



Nordic Aqua Partners ApS

Hundegade 1
6760 Ribe
CVR No. 38183001

Annual report 2019

The Annual General Meeting adopted the
annual report on 03.07.2020

Gerhard Dalkjær Johansen
Conductor

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Entity details

Entity

Nordic Aqua Partners ApS

Hundegade 1

6760 Ribe

CVR No.: 38183001

Registered office: Esbjerg

Financial year: 01.01.2019 - 31.12.2019

Board of Directors

Ragner Joensen, Chairman

Ove Nodland

Jan Petersen

Arne Knudsen

Ole Juul Jørgensen

Knut Langeteig

Executive Board

Ole Juul Jørgensen, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Dokken 8

P. O. Box 200

6701 Esbjerg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Nordic Aqua Partners ApS for the financial year 01.01.2019 - 31.12.2019.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Ribe, 17.06.2020

Executive Board

Ole Juul Jørgensen
CEO

Board of Directors

Ragner Joensen
Chairman

Ove Nodland

Jan Petersen

Arne Knudsen

Ole Juul Jørgensen

Knut Langeteig

Independent auditor's report

To the shareholders of Nordic Aqua Partners ApS

Opinion

We have audited the financial statements of Nordic Aqua Partners ApS for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor's report. We are independent of the Entity 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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, 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 Entity'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 financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 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 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 Entity'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 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the 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 commentary.

Esbjerg, 17.06.2020

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Mikael Grosbøl

State Authorised Public Accountant

Identification No (MNE) mne33707

Management commentary

Primary activities

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

Development in activities and finances

The result of the year was a deficit of 1,730 t.DKK, which is in accordance with the management's expectations.

Events after the balance sheet date

The company is in the process of completing an equity issue with gross proceeds of up to EUR 60 million. To close due diligence processes and to obtain confirmed bank finance, EUR 3,4 million have been raised during May 2020. We anticipate that we during the coming months will be able to complete full financing of the project.

Except from above no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2019

	Notes	2019 DKK	2018 DKK
Gross profit/loss		(1,733,022)	(3,843,161)
Other financial income		3,221	1,690
Other financial expenses		(2)	(1,703)
Profit/loss for the year		(1,729,803)	(3,843,174)
Proposed distribution of profit and loss			
Retained earnings		(1,729,803)	(3,843,174)
Proposed distribution of profit and loss		(1,729,803)	(3,843,174)

Balance sheet at 31.12.2019

Assets

	Notes	2019 DKK	2018 DKK
Investments in group enterprises		186,723,280	149,346,000
Other financial assets	1	186,723,280	149,346,000
Fixed assets		186,723,280	149,346,000
Other receivables		14,669	705,886
Receivables		14,669	705,886
Cash		573,595	1,233,783
Current assets		588,264	1,939,669
Assets		187,311,544	151,285,669

Equity and liabilities

	Notes	2019 DKK	2018 DKK
Contributed capital		195,407	195,407
Retained earnings		13,162,072	14,891,875
Equity		13,357,479	15,087,282
Trade payables		418,745	38,749
Payables to group enterprises		173,313,280	135,936,000
Other payables		222,040	223,638
Current liabilities other than provisions		173,954,065	136,198,387
Liabilities other than provisions		173,954,065	136,198,387
Equity and liabilities		187,311,544	151,285,669

Statement of changes in equity for 2019

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	195,407	14,891,875	15,087,282
Profit/loss for the year	0	(1,729,803)	(1,729,803)
Equity end of year	195,407	13,162,072	13,357,479

Notes

1 Financial assets

	Investments in group enterprises DKK
Cost beginning of year	149,346,000
Additions	37,377,280
Cost end of year	186,723,280
Carrying amount end of year	186,723,280

Financial assets consists of the total amount of the share capital in Nordic Aqua (Ningo) Co. Ltd. Of the total share capital in the subsidiary DKK 13.410.000 has been paid, the remaining part of share capital of DKK 173.313.280 is booked as debt to subsidiaries.

Investments in subsidiaries	Registered in	Corporate form
Nordic Aqua (Ningbo) Co. Ltd.	China	Ltd.

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 with addition of certain provisions for reporting class C.

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 external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale 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.

Balance sheet

Investments in group enterprises

Investments in group enterprises 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 equalling nominal value less writedowns for bad and doubtful debts.

Cash

Cash comprises bank deposits.

Other financial liabilities

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