



NORDIC AQUA PARTNERS

Annual Report 2020

Nordic Aqua Partners A/S
Hundegade 1, 6760 Ribe, Denmark
Business Registration No. 38 18 30 01

Adopted at the annual general meeting of
Nordic Aqua Partners A/S on 27 May 2021

Carina Vang Kristoffersen
Chairman of the meeting



NORDIC AQUA PARTNERS

Contents

Management's Review

Conquering the World's Largest Seafood Market	3
Who we are	5
Directors and Management	6
Company's Commentary	10
Project Status	14
Our Market - China	15
Parent Company Details	20

Reports

Statement by Management	21
Independent Auditor's Report	22

Financial Statements

Consolidated Financial Statements	25
Notes to the Consolidated Financial Statements	32
Financial Statements Parent Company	44
Notes to the Financial Statements Parent Company	50



NORDIC AQUA PARTNERS

Nordic Aqua Partners in China

Conquering the World's Largest Seafood Market

First commercial provider of locally farmed salmon

Fully equity financed to reach expected production

Unique management team with extensive experience

Strong partnership with global leaders in aquaculture

Dedicated support from the local government

Conquering the World's Largest Seafood Market

First commercial provider of locally farmed salmon

Nordic Aqua Partners will be the first to provide the Chinese market with locally farmed, live and high-quality Atlantic salmon. It is farmed in a sustainable and state-of-the-art Recirculating Aquaculture System (RAS) in a facility located in the Xiangshan county of Ningbo municipality.

This strategic location allows the fresh salmon to reach +100 million customers within 5 hours. And within 12 hours the salmon can reach the entire Chinese seafood market - the largest in the world with 1,4 billion potential consumers.

Fully equity financed to reach expected production

Site preparation and construction are currently in full process, and in the 4th Quarter 2020 we managed to complete the capitalization of our project. This will allow us to reach our initial annual capacity of 4,000 + 4,000 tons, with a future plan to expand to an annual output of 40,000 tons on current land parcel.

Unique management team with extensive experience

Our project founders have more than 50 years of experience in setting up- and operating complex businesses in China, including an extensive network and guanxi. We also have a very experienced farm operating- and management team providing the best RAS-farming experience and know-how available.

Strong partnership with global leaders in aquaculture

We have an equity partnership with AKVA group, the global technology and service partner within the aquaculture industry, ensuring delivery of best RAS technology and services to solve biological challenges in our project.

We have an equity partnership with Nutreco/Skretting, the world leader in the manufacture and supply of aquaculture feeds, providing their knowledge of ingredients and the nutritional needs to provide optimal nutritional value, sustainable production and economic performance for our project.

Dedicated support from the local government

We continue to have the full support from local government and local partners and associates, providing land, facility, infrastructure and facilities on favorable long term lease contracts, significantly reducing up-front investments and mitigating risks.

Positioned to deliver fresh salmon to ~100 million of China's wealthiest consumers



Who we are

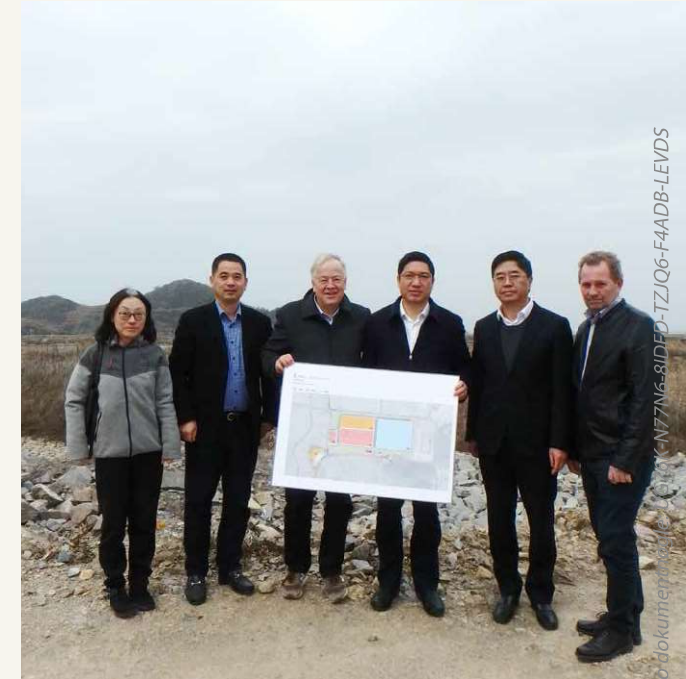
Nordic Aqua Partners A/S [NAP] is a public limited liability company incorporated in Denmark on 10 November 2016, organized and existing under the laws of Denmark pursuant to the Danish Companies Act. NAP was listed on EuroNext Growth in Oslo on December 2nd, 2020, under the ticker "NOAP".

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

Our management and team comprises a variety of relevant experience, which makes us unique when setting up RAS salmon farming business in China. The expatriate management team of NAP possesses more than 50 years of living and working experience from China, including setting up and operating a variety of businesses. They have also been advisors to more than 50 setups in China, and build up a very good network on high levels of government. This combination has proven very instrumental when planning and initiating the project. NAP continues to recruit highly qualified management and staff within China, to assure readiness as we develop.

The management of NAP possesses executives with more than 75 years of salmon farming, and are among the most experienced RAS operators available. Their extensive experience and knowhow has been introduced to all aspects of our design and operation, and they will continue to play an important role as we continue to transfer technology and knowhow to our local salmon farming group in Ningbo, China. These experienced RAS farmers and operators have also been leading the design work in close cooperation with our partner and turnkey provider of RAS technology and equipment, AKVA group ASA.

We continue to have the full support from local government and local partners and associates, all very important for our success when setting up the very first RAS facility in China.





NORDIC AQUA PARTNERS

Directors and Management

Board of Directors



Ragnar Joensen
Working Chairman

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

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



Ove Nodland
Board Member, CEO, NAN

Ove Nodland is a Norwegian citizen, but has lived and worked in Ningbo, China since 1999. He has more than 25 years' experience from working in Asia in various management positions, including setting up and being the CEO of Nordic Industrial Park in 2002, where he has advised and supported 50 companies when setting up their business operations in China. Ove is the founding partner of Nordic Aqua Partners and initiated the project in 2014. Before moving to China, he held management positions in various companies in Norway.

Mr. Nodland is an Honorary Citizen of Ningbo, and is a Qualified Mechanical Engineer from the Stavanger College of Technology.



Knut Nesse
Board Member

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

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



Jan Petersen
Board Member

Jan Petersen is a Faroese citizen. He works as CEO of Christian í Grótinum, which main activity two trawlers, fishing and producing around 90.000 ton of pelagic fish per year. Mr. Petersen has held the position since 2016. Prior to his current positions, Mr. Petersen has extensive experience as CFO in Christian í Grótinum and in Føroya Tele.

Mr. Petersen holds a Bachelor's degree in financial accounting and finance from CBS.



Knut Langeteig
Board Member

Knut Langeteig is a Norwegian citizen, working as CEO and founder of several companies. Mr. Langeteig has over 40 years' experience from the pig farming industry. Over the last 10 years, Mr. Langeteig has also started companies in the fish farming industry. Mr. Langeteig is the co-founder of Goodvalley, a pig farming company which has grown from one farm in Poland to a company with over 1.5 bn DKK in revenues, Rbpi group.

Mr. Langeteig holds several board positions as chair of the board.

Management of Nordic Aqua Partners A/S (NAP)



Ole Juul Jørgensen

CEO,
NAP

Ole Jørgensen is a Danish citizen and an active investor. Through his company, Invactor, he supports companies with capital and active ownership. Mr. Jørgensen has been active with businesses in China for several years, and has, among other things, facilitated the start-up of several companies in China. Ole is the chair of the board in 10 companies, and board member in 13 companies.

