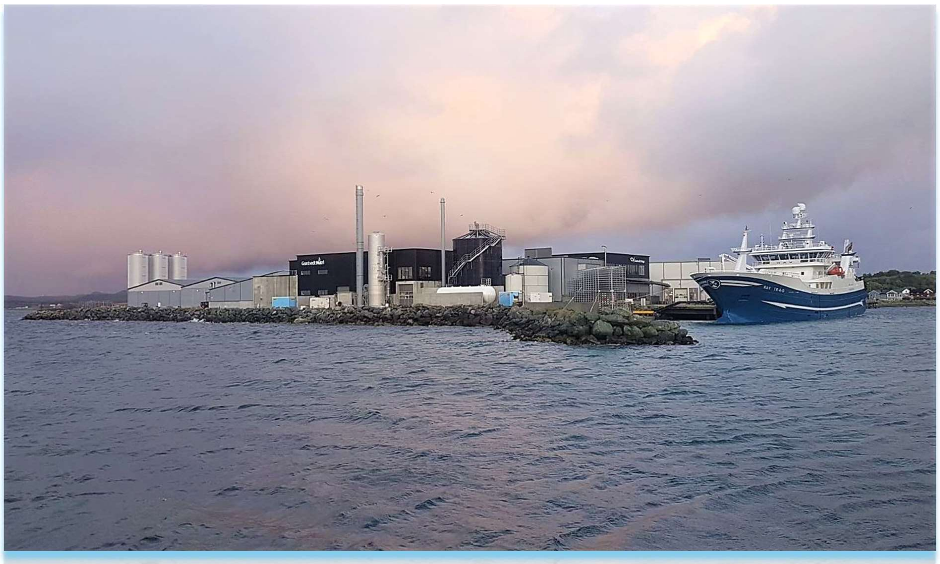

Grøntvedt AS | *Financial Statements 2023*

The board of directors' report 2023 for Grøntvedt AS

Operations, locations, and group structure

Grøntvedt AS and its subsidiaries (the Group or Grøntvedt) produces pelagic products, utilizing all raw material of pelagic fish. The Group is a significant provider of a product range from fish meal, fish oil to pelagic fish for human consumption. Grøntvedt's operations are separated into two segments; The FOOD segment purchases, produces, and sells pelagic consumer products both as semi-finished products to the processing industry, and as end customer products through its subsidiary Klädesholmen Seafood AB. The FEED segment produces and sells fish meal and fish oil from fresh pelagic raw materials.

Grøntvedt's main office is at Uthaug, in Ørland municipality, Norway. The Groups processing facilities are located at Uthaug and Klädesholmen, Sweden.

The Group has fully owned subsidiaries in Norway and Sweden. In addition to the parent company, Grøntvedt AS, the Group includes the subsidiaries Grøntvedt Group AS, Grøntvedt Pelagic AS, Grøntvedt Nutri AS, Grøntvedt Biotech AS (owned 92 %), Grøntvedt Eiendom AS, Flexbase AS and Klädesholmen Seafood AB.

The parent company was founded in June 2021, as part of a reorganization of the Group. Grøntvedt Pelagic has a history as a provider of pelagic products since 2001. It was founded by the Grøntvedt family, with roots within the pelagic industry back to the 1830's.

Comments related to the financial statements

The Group financial statements are presented in accordance with IFRS as adopted by the EU.

The Group's revenue in 2023 was NOK 1 353 million, slightly up from NOK 1 336 million in 2022. Net income in 2023 was negative with NOK 222 million, down from negative NOK 36 million in 2022. The slight increase in revenue is mainly explained by higher raw material prices which have been partially carried over to customers, and higher fish oil prices. However, the raw material landing volumes were reduced as compared to 2022 and production disturbances at the Grøntvedt Nutri production plant caused lower internal utilization of trimmings, which again affected revenue growth and profits adversely. In addition, uncertainty related to customs and the temporary tariff of 20 % on marinated herring products, as further described under Going concern and Market risk below, and the rapid increase in raw material prices was difficult to transfer to FOOD customers, hence, adding a further adverse effect to profits.

During 2023 there have been no significant research and development costs.

The operating result ("EBIT") was negative NOK 56 million and the profit before tax was negative with NOK 200 million in 2023, while cash flow from operating activities was NOK 180 million. A significant part of the difference is due to depreciation and net finance, where the main part is interest cost on the bond loan, and calculated interest and depreciation from rent and lease agreements. Further, as raw material landing volumes were lower in the fourth quarter of 2023 as compared to 2022, production was lower, giving a lower working capital than the prior year.

The Group's capital investments during 2023 had a net negative cash flow effect of NOK 17 million, of which NOK 19 million was related to the purchase of equipment and NOK 2 million was related to sales of tangible assets.

The Group's financing activities during 2023 had a net negative effect of NOK 176 million. Payment of interest accounted for NOK 142 million, while payment of principal portion of lease liabilities accounted for NOK 34 million.

The Group's short-term debt as of 31 December 2023 constituted 74 % of the Group's total debt, compared to 30 % as of 31 December 2022. This increase is mostly explained by the reclassification of the bond loan, which in 2022 was classified as long-term, while in 2023 was classified as short-term borrowings. Total assets at year-end amounted to NOK 1 850 million (NOK 2 054 million in 2022). The equity ratio was 27.6 % as by 31 December 2023, as compared to 35.6 % the year before.

The equity ratio as of 31 December 2023 was lower than the debt covenant requirement of minimum 35 %. Further, the interest coverage ratio was lower than the requirement of minimum 2.0. Hence, the Group was in breach with its debt covenants by 31 December 2023. A notice to the Oslo Stock Exchange in relation to the breach of covenants was sent on 1 November 2023. During the fourth quarter, the Group started a refinancing process of its bond loan, and a notice on a successful placement of a new senior secured bond of NOK 500 million was published on 22 December 2023. The refinancing process, including the fulfillment of a share issue of NOK 200 million and repayment of the NOK 600 million senior secured bond, was finalized in January 2024.

