



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	913 915 062
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	AKER BIOMARINE ASA
Forretningsadresse:	Oksenøyveien 10 1366 LYSAKER

### Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021
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### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Lars Jacobsen
Dato for fastsettelse av årsregnskapet:	20.04.2022

### Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert  
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 30.07.2023



## Resultatregnskap

Beløp i: USD	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	2	223 000	117 000
Salgsinntekt	12	16 770 000	11 069 000
<b>Sum inntekter</b>		<b>16 993 000</b>	<b>11 186 000</b>
<b>Kostnader</b>			
Lønnskostnad	3,14	10 807 000	7 774 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	7	109 000	136 000
Annen driftskostnad	4	8 924 000	7 415 000
Annen driftskostnad	12	612 000	356 000
<b>Sum kostnader</b>		<b>20 452 000</b>	<b>15 681 000</b>
<b>Driftsresultat</b>		<b>-3 459 000</b>	<b>-4 495 000</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	12	14 303 000	14 300 000
Annen renteinntekt		481 000	308 000
<b>Sum finansinntekter</b>		<b>14 784 000</b>	<b>14 608 000</b>
Rentekostnad til foretak i samme konsern	12	2 458 000	6 714 000
Annen rentekostnad		3 690 000	5 088 000
<b>Sum finanskostnader</b>		<b>6 148 000</b>	<b>11 802 000</b>
<b>Netto finans</b>		<b>8 636 000</b>	<b>2 806 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>5 177 000</b>	<b>-1 689 000</b>
<b>Ordinært resultat etter skattekostnad</b>		<b>5 177 000</b>	<b>-1 689 000</b>
<b>Årsresultat</b>		<b>5 177 000</b>	<b>-1 689 000</b>



## Balanse

Beløp i: USD	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Varige driftsmidler</b>			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	7	289 000	398 000
<b>Sum varige driftsmidler</b>		<b>289 000</b>	<b>398 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	8	305 831 000	305 822 000
Lån til foretak i samme konsern	12	211 406 000	226 352 000
<b>Sum finansielle anleggsmidler</b>		<b>517 237 000</b>	<b>532 174 000</b>
<b>Sum anleggsmidler</b>		<b>517 526 000</b>	<b>532 572 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer		496 000	592 000
Konsernfordringer	12	4 974 000	38 978 000
<b>Sum fordringer</b>		<b>5 470 000</b>	<b>39 570 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	11	480 000	302 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>480 000</b>	<b>302 000</b>
<b>Sum omløpsmidler</b>		<b>5 950 000</b>	<b>39 872 000</b>
<b>SUM EIENDELER</b>		<b>523 476 000</b>	<b>572 444 000</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital

#### Innskutt egenkapital



## Balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Selskapskapital	5	75 853 000	75 853 000
Overkurs	5	507 976 000	472 718 000
<b>Sum innskutt egenkapital</b>		<b>583 829 000</b>	<b>548 571 000</b>
<b>Opptjent egenkapital</b>			
Udekket tap	5	66 114 000	41 665 000
<b>Sum opptjent egenkapital</b>		<b>-66 114 000</b>	<b>-41 665 000</b>
<b>Sum egenkapital</b>		<b>517 715 000</b>	<b>506 906 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	10	168 000	183 000
<b>Sum avsetninger for forpliktelser</b>		<b>168 000</b>	<b>183 000</b>
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9		54 615 000
<b>Sum annen langsiktig gjeld</b>			<b>54 615 000</b>
<b>Sum langsiktig gjeld</b>		<b>168 000</b>	<b>54 798 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		5 287 000	4 887 000
Annen kortsiktig gjeld	12	306 000	953 000
Annen kortsiktig gjeld			4 900 000
<b>Sum kortsiktig gjeld</b>		<b>5 593 000</b>	<b>10 740 000</b>
<b>Sum gjeld</b>		<b>5 761 000</b>	<b>65 538 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>523 476 000</b>	<b>572 444 000</b>



## Konsernets resultatregnskap

Beløp i: USD	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	2	262 062 000	288 588 000
Annen driftsinntekt	2	3 149 000	2 348 000
<b>Sum inntekter</b>		<b>265 211 000</b>	<b>290 936 000</b>
<b>Kostnader</b>			
Varekostnad	12	174 002 000	179 010 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	9,10,1 1	19 170 000	17 125 000
Annen driftskostnad	4	85 705 000	86 847 000
Annen driftskostnad			954 000
<b>Sum kostnader</b>		<b>278 877 000</b>	<b>283 936 000</b>
<b>Driftsresultat</b>		<b>-13 666 000</b>	<b>7 000 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen finansinntekt	5	21 275 000	16 794 000
Annen finansinntekt	5,18	647 000	-279 000
<b>Sum finansinntekter</b>		<b>21 922 000</b>	<b>16 515 000</b>
Annen finanskostnad	5,7,18	15 660 000	22 827 000
<b>Sum finanskostnader</b>		<b>15 660 000</b>	<b>22 827 000</b>
<b>Netto finans</b>		<b>6 262 000</b>	<b>-6 312 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-7 404 000</b>	<b>688 000</b>
Skattekostnad på ordinært resultat	8	604 000	6 151 000
<b>Ordinært resultat etter skattekostnad</b>		<b>-8 008 000</b>	<b>-5 463 000</b>
<b>Årsresultat</b>		<b>-8 008 000</b>	<b>-5 463 000</b>



### Konsernets balanse

Beløp i: USD	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		7 179 000	9 167 000
Goodwill	10,11	171 536 000	180 552 000
<b>Sum immaterielle eiendeler</b>		<b>178 715 000</b>	<b>189 719 000</b>
<b>Varige driftsmidler</b>			
Tomter, bygninger og annen fast eiendom		14 720 000	15 369 000
Tomter, bygninger og annen fast eiendom		11 262 000	13 145 000
Maskiner og anlegg		22 953 000	9 826 000
Skip, rigger, fly og lignende		195 661 000	136 907 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		94 518 000	104 454 000
<b>Sum varige driftsmidler</b>		<b>339 114 000</b>	<b>279 701 000</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i aksjer og andeler		106 000	130 000
Andre fordringer	7,20		7 743 000
Andre fordringer	20	10 000	18 000
<b>Sum finansielle anleggsmidler</b>		<b>116 000</b>	<b>7 891 000</b>
<b>Sum anleggsmidler</b>		<b>517 945 000</b>	<b>477 311 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer	12	138 225 000	114 559 000
<b>Sum varer</b>		<b>138 225 000</b>	<b>114 559 000</b>
<b>Fordringer</b>			
Kundefordringer	13,20	77 699 000	97 885 000
Andre fordringer	7,20	12 486 000	
<b>Sum fordringer</b>		<b>90 185 000</b>	<b>97 885 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende		11 131 000	10 677 000



### Konsernets balanse

Beløp i: USD	Note	2021	2020
Sum bankinnskudd, kontanter og lignende		11 131 000	10 677 000
Sum omløpsmidler		239 541 000	223 121 000
<b>SUM EIENDELER</b>		<b>757 486 000</b>	<b>700 432 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	24	75 853 000	75 853 000
Annen innskutt egenkapital		493 555 000	493 555 000
<b>Sum innskutt egenkapital</b>		<b>569 408 000</b>	<b>569 408 000</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		5 352 000	142 000
Udekket tap		204 389 000	196 380 000
<b>Sum opptjent egenkapital</b>		<b>-199 037 000</b>	<b>-196 238 000</b>
<b>Sum egenkapital</b>		<b>370 371 000</b>	<b>373 170 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	15,18, 20	294 111 000	210 578 000
Øvrig langsiktig gjeld	7,20		8 996 000
Øvrig langsiktig gjeld	8	4 879 000	4 817 000
Øvrig langsiktig gjeld	16	10 807 000	31 928 000
<b>Sum annen langsiktig gjeld</b>		<b>309 797 000</b>	<b>256 319 000</b>
<b>Sum langsiktig gjeld</b>		<b>309 797 000</b>	<b>256 319 000</b>
<b>Kortsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	15,18, 20	30 731 000	32 222 000
Leverandørgjeld	17,20	46 587 000	38 721 000



## Konsernets balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Sum kortsiktig gjeld		77 318 000	70 943 000
Sum gjeld		387 115 000	327 262 000
<b>SUM EGENKAPITAL OG GJELD</b>		<b>757 486 000</b>	<b>700 432 000</b>



## Skattedirektoratet

Saksbehandler  
Rune Tystad

Deres dato  
23.02.2015

Vår dato  
26.02.2015

Telefon  
977 59 464

Deres referanse  
Martin H. Arnholdt

Vår referanse  
2013/952802

SUPERBA ASA  
Postboks 1423 Vika  
0115 OSLO

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Superba ASA, org.nr. 913 915 062

Vi viser til deres brev av 23. februar 2014 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Superba ASA.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Superba ASA tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig, samt at selskapet gis tillatelse til å rapportere på engelsk til Oslo Børs i tilfelle børnotering.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Superba ASA ble stiftet 30. juni 2014 og var i desember 2014 overtakende selskap i en fisjon fra Aker BioMarine AS. Det fremgår av fisjonsplanen at fisjonen skjedde som ledd i restruktureringen av Aker BioMarine-gruppen, i forbindelse med en potensiell børsnøtering. Superba ASA er et integrert bioteknologikonsern som gjennom en optimalisert verdikjede, utvikler og leverer høyverdige produkter til markeder for dyrefôr, kosttilskudd og farmasøytiske ingredienser. Konsernets kjerneaktiviteter er fangst, produksjon, salg og markedsføring av krillbaserte produkter. Konsernets kosttilskudd Superba™ krill olje selges til kunder primært i Europa, USA, Australia og Asia. Kun 0,35 % av selskapets omsetning gikk til norske kunder i 2012, mens det tilsvarende tallet pr. november 2013 var på 0,16 % relatert til salg av Superba™ krill olje. 99 % av selskapets aksjer er eid av Aker ASA og 1 % av selskapets ledelse. Akers hovedaksjonær Kjell Inge Røkke og hans familie eier 67,8 % av aksjene gjennom private selskaper i TRG. Superba ASA er et internasjonalt konsern med ansatte fra 20 ulike nasjonaliteter. Selskapets forretningsforbindelser hører også i all hovedsak til utenfor Norge. Mange av selskapets strategiske muligheter ligger utenfor Norges grenser og krever således korrespondanse og dokumentasjon på engelsk. Det bemerkes at konsernet for øyeblikket blant annet er i ferd med å etablere landbasert produksjon i Houston, Texas. Konsernets rapportering til selskapets ledelse er på engelsk, og dokumentasjon som oversendes til styret er i all hovedsak på engelsk. All intern dokumentasjon og presentasjoner utarbeides på engelsk. Konsernet har således engelsk som arbeidsspråk både internt, men også i stor grad eksternt mot kunder og andre.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk.

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er et 99 % eid datterselskap av Aker ASA og at eierkretsen således er begrenset. Videre er det vektlagt at konsernets arbeidsspråk er engelsk og at konsernet er internasjonalt og i stor grad benytter engelsk mot kunder og andre.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
*seniorrådgiver*  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*



AKER BIOMARINE ASA

AKER BIOMARINE ASA

FINANCIAL STATEMENT

2021



AKER BIOMARINE ASA

## Statement of profit or loss for the year ended 31 December

USD Thousands	Note	2021	2020
Operating revenues	2	223	117
Revenues from Group companies	12	16,770	11,069
<b>Total revenues</b>		<b>16,993</b>	<b>11,186</b>
Salaries and other payroll expenses	3, 14	(10,807)	(7,774)
Other operating expenses	4	(8,924)	(7,415)
Operating expenses Group companies	12	(612)	(356)
<b>Operating profit/loss before depreciation, amortization and impairment</b>		<b>(3,349)</b>	<b>(4,359)</b>
Depreciation, impairment, and amortization	7	(109)	(136)
<b>Operating loss</b>		<b>(3,459)</b>	<b>(4,495)</b>
Interest income from Group companies	12	14,303	14,300
Net foreign exchange gain / loss (-)		474	303
Other interest income and financial income	13	6	5
Interest and guarantee expenses to Group companies	12	(2,458)	(6,714)
Other financial expenses	13	(3,690)	(5,089)
<b>Net financial items</b>		<b>8,635</b>	<b>2,806</b>
<b>Net gain (loss) before tax expense</b>		<b>5,177</b>	<b>(1,689)</b>
Tax expense	6	-	-
<b>Net gain (loss)</b>		<b>5,177</b>	<b>(1,689)</b>
<b>Allocation of loss for the year</b>			
Gain (loss) for the year		5,177	(1,689)
Transferred to accumulated loss		(5,177)	1,689



AKER BIOMARINE ASA

## Balance Sheet as of 31 December

USD Thousands	Note	2021	2020
<b>ASSETS</b>			
Property, plant and equipment	7	289	398
Intangible assets	7	-	-
Shares in subsidiaries and other companies	8	305,831	305,822
Long-term receivables from Group companies	12	211,406	226,352
<b>Total non-current assets</b>		<b>517,526</b>	<b>532,572</b>
Accounts receivable and other non-interest-bearing receivables		496	592
Current receivables from Group companies	12	4,974	38,978
Cash and cash equivalents	11	481	303
<b>Total current assets</b>		<b>5,950</b>	<b>39,873</b>
<b>Total assets</b>		<b>523,476</b>	<b>572,444</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	5	75,853	75,853
Share premium	5	507,977	472,718
<b>Total paid-in capital</b>		<b>583,829</b>	<b>548,571</b>
Accumulated loss	5	(66,114)	(41,665)
<b>Total equity</b>		<b>517,715</b>	<b>506,906</b>
Interest-bearing loans	9	-	54,616
Pension liabilities	10	168	183
Other long-term debt to Group companies and related parties	12	-	-
<b>Total non-current liabilities</b>		<b>168</b>	<b>54,798</b>
Current debt to related parties	12	306	954
Accounts payable and other current liabilities		5,287	4,887
Bank overdraft	9	-	4,900
<b>Total current liabilities</b>		<b>5,592</b>	<b>10,740</b>
<b>Total liabilities</b>		<b>5,760</b>	<b>65,539</b>
<b>Total equity and liabilities</b>		<b>523,476</b>	<b>572,444</b>



AKER BIOMARINE ASA

Oslo 22 March 2022

The Board of Directors and CEO of Aker BioMarine ASA

**Ola Snøve**

Chair of the Board

**Kjell Inge Røkke**

Director

**Øyvind Eriksen**

Director

**Sindre Skjong**

Director,

elected by the employees

**Lise Wiger**

Director,

elected by the employees

**Anne Harris**

Director

**Cila Holmes Indahl**

Director

**Matts Johansen**

CEO



AKER BIOMARINE ASA

## Cash flow for the year ended 31 December

USD Thousands	Note	2021	2020
Net gain (loss) before tax expense		5,176	(1,690)
Net expensed interest, interest paid and received	12,13	21,422	(6,940)
Depreciation, impairment, and amortization	7	109	136
Unrealized foreign exchange (gain) / loss and other non-cash-generating items		(23)	61
Changes in ordinary operating items		18,410	(39,576)
<b>Net cash flow from operating activities</b>		<b>45,095</b>	<b>(48,009)</b>
Payments for fixed and intangible assets	7		20
Net cash flow from long term receivables	12	14,983	(27,984)
<b>Net cash flow from investment activities</b>		<b>14,983</b>	<b>(27,964)</b>
Capital Increase			224,182
Proceeds, new short-term loans, related parties	12		(138,795)
Change in bank overdrafts	9		(9,472)
Change in bank loan	9	(59,900)	-
<b>Net cash flow from financing activities</b>		<b>(59,900)</b>	<b>75,915</b>
<b>Net change in cash and cash equivalents</b>		<b>178</b>	<b>(58)</b>
Effect of changes in foreign exchange rates on cash and cash equivalents			
Cash and cash equivalents as of January 1		303	361
<b>Cash and cash equivalents as of December 31</b>		<b>481</b>	<b>303</b>



## Note 1 – Accounting principles

The annual report is prepared and presented according to the Norwegian Accounting Act of 1998 and generally accepted accounting practices in Norway.

### *Subsidiaries and associated companies*

Subsidiaries are valued according to the cost method. Investments are valued at acquisition cost for the shares, unless a write-down has been necessary. Investments are written down to market value if the decline is viewed as not transitory in nature and when deemed necessary according to generally accepted accounting principles. Write-downs are reversed if the basis for the write-down is no longer present.

Associated companies and investments in joint venture are valued according to the equity method in the parent company accounts. The latter Investments are initially valued at acquisition cost for the shares, and subsequently adjusted to reflect the investor's share of the net assets of the associate.

### *Classification and valuation of balance sheet items*

Current assets and short-term liabilities include items that are due within one year. Other items are classified as non-current assets or long-term liabilities. Current assets are valued at the lower of acquisition cost or market value. Current liabilities are recorded in the balance sheet at face value at the time of the transaction.

Non-current assets are recorded at acquisition cost. Upon a change in value not deemed to be temporary, the affected fixed asset is written down to market value. Long-term liabilities are recorded in the balance sheet at face value at the date they are assumed.

### *Receivables*

Accounts receivable and other receivables are recorded in the balance sheet at face value after provision for expected losses. Provisions for losses are made based on individual assessment of receivables.

### *Functional currency and foreign currency*

Aker BioMarine AS has U.S. Dollars as functional currency and the financial statements are presented in U.S. Dollars. Foreign-currency-denominated monetary items are valued at the year-end exchange rate, and currency translation effects are presented within net foreign exchange gain/loss in the financial statement.

### *Property, plant and equipment, and intangible assets*

Other acquired intangible assets are recognized in the balance sheet at acquisition cost, less any accumulated amortization and impairment losses.

Estimated useful lives for the current and comparative reporting periods are as follows:

- Property, plant and equipment: 0–5 years
- Intangible assets: 0–3 years

### *Revenue recognition*

Income arising from royalties and management services provided to subsidiaries shall be recognized if all the following conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The amount of revenue can be measured reliably.

### *Taxes*

Tax expenses in the profit and loss account comprise taxes payable for the period and any change in deferred tax/deferred tax benefit. In 2021, deferred tax is calculated as 22% of the temporary differences between accounting and tax values, as well as the tax deficit carryforward at the end of the accounting. Tax increasing and tax reducing temporary differences that are reversed or can be reversed in the same period, are offset. Net deferred tax benefit is recorded in the balance sheet to the extent it is likely that it will be used.

### *Cash flow statement*

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents comprise cash, bank deposits, and other short-term liquid placements.

### *Use of estimates*

Preparation of the financial statement in accordance with generally accepted accounting practices requires management to make estimates and assumptions that affect the reported amounts in the profit and loss statement, the measurement of assets and liabilities, and the disclosure of contingent assets and liabilities on the balance sheet date. Actual results may differ from estimates.

Contingent losses deemed probable and quantifiable are expensed as incurred.



AKER BIOMARINE ASA

## Note 2 – Operating revenues

Operating revenues in 2021 are distributed as follows:

USD Thousands	Norway	EU	North America	Other	Total
Other revenue	221	–	–	–	221
Management fee from Group companies	16,738	–	18	16	16,772
<b>Total operating revenues</b>	<b>16,959</b>	<b>–</b>	<b>18</b>	<b>16</b>	<b>16,993</b>

Operating revenues in 2020 are distributed as follows:

USD Thousands	Norway	EU	North America	Other	Total
Other revenue	117	–	–	–	117
Management fee from Group companies	11,034	–	18	16	11,068
<b>Total operating revenues</b>	<b>11,151</b>	<b>–</b>	<b>18</b>	<b>16</b>	<b>11,185</b>

## Note 3 – Salaries and other payroll expenses:

Salaries and payroll expenses comprise of the following:

USD Thousands	2021	2020
Salaries	(8,698)	(6,081)
Other personnel costs	(699)	(205)
Employer's social security contribution	(1,019)	(903)
Pension expenses	(390)	(585)
<b>Total</b>	<b>(10,806)</b>	<b>(7,774)</b>
Average number of employees	54	50

## Note 4 – Other operating expenses

Other operating expenses comprise the following:

USD Thousands	2021	2020
Professional services	(4,870)	(3,330)
Office rent	(1,114)	(1,018)
Travel	(291)	(73)
Other operating expenses	(2,648)	(2,995)
<b>Total other operating expenses</b>	<b>(8,924)</b>	<b>(7,415)</b>

Remuneration paid to auditor included in other operating expenses 1):

USD Thousands	2021	2020
Ordinary auditing services	144	213
Other services	130	8
Tax advisory	42	9
<b>Total</b>	<b>316</b>	<b>229</b>

1) Remuneration to the auditor is presented excluding VAT.



AKER BIOMARINE ASA

## Note 5 – Equity

The Company's share capital amounts to NOK 525 516 516 distributed as 87 586 086 shares issued, each with a par value of NOK 6.00. All shares are equal in all respects.

As of December 31, 2021, Aker ASA owns 77.8% of the shares in the Company, 1.2% are owned by the Company's CEO through a holding company (ref. note 14), and the remaining 21% shares by other investors.

Changes in equity are set forth below:

USD Thousands	Share capital	Share premium	Accumulated loss	Total equity
<b>Equity as of December 31, 2019</b>	<b>68,003</b>	<b>256,386</b>	<b>(35,193)</b>	<b>289,194</b>
Acturial gain (loss)	-	-	(80)	(79)
Capital Increase	7,850	216,332	-	224,182
Correction from last year	-	-	(4,703)	(4,702)
Loss for the year	-	-	(1,689)	(1,689)
<b>Equity as of December 31, 2020</b>	<b>75,853</b>	<b>472,718</b>	<b>(41,665)</b>	<b>506,906</b>
Acturial gain (loss)	-	-	(22)	(22)
Correction from last year	-	-	5,656	5,655
Loss for the year	-	-	5,176	5,176
<b>Equity as of December 31, 2021</b>	<b>75,853</b>	<b>472,718</b>	<b>(30,855)</b>	<b>517,716</b>

The 20 largest shareholders as per 31 December 2021:

Shareholder	Number of shares	Per cent
AKER CAPITAL AS	68,132,830	77.79
The Bank of New York Mellon SA/NV	1,803,769	2.05
KMMN INVEST II AS	1,040,714	1.18
Skandinaviska Enskilda Banken AB	829,666	0.94
CASESIS Bank	802,252	0.91
Carnegie Investment Bank AB	775,000	0.88
DANSKE INVEST NORSKE INSTIT. II.	666,249	0.76
Danske Bank A/S	614,152	0.70
STORBREA AS	565,000	0.64
CitibankN.A	445,000	0.50
Danske Invest Norge Vekst	435,870	0.49
TIGERSTADEN MARINE AS	400,000	0.45
BECK ASSET MANAGEMENT AS	400,000	0.45
CENTRA CAPITAL AS	330,000	0.37
VERDIPAPIRFONDET DNB MILJØINVEST	316,997	0.36
DANSKE INVEST NORSKE AKSJER INST	307,100	0.35
VERDIPAPIRFONDET DNB NORGE	288,108	0.32
HAADEM INVEST AS	270,000	0.30
Skandinaviska Enskilda Banken AB	240,727	0.27
LOE EQUITY AS	240,000	0.27
<b>Total</b>	<b>78,903,434</b>	<b>90</b>



AKER BIOMARINE ASA

## Note 6 – Tax expense and deferred tax

USD Thousands	2021	2020
<b>Income tax expense</b>		
Change in deferred tax	2,915	4,800
Unrecognized change in deferred tax assets	(2,915)	(4,800)
<b>Tax base</b>		
Profit (loss) before tax	5,177	(1,689)
<b>Tax base (statutory tax purposes)</b>	<b>5,177</b>	<b>(1,689)</b>
Tax base (statutory tax purposes)	5,177	(1,689)
Expenses not tax deductible	21	37
Change in deferred tax	641	1,056
<b>Tax base</b>	<b>5,839</b>	<b>(597)</b>
Tax loss carried forward	(5,839)	597
<b>Temporary differences</b>		
<b>2,021</b>		
<b>2,020</b>		
Property, plant and equipment and intangible assets	(31)	115
Gain and loss accounts	67	87
Post employment benefit liabilities	(168)	(183)
<b>Net deferred tax assets</b>	<b>(132)</b>	<b>19</b>
Tax losses carried forward	(155,069)	(104,417)
Interest rate deductability carry forward	(16,491)	(17,044)
<b>Basis for deferred tax asset</b>	<b>(171,692)</b>	<b>(121,442)</b>
<b>Deferred tax asset (22%)</b>	<b>(37,772)</b>	<b>(26,717)</b>
<b>Unrecognized deferred tax assets</b>	<b>37,772</b>	<b>26,717</b>

Deferred tax has not been capitalized as it is not considered probable that the Company will have future taxable profit available, against which the unused tax losses and unused tax credits can be utilized.