Mr. Jørgensen holds a Graduate Diploma in Business Administration from Handelshøjskole Syd and a BSc, Mechanical Engineering from Sønderborg Teknikum.



Gerhard Dalkjær Johansen

CFO,
NAP

Gerhard Johansen is a Danish citizen and an experienced CFO with more than 30 years' experience. Through his company, Dalkjær Interim Management, he has supported more than 50 companies with financial management. Furthermore, Mr. Johansen has vast experience from working in boards, including as chair of the board and as ordinary member of the board.

Mr. Johansen holds a Graduate Diploma in Business Administration (Financial and Management Accounting) from Handelshøjskole Syd, Esbjerg and a Graduate Diploma in Business Administration (Organization and Management) from Handelshøjskole Syd, Kolding.



Hjalti Hvitklett

CFO,
NAP

Mr. Hjalti Hvitklett is a Faroese citizen and comes from the position as CFO in P/F Pelagos, a position he has held since 2014.

Mr. Hvitklett has a Master of Science (MSc) in Business Administration and Auditing (Cand. merc. aud.) from School of Business and Social Science, Aarhus University. Mr. Hvitklett will take up the position as CFO of Nordic Aqua Partners A/S no later than April 1, 2021.

The current CFO, Mr. Gerhard Dalkjær Johansen will continue to serve as CFO, until Mr. Hvitklett joins the company.

Company's management profile

Nordic Aqua Partners A/S registered office is at Dagmarsgades Vandtårn, Hundegade 1, 6760 Ribe, Denmark, and serves as business address for the members of the Management in relation to their positions in the Company.

Management of Nordic Aqua (Ningbo) Co., Ltd (NAN)



Ove Nodland
Chairman, CEO,
NAN

See profile on page 7



Ragnar Joensen
COO,
NAN

See profile on page 7



Arne Knudsen

Project Manager,
NAN

Arne Knudsen is a Norwegian citizen but has lived and worked in China for 20 years. He has held various management positions while working in China, most of them as General Manager of TTS Marine, where Mr. Knudsen was in charge of setting up their entire business operations. Before moving to China, Mr. Knudsen has worked in senior positions mostly related to the marine industries, and held senior positions for companies such as Reber Shindler Heis AS, Hydralift ASA, Hydralift Marine AS and TTS Marine ASA.

Mr. Knudsen holds a Machinist exam, Maritime school in Kristiansand, and is a certified Engine and Construction / Design engineer from Ålesund College.



Catherine Shen

Chief Administration Officer,
NAN

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

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



Johan Toftegaard

RAS and fish production expert,
NAN

Johan Toftegaard is a Faroese citizen with more than 20 years of experience in producing salmon in RAS systems. He comes from the position as Freshwater Manager in MOWI Faroe Islands.

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

Mr. Toftegaard will assure that his extensive experience and knowhow are considered during design and construction of the RAS system and be responsible for setting up and implementing RAS operational procedures and practices.



Matthew Bell

Technical Manager,
NAN

Matthew Bell is a British citizen, with a solid mechanical engineering background, specialising in remote area work. He gained his experience in RAS farming in Arctic Norway.

Prior to working with RAS farming, Mr. Bell worked as a mechanical engineer for the British Antarctic Survey, maintaining and building mechanical systems at a research station and also in deep field Antarctica.

Mr. Bell has also experience as technical specialist / trainer for a German mechanical handling company.

Mr. Bell is a qualified mechanical engineer from the Barnfield Technical College, UK.



Yong Tan

Construction Quality Manager,
NAN

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

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

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



NORDIC AQUA PARTNERS

Company's Commentary

Company's Commentary

Principal activities

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

Strategy and objectives

Nordic Aqua Partners' principal activity is to set up and operate a fully integrated on-land Atlantic salmon farm in Ningbo, China, with an initial annual capacity of 4,000 + 4,000 tons, and with a future plan to expand to an annual output of 40,000 tons on current land parcel. The Group utilizes the most advanced Recirculation Aquaculture Systems available. The salmon farm will be located on the Gaotang Island, Xiangshan County in Ningbo municipality in China.

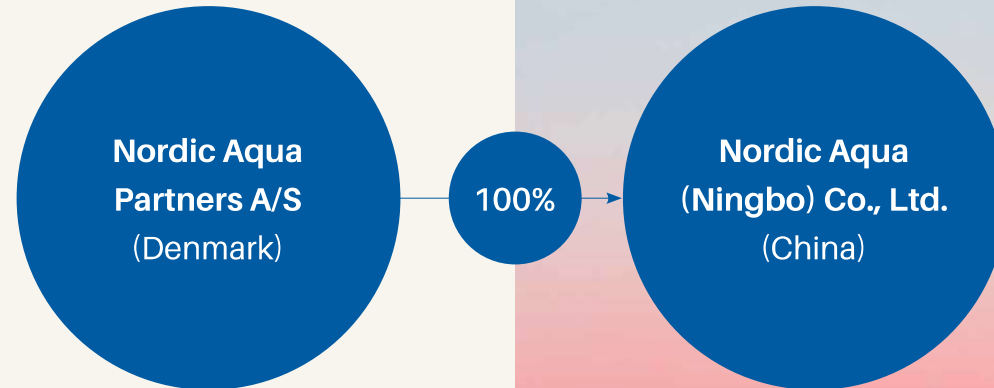
Group structure

The Group comprises two entities. Nordic Aqua Partners A/S acts primarily as a holding company to its 100% owned Subsidiary registered in China.

All business activities will take place in the Subsidiary where the business scope is to farm Atlantic salmon on land and in a RAS based fish farm.

Development in activities and finances

2020 was dominated on the efforts to develop and qualify the project and to generate the capitalization of the project. In 4th Quarter 2020 we completed capitalization of the project. Share capital has been increased in 2020 by adding net kDKK 429,669 to equity.

