.8**	**2,001.2**

The Group's trademarks have been deemed to have indefinite useful lives and are therefore not amortised. Trademarks and the majority of goodwill are in SEK.

Goodwill and trademarks have been allocated to the following cash-generating units.

	2021		2020	
	Goodwill	**Trademarks**	**Goodwill**	**Trademarks**
Picadeli	916.7	288.8	916.7	288.8
Fresh Produce	185.4	2.1	182.0	–
Food Solution	539.4	–	539.4	–
Carrying amount	**1,641.5**	**290.9**	**1,638.1**	**288.8**

Impairment testing of goodwill and trademarks is done annually and when indications of impairment requirements exist. The recoverable amount of a cash generating unit is determined based on calculations of value-in-use. The calculations proceed from estimated future cash flows based on financial forecasts approved by management that cover a five-year period.

In the assessment of future cash flows, assumptions are primarily made regarding sales growth, operating margin, discount rate, investment requirements and the cost trend. The assessed growth rate is based on forecasts as a consequence of our activities. The forecast operating margin is based on previous results and the management's expectations of the market. The discount rate (WACC) is calculated by a third party and is based on available market data for comparable Companies and the Group's risk profile., and amounts to 7% for business area Fresh Produce or 7.7% after tax for the remaining business areas, (8.4–9.4% before tax) . After a five-year period, a growth rate of 2% (2) is applied, which coincides with the Group's long-term assumption regarding inflation and the market's long-term growth. Based on the assumptions presented above, the value in use exceeds the carrying amount of goodwill. Reasonable changes in the above assumptions would not mean that an impairment requirement would arise regarding goodwill or trademarks.

Other intangible assets consist of capitalised development costs, primarily related to implemented information systems of various types and consultancy costs and licenses. The carrying value of activated development expenses not yet subject to depreciation is SEK 26.2 (2.0) million

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NOTE 18 TANGIBLE FIXED ASSETS

	Land and buildings	Cost of improvements on external properties	Plant and machinery	Equipment, tools, fixtures and fittings	Construction in progress	Total
Opening cost 01/01/2020	**148.2**	**44.3**	**299.6**	**413.4**	**24.3**	**929.9**
Acquisition/divestment of Group companies	–	–	–	0	–	0
Acquisition/Investments	1.7	1.0	16.9	4.3	67.4	91.3
Exchange rate differences	–2.4	–	–3.5	–6.4	–0.1	–12.3
Sales/disposals	–	–0.1	–5.3	–2.8	–	–8.1
Reclassifications	0	1.8	26.5	29.9	–59.6	–1.4
Closing accumulated cost 31/12/2020	**147.6**	**47.1**	**334.2**	**438.3**	**32.0**	**999.3**
Opening depreciation	**–43.9**	**–11.7**	**–140.6**	**–196.1**	**–0.1**	**–392.3**
Acquisition/divestment of Group companies	–	–	–	0.1	–	**0.1**
Sales/disposals	–	–	4.6	2.5	–	**7.1**
Exchange rate differences	0.7	0	2.0	3.8	0	**6.6**
Reclassifications	–	–	–	1.0	–	**1.0**
Depreciation for year	–4.8	–3.4	–34.6	–55.2	0	**–98.0**
Closing accumulated depreciation 31/12/2020	**–48.0**	**–15.0**	**–168.7**	**–243.9**	**–0.1**	**–475.6**
Opening impairment losses	**0**	**–2.7**	**–11.4**	**–48.9**	**0**	**–63.0**
Exchange rate differences	0.6	–	–	0.3	0	**0.8**
Impairment losses for the year	–12.9	–	–	–	–	**–12.9**
Closing accumulated impairment losses, 31/12/2020	**–12.3**	**–2.7**	**–11.4**	**–48.6**	**0**	**–75.0**
Carrying amount 31/12/2020	**87.3**	**29.3**	**154.2**	**145.9**	**31.9**	**448.6**
Opening cost 01/01/2021	**147.6**	**47.1**	**334.2**	**438.3**	**32.0**	**999.3**
Acquisition/divestment of Group companies	–44.9	0.1	–1.4	2.4	–	**–43.8**
Acquisitions/investments	0.3	–0.1	12.7	11.4	18.3	**42.6**
Exchange rate differences	1.2	0	2.1	3.6	0.2	**7.1**
Sales/disposals	–	0	–	–12.6	–0.2	**–12.8**
Reclassifications	–	–	25.8	7.9	–23.3	**10.4**
Closing accumulated cost 31/12/2021	**104.1**	**47.2**	**373.4**	**450.9**	**27.1**	**1,002.7**
Opening depreciation	**–48.0**	**–15.0**	**–168.7**	**–243.9**	**–0.1**	**–475.6**
Acquisition/divestment of Group companies	16.6	0	1.3	–1.4	–	**16.5**
Sales/disposals	–	0	–	11.5	–	**11.5**
Exchange rate differences	–0.4	0	–1.0	–2.0	0	**–3.4**
Reclassifications	–	0	–11.7	1.5	–	**–10.3**
Depreciation for year	–4.2	–3.6	–35.9	–54.0	0	**–97.8**
Closing accumulated depreciation 31/12/2021	**–36.0**	**–18.7**	**–216.0**	**–288.4**	**–0.1**	**–560.1**
Opening impairment losses	**–12.3**	**–2.7**	**–11.4**	**–48.6**	**0**	**–75.0**
Reclassification	12.3	–	–	–	–	**12.3**
Exchange rate differences	0.1	0	–	–0.2	–	**–0.3**
Impairment losses for the year	–	–18.8	–6.7	–	–	**–25.5**
Closing accumulated impairment losses, 31/12/2021	**0.0**	**–21.5**	**–18.1**	**–48.8**	**0**	**–88.5**
Carrying amount 31/12/2021	**55.7**	**7.0**	**139.3**	**113.7**	**27.0**	**342.7**