AKER BIOMARINE ASA

## Note 7 – Fixed assets and Intangible assets

USD Thousands	Furnitures & fixtures	Total
<b>Acquisition cost as of January 1, 2021</b>	<b>632</b>	<b>632</b>
Investments	–	–
Retirement	–	–
<b>Acquisition cost as of December 31, 2021</b>	<b>632</b>	<b>633</b>
<b>Accumulated amortization and impairment as of January 1, 2021</b>	<b>(234)</b>	<b>(234)</b>
Depreciation for the year	(109)	(109)
Retirement	–	–
<b>Accumulated amortization and impairment as of December 31, 2021</b>	<b>(343)</b>	<b>(344)</b>
<b>Book value as of December 31, 2021</b>	<b>289</b>	<b>289</b>

USD Thousands	Furnitures & fixtures	Total
<b>Acquisition cost as of January 1, 2020</b>	<b>659</b>	<b>659</b>
Investments	20	20
Retirement	(47)	(47)
<b>Acquisition cost as of December 31, 2020</b>	<b>632</b>	<b>632</b>
<b>Accumulated amortization and impairment as of January 1, 2020</b>	<b>(97)</b>	<b>(97)</b>
Depreciation for the year	(136)	(136)
<b>Accumulated amortization and impairment as of December 31, 2020</b>	<b>(234)</b>	<b>(234)</b>
<b>Book value as of December 31, 2020</b>	<b>398</b>	<b>398</b>

All fixed assets are depreciated using the straight-line method and have estimated useful life of 5 years.

Operating lease expense amounted to USD 1.3 million in 2021 and USD 1.2 million in 2020. The Company's lease commitments under non-cancellable leases amounts to approx. USD 1.0 million annually, until 2025.

Operating lease costs are expensed as incurred. The Company has no financial lease arrangements.



AKER BIOMARINE ASA

## Note 8 – Shares in subsidiaries

Through its fully owned company Antarctic Harvesting Holding AS, The Resource Group Trg AS, owns 555,900 A-shares in Aker BioMarine Antarctic AS. The remaining 370,600 B-shares are held by Aker Biomarine ASA. Based on the content of the shareholder agreement between the Company and Antarctic Harvesting Holding, the Company defines Aker BioMarine Antarctic AS as a subsidiary for accounting purposes, even if the ownership is 40%.

Shares in subsidiaries and other companies comprised the following as of 31 December 2021:

USD Thousands	Ownership in % 1)	Headquarter	Equity as of December 31, 2021	Profit/loss before tax	Book value December 31, 2021
Aker BioMarine Antarctic AS	40	Bærum, Norway	49,561	(32,430)	305,447
Aion AS	100	Bærum, Norway	100	110	357
Complector Ship Management AS	100	Bærum, Norway	2	(9)	27
Shares in subsidiaries and other companies					305,831

1) Share of voting rights equals share of ownership.

Shares in subsidiaries and other companies comprised the following as of 31 December 2020:

USD Thousands	Ownership in % 1)	Headquarter	Equity as of December 31, 2020	Profit/loss before tax	Book value December 31, 2020
Aker BioMarine Antarctic AS	40	Bærum, Norway	76,766	(26,135)	305,447
Aion AS	100	Bærum, Norway	(18)	(22)	357
Complector Ship Management AS	100	Bærum, Norway	2	(9)	18
Shares in subsidiaries and other companies					305,821

1) Share of voting rights equals share of ownership.



AKER BIOMARINE ASA

## Note 9 – Interest-bearing loans from external parties:

USD Thousands	2021	2020
<b>Non-current liabilities</b>		
Loan from DNB ASA	–	54,616
<b>Current liabilities</b>		
Working capital facility from DNB ASA	–	4,900
<b>Total interest-bearing current liabilities</b>	–	<b>59,515</b>

In November 2021, Aker BioMarine Antarctic AS entered into a new sustainability-linked multicurrency term and revolving facility, and all loans in Aker BioMarine ASA were repaid.

## Note 10 – Pension expenses and liabilities

The Company has a combination of defined contribution and defined benefit plans that cover virtually all employees. These schemes comply with laws and regulations set forth in the different countries of operations. The Company's defined benefit obligation cover one employee. At the end of the year the defined benefit obligations were USD 0.59 million and the assets were USD 0.44 million. The fair value of the net obligation has been calculated using an appropriate discount rate. During the year the Company expensed USD 0.4 million, net of settlements and curtailment, on the defined benefit plan (2020: 0.3 million). In addition, USD 0.02 million related to changes in actuarial assumptions is expensed in other comprehensive income (2020: USD 0.1 million).

Pension expenses and liabilities relating to the defined-benefit plan are discussed in Note 4 to the consolidated financial statements for Aker BioMarine Group. The Company complies with all requirements for coverage by a collective pension plan, and all relevant laws and regulations.

## Note 11 – Restricted funds

The Company has USD 338 thousand in restricted funds associated with employee tax withholdings as of December 31, 2020 (2020: USD 303 thousand).



## AKER BIOMARINE ASA

### Note 12 – Transactions with subsidiaries and related parties

In 2021 and at year-end 2021, Aker BioMarine ASA recognized the following transactions in the statement of profit and loss and the balance sheet with other Group companies and related parties:

USD Thousands	Aker ASA	Aker BioMarine Antarctic AS	Other subsidiaries	Fornebu Gateway Felleskost AS	Cognite	Other related parties	Total
<b>Transactions recorded in profit and loss</b>							
Management fee (income)		16,675	95			127	<b>16,897</b>
Management fee (costs)	(79)			(188)	(317)	(28)	<b>(612)</b>
Interest income		14,257				45.9	<b>14,303</b>
Guarantee fee	(268)	(2,190)					<b>(2,458)</b>
<b>Transactions recognized in balance sheet at year-end</b>							
Long-term interest-bearing receivable		209,415	1,990			1	<b>211,406</b>
Current receivables		4,861	112				<b>4,974</b>
Current liabilities	221				70	14	<b>305</b>

In 2020 and at year-end 2020, Aker BioMarine ASA recognized the following transactions in the statement of profit and loss and the balance sheet with other Group companies and related parties:

USD Thousands	Aker ASA	Aker BioMarine Antarctic AS	Lang Pharma Nutrition LLC	Other subsidiaries	Aker Solutions	Other related parties	Total
<b>Transactions recorded in profit and loss</b>							
Management fee (income)		11,034		34			<b>11,068</b>
Management fee (costs)	(81)					(275)	<b>(356)</b>
Office rent (income)							
Interest income		14,273	27	/			<b>14,300</b>
Interest expenses	(2,994)						<b>(2,994)</b>
Guarantee fee	(1,637)	(2,082)					<b>(3,719)</b>
<b>Transactions recognized in balance sheet at year-end</b>							
Long-term interest-bearing receivable		226,352					<b>226,352</b>
Current receivables		20,403	9	108		34	<b>38,978</b>
Accrued guarantee/ interests fees, long- Long-term interest-bearing debt							
Current liabilities			955				<b>955</b>

### Note 13 – Other financial income and expenses

<b>Other interest- and financial income</b>			
USD Thousands		2021	2020
Interest income, bank		-	5
Other financial income		6	-
<b>Total</b>		<b>6</b>	<b>5</b>
<b>Other financial expenses</b>			
USD Thousands		2021	2020
Interest expenses		(3,146)	(4,371)
Other financial expenses		(544)	(718)
<b>Total</b>		<b>(3,690)</b>	<b>(5,089)</b>



AKER BIOMARINE ASA

## Note 14 – Salaries and other remuneration to the Board of Directors and executive management

*Remuneration paid to the Board of Directors for the year ended December 31:*

USD Thousands	Board membership	2021	2020
Ola Snøve	Chairman of the Board	60,276	–
Frank O. Reite*	Board member (Deputy)	30,138	10,638
Line Johnsen***	Employee representative		
<b>Total</b>		<b>90,414</b>	<b>10,638</b>

\* Elected at annual shareholder meeting February 2016

\*\*Employee representative from August 2019

\*\*\*Employee representative from June 2020 to June 2021

\*\*\*\*Employee representative from June 2021

There is no remuneration paid to the Board members and Employee representative other than ordinary salaries.

*Remuneration paid to the CEO*

The CEO is member of the defined contribution pension and insurance plans that cover all employees. The Group uses standard employment contracts. The CEO may be dismissed upon three months' notice. If the Company terminates the employment, the CEO is entitled to three months' severance pay after the end of the notice period. The pension is capped at a salary of 12 times the National Social Security base amount.

The Group implemented share incentive programs for employees in February 2022.

There is no bonus program for the employees. However, in relation to the admission to trading on Euronext Growth in July 2020, all employees received a bonus of NOK 15k each. Based on the company's performance in 2020, management team was awarded a bonus totaling USD 1.2 million. No bonus awarded in 2021, except for one member of the EMT.

*Payments to the CEO for the year ended December 31:*

USD Thousands	2021	2020
Fixed salary	459	420
Bonus	–	197
Other remuneration	–	1
Net pension cost	8	8
<b>Total</b>	<b>467</b>	<b>627</b>



## Directors' responsibility statement

Today, the board of directors and the chief executive officer reviewed and approved the board of directors' report and the consolidated and separate annual financial statements of Aker BioMarine ASA, consolidated and parent company for the year ending and as of 31 December 2021.

Aker BioMarine ASA's consolidated financial statements have been prepared in accordance with IFRSs and IFRICs adopted by the EU as well as additional disclosure requirements in the Norwegian Accounting Act and as such are to be applied per 31 December 2021. The separate financial statements of Aker BioMarine ASA have been prepared in accordance with the Norwegian Accounting Act and Norwegian accounting standards as at 31 December 2021. The board of directors' report for the group and the parent company satisfy with the requirements of the Norwegian Accounting Act and Norwegian accounting standard no. 16, as at 31 December 2021.

To the best of our knowledge:

- The consolidated and separate annual financial statements for 2021 have been prepared in accordance with applicable accounting standards.
- The consolidated and separate annual financial statements give a true and fair overall view of the assets, liabilities, financial position and profit/loss of the group and for the parent company as of 31 December 2021.
- The board of directors' report provides a true and fair review of the development and performance of the business and the position of the group and the parent company, the principal risks and uncertainties the group and the parent company may face.

Oslo 22 March 2022

The Board of Directors and CEO of Aker BioMarine ASA

**Ola Snøve**

Chair of the Board

**Kjell Inge Røkke**

Director

**Øyvind Eriksen**

Director

**Sindre Skjong**

Director,

elected by the employees

**Lise Wiger**

Director,

elected by the employees

**Anne Harris**

Director

**Cila Holmes Indahl**

Director

**Matts Johansen**

CEO



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To the General Meeting of Aker BioMarine ASA

## Independent Auditor's Report

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Aker BioMarine ASA, which comprise:

- The financial statements of the parent company Aker BioMarine ASA (the Company), which comprise the balance sheet as at 31 December 2021, the statement of profit or loss, the statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Aker BioMarine ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of 31 December 2021, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of cash flow and the consolidated statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- the financial statements comply with applicable statutory requirements.
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other 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 opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 8 years from the election by the general meeting of the shareholders on 30 June 2014 for the accounting year 2014.



**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**1. Valuation of inventories (Amount USD 138 million)**

Reference is made to Note 1 General information, critical accounting estimates and significant judgements and Note 12 Inventories in the Consolidated Financial Statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>The production of krill derived products in the ingredients segment is highly complex in several stages. The production process offshore is inherently uncertain and volatile due to factors such as length of the fishing season, ice conditions and quality of the krill harvested. These factors impact the parameters for capitalization of indirect production costs and the total cost of the products.</p> <p>Management exercise significant judgement in their cost allocation method and the measurement of the krill-based products held as inventories at year end.</p> <p>The valuation of inventories of work in progress and finished goods for the ingredient segment is therefore considered a key audit matter.</p> <p>The key estimates include judgements about forecasted market sales prices at the time the products are expected to be sold, and the method used to allocate costs between the products in the ingredients segment.</p> <ul style="list-style-type: none"> <li>• Forecast demand and market sales prices can fluctuate significantly over the holding period and are influenced by the fundamentals of the industry, including fluctuations in demand, supply and other factors that impact the krill industry. These factors influence the Group's determination of the most likely market conditions at the estimated date of sale and is therefore subject to estimation uncertainty.</li> <li>• The Group values the different products based on cost per unit. As the majority of the production costs is fixed, cost per unit is sensitive to the quantity harvested in Q4. Historically, there has been a low harvest in Q4, which increases the cost per unit and may</li> </ul>	<p>Our audit procedures on this area included:</p> <ul style="list-style-type: none"> <li>• Testing year-end inventory valuation models, in particular the identification and valuation of work in progress and finished goods considered to be assertions where the costs may potentially exceed the estimated net realizable value at the time of sale;</li> <li>• Assessing the Group's process to identify slow moving and obsolete inventories;</li> <li>• Comparing the estimated selling price towards historical selling price and selling price subsequent to year end;</li> <li>• Assessing the integrity of the inventory valuation models used, including the mathematical accuracy of the underlying calculation formulas;</li> <li>• Obtaining and assessing the Group's cost allocation policies and challenging management on their different scenarios;</li> <li>• Attending year-end inventory counts in significant locations, which included observing the process of identifying slow moving and potentially obsolete inventory, and obtaining confirmation from external warehouses; and</li> <li>• Assessing the Group's inventory valuation methodologies and the Group's disclosures in respect of inventory valuation against the requirements of relevant accounting standards.</li> </ul>



<p>trigger impairment as costs are higher than sales prices. There is also estimation uncertainty related to the applied cost allocation method and how the costs are allocated to products with different margins. Allocating costs to products with low margins might trigger impairment as the cost per unit exceeds the selling price.</p> <p>As at 31 December 2021, the Group has inventories of USD 138 million, of which inventories of work in progress and finished goods for the ingredient segment amount to USD 104 million.</p>	
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2. Impairment assessment of goodwill and intangible assets (Amount USD 172 million)

Reference is made to Note 1 *General information, critical accounting estimates and significant judgements*, Note 10 *Goodwill and intangible assets* and Note 11 *Impairment assessment* in the Consolidated Financial Statements.

<i>The key audit matter</i>	<i>How the matter was addressed in our report</i>
<p>The Group's operations are sensitive to competitive market conditions and other factors, including production volumes which impact key assumptions in cash flow forecasts and can give rise to impairment indicators.</p> <p>Management exercise judgement related to expected timing of future cash flows and key assumptions.</p> <p>Estimating the recoverable amount of intangible assets related to license agreements, fishing licences, customer relation and trademarks, and goodwill is therefore considered a key audit matter.</p> <p>Assessment of intangible assets and goodwill is based on net present value calculation on defined Cash Generating Units (CGUs). These methods are complex, based on manually developed models and involves significant forward-looking assumptions such as future cash flows, discount rate and growth rates.</p> <p>An important factor in this process is to identify and classify CGU's. CGU's are based on segments and the appropriateness of these CGU's are part of the focus areas.</p> <p>Impairment charges of USD 1,8 million were recognized in 2021 in relation to trademarks and customer relationships.</p>	<p>Our audit procedures in this area included:</p> <ul style="list-style-type: none"> <li>• Assessing management's process and results for identification and classification of CGU's and assessing whether they were appropriate and in accordance with relevant accounting standards;</li> <li>• Evaluating management's assessment of impairment indicators;</li> <li>• Performing retrospective reviews of the accuracy of management's estimates in terms of timing of cash outflows and other assumptions when impairment indicators are identified;</li> <li>• Considering the appropriateness of the value-in-use method applied by the Group to perform annual test of goodwill and intangible assets against the requirements of the accounting standards;</li> <li>• Evaluating and challenging the forecasted cash flows including timing of future cash flows applied in the models with reference to historical accuracy and Board of Directors approved business plans;</li> </ul>



<p>As at 31 December 2021, the Group has intangible assets of USD 77 million and goodwill of USD 95 million.</p>	<ul style="list-style-type: none"> <li>• Testing the integrity of the value-in-use model used, including the mathematical accuracy of the underlying calculation formulas;</li> <li>• Testing the sensitivity of the model by varying key assumptions such as forecast growth rates, terminal growth rate and discount rate; and</li> <li>• Assessing the adequacy of the disclosures in the financial report against the requirements of the accounting standards.</li> </ul>
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**Other Information**

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other accompanying information otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Our opinion on the Board of Director's report applies correspondingly for the statements on Corporate Governance and Corporate Social Responsibility.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway for the parent company, and International Financial Reporting Standards as adopted by the EU for the Group, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Independent Auditor's Report - Akar BioMarin ASA

## Report on Other Legal and Regulatory Requirements

### Report on compliance with Regulation on European Single Electronic Format (ESEF)

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#### Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name "akerbiom-2021-12-31-en" have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

#### Management's Responsibilities

Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

#### Auditor's Responsibilities

Our responsibility is to express an opinion on whether the financial statements have been prepared in accordance with ESEF. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance that the financial statements have been prepared in accordance with the European Single Electronic Format.

As part of our work, we performed procedures to obtain an understanding of the company's processes for preparing its financial statements in the European Single Electronic Format. We evaluated the completeness and accuracy of the iXBRL tagging and assessed management's use of judgement. Our work comprised reconciliation of the financial statements tagged under the European Single Electronic Format with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 22 March 2022

KPMG AS

Monica Hansen

State Authorised Public Accountant

(This document is signed electronically)



## РЕПНЭО

Brønnøysundregistrene er ansvarlig for innholdet i denne dokumentasjonen. Brønnøysundregistrene er ansvarlig for innholdet i denne dokumentasjonen. Brønnøysundregistrene er ansvarlig for innholdet i denne dokumentasjonen.

Byttsignatur for formålsløst bruk av dokumentet er ikke tillatt.

**Monica Hansen**

**Statistisk identifikasjon**

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2022-03-22 18:59:17 UTC

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## Independent Auditor's Assurance Report to Aker BioMarine ASA

We have been engaged by the management of Aker BioMarine ASA ("Aker BioMarine") to provide limited assurance in respect of the carbon emission data in the Annual and Sustainability Report of Aker BioMarine.

Our limited assurance engagement covers the carbon emissions data for the year ended 31 December 2021 as described in table on page 29.

### Our Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

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

Based on the limited assurance procedures performed and the evidence obtained, as described below, nothing has come to our attention, to indicate that the carbon emission data on page 29 in the Annual and Sustainability Report 2021 is not presented, in all material respects, in accordance with the criteria as defined by the GRI Standard 305: Emission.

### Management of Aker BioMarine's responsibility

The management of Aker BioMarine is responsible for the preparation and presentation of the carbon emission data for 2021 in accordance with the criteria as defined by the following GRI Standards: Disclosure 305-1, Disclosure 305-2 and Disclosure 305-3, as described in page 29 in the Annual and Sustainability Report 2021. It is important to view the information on the carbon emission data for 2021 in the context of these criteria.

These responsibilities include establishing such internal controls as management determines are necessary to enable the preparation of the information on the carbon emission data for 2021 that are free from material misstatement, whether due to fraud or error.

### Our Responsibility

Our responsibility is to perform a limited assurance engagement on Aker Horizons' preparation and presentation of the carbon emission data for 2021, and to express a conclusion based on the work performed.

We conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE 3410): "Assurance Engagements on Greenhouse Gas Statements", issued by the International Auditing and Assurance Standards Board.

ISAE 3410 requires that we plan and perform the engagement to obtain limited assurance about whether the information of the carbon emission data for 2021 is free from material misstatement.

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Brønnøysundregistrene - medlemsvirksomhet av Den norske Revisorsammenslutning

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Cherbourg	Kuala Lumpur	St. Paul	



The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. A limited assurance engagement in accordance with ISAE 3410 involves assessing the risks of material misstatement, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances of the engagement.

#### Limited Assurance of the carbon emissions data for 2021

The procedures selected depend on our understanding of the carbon emission data for 2021 and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. Our procedures for limited assurance on the carbon emission data for 2021 included, amongst others:

- Interviews with relevant staff at corporate level responsible for providing the information, carrying out internal control procedures and consolidating the carbon emission data for 2021;
- Reviewing relevant internal documentation, on a limited test basis, in order to determine the reliability of the carbon emission data for 2021;
- Reconciliation of relevant data input to the carbon emission data for 2021 against financial information and other documentation obtained during the audit of the 2021 financial statements.

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Oslo, 22 March 2022  
KPMG AS

Monica Hansen  
State Authorized Public Accountant

Torbjørn Westman  
Sustainability Specialist



2021  
Aker BioMarine Group  
Consolidated Financial statements



## BOARD OF DIRECTORS' REPORT

### SUMMARY OF 2021

Aker BioMarine reported Net sales of USD 262.1 million for 2021 and a Net loss for the year of USD 8.0 million. The adjusted EBITDA for 2021 was USD 48.0 million with a margin of 18%. The 9% reduction in sales from the previous year is largely explained by a drop in sales of krill oil in South Korea due to changed regulatory requirements. Aker BioMarine has a relatively high fixed cost base with high operational leverage, yielding higher earnings growth as the top line increases. Also in 2021, the company handled the covid-19 pandemic well and remained dedicated to the safety of all employees, without any significant disruption to operations.

Harvesting operations started well in 2021, with all three vessels in full operation and an all-time-high catch volume in the first quarter. In the remainder of the year, operations were more challenging, with limited krill available where our vessels were operating and in the third quarter, ice was blocking the entrance to sub-area 48.2, preventing fishing during much of this period. For the full year, the offshore production of krill meal was 43,800 MT, down from 45,000 in 2020. In 2021, important improvements for increased production the coming years were performed. Most notable improvements are the delivery of the new service vessel Antarctic Provider, the ordering of a Sounder USV (Unmanned Surface Vehicle) from Kongsberg Maritime to optimize krill search in Antarctica and further reduce the carbon footprint, in addition to important upgrades on Antarctic Sea.

Aker BioMarine's competitive position remains solid. In krill harvesting, the company accounts for the majority of all the global krill catch, even while holding a minority of the total number of fishing vessels. The onshore operation in Houston, USA, made also in 2021 significant improvements, and approximately 80% of the world's krill oil production goes through Aker BioMarine's factory.

