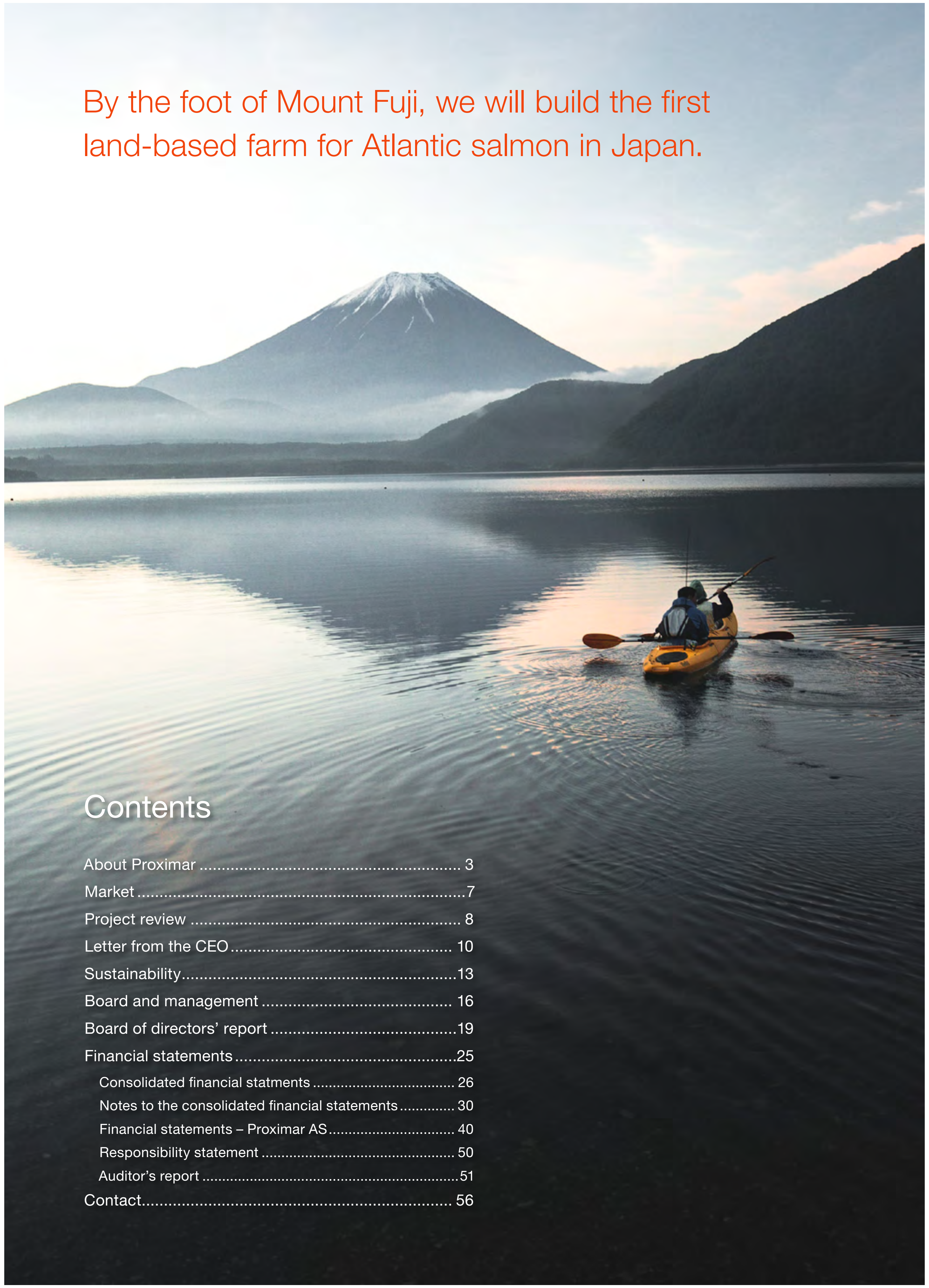
Proximar Seafood AS
Annual report 2020

PROXIMAR
SEAFOOD



By the foot of Mount Fuji, we will build the first land-based farm for Atlantic salmon in Japan.

Contents

Proximar in brief

Proximar Seafood AS (Proximar) is a land-based salmon farming company in the process of constructing the first large-scale fish farm for Atlantic salmon in Japan. From the foot of Mount Fuji, only one-two hours driving distance from Tokyo, we will be able to offer 38 million potential customers fresh Atlantic salmon harvested the same day from the first harvest in 2024.

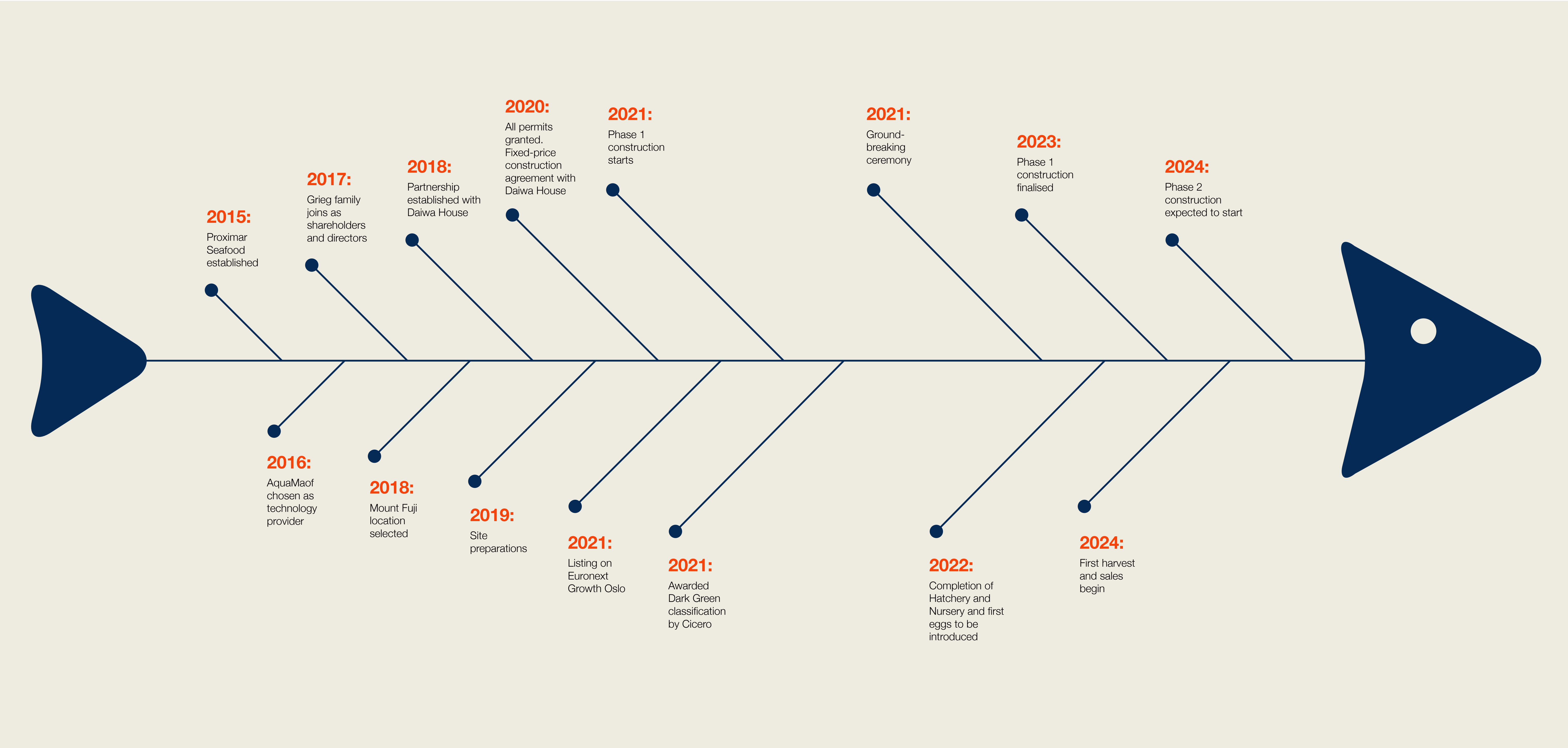
We expect our first facility (Phase 1) to be completed in the third quarter of 2023 and to produce an annual head-on-gutted (HOG) volume of 5 300 tonnes when fully operational. In addition to Phase 1, we have further expansion plans for 21 000 tonnes HOG in a land area adjacent to the facility (Phase 2).

Our planned production of fresh Atlantic salmon on the Japanese market's doorstep implies significant reductions in both CO_2 emissions and transport cost. We will be able to deliver unique freshness, harvested the same day and locally produced.

First harvest	Adjacent market	Phase 1 production	Phase 2 production
Q2	**~ 38**	**5 300**	**21 000**
2024	million	tonnes	tonnes

Our history and our future

Proximar Seafood AS



Market

The primary reasons for targeting Japan as the location for our land-based operations can be summarised as follows.

Established market

Japan has a large established market for Atlantic salmon totalling some 60 000 tonnes per annum, but with limited opportunities for traditional sea-based production. Seafood originating from Japan is perceived as a high-quality product in other nearby Asian countries, creating the basis for potential exports. Our facility is located close to Japan's two largest cities, Tokyo and Yokohama, representing a market of 38 million people on our doorstep.

Potential for reduced carbon footprint

The Japanese market for Atlantic salmon is currently dependent on imports from other countries. Most volumes are flown in from Norway (73 per cent of total supply and 90 per cent of fresh supply), which represents a large environmental impact. Air freight accounts for about 80 per cent of the total carbon footprint for Norwegian Atlantic salmon consumed in Japan. The majority of supplies from Norway is fresh fish.