The financial statements for the parent company Grøntvedt AS are presented by use of simplified IFRS, in accordance with the Norwegian Accounting Act section 3-9 and corresponding regulation. Revenues were NOK 9 million in 2023, up from 7 million in 2022. The operating profit was negative NOK 9 million, down from negative 8 million in 2022. The net profit before tax was negative with NOK 438 million in 2023, mainly explained by a write-down of NOK 411 million related to shares in the subsidiary Grøntvedt Group AS. In 2022 net profit before tax was negative with NOK 24 million. The write-down of shares was made in order to align company level equity with the pre-money valuation used in the share issue described below.

There have not been identified any other matters of significance that are not reflected in the financial statements for either the Group or the company. The Board is not aware of any events that could significantly impact the financial reporting for 2023.

Going concern

In accordance with the Norwegian Accounting Act § 3-3a, we confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on forecasts for net income and liquidity for the year 2024, and the Group's long-term strategic forecasts, taking, inter alia, the following aspects into consideration:

In June 2023, a capacity expansion at Grøntvedt Nutri was approved by the Board of Directors. The construction process is ongoing, and the expansion is on schedule to be finalized and taken into use as planned during May 2024. After the capacity expansion, the Group expects to be able to process all trimmings from the landed raw material internally, improving profits and cash flow materially.

In December 2023, Norway and the EU agreed on the main terms for customs regulation for sales of marinated herring products from Norway to countries within the EU. However, the implementation of the agreement is subject to final ratification by the EU, which has not yet been finalized. Such ratification is expected to take place during the second or third quarter of 2024. The customs situation affects customer behavior in the market, as customers have to pay a 20 % customs tariff in addition to the agreed prices on marinated herring products, until ratification has taken place, or alternatively other interim solutions have been agreed. As it is very likely that the customs regulations will be ratified, it is rational for customers to wait for final ratification to take place before they import marinated herring products, hence they postpone parts of their purchases from Grøntvedt, affecting the Group's liquidity adversely. The timing of the finalization of the customs agreement between Norway and the EU is the most significant risk with respect to timing of incoming liquidity and, hence short-term liquidity position for the Group.

The Group carried out a refinancing of its bond loan in January 2024, with new covenants aligned with the position and expected development of the Group's operations. At the same time a share issue of NOK 200 million was carried out, where Frøy Kapital and Grøntvedt Invest acquired new shares. After the share issue, Frøy Kapital and Grøntvedt Invest own 50 % each of the Group. Further, a key bond term is that the shareholders can offer shareholder support to cater for liquidity needs. Shareholder support can be granted in the form of guarantees for trade obligations and short-term loans. This gives important flexibility in order to run the business efficiently during peak-seasons and in the case of unexpected events which e.g. postpone incoming cash flows from sales. A detailed liquidity prognosis, including stress tests thereof, has been prepared and discloses areas and times when such Shareholder support will be needed. The most significant risks in the liquidity prognosis are risks related to timing of ratification of the customs agreement between Norway and EU and whether there will be autonomous quotas in an interim period. Further, timing and extent of sales from the FEED business, including the ramp-up of the expanded Grøntvedt Nutri plant, will affect liquidity. The shareholders have communicated their intention to offer such support, through guarantees and short-term Shareholder loans. Based on this, the Group expects to have sufficient funds to carry out its activities as planned for 2024.

After the refinancing and the completion of the Grøntvedt Nutri capacity expansion, including getting sufficient catering for short-term liquidity needs from Shareholder support during 2024, the Group is adequately positioned to achieve both its short-term and long-term plans, while maintaining a sound financial position, including acting in compliance with its debt covenants as outlined in the new bond terms. Further reference is made to notes 30 and 31 in the financial statements.

Corporate Governance

Grøntvedt complies with the legislation and regulations to which a public limited company is subject, including section 3-3b of the Norwegian Accounting Act, which, inter alia, regulates corporate governance and day-to-day responsibilities of companies with financial instruments listed on the Euronext Oslo Stock Exchange. The Board's opinion is that the Group is organized in an adequate manner, and that the business is carried out in accordance with relevant regulations, the Group's purpose and in line with the articles of association. Further, it is the Board's opinion that the principles and application of corporate governance in the business is appropriate for and aligned with having a listed senior secured bond.

The Board and management are responsible for establishing, maintaining, and developing internal control related to financial reporting, and all financial statements are the responsibility of the Board and management. The internal control of financial reporting is supervised by the CFO. The audit committee monitors financial reporting and related internal controls, including, inter alia, the application of accounting policies, estimates and judgements.

The Group's Board of Directors comprises six members, all elected by the shareholders. Four of the board members are men and two are women. The audit committee consists of two women, who both are members of the board and independent of management. Two of the board members are also part of the Group's management. As Grøntvedt is owned by two shareholders with equal shareholdings (as per April 2024), and there is no public trade of the shares in the company, no formalized guidelines in relation to gender, age, educational or other background as basis for the composition of the Board of Directors or other committees has been established.

Financial risk

Overall view on objectives and strategy

The Group is exposed to financial risk in different areas. The goal is to manage financial risk in a manner that gives an adequate capital and liquidity position for the Group, while maintaining and developing sustainable and efficient operations.

Currency risk

The Group is exposed to direct and indirect currency risk. All raw materials are bought in NOK. However, raw material prices are influenced by fish oil prices and access to other sources of fish oil than from the pelagic fisheries in the Atlantic Ocean. As the fish oil market is a market with USD as its functional currency, raw material purchases are indirectly affected by USD. The sales of fish oil from the FEED business are also in USD, which partially hedges the aforementioned exposure related to raw material purchases. The Swedish subsidiary Klädesholmen Seafood sells most of its products and has the main part of its group-external costs in SEK. The main part of the Group's other sales is invoiced in NOK and EUR. As per 31 December 2023 the Group had active foreign currency hedging agreements for transactions In EUR. For sales in EUR and other foreign currencies the Group has established a new hedging strategy that will come into effect in 2024.