In the animal health and nutrition business, QRILL Aqua ingredients continued with good sales development. Aker BioMarine entered in 2021 into the pet food market in China by, amongst others, signing of an agreement with China's leading producer of pet food. In the human health and nutrition business, total krill oil sales are impacted by the shortfall of volumes in South Korea but increased in other geographies.

Aker BioMarine's own krill oil brand, Kori, is sold on the shelves of the largest retailers in the US. In 2021, significant sales progress was made, especially towards the end of the year. A full national physical store distribution to both Sam's Club and Costco in 2022 is a key milestone for the growth of the Kori brand. The brand will be found in all 550 Costco warehouses and 588 Sam's Club warehouses in the US. Both retailers will feature pallet promotions as part of a launch in early 2022.

Aker BioMarine has for many years invested in innovation and research and development (R&D). Innovation is an integral part of the company's DNA and is at the core of the company culture. In 2021, Aker BioMarine and others published several studies documenting the benefits of both krill oil for human consumption and krill meal for animal feed. These studies equip Aker BioMarine and our customers with more information about their krill-based products, which enables greater awareness and sales.

During the year, there has been a good progress in the ongoing strategic innovation projects. For LYSOVETA, the development continues, including scale-up of commercial and manufacturing activities in the US, the first target market. For INV1, the pilot production

continued in providing batches for R&D and first commercialization purposes. For AION, there is an ongoing process to spin off the company.

In 2021, Aker BioMarine further developed the company's ESG framework and is committed to its ambitious 2030 and 2050 targets. Our environmental ESG targets concern the reduction of CO<sub>2</sub> emissions by 50% in 2030 and to be net zero in 2050. In its 2021 review, Sustainable Fisheries Partnership awarded Aker BioMarine's Antarctic krill fishery an A-rating for the 7<sup>th</sup> consecutive year, and hence, it is rated as one of the world's most sustainable fisheries.

### BUSINESS OVERVIEW

Aker BioMarine is a biotech innovator and Antarctic krill-harvesting company, dedicated to improving human and planetary health. The company has a strong position in its industry and is the world's leading supplier of krill-based ingredients for nutraceutical (Superba), aquaculture (QRILL Aqua), and animal feed applications (QRILL Pet). In addition, the company develops a new potential product, LYSOVETA, for targeted transporter of EPA and DHA from krill. Aker BioMarine is also targeting the global protein market with the new product INV1, a highly concentrated protein isolate from krill. The company's business is supported by research, and there are around 200 published studies showing the benefits of krill for humans and animals.

Aker BioMarine's fully integrated value chain starts with our sustainable krill harvesting in Antarctica. Our catch technology ensures very limited bycatch and utilizes 100% of the raw material. The three harvesting vessels are outfitted to simultaneously produce ingredients while catching krill. From the logistics hub in Montevideo, Aker BioMarine distributes products to customers globally, and ships ingredients to Houston for the production of krill oil. The company has inhouse sales and distribution teams locally in all the large markets where it operates, selling products to customers in more than 61 countries, including a private label business in the United States, Lang Pharma Nutrition, and the company's own krill oil brand, Kori.

Aker BioMarine's purpose is to Improve Human and Planetary Health, and this guides all employees and management when making decisions and setting priorities. Aker BioMarine adapted its strategy to UN's Sustainable Development Goals (SDG) back in 2015, and the company focuses on four of the SDGs:

- GOOD HEALTH AND WELL-BEING by combating lifestyle diseases through its Superba krill oil products.
- ZERO HUNGER by making aquaculture more efficient through its QRILL Aqua products.
- RESPONSIBLE CONSUMPTION AND PRODUCTION through mapping out CO<sub>2</sub> and waste stream and implementing new initiatives to reduce the footprint each year.
- LIFE BELOW WATER by building the most sustainable fishery in the world, and being transparent, responsible, and contributing to science in Antarctica.

Aker BioMarine owns and operates three krill harvesting vessels under Norwegian flag: Saga Sea, Antarctic Sea and Antarctic Endurance. The vessels produce krill feed products and intermediates onboard. In addition, the company owns the newbuilt support vessel Antarctic Provider, that was delivered in February 2021. Antarctic Provider transports krill products, crew, fuel and consumables between the



harvesting vessels and the logistics hub in Montevideo, Uruguay. Aker BioMarine holds four krill harvesting licenses issued by the Norwegian Government, three of which are in use today. The company also owns and operates its onshore krill oil factory in Houston, Texas.

The Aker BioMarine headquarters are located at Fornebu, Norway. In April 2021, the shares of Aker BioMarine were transferred from trading on Euronext growth to Oslo Børs.

## FINANCIAL INFORMATION

### *Consolidated results*

In 2021, Net sales decreased by 9% to USD 262.0 million, from USD 288.6 million in 2020, mainly driven by lower sales in the Ingredients segment. Net loss for the year was USD 8.0 million, down from USD 5.5 million in 2020. Lower harvesting than expected significantly impacted the 2021 results with lower gross margins for the QRILL category, as well as limited availability of the QRILL product. Adjusted Group Earnings before Interest, Tax, Depreciation, Amortization and special operating items ("adjusted EBITDA") was USD 48.0 million in 2021, compared to USD 78.1 million in 2020. In 2020, cost related to the launch of Kori in the US of USD 17 million was excluded from adjusted EBITDA. However, from 2021 all marketing cost of Kori is included, and hence, this change explains part of the decrease. The decrease is also due to a drop in sales of krill oil in South Korea and lower harvesting volumes.

### *Cash flow*

Cash flow from operations was USD 0.7 million in 2021, an increase from USD -51.0 million in 2020, mainly due to release of receivables and several effects in 2020 not recurring in 2021, such as the contract payment and payment of accrued interest to Aker ASA. The difference between cash flow from operations and the operating profit (loss) in the statements of profit or loss mainly represents changes in working capital, depreciation and amortization, as well as financial expenses such as interest and guarantee fees included in cash flow from operations. Cash flow from investing activity include the acquisition of Antarctic Provider as well as growth and maintenance capital expenditures on existing assets. Total investments were USD 79.2 million compared to USD 2.0 million in 2020, where 2020 was impacted by the sale of harvesting vessel Juvel for USD 21.6 million. Net cash flow from financing activity was USD 78.9 million (2020: USD 50.2 million), mainly in relation to the acquisition of Antarctic Provider. In addition, the Group refinanced its external debt by drawing USD 335.0 million combined with a down payment of USD 260.3 million on existing facilities.

### *Financial position*

As of 31 December 2021, the equity ratio was 49%, compared to 53% at year-end 2020 after the private placement was completed in connection with the admittance to Euronext Growth in July 2020. Cash and cash equivalents amounted to USD 11.1 million, compared to USD 10.7 million as of year-end 2020. In addition, the fuel hedge, now assessed under hedge accounting, amounted to USD 12.5 million where a significant part is prepaid. Total assets amounted to USD 757.5 million and total equity was USD 370.4 million. Corresponding 2020 figures were USD 700.4 million in total assets and USD 373.2 million in total equity. The increased asset base mainly comprised of acquisition

of Antarctic Provider as well as higher inventory values following build-up of krill oil inventory. Interest-bearing debt amounted to USD 324.8 million as of 31 December 2021, of which USD 294.1 million is long-term interest-bearing debt and USD 30.7 million is short-term interest-bearing debt. The available liquidity under the company's debt facilities amounted to USD 106.3 million as of 31 December 2021.

## AKER BIOMARINE ASA

The parent company Aker BioMarine ASA is a holding company, with financial activities and with corporate functions. Aker BioMarine ASA had a Net gain of USD 5.1 million in 2021, compared to Net loss USD 1.7 million in 2020. The reduction in Net loss is primarily driven by lower interest and guarantee expenses on debt facilities. Total assets were USD 523.48 million as of 31 December 2021, compared to USD 572.4 million in 2020. Cash and cash equivalents were USD 0.5 million as of 31 December 2021, the same level as in 2020. During 2021 the Group signed and executed a new financing structure with a bank group consisting of DNB Bank, Cooperative Rabobank and Nordea Bank. The financing structure is placed in Aker BioMarine Antarctic AS, implying that interest bearing loans in the Company is transferred to Aker BioMarine Antarctic AS.

The Board of Directors has proposed that the Net loss for the period is allocated to retained earnings.

## FINANCIAL RISK AND RISK MANAGEMENT

Aker BioMarine is exposed to credit, liquidity and interest risk in addition to operational risks and uncertainties related to harvesting and offshore processing technologies, fluctuations in annual krill harvesting, onshore production processes and product quality, ability to develop new products, and general market risk, which includes product sales. The Covid-19 pandemic inherently increased many of these risk factors, as markets become more uncertain, and operations become more complex, expensive, and less robust to interruption. Aker BioMarine has implemented measures to mitigate the risk for operational disruptions due to the Covid-19 situation, both offshore and onshore, as well as in the offices.

### Other key operational risks and uncertainties

*Future sales growth:* Increased competition from e.g., China could impact the ability to grow the demand for krill products globally, but also putting pressure on prices. New and stricter regulatory regimes could also impact sales short to medium term, similar to the situation the company experienced in South Korea during 2020.

*Access to harvesting in the Antarctic:* Changes in any regulations from CCAMLR (Commission for the Conservation of Antarctic Marine Living Resources), new Marine Protected Areas (MPAs) affecting the fishing area, or transitional climate risk of broader regulatory bodies limiting the harvesting areas may reduce access to krill. Increased competition from other harvesting countries, e.g., China could also affect the company's ability to harvest krill. Weather- and ice conditions might also affect harvesting from year to year.

*Climate change:* Any climate change affecting the krill biomass with regards to availability and fat composition, could significantly affect the harvesting. In addition, ice and weather conditions could create a more challenging operational environment both offshore, and also for the onshore plant in Houston.



## BOARD OF DIRECTORS' REPORT

*Operational breakdown:* A major disaster or incident, due to technical issues or natural disasters, in the Houston plant or on any of the harvesting vessels could have serious operational, environmental, and financial impact.

### Key financial risk and uncertainties

The company's activities create exposure to various types of risk which are associated with the financial instruments and markets in which it operates. The most significant types of financial risk are credit risk, liquidity risk, and market risks. Risk management is carried out in order to create predictability and stability for operating cash flows and values. Management can use financial derivatives to hedge against risk relating to operations, financing, and investment activities if the financial derivative has been approved by the Board of Directors. In 2020 the company entered into a fuel hedge contract with DNB for hedging of bunkers oil for the period 2021-2024.

*Credit risk:* Relates to receivables from customers and is monitored on a routine basis with credit evaluations being performed on customers as appropriate. When entering significant sales contracts, the sales department seeks to reduce credit risk through more stringent payment terms including requirement of up-front payments. The company has had low losses on receivables as the sales department is maintaining close contact with each customer and routine billing and cash collection is performed.

*Liquidity risk:* Inability to meet financial liabilities as they mature. The company has not hedged against exposure to interest-rate fluctuations on debt and is therefore exposed to fluctuations on the variable rate amount of interest-bearing liabilities, which was USD 311.6 million as of 31 December 2021 (2020: USD 145 million).

### *Other financial risk:*

These are described in more detail in Note 20 (Financial risk) to the consolidated financial statements, but include:

- **Currency:** Aker BioMarine operates in a global market and is exposed to currency fluctuations, primarily in the USD, NOK and EUR exchange rates with USD as its functional currency. The company seeks to ensure that revenues and expenses are in the same currency. The company periodically assesses the need for foreign currency hedging. Currency risk is managed on an overall Group level.
- **Interest rate:** The majority of the Group's debt facilities is floating. Aker BioMarine is therefore exposed to interest rate volatility and development, and the company periodically assesses the need for interest rate swaps or fixed papers when entering new debt facilities.
- **Fuel price:** Fuel cost is one of the company's largest operating costs. In June 2020 the company entered into a hedging arrangement for MGO fuel by using call options for 2021-2024. Total volume over the four-year period is 143 077 metric ton of MGO with the purpose of securing the future cash-flows from operating the company's fleet.

The Group has adopted a risk management policy to identify, measure, and mitigate risks.

## HEALTH AND SAFETY

The krill-harvesting vessels, as well as the support vessel, operate in rough Antarctic waters. Crew health and the working environment are important concerns for the company. Despite the demanding conditions, illness and accident rates onboard are low. 'Safety first' is a key focus throughout the company's value chain. Sick leave rates are low both onboard the vessels, at the factory in Houston, and in the global office locations.

Throughout 2021 we have started a more Global and holistic approach to integrate our production sites, vessels, and office spaces, plus understand and align between the strategic, tactical, and operational needs. We have implemented a Global emergency preparedness manual and a global emergency response notification telephone system, which allows our employees to report/notify us of an emergency incident anywhere in the world 24/7, 365 days a year. Aker BioMarine has put in place systems to ensure that crew members have access to medical attention, in case of injury or illness when vessels are operating far from shore. The onboard working environment is reported as good, as evidenced by the low crew turnover rate.

Aker BioMarine's objective is to minimize personnel injuries, environmental harm, and vessel or property damage. The company conducts systematic safety drills that prepare crew and onshore personnel for handling demanding scenarios that may occur on board or onshore. Personnel safety is important and efforts to further improve safety are ongoing.

During 2021 the offshore operations had four employee injuries leading to lost time. One of the incidents required medical evacuation due to a broken leg, the other three incidents were milder and did not require external medical treatment. In total, the offshore operation had 23 recordable incidents of various nature across all 4 vessels. At the plant in Houston there were 5 recordable incidents, of which 4 were injuries which resulted in lost time. None of the 4 injuries were considered serious incidents. There are no reports of significant injuries caused by other conditions associated with the company's operations. The company views accidents and hazardous conditions with great concern. Incidents and procedures are reviewed regularly, and measures are implemented to avoid recurrence.

The registered sick leave in the company's offshore operation was 0.6% in 2021, up from 0.3% in 2020. At the Houston plant sick leave was 0.5% in 2021, down from 1.5% in 2020. In the global offices, the sick leave was 1.0% in 2021, down from 1.7% in 2020.

## ENVIRONMENT

The most significant environmental effects of Aker BioMarine's activities relates to climate change, biodiversity, recycling, and waste management. The main resources utilized are krill, energy, water, and land use. The activities that affect the environment are the capture of krill, energy consumption and emissions from the three vessels fishing in Antarctica and the support vessel that transports krill and crew from the fishing vessels to the mainland, energy consumption and emissions from the manufacturing facilities that produce krill products and the transport of these products to customers mainly in the US, Europe and Asia.

Sustainability has been an integral part of Aker BioMarine's operations and business model since the company's inception. Aker BioMarine is



known for its proprietary Eco-Harvesting technology, which reduces by-catch to a minimum. Known for its fully transparent operations, the company was the first krill fishery to receive the Marine Stewardship Council (MSC) certification in 2010, and it received re-certification in 2015 for another five years and was once again rated as state-of-the-art both on sustainability of the stock, limited ecosystem impact and effective management at the end of 2021.

For the seventh year in a row, the Antarctic krill fishery has received the highest score, an "A" rating in 2021, from Sustainable Fisheries Partnership for having a biomass that is rated as in 'very good' condition. The Antarctic krill fishery is the only reduction fishery to receive an "A" rating.

Aker BioMarine has contributed to the establishment of the Antarctic Wildlife Research Fund (AWR), which exists to facilitate and promote Antarctic marine ecosystem research.

Aker BioMarine has developed an ESG framework and committed to several ambitious 2030 and 2050 targets. Our environmental ESG targets concern the reduction of CO<sub>2</sub> emissions by 50% in 2030 and to be net zero in 2050. In addition, we have set a target to be 100% circular in our principal waste streams by 2030 and to protect biodiversity and the environments we operate in by ensuring we retain top rated certification for our fisheries.

We employ a tracking and reporting system in order to work towards progress on our environmental targets. In 2021 we established the Climate and Decarbonization Committee (CDC) that is dedicated to work strategically and tactically on our identified environmental hot spots to ensure CO<sub>2</sub> emission reduction. The committee is overseen by the executive management. The CO<sub>2</sub> emissions are disclosed in a separate section of the Annual Report.

Aker BioMarine has established a circular solution company, called AION. With AION, the company's own plastic streams and biological residue will be recycled to new products, driving the company towards its zero-waste vision. In addition, in 2021 Aker BioMarine has nearly eliminated product waste through circular sales and re-purposing of traditional products.

Aker BioMarine also maintains an extensive stakeholder collaboration with authorities, science institutions and environmental NGOs that are engaged in the Antarctica specifically, as well as the broader community, in order to position marine resources as an important component into future foods and nutrients.

## ORGANIZATION

Driving equality and diversity through an engaged and well-respected workforce is a key enabler to delivering on the company's overall strategy. Therefore, it is fundamental for Aker BioMarine to maintain a working environment with equal opportunities for all based on qualifications, regardless of gender, ethnicity, religion, age, sexual orientation, or disability. Aker BioMarine's diverse workforce consists of approximately around 40 nationalities and includes a wide range of competencies and insights, which serves to benefit both customers and the overall business.

Aker BioMarine seeks to promote diversity and prevent gender discrimination in the workforce through clear recruitment requirements and the development of individuals and programs that support equal opportunity. This means that the company is committed to both

promote and pay employees fairly, regardless of individual characteristics, and that individuals with the same jobs, with equal professional experience, who perform equally well, shall receive the same pay in Aker BioMarine. Salary reports identified certain differences with respect to equal pay, and the company is currently making necessary adjustments to align the identified differences, and in 2021 we were able to reduce the gap by 3.4 % through the salary adjustment process. Further analysis is needed to evaluate whether any differences in salary are linked, directly or indirectly, to gender. The female ratio in middle management positions is low (24%) and particular focus will be placed on improving the gender balance in leadership positions in the years coming.

Aker BioMarine has a low percentage of women in its fisheries in Antarctica and manufacturing in Houston. However, the company has a more balanced mix of women and men in its other, global offices where 54% are women among the 251 employees.

In 2021, women held 37% (2020: 26%) of the positions in the company. The share of women on the Board of Directors was 40% among the shareholder-elected board members (2020: 0%), while it was 50% among the employee-elected members (2020: 50%), totaling 43%. The share of women in the executive management team was 40%. In total, Aker BioMarine had 429 employees in 2021 (2019: 551), of whom 132 employees were based in Norway (2020: 129), 163 in the US (2020: 151), and 102 employees were located onboard the vessels (2020: 241). In addition, Aker BioMarine has 32 employees (2020: 29) located across seven different countries. The reason for the reduced number of employees onboard the vessels, is that the company from 2021 made use of contract outsourcing for parts of the crew.

## CORPORATE GOVERNANCE

Aker BioMarine is a public limited liability company organized under Norwegian law and with a governance structure based on Norwegian corporate law and other regulatory requirements.

The company's corporate governance model is designed to provide a foundation for long-term value creation and to ensure good oversight. Aker BioMarine has seven board members, none of whom are members of the company's management and two of whom are employee representatives. Three of the board members are female and four are male. A majority of the board members are independent of the company management and significant business partners, and two of the shareholder-elected board members are independent of Aker ASA. The Chairman is elected by the General Meeting.

The Board of Aker BioMarine establishes the overall principles for governance and control in Aker BioMarine ASA through the adoption of various governing documents. Aker BioMarine follows the Norwegian Code of Practice for Corporate Governance. The company's practice is largely in accordance with these recommendations. Aker BioMarine ASA holds a Directors and Officers Liability Insurance on behalf of the Board of Directors and the CEO

Reference is made to the Corporate Governance Report, which is approved by the Board of Directors.

As of 31 December 2021, Aker Capital AS held 77.8% of the shares in Aker BioMarine, and the CEO, through his wholly owned subsidiary KMMN Invest II AS, held 1.19%.



## BOARD OF DIRECTORS' REPORT

### EVENTS AFTER THE END OF THE REPORTING PERIOD

*Important study shows that krill oil significantly reduces major cardiovascular risk factors*

On 6 January 2022, in a publication on JAMA network, leading scientists presented the effects of krill oil supplementation on 520 patients with severely high triglyceride levels in their blood (hypertriglyceridemia). The findings show that patients consuming the krill oil experienced a 26.0% reduction in blood triglyceride levels from baseline, versus a 15.1% reduction among the placebo group after 12 weeks, giving a significant treatment difference of -10.9%. After 26 weeks, the patients consuming the krill oil experienced a 33.5% reduction in blood triglyceride levels from baseline, versus a 20.8 % reduction among the placebo group, giving a significant treatment difference of -12.7%

*Russian invasion of Ukraine*

On 24 February 2022, Russia initiated an invasion of Ukraine and this has resulted in international sanctions on Russia. The cut of Russia from the SWIFT system has a direct impact on Aker BioMarine's offshore activity as there are many crew members from Russia. As per now, the company is operating as normal and is closely monitoring the situation.

The global oil- and fuel prices have increased significantly as a result of the situation. However, the Group's exposure to fuel cost increases is limited due to fuel hedge positions in the period 2022-2024.

*Employee share program*

In March 2022 the Company invited employees to participate in an employee share purchase program. The program offers employees on active payroll in the Norwegian Group Companies to purchase ordinary shares in the Company at a reduced offer price. The main purpose of the program is to align the interest between the shareholders and the Aker BioMarine employee and encourage participation in the long-term value creation of Aker BioMarine.

### BUSINESS OUTLOOK

The global omega-3 supplement market is, according to Grand View Research, expected to grow at an annual compounded rate of around 8% towards 2026 largely impacted by a growing health awareness among Asian and US consumers and the growth in the geriatric population, especially in developed economics. Further, krill and algae are expected to be the main growth drivers due to the declining availability of fish as the main ingredient. Aker BioMarine expects healthy demand in the aqua market with high omega-3 prices, especially driven by a tight salmon supply, but also a general strong post Covid-19 recovery within most seafood species.

Aker BioMarine will continue to expand its sales and marketing efforts to develop the company's existing and new markets with prospective leads and new customers, in addition to further increasing sales among its current customer-base. Asia is expected to be an important growth region for both Superba™ and QRILL Aqua. The company targets higher sales in its consumer brands business in the US.

The good performance at the krill oil plant in Houston continued in 2021, and production reached a new all-time-high of 21% higher output than in 2020. As a result of the high volumes, the company has sufficient safety stock of krill oil, and will use the opportunity for a 4-6-months plant shutdown in the second half of 2022 to carry out

upgrades, both related to flexibility in the production process to enable production of new product lines like LYSOVETA, and implementation of efficiency and quality enhancements.

Aker BioMarine has historically observed annual variations in catch volumes, due to both weather conditions and the occurrence of krill in the various sub-areas in Antarctica. The company plans for average annual harvesting volumes of 55,000 – 60,000 metric tons, although there will still be seasonal and operational variations from year to year.

For the full year 2022, Aker BioMarine targets a sales growth of between 20-25% and Adjusted EBITDA margin of 20-25%.

The company focus' on the ongoing strategic innovation projects. For LYSOVETA, the development continues, including scale-up of commercial and manufacturing activities in the US, the first target market. Aker BioMarine aims to have regulatory approval for product sale in the US by the end of 2022 with technical samples already available for research. For the pharmaceutical sector, discussions are still ongoing for potential new partnerships. Aker BioMarine is also exploring other partnership options.

For AION, there is an ongoing process to spin off the company that is expected to be concluded during first half of 2022.

For INVI, the pilot production continues in providing batches for R&D and commercialization purposes. The protein launch plant construction in Norway is scheduled to start in the second quarter 2022.

### GOING CONCERN ASSUMPTION

Aker BioMarine had at year-end a total equity of USD 370 million, implying an equity ratio of around 50%. This combined with availability under the refinanced debt facilities, the assessment is that the entity is able to continue as a going concern. Therefore, pursuant to section 3-3a of the Norwegian Accounting Act, the Board of Directors confirms that the going concern assumption, on which the financial statements have been prepared, is deemed appropriate.