Significant cost advantage

The price of Atlantic salmon in Japan correlates closely with (i) the spot price of Norwegian salmon in Norway, (ii) transport cost from Norway to Japan and (iii) market and handling costs in Japan. Item (ii) has historically amounted to some NOK 15-20 per kilogram HOG. By producing locally, we will therefore have a significant cost advantage compared to imported salmon today. We expect an EBIT cost per kilogram of roughly NOK 45 HOG for Phase 1 production and NOK 40 HOG after the completion of Phase 2, which is just slightly above the average for production from Norwegian sea-based salmon farmers.

A stable and predictable political and economic framework in Japan

Japan is the third largest economy in the world and has been a member of the OECD since 1964. It has a stable political and economic framework, and ranks as one of the better countries in eastern Asia for corruption risk.

Asian market potential

Consumption of Atlantic salmon in East Asia was around 233 000 tonnes of whole fish equivalent (WFE) in 2020, with China and Hong Kong being the largest markets at 72 000 tonnes, followed by Japan. The East Asian market is expected to grow significantly over coming years, in terms of both percentage growth and absolute volumes.

From our location at Mount Fuji in Japan, we view East Asia as an interesting region for future demand and especially for targeting niche markets. Japan has a strong reputation for seafood in East Asia, which we will be favourably positioned to take advantage of.

Project review

RAS Technology

We are building a recirculating aquaculture system (RAS) supplied by AquaMaof. An advantage of RAS technology is a controlled production environment free of issues associated with traditional sea-based farming, such as parasites and disease. Production will also have minimal environmental impact through wastewater treatment and the reuse of more than 99 per cent of the water. Several RAS facilities are currently in operation, including AquaMaof's R&D facility in Poland, which produces hundreds of tonnes of market-size Atlantic salmon annually from the egg stage to a harvest-ready size of up to six kilograms.

Phase 1 facility

The 5 300-tonne HOG Phase 1 facility is located in Oyama close to Mount Fuji in Japan, one-two hours driving distance from Tokyo and Yokohama – the largest Japanese cities. Comprising two buildings, the facility has a total footprint of about 28 000 square metres, including a slaughter area, a denitrification unit and offices. When up and running, eggs will be brought into the hatchery and fish raised to a market size of around five kilograms.

Production will use Fuji groundwater from about 100 metres down. This has been assessed for salmon farming and has furthermore a reputation in Japan for its high quality.

Construction of the Phase 1 facility started on 19 March 2021 and is expected to be completed during the third quarter of 2023. The first harvest is expected in mid-2024.

Phase 2 facility

We have entered into a letter of intent to secure land for our Phase 2 facility, targeting a production capacity of 21 100 tonnes HOG per annum. The land is located directly adjacent to Phase 1 and construction is planned to begin in 2024.

The illustrations to the right are artist's impressions of the phase 1 facility in Oyama, close to Mount Fuji in Japan.

Partnerships

AquaMaof

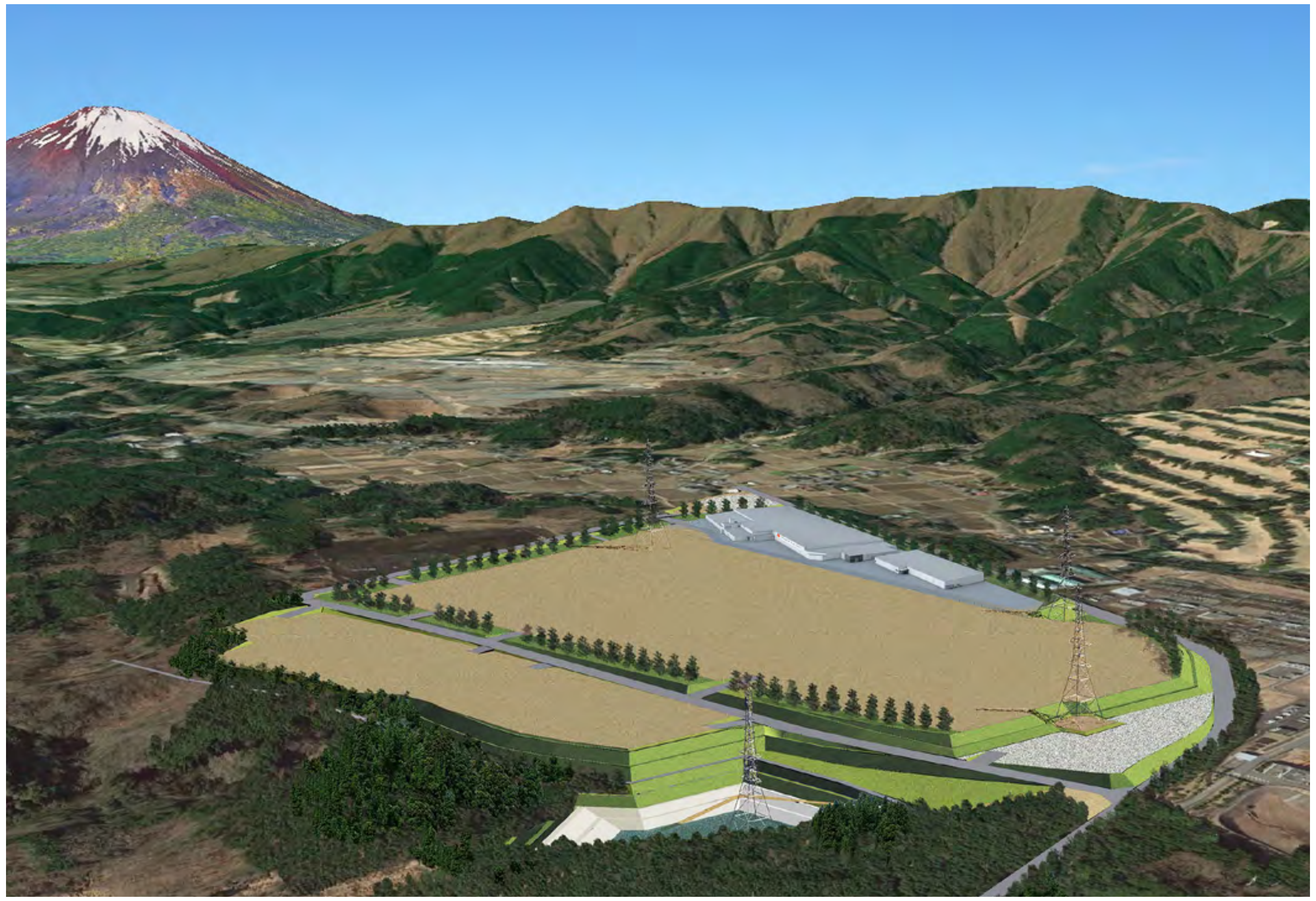
We have entered into a contract with AquaMaof for the technology. Established by people with a background in the aquaculture industry, this Israeli company has developed its own technical solutions based on a high degree of water recirculation, which fits well with the restrictions encountered in Japan. The contract with AquaMaof was signed in 2017 and covers all equipment related to fish handling and technology. The contracted price with AquaMaof is fixed.

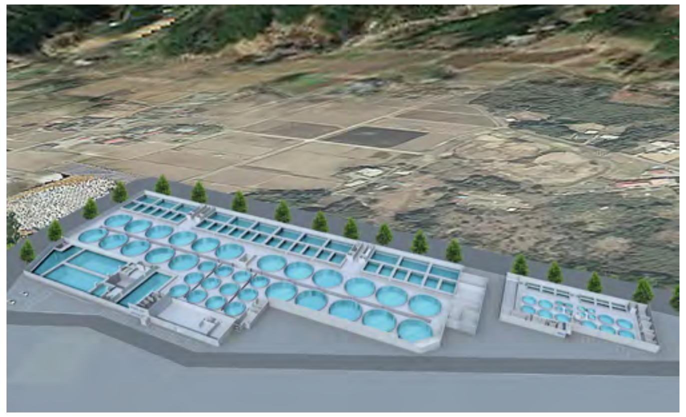
Daiwa House

Daiwa House is one of the larger Japanese contractors, with annual revenues of around USD 40 billion and 47 000 employees. We have worked closely with this company since 2018, and have established a close relationship. After more than two years of planning, design and engineering, we are confident of its execution capabilities. The contracted price with Daiwa House is fixed.

Nutreco

Nutreco is a global leader in animal nutrition and aquafeed, with more than 100 production plants in 35 countries. It has been one of our partners since 2021 and is also a major shareholder with 5.7 per cent of our total outstanding shares.





Dear shareholders

Letter from the CEO

Despite a challenging year which was heavily influenced by Covid-19, we made significant progress in 2020.

As the world becomes ever more conscious of our common challenges related to CO_2 emissions, water shortages and a growing global population, land-based fish farming is increasingly perceived as part of the solution. We find that the RAS technology we have chosen for our land-based farming demonstrate great performance, and are very optimistic about the future. Mostly, we are proud to be at the forefront of an industry expected to be both profitable and sustainable.

Key milestones

Together with our partners, we passed several significant milestones during 2020. The most important was perhaps the completion of all civil design and architecture for our Phase 1 facility, followed by receipt of the pre-approval and construction permit in June.

In September 2020, we successfully raised NOK 50 million in new equity through a private placement and by converting shareholder loans to equity in accordance with the loan agreements. We also made good progress in our dialogue with Japanese banks and financial institutions on long-term debt. These processes will continue throughout 2021.

We reached an agreement in December with Nutreco, the global leader in animal nutrition and aquafeed, to join as investor and shareholder. Since our incorporation as a company, we have given great emphasis to building a strong and relevant industrial platform. Partnering with Nutreco, which has valuable expertise and insight in operations all over the world, is a major milestone and a great acknowledgement for us.

The year 2021 began at a high pace with a private placement which successfully raised NOK 400 million in January, and a subsequent listing on Euronext Growth at the Oslo Stock Exchange.

