

# Annual Report

# 2024



# Contents

☰ **MANAGEMENT REVIEW**

|           |                                   |
|-----------|-----------------------------------|
| <b>4</b>  | <b>Overview</b>                   |
| <b>5</b>  | Letter from the CEO               |
| <b>7</b>  | Highlights                        |
| <b>8</b>  | Key Figures                       |
| <b>9</b>  | <b>Strategic Review</b>           |
| <b>10</b> | Our Journey                       |
| <b>11</b> | Market                            |
| <b>13</b> | Business Model                    |
| <b>14</b> | Strategy                          |
| <b>20</b> | Risk Management                   |
| <b>21</b> | <b>Performance Review</b>         |
| <b>23</b> | Operational Review                |
| <b>25</b> | Project Review                    |
| <b>28</b> | Financial Review                  |
| <b>31</b> | Subsequent Events                 |
| <b>32</b> | Transactions with Related Parties |
| <b>33</b> | <b>Corporate Governance</b>       |
| <b>34</b> | Governance Framework              |
| <b>37</b> | Board of Directors                |
| <b>38</b> | Management Team                   |
| <b>41</b> | Audit Committee Report            |
| <b>42</b> | Policies                          |
| <b>43</b> | Shareholder Information           |
| <b>45</b> | Outlook                           |

**BOARD OF DIRECTORS REPORT**

🔍 **SUSTAINABILITY STATEMENTS**

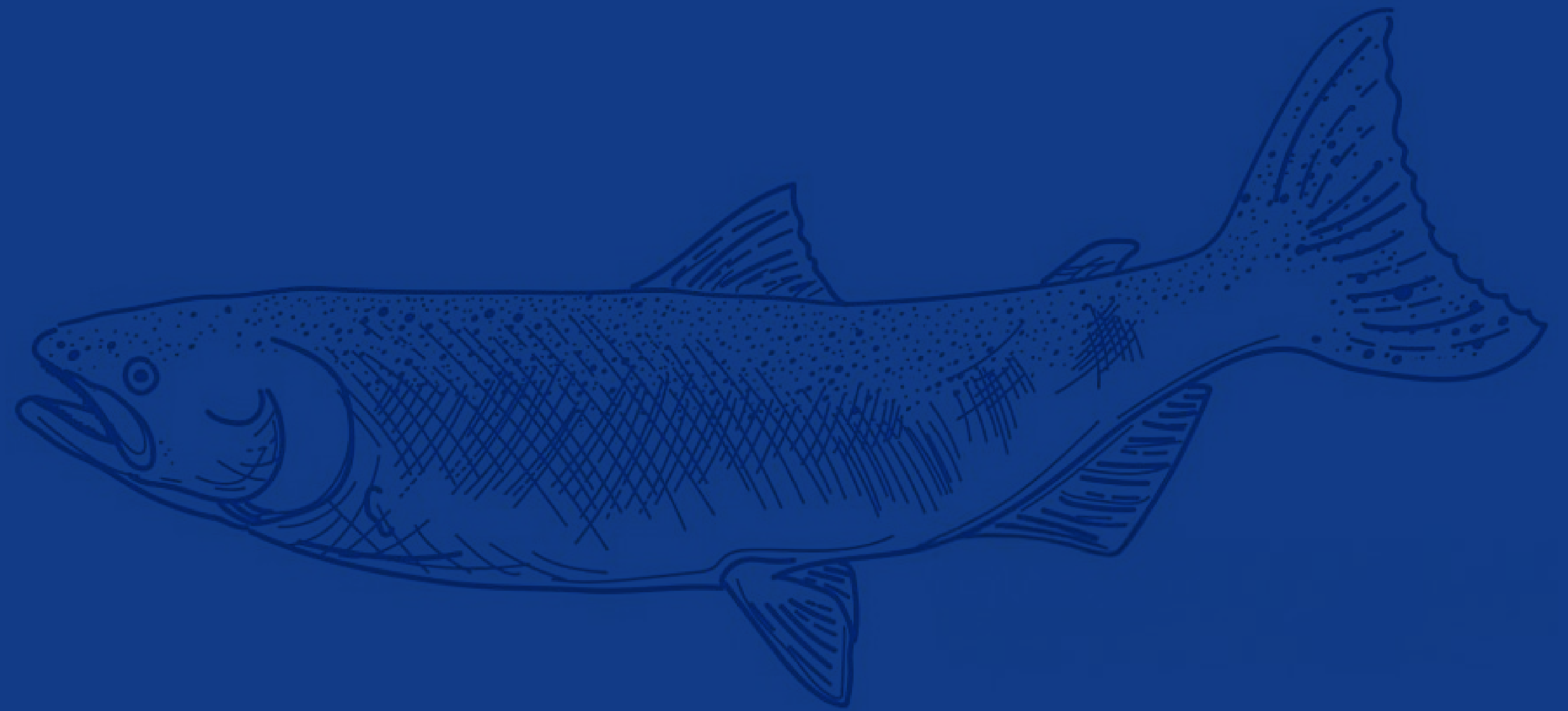
|           |   |
|-----------|---|
| <b>47</b> | Our Approach to Reporting   |
| <b>48</b> | <b>General</b>  |
| <b>49</b> | Double Materiality Assessment                                       |
| <b>51</b> | Interests and Views of our Stakeholders                             |
| <b>52</b> | <b>Creating Value Through Sustainable Aquaculture</b>               |
| <b>53</b> | Nordic Aqua’s Environmental Impact Study                            |
| <b>55</b> | <b>Nordic Aqua Topics</b>   |
| <b>56</b> | Fish Health and Welfare   |
| <b>59</b> | Food Safety and Quality   |
| <b>62</b> | <b>Environment</b>  |
| <b>63</b> | Climate Change  |
| <b>68</b> | Water and Marine Resources  |
| <b>72</b> | Biodiversity and Ecosystems   |
| <b>76</b> | <b>Social</b>   |
| <b>77</b> | Own Workforce   |
| <b>84</b> | Workers in the Value Chain  |
| <b>86</b> | <b>Governance</b>   |
| <b>87</b> | Business Conduct  |
| <b>90</b> | <b>Appendix</b>   |
| <b>91</b> | SASB Meat, Poultry & Dairy Standard                                 |
| <b>93</b> | CDP SME Climate Framework   |
| <b>94</b> | <b>Responsibility statement from the Board of Directors and CEO</b> |

📄 **FINANCIAL STATEMENTS**

|            |  |
|------------|--|
| <b>96</b>  | <b>Consolidated Financial Statements</b>             |
| <b>97</b>  | Consolidated Statement of Comprehensive Income       |
| <b>98</b>  | Consolidated Statement of Other Comprehensive Income |
| <b>99</b>  | Consolidated Statement of Financial Position         |
| <b>100</b> | Consolidated Statement of Cash Flow                  |
| <b>101</b> | Consolidated Statement of Changes in Equity          |
| <b>102</b> | Notes  |
| <b>120</b> | Alternative Performance Measures (APM)               |
| <b>121</b> | <b>Parent Company Financial Statements</b>           |
| <b>122</b> | Income Statement                                     |
| <b>123</b> | Balance Sheet  |
| <b>124</b> | Statement of Cash Flow                               |
| <b>125</b> | Statement of Changes in Equity                       |
| <b>126</b> | Notes  |
| <b>129</b> | <b>Parent Company Details</b>                        |
| <b>130</b> | <b>Independent Auditor’s Report</b>                  |

# Management Review

- 4 Overview
- 9 Strategic Review
- 21 Performance Review
- 33 Corporate Governance





# Overview

- 5 Letter from the CEO
- 7 Highlights
- 8 Key Figures





# A defining year for Nordic Aqua

## Letter from the CEO

Reflecting on the past year, I am filled with pride and gratitude. 2024 was a year of milestones, resilience, and lessons learned. It was a year where we proved not only the potential of the Nordic Aqua business model but also the strong dedication of our team.

### Turning challenges into strength

At the beginning of the year, we celebrated a historic moment—our first-ever harvest of locally farmed, land-based Atlantic salmon in China. This was a breakthrough for both Nordic Aqua and the Chinese market.

Our Nordic PureAtlantic salmon was introduced to consumers who demand premium quality, unique freshness, and the highest food safety standards. The market response was overwhelmingly positive, reinforcing our belief that we have a winning value proposition.

Despite the strong start, 2024 also presented its share of challenges. In July, we faced an operational hurdle when elevated geosmin levels required us to pause harvesting.

While disappointing, this moment tested our ability to adapt and innovate. Our team responded swiftly, implementing comprehensive corrective measures, improving filtration and water management systems, and de-risking future production.

I strongly believe that we have overcome challenges with strength and innovation and that these actions have now positioned us for sustainable, high-quality salmon farming at scale.

### Back in action

Through it all, the resilience of the Nordic Aqua team and the support of our investors have been nothing short of inspiring. And by February 2025, we successfully re-entered the market with superior-quality salmon, reaffirming our commitment to excellence.

The Chinese market is experiencing a seafood revolution, with demand for high-quality, sustainable protein growing rapidly. In 2024 alone, the Chinese fresh whole salmon market grew 16%, the highest growth among all major global salmon markets.

The appetite for locally farmed, fresh, and sustainable seafood is stronger than ever, and Nordic Aqua is uniquely positioned to capture this opportunity.

Our strategic location in Ningbo, within a five-hour reach of over 100 million affluent consumers, provides us with a competitive advantage. With superior freshness, reduced logistics costs, and a fully integrated local production, we have established ourselves as a first-mover in one of the world's most exciting seafood markets.



Ragnar Joensen, CEO.



Scaling up

- 2024 also marked major advancements in our long-term growth strategy:
- **Stage 1** (4,000 tonnes) is now fully operational, and further technical improvements have enhanced the reliability of our facility.
  - **Stage 2** (4,000 tonnes) is progressing according to plan, with the first egg inlay completed in Q3 2024 and the first harvest expected in Q3 2026.
  - **Stage 3** (12,000 tonnes) has been formally secured through a 30-year rental agreement, paving the way for expansion to 20,000 tonnes annually. A final investment decision is expected in 2025.

To support this growth, we successfully raised NOK 350 million in fresh capital in September and secured a EUR 5.8 million short-term loan facility. Additionally, our new cooperation agreement with Bank of China, signed in November, is a key step in securing long-term financing for our expansion.

ESG update

Over the year we have been doing strategic work with the Management Team to develop the second stage of our ESG plan, this time taking a longer look into the future and ensuring that our priorities and values are reflected and well-integrated into our new policies and the way we carry out and monitor our daily operations. We will be publishing further targets next year once operations have stabilised, in areas such as water management.

In 2024, we signed up to the UN Global Compact to show our commitment to the implementation of its ten principles on human rights, labour, environment, and anti-corruption.

We have also begun preparations to comply with the Norwegian Transparency Act (through commencement of due diligence and policy development) and on a voluntary basis with the Corporate Sustainability Reporting Directive (notably with a Double Materiality Analysis).

A new chapter

Looking ahead, we enter 2025 stronger, more experienced, and better prepared than ever. With production ramping up and market demand increasing, we are optimistic about the road ahead. Our focus remains on scaling production, strengthening market penetration, and maintaining our leadership in sustainable land-based aquaculture.

I want to extend my deepest thanks to our dedicated team, whose relentless efforts made 2024 a year of progress despite the hurdles. To our investors and partners, your confidence and support have been invaluable. And to our customers, we remain committed to delivering a world-class, sustainable seafood experience.

*Together, we are shaping the future of land-based aquaculture.*



Iris Zheng and Ragnar Joensen.



# Highlights



## Operations

# 98.5%

Excellent fish health with 98.5% fish survival rate.

# 99.3%

Started commercial harvest with 99.3% superior quality grade of fish.



## Project

# € 21.7 m

Invested € 21.7 m in Stage 1&2. Stage 1 was completed in 2024 and Stage 2 is on schedule to start harvest in Q3 2026.

# Stage 3

Entered into a 30-year rental agreement for land and production facilities allowing for an annual production capacity of 20,000 tonnes. Final investment decision will be made during 2025.



## Financials

# € 6.5 m

Started commercial sales with € 6.5 m in revenue.

# € 29.8 m

Received net proceeds from the capital increase of € 29.8 m.



## Social

# 100%

Employees trained in Code of Conduct

# 34%

Female representation across the business.



# Key Figures



Gaotang processing facilities.

Figure 01

| (figures in EUR 1000)                | 2024    | 2023    | 2022    | 2021    | 2020   |
|--------------------------------------|---------|---------|---------|---------|--------|
| Revenue                              | 6,497   | 0       | 0       | 0       | 0      |
| EBITDA                               | -15,749 | -3,982  | -3,699  | -2,365  | -2,547 |
| EBIT                                 | -19,929 | -4,679  | -3,769  | -2,387  | -2,548 |
| Operating EBIT*                      | -20,760 | -6,574  | -3,769  | -2,387  | -2,548 |
| Profit /loss before taxes            | -19,907 | -8,229  | -5,476  | -3,698  | -3,422 |
| Profit/loss for the period           | -17,422 | -8,229  | -5,476  | -3,698  | -3,422 |
| Cash flow from operating activities  | -17,671 | -17,364 | -3,083  | -2,329  | -2,445 |
| Cash flow from investment activities | -21,702 | -19,362 | -21,476 | -14,546 | -1,978 |
| Cash flow from financing activities  | 34,054  | 48,077  | -412    | 0       | 57,744 |
| Net cash flow                        | -5,319  | 11,351  | -24,972 | -17,473 | 52,515 |
| Cash                                 | 18,044  | 22,422  | 12,514  | 37,428  | 53,702 |
| Total assets                         | 158,349 | 101,585 | 51,773  | 54,790  | 55,764 |
| Equity                               | 86,882  | 73,350  | 48,248  | 53,666  | 55,499 |
| Harvested tonnes, HOG                | 523     | 0       | 0       | 0       | 0      |
| Other harvested tonnes, WFE          | 1,669   | 0       | 0       | 0       | 0      |
| Operating EBIT/kg**                  | -9.47   | N/A     | N/A     | N/A     | N/A    |
| Equity ratio***                      | 55%     | 72%     | 93%     | 98%     | 100%   |
| Net interest-bearing debt****        | 8,592   | N/A     | N/A     | N/A     | N/A    |

\* Operating EBIT = EBIT excl. fair value adjustments  
\*\* Operating EBIT/kg = EBIT excl. fair value adjustments/harvested tonnes, HOG + Other harvested tonnes, WFE  
\*\*\* Equity ratio = Equity / Total assets  
\*\*\*\* Net interest-bearing debt (NIBD) = Long- and short-term interest-bearing debt – Cash and cash equivalents



# Strategic Review

- 10 Our Journey
- 11 Market
- 12 Business Model
- 14 Strategy
- 20 Risk Management





# Our Journey

- 2025: Managed geosmin issue and restarted commercial sales
- Stage 2 technical installations have started



2025

- Successfully introduced RAS 4, 5, 6 and 7
- Capital increase of 27 MEUR (300 MNOK) March 2023
- Conducted ESG materiality assessment



2023

- Construction initiated on stage 1 – 4,000 tonnes
- Business Plan updated to 20,000 tonnes
- Final rental agreement signed with local Chinese government
- Signed banking agreement with Bank of Ningbo for working capital facility of RMB 35 million



2021

- Recruiting of key personnel
- Chinese subsidiary incorporated and operating licenses granted
- Private placement of MEUR 3

2018



- Carried out a Double Materiality Assessment
- Signed rental agreement for Stage 3 – 20,000 tonnes
- Privat placement of MEUR 30
- Signed up to the UN Global Compact
- Started commercial harvest and sales
- Stage 1 completed

2024

- Installation of RAS 3 completed, fish transferred from RAS 2 to RAS 3 in November
- Installation of RAS 2 completed, fish transferred from RAS 1 to RAS 2 in July
- Hatchery and RAS 1 completed, with inlay of first eggs in hatchery on 9 March

2022



- Loan Agreement of MEUR 25 with Eksfin and Rabobank
- Private placement of MEUR 60
- Nordic Aqua listed on Euronext Growth under ticker NOAP

2020



- Nordic Aqua ApS is incorporated
- First cooperation agreement with Chinese government

2016



# Market

The Chinese Atlantic salmon market presents a significant and dynamic opportunity for growth, driven by several key economic and consumer trends. As of 2025, China generates 18% of the global GDP, with household consumption accounting for 38% of its annual GDP. This makes China the largest consumer market when measured on a purchasing power parity (PPP) basis. The country’s economic landscape is projected to include 259 million upperand middle-class households by 2030<sup>1</sup>, further bolstering its position as the world’s largest and most advanced e-commerce market with a high penetration rate.

China’s economy is characterised by continued growth and increasing spending power. In 2024, the GDP grew by 5%, disposable income by 5.3%, and retail sales in the food service sector by 5.3%. The food retail sector saw a 9.9% increase, while online retail grew by 7.2%, with food-specific online retail surging by 16%. This economic vitality is complemented by the expansion of membership retail stores such as Sam’s Club, Costco, and Hema X, which are increasing their presence and offering a wider variety of salmon products.

China is the world’s largest seafood and aquatic food market, with a notable demand for Atlantic salmon.

In 2024, China imported a record 106,000 metric tons of Atlantic salmon, with fresh volumes growing at a compound annual growth rate (CAGR) of 6.1% from 2018 to 2024. This growth trajectory is expected to continue, The market for fresh salmon is particularly strong, with import volumes reaching record heights

in 2024. By being strategically located in China in the Greater Shanghai area, Nordic Aqua is well suited to serve this growing Chinese market.

Norway remains the market leader, supplying approximately 46% of China’s Atlantic salmon imports in 2024. Other significant suppliers include Chile, Australia, the United Kingdom, and the Faroe Islands. The Chinese market is predominantly focused on large fish sizes, but there is growing potential for smaller sizes driven by retail growth. The seasonality of Australian salmon and the long travel distance for Chilean salmon also influence market dynamics. Nordic Aqua with its Nordic PureAtlantic brand provides a compelling value proposition to the local market by providing customers with unquie freshness, high standards of food safety, in addition to being a Norwegian company local-ised in China to serve the market with agility and deep local market knowledge.



1) McKinsey Global Institute Insights China macro model



Over 80% of Chinese consumers are purchasing online, with a strong preference for fresh and high-quality seafood products. The demand for Atlantic salmon is recovering post-COVID, with fresh volumes showing significant growth. Chinese consumers are increasingly health-conscious, seeking products that are low in salt, sugar, and fat, and high in protein. This health trend is reflected in the variety of salmon products available, including sashimi, ready-to-eat, and smoked options.

The outlook for the Chinese Atlantic salmon market remains optimistic, with continued growth expected in retail, e-commerce, and new distribution channels. The market is expanding beyond first-tier cities into second, third, and fourth-tier cities, driven by rising income levels and increasing acceptance of locally produced Atlantic salmon. The projected CAGR for Atlantic salmon volume growth is 12%, with total demand expected to reach approximately 210,000 metric tons by 2030<sup>2</sup>.

In summary, the Chinese market offers substantial opportunities for Atlantic salmon, supported by economic growth, consumer trends, and increasing market penetration. Companies that can effectively navigate this dynamic landscape and cater to the evolving preferences of Chinese consumers are well-positioned to capitalise on this burgeoning market.

2) Alibaba Group

Figure 02

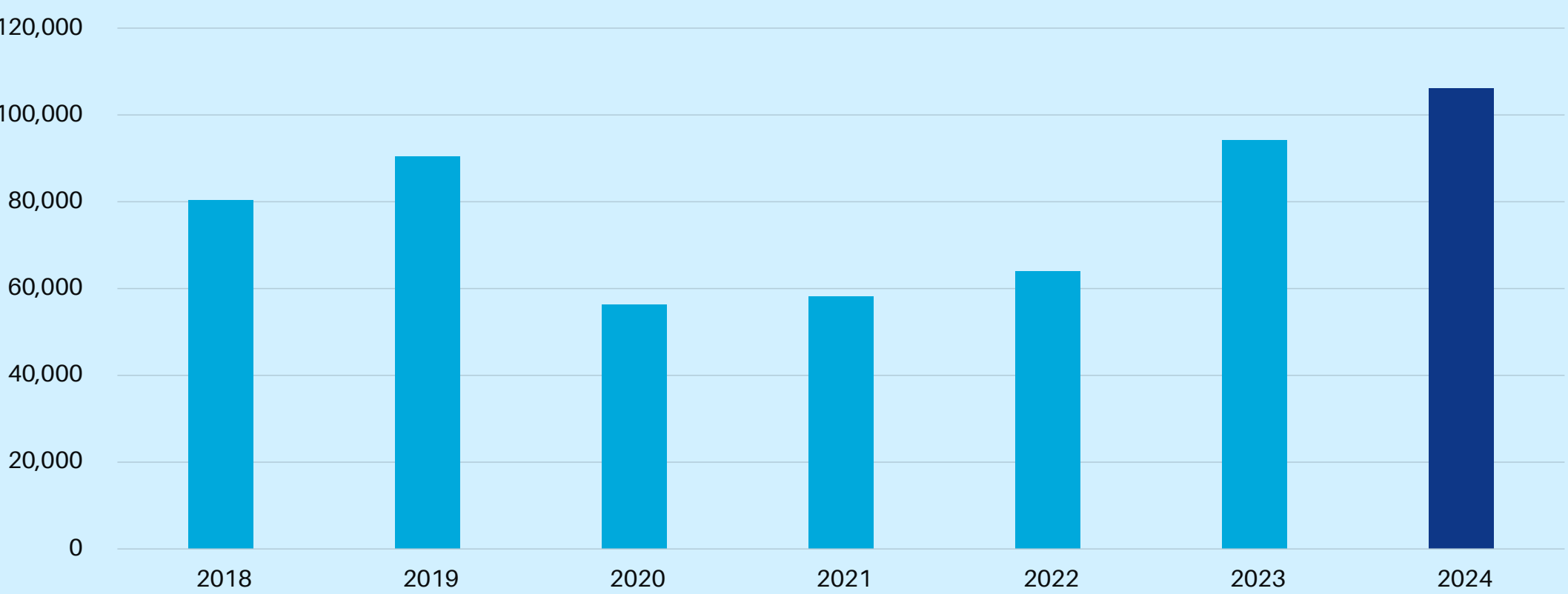
Average price on Chinese import of fresh or chilled Atlantic Salmon from all countries of origin (EUR/kg, HOG)<sup>3</sup>



3) Import price includes import duty. Updated on numbers from 31.12.2024 Chinese Custom Data

Figure 03

Chinese import of Atlantic fresh and frozen salmon from all countries of origin (1,000 tonnes)



Updated on numbers from 31.12.2024. Chinese Custom Data



# Business Model

## Our Mission

Our mission is to deliver fresh and locally farmed Atlantic Salmon directly to the Chinese consumer, saving airfreight and significantly reducing the carbon footprint.

To achieve our mission, Nordic Aqua uses only state-of-the-art technology and best farming practices to demonstrate how China can sustainably satisfy its fast-growing appetite for high-quality protein.

## Our Resources

We have one production facility in China as well as three offices in China, Norway and the Faroe Islands. These resources allow us to implement our business model on a daily basis:

- € **Financial capital:** We have financial backing from various investors and lenders, including our closest business partners and national banks.
- 👤 **Relationship capital:** We benefit from key strategic partnerships with the Chinese Government, AKVA group and Skretting (Nutreco).
- 💡 **Human and intellectual capital:** We rely on a variety of internal and external world-leading subject-matter experts from different countries, as well as our business partners.
- 🌍 **Natural capital:** We depend upon a number of different natural resources to provide the conditions and materials to produce and distribute our product.

## Our Core Activities

We create value by operating a Recirculating Aquaculture System (RAS) facility in Goatang Island, Xiangshan county, Ningbo, China to produce Atlantic salmon. This facility is the first commercially scaled RAS Atlantic salmon farm in China and provides the Chinese market with a locally-produced, fresh, sustainable product. Through the use of advanced technology and expertise, we aim to take an innovative and responsible approach to landbased aquaculture.



## Our Stakeholders

- |                         |  |
|-------------------------|--|
| 🏛️ Government           | 🤝 Business partners and suppliers          |
| € Investors and lenders | 👥 Local community                          |
| 👤 Employees             | 🏠 Civic and non-profit organisations       |
| 👨‍👩‍👦 Customers         | 🏢 Industry and sustainability associations |

See page 51 for more information on how we engage stakeholders.

## Our Values

In 2024, we developed three core values which guide how we do business:

- 👍 **Integrity:** We are honest, reliable, and accountable to all stakeholders, we respect the environment and deliver on our promises.
- ❤️ **Passion:** We never give up, cheer each other on, and stand together in producing the best Atlantic salmon for our customers.
- ★ **Excellence:** We set ambitious goals, improve day-by-day, and achieve a high standard in everything we do, in the most cost-efficient way.

## Our strategic approach to value creation

We have five strategic priorities which enables us to create value for society:

- 1 Create sustainable returns for our shareholders through a low-cost, collaborative business model.
- 2 Promote fish and human health through a best-practice approach to aquaculture for a highly nutritious product, free from harmful substances.
- 3 Tread lightly on the environment with an innovative approach to farming.
- 4 Thrive with safe and meaningful jobs, both for our workers and business partners.
- 5 Lead with integrity, excellence and passion, to have a positive impact on our stakeholders.

More information on the value we added in 2024 through the rest of the report.



# Strategy

Nordic Aqua is a land-based Atlantic Salmon farming company operating the first fully integrated and commercially scaled Recirculating Aquaculture System (“RAS”) farm for Atlantic salmon in China, using cutting edge technology and expertise. First harvest started April 2024.

Located in Ningbo in the Zhejiang-province, the Company is positioned to deliver fresh and locally farmed Atlantic salmon to about 100 million of China’s wealthiest consumers within 5 hours.

- Dense population and high purchasing power in cities nearby
- High growth potential for premium quality Atlantic salmon driven by the rising middle-class
- Well established infrastructure enables fast and sustainable transportation of fresh Atlantic salmon to key cities
- Imports of fresh Atlantic salmon grew 16% in 2024 to a new record high of 93,000 MT HOG (Head-on gutted)
- Projected 12% CAGR growth to 2030 in the Chinese market for Atlantic salmon



Gaotang production facilities 02.01.2025



The current plan, in close co-operation with the local government, is an annual production capacity of 20,000 tonnes HOG. The dedicated land has potential for further increase of production to 50,000 tonnes HOG of Atlantic Salmon, all a part of Nordic Aqua’s medium-term plan.

The harvest of Stage 1 started early in Q2 2024. Production of Stage 2 started during Q3 in 2024 and is on schedule to start harvesting during Q3 2026. Part of the overall objective is to gradually increase annual capacity from 2027 to reach a yearly harvest of 20,000 tonnes HOG, and a final decision will be made during 2025.

The local authorities are strongly supportive of Nordic Aqua. The construction of the building to house the farm will be made by Government owned Xiang-shan Strait Economic & Technological Cooperation Co., Ltd. The building will be leased back to the Company.





Project execution

Construction of Stage 1 commenced in Q2 2021 and was completed in Q1 2024. This first stage includes a smolt facility and a 4,000 tonnes HOG growout facility.

On 9 March 2022 the Company successfully completed the first inlay of eggs to the hatchery. With this, the Company entered the next phase, moving from the project phase to early phase production. The eggs introduced in the hatchery are quality eggs produced by Benchmark Genetics Iceland and have been directly imported in accordance with the license issued by local authorities. The harvest of Stage 1 started early in Q2 2024.

Stage 2 is expected to bring total annual capacity to 8,000 tonnes HOG from 2026. Production of Stage 2 started during Q3 in 2024 and is on schedule to start harvesting during Q3 2026. The Company is leasing land, facilities, and infrastructure from Xiangshan Strait Economic & Technological Cooperation Co., Ltd, consequently this is not included in the Company’s capex budget.





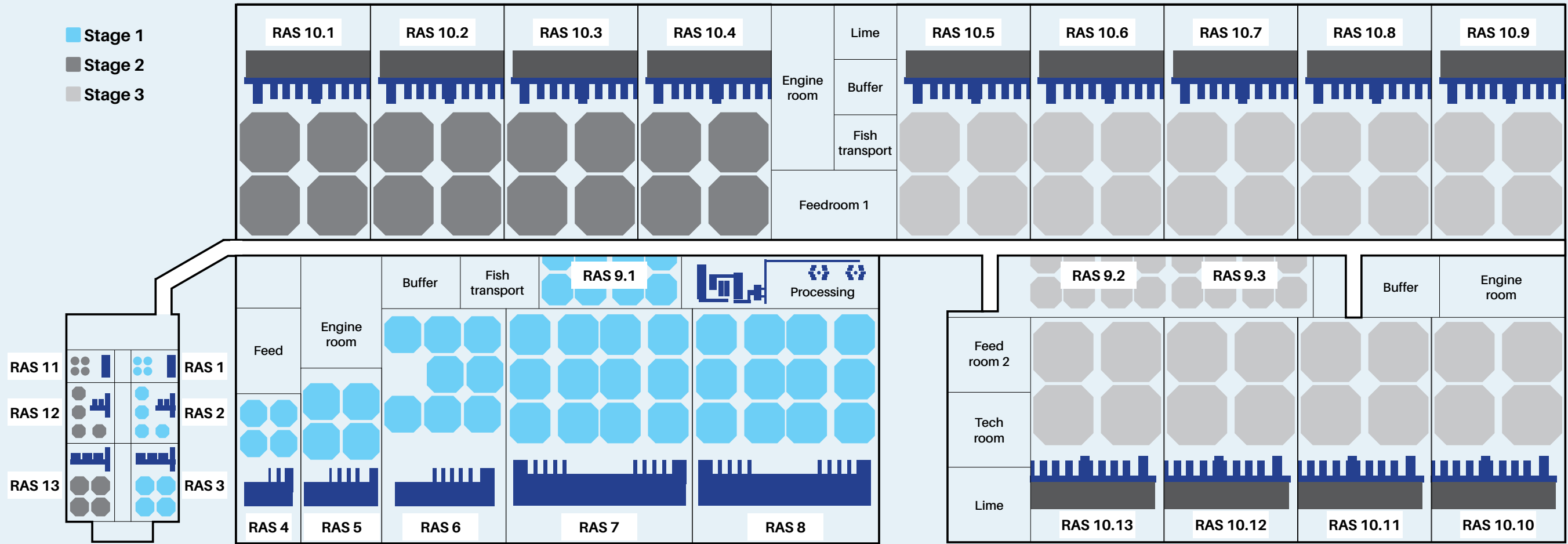
Technology

Nordic Aqua is applying leading RAS technology and know-how to develop the land-based salmon farming facility. Nordic Aqua is very satisfied with the dedicated support shown by local authorities, which have delivered on time and with a committed interest in ensuring steady progress. Moreover, Nordic Aqua has employed their own RAS team with extensive experience in successful operation of similar RAS systems.

Our technology supplier, AKVA Group offers a complete solution where operating cost, user friendliness, maintenance cost and other factors are optimised. The system is a turnkey delivery with flexibility in assembling, allowing the Company to utilise its long experience in building RAS facilities.

The first 4,000-tonnes facility is divided into 9 RAS departments, with the hatchery and RAS 1-3 in a separate 6,200 m2 smolt building over two floors, which also include offices, service functions, canteen. In this smolt building, RAS 11-13 is used for smolt production for Stage 2. The larger RAS 4-8 units are located in the larger 29,000 m2 production building, where also the purging unit and processing plant are located.

The RAS units in Stage 2 & 3 are standardised. Stage 2 will have four RAS units while Stage 3 will have nine additional RAS units. RAS units for Stage 2 & 3 will be used for the largest fish, and then transferred to harvest.





The basic idea with the AKVA RAS systems is to clean the water from the fish tanks so it can be reused and maintain an optimal water quality for the Atlantic Salmon. The basic stages in the water cleaning process are:

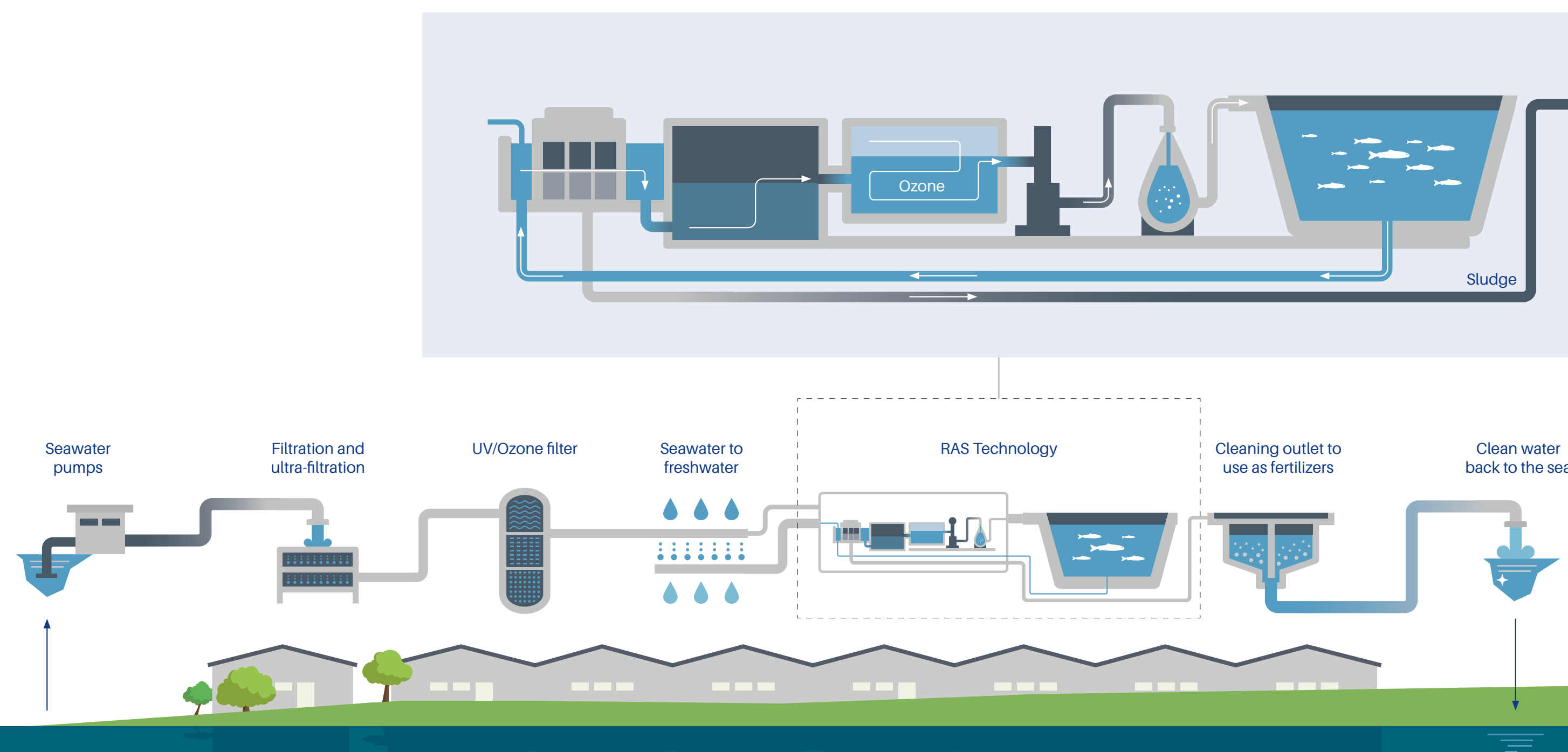
- Mechanical filter to remove particles
- Biofilter to remove ammonia and keep the water clear
- Degasser to remove CO<sub>2</sub> from the water
- Ozone to clear the water

The water cleaning system is designed with focus on maintaining good water clearance for optimum fish performance. The mechanical filters are well dimensioned and the biofilters are fixed so they are used for cleaning out micro particles. Finally, ozone will be dosed at low levels, also for keeping the water clean.