For AION, there is an ongoing process to spin off the company that is expected to be concluded during first half of 2022.

For INVI, the pilot production continues in providing batches for R&D and commercialization purposes. The protein launch plant construction in Norway is scheduled to start in the second quarter 2022.



Oslo 22 March 2022

The Board of Directors and CEO of Aker BioMarine ASA

**Ola Snøve**

Chair of the Board

**Kjell Inge Røkke**

Director

**Øyvind Eriksen**

Director

**Sindre Skjong**

Director,  
elected by the employees

**Lise Wiger**

Director,  
elected by the employees

**Anne Harris**

Director

**Cila Holmes Indahl**

Director

**Matts Johansen**

CEO



## CONSOLIDATED FINANCIAL STATEMENTS

AKER BIOMARINE GROUP ACCOUNTS

### CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

for the year ended December 31

USD Thousands	Note	2021	2020
Net sales	2	262,062	288,588
Cost of goods sold	12	(174,002)	(179,010)
<b>Gross profit</b>		<b>88,060</b>	<b>109,578</b>
Selling, general and administrative expense	4	(85,705)	(86,847)
Depreciation, amortization and impairment (non-production assets)	9,10,11	(19,170)	(17,125)
Other operating income	2	3,149	2,348
Other operating cost	4	-	(954)
<b>Operating profit</b>		<b>(13,666)</b>	<b>7,000</b>
Financial income	5	21,275	16,794
Financial expenses	5,7,18	(15,660)	(22,827)
Net foreign exchange gain/loss	5,18	647	(279)
<b>Profit (loss) before tax</b>		<b>(7,404)</b>	<b>688</b>
Tax expense	8	(604)	(6,151)
<b>Net loss</b>		<b>(8,008)</b>	<b>(5,463)</b>
<b>Earnings per share to equity holders of Aker BioMarine ASA</b>	25		
Basic		(0.09)	(0.07)
Diluted		(0.09)	(0.07)



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CONSOLIDATED FINANCIAL STATEMENTS

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AKER BIOMARINE GROUP ACCOUNTS

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

for the year ended December 31

USD Thousands	Note	2021	2020
<b>Net loss</b>		<b>(8,008)</b>	<b>(5,463)</b>
<b>Other comprehensive income (loss)</b>			
Defined benefit plan income gains (losses)	4	(21)	(79)
<b>Total items that will not be reclassified to profit and loss</b>		<b>(21)</b>	<b>(79)</b>
Translation differences		-	(11)
Change in fair value cash flow hedges	20	5,230	-
<b>Total items that may be reclassified to profit and loss</b>		<b>5,230</b>	<b>(11)</b>
<b>Total other comprehensive income (loss)</b>		<b>5,209</b>	<b>(90)</b>
<b>Total comprehensive income (loss)</b>		<b>(2,799)</b>	<b>(5,553)</b>



## CONSOLIDATED FINANCIAL STATEMENTS

AKER BIOMARINE GROUP ACCOUNTS

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

for the year ended December 31

USD Thousands	Note	2021	2020
<b>ASSETS</b>			
Property, plant and equipment	9,11,20	327,852	266,556
Right-of-use assets	18	11,262	13,145
Intangible assets and goodwill	10,11	171,536	180,552
Contract cost	2	7,179	9,167
Derivative assets, non-current	7,20	-	7,743
Other non-interest-bearing non-current receivables	20	10	18
Investments in equity-accounted investee		106	130
<b>Total non-current assets</b>		<b>517,945</b>	<b>477,311</b>
Inventories	12	138,225	114,559
Trade receivable and other current assets	13,20	77,699	97,885
Derivative assets	7,20	12,486	-
Cash and cash equivalents	14,20	11,132	10,678
<b>Total current assets</b>		<b>239,541</b>	<b>223,121</b>
<b>Total assets</b>		<b>757,486</b>	<b>700,432</b>
<b>LIABILITIES AND OWNERS' EQUITY</b>			
Share capital	24	75,853	75,853
Other paid-in equity		493,555	493,555
<b>Total paid-in equity</b>		<b>569,408</b>	<b>569,408</b>
Translation differences and other reserves		5,352	143
Retained earnings		(204,389)	(196,380)
<b>Total equity</b>		<b>370,371</b>	<b>373,170</b>
Interest-bearing debt	15,18,20	294,111	210,578
Derivative liabilities, non-current	7,20	-	8,996
Deferred tax liability	8	4,879	4,817
Other non-interest-bearing non-current liabilities	16	10,807	31,929
<b>Total non-current liabilities</b>		<b>309,797</b>	<b>256,319</b>
Interest-bearing current liabilities	15,18,20	30,731	32,222
Accounts payable and other payables	17,20	46,587	38,721
<b>Total current liabilities</b>		<b>77,318</b>	<b>70,943</b>
<b>Total liabilities</b>		<b>387,115</b>	<b>327,262</b>
<b>Total equity and liabilities</b>		<b>757,486</b>	<b>700,432</b>



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CONSOLIDATED FINANCIAL STATEMENTS

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AKER BIOMARINE GROUP ACCOUNTS

Oslo 22 March 2022

The Board of Directors and CEO of Aker BioMarine ASA

**Ola Snøve**

Chair of the Board

**Kjell Inge Røkke**

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CEO



## CONSOLIDATED FINANCIAL STATEMENTS

AKER BIOMARINE GROUP ACCOUNTS

### CONSOLIDATED STATEMENTS OF CASH FLOW

for the year ended December 31

USD Thousands	Note	2021	2020
<b>Net loss</b>		<b>(8,008)</b>	<b>(5,463)</b>
Tax expenses	8	604	6,151
Net interest and guarantee expenses	5	13,658	17,861
Interest paid		(12,799)	(30,749)
Interest received		19	871
Taxes paid	8	3,317	(2,332)
Impairment charges	11	5,807	43
Depreciation and amortization	9,10	51,082	48,247
Fuel hedge and new market tax credit	5,7,15,20	-	(6,547)
Foreign exchange loss (gain)		(259)	314
Change in non-current interest free asset and liabilities		(22,374)	(29,459)
Change in inventory	12	(23,667)	(20,545)
Change in accounts receivable, other current receivables, accounts payable and other current liabilities		(6,650)	(29,435)
<b>Net cash flow from operating activities</b>		<b>729</b>	<b>(51,043)</b>
Payments for property, plant and equipment	9	(78,686)	(21,654)
Payments for intangibles	10	(2,421)	(2,055)
Proceeds from sales of property, plant and equipment		1,906	22,012
Investments in subsidiary and associated companies	6	(10)	(356)
<b>Net cash flow from investing activities</b>		<b>(79,210)</b>	<b>(2,053)</b>
Change in overdraft facility	15,20	4,192	(16,462)
New long-term debt, external	15,20	335,000	10,000
Instalments long-term debt, external	15,20	(260,277)	(93,757)
Loan from owners	15	-	23,000
Payments to owners		-	(96,795)
<b>Net repayment and issue of interest-bearing debt</b>		<b>78,915</b>	<b>(174,014)</b>
Capital increase		19	224,178
<b>Net cash flow from financing activities</b>	15	<b>78,935</b>	<b>50,163</b>
<b>Net change in cash and cash equivalents</b>		<b>454</b>	<b>(2,933)</b>
<b>Cash and cash equivalents as of January 1</b>	14	<b>10,678</b>	<b>13,610</b>
<b>Cash and cash equivalents as of December 31</b>	14	<b>11,132</b>	<b>10,678</b>



## CONSOLIDATED FINANCIAL STATEMENTS

AKER BIOMARINE GROUP ACCOUNTS

### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

for the year ended December 31

USD Thousands	Share capital	Share premium	Other paid-in capital	Translation and other reserves	Retained earnings	Total
<b>Balance as of December 31, 2020</b>	<b>75,853</b>	<b>529,896</b>	<b>(36,341)</b>	<b>143</b>	<b>(196,380)</b>	<b>373,170</b>
<b>Balance as of January 1, 2021</b>	<b>75,853</b>	<b>529,896</b>	<b>(36,341)</b>	<b>143</b>	<b>(196,380)</b>	<b>373,170</b>
Net profit (loss) for the year	-	-	-	-	(8,008)	<b>(8,008)</b>
Other comprehensive income (loss)	-	-	-	5,209	-	<b>5,209</b>
<b>Total comprehensive income (loss)</b>	-	-	-	<b>5,209</b>	<b>(8,008)</b>	<b>(2,799)</b>
<b>Total transactions with owners, recognized directly in equity</b>	-	-	-	-	-	-
<b>Balance as of December 31, 2021</b>	<b>75,853</b>	<b>529,896</b>	<b>(36,341)</b>	<b>5,352</b>	<b>(204,389)</b>	<b>370,371</b>



AKER BIOMARINE GROUP ACCOUNTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1 – General Information

These consolidated financial statements are for the reporting entity Aker BioMarine ASA (the "Company") and its subsidiaries (together, the "Group"). The Company is a limited liability company domiciled in Norway with its registered office at Oksenøyveien 10, 1366 Lysaker, Norway.

The Group is a global supplier of krill-derived products, with a fully owned supply chain. The operations of the Group spans from harvesting krill in the Antarctica with vessels owned by the Group, includes distribution world-wide from Uruguay, and further processing of the krill into oil-products in the United States.

These consolidated financial statements were authorized for issue by the Board of Directors' and the CEO on March 22, 2022. The consolidated financial statements will be submitted to Aker BioMarine's annual General Assembly on April 20, 2022 for final approval.

#### **Basis for preparation**

The consolidated financial statements have been prepared in accordance with IFRS and the IFRS Interpretations Committee (IFRIC) interpretations as approved by the IASB and adopted by the EU as of December 31, 2021. The consolidated financial statements of Aker BioMarine AS have been prepared on a going concern basis under the historical cost convention, except as otherwise described in the sections below where fair value is required for derivatives and contingent consideration. Certain comparative figures may be reclassified to conform to the presentation adopted in the current year.

In these consolidated financial statements amounts have been rounded to the nearest thousand USD, unless otherwise stated. As a result of rounding differences, amounts may not add up to the total.

#### **Covid-19 impacts**

Covid-19 has continued to negatively affect the Group's operations throughout 2021, but not to the same extent as in 2020. In particular the offshore operations where the risk of Covid-19 in such an isolated, confined and remote environment increases significantly. Throughout the year the Group's management has actively promoted vaccination campaigns and booster shots which enabled the Group to

move from a preventive strategy, to a more preparedness stance as society learn to live with the virus and its effects. The alignment between our requirements and those set by Governments and Local Authorities continues to be challenging to navigate though we have always complied with these as a minimum standard and ensured the safety of our staff to the best of our abilities. Travel has been restricted in 2021 with only business critical activities being authorized and for the majority of the year home office has been implemented. The Group has a robust communication and support system which has matured throughout 2021 and we have 'stepped up' to take care of colleagues all around the world; an example of this is opening a mental health hotline and running workshops with medical doctors who completed Q & A sessions for Global teams. These initiatives have created a great cohesion across the organization and have improved general working conditions, trust and empathy for each other. We anticipate further lock downs in 2022 due to the potential for new variants to be identified, however we remain agile, motivated and in a good state of preparedness, rather than exhausted from 2021 we are more resilient to take the learning from 2021 into 2022 and beyond.

#### **Summary of Group accounting policies**

Accounting policies that relate to the consolidated financial statements in general are set out below, while the accounting policies related to specific assets, liabilities or financial statements line items are included in the corresponding note disclosure. All accounting policies have been consistently applied to all the years presented, except for the accounting policies related to leasing agreements. IFRS 16 Leases was implemented as of January 1, 2019. See Note 18 for additional information.

#### **Functional and presentation currency**

Transactions recorded in the financial statements of each subsidiary are done in its functional currency, i.e. the currency that best reflects the primary economic environment in which the entity operates. The consolidated financial statements are presented in US Dollars ("USD"), which is the Group's presentation currency as the Group's cash flow and economic returns are principally denominated in USD and is the functional currency of each key subsidiary. The functional currency of the parent company Aker BioMarine ASA is USD.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of each transaction. Receivables, liabilities and other monetary items in foreign currencies are translated into the entity's functional currency at the exchange rates on the balance sheet date. Foreign currency exchange gains or losses resulting from such transactions are recognized in the consolidated statement of profit or loss.

#### **Consolidation**

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Subsidiaries are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary undertaking is the fair values of the assets transferred and the liabilities incurred by the Group, including those from any contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recognized as goodwill.

An acquisition of a group of assets that does not constitute a business is accounted for as an asset acquisition in accordance with the applicable IFRS accounting standards.

Inter-company transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiary undertakings have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.



AKER BIOMARINE GROUP ACCOUNTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### **Critical accounting estimates and significant judgments**

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. The estimates and judgments are based on historical experience and other factors, including expectations of future events that are believed to be reasonable, and constitute management's best judgment at the date of the consolidated financial statements. In the future, actual results may differ from those estimates.

Where appropriate, present values are calculated using discount rates reflecting the currency and maturity of the items being valued. Further details of critical estimates and significant judgments are set out in the related notes to the consolidated financial statements.

The critical estimates that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year results relate to:

- Technical assessments when estimating the useful life of the Group's vessels and machinery (see Note 9),
- Estimating the recoverable amount of the tangible and intangible assets, goodwill and RoU (no explained) assets allocated to the Krill cash generating unit when conducting impairment tests (see Note 10 and 11).
- Measurement of the fair value of the contingent consideration based on management's judgements related to the probability of meeting earn-out targets related to the acquisition of Lang during 2019 (see Note 16),
- Allocation of production cost between products produced in the Ingredients segment (see Note 12)
- The significant judgements that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in the financial statements relate to:
  - Expenses included as part of the indirect production costs capitalized as a part of the inventory and the measurement of the krill- based products held as Inventories at year end (see Note 12),
  - Recognition and measurement of expenditure on vessels and machinery included in *Property, plant and equipment* (see Note 9)

### **Changes in accounting policies and new pronouncements**

There are no changes in the accounting policies for the consolidated financial statements for the year ending December 31, 2021 as compared to the accounting policies for the 2020 reporting year. The new IFRS standards applicable for reporting periods on or after January 1, 2021 adopted by the Group have not had a material impact for the Group's financial reporting.

None of the issued, not yet effective IFRS standards, amendments to such standards or IFRIC interpretations are expected to have significant effects for the Group's financial reporting.



## CONSOLIDATED FINANCIAL STATEMENTS

AKER BIOMARINE GROUP ACCOUNTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### Note 2 – Revenue and Other income

Revenue represents amounts recoverable primarily from the sale of Qrill™ branded ingredients, or Krill oil during the year, used either in the feed industry or within human health and nutrition. Lang, the distributor of private labels within the Brands segment operates within the human health and nutrition markets but also sells other natural supplements in addition to Krill oil. The Group's main performance obligation is related to the delivery of agreed volumes of the above-mentioned products. Some customers have longer term frame agreements, agreeing the prices of the product per MT/KG, but all sales are based on individual purchase orders detailing the volume to be delivered at a certain point in time, at a designated location.

The Group recognizes as revenue the agreed transaction price in a contract with a customer at the time when the Group transfers the control of a distinct product or service to the customer. Ordinary purchase orders are normally the contracts with the customer which create enforceable rights and obligations. Volume discounts are the dominant sales incentives used by Aker BioMarine. These discounts may have prospective or retrospective effect. Volume discounts with retrospective effect are systematically accrued and recognized as reduction of revenue based on the best estimate of the amounts potentially due to the customer.

Under IFRS 15 the Group's revenue from sale of Krill oil and Qrill™ is recognized at a point in time, when the customer obtains control over the goods. Control is transferred to the customer according to agreed delivery terms, which is based on standardized contract templates as published by the International Chamber of Commerce (set forth in the Incoterms 2010). All sales are conducted using F-terms (delivery terms where the risk and responsibility for any cost of transport, insurance etc. are transferred to the buyer when the goods are on board the vessel/truck) or C-terms (delivery terms where seller pays the costs and freight to bring the goods to the port of destination), meaning the risk is transferred upon handing the goods over to the carrier engaged by either the customer or Group, respectively.

The main performance obligations for the Group are related to the sale of goods of specified amounts and quality to customers. For a significant part of the sales, the Group organizes and pays for shipping of the goods (C-terms). The Group has assessed that for these sales, there are two performance obligations, and that the Group acts as an agent for the shipping services. As a result, shipping revenue and related shipping costs are netted in the consolidated statement of profit or loss. The shipping commission for transport of goods is considered by the Group to be immaterial and further, the Group's delivery obligation is satisfied at the same time as the control of the goods is transferred to the customers. Consequently, the shipping commission is not separated from the revenues of sale of goods.

The goods are sold with standard warranties that the goods sold comply with agreed upon specification and condition. The Group does not have any significant obligations for returns or refunds, and any warranties would be accounted for using IAS 37 *Provisions, contingent liabilities and contingent assets*.

Payment terms are usually between 30-60 days. The Group does not have any contracts with a significant financing component.

The introduction of Lang in the Group in 2019 did not result in any significant new interpretations or changes in the application of IFRS 15. Like the Krill oil and Qrill™ products in the ingredients segment, Lang sells private label supplements and recognizes revenues at a point in time, predominantly in the US market applying the same criteria for transfer of control as described previously.

#### *Geographical allocation of revenue*

USD Thousands	Revenues from sale of products	
	2021	2020
Norway	22,938	20,758
EMEA	54,009	35,301
Americas	138,554	146,862
Asia Pacific	46,561	85,668
<b>Total</b>	<b>262,062</b>	<b>288,588</b>

During the reporting periods the Group has had one customer exceeding 12,6% of Net sales. In 2021, 10% of the Net sales was towards this customer. The revenue from this customer is attributable to the Ingredients segment. The Group's three largest customers in terms of revenue accounted for 32.8% of the revenue in 2021 (2020: 24.6%). North America is the Group's largest market which accounted for USD 130.7 million of total Net sales (2020: USD) 139.3 million.

#### *Assets and liabilities related to contracts with customers*

The Group has recognized an incremental cost of obtaining customer contracts, which the Group expects to recover. The USD 10 million addition in 2020 relates to a success fee paid upon completion of a significant contract in the Brands segment. The contract cost is amortized over 5 years. The carried amount as of 31 December 2021 was USD 7.2 million. The Group expects to recover this cost from future sales and the Group would not have incurred these incremental costs if a certain contract had not been obtained.

Liabilities with customers is USD 0.1 million as of 31 December 2021 (2020: USD 0.5 million), the liabilities relate to prepayments from customers.

The timing of revenue recognition, billings and cash collections results in billed trade receivables (Note 13 and 20) and prepayments from customers (contract liabilities). Prepayments up front is common practice to reduce price risk for new customers.

#### *Other operating income comprise of the following:*

USD Thousands	Other income	
	2021	2020
Gain from sale of fixed asset	429	1,307
Insurance refund		
Other	2,720	141
<b>Total</b>	<b>3,149</b>	<b>2,348</b>

In September 2021 the supply vessel La Manche was sold with a transaction price of USD 1.8 million. This resulted in a gain of USD 0.4 million. Other consist of the rebalancing effects from the fuel hedge. In April 2020 the vessel Juvel was sold as a whitefish trawler with transaction price USD 20.5 million. This resulted in a gain of USD 1.3 million, partly reflecting lower removal cost than initially estimated.



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#### Note 3 – Operating segments and adjusted EBITDA

The Group discloses segment information and identifies reportable segments in accordance with IFRS 8 *Operating Segments*. IFRS 8 requires management to report segment information according to the organization and reporting structure used by the chief operating decision maker (CODM). The Group defines the CODM as the Executive Management Team (EMT) and the CEO.

The Group's operations have historically occurred in one reportable segment with the production and sale of krill products. This is the Ingredients business segment. Following the acquisition of Lang on 1 March 2019, the Group has two reportable segments. The production and sale of krill products remains the same, but with Lang there is now a distribution segment, the Brands business. The two segments are operated and managed separately, and financial results are measured and reported on a stand-alone basis for the two operating segments. The key financial metric that management uses for decision making is Adjusted EBITDA.

In the 'Adjustments' column transactions between the two segments are eliminated as well as group adjustments in relation to financial items (such as changes in earn-outs) and depreciation and amortization on group assets such as customer lists acquired in a transaction.

The Ingredients business consists of offshore harvesting and production activities, the logistical operations and the onshore manufacturing and sale of krill oil products globally to distributors and feed producers. This segment sells the products Krill oil and Krill Meal. This was the Group's core business and only identified segment up until the acquisition of Lang on 1 March 2019.

The Brands segment is the human consumption distribution business. As of 31 December 2021, the Brands segment comprises the group legal entities Lang Pharma Nutrition LLC (Lang), Epion Brands LLC (Epion) and the holding company New Ride LLC. Lang acquires raw materials derived from krill, fish and plants. These raw materials are then processed and packaged, labeled and sold to retailers in the US market. The Brands segment sells the products under the brand name Quill™ Pet and other brand names.

Recognition and measurement applied to the segment reporting is consistent with the accounting principles applied when preparing the financial statements. Transactions between segments are conducted on market terms and conditions. The geographical distribution of revenue is presented in Note 2. This is not part of the monthly/ bi-monthly segment reporting to management. Segment financial information is given in the tables below for the years 2021 and 2020.

*Operating segments 2021:*

USD Thousands	Ingredients	Brands	Adjustments	Total
Net sales	169,565	110,371	(17,874)	<b>262,062</b>
Operating profit	(12,598)	188	(1,257)	<b>(13,667)</b>
Net financial items	(12,615)	(2,665)	21,542	<b>6,261</b>
Tax expense	1,197	(1,801)	–	<b>(604)</b>
Net profit (loss)	(24,016)	(4,278)	20,285	<b>(8,009)</b>
Depreciation, amortization and impairment (note 9)	54,894	2,012	(15)	<b>56,891</b>
EBITDA	42,297	2,200	(1,272)	<b>43,225</b>
Adjusted	46,017	2,500	(572)	<b>47,945</b>
<i>Balance sheet items</i>				
Property, plant and equipment	327,497	355	–	<b>327,852</b>
Right to use asset (leasing)	10,818	444	–	<b>11,262</b>
Intangible	108,178	2,628	60,730	<b>171,536</b>
Cash and cash equivalents	5,920	5,212	–	<b>11,132</b>
Interest-bearing debt	(324,842)	–	–	<b>(324,842)</b>
Inventory	104,207	39,415	(5,397)	<b>138,225</b>
Net interest free asset and liabilities	80,079	6,346	(51,218)	<b>35,207</b>
<b>Total equity</b>	<b>311,857</b>	<b>54,400</b>	<b>4,111</b>	<b>370,371</b>



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Operating segments 2020:

USD Thousands	Ingredients	Brands	Adjustments	Total
Net sales	198,398	104,416	(14,226)	<b>288,588</b>
Operating profit	14,590	(2,808)	(4,782)	<b>7,000</b>
Net financial items	(12,337)	(652)	6,677	<b>(6,312)</b>
Tax expense	(2,811)	(3,340)	-	<b>(6,151)</b>
Net profit (loss)	(557)	(6,801)	1,895	<b>(5,463)</b>
Depreciation, EBITDA	44,772	261	4,610	<b>49,643</b>
Adjusted	59,362	(2,547)	(172)	<b>56,643</b>
	63,809	14,469	(172)	<b>78,106</b>

Balance sheet items

Property, plant and equipment	266,248	308	-	<b>266,556</b>
Right to use asset (leasing)	12,561	584	-	<b>13,145</b>
Intangible	114,617	2,132	63,803	<b>180,552</b>
Cash and cash equivalents	7,774	2,903	-	<b>10,678</b>
Interest-bearing debt	(179,879)	(65,770)	2,850	<b>(242,799)</b>
Inventory	80,502	36,729	(2,672)	<b>114,559</b>
Net interest free asset and liabilities	72,146	10,639	(52,304)	<b>30,480</b>
<b>Total equity</b>	<b>373,968</b>	<b>(12,475)</b>	<b>11,677</b>	<b>373,170</b>

Adjusted EBITDA

The Executive Management Team (EMT) evaluates the performance based on Adjusted EBITDA. This metric is defined as operating profit before depreciation, amortization, write-downs and impairments, and special operating items. Special operating items include gains or losses on sale of assets, if material, restructuring expenses and other material items which are not primarily related to the period in which they are recognized or special in nature compared to ordinary operational income or expenses. See description of the Alternative Performance Measures (APM) attached to the consolidated financial statement.