In early March 2021, we signed the contract with Daiwa House which kicked off construction preparations. Actual site preparations began on 19 March. Finalising the Phase 1 facility is expected to take about 28 months from that date. We are also looking forward to the upcoming ground-breaking ceremony at the construction site on 26 April.

Ready for the next stage

As we now move forward, we are well prepared for the construction process after many years of preliminary work. The planning process has been long and complex but, thanks to good local partnerships with Daiwa House and CMJ as well as in collaboration with experienced technology provider AquaMaof and the input of our own team, we can now look forward to the next stage.

Where operational aspects are concerned, we are very confident in the technology and RAS solution chosen. We have worked closely with AquaMaof since 2016, and have visited several facilities which use this RAS technology. We are very pleased with what we have seen, and would particularly like to highlight the performance of AquaMaof's R&D facility in Poland. This has already been harvesting market-size Atlantic salmon for close to two years. The growth curves and densities achieved are representative with our production plans.

2021 will be another important year for us, becoming a public company and moving to construction. In conjunction with this, we will continue to build our organisation and plan for the operational start-up due in the third quarter of 2022.

In terms of business rationale, we are very pleased to see the resilience in demand for Atlantic salmon demonstrated in the Japanese market. Shutdowns and travel

restrictions following the Covid-19 outbreak dramatically affected sales to restaurants and hotels (the Horeca market), which accounts for a considerable share of total demand in Japan. However, the effect has been partly neutralised by increased demand from private households. This development bodes very well for the future salmon consumption in Japan once the Horeca market is back on track and our facility has been completed.

With volumes of consumed salmon being maintained, we are also pleased to see import prices for Atlantic Salmon staying at levels well above our expected production cost. That confirms the robustness of our business model.

The lowest monthly import price recorded in 2020 was JPY 856 per kilogram, which is about 18 per cent below the 2019 average. We would still have achieved attractive earnings at that level. The same applies to prices of Atlantic salmon at the Toyosu fish market in Tokyo, where prices fell roughly 11 per cent on average.

Taking account of the global drama of Covid-19 and the consequent sharp fall in prices experienced by Oslo FCA, we see clearly how transport costs to distant markets create a robust buffer for land-based farming in line with our assumptions.

Despite Covid-19 still affecting everyone's daily lives and activity, we do not expect it to have any significant impact on the construction process. We have a lean organisation, valuable local partnerships, and plans for operations and sales once the world is expected to be back to normal.

As we look back, 2020 was the year we secured a solid foundation through valuable partnerships, a robust technology and support from the capital market. Over the next couple of years, we will be bringing all this to life. We are happy to have you on board.

Joachim Nielsen
Chief executive officer

Sustainability

Our core business of land-based production avoids many environmental issues relating to traditional production in the sea, and facilitates output close to markets which reduce transport emissions. In addition, we aim to have a systematic approach to sustainability, meaning that this is also integrated into how we plan and intend to conduct our operations.

We were classified as Dark Green in April 2021 by Cicero, the leading global provider of second opinions on green debt financing. Dark Green is its highest grade, awarded to projects and solutions which correspond to the long-term vision of a low-carbon and climate-resilient future. The second opinion was based on an independent review of the framework and documentation of our policies and processes. This classification was based on the following assessments.

Transport

The largest climate benefit of our planned production is avoiding the transport of salmon by air from Europe or Chile to Asia. In 2019, 90 per cent of fresh salmon consumed in Japan was air-freighted from Norway, while 86 per cent of frozen or smoked salmon reached the country by sea from Chile. Land-based aquaculture also eliminates the use of boats for feeding and harvesting, thereby reducing the use of fossil fuels.

Energy efficiency

Compared with open net-pen aquaculture, land-based production requires more energy for pumps and other water-related infrastructure. We have chosen a recirculating aquaculture system (RAS) from AquaMaof with significantly lower energy consumption than other conventional RAS solutions available in the market.

Energy supply

We are working on different solutions for installing a rooftop solar PV system on our main building. The solar panels will be designed to meet our electricity demand during peak production hours. Excess generation will be sold to the grid. Any shortfall in electricity supply will be covered by grid-based electricity, and we will purchase certificates of origin to ensure that all purchased electricity is derived from renewable sources. As far as is feasible, we will purchase machinery and equipment which runs on electricity.

Water use and wastewater management

The AquaMaof system can recirculate 99.7 per cent of the water by efficiently removing nitrate and nitrite, resulting in a low wastewater volume. We have also decided to make additional investments in a denitrification system which further reduces the amount of sludge and need for replacement water. Expected demand for freshwater replacement is around 180 cubic metres per day, significantly lower than with alternative RAS technologies available. In addition, our facility will be located above one of Japans largest water reservoirs.

We will be in full compliance with Japanese wastewater requirements as well as with local regulations, which are stricter than national standards.

Waste management

We aim to take responsibility for our waste and promote circularity. Trimmings and by-products are due to be processed where possible into products for human consumption, with the remainder considered for pet food or refined into fish meal and oil. We intend to reduce the amount of packaging and non-organic waste to a minimum and to recycle this type of waste in accordance with local best practice, and have the ambition to use recycled materials in packaging where feasible.

Feed

We have selected Skretting as our feed supplier. All soy protein concentrate (SPC) in Skretting's products is certified under the ProTerra label, which ensures that soy ingredients do not originate from areas of native vegetation which have been cleared or converted into agricultural areas after 2008.

Skretting procures marine contents, fish meals and oils from suppliers who are to a large extent certified under the MarinTrust label, formerly known as the Global Standard for Responsible Supply (IFFO RS), which is aiming for 100 per cent coverage in 2025. Our choice of feed supplier has the additional benefit that feed will be produced in Japan and thereby reduce emissions connected to its transport.

We expect to achieve an economic feed conversion ratio of 1.12, which would be significantly below the average of 1.32 for Norwegian aquaculture in 2017.

Fish welfare

Our aim is to eliminate the risk of parasite infections and reduce the risk of disease. These factors have a significant impact on fish mortality and welfare in conventional aquaculture. All fish eggs will be disinfected when introduced to the facility. All the water will be treated with UV radiation and ozone, and will be supplied from secure and disease-free aquifers. Our facility will also be a strict biosecurity area, with over-pressurised buildings and stringent disinfection procedures to prevent diseases entering through the air or being brought in by people and equipment. We anticipate a post-smolt mortality rate of six per cent, considerably below the 15 per cent rate for Norwegian aquaculture in 2020.

Avoiding live transport reduces stress and enhances fish welfare. Unlike other RAS solutions, the AquaMaof system largely utilises harvest channels. These provide gentler and less stressful handling of fish compared with conventional pumping.

Certification

We intend to obtain certification of our facility through the Aquaculture Stewardship Council (ASC), a voluntary certification scheme based on environmental and social criteria. AquaMaof's existing production facility in Poland is ASC-certified.

Executive management

Joachim Nielsen
Chief executive officer (CEO)

Co- founder of Proximar, started working with the project from the end of 2014, and has established a significant network in Japan. Previously held positions as CFO and has an extensive background from the financial sector, including investment banking, private equity and fund management. Has worked in an international environment throughout his career in a range of different industries, including aquaculture.

Nielsen holds 2 766 670 shares in Proximar.

Pål Karset Grimsrud
Chief financial officer (CFO)

Has previously served as CEO and CFO in various international industries. Key priorities have for many years been financing, project control, negotiations and contract management. Former partner in a consulting company. Earned valuable experience in the value of building strong brands within the food sector from his time with Ringnes/Carlsberg.

Grimsrud holds 160 990 shares in Proximar.

Lars Stigaard
Chief technology officer (CTO)

Third-generation fish farmer with extensive RAS experience. Started his career as an assistant and later became production manager, where he also assisted with a new design for plant rebuilding. Built and optimised one of Denmark's major indoor breeding facilities and joined AKVA Group, an RAS provider, in 2015 as a farm management supervisor.

Stigaard holds 11 320 shares in Proximar.

Board of directors

Per Grieg Jr
Chair

Actively involved in leading positions in Grieg Seafood ASA since its foundation in 1992, currently as chair. Experience from establishing companies in several sectors and from directorships in such companies as Fjord Seafood ASA, Marine Farms ASA, Erfjord Stamfisk AS and AON Grieg, in addition to several companies in the Grieg group.

Grieg holds 2 484 844 shares in Proximar.

Helge Nielsen
Director

Broad and international senior management experience. Has held several positions in the Grieg group over the past 25 years, including CEO and chair of Grieg Seafood. Currently operates his own consultancy providing management for hire and holds several directorships, including listed companies on Oslo Stock Exchange.

Nielsen holds 1 000 000 shares in Proximar.

Thomas Grieg
Director

Owner's representative, analyst and business developer for the Grieg group's aquaculture investments, and project coordinator at Grieg Seafood. Currently member of the steering committee of the establishment of a 30 000-tonne salmon operation in Newfoundland (Grieg NL). Director of Grieg NL as well as Chair of Rensefiskgruppen AS, Norway's largest lumpfish producer.

Grieg holds 46 305 shares in Proximar.

Espen Aubert
Director

Has been active in developing new businesses in renewable energy, recycling, property and sustainability, currently as co-founder and CEO of investment company Daimyo AS. Currently involved in developing Kvitebjørn Energi. Former roles include founder and CEO of Ecosalmon AS in Japan.

Aubert holds 3 996 238 shares in Proximar.

Directors' report

Proximar Seafood AS (Proximar) is a land-based salmon farming company currently constructing the first large scale land-based facility for Atlantic salmon in Japan. The production facility is located at the foot of Mount Fuji in Oyama Town, only 1.5 hours driving distance from Tokyo, and is due to be completed in mid-2023. From mid-2024, Proximar will be serving the Japanese market with 5 300 tonnes of fresh Atlantic salmon harvested the same day.