Nordic Aqua sources the water from the ocean right next to the facility in the Gaotang Sound. After several years of monitoring and testing, the Company is confident that the raw water is of the superior quality suitable for Atlantic salmon farming. Before entering the fish farm, the raw water will be thoroughly filtered with sand filters and cartridge filters down to 5 microns before it is sterilized with UV/ ozone for preventing diseases and parasites from entering the fish farm. Recent RAS history both in Norway and abroad has shown that incidents of fish mortality mostly occur with RAS systems with high saline water, which also is the reason why Nordic Aqua has chosen to run the systems with low salinity. This is accomplished by producing freshwater from the seawater with reverse osmosis membrane filters. Our RAS team in Nordic Aqua has decades of experience from operating RAS systems with low salinity, without any major incidents of fish loss.

At the outlet of the fish farm and before the water leaves the RAS systems back to the ocean, it is cleaned to very high standards, and the removed particles are excellent fertilizers for neighbouring agriculture.

The main energy source is the local 400 GWh solar and wind power facility. Moreover, the roofing of the Atlantic salmon farm is in the process of being covered with solar panels to produce a considerable part of the energy consumption on site.





Partners

Dedicated support from local government is very important when setting up new businesses in China. Sustainable and RAS-based Atlantic salmon farming is an encouraged business in China, and the local government of Ningbo and Xiangshan have supported the project from the very beginning. This is demonstrated in the Cooperation Agreement already executed between the Xiangshan government and Nordic Aqua (Ningbo) Co. Ltd, in which the government provides land, infrastructure, utilities and tailor-made facilities on a long-term lease at favourable terms, through Xiangshan Strait Economic & Technological Cooperation Co., Ltd. An option to purchase is included within the terms. Nordic Aqua is very satisfied with the dedicated support shown by local authorities, which have delivered on time and with a committed interest in ensuring steady progress. The lease agreement is for an initial 8,000 tonnes HOG. In Q4 2024 Nordic Aqua entered into a 30-year rental agreement for land and production facilities allowing for an annual production capacity of 20,000 tonnes.

Main collaboration suppliers



AKVA group has more than 30 years of aquaculture engineering experience. Their team of world leading experts are renowned for designing sustainable recirculation and landbased fish farming systems that are second to none. As the turnkey supplier of technology, process equipment and the subsequent installation and commissioning, AKVA Group is on site, together with its local subsupplier contracted to do the mechanical and electrical installation. AKVA Group and its subsuppliers share offices with Nordic Aqua’s project team and meets with the contractor on regular basis.



Skretting is the global leader in providing innovative and sustainable nutritional solutions and services for the aquaculture industry. Skretting will provide their latest development within specialised RAS feed from their dedicated product line.



# Risk Management

### Operational risks

Land-based Atlantic salmon farming is a new industry, and operations will be subject to several biological risks, including, but not limited to water contamination, viruses and bacteria, which could cause lower quality, diseases and mortality.

### Construction risks

As the project is in the construction phase, there are many inherent risks, such as successful project execution, dependence on sub-contractors, delays and cost overruns, which could negatively impact the Company’s ability to realise its business plan.

### Geopolitical risks

The risk from possible new trade tariffs is considered to be limited for the Company having both its production and end market in China. The Company may be affected by geopolitical risks, in particular those directly or indirectly affecting China, the possible escalation of which could entail a number of challenges for the Group’s operations and the marketability of its products, for example due to possible sanctions.

### Liquidity risk

The purpose of the Group’s cash management policy is to maintain adequate cash resources to meet financial liabilities. The Group’s cash resources consist of cash and cash equivalents, and undrawn credit facilities.

The Group continuously monitors liquidity and financial projections through internal budgets, with forecasts updated both yearly and monthly. The Group’s business plan and growth ambitions are capital intensive and based on estimates. The Group will need future equity and/or debt financing to realise its plans.

The Group’s future financial position depends on sales prices for salmon on the Chinese market. Other future liquidity risks include the impacts from fluctuations in production and harvest volumes, biological issues, and changes in feed prices.

The Group’s Management assesses whether the Group’s capital structure is in line with the interests of the Group and its shareholders. The overall objective is to ensure a capital structure that supports long-term profitable growth.

### Interest rate risk

Interest rate risks refer to the influence of changes in market interest rates on future cash flows concerning the Group’s interest-bearing assets and liabilities. The Group’s interest rate risk relates to interest on external loan and is deemed insignificant as the interest rate is fixed.

### Foreign exchange risk

The cash and loan facility are primarily held in euros to match the coming capex payments.

### ESG risk

In 2024, we conducted a Double Materiality Assessment in line with the CSRD ESRS standards. This included an assessment of ESG risks. Please see page 49 for more information.



# Performance Review

- 23 Operational Review
- 25 Project Review
- 28 Financial Review
- 31 Subsequent Events
- 32 Transactions with Related Parties





Nordic Aqua Partners AS (NOAP AS) is a public limited liability company incorporated in Norway on 9<sup>th</sup> March 2022, organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Danish company Nordic Aqua Partners A/S (NOAP A/S) was listed on Euronext Growth in Oslo on 2<sup>nd</sup> December 2020, under the ticker “NOAP”.

On the 16<sup>th</sup> of August 2023, the Company transferred the jurisdiction of incorporation of Nordic Aqua Partners A/S from Denmark to Norway, through a cross border merger between the Danish entity Nordic Aqua Partners A/S and the Norwegian entity Nordic Aqua Partners AS. The Company’s business continued in Nordic Aqua Partners AS as a Norwegian private limited liability company.

The 100% owned subsidiary, Nordic Aqua (Ningbo) Co., Ltd, is a private limited liability company organised and existing as a Wholly Foreign Owned Enterprise under the Law of the People’s Republic of China (the “PRC”). The RAS Atlantic salmon farm will be operated and managed by Nordic Aqua (Ningbo) Co., Ltd, located in Xiangshan county of Ningbo municipality.

Principal activities

The Group’s main activity is investments in breeding systems for fish and shellfish as well as installing and operating these systems.

Group structure

The Group comprises two entities. Nordic Aqua Partners AS acts primarily as a holding company to its 100 % owned subsidiary registered in China.

Sustainability

As we are still in an early phase of our business, we are not yet collecting and reporting all the information we plan to disclose As the business develops and grows, so will our ESG reporting. See our ESG chapter on page 46 for full information on our operating context, the most material risks, impacts and opportunities we have.





# Operational Review

## Harvest and sales

The first commercial harvest took place in April 2024 and showed strong result with 99% superior and favorable feedback from the market, demonstrating the capability of the facility to produce large salmon at scale. Unfortunately, the harvesting had to be suspended from July 2024 as Geosmin levels increased. Nordic Aqua has taken corrective measures to reduce the risk for geosmin issues, including preventive investments and operational protocols. The issues have been managed. Together with leading industry specialists from AKVA Group and others the operational issues caused by geosmin has now been combated through several operational and structural improvements, and the facility is now fully operational and de-risked.

**Total commercial  
harvest in 2024**  
(All in Q2 2024)

**523**  
tonnes HOG





Overcoming the operational challenges has demonstrated the resilience of the Nordic Aqua team and the robustness of our business model. In February 2025 Nordic Aqua re-entered the market with superior quality. The Company is continuing its efforts, together with customers, of building a long-term position with unparalleled freshness and high-quality Atlantic salmon in the growing Chinese salmon market.

In 2024, the Company harvested 523 tonnes HOG (2023: 0 tonnes), all in the second quarter. Nordic Aqua achieved an average harvest weight of 4.54 kg HOG, with a superior rate of 99%. The average sales price was EUR 8.94/kg, HOG.

The Company took out other 1,669 tonnes WFE due to the geosmin issues and were sold to non-core markets.

**Farming**

Biological performance has been very strong, with growth and survival above expectations.

Total production in 2024 was 3,511 tonnes (2023: 1,078). Production increased to an annual run rate of 4,000 tonnes during the first half of the year but was taken down from September to reduce biomass growth due to the geosmin issue.

Accumulated mortality from 150 g in batch 1, 2 and 3 was 2.8%, 2.4% and 1.7% respectively per end of 2024.

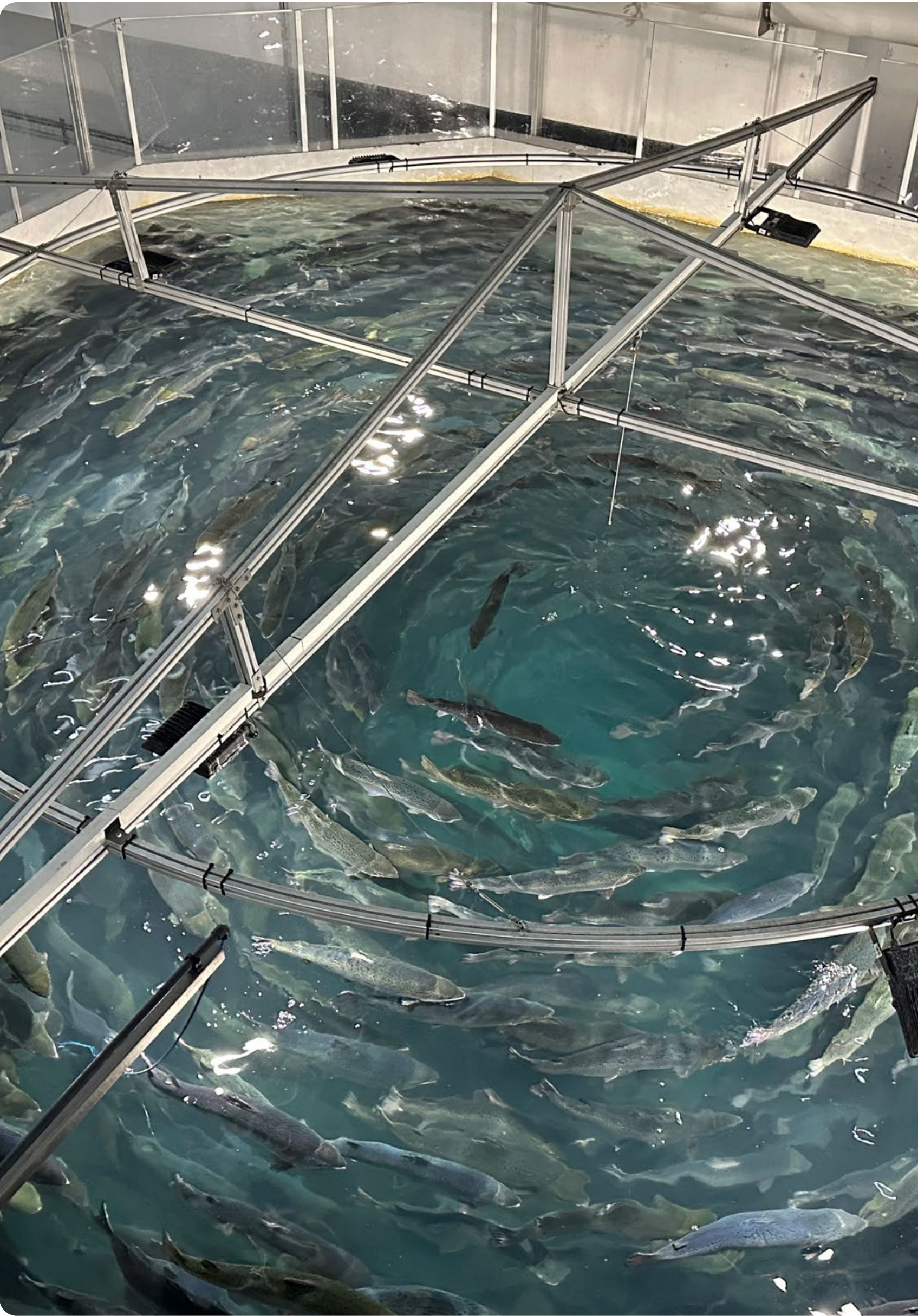
Feeding started to increase during January and February 2025 and was on normal feeding levels from March 2025. Mortality remained low during the first quarter of 2025.

The fish have no signs of maturation. The plant has sufficient cooling capacity to keep temperatures in RAS systems below 13 degrees Celsius and the cleaning system is keeping the water clear in all systems.

The facility has proven to have the capability of producing 7 kg fish at scale with no maturation.

The facility is dimensioned for a high recirculation of 99.9% and has proven to secure good water quality and performance.

During the third quarter the first eggs for the Stage 2 expansion to 8,000 tonnes were successfully laid in Hatchery 2, and the Company is on schedule for first harvest from Stage 2 in Q3 2026.





# Project Review

All necessary land, infrastructure and operational facilities needed for the development of the project is facilitated by the local governments and made available for Nordic Aqua under long term lease agreements through Xiangshan Strait Economic & Technological Cooperation Co., Ltd.

The contract with AKVA Group for delivery of the Stage 1 RAS system was a turnkey delivery contract, meaning that the contract amount was fixed all the way to installation, commissioning, and handover.

Combined, the long-term lease contracts with Xiangshan Strait Economic & Technological Cooperation Co., Ltd., and the contracts with AKVA Group contributes to reduce risk for potential cost overruns in the projects.

For Stage 2, the contract with AKVA Group is based on a target price arrangement, implying that potential changes in sourcing indexes may impact the contract price.

As the project has progressed, Nordic Aqua has, to optimise operations and CAPEX, made individual adjustments to the design of the facility and the RAS technology together with the local government and AKVA Group.

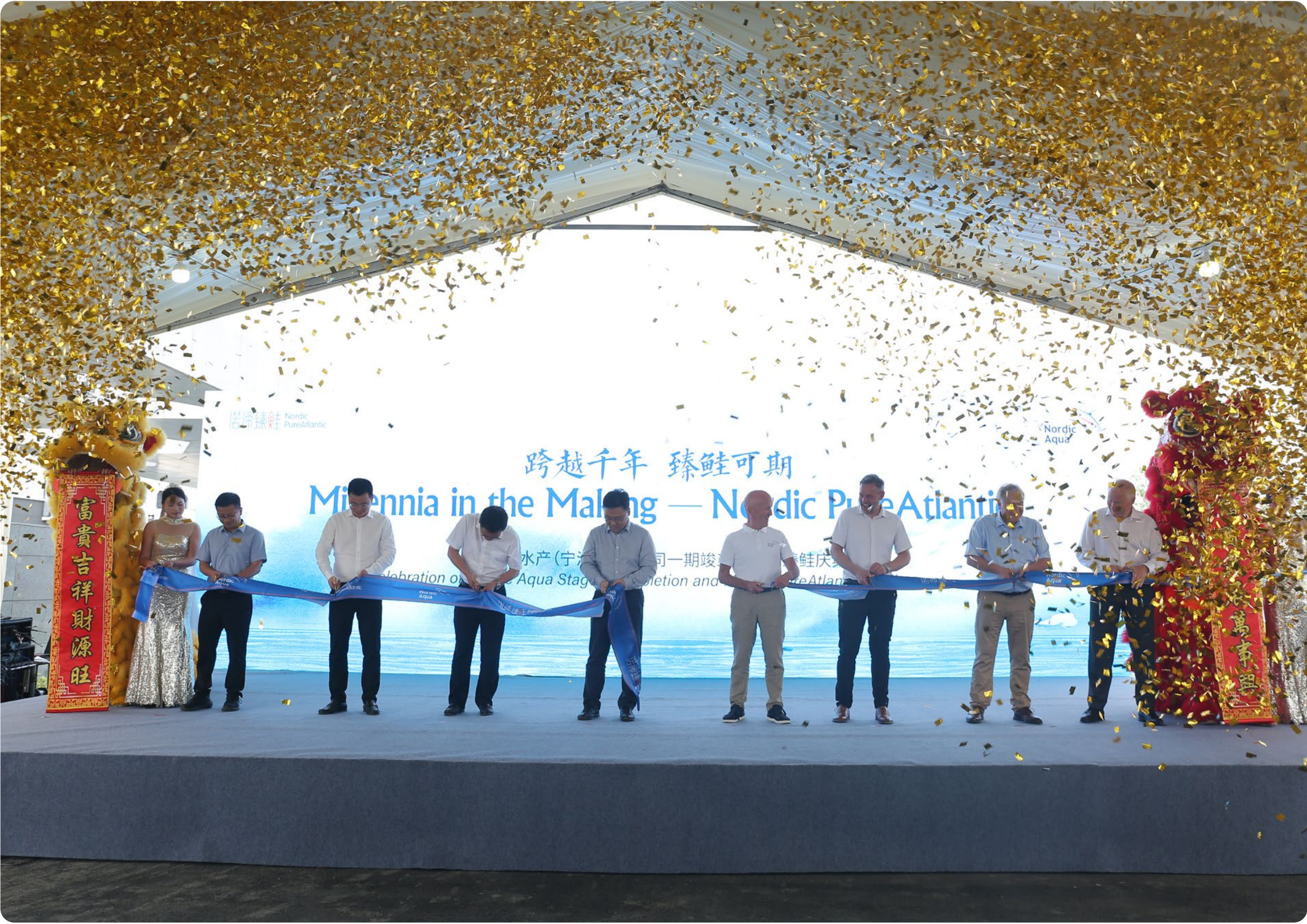


Gaotang production facilities 28.03.2025



STAGE 1

The first stage of the Gaotang buildout, which constitutes an annual production capacity of 4,000 tonnes HOG, is completed. The civil work on buildings was finished in October 2023, while the RAS system for Purging was finished and ready in March 2024. The processing plant was ready in April 2024.



Opening ceremony May 2024



STAGE 2

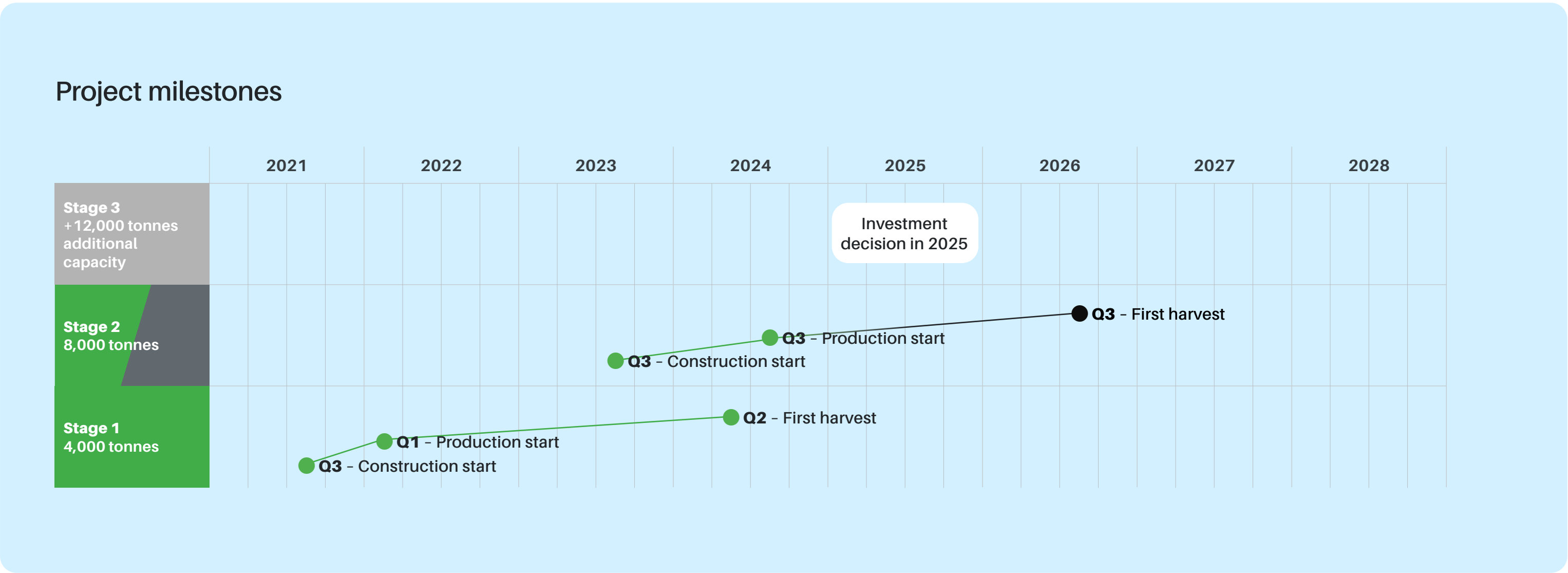
The second stage will increase annual production capacity to 8,000 tonnes HOG.

Following the completion of Stage 1, the Stage 2 hatchery, start-feeding, parr unit and smolt unit is finished and in operation. Construction of the On-growing RAS units for Stage 2 is now ongoing, and the steel structure is well under-way for the large building. The construction for Stage 2 is on schedule. The first egg inlay for Stage 2 was successful. As such, the Company is on schedule with first harvest from Stage 2 in Q3 2026.

Technical installations for the On-growing RAS units started in January 2025. The total capex is projected to cost around EUR 77 million. By the end of the fourth quarter, accumulated CAPEX for Stage 2 amounted to EUR 17 million.

STAGE 3

In Q4 2024 Nordic Aqua entered into a 30-year rental agreement for land and production facilities allowing for an annual production capacity of 20,000 tonnes. A final investment decision for Stage 3 will be taken during 2025.





# Financial Review

(Figures in parenthesis refer to the same period last year).

## Profit and loss

Operating revenues in the full year of 2024 amounted to EUR 6.5 million (EUR 0.0 million) and related mainly to commercial harvest from Q2 2024. This is lower than expected due to no commercial harvest in the second half of the year.

The Company has been in a non-optimal period of the production, due to the geosmin situation. Therefore, the facility's production capacity is not fully utilised. Production has been reduced to avoid having to take unnecessarily large biomass out. Cost of production is therefore adjusted for unutilised production capacity during H2 2024 in December 2024. As per 31 December 2024 this adjustment amounted to EUR 2.3 million which has been expensed directly in the profit and loss statement in December 2024.





Other external expenses came in at EUR 14.2 million in the full year of 2024 (EUR 5.9 million), mainly related to production cost.

Staff costs for the full year of 2024 totaled EUR 6.9 million (EUR 4.2 million). The increase is due to increased production and the corresponding development of the organisation, expanding both operational and administrative capacity, all according to plan.

Thus, operating EBIT for the full year of 2024 ended at EUR -20.8 million (EUR -6.6 million).

Net financial items were positive EUR 0.0 million in the full year of the year 2024 (EUR -3.6 million), where exchange rate deviations and financial expenses ended at EUR 2.4 million positive and negative respectively. Exchange rate deviations are mainly deviations on the EUR 40 million loan from Nordic Aqua to the subsidiary Nordic Aqua (Ningbo) and on the EUR 25 million loan from Export Finance Norway (EksFin). Financial expenses are related to interest payments on the loan facility and the short-term loan.

Pre-tax profit came in at EUR -19.9 million for the full year of 2024 (EUR -8.2 million).

The Group has in 2024 recognised deferred tax assets from losses carried forward from the Chinese subsidiary, since it’s now in operation and the uncertainty is low, related to the possibility that there would be taxable profits available against the deductible temporary difference. As such, profit for the full year ended at EUR -17.4 million (EUR -8.2 million), corresponding to EUR -1.01 per share (EUR -0.58).

The total sales, costs and operating EBIT are all lower than expected due to the pause of commercial harvest and taken fish out.

Figure 04

| (figures in EUR 1000)                               | 2024           | 2023          |
|---|----------------|---------------|
| Revenue   | 6,497          | 0             |
| Purchase of goods                                   | -8,599         | -2,492        |
| Change in inventory and biological assets (at cost) | 6,498          | 6,426         |
| Other operating income                              | 121            | 226           |
| Other external expenses                             | -14,243        | -5,850        |
| Staff costs   | -6,854         | -4,187        |
| Depreciations                                       | -4,180         | -697          |
| <b>Operating EBIT*</b>                              | <b>-20,760</b> | <b>-6,574</b> |
| Fair value of biological assets                     | 831            | 1,895         |
| <b>EBIT</b>   | <b>-19,929</b> | <b>-4,679</b> |
| Financial expense – net                             | 22             | -3,550        |
| <b>Profit/loss before tax</b>                       | <b>-19,907</b> | <b>-8,229</b> |
| Income tax expense                                  | 2,485          | 0             |
| <b>Profit/loss for the period</b>                   | <b>-17,422</b> | <b>-8,229</b> |

**Cash flow**  
The net cash flow from operating activities was EUR -17.7 million (EUR -17.4 million), primarily due to EUR 19.9 million operating loss (EUR -4.7 million).

The net cash flow from investment activities was EUR -21.7 million (EUR -19.4 million), all related to payments for fixed assets.

The net cash flow from financing activities was EUR 34.1 million (EUR 48.1 million), primarily from net proceeds from the capital increase of EUR 29.8 million (EUR 34.6 million). The total net cash flow during the full year of 2024 was EUR -5.3 million (EUR 11.4 million), leaving cash and cash equivalents at the end of the full year at EUR 18.0 million, down from EUR 22.4 million 12 months earlier.

Figure 05

| (figures in EUR 1000)                                     | 2024          | 2023          |
|---|---------------|---------------|
| Cash flow from operations                                 | -17,671       | -17,364       |
| Cash flow from investment activities                      | -21,702       | -19,362       |
| Cash flow from financing activities                       | 34,054        | 48,077        |
| <b>Net change in cash and cash equivalents</b>            | <b>-5,319</b> | <b>11,351</b> |
| Foreign exchange differences                              | 941           | -1,443        |
| Cash and cash equivalents at the beginning of the period  | 22,422        | 12,514        |
| <b>Cash and cash equivalents at the end of the period</b> | <b>18,044</b> | <b>22,422</b> |



Financial position

As of 31 December 2024, Nordic Aqua had total assets of EUR 158.3 million (EUR 101.6 million). Book value of fixed assets amounted to EUR 73.6 million (EUR 53.1 million). Right of use assets was EUR 35.9 million (EUR 9.3 million).

Current assets increased to EUR 39.9 million (EUR 37.1 million). Biomass at the end of the fourth quarter amounted to EUR 16.7 million (EUR 9.2 million). Biomass includes a fair value adjustment of EUR 2.7 million (EUR 1.9 million). Total equity amounted to EUR 86.9 million (EUR 73.4 million), corresponding to an equity ratio of 55% (72%). Though the Group received net proceeds from the capital increase of EUR 29.8, the Group also had an increase of EUR 56.8 million in total assets, therefore the Equity ratio decreased trough 2024.

Non-current liabilities at year end were EUR 58.2 million (EUR 24.5 million). The change is related to the second and final drawdown of the loan from EksFin (Export Finance Norway) in May 2024 of EUR 10.0 million and long-term leasing debt increased to EUR 35.8 million (EUR 9.5 million).

Current liabilities at year end were EUR 13.3 million (EUR 3.7 million), of which short term interest-bearing debt amounted to EUR 4.9 million (EUR 0.0 million). Trade payables amounted to EUR 7.1 million (EUR 2.4 million).

Total assets

158.3

million EUR

Figure 06

| (figures in EUR 1000)         | 2024    | 2023    |
|-------------------------------|---------|---------|
| Total non-current assets      | 118,425 | 64,446  |
| Total current assets          | 39,922  | 37,139  |
| Total assets                  | 158,347 | 101,585 |
|                               |         |         |
| Total equity                  | 86,882  | 73,350  |
| Total non-current liabilities | 58,166  | 24,511  |
| Total current liabilities     | 13,300  | 3,724   |
| Total liabilities             | 71,466  | 28,235  |
| Total equity and liabilities  | 158,347 | 101,585 |

Research and Development

Nordic Aqua Group has not capitalised any R&D expenditures during 2024 or 2023.

Allocation of net profit

It is proposed that the Company’s net loss for the year, in the amount of EUR 17.4 million, is drawn from other equity.

Liquidity and financing

In August the Company entered a short-term credit facility of EUR 5.8 million with DNB Bank ASA. The facility had a tenor of up to four months and was designed to provide the necessary liquidity to support the Company’s ongoing operations and strategic growth initiatives. The short-term credit facility was repaid in October 2024.

In October 2024 the Company received the proceeds of approximately NOK 350 million from the successfully completed Private Placement of 4,666,666 Shares at an offer price of NOK 75 per share in September 2024. In November 2024 the Company received the proceeds of approximately NOK 16 million

from the Subsequent Offering of 466,666 Shares at the same offer price of NOK 75 per share. The gross proceeds have been and will further be used to (i) fund the estimated equity for Stage 2 build out, (ii) repay short-term debt facility, (iii) for geosmin improvement capex, (iv) working capital and (v) for general corporate purposes.

On 6 November 2024, Nordic Aqua (Ningbo) Co., Ltd. signed a Strategic Cooperation Agreement with Bank of China. The agreement is to refinance current financing of Stage 1 and for the long-term financing of the development and construction of Nordic Aqua’s facility at Gaotang towards an annual harvesting capacity of 20,000 tonnes. Financing is subject to credit approval. Funding is required during Q2 2025 in order to maintain construction plan for Stage 2.

Future need for additional financing is dependent on how fast the Company progress with the development of Stage 3 and the Company’s ability to generate operational cash flow.

The Company’s budgets and plans are based on best estimates of the future at the time of issuing this interim report. Such plans relate to future events and the fulfilment of such are by nature subject to uncertainty. However, based on executed assessments, the Board of Directors and Management considers that Nordic Aqua will have adequate liquidity resources available to finance the operations of the Group for the coming year.

Going concern

In accordance with section 4-5 in the Norwegian Public Limited Liability Companies Act is hereby confirmed that the financial statements have been prepared on the assumption that the entity is a going concern. The Board considers that the annual financial statements for Nordic Aqua provide a true and fair picture of the Company’s results for the 2024 financial year and the Company and Group’s financial position at the close of the year.



# Subsequent Events

## Harvesting and Sales resumed

In mid-February 2025, the Company announced the restart of its sale of Atlantic Salmon at the Ningbo facility, marking a significant milestone in the Company’s plan to deliver fresh, sustainably farmed Atlantic salmon to the growing Chinese market.

Together with leading industry specialists from AKVA Group and others the operational issues caused by geosmin has now been combated through several operational and structural improvements, and the facility is now fully operational and de-risked. Hence, Nordic Aqua is entering 2025 with a fortified production system, enhanced operational protocols, and a commitment to delivering premium quality salmon under its Nordic PureAtlantic brand.

As of week 12, export of fresh Norwegian salmon to China has increased by 78% year-to-date. Nordic Aqua has in the first six weeks of active sales achieved prices approximately 20% higher than the global price for Atlantic salmon achieved by Norwegian producers during the same period.

The pricing – amounting to a premium of nearly 18.00 NOK to export prices for Norwegian salmon during the period – has been supported by Nordic Aqua’s harvest of fish with an average size of 6.2 kg head-on-gutted (HOG), equivalent to 7.5 kg live weight (LW).

To meet the increasing demand in the attractive high-end market in China, Nordic Aqua has decided to adjust production up to a target weight of 7.0 kg (LW). The production of large salmon will allow Nordic Aqua to target the top segment of Chinese salmon. This will establish Nordic Aqua as a unique localized Norwegian supplier of large, super-fresh, high-quality Atlantic salmon.

## Employee warrant program

The CEO of the Company has in February 2025 been awarded 212,000 options. Each option gives the CEO a right to subscribe for and have issued or acquire one share in the Company. The options have an exercise price of NOK 75 per share/option. All options vest on 18 February 2028.



# Transactions with Related Parties

Nordic Aqua has entered into contracts with two of closely related parties. The contracts include ongoing and future deliveries of RAS technology and support, in addition to feed sales and R&D projects.

- Technology supply contract with AKVA Group.
- Feed sales and delivery agreement with Skretting, a subsidiary company of Nutreco.
- Trial and data access agreement with Skretting.

Knut Nesse is member of the Board of Directors of the Company and CEO of AKVA Group. Further, Nutreco, the parent company of Skretting, and AKVA Group are shareholders in Nordic Aqua Partners AS and in Nordic Aqua Holding ApS, the second largest shareholder of Nordic Aqua.

All agreements have been entered into at arm's length and at market terms. Other than those set out above, the Company has not entered into any transactions with related parties during the third quarter of 2024, that may be material to assessing the admission to trading on Euronext Growth.





# Corporate Governance

- 34 Governance framework
- 37 Board of Directors
- 38 Management Team
- 41 Audit Committee Report
- 42 Policies
- 43 Shareholder information
- 45 Outlook



Left to right: Ove Nodland, Aino Olaisen, Marit Solberg, Atle Eide, Therese Log Bergjord, Knut Nesse, Vegard Gjerde.



# Governance Framework

### Corporate Governance

As a company admitted to trading on Euronext Growth in Oslo, Nordic Aqua Partners AS is not formally subject to The Norwegian Corporate Governance Board’s (“NCGB” or “NUES”) recommendation on corporate governance for Companies listed in Norway (The Norwegian Code of Practice for Corporate Governance). However, the Company has established and is developing practices aligned with relevant recommendations for good corporate governance to ensure the Company is able to effectively manage its obligations to shareholders, customers, employees, authorities and other stakeholders. The main elements of the Company’s corporate governance are detailed in the following.

### Dialogue between the Company and its shareholders

The communication between Nordic Aqua and shareholders primarily takes place at the Company’s AGM and via company announcements. Shareholders are encouraged to subscribe to the email service to receive company announcements, interim and annual management statements, and reports, as well as other news via e-mail.





The General Meeting

The General Meeting (GM) has the highest authority over the Company. The Board of Directors ensures that shareholders are given detailed information and an adequate basis for decisions where votes are to be taken by the GM. The GM elects the Board of Directors, which currently consists of five members.

Amendment of Articles of Association

Unless otherwise required by the Norwegian Public Limited Liability Companies Act, resolutions to amend the Articles of Association must be approved by at least 2/3 of the votes cast as well as at least 2/3 of the voting share capital represented at the GM.

Board responsibilities

The Board of Directors’ main tasks include participating in, developing, and adopting the Company’s strategy (including the sustainability strategy and key policies), performing the relevant control functions and serving as an advisory body for the executive management. The Board of Directors reviews and adopts the Company’s plans and budgets and considers items of major strategic or financial importance. The Board of Directors is responsible for hiring the CEO and executive management, defining his or her work instructions as well as determining of his or her compensation. The Board of Directors periodically reviews Company policies and procedures to ensure that the Company is managed in accordance with applicable law, observing good corporate governance principles and upholding high ethics. Human rights and climate change are both matters for the Board.

Nordic Aqua Partners AS has entered into an Directors & Officers Liability Insurance. All Directors and Officers in Nordic Aqua are part of this insurance coverage which has a total limit of DKK 50 million.