NOTE 19 LEASING

Balance-sheet items

Right-of-use assets	2021	2020
Properties	219.8	269.8
Cars	15.2	10.1
Forklifts	21.5	26.8
Machinery and equipment	16.3	18.4
Other	0	0
	272.8	**325.1**

Additional rights of use (ROUs) during 2021 totalled SEK 32.5 (72.4) million.

Lease liabilities	2021	2020
Current lease liabilities	79.9	74.7
Non-current lease liabilities	253.4	289.6
	333.3	**364.3**

Maturity analysis of lease liabilities, undiscounted amounts	2021	2020
Within 1 year	86.6	81.7
Between 1 and 2 years	68.4	71.5
Between 2 and 5 years	138.6	144.2
After 5 years	85.8	120.8
	379.4	**418.1**

The Group's Helsingborg based Companies have entered into a property lease agreement in a more expedient and newly built property with entry in April 2023. In this property, the Companies can increase productivity, reduce climate impact and improve conditions to develop further with the Company's business partners

As a consequence, in 2021, the Company has written down the value of utility rights in the current property by a value of SEK 21.9 million to reflect a use to the date of transfer.

Profit or loss items

Depreciation and impairment on ROUs	2021	2020
Properties (whereof impairment 21.9)	–73.2	–49.5
Cars	–7.8	–7.7
Forklifts	–9.1	–8.6
Machinery and equipment	–3.2	–3.5
Other	–0.1	–0.1
	-93.4	**-69.2**

Cash flow attributable to leases		
Interest expense (included in financial expenses)	–12.9	–14.0
Expenses attributable to short-term leases	–1.7	–4.2
Expenses attributable to leases of low value	–3.8	–4.6
Disbursements for repayment of lease liabilities	–72.5	–76.7
Total cash flow for leases	**-90.9**	**-99.6**

Expenses attributable to short-term leases and leases of a low value are included in costs of goods sold and administration expenses.

NOTE 20 FINANCIAL FIXED ASSETS

	Group		Parent company	
Non-current receivables	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Opening carrying amount	**9.9**	**3.3**	**1.2**	**0.7**
New receivables	15.9	6.8	0.7	0.5
Exchange rate differences	0	-0.1	–	–
Acquired/divested Group companies	–	0.1	–	–
Removed receivables	-0.6	–	–	–
Closing accumulated costs	**25.2**	**9.9**	**1.9**	**1.2**
Carrying amount	**25.2**	**9.9**	**1.9**	**1.2**

NOTE 21 INVENTORIES

	31/12/ 2021	31/12/ 2020
Raw materials and consumables	22.6	21.8
Work in progress	2.2	1.7
Finished products and goods for resale	87.3	77.7
Advance payment to suppliers	5.4	2.4
Carrying amount	**117.5**	**103.6**

Goods in inventory reported as an expense during the year amounted to SEK 2,982.0 (3,004.4) million. The total consolidated financial impairment is SEK 19.9 (19.6) million.