Founded in 2015, the company is backed by industrial owners from the Norwegian and international aquaculture industry. In February 2021, it was listed on Euronext Growth at the Oslo Stock Exchange.

The core of Proximar's business strategy is to locate production of Atlantic salmon closer to consumers in distant markets. This is also reflected in its name, which references proximity to the market. Proximar believes in sustainable salmon production, in terms both of being closer to the market and of pursuing this business in a way which causes minimum impact to the external environment.

Japan, with its 126 million inhabitants and a quality conscious fish-based food culture, has been the company's preferred target market from the start. That is also reflected in its logo.

Proximar aims to be a leading producer of Atlantic salmon in Asia, emphasising safe and sustainable production.

Important events in 2020

Pre-approval and construction permit: In June, following the completion of all civil design and architecture, Proximar received a pre-approval and construction permit from the local authorities in Japan.

Raised NOK 50 million in new equity: In September, the company successfully completed a NOK 50 million equity increase through a private placement aimed at Norwegian investors. In conjunction with the placement, Proximar also converted shareholder loans to equity in accordance with the loan agreements.

Construction agreement with Daiwa House: In September, Proximar also reached a fixed-price agreement with Japanese construction company Daiwa House for the construction of Proximar's Phase 1 facility.

Partnership with Nutreco: In December, Nutreco International BV, a global leader in animal nutrition and aquafeed, agreed to invest into Proximar, subscribing for 2 160 493 shares (representing 5.43 per cent of the outstanding shares) through the private placement which was to be conducted in January.

Events after the balance sheet date

Successful private placement and listing on Euronext Growth: On 28 January 2021, the company completed a private placement which increased its share capital by about NOK 400 million through the issuance of 24 691 360 shares at a subscription price of NOK 16.20 per share. The placement attracted great interest in the capital market and was significantly oversubscribed.

The company had its first day of trading on Euronext Growth on 3 February 2021.

Signed construction contract with Daiwa House: On 1 March, Proximar signed the construction contract and final land purchase agreement with Daiwa House Industry. Related to civil works, the contract value was about JPY 6 billion. Actual construction work started on 19 March.

Awarded Dark Green classification by Cicero: In April 2021, Proximar was classified as Dark Green by Cicero, the leading global provider of second opinions on green debt financing. Dark Green is Cicero's highest grade, awarded to projects and solutions which correspond with the long-term vision of a low-carbon and climate-resilient future.

Review of the consolidated financial statements

Balance sheet

Proximar raised NOK 50 million in new equity during September 2020, eliminating shareholder loans and increasing the cash position of the group. The group had a total equity of NOK 34.1 million at 31 December 2020, compared with a negative NOK 4.9 million a year earlier. The equity ratio increased over the same period from minus 55 per cent to plus 88 per cent. The group had a cash position of NOK 28.3 million at 31 December 2020, compared with NOK 1.3 million a year earlier.

Operations

The consolidated operating loss for the year ended 31 December 2020 was NOK 11.1 million, up from a loss of NOK 7.1 million the year before. The net loss for the period was NOK 10.7 million, compared with NOK 7.5 million in 2019. This negative development reflected increased costs related to the listing of the company and capital increases as well as to the construction of production facilities in Japan.

Cash flow

Cash outflows from operations for the year ended 31 December 2020 were NOK 10.5 million, an increase of NOK 3.5 million from the year before. Total cash and bank deposits rose by NOK 27.0 million over the period ending 31 December 2020, mainly owing to a cash inflow of NOK 39.2 million from financing activities.

Parent Company Operations

Proximar Seafood AS had revenue of NOK 7.3 million related to management fee income from the Japanese subsidiary, up from NOK 5.3 million the year before. Net loss for the year was NOK 0.4 million, compared to a loss of NOK 0.7 million in 2019.

Total equity increased from NOK 7.0 million in 2019 to NOK 56 million in 2020, mainly due to a NOK 50 million equity increase during September 2020. Total assets were NOK 60.5 million of which NOK 28.3 million was related to cash and bank deposits and NOK 28.4 million was related to inter-company balances.

Market developments

Despite a challenging year for the Atlantic salmon market, heavily affected by Covid-19, import and consumption volumes held up well in the Japanese market. A substantial drop in demand from the Horeca market was offset to a large extent by household consumption. This is also a trend seen on a global scale, which is an encouraging sign when considering demand trends for the future.

The company is also very pleased to see that Proximar's business model demonstrates robustness in spite of the sharp and unprecedented fall in salmon prices following the pandemic. Despite significant restrictions affecting the industry, the import price of Atlantic salmon never declined to levels where Proximar would not have had attractive earnings. This demonstrates the competitive advantage of land-based fish farming in distant markets.

Looking ahead, Proximar expects demand from the Horeca market to return to pre-pandemic levels and Japanese households to maintain their positive consumption trend. As demand grows, therefore, the company expects robust prices for Atlantic salmon.

Over the past couple of years, awareness of environmental, social and corporate governance (ESG) issues has also been increasing among Japanese consumers. Proximar believes this trend will continue. Sustainability is part of the company's DNA and will receive great emphasis in its future planning and strategy. Since local salmon production in a closed RAS facility has significant positive effects for the environment, Proximar is well positioned to benefit from this trend.

Sustainability and corporate social responsibility

Sustainability

Proxinar's core business of land-based production avoids many environmental issues relating to traditional fish farming in the sea. By facilitating production close to markets, it reduces transport emissions. The company additionally aims to take a systematic approach to sustainability, which means that this will also be integrated into its plans and the way it intends to conduct its operations.

In April 2021, Proximar was classified as Dark Green by Cicero, the leading global provider of second opinions on green debt financing. Dark Green is Cicero's highest grade and awarded to projects and solutions which correspond with the long-term vision of a low-carbon and climate-resilient future. The second opinion was based on an independent review of the framework and documentation of Proximar's policies and processes including the following factors: (1) transport, (2) energy efficiency, (3) energy supply, (4) water usage, (5) waste management, (6) feed, (7) fish welfare and (8) certification.

Equal opportunities and discrimination

Proximar does not discriminate on the basis of race, religion, colour, national origin, gender, sexual orientation, gender identity, gender expression, age, status as a protected veteran, status as an individual with a disability, or other applicable legally protected characteristics.

Governance

The board of directors is responsible for the management of Proximar and for safeguarding the proper organisation of its operations. In the board's view, sound corporate governance is vital for promoting the greatest possible value creation over time in the best interests of Proximar's shareholders, employees and other stakeholders. The board is committed to maintaining a high standard of corporate governance across the company, in line with Norwegian and international laws and generally accepted rules and practices.

Risk factors

Liquidity risk

The company's first production facility is not fully financed and depends for its completion on additional funds being provided through public or private debt and/or equity financing. Although Proximar has received draft indicative term sheets from two banks for bank financing, a number of issues remain to be agreed with them.

Proximar's business and future plans are capital intensive and, to the extent that it does not generate sufficient cash from operations in the long term, the company will also need to raise additional funds after the completion of its first production facility.

Operational risk

Although work is progressing as planned, numerous risks are associated with construction of the company's land-based facility in Japan. These include risks of delay, quality and miscommunication.

Proximar has a high level of confidence in its partnership with AquaMaof, but acknowledges that the design and engineering of a recirculating aquaculture system (RAS) is complex and involves several uncertainties.

The company's operations are subject to several biological risks which could have a negative effect on future profitability and cash flows. An outbreak of significant or severe disease would represent a cost for the company through such outcomes as direct loss of fish, loss of biomass growth, accelerated harvesting and lower fish quality, and may also be followed by a period of reduced production capacity and loss of income. Plans call for these risks to be mitigated by biomass insurance, but they could still have a significant negative effect.

Market risk

Proximar's financial position and future prospect depend on the price of farmed salmon, and both short-term or long-term decreases in this price may have a materially adverse effect on the company's business, financial condition, results of operations or cash flow.

Fluctuations in currency exchange rates may have a material impact on Proximar's operational performance. The company expects the majority of its income to be denominated in JPY. Capital expenditures are expected to be mainly denominated in JPY and USD, while operating expenses are expected to be mainly in JPY.

For more information about risk factors, the company would refer to the information document uploaded to Newsweb on 2 February 2021 in relation to the listing on Euronext Growth.

Shareholders

Proximar Seafood AS has a total of 39.8 million common shares and more than 2 000 shareholders. The shares are listed on Euronext Growth at the Oslo Stock Exchange with ticker code PROXI.

Outlook

Proximar is on track with construction planning and start-up, and does not foresee any major changes to the schedule. The preparatory process has been long and thorough, and the parties involved are therefore well prepared and aligned with the planned schedule.

Despite Covid-19, no changes have been made to the timeline at the current stage and the company does not expect any in the near future. So far, the impact of the pandemic on the Japanese construction industry has been limited, but it is important to be aware that the challenging conditions may have an effect on deliveries, progress and movement of personnel. Proximar has taken necessary measures to reduce the risk and impact of any unforeseen event.

The management will continue working on debt financing and expects to decide on a fixed structure during 2021. However, it is important to emphasise the significance of being able to travel to Japan for reaching this goal. The borders are currently closed, and a prolonged period of closure might affect the time schedule. Proximar is positive about the future and expects the restrictions to loosen up as vaccines are distributed at a rapid pace across the world.