Figure 07

| Name                 | Role     | Considered independent of main shareholders | Served since | Term expires | Participation Board meetings 2024 | Indirect shares in NOAP end 2024 | Direct shares in NOAP end 2024 |
|----------------------|----------|---|--------------|--------------|-----------------------------------|----------------------------------|--------------------------------|
| Atle Eide            | Chair    | No  | March 2023   |              | 9 of 9                            | 212,146                          | 0                              |
| Knut Nesse           | Director | No  | Sept. 2020   |              | 9 of 9                            | 0                                | 0                              |
| Vegard Gjerde        | Director | No  | May 2022     |              | 9 of 9                            | 30,000                           | 0                              |
| Aino Olaisen         | Director | Yes   | March 2023   |              | 9 of 9                            | 254,965                          | 0                              |
| Therese Log Bergjord | Director | Yes   | March 2023   |              | 9 of 9                            | 0                                | 13,333                         |
| Marit Solberg        | Director | Yes   | May 2024     |              | 7 of 7                            | 0                                | 1,600                          |
| Ove Nodland          | Director | No  | May 2024     |              | 7 of 7                            | 604,700                          | 44,588                         |

The Board of Director’s composition, competencies, working methods and interaction are discussed within the Board on a recurring basis and evaluated formally on an annual basis. The Board composition is considered satisfactory in terms of professional experience and relevant special competencies required to perform the tasks within the Board of Directors. None of the Board members participate in the day-to-day operation of the Company. Aino Olaisen, Therese Log Bergjord and Marit Solberg are considered independent. Atle Eide, the Chairman of the Board, Knut Nesse, Vegard Gjerde and Ove Nodland are considered not independent.

To ensure decisions which enable us to transition to a sustainable food system are well-informed and science-based, the Board of Directors is updated regularly on sustainability topics and trends.

Financial reporting

The Board of Directors receives regular financial reports on the Company’s business and financial status.

Notification of meetings and discussion of items

The Board of Directors schedules regular meetings each year. Ordinarily, the Board meets six times a year as a standard. The meetings are typically conducted as either physical meeting, or via video conference. Additional meetings may be convened on an ad hoc basis. In 2024 the Board of Directors met 9 times (2023: 11 times).

All Board members receive regular information about the Company’s operational and financial progress in advance of the scheduled Board meetings. The Board members also regularly receive operations reports and participate in



strategy reviews. The Company’s business plan, strategy and risk management are regularly reviewed and evaluated by the Board of Directors. The Board members are free to consult the Company’s senior executives as needed. The Board of Directors approves decisions of particular importance to the Company including the strategies and strategic plans, the approval of significant investments, and the approval of business acquisitions and disposals.

**Conflicts of interest**

In a situation involving a member of the Board of Directors personally, this member will exclude him or herself from the discussions and voting on the issue. Please see the “Transactions with related parties” section for more information.

**Use of Committees**

The Annual General Meeting has appointed a Nomination Committee during 2024.

The Nomination Committee comprises Jan Erik Sivertsen and Olav Kristian Fallnes. The Nomination Committee is responsible for proposing candidates for members of the Board and the Nomination Committee, and remuneration to the members of these bodies.

The Nordic Aqua Board has appointed a Remuneration Committee and an Audit Committee during 2024.

The Remuneration Committee of Nordic Aqua Partners AS comprises Vegard Gjerde (Chair), Knut Nesse and Atle Eide. The Remuneration Committee sets a reward policy that motivates Group Executive Management to pursue long-term shareholder interests and to determine salary structure and other incentive programs.

The Audit Committee of Nordic Aqua Partners AS comprises Therese Log Bergjord (Chair), Vegard Gjerde and Marit Solberg. The Audit Committee assists the Board of Directors in overseeing the financial and non-financial reporting process, financial and business related risks, internal controls, and compliance with statutory and other requirements from the public authorities.

The Company will consider future implementation hereof as the Company develops and grows.





# Board of Directors



**Atle Eide**  
Chairman of the Board

Atle Eide is a Norwegian citizen. He has held numerous high-level positions in the seafood industry, as well as in finance and the global agriculture industry. Atle Eide was CEO of Mowi and its predecessor Pan Fish, Hydro Seafood and Skretting Nordic. Eide has also been chairman of Norway Royal Salmon, Salmar, Scale, Insula and Lake Harvest; a leading African Tilapia producer. Eide was also senior partner in HitecVision for 12 years, the leading private equity fund in Norway, where he also prior to his partnership, was chairman. Eide also held the CEO in Kverneland ASA for 8 years, at the time a listed company and the largest producer of agricultural implements in the world. Eide is an active investor and hold board-member ships in companies where he is invested.



**Aino Olaisen**  
Board Member

Aino Olaisen is a Norwegian citizen. She is an owner and now the chairperson in the family-controlled company Nova Sea. She has held various board positions in many companies and organisations within the aquaculture sector in Norway and abroad. On a daily basis she runs her own investment company “Aino AS”, where the main focus is to invest in new technology in aquaculture.



**Knut Nesse**  
Board Member

Knut Nesse is a Norwegian citizen, working as CEO of AKVA group ASA, a position he has held since November 2019. Prior to his current positions, Mr. Nesse has extensive experience as a CEO in leading international companies, including six years as CEO of Skretting Group (part of Nutreco) and six years as CEO of Nutreco. Mr. Nesse has vast experience from board positions in several companies.

Mr. Nesse holds an MBA from the Norwegian School of Economics and Business Administration (NHH).



**Therese Log Bergjord**  
Board Member

Therese Log Bergjord is a Norwegian citizen. She is an independent industry advisor and combines this with different non-executive board positions. Therese has an extensive global seafood background through her experience as CEO in Skretting, and as part of group management in PanFish (now Mowi) where she was heading up different parts of the value chain such as global sales, farming operations, processing and value adding production. In addition to seafood Therese has worked as Managing Director for Compass Group Nordics (Food Service) and she started her career in the oil and gas industry where she spent 16 years in ConocoPhillips in a number of leadership roles. Therese holds several board positions across different industries. Therese has her degree from University of Stavanger/Bi Norwegian Business School within Finance and Marketing.



**Vegard Gjerde**  
Board Member

Vegard Gjerde is a Norwegian citizen. He holds a MSc in Finance from the Norwegian School of Economics (NHH) and works as Investment Director in Kontrari, the main shareholder. Vegard represents Kontrari in numerous boards both as Chair, member, and observer.



**Ove Nodland**  
Board Member

Ove Nodland is a Norwegian citizen, but has lived and worked in Ningbo, China since 1999. He has more than 30 years’ experience from working in Asia in various management positions, including setting up and being the CEO of Nordic Industrial Park in 2002, where he has advised and supported 50 companies when setting up their business operations in China. Ove is the founding partner of Nordic Aqua Partners and initiated the project in 2014. Before moving to China, he held management positions in various companies in Norway. Mr. Nodland is an Honorary Citizen of Ningbo and is a Qualified Mechanical Engineer from the Stavanger College of Technology.



**Marit Solberg**  
Board Member

Marit Solberg is a Norwegian citizen. She has 40 years’ experience from the Aquaculture Industry and has had different high-level positions in Mowi including eight years as COO Farming. She has extensive networks and broad knowledge of aquaculture. Solberg has led large organizations in different cultures, and possess skills in restructuring, mergers, and change management. She has vast experience from Board positions within aquaculture, technology and finance. Marit Solberg holds a MSc in Microbiology from the University of Bergen.



# Management Team



**Ragnar Joensen**  
CEO

Ragnar Joensen is a Faroese citizen with extensive management experience from the aquaculture industry. Prior to the Company, he worked 17 years as Managing Director at Marine Harvest (now Mowi). He has also been in executive positions at Marine Harvest Faroes, Marine Harvest Norway and Marine Harvest ASA. Furthermore, Mr. Joensen has held several board positions at leading aquaculture companies.

Mr. Joensen holds a M.Sc. in Engineering, Aquaculture from Aalborg University, Denmark, and an MBA from the University of Warwick, UK.



**Tom Johan Austrheim**  
CFO

Tom Johan Austrheim is a Norwegian citizen. Tom Johan Austrheim previously held the position as CFO in Edda Wind ASA and has held several CFO positions during his career. Tom Johan Austrheim is Siviløkonom from Heriot-Watt University, Edinburgh.



**Ana Elisenda Holden-Peters**  
Sustainability Director

Ana Elisenda Holden-Peters is a British citizen and an experienced corporate sustainability professional with 18 years of experience working in multinational companies in different sectors including tourism, banking, retail and aquaculture. More recently she set up and ran the award-winning Faroese Sustainable Business Initiative. She holds an MSc in Management from the University of Bath, UK and a Postgraduate Certificate in Sustainable Business from Cambridge University, CISL, UK.

Ms. Holden-Peters has broad experience in ESG reporting and assurance, governance, communications, strategic planning, stakeholder relationship management, data management, research, and community investment.



**Andreas Thorud**  
Managing Director and legal representative,  
Nordic Aqua Ningbo

Andreas Thorud has accumulated extensive experience within Chinese business life and culture, offering valuable insights into the Chinese seafood market and the local consumer market. Andreas is fluent in Mandarin. Prior to his role at the Seafood Council, Andreas Thorud spent a decade overseeing Aker BioMarine’s operations in China and other key Asian markets.



**Catherine Shen**  
Chief Administration Officer,  
Nordic Aqua Ningbo

Catherine Shen is a Chinese citizen residing in Ningbo. Ms. Shen has extensive experience in setting up and holding management positions with foreign companies operating in China. Ms. Shen has been instrumental in the structuring and development of the Company. Ms. Shen has extensive experience in liaising and negotiating with government authorities and bureaus and possesses an indepth understanding of applicable rules and regulations, taxes and duties, financing, and HR-related issues.

Ms. Shen holds an MBA from BI – Fudan University, a Master’s Degree from BI Norwegian Management School, and a Bachelor of laws from the University of International Business and Economics, majoring in international business law.



**Yong Tan**  
Project Manager,  
Nordic Aqua Ningbo

Yong Tan is a Chinese Citizen residing in Shanghai. Mr. Tan has 20 years’ experience in quality management and project management in various multinational companies, with more than 10 years in management position.

Mr. Tan is good at quality management, problem solving, process improvement, team management and data analysis. He has extensive project management experience mainly in shipbuilding, offshore, and oil & gas industries.

Mr. Tan is a Lean Six Sigma Black Belt, ISO9001 lead auditor, and holds a College Diploma in Marine Engineering from Bohai Shipbuilding Vocational College and an MBA from Shanghai University.

# Management, Nordic Aqua Ningbo



# Management, Nordic Aqua Ningbo



**Ola Frøvik**  
Farm Manager,  
Nordic Aqua Ningbo

Ola Frøvik is a Norwegian citizen (born in 1983) with more than 12 years of RAS salmon farming experience. He has held various positions within the industry, including positions as Managing Director of Vågafossen Settefisk AS and Operation Manager of MOWI, Vågafossen. As Farm Manager, Ola is responsible for the entire RAS operation, including the important task of implementing best farming practices and training local RAS operators.

Ola Frøvik has during his carrier within the aquaculture industry attended a variety of programs and courses at University Nord, NTNU and UIB within production biology, fish health and WM6010-RAS.



**Høgni Lómstein**  
Processing Manager,  
Nordic Aqua Ningbo

Høgni Lómstein is a Faroese citizen with more than 20 years of processing experience with Atlantic Salmon.

Mr. Lómstein has a degree from the Faroese Fisheries School and has been responsible for design and operations at different Atlantic Salmon processing plants in the Faroe Islands.

Mr. Lómstein used his extensive experience and knowhow during the design and construction of the Processing Facility at Gaotang Island. He is responsible for setting up and implementing processing procedures and practices.



**Denise Qiu**  
Financial Manager,  
Nordic Aqua Ningbo

Denise Qiu is a Chinese citizen with more than 16 years’ experience in Manufacturing/Trading/Energy/Automobile Industries. Ms. Qiu has extensive experience in financial management and financial reporting for international companies with headquarters in Europe and US.

Ms. Qiu is an ACCA member, she holds an MBA from BI – Fudan university, a master’s degree from BI Norwegian Management School, and a Bachelor of Financial Management from Jiangsu University of Science and Technology



**Dan Tan**  
Sales Manager,  
Nordic Aqua Ningbo

Dan Tan is a Chinese national with several years of experience in selling Atlantic Salmon in China. Mr. Tan was graduated from Xiamen University with a master’s degree in education in 2014.

In the past 11 years, he gained extensive experience within sales and marketing and has been working with both imports and sales of Atlantic salmon to whole sellers, distributors, retail and HoReCa in the Chinese market.



**Morten Westby**  
Head of Business development and strategic partnerships, Nordic Aqua Ningbo

Morten is a Norwegian citizen. He is a seasoned executive in the seafood industry with extensive experience in the Chinese market. He previously served as the VAP Asia Manager at Lerøy, where he played a crucial role in expanding their footprint across Asia. Morten’s deep understanding of the seafood sector Technology.



# Farming Team



**Ola Frøvik**  
Farm Manager,  
Nordic Aqua Ningbo

Ola Frøvik is a Norwegian citizen (born in 1983) with more than 11 years of RAS salmon farming experience. He has held various positions within the industry, including positions as Managing Director of Vågafossen Settefisk AS and Operation Manager of MOWI, Vågafossen. As Farm Manager, Ola is responsible for the entire RAS operation, including the important task of implementing best farming practices and training local RAS operators.

Ola Frøvik has during his carrier within the aquaculture industry attended a variety of programs and courses at University Nord, NTNU and UIB within production biology, fish health and WM6010-RAS



**Bergur Magnussen**  
Assisting Farm Manager,  
Nordic Aqua Ningbo

Bergur Magnussen is a Faroese citizen with more than 30 years of experience in producing salmon and trout in flowthrough and RAS systems. Bergur has held various managerial positions in the Faroese and Danish aquaculture industry and has worked as an independent fish farmer in the period from 2010 to 2022.

Mr. Magnussen has been responsible for the production of hundreds of fish groups in his career. In addition, he has been responsible for the construction of several land-based systems through his management positions as well as he has assisted as advisor in other companies.



**Johan Toftegaard**  
RAS and fish production expert,  
Nordic Aqua Ningbo

Johan Toftegaard is a Faroese citizen with more than 25 years of experience in producing salmon in RAS systems. He comes from the position as Freshwater Manager at Mowi Faroe Islands.

Mr. Toftegaard is a mechanical engineer and has been responsible for the construction of several land-based systems at Mowi and as a consultant in other companies.

Mr. Toftegaard used his extensive experience and knowhow during the design and construction of the RAS systems. He is responsible for setting up and implementing processing procedures and practices.



**Alejandro Millar**  
Fish Health Manager,  
Nordic Aqua Ningbo

Alejandro Millar is a Chilean citizen (born in 1977) with more than 20 years of experience, mostly in the Salmon industry (Farming, Fish Health, Nutrition & Biosecurity), and in warm water marine species (Cobia, Corvina drum). Alejandro holds a Veterinary Medicine Degree from Universidad Austral de Chile, Faculty of Veterinary Science and a Bachelor's Degree (Licentiate on Veterinary Medicine Degree) from the Universidad Austral de Chile, Faculty of Veterinary Sciences.

Mr. Millar has held various positions within the industry, including positions as Farming Assistant for the Freshwater Site Manager, FW and SW Field Veterinarian (AquaChile, 2005 2009) and Fish Health representative & Technical Officer, in many companies in Chile and abroad. As Fish Health Manager, Alejandro is responsible for the RAS operation, keeping all the stocks and biomass alive and healthy, maintaining the status of "Disease Free Farm".



# Audit Committee Report

The Audit Committee of Nordic Aqua Partners AS comprise Therese Log Bergjord (Chair), Vegard Gjerde and Marit Solberg.

During 2024 the Audit Committee has held meeting in relation to quarterly reports and reported the findings and recommendation to the Board of Directors.

Additionally, the Audit Committee has met and discussed with management specifically on matters of particular importance for the financial reporting for the Company such as accounting treatment of biomass and leasing cost. Further, the Audit Committee has established a mandate/instruction subsequently approved by the board for the scope of work for the Audit Committee going forward.

The Audit Committee’s terms of reference were also extended to include responsibilities relating to sustainability reporting, assurance, performance and policy development, as well as whistleblowing.



# Policies

As we continue to develop and build the business, in 2024, we developed numerous new policies to guide our approach to carrying out our activities. This included updating our Code of Conduct to align with requirements under the Norwegian Transparency Act, developing a new Anti-Bribery and Corruption Policy, new Whistleblower and Grievance Mechanism and Policy; and a new Human Rights Policy, all to align with the new Act.

We also developed new policies relating to our most material impacts and risks, including a new Privacy Fish Health & Welfare Policy, Food Safety and Quality Policy, Water Policy, and a Climate and Energy Policy.

Please see [www.nordicaquapartners.com](http://www.nordicaquapartners.com) to access these.



# Shareholder Information

As at 31 December 2024, Nordic Aqua had 21,213,567 issued shares, held by 598 shareholders.

The Company is listed on Euronext Growth.

Nordic Aqua Partners Holding ApS is the Company’s second largest shareholder with 5,168,922 shares, corresponding to 24.4% of total number of shares outstanding. Nordic Aqua Partners Holding ApS is owned by Nutreco, key

Figure 08

## Share Performance 2024

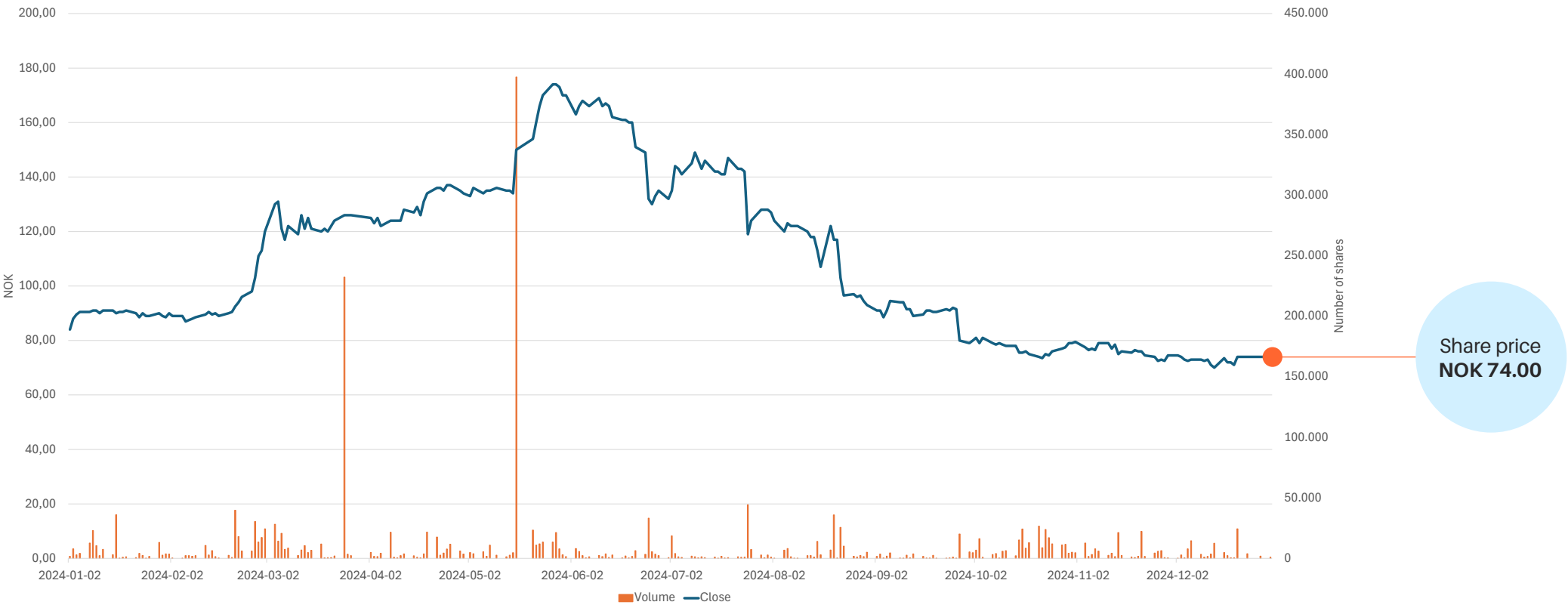


Figure 09

## Main Shareholders

| Rank                   | Shareholder                       | Holdings   | %-share |
|------------------------|-----------------------------------|------------|---------|
| 1                      | Kontrari AS                       | 6,861,125  | 32.3%   |
| 2                      | Nordic Aqua Partners Holding ApS  | 5,168,922  | 24.4%   |
| 3                      | Israel Corporation Ltd.           | 1,983,320  | 9.3%    |
| 4                      | Nordea Funds Ltd.                 | 959,113    | 4.5%    |
| 5                      | Saxo Bank A/S                     | 376,651    | 1.8%    |
| 6                      | Stoksund AS                       | 325,000    | 1.5%    |
| 7                      | Prima Blue AS                     | 320,644    | 1.5%    |
| 8                      | Aino AS                           | 254,965    | 1.2%    |
| 9                      | Jan Heggelund                     | 241,943    | 1.1%    |
| 10                     | The Bank of New York Mellon SA/NV | 232,730    | 1.1%    |
| 11                     | Danske Bank A/S                   | 226,062    | 1.1%    |
| 12                     | Vicama AS                         | 220,000    | 1.0%    |
| 13                     | Maringto AS                       | 212,146    | 1.0%    |
| 14                     | Kewa Invest AS                    | 195,000    | 0.9%    |
| 15                     | Sonstad AS                        | 172,000    | 0.8%    |
| 16                     | Ristora AS                        | 160,749    | 0.8%    |
| 17                     | Kristian Falnes AS                | 138,603    | 0.7%    |
| 18                     | AKVA Group ASA                    | 133,333    | 0.6%    |
| 19                     | Bergen Kommunale Pensjonskasse    | 116,110    | 0.5%    |
| 20                     | Ole Ketil Teigen                  | 109,063    | 0.5%    |
| Sum 20 largest         |                                   | 18,407,479 | 86.8%   |
| Other 578 shareholders |                                   | 2,806,088  | 13.2%   |
| Total                  |                                   | 21,213,567 | 100.0%  |



personnel and others. Nordic Aqua Partners Holding ApS is in the process of being reorganised and the ownership of Nordic Aqua Partners AS will be held directly. This process is expected to be concluded in Q2 2025.

The Board of Directors has allocated 603,490 warrants to the Company's employees, which have been subscribed by the respective holders. Each warrant entitles the holder to subscribe for one share in the Company at a strike price of NOK 81 per share. Additionally, 295,000 options have been allocated to the Company's employees, which have also been subscribed by the respective holders. Each option entitles the holder to subscribe for one share in the Company at a strike price of NOK 75 per share.

The Board is authorised to increase the share capital by up to NOK 500,000 in connection with the Company's incentive program, in one or more share capital increases through issuance of new shares. The authorisation may only be used to issue shares to the Group's employees and Board members in connection with incentive programs, both individual and general. The authorisation is valid until the annual general meeting in 2025, however no longer than until 30 June 2025.

During the year, the share Nordic Aqua share varied in price from NOK 70.00 to NOK 178.00 (2023: NOK 59.00 to NOK 84.50). The closing price on 31 December 2024 was NOK 74.00, compared to NOK 82.50 on 31 December 2023, and the share price was accordingly down 10.3% during the year. Total market capitalisation at year end 2024 was NOK 1,570 million (2023: NOK 1,348 million).

Just below 2,171,910 (1,020,700 shares), or 10.2% (6.2%) of the overall number outstanding, were traded during the year. Share turnover totaled NOK 150.8 million (NOK 71.2 million) during the year. Average daily traded volume was about 8,688 (2023: 4,066) and the average daily traded value was about NOK 603,000 (2023: NOK 280,000).





# Outlook

Nordic Aqua takes all aspects of Nordic PureAtlantic’s salmon quality seriously and strives to achieve the best quality and taste possible for our product. Together with leading industry specialists from AKVA Group and others the operational issues caused by geosmin has now been combated through several operational and structural improvements, and the facility is now fully operational and de-risked.

We are pleased to announce that sale of Atlantic Salmon at our Ningbo facility is back on track and stronger than ever. With comprehensive corrective actions now in place, the Ningbo facility is fully optimised for sustainable, high-quality salmon farming, and the Company is now ready to reengage with partners and customers to launch our unique products. Handling the operational issues brought challenges, but it also demonstrated the capabilities of the available resources and the robustness of our business model.

Nordic Aqua is grateful for the confidence of our stakeholders through the unscheduled transition period in 2024.

The Company is entering 2025 with a fortified production system, enhanced operational protocols, and a commitment to delivering premium quality salmon under its Nordic PureAtlantic brand. The Company is continuing its efforts, together with customers, of building a long-term position with unparalleled freshness and high-quality Atlantic salmon in the growing Chinese salmon market.

The overall biological performance has developed well with very strong fish welfare, low mortality and good growth considering the reduced feeding in Q4 2024. Mortality has remained low QTD 2025 and feeding started to increase during January and February 2025 and is expected to be on normal feeding levels from March 2025.

Construction for Stage 2 expansion is on track with the first harvest scheduled for Q3 2026, paving the way to double production capacity to 8,000. On this basis the current plan is to harvest 3,000 tonnes HOG in 2025. This expansion, and the further growth to 20,000 tonnes reinforces the Company’s commitment to long-term growth and market leadership. Nordic Aqua’s plans for 2025 include scaling production, strengthening market penetration, and advancing our sustainability initiatives to secure long-term shareholder value. Preparations for the expansion to 20,000 tonnes HOG (Stage 3) are ongoing, and a final decision on the timeline will be made during 2025.

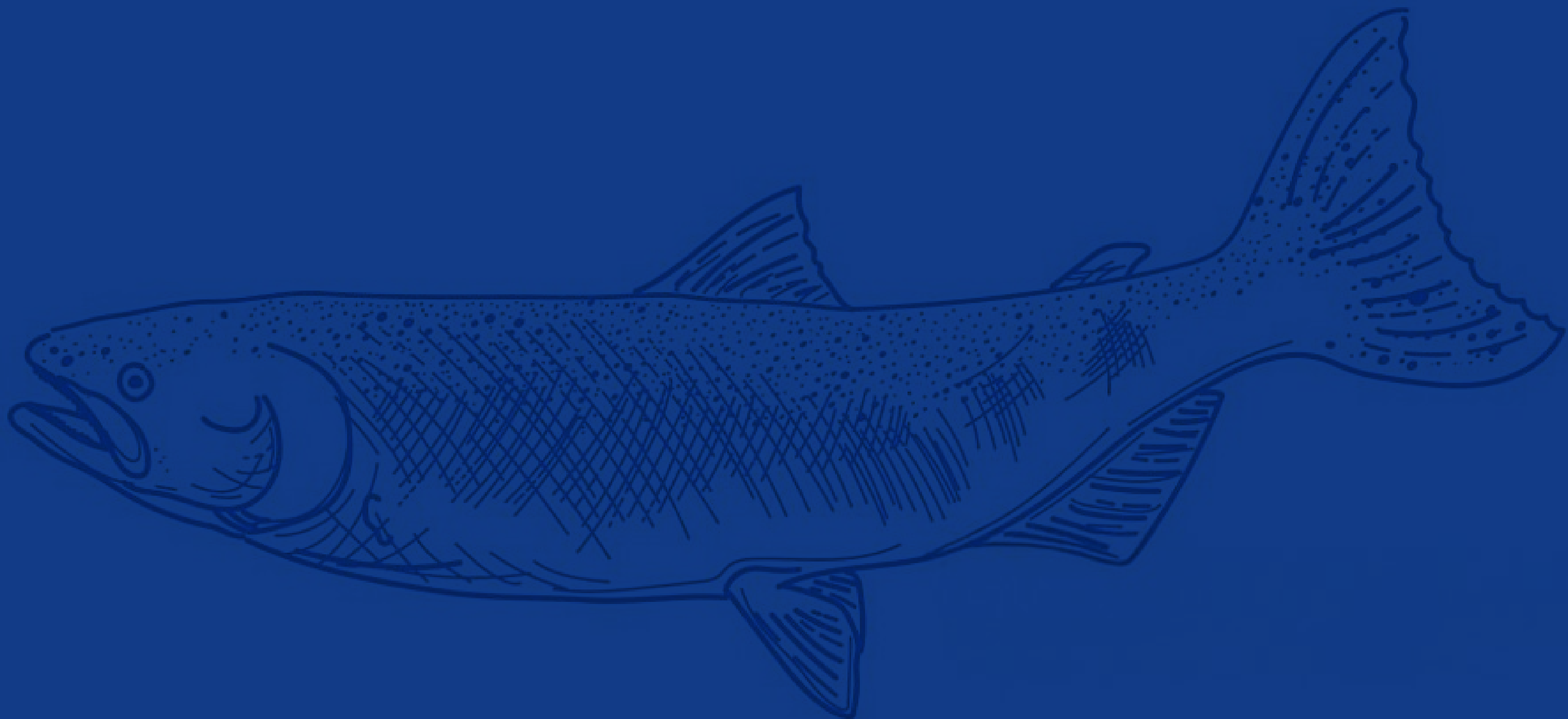
The new Corporate Sustainability Reporting Directive (CSRD) is expected to soon come into effect for small and medium-sized businesses, which will impact the Company’s approach management and reporting of environmental, social and governance (ESG) topics. The Company will be guided by the Omnibus Simplification Package announcement, though Nordic Aqua believes the new standards will better equip us to mitigate risks and capitalise on opportunities from the fast-changing external environment in which the Company is operating.





# Sustainability Statements

- 47 Our Approach to Reporting
- 48 General
- 52 Creating Value Through Sustainable Aquaculture
- 55 Nordic Aqua Topics
- 62 Environment
- 76 Social
- 86 Governance
- 90 Appendix





# Our Approach to Reporting

One of the ways in which we review progress in our sustainability plans is through our annual reporting process. While we are still at the early stages of our ESG reporting journey, we are committed to align our reporting with our stakeholders’ expectations to achieve a high level of transparency on our most material sustainability risks and opportunities. This also ensures we meet the growing reporting regulation globally.

In this report for 2024, we have begun work to align ourselves with the European Union’s Corporate Sustainability Reporting Directive (CSRD) and associated European Sustainability Reporting Standards (ESRS).

While the recently published EU Omnibus Simplification Package will delay our need for compliance with the CSRD, we believe that increasing our commitment to sustainable aquaculture and ethical business conduct through transparent reporting will increase our competitiveness, not hinder it.

It will not only enable us to demonstrate how our business model is significantly reducing the negative environmental impacts from food production but also to demonstrate how our commitment to ensure the wellbeing of our workforce and value chain workers promotes a culture of performance excellence.

For now, we will be following aspects of the standards that make the most sense for our business, to improve our long term environmental, social and economic sustainability.

Until we are required to comply, implementation will be progressed in gradual steps, ensuring we are ready for when we are required to fully comply with the directive, also adopted by Norway.

As a result, our new Sustainability Statements follow a new reporting structure, (differing from our 2023 ESG Report), but not yet compliant with the new ESRS standards. These include a focus on the most material sustainability impacts, risks and opportunities that were a result of our Double Materiality Assessment, described to follow.

Our 2024 sustainability update has once again been developed in conformance with the SASB Meat, Poultry & Dairy Standard and reference to the CDP SME Climate Framework, disclosing data where available.

In 2025, we will also report our progress with the Norwegian Transparency Act in a seperate report, later in the year. The separate report will be available on the Company’s website, [www.nordicaquapartners.com](http://www.nordicaquapartners.com).

Our approach to reporting will continue to develop in line with leading standards, while at the same time taking into consideration the age and size of our business and available resources.



# General

**49** Double Materiality Assessment

**51** Interests and Views of our Stakeholders





# Double Materiality Assessment

In 2024, we performed a double materiality assessment, in line with guidance by the European Union’s Corporate Sustainability Reporting Directive (CSRD). This is an important part of the preparation for alignment with the new directive.

The purpose of this is to identify the most relevant impacts, risks and opportunities for Nordic Aqua to build our strategic decision-making and reporting around.

The scope was focused on our operations and upstream activities (primarily feed sourcing) due to its importance as an input for aquaculture. Given we have not been going to market for many consecutive months, there was a lesser focus on downstream activities and the Management Team decided to exclude ESRS S4, Consumers and end users, from the assessment.

We did a comprehensive qualitative assessment, and a quantitative high-level strategic prioritisation of potentially material sustainability topics, considering both the Company’s level of impact on these, but also the financial risks and opportunities they present for the Company. This approach builds on our previous approach to materiality assessments, which considered only external and internal stakeholder views.

## Double Materiality Assessment process and methodology

Our assessment was carried out in three steps:

### Step 1

#### We identified business activities in our value chain

To begin with we mapped all activities through our value chain, with input from the Management Team.

### Step 2

#### We then identified our impacts, risks and opportunities (IROs)

The next step was to draw up a list of stakeholders to enable us to identify key sustainability matters and determine their relevance and importance to us, through balanced and meaningful feedback.

With considerable desk research (including input from the ESRS1 AR16 list of topics, our 2022/23 materiality analysis, competitor reports, our LEAP biodiversity analysis, an EFTEC environmental impact analysis, a review of Norwegian and Chinese regulations, results from stakeholder questionnaires and interview) we drew up a list of relevant sustainability matters which we then mapped our impacts, risks and opportunities against.

### Step 3

#### We determined which IROs are material for us

We then developed a scoring tool to determine the impact materiality of these (considering stakeholder views, their scale, scope, irremediability, probability and timescale); and financial materiality of these (considering financial scale, probability, time scale, together with other screening criteria). The final list was discussed by the Management Team and Audit Committee, where some rational adjustments were made.



Stakeholder input

We surveyed 27 internal and external stakeholders, and interviewed some additional stakeholders, seeking their views on the importance of the topics presented. These included employees, Board Directors, suppliers, investors and providers of capital, and subject matter experts. We also considered silent stakeholders through extensive desk research. The methodology and assessment were carried out with input from the Finance Team and other members of the Management Team. The results we supplemented by insights from our ongoing stakeholder engagement, outlined in the next page.

Double materiality assessment outcome

On the right is the list of topics we have identified as material for our reporting.