Interest rate risk

The Group is exposed to interest rate risk, as the Group's financing is on floating terms. No financing of the Group has been fixed in terms of interest rate swaps or other financial instruments meant for interest rate hedging purposes.

Market risk

The market prices of the Group's products will be affected by the global supply and demand for seafood and other protein sources.

The market prices of the Group's raw material will be affected by the various factors related to fish catches and numbers of buyers. Wild-caught fish is a renewable resource, whose quantity will naturally fluctuate over time. The total legal catch will be limited to quotas set by the authorities, and the availability may change over time. Further, quotas set in other countries, including quotas for substitutes such as anchoveta for the FEED business, can affect the market prices for the Group's products and raw material. This again is affected by development of the sea water temperatures, with the most important short-term effects coming from the El Niño and La Niña cycles in the Pacific Ocean.

The Group also experiences risk related to customs and trade agreements with countries it exports its products to. Further reference is made to the section on going concern and note 31 of the financial statements.

Credit risk

The Group's credit risk varies with the customers and the different sales agreements. This is a prioritized area for Grøntvedt, and the Group is working to establish good agreements to reduce risk for both buyer and seller. The Group uses credit insurance to substantially reduce its credit risk.

Liquidity risk

Natural seasonal fluctuations require sufficient access to financing during season. To support this, the Grøntvedt Group has established a bond loan and a RCF Facility at Handelsbanken. The RCF facility was in place in October 2021 and was renewed in January 2024, with covenant terms aligned with the new bond loan. As further described in the section on going concern, the Group is exposed to increased liquidity risk related to the status on the customs agreement between Norway and the EU, and how this affects, inter alia, customer behavior. Measures to handle such risk, including Shareholder support, are also further described in the mentioned section.

The working environment and the employees

Grøntvedt aims to offer and facilitate a safe workplace, where employees can develop and utilize their skills and capabilities.

Leave of absence due to illness was approximately 3.5 % of the total working hours in the Group in 2023, down from 5.75 % in 2022. The Group has taken initiatives to reduce absence. The Group will continue its efforts to reduce sick leave days and has started additional initiatives focusing on the workplace environment and rotation. Measures are taken to reduce the individual workload on each employee in production. This is done by establishing a system of rotating between work and time off combined with variation in the physical workload during production.

There have been no incidents or reporting of work-related accidents, which has resulted in any significant material damage or personnel injuries during 2023.

The working environment is considered good, and efforts for improvements are made on a continuous basis. The Group's various working environment committees have held regular meetings during 2023. The composition of employees representing their co-workers in dialogue with management gives all segments of production personnel a relevant representation. An independent third party has also been participating in these meetings. Several issues have been discussed in the committees. The main focus in 2023 has been training, communication, and establishing an including work environment. This has resulted in recommendations for improvements to the related departments. The cooperation with the employees' trade unions has been constructive and contributed positively to operations.

Equal opportunities and discrimination

The Group has a goal to be a workplace where there is equality for all employees and has incorporated workplace policies that are viewed as gender neutral in all areas. The Group has as a goal to promote equal opportunities, possibilities, and rights, in addition to preventing discrimination based on gender, ethnicity, origin, sexual orientation and religion.

Corporate Social Responsibility, Climate Risk and the Environment

The Group aims to secure long-term profitability and growth through sustainable utilization of all raw materials that are landed at Uthaug. This is carried out through a unique integrated FOOD and FEED plant, that will be further developed and expanded during 2024. By this, the long-term goal of the Group is to utilize all trimmings from the FOOD production into profitable and sustainable FEED products. This is paired with an integrated FOOD value chain, where Klädesholmen Seafood produces FOOD products for end consumers, mainly in the Swedish market.

As per today, the world's population uses more resources than the planet can regenerate. The Group uses wild pelagic fish as input into all its products. Sustainable quota regulations and good cooperation between the countries involved in fisheries in the North Atlantic Ocean is key for the future success of businesses like Grøntvedt, and for all stakeholders related to the pelagic industry. By supporting good political processes related to quotas and ensuring that the resources used by the Group are utilized in the right place in the food-chain, the Group aims to affect the human consumption of the planet's resources in a favorable manner.

Companies worldwide are increasingly facing climate risks. Norway and the EU have implemented strict climate policies aimed at raising awareness among companies about the impact of climate change on financial assets and their future financial profiles. These policies highlight the importance of identifying and understanding the challenges and opportunities associated with climate change and developing proactive strategies to enhance sustainability.

For Grøntvedt, the primary climate-related risks and opportunities encompass potential new laws and regulations, carbon taxation and/or CO2 efficiency regulations, demands for circular economies and supply chain transparency, changes in seawater levels and temperature, technological advancements, expectations of increased use of renewable energy, and shifts in customer preferences. The most prominent risk directly affecting the business is changes in seawater temperatures and the strength of the El Niño/La Niña cycles, as this materially affects the access to alternative fish feed resources, which again affects volatility of fish oil prices, hence also the price of pelagic raw material.

The Group is obliged to continuously monitor its effect on the nearby environment. This includes waste handling programs, recycling initiatives etc. The Group is in a good position to handle and adapt to changing environmental legislation. Risk analyzes have been performed and evaluated in 2023, and the major risk of pollution and accidents, as well as its potential impact on the local surroundings have been mapped. Preventive measures are implemented and monitored. From 2025 the Group will be obliged to report according to the upcoming EU Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS) and has started the planning process to ensure compliance with the requirements and expectations related to this.