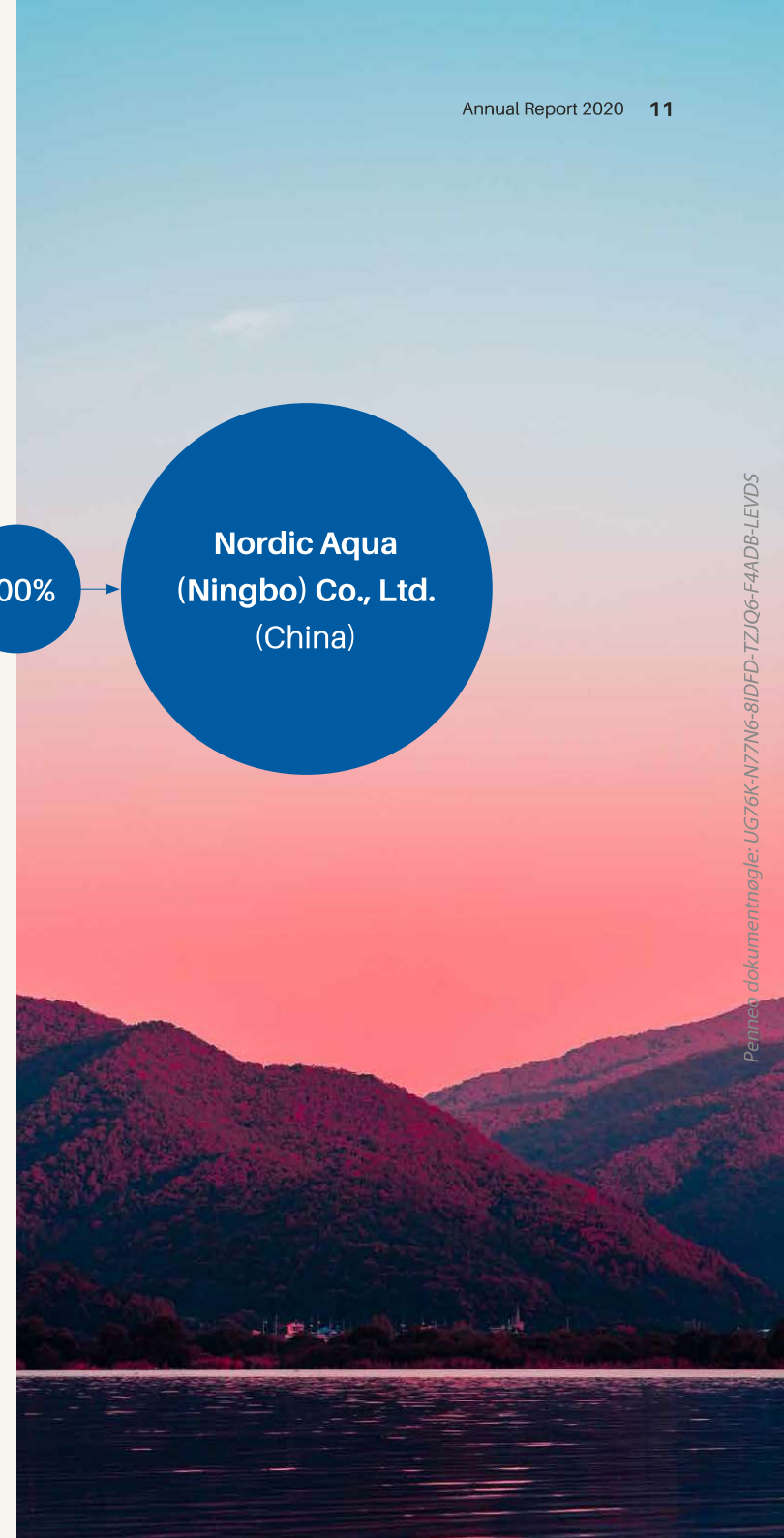


After completing private placement, the company on December 2nd 2020 became listed on Euronext Growth in Oslo (Merkur Market) with ticker "NOAP".

Deficit according to interim report 30 June 2020 was kDKK 6,904 and the deficit for second half 2020 has been kDKK 18,603. The result for 2020 was a deficit of kDKK 25,507, which is in accordance with the management's expectations.

Expectations for the coming year

Nordic Aqua Partners A/S is fast approaching project start-up at their subsidiary in Ningbo and has in the beginning of 2021 added resources and competences to its management team.



Company's Commentary

Site preparation is now in process, and the backfilling and piling for the facility for the hatchery and administration building will be completed by end of March 2021. Site preparation will then continue to meet the overall construction schedule towards project completion.

The local authorities continue to provide dedicated support and services to our project. This is evidenced in their willingness to provide "fast-track" services with respect to necessary approvals during the red tape proceedings, enabling an accelerated construction start-up. To shorten the time until first hatch, focus is on construction start-up on the facility for the

hatchery and the RAS 1, 2 and 3 facility, which will also include administration and other support function. Estimated construction startup is beginning of May, with first egg introduction in Q4 2021.

First harvest and sale is expected to be in 2nd Half 2023.

Events after the balance sheet date

After balance sheet date, we have entered into an agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, in which they will provide land, infrastructure, utilities and all facilities on a 10 + 10 years' lease, with a contracted option for the

Group to purchase land, infrastructure, utilities and all facilities during the lease term.

Investment - Capex

The Group has signed a contract with AKVA group ASA for the design and construction of all processing equipment in the land-based salmon facility.

The contracts with AKVA group ASA and Xiangshan Strait Economic & Technological Cooperation Co., Ltd together cover a turnkey salmon facility.

Capital Management

The Group has entered into a loan agreement with Ekspportkreditt Norge AS ("Ekspportkreditt"), Garantiinstituttet for Ekspportkreditt ("GIEK"), and Coöperative Rabobank U.A. ("Rabobank") for a senior secured export credit term loan and guarantee facility agreement, amounting to EUR 25 million. Loan amount will be split in 3 drawings based on progress on Capex. The Facility shall be repaid in equal, consecutive quarterly instalments starting of finishing date of the Project and the facility matures 10 years after the first drawdown date.

With raised equity and loan facility we have financing in place for our project according to the masterplan of the project to reach 8,000 tonnes annual production.



Company's Commentary

Corporate Governance

We have hired the specialist company ERM for assistance to establish our Environmental and Social Management System. The work has been launched and expected completed before end of April 2021.

Risk Management

The Group is exposed to interest rate risk and exchange rate risk. The risks are handled. Cash and loan facility is primarily held in Eur to match the coming Capex-payments. Loan facility is based on fixed interest rate.

The Group continuously monitors liquidity and financial projections through Master Plan, yearly budgets and monthly updated forecasts.

A possible delay in the completion of construction of the plant located on the Gaotang Island, Xiangshan County in Ningbo municipality in China may have influence on our operational plan and full schedule of production, thereby impacting the Group's business, liquidity and result of operation.

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



Project Status

The progress has continued as per project plan into 2021, including strengthening of the organization, completion of the detailed design package and site preparation, with the overall objective to start construction of the facilities in May and first introduction of salmon eggs in Q4 2021.

Project continuous to progress along the project plan both with regards to progress and budget and continues to enjoy dedicated support from local government.



Main achievements in 2020

Formalizing the partnering agreement with AKVA and Nutreco/Skretting

Design contract for infrastructure, utilities and facilities signed with Ningbo University Design Company

Loan Facility for EUR 25 million signed with international loan consortium

Listing on EURONEXT Growth on December 2nd under ticker "NOAP"

Turn-key contract signed with AKVA group

Principle agreement with government for long term lease agreement for land, infrastructure, utilities and facilities

Private Placement of EUR 60 million, including EUR 5 million in interim financing closed



NORDIC AQUA PARTNERS

Our market, China

Our Market, China

Our market

China is by far the largest consumer and producer of seafood in the world, and it is predicted that China will account for 50% of global consumption growth over the next 8 years. Atlantic salmon is still relatively new to the Chinese consumers, with an annual consumption of ~100,000 tons in 2019. With an CAGR of ~15%, it is assumed that the annual consumption will reach 200,000 tons by 2025. The consumption will continue to grow as Atlantic salmon becomes familiarized as a healthy source of protein in the normal Chinese household, and such growth will come on top of the HORECA market, which so far has dominated the Chinese market.

The annual output of our short- and medium-term expansion plan will be sufficient to deliver truly fresh Atlantic salmon to ~10% of the growing Chinese market, thus enabling us to focus our sales and marketing strategies for all our salmon to the top end of the consumer markets. Chinese consumers are known to pay a premium price for freshness and quality seafood. Our advanced and sustainable RAS farming system offers full traceability from hatching to finished product.

Although we are more than 2 years away from our first harvest and sale of locally farmed salmon, we have already initiated discussions with the best players in sales and marketing of fresh seafood, to enable us to partner with local companies who can guarantee quality and full traceability all the way to the end customer.

Greater Beijing area
~**92,000,000**



Greater Shanghai area
~**100,000,000**



Greater Hong Kong area
~**50,000,000**



NORDIC AQUA PARTNERS

Our Market, China

Unique setup to meet market trend

Guaranteed freshness and quality are of extreme importance to Chinese consumers. With basically all salmon being imported, Chinese consumers are not always convinced when ordering their salmon. Our locally farmed salmon will guarantee freshness and quality, expected to be well received by local consumers.

The global shopping habits have changed towards online shopping and direct home deliveries. China is leading this change, with +50% of their retail done online. A great number of companies are now guaranteeing delivery of fresh groceries at the doorstep within less than one hour from ordering, and predictions indicate that online shopping and homedeliveries will continue to grow. An ever-increasing number of specialized companies continues to deliver a broader range of high-quality seafood, including strategies to work closer with farmers to shorten delivery time and increase flexibility, without jeopardizing quality and freshness.