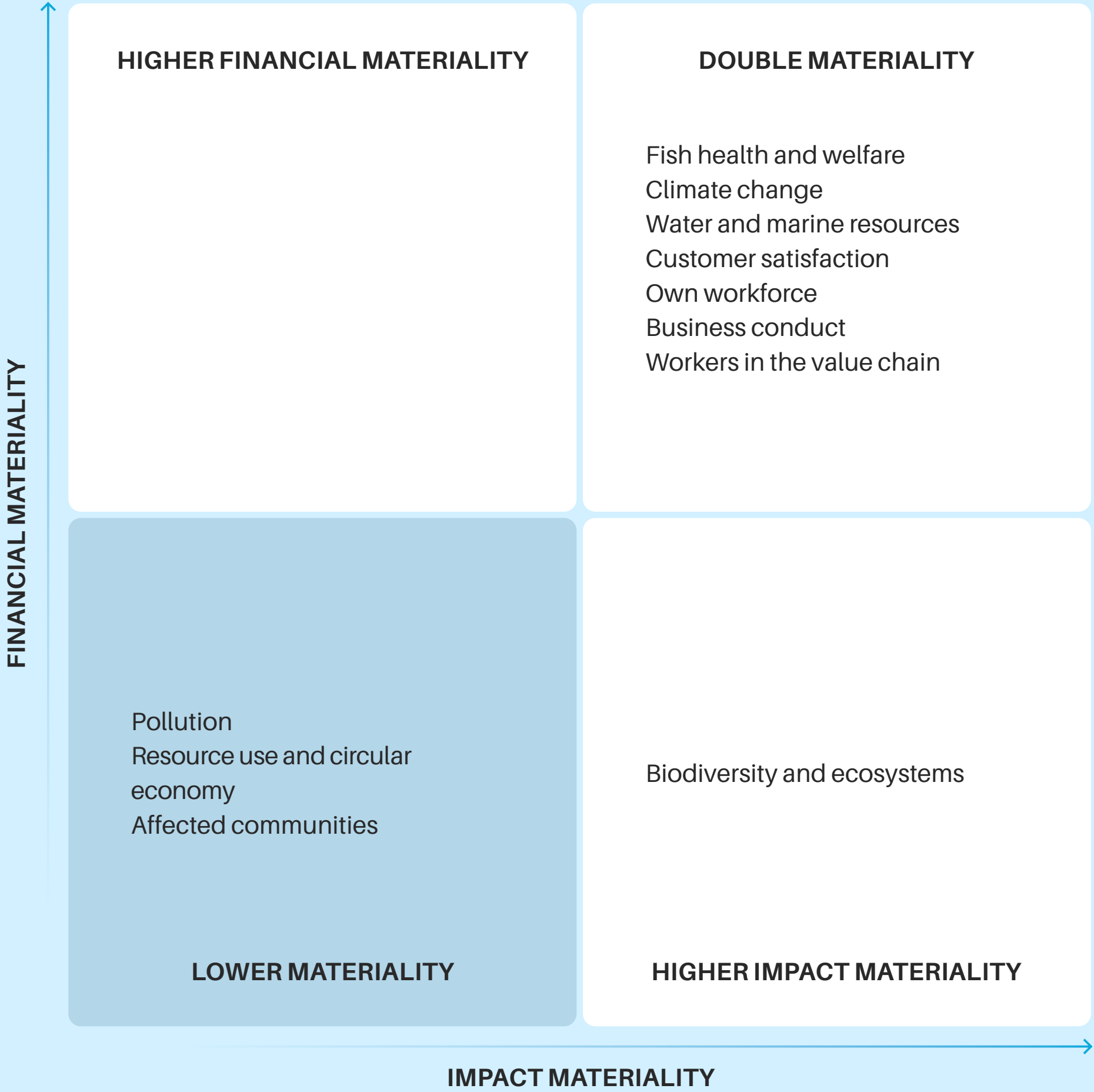
How we present these

The topics identified as material for our company make up the main content of these Sustainability Statements. The

topics are grouped under Nordic Aqua Topics, Environmental, Social and Governance. The beginning of each material topic section outlines the impacts, risks, opportunities. We report our approach to the these through policies and commitments, ambition, targets and performance from 2024, as well as plans to reach our targets looking forward.

A number of material topics have been moved into different chapters (from the ones under the ESRS standards) which align with how we manage them and the most sensical way to present them, for example, water pollution is in the Water and Marine Resources chapter and pressure on marine resources has been moved into our chapter on Biodiversity. We have also included animal welfare into our chapter on Nordic Aqua Topics, where we also have the most material aspects of customer safety for us. We will rearrange content and follow guidance more strictly, if and when needed in the future, to become fully compliant with relevant sustainability reporting standards.

Double materiality assessment outcome



Not reported.











# Interests and Views of our Stakeholders

We take a proactive approach to stakeholder engagement. This is essential to help us make decisions with the ultimate aim of creating shared value for society. This means not only establishing opportunities and channels for stakeholders affected by our business to engage with us, but also actively seeking input into our strategic planning process, for example when conducting an assessment of our most material sustainability matters.

Opposite is an update on our stakeholder engagement in 2024.

Notable 2024 engagements have resulted in new financing, and progress resolving geosmin event.



| Stakeholder group  | Methods of engagement  | Purpose of engagement   | Examples of outcomes   |
|--|--|---|--|
|  <b>Employees</b>   | <ul style="list-style-type: none"><li>• Employee survey</li><li>• Grievance mechanism</li><li>• New whistleblower channel (2025)</li><li>• Materiality questionnaires</li><li>• Trainings</li><li>• Informal dialogue</li><li>• Workshops (Leaderships, ESG etc.)</li><li>• Strategy and performance updates</li></ul> | <ul style="list-style-type: none"><li>• Employee views and work satisfaction</li><li>• Opportunity to raise concerns</li><li>• Building long-term loyalty</li><li>• Increase possibility to create shared value</li></ul>                                   | <ul style="list-style-type: none"><li>• Identification of areas to increase focus on</li><li>• High engagement (shown from scores in 1st and 2nd survey)</li><li>• Prioritisation of sustainability risks and opportunities</li></ul>                |
|  <b>Government, policymakers and regulators</b>                         | <ul style="list-style-type: none"><li>• Visits from local and central Government (Ningbo, Hangzhou, and Beijing)</li><li>• Direct and regular dialogue with local government</li><li>• Information and site visits</li></ul>   | <ul style="list-style-type: none"><li>• Ability to meet regulation</li><li>• Increase possibility to create shared value</li><li>• Develop new aquaculture standards</li></ul>  | <ul style="list-style-type: none"><li>• Operational approvals</li><li>• Development of new infrastructure (to carry out innovative aquaculture model) and standards for new farming technology</li></ul>   |
|  <b>Owners and capital markets</b>                                      | <ul style="list-style-type: none"><li>• Quarterly presentations</li><li>• Annual General Meeting</li><li>• Investor visits, meetings, calls and correspondence</li><li>• Materiality questionnaires and interviews</li><li>• Bilateral dialogue on ESG</li></ul>   | <ul style="list-style-type: none"><li>• Attracting new investment</li><li>• Securing lending</li><li>• Increasing transparency</li><li>• Understanding expectations (e.g. ESG)</li></ul>  | <ul style="list-style-type: none"><li>• Bridge financing</li><li>• Increase in capital for further expansion</li><li>• Response to investor expectations</li><li>• Prioritisation of ESG topics and alignment with best-practice standards</li></ul> |
|  <b>Local communities</b>  | <ul style="list-style-type: none"><li>• Local community events</li><li>• Collaboration on projects</li><li>• Local community visits</li><li>• New whistleblower channel (2025)</li></ul>   | <ul style="list-style-type: none"><li>• Opportunity to raise concerns</li><li>• Community views and feedback</li><li>• Creating shared value</li><li>• Building engagement and trust</li><li>• Attracting new young talent to the local community</li></ul> | <ul style="list-style-type: none"><li>• Settlement relating to effluent concerns</li><li>• Established new long-term relationships</li><li>• Increased use of local suppliers</li></ul>  |
|  <b>Customers</b>   | <ul style="list-style-type: none"><li>• Customer visits and correspondence</li></ul>   | <ul style="list-style-type: none"><li>• Building long-term relationships</li><li>• Communicating priorities</li><li>• Meeting customer needs</li></ul>  | <ul style="list-style-type: none"><li>• New customer relationships in several Chinese cities</li></ul>   |
|  <b>Suppliers</b>   | <ul style="list-style-type: none"><li>• Regular visits, calls and emails</li><li>• Materiality questionnaires and interviews</li><li>• Active collaboration on projects</li><li>• New whistleblower channel (2025)</li></ul>   | <ul style="list-style-type: none"><li>• Addressing operational challenges (e.g. geosmin)</li><li>• Building long-term relationships</li><li>• Communicating priorities</li><li>• Opportunity to raise concerns</li></ul>                                    | <ul style="list-style-type: none"><li>• Progress resolving geosmin event</li><li>• Alignment on company expectations and</li><li>• Improvement in sustainability of some feed ingredients</li><li>• Prioritisation of ESG topics</li></ul>           |
|  <b>Civic and non-profit organisations and subject-matter experts</b> | <ul style="list-style-type: none"><li>• Ad-hoc engagement on specific issues</li></ul>   | <ul style="list-style-type: none"><li>• Addressing operational challenges</li><li>• Meeting best-practice sustainability standards</li></ul>  | <ul style="list-style-type: none"><li>• Progress resolving geosmin even</li></ul>  |
|  <b>Industry and sustainability associations</b>                      | <ul style="list-style-type: none"><li>• Meetings and events</li><li>• Materiality questionnaires</li></ul>   | <ul style="list-style-type: none"><li>• Meeting best-practice standards</li></ul>   | <ul style="list-style-type: none"><li>• Prioritisation of ESG topics</li></ul>   |



# Creating Value Through Sustainable Aquaculture

53 Nordic Aqua's Environmental Impact Study





# Nordic Aqua's Environmental Impact Study

In 2024, we carried out an environmental impact study together with Economics for the Environment Consultancy (eftec) to understand how our aquaculture model compared to best practices across key areas of our impact on the environment.

The baseline represents a typical ASC-standard Norwegian salmon aquaculture system, farming Atlantic salmon in an open net pen (open net baseline), for supply to China. Although the ASC has ceased operations in China, we look to the standard as useful in representing a 'best practice' baseline. Where available, we used a list of metrics by which farms can compare their performance according to ASC standards, where metrics didn't have a minimum or maximum requirement in the standard, we used average data from ASC-certified farms, and where this wasn't available, we used data from peer-reviewed expert studies. We used estimated data for our 2024 performance as a comparison, which may vary slightly with end of year data reported later.

## Nordic Aqua's production model

Our land-based Recirculating Aquaculture System (RAS) production model uses a high degree of control of the rearing conditions, giving high biosecurity on the external environment, reducing risk from pathogens or pest species (e.g. sea lice). Among other things, our controlled production allows nutrient reclamation, water treatment and recycling, and potential for low feed waste due to an improved biological feed conversion ratio.

Our production is located adjacent to the main markets, which reduces costs and GHG emissions from transport.

However, RAS requires significantly more energy (mainly electricity) compared to open-net systems to power on-land operations and water, the majority of which we produce ourselves.



Solar panels on Gaotang production facilities.





## Impacts on climate



### Our performance

- Our scope 1, 2 and 3 tCO<sub>2</sub>e emissions per tonne of liveweight salmon were 15% higher than a Norwegian open net system in 2024. Please see page 65 for a definition of scopes.
- From 2025 they could become 79% lower, with the purchasing of renewable energy certificates (RECs) and production of renewables.
- While scope 1 and 3 emissions are lower, our scope 2 emissions are higher (before we factor in the purchasing of RECs and renewables production on site), largely due to water production and cooling needs on site.



### Comparison with open net farms

- Our scope 1 GHG emissions are 92% lower than the open net baseline.
- Our scope 2 GHG emissions are 50 times higher, though from 2025, these will be reduced through production of electricity from renewable sources and purchasing RECs.
- Our scope 3 GHG emissions are around 76% lower (mostly from avoidance of downstream air travel).
- To date, we have saved over 10,000 tCO<sub>2</sub>e/ 1,000 tonnes per year from avoided airfreight and ground freight emissions by farming locally to consumer markets.



### Over time

- Energy usage could be 28% lower than an open net system by 2029 with improved operational efficiencies and has the potential to be 79% lower by 2029 if RECs are purchased for electricity, as planned.
- We have the potential to save more than 210,000 tCO<sub>2</sub>e emissions from airfreight and ground freight annually, when it comes into full-scale production by 2029.



### Financial value\*

- With improved operational efficiencies and renewable energy generation, the ten-year present values of emission allowances (based on the Emission Trading System (ETS) in EU and Chinese jurisdictions) would be 13% lower in EU and in China (for scopes 1, 2 and 3); and as things are, 100% lower for airfreight transportation emissions (estimated at EUR 69,255, and CNY 541,086 for Norwegian importers).



### Opportunities for improvement

- Once our production has stabilised, we have an opportunity to improve energy efficiency, which we plan do to alongside renewable solar energy production and the purchasing of (where possible, locally produced) RECs.
- While the study showed that the locally sourced ingredient rate is 46% higher than that in Norway, it also uncovered an opportunity for us to explore how we might reduce our GHG emissions from feed, which was 18% higher than the baseline, in 2024.



## Impact on the marine environment



### Our performance

- RAS allows a significant proportion of wastewater produced to be treated before being returned to the environment and therefore has greater control of waste byproduct over the entire lifecycle. For every tonne of salmon produced, the RAS allows over 1,000 more tonnes of wastewater to be treated, compared to the open net baseline.
- Nordic Aqua plans to recycle dry matter as fertiliser for local farmers from 2025.



### Comparison with open net farms

- In our RAS system, nitrogen and phosphorous loads are 88% and 85% lower, as waste generated during production is collected via filtration. Nitrogen and phosphorous loads in our RAS is estimated at 4.7 kg/t and 0.7kg/t of liveweight salmon, compared to 40kg/t and 4.4kg/t of liveweight salmon in an open net system (based on a study by Laine et al. 2024).
- We treat around 1,209 tonnes of sludge / 1000 tonnes of liveweight salmon compared to 45 tonnes of sludge / 1000 tonnes in the baseline, reducing the risk of eutrophication from nitrogen and phosphorous.



### Over time

- Over a 10-year period, our system could produce around 6,000 fewer tonnes of nitrogen and 600 fewer tonnes of phosphorous compared to an open net system for the same volume of salmon production.



### Financial value\*

- We will recycle sludge as fertiliser for local farmers from 2025, which could result in an avoided nutrient removal liability of -€3.8m (-¥29.5m) over 10 years, in present value terms.



### Opportunities for improvement

- While our impacts on the marine environment from effluent charge is significantly lower that open pen farming scenarios, we have identified an opportunity to further improve our effluent system to further reduce our nitrogen and phosphorus measures at the output point.



## Impacts on fish health and marine life



### Our performance

- RAS provides a safer environment for fish growth limiting the interaction with the marine environment, preventing the transfer of parasites, pathogens and diseases between farmed fish and the local species in the wild environment, and avoiding escapes.
- Unlike the open net farms, Nordic Aqua’s RAS does not incur any incidence of sea lice or fish escapes, and we do not have any reported interactions with wildlife.



### Comparison with open net farms

- We are 9% points lower in total mortality rate than open net pens in their business-as-usual scenario.
- We have zero viral disease-related mortality and unexplained mortality, compared to 10% and 40% average reason for mortalities for Norwegian farms in the ASC database.
- ASC farms in Norway reported no mortalities of endangered or red-listed marine mammals or birds on/near the farm.
- In Norway, the acceptable sea lice thresholds is 0.2 sea lice (L. salmonis) per adult female over sensitive periods where Atlantic salmon are susceptible (ASC Standard v1.4).
- Open net ASC farms reported an annual average of 150 escapes into the ocean



### Over time

- Impacts are expected to remain constant over time.



### Financial value\*

- A 2021 Just Economics study estimated the cost of sea lice damage control measures were US\$0.24 per kg per year, equivalent to around €280 per tonne in 2024 prices, which would equate to a saved cost of €1.1 million for liveweight salmon in 2024 and could go up to €5.7m in avoided costs per year by 2029 (in present value terms).
- Avoiding damage control measures could result in a €39.5m (¥309m) benefit to us over 10 years (in present value terms), or approximately €4.0m (¥30.9m) per year, on average.



### Opportunities for improvement

- While fish health is a top priority for us, we have not identified any opportunities for improvement relating to impacts on health from pathogens, parasites or diseases.

\* Based on separate studies and systems not always connected to Norwegian ASC net pen comparison baseline.



# Nordic Aqua Topics

56 Fish Health and Welfare

59 Food safety and quality

“Our strategic priority here is to promote fish and human health. 2024 has been an unstable year for us due to the geosmin event affecting the flavour of our fish. Notwithstanding this, biological indicators remained favourable and we had a market-leading survival rate and superior quality grading.”

Ragnar Joensen, Chief Executive Officer, Nordic Aqua Partners





# Fish Health and Welfare

## Why it’s important

This is one of, if not the most important focus for us. Managing the health and welfare of farmed animals not only an ethical responsibility, but also critical to the running of efficient operations.

Taking an ethical and responsible approach which ensures the optimal welfare of our salmon is crucial. This means following leading standards spanning the salmon’s life under our care. Here we also see a responsibility to demonstrate responsible leadership by supporting the development of new standards in China, where Atlantic salmon land-based aquaculture is in its infancy.



## Our impacts, risks and opportunities

### + Impacts

- Potential positive impact on fish from setting a high welfare standards for aquaculture in China.

### - Impacts

- Potential negative impact on fish from poor animal husbandry and from failing to have policies and skilled resources in place to ensure high animal welfare and survival.
- Potential negative impacts on the environment from unsustainable use of natural resources e.g. high feed conversion ratio, in a high mortality scenario.

### ! Risks

- Loss of earnings from potential high mortality, due to inefficiencies, costs of managing low welfare consequences, lower prices for lower quality, and ultimately lost sales.

### ● Opportunities

- Efficiencies from high welfare and high survival rates.
- Brand reputation opportunities from good welfare record, including opportunities to access consumers with high welfare standards.



**How we approach it**

Our objective is to have our fish swim in pristine water, securing good biosecurity and welfare. In 2025 we are publishing our Fish Health and Welfare Policy, developed with the Farming and Management Team, and guidance from the Aquatic Code. This outlines our approach and commitment to fish health and welfare through:

- Ensuring optimal environmental conditions: taking in water from the sea surrounding our facility, filtering and treating it carefully to minimise exposure to seaborne parasites (such as sea lice) or disease, typically transferred from wild fish onto salmon.
- Applying a controlled approach to fish farm biosecurity: through a two-pronged approach 1) external biosecurity to eliminate the need to use of chemicals and antibiotics to treat them; and 2) internal biosecurity to eliminate the risk between and within fish batches.
- Maintaining optimal fish feed and feeding practices: to ensure high welfare and nutritional levels throughout their life.
- Following gentle fish handling and transportation: minimal fish handling (compared with sea farming process).
- Observing humane fish slaughter methods: through quick, precise, and low-stress handling, ensuring humane slaughter at every step.
- Monitoring fish behaviour: through our health and welfare surveillance programme.
- Regular training, development and engagement for our highly skilled employees.

We are committed to following the best available standards to raise our salmon in a well-controlled environment for optimum fish health and welfare. Our practices adhere to the general recommendations outlined by World Organization for Animal Health (WOAH), for farmed fish and animal welfare principles outlined in the “Five Freedoms”:

1. Freedom from hunger and thirst.
2. Freedom from discomfort.
3. Freedom from pain, injury or disease.
4. Freedom to express normal behaviour.
5. Freedom from fear and distress.

A qualified and experienced Fish Health Manager works with the business to ensure a pro-active and holistic approach to health and welfare management. More information on the technology we use and our approach to land farming can be found on page 17 and water use on 68.





Our targets, progress and performance

Together with our Management and Farming Teams, have set new two targets, see opposite (Figure 10).

While 2024 was an unstable year for us our biological indicators remained favourable, and we achieved our target to have a market-leading survival rate.

We are very conservative with our stocking density rates when compared to other RAS farms, we had good biological performance exceptionally high survival rates in 2024, but did record some grading injuries which caused some mortalities.

Our focus on operational challenges in 2024 delayed our work to support Chinese market to establish a leading

land-based aquaculture standard by 2025. This is something we will keep as an ambition as we after we have a long period of stable production. While we have been working to adhere to the strictest animal welfare standards, we have not yet certified production with any international standards, for the same reason. Despite progress preparing for ASC certification in 2024, the organisation unfortunately withdrew its programme from China, and we have adapted our certification strategy.

Looking forward

In addition to our ongoing focus on maintaining positive biological performance, in 2025, we will publish our Fish Health & Welfare Policy, which we developed in 2024, and continue work to certify the business to best-practice standards.

Figure 10

TARGETS

Fish health and welfare 2030 Targets

- To maintain a market-leading survival rate above 95% for fish above 150g (ongoing).
- To publish our Fish Health and Welfare Policy in 2025.

Figure 11

| Fish health and welfare                                    | 2023  | 2024  | 2030 Target |
|--|-------|-------|-------------|
| Fish survival rate (year-end mortality of fish above 150g) | 99.2% | 98.5% | > 95%       |
| Wildlife interactions – number                             | 0     | 0     | -           |
| Escapes – number   | 0     | 0     | -           |
| Antibiotic use g per tonne produced                        | 0     | 0     | 0           |
| Medicine use g per tonne produced                          | 0     | 0     | -           |
| Parasites  | 0     | 0     | -           |



# Food Safety and Quality

### Why it’s important

Farmed Atlantic salmon are nutrient-dense, contributing high-quality protein, healthy fats (like omega-3 fatty acids), and essential vitamins and minerals like potassium, vitamins D, B-12 and B-5 to the diet (source: Global Salmon Initiative). Health authorities worldwide are recommending a higher intake of marine protein, especially oil-rich fish like Atlantic salmon to prevent cardiovascular diseases.

However, there are a number of factors that can influence the quality and nutritional value of all animal proteins, including Atlantic salmon. For example, the quality of the feed chosen for raising salmon can have an impact, and so can the approach taken to its health management. The overuse of antibiotics in animal farming is one area of growing concern for many consumers.

### How we approach it

We are committed to ensuring food safety through strict standards which span our value chain, adopting a systematic approach to mitigating any risks to food safety.



### Our impacts, risks and opportunities

#### + Impacts

- Actual positive impact on human health, specifically Chinese consumers, from the provision of nutrient-rich protein.

#### - Impacts

- Potential negative impact on people from consumption of unsafe food, antibiotics and chemicals medicine use, and contaminants from marine products (including heavy metals accumulated in food chain).

#### ! Risks

- Potential loss of earnings and legal liability from the sale of unsafe food, including product recalls and claims.
- Potential loss of earnings from lower quality and ultimately lost sales.
- Lower prices for lower quality fish.

#### ● Opportunities

- Opportunity to for higher earnings through higher product quality
- Brand reputation and higher opportunities from clean and pure fish free from antibiotics and other substances of concern to human health.



Our controlled farming approach enables us to raise our fish free from antibiotics, medicines and hormones. Our freshwater, saltwater, and Atlantic salmon are continuously monitored for key contaminants in accordance with PRC and internationally recognised food safety standards. This includes regular testing for heavy metals, malachite green, DDT, and PCBs to ensure compliance and uphold the highest standards of food safety. Additionally, our saltwater undergoes advanced treatment and reverse osmosis filtration, further minimising the risk of contamination.

To achieve high food safety in processing, we work with a comprehensive Hazard Analysis Critical Control Points (HACCP) system, which is developed through a hazard analysis of all food-related operations, and a series of control mechanisms. Risks or potential risks to food safety are treated with urgency and priority.

In 2025, we will launch a new group Food Safety and Quality Policy, which outlines our principles:

- Compliance with Food Safety Authorities in China.
- Ensuring employee awareness, capability and engagement in the Best Aquaculture Practice and HACCP standard.
- High hygiene standards.
- Traceability.
- Systematic audit based quality and food safety management systems.
- Monitoring and reporting.

As well as ensuring food safety, we aim to ensure high product quality throughout the various stages in our value chain, including the feed we chose, to optimise its growth but also its nutritional value.

**Our targets, progress and performance**

We have a number of new targets relating to food safety and quality. See opposite (Figure 12).

In July 2024, we had an incident where an off flavour was detected in our fish, due to a high concentration of geosmin. This is a naturally occurring compound commonly found in RAS facilities, where a build-up typically occurs in the biofilters. This is removed by holding the fish in purging tanks for a limited time before harvest. The presence of geosmin is without any health concerns for humans or fish, but it may, even when present in extremely small quantities, cause off-flavour to fish.

We took this event extremely seriously, as our raison d’être is to produce low-impact, nutritious, high-quality, tasty salmon. Up until the event, the feedback from the market on taste had been highly satisfactory.

Together with leading industry specialists from AKVA Group, to address the problem, we have installed protein skimmers to remove particles in the water using ozone, installed Vacuum UV systems (AOP’s) and installed further ozonation systems. We have also adjusted the operating protocols for the biofilters to reduce the production of geosmin in the system.

Figure 12

TARGETS

**Food safety 2030 Targets**

- To maintain a controlled production environment free from the use of antibiotics, vaccines and medicines (ongoing).
- To publish our Food Safety Policy in 2025.

**Product quality 2030 Targets**

- To receive Best Aquaculture Practice and Raised Without Antibiotics certifications by 2027.
- To maintain fish grading of superior quality above 95% (ongoing).





Water and fish are being monitored and tested for geosmin in a rigid and established process. This ongoing testing has shown that mitigating efforts are reducing the geosmin level compounds, as a result of these preventative measures. The facility is now fully operational and the risk mitigated, and in early 2025 we began sales of fish for human consumption, once again with good customer feedback.

As a result of this disruption in sales, we have postponed surveying customers, so will delay our goal to achieve a Net-Promoter Score above average for Chinese market.

We have also adapted our approach to certification due to the ASC withdrawing its programme from China, to work firstly on an application for antibiotic-free certification, and later the Best Aquaculture Practice certification, which covers environmental and social responsibility and accountability, animal welfare and food safety.

Opposite (Figure 13) is an outline of key performance indicators relating to food safety and product quality.

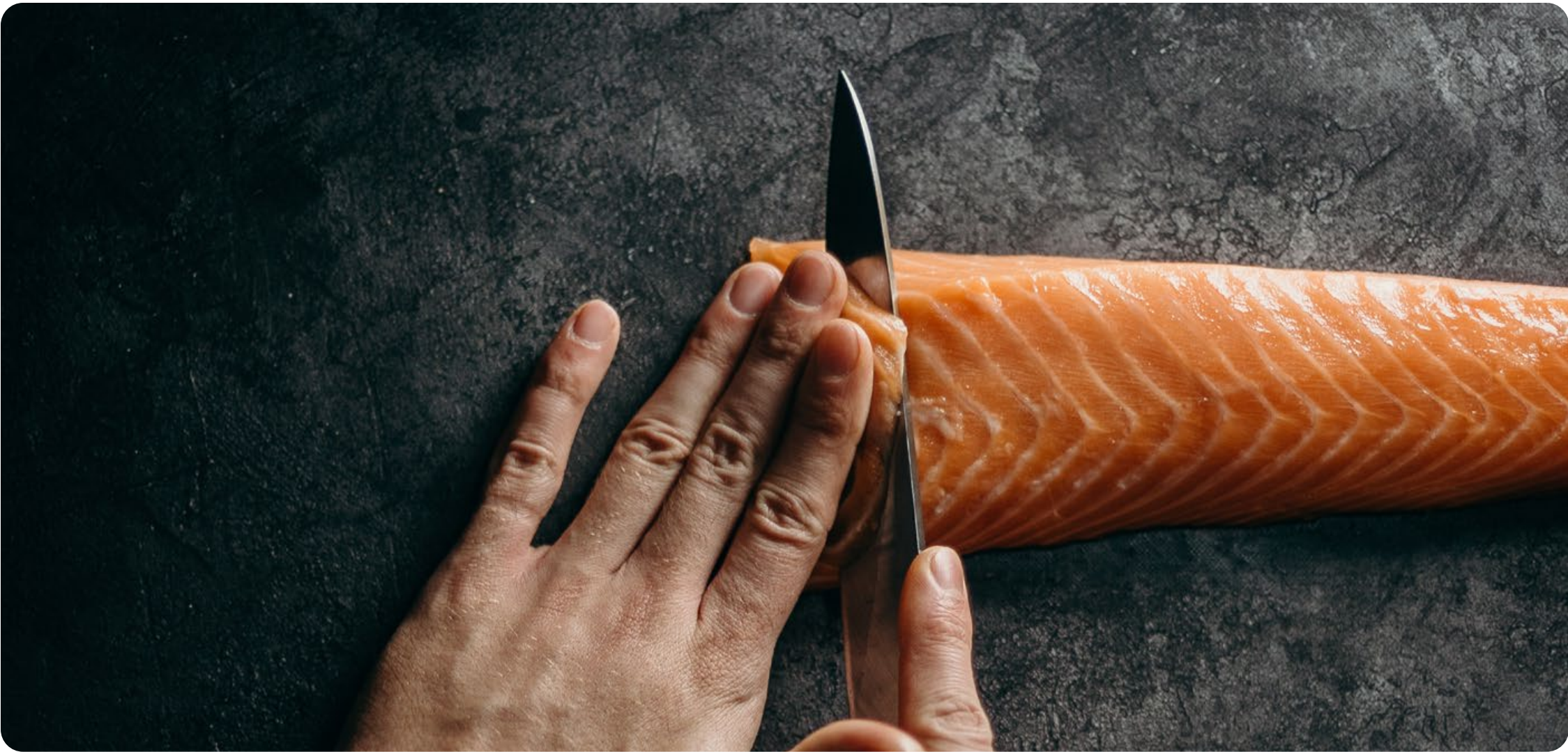


Figure 13

| Food safety and product quality  | 2023              | 2024              | 2030 Target |
|--|-------------------|-------------------|-------------|
| Food safety related incidents and claims – number  | 0                 | 0                 | -           |
| Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor nonconformances* | 0 external audits | 0 external audits | -           |
| Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification program*                                   | Unknown           | Unknown           | -           |
| (1) Number of recalls issued and (2) total weight of products recalled*  | 0                 | 0                 | -           |
| Superior quality grade of harvested fish**   | -                 | 99.3%             | > 95%       |

\*SASB Meat, Poultry & Dairy Standard indicators  
\*\*While these gradings did not include fish that was sold for non-human consumption in 2024 (due to issues with the off flavour), we don't expect any significant variations, once sales go back to normal.

Please see Fish Health and Welfare chapter for more information on antibiotic and medicine use.

Looking forward

As well as publishing a new Food Safety and Quality Policy, in 2025, we plan to increase transparency in the monitoring and reporting of nutritional value indicators in our fish. We will continue work on progressing the Best Aquaculture Practice and Raised Without Antibiotics certifications.



# Environment

**63** Climate Change

**68** Water and Marine Resources

**72** Biodiversity and Ecosystems

“Our strategic priority is to tread lightly on the environment. Sharp growth and events in production in 2024, affected our environmental performance to some degree. However, we did make notable progress in setting up new systems to monitor and report our impacts, and in understanding our climate and nature-related risks and opportunities. We will follow-up on these initiatives in 2025 and beyond.”

Tom Johan Austrheim, Chief Financial Officer, Nordic Aqua Partners





# Climate Change



Topics covered: Climate mitigation, adaptation and energy use.

### Why it’s important

The climate crisis presents us with an opportunity to produce and transport food with the most efficient use of natural resources and the lowest impact, so we are focussed on producing low-impact food, close to market.

### Our impacts, risks and opportunities

Nordic Aqua impacts climate change through its upstream GHG emissions, notably from purchasing feed and oxygen, though the largest source of energy is electricity use for its operations. Downstream emissions have been minimised by avoiding aviation and selling close to market.

Although Nordic Aqua avoids some of the risks faced by sea-based salmon aquaculture companies by farming on land, it faces some similar exposure to transition and physical risks from operations and supply chains, particularly related to feed sourcing.

Building on the work carried out in 2023 to establish our corporate and product GHG footprint, in 2024, we held workshops with the Management Team to firstly identify and then prioritise key impacts, risks and opportunities relating to climate change. Subsequent sessions were held with the Finance Team to begin quantifying these, before they were reviewed by the Board of Directors.



### + Impacts

- Potential positive upstream impact on the environment from pre-emptive work with suppliers, e.g. supporting alternative feed sources.
- Actual and potential downstream impacts on people and the environment from producing low-environmental impact protein.
- Actual and potential positive operational impacts from reducing demand on existing energy sources through renewable production.
- Actual positive upstream impacts on the renewable energy market through the demand for locally sourced renewable energy certificates.

### - Impacts

- Potential negative impacts on stakeholders from under preparedness in sourcing strategy and building infrastructure.
- Actual and potential negative impacts on people and the environment from the effects of climate change.
- Actual negative impact on the environment from high energy use from unsustainable sources, and on shareholders from high operating costs.

### ! Risks

#### Physical risks

- Increasing, decreasing, or greater variability in surface sea water temperature due to a changing climate, and increased need for temperature regulation for operations.
- Greater storm activity causing damage to infrastructure needed for operations.
- Decreasing availability of freshwater resources.
- Potential decreasing sea water quality for production use, for example as a result of acidification and deoxygenation.
- Sea level rise affecting low-lying coastal assets used for operations.

#### Transition risks

- Upstream dependence on availability of affordable, sustainable and high-quality raw materials for feed ingredients.
- Exposure to energy security risk.
- Energy cost volatility.
- Increase in electricity demand driven by growth in operations, changes to production, change in sea water temperatures, and increased technical challenge.
- High cost of debt finance as lenders increasingly link interest repayment rates to climate-related action.
- Increased pricing of GHG emissions increasing costs.

### ● Opportunities

- Review of value chain emissions may identify efficiencies and opportunities for collaboration and innovation.
- Government incentives on decarbonisation of electricity production.
- Opportunity to run a cost-efficient aquaculture model by avoiding downstream air transportation, carbon tax, or climate related risks related to foreign import / supply.
- Opportunity to position ourselves as a mainstream climate conscious salmon producer e.g. increased market share (customer preference due to well received marketing)



How we approach it

In 2024, we developed a new Climate and Energy policy. During our development phase, our climate mitigation and energy strategy is focused:

- Firstly, on establishing its operations in a way that drastically minimises both our suppliers’ contribution towards climate change. For example, by avoiding carbon-intensive transportation once product is ready for market, reducing GHG emissions from transportation compared to Atlantic salmon flown into the Chinese market.
- Secondly, on producing and using renewable energy from solar panels onsite to input into the running of our operations.
- Thirdly, to further mitigate operational emissions, from 2025 we are purchase Renewable Energy Certificates for the remaining electricity used for production, not deriving from solar energy.
- Fourthly, to ensure the most efficient use of energy by the business, internal functional targets will be set which members of the Management Team will be incentivised to achieve.
- Finally, to mitigate supply chain emissions, we have set a target to maintain a market-leading feed conversion ratio and survival rates in order to ensure the efficient use of natural resources; to work towards local-sourcing (in 2024 our locally sourced ingredient rate for feed was 46% higher than that in Norway\*); and

to engage other key suppliers to reduce their GHG emissions.

Our climate adaptation strategy, during our development phase is focused on physical risk adaptation measures, including:

- Ensuring existing and new infrastructure is, and will be, fortified against floods and extreme weather.
- Optimising infrastructure and technology to ensure sustained water quality.
- Working with our feed supplier to ensure inclusion of novel feed ingredients to mitigate risk from natural resources affected by climate change.

Also putting in place transitional risk adaptation measures:

- Working strategically with our largest suppliers to ensure sustainability and resilience in the supply chain, and increasing screening of all suppliers through its new Supplier Code of Conduct.
- Increasing on site production of renewable energy.

See page 54 for more information on the minimised effects on the climate from our approach, compared to open pen farmers.