Bergen, 16 April 2021
The board of directors of Proximar Seafood AS

Per Grieg Jr	Helge Nielsen	Thomas Grieg	Espen Aubert	Joachim Nielsen
Chair	*Director*	*Director*	*Director*	*CEO*

Financial statements

Consolidated statement of comprehensive income

Amounts in NOK thousand	*Note*	**2020**	2019
Revenue		-	-
Revenue and other income		**-**	-
Personnel expenses	4	**3 118**	2 999
Other operating expenses	6	**8 021**	4 146
Operating expenses		**11 140**	7 146
Operating loss		**(11 140)**	(7 146)
Interest income		**-**	1
Other financial income		**1 403**	6
Interest expenses		**382**	242
Other financial expenses		**549**	78
Loss before tax		**(10 667)**	(7 458)
Income tax expense	5	**6**	6
Net loss for the period		**(10 673)**	(7 464)
Other comprehensive income (loss) for the year			
Items that will not be reclassified subsequently to profit or loss:			
Foreign currency translation		**159**	(120)
Total comperhensive loss for the financial year, net of tax		**(10 514)**	(7 584)

Consolidated statement of financial position

Amounts in NOK thousand	*Note*	**31 December 2020**	31 December 2019	1 January 2019
ASSETS				
Non-current assets				
Assets under construction	3	**9 052**	7 382	1 544
Total non-current assets		**9 052**	7 382	1 544
Current Assets				
Other short term receivables		**1 239**	115	62
Cash and bank deposits	8	**28 330**	1 320	1 049
Total current assets		**29 569**	1 435	1 111
Total assets		**38 622**	8 817	2 655
EQUITY AND LIABILITES				
Equity				
Share capital	9	**1 510**	1 132	1 041
Share premium reserve		**32 618**	(5 991)	(1 485)
Translation differences		**39**	(120)	-
Total equity		**34 128**	(4 858)	(443)
Liabilities				
Non-current liabilities				
Non-current interest bearing debt	2	**1 300**	-	-
Total non-current liabilities		**1 300**	-	-
Current liabilities				
Trade payables	2	**119**	87	287
Tax payable	2, 5	**6**	6	6
Public duties payable	2	**134**	113	51
Shareholder loans	10	**-**	11 227	1 002
Other short term liabilities	2	**2 935**	2 243	1 753
Total current liabilites	10	**3 194**	13 676	3 098
Total liabilites		**4 494**	13 676	3 098
Total equity and liabilities		**38 622**	8 817	2 655

Bergen, 16 April 2021
The board of directors of Proximar Seafood AS

Per Grieg Jr	Helge Nielsen	Thomas Grieg	Espen Aubert	Joachim Nielsen
Chair	*Director*	*Director*	*Director*	*CEO*

Consolidated statement of changes in equity

For the period ended 31 December

Amounts in NOK thousand	Share capital	Share premium reserve	Translation differences	**Total equity**
Balance at 1 January 2019	1 041	(1 485)	-	**(443)**
Net loss for the period	-	(7 464)	-	**(7 464)**
Other comprehensive loss for the period net of income tax	-		(120)	**(120)**
Total comprehensive income for the period	-	(7 464)	(120)	**(7 584)**
Capital increase	91	3 078	-	**3 169**
Balance at 31 December 2019	1 132	(5 871)	(120)	**(4 858)**
Balance at 1 January 2020	1 132	(5 991)	(120)	**(4 858)**
Net loss for the period	-	(10 673)	-	**(10 673)**
Other comprehensive income (loss) for the period net of income tax	-		159	**159**
Total comprehensive income for the period	-	(10 673)	159	**(10 514)**
Capital increase	377	49 123		**49 500**
Balance at 31 December 2020	1 510	32 459	39	**34 128**

Consolidated statement of cash flows

	Note	**2020**	2019
Cash flow from operating activities			
Loss before tax		**(10 667)**	(7 458)
Income taxes paid	5	**(6)**	(6)
Change trade payables		**33**	(200)
Other accruals etc.		**(412)**	259
Net interest expense		**382**	241
Net foreign currency exchange rate difference		**159**	120
Net cash flow from operating activities		**(10 511)**	(7 044)
Cash flow from investing activities			
Payments on purchases of fixed assets	3	**(1 670)**	(5 838)
Net cash flow from investing activities		**(1 670)**	(5 838)
Cash flow from financing activities			
Proceeds from capital increases		**37 906**	3 169
Proceeds from loans and borrowings		**1 300**	9 984
Net interest paid		**(15)**	1
Net cash flow from financing activities		**39 191**	13 154
Net change in cash and bank deposits		**27 010**	272
Cash and bank deposits as at 1 January		**1 321**	1 049
Cash and bank deposits as at 31 December	8	**28 330**	1 321

Notes to the consolidated financial statements

Note 01 Summary of significant accounting policies

General information
The Proximar Seafood group is an early-stage Norwegian-registered seafood company engaged in land-based fish farming, with its head office in Bergen, Norway. The Proximar group will soon be starting construction of a production facility for Atlantic salmon close to Mount Fuji in Japan through the wholly owned Japanese subsidiary Proximar Ltd.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

Basis for preparation of the annual accounts
With effect for the 2020 financial statements, the group has elected to prepare its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, relevant interpretations and additional requirements pursuant to the Norwegian Accounting Act of 31 December 2020. References to "IFRS" in these financial statements mean the IFRS as adopted by the EU. These consolidated financial statements are the first consolidated financial statements issued by the group. On adoption of IFRS on 1 January 2019 (the transition date) there were no recognition and measurement effects on the financial statements.

The consolidated financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.

Consolidation
The consolidated financial statements present the group's financial position, comprehensive income, changes in equity and cash flow. All intercompany transactions, receivables and liabilities are eliminated. Any unrealised gains from intercompany transactions are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the group's accounting policies.

Subsidiaries are all entities over which the group exercises control. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the group ceases to control the subsidiary.

Revenues
Revenues from the sale of goods are recognised when both risk and control have been transferred to the customer. Delivery of control will normally occur at the moment the goods are delivered to the customer. Revenue is recognised at the value of the consideration when the transaction takes place.

Operating revenues are recognised less value added tax, discounts, bonuses and other sales costs. The timing of the transfer of risk to the customer depends on the delivery terms noted in the sales contract.

The group had no revenues during the 2020 financial year.

Classification of current and non-current items
An asset is classified as current when it is expected to be realised or sold or to be used in the group's normal operating cycle or falls due or is expected to be realised within 12 months after the end of the reporting period. Other assets are classified as non-current. Liabilities are classified as current when they are expected to be settled in the normal operating cycle of the group or are expected to be settled within 12 months of the end of the reporting period, or if the group does not have an unconditional right to postpone settlement for at least 12 months after the balance sheet date.

Foreign currency
Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Norwegian currency (NOK), which is the functional and presentation currency of Proximar Seafoods AS.

Foreign currency transactions are translated using the exchange rate at the time of the transaction. Receivables, debt and other monetary items in foreign currency are measured at the exchange rate at the end of the reporting period, and the translation differences are recognised in profit or loss. Other assets in foreign currencies are translated at the exchange rate in effect on the transaction date.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in other comprehensive income and accumulated in a foreign exchange translation reserve. When a foreign operation is sold the associated exchange, differences are reclassified to profit or loss, as part of the gain or loss on sale.

Profit or loss transactions in foreign subsidiaries are translated to the presentation currency using the average exchange rate for the period unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Assets and liabilities of foreign subsidiaries are translated at the exchange rate at the end of the reporting period.

Taxes
The tax expense consists of tax payable and changes to deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are calculated on the basis of temporary differences between the carrying amount of assets and liabilities in the financial statements and their tax base, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated on the basis of the tax rates and tax legislation which are expected to apply when the assets are realised or the liabilities are settled, based on the tax rates and tax legislation which have been enacted or substantially enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. The companies included in the consolidated financial statements are subject to income tax in the countries where they have their business address.

Cash and bank balances
Cash and bank balances include cash in hand and bank deposits. Potential overdraft facilities will be presented as borrowings in the financial statement.

Trade and other receivables
Receivables arise from the trading of goods or services within the ordinary operating cycle and under normal terms of payment are initially recognised at nominal value. Trade receivables with longer terms of payment are discounted to present value.

The group's financial assets, which primarily consist of trade receivables and other current receivables are measured at amortised cost.Receivables are recognized in the financial statement at nominal value after a provision of bad debt. Provision for bad debts is estimated based on individual assessments for material accounts, minor accounts are estimated based on expected losses.

The group always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Property, plant and equipment
Land and buildings held for use in the production and supply of goods or services (excluding investment properties) or for administrative purposes are stated in the statement of financial position at their revalued amounts, being their fair value at the date of revaluation less any accumulated depreciation and accumulated impairment losses.

Property, plant and equipment are capitalised at acquisition cost less accumulated depreciation and any impairment losses. Acquisition cost includes expenditure which is directly attributable to the acquisition of the items. Costs associated with normal maintenance and repairs are expensed as incurred. Costs for major replacements and renewals which substantially extend the economic life and functionality of the asset are capitalised. Assets are normally considered property, plant and equipment if their useful economic life exceeds one year. Straight-line depreciation is applied over the useful life of property, plant and equipment, based on the asset's historical cost and estimated residual value at disposal. If a substantial part of an asset has an individual and different useful life, this part is depreciated separately. The asset's residual value and useful life are evaluated annually. The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset.

Assets under construction are not depreciated. Depreciation is charged to expenses when the property, plant or equipment is ready for use.

Trade and other payables
These amounts represent unpaid liabilities for goods and services provided to the group prior to the end of the financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Personnel expenses
Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect to employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Pensions
The group operates with defined contribution plans. It pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as personnel expenses when they are due. Prepaid contributions

are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Cash flow statement
The cash flow statement is prepared in accordance with the indirect method. This means that the statement is based on the group's profit before tax in order to present cash flows from operating, investing and financing activities respectively. Cash payment made in acquiring subsidiaries less the cash acquired as part of the transactions is reported under cash flows from investing activities.

Earnings per share
Earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the group by the weighted average number of ordinary shares outstanding during the period.