NOTE 22 ACCOUNTS RECEIVABLE

	31/12/ 2021	31/12/ 2020
Accounts receivable, gross	323.7	284.8
Provision for future credit losses	–24.7	–27.8
Provision for uncertain receivables	–	–
Accounts receivable, net after reserve for uncertain receivables	**–290.0**	**–257.0**

	31/12/ 2021	31/12/ 2020
Provision for doubtful receivables at the beginning of the year	–27.8	–13.1
Provision/write-off for the year, doubtful receivables	–3.1	–17.8
Reversal of unutilised amount	5.0	0.4
Confirmed losses	1.4	2.2
Change, acquisition/divestment of Group companies	–	0.1
Total	**-24.7**	**-27.8**

Age analysis, accounts receivable	31/12/ 2021	31/12/ 2020
Not overdue	288.0	259.1
Overdue 1–30 days	19.9	11.4
Overdue 31–60 days	4.2	3.8
Overdue 61–90 days	2.3	1.9
Overdue > 90 days	9.3	8.6
Total	**323.7**	**284.8**

The customers' payment history is good, but as the conditions for conducting operations have changed due to the coronavirus pandemic, the risks that customers may have payment difficulties have increased. The provision for doubtful receivables has thereby also been increased in relation to outstanding accounts receivable.

NOTE 23 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent company	
	31/12/ 2021	31/12/ 2020	31/12/ 2021	31/12/ 2020
Prepaid rent	7.6	5.7	0	0
Prepaid insurance policies	0.8	1.1	0.4	–
Accrued interest income	–	0	–	–
Goods in transit	14.8	9.9	–	–
Other prepaid expenses	5.7	4.9	–	–
Other accrued income	10.0	6.5	0	0.1
Carrying amount	**38.9**	**28.1**	**0.4**	**0.1**

NOTE 24 SHARES, EQUITY AND APPROPRIATION OF PROFITS

	Ordinary A	Total
Opening balance, 1 January 2021	**0.1**	**0.1**
Bonus issue as of 27/09/2021	0.4	0.4
Closing balance, 31 December 2021	**0.5**	**0.5**

All shares are common shares and have a quoted value of SEK 1 (1), which is why the registered share capital as of 31/12/2021 amounts to SEK 0.5 (0.1) million.

On 27 September 2021, a General Meeting decided on a bond issue that represented an increase in share capital of SEK 0.4 million. The amount the share capital increased by was injected from non-restricted equity.

The preferential trade arrangement, rights and restrictions follow the following priority order: First, financial liabilities are paid, then vendor notes, then preference shares of Class C with interest of 6%, then preference shares of Class A and B with interest of 12% and lastly ordinary shares.

Translation reserve

Translation reserves relate to translation differences arising on the translation of foreign operations to SEK, which are recognised in other comprehensive income.

Proposed appropriation of profits

The following proposed appropriation of profits will be presented to the Annual General Meeting:

The following is at the disposal of the Annual General Meeting	1,013,415,880
The Board of Directors proposes that a dividend be paid to the shareholders in the amount of	0
The Board proposes the following amount be carried forward	**1,013,415,880**

No dividends were paid in 2021 or 2020.

NOTE 25 BORROWING

	Group		Parent company	
	2021	**2020**	**2021**	**2020**
Non-current liabilities				
Bond loan	1,013.0	–	1,013.0	–
Liabilities to credit institutions	15.6	876.1	–	732.6
Liabilities to parent company	401.7	373.1	401.7	373.3
Lease liabilities	253.4	289.6	–	–
Other non-current liabilities	–	95.8	–	3.2
Carrying amount	**1,683.6**	**1,634.8**	**1,414.7**	**1,109.1**
Current liabilities				
Liabilities to credit institutions	10.4	31.0	–	–
Lease liabilities	79.9	74.7	–	–
Other liabilities	184.5	–	7.1	–
Carrying amount	**274.8**	**105.7**	**7.1**	**-**

Liabilities to credit institutions

Greenfood AB (publ) issued a sustainability linked bond of SEK 1,050 million on the Frankfurt Open Market on 5 November 2021. According to the bond commitments, Greenfood AB (publ) is due to list the bond on NASDAQ Stockholm within 12 months. The interest rate is 7% and is calculated as a margin above the current STIBOR.