To support our strategy and targets, our policy:

- Has been developed with input from the Management Team, Sustainability, Finance, Administration, Project, Technical, and Farming.
- Will be communicated to all new employees and included into corporate training.
- Will be monitored by the Sustainability Director to ensure its implementation.

Nordic Aqua’s Board of Directors has responsibility for establishing the Company’s Climate and Energy strategy and policy.

The Board delegates responsibilities to the Audit Committee for climate reporting and for monitoring and reviewing the management of material potential and emerging sustainability impacts, risks and opportunities.

These are a direct responsibility for the Management Team for embedding them into business strategy, reporting (including GHG emissions), and ensuring the business complies with international reporting standards. The Managing Director is responsible for ensuring his Management Team puts the climate strategy in action, and ensuring the business is in compliance with relevant local laws, regulations and standards.

”

*In 2024, we commenced engagement with our provider of oxygen and continued discussions with our feed provider to improve the sustainability profile of our ingredients*



\*According to a study conducted by effec. See page 53 for more information.



Our targets, progress and performance

Together with our Management Team, in 2024 we set new climate targets. See below (Figure 14).

In 2024, we set a target to reduce our GHG emissions. This will be achieved through production of renewable energy, the purchasing of Renewable Energy Certificates (RECs) and energy efficiencies, with the majority of mitigation investments into the purchasing of RECs.

In 2024, our GHG footprint increased significantly due to increase in production (which doubled) and adjustments to manage our geosmin event.

The main use of our scope 1 emissions came from vehicles and back-up generators. The largest increase came from our scope 2 emissions from electricity used in production for cooling, water production, air conditioning and water circulation.

Opposite (Figure 15) is an outline of our energy consumption and GHG emissions performance.

TARGETS

Figure 14

Climate 2030 Targets

Mitigation

To reduce our GHG emissions.

Energy

To improve energy efficiency.

Figure 15

| Energy Consumption and GHG Emissions | 2023 Baseline       | 2024                | YoY % | 2030 Reduction Target |
|--------------------------------------|---------------------|---------------------|-------|-----------------------|
| Energy consumption                   | kWh                 | kWh                 | %     | %                     |
| China                                | 14,720,899          | 63,032,512          | 328%  | -                     |
| Faroe Islands                        | 9,910               | 9,910               | 0%    | -                     |
| Norway                               | 1,819               | 1,819               | 0%    | -                     |
| Total                                | 14,732,629          | 63,044,241          | 328%  | -                     |
| Scope 1 GHG emissions                | tCO <sub>2</sub> eq | tCO <sub>2</sub> eq | %     | %                     |
| China                                | 194                 | 766                 | 295%  | -                     |
| Faroe Islands                        | 2                   | 2                   | 0%    | -                     |
| Norway                               | -                   | -                   | -     | -                     |
| Total                                | 196                 | 768                 | 291%  | -                     |
| Scope 2 GHG emissions                | tCO <sub>2</sub> eq | tCO <sub>2</sub> eq | %     | %                     |
| China (location based)               | 8,227               | 35,413              | 330%  | -                     |
| Faroe Islands (location based)       | 0.10                | 0.10                | 0%    | -                     |
| Norway (location based)              | 0.03                | 0.03                | 0%    | -                     |
| Total (location based)               | 8,227               | 35,413              | 330%  | -                     |
| Scope 1 and 2 GHG emissions          | tCO <sub>2</sub> eq | tCO <sub>2</sub> eq | %     | %                     |
| Total                                | 8,424               | 36,181              | 330%  | -                     |
| Scope 3 GHG emissions                | tCO <sub>2</sub> eq | tCO <sub>2</sub> eq | %     | %                     |
| Total                                | 17,811              | 35,124              | 97 %  | -                     |
| Total GHG emissions                  | 26,235              | 71,304              | 172%  |                       |



Basis of reporting:  
The Energy Consumption and GHG Emissions table outlines the annual energy consumption and GHG emissions for Scope 1, 2 and 3 from our base year 2023 and 2024. We used an organisational boundary of operational control to calculate this. The methodologies used for the carbon accounting are The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and The GHG Protocol Corporate Value Chain (Scope 3) Standard.



Scope 1

Direct emissions from the stationary and mobile combustion of fossil fuels.

Scope 2

Emissions from purchased electricity consumption.

Scope 3

Emissions upstream and downstream within the value chain (purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations, business travel, and employee commuting). In 2024, we have widened the scope of reported emissions in scope 3 (including downstream transportation and distribution. Due to the disruptive year of sales, we have decided to postpone publishing our product footprint to once we have a more stable year of data in which our product is going to market.

We will be publishing our product footprint once our production has stabilised and we have had a full year of sales.

In 2024, we failed to meet our commitment to have 80% use of renewable energy sources – the installation of solar panels to provide energy to our production facilities and offices is delayed to 2025; so, 0% of energy was from renewable sourced energy was produced by us. See opposite (Figure 16).

Figure 16

| Total energy consumption from non-renewable and renewable sources                                     | 2023<br>Baseline | 2024       | YoY % | 2030<br>Target |
|---|------------------|------------|-------|----------------|
| Non-renewable sources   | MWh              | MWh        | %     | %              |
| Fuel consumption from coal and coal products  | 0                | 0          | -     | -              |
| Fuel consumption from crude oil and petroleum products  | 828,471          | 3,203,289  | 287%  | -              |
| Fuel consumption from natural gas   | 0                | 0          | 0     | -              |
| Fuel consumption from other non-renewable sources   | 0                | 0          | 0     | -              |
| Consumption from nuclear products   | 0                | 0          | 0     | -              |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources | 8,998,064        | 38,730,219 | 330%  | -              |
| Renewable sources   | MWh              | MWh        | %     | %              |
| Fuel consumption for renewable sources  | 0                | 0          | -     | -              |
| Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources     | 4,906,094        | 21,110,733 | 330%  | -              |
| Consumption of self-generated non-fuel renewable energy   | 0                | 0          | -     | -              |



Below (Figure 17) is a breakdown of the main sources of GHG emissions from the feed we sourced in 2024.

As well as developing a new policy and setting new reduction targets, in 2024, we made progress in the implementation of our policy by taking on a new HSE Manager who has responsibility for monitoring and reporting energy efficiency, and a new Environmental Working Group with representation from the Management Team and each department.

**Looking forward**  
In 2025, we will continue our work in this area.

Figure 17

| GHG emissions from feed ingredients (scope 3) | 2024 inclusion | 2024 GHG footprint |
|---|----------------|--------------------|
| Carbohydrates                                 | 11%            | 3%                 |
| Fish Meal Whole                               | 24%            | 12%                |
| Fish Oil Whole                                | 10%            | 4%                 |
| Micro ingredients                             | 4%             | 4%                 |
| Vegetable oils                                | 17%            | 29%                |
| Vegetable proteins                            | 34%            | 49%                |





# Water and Marine Resources



Topics covered: Water withdrawals and water consumption and water discharges in water bodies.

### Why it’s important

The global food system is responsible for the single most significant demand and impact on natural resources, including fresh water. In China, freshwater is generally a scarce resource. As this natural resource comes under further pressure, it will become more important to find the most water-efficient production methods.

### Our impacts, risks and opportunities

Water withdrawals and consumption, effluent water discharges and the use of marine resources were identified as a material issues for Nordic Aqua, presenting both risks and opportunities.

We impact water scarcity by using freshwater for processing and for our offices, and indirectly through our sourcing of feed which includes agricultural raw material ingredients. We use seawater, directly withdrawn for desalination, filtering and filling of tanks for all stages of salmon production.

Nordic Aqua uses the World Resource Institute water risk map to run a risk assessment and help identify if our farming site and feed sourcing sites are located in areas of risk. According to Aqueduct 4.0 Water Risk Atlas (retrieved from: [www.wri.org/aqueduct](http://www.wri.org/aqueduct)), the location of our production in Gaotang Dao, Xiangshan, Ningbo, China has a medium to high water stress risk rating.

We discharge effluent water from production to the adjacent ocean, after it has been thoroughly treated. Water use and water effluents is also a topic of discussion with local communities, affected by our operations. Please read more on page 53.

In 2024, we held workshops with the Management Team to firstly identify and then prioritise key impacts, risks and opportunities relating to water and marine resources. Subsequent sessions were held with the Finance Team

### + Impacts

- Actual and potential positive impact on the environment from reducing demand on freshwater resources through desalination.
- Potential positive impact on marine resources from strategic supplier engagement on creation of local fishery improvement programmes.

### - Impacts

- Actual and potential negative impact on the environment from withdrawals and inefficient use of water in areas of medium to high water stress.
- Actual and potential negative impact on the environment from inefficient water desalination.
- Actual and potential negative impacts on the environment (including water, soil health, habitats and marine life in the sea adjacent to the production facilities) from insufficiently treated water discharges.

### ! Risks

#### Physical risks

- Decreasing quality of freshwater resources for operations (due to acidification, eutrophication, pollution, temperature, sedimentation).
- Gradual changes to water quality intake for operations stemming from potential leak of pollution from our effluent water discharge (associated with infrastructure design).

#### Transition risks

- Scale of technology to minimise use of freshwater demand, through sufficient water production (through desalination).
- License to operate risk due to increased effluent discharge may affect relations with other sea/coastal stakeholders.

### ● Opportunities

- Opportunity to differentiate and market Atlantic land- produced salmon based on lower-impact production.
- License to operate opportunity to improve relationship with local stakeholders with increased engagement, communicating strategy.



to begin quantifying these, before they were reviewed by the Audit Committee.

How we approach it

Our strategy to address water impacts, risks and opportunities has developed in stages. We put in place measures as soon as we designed our project and have since developed further strategic ambitions.

Before commencing production, Nordic Aqua identified freshwater use as a potential environmental risk through a site visit. To mitigate this risk, water used for farming is sourced from the adjacent sea in the Gaotang Sound to avoid competing with local agricultural activities which depend on the same freshwater.

Risks from wastewater into the local environment can include eutrophication if discharged untreated to water-bodies. Nordic Aqua is mitigating these risks through the strictest water treatment standard – nitrogen and phosphorus emissions from production are lower than for open-net pens.

In 2024, we developed a new Water Policy. Our water strategy is based on the Science Based Targets Network AR3T mitigation hierarchy. The strategy is structured by the type of action being taken:

- Avoid
  - Prioritising avoidance sourcing any feed ingredients from areas with high baseline water stress.
- Reduce
  - Reducing the withdrawal of freshwater for production by withdrawing and desalinating sea water.
  - Reducing water consumption by using RAS (recirculating aquaculture systems) technology to recirculate water.
  - Reducing impacts from effluent waste on the ocean environment is reduced through treatment of effluent water before it is discharged.
- Restore and regenerate
  - In addition to avoidance and reduction strategies, we plan to continue investing in technology producing water, which potentially restores the water table through additional water production.
- Transform
  - Transforming potentially water-intense protein production in China by introducing RAS technology to the Chinese market for the production of Atlantic salmon. As well as transferring knowledge to Chinese employees and building human capital in the country; we are modelling good water stewardship through the voluntary investment into desalination technology.





To support our strategy and our policy:

- Have been developed with input from the Management Team, Sustainability, Finance, Administration, Project, Technical, and Farming.
- Will be communicated to all new employees and included into corporate training.

Our Board of Directors has delegated the responsibility of Water Policy to the Audit Committee who have overall responsibility and oversight of all risks and opportunities, including those relating to water.

The Board has also delegated the responsibility of water-related issues within the business. These are a direct responsibility for both the Sustainability Director – responsible for embedding them into business strategy, ensuring the Management Team reports performance to the Executive Management Team and ensuring the business complies with international reporting standards; and the Managing Director – who is responsible for ensuring his Management Team puts the water strategy in action, and ensuring the business is in compliance with relevant local laws, regulations and standards.

In addition to responsible freshwater use, we have a big focus on water quality to ensure fish health and welfare, as well as quality. Measures taken to ensure optimum water quality.

When entering the facility:

- Thorough filtration with sand filters and cartridge filters down to 5 microns.
- Sterilisation with UV/ ozone.

Once in the RAS system:

- Mechanical filters to remove particles.
- Biofilters to remove ammonia and keep the water clear.
- Degassers to remove CO2 from the water.
- Ozone to clear the water.

Our targets, progress and performance

In 2024, we set the following new targets to avoid, reduce, restore and transform our impacts and address our risks and opportunities - please see opposite (Figure 18).

Once our production has stabilised, we will set targets to limit the proportion of freshwater use, compared to desalinated water use, and set an updated target relating to water use per kilo of salmon we produce.

In 2024, our water withdrawals, use, and effluents increased significantly due to increase in production (which doubled) and adjustments to manage our geos-min event, however, we were able to meet our target to use less than 100 L of freshwater per kilo, though we did use more in total when including use of seawater. See a breakdown here opposite (Figure 19).

Figure 18

| TARGETS | Water and Marine Resources 2030 Targets   |  |
|---------|---|--|
|         | Water withdrawals and consumption   |  |
|         | To produce more water through desalination plant, than the quantity of freshwater withdrawn from operations, as an ongoing annual target. |  |
|         | To train all new farming employees in new RAS technology and water targets on an ongoing basis.   |  |
|         | An ongoing priority to minimise feed ingredients sourced from areas of high or extremely high water-risk.                                 |  |
|         | Water discharges in water bodies and in the oceans  |  |
|         | To remain within the strictest national environmental standards of pollution (during 2025).   |  |

Figure 19

| Water Reporting (China)   |     | 2023<br>Baseline | 2024      | YoY %   | 2030<br>Target |
|---|-----|------------------|-----------|---------|----------------|
| Volume of water   |     | m3               | m3        | %       | %              |
| Total freshwater withdrawn / used   |     | 46,872           | 2,128,677 | +4,441% | -              |
| Total freshwater withdrawn in areas at material water risk (medium to high)             |     | 46,872           | 2,128,677 | +4,441% | -              |
| Total seawater withdrawn /used  |     | 673,802          | 6,240,185 | +826%   | -              |
| Total freshwater consumption  |     | -                | 1,560,222 | -       | -              |
| Total seawater consumption  |     | -                | 3,144,342 | -       | -              |
| Water intensity   |     | L/ kg            | L/ kg     | %       | %              |
| Freshwater L/ kg of salmon produced   | 230 | 80.21            | +22.7%    | -       |                |
| Seawater L/ kg of salmon produced   |     | 202              |           | -       |                |
| % of animal feed sourced from regions with high or extremely high baseline water stress |     | 8%               | -         | -       | -              |



In 2024, we continued to meet the strictest standards offered by the Government for effluent water discharge and continue our focus to further improve in the area, with modifications of our wastewater treatment plant with experts from local design institutions. Please see our effluent water data in the table opposite (Figure 20).

Despite our focus on managing effluents, in early 2024 we received a notice from the Government warning us to correct nitrogen levels in the adjacent environment to our production facilities. We have since put in place numerous measures to improve this and passed the Government standard receiving the necessary approvals for production. Despite this, we will continue improving wastewater treatment through further investments into infrastructure to go beyond compliance.

Looking forward

As well as further improvements to our water reporting, we plan to set new targets to optimise our water use from production (once this has stabilised).

”

*In 2024 we improved our reporting of water withdrawals and use, which will help us set new efficiency targets in the future*



Figure 20

| Effluent Water Discharge Reporting (China)                           | 2023 Baseline | 2024      | YoY % | 2030 Target |
|--|---------------|-----------|-------|-------------|
| Volume of water  | m3            | m3        | %     | %           |
| Wastewater discharge   | -             | 1,113,352 | -     | -           |
| Sewage effluent  | -             | 195,065   | -     | -           |
| Treated/repurposed   | %             | %         | %     | %           |
| % of sewage effluent managed according to a nutrient management plan | -             | 100       | -     | -           |
| % of sludge to fertiliser  | -             | 0         | -     | -           |

Figure 21

| Water pollution (China)                             | 2023 Baseline | 2024 | YoY % | 2030 Target |
|---|---------------|------|-------|-------------|
| Emissions to water (of substances listed in E-PRTR) | mg/L          | mg/L | %     | %           |
| Nitrogen  | -             | 0.8  | -     | 0.5-0.6     |
| Phosphorus  | -             | 4.35 | -     | 4.0         |



# Biodiversity and Ecosystems



Topics covered: Direct impact drivers of biodiversity loss – land use change, direct exploitation of resources (including marine resources) and pollution.

### Why it’s important

Global food production has a direct impact on biodiversity. Drivers include deforestation, resource exploitation, or the introduction of alien species.

The feed used in aquaculture contains ingredients such as soy and other plant proteins which can be associated with land-use change for agriculture. Deforestation not only can destroy habitats, reducing animal and plant species population and diversity, but also reducing nature’s ability to stabilise the climate. Some feed ingredients can originate from countries and areas with rich biodiversity and weak conservation governance, such as the Cerrado in Brazil.

Feed is often also associated with the exploitation of wild fish stocks, which can also be impacted by the escape of farmed salmon into local wild populations. The impacts from farming pollution on the natural environment can

also impact local ecosystems. See page 71 for more information.

### Our impacts, risks and opportunities

Managing impacts on biodiversity is a potential risk and a priority for both sea and land based Atlantic salmon producers globally. However, our project in China aims to significantly reduce impacts on nature. Our production site is not located in or near to biodiversity-sensitive areas (being situated in an industrial area with other fish farming and industrial activities such as wind farming). Our model is fairly innovative in that we are raising our fish in a protected closed contained environment on land, significantly reducing common open-pen aquaculture risks of impacting local wildlife through the introduction of invasive species, diseases and parasites and pollution of the marine environment. Nevertheless, we do depend on raw materials for ingredients in our purchased feed, and area we have been focussing our efforts on addressing.

### + Impacts

- Potential positive impact on people improving the future availability of natural resources for food systems from the increased demand for sustainable certified feed ingredients, sourced locally, through active collaborations.
- Potential positive impact on people increasing the sustainability of marine resources from upstream strategic supplier engagement on creation of local fishery improvement programmes.

### - Impacts

- Actual and potential negative impacts on the environment from land-use change, which may affect biodiversity and ecosystems from potential deforestation from soy or grain production for feed, and to a less material degree land-use for building production facilities.
- Actual and potential negative upstream impact on biodiversity and ecosystems from the direct exploitation of natural resources, including unsustainably fished marine proteins, or the unsustainable production of soybean or grains, for salmon feed production.
- Actual and potential negative upstream impacts on natural resources from unsustainably sourced feed ingredients.

### ! Risks

#### Physical risks

- Upstream supply chain risk from the decline in biodiversity, ecosystems and availability of natural resources e.g. raw materials depended on for feed.

#### Transition risks

- Risk from increase in regulation impacting sourcing e.g. new deforestation regulation.
- Availability and affordability risk from increasing dependence on sustainable feed ingredients.
- Negative stakeholder response to nature commitments/action e.g. targets deemed insufficient by customers, or capital markets.
- Risk of changing consumer preferences, e.g. shifting towards lower-impact plant-based diets.

### ● Opportunities

- Resource use opportunity through a review of value chain to identify further efficiencies and opportunities for collaboration and innovation.
- Brand, sales and price opportunity to differentiate and market Atlantic land-produced salmon based on lower-impact model.



In 2024, we conducted a LEAP assessment using the TNFD Draft Sector Guidance for Aquaculture and held workshops with the Management Team to firstly identify and then prioritise key impacts, risks and opportunities relating to nature. Subsequent sessions were held with the Finance Team to begin quantifying these, before they were reviewed by the Audit Committee.

**How we approach it**

While we have not yet published a Nature Policy, we do have internal policies and resources in place to avoid and minimise the potential negative impacts on biodiversity through the value chain.

Our land-based Recirculating Aquaculture System (RAS) production model uses a high degree of control of the rearing conditions, giving high biosecurity on the external environment. Among other things, our controlled production allows for low feed waste due to an improved biological feed conversion ratio.

RAS provides a safer environment for fish growth limiting the interaction with the marine environment, preventing the transfer of parasites, pathogens and diseases between farmed fish and the local species in the wild environment, and avoiding escapes.

Unlike the open net farms, Nordic Aqua’s RAS does not incur any incidence of sea lice or fish escapes, and we do not have any reported interactions with wildlife.

See page 53 for more information on the minimised effects on biodiversity from our approach.

We have a new HSE Manager tasked with setting up more extensive monitoring and reporting of key metrics relating to our operational impacts, which will be reviewed by a new Environmental Working Group (with members of the Management Team and the business).

A new taskforce attended by the CEO is also addressing our upstream impacts, risks and opportunities, by working with our feed supplier Skretting to improve the sustainability of our feed profile.

Nordic Aqua’s Board of Directors has responsibility for establishing the Company’s key sustainability policies and strategy, delegating some responsibilities to the Audit Committee on some policies, and for reporting and for monitoring and reviewing the management of material potential and emerging sustainability impacts, risks and opportunities.





Our targets, progress and performance

See Figure 22.

One of the most significant targets we have is to maintain a market leading biological Feed Conversion Ratio (BFCR) – which we aim to reduce down from 1.12 to below 1.1 by 2026, once production has stabilised. By producing fish efficiently, we reduce our dependence on natural resources, minimising demand on ingredients which could potentially lead to land-use change and the direct exploitation of these.

Our feed producer has a number of strategic ambitions and targets which will address our biggest upstream risks. These include: SBTi targets to reduce their scope 1, 2 and 3 emissions; the elimination of deforestation in their supply chain; the traceability of all agricultural vegetable products; and 100% of marine ingredients from sources audited and certified by MarinTrust or MSC or engaged in a Fishery Improvement Programme (FIP).

Opposite is an update on the profile of the feed we sourced in 2024. See Figure 23.



TARGETS

Figure 22

| Low impact protein provision  |
|---|
| To achieve and maintain a biological feed conversion ratio of 1.1 by end of 2026. |

Figure 23

| Ingredient                           | 2023 | 2024 | Traceability % |
|--------------------------------------|------|------|----------------|
| Fish meal                            | 24%  | 24%  | 100%           |
| By-products from farmed land animals | 8%   | 0%   | 100%           |
| Agricultural crops                   | 35%  | 34%  | 100%           |
| Fish oil                             | 12%  | 10%  | 100%           |
| Vegetable oils                       | 11%  | 17%  | 100%           |
| Carbohydrates                        | 9%   | 11%  | 100%           |
| Mirco ingredients                    | 2%   | 4%   | 100%           |



”  
*One of the most significant targets we have is to maintain a market leading biological feed conversion ratio*

As part of understanding our impacts on nature, we have begun the calculation of upstream and operational land use. 90% of land-use from feed came from vegetable oils and proteins crops. In addition to the feed sourced, we are also have a footprint on land, though this is built on what was previously a tidal flat area used for outdoor aquaculture.

Looking forward

In 2025 we will continue looking into how we can improve our impacts.



Figure 24

| Sustainable and local use of natural resources                                  | 2023<br>Baseline | 2024 | YoY % | 2030<br>Target |
|---|------------------|------|-------|----------------|
| % of marine ingredients from sources audited and certified by MarinTrust or MSC | -                | 24%  | -     | -              |
| % of ingredients from sourced in China  | -                | 54%  | -     | -              |
| % of soy feed ingredients certified sustainable                                 | -                | 0%   | -     | -              |
| % of vegetable and agricultural ingredients in feed deforestation free          | -                | 20%  | -     | -              |

Figure 25

| Other land use   | 2023<br>Baseline | 2024   | YoY % | 2030<br>Target |
|--|------------------|--------|-------|----------------|
|  |                  |        | %     | %              |
| Gaotang, China pro-duction facilities – m2                             | -                | 69,362 | -     | -              |
| Raw material land use footprint – m2<br>Year crop equivalent / kg feed | -                | 2.99   | -     | -              |



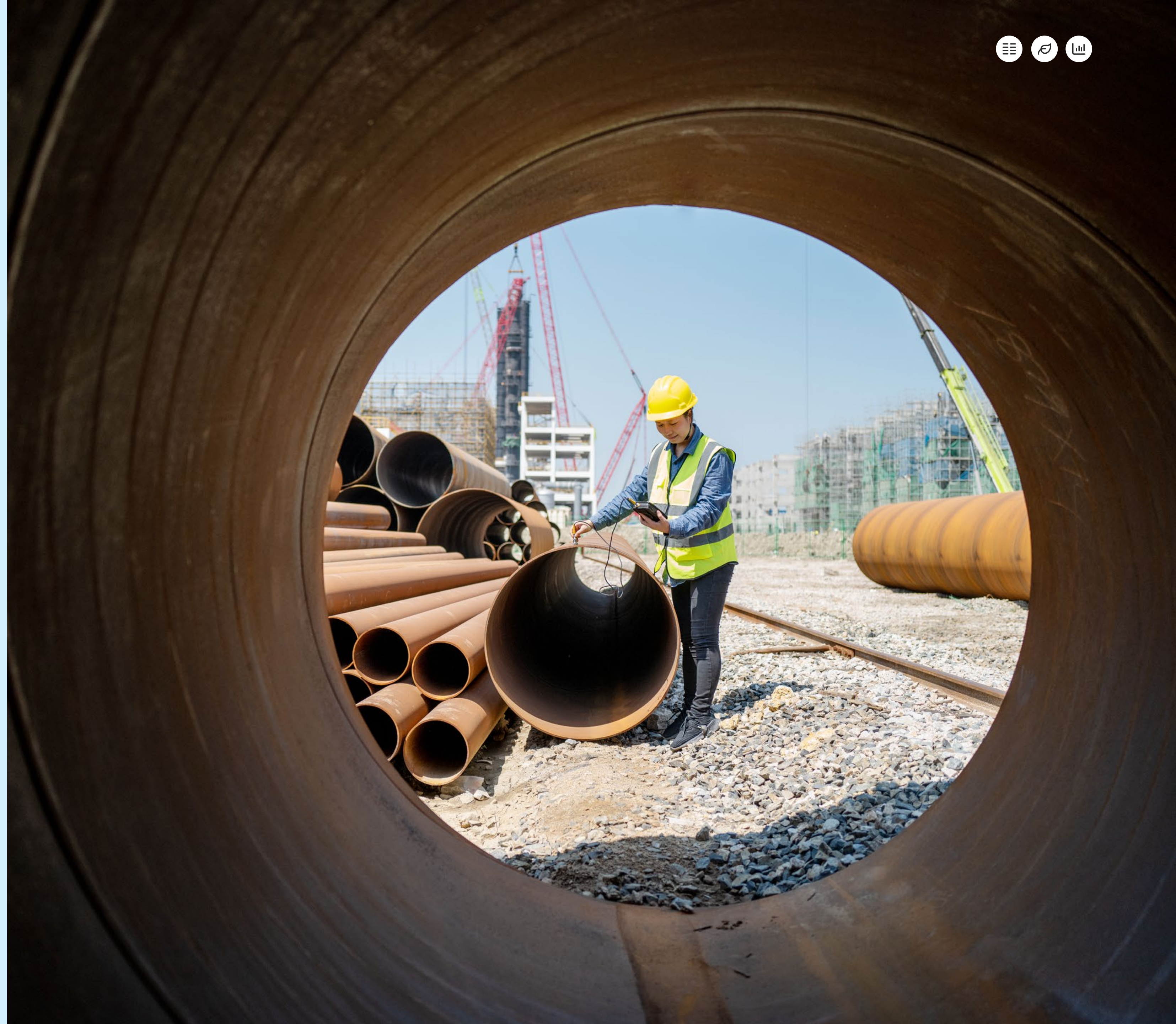
# Social

77 Own Workforce

84 Workers in the Value Chain

“Our strategic priority here is to thrive with safe and meaningful work. In 2024, we made considerable progress updating policies affecting employees and workers in our value chain. For our own workforce we invested resources into training employees, and we also began work to better understand where social risks sit within our value chain. As with all other aspects of ESG, we made progress setting up systems to monitor and report social data.”

Catherine Shen, Chief Administration Officer, Nordic Aqua Ningbo





# Own Workforce



Topics covered: Working conditions – Secure employment; Working time; Adequate wages, Social dialogue, Freedom of association, the existence of works councils and the information, consultation and participation rights of workers, Collective bargaining, including rate of workers covered by collective agreements, Work-life balance; Privacy; Health and Safety; and Diversity.

### Why it’s important

Ensuring decent working conditions and respecting the human rights of workers is an important responsibility for all businesses. It is important for employers to have policies in place which ensure these rights are recognised and protected. This will be the same for us.

We also understand, that building a diverse team will make our company stronger. We recognise our continued success depends on our capability to attract, recruit and develop a diverse and highly skilled group of employees. This includes people from different genders, cultures, languages, customs, competences and ways of working.

### Our impacts, risks and opportunities

Our company is young and brings together people from different cultures and with different ways of working. Building on the work we have done so far, in 2024, we held a session with members of the management team to identify a number of impacts, risks and opportunities that will help us further develop our social strategy.

### + Impacts

- Actual and potential positive impacts on people from providing proper working conditions for employees that ensure secure employment, proper working time and adequate wages, the ability to partake in social dialogue, freedom of association and the ability to achieve a good work-life balance.
- Potential positive impacts on people from promoting the health, wellbeing and safety of employees.
- Actual and potential positive impacts on people from sufficient training and skills development to support the continuous improvement and excellence of operations and development of the Company.

### - Impacts

- Potential negative impacts on people from failing to provide proper working conditions for employees that ensure secure employment, proper working time and adequate wages, the ability to partake in social dialogue, freedom of association, collective bargaining and the ability to achieve a good work-life balance.
- Potential negative impacts on people from failing to guarantee the health, wellbeing and safety of employees.
- Potential negative impact on people from failing to sufficiently ensure data- and cyber security of their employees.

### ! Risks

- Legal and reputational risks of violation of employment and health and safety laws and regulations (also affecting retention and recruitment).
- Operational and productivity risks related to skills gap from lack of training and risk of low retention.
- Legal and reputational risks from violation of privacy laws.

### ● Opportunities

- Talent attraction, retention, and employee engagement opportunities resulting from the provision of proper working conditions for employees, the promotion of health, wellbeing and safety, and the provision of training and skills development possibilities.
- Other associated opportunities resulting from positive reputational effects.



### How we approach it

Engaging people in our values and creating the right company culture is paramount, not only to ensure we maintain a high working standard for all employees, but also if we are to break new ground in food production in China.

We employ people at our sites in China, the Faroe Islands and Norway and all are protected by our Group company policies.

Our Code of Conduct provides a framework of principles for conducting business and dealing with colleagues (as well as customers, suppliers, Third Parties, governmental actors and other stakeholders).

”

*We employ people at our sites in China, the Faroe Islands and Norway and all are protected by our group company policies*



Opening Ceremony, Gaotang, 05.2024.



Further to the Double Materiality Analysis which we carried out in 2024, we have put a series of new policies in place, which aim to prevent, mitigate and remedy potential negative impacts on our workers.

To manage our privacy risk, we have established a group-wide Privacy Policy reflecting important privacy principles, practices, individuals’ rights and related control domains. The implementation of the Privacy Policy will be monitored across the Company.

Our new Human Rights Policy aims to protect relevant right-holders identified associated with our operations, value chain, local communities, indigenous peoples and consumers. This covers our approach to:

- Regular and freely chosen employment.
- Freedom of association.
- Safe working conditions.
- Wages, benefits & working hours.
- Forced labour & human trafficking.
- Child labour.
- Discrimination and harsh treatment / harassment (which includes zero tolerance towards discrimination of race, colour, age, gender, language, religion, nationality, political opinion, sexual orientation, sexual disease status, caste or social status, marital status, union membership, political affiliation or any other status protected by applicable law).
- Further rights relating to local communities and workers in our value chain.

We endorse and commit to respect internationally recognised human rights as articulated in:

- The International Bill of Human Rights
- Fundamental ILO Conventions
- UN Conventions
- National and local labour laws
- United Nations Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Ten Principles of the UN Global Compact

We encourage any employees company, suppliers, business partners or any other stakeholders to speak up through our established reporting channels whenever there is a suspicion of any breach of the Code of Conduct or the Human Rights Policy, which all employees will receive communication and training on.

We also have a number of policies and procedures in place in Nordic Aqua Ningbo to ensure workplace accident prevention, which form part of a management system, including:

- HSE Daily Safety Management Regulations
- HSE Daily Safety Rules
- Safe Working at Construction Site
- HSE Confirmation of Safety Rule

We promote an open, flat and accessible work culture, and have a number of channels through which we engage our employees directly and indirectly:

- Annual employee survey, where employees are invited to share their views directly, managed by the Chief Administration Officer.
- Grievance mechanism, available to employees to raise concerns directly managed by the Chief Administration Officer.
- Biennial materiality questionnaires, where employees can share views directly, managed by the Sustainability Director.
- Regular trainings and workshops, where employee participation and dialogue are sought directly, managed by various different people in the organisation.
- Informal dialogue, where ongoing direct engagement is encouraged with all levels of management.
- Strategy and performance updates, where employees can ask leadership questions directly, involving the Senior Leadership Team.
- Public whistleblower channel, available to employees to raise concerns anonymously through a third party.

Our Whistleblower and Grievance Mechanism Policy and Procedures outlines our approach to remediation, should any impacts occur on our own workers. In the first instance, employees can write in through internal channel which will go to their manager or the Managing Director (depending on their choice) for resolution, who will investigate and take corrective actions. Employees also

have the option to use our new whistleblower channel, available to employees to raise concerns anonymously through a third party.

We will continue our investment into programmes which will have a positive impact on our workers, such as investment into training and development, employee engagement events – such as cultural exchange days, as well as offering extensive employee benefits – insurance for employee and family, career progression plans, and incentive bonuses.

Our annual employee survey is one tool we use to optimise our approach to creating meaningful work, high engagement and a healthy company culture.

This covers a range of topics including:

- Skills, personal development and training.
- Empowerment and influence.
- Communication and knowledge sharing.
- Reward and recognition.
- Team and company culture.

We review the feedback from the survey to help us improve our social strategy to ensure we do not cause or contribute to material negative impacts on our own workers and together with our other channels, helps us track the effectiveness of our policies and targets.



Our Administration and HR Department, which refers to our Managing Director in China, is responsible for optimising the approach we take to ensure good working conditions for our people.

None of our employees are in collective bargaining agreements, but we give full support to employees who wish to.

All employees are paid a living wage and have a unemployment insurance through the Gouvernement as a result of the contributions made by us towards the unemployment insurance package.

All employees are offered training on our Code of Conduct, health & safety, biosecurity and anti-violence and harassment in the workplace. We also have mandatory training within departments, on topics related to work duties, such as animal welfare. We also offer language training and have a leadership training programme for all members of management. We are commencing a new personal review programme in 2025, with incentives for meeting personal and company objectives.

”

*Our aim is to build a diverse workforce by recognising the value of bringing together people from different cultures*

All our employees are covered by the health & safety management system.

All employees have access to statutory family-related leave (parental, maternity, marriage, funeral etc), and we offer some additional leave which accumulates depending on length of employment.

Our aim is to build a diverse workforce by recognising the value of bringing together people from different cultures, languages, customs, competences and ways of working. Our team in China includes many foreign experts in Atlantic salmon aquaculture from countries including Norway, Chile, the UK and the Faroe Islands, with many years of farming experience. Working together with the local workforce they are transferring skills and knowledge to help develop this industry, in so doing, increasing capabilities for low-impact protein production in one of the world's biggest markets. As well as investing heavily to ensure we have the best expertise, our main focus to begin with, will be ensuring our recruitment supports equality in gender representation.