We are currently the only company in China being able to meet such demand for fresh salmon and we have therefore initiated discussions with leading companies and portals to prepare for cooperation from harvesting all the way to the end consumer based on this new future in retail shopping.

A photograph of a busy street in China, likely a market or a popular shopping area. In the foreground, a woman with long brown hair, wearing a black dress with a red and orange floral pattern, is riding a red bicycle. To her right, another woman is riding a blue and white bicycle. The street is paved with dark stones and is filled with other pedestrians, some carrying shopping bags. In the background, there are traditional Chinese buildings with tiled roofs and various signs, including one that says "烤肉" (BBQ) and "特色烧烤" (Special BBQ). The overall atmosphere is vibrant and bustling.

First commercial provider
of live and locally farmed
salmon to the Chinese
market

Our Market, China

Restructuring of the aquaculture industry

China continues to grow its seafood production and consumption, thus strengthening its position as the largest global seafood market. However, it is hard to keep up with the growing demand for fresh seafood, and China has therefore implemented a strategy to restructure its aquafarming industry to become more efficient and at the same time introducing more stringent quality control and food safety requirements. One important factor in such strategy is introducing high technology and sustainable farming processes, including an invitation to international companies to take part in this restructuring. The pandemic has also made China more aware of the need to be more self-sufficient on food in general and seafood in particular. Our stage-of-the-art RAS salmon farm has therefore been highly appreciated and supported by both government and consumers, and we have therefore jointly agreed to continue our cooperation to turn Ningbo into a centre of excellence within Chinese aquaculture.

With the support of the local government, our landlord, Xiangshan Strait Economic & Technical Cooperation Company, can now finalize the formalities to complete the ongoing site preparation and construction startup.

Ove Nodland



Canneoelementer.no/gle: UC 6ok-N77N6 81D1D 17106-F41 DB-L1/DS

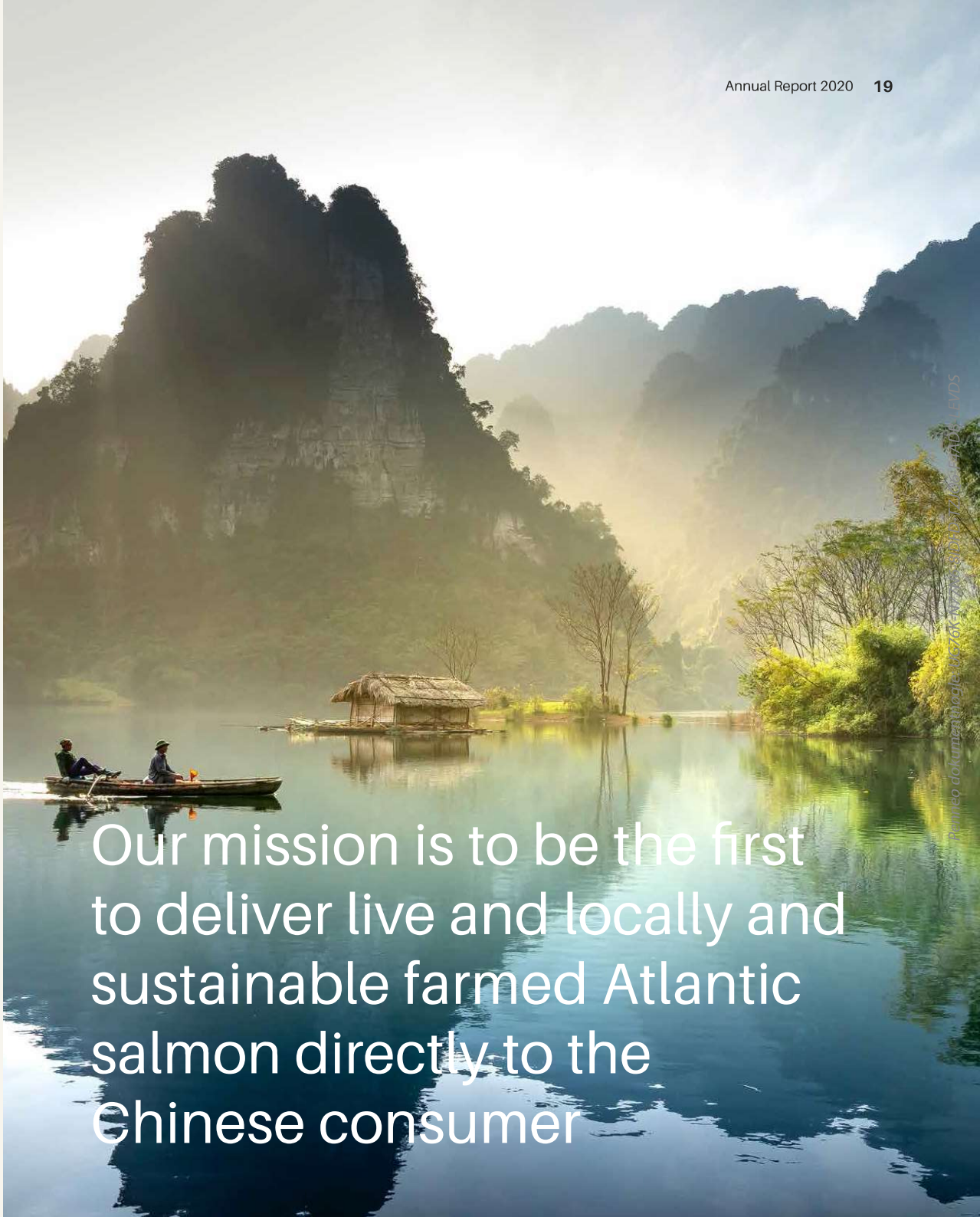
Our Market, China

Our Mission

Our mission is to be the first to deliver live and locally and sustainable farmed Atlantic salmon directly to the Chinese consumer, saving air freight costs and import duties and significantly reduce the carbon footprint.

To achieve our objective, we employ state-of-the-art technology and best farming practices to sustainably accommodate China's rapidly growing appetite for high-quality protein.

To further develop our ambitious objectives and to continue to be a leader in the aquaculture and salmon farming industry in China, we will take a leading and visible role in the ongoing restructuring of the Chinese aquaculture industry towards greater efficiency, self-sufficiency and sustainability. This also includes ambitious growth plans in both production, processing and cooperating with leading local players to deliver fresh salmon direct to consumers by using best practices available.



Our mission is to be the first to deliver live and locally and sustainable farmed Atlantic salmon directly to the Chinese consumer

Parent Company Details

Parent Company

Nordic Aqua Partners A/S
Hundegade 1
6760 Ribe
Denmark

Business Registration No.:
38 18 30 01

Registered office:
Esbjerg

Date of incorporation:
10.11.2016

Financial year:
01.01.2020 – 31.12.2020

Board of Directors

Ragnar Joensen, Chairman
Ove Nodland
Jan Petersen
Knut Nesse
Knut Langeteig

Executive Board

Ole Juul Jørgensen, CEO

Auditors

Deloitte Statsautoriseret
Revisionspartnerselskab
Dokken 8
6700 Esbjerg
Denmark

Statement by Management

The Board of Directors and Executive Board have today discussed and approved the Annual Report of Nordic Aqua Partners A/S for the financial year 01.01.2020 - 31.12.2020.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, which have been adopted by the EU. The parent company financial statements have been prepared in accordance with the Danish Financial Statements Act. Management's review has been prepared in accordance with the Danish Financial Statements Act.

Further, the consolidated financial statements have been prepared in accordance with additional requirements under the Danish Financial Statements Act.

In our opinion the consolidated financial statements and the financial statements for the parent company give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at December 31, 2020 and of the results of its operations and cash flow for the financial year 01.01.2020-31.12.2020

The management review contains in our opinion a true and fair review of the development in the Group's and the parent company's operations, financial circumstances and results for the year, and of the parent company's financial position, and describes the material risks and uncertainties affecting the Group and the parent company.