The bonds are due in full on the fourth anniversary after issuance. There are no amortisation requirements or other financial conditions related to the bond, however, it is linked to the goals of the Greenfood Group's sustainability framework. These include in brief:

1. Reducing CO_2 emissions by % per tonne of food sold.
2. Calculating emissions in accordance with the Science Based Target initiative and have them validated at the highest level (1.5 degrees Celsius)
3. Reducing food waste by 20% in food production (baseline 2019).

In addition to the bond, an agreement was concluded with Swedbank for a credit facility of SEK 200 million, also running over four years.

In connection with the early redemption of the old loans, facility A and B amounting to SEK 577 million and EUR 12 million at the time of redemption and a credit facility of SEK 130 million, with final maturity on 22/03/2023, a break-cost of SEK 0.2 million was paid. At the same time, the remaining borrowing costs were costed at SEK 4 million. In connection with the new bond loan, new borrowing costs of SEK 37 million were activated, which are included under the heading Bond loan. In addition to the abovementioned borrowings, the Group has local borrowings in Finland of equivalent to SEK 0.2 (13) million and in France of the equivalent of SEK 22 (27) million, denominated in EUR.

Lease liabilities

Lease liabilities and leasing are presented in Note 19.

Other liabilities

Other liabilities are comprised of temporary deferment of payment of social security contributions, withheld tax and VAT according to the rules introduced as a result of the coronavirus pandemic, SEK 185 (94) million. The deferred payment amount includes accrued interest and fees of, SEK 7 (2) million. Originally the term was one year, but in 2020 an option was introduced to extend the deferment for another year, which the group did. New extension opportunities have been introduced in 2022 and the Company will or has applied for this during March onwards when available.

NOTE 26 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Salaries and holiday pay	82.8	74.0	4.3	2.9
Social security contributions	28.3	24.8	1.3	0.9
Accrued interest	10.7	–	10.7	–
Consulting expenses	3.9	2.5	0.4	0
Customer-related expenses	107.5	100.4	–	–
Freight expenses	11.4	12.8	–	–
Product costs	78.7	65.5	–	–
Other items	30.0	28.6	2.3	1.9
Carrying amount	**353.3**	**308.6**	**19.0**	**5.7**

NOTE 27 PLEDGED ASSETS AND CONTINGENT LIABILITIES

	Group		Parent company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Chattel mortgages	5,466.9	2,308.7	–	–
Property mortgages	–	23.1	–	–
Awarded claim	–	–	674.2	70.0
Assets in subsidiaries	–	–	1,407.7	1,407.7
Total	**5,466.9**	**2,331.8**	**2,081.9**	**1,477.7**
Contingent liabilities				
General surety for external debt	–	–	7.2	–
Other guarantees	3.8	0.6	–	–
	3.8	**0.6**	**7.2**	**-**

The chattel mortgages are drawn out as collateral for the group's bond loan as well as the credit facility signed in November 2021, see note 25. In connection with the refinancing, previously secured collateral to credit institutions was released. The property mortgages that were in OY Avant Niko AB at the start of the year have been resolved in 2021 in connection with the disposal of the Company. In addition, contingent obligations are found in group companies relating to issued guarantees to external parties.

The parent company Greenfood AB (publ) has invested assets in subsidiaries as well as intra-group receivables claims in collateral for the above-mentioned reward. The parent company also has a general surety commitment for subsidiaries.

NOTE 28 OPERATING ACQUISITIONS AND TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Operating acquisitions and disposals and transactions with non-controlling interests 2021

On 30 Sept 2021, Greenfood Fresh Produce Int'l AB acquired all stakes in Lundgrens Primörer AB. Salico OY has disposed of its subsidiary Oy Avant-Niko Ab to minority owners during the year, the subsidiary was dormant but owned a property in Juva, Finland.