Nordic Aqua ESG workshop 11.2024.







Our contractors are mostly made up of electricity suppliers, oxygen pipe technicians, mechanical installation services, aquaculture technology installation and experts. Our infrastructure is Government owned, so the building contractors on new sites are managed by the Chinese Government and we have no authority over them.

In 2024, we hired a new HSE Manager, who among other duties, has set up additional monitoring and reporting of health and safety.

In 2024, we met our commitment to train all employees in chosen HSE standard.

In 2024, we received one report of an employee experiencing harassment, which later was withdrawn. We have not received any other notification of incidents, complaints or severe human rights impacts and incidents.

We have made good progress with gender diversity within the business. See opposite.

In 2024, we maintained our commitment to have 40% female representation on our Board and we reached our commitment to have a 30% female representation throughout the workforce. We have a new target to increase female representation throughout the business to 40%.

Figure 28

| Health and Safety  | 2023   | 2024   | 2030 Target |
|--|--------|--------|-------------|
| All locations  | Number | Number |             |
| All locations  |        |        |             |
| Number of fatalities   | 0      | 0      | 0           |
| % of employees   | 0%     | 0%     | 0%          |
| * Total recordable injury rate (own employees) – hours                   | -      | 55     | -           |
| * Total recordable injury rate (contractors and workers on site)         | -      | 0      | -           |
| Sickness absence – %   | -      | 0.41%  | -           |
| Health & safety training per employee – hours                            | -      | 14     | -           |
| Number of employees reporting bullying, harassment, threats, or violence | -      | 1      | -           |

\*Injuries per million hours worked

Figure 29

| Equal treatment and opportunities for all  | 2023   | 2024   | 2030 Target |
|--|--------|--------|-------------|
| Diversity – All locations  | Number | Number |             |
| Board of directors: Gender with the lowest representation (female) – number                | 2      | 3      | 0           |
| Board of directors: Gender with the lowest representation (female) – %                     | 40%    | 43%    | 40%         |
| Management Team & People leaders: Gender with the lowest representation (female) – number* | 2      | 3      | -           |
| Management Team & People leaders: Gender with the lowest representation (female) – %*      | 20%    | 30%    | -           |
| All employees: Gender with the lowest representation (female) – number*                    | 18     | 39     | -           |
| All employees: Gender with the lowest representation (female) – %*                         | 25%    | 34%    | 40%         |
| Gender pay gap - average %*  | -      | 30%    | -           |
| Gender pay gap – median %*   | -      | 11%    | -           |
| Highest paid individual pay to median of all employees*                                    | -      | 17.2   | -           |
| Training – All locations   |        |        |             |
| Training hours related to job role - average*  | -      | 20     | -           |
| Employees completed Code of Conduct training %*  | -      | 100%   | 100%        |

\*China



In 2024, we conducted our annual employee engagement survey again. See results in the table opposite.

This, once again, had very positive results, showing a high job satisfaction. When asked to rank 23 statements on a number of topics between 0 and 5 (from strongly disagree to strongly agree), employees reported high levels of engagement, empowerment and communication, once again.

We also met our commitment to develop a community engagement programme, both holding and participating in numerous events including Chinese New Year, the Lantern festival, and cultural exchange visits to local villages. We continued making investments into local institutions, such as the local schools. See table opposite.

Looking forward

A key focus for us in 2025 will be implementing all our new policies, through employee communication and training, taking the necessary steps to ensure they are

understood well, monitored and ultimately are proven to be effective.

We will also work on a programme to give employees, including our management team, incentivised personal objectives in areas related to our most material risks, and areas relating to their role, for example, health and safety, climate, and fish health and welfare.

In early 2025, we will be launching our updated Code of Conduct.

Our employee survey will be conducted again as a key tool for monitoring engagement, communication and progress.

”

*We are delighted that employee engagement has remained high in 2024*

Figure 30

| Meaningful work, engagement and work culture (scale 0-5)                  | 2023 | 2024 | 2030 Target |
|---|------|------|-------------|
| China   |      |      |             |
| % of employees responding to employee survey                              | 100% | 100% | -           |
| My work feels meaningful  | 4.7  | 4.69 | -           |
| I get the information I need to understand the business mission and goals | 4.48 | 4.5  | -           |
| We have good cooperation in our group / department                        | 4.67 | 4.69 | -           |
| I have an opportunity for development at work                             | 4.47 | 4.63 | -           |
| I can influence my work   | 4.43 | 4.54 | -           |

Figure 31

| Community engagement                                | 2023 | 2024 | 2030 Target |
|---|------|------|-------------|
| All locations                                       |      |      |             |
| Engagements with local community – number           | -    | 7    | -           |
| Financial contributions to local community – number | -    | 3    | -           |



# Workers in the Value Chain



Topics covered: Working conditions – Secure employment, Working time, Adequate wages, Social dialogue, Freedom of association, including the existence of work councils, Collective bargaining, Work-life balance, Health and safety; Equal treatment and opportunities for all – Measures against violence and harassment in the workplace; and Other work-related rights – Child labour, Forced labour, Privacy, Adequate housing, Adequate food.

### Why it’s important

Investing in the well-being of workers throughout the value chain not only benefits the workers themselves but also enhances the overall success and sustainability of our business. We understand we have a duty to protect their human rights, including their right to a safe workplace.

### Our impacts, risks and opportunities

In 2024, we held a session with members of the management team to identify the impacts, risks and opportunities related to workers in the value chain. We also began conducting due diligence of our suppliers, with expert support, as one of our responsibilities in complying with the Norwegian Transparency Act.

### + Impacts

- Potential positive social impacts on people from ensuring proper working conditions for value chain workers, improving health and well-being, job satisfaction, increased productivity, economic stability, empowerment, education and development, talent attraction and retention.

### - Impacts

- Potential negative impacts on people from failing to ensure proper working conditions for value chain workers, including increased costs, competitive disadvantage, disruptions, stakeholder resistance, low productivity, and other unintended consequences.

### ! Risks

- Increased operational costs of implementing and maintaining higher labour standards.
- Risk of productivity disruptions both from changing existing workflows, but also from potential events.
- Risk of reduced product and service quality.
- Legal, brand and reputational risks of dealing with suppliers non-compliant with our Code of Conduct, increased through potential events.
- Risk of failing to exert sufficient influence on non-compliant suppliers.
- Financial and operational risk of disruption from changing suppliers.

### ● Opportunities

- Stronger supplier and employee relationships, through shared high standards.
- Improved product and service quality.
- Brand and reputational opportunities from demonstrating responsible leadership.
- Opportunity to improve value chain standards, locally.



How we approach it

We are building processes to guarantee we are taking the necessary measures to ensure the wellbeing of workers in our supply chain.

As outlined in our Own Workforce chapter, our Code of Conduct provides a framework of principles for conducting business and dealing with stakeholders, including workers in our value chain. Our new Human Rights Policy also aims to protect relevant right-holders identified associated with our value chain. In addition to the rights listed on page 77, this covers our approach to rights of local populations and responsible sourcing and sustainable procurement. Our new Privacy Policy also covers privacy rights of the suppliers.

Our goal is to develop long-term relationships with suppliers that share our values and to meet business goals in a socially and environmentally responsible manner. We will only work with suppliers who comply with our Code of Conduct, and going forward will use various approaches to assess suppliers’ responsibility and sustainability performance and confirm compliance. This will enable us to address internal and external due diligence and reporting requirements. Our suppliers will be expected to ensure transparency, to remedy any shortcomings, and to drive continuous improvement.

We offer suppliers and contractors taken on by us training but we are not given the authority to train public contractors involved in the build out of our infrastructure.

As well as the policies and procedures in place in Nordic Aqua Ningbo to ensure workplace accident prevention, we also have a Subcontractor Safety Instruction for workers on site and an HSE Supplier Safety Control.

The main engagement we have had to date with our value chain workers has been direct and relating to health & safety and biosecurity. This occurs at various stages during our relationship with them and occurs regularly. We have most regular engagement with contracted workers on site. We have also carried some targeted engagement with our largest business partners, such as a feed and oxygen suppliers on other topics of strategic importance, such as climate and nature.

In 2024 we did not have a dedicated channel for our value chain workers to raise concerns, but an international whistleblower channel will be launched in early 2025, which will be communicated to our value chain partners. Our new Whistleblower and Grievance Mechanism Policy will be launched at the same time. Any negative impacts that we are notified about go to our Managing Director who work with the Management Team to find a resolution.

We also have an open dialogue with community partners and in 2024 had a case where we offered some compensation to farmers who had concerns about the effluents from our operations (which were within legal limits). We have since proactively invited the farmers in to talk to us, encouraging a two-way regular dialogue, and offered employment opportunities.

Our targets, progress and performance

Together with our Management Team, have set new targets which will enable us to address our impacts risks and opportunities - see below.

In 2024, we made progress against our previous commitments to incorporate most material human rights risks

into our updated Code of Conduct, which we will launch in 2025. We have not yet carried out the social audit, which we will do in 2025.

Looking forward

In 2025, we will be increasing our focus on our supply chain. We will be publishing our first Norwegian Transparency Act report, which will outline the efforts we have made to conduct a due diligence process, together with the key findings.

We will be launching our updated our Code of Conduct and a new Supplier Code of Conduct, contractually obliging key partners to meet our standards. This will form part of a new system for supplier engagement. Which we will be putting in place in 2025.

Figure 32

Workers in the Value Chain 2025-2030 Targets

| TARGETS | Working conditions, equal treatment and opportunities, and other worker-related rights |
|---------|--|
|         | To launch updated Code of Conduct by 2026.   |
|         | To launch new Supplier Code of Conduct by 2026.  |
|         | To implement supplier due dilligence programme by 2026.                                |
|         |  |



# Governance

## 87 Business Conduct

“Our strategic priority here is to lead with integrity, excellence and passion, in line with our new company values, which we will use as a compass. 2024 has been a year of significant progress for sustainability governance for us. New controls have been established, together with a significant number of governing documents, policies and supporting guidelines and procedures, both at a group and local level.”

Andreas Thorud, Managing Director, Nordic Aqua Ningbo



Left to right: Morten Westby, Andreas Thorud, Catherine Shen, Johan Toftegaard, Bergur Magnussen, Torstein Olsen.



# Business Conduct



Topics covered: Corporate culture and business conduct policies; Prevention and detection of corruption and bribery; and Government relations.

### Why it’s important

Fostering an ethical company culture and successfully implementing this through all business locations, departments and functions is a critical challenge for all organisations, particularly where there are elevated risks of bribery and corruption or other risks of corporate misconduct.

Mitigating these risks, for us, involves promoting standards of good business practice throughout the value chain and going beyond compliance with relevant laws, regulations and local and international standards, where we believe necessary. This includes a policy of zero-tolerance of corruption.

### Our impacts, risks and opportunities

In 2024, we conducted a Double Materiality Assessment which enabled us to identify the most material impacts, risks and opportunities we face relating to business conduct.

#### + Impacts

- Actual and potential positive impacts on people from promoting a healthy corporate culture.
- Potential positive social impact from the promotion of our ethical values in society and as a foreign company in China.
- Actual and potential positive social impacts from maintaining healthy government relations.

#### - Impacts

- Potential negative impact on shareholders from poor governance, risk management and internal controls, and from failing to promote a healthy culture.
- Potential negative impacts on people failing to ensure good conduct and governance.
- Potential negative impacts on the local community and wider society from failing to maintain healthy government relations.

#### ! Risks

- Reputational and legal risks of non-compliance or poor governance.
- Risk of poor business performance resulting from a poor governance and conduct.
- Reputational and legal risks of potential confirmed cases of corruption and bribery.
- Potential financial and operational risks from failing to get licences and Government support with infrastructure for the project in Gaotang.

#### ● Opportunities

- Retention, recruitment, performance and investment opportunities from successfully creating a culture of integrity, in line with company values.
- Reputational opportunities from building trust with employee, supplier, and investor stakeholders and wider society.
- Potential opportunities to avoid legal, reputational and operational risks with effective governance and management.
- Funding, licensing and PR opportunities from good Government relations.



### How we approach it

We set standards of behaviour which we expect from internal and external stakeholders and which they can expect from us. This is crucial if we are to build and maintain trust, locally and internationally.

Our Code of Conduct covers a wide range of business practices and procedures in Nordic Aqua and outlines our approach and expectations of ethical business behaviour. In addition to the policies and procedures already in place in Nordic Aqua Ningbo, in early 2025 we are publishing a number of group wide policies, including an updated Code of Conduct, Supplier Code of Conduct, Human

Rights Policy, Anti-Bribery and Corruption Policy, and Whistleblower and Grievance Mechanism Policy. These have been developed in line with the requirements for compliance with the Norwegian Transparency, which involves adhering to international standards including the OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and ILO Conventions. These new policies, which underpin our corporate culture, were developed with input from experts, our Management Team, and either the Audit Committee or Board of Directors.

To support their implementation, we have set up new systems of Governance, requiring the Board to establish our ESG strategy and key policies and delegating responsibilities to our Audit Committee for overseeing the establishment and effectiveness of our whistleblowing framework, as well as monitoring and reviewing the management of material potential and emerging sustainability impacts, risks and opportunities.

We have developed targets which support our strategic priority to lead by living our new corporate values which include conducting business with integrity. These will be implemented by our Management Team and evaluated through our annual employee survey as well as other channels for engagement and for raising concerns.

The new Whistleblower Policy, which we will launch in early 2025, encourages the reporting of:

- Any suspected or actual breaches of laws.
- Any suspected or actual breaches of Nordic Aqua's Code of Conduct, Supplier Code of Conduct or any other corporate policies.
- Any suspected or actual violations of Nordic Aqua's Human Rights Policy, such as harassment, bullying, victimisation & discrimination; or child labour, human trafficking, forced labour or decent labour conditions.
- Reasonable suspicion of violations of legal, accounting, or regulatory requirements or any questionable conduct, including those of questionable financial reporting, accounting or auditing matters.

Concerns should be reported, first to a leader, alternatively our CFO or Managing Director or directly to the independent whistleblower channel. The Chair of the Audit Committee may also step in to investigate, where necessary. All incidents will be investigated promptly and objectively. Retaliation for raising concerns in good faith are not tolerated.

Our new group Anti-bribery and Corruption Policy, which is consistent with the UN Convention against Corruption, outlines key principles and requirements including: zero tolerance against corruption, facilitation payments, gifts, hospitality and entertainment in addition to a number relating to conduct with Third Parties.

”

*In 2024 we set up new systems of governance to ensure new policy implementation and effectiveness*

Our anti-corruption principles and requirements, as well as our other policy principles, shall be communicated to all employees on a regular basis, through periodic reminders and annual training. Training will be conducted by management or external subject matter experts.

Our business would not have been possible without support from government and authorities. This is absolutely crucial for us. We have direct and regular dialogue with local government, which includes regular site visits. A good relationship increases our possibility to create shared value through our innovative aquaculture model, which depends on leasing of our site from the Government. It also enables us to meet mandatory regulation, but also go further to influence, develop and accept new stricter standards (for example, relating to effluent discharge). The Government gives us operational approvals and is responsible for the build out of new infrastructure.





Our targets, progress, and performance

In the table opposite are new targets we have set with relating to our business conduct.

In 2024, we signed up to the UN Global Compact to further demonstrate our commitment to human rights, labour, environment and anti-corruption.

We also introduced additional monthly reporting to increase monitoring of risks relating to corporate misconduct and bribery and corruption. These will be reported publicly on an annual basis.

In 2024, we received one report of an employee experiencing harassment. We have not received any other notification of incidents.

Looking forward

Together with our new governance practices and policies, to meet the Norwegian Transparency Act, we will continue developing a systematic due diligence approach in 2025, to ensure we have robust minimum safeguards in place, among other things, on corruption.

We also plan to publish our first Norwegian Transparency Act report.

|         |  |
|---------|--|
| TARGETS | Figure 33  |
|         | Business Conduct 2030 Targets  |
|         | Corporate culture  |
|         | To have 100% of employees trained in the updated Code of Conduct and new company policies by 2026. |
|         | To have 100% of employees to sign updated Code of Conduct on annual basis (ongoing).               |
|         | Corruption and bribery   |
|         | To have 100% of employees trained in the Anti-bribery and Anti-Corruption Policy by 2026.          |
|         | Government relations   |
|         | Ongoing cooperation with local and national Government in China.                                   |

|  |      |      |             |
|--|------|------|-------------|
| Figure 34  | 2023 | 2024 | 2030 Target |
| Corporate culture  |      |      |             |
| Whistleblowing   |      |      |             |
| Number of instances where refusal to act unethically has lost business | 0    | 0    | -           |
| Number of own workers who report any non-ethical behaviour incidents   | 0    | 0    | -           |

|   |      |      |             |
|---|------|------|-------------|
| Figure 35   | 2023 | 2024 | 2030 Target |
| Anti-bribery and corruption   |      |      |             |
| The total number and nature of confirmed incidents of corruption or bribery   | 0    | 0    | -           |
| The number of convictions and the amount of fines for violation of anti-corruption and anti-bribery laws  | 0    | 0    | -           |
| The number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents                                      | 0    | 0    | -           |
| The number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery | 0    | 0    | -           |



# Appendix

**91** SASB Meat, Poultry & Dairy Standard

**93** CDP SME Climate Framework





## SASB Meat, Poultry & Dairy Standard

| Topic                         | Accounting Metric   | Report or Reference             | Reference Code |
|-------------------------------|---|---------------------------------|----------------|
| Greenhouse Gas Emissions      | Gross global Scope 1 emissions (Metric tons (t) CO <sub>2</sub> -e)   | Page 65                         | FB-MP-110a.1   |
|                               | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets                          | Page 65                         | FB-MP-110a.2   |
| Energy Management             | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable (Gigajoules (GJ), Percentage (%))  | Page 65                         | FB-MP-130a.1   |
| Water Management              | (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress (Thousand cubic meters (m <sub>3</sub> ), Per-centage (%)) | Page 70                         | FB-MP-140a.1   |
|                               | Description of water management risks and discussion of strategies and practices to mitigate those risks  | Page 68                         | FB-MP-140a.2   |
|                               | Number of incidents of non-compliance with water quality permits, standards, and regulations  | 0                               | FB-MP-140a.3   |
| Land Use & Ecological Impacts | Amount of animal litter and manure gener-ated, percentage managed according to a nutrient management plan (Metric tons (t), Percentage (%))   | Page 71                         | FB-MP-160a.1   |
|                               | Percentage of pasture and grazing land managed to Natural Resources Conservation Service (NRCS) conservation plan criteria (Percentage (%) by hectares)   | N/A Atlantic salmon aquaculture | FB-MP-160a.2   |
|                               | Animal protein production from concentrat-ed animal feeding operations (CAFOs) (Metric tons (t))  | N/A Atlantic salmon aquaculture | FB-MP-160a.3   |
| Food Safety                   | Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances                                      | Page 61                         | FB-MP-250a.1   |
|                               | Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification program   | Page 61                         | FB-MP-250a.2   |
|                               | (1) Number of recalls issued and (2) total weight of products recalled  | Page 61                         | FB-MP-250a.3   |
|                               | Discussion of markets that ban imports of the entity’s products   | None                            | FB-MP-250a.4   |



SASB Meat, Poultry & Dairy Standard

|   |  |                                 |              |
|---|--|---------------------------------|--------------|
| Antibiotic Use in Animal Production                   | Percentage of animal production that re-ceived (1) medically important antibiotics and (2) not medically important antibiotics, by animal type     | Page 58                         | FB-MP-260a.1 |
| Workforce Health & Safety                             | (1) Total recordable incident rate (TRIR) and (2) fatality rate  | Page ADD                        | FB-MP-320a.1 |
|   | Description of efforts to assess, monitor, and mitigate acute and chronic respiratory health conditions  | Page ADD                        | FB-MP-320a.2 |
| Animal Care & Welfare                                 | Percentage of pork produced without the use of gestation crates  | N/A Atlantic salmon aquaculture | FB-MP-410a.1 |
|   | Percentage of cage-free shell egg sales  | N/A Atlantic salmon aquaculture | FB-MP-410a.2 |
|   | Percentage of production certified to a third-party animal welfare standard  | 0%                              | FB-MP-410a.3 |
| Environmental & Social Impacts of Animal Supply Chain | Percentage of livestock from suppliers implementing the Natural Resources Conservation Service (NRCS) conservation plan criteria or the equivalent | N/A Atlantic salmon aquaculture | FB-MP-430a.1 |
|   | Percentage of supplier and contract production facilities verified to meet animal welfare standards  | Information not available       | FB-MP-430a.2 |
| Animal & Feed Sourcing                                | Percentage of animal feed sourced from regions with High or Extremely High Baseline Water Stress   | Information not available       | FB-MP-440a.1 |
|   | Percentage of contracts with producers located in regions with High or Extremely High Baseline Water Stress  | Information not available       | FB-MP-440a.2 |
|   | Discussion of strategy to manage opportunities and risks to feed sourcing and live-stock supply presented by climate change                        | Page 67                         | FB-MP-440a.3 |
| Activity  | Number of processing and manufacturing facilities  | 1                               | FB-MP-000.A  |
|   | Animal protein production, by category; percentage outsourced  | 0                               | FB-MP-000.B  |



## CDP SME Climate Framework

| Aspect                    | Disclosure Question   | Report or Reference                                     |
|---------------------------|---|---|
| Measure                   | What are your gross global operational emissions (Scope 1 and 2)?   | See page 65   |
|                           | Are there any emissions that are in the reporting boundary but are excluded from the inventory?   | No  |
|                           | Describe your emissions in the context of an appropriate business metric (Emissions intensity)  | Information not publised due to irregular sales in 2024 |
| Commit                    | Provide details of your targets and progress made against them  | See page 14   |
| Action & Impact           | Have you, or do you plan to, take action to reduce your GHG emissions?  | See page 64   |
|                           | How have your emissions changed over time?  | See page 65   |
| Energy                    | Report your total energy consumption  | See page 65   |
|                           | Disclose your renewable energy purchase and generation  | See page 66   |
| Value Chain Emissions     | Disclose your gross global value chain emissions (Scope 3)  | See page 65   |
| Management and resilience | Is there any member(s) of your organization responsible for overseeing climate change matters?  | See page 64   |
|                           | Is your company aligned with a net-zero future?   | No  |
|                           | Do you assess your climate risks?   | See page 63   |
|                           | What are your major climate risks and how do you manage them?   | See page 63   |
| Climate solutions         | Do you classify any of your existing goods and/or services as low carbon products or products that enable a third party to reduce GHG emissions in their value chain? | No  |



# Responsibility Statement from the Board of Directors and CEO

The Board of Directors and Executive Board have today discussed and approved the Annual Report of Nordic Aqua Partners AS for the financial year 2024.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, which have been adopted by the EU and further requirements in the Norwegian Accounting Act (Regnskapsloven). The parent company financial statements have been prepared in accordance with the Norwegian Accounting Act.

In our opinion the consolidated financial statements and the financial statements for the parent company give a true and fair view of the Group’s and the parent company’s assets, liabilities and financial position at 31 December 2024 and of the results of its operations and cash flow for the financial year 2024.

The Management Review contains in our opinion a true and fair review of the development in the Group’s and the parent company’s operations, financial circumstances and results for the year, and of the parent company’s financial

position, and describes the material risks and uncertainties affecting the Group and the parent company.

We recommend that the Annual Report is approved at the Annual General Meeting.

Oslo, 9 April 2025

**Atle Eide**  
Chairman

**Aino Olaisen**  
Board member

**Knut Nesse**  
Board member

**Vegard Gjerde**  
Board member

**Therese Log Bergjord**  
Board member

**Marit Solberg**  
Board member

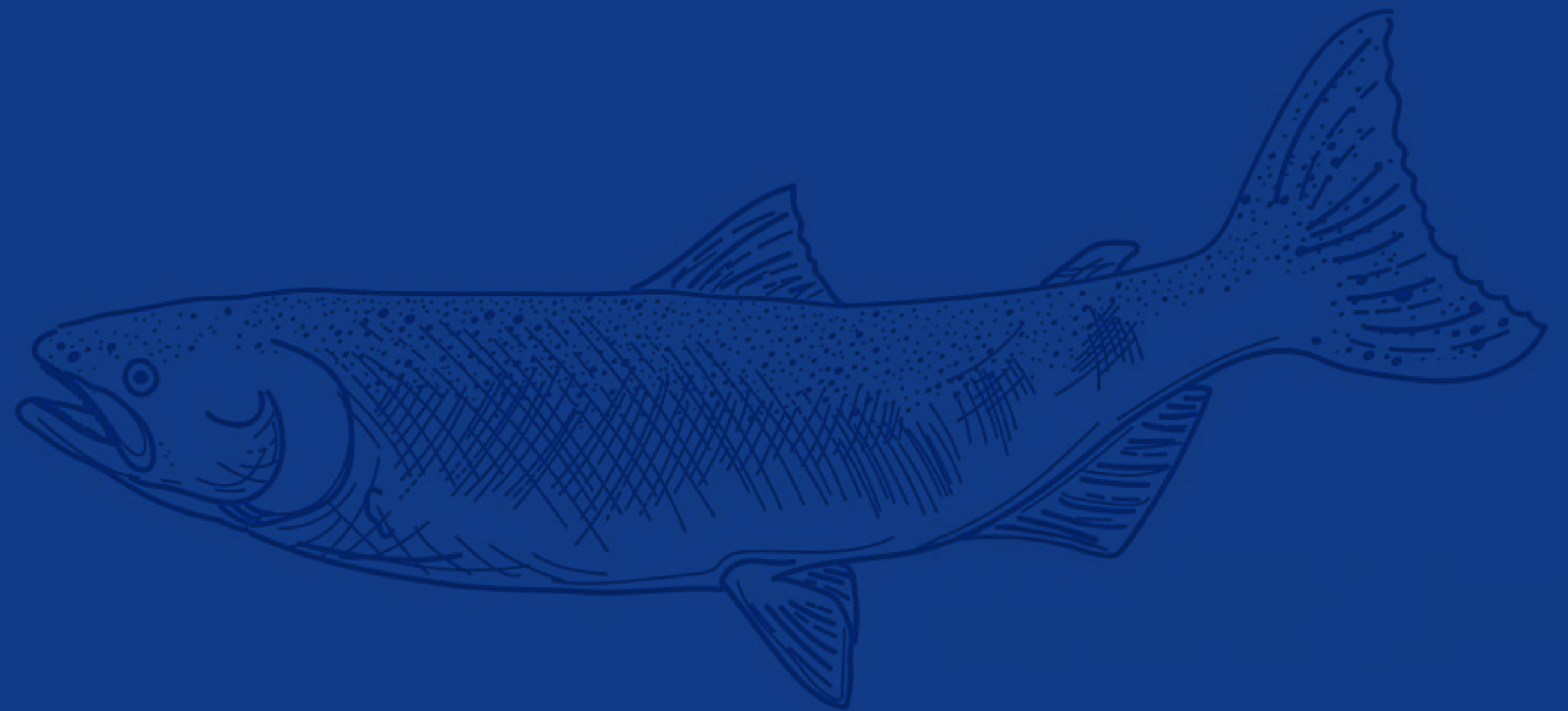
**Ove Nodland**  
Board member

**Ragnar Joensen**  
CEO



# Financial Statements

- 96** Consolidated Financial Statements
- 121** Parent Company Financial Statements
- 130** Independent Auditor's Report





# Consolidated Financial Statements

- 97** Consolidated Statement of Comprehensive Income
- 98** Consolidated Statement of Other Comprehensive Income
- 99** Consolidated Statement of Financial Position
- 100** Consolidated Statement of Cash Flow
- 101** Consolidated Statement of Changes in Equity
- 102** Notes
  
- 120** Alternative Performance Measures (APM)





# Consolidated Statement of Comprehensive Income

| (figures in EUR 1000)                               | Note | 2024           | 2023          |
|---|------|----------------|---------------|
| Revenue   |      | 6,497          | 0             |
| Purchase of goods                                   |      | -8,599         | -2,492        |
| Change in inventory and biological assets (at cost) |      | 6,498          | 6,426         |
| Other operating income                              | 2    | 121            | 226           |
| Other external expenses                             | 2    | -14,243        | -5,850        |
| Staff costs   | 3/4  | -6,854         | -4,187        |
| Depreciations                                       | 8/9  | -4,180         | -697          |
| <b>Operating EBIT*</b>                              |      | <b>-20,760</b> | <b>-6,574</b> |
| Fair value of biological assets                     | 10   | 831            | 1,895         |
| <b>EBIT</b>   |      | <b>-19,929</b> | <b>-4,679</b> |
| Financial income                                    | 5    | 108            | 334           |
| Exchange rate deviations                            | 5    | 2,359          | -2,401        |
| Financial expenses                                  | 5    | -2,445         | -1,483        |
| <b>Financial expense - net</b>                      |      | <b>22</b>      | <b>-3,550</b> |
| <b>Profit/loss before tax</b>                       |      | <b>-19,907</b> | <b>-8,229</b> |
| Income tax expense                                  | 6    | 2,485          | 0             |
| <b>Profit/loss for the period</b>                   |      | <b>-17,422</b> | <b>-8,229</b> |
| *Operating EBIT = EBIT excl. fair value adjustments |      |                |               |
| <b>Profit/loss for the period attributable to</b>   |      |                |               |
| Non-controlling interests                           |      | 0              | 0             |
| Owners of Nordic Aqua Partners AS                   |      | -17,422        | -8,229        |
|   |      | <b>-17,422</b> | <b>-8,229</b> |
| <b>Earnings per share</b>                           | 7    |                |               |
| Basic (EUR)   |      | -1.01          | -0.58         |
| Diluted (EUR)                                       |      | -0.97          | -0.55         |



# Consolidated Statement of Other Comprehensive Income

| (figures in EUR 1000)   | 2024    | 2023   |
|---|---------|--------|
| Other comprehensive income  |         |        |
| Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax): |         |        |
| Currency differences on translation of foreign operations   | 941     | -1,443 |
| Other comprehensive income  | 941     | -1,443 |
| Total comprehensive income for the period   | -16,481 | -9,672 |
| Total comprehensive income attributable to  |         |        |
| Non-controlling interests   | 0       | 0      |
| Owners of Nordic Aqua Partners AS   | -16,481 | -9,672 |



# Consolidated Statement of Financial Position

Oslo, 9 April 2025

Atle Eide

Chairman

Aino Olaisen

Board member

Knut Nesse

Board member

Vegard Gjerde

Board member

Therese Log Bergjord

Board member

Marit Solberg

Board member

Ove Nodland

Board member

Ragnar Joensen

CEO

| (figures in EUR 1000)                          | Note | 2024                     | 2023                     |
|--|------|--------------------------|--------------------------|
| <strong>Assets</strong>                        |      |                          |                          |
| Assets under construction                      | 8    | 13,510                   | 31,161                   |
| Property, plant & equipment                    | 8    | 60,072                   | 21,906                   |
| Right of use assets                            | 9    | 35,850                   | 9,287                    |
| Deferred tax assets                            | 6    | 3,085                    | 0                        |
| Financial assets                               | 11   | 5,908                    | 2,092                    |
| <strong>Total non-current assets</strong>      |      | <strong>118,425</strong> | <strong>64,446</strong>  |
| Biological assets (Biomass)                    | 10   | 16,661                   | 9,178                    |
| Inventory                                      |      | 303                      | 457                      |
| Receivables                                    | 11   | 170                      | 0                        |
| Other current receivables                      | 11   | 4,744                    | 5,082                    |
| Cash and cash equivalents                      | 12   | 18,044                   | 22,422                   |
| <strong>Total current assets</strong>          |      | <strong>39,922</strong>  | <strong>37,139</strong>  |
| <strong>Total assets</strong>                  |      | <strong>158,347</strong> | <strong>101,585</strong> |
| <strong>Equity and liabilities</strong>        |      |                          |                          |
| Share capital                                  | 13   | 1,838                    | 1,425                    |
| Other equity                                   |      | 85,044                   | 71,924                   |
| <strong>Total equity</strong>                  |      | <strong>86,882</strong>  | <strong>73,350</strong>  |
| Deferred tax liabilities                       | 6    | 600                      | 0                        |
| Long-term interest-bearing debt                | 15   | 21,780                   | 15,016                   |
| Long-term leasing debt                         | 9    | 35,786                   | 9,495                    |
| <strong>Total non-current liabilities</strong> |      | <strong>58,166</strong>  | <strong>24,511</strong>  |
| Short-term interest-bearing debt               | 15   | 4,856                    | 0                        |
| Short-term leasing debt                        | 9    | 412                      | 206                      |
| Trade payables                                 | 14   | 7,078                    | 2,394                    |
| Other current liabilities                      | 14   | 954                      | 1,124                    |
| <strong>Total current liabilities</strong>     |      | <strong>13,300</strong>  | <strong>3,724</strong>   |
| <strong>Total liabilities</strong>             |      | <strong>71,466</strong>  | <strong>28,235</strong>  |
| <strong>Total equity and liabilities</strong>  |      | <strong>158,347</strong> | <strong>101,585</strong> |



# Consolidated Statement of Cash Flow

| (figures in EUR 1000)   | Note | 2024                     | 2023                     |
|---|------|--------------------------|--------------------------|
| <strong>Cash flow from operating activities</strong>                |      |                          |                          |
| EBIT  |      | -19,929                  | -4,679                   |
| <strong>Adjustments for:</strong>                                   |      |                          |                          |
| Depreciation  | 8/9  | 4,180                    | 697                      |
| Fair value adjustments  | 10   | -831                     | -1,895                   |
| Exchange rate deviations  |      | 486                      | -103                     |
| Equity-settled share-based payment transactions                     | 3/4  | 241                      | 160                      |
| <strong>Changes in working capital:</strong>                        |      |                          |                          |
| Change in other current receivables                                 |      | 168                      | -4,523                   |
| Change in trade payables  |      | 4,684                    | -902                     |
| Change in other current liabilities                                 |      | -170                     | 895                      |
| Change in inventory   |      | 154                      | -457                     |
| Change in biomass   |      | -6,652                   | -6,557                   |
| <strong>Net cash flow from operating activities</strong>            |      | <strong>-17,671</strong> | <strong>-17,364</strong> |
| <strong>Cash flow from investment activities</strong>               |      |                          |                          |
| Payments for fixed assets and other capitalizations                 | 8    | -21,702                  | -19,362                  |
| <strong>Net cash flow from investment activities</strong>           |      | <strong>-21,702</strong> | <strong>-19,362</strong> |
| <strong>Cash flow from financing activities</strong>                |      |                          |                          |
| Change in interest-bearing debt (short and long)                    |      | 11,620                   | 15,016                   |
| Change in financial assets  |      | -3,816                   | -818                     |
| Interest received   | 5    | 108                      | 334                      |
| Interest paid   | 5    | -2,445                   | -1,483                   |
| Lease payments  |      | -1,186                   | 414                      |
| Proceeds from capital increase                                      |      | 30,978                   | 35,456                   |
| Transaction cost of issue of shares                                 |      | -1,205                   | -842                     |
| <strong>Net cash flow from financing activities</strong>            |      | <strong>34,054</strong>  | <strong>48,077</strong>  |
| Net change in cash and cash equivalents                             |      | -5,319                   | 11,351                   |
| Foreign exchange differences  |      | 941                      | -1,443                   |
| Cash and cash equivalents at the beginning of the period            |      | 22,422                   | 12,514                   |
| <strong>Cash and cash equivalents at the end of the period</strong> |      | <strong>18,044</strong>  | <strong>22,422</strong>  |



# Consolidated Statement of Changes in Equity

| (figures in EUR 1000)          | Share capital | Share premium reserve | Currency translation differences | Retained earnings | Share based payments | Total equity |
|--------------------------------|---------------|-----------------------|----------------------------------|-------------------|----------------------|--------------|
| Equity 1 January 2024          | 1,425         | 93,888                | 331                              | -22,584           | 289                  | 73,350       |
| Net profit/loss for the period |               |                       |                                  | -17,422           |                      | -17,422      |
| Other comprehensive income     |               |                       | 941                              |                   |                      | 941          |
| Share-based payments           |               |                       |                                  |                   | 241                  | 241          |
| Total comprehensive income     | 1,425         | 93,888                | 1,272                            | -40,006           | 530                  | 57,110       |
| Capital increase               | 413           | 30,565                |                                  |                   |                      | 30,978       |
| Transaction costs              |               | -1,206                |                                  |                   |                      | -1,206       |
| Other changes in Equity        | 413           | 29,359                | 0                                | 0                 | 0                    | 29,772       |
| Balance 31 December 2024       | 1,838         | 123,247               | 1,272                            | -40,006           | 530                  | 86,882       |

| (figures in EUR 1000)                     | Share capital | Share premium reserve | Currency translation differences | Retained earnings | Share based payments | Total equity |
|---|---------------|-----------------------|----------------------------------|-------------------|----------------------|--------------|
| Equity 1 January 2023                     | 1,381         | 59,319                | 1,903                            | -14,355           | 0                    | 48,248       |
| Correction of to prior years misstatement |               |                       | -129                             |                   | 129                  | 0            |
| Net profit/(loss) for the period          |               |                       |                                  | -8,229            |                      | -8,229       |
| Other comprehensive income                |               |                       | -1,443                           |                   |                      | -1,443       |
| Share-based payments                      |               |                       |                                  |                   | 160                  | 160          |
| Total comprehensive income                | 1,381         | 59,319                | 331                              | -22,584           | 289                  | 38,735       |
| Capital increase                          | 745           | 34,711                |                                  |                   |                      | 35,456       |
| Transaction costs                         |               | -842                  |                                  |                   |                      | -842         |
| Effect from merger/capital decrease       | -700          | 700                   |                                  |                   |                      | 0            |
| Other changes in Equity                   | 45            | 34,570                | 0                                | 0                 | 0                    | 34,614       |
| Balance 31 December 2023                  | 1,425         | 93,888                | 331                              | -22,584           | 289                  | 73,350       |



# Notes

## NOTE 1 BASIS OF REPORTING

### Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and additional requirements of the Norwegian Accounting Act.