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

Ribe, 17.03 2021

Executive Board

Ole Juul Jørgensen
CEO

Board of Directors

Ragnar Joensen
Chairman

Jan Petersen

Ove Nodland

Knut Nesse

Knut Langeteig

Independent Auditor's Report

To the shareholders of Nordic Aqua Partners A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of Nordic Aqua Partners A/S for the financial year 01.01.2020 - 31.12.2020, which comprise the balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies and cash flow statement, for the Group as well as the Parent, and the income statement of the Parent and the statement of comprehensive income of the Group. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements give a true and fair view of the Group's financial position at 31.12.2020, and of the results of its operations and cash flows for the financial year 01.01.2020 - 31.12.2020 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements under the Danish Financial Statements Act.

Further, in our opinion, the parent financial statements give a true and fair view of the Parent's finan-

cial position at 31.12.2020, and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Statement on the management's review

Management is responsible for the management's review.

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

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

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

Based on the work we have performed, we conclude that the management's review is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management's review.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act as well as the preparation of parent financial statements that give a true and fair view in

Independent Auditor's Report

accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

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

requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and these parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances,

but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the

Independent Auditor's Report

disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives 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.

Esbjerg, 17.03.2021

Deloitte

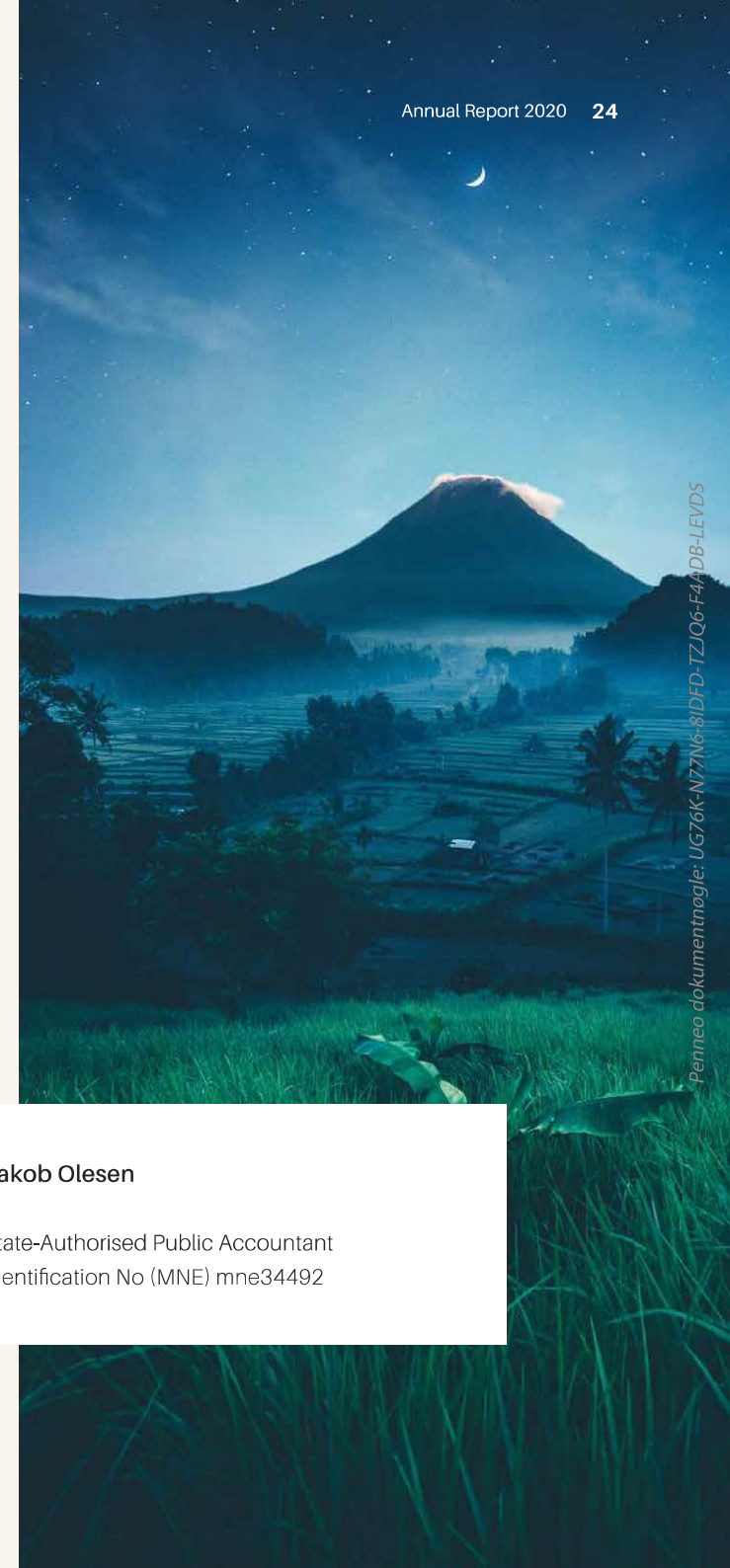
Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Mikael Grosbøl

State-Authorised Public Accountant
Identification No (MNE) mne33707

Jakob Olesen

State-Authorised Public Accountant
Identification No (MNE) mne34492





NORDIC AQUA PARTNERS

Financial Statements and Notes

Shanghai

Contents

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income	27
Consolidated Statement of Financial Position	28
Consolidated Statement of Changes in Equity	30
Consolidated Statement of Cash Flows	31

Notes on the Consolidated Financial Statements

1. Basis of Reporting	33
2. First-time Adoption of IFRS	35
3. Other External Expenses	35
4. Staff Costs	36
5. Financial Income and Expenses	37
6. Earnings per Share	37
7. Property, Plant and Equipment	38
8. Other Receivables	39
9. Cash and cash Equivalents	39
10. Share Capital	39
11. Trade and Other Payables	39

12. Interest-bearing Loans and Borrowings	40
13. Working Capital	40
14. Financial Risks and Financial Instruments	41
15. Audit Fees	42
16. Contingent Liabilities and Security for Debt	42
17. Related Parties	43
18. Events after the Balance Sheet Date	43

Financial Statements Parent Company

Income Statement	45
Balance Sheet	46
Cash Flow	48
Statement of Changes in Equity	49

Notes to the Financial Statements Parent Company

Notes to the Financial Statements Parent Company	51
--	----

Financial Statements

Consolidated Statement of Comprehensive Income

kDKK	Note	2020	2019
Revenue		0	0
Gross profit/(loss)		0	0
Other external expenses	3	(14,876)	(3,982)
Staff costs	4	(4,111)	(1,719)
Operating profit/(loss) before amortisation and depreciation		(18,987)	(5,701)
Depreciation	7	(3)	(2)
Operating profit/(loss) before tax		(18,990)	(5,703)
Financial income	5	469	1
Financial expenses	5	(6,986)	(99)
Profit/(loss) before tax		(25,507)	(5,801)
Tax on profit/(loss)		0	0
Profit/(loss) after tax		(25,507)	(5,801)
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Exchange differences on translation of foreign operations		(420)	(11)
Profit/(loss) and total comprehensive income for the financial year		(25,927)	(5,812)
Earnings per share			
Basic	6	-8.70	-29.69
Diluted	6	-8.70	-29.69

Financial Statements

Consolidated Statement of Financial Position

ASSETS

kDKK	Note	31 December 2020	31 December 2019	01 January 2019
Property, plant and equipment	7	5,434	6	0
Deposits	8	9,284	0	0
Total non-current assets		14,718	6	0
Other receivables	8	628	166	1,055
Cash and cash equivalents	9	399,588	9,250	14,247
Total current assets		400,216	9,416	15,302
Total assets		414,934	9,422	15,302