Adoption of new and revised international financial reporting standards and interpretations
Standards and Interpretations affecting amounts reported in the current period

These consolidated financial statements are the first consolidated financial statements issued by the group. All relevant new and revised IFRSs and IFRIC interpretations that are mandatory for periods commencing 1 January 2020 and earlier have been adopted for all periods presented in these consolidated financial statements.

Standards and Interpretations in issue but not yet adopted
At the date of authorisation of these financial statements, the following Standards and Interpretations had been issued by the IASB but were not effective for the financial year ended 31 December 2020.

Management anticipates that these Standards and Interpretations will be adopted in the group's financial statements for the period beginning 1 January 2021 or later. Management considers that the impact of the adoption of these new and revised/amended Standards and Interpretations on the group will not be significant.

Standard/ Interpretation	Title	Date of issue	Applicable to accounting periods commencing on
Amendment to IFRS 16 Leases2	Covid 19- Related Rent Concessions	May 2020	1 June 2020
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform Phase 2	August 2020	1 January 2021
Amendments to IAS 1 Presentation of Financial Statements1	Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date	January 2020 and July 2020	1 January 2023
Amendments to IFRS 3 Business Combinations1	Reference to the Conceptual Framework	May 2020	1 January 2022
Amendments to IAS 16 Property, Plant and Equipment1	Proceeds before intended use	May 2020	1 January 2022
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets1	Onerous Contracts — Cost of Fulfilling a Contract	May 2020	1 January 2022
Annual Improvements 2018-20201	Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41	May 2020	1 January 2022
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors1	Definition of Accounting Estimates	February 2021	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 21	Disclosure of Accounting policies	February 2021	1 January 2023

1) The standard/revised standard/amendment has as at the date of issue of these financial statements not yet been adopted by the EU. Applicable accounting periods are IASB effective dates.
2) The IASB proposed to extend the availability of the practical expedient around rent concessions affecting payments originally due on or before June 2022. The amendment was issued in February 2021 with an effective date of 1 April 2021. The amendment has not yet been endorsed by the EU at the date of issuing these financial statements.

Critical accounting judgments and key sources of estimation uncertainty
In applying the group's accounting policies management is required to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant including expectations of future events that are deemed to be reasonable under the current circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates, assumptions and management judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Deferred tax assets
Management judgment is required in determining provisions for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognised. The Group is also subject to income taxes in various jurisdictions. Judgment is required in determining the group's provision for income taxes. There may be transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liability and expense in the period in which such determination is made.

Note 02 Financial risk and capital management

The Group's financial assets and liabilities comprise of trade and other receivables, trade and other payables, cash deposits and borrowings necessary for its operations.

The group is exposed to changes in foreign exchange rates relating primarily to the group's activities in Japan. The main currencies used are NOK, JPY and USD.

At 31 December 2020 the group holds an insignificant amount of monetary items nominated in foreign currency.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flow) of financial liabilities:

Amounts in NOK thousand	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2020					
Trade and other payables	253	2 941	-	-	-
Borrowings	-	325	650	325	-
Interest on borrowings	-	6	15	7	-
Total	253	3 271	665	332	-

Note 03 Land, property, plant and equipment

Year ended 31 December 2019

Amounts in NOK thousand	Assets under construction	Total
Cost at 1 January 2020	7 382	**7 382**
Additions in the year	1 670	**1 670**
Cost at 31 December 2020	9 052	**9 052**
Accumulated depreciation at 1 January 2020	-	**-**
Depreciation in the year	-	**-**
Net carrying amount at 31 December 2020	9 052	**9 052**

Year ended 31 December 2019

Amounts in NOK thousand	Assets under construction	Total
Cost at 1 January 2019	1 544	**1 544**
Additions in the year	5 838	**5 838**
Disposals in the year	-	**-**
Cost at 31 December 2019	7 382	**7 382**
Accumulated depreciation at 1 January 2019	-	**-**
Depreciation in the year	-	**-**
Net carrying amount at 31 December 2019	7 382	**7 382**

Estimated useful life and depreciation plan is as follows:	
Economic life	Not applicable
Depreciation plan	Not applicable

Note 04 Payroll costs, number of employees, remunerations, etc.

Payroll costs

Amounts in NOK thousand	2020	2019
Salaries incl holiday pay and bonuses	**2 304**	2 470
Social security cost	**322**	325
Pension costs	**391**	183
Other benefits	**101**	22
Total	**3 118**	3 000
Average No. of full-time employees during the financial year	**2**	2

There has been no remuneration paid to the board of directors in the period.

Remuneration to executive management

Amounts in NOK thousand	Salary	Other benefits	Total
Joachim Nielsen (CEO)	1 306	7	**1 313**
Pål Karset Grimsrud (CFO)	1 320	7	**1 327**

Note 05 Deferred tax and tax expense

Specification of income tax expense

The tax benefit/(expense) is calculated based on income before tax and consists of current tax and deferred tax.

Amounts in NOK thousand	2020	2019
Income tax expense		
Deferred tax expense	**-**	-
Current tax expense	**6**	6
Income tax expense	**6**	6
Income tax liabilities (balance sheet)		
Income tax payable	**6**	6
Income tax liabilities (balance sheet)	**6**	6

Effective Tax Rate

The difference between income tax calculated at the applicable income tax rate and the income tax expense attributable to loss before income tax was as follows:

Amounts in NOK thousand	2020	2019
Loss before income tax	**(10 667)**	(7 458)
Statutory income tax rate	**22%**	22%
Expected income tax expense/(benefit)	**(2 347)**	(1 641)
Change in deferred tax asset not recognized	**2 700**	1 579 831
Other items	**(348)**	(1 578 184)
Income tax expense for the year	**6**	6
Effective tax rate	**0%**	0%

Specification of the tax effect of temporary differences and losses carried forward

The tax effects of temporary differences and tax losses carried forward at 31 December are as follows:

Amounts in NOK thousand	2020	2019
Tax losses carried forward	**39 902**	27 627
Deferred tax assets not recognized	**(39 902)**	(27 627)
Deferred tax asset (liability)	**-**	-
Tax rate	**22%**	22%
Deferred tax asset (liability)	**-**	-

Note 06 Other operating expenses

Breakdown of other operating expenses

Amounts in NOK thousand	**2020**	2019
Office supplies & expenses	**430**	286
Professional fees	**7 324**	2 664
Travel expenses	**198**	1 158
Marketing expenses	**56**	14
Other expenses	**14**	23
Total operating expenses	**8 021**	4 146

Fee to auditor

Amounts in NOK thousand	**2020**	2019
Statutory auditing services	**45**	58
Other services	**308**	15
Total fee to auditor	**353**	73

All service fees are exclusive of VAT.

Note 07 Earnings per share

In November 2020, a 10x share split was executed and the average number of shares outstanding were retrospectively calculated. All shareholders maintained their pro-rata interest in the group.

Amounts in NOK thousand	**2020**	2019
Net loss for the period	**(10 672 512)**	(7 464 090)
Weighted average number of outstanding shares during the year	**12 604 688**	10 555 338
Earnings (loss) per share - basic and diluted (in NOK)	**(0.85)**	(0.71)

Earnings per share calculation is based on profit/loss in the consolidated financial statement divided by the weigheted average of common shares

Note 08 Cash and bank deposits

Cash and bank deposits

Amounts in NOK thousand	**2020**	2019
Unrestricted cash and bank deposits	**28 049**	1 255
Restricted cash and bank deposits	**282**	65
Total cash and bank deposits	**28 330**	1 320

Note 09 Share capital and shareholders

The share capital of NOK 1 509 629 consisted of 15 096 290 shares, each with a nominal value of NOK 0.1 at the end of 2020.

All shares carry equal rights.

The movement in the number of shares during the year was as follows:

Number of shares	**2020**	2019
Ordinary shares at beginning of period	**1 132 271**	1 041 471
Issue of ordinary shares from cash and in kind contribution	**377 358**	90 800
Share split	**13 586 661**	
Ordinary shares at 31 December	**15 096 290**	1 132 271

List of main shareholders as of 31 December 2020 and 2019

	2020		2019	
Shareholder	**Number of shares**	**Ownership percentage**	Number of shares	Ownership percentage
Daimyo AS	**2 860 360**	**18.9%**	330 837	29.2%
Loyden AS	**2 766 670**	**18.3%**	276 667	24.4%
Kvasshøgdi AS	**2 237 930**	**14.8%**	188 750	16.7%
Grieg kapital AS	**2 161 530**	**14.3%**	188 750	16.7%
Helida AS	**837 980**	**5.6%**	76 251	6.7%
Nordic Delta AS	**750 000**	**5.0%**	-	0.0%
Vitamar AS	**696 940**	**4.6%**	54 251	4.8%
Art Group AS	**470 000**	**3.1%**	-	0.0%
Middelborg Invest AS	**355 000**	**2.4%**	-	0.0%
Alden AS	**355 000**	**2.4%**	-	0.0%
Pescara Invest AS	**280 000**	**1.9%**	-	0.0%
Titan Venture AS	**190 000**	**1.3%**	-	0.0%
Tigerstaden AS	**177 480**	**1.2%**	-	0.0%
Elgheia AS	**160 990**	**1.1%**	6 666	0.6%
Suletind AS	**150 950**	**1.0%**	-	0.0%
MH Capital AS	**140 000**	**0.9%**	-	0.0%
Atle Melve	**100 000**	**0.7%**	10 000	0.9%
Company One AS	**100 000**	**0.7%**	-	0.0%
Guttis AS	**70 000**	**0.5%**	-	0.0%
Salthavn AS	**37 740**	**0.2%**	-	0.0%
Total number of shares attributed to the 20 largest shareholders	**14 898 570**	**98.7%**	1 132 172	100.0%
Total number of shares attributed to other shareholders	**197 720**	**1.3%**	-	0.0%
Total number of shares issued and outstanding	**15 096 290**	**100.0%**	1 132 172	100.0%

Joachim Nielsen is a shareholder through his holding company Loyden AS and the CEO of the group.