The investment in and expansion of the activities in Grøntvedt Nutri AS and the plans for Grøntvedt Biotech AS visualize the Group's ambition to be in the forefront of sustainable utilization of marine resources. The Group's philosophy is to strive towards full utilization of our marine resources, and to maximize added value both in our FOOD and FEED products. The Group is also engaged in several projects aiming to reduce consumption of energy and water.

The Transparency Act

For Grøntvedt it is imperative to ensure compliance with human rights and combat corruption and discrimination. The Group has several customers and suppliers in different business areas and geographical regions and make assessments of the risk of adverse impact on fundamental human rights and decent working conditions linked with the Group's activities, including assessment, monitoring, and risk classification of suppliers. The Group conducts due diligence in accordance with the Transparency Act each year and publishes a report on the assessments and findings.

Further information about the Group's actions related to the Transparency Act can be found on the Group's website. The annual update of this information will be published on or before 30 June 2024.

Insurance for board members and general manager

The Group's parent company has insurance coverage for all current and previous CEO, Board of Directors, and leading employees in all companies within the Group.

The insurance covers loss of assets or claims that are inflicted on the company or any third parties due to errors in the annual accounts.

Allocation of net income

The Board of Directors has proposed the negative net income of Grøntvedt AS, at company level, to be attributed to:

Loss carried forward:	- NOK 444 962 466
Dividend:	NOK 0

Net negative income allocated: - NOK 444 962 466

Forward statement

The long-term prospects of the Group are considered good, and the financial position will in the longer term be improved because of, inter alia, the refinancing process. However, the Group is dependent on Shareholder support to cater for short-term liquidity needs, until final ratification and implementation of the customs agreement between Norway and the EU.

The Group bases its activity on the landing and processing of North Atlantic herring and mackerel, which are affected by catching seasons, catch quotas, and the general nature of fisheries. This means the Group is exposed to variations. The total market demand for the Group's products for human consumption is considered to be stable. However, the price volatility is high in the fish meal and fish oil segment, as this market is heavily influenced by fisheries of other species such as anchoveta in the Pacific Ocean.

This document is signed electronically.

Board of Directors:

Helge Gåsø – Chair
Bjørnar Grøntvedt - CEO and board member
Alexander Borge Grøntvedt – board member
Anne Sofie Utne – board member
Hege Aasen Veiseth – board member
Bengt Martin Thomas Brue – board member

Grøntvedt Group

Consolidated statement of comprehensive income

(Amounts in NOK 1000)	Notes	2023	2022
Revenue	4,5	1 353 072	1 335 556
Cost of materials	6	1 042 311	910 689
Salary and personnell expenses	7,8	143 157	133 298
Other operating expenses	9, 11	153 661	166 765
EBITDA		**13 942**	**124 804**
Depreciation and amortisation	4,10,11,12	69 481	61 744
		-55 539	**63 060**
Financial income	4,13,14	1 181	23 880
Financial expenses	4,13,14	145 755	133 991
Financial income/(expenses) net		**-144 574**	**-110 111**
Profit/loss before tax		**-200 113**	**-47 051**
Income tax expense	15	21 657	11 074
Profit /loss for the year		**-221 770**	**-35 977**
Profit of the year attributable to:			
Shareholders in Grøntvedt AS		-221 770	-35 977
Other comprehensive income/(loss)			
Items that may be reclassified to statement of income			
Exchange differences on translation of foreign operations		8 055	4 381
Items that will not be reclassified to statement of income			
Other comprehensive income/(loss) for the period, net of tax		8 055	4 381
Total comprehensive income/(loss) for the year		**-229 824**	**-40 358**
Comprehensive income for the year attributable to:			
Shareholders in Grøntvedt AS		-229 824	-40 358
Earnings per share	16	-5,83	-0,99
Earnings per share - diluted	16	-5,83	-0,99

Consolidated statement of financial position

(Amounts in NOK 1000)	Notes	**31.12.2023**	**31.12.2022**
Assets			
Non - current assets			
Investment in shares	17,25	17 754	21 102
Property, plant and equipment	10,19,25	550 265	554 224
Right - of - use assets	11	112 661	101 455
Goodwill	12,18,19	586 000	586 000
Other intangible assets	12,19	24 741	49 378
Deferred tax asset	15	-	21 657
Receivables	17,20,25	2 475	11 331
Total non - current assets		**1 293 896**	**1 345 147**
Current assets			
Inventories	6,25	450 403	480 742
Trade receivables	17,20,25	52 887	155 924
Contract assets	17,20,21,25	-	9 254
Other short-term receivables	17,20,22,25	16 575	14 238
Derivatives	14, 17	765	-
Cash and cash equivalents	17,23,25	35 144	48 422
Total current assets		**555 774**	**708 580**
Total assets		**1 849 672**	**2 053 727**

Equity and Liabilities			
Share capital	24	76	76
Share premium	24	1 168 800	1 168 800
Other equity		-659 124	-437 385
Total equity		**509 752**	**731 491**
Liabilities			
Non - current liabilities			
Borrowings	14,17,25	0	588 911
Lease liabilities	11,25	53 528	48 739
Other long term liabilities	14,17,25	297 621	290 212
Deferred tax	15	0	0
Total non - current liabilities		**351 149**	**927 863**
Current liabilities			
Borrowings	14,17,26	739 308	150 000
Trade accounts payables	14,27	122 819	114 762
Contract liabilities	17,21	11 221	357
Lease liabilities	11,14,26	26 582	25 657
Sale-leaseback liabilities	14,17,26	35 833	33 544
Other current liabilities	17,27	53 007	70 052
Total current liabilities		**988 770**	**394 372**
Total liabilities		**1 339 919**	**1 322 235**
Total Equity and liabilities		**1 849 672**	**2 053 727**

Uthaug, 30 April 2024

Helge Gåsø
Chairman of the board

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Bjørnar Grøntvedt
Chief Executive Officer/Member of the board