Financial Statements

Consolidated Statement of Financial Position

EQUITY AND LIABILITIES

kDKK	Note	31 December 2020	31 December 2019	01 January 2019
Share capital	10	10,284	195	195
Retained earnings		402,957	8,369	14,170
Foreign currency translation reserve		(282)	138	149
Total equity		412,959	8,702	14,514
Trade payables	11	87	419	563
Other payables	11	1,888	301	225
Total current liabilities		1,975	720	788
Total equity and liabilities		414,934	9,422	15,302

Financial Statements

Consolidated Statement of Changes in Equity

kDKK	Share capital	Retained earnings	Translation reserve	Total Equity
Equity at 1 January 2020	195	8,369	138	8,702
Net profit/(loss) for the period		(25,507)		(25,507)
Other comprehensive income			(420)	(420)
Total comprehensive income		(25,507)	(420)	(25,927)
Conversion of shares	1,759	(1,759)		0
Capital increase	8,330	440,156		448,486
Transaction costs		(18,817)		(18,817)
Compound financial instrument		515		515
Balance at 31 December 2020	10,284	402,957	(282)	412,959

kDKK	Share capital	Retained earnings	Translation reserve	Total equity
Equity at 1 January 2019	195	14,170	149	14,514
Net profit/(loss) for the period		(5,801)		(5,801)
Other comprehensive income			(11)	(11)
Total comprehensive income		(5,801)	(11)	(5,812)
Balance at 31 December 2019	195	8,369	138	8,702

On 26 February 2020, the parent turned the corporate form from ApS to A/S. Share capital was increased from 195 kDKK to 1,954 kDKK by transferring 1,759 kDKK from retained earnings.

Transactions with shareholders:

On 27 May 2020 share capital has been increased by adding net kDKK 7,329 to equity.

On 15 July 2020 share capital has been increased by adding net kDKK 1,489 to equity.

On 3 September 2020 share capital has been increased by adding net kDKK 1,860 to equity.

On 1 October 2020 share capital has been increased by adding net kDKK 1,489 to equity.

On 25 November 2020 share capital has been increased by adding net kDKK 417,502 to equity including conversing of 2 convertible loans obtained previously in 2020.

Financial Statements

Consolidated Statement of Cash Flows

kDKK	Note	2020	2019
Operating profit/loss		(18,990)	(5,703)
Depreciations	7	3	2
Change in working capital	13	793	822
Cash flow from operating activities before financial income and expenses		(18,194)	(4,879)
Financial income, received		469	1
Financial expenses, paid		(6,471)	(4)
Cash flow from operating activities		(24,196)	(4,882)
Purchase of property, plant and equipment	7	(5,431)	(8)
Deposits	8	(9,284)	0
Cash flows from investing activities		(14,715)	(8)
Proceeds from capital increase		448,486	0
Transaction costs of issue of shares		(18,817)	0
Cash flow from financing activities		429,669	0
Cash and cash equivalents, beginning of the year		9,250	14,247
Net (decrease)/increase in cash and cash equivalents		390,758	(4,890)
Foreign exchange differences		(420)	(107)
Cash and cash equivalents, end of the year		399,588	9,250
Cash and cash equivalents in the cash flow statement comprise:			
Cash and cash equivalents	9	399,588	9,250

The figures in the cash flow statement cannot be directly derived from the figures in the balance sheet.



NORDIC AQUA PARTNERS

Notes on the Consolidated Financial Statements

Notes on the Consolidated Financial Statements

NOTE 1 BASIS OF REPORTING

Basis of preparation

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

As set out in note 2, these are the Group's first consolidated financial statements prepared in accordance with IFRS.

The consolidated financial statements and separate financial statements are presented in thousand Danish kroner (kDKK) which is the functional currency of Nordic Aqua Partners A/S.

The Group's general accounting policies are described below. In addition to this, specific accounting policies are described in each of the individual notes to the consolidated financial statements. The accounting policies set out below and, in each note, have been used consistently in respect of the financial year and the comparative figures. See note 2 for transition rules when implementing IFRS.

Materiality in financial reporting

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

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

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

Key account estimates and judgements

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

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

Specific accounting estimates and judgements are described in each of the following individual notes to the consolidated financial statements:

Note:	Key account estimate or judgement:	Section:
Property, plant & equipment	Impairment test	Note 7

Basis of consolidation

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

Notes on the Consolidated Financial Statements

Principles of consolidation

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

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

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

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

Cash flow statement

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

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

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

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

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

Segment reporting

The Group is still in a start-up phase and therefore for management purposes, the Group is currently organised in only one segment. Therefore, no further disclosure relating to segment reporting was provided.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are expected to have no impact on the Group's consolidated financial statements. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Notes on the Consolidated Financial Statements

NOTE 2 FIRST TIME ADOPTION OF IFRS

The consolidated financial statements for the year ended 31 December 2020 with comparative figures are together with the Interim consolidated financial statements 30 June 2020 the first set of consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and additional requirements in the Danish Financial Statements Act.

For periods up to and including the year ended 31 December 2019, the Group prepared no consolidated financial statements.

Accordingly, the Group has prepared consolidated financial statements which comply with IFRS applicable for periods ending on or after 31 December 2020, together with the opening balance at 1 January 2019 as described in the accounting policies.

In preparation of these consolidated financial statements, the Group's opening balance sheet was prepared at 1 January 2019, the Group's transition to IFRS. This note explains the adjustments made by the Group in restating the consolidated financial statements prepared in accordance with the Danish Financial Statements Act, including the financial position at 1 January 2019 and the consolidated financial statements for the year ended 31 December 2019.

No consolidated financial statements have been prepared under previous GAAP. There would be no effects of IFRS adoption for the interim consolidated income statement and balance sheet, therefore no reconciliation between net profit for the year according to previous GAAP and IFRS, is presented.

Reclassifications

In addition to the changes in accounting policies, reclassifications and adjustments to the presentation have been carried out, including assets being presented as current assets, compared to previous presentation as non-current assets.

Transition rules

In applying IFRS 1, the Group has used the following rules:

The cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to IFRS.

Estimates

The key account estimates and judgments at 1 January 2019 and 31 December 2019 are in all material aspects consistent with those made at the same dates in accordance with previous GAAP. See note 1 for overview of key account estimates and judgments.

NOTE 3 OTHER EXTERNAL EXPENSES

Other external expenses include expenses relating to the Group's ordinary activities and the start-up costs, including expenses for external parties, stationery and office supplies, marketing costs, etc.

Other external expenses also include cost relating to listing on Euronext Growth.

Notes on the Consolidated Financial Statements

NOTE 4 STAFF COSTS

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

kDKK	2020	2019
Salary	3,584	1,119
Other employee benefits	506	551
Social security costs	21	49
Total	4,111	1,719
Weighted average number of full-time employees	3	2

Breakdown of remuneration is as follows:

kDKK	Salary	Bonus	Benefits and other related expenses	Total
2020:				
Other key management personnel	1,421	0	0	1,421
Board of Directors	199	0	0	199
Total	1,620	0	0	1,620
2019:				
Other key management personnel	0	0	0	0
Board of Directors	0	0	0	0
Total	0	0	0	0

Notes on the Consolidated Financial Statements

NOTE 5 FINANCIAL INCOME AND EXPENSES

Accounting policies

Financial income and expenses include interest income and expenses and transactions denominated in foreign currencies.

Interest on convertible loans raised in 2020 and converted later in 2020 is included in financial expenses.