The consolidated financial statements and separate financial statements are presented in thousand Euros (EUR 1000) which is the functional currency of Nordic Aqua Partners AS.

The Group’s general accounting policies are described below. In addition to this, specific accounting policies are described in each of the individual notes to the consolidated financial statements. The accounting policies set out below and, in each note, have been used consistently in respect of the financial year and the comparative figures.

### CHANGE OF FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

As a result of the merger between the Danish parent company and the Norwegian parent company completed in August 2023, the primary economic environment and generation and use of cash flows of the Group became mainly denominated in euro. Consequently, effective on August 17, 2023, Nordic Aqua Partners AS changed its functional currency from the Norwegian krone (“NOK”) to the euro (“EUR”). The Group changed its presentation currency of its consolidated financial statements from the Danish kroner (“DKK”) to the euro (“EUR”).

Nordic Aqua Partners AS is a holding company that does not undertake any material operating activities of its own. Therefore, the indicators in IAS 21.9 are not the most relevant factors in determining the functional currency of the Company. In consideration of the indicators in IAS 21.10, the Company determined that the financing activities, the relatively large part of future investments

in property, plant and equipment in EUR for the Chinese subsidiary and the currency in which cash and cash equivalents are retained, were relevant factors indicating that the NOK will not be the currency to reflect the principal economic environment in which the Company will generate and expend its cash. Accordingly, in accordance with IAS 21.36, the Company determined that the EUR is the new functional currency that will most faithfully reflect the underlying transactions, events and conditions relevant to the Company following the merger between the Danish parent company and the Norwegian parent company. Under IAS 21.35, when there is a change in an entity’s functional currency, the entity should apply the translation procedures applicable to the new functional currency prospectively from the date of the change. The Company, based on its judgment and considering that the underlying transactions, events and conditions that justify the change in its functional currency have developed gradually, and those of greater relevance took place during 2023, it has decided due to practical expedient, to apply the translation procedures applicable to the new functional currency prospectively beginning on August 17, 2023. This change in functional currency was accounted for prospectively from the date of the change by translating all items of the financial statements into the new functional currency, using the exchange rate of 7.4520 DKK/EUR at the date of the change.

The change in the presentation of the Group accounted for as a change in accounting policy and applied retrospectively, as if the new presentation currency had always been the presentation currency of the consolidated financial statements. Consequently, comparative figures for years prior to the effective date of August 17, 2023 have been restated to the new presentation currency in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates.



Issued capital, retained earnings and other reserves within equity have been translated using the historical exchange rates. All of resulting exchange differences have been recognised in equity under the reserve for exchange differences in translation.

Materiality in financial reporting

In the preparation of the consolidated financial statements, Management aims to focus on the information considered to be material and relevant for the understanding of the Group’s performance in the reporting period.

The consolidated financial statements are a result of aggregating large numbers of transactions into classes of similar items according to their nature or function in the consolidated financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the consolidated financial statements or in the notes.

Management provides specific disclosures required by IFRS unless the information is not applicable or considered immaterial to the economic decision-making of the users of these consolidated financial statements.

Key account estimates and judgements

As part of the preparation of the consolidated financial statements, Management makes a number of accounting estimates and assumptions as a basis for recognising and measuring the Group’s assets, liabilities, income and expenses as well as judgements made in applying the Group’s accounting policies. The estimates, judgements and assumptions made are based on experience gained and other factors that are considered prudent by Management in the circumstances, but which are inherently subject to uncertainty and volatility.

The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur, for which reason the actual results may differ from the estimates and judgements made.

We review estimates regularly, and actual values and results may differ from the first estimates. We record changes to accounting estimates in the period of the changes.

The most important key account estimates and judgements are:

For Fair value of biomass:

- Average price
- Monthly discount rate
- Estimated biomass volume

For Right of use Assets:

- Measured cost
- Discount rate (Interest rate)
- Depreciation period

For Lease liabilities:

- Measured cost
- Interest rate

For PPE:

- Potential impairment
- When to transfer from CIP to PPE
- Years of expected useful live
- Scrap value
- Whether the cost relates to an acquisition or maintenance.

For Deferred tax assets:

- The uncertainty related to the possibility that if there would be taxable profits available against the deductible temporary difference

The notes describe the key account estimates and judgements that are most important for Nordic Aqua Partners Consolidated Financial Statements.

Basis of consolidation

The consolidated financial statement comprises the financial statements of Nordic Aqua Partners AS (the Parent) and subsidiaries which are entities controlled by Nordic Aqua Partners AS. The Group controls an entity when it directly or indirectly owns more than 50% of the voting rights or may otherwise exercise a controlling influence.

Principles of consolidation

The consolidated financial statements are prepared based on the financial statements of the Parent and its subsidiaries.

The consolidated financial statements are prepared by combining items of a uniform nature and subsequently eliminating intercompany transactions, internal shareholdings and balances and unrealised intercompany gains or losses. The financial statements used for consolidation are prepared in accordance with the Group’s accounting policies.

The accounting items of subsidiaries are recognised 100% in the consolidated financial statements. Non-controlling interest’s share of subsidiaries’ profit or loss for the year and net assets is included in the Group’s profit or loss and balance sheet but are disclosed separately.

Investments in subsidiaries are offset by the interest’s share of subsidiaries’ net assets at the acquisition date at fair value.



Cash flow statement

The cash flow statement shows cash flow from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition of property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans and repayment of interest-bearing debt.

Cash and cash equivalents comprise cash.

Segment reporting

The Group is still in a start-up phase and therefore for management purposes, the Group is currently organised in only one segment. Further forecasts show only one expected business activity that may earn revenues which is the Atlantic salmon farming of the subsidiary in China. Therefore, going forward the Group also expects to only have one segment and no further disclosure relating to segment reporting was provided.

Standards issued but not yet effective

The disclosures contain standards including amendments, which may influence recognition or measurements in the Financial statements, alter existing disclosures or require additional disclosures when effective at a future date. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. New and amended standards that are issued, but not yet effective, are:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability
- IFRS 18 Presentation and Disclosures in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

New standards

1. Classification of Liabilities as Current or Non-Current (Amendments to IAS
2. Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
3. Non-current Liabilities with Covenants (Amendments to IAS 1)
4. Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

New standards 1 and 3 implemented in 2024 will have effect on The Group if the Group has covenants related to debt. Please see note 15 for further information. New standards 2 & 4 implemented in 2024 have had no impact on the financial.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Group enterprises abroad are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve.

Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.



NOTE 2 OTHER OPERATING INCOME AND EXTERNAL EXPENSES

Other operating income is measured at the fair value of the consideration received or receivable for the sale. The Income is recognised net of discounts, VAT and other sales related taxes.

Other external expenses include expenses relating to the Group’s ordinary activities and the startup costs, including expenses for external parties, station-ery and office supplies, marketing costs, etc.

Other external expenses include costs relating to listing on Euronext Growth

| (figures in EUR 1000)                | 2024          | 2023         |
|--------------------------------------|---------------|--------------|
| Other external expenses              |               |              |
| Operating expenses                   | 4,417         | 1,496        |
| Energy                               | 3,837         | 1,488        |
| Other costs                          | 5,989         | 2,866        |
| <b>Total other external expenses</b> | <b>14,243</b> | <b>5,850</b> |

Nordic Aqua Group has not capitalised any R&D expenditures during 2024 or 2023.



NOTE 3 STAFF COST

Staff costs include employees’ salaries and bonuses, social security costs and other staff costs for salaried employees.

| (figures in EUR 1000)                          | 2024  | 2023  |
|--|-------|-------|
| Salary   | 5,542 | 3,454 |
| Other employee benefits                        | 543   | 349   |
| Social security costs                          | 527   | 223   |
| Share based payments (Note 4)                  | 241   | 160   |
| Total  | 6,854 | 4,187 |
| Weighted average number of full-time employees | 124   | 55    |

2024

| (figures in EUR 1000)  | Salary | Pension | Share based payment | Other | Total |
|--|--------|---------|---------------------|-------|-------|
| Executive remuneration:  |        |         |                     |       |       |
| Board of Directors   | 158    | 0       | 41                  | 291   | 490   |
| Other key management personel                                  |        |         |                     |       |       |
| Ragnar Joensen, CEO*   | 319    | 35      | 53                  | 0     | 407   |
| Ole Juul Jørgensen, CEO**                                      | 0      | 0       | 0                   | 0     | 0     |
| Tom Johan Austrheim, CFO***                                    | 188    | 10      | 34                  | 0     | 232   |
| Hjalti Hvitklett, CFO****                                      | 168    | 19      | 28                  | 0     | 215   |
| Andreas Thorud, Managing Director (MD) Nordic Aqua Ningbo***** | 203    | 7       | 27                  | 124   | 360   |
| Ove Nodland, Managing Director (MD) Nordic Aqua Ningbo*****    | 118    | 0       | 10                  | 24    | 152   |
| Other key management personel total                            | 996    | 70      | 152                 | 147   | 1,366 |

\* Entered the role as CEO on 8<sup>th</sup> of March 2023  
\*\* Exited the role as CEO on 8<sup>th</sup> of March 2023  
\*\*\* Entered the role as CFO on 1<sup>st</sup> of May 2024  
\*\*\*\* Exited the role as CFO on 1<sup>st</sup> of May 2024. Continued in a role as Financial Director  
\*\*\*\*\* Entered the role as MD on 1<sup>st</sup> of April 2024  
\*\*\*\*\* Exited the role as MD on 1<sup>st</sup> of April 2024. Continued in a role as a consultant

2023

| (figures in EUR 1000)                                  | Salary | Pension | Share based payment | Other | Total |
|--|--------|---------|---------------------|-------|-------|
| Executive remuneration:                                |        |         |                     |       |       |
| Board of Directors                                     | 142    | 0       | 7                   | 201   | 350   |
| Other key management personel                          |        |         |                     |       |       |
| Ragnar Joensen, CEO*                                   | 270    | 30      | 35                  | 0     | 335   |
| Ole Juul Jørgensen, CEO**                              | 12     | 0       | 0                   | 0     | 12    |
| Hjalti Hvitklett, CFO                                  | 160    | 18      | 34                  | 0     | 212   |
| Ove Nodland, Managing Director (MD) Nordic Aqua Ningbo | 118    | 0       | 25                  | 24    | 166   |
| Other key management personel Total                    | 561    | 47      | 94                  | 24    | 725   |

\* Entered the role as CEO on 8<sup>th</sup> of March 2023  
\*\* Exited the role as CEO on 8<sup>th</sup> of March 2023

2024

| (figures in EUR 1000)         | Salary | Pension | Share based payment | Other | Total |
|-------------------------------|--------|---------|---------------------|-------|-------|
| Aino Olaisen*                 | 21     | 0       | 0                   | 0     | 21    |
| Therese Log Bergjord*         | 21     | 0       | 0                   | 0     | 21    |
| Atle Eide, Chairman**         | 42     | 0       | 31                  | 291   | 364   |
| Vegard Gjerde                 | 21     | 0       | 0                   | 0     | 21    |
| Tore Hopen***                 | 0      | 0       | 0                   | 0     | 0     |
| Knut Nesse                    | 21     | 0       | 0                   | 0     | 21    |
| Marit Solberg****             | 16     | 0       | 0                   | 0     | 16    |
| Ove Nodland****               | 16     | 0       | 10                  | 0     | 26    |
| Knut Langeteig                | 0      | 0       | 0                   | 0     | 0     |
| Jan Petersen                  | 0      | 0       | 0                   | 0     | 0     |
| Ragnar Joensen, Chairman***** | 0      | 0       | 0                   | 0     | 0     |
| Board of Directors total      | 158    | 0       | 41                  | 291   | 490   |

\* Entered the role as Board member on 8<sup>th</sup> of March 2023  
\*\* Entered the role as Chairman of the Board on 8<sup>th</sup> of March 2023. Atle Eide is also assisting the management on matters related to strategy, market, sales, financing and organisational development, for this, he received EUR 291 thousand in 2024 (2023: EUR 201 thousand).  
\*\*\* Exited the role as Board member on 8<sup>th</sup> of March 2023  
\*\*\*\* Entered the role as Board member on 14<sup>th</sup> of May 2024  
\*\*\*\*\* Exited the role as Chairman of the Board on 8<sup>th</sup> of March 2023

2023

| (figures in EUR 1000)         | Salary | Pension | Share based payment | Other | Total |
|-------------------------------|--------|---------|---------------------|-------|-------|
| Aino Olaisen*                 | 16     | 0       | 0                   | 0     | 16    |
| Therese Log Bergjord*         | 16     | 0       | 0                   | 0     | 16    |
| Atle Eide, Chairman**         | 32     | 0       | 0                   | 201   | 233   |
| Vegard Gjerde***              | 29     | 0       | 0                   | 0     | 29    |
| Tore Hopen****/*****          | 13     | 0       | 0                   | 0     | 13    |
| Knut Nesse                    | 16     | 0       | 0                   | 0     | 16    |
| Knut Langeteig*****           | 0      | 0       | 0                   | 0     | 0     |
| Jan Petersen*****             | 0      | 0       | 0                   | 0     | 0     |
| Ragnar Joensen, Chairman***** | 20     | 0       | 7                   | 0     | 27    |
| Board of Directors total      | 142    | 0       | 7                   | 201   | 350   |

\* Entered the role as Board member on 8<sup>th</sup> of March 2023  
\*\* Entered the role as Chairman of the Board on 8<sup>th</sup> of March 2023  
\*\*\* Entered the role as Board member on 1<sup>st</sup> of June 2022  
\*\*\*\* Exited the role as Board member on 8<sup>th</sup> of March 2023  
\*\*\*\*\* Exited the role as Board member on 1<sup>st</sup> of June 2022  
\*\*\*\*\* Exited the role as Chairman of the Board on 8<sup>th</sup> of March 2023

In the consolidated companies, the remuneration of the Board of Directors is a fixed annual salary and warrants.



**NOTE 4 SHARE BASED PAYMENTS AND WARRANTS**

Nordic Aqua Partners AS operates with equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (warrants) of the group. The fair value of the employee services received in exchange for the grant of the warrants is recognised as a compensation expense and allocated over the vesting period. The total amount to be expensed is determined by reference to the grant date fair value of the warrants granted including any market performance conditions, excluding the impact of any service and non-market performance vesting conditions and including the impact of any non-vesting conditions.

At the end of each reporting period, the group revises its estimates of the number of warrants that are expected to vest based on the service and non-market vesting conditions. The impact of the revision to original estimates, if any, is recognised in the income statement, with a corresponding adjustment to equity.

When the warrants are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

**Employee warrant program**

Nordic Aqua Partners AS has established incentive plans based on warrant programs for Executive Management and certain key employees. The purpose of these programs is to ensure common goals for management, employees and shareholders. Allocation of programs is set by the Board of Directors. The warrant programs comprises a total of 898,490 warrants at 31 December 2024 (2023: 603,490 warrants). Each warrant gives the holder right to buy one ordinary share of nominally 1 NOK in Nordic Aqua Partners AS. The outstanding

warrants amount to 4.2% of the share capital if they are all exercised. The number of warrants granted is determined annually by the Board of Directors in accordance with the Company’s articles of association.

In 2024 the recognised expense related to share-based payments amount to EUR 241 thousand (2023: EUR 160 thousand).

For the warrants granted in 2024 a share market price of EUR 6.47 has been used. The fair value of warrants granted in 2024 is EUR 2.18. The value was calculated using the Black-Scholes option valuation model. The vesting period for the warrants granted in 2024 is 3 years and Warrants granted may be exercised in whole or in part during a 6 months’ period beginning 30 months after the grant of the relevant Warrants to a Warrant Holder (the “Exercise Period”), however no later than 1 November 2027. Warrants that are not exercised before the end of the Exercise Period in accordance with clause 3.2 shall lapse automatically without any compensation being payable at the end of the Exercise Period.

For the warrants granted in 2023 a share market price of EUR 5.83 has been used. The fair value of warrants granted in 2023 is EUR 0.80. The value was calculated using the Black-Scholes option valuation model. The vesting period for the warrants granted in 2023 is 2 years and Warrants granted may be exercised in whole or in part during a 3 months’ period beginning 24 months after the grant of the relevant Warrants to a Warrant Holder (the “Exercise Period”), however no later than 7 November 2025. Warrants that are not exercised before the end of the Exercise Period in accordance with clause 3.2 shall lapse automatically without any compensation being payable at the end of the Exercise Period.



Key information

| Year of Grant | Original grant Number | Outstanding Number | Exercise price, NOK | Expected volatility | Riskfree interest rate | Expected dividend | Fair value per warrant | Vesting period | Expiring date |
|---------------|-----------------------|--------------------|---------------------|---------------------|------------------------|-------------------|------------------------|----------------|---------------|
| 2024          | 295,000               | 295,000            | 75                  | 47%                 | 2.02%                  | 0                 | 2.18 EUR               | 3 years        | Q4 2027       |
| 2023          | 115,000               | 115,000            | 81                  | 29%                 | 2.52%                  | 0                 | 0.80 EUR               | 2 years        | Q1 2026       |
| 2022          | 488,490               | 488,490            | 81                  | 39%                 | 0.72%                  | 0                 | 1.05 EUR               | 3 years        | Q2 2025       |

The warrants are classified as an equity instrument.

Number of Warrants

|  | Board of Directors & Executive Management Number | Other employees Number | Shareholders Number | Resigned board members and employees Number | Total Number | Average exercise price, NOK |
|--|--|------------------------|---------------------|---|--------------|-----------------------------|
| 2024                                     |  |                        |                     |   |              |                             |
| Outstanding at January 1 <sup>st</sup>   | 423,520  | 179,970                | 0                   | 0   | 603,490      | 81                          |
| Granted during the year                  | 295,000  | 0                      | 0                   | 0   | 295,000      | 75                          |
| Exercised during the year                | 0  | 0                      | 0                   | 0   | 0            | 0                           |
| Fortfeited during the year               | 0  | 0                      | 0                   | 0   | 0            | 0                           |
| Outstanding at December 31 <sup>st</sup> | 718,520  | 179,970                | 0                   | 0   | 898,490      | 79                          |

|  | Board of Directors & Executive Management Number | Other employees Number | Shareholders Number | Resigned board members and employees Number | Total Number | Average exercise price, NOK |
|--|--|------------------------|---------------------|---|--------------|-----------------------------|
| 2023                                     |  |                        |                     |   |              |                             |
| Outstanding at January 1 <sup>st</sup>   | 308,520  | 179,970                | 0                   | 0   | 488,490      | 81                          |
| Granted during the year                  | 115,000  | 0                      | 0                   | 0   | 115,000      | 81                          |
| Exercised during the year                | 0  | 0                      | 0                   | 0   | 0            | 0                           |
| Fortfeited during the year               | 0  | 0                      | 0                   | 0   | 0            | 0                           |
| Outstanding at December 31 <sup>st</sup> | 423,520  | 179,970                | 0                   | 0   | 603,490      | 81                          |

| Number of warrants  | 2024      |                        |             | 2023      |                        |             |
|---------------------|-----------|------------------------|-------------|-----------|------------------------|-------------|
|                     | 1 January | Change during the year | 31 December | 1 January | Change during the year | 31 December |
| Warrants            |           |                        |             |           |                        |             |
| Atle Eide           | 115,000   | 0                      | 115,000     | 0         | 115,000                | 115,000     |
| Ragnar Joensen      | 128,550   | 70,000                 | 198,550     | 128,550   | 0                      | 128,550     |
| Tom Johan Austrheim | 0         | 125,000                | 125,000     | 0         | 0                      | 0           |
| Hjalti Hvítklett    | 102,840   | 0                      | 102,840     | 102,840   | 0                      | 102,840     |
| Andreas Thorud      | 0         | 100,000                | 100,000     | 0         | 0                      | 0           |
| Ove Nodland         | 77,130    | 0                      | 77,130      | 77,130    | 0                      | 77,130      |

Warrants held by members of the Board of Directors and Executive Management.



NOTE 5 FINANCIAL INCOME, EXCHANGE RATE DEVIATIONS AND FINANCIAL EXPENSES

Accounting policies

Financial income and expenses include interest income and expenses and exchanges gains and losses on transactions in foreign currencies.

Commitment fees and loan cost from obtaining bank loan facility are included in financial expenses.

Financial expenses

| (figures in EUR 1000) | 2024 | 2023 |
|-----------------------|------|------|
| Interest income       | 108  | 334  |
| Total                 | 108  | 334  |

Exchange rate deviations

| (figures in EUR 1000)          | 2024  | 2023   |
|--------------------------------|-------|--------|
| Other exchange rate deviations | 2,359 | -2,401 |
| Total                          | 2,359 | -2,401 |

Financial expenses

| (figures in EUR 1000)                 | 2024   | 2023   |
|---------------------------------------|--------|--------|
| Bank charges                          | -103   | -10    |
| Costs for loan facility               | -1,213 | -1,214 |
| Interest expenses on IFRS 16 (leases) | -1,130 | -258   |
| Total                                 | -2,445 | -1,483 |

NOTE 6 TAXES

The Group has in 2024 recognised deferred tax assets of EUR 3.1 million from losses carried forward from the Chinese subsidiary, since the Group now is in operation and the uncertainty is low, related to the possibility that if there would be taxable profits available against the deductible temporary difference.

Accounting policies

The accounting policies of deferred taxes reflects tax rates and tax laws that have been enacted or substantively enacted by the date of the statement of financial position. The recognition of a deferred tax asset is based on expectations of profitability in the future. Deferred taxes will be calculated using the nominal tax rate according to IAS 12. Deferred tax assets, including tax loss carry forwards, are assessed once a year. Losses are recognised if it is likely that they will be utilised in the foreseeable future and can be measured reliable. Losses carried forward from the Chinese subsidiary have to be utilised inside a five-year period after the loss occurred. The loss carried forward from the Chinese subsidiary from 2020 that must be utilised in 2025 amounts to EUR 0.5 million.

| (figures in EUR 1000)          | 2024   | 2023 |
|--------------------------------|--------|------|
| Tax payable                    | 0      | 0    |
| Change in deferred tax         | -2,485 | 0    |
| Tax expense in ordinary profit | -2,485 | 0    |

Specifications of temporary differences and deferred tax

| (figures in EUR 1000)                  | 2024                  |              | 2023                  |              |
|--|-----------------------|--------------|-----------------------|--------------|
|  | Temporary Differences | Deferred tax | Temporary Differences | Deferred tax |
| Deferred tax assets                    |                       |              |                       |              |
| Losses carried forward, recognised     | 24.680                | 3.085        | 0                     | 0            |
| Losses carried forward, not recognised | 6.969                 | 0            | 11.019                | 0            |
| Total                                  |                       | 3.085        |                       | 0            |

| (figures in EUR 1000)                     | 2024                  |              | 2023                  |              |
|---|-----------------------|--------------|-----------------------|--------------|
|   | Temporary Differences | Deferred tax | Temporary Differences | Deferred tax |
| Deferred tax liabilities                  |                       |              |                       |              |
| Biomass                                   | 2,727                 | 600          | 1,895                 | 0            |
| Total                                     |                       | 600          |                       | 0            |
|   |                       |              |                       |              |
| Deferred tax assets                       |                       | -3,085       |                       | 0            |
| Deferred tax liabilities                  |                       | 600          |                       | 0            |
| Deferred tax liabilities (+) / assets (-) |                       | -2,485       |                       | 0            |

Reconciliation from nominal to actual tax rate

| (figures in EUR 1000)            | 2024    | 2023   |
|----------------------------------|---------|--------|
| Profit before tax                | -19,907 | -8,229 |
| Expected tax at nominal tax rate | 0       | 0      |
| Changes in deferred tax          | -2,485  | 0      |
| Calculated tax expenses          | -2,485  | 0      |
| Effective tax rate               | 12.5%   | 0.0%   |

Nominal tax rate for countries in the Group

|   |       |       |
|---|-------|-------|
| Norway  | 22.0% | 22.0% |
| China   | 25.0% | 25.0% |
| -Aquaculture  | 12.5% | 12.5% |
| -Primary processing                                 | 0.0%  | 0.0%  |
| Withholding taxes on dividends from China to Norway | 10.0% | 10.0% |



NOTE 7 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

|   |            |            |
|---|------------|------------|
| (figures in EUR 1000)                                 | 2024       | 2023       |
| Profit for the year to the shareholders               | -17,422    | -8,229     |
| Ordinary shares as at 01.01.                          | 16,334,089 | 10,283,984 |
| Emission – increase of share capital                  | 4,879,478  | 6,050,105  |
| Ordinary shares as at 31.12.                          | 21,213,567 | 16,334,089 |
| Weighted average number of common shares              | 17,237,710 | 14,224,073 |
| Number of additional shares that could be repurchased | 650,654    | 617,536    |
| Adjusted weighted average number of common shares     | 17,888,364 | 14,841,609 |
|   | 2024       | 2023       |
| Earnings per share                                    |            |            |
| Basic (EUR)   | -1.01      | -0.58      |
| Diluted (EUR)   | -0.97      | -0.55      |



NOTE 8 PROPERTY, PLANT AND EQUIPMENT  
AND ASSETS UNDER CONSTRUCTION

Accounting policies

Property, plant and equipment are measured at cost less accumulated depreciation and impairment. Cost comprises the acquisition price and other directly attributable costs until the date on which the asset is available for use.

Depreciation is recognised on a straight-line basis from the time of acquisition, or when the asset is available for use, over the expected useful life. The expected useful lives are assessed individually for every class of assets. A reassessment is made once a year to ascertain that the depreciation basis reflects the expected useful lives and future residual values of the assets.

The expected useful lives are as follows:

Other plant, fixtures and operating equipment 3-15 years.

The Group is good at assessing the factors that affect the Property, plant and equipment, but they are still uncertain. The key estimates are: potential impairment, when to transfer from CIP to PPE, years of expected useful live and scrape value. The key judgement is whether the cost relates to an acquisition or maintenance.

Impairment testing

The carrying amount of property, plant and equipment is reviewed to determine whether there is any indication of impairment loss. If the recoverable amount of an asset is estimated to be less than the carrying amount, an impairment loss is recognised. There are no issues, that indicate the need of impairment.

| (figures in EUR 1000)                           | Other plant, fixtures and<br>operating equipment | Construction in<br>progress | Total  |
|---|--|-----------------------------|--------|
| Cost at 1 January 2024                          | 22,511   | 31,161                      | 53,672 |
| Exchange rate adjustments                       | 794  | 1,100                       | 1,894  |
| Reclassification                                | 39,433   | -39,433                     | 0      |
| Additions                                       | 1,020  | 20,682                      | 21,702 |
| Cost at 31 December 2024                        | 63,757   | 13,510                      | 77,267 |
| Depreciation and impairment at 1 January 2024   | -604   | 0                           | -604   |
| Exchange rate adjustments                       | -21  | 0                           | -21    |
| Depreciation for the year                       | -3,060   | 0                           | -3,060 |
| Depreciation and impairment at 31 December 2024 | -3,685   | 0                           | -3,685 |
| Carrying amount 31 December 2024                | 60,072   | 13,510                      | 73,582 |
| Cost at 1 January 2023                          | 802  | 35,907                      | 36,709 |
| Exchange rate adjustments                       | -204   | -2,253                      | -2,457 |
| Reclassification                                | 21,815   | -21,815                     | 0      |
| Additions                                       | 98   | 19,322                      | 19,420 |
| Cost at 31 December 2023                        | 22,511   | 31,161                      | 53,672 |
| Depreciation and impairment at 1 January 2023   | -94  | 0                           | -94    |
| Exchange rate adjustments                       | 32   | 0                           | 32     |
| Depreciation for the year                       | -542   | 0                           | -542   |
| Depreciation and impairment at 31 December 2023 | -604   | 0                           | -604   |
| Carrying amount 31 December 2023                | 21,906   | 31,161                      | 53,067 |



NOTE 9 LEASING

Accounting policies

The determination of whether a contract is, or contains, a lease is assessed at the inception of the lease and is based on whether the contract conveys a right to control the use of an identified asset or assets for a period of time in exchange for consideration. For contracts where the Group is the lessee, rightof-use assets and lease liabilities are recognised at the commencement of the lease. Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the useful life of the asset. When a purchase option has been included in the cost at recognition, the right-of-use asset is depreciated over the estimated useful life of the asset. The lease liabilities at commencement date are measured at the present value of the lease payments. The lease payments are discounted using the Group’s incremental borrowing rate as the interest rate implicit in the lease is not readily determinable.

For leasing contracts with optional renewal period, and where we are reasonably certain to exercise this option, the renewal periods are included in the calculation of the lease liability and asset. The Group has lease contracts for land and buildings for Stage 1 and Stage 2.

Nordic Aqua (Ningbo) Co., Ltd. has entered into an agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, in which they will provide land, infrastructure, utilities and all facilities on a lease until 2056, with a contracted option for the Group to purchase land, infrastructure, utilities and all facilities during the lease term. The annual lease amounts to EUR 1.9 million for Stage 1.

The executed Rental Agreement has a term of 33 years. The annual lease amount will increase with 5% after 10 years and then increase 5% every fifth year.

For Stage 2, Nordic Aqua (Ningbo) Co., Ltd. has also entered into an agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, in which they will provide land, infrastructure, utilities and all facilities on a lease until 2056, with a contracted option for the Group to purchase land, infrastructure, utilities and all facilities during the lease term. The annual lease depends on the final investment capex.

The executed Rental Agreement has a term until 2056. The annual lease amount will increase with 5% every fifth year.

The Group is good at assessing the factors that affect the Right of use Assets and Lease liability, but they are still uncertain.

Right-of-use assets

| (figures in EUR 1000)            | Land and buildings | Total  |
|----------------------------------|--------------------|--------|
| As at 1 January 2024             | 9,443              | 9,443  |
| Additions                        | 27,683             | 27,683 |
| As at 31 December 2024           | 37,125             | 37,125 |
|                                  |                    |        |
| Depreciation at 1 January 2024   | -155               | -155   |
| Depreciation for the year        | -1,120             | -1,120 |
| Depreciation at 31 December 2024 | -1,276             | -1,276 |
|                                  |                    |        |
| Carrying amount 31 December 2024 | 35,850             | 35,850 |
|                                  |                    |        |
| As at 1 January 2023             | 0                  | 0      |
| Additions                        | 9,443              | 9,443  |
| As at 31 December 2023           | 9,443              | 9,443  |
|                                  |                    |        |
| Depreciation at 1 January 2023   | 0                  | 0      |
| Depreciation for the year        | -155               | -155   |
| Depreciation at 31 December 2023 | -155               | -155   |
|                                  |                    |        |
| Carrying amount 31 December 2023 | 9,287              | 9,287  |



Lease liabilites

| (figures in EUR 1000)         | 2024   | 2023  |
|-------------------------------|--------|-------|
| As at 1 January               | 9,701  | 0     |
| Additions                     | 27,683 | 9,443 |
| Accretion of interest         | 1,130  | 258   |
| Payments                      | -2,315 | 0     |
| As at 31 December             | 36,198 | 9,701 |
| Current lease liabilities     | 412    | 206   |
| Non-current lease liabilities | 35,786 | 9,495 |

| (figures in EUR 1000)         | Interest rate, % | Maturity  | 2024   | 2023  |
|-------------------------------|------------------|-----------|--------|-------|
| Current lease liabilities     | 4.2              | 2025      | 412    | 206   |
| Non-current lease liabilities | 4.2              | 2026-2056 | 35,786 | 9,495 |
| Total lease liabilities       |                  |           | 36,198 | 9,701 |

The table below summarises the maturity profile of the Group’s lease liabilities based on contractual undiscounted payments:

| (figures in EUR 1000) | 2024   | 2023  |
|-----------------------|--------|-------|
| On demand             | 0      | 0     |
| Less than 3 months    | 98     | 50    |
| 3 to 12 months        | 314    | 156   |
| 1 to 5 years          | 1,823  | 1,015 |
| > 5 years             | 33,963 | 8,480 |
| Total                 | 36,198 | 9,701 |

NOTE 10 BIOLOGICAL ASSETS (BIOMASS)

Biological assets are, in accordance with IAS 41, measured at fair value less cost to sell. The calculation of the estimated fair value is based on market prices for harvested fish. In the accounts, the change in estimated fair value is entered to the Income Statement on a continuous basis.