During the year, the remaining 12.5% of the minority shares were also acquired in Svenska Smörgåstårtor Kalité AB as well as 6% of the minority shares in Ahlströms Factory AB and thus both companies are 100% owned at the end of 2021.

The acquisition's impact on Group results

Of the group's revenues, SEK 17 million is attributable to Lundgrens Primörer AB, the company has impacted the group's pre-tax profit by SEK –0.8 million. If the acquisition had occurred on 1 January 2021, then the company's revenues would amount to SEK 92 million and pre-tax earnings to SEK 0 million.

Goodwill arises in the acquisition of Lundgrens Primörer AB because the acquisition values exceeded book value of acquired assets. The remuneration transferred also included amounts attributable to benefits of expected synergies, revenue increase and development of future markets these benefits have not been reported separately from goodwill.

Net cash flow on acquisitions/disposals and transactions with minorities 2021

	Lundgrens Primörer AB	OY Avant-Niko AB	Total acquisition/ divestment subsidiaries	Ahlströms Factory AB	Svenska Smörgåstårtor Kvalité AB	Total trans-actions with minorities
Cash paid/received compensation[1]:	–7.0	2.8	2.8	–1.4	–5.3	–6.7
Less: Acquired cash and cash equivalents	2.3	–0.1	–0.1	–	–	–
Net cash flow	**–4.7**	**–2.8**	**–2.8**	**–1.4**	**–5.3**	**–6.7**

Net cash flow on acquisitions/disposals and transactions with minorities 2020

	Greenfood Fresh Produce Benelux B.V.	Picadeli US Inc.	Greens & Friends AB*	Ahlströms Factory AB	Svenska Smörgåstårtor Kvalité AB	Total
Cash paid/received compensation [2]	0.3	–	2.0	–1.0	–4.0	–2.6
Less: Acquired cash and cash equivalents	–1.3	13.0	–	–	–	11.6
Net cash flow	**1.0**	**13.0**	**2.0**	**–1.0**	**–4.0**	**9.0**

[1] According to the agreement on contingent purchase price, the company shall pay the sellers a maximum of SEK 4.5 million as an additional purchase price over six years if a number of different criteria are met, among other things, linked to the sale of certain products within the Greenfood group. The additional purchase price is determined at fair value and is reassessed annually. Management currently assesses that it is likely that the contingent purchase price will be paid.

[2] Kontant betald ersättning inkluderar aktieägartillskott om 2 MSEK

The assets and liabilities reported as a result of the acquisition are as follows:

	Lundgrens Primörer AB
Cash and cash equivalents	2.3
Fixed assets	5.2
Accounts receivable	10.0
Other receivables and stock	1.3
Liabilities to credit institutions	–0.2
Accounts payable	–7.2
Other liabilities	–2.7
Acquired identifiable net assets	**8.7**
Goodwill	2.8
Net acquired assets	**11.5**

NOTE 29 CHANGES IN LIABILITIES ATTRIBUTABLE TO FINANCING ACTIVITIES

	Group				Parent company		
Interest-bearing liabilities	**Non-current loan liabilities**	**Current loan liabilities**	**Lease liabilities**	**Other liabilities**	**Non-current loan liabilities**	**Current loan liabilities**	**Other liabilities**
Opening balance 2020	**1,125.8**	**36.9**	**376.6**	**-**	**1,047.3**	**28.5**	**-**
Non-cash items							
Arrangement cost	–5.4	–	–	–	–	–	–
Raising of loans	84.0	17.1	–	–	5.1	–	–
Repayment of loans/lease liabilities	–7.1	–0.3	–76.7	–	–	–	–
Non-cash items							
Reclassification current component	22.7	–22.7	–	–	28.5	–28.5	–
Deferment of tax payment	–	–	–	93.9	–	–	3.2
New leases	–	–	71.3	–	–	–	–
Translation differences	2.0	–	–6.8	–	–5.2	–	–
Capitalised interest	27.5	–	–	1.9	27.5	–	–
Closing balance, 31 December 2020	**1,249.4**	**31.0**	**364.3**	**95.8**	**1,103.2**	**-**	**3.2**
Of which non-current lease liabilities			*289.6*				
Of which current lease liabilities			*74.7*				
Non-cash items							
Arrangement cost	–37.0	–	–	–	–37.0	–	–
Raising of loans	1,050.1	–	–	–	1,050	–	–
Repayment of loans/lease liabilities	–887.1	–	–72.5	–	732.7	–	–
Non-cash items							
Reclassification current component	20.6	–20.6	–	–	–	–	–
Deferment of tax payment	–	179.5	–	–95.8	–	7.1	–3.2
New leases	–	–	38.7	–	–	–	–
Translation differences	5.8	–	2.9	–	4.9	–	–
Capitalised interest	28.4	5.0	–	–	28.4	–	–
Closing balance, 31 December 2021	**1,430.2**	**194.9**	**333.3**	**-**	**1,416.7**	**7.1**	**-**
Of which non-current lease liabilities			*253.4*				
Of which current lease liabilities			*79.9*				