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

Financial income

kDKK	2020	2019
Interest income	2	1
Exchange rate adjustment	467	0
Total	469	1

Financial expenses

kDKK	2020	2019
Bank charges	(17)	(4)
Interest bank deposits	(182)	0
Exchange rate adjustment	(143)	(95)
Costs for loan facility	(3,232)	0
Interest and costs on convertible loan	(3,411)	0
Other financial expenses	(1)	0
Total	(6,986)	(99)

NOTE 6 EARNINGS PER SHARE

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

Earnings

kDKK	31 Dec. 2020	31 Dec. 2019
Earnings for the purposes of basic earnings per share being net profit attributable to owners of the Company	(25,507)	(5,801)
Effect of dilutive potential ordinary shares:		
Earnings for the purposes of diluted earnings per share	(25,507)	(5,801)

Number of shares

	31 Dec. 2020	31 Dec. 2019
Weighted average number of ordinary shares for the purposes of basic earnings per share	2,932,945	195,407
Effect of dilutive potential ordinary shares:		
Convertible loan notes	0	0
Weighted average number of ordinary shares for the purposes of diluted earnings per share	2,932,945	195,407

Notes on the Consolidated Financial Statements

NOTE 7 PROPERTY, PLANT AND EQUIPMENT

Accounting policies

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

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

The expected useful lives are as follows:

Other plant, fixtures and operating equipment 3 years

Impairment testing

The carrying amount of property, plant and equipment is reviewed to determine whether there is any indication of impairment loss. If the recoverable amount of an asset is estimated to be less than the carrying amount, an impairment loss is recognised.

kDKK	Other plant, fixtures and operating equipment	Construction in progress	Total
Cost at 1 January 2020	8	0	8
Additions	19	5,412	5,431
Cost at 31 December 2020	27	5,412	5,439
Depreciation and impairment at 1 Jan. 2020	(2)	0	(2)
Depreciation for the year	(3)	0	(3)
Depreciation and impairment at 31 Dec. 2020	(5)	0	(5)
Carrying amount at 31 December 2020	22	5,412	5,434
Cost at 1 January 2019	0	0	0
Additions	8	0	8
Cost at 31 December 2019	8	0	8
Depreciation and impairment at 1 Jan. 2019	0	0	0
Depreciation for the year	2	0	2
Depreciation and impairment at 31 Dec. 2019	2	0	2
Carrying amount at 31 December 2019	6	0	6

Notes on the Consolidated Financial Statements

NOTE 8 OTHER RECEIVABLES

Accounting policies

Other receivables are measured on initial recognition at fair value and subsequently at amortised cost less impairments, if any.

Prepaid expenses comprise amounts paid in respect of goods or services to be received in subsequent financial periods.

Deposits comprise a payment to local government for customized plant construction and amounts kDKK 9,284. The deposit will be returned to Nordic Aqua (Ningbo) Co., Ltd. step by step when it starts to pay corporate income taxes in accordance with agreement.

NOTE 9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are primarily held with financial institutions through which the Group conducts its day-to-day banking transactions.

NOTE 10 SHARE CAPITAL

The share capital comprises 10,283,984 shares of DKK 1 each (2019: 195,407). The shares are all authorised, issued and fully paid. No shares carry any additional special rights. The Group continuously assesses the need for adjustment of the capital structure.

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

There is no dividend proposed for 2020 (2019: Nil).

NOTE 11 TRADE AND OTHER PAYABLES

Accounting policies

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

kDKK	31. Dec. 2020	31. Dec. 2019	01. Dec. 2019
Trade payables	87	419	563
Various taxes, including VAT	0	18	0
Other payables	1,888	283	224
Total trade and other payables	1,975	720	787

Notes on the Consolidated Financial Statements

NOTE 12 INTEREST-BEARING LOANS AND BORROWINGS

Accounting policies

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

The Group has entered into a loan agreement with Eksportkreditt Norge AS ("Eksportkreditt"), Garantiinstituttet for Eksportkreditt ("GIEK"), and Coöperative Rabobank U.A. ("Rabobank") for a senior secured export credit term loan and guarantee facility agreement, amounting to EUR 25 million. Loan amount will be split in 3 drawings based on progress on Capex. The Facility shall be repaid in equal, consecutive quarterly instalments starting of finishing date of the Project and the facility matures 10 years after the first drawdown date. First drawing is planned to take place in 2023.

Cash and loan facility is primarily held in Eur to match the coming Capex-payments. Loan facility is based on fixed interest rate.

kDKK	31. Dec. 2020	31. Dec. 2019	01. Dec. 2019
Credit facility	185,983	0	0
Undrawn credit facility	(185,983)	0	0
Total financial liabilities	0	0	0
Included in the balance sheet:			
Non-current liabilities	0	0	0
Current liabilities	0	0	0
Total bank loans	0	0	0

NOTE 13 WORKING CAPITAL

kDKK	2020	2019
Change in other receivables	462	889
Change in trade payables and other payables	(1,255)	(67)
Total change in working capital	(793)	822

Notes on the Consolidated Financial Statements

NOTE 14 FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

Capital management

The Group's Management assesses whether the Group's capital structure is in line with the interests of the Group and its shareholders. The overall objective is to ensure a capital structure that supports long-term profitable growth. At 31 December 2020, the Group has no interest-bearing debt net, but has in the beginning of 2021 entered into agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, on lease of land, infrastructure, utilities and all facilities. Furthermore, the Group has entered into a loan agreement with Eksporkreditt Norge AS ("Eksporkreditt"), Garantiinstituttet for Eksporkreditt ("GIEK"), and Coöperative Rabobank U.A. ("Rabobank") for a senior secured export credit term loan and guarantee facility agreement, amounting to EUR 25 million according to Note 12.

Following this further to the private placement which took place in 2020, the financial facilities in the Group is considered sufficient to run the business for the coming years.

Liquidity risk

The purpose of the Group's cash management policy is to maintain adequate cash resources to meet financial liabilities. The Group's cash resources consist of cash and cash equivalents, and undrawn credit facilities. The Group continuously monitors the cash flows in order to manage the liquidity risk.

The Group has cash of kDKK 399,588 and undrawn bank loan facility of kDKK 185,983 as of 31 December 2020 (2019: kDKK 9,250).

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

Maturity of the Group's financial liabilities:

kDKK	Less than 1 year	Between 1-5 years	More than 5 years	Total
2020:				
Trade payables	87	0	0	87
Other payables	1,888	0	0	1,888
Total	1,975	0	0	1,975
2019:				
Trade payables	419	0	0	419
Other payables	301	0	0	301
Total	720	0	0	720

Foreign exchange risk

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

The sensitivity analysis for foreign currency risk:

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

kDKK	Change in CNY rate	Effect on profit before tax
2020	+5%	-350
	-5%	+350
2019	+5%	0
	-5%	0

Notes on the Consolidated Financial Statements

Interest rate risk

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

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

Categories of financial assets and liabilities

The fair value of financial assets and liabilities does not differ significantly from the carrying amount.

kDKK	31. Dec. 2020	31. Dec. 2019	01. Dec. 2019
Financial assets measured at amortised cost:			
Other receivables	628	166	1,055
Cash and cash equivalents	399,588	9,250	14,247
Total cash and cash equivalents	400,216	9,416	15,302
Financial liabilities measured at amortised cost:			
Trade payables	(87)	(419)	(563)
Other payables	(1,888)	(301)	(224)
Total financial liabilities	(1,975)	(720)	(787)

NOTE 15 AUDIT FEES

Fees to auditors appointed at the Annual General Meetings:

kDKK	2020	2019
Statutory audit	89	37
Tax advisory services	33	55
Other services	364	169
Total audit fees	486	261

NOTE 16 CONTINGENT LIABILITIES AND SECURITY FOR DEBT**Accounting policies**

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

Contingent liabilities

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

Security for debt

As of 31 December 2020, no assets have been pledged.

Notes on the Consolidated Financial Statements

NOTE 17 RELATED PARTIES

Transactions with related parties

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

kDKK	Related Parties	
	2020	2019

Persons with significant influence over the Group:

Amounts owed to Ove Nodland	0	56
-----------------------------	---	----

The relative shareholding of person with significant influence over the Group has caused by private placement decreased during 2020 and the person has no longer significant influence over the Group.