The EMT has provided the following information at December 31, 2021 and 2020:

USD Thousands	2021	2020
Krill oil	163,805	105,847
Krill meal	83,106	82,877
Qrill™ Pet and other products	15,350	99,863
Other income	3,149	2,348
<b>Total revenue and other income</b>	<b>265,410</b>	<b>290,936</b>
Total operating expenses before depreciation, amortization and impairment	(222,186)	(234,292)
Special operating items	4,720	21,462
<b>Adjusted EBITDA</b>	<b>47,944</b>	<b>78,106</b>

The following table reconciles Adjusted EBITDA to Net loss in the consolidated statements of profit or loss.

USD Thousands	2021	2020
<b>Net loss</b>	<b>(8,008)</b>	<b>(5,463)</b>
Tax expense	604	6,151
Financial income	(21,275)	(16,794)
Financial expenses	15,660	22,827
Net foreign exchange gain/loss	(647)	279
<b>Operating profit</b>	<b>(13,666)</b>	<b>7,000</b>
Depreciation, amortization and impairment	56,891	49,644
<b>EBITDA</b>	<b>43,225</b>	<b>56,644</b>
Special operating items	4,720	21,462
<b>Adjusted EBITDA</b>	<b>47,944</b>	<b>78,106</b>

The following table reconciles Special operating items.

USD Thousands	2021	2020
Juvel gain and operating cost	-	690
Restructuring/Legal costs	(3,612)	-
Kori national brand US launch	-	(17,016)
Oslo Børs listing	(1,108)	(2,155)
Charter cost	-	(1,519)
Crew cost	-	(1,462)
<b>Special operating items</b>	<b>(4,720)</b>	<b>(21,462)</b>



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#### Note 4 – Selling, General & Administration expenses and Other operating cost

The presentation of operating expenses in the consolidated statements of profit or loss is based on function of the expenses. Production and operating expenses are recognized in the same period as the corresponding revenue from sale of product is recognized. Salaries and payroll expenses not related to production, sales and distribution costs, and other general and administrative costs are recognized when they occur or when the Group has a liability for future expenses. Production and operating expenses allocated to product is presented within Note 12 Inventories.

*Selling, General and Administrative expenses consists of:*

USD Thousands	Year ended 31 December,	
	2021	2020
Sales and Distribution Costs	(63,568)	(65,735)
Research and Development	(2,955)	(3,905)
Administrative Costs	(19,182)	(17,206)
<b>Total</b>	<b>(85,705)</b>	<b>(86,847)</b>

Sales and Distribution costs are all costs related to selling, marketing, and distributing and storing the goods world-wide.

Research and Development costs represent the Innovation department where ongoing studies within the application and use of krill as an ingredient both for human and for animal feed is being expensed. The department also works on early phase product development, finding new application for the raw material, and bringing this out to the market.

Administrative costs represent the head office costs which includes the management group, finance, and Transformation (sustainability, strategy and IT), providing services to the entire Group.

#### *Government grants*

During 2021 the Group received grants of USD 0.68 million (2020: USD 0.5 million). The grants are partly included in the Research and Development and partly 'Asset under construction' to net the costs that the grants are intended to compensate. There are not any unfulfilled conditions or other contingencies on these grants. The Group did not benefit directly from any other forms of government assistance.

#### *Salary specification by function*

The below schedule describes the total salary costs of the Group. Salaries from the onshore and offshore part of the Group is allocated to inventory, as presented in Note 12. Selling, general and administrative salaries specifies the salary part of the total expenses of USD 85.7 million (2020: USD 86.8 million), as also presented within Note 4.

#### *Salary specification by function*

USD Thousands	Year ended 31 December,	
	2021	2020
Offshore - inventoriable	(27,197)	(25,178)
Onshore - inventoriable	(12,426)	(9,382)
Selling, general and administrative	(31,998)	(30,651)
Juvel - Other operating income/(cost), net	-	(180)
<b>Total</b>	<b>(71,621)</b>	<b>(65,390)</b>

Number of employees at year-end	589	551
Full time Equivalent	568	549

Total salary cost comprises of the following:

USD Thousands	Year ended 31 December,	
	2021	2020
Salaries	(61,808)	(54,963)
Employer's social security contribution	(1,065)	(3,359)
Pension expenses	(1,917)	(1,512)
Other benefits	(6,831)	(5,556)
<b>Total</b>	<b>(71,621)</b>	<b>(65,390)</b>

#### *Pension plans*

The Group has a defined contribution plan that cover all employees except one employee who has a defined benefit plan. The plans comply with laws and regulations set forth in the different countries of operations. At the end of the year the defined benefit obligations were USD 0.6 million and the assets were USD 0.4 million. The fair value of the net obligation has been calculated using an appropriate discount rate. During the year the Group expensed USD 0.05 million, net of settlements and curtailment, on the defined benefit plan (2020: 0.05 million), and USD 1.9 million for the contribution plan (2020: 1.5 million). In addition, USD 0.02 million related to changes in actuarial assumptions is expensed in other comprehensive income (2020: USD 0.1 million loss).

#### *Remuneration to the Group auditors (excluding VAT):*

KPMG is the Group auditor of Aker BioMarine ASA. The following table shows the fees to the appointed auditors for 2021 and 2020. For both categories the reported fee is the recognized expense for the year.

USD Thousands	Year ended 31 December,	
	2021	2020
Audit fees	(264)	(333)
Other audit and attestation services	(132)	(74)
Fees for tax services	-	-
<b>Total</b>	<b>(396)</b>	<b>(407)</b>



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#### Note 5 – Financial income and expenses

Financial income comprises interest income on financial investments and foreign exchange gains recognized in the consolidated statement of profit or loss. Financial expenses include interest expense and guarantee fees.

USD Thousands	Year ended 31 December,	
	2021	2020
Interest income, bank deposits	21	53
Interest income loans and receivables (amortized cost)	-	823
Other financial income	21,255	15,918
<b>Total financial income</b>	<b>21,276</b>	<b>16,794</b>
Interest expense on financial liabilities at amortized cost	(13,678)	(18,737)
Other financial expenses	(1,982)	(4,091)
<b>Total financial expenses</b>	<b>(15,660)</b>	<b>(22,827)</b>
Foreign exchange gains/losses net	647	(279)
<b>Net financial expenses</b>	<b>6,262</b>	<b>(6,312)</b>

Other financial income in 2021 includes a negative fair value adjustment of contingent consideration of USD 21.3 million, see Note 16.

Other financial expenses include provision paid to DNB/GIEK as well as a guarantee fee for Aker ASA.

#### Capitalized borrowing costs

During the reporting periods the group has taken delivery of the new supply vessel Antarctic Provider and refinanced the interest-bearing debt. Borrowing and refinancing costs have been capitalized. The applied interest rate is the CIRR (Commercial Interest Reference Rates).

USD Thousands	2020	2021
Endurance		
Provider	734	-
Refinancing - New Bank Syndicate	-	1,892
<b>Total</b>	<b>734</b>	<b>1,892</b>

#### Note 6 – Asset acquisition and business combinations

During 2021 and 2020 there has been no material business combinations or asset acquisitions.

#### Note 7 – Derivatives

USD Thousands	Year ended 31 December,	
	2021	2020
Fuel hedge contracts assets	12,486	7,743
Fuel hedge contracts liabilities	-	(8,996)
<b>Total</b>	<b>12,486</b>	<b>(1,253)</b>

In June 2020 the Group entered into a hedge contract for hedging risk related to variances in the fuel price. See Note 20 for further description of the derivative.



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#### Note 8 – Income tax

The Group is headquartered in Norway and pays taxes according to the rates applicable in the countries and states in which it operates. Most taxes are recorded in the statement of profit or loss and relate to taxes payable for the reporting period (current tax), but also deferred taxes. Deferred tax is calculated based on the differences between the accounting value and tax value of assets and liabilities at the reporting period date using the applicable tax rate.

The major components of income tax expense for the years ended 31 December 2021 and 2020 are:

Reconciliation of nominal statutory tax rate to effective tax rate:

USD Thousands	Year ended 31 December,	
	2021	2020
<b>Profit (loss) before tax</b>	<b>(7,404)</b>	<b>688</b>
Calculated income tax at statutory rate of 22%	1,629	(151)
Tax differential Norway and abroad	183	(630)
Unrecognized change in deferred tax assets	6,877	(5,497)
Permanent differences	(497)	272
Currency translation and other	(1,392)	(144)
<b>Total tax expense</b>	<b>(604)</b>	<b>(6,151)</b>
<b>Effective tax rate</b>	<b>8%</b>	<b>-894%</b>

\* The Group files its tax return in NOK

Deferred tax assets comprise:

USD Thousands	Year ended 31 December,	
	2021	2020
Property, plant and equipment and intangible assets	(12,644)	(12,531)
Inventory	1,510	736
Tax losses carried forward	66,962	59,054
Interest rate deductability carry forward	11,050	11,867
Other	37	40
<b>Deferred tax assets</b>	<b>66,915</b>	<b>59,166</b>
<b>Unrecognized deferred tax assets</b>	<b>(71,794)</b>	<b>(63,983)</b>
<b>Recognized deferred tax liabilities</b>	<b>(4,879)</b>	<b>(4,817)</b>

Current income tax expenses relate to subsidiaries in US (24% Federal tax rate) and Australia (30%). There were no changes in corporate tax rates in these countries over 2020 and 2021. In Norway the corporate tax rate was reduced from 23% to 22% in 2019 and is unchanged in 2021. The recognized deferred tax liability of USD 4.9 million relates to the entities in the US.

The movement in deferred tax assets from USD 64.0 million in 2020 to USD 71.8 million in 2021 is mainly due to increase in taxable losses, interests where deductibility has been denied, and temporary differences related to the Group's fixed and intangible assets.

Based on the historical losses of the Group, it was concluded that deferred tax assets could not be recognized in the consolidated statement of financial position as of 31 December 2021 or 2020.

Of the Group's tax losses carried forward, USD 2.0 million was in the US subsidiary Aker BioMarine Manufacturing LLC, whereas the remaining tax loss carried forward was with Aker BioMarine ASA and Aker BioMarine Antarctic AS, both Norwegian legal entities.



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#### Note 9 – Property, plant and equipment

Property, plant and equipment are recorded at cost, less any accumulated depreciation and any accumulated impairment losses. Depreciation is recognized on a straight-line basis over the estimated useful lives of each major component of property, plant and equipment. Assets under construction are not depreciated until the items are available for use as intended by management.

Expenditures to replace a component of property, plant and equipment are capitalized if it is probable that future economic benefits associated with the asset will flow to the Group and the costs can be measured reliably. Gains and losses are recognized upon asset de-recognition. The costs of consumables used, and day-to-day maintenance of property, plant and equipment are expensed as incurred. Costs incurred for major inspections and overhauls or to improve a vessel's operating efficiency, functionality or safety are capitalized.

*Movements in property, plant and equipment in 2021*

USD Thousands	Vessels, transportation equipment, etc	Machinery	Asset under construction	Buildings and Land	Total
<b>Acquisition cost as of 1 January, 2021</b>	<b>206,606</b>	<b>157,337</b>	<b>12,481</b>	<b>18,623</b>	<b>395,047</b>
Investments	6,683	6,360	65,463	180	<b>78,686</b>
Sale of vessel	(1,374)	(507)	–	–	<b>(1,881)</b>
Asset retirements	–	17	–	–	<b>17</b>
Other reclassifications 1)	73,534	(7)	(52,336)	–	<b>21,191</b>
<b>Acquisition cost as of 31 December, 2021</b>	<b>285,449</b>	<b>163,200</b>	<b>25,608</b>	<b>18,803</b>	<b>493,060</b>
<b>Acc. depreciation and impairment as of 1 January, 2021</b>	<b>(69,699)</b>	<b>(52,883)</b>	<b>(2,655)</b>	<b>(3,255)</b>	<b>(128,491)</b>
Depreciation for the year	(18,886)	(15,860)	–	(557)	<b>(35,303)</b>
Impairment	(1,812)	–	–	(271)	<b>(2,083)</b>
Asset retirements	–	(17)	–	–	<b>(17)</b>
Other reclassifications 1)	609	77	–	–	<b>686</b>
<b>Acc. depreciation and impairment as of 31 December, 2021</b>	<b>(89,788)</b>	<b>(68,682)</b>	<b>(2,655)</b>	<b>(4,083)</b>	<b>(165,208)</b>
<b>Book value as of 31 December, 2021</b>	<b>195,661</b>	<b>94,517</b>	<b>22,953</b>	<b>14,720</b>	<b>327,852</b>
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

1) Net Other reclassifications include reclassifications payments related to construction of a new charter vessel from Asset under construction to prepayment. See Note 13-Trade receivable and other current assets.

Major inspections of vessels are performed on a regular basis as required by the classification society, such as Det Norske Veritas and according to laws and regulations. The costs of such inspections are, including replacement spares and labor costs, capitalized and amortized over the average expected life between major inspections. All other costs relating to maintenance of vessels is charged to the statement of profit or loss on consumption or as incurred.

Assets that will be disposed, which are classified as held-for-sale, are reported at the lower of their book value and their fair value less cost to sell. Depreciation of vessels is included in the cost of inventory conversion (see Note 12).



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*Movements in property, plant and equipment in 2020*

USD Thousands	Vessels, transportation equipment, etc	Machinery	Asset under construction	Buildings and Land 2)	Total
<b>Acquisition cost as of 1 January, 2020</b>	<b>215,303</b>	<b>134,009</b>	<b>41,222</b>	<b>18,559</b>	<b>409,092</b>
Investments	4,145	7,088	10,355	66	21,654
Investments from merger & acquisition	–	–	(26,336)	–	(26,336)
Asset retirements	(1,535)	(2,793)	–	(2)	(4,330)
Other reclassifications 1)	(11,307)	19,033	(12,760)	–	(5,034)
<b>Acquisition cost as of 31 December, 2020</b>	<b>206,606</b>	<b>157,337</b>	<b>12,481</b>	<b>18,623</b>	<b>395,046</b>
<b>Acc. depreciation and impairment as of 1 January, 2020</b>	<b>(59,404)</b>	<b>(36,312)</b>	<b>(8,555)</b>	<b>(2,454)</b>	<b>(106,726)</b>
Depreciation for the year	(15,751)	(14,571)	–	(554)	(30,875)
Impairment	(1,150)	–	–	(246)	(1,396)
Other reclassifications 1)	5,071	(4,324)	–	–	747
<b>Acc. depreciation and impairment as of 31 December,</b>	<b>(69,699)</b>	<b>(52,883)</b>	<b>(2,655)</b>	<b>(3,254)</b>	<b>(128,490)</b>
<b>Book value as of 31 December, 2020</b>	<b>136,907</b>	<b>104,454</b>	<b>9,826</b>	<b>15,369</b>	<b>266,556</b>
Depreciation period	10-30 years	3-20 years		30-50 years	
Depreciation method	Straight-line	Straight-line		Straight-line	

1) Net Other reclassifications include reclassifications of fishing licenses related to Juvel and payments related to construction of a new charter vessel from Asset under construction to intangible assets and prepayment, respectively. See Note 11-Impairment and Note 13-Trade receivable and other current assets.

2) Hereof USD 1.5 million related to Land

#### *Reconciliation depreciation and amortization*

USD Thousands	2021	2020
Depreciation for the year of Property, plant & equipment	(35,303)	(30,875)
Impairment Property, plant & equipment	(2,083)	(1,396)
Amortization for the year of Intangible assets	(11,936)	(10,157)
Amortization for the year of Contract cost	(833)	(833)
Leasing (ROU) depreciation	(5,563)	(6,381)
<b>Total</b>	<b>(55,718)</b>	<b>(49,643)</b>
Depreciation and amortization related to production assets and included in cost to inventory	(37,721)	(32,518)
Depreciation and amortization related to other assets	(19,170)	(17,125)

The Group's total depreciation, amortization, and impairment is presented in the above schedule. As compared to the consolidated statement of profit or loss the USD 19.2 million (2020: USD 17.1 million) relates to depreciation and amortization of assets not directly used in the production of goods, and therefore recognized as depreciation, amortization and impairment in the statement of profit or loss. Other assets primarily consist of the customer portfolios recognized following the business combinations / asset acquisitions of Lang, Neptune and Enzymotec, and the impairment of customer portfolios and trademarks. Inventoriable depreciation mainly consists of the Group's operating harvesting vessels and the manufacturing plant in Houston, Texas, amounting to USD 37.7 million (2020: 32.5 million). See Note 18 Leasing of right-of-use assets.

#### Investments in 2021:

In February 2021, the subsidiary Aker BioMarine Antarctic AS took delivery of the supply vessel, the Antarctic Provider. Antarctic Provider was delivered at the CIMC Raffles yard in Yantai, China 5 February 2021 and was operational from the second quarter 2021. The vessel replaced La Manche, the Group's previous supply vessel. Compared with La Manche, Antarctic Provider offers several improvements and efficiencies to the Group's offshore operation and is expected to generate savings for the years to come. Total project purchase price amounted to USD 75.0 million which was 80% debt financed, including a facility tranche from GIEK and Export Credit Norway.

In addition to the investment in Antarctic Provider, the Group has had its annual shipyard in Q4-21 where all the vessels were upgraded. Shipyard expenses amounted to USD 6.1 million in 2021.



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#### Asset retirements in 2021:

In October 2021, the Group sold its old supply vessel La Manche for USD 1.7 million to Avsar Gemi Sokum Sanayii Ltd. During the year the vessels book value was adjusted down to its selling price, net of fees and proceeds payable to ship brokers.

After the impairment in Q2-21 the sale resulted in a gain of USD 0.4m in Q3-21 which has been recognized under 'Other income' in the Condensed consolidated statements of profit or loss.

The increase in depreciation of fixed asset from 2020 to 2021 is mainly related to the inclusion of the service vessel Antarctic Provider in February 2021.

As of 31 December 2021, the Group has USD 10 million in commitments for further investments in property, plant and equipment (2020: USD 50 million). For details on mortgages and pledging of security, see Note 15.



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Note 10 – Goodwill and Intangible Assets

Intangible assets, acquired individually or as a group, are recognized at fair value when acquired. Intangible assets with finite useful lives are carried at cost less accumulated amortization, recognized on a straight-line basis over their estimated useful lives, and accumulated impairment losses. The estimated useful life and amortization method are reviewed at the end of each reporting period, and assets are tested for impairment if impairment indicators exist.

Intangible assets acquired in a business combination are recognized at fair value separately from goodwill when they arise from contractual or legal rights or can be separated from the acquired entity and sold or transferred. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses. These assets are not amortized, but are tested for impairment annually, and more frequently if indicators of possible impairment are observed, in accordance with IAS 36.

*Goodwill*

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. Goodwill is not amortized, and thus tested for impairment annually, and more frequently if indicators of possible impairment are observed. Goodwill is allocated to the cash generating units ("CGU"), which are expected to benefit from synergies of the combination. Each unit to which goodwill is allocated represents the lowest level within the Group at which goodwill is monitored for internal management purposes and reporting.

*Intangible assets*

Development

Expenditures for research activities performed to gain new scientific, technical or other knowledge are expensed when incurred. Development expenditures are capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits probable and the Group intends to and has adequate resources to complete development and to use or sell the asset. The amount capitalized includes the cost of materials and direct attributable expenses. Additions to development in 2021 include the capital expenditures on AION technology platform as well as INV1 protein and other development projects.

License agreements

License agreements acquired separately are measured at cost. Following initial recognition, the Group's license agreements are recorded less any accumulated amortization and impairment losses. The license relates to the Group's technology to extract purified krill oil at the facility in Houston, Texas.

Fishing License

One of the Group's fishing licenses is recognized at USD 10.5 million. The license relates to krill fishery in the Southern Ocean and will remain in the Group's possession if all applicable requirements are met, and as such they are determined to have an indefinite life.

Customer relation

Customer relation (customer contracts) were acquired as part of business combinations recognized at fair value. Following initial recognition, the customer relations are recorded less any accumulated amortization and impairment losses. In 2017, 2018 and 2019 the Group was part of business combinations where customer relations were part of the transaction.

Trademark

Trademark are intangible assets with indefinite useful lives that are not amortized but carried at cost less accumulated impairment losses. The trademarks include NKO and KREAL.

*Segment allocation of goodwill and intangible assets:*

USD												
Thousands	Goodwill *		Development		License		Fishing license		Customer relation		Trademark	
Segment	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Ingredients	66,402	86,456	2,377	73	906	1,437	10,500	10,500	24,588	68,255	4,775	5,675
Brands	28,210	8,156	572						33,207			
<b>Total</b>	<b>94,612</b>	<b>94,612</b>	<b>2,949</b>	<b>73</b>	<b>906</b>	<b>1,437</b>	<b>10,500</b>	<b>10,500</b>	<b>57,795</b>	<b>68,255</b>	<b>4,775</b>	<b>5,675</b>

\* in 2021 the Group revised the internal allocation of goodwill and intangible assets between the 2 segments



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*Movements in intangible assets and goodwill for 2021:*

USD Thousands	Goodwill	Development	License agreements	Fishing license	Customer relation	Trademark	Total
<b>Acquisition cost as of 1 January, 2021</b>	<b>94,612</b>	<b>5,318</b>	<b>2,396</b>	<b>10,500</b>	<b>91,650</b>	<b>5,675</b>	<b>210,151</b>
Acquisition	-	2,921	-	-	-	-	2,921
<b>Acquisition cost as of 31 December, 2021</b>	<b>94,612</b>	<b>8,239</b>	<b>2,396</b>	<b>10,500</b>	<b>91,650</b>	<b>5,675</b>	<b>213,072</b>
<b>Amortization and impairment losses as of 1 January, 2021</b>	-	<b>(5,245)</b>	<b>(959)</b>	-	<b>(23,395)</b>	-	<b>(29,599)</b>
Amortization for the year	-	(44)	(532)	-	(10,461)	(900)	(11,936)
Reclassifications	-	(5,289)	(1,491)	-	(33,855)	(900)	(41,535)
<b>Amortization and impairment losses as of 31 December, 2021</b>	-	<b>(5,289)</b>	<b>(1,491)</b>	-	<b>(33,855)</b>	<b>(900)</b>	<b>(41,535)</b>
<b>Book value as of 31 December, 2021</b>	<b>94,612</b>	<b>2,949</b>	<b>906</b>	<b>10,500</b>	<b>57,795</b>	<b>4,775</b>	<b>171,536</b>
Amortization period		5-10 years	10-12 years		7-10 years		
Amortization method		Straight-line	Straight-line		Straight-line		

*Movements in intangible assets for 2020:*

USD Thousands	Goodwill	Development	License agreements	Fishing license	Customer relation	Trademark	Total
<b>Acquisition cost as of 1 January, 2020</b>	<b>94,557</b>	<b>5,318</b>	<b>2,396</b>	<b>10,500</b>	<b>91,293</b>	<b>5,675</b>	<b>209,739</b>
Additions - external cost	55	-	-	-	-	-	55
Acquisition Lang	-	-	-	-	357	-	357
<b>Acquisition cost as of 31 December, 2020</b>	<b>94,612</b>	<b>5,318</b>	<b>2,396</b>	<b>10,500</b>	<b>91,650</b>	<b>5,675</b>	<b>210,151</b>
<b>Amortization and impairment losses as of 1 January, 2020</b>	-	<b>(5,245)</b>	<b>(578)</b>	-	<b>(13,619)</b>	-	<b>(19,442)</b>
Amortization for the year	-	-	(532)	-	(9,625)	-	(10,157)
Reclassifications	-	-	151	-	(151)	-	-
<b>Amortization and impairment losses as of 31 December, 2020</b>	-	<b>(5,245)</b>	<b>(959)</b>	-	<b>(23,395)</b>	-	<b>(29,599)</b>
<b>Book value as of 31 December, 2020</b>	<b>94,612</b>	<b>73</b>	<b>1,437</b>	<b>10,500</b>	<b>68,255</b>	<b>5,675</b>	<b>180,552</b>
Amortization period		5-10 years	10-12 years		7-10 years		
Amortization method		Straight-line	Straight-line		Straight-line		



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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 11 – Impairment assessment

Property, plant and equipment, RoU assets, intangible assets and goodwill are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with IAS 36 Impairment of Assets. Goodwill and intangible assets with indefinite life are required to be tested for impairment annually, in addition to any tests required when impairment indicators are determined to be present.