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NOTE 30 CASH AND CASH EQUIVALENTS IN THE CASH FLOW

	Group		Parent company	
	31/12/ 2021	**31/12/ 2020**	**31/12/ 2021**	**31/12/ 2020**
Cash and bank balances	277.4	127.7	160.3	44.1
Total	**277.4**	**127.7**	**160.3**	**44.1**

NOTE 31 TRANSACTIONS WITH RELATED PARTIES

Besides the companies that directly or indirectly own Greenfood AB (publ), related parties also includes members of the Parent Company's Board of Directors, the Group's senior executives and their close family members. Companies where a significant share of the votes is directly or indirectly held by the aforementioned group or companies where they can exercise a significant influence are also considered to be related parties.

Transactions between the company and its subsidiaries, which are related to the company, have been eliminated upon consolidation and disclosures regarding these transactions are therefore not provided in this note. Disclosures regarding transactions between the Group and other related parties are presented below.

Loans from related parties

For information on inter-group loans see note 25. There are no other loans from related parties.

Information on the remuneration of senior executives is presented in Note 11.

NOTE 32 EVENTS AFTER THE CLOSING DATE

In the beginning of January 2022 Picadeli opened a subsidiary in Belgium in order to handle logistics in Central Europe for the Business area, foremost in Germany and Belgium. During the period February to April Covid-19 related restrictions were released or reduced in all markets were the Group is present, which has affected the Group positively.

On 24 February, Russia invaded Ukraine. This has led to sanctions against Russia from a number of countries, including all countries where the Group has activity. This war is still on-going and has led to inflation and uncertainty.

The Group's operating companies manage inflation-related price increases from suppliers by raising customer prices where relevant. Greenfood is keeping up-to-date with the situation, but currently sees nothing related to the war in Ukraine that would materially affect the company or the company's industry. In February, the Swedish parliament approved a law that gives the Group's Companies the right to repay tax deferral over 36 months instead of in the first half of 2022. This impoves the Group's liquidity in 2022.

NOTE 33 GOVERNMENT ASSISTANCE

The Group received government assistance in 2021 as a result of the COVID-19 pandemic. The different forms of assistance are presented below based on how they were recognised in the income statement or how the cost would have affected the income statement if the assistance were not received.

	Other income		Employee benefit expenses		Other external expenses		Depreciation and amortisation			
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021 Total**	**2020 Total**
Other support, not coronavirus related	4.3	3.2	–	–	–	–	–	–	4.3	3.2
Transitional support	9.8	–	–	–	4.6	5.6	7.8	6.5	22.3	12.1
Furlough	–	–	4.5	18.4	–	–	–	–	4.5	18.4
Temporarily reduced employer's contributions	–	–	2.3	6.2	–	–	–	–	2.3	6.2
Support for sick-pay expenses	–	–	1.0	3.9	–	–	–	–	1.0	3.9
Project support (Finland)	–	–	1.2	0.4	0.6	1.7	–	–	1.8	2.1
Cost reductions	–	–	–	1.2	–	–	–	–	–	1.2
Total	**14.1**	**3.2**	**9.0**	**30.0**	**5.4**	**7.3**	**7.8**	**6.5**	**36.1**	**47.1**

Non-COVID-related assistance is comprised, among other things, of public salary subsidies and employment assistance.