A company where the Chairman of the Board has significant influence has received advising fee for assistance to the company kDKK 1,650 in 2020 (2019: kDKK 600).

There were no further transactions with the Board of Directors or the Executive Board, besides remuneration. For information on remuneration, please refer to note 4.

Shareholders	Registered office	Basis of Influence
Nordic Aqua Partners Holding ApS; 50,3 %	Ribe, Denmark	Significant influence *)

Ad *) The 16 shareholders in Nordic Aqua Partners Holding ApS acts in a professional capacity on behalf of its shareholders, and Nordic Aqua Partners Holding ApS is entitled to distinguish between the different shares and exercise the voting rights attaching to the different shares in different ways (split voting).

NOTE 18 EVENTS AFTER THE BALANCE SHEET DATE

After balance sheet date, Nordic Aqua (Ningbo) Co., Ltd. has entered into an agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, in which they will provide land, infrastructure, utilities and all facilities on a 10 + 10 years' lease, with a contracted option for the Group to purchase land, infrastructure, utilities and all facilities during the lease term.

The Group will recognise the agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, in assets and liabilities when we take over the provided land, infrastructure, utilities and all facilities.

In 2021 assets in property, plant and equipment will be pledged as security for bank loan facility.

Apart from this, no events have occurred after the balance sheet date, which would change the evaluation of the annual report.



NORDIC AQUA PARTNERS

Financial Statements Parent Company

Financial Statements Parent Company

Income Statement

kDKK	Note	2020	2019
Gross profit/loss		(9,152)	(1,733)
Other financial income		0	3
Other financial expenses		(4,690)	0
Profit/loss for the year		(13,842)	(1,730)
Proposed distribution of profit and loss			
Retained earnings		(13,842)	(1,730)
Proposed distribution of profit and loss		(13,842)	(1,730)

Financial Statements Parent Company

Balance Sheet

ASSETS			
kDKK	Note	2020	2019
Investments in group enterprises		186,043	186,723
Other financial assets	1	186,043	186,723
Fixed assets		186,043	186,723
Receivables from group enterprises		2,265	0
Other receivables		432	15
Receivables		2,697	15
Cash		384,706	574
Current assets		387,403	589
Assets		573,446	187,312

Financial Statements Parent Company

Balance Sheet

EQUITY AND LIABILITIES

KDKK	Note	2020	2019
Contributed capital		10,284	195
Retained earnings		419,415	13,162
Equity		429,699	13,357
Trade payables		34	419
Payables to group enterprises	1	143,578	173,313
Other payables		135	223
Current liabilities other than provisions		143,747	173,955
Liabilities other than provisions		143,747	173,955
Total equity and liabilities		573,446	187,312

Financial Statements Parent Company

Cash Flow

kDKK	Note	2020	2019
Operating profit/loss		(9,152)	(1,733)
Change in working capital	2	(3,155)	1,070
Cash flow from operating activities before financial income and expenses		(12,307)	(663)
Financial income, received		0	3
Financial expenses, paid		(4,175)	0
Income taxes, received/(paid)		0	0
Cash flow from operating activities		(16,482)	(660)
Share capital to group enterprises		(29,055)	0
Cash flows from investing activities		(29,055)	(660)
Proceeds from capital increase		448,486	0
Transaction costs of issue of shares		(18,817)	0
Cash flow from financing activities		429,669	0
Cash and cash equivalents, beginning of the year		574	1,234
Net (decrease)/increase in cash and cash equivalents		384,132	(660)
Cash and cash equivalents, end of the year		384,706	574
Cash and cash equivalents in the cash flow statement comprise:			
Cash and cash equivalents		384,706	574

The figures in the cash flow statement cannot be directly derived from the figures in the balance sheet.

Financial Statements Parent Company

Statement of Changes in Equity

kDKK	Share capital	Retained earnings	Total equity
Equity beginning of year	195	13,162	13,357
Conversion of shares	1,759	(1,759)	0
Capital increase	8,330	440,156	448,486
Transaction costs		(18,817)	(18,817)
Compound financial instrument		515	515
Loss/profit for the year		(13,842)	(13,842)
Equity end of year	10,284	419,415	429,699



NORDIC AQUA PARTNERS

Notes to the Financial Statements Parent Company

Notes to the Financial Statements Parent Company

NOTE 1 FIXED ASSET INVESTMENTS

kDKK	Investments in group enterprises
Cost at 1 January 2020	186,723
Changes to exchange rates	(680)
Cost at 31 December 2020	186,043
Carrying amount at 31 December 2020	186,043

kDKK

Cost at 1 January 2019	149,346
Changes to exchange rates	25
Additions	37,352
Cost at 31 December 2019	186,723
Carrying amount at 31 December 2019	186,723

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

Of the share capital in the subsidiary kDKK 43,145 (31 December 2019: kDKK 13,410) has been paid. The remaining part of share capital kDKK 143,578 (31 December 2019: kDKK 173,313) is booked as payables to group enterprises. The remaining share capital shall be paid before end of July 2021.

	Equity interest	Registered in	Corporate form
Investment in subsidiaries			
Nordic Aqua (Ningbo) Co., Ltd.	100%	China	Ltd.

NOTE 2 WORKING CAPITAL

kDKK	2020	2019
Change in receivables from group enterprises	(2,265)	0
Change in other receivables	(417)	691
Change in trade payables and other payables	(473)	379
Total change in working capital	(3,155)	1,070

Notes to the Financial Statements Parent Company

ACCOUNTING POLICIES

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

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

Recognition and measurement

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

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

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

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

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

INCOME STATEMENT

Gross profit or loss

Gross profit or loss comprises revenue and external expenses.

Revenue

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

Other external expenses

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

Other financial income

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

Other financial expenses

Other financial expenses comprise interest expenses etc.

Notes to the Financial Statements Parent Company

BALANCE SHEET

Investments in group enterprises

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

Receivables

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

Cash

Cash comprises bank deposits.

Other financial liabilities

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

Cash flow statement

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

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

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

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

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



NORDIC AQUA PARTNERS

Nordic Aqua Partners A/S
Hundegade 1, 6760 Ribe, Denmark
Business Registration No. 38 18 30 01

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registeret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Ole Juul Jørgensen

Adm. direktør

Serienummer: PID:9208-2002-2-958908719170

IP: 2.109.xxx.xxx

2021-03-17 15:54:39Z

NEM ID 

Knut Nesse

Bestyrelsesmedlem

Serienummer: 9578-5997-4-223874

IP: 77.16.xxx.xxx

2021-03-17 15:56:20Z

bankID 

Ragnar Joensen

Bestyrelsesformand

Serienummer: PID:9208-2002-2-376455020262

IP: 178.19.xxx.xxx

2021-03-17 16:00:33Z

NEM ID 

Knut Langeteig

Bestyrelsesmedlem

Serienummer: 9578-5995-4-3350109

IP: 84.208.xxx.xxx

2021-03-17 16:06:01Z

bankID 

Ove Nodland

Bestyrelsesmedlem

Serienummer: 9578-5997-4-1046772

IP: 83.143.xxx.xxx

2021-03-17 16:06:22Z

bankID 

Jan Petersen

Bestyrelsesmedlem

Serienummer: CVR:38183001-RID:11658342

IP: 217.172.xxx.xxx

2021-03-17 16:10:14Z

NEM ID 

Jakob Olesen

Revisor

Serienummer: CVR:33963556-RID:24373517

IP: 85.191.xxx.xxx

2021-03-17 17:19:25Z

NEM ID 

Mikael Grosbøl

Revisor

Serienummer: CVR:33963556-RID:30866638

IP: 83.151.xxx.xxx

2021-03-17 17:47:14Z

NEM ID 

Penneo dokumentnøgle: UG76K-N77N6-8IDFD-TZJQ6-F4ADB-LEVDS

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstemplet med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service** <penneo@penneo.com>. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: <https://penneo.com/validate>