Note 10 Borrowings and other current liabilites

The group has one loan from credit institutions in 2020 with the following maturity:

Amounts in NOK thousand	Up to 1 year	Between 1 and 2 years	Between 2 and 5 years	**Total**
At 31 December 2020				
Long term loan to financial institution	325	650	325	**1 300**

The group has made no pledges or guarantees for the loan. The loan is guaranteed by the Norwegian government as part of the Covid-19 relief package for small and medium sized entities.

Shareholder loans

Amounts in NOK thousand	**2020**	2019
Daimyo AS	**-**	5 133
Grieg Kapital AS	**-**	2 531
Kvasshøgdi AS	**-**	2 562
Vitamar AS	**-**	1 002
Total shareholder loans	**-**	11 227

Current trade payables and other payables

Amounts in NOK thousand	**2020**	2019
Trade payables	**119**	87
Taxes payable	**6**	6
Social security and other taxes	**134**	113
Shareholder loans	**-**	11 227
Salaries and vacation pay due	**434**	1 536
Accrued expenses	**2 501**	391
Other liabilities to employees	**-**	316
Total current liabilities	**3 194**	13 676

Note 11 Investment in subsidiaries

The consolidated financial statement from 2020 includes the following subsidiaries:

Year ended 31 December 2020

Company name	Date of acquisition	Registered	Ownership share
Proximar Ltd.	2017	Japan	100%

The consolidated financial statement from 2019 includes the following subsidiaries

Year ended 31 December 2019

Company name	Date of acquisition	Registered	Ownership share
Proximar Ltd.	2017	Japan	100%

Note 12 Related parties

Balances and transactions between Proximar Seafood AS and its subsidiary, which is a related parties of Proximar Seafood AS, have been eliminated on consolidation and are not disclosed in this note.

The group has no other related party transactions or balances then those disclosed in 2020.

Note 13 Subsequent Events

The share capital was increased in January 2021. The number of shares was increased by 24 691 360 (from 15 096 290 to 39 787 650) with a nominal value of NOK 0.1 per share. The total cash consideration was NOK 400 million.

On February 2 2021 the shares of Proximar Seafood AS were admitted to trading on Euronext Growth AS.

Statement of income – Proximar Seafood AS

Amounts in NOK thousand	*Note*	**2020**	2019
Revenue	11	**7 341**	5 320
Revenue and other income		**7 341**	5 320
Personnel expenses	3	**3 118**	2 999
Other operating expenses		**5 132**	3 372
Operating expenses		**8 250**	6 371
Operating loss		**(909)**	(1 052)
Interest income from subsidiary	11	**246**	619
Other interest income		**-**	1
Other financial income		**1 195**	6
Other interest expenses		**414**	242
Other financial expenses		**549**	14
Net finance		**478**	370
Net loss before income taxes		**(432)**	(682)
Tax on ordinary result	4	**-**	-
Net loss for the year		**(432)**	(682)
Brought forward			
Transferred from other equity		**432**	682
Net brought forward		**(432)**	(682)

Statement of financial postion – Proximar Seafood AS

Amounts in NOK thousand	*Note*	**31.12.2020**	31.12.2019
ASSETS			
Tangible non-current assets			
Assets under construction	2	**2 376**	880
Total tangible non-current assets		**2 376**	880
Financial non-current assets			
Investment in subsidiary	10	**155**	155
Long term receivable from subsidiary	11	**8 437**	8 141
Total financial non-current assets		**8 591**	8 295
Total non-current assets		**10 967**	9 175
Current assets			
Trade receivables from subsidiary	11	**19 983**	10 200
Other receivables and prepayments		**1 235**	58
Total receivables and prepayments		**21 218**	10 258
Cash and bank deposits	6	**28 286**	1 199
Total current assets		**49 504**	11 457
Total assets		**60 471**	20 632
EQUITY AND LIABILITIES			
Equity			
Share capital	7, 8	**1 510**	1 132
Share premium reserve	8	**54 521**	19 683
Other equity	8	**-**	(13 852)
Total equity		**56 031**	6 963
Liabilities			
Non-current interest bearing debt		**1 300**	-
Total non-current debt	9	**1 300**	-
Trade payables		**73**	87
Public duties		**134**	113
Other current debt		**2 934**	13 470
Total current debt	9	**3 140**	13 669
Total liabilities		**4 440**	13 669
TOTAL EQUITY AND LIABILITIES		**60 471**	20 632

Bergen, 16 April 2021
The board of directors of Proximar Seafood AS

Per Grieg Jr	Helge Nielsen	Thomas Grieg	Espen Aubert	Joachim Nielsen
Chair	*Director*	*Director*	*Director*	*CEO*

Statement of cash flows – Proximar Seafood AS

Amounts in NOK thousand	*Note*	**2020**	2019
Cash flow from operating activities			
Loss before tax		**(432)**	(682)
Income taxes paid		**-**	-
Change trade receivables		**(9 782)**	(5 320)
Change other receivables		**(1 178)**	(35)
Change trade payables		**(14)**	(200)
Other accruals etc.		**466**	551
Net cash flow from operating activities		**(10 940)**	(5 685)
Cash flow from investing activities			
Payments on purchases of fixed assets	2	**(1 496)**	(880)
Payments on loans to subsidiaries		**(50)**	(5 997)
Net cash flow from investing activities		**(1 546)**	(6 877)
Cash flow from financing activities			
Proceeds from capital increases	8	**38 273**	3 169
Proceeds from loans and borrowings	9	**1 300**	10 226
Net cash flow from financing activities		**39 573**	13 395
Net change in cash and bank deposits		**27 087**	833
Cash and bank deposits at 1 January		**1 199**	366
Cash and bank deposits at 31 December	6	**28 286**	1 199

Notes to the financial statements – Proximar Seafood AS

Note 01 Accounting policies

General information
The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

Classification of current and non-current items
An asset is classified as current when it is expected to be realised or sold or to be used in the company's normal operating cycle or falls due or is expected to be realised within 12 months after the end of the reporting period. Other assets are classified as non-current. Liabilities are classified as current when they are expected to be settled in the normal operating cycle of the group or are expected to be settled within 12 months of the end of the reporting period, or if the group does not have an unconditional right to postpone settlement for at least 12 months after the balance sheet date.

Current assets are valued at the lower of historical cost and fair value. Fixed assets are carried at historical cost, but are written down to their recoverable amount if this is lower than the carrying amount and the decline is expected to be permanent. Fixed assets with a limited economic life are depreciated on a systematic basis in accordance with a reasonable depreciation schedule.

Foreign currency
Foreign currency transactions are translated using the exchange rate at the time of the transaction. Receivables, debt and other monetary items in foreign currency are measured at the exchange rate at the end of the reporting period, and the translation differences are recognised in profit or loss. Other assets in foreign currencies are translated at the exchange rate in effect on the transaction date.

Revenues
Revenue is recognised when it is earned, ie, when the claim to remuneration arises. This occurs when the service is performed as the work is being done. The revenue is recognised at the value of the remuneration at the time of the transaction.

Operating revenues are recognised less value added tax, discounts, bonuses and other sales costs. The timing of the transfer of risk to the customer depends on the delivery terms noted in the sales contract.

Taxes
The tax expense consists of the tax payable and changes to deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity. In that case, the tax is also recognised directly in equity.

Deferred tax assets and liabilities are calculated on the basis of temporary differences between the carrying amount of assets and liabilities in the financial statements and their tax base, together with tax losses carried forward at the balance sheet date. Deferred tax assets and liabilities are calculated on the basis of the tax rates and tax legislation which are expected to apply when the assets are realised or the liabilities are settled, based on the tax rates and tax legislation which have been enacted or substantially enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities.

Cash and bank balances
Cash and bank balances include cash in hand and bank deposits. Potential overdraft facilities will be presented as borrowings in the financial statement.

Trade and other receivables
Receivables arise from the trading of goods or services within the ordinary operating cycle, and under normal terms of payment are initially recognised at nominal value. Trade receivables with longer terms of payment are discounted to their present value.

Receivables are recognised in the financial statement at nominal value after a provision for bad debt. Provision for bad debts is estimated on the basis of individual assessments for material accounts. Minor accounts are estimated on the basis of expected losses.

Property, plant and equipment
Property, plant and equipment are capitalised at acquisition cost less accumulated depreciation and any impairment losses. Acquisition cost includes expenditure which is directly attributable to the acquisition of the items. Costs associated with normal maintenance and repairs are expensed as incurred. Costs of major replacements and renewals which substantially extend the economic life and functionality of the asset are capitalised. Assets are normally considered to be property, plant and equipment if their useful economic life exceeds one year. Straight-line depreciation is applied over the useful life of property, plant and equipment on the basis of the asset's historical cost and estimated residual value at disposal. If a substantial part of an asset has an individual and different useful life, this part is depreciated separately. The asset's residual value and useful life are evaluated annually. The gain or loss arising from the disposal or retirement of an

asset is determined as the difference between the sales proceeds and the carrying amount of the asset.

Assets under construction are not depreciated. Depreciation is charged to expenses when the property, plant or equipment is ready for use.

Trade and other payables
These amounts represent unpaid liabilities for goods and services provided to the company prior to the end of the financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Personnel expenses
Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave which are expected to be settled wholly within 12 months from the end of the period in which the employees render the related service, are recognised in respect to employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Pensions
The company operates with defined contribution plans. It pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as personnel expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Cash flow statement
The cash flow statement is prepared in accordance with the indirect method. This means that the statement is based on the company's profit before tax in order to present cash flows from operating, investing and financing activities respectively. The cash payment made in acquiring subsidiaries less the cash acquired as part of the transactions is reported under cash flows from investing activities.