____

Anne Sofie Utne
Member of the board

____

Bengt Martin Thomas Brue
Member of the board

____

Alexander Borge Grøntvedt
Member of the board

____

Hege Aasen Veiseth
Member of the board

____

Consolidated statement of changes in equity

(Amounts in NOK 1000)	Notes	Share capital	Share premium reserve	Other equity	Translation reserve	Total Equity
Balance at 1 January 2022		**69**	**1 103 790**	**-390 431**	**-5 576**	**707 852**
Capital issue	24	7	65 010	0	0	65 017
Other changes		0	0	-1 020	0	-1 020
Allociation of profit/(loss) for the period		0	0	-35 977	0	-35 977
Other comprehensive income/(loss)		0	0	0	-4 381	-4 381
Total comprehensive income		0	0	-35 977	-4 381	-40 358
Balance at 31 December 2022		**76**	**1 168 800**	**-427 428**	**-9 957**	**731 491**

	Share capital	Share premium reserve	Other equity	Translation reserve	Total Equity
Balance at 1 January 2023	**76**	**1 168 800**	**-427 428**	**-9 957**	**731 491**
Other changes *)	0	0	8 085	0	8 085
Allocation of profit/(loss) for the period	0	0	-221 770	0	-221 770
Other comprehensive income/(loss)	0	0	0	-8 055	-8 055
Total comprehensive income	0	0	-221 770	-8 055	-229 824
Balance at 31 December 2023	**76**	**1 168 800**	**-641 112**	**-18 012**	**509 752**

*) Other changes related to retained earnings of 8.1 million is due to errors in the opening balance. A 2.9 million adjustment stems from changes in the opening balances and equity of the subsidiaries subsequent to the issuance of last year´s consolidated financial statements. A 5.2 million adjustment arises from an error in the opening balance of the deferred tax asset.

Consolidated statement of cash flows

(Amounts in NOK 1000)	Notes	2023	2022
Operating activities:			
Profit before tax		-200 113	-47 051
Adjustments to reconcile profit before tax to net cash			
Taxes paid		0	0
Depreciation of property, plant and equipment	10	32 323	26 897
Depreciation of right-of-use-assets	11	12 521	10 214
Depreciation of other intangible assets	12	24 636	24 633
Net finance	13	141 591	113 731
Net foreign exchange differences	13	268	-3 620
Change in market value-based financial instruments	13,17	3 480	8 334
Value adjustment of derivatives	17	-765	0
Gains/losses on sale of non-current assets		-567	0
Working capital changes:			
Change in trade receivables, contract assets, other short-term receivables and non-current receivables	20,22,27	118 811	-48 231
Change in inventories	6	30 339	-29 540
Change in trade and other payables, contract liabilities, public duties payable and other current liabilities	21,27	17 582	-78 166
Net cash provided by operating activities		**180 106**	**-44 131**
Investing activities:			
Interest received	13	98	4 042
Proceeds from sale of property, plants and equipment	10	0	0
Purchase of property, plant and equipment	10	-35 476	-19 696
Sale of tangible assets	10	17 904	0
Net cash from investing activities		**-17 475**	**-15 654**
Financing activities:			
Payment of interest	13	-104 011	-77 683
Payment of interest on lease liabilities	13	-4 193	-3 302
Payment of interest on other long- and short liabilities	13	-33 803	-36 787
Proceeds from long term borrowings	25	0	84 932
Proceeds from short term borrowings	26	0	150 000
Payment of short term borrowings	26	0	-90 000
Payment of principal portion of lease liabilities	11	-34 171	-27 975
Payment of principal portion of other long term liabilities	11	0	-5 278
Proceeds from issuance of shares	24	0	65 017
Dividends paid		0	-1 500

Net cash from financing activities		**-176 178**	**57 423**
Net cash for the period		-13 546	18 970
Net foreign exchange difference		268	3 620
Net cash for the period		**-13 278**	**22 590**
Cash and cash equivalent at the beginning of the period	23	48 422	25 833
Cash and cash equivalent at the end of the period	**23**	**35 144**	**48 422**
Change in cash and cash equivalents		-13 278	22 590

Table of contents

Note 1 - Corporate information & basis of preparation

1.1 General information
Grøntvedt AS is a limited liability company based in Norway and Sweden, and has its head office in Havneveien 1, 7142 Uthaug. The senior secured bond with ISIN NO0011094658 was listed on Oslo Stock Exchange 23 September 2021.

The consolidated financial statements for 2023 include the parent company and its subsidiaries. The Grøntvedt Group ("Grøntvedt" or "The Group") has no shares in associated companies. The Group's core business is linked to sale and processing of pelagic fish.

The annual financial statements for the fiscal year 2023 were approved by the Board of Directors on 30 April 2024.

1.2 Basis of preparation
The consolidated financial statements of The Group have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and relevant interpretations that are applicable to companies reporting under IFRS. The financial statements comply with the IFRS as issued by the International Accounting Standards Board (IASB) at 31 December 2023, as well as disclosure requirements pursuant to the Norwegian Accounting Act. The consolidated financial statements have been prepared on a going concern basis.

The Group´s consolidated financial statements is comprised of the statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows.

The functional currency of the parent company Grøntvedt AS is Norwegian kroner (NOK).
All amounts in the financial statement and notes are presented in NOK 1000, unless otherwise specified.

Presentation and classification of items in the financial statements is consistent for the periods presented.The most important accounting principles applied in preparing the consolidated financial statements are described in Note 2. These principles applying in the same way in all periods presented unless indicated otherwise.

New and amended standards adopted bt the group:
The following amended standards were adopted with effect from 1 January 2023:

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting policies
Following feedback that more guidance was needed to help companies decide what accounting policy information should be disclosed, IASB has issued amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. The amendments aim to make accounting policy information more entity-specific and to reduce the disclosure of immaterial and standardised information. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Amendments to IAS 8 - Definition of Accounting Estimates
The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Changes resulting from the amended standards did not have a material impact on the Group´s consolidated financial statements.