The grants are distributed over the following countries

	2021	**2020**
Sweden	21.7	41.0
Finland	2.1	3.2
France	12.3	2.0
Germany	0	0.4
Denmark	0	0
Total	**36.1**	**47.1**

ASSURANCE OF THE BOARD OF DIRECTORS

The annual report and consolidated financial statements were approved for publication by the Board of Directors on 26 April 20212. The consolidated income statement and statement of financial position and the Parent Company's income statement and balance sheet are subject to adoption by the Annual General Meeting on 4 May 2022.

The Board of Directors and CEO hereby certify that the Annual Report was prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities and provides a true and fair view of the company's financial position and performance and that the Administration Report provides a true and fair view of the development of the company's operations, position and performance and describes significant risks and uncertainty factors faced by the company. The Board of Directors and CEO hereby certify that the consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), as approved by the EU, and provide a true and fair view of the Group's financial position and performance and that the Administration Report for the Group provides a true and fair view of the performance of the Group's operations, position and performance and describes significant risks and uncertainty factors faced by the companies included in the Group.

Stockholm

Stefan Jacobsson
Chairperson of the Board

David von Laskowski
Chief Executive Officer

Tiemo Grimm
Board member

Anette Rosengren
Board member

Fabian Suessenguth
Board member

Martin Erleman
Board member

Our auditor's report was issued April 2022

Deloitte AB

Richard Peters
Authorised Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Greenfood AB (publ)corporate identity number 559035-9104

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Greenfood AB (publ) for the financial year 2021-01-01–2021-12-31. The company's annual report and consolidated accounts are included on pages 43–84 of this document.

In our 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 the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information

The consolidated financial statements for the financial year 2020-01-01–2020-12-31 have not been subject to audit and no audit of the comparative figures in the consolidated financial statements for the financial year 2020-01-01–2020-12-31 has been carried out.

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 consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. 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 and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group'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

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 and consolidated accounts.

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

- Identify and assess the risks of material misstatement of the annual accounts and consolidated 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 our 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 our 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 and consolidated accounts. We 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 and the group'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 annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

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

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Greenfood AB (publ) for the financial year 2021-01-01–2021-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to 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

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 and the group's type of operations, size and risks place on the size of the parent company's and the group'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 and the group'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

Our objective concerning the audit of the administration, and thereby our 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.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our 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, we 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 our professional judgment with starting point in risk and materiality. This means that we 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. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Malmö / 2022
Deloitte AB
Signature on Swedish original

Richard Peters
Authorized Public Accountant

DEFINITIONS

Adjusted EBITDA	EBITDA adjusted for non-recurring items and unestablished operations
Available liquidity	Liquid assets and available revolving credit facility
Debt / equity ratio	Net debt (with or without debt to the parent company) as a percentage of total capital
EBITDA	Profit from operations excluding depreciation and write-downs
EBITDA margin	EBITDA as a percentage of sales
External net debt	Net debt excluding debt to the parent company (Greenfood MC AB).
Net debt	Total borrowing (long-term and short-term) and leasing liabilities less cash and cash equivalents
Non-recurring items	Non-recurring income or expenses which are not recurring in normal operations
Number of employees	Average number of full-time employees (FTE) calculated as the number of hours worked during the year in relation to the number of hours worked for a full-time employee during the same period.
Operating cash flow	Cash flow from operating activities including changes in working capital
Operating profit	Profit from operations before financial items and tax
Organic sales growth	Sales growth adjusted for currency and acquisitions
Return on equity	Profit for the year / Average Equity
Return on total capital	(Profit before tax + interest expenses) / Average total assets
Solidity	Equity / Total assets
Total capital	Total equity and net debt
Total net debt	Net debt including debt to the parent company (Greenfood MC AB).
Unestablished business	Newly started or acquired business that is being established and is not yet fully integrated.

OTHER INFORMATION

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Mattias Engberg
mattias.engberg@greenfood.se

Financial reports
Greenfood's financial reports and financial calendar are available on the company's website. The financial reports are only distributed in digital form via the website. The purpose of Greenfoods Investor Relations is to continuously inform the capital market about the company's operations and development.

This report is a translation of Greenfood's annual report in Swedish. In the event of discrepancies between the two versions, the Swedish version takes precedence.

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