The Group’s biological assets are salmon at all stages of the life cycle. The fish is divided into two main groups, depending on the stage of the life cycle. The first group is eggs to post smolt, below 1 kg. The second is post smolt to market size, above 1 kg. For practical reasons, cash flows and estimates are carried out per RAS unit.

For the first group, historical industry cost is deemed a reasonable approach to fair value, as there is little biological transformation.

For the second group, the fair value is calculated by applying a present value in the fair value hierarchy in IFRS 13. In accordance with the principle in IFRS 13 for highest and best use. No optimal harvest weight is set, but rather an estimated growth rate from 31 December 2024 to harvest according to the optimal harvest plan. The estimated harvest weight is 7.0 kg LW (2023: 5.3 kg LW).

The valuations are based on an income approach and calculates the net present value of expected cash flow from biological assets based on price, volume, cost to completion at batch level and a discount rate. For practical reasons, cash flows and estimates are carried out per RAS unit.

The estimated market prices are the prices we anticipate receiving at the different future dates that the live fish is harvested. Because we have no previous prices from our own sales and have no contracts in place, we use Fish Pool for the forward price, which we consider an objective price. The use of external



forward prices is considered to enhance the credibility and comparability of the price estimation. Expected margin on external forward price is derived from rolling 12 months internal data. The margin on external price was positive on 6% (2023: N/A) for the last 12 months. The estimated price takes into account an expected quality grading and is lowered for harvesting costs and local transport to market. Expected quality grading is derived from rolling 12 months internal data. The quality grading was 99% superior for the last 12 months. The estimated price for quality lower than superior is expected to be half of estimated price for superior quality.

The estimated volume for harvest is based on the actual number of fish in the facility on the balance sheet date, minus estimated future mortality from balance sheet date and multiplied by the estimated harvest weight per fish given an estimated growth rate. Future mortality is estimated to be 0.25% (2023: 0.25%) of the number of incoming fish per month. In the possible event of a higher-than-normal mortality, the Company will carry out a detailed assessment of the event. If the mortality is considered abnormal (outbreak of disease, power cut, lack of oxygen, etc.) and higher-than-normal, then costs related to the volume will be recognised to the Income Statement.

Estimated future costs primarily consists of feed, power, salaries and depreciations.

The discount rate reflects the cost of capital, a synthetic license rent and a risk adjustment for the volatility in price, volume and cost. On December 31 December 2024 the monthly discount rate is 3.8% (2023: 4.1%).

The Group regularly assess the factors that affect the fair value of biomass, but they are still uncertain. The key estimates for valuation are: average price, monthly discount rate and estimated biomass volume. The table below shows how the fair value of the biological assets would change if these estimates change.

| (figures in EUR 1000)  | 2024   | 2023  |
|--|--------|-------|
| Biological assets carrying amount 1 January                    | 9,178  | 726   |
| Increase due to production or purchase                         | 22,823 | 6,426 |
| Reduction due to harvesting or sales (cost of goods sold)      | -5,120 | 0     |
| Reduction due to obsolete goods taken out                      | -8,877 | 0     |
| Reduction due to unutilised production capacity                | -2,328 | 0     |
| Fair value adjustments at the beginning of the period reversed | -1,895 | 0     |
| Fair value adjustments at the end of the period                | 2,727  | 1,895 |
| Currency translation differences                               | 153    | 131   |
| Biological assets carrying amount at the end of the period     | 16,661 | 9,178 |
|  |        |       |
| Number of fish (thousand)                                      | 2024   | 2023  |
| Fish measured at cost  | 1,934  | 1,222 |
| Fish measured at fair value                                    | 794    | 480   |
| Total number of fish (thousand)                                | 2,728  | 1,702 |
|  |        |       |
| Volume of biomass (tonnes)                                     | 2024   | 2023  |
| Fish measured at cost  | 189    | 188   |
| Fish measured at fair value                                    | 2,043  | 891   |
| Total volume of biomass (tonnes)                               | 2,232  | 1,079 |
|  |        |       |
| Sensitivity effect on fair value (EUR 1000)                    | 2024   | 2023  |
| Price increase of EUR 0.5                                      | 1,419  | 745   |
| Volume of biomass increase of 1%                               | 231    | 128   |
| Discount rate increase of 1%                                   | -1,024 | -754  |
| Discount rate decrease of 1%                                   | 1,123  | 831   |



NOTE 11 FINANCIAL ASSETS, RECEIVABLES AND OTHER CURRENT RECEIVABLES

Accounting policies

Receivables and other receivables are measured on initial recognition at fair value and subsequently at amortised cost less impairments, if any. Prepaid expenses comprise amounts paid in respect of goods or services to be received in subsequent financial periods. Deposits comprise a payment to Xiangshan Strait Economic & Technological Cooperation Co., Ltd. for customised plant construction and amounts to CNY 10 million. The deposit will be returned to Nordic Aqua (Ningbo) Co., Ltd. step by step when it starts to pay corporate income taxes in accordance with agreement.

Financial assets

| (figures in EUR 1000)         | Deposits     |
|-------------------------------|--------------|
| Cost at 1 January 2024        | 2,092        |
| Exchange rate adjustments     | -45          |
| Additions                     | 3,861        |
| <b>Total 31 December 2024</b> | <b>5,908</b> |

| (figures in EUR 1000)         | Deposits     |
|-------------------------------|--------------|
| Cost at 1 January 2023        | 1,359        |
| Exchange rate adjustments     | -85          |
| Additions                     | 818          |
| <b>Total 31 December 2023</b> | <b>2,092</b> |

| (figures in EUR 1000)    | 2024       | 2023     |
|--------------------------|------------|----------|
| Receivables              | 170        | 0        |
| <b>Total Receivables</b> | <b>170</b> | <b>0</b> |

| (figures in EUR 1000)                  | 2024         | 2023         |
|--|--------------|--------------|
| VAT                                    | 2,912        | 1,334        |
| Other                                  | 1,832        | 3,748        |
| <b>Total Other current receivables</b> | <b>4,744</b> | <b>5,082</b> |

Accounts receivable and other receivables are presented at face value less provisions for bad debts. Provisions for bad debts are made based on an individual assessment of the receivables concerned. Due to insignificant cost and the short credit period, amortised cost is equivalent to face value less foreseeable losses.

Customers with more than 10% of annual revenue.

| Percent of total revenue | 2024 | 2023 |
|--------------------------|------|------|
| Customer 1               | 35%  | N/A  |
| Customer 2               | 22%  | N/A  |
| Customer 3               | 11%  | N/A  |

NOTE 12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are primarily held with financial institutions through which the Group conducts its day-to-day banking transactions. Cash and cash equivalents only consist of short-term bank deposits of EUR 18.0 million at year-end 2024, compared to EUR 22.4 million at year-end 2023.

EUR 4.6 million at year-end 2024 (EUR 0.8 million at year-end 2023) were not available and reclassified to Financial assets. The amount is placed on a debt retention account according to the loan agreement with Eksfin – Export Finance Norway, and Coöperative Rabobank U.A. (“Rabobank”).

NOTE 13 SHARE CAPITAL AND MAJOR SHARHOLDERS

The share capital comprises 21,213,567 shares of NOK 1 each (2023: 16,334,089 shares of NOK 1 each). The shares are all authorised, issued and fully paid. No shares carry any additional special rights. The Group continuously assesses the need for adjustment of the capital structure.

The shares are listed on Euronext Growth in Oslo (Merkur Market) with ticker “NOAP”.

| (figures in EUR 1000)               | 2024         | 2023         |
|-------------------------------------|--------------|--------------|
| Share capital at 1 January          | 1,425        | 1,381        |
| Capital increase                    | 413          | 745          |
| Effect from merger/capital decrease | 0            | -700         |
| <b>Share capital at 31 December</b> | <b>1,838</b> | <b>1,425</b> |

There is no dividend proposed for 2024 (2023: Nil).



SHAREHOLDERS

These shareholders held directly more than 5% of the shares in the Company as at 31 December 2024: Kontrari AS, Nordic Aqua Partners Holding ApS and Israel Corporation Ltd. These shareholders through Nordic Aqua Partners Holding ApS held indirectly more than 5% of the shares in the Company as at 31 December 2024: Nutreco International B.V.

NOTE 14 TRADE PAYABLES AND OTHER PAYABLES

Accounting policies

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. These are classified as current liabilities if payment is due in one year or less. If payment is due at a later date, they are presented as non-current liabilities.

| (figures in EUR 1000)                          | 2024         | 2023         |
|--|--------------|--------------|
| Trade payables                                 | 3,204        | 1,013        |
| Provision                                      | 3,874        | 1,381        |
| Interest payable                               | 0            | 645          |
| Other payables                                 | 954          | 479          |
| <b>Total Trade payables and other payables</b> | <b>8,032</b> | <b>3,518</b> |

NOTE 15 INTEREST-BEARING DEBT

Accounting policies

Bank loans are initially recognised at fair value net of transaction expenses and subsequently measured at amortised cost using the effective interest method.

The Group has entered into a loan agreement with Eksfin – Export Finance Norway, and Coöperative Rabobank U.A. (“Rabobank”) for a senior secured export credit term loan and guarantee facility agreement, amounting to EUR 25 million. Loan amount was split in 2 drawings. The Facility shall be repaid in equal, consecutive quarterly instalments starting one year after finishing date of the Project, 31 March 2024, and the facility matures 10 years after the first drawdown date. The first drawdown of EUR 15 million took place in April 2023 and the second drawdown of EUR 10 million took place in May 2024. The loan facility is based on a fixed interest rate. There are two Financial Covenants: 1) Debt Service Cover Ratio shall from and including the financial quarter ending on 30 September 2025 and thereafter be greater than 1.2x and 2) Leverage Ratio shall from end of the third quarter 2025 be lower than 2.0x, and from end of the third quarter 2026 and thereafter lower than 1.

The Group has been granted waiver of covenants per 31 December 2024, 31 March 2025 and 30 June 2025.

The Group does not expect to be in breach of the covenants per 30 September and 31 December 2025. The Group further expects to refinance the loan agreement with Eksfin prior to 30 September 2025, hence the Group does not expect the current covenants to be applicable per 30 September 2025. The Group signed a Strategic cooperation agreement with Bank of China in Q4 2024, therefore the likelihood of not refinancing prior to 30 September 2025 is expected to be low. The financing from Bank of China is subject to credit

approval and this is expected to happen after the bank sees continues weeks of commercial sales.

Nordic Aqua has an agreement with Bank of Ningbo, Xiangshan Branch, to provide a conditional working capital facility of RMB 35 million (EUR 4.5 million).

Cash and loan facility is primarily held in EUR to match the coming Capex-payments.

| (figures in EUR 1000)              | 2024          | 2023          |
|------------------------------------|---------------|---------------|
| Credit facility                    | 26,636        | 29,458        |
| Undrawn credit facility            | 0             | -14,442       |
| <b>Total financial liabilities</b> | <b>26,636</b> | <b>15,016</b> |
| Included in the balance sheet:     |               |               |
| Non-current liabilities            | 21,780        | 15,016        |
| Current liabilities                | 4,856         | 0             |
| <b>Total bank loans</b>            | <b>26,636</b> | <b>15,016</b> |



NOTE 16 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

Capital management

The Group’s Management assesses whether the Group’s capital structure is in line with the interests of the Group and its shareholders. The overall objective is to ensure a capital structure that supports long-term profitable growth.

On 31 December 2024, the Group has a net interest-bearing debt of EUR 8.6 million (2023: EUR 0.0 million). Included in the interest-bearing debt is a loan agreement with Eksfin – Export Finance Norway, and Coöperative Rabobank U.A. (“Rabobank”) for a senior secured export credit term loan and guarantee facility agreement, amounting to EUR 25 million according to Note 15. Following the private placement in September 2024, the financial position of the Group is considered sufficient for the business plan for the coming year.

Liquidity risk

The purpose of the Group’s cash management policy is to maintain adequate cash resources to meet financial liabilities. The Group’s cash resources consist of cash and cash equivalents, and undrawn credit facilities. The Group continuously monitors the cash flows to manage the liquidity risk. The Group has cash of EUR 18.0 million (EUR 22.4 million). A Debt Service Retention Account of EUR 4.6 million (EUR 0.8 million) is reclassified out of cash to financial assets, leaving liquidity available at EUR 18.0 million (EUR 22.4 million) as of 31 December 2024. Financial assets consist of EUR 1.3 million in deposits regarding the lease agreement and EUR 4.6 million is a Debt Retention Account regarding the loan from Eksfin – Export Finance Norway and Coöperative Rabobank U.A.

On 6 November 2024, Nordic Aqua (Ningbo) Co., Ltd. signed a Strategic Cooperation Agreement with Bank of China. The agreement is to refinance current financing of Stage 1 and for the long-term financing of the development and construction of Nordic Aqua’s facility at Gaotang towards an annual harvesting capacity of 20,000 tonnes. Financing is subject to credit approval. Funding is required during Q2 2025 in order to maintain construction plan for Stage 2.

The following table reflects all contractually fixed pay-offs for settlement, repayments and interests resulting from recognised financial liabilities.

Maturity of the Group’s financial liabilities:

| (figures in EUR 1000)            | Less than<br>1 year | Between<br>1-5 years | More<br>than 5<br>years | Total  |
|----------------------------------|---------------------|----------------------|-------------------------|--------|
| 31 December 2024                 |                     |                      |                         |        |
| Long-term interest-bearing debt  | 0                   | 11,676               | 10,104                  | 21,780 |
| Long-term leasing debt           | 0                   | 1,823                | 33,963                  | 35,786 |
| Short-term interest-bearing debt | 4,856               | 0                    | 0                       | 4,856  |
| Short-term leasing debt          | 412                 | 0                    | 0                       | 412    |
| Trade Payables                   | 7,078               | 0                    | 0                       | 7,078  |
| Other Payables                   | 954                 | 0                    | 0                       | 954    |
| Total                            | 13,300              | 13,499               | 44,067                  | 70,866 |

| (figures in EUR 1000)           | Less than<br>1 year | Between<br>1-5 years | More<br>than 5<br>years | Total  |
|---------------------------------|---------------------|----------------------|-------------------------|--------|
| 31 December 2023                |                     |                      |                         |        |
| Long-term interest-bearing debt | 0                   | 6,487                | 8,529                   | 15,016 |
| Long-term leasing debt          | 0                   | 1,015                | 8,480                   | 9,495  |
| Short-term leasing debt         | 206                 | 0                    | 0                       | 206    |
| Trade Payables                  | 2,394               | 0                    | 0                       | 2,394  |
| Other Payables                  | 1,124               | 0                    | 0                       | 1,124  |
| Total                           | 3,724               | 7,502                | 17,009                  | 28,235 |

Foreign exchange risk

The Group is only insignificantly affected by exchange rate fluctuations. The Group has in all material aspects only transactions in EUR, NOK and CNY.

Cash and loan facility is primarily held in EUR to match the coming Capex-payments also in EUR.

The sensitivity analysis for foreign currency risk:

| (figures in EUR 1000) | Change in<br>CNY rate | Effect on profit<br>berfore tax |
|-----------------------|-----------------------|---------------------------------|
| 2024                  | +5%                   | -998                            |
|                       | -5%                   | 998                             |
| 2023                  | +5%                   | -150                            |
|                       | -5%                   | 150                             |



Interest rate risk

Interest rate risks refer to the influence of changes in market interest rates on future cash flows concerning the Group’s interest-bearing assets and liabilities.

The Group’s interest rate rights relate to interest on external loans and is deemed insignificant.

Categories and fair value of financial instruments

Biological assets have been measured at a fair value using a valuation model where the lowest level input that is significant to the fair value measurement is unobservable (level 3 within the valuation hierarchy). Biological assets were measured at a fair value for the first time in 2023. Please see note 10 for more information.

| (figures in EUR 1000)                            | Cost<br>amount | Fair<br>value | Level 1 | Level 2 | Level 3 |
|--|----------------|---------------|---------|---------|---------|
| Biological assets (Biomass),<br>31 December 2024 | 13,934         | 16,661        | 0       | 0       | 16,661  |
| Biological assets (Biomass),<br>31 December 2023 | 7,283          | 9,178         | 0       | 0       | 9,178   |

Climate risk

We conducted a full climate risk assessment, covering both our physical and transitional risks. Please see page 63.

NOTE 17 AUDIT FEES

Fees to auditors appointed at the Annual General Meetings:

| (figures in EUR 1000) | 2024 | 2023 |
|-----------------------|------|------|
| Statutory audit       | 272  | 130  |
| Tax advisory services | 21   | 7    |
| Other services        | 73   | 68   |
| Total audit fees      | 366  | 205  |

NOTE 18 CONTINGENT LIABILITIES AND SECURITY FOR DEBT

Accounting policies

Contingent liabilities include possible obligations that are uncertain and not yet held. If the obligation is more likely to be in effect, a provision must then be recognised.

Contingent liabilities

The existence of contingent liabilities is assessed on an ongoing basis whether the criteria for recognising a provision are met.

Security for debt

Assets in property, plant and equipment and biological assets (biomass) will be pledged as security for bank loan facility.

As of 31 December 2024, assets in property, plant and equipment and biological assets (biomass) have been pledged for a total amount of EUR 63.7 million (2023: EUR 39.9 million).

Nordic Aqua (Ningbo) Co., Ltd. has entered into an agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, in which they will provide land, infrastructure, utilities and all facilities on a lease until 2056, with a contracted option for the Group to purchase land, infrastructure, utilities and all facilities during the lease term. The annual lease amounts to EUR 1.9 million for Stage 1.

For Stage 2, Nordic Aqua (Ningbo) Co., Ltd. has also entered into an agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, in which they will provide land, infrastructure, utilities and all facilities on a lease until 2056, with a contracted option for the Group to purchase land, infrastructure, utilities and all facilities during the lease term. The annual lease depends on the final investment capex.

The executed Rental Agreement has a term until 2056. The annual lease amount will increase with 5% every fifth year.

NOTE 19 RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its related parties are disclosed below. Transactions to related parties could be loans, interest expenses on these loans, general payables and receivables and tax settlements.

A company where the CEO has significant influence has received advising fee for assistance to the Company EUR 0 thousand in 2024 (EUR 87 thousand).

There were no further transactions with the Board of Directors or the Executive Board, besides remuneration. For information on remuneration, please refer to note 3.



Nordic Aqua has entered into contracts with two of closely related parties. The contracts include ongoing and future deliveries of RAS technology and support, in addition to feed sales and R&D projects.

- Feed sales and delivery agreement and Trial and data access agreement with Skretting, a subsidiary company of Nutreco an indirect shareholder of the Company through Nordic Aqua Partners Holding ApS.
  
- Technology supply contract with AKVA Group, a company where Knut Nesse – a member of the board of directors of the Company – is the CEO.

Knut Nesse is member of the Board of Directors of the Company and CEO of AKVA Group. Further, Nutreco, the parent company of Skretting, and AKVA Group are main shareholders in Nordic Aqua Holding ApS, the second largest shareholder of Nordic Aqua. All agreements have been entered into at arm’s length and at market terms. Other than those set out above, the Company has not entered into any transactions with related parties during 2024, that may be material to assessing the admission to trading on Euronext Growth.

NOTE 20 EVENTS AFTER THE BALANCE SHEET DATE

No significant events have been recorded after the balance sheet date.

NOTE 21 SUBSIDIARIES

| Subsidiary Company             | Currency | Nature of Business | Head Office   | Ownership | Nominal share capital |
|--------------------------------|----------|--------------------|---------------|-----------|-----------------------|
| Nordic Aqua (Ningbo) Co., Ltd. | CNY      | Salmon farming     | Ningbo, China | 100%      | 390,097,558 CNY       |



# Alternative Performance Measures (APM)

An Alternative Performance Measure (APM) is a measure of historic or future financial performance, financial position, or cash flows other than a financial measure defined or specified in the applicable financial reporting framework.

The Groups financial information is prepared in accordance with international financial reporting standards (IFRS). To enhance the understanding of the Company’s financial performance, the management’s intention is to provide alternative performance measures, which are regularly reviewed by the management. These alternative performance measures are not replacing the financial statements prepared in accordance with IFRS. Other companies may determine or calculate the presented alternative performance measures differently. The APM’s are adjusted IFRS measures defined, calculated and used in a consistent and transparent manner over time and across the Company where relevant.

### EBITDA

Earnings before interest, tax, depreciations and amortizations (EBITDA) is EBIT aligned for depreciations and amortization. EBITDA is a key financial parameter for Nordic Aqua. This measure is useful to users of Nordic Aqua’s financial information in evaluating operating profitability on a more variable cost basis, as it excludes depreciations and amortization expenses related primarily to capital expenditures.

| (figures in EUR 1000) | 2024           | 2023          |
|-----------------------|----------------|---------------|
| EBIT                  | -19,929        | -4,679        |
| Depreciations         | 4,180          | 697           |
| <b>EBITDA</b>         | <b>-15,749</b> | <b>-3,982</b> |

### Operating EBIT

Operating EBIT is EBIT aligned for fair value adjustments. Operating EBIT is a common alternative performance measure in the salmon farming industry, and it is Nordic Aqua’s experience that this APM is frequently used by analysts, investors and other parties. A reconciliation from EBIT to Operating EBIT is provided below.

| (figures in EUR 1000)           | 2024           | 2023          |
|---------------------------------|----------------|---------------|
| EBIT                            | -19,929        | -4,679        |
| Fair value of biological assets | -831           | -1,895        |
| <b>Operating EBIT</b>           | <b>-20,760</b> | <b>-6,574</b> |

### Operating EBIT/kg

Operating EBIT/kg is Operating EBIT divided by harvest volume, HOG in the same period. Operating EBIT/kg is a common alternative performance measure in the salmon farming industry, and it is Nordic Aqua’s experience that this APM is frequently used by analysts, investors and other parties.

### Net interest-bearing debt (NIBD)

NIBD consists of both current and non-current interest-bearing liabilities, less cash and cash equivalents. The NIBD is a measure of the Group’s net indebtedness that provides an indicator of the overall balance sheet strength. It is also a single measure that can be used to assess both the Group’s cash position and

its indebtedness. The use of the term net debt does not necessarily mean that the cash included in the net debt calculation is available to settle the liabilities included in this measure. Net debt is an alternative performance measure as it is not defined in IFRS. The most directly comparable IFRS measure is the aggregate interest-bearing liabilities (both current and non-current), derivatives and cash and cash equivalents. A reconciliation of NIBD is provided below.

| (figures in EUR 1000)                   | 2024         | 2023          |
|---|--------------|---------------|
| Long-term interest-bearing debt         | 21,780       | 15,016        |
| Short-term interest-bearing debt        | 4,856        | 0             |
| Cash and cash equivalents               | -18,044      | -22,422       |
| <b>Net interest-bearing debt (NIBD)</b> | <b>8,592</b> | <b>-7,406</b> |



# Parent Company Financial Statements

**122** Income Statement

**123** Balance Sheet

**124** Statement of Cash Flow

**125** Statement of Changes in Equity

**126** Notes





# Income Statement

| (figures in EUR 1000)                           | Note | 2024          | 2023          |
|---|------|---------------|---------------|
| Revenue   |      | 1,373         | 643           |
| Other external expenses                         |      | -2,456        | -1,805        |
| Staff costs                                     | 3    | -2,068        | -1,316        |
| <b>EBIT</b>                                     |      | <b>-3,151</b> | <b>-2,478</b> |
| Financial income                                |      | 656           | 737           |
| Exchange rate deviations                        |      | 67            | -201          |
| Financial expenses                              |      | -210          | -6            |
| <b>Financial expense - net</b>                  |      | <b>513</b>    | <b>530</b>    |
| <b>Profit/loss before tax</b>                   |      | <b>-2,638</b> | <b>-1,949</b> |
| Income tax expense                              | 4    | 0             | 0             |
| <b>Profit/loss for the period</b>               |      | <b>-2,638</b> | <b>-1,949</b> |
| <b>Proposed distribution of profit and loss</b> |      |               |               |
| Retained earning                                |      | -2,638        | -1,949        |
| <b>Proposed distribution of profit and loss</b> |      | <b>-2,638</b> | <b>-1,949</b> |



# Balance Sheet

Oslo, 9 April 2025

Atle Eide

Chairman

Aino Olaisen

Board member

Knut Nesse

Board member

Vegard Gjerde

Board member

Therese Log Bergjord

Board member

Marit Solberg

Board member

Ove Nodland

Board member

Ragnar Joensen

CEO

| (figures in EUR 1000)              | Note | 2024    | 2023   |
|------------------------------------|------|---------|--------|
| Assets                             |      |         |        |
| Investments in group enterprises   | 1    | 50,000  | 45,000 |
| Receivables from group enterprises |      | 40,124  | 25,578 |
| Financial assets                   |      | 4,589   | 818    |
| Total non-current assets           |      | 94,713  | 71,396 |
| Recievables from group enterprises |      | 4,404   | 3,054  |
| Other recievables                  |      | 8,834   | 9,249  |
| Cash                               |      | 8,938   | 5,807  |
| Total current assets               |      | 22,176  | 18,110 |
| Total assets                       |      | 116,889 | 89,505 |
| Equity and liabilities             |      |         |        |
| Share capital                      |      | 1,838   | 1,425  |
| Other equity                       |      | 114,564 | 87,549 |
| Equity                             |      | 116,402 | 88,973 |
| Trade payables                     |      | 175     | 282    |
| Other payables                     |      | 312     | 250    |
| Total current liabilities          |      | 487     | 532    |
| Total equity and liabilities       |      | 116,889 | 89,505 |



# Statement of Cash Flow

| (figures in EUR 1000)                                     | Note | 2024    | 2023    |
|---|------|---------|---------|
| Cash flow from operating activities                       |      |         |         |
| EBIT  |      | -3,151  | -2,478  |
| Adjustments for:  |      |         |         |
| Exchange rate deviations                                  |      | 67      | -201    |
| Equity-settled share-based payment transactions           |      | 242     | 160     |
| Changes in working capital:                               |      |         |         |
| Change in receivables from Group enterprises              | 2    | -1,297  | 1,031   |
| Change in other current receivables                       | 2    | 415     | -9,137  |
| Change in payables to Group enterprises                   | 2    | 0       | -4,500  |
| Change in trade payables and in other current liabilities | 2    | -45     | 306     |
| Net cash flow from operating activities                   |      | -3,769  | -14,820 |
| Cash flow from investment activities                      |      |         |         |
| Share capital to Group enterprises                        | 1    | -5,000  | -14,982 |
| Net cash flow from investment activities                  |      | -5,000  | -14,982 |
| Cash flow from financing activities                       |      |         |         |
| Changes in financial assets                               |      | -3,771  | -818    |
| Interest received   |      | 656     | 737     |
| Interest paid   |      | -210    | -6      |
| Financing of Group enterprises                            |      | -14,546 | -462    |
| Proceeds from capital increase                            |      | 30,977  | 35,302  |
| Transaction cost of issue of shares                       |      | -1,206  | -842    |
| Net cash flow from financing activities                   |      | 11,900  | 33,911  |
| Net change in cash and cash equivalents                   |      | 3,131   | 4,109   |
| Cash and cash equivalents at the beginning of the period  |      | 5,807   | 1,698   |
| Cash and cash equivalents at the end of the period        |      | 8,938   | 5,807   |



# Statement of Changes in Equity

| (figures in EUR 1000)                     | Share capital | Share premium reserve | Retained earnings | Share-based payments | Total equity |
|---|---------------|-----------------------|-------------------|----------------------|--------------|
| Equity 1 January 2024                     | 1,425         | 93,888                | -6,630            | 289                  | 88,973       |
| Correction of to prior years misstatement |               |                       | 54                |                      | 54           |
| Net profit/(loss) for the period          |               |                       | -2,638            |                      | -2,638       |
| Share-based payments                      |               |                       |                   | 242                  | 242          |
| Total comprehensive income                | 1,425         | 93,888                | -9,214            | 531                  | 86,631       |
| Capital increase                          | 412           | 30,565                |                   |                      | 30,977       |
| Transaction costs                         |               | -1,206                |                   |                      | -1,206       |
| Other changes in Equity                   | 412           | 29,359                | 0                 | 0                    | 29,771       |
| Balance 31 December 2024                  | 1,838         | 123,247               | -9,214            | 531                  | 116,402      |

| (figures in EUR 1000)                     | Share capital | Share premium reserve | Retained earnings | Share-based payments | Total equity |
|---|---------------|-----------------------|-------------------|----------------------|--------------|
| Equity 1 January 2023                     | 1,381         | 59,319                | -4,526            | 129                  | 56,303       |
| Net profit/(loss) for the period          |               |                       | -1,949            |                      | -1,949       |
| Effect from change in functional currency |               |                       | -155              |                      | -155         |
| Share-based payments                      |               |                       |                   | 160                  | 160          |
| Total comprehensive income                | 1,381         | 59,319                | -6,630            | 289                  | 54,359       |
| Capital increase                          | 745           | 34,711                |                   |                      | 35,456       |
| Transaction costs                         |               | -842                  |                   |                      | -842         |
| Effect from merger/capital decrease       | -700          | 700                   |                   |                      | 0            |
| Other changes in Equity                   | 45            | 34,569                | 0                 | 0                    | 34,614       |
| Balance 31 December 2023                  | 1,425         | 93,888                | -6,630            | 289                  | 88,973       |



Notes

NOTE 1 FIXED ASSETS INVESTMENTS

| (figures in EUR 1000)                      | Investments in group enterprises |
|--|----------------------------------|
| Cost at 1 January 2024                     | 45,000                           |
| Additions                                  | 5,000                            |
| <b>Cost at 31 December 2024</b>            | <b>50,000</b>                    |
| <b>Carrying amount at 31 December 2024</b> | <b>50,000</b>                    |

| (figures in EUR 1000)                      | Investments in group enterprises |
|--|----------------------------------|
| Cost at 1 January 2023                     | 30,018                           |
| Additions                                  | 14,982                           |
| <b>Cost at 31 December 2023</b>            | <b>45,000</b>                    |
| <b>Carrying amount at 31 December 2023</b> | <b>45,000</b>                    |

Investments in group enterprises of the total amount of the share capital in Nordic Aqua (Ningbo) Co., Ltd.

NOTE 2 WORKING CAPITAL

| (figures in EUR 1000)                        | 2024        | 2023           |
|--|-------------|----------------|
| Change in receivables from group enterprises | -1,297      | 1,031          |
| Change in other receivables                  | 415         | -9,137         |
| Change in payables from group enterprises    | 0           | -4,500         |
| Change in trade payables and other payables  | -45         | 306            |
| <b>Total change in working capital</b>       | <b>-927</b> | <b>-12,301</b> |

NOTE 3 STAFF COST

Staff costs include employees’ salaries and bonuses, social security costs and other staff costs for salaried employees.

| (figures in EUR 1000)                          | 2024         | 2023         |
|--|--------------|--------------|
| Salary   | 1,673        | 1,102        |
| Other employee benefits                        | 29           | 53           |
| Social security costs                          | 124          | 1            |
| Share based payments                           | 242          | 160          |
| <b>Total</b>                                   | <b>2,068</b> | <b>1,316</b> |
| Weighted average number of full-time employees | 6            | 3            |

For details of remuneration paid to board members and other key management personel, see notes to the consolidated financial statements.



NOTE 4 TAXES

| (figures in EUR 1000)               | 2024  | 2023  |
|-------------------------------------|-------|-------|
| Temporary differences               |       |       |
| -Losses carried forward             | 6,462 | 3,824 |
| Effective tax rate                  | 0%    | 0%    |
| Nominal tax rate for parent company |       |       |
| Norway                              | 22.0% | 22.0% |
| Denmark                             | 22.0% | 22.0% |

CHANGE OF FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

As a result of the merger between the Danish parent company and the Norwegian parent company completed in August 2023, the primary economic environment and generation and use of cash flows of Nordic Aqua Partners AS became mainly denominated in euro. Consequently, effective on August 17, 2023, Nordic Aqua Partners AS changed its functional currency from the Norwegian krone (“NOK”) to the euro (“EUR”).

Nordic Aqua Partners AS is a holding company that does not undertake any material operating activities of its own. Therefore, the indicators in IAS 21.9 are not the most relevant factors in determining the functional currency of the Company. In consideration of the indicators in IAS 21.10, the Company determined that the financing activities, the relatively large part of future investments in property, plant and equipment in EUR for the Chinese subsidiary and the currency in which cash and cash equivalents are retained, were relevant factors indicating that the NOK will not be the currency to reflect the principal economic

environment in which the Company will generate and expend its cash. Accordingly, in accordance with IAS 21.36, the Company determined that the EUR is the new functional currency that will most faithfully reflect the underlying transactions, events and conditions relevant to the Company following the merger between the Danish parent company and the Norwegian parent company. Under IAS 21.35, when there is a change in an entity’s functional currency, the entity should apply the translation procedures applicable to the new functional currency prospectively from the date of the change. The Company, based on its judgment and considering that the underlying transactions, events and conditions that justify the change in its functional currency have developed gradually, and those of greater relevance took place during 2023, it has decided due to practical expedient, to apply the translation procedures applicable to the new functional currency prospectively beginning on August 17, 2023. This change in functional currency was accounted for prospectively from the date of the change by translating all items of the financial statements into the new functional currency, using the exchange rate of 7.4520 DKK/EUR at the date of the change.

ACCOUNTING POLICIES

Reporting class

This annual report has been presented in accordance with the provisions of the Norwegian Accounting Act.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.



INCOME STATEMENT

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other external expenses

Other external expenses include expenses relating to the Entity’s ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

Staff cost

Staff costs include employees’ salaries and bonuses, social security costs and other staff costs for salaried employees.

Other financial income

Other financial income comprises dividends, interest income, net capital or exchange gains on securities, payables and transactions in foreign currencies, etc.

Other financial expenses

Other financial expenses comprise interest expenses, etc.

BALANCE SHEET

Investments in group enterprises

Investments in associates are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equaling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.



# Parent Company Details



## Parent Company

Nordic Aqua Partners AS  
C. J. Hambros plass 2c  
0164 Oslo  
Norway

Business Registration No.:  
928 958 280

Registered office:  
Oslo

Date of incorporation:  
09.03.2022

Financial year:  
01.01.2024 – 31.12.2024

## Board of Directors

Atle Eide, Chairman  
Aino Olaisen  
Knut Nesse  
Therese Log Bergjord  
Vegard Gjerde  
Marit Solberg  
Ove Nodland

## Executive Management

Ragnar Joensen, CEO

## Auditors

Deloitte AS  
State Authorised Public  
Accountants  
Dronning Eufemias gate 14  
0191 Oslo  
Norway



# Independent Auditor's Report

### Opinion

We have audited the financial statements of Nordic Aqua Partners AS, which comprise:

- The financial statements of the parent company Nordic Aqua Partners AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
- The consolidated financial statements of Nordic Aqua Partners AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

### 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 2024, 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 consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

### 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 relevant laws and regulations in Norway 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.

### 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 nor 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 information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or 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 statutory requirements.



**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible 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. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use 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 and 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’s and the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the 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.

Stavanger, 9 April 2025  
Deloitte AS  
Bjarte M. Jonassen  
State Authorised Public Accountant  
(electronically signed)