New standards and interpretations not yet adopted

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

Basis for measurement
The consolidated financial statements are prepared on a historical cost basis except for certain assets, liabilities and financial instruments which are measured at fair value. The principles used to determine fair value and amortised cost are described in further detail in the following principles and relevant notes. Preparation of financial statements including note disclosures requires management to make estimates and assumptions that affect amounts reported. Actual results may differ.

Use of estimates, judgement and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will rarely be in exact agreement with the final results. Management also needs to exercise judgement in applying the Group's accounting policies. Some areas involved a higher degree of judgement or complexity. These areas include items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. The areas involving significant estimates or judgements are:

* Sale-leaseback - Note 17
* Goodwill – Note 12, 18 & 19
* Inventories – Note 6

Estimates and judgements are reviewed and are based on experience and other factors, including expectations of future events that seem probable in view of present circumstances.

Note 2 - Accounting principles

The following description of accounting principles applies to the Group's 2023 financial reporting, including all comparative figures.

Basis of consolidation

The consolidated financial statements include Grøntvedt AS (parent) and its subsidiaries. Subsidiaries are defined as companies in which Grøntvedt, directly or indirectly, have control. Control over an entity is evidenced by the Group's ability to exercise its power to affect any variable returns that the Group is exposed to through its involvement with the entity. Where voting rights are relevant, the Group is deemed to have control where it holds, directly or indirectly, more than half of the voting rights in an entity, unless Grøntvedt through agreements does not have corresponding voting rights in relevant decision-making bodies. Subsidiaries are fully consolidated from the date control commences until the date control ceases.

Intercompany transactions and balances have been eliminated. Profits and losses resulting from intercompany transactions have been eliminated.

Segment reporting

An operating segment is part of the Group that engages in business which can generate revenues and costs, including revenues and costs deriving from transactions with other Group segments. Operating segments are identified based on the reporting used by Group management to assess performance and profitability at a strategic level. The Group management is defined as the chief operating decision-makers (CODM). The financial performance of all operating segments is reviewed monthly by group management. Performance is evaluated based on operating results (EBITDA) per segment. Further information on the Group's segments are disclosed in Note 4.

Foreign currency

The consolidated financial statements are presented in Norwegian Kroner (NOK), which is the Group's presentation currency. Each entity in the Group determines its own functional currency, and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the appropriate exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated as of the reporting date exchange rate. All differences regarding translation are included in financial income or financial expense in the statement of profit & loss.

The assets and liabilities of foreign operations are converted to NOK at the rate of exchange at the reporting date, and their profit or loss statements are translated at the exchange rates at the date of the transaction. The exchange differences arising on the translation for consolidation purposes are recognised in *Other comprehensive income* as *Currency translation differences* , net of tax.

Financial instruments

Financial assets and liabilities include investments in shares, accounts receivable and other current assets, cash and cash equivalents, borrowings, accounts payable and current financial liabilities.

A financial instrument is recognised when the Group becomes party to the instrument's contractual terms. Upon initial recognition, financial assets at amortised cost are measured at fair value plus transaction costs. Transaction costs relating to the acquisition of financial assets at fair value through profit or loss are recognised in profit or loss as they are incurred. An ordinary purchase or sale of financial assets is recognised and derecognised from the time an agreement is effective. Financial assets are derecognised when the Group's contractual rights to receive cash flows from the assets expire, or when the Group transfers the asset to another party and does not retain control or transfers practically all risks and rewards associated with the asset.

Financial liabilities represent a contractual obligation by Grøntvedt to deliver cash in the future and are classified as either current or non-current. Financial liabilities include borrowings and accounts payable. Interest bearing debt are initially recognised at fair value including transaction costs directly attributable to the transaction and are subsequently measured at amortised cost. Trade payables do not generate interest and are recognised at nominal value in the balance sheet. Financial liabilities are derecognised when the obligation is discharged through payment or when Grøntvedt is legally released from the responsibility for the liability.

A financial asset or a group of financial assets which are subject to impairment will be impaired using the expected credit loss 3-stage model (ECL) and the practical expedient of lifetime ECL for accounts receivable in accordance with IFRS 9.

Revenue recognition

The Group's operating revenues derive from sale and processing of pelagic fish. Revenues from the sale of the goods is considered as a performance obligation and is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entiteled for those goods. This is normally the delivery date. The normal credit term is 30 days net.

The Group considers whether there are other obligations in the contract that are seperate performance obligations to which a portion of the transaction price needs to be allocated.

In some cases the Group receives payments in advance related to upcoming deliveries. This payments are recognized as a contract liabilities.

Property & plant, machinery and equipment

Property, plant and equipment (PPE) is recognised at acquisition cost in accordance to the cost model in IAS 16. Depreciation is measured on a straight-line basis over the estimated useful lives of the asset as follows:

Property and plant: 7-50 years on the Group's owned properties. Land is not depreciated.
Machinery: 5-20 years
Equipment: 3-10 years.

The assets' residual values, useful lives and method of deprecation are reviewed annually and adjusted prospectively if appropriate. Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with IAS 36 *Impairment of Assets.*

Impairment of non-financial assets

All non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with IAS 36 *Impairment of Assets* .

The recoverable amount of an asset or cash-generating unit is its value in use or fair value less costs to sell, whichever is higher. Value in use is calculated as the net present value of future cash flows. The calculation of net present value reflects current market assessments of the time value of money and the risk specific to the asset. The recoverable amount is calculated based on the estimated future cash flow based on board and management approved budgets and strategic plans for the Group. For assets held for sale, expected sales value for the assets have been estimated.

An impairment is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount. A CGU is the smallest identifiable group that generates a cash inflow that is largely independent of other assets or groups.