Note 02 Land, property, plant and equipment

Year ended 31 December 2019

Amounts in NOK thousand	Assets under construction	Total
Cost at 1 January 2020	880	**880**
Additions in the year	1 496	**1 496**
Cost at 31 December 2020	2 376	**2 376**
Accumulated depreciation at 1 January 2020	-	**-**
Depreciation in the year	-	**-**
Net carrying amount at 31 December 2020	2 376	**2 376**

Year ended 31 December 2018

Amounts in NOK thousand	Assets under construction	Total
Cost at 1. January 2019	-	**-**
Additions in the year	880	**880**
Disposals in the year		
Cost at 31 December 2019	880	**880**
Accumulated depreciation at 1 January 2019	-	**-**
Depreciation in the year	-	**-**
Net carrying amount at 31 December 2019	880	**880**

Estimated useful life and depreciation plan is as follows:	
Economic life	Not applicable
Depreciation plan	Not applicable

Note 03 Payroll costs, number of employees, remunerations, etc.

Payroll costs

Amounts in NOK thousand	**2020**	2019
Salaries incl holiday pay and bonuses	**2 304**	2 470
Social security cost	**322**	325
Pension costs	**391**	183
Other benefits	**101**	22
Total	**3 118**	3 000
Average number of full-time employees during the financial year	**2**	2

There has been no remuneration paid to the board of directors in the period.

Remuneration to executive management

Amounts in NOK thousand	Salary	Other benefits	**Total**
Joachim Nielsen (CEO)	1 306	7	**1 313**
Pål Karset Grimsrud (CFO)	1 320	7	**1 327**

Note 04 Deferred tax and tax expense

Specification of income tax expense
The tax benefit/(expense) is calculated based on income before tax and consists of current tax and deferred tax.

Amounts in NOK thousand	**2020**	2019
Income tax expense		
Deferred tax expense	**-**	-
Current tax expense	**-**	-
Income tax expense	**-**	-
Income tax liabilities (balance sheet)		
Income tax payable	**-**	-
Income tax liabilities (balance sheet)	**-**	-
Taxable income	**2020**	2019
Net loss before income taxes	**(432)**	(682)
Permanent differences	**(498)**	14
Tax loss carried forward	**930**	668
Taxable income for the year	**-**	-

Effective Tax Rate
The difference between income tax calculated at the applicable income tax rate and the income tax expense attributable to loss before income tax was as follows:

Amounts in NOK thousand	2020	2019
Loss before income tax	(432)	(682)
Statutory income tax rate	22%	22%
Expected income tax expense/(benefit)	(95)	(150)
Change in deferred tax asset not recognized	205	147
Effekt of permanent differences	(110)	3
Income tax expense/income for the year	-	-
Effective tax rate	0%	0%

Specification of the tax effect of temporary differences and losses carried forward
The tax effects of temporary differences and tax losses carried forward at 31 December are as follows:

Amounts in NOK thousand	2020	2019
Tax losses carried forward	2 511	1 581
Deferred tax assets not recognized	(2 511)	(1 581)
Deferred tax asset (liability)	-	-
Tax rate	22%	22%
Deferred tax asset (liability)	-	-

Note 05 Auditor's fee

Amounts in NOK thousand	2020	2019
Statutory auditing services	45	58
Other services	308	15
Total fee to auditor	353	73

All service fees are exclusive of VAT.

Note 06 Cash and bank deposits

Cash and bank deposits

Amounts in NOK thousand	2020	2019
Unrestricted cash and bank deposits	28 005	1 134
Restricted cash and bank deposits	282	65
Total cash and bank deposits	28 286	1 199

Note 07 Share capital and shareholders

The share capital of NOK 1 509 629 consisted of 15 096 290 shares, each with a nominal value of NOK 0.1 at the end of 2020.All shares carry equal rights.

The movement in the number of shares during the year was as follows:

Number of shares	2020	2019
Ordinary shares at beginning of period	1 132 271	1 041 471
Issue of ordinary shares from cash and in kind contribution	377 358	90 800
Share split	13 586 661	-
Ordinary shares at 31 December	15 096 290	1 132 271

List of main shareholders as of 31 December 2020 and 2019

	2020		2019	
Shareholder	Number of shares	Ownership percentage	Number of shares	Ownership percentage
Daimyo AS	2 860 360	18.9%	330 837	29.2%
Loyden AS	2 766 670	18.3%	276 667	24.4%
Kvasshøgdi AS	2 237 930	14.8%	188 750	16.7%
Grieg kapital AS	2 161 530	14.3%	188 750	16.7%
Helida AS	837 980	5.6%	76 251	6.7%
Nordic Delta AS	750 000	5.0%	-	0.0%
Vitamar AS	696 940	4.6%	54 251	4.8%
Art Group AS	470 000	3.1%	-	0.0%
Middelborg Invest AS	355 000	2.4%	-	0.0%
Alden AS	355 000	2.4%	-	0.0%
Pescara Invest AS	280 000	1.9%	-	0.0%
Titan Venture AS	190 000	1.3%	-	0.0%
Tigerstaden AS	177 480	1.2%	-	0.0%
Elgheia AS	160 990	1.1%	6 666	0.6%
Suletind AS	150 950	1.0%	-	0.0%
MH Capital AS	140 000	0.9%	-	0.0%
Atle Melve	100 000	0.7%	10 000	0.9%
Company One AS	100 000	0.7%	-	0.0%
Guttis AS	70 000	0.5%	-	0.0%
Salthavn AS	37 740	0.2%	-	0.0%
Total number of shares attributed to the 20 largest shareholders	14 898 570	98.7%	1 132 172	100.0%
Total number of shares attributed to other shareholders	197 720	1.3%	-	0.0%
Total number of shares issued and outstanding	15 096 290	100.0%	1 132 172	100.0%

Joachim Nielsen is a shareholder through his holding company Loyden AS and the CEO of the company.

Note 08 Equity

For the period ended 31 December

Amounts in NOK thousand	Share capital	Share premium reserve	Retained earnings	**Total equity**
Balance at 1 January 2020	1 132	19 683	(13 852)	**6 963**
	-	-	-	**-**
Net loss for the year	-	-	(432)	**(432)**
Capital increase	377	49 123	-	**49 500**
Reclassification from share premium to retained earnings	-	(14 284)	14 284	**-**
Balance at 31 December 2020	1 510	54 521	-	**56 031**

Note 09 Borrowings and other current liabilites

Proximar Seafood AS has one loan from credit institutions in 2020 with the following maturity:

Amounts in NOK thousand	Up to 1 year	Between 1 and 2 years	Between 2 and 5 years	**Total**
At 31 December 2020				
Long term loan to financial institution	325	650	325	**1 300**

The company has made no pledges or guarantees for the loan. The loan is guaranteed by the Norwegian government as part of the Covid-19 relief package for small and medium sized entities.

Shareholder loans

Amounts in NOK thousand	**2020**	2019
Daimyo AS	**-**	5 133
Grieg Kapital AS	**-**	2 531
Kvasshøgdi AS	**-**	2 562
Vitamar AS	**-**	1 002
Total shareholder loans	**-**	11 227

Current trade payables and other payables

Amounts in NOK thousand	**2020**	2019
Trade payables	**73**	87
Social security and other taxes	**134**	113
Shareholder loans	**-**	11 227
Salaries and vacation pay due	**434**	1 536
Accrued expenses	**2 500**	391
Other liabilities to employees	**-**	316
Total current liabilities	**3 140**	13 669

Note 10 Investment in subsidiaries

Proximar Seafood AS has the following investment in subsidiaries at 31 December 2020:

Company name	Registered office	Voting share	Ownership share	Equity at 31 December 2020	Net loss for year ended 31 December 2020	Balance sheet in parent company
Proximar Ltd.	Oyama, Japan	100%	100%	(22 220)	(10 241)	155

Note 11 Related parties

During the year, the company entered into the following transactions with related parties:

Amounts in NOK thousand	**2020**	2019
Proximar Ltd.		
Sale of management services	**7 341**	5 320
Interest income	**246**	619

At 31 December, the company had the following outstanding balances with related parties:

Amounts in NOK thousand	**2020**	2019
Proximar Ltd.		
Long term receivables	**8 437**	8 141
Account receivables	**19 983**	10 200

Note 12 Subsequent events

The share capital was increased in January 2021. The number of shares was increased by 24 691 360 (from 15 096 290 to 39 787 650) with a nominal value of NOK 0.1 per share. The total cash consideration was NOK 400 million.

On February 2 2021 the shares of Proximar Seafood AS were admitted to trading on Euronext Growth AS.

Responsibility statement

We hereby confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2020 have been prepared in accordance with applicable accounting standards and give a true and fair view of the group and of the group's assets, liabilities, financial position, and overall results. We also confirm that the directors' report gives a true and fair view of the development and performance of the business and the position of the company and the group, as well as a description of the principal risks and uncertainties facing the company and the group.

Bergen, 16 April 2021
The board of directors of Proximar Seafood AS

Per Grieg Jr. *Chair*	Helge Nielsen *Director*
Thomas Grieg *Director*	Espen Aubert *Director*

Joachim Nielsen
CEO

Deloitte.

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To the General Meeting of Proximar Seafood AS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Proximar Seafood AS, which comprise:

- The financial statements of the parent company Proximar Seafood AS (the Company), which comprise the balance sheet as at 31 December 2020, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Proximar Seafood AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2020, the 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 a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, 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.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and 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

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements
The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. 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 consolidated 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Report on Other Legal and Regulatory Requirements
Opinion on the Board of Directors' report
Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation
Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Bergen, 16. April 2021
Deloitte AS

Helge Roald Johnsen

Helge-Roald Johnsen
State Authorised Public Accountant (Norway)

Your notes

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