When a Cash Generating Unit (CGU), the smallest identifiable group of assets that generates cash inflows that are largely independent from other assets or groups of assets, or an asset is tested for impairment, the recoverable amount is estimated as the higher of the CGU's fair value less cost of disposal, or its value in use. The carrying amount is not recoverable if it exceeds the recoverable amount. An impairment loss is recognized in the amount that the carrying value exceeds its recoverable amount. Losses are reversed in the event of a subsequent increase in the recoverable amount of an impaired asset, however, impairment of goodwill is not reversed.

Identification of CGU's involves judgment, considering if an active market exists for the output produced by an asset or group of assets, independent cash inflows as well as how management monitors the Group's operations or how management makes decisions about continuing or disposing of the Group's assets and operations. Based on a thorough analysis, a CGU for goodwill impairment testing is assessed to be the krill business as a whole (the "Ingredients" segment) as the offshore harvesting and production, the logistical operation and the onshore manufacturing and sale of krill oil products globally to distributors and feed producers form an integrated value chain where no independent prices for the intermediate products exist. This is also the level at which management monitors, makes strategies, operates, allocates resources and makes decisions on acquisitions, continuation or disposals. The other identified CGU for impairment testing is the "Brands" segment, the human consumption distribution business which comprises of Lang and Epion. Lang acquires products derived from krill, fish and plants and packages, labels and sells the products onwards to retailers in the US market.

Indicators that could trigger an impairment test includes such conditions as significant underperformance in sales volumes or margins relative to historical or projected results, significant changes in the Group's planned use of the assets, obsolescence or physical damage of an asset or significant negative industry or economic trends.

Fair value may be estimated based on recent transactions on comparable assets. Calculation of the value in use of an asset or CGU involves estimating the future cash inflows and outflows to be derived from continuing use of the asset/CGU and from its ultimate disposal.

Impairment losses are only reversed to the extent that the asset's carrying value does not exceed the carrying value that would have been determined, net of depreciation, if no impairment had been recognized.

#### *Goodwill Impairment testing*

Mandatory annual tests for impairment are performed for CGUs with allocated goodwill or assets with indefinite useful life, and for assets/CGUs where impairment indicators have been identified. Impairment tests are performed on Ingredients and Brands (both CGUs with allocated goodwill). The impairment test of the Ingredient segment also includes a fishing license and trademark assets with indefinite useful life.

#### *Main assumptions for the value-in-use calculation:*

The Group updates its Group Business Plan for the next five years on an annual basis. The purpose of the Group Business Plan process is to set overall goals for the business and defining the steps necessary to achieve these goals. The plan facilitates the strategic planning process and provides the Board of Directors/Executive Management with a structure to monitor progress towards these goals. It is a result of a bottom-up involvement of the organization, and the key goals and objectives are in turn communicated to the broader organization to set the direction for departments and employees.

The Group Business Plan uses sensitivities and scenarios to analyze and understand how changes in one or more internal/external variables impacts the future of the group's financials. Scenario planning and sensitivity analysis provides a rational and structured way to analyze the impact from altering key variables such as sales units, prices and timing, production volumes, COGS etc. The scenarios and sensitivities are used by the Board of Directors/Executive Management to measure and manage the risk profile.

The discount rates used reflect the current market assessment of the risks specific to each CGU and are estimated based on the weighted average cost of capital. The discount rate is estimated based on a weighted average of equity return requirements and expected costs of debt, assuming a projected debt-to-equity ratio of 1. The basis for the discount rate is a risk-free interest rate set at 10 years US government bonds, and the credit risk premium has been set equal to the credit spread (compared to government bonds) for US corporate bonds with credit rating B. The Group has used different discount rates for the Ingredients CGU and the Brands CGU to reflect the different market operations.



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Climate risk has been assessed when performing the value-in-use calculation, primarily in the Ingredients CGU. Any climate change affecting the krill biomass with regards to availability and nutrients composition could significantly impact the harvesting. In addition, ice and general weather conditions could create operational difficulties. In the value-in-use calculations the normal production capacity of krill meal considers these uncertainties.

#### Ingredients (CGU):

Projected cash flows are based on management's best estimates and the business plan for the ingredients segment for the subsequent five years period. The estimates are based on detailed forecast prepared by the various departments in the ingredients segment. For subsequent periods, the model is based on an estimated terminal growth. In the forecast for the period 2022-2025, revenue projections are based on agreements entered into, actual historical prices along with management's evaluation of the potential for new agreements. The estimated operating margin is in accordance with management's forecast which is based on the scalability in the business model. As approximately 65 percent of the Group's operating expenses are fixed costs (in line with IAS2), increased sales levels will contribute to higher operating margins. Future product pricing has as per the above been based on historical prices and managements expectation with regards to new arrangements. The Group expects slightly lower krill oil sales prices as well as a moderate increase in the krill meal sales prices in the forecast period, compared to the sales price levels in 2021. Sales volumes has been modelled to follow the production targets, however lagging as to allow for building and maintaining safety-stock.

In the Ingredients impairment model the forecast period is 2022-2025. At the end of the forecast period there is an extrapolation period from 2026-2030 (as no detailed budget is prepared after 2025). In the extrapolation period growth has been set to 5%. The discount rate is based on a WACC of 10% and in the terminal value it is assumed a long-term annual growth equal to 2%.

Capital expenditure is based on the long-term technical and operations program and firm commitments. It is also assumed that the vessels will be replaced upon end of the assumed useful life.

#### Brands (CGU)

Projected cash flows are based on management's best estimates and the business plan for the Brands segment for the subsequent five years period. The estimates are based on detailed forecast prepared by management in Lang and Epion. For subsequent periods, the model is based on an estimated terminal growth, that is not exceeding the growth for the products, industry or country (US) in which the CGU operates. In the forecast for the period 2022-2025, revenue projections are based on agreements entered into, actual historical prices along with management's evaluation of the potential for new agreements. The estimated operating margin is in accordance with management's forecast.

In the Brands impairment model the forecast period is 2022-2025. At the end of the forecast period there is an extrapolation period from 2026-2030. In the extrapolation period growth has been set to 5%. The discount rate is based on a WACC of 8% and in the terminal value it is assumed a long-term annual growth equal to 2%. Given the reduced asset specific risk that the Brands segment represents as well as lower observed WACC from a benchmark study, a Damodaran discount rate of 5.9% seems reasonable as a starting point when assessing the value in use of the Brands asset. To adjust higher borrowing rates in the Group, as well as a slightly higher risk profile of Brands compared to some of the peers, a prudent discount rate is set to 8% for the Brands segment.

Segment	WACC post-tax		WACC pre-tax*	
	2021	2020	2021	2020
Ingredients	10.0 %	10.0 %	11.6 %	12.8 %
Brands	8.0 %	10.0 %	11.5 %	14.3 %

\* The pre-tax discount rate is the discount rate without tax charge in the cash flow yielding the same recoverable amount

#### *Sensitivities - impact of possible changes in key assumptions:*

##### Ingredients (CGU)

The sensitivities of the value in use has been tested by using simulations of various combinations of discount rates, terminal value growth, changes in vessel production volumes, sales price, krill production and -sales in addition to fuel cost and EBITDA. The CGU's value in use is significantly higher than the carrying amount. No reasonable possible change in any of the key assumptions would cause the unit's recoverable amount to be lower than the carrying value.

##### Brands (CGU)

The sensitivities of the value in use has been tested by using simulations of various combinations of discount rates, terminal value growth, sales and EBITDA.



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## CONSOLIDATED FINANCIAL STATEMENTS

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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The CGU's value in use is significantly higher than the carrying amount. No reasonable possible change in any of the key assumptions would cause the unit's recoverable amount to be lower than the carrying value.

**Intangible assets impairment testing:**

For customer relations cash inflows can be monitored at a lower level than the identified CGUs for goodwill impairment testing. During 2021, Management determined that there was an impairment indicator due to declining sale to certain customers included as an intangible asset under Customer relation. The recoverable amount of the customer relation was determined using a multi-period excess earnings method and was determined to be lower than the carrying value, resulting in an impairment of USD 0.9m for the customer relations and USD 0.9m on the trademark.

All other intangible assets have been assessed for impairment with the conclusion that the value in use is higher than the book value.



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#### Note 12 – Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of finished goods and raw material and goods under production comprises the costs of raw materials, direct labor and other direct costs, and related production overheads. Indirect costs allocated to inventories, include salaries, depreciation and certain other directly attributable operating expenses. The Group allocate cost of inventories using a weighted average cost formula.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The impairment from cost to net realizable value is recognized in 'Cost of goods sold' in the Consolidated statement of Profit or loss.

#### Ingredients:

The production of krill derived products in the Ingredients segment is highly complex in several stages. First, the raw krill is harvested in the Southern Ocean using Eco-Harvesting. Then the raw krill is processed into krill meal and raw krill oil onboard the vessels. These products are subsequently shipped to the logistics hub in Montevideo, Uruguay. From Uruguay the meal is sent to feed customers or to the Group's krill oil facility in Houston where krill oil is extracted from the meal. After the oil extraction the Group has a low fat/ high protein krill meal and krill oil, where krill oil is the main product. As part of the reprocessing of krill oil the Group get a neutral oil that can be blended into krill oil or used as ingredient into other applications. The low fat/ high protein krill meal is currently sold to feed customers. In future production this meal will be used as an ingredient to the Group's novel protein product.

At the start of the 2021 fishing season in November 2020, the Group changed its cost allocation method based on an assessment that producing food grade krill meal for further processing (and new applications such as Protein/INVI and LYSOVETA) require more offshore search activity and increased logistics costs which was not recognized under the previous volume allocation method. Based on an internal assessment, producing food grade krill meal for further processing is approximately 10% more expensive than regular feed grade krill meal. Following this improved allocation method, additional cost was allocated to the production of krill oil, implying lower margins on future sale of krill oil, with corresponding improved margins on krill meal sale. As a continuation of the policy harmonization, the Group amended its allocation policy between Qrill Aqua and Qrill Pet, to better reflect the actual production cost of Qrill Pet. The underlying reason for the change increased packaging and logistics cost for Qrill Pet compared to Qrill Aqua.

#### Brands:

In the Brands segment raw materials and goods under production and finished goods inventory include processing cost incurred by the Group from outside manufacturing service providers.

Inventory balances as of 31 December 2021 and 2020 are shown below:

USD Thousands	Year ended 31	
	2021	2020
Raw materials and goods under production	24,401	24,195
Finished goods	113,825	90,364
<b>Total</b>	<b>138,225</b>	<b>114,559</b>
Cost of inventories recognized at net realizable value	37,210	34,417
Carrying value of inventories recognized at net realizable value	30,346	29,569
Write-down of inventories recognized towards net change in inventories in the period*	(6,864)	(4,848)
Carrying value of inventories pledged as security	138,225	79,382

\*) Includes weight corrections, replacements to customers and obsolescence

The inventory balance as of 31 December 2021 is pledged as security and is included in the book value of assets pledged as security, please refer to Note 15.

Movements in inventory during the year comprise of:

USD Thousands	Ingredients	Brand	Elim	2021
<b>Inventory at 1 January 2021</b>				
Acquired inventory for sale	80,502	36,729	(2,672)	114,559
Production value	-	84,395	(19,381)	65,014
Cost of goods sold	169,830	(108,987)	(81,709)	169,830
Consumption and other changes	(108,987)	(81,709)	16,694	(174,002)
Elimination of internal profit in inventory	(37,175)	-	-	(37,175)
Change in spare parts inventory	-	-	-	-
<b>Inventory at 31 December 2021</b>	<b>104,170</b>	<b>39,415</b>	<b>(5,359)</b>	<b>138,225</b>

Net change in inventories 2021 – reconciliation

Net change in inventories - reconciliation	2021
Cost of goods sold before elimination of internal sales and internal profit	(190,696)
Produced inventory	169,830
Acquired inventory	84,395
Rework, consumptions and obsolete	(37,175)
Elimination of internal profit on stock	(2,687)
<b>Net change in inventories</b>	<b>23,667</b>
Cost of goods sold before elimination of internal sales and internal profit	(190,696)
Elimination of cost of internal sales	16,694
<b>Cost of goods sold recognized in Profit and Loss</b>	<b>(174,002)</b>



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Movements in inventory during 2020:

USD Thousands	Ingredients	Brand	Elim	2020
<b>Inventory at 1 January 2020</b>				94,725
Acquired inventory for sale		81,998		81,998
Production value	157,394			157,394
Cost of goods sold	(115,490)	(81,840)		(197,330)
Other changes 1)	(21,718)			(21,718)
Elimination of internal profit in inventory		(507)	(172)	(679)
Change in spare parts inventory	169			169
<b>Inventory at 31 December 2020</b>	<b>80,502</b>	<b>36,729</b>	<b>(2,672)</b>	<b>114,559</b>

1) Including USD 24 million in consumption and rework and USD 2 million in obsolete and other

Net change in inventories 2020 – reconciliation

Net change in inventories - reconciliation	2020
<b>Net change in inventories - reconciliation</b>	<b>2020</b>
Cost of goods sold before elimination of internal sales and internal profit	(197,330)
Produced inventory	157,394
Acquired inventory	81,998
Changes spare part inventory	169
Rework, consumptions and obsolete	(21,718)
Elimination of internal profit on stock	(679)
<b>Net change in inventories</b>	<b>19,834</b>
Cost of goods sold before elimination of internal sales and internal profit	(197,330)
Elimination of cost of internal sales	18,999
Elimination of internal profit on stock	(679)
<b>Cost of goods sold recognized in Profit and Loss</b>	<b>(179,010)</b>

The total production value of goods manufactured in the years 2021 and 2020 can be specified as follows:

USD Thousands	Year ended 31 December	
	2021	2020
Salaries	(35,731)	(34,559)
Direct Production	(7,924)	(10,150)
Fuel	(17,169)	(19,185)
Consumables	(4,157)	(4,307)
R&M	(6,735)	(2,541)
Other	(15,325)	(14,832)
Nutra Freight	(2,335)	(2,567)
Capsulation	(4,904)	(3,611)
Contract manufacturing	(706)	(5,995)
Depreciation	(37,706)	(32,518)
Consumption of krill raw materials	(38,897)	(27,129)
<b>Total costs allocated to inventory</b>	<b>(171,589)</b>	<b>(157,394)</b>



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#### Note 13 – Trade receivable and other current assets

USD Thousands	2021	2020
Accounts receivable	50,311	53,723
Prepaid expenses	17,296	33,775
Other current receivables	10,092	10,387
<b>Total</b>	<b>77,699</b>	<b>97,885</b>

The change in prepayments relates mainly to the delivery of Antarctic Provider that was classified as prepayment as of 31.12.2020. In addition, stock of fuel, packing material and other equipment related to the operation of the vessels and the factory in Houston is included as prepayment.

#### Note 14 – Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and statement of cash flow comprise cash at banks, including restricted deposits, and cash on hand.

USD Thousands	2021	2020
Cash and bank deposits	9,147	9,094
Restricted bank deposits	1,985	1,584
<b>Cash and cash equivalents</b>	<b>11,132</b>	<b>10,678</b>
Highly liquid derivative assets	12,486	–
Cash and cash equivalents including options	23,618	10,678

Restricted bank deposits relate to employee tax withholdings used to settle tax remittances with the tax authorities on a periodic basis. As of 31 December 2021, the Group had drawn USD 16.9 million (2020: USD 12.6 million) out of a total of USD 40.0 million available in an overdraft facility.



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### Note 15 – Interest bearing debt

The Group recognizes interest-bearing debt initially at fair value, net of transaction costs incurred. Subsequently, the debt is carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statements of profit or loss over the period of the debt using the effective interest method.

Total interest-bearing debt was at USD 324.8 million, including IFRS 16 leasing commitments of USD 11.9 million as of 31 December 2021. Cash amounted to USD 11.1 million, implying net interest-bearing debt of USD 313.7 million, up from USD 232.1 million same period last year. The increase is mainly due to the inclusion of the Antarctic Provider loan facility in 2021. Total available liquidity as of 31 December 2021 was USD 106.3 million (cash and available amounts under the debt facilities).

The company signed and executed its new financing structure with a bank group consisting of DNB Bank, Cooperative Rabobank and Nordea Bank. The new facility has a more favorable structure with increased flexibility on covenants, dividends, and indebtedness. The amortization profile is changed as a result of moving from several term loans into a larger corporate revolving credit facility (RCF) and only one term loan for the Endurance vessel. For fourth quarter 2021 (and year 2021) the company is compliant with the loan Covenants.

USD Thousands	Year ended 31 December,	
	2021	2020
<b>Non-current liabilities</b>		
Secured bank loans	285,320	203,010
Non-current NOK-denominated loan from Antarctic Harvesting Holding AS	1,334	1,334
Leasing liabilities	7,457	6,234
<b>Book value total interest-bearing non-current liabilities</b>	<b>294,111</b>	<b>210,578</b>
<b>Current liabilities</b>		
Current portion of secured loans	9,419	12,010
Overdraft facilities	16,864	12,673
Leasing liabilities	4,448	7,539
<b>Book value total interest-bearing current liabilities</b>	<b>30,731</b>	<b>32,222</b>
<b>Book value total interest-bearing liabilities</b>	<b>324,841</b>	<b>242,799</b>

Terms and debt repayment schedule per 31.12.2021:

Loan	Currency	USD		Nominal interest rate	Year of maturity		Instalments
		Thousands					
Secured bank loan - Bank syndicate	USD	86,629	3,13 % (fixed)	2031	Quarterly		
Secured loan - Bank syndicate	USD	208,109	SOFR + margin	1) 2024	In full upon termination		
Antarctic Harvesting Holding AS	NOK	1,334	7.0% NOWA+0,13% yearly	-	-		
Overdraft facility with DNB	USD	16,865	framework agreement provision	n/a	n/a		
Leasing financing	NOK/USD	11,904	6.4 - 7.3%	< 2026	Monthly		

1) SOFR

Secured Overnight Financing Rate

2) NOWA

Norwegian Overnight Weighted Average



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The following table displays debt secured by mortgaged assets:

Asset pledged as security per company as of 31 December 2021:

Debt secured mortgage assets:

USD Thousands	Year ended 31 December,	
	2021	2020
Secured bank loans	294,739	215,020
Other secured debt		
Overdraft facility	16,864	12,673
<b>Total secured debt</b>	<b>311,603</b>	<b>227,693</b>
Book value of assets pledged as security		
<b>Operating assets</b>	<b>721,127</b>	<b>563,752</b>

USD Thousands	Group total	Antarctic AS	AKBM US Holding	AKBM Manufact uring	New Ride	Lang
Ships/Rigs	195,139	195,139				
Customers	43,189	27,935				15,254
Shares	239,284	96,706	89,659		52,919	
Inventory	112,034	75,893				36,141
Other assets	131,481	77,271		53,901		309
<b>Total</b>	<b>721,127</b>	<b>472,944</b>	<b>89,659</b>	<b>53,901</b>	<b>52,919</b>	<b>51,704</b>

The following table reconciles the movements in liabilities to cash flow from financing activities in 2021:

USD Thousands	Secured bank loans	Proceeds from owner	Long term Lease	Bank overdraft	Short term lease	Total
<b>Balance Interest bearing debt at 31 December, 2020</b>	<b>215,031</b>	<b>1,334</b>	<b>6,233</b>	<b>12,662</b>	<b>7,539</b>	<b>242,799</b>
<u>Changes in Financing cash flows</u>						
Refinancing new bank syndicate	210,000					210,000
Secured bank loan - RCF + TL NewRide - DNB/RABO	65,000					65,000
Secured bank loan - DNB and Eksportkreditt (Provider)	60,000					60,000
Instalment Secured bank loan Bank syndicate	(182,338)					(182,338)
Instalment bank loan Provider	(60,000)					(60,000)
Instalment Innovation Norway	(10,199)					(10,199)
Instalment Caterpillar Finance	(1,396)					(1,396)
Lease payments					(6,343)	(6,343)
Overdraft facility with DNB/RABO				4,202		4,202
<b>Net cash flow from financing activities</b>	<b>81,067</b>	<b>-</b>	<b>-</b>	<b>4,202</b>	<b>(6,343)</b>	<b>78,926</b>
<u>Non-Cash changes</u>						
Leasing financing (IFRS16)			1,224		3,302	4,526
<u>Other changes, liability related</u>						
Interest/fees charged to loan	(1,454)					(1,454)
Effect of changes in foreign exchange rates	95				(51)	44
<b>Total liability related changes</b>	<b>(1,359)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(51)</b>	<b>(1,410)</b>
<b>Balance Interest bearing debt at 31 December, 2021</b>	<b>294,739</b>	<b>1,334</b>	<b>7,457</b>	<b>16,864</b>	<b>4,448</b>	<b>324,841</b>



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The following table reconciles the movements in liabilities to cash flow from financing activities in 2020:

USD Thousands	Secured bank loans	Proceeds from owner	Long term Lease and NMTC	Bank overdraft	Short term lease	Share capital	Reserves	Total
<b>Balance at 1 January 2019</b>	<b>283,401</b>	<b>75,129</b>	<b>25,754</b>	<b>29,135</b>	<b>6,646</b>	–	–	<b>420,064</b>
<i>Reclassification</i>	8,201		(8,201)					
<b>Changes in Financing cash flows</b>								
New loan from owner		23,000						23,000
Instalment loan from owner		(96,795)						(96,795)
Secured bank loan - RCF + TL								
NewRide - DNB/ RABO	(65,000)							(65,000)
Instalment Secured bank loan Bank syndicate	(9,409)							(9,409)
Instalment Innovation Norway - 1	(377)							(377)
Instalment Innovation Norway - 2	(833)							(833)
Instalment Innovation Norway - 3	(151)							(151)
Instalment Caterpillar Finance	(932)							(932)
Lease payments					(7,045)			(7,045)
Overdraft facility with DNB/RABO				(9,472)				(9,472)
New/increase withdrawal overdraft facility- DNB				(7,000)				(7,000)
Proceeds from Trading admittance						7,850	216,328	224,178
<b>Net cash flow from financing activities</b>	<b>(76,702)</b>	<b>(73,795)</b>	–	<b>(16,473)</b>	<b>(7,045)</b>	<b>7,850</b>	<b>216,328</b>	<b>50,163</b>
<b>Non-Cash changes</b>								
Leasing financing (IFRS16)			(3,520)		7,795			4,275
NMTC loan settlement 1)			(7,800)					(7,800)
								–
<b>Other changes, liability related</b>								
Interest/fees charged to loan	(53)							(53)
Effect of changes in foreign	185				144			329
<b>Total liability related changes</b>	<b>132</b>	–	–	–	<b>144</b>	–	–	<b>275</b>
<b>Balance Interest bearing debt at 31 December, 2020</b>	<b>215,031</b>	<b>1,334</b>	<b>6,233</b>	<b>12,662</b>	<b>7,539</b>	–	–	<b>242,799</b>

1) The NMTC loan was forgiven and recognized as financial income in the Income statement.