Inventories

Inventories mainly consist of stocks of finished goods, both frozen pelagic fish and fresh pelagic fish for sale. Inventories also consist of fish oil, value added processed (VAP) goods and different animal feed from Grøntvedt's FEED-segment.

Inventory is valued at the lower of cost and net realisable value. The net realisable value is the estimated ordinary sales price less estimated sales costs.

Cost for trimmings, which are traded internally between companies within the Group, is allocated based on market terms for pelagic raw material for FEED production, and included in FEED inventory until realized by the sales of fish meal and fish oil.

Accounts receivable

Accounts receivables are initially recognised at fair value when the Group has an unconditional right to receive the consideration and the payment is only dependent on the passage of time. Accounts receivables have ordinary credit time between 10 and 45 days and are classified as current assets. Accounts receivables are initially recognized at the transaction price as defined in IFRS 15, and are subsequently measured at amortised cost less any allowance.

The Group applies the IFRS 9 simplified approach for trade receivables to measure expected credit losses. The loss allowance is based on the lifetime expected credit loss model and adjusted for market and economic conditions based on management judgement.

Leases

Leases are recognized, in accordance with IFRS 16, as a right-of-use asset and a corresponding lease liability at the date the leased asset is available for use by the Group. The lease payments is allocated between the liability and finance cost. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities associated with leasing contracts are measured on a present value basis. Leasing payments are discounted using the incremental borrowing rate. Right-of-use assets are measured at acquisition cost, taking into account accumulated depreciation, write-downs and revaluations.

Payments associated with low value or short-term leases are recognized on a straight line-basis as operating expense in profit or loss. Low value and short-term leases are relating to IT-equipment and other office equipment.

Current versus non - current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. *An asset is current when it is:*
• Expected to be realised or intended to be sold or consumed in the normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period

Or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period

Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Statement of cash flows
The statement of cash flow has been prepared using the indirect method. Cash flow associated with the acquisition and divestment of businesses is presented net under investing activities after deductions for cash reserves held by the acquired or divested company.

Note 3 - List of subsidiaries

The following subsidiaries are included in the consolidated financial statements:

Company	Domicile	Headquarters	Ownership	Voting power
Grøntvedt Group AS	Norway	Uthaug	100 %	100 %
Grøntvedt Pelagic AS	Norway	Uthaug	100 %	100 %
Grøntvedt Nutri AS	Norway	Uthaug	100 %	100 %
Grøntvedt Eiendom AS	Norway	Uthaug	100 %	100 %
Grøntvedt Biotech AS	Norway	Uthaug	92 %	92 %
Flexbase AS	Norway	Uthaug	100 %	100 %
Klädesholmen Seafood AB	Sweden	Rönnäng	100 %	100 %

Note 4 - Business segments

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. The management of the Group is considered as the Chief Operating Decision Maker (CODM). For management purposes, the group is organized into business units based on the branches it operates, and has two operating segments as follows:

FOOD (for human consumption)

The FOOD activity consists of receipt, handling and production of pelagic fish from wild-catch. The wild-catch of raw material mainly takes place in the Norwegian Sea and the North Sea. The main pelagic fish species for human consumption produced at Grøntvedt are herring, mackerel and capelin. Products from this business unit is frozen and marinated fillets, as well as roe. The production plants for these products are located at Uthaug and Kråkvåg in Middle-Norway.

As a part of the FOOD segment is also Klädesholmen Seafood AB and Grøntvedt Biotech AS which processes FOOD and FEED products into finished consumer products. Klädesholmen Seafood AB produces herring, caviar and spread products, and its production facilities are located in southern Sweden. Grøntvedt Biotech AS located in Uthaug, Norway, aims to utilize fish oil extracted from raw materials in Nutri's refinement plant to further produce Omega 3 supplements. These FOOD-products are sold in stores across Norway, Sweden and other European countries.

FEED (for animal consumption)

Trimmings and residual raw material from the FOOD production are further refined in a nutri plant. This is processed to produce fish meal, fish oil and concentrated fish protein, which is used as high-energy input into fish feed production, mainly for farmed salmonid production in Norway. The production plant for FEED products is located at Uthaug, Middle-Norway.

The remaining of the Group’s activities is shown in the "other" column. The "other" column consists of subsidiaries which mainly operate on an administrative basis. The "other" column includes Group’s administration costs and other shared costs that are not allocated to the aforementioned segments. Transfer prices between operating segments are done on arm’s length basis in a manner similar to transactions with third parties.

Information regarding the Group’s reportable segments is presented in the table below.

Year ended 31 December 2023 (NOK 1000)	**FOOD**	**FEED**	**Other**	**Eliminations**	**Consolidated**
Revenues - external	963 806	387 651	1 615	-	1 353 072
Revenues - within the group	93 357	188 544	17 475	(299 376)	-
Total revenue	**1 057 163**	**576 195**	**19 090**	**(299 376)**	**1 353 072**
Operating expenses	1 084 349	539 467	26 072	(310 759)	1 339 130
EBITDA	**(27 186)**	**36 728**	**(6 982)**	**11 383**	**13 942**
Depreciation and amortisation	(22 201)	(20 252)	(2 213)	(24 815)	(69 481)
Interest income	4 986	8 179	74 671	(86 655)	1 181
Interest expense	(59 500)	(39 908)	(117 788)	71 441	(145 755)
Tax expense	(18 642)	(11 580)	(10 932)	19 497	(21 657)
Profit after tax from continuing	**(122 544)**	**(26 834)**	**(63 244)**	**(9 149)**	**(221 770)**

Inter-segment revenues are eliminated upon consolidation and reflected in the 'eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Year ended 31 December 2022 (NOK 1000)	FOOD	FEED	Other	Eliminations	Consolidated
Revenue - external		230 301	3 273	-	233 574
Revenue - within the group	203 842	7 834	11 464	(223 140)	-
Total revenue	**203 842**	**238 135**	**14 737**	**(223 140)**	**233 574**
Operating expenses	1 226 663	197 802	20 099	(233 813)	1 210 752
EBITDA	**########**	**40 333**	**(5 362)**	**10 672**	**(977 178)**
Depreciation and amortisation	(23 671)	57 382	(26 358)	(69 098)	(61 744)
Interest income	29 927	2 787	48 593	(81 306)	0
Interest expense	(80 785)	(9 197)	(69 875)	49 746	(110 111)
Tax expense	5 588	(5 982)	6 436	5 032	11 074
Profit after tax from continuing operations	**########**	**85 323**	**(46 566)**	**(84 954)**	**(1 137 959)**

Geographic distribution of revenue
(NOK 1000)

Revenues from external customers	**2023**	**% of total sales**	**2022**	**% of total sales**
Norway	266 181	19,7 %	402 059	30,1 %
Sweden	199 715	14,8 %	171 709	12,9 %
Europe	868 552	64,2 %	740 552	55,4 %
Other	18 624	1,4 %	21 236	1,6 %
Total revenue	**1 353 072**		**1 335 556**	

The revenue information is based on the location of the external customer of the products.

Information about major customers

Included in revenues arising from the direct sales of FOOD-products of NOK 1 057.2 million (NOK 1 305.9 million in 2022) are revenues of approximately NOK 360.3 million (NOK 411.2 million in 2022) which arose from sales to the Group's two largest customers in the FOOD-segment. Information about the revenue in the FOOD-segment is

FOOD-segment	**2023**	**% of total sales**	**2022**	**% of total sales**
Major customer 1	360 267	26,63 %	411 196	30,79 %
Group total revenue	**1 353 072**		**1 335 556**	

Included in revenues arising from the direct sales of FEED-products of NOK 576.2 million (NOK 238.1 million in 2022) are revenues of approximately NOK 321.2 million (NOK 324.7 million in 2022) which arose from sales to the Group's largest customer in the FEED-segment. Information about the revenue in the FEED-segment is presented

FEED-segment	**2023**	**% of total sales**	**2022**	**% of total sales**
Major customer 1	169 385	12,52 %	223 944	16,77 %
Major customer 2	151 851	11,22 %	100 769	7,55 %
Group total revenue	**1 353 072**		**1 335 556**	

Note 5 - Revenue from contracts with customers

Disaggregated revenue information

Revenue from sale of goods derives mainly from sale of pelagic fish from wild catch, refinement of raw materials from the production of pelagic fish and value added processing from contracts, distrubuted along the two reporting segments FOOD and FEED. Revenue is recognized when control is transferred to the customer.

The timing of revenue recognition, billings and cash collections results in billed trade receivables and prepayments and deposits from customers (contract liabilities). A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers control of the related goods to the customer. Contract liabilities are recognized as revenue when the Group transfers control of the related goods or services to the customer. The time of which control is transferred varies between customers. The Group transfers control in two ways:

1. When the goods are loaded onto the customers trailer at the ramp on Uthaug or Rönnäng. At this time control is permanently transfered to the customer, and is the date of revenue recognition.
2. When the goods are loaded onto a trailer (hired from an external freight-company) at the ramp on Uthaug or Rönnäng. At this point the freight-company has temporary control over the goods. The customer receives control, and the Group recognises revenue, when the goods are unloaded at the customers desired location.

A contract asset is recognized if the Group has right to consideration in exchange for goods that they have transferred to a customer when that right is conditioned on something other than the passage of time.

Contract liabilities and assets are further described in note 21.

Different incoterms are used for the agreements with customers, where FOB and ex works are most commonly used. The payment period for invoices is normally 10-45 days, varying based on, inter alia, credit risk, incoterms and volumes. When the goods are delivered in accordace with the incoterms, the performance obligation for the Group is satisfied. I.e. there are no variable payment terms related to the goods.

Infrequently claims related to goods, e.g. due to incidents during transportation, may arise. Such claims are handled by the quality function of the Group, on a case-by-case basis. There have been no material such claims related to damaged goods during 2023, and hence, no provision for such claims has been made.

The Group's revenue from contracts with customers has been disaggregated by geographical region and presented in the tables below:

	For the year ended 31 December 2023				
Reporting segments	**FOOD**	**FEED**	**Other**	**Eliminations**	**Total**
Geographical region					
Norway	31 110	424 344	19 061	208 334	**266 181**
Sweden	290 756	-	-	91 041	**199 715**
Europe	716 672	151 851	29		**868 552**
Other	18 624	-	-		**18 624**
Total	**1 057 163**	**576 195**	**19 090**	**299 376**	**1 353 072**
Timing of revenue recognition					
Point in time	1 057 163	576 195	19 090	299 376	**1 353 072**
Total	**1 057 163**	**576 195**	**19 090**	**299 376**	**1 353 072**

	For the year ended 31 December 2022				
Reporting segments	**FOOD**	**FEED**	**Other**	**Eliminations**	**Total**
Geographical region					
Norway	311 887		14 737	162 700	**163 924**
Sweden	232 149	-	-	60 440	**171 709**
Europe	740 552	-	-	-	**740 552**
Other	21 236	-	-	-	**21 236**
Total	**1 305 824**	**-**	**14 737**	**223 140**	**1 097 421**
Timing of revenue recognition					
Point in time	1 305 824	-	14 737	223 140	**1 097 421**
Total	**1 305 824**	**-**	**14 737**	**223 140**	**1 097 421**

Revenue from contracts with customers is reconciled with the segment information (Note 4) in the tables below:

	For the year ended 31 December 2023		
	FOOD	**FEED**	**Other**
Revenue from external customers	963 806	387 651	1 615
Eliminations	93 357	188 544	17 475
Revenue from contracts with customers	**963 806**	**387 651**	**1 615**

	For the year ended 31 December 2022		
	FOOD	**