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#### Note 16 – Other non-current liabilities

USD Thousands	2021	2020
Contingent consideration	10,638	31,745
Pension liabilities	168	183
<b>Total</b>	<b>10,806</b>	<b>31,928</b>

The earn-out period related to Lang Acquisition is from 2019 through 2022, and could if certain financial targets, EBITDA, are met result in a gross payment of USD 50 million over the next years, with the last payment in 2023.

The fair value of the earn-out element of the contingent consideration arrangement was estimated calculating the present value of the future expected cash flows using on a discount rate of 11%. The Group recognized USD 21.1 million (2020: USD 8.0 million) as financial income to account for the fair value adjustments as per 31 December 2021. As per above this fair value adjustment was due to the discounting effect and lower EBITDA prognosis in the medium term.

#### Note 17 – Accounts payable and other payables

Accounts payable and other payment liabilities comprise the following items

USD Thousands	Year ended 31 December,	
	2021	2020
Accounts payable	25,248	20,255
Accrued expenses	17,600	15,223
Other current liabilities	3,739	3,244
<b>Total</b>	<b>46,587</b>	<b>38,721</b>

Foreign exchange and liquidity risks are described in Note 20.



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Note 18 – Leasing

The Group implemented IFRS 16 Leases as of January 1, 2019 using the modified retrospective approach. The comparative information presented for 2018 is therefore not restated. At implementation ROU assets and financial lease liabilities in the amounts of USD 4 940 were recognized. The accounting policy for lease agreements prior to the implementation of IFRS 16 was regulated by IAS 17 Leases. For the accounting period January 1 – December 31, 2018 the Group's accounting for leases when acting as lessor is the same as under IFRS 16. When party to a lease agreement as lessee, all leases were recognized as operating leases and the lease payments were expensed as incurred in the profit or loss as an operating expense. IAS 17 did not require the lessee to recognize a right-of-use asset or financial liability in connection with the lease agreement.

The Group leases various types of assets, with the most significant monetarily being the leases for office buildings, warehouses and a tramper vessel. The smaller leases comprise mainly leases for housing for employees, IT equipment and production-related equipment in the factory.

Management determines the lease term as the non-cancellable term of the lease, as well as any additional periods covered by an option to extend the lease if it is reasonably certain to be exercised. Time periods in the lease covered by an option to terminate the lease are also included in the lease term if it is reasonably certain the termination clause will not to be exercised. Management applies judgement in evaluating whether it is reasonably certain to exercise a renewal option, considering all relevant factors as well as the potential economic incentives related to the exercise of the renewal option. The lease period in the current leases held by the Group varies from one to five years. Several of the leases have a lease term that includes the optional renewal period. Most of the leases include a clause for annual price increases during the term of the lease agreement.

The Group has elected not to recognize right-of-use (ROU) assets and lease liabilities for the following types of leases, as allowed under IFRS 16:

- Short-term leases with a lease term of less than 12 months from commencement that does not include any purchase or renewal options, and
- Leases of low- value assets.

The Group recognizes a ROU asset as of the lease commencement date. The ROU asset is initially measured at cost, and subsequently at cost less

any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The initial measurement of the ROU asset includes the amount of lease liability recognized, any initial direct costs incurred, and the lease payments made at or before the commencement date less any lease incentives received. The ROU asset is generally depreciated on a straight-line-basis over the shorter of the estimated useful life of the asset or the lease term and is subject to impairment assessments of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments at commencement date discounted using either:

- The rate implicit in the lease, or if that cannot be determined
- The leasing entity's incremental borrowing rate.

The incremental borrowing rate is defined as the rate of interest that a lessee would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the cost of the ROU asset in a similar economic environment. The Group is calculating the incremental borrowing rate in a model with an interest rate swap rate as a basis and adjustments reflecting:

- Credit worthiness of the lessee
- Lease term of the contract
- Acquisition cost of the ROU
- Type of asset and
- Jurisdiction and the contact's currency.

The Group's ROU asset as at 31 December 2021 include:

USD Thousands	Buildings and vessel	Machinery and equipment	Total
Balance as of 1 January 2021	12,616	530	13,145
Depreciation for the year	(5,337)	(226)	(5,563)
Additions to ROU assets	3,485	-	3,485
Adjustment of ROU asset	195	-	195
Reclassification	(2)	2	
<b>Balance as of 31 December 2021</b>	<b>10,957</b>	<b>304</b>	<b>11,262</b>

Additions to ROU assets relates to the new lease of a factory in Ski, Norway, warehouses in India and Uruguay, and the annual CPI adjustments in some of the lease payments.

The Group's ROU asset as at 31 December 2020 include:

USD Thousands	Buildings and vessel	Machinery and equipment	Total
Balance as of 1 January 2020	16,389	167	16,556
Depreciation for the year	(6,133)	(248)	(6,381)
Additions to ROU assets	2,595	611	3,206
Derecognition of ROU asset	(235)		(235)
<b>Balance as of 31 December 2020</b>	<b>12,616</b>	<b>530</b>	<b>13,146</b>

Additions to ROU assets relate to the new lease of the tramper vessel, an office contract in Shanghai, new employee housing lease contracts and the annual CPI adjustments in some of the lease payments.



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*Amounts recognized in profit or loss*

<b>USD Thousands</b>	<b>2021</b>	<b>2020</b>
Expenses related to short-term lease	(1,786)	(1,512)
Expenses related to low-value asset, excl. short-term	-	(100)
Leasing expenses related to variable payments not included in lease liabilities	(111)	(304)
Interest on ROU lease	(861)	(1,069)
Recognition of difference between lease liability and ROU asset per 1 Jan 2019 on derecognized asset	-	(1)
Effect of changes in foreign exchange rates	51	(144)
<b>Total</b>	<b>(2,707)</b>	<b>(3,130)</b>
<b>ROU assets recognized in cash flow statement:</b>	<b>(6,343)</b>	<b>(7,045)</b>

*Future lease liability payments as of year-end 2021 and 2020 (IFRS 16)*

<b>USD Thousands</b>	<b>2021</b>	<b>2020</b>
Within one year	4,161	4,831
1-2 years	3,456	3,116
3-5 years	3,974	5,825
More than 5 years	313	-
<b>Total</b>	<b>11,904</b>	<b>13,772</b>

Lease liabilities as of December 31, 2021 totaled kUSD 11.9 (December 31, 2020: kUSD 13.8) of which kUSD 4.4 (December 31, 2020: kUSD 4.8) was classified as current and kUSD 7.5 (December 31, 2020: kUSD 8.9) as non-current.



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#### Note 19 – Foreign exchange rates

In preparing the Group's consolidated financial statements, the following exchange rates have been applied:

in USD

Country	Denomination		Average rate year ended 31 December, 2021	Closing rate at 31 December, 2021	Average rate year ended 31 December, 2020	Closing rate at 31 December, 2020
Norway	NOK	1	0.1163	0.1134	0.1064	0.1172
European Union (EU)	EUR	1	1.1821	1.1326	1.1405	1.2271

The monthly average exchange rates and the exchange rates as of 31 December 2021 have been used in translating profit or loss and consolidated statement of financial position items, respectively. If the monthly average fails to provide a reasonable approximation of the exchange rate to apply to the nominal transaction price, then the exchange rate on the date of the transaction will be applied.



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Note 20 – Financial risk

The Group's activities expose it to various types of risk which are associated with the financial instruments and markets in which it operates. The most significant types of financial risk the Group is exposed to are credit risk, liquidity risk, and market risks (including foreign exchange risk, interest rate risk and bunker risk. To manage these risks, risk management is carried out in order to create predictability and stability for operating cash flows and values. Management can use financial derivatives to hedge against risk relating to operations, financing, and investment activities if the financial derivative has been approved by the Board of Directors. In 2020 the company entered a fuel hedge contract with DNB, see further description of the contract below under iii) Fuel price risk.

The recent Covid-19 crisis inherently increases many of these risk factors; markets become more uncertain, operations become more vulnerable to interruptions and policy makers around the world may gravitate towards stricter regulations impacting international trade. As the Covid-19 virus develops across the world, Aker BioMarine is taking measures to mitigate the risk for operational disruptions and reduce risk of outbreaks and its consequences, both offshore and onshore on the production facility in Houston as well as in the offices. Even though the development is followed closely, a worst-case scenario with outbreak in the Houston facility or on the fishing vessels may have significant operational and financial impact. As the Covid-19 virus is having a growing impact on the world economy, including Aker BioMarine's main market, the negative financial impact is uncertain with an unclear ending.

**Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's main credit risk relates to receivables from customers. Exposure to that risk is monitored on a routine basis and credit evaluations are performed on customers as appropriate. When entering significant sales contracts, the sales department seeks to reduce credit risk through more stringent payment terms including requirement of up-front payments. The Group has had low losses on receivables as the sales department is maintaining close contact with each customer and routine billing and cash collection is performed.

The book value of financial assets represents the maximum credit exposure.

Receivables presented under Trade Receivables are ordinary account receivables generated through sales of goods, accounted for under IFRS

**Liquidity risk**

Liquidity risk is the risk that the Group will be unable to meet its financial liabilities as they mature. The Group does not hedge against exposure to interest-rate fluctuations on debt and is therefore exposed to fluctuations on the variable-rate amount of interest-bearing liabilities, which was USD 311.6 million as of 31 December 2021 (2020: USD 145 million).

15. The Group does not grant any payment terms more than 12 months, meaning that if the Group were to estimate expected credit losses (ECL) as according to general or simplified approach, the ECL would (for all material purposes) represent the lifetime expected credit losses.

The Group has determined to apply the practical expedient for measuring ECL of the Account Receivable, mainly due to the large extent of smaller clients, and the limited amount of losses over the past years.

The Group has designed a provision matrix based on the assessment on historical data over the last years to identify whether there are either geographical or market (Qrill / Superba) indications of whether any additional breakdowns into sub-portfolios is required. The reasonability of the ECL accruals compared to prior years actual losses has also been assessed, to ensure it constitutes a reasonable expectation.

The ECL rates per portfolio will be reviewed at each reporting date to assess if the matrix still reflects the current conditions, and if the provision still is at a reasonable and supportable level, reflecting the future economic conditions.

*Aging profile of accounts receivable and bad debt provisions:*

USD Thousands	2021	2020
Not at maturity	28,247	47,248
0-30 days overdue	10,167	6,326
31-120 days overdue	9,517	254
121- 365 days overdue	3,276	553
Total trade receivable	51,207	54,381
Bad debt provision	(895)	(658)

Write off and allocation for loss on trade receivable are included under operating expenses in the consolidated profit and loss.

*Movements in allocation to loss on trade receivable and contract assets*

USD Thousands	2021	2020
Balance at 1 January under IFRS 9	(658)	(185)
Impairment loss (write-off) on trade and other receivables	(402)	(181)
Provision/reversal of impairment loss on trade and other receivables	-	(278)
Effects of changes in foreign exchange rates	165	(14)
Allocation to loss on trade receivable and contract assets	(895)	(658)

The Group's two most significant customers account for USD 12.1 million of the receivables carrying amount as of 31 December 2021 (2020: USD 16.7 million).



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Overview of maturities including estimated interest payments by category of liability:

USD Thousands	2021 maturity structure — loans and interest						
	Book value at 31 December	Nominal values	Up to 6 months	6-12 months	1-2 years	3-5 years	More than 5 years
Secured bank loans	294,738	(325,771)	(9,264)	(9,184)	(18,146)	(247,966)	(41,211)
Other non-current interest bearing liabilities							
Interest bearing debt, non-current, related parties	1,334	(1,801)	(93)	(93)	(93)	(93)	(1,427)
Overdraft facility	16,864	(16,850)	(16,850)	-	-	-	-
Leasing liabilities (IFRS16)	11,904	(11,905)	(2,085)	(2,085)	(3,467)	(3,963)	(304)
<b>Total 2021 maturity of loans and interest on interest-bearing debt</b>	<b>324,840</b>	<b>(356,326)</b>	<b>(28,292)</b>	<b>(11,363)</b>	<b>(21,706)</b>	<b>(252,022)</b>	<b>(42,942)</b>
Accounts payable and other current liabilities	46,587	(38,721)	(38,721)	-	-	-	-
Non-current non-interest-bearing liabilities	15,687	(15,517)	-	-	(10,638)	-	(4,879)
<b>Total liabilities</b>	<b>387,115</b>	<b>(410,564)</b>	<b>(67,013)</b>	<b>(11,363)</b>	<b>(32,344)</b>	<b>(252,022)</b>	<b>(47,821)</b>

USD Thousands	2020 maturity structure — loans and interest						
	Book value at 31 December	Nominal values	Up to 6 months	6-12 months	1-2 years	3-5 years	More than 5 years
Secured bank loans	207,102	(233,239)	(9,599)	(14,515)	(22,229)	(131,998)	(54,898)
Other non-current interest bearing liabilities	7,919	(8,589)	(134)	(134)	(134)	(8,187)	-
Interest bearing debt, non-current, related parties	1,334	(1,801)	(93)	(93)	(93)	(93)	(1,427)
Overdraft facility	12,673	(12,662)	(12,662)	-	-	-	-
Leasing liabilities (IFRS16)	13,772	(15,499)	(3,720)	(3,080)	(3,235)	(5,464)	-
<b>Total 2020 maturity of loans and interest on interest-bearing debt</b>	<b>242,799</b>	<b>(271,789)</b>	<b>(26,208)</b>	<b>(17,823)</b>	<b>(25,691)</b>	<b>(145,743)</b>	<b>(56,325)</b>
Derivatives	8,996	(8,996)	(8,067)	(929)	-	-	-
Accounts payable and other current liabilities	38,721	(38,721)	(38,721)	-	-	-	-
Non-current non-interest-bearing liabilities	36,745	(36,562)	-	-	-	(31,745)	(4,817)
<b>Total liabilities</b>	<b>327,262</b>	<b>(356,068)</b>	<b>(72,996)</b>	<b>(18,752)</b>	<b>(25,691)</b>	<b>(177,488)</b>	<b>(61,142)</b>

### Market risk

#### i Foreign exchange risk

The Group operates in a global market and is exposed to currency fluctuations, primarily through fluctuations in the USD, NOK and EUR exchange rates. In addition, the Group has operations with exposure to local currencies in Uruguay, Australia, India, Thailand, New Zealand, Canada and China, but these exposures are regarded minimal. The Group has USD as its presentation and functional currency in the main group companies. The Group has NOK denominated financial instruments thus the consolidated statement of financial position is exposed to changes in NOK/USD exchange rate.

The Group seeks to ensure that revenues and expenses are in the same currency. Future cash flows are estimated and offset. The Group periodically assesses the need for foreign currency hedging. Currency risk is managed on an overall Group level.



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As of 31.12.2021 the Group recognized an asset of USD 12.5 million from a fuel hedge contract, see description under iii) Fuel price risk.

The table below shows the Group's exposure to foreign exchange risk at year end.

USD Thousands	Year ended 31 December 2021		Year ended 31 December 2020	
	Euro	NOK	Euro	NOK
Accounts receivable	334	6,119	2,856	7,228
Cash	(25)	(15,332)	555	(8,742)
Secured bank loan	2,512	(22,593)	(100)	(4,448)
Accounts payable	(1,861)	(11,873)	(2,272)	(7,591)
Other balance sheet items		(207)		
Gross balance sheet exposure	960	(43,886)	1,039	(13,553)
Currency forwards				
Net exposure	960	(43,886)	1,039	(13,553)

### Sensitivity analysis

A 10% increase or decrease in USD relative to the Euro and the NOK would have reduced or increased the Group's profit before tax with USD 0.1 million related to Euro and USD 0.5 million related to NOK, respectively.

#### ii Interest rate risk

The Group's borrowings and any surplus cash balances are held at variable and fixed interest rates linked to the Norwegian or London interbank offered rate (NIBOR and LIBOR, 3 or 6 months). A movement of 100 basis points in the interest rate on borrowings and surplus cash balances as of 31 December 2021 would have affected the Group's profit before tax with USD 1.3 million. (2020: USD 1.2 million). This analysis assumes that all other variables, especially the exchange rates, remain constant.

### Interest rate profile

At the close of the year, the interest- rate profile for the Group's interest-bearing financial instruments was as follows:

USD Thousands	Year ended 31 December, 2021	Effective interest rate year ended 31 December, 2021	Year ended 31 December, 2020	Effective interest rate year ended 31 December, 2020
<b>Fixed-interest instruments</b>				
Secured loans from Innovasjon Norge				
Loan from Antarctic Harvesting Holding AS	(1,334)	7.00%	(1,334)	7.00%
Secured bank loan - Bank syndicate	(95,994)	3.1 %	(95,994)	3.1 %
Net fixed interest instruments	(97,328)		(97,328)	
<b>Floating-interest instruments</b>				
Financial assets				
Cash and cash equivalents	11,132	variable *)	10,678	variable *)
Financial liabilities				
Secured bank loan - Bank syndicate	(198,745)		(52,919)	3.11%
Secured bank loan - Innovasjon Norge			(527)	4.0 %
Secured bank loan - Innovasjon Norge			(3,161)	2.9 %
Secured bank loan - Innovasjon Norge			(6,406)	2.9 %
Secured bank loan - Caterpillar Finance			(1,397)	4.2 %
Secured bank loan - DNB			(54,616)	3.7 %
New Market Tax Credit US (NMTC loan)			Settled	
Overdraft facility	(16,864)	variable **)	(12,673)	variable **)
Leasing liabilities (IFRS16)	(11,904)	variable **)	(13,772)	variable **)
Net variable interest instruments	(216,381)		(134,793)	
<b>Total net interest-bearing debt</b>	<b>(313,710)</b>		<b>(232,121)</b>	

\*) different cash and cash equivalents carry different interest rates, as such no effective interest rate has been calculated

\*\*\*) different loans/ receivables carry different interest rates, as such no effective interest rate has been calculated



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iii. Fuel price risk

Marine Gasoil ("MGO") fuel used for vessel propulsion and krill meal production is one of the Groups' most significant operating costs. The profitability and cash flow of the Group will therefore be affected by the market price of MGO. To reduce Aker BioMarine's exposure to fluctuations in the fuel price, the operating subsidiary Aker BioMarine Antarctic AS purchased call options on Gasoil 0.1% at barges FOB Rotterdam in 2020. These options give Aker BioMarine Antarctic AS the right to purchase Gasoil 0.1% at barges FOB Rotterdam at defined price ("the strike") each month until December 2024. As of 31 January 2021, Aker BioMarine held 77 934 call option contracts giving the Group the right to purchase 77 934 MT of fuel between 2022 and 2024. The value of these options is reflected in the mark-to-market ("M2M") value, which at 31st of December 2021 was USD 12.5m.

	Contracts (000)	Strike (USD/MT)	M2M December 31,2021 (USDm)
2022	25.9	410	6.2
2023	25.5	550	3.3
2024	26.5	580	3.2
Total	77.9		12.7

Classification of derivatives

The Group uses fuel options for economic hedging purposes and not as speculative investments. From 1 January 2021 the Company met the requirements for using hedge accounting on its fuel options which means that the options are recognized in the balance sheet under the line item 'Derivative assets'

During 2021, the Group rebalanced its call option portfolio to align with an updated forecast of production and operations. As a result, the Group sold 21 974 call options. The sale has been recognized as a rebalancing

Hedge effectiveness

The Group determines hedge effectiveness at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument. As of 31 December 2021, the hedge was found effective.

effect of designated fuel volumes and have been accounted for in accordance with the requirements for discontinuation of hedge accounting. The gain from rebalancing was USD 2.5 million and was recognized as 'Other operating income' in the statement of profit or loss. Contracts not sold continue to follow hedge accounting

In addition to the USD 2.5 million recognized from the rebalancing exercise, the Group also recognized profits from cash-settling expiring option contracts throughout the year. In total, the Group realized a gain of USD 4.2m on cash settled contracts. However, given the Groups' inventory accounting policy (see note 11) a portion of this gain has not been realized in the 2021 P&L, but rather carried into 2022 in the form of a lower-valued fuel inventory

In 2021, the Group also prepaid for fuel call options expiring between January 2022 and December 2024. The total cost of the prepayment was USD 6.7 million, and this cost has been booked as a part of the 'Derivative asset' in the Statement of Financial Position.

2021 fuel hedge cash flow overview	
Premium paid for 2021 - 2024 calls 1)	(9)
Hedge settlements 2021	6.6
Sale of surplus call options	2.5
M2M Hedge value 2022-2024 calls	12.5
Net cash equivalent 2022-2024 2)	12.5

- 1) Premiums for 2022-2024 were prepaid in January
- 2) The mark-to-market value of call options are booked as 'Derivative asset' in the statement of financial position. From a Group liquidity perspective, the mark-to-market value is viewed as a cash equivalent as the fuel options have proven to be highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

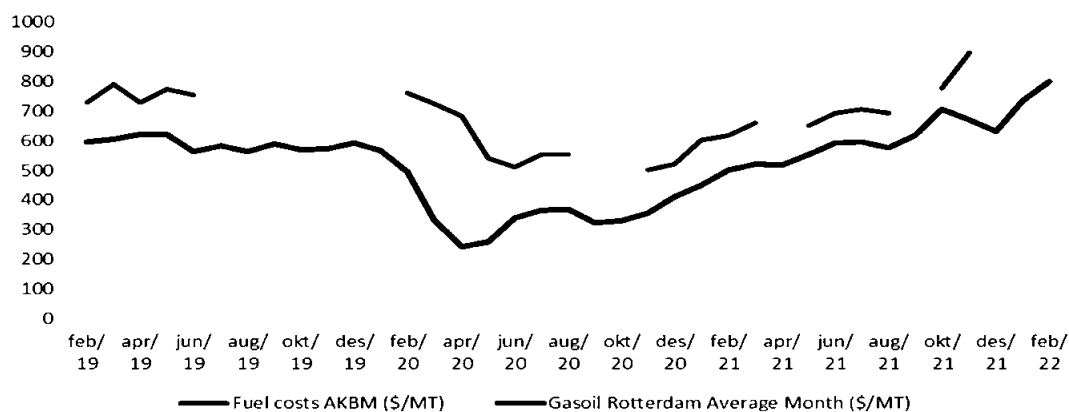


## CONSOLIDATED FINANCIAL STATEMENTS

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Historic Fuel Prices - Gasoil 0.1% at barges FOB Rotterdam vs. AKBM actual paid



In 2020, the difference between the value of the derivative asset and the premium amounting to USD 1.3 million was recognized as Other financial expense in the Consolidated statement of profit or loss as the group did not follow hedge accounting.

#### Fair values

The Group had financial receivables that under IFRS 9, based on evaluation of business model applied, will be measured at fair value over the profit and loss; however, this is in line with how these assets previously have been accounted for, and the last applicable receivable was settled in 2019.

Trade receivables are classified at amortized cost. An expected loss recognition process is used, utilizing the practical expedient. Expected credit losses (ECL) are calculated based on a matrix taking into consideration customer risk, and geographical segments and historical data.

Based on the Group's assessment, there were no new classification requirements following IFRS 9 implementation, which had material impact on accounting for financial assets or liabilities upon implementation in 2018.

The fair values quoted in the table below are categorized within the fair value hierarchy, described below, and based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

All fair values using Level 2 valuation techniques are based on discounted cash flow models.

The short-term nature of financial instruments such as cash and bank deposits result in the book value approximating fair value. The same approach applies to receivables and debt associated with the business cycle. Financial assets that are classified as held for sale and financial assets at fair value through profit and loss are recorded at fair value.



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Year ended 31 December 2021

USD Thousands	Fair value through P&L	Derivates (not hedge accounting)	Amortized cost	Fair value through OCI	Interest rate swaps	Forward exchange contracts	Other derivate contracts	Total book value	Level 2	Level 3	Total Fair value
	Fair value through P/L			Qualified for hedge accounting							
Other non-interest-bearing non-current assets	104		7,179					7,283		7,283	7,283
Accounts receivables			50,311					50,311			
Other forward contracts							12,486	12,486			
Other non-interest-bearing current receivables			10,091					10,091			
Cash and cash equivalents			11,132					11,132	11,132		11,132
Total financial assets	104	-	78,712	-	-	-	12,486	91,302	11,132	7,283	18,415
Secured bank loans			285,320					285,320	285,320		285,320
Interest-bearing current liabilities, external			9,419					9,419	9,419		9,419
Other interest free liabilities, non-current			(6)					(6)			
Loan from Antarctic Harvesting Holding AS			1,334					1,334	1,334		1,334
Leasing liabilities			11,904					11,904	11,904		11,904
Overdrafts			16,864					16,864	16,864		16,864
Accounts payable and other interest free liabilities			40,253					40,253			
Total financial liabilities	-	-	365,088	-	-	-	-	365,088	324,841	-	324,841



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Year ended 31 December 2020

USD Thousands	Fair value through P&L	Derivates (not hedge accounting)	Amortized cost	Fair value through OCI	Interest rate swaps	Forward exchange contracts	Other derivate contracts	Total book value	Level 2	Level 3	Total fair value
	Fair value through P/L			Qualified for hedge accounting							
Other non-interest-bearing non-current assets			145					145	145		145
Accounts receivables	133		49,454					49,587	49,454		49,454
Other non-interest-bearing current receivables			1,185					1,185	1,185		1,185
Cash and cash equivalents			12,425					12,425	12,425		12,425
Total financial assets	133	–	63,209	–	–	–	–	63,342	63,209	–	63,209
Secured bank loans			266,590					266,590	266,590		266,590
Interest-bearing non-current liabilities			7,919					7,919	7,919		7,919
Interest-bearing current liabilities, external			24,611					24,611	24,611		24,611
Loan from AKER ASA			73,795					73,795	73,795		73,795
Loan from Antarctic Harvesting Holding AS			1,334					1,334	1,334		1,334
Leasing liabilities			16,681					16,681	16,681		16,681
Overdrafts			29,135					29,135	29,135		29,135
Accounts payable and other interest free liabilities			89,390					89,390	89,390		89,390
Total financial liabilities	–	–	509,454	–	–	–	–	509,454	509,454	–	509,454

### Capital management

One objective of the Group's asset management is to build and maintain financial flexibility to realize its strategic goals. The capital structure should reflect the Group's operational risk and offer flexibility for potential investments.

The Group manages its capital structure and makes any necessary modifications based on an ongoing assessment of the financial conditions under which the business operates, and short- to medium term projections. The Group is in a development and growth phase and thus subject to higher volatility in its net cash flows than a mature company in addition to re-investing any cash proceeds into further growth. As of 31 December 2021, the Group had USD 106.3 million in available liquidity.

### Note 21 – Contingencies and legal claims

The Group recognizes a provision when it has a legal or constructive obligation as a result of a past event, when it is probable that payment or the transfer of other assets will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

With worldwide operations, the Group is involved in disputes in the ordinary course of its business activities. Provisions to cover projected losses arising from such disputes are made to the extent negative outcomes are probable and reliable estimates can be prepared. However, the outcome of any such dispute is inherently uncertain, and the resulting liability may exceed any provision made.

As per 31 December 2021 no provisions were made for legal claims.



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#### Note 22 – Related parties

The Group's consolidated financial statements include the following transactions and intercompany balances with Aker ASA and companies controlled by Aker ASA. Refer to Note 23 for remuneration to key management.

Aker ASA is the controlling shareholder of the Group.

USD Thousands	Year ended 31 December,	
	2021	2020
Office rent, facilities services and IT	(1,790)	(1,513)
Interest expenses and guarantee fee	(268)	(4,631)
<b>Total</b>	<b>(2,058)</b>	<b>(6,144)</b>

The interest expense relates to the interest-bearing debt to Aker ASA which were repaid in August 2020. The guarantee fee relates to the guarantee provided from Aker ASA related to the Group's long-term loan with DNB/Rabobank (see Note 15).

#### Specification of transactions

USD Thousands	2021	2020
Office Rent Fornebu Næring	(1,114)	(1,018)
Recharge Rev Ocean	130	122
Management fee	(806)	(617)
	<b>(1,790)</b>	<b>(1,513)</b>
Guarantee fee Aker ASA	(268)	(4,631)
<b>Total</b>	<b>(2,058)</b>	<b>(6,144)</b>

Lang Pharma Nutrition Inc. rents its facility for kUSD 11.5 per month from Tabat Schaberg LLC which is owned by David Lang, the former owner of Lang Pharma Nutrition Inc. and current president of Lang Pharma Nutrition Inc.

Total rent paid to Tabat Schaberg LLC is kUSD 138. The company also has a deposit of kUSD 11.5 with Tabat Schaberg LLC.



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#### Note 23 – Salaries and other remuneration to the Board of Directors and executive management

##### Board remuneration

USD Thousands	Board membership	Year ended 31 December,	
		2021	2020
	Ola Snøve	60	–
	Kjell-Inge Røkke*	–	–
	Øyvind Eriksen*	–	–
	Frank O. Reite*	30	11
	Lise Wiger****	–	–
	Sindre Skjong**	–	–
	Line Johnsen***	–	–
<b>Total</b>		<b>90</b>	<b>11</b>

\* Elected at annual shareholder meeting February 2016

\*\* Employee representative from August 2019

\*\*\* Employee representative from June 2020 to June 2021

\*\*\*\* Employee representative from June 2021

##### Salary and compensation to EMT

USD Thousands	Name	Current position within the Company	2021				2020			
			Salary	Bonus	Pension	Total	Salary	Bonus	Pension	Total
	Matts Johansen	Chief Executive Officer (CEO)	459	–	8	467	420	200	10	630
	Katrine Klaveness	Chief Financial Officer (CFO)	335	–	8	343	240	180	10	430
	Tim de Haas	EVP Human Health and Nutrition	250	–	9	259	200	130	10	340
	Kristine Hartmann	EVP Transformation (Jan-Sep 2020)	–	–	–	–	140	60	10	210
	Hege Spaun	EVP Transformation (Oct-Dec 2020)	161	–	8	169	30	–	–	30
	Tone Lorentzen	EVP Supply Chain	289	–	8	297	230	140	10	380
	Shauna McNeill	EVP Innovation	201	–	9	210	160	120	10	290
	Sigve Nordrum	EVP Animal Health and Nutrition	235	–	45	280	190	130	30	350
	Todd Norton	EVP Special Advisor	239	–	26	265	230	110	10	350
	Webjørn Barstad	EVP Offshore (from Dec 2020)	248	116	10	374	20	–	–	20
	Trond Atle Smedsrud	EVP Strategic Investments	251	–	8	259	250	150	10	410
	Dave Lang	CEO Lang Pharma Nutrition Inc.	300	–	3	303	80	–	–	80
	Seth French	CEO Lang Pharma Nutrition Inc.	135	–	4	139	–	–	–	–
<b>TOTAL</b>			<b>3,103</b>	<b>116</b>	<b>145</b>	<b>3,364</b>	<b>2,190</b>	<b>1,220</b>	<b>110</b>	<b>3,520</b>

There is no remuneration paid to the Board members and Employee representative other than ordinary salaries.

Remuneration paid out during the year does not include accruals.

##### Remuneration paid to the CEO and Executive management team (EMT)

The CEO is member of the defined contribution pension and insurance plans that cover all employees. The Group uses standard employment contracts. The CEO may be dismissed upon three months' notice. If the company terminates the employment, the CEO is entitled to three months' severance pay after the end of the notice period. The pension is capped at a salary of 12 times the National Social Security base amount.

Remuneration paid out during the year does not include accruals.

The Group implemented share incentive programs for employees in February 2022.

There is no bonus program for the employees.

However, in relation to the admission to trading on Euronext Growth in July 2020, all employees received a bonus of NOK 15k each. Based on the company's performance in 2020, management team was awarded a bonus totaling USD 1.2 million. No bonus awarded in 2021, except for one member of the EMT.



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### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### Note 24 – Group companies

As of 31 December 2021, Aker Capital AS held 77.8% of the shares in Aker BioMarine, and the CEO, through his wholly owned subsidiary KMMN Invest II AS, held 1.19%.

##### *Assessment of non-controlling interests:*

Through its fully owned company Antarctic Harvesting Holding AS (AHH), The Resource Group TGR AS, subscribed to 555,900 new shares (the A-shares) in Aker BioMarine Antarctic AS for a cash consideration of NOK 11 million in September 2015. The shares subscribed to constitute a separate share class with rights to an annual preferential dividend of 7% of the invested capital, but with no economic rights to any profits above this level.

The structure enables the company to access foreign capital while remaining in compliance with its fishing licenses. Through the shareholders agreement, the company holds the majority of the voting rights for all matter except the reserved matters. The reserved matters give AHH some rights, but not power over the relevant activities. AHH's rights are either protective or relates to activities that does not significantly affect the return. The company has power over the relevant activities, and has control over Aker BioMarine Antarctic AS.

Based on the content of the shareholder agreement between the company and AHH, the company defines Aker BioMarine Antarctic AS as a subsidiary, even if the ownership is 40% (the B-shares). It has therefore been assessed that the shareholders agreement does not give rise to any non-controlling interests in the Group financial statements.

*The consolidated financial statements for the Group in 2021 included the following subsidiaries:*

	Shareholding in %	Voting rights in %	Administrative headquarters	
			Location	Country
Aker BioMarine Antarctic AS	40	100*	Lysaker	Norway
Aker BioMarine Antarctic US LLC	100	100	Issaquah	USA
Aker BioMarine Antarctic Services AS	100	100	Lysaker	Norway
Aker BioMarine Antarctic Australia Pty Ltd	100	100	Melbourne	Australia
Aker BioMarine Manufacturing LLC	100	100	Houston	USA
Aker BioMarine Financing LLC	100	100	Houston	USA
Aker BioMarine Antarctic SA (former Odalson S.A.)	100	100	Montevideo	Uruguay
Aker BioMarine US Holding Inc	100	100	Issaquah	USA
Complector Ship Management AS	100	100	Lysaker	Norway
Aker BioMarine Asia Ltd	100	100	Hong Kong	China
Aker BioMarine Shanghai International Trading Co Ltd	100	100	Shanghai	China
Aker BioMarine Canada Inc	100	100	Vancouver	Canada
Euphausia LLC	100	100	Wilmington	USA
Aker BioMarine (Thailand) Ltd	100	100	Bangkok	Thailand
Aker BioMarine India Private Ltd	100	100	Mumbai	India
NewRide LLC	100	100	Issaquah	USA
Epion Brands LLC	100	100	Issaquah	USA
Lang Pharma Nutron Inc	100	100	Middletown	USA
Wanaka BioMarine Ltd	100	100	Nelson	New Zealand
Aion AS	100	100	Lysaker	Norway

*\*) Aker BioMarine ASA has all voting rights except for certain fundamental matters which require consent from both shareholders*



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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the Group in 2020 included the following subsidiaries:

	Shareholding in %	Voting rights in %	Administrative headquarters	
			Location	Country
Aker BioMarine Antarctic AS	40	100*	Lysaker	Norway
Aker BioMarine Antarctic US LLC	100	100	Issaquah	USA
Aker BioMarine Antarctic Services AS	100	100	Lysaker	Norway
Aker BioMarine Antarctic Australia Pty Ltd	100	100	Melbourne	Australia
Aker BioMarine Manufacturing LLC	100	100	Houston	USA
Aker BioMarine Financing LLC	100	100	Houston	USA
Aker BioMarine Antarctic SA (former Odalson S.A.)	100	100	Montevideo	Uruguay
Aker BioMarine US Holding Inc	100	100	Issaquah	USA
Complector Ship Management AS	100	100	Lysaker	Norway
Aker BioMarine Asia Ltd	100	100	Hong Kong	China
Aker BioMarine Shanghai International Trading Co Ltd	100	100	Shanghai	China
Aker BioMarine Canada Inc	100	100	Vancouver	Canada
Euphausia LLC	100	100	Wilmington	USA
Aker BioMarine (Thailand) Ltd	100	100	Bangkok	Thailand
Aker BioMarine India Private Ltd	100	100	Mumbai	India
NewRide LLC	100	100	Issaquah	USA
Epion Brands LLC	100	100	Issaquah	USA
Lang Pharma Nutrition Inc	100	100	Middletown	USA
Wanaka BioMarine Ltd	100	100	Nelson	New Zealand
Aion AS	100	100	Lysaker	Norway

\*) Aker BioMarine ASA has all voting rights except for certain fundamental matters which require consent from both shareholders



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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 25 – Earnings per share

USD Thousands	2021	2020
<u>Continued operations:</u>		
Net profit (loss)	(8,008)	(5,463)
Profit (loss) from continued operations attributable to Equity holders of the parent	(8,008)	(5,463)
<u>Number of shares</u>		
Share outstanding as per 1 January	69,053,544	69,053,544
Change from Trading admittance	18,532,542	18,532,542
Shares outstanding as per 31 December	87,586,086	87,586,086
Weighted average number of shares as per 31 December	87,586,086	78,062,419
<u>Earnings per share</u>		
Basic	(0.09)	(0.07)
Diluted	(0.09)	(0.07)

### Note 26 – Events after the end of the reporting period

#### *Tax refund*

On 27 January 2022, Aker BioMarine Manufacturing LLC (in Houston, Texas) received USD 5.7m in ethanol tax refund from the US Alcohol and Tobacco tax and Trade Bureau. The refund was calculated based on actual ethanol consumption in 2019 and 2020. The refund was filed in October 2021 after several revisions of actual ethanol consumption and period end balance. Remaining ethanol tax refund to be collected from 2021 consumption is USD 4.0m (part of 'Trade receivable and prepaid expenses' in the Statement of Financial position).

#### *Invasion of Ukraine*

On 24 February 2022, Russia initiated an invasion of Ukraine and this has resulted in international sanctions on Russia. The cut of Russia from the SWIFT system has a direct impact on Aker BioMarine's offshore activity as there are many crew members from Russia. As per now, the company is operating as normal and is closely monitoring the situation.



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### ALTERNATIVE PERFORMANCE MEASURES (APMs)

Alternative performance measures, meaning financial performance measures not included within the applicable financial reporting framework, are used by the Group to provide supplemental information by excluding items that in management's view, does not give indications of the periodic operating results. Financial APMs are used to enhance comparability of the results from a period to the next, and management uses these measures internally when driving performance in terms of long- and short-term forecasts. The measures are adjusted IFRS measures, and are defined, calculated and consistently applied in the Group's financial reporting. The Group focuses on EBITDA and Adjusted EBITDA when presenting the period's financial result internally and externally. Adjusted EBITDA is adjusted for special operating items.

Financial APMs should not be considered as substitute for measures of performance in accordance with applicable financial reporting framework.

The Group uses the following APMs in the reporting:

- EBITDA: Operating profit before depreciation, amortization, write-downs and impairments
- Adjusted EBITDA: Operating profit before depreciation, amortization, write-downs and impairments, and Special operating items
- EBITDA margin %: EBITDA as a percentage of Net sales
- Adjusted EBITDA margin %: Adjusted EBITDA as a percentage of Net sales
- Gross margin %: Gross profit as a percentage of Net sales
- CAPEX: The sum of Payments for property, plant and equipment and Payments for intangibles (included in the consolidated statement of cash flow)

"EBITDA" and "Adjusted EBITDA" are used as APMs to facilitate operating performance comparisons from period to period, and the others are relevant key figures mainly in connection with the mentioned performance measures. The significant items of income and expenditure represent the difference between EBITDA and Adjusted EBITDA and are labeled "Special operating items" (which is also the wording used in the Group's financing agreements).

As per the Group's APM guideline, Special operating items fall within these brackets:

- *Restructuring costs:* In the event of the initiation of a restructuring program, IAS 37 defines a restructuring as a program that materially changes the scope of a business or the manner in which it is conducted, and any associated costs are non-recurring.
- *Launch cost:* In the event of the launch of a new brand, the related costs are considered as non-recurring until the launch of the brand. Examples of relevant costs are employment of management team, R&D on packaging and capsules, general start-up cost, and significant market development costs.
- *Transaction related costs:* These costs include fee to legal and tax advice related to a share issue (unless not carried towards equity) or M&A valuation fee, underwriting fee, roadshow costs, certain bonus schemes directly linked to the transaction.
- *Settlements:* In the event where the company has paid settlements to other parties.

- *Legal expenses:* Litigation expenses in the form of a lawsuit settlement, legal and consultancy fees are all nonrecurring expenses.
- *Gains/ losses on sale of assets:* The sale of assets is not part of the company's normal operations, and any (material) gains or losses are considered non-recurring.
- *Impairments:* When the (reversal of) impairment is the result of an isolated, non-recurring event, this is considered non-recurring.
- *Other:* Other material transactions of either non-recurring nature or special in nature compared to ordinary operational income or expenses.

As per the Group's APM guidelines, the materiality level for recognizing a Special operating item is USD 1.0 million.

The following table reconciles Adjusted EBITDA to Operating profit and Net income (loss) in the consolidated statements of Profit or loss. 'Depreciation, amortization and impairment non-production assets' in the below table is derived directly from the Profit or loss line item 'Depreciation, amortization and impairment'. 'Depreciation, amortization and impairment production assets' in the below table can be reconciled with information in Note 10 'Property, plant and equipment' under line items 'Depreciation for the year' and 'Impairment'.

The following comprises the items included Special Operating Items over 2021 and 2020.

USD Thousands	Year ended 31 December	
	2021	2020
<b>Net loss</b>	<b>(8,008)</b>	<b>(5,463)</b>
Tax expense	604	6,151
Financial income	(21,276)	(16,794)
Financial expenses	15,660	22,827
Net foreign exchange gain/loss	(647)	279
<b>Operating profit</b>	<b>(13,667)</b>	<b>7,000</b>
Depreciation, amortization and impairment	56,877	49,644
<b>EBITDA</b>	<b>43,210</b>	<b>56,644</b>
Special operating items	4,720	21,462
<i>Consisting of:</i>		
Juvel gain and operating cost - 'Gains/ losses on sale of assets/ 'Other'	-	(690)
La Manche operating costs and gain from	(428)	-
Restructuring costs	2,681	-
Legal expenses SG&A	1,359	-
Kori national brand US launch - 'Launch	-	17,016
Oslo Børs listing - 'Transaction related costs'	1,108	2,155
Private charter flights - 'Other'	-	1,519
Crew cost - 'Other'	-	1,462
<b>Adjusted EBITDA</b>	<b>47,944</b>	<b>78,106</b>

*La Manche operating cost and gain from sale (2021):*

In October 2021, the Group sold the supply vessel La Manche with a booked gain of USD 0.4 million.



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### ALTERNATIVE PERFORMANCE MEASURES (APMs)

#### *Restructuring cost (2021):*

As part of the Superba turnaround and other initiatives the Group incurred restructuring and legal related costs amounting to USD 2.7 million

#### *Admission to Euronext growth (2020) and Oslo Børs listing (2021):*

The company was admitted to trading on Euronext Growth (previous name: Merkur Market) on 6 July 2020 and is currently in the process of listing on Oslo Børs. Costs directly attributable to the admission on Euronext Growth has been netted against the raised amount and recognized in equity. Other substantial costs the company has incurred such as audit, investor presentations and roadshow in relation to the Euronext Growth admission or preparatory work to be listed on Oslo Børs has been considered a Special Operating Item. The company changed listing venue to Oslo Børs main list with first listing day on 14 April 2021.

#### *Juvel gain, operating cost and legal expenses (2020):*

In 2018 there was a fire in the superstructure when the vessel Juvel was docked in Montevideo. In 2019, the vessel had not in any way been used in the ordinary course of business as intended by management. As part of the repair work the Group incurred significant costs while in Montevideo. These costs are recognized in the Profit or loss and have been reimbursed from the Group's insurer. The vessel was sold in Q2 2020, yielding a net gain which has been adjusted out as a Special operating Item. For further details concerning the sale of the vessel, please refer to Note 4. In addition, during 2019 and 2020 the company has been in certain legal disputes regarding the Juvel production related assets. Given the complexity of the legal proceedings, costs have been material.

#### *Kori national brand US launch including start-up cost (2020):*

As part of the Lang transaction, the Group is launching its own national brand in the US. The incurred costs are material and will continue through 2020. These costs include employment of Epion management team, R&D on packaging and capsules, general start-up cost, and significant market development costs. Furthermore, these costs are deemed material and non-recurring after the launch of Kori.

#### *Private charter flights (2020):*

The Group is dependent on getting crew in and out of Antarctica safely. With significant restrictions on global travel for large parts of 2020 limiting the availability of commercial flight options, the Group made extensive use of private charter flights from one specific vendor. This was done to ensure that the harvesting operation could continue as planned whilst maintaining the safety of the crew. In total, planes were chartered for 6 trips between Oslo and Montevideo and 3 trips between Moscow and Oslo, resulting in a cost of USD 2.1 million during the year. These costs were recorded as cost to inventory (i.e. no impact on Profit or loss in that period) as per the Group's accounting policy. The cost of flying the equivalent number of crew commercially is estimated at USD 0.25 million, resulting in an estimated net incremental cost of USD 1.85 million. The 'Cost of goods sold' impact after these expenses is estimated to USD 1.5 million and is as such considered material and

non-recurring in nature compared to ordinary operational expenses. See Note 2 for further details.

#### *Crew cost (2020):*

The Group's crew are entitled to overtime payments for any amount of time worked beyond their contractually defined shift duration. A challenging travel environment in 2020 meant that it was, in some cases, logistically impossible to get crew home from the Southern Ocean before their shift ended. This resulted in a total of USD 2.1 million in overtime payments during the year. The 'Cost of goods sold' impact after these expenses is estimated to USD 1.4 million and is as such considered material and non-recurring in nature compared to ordinary operational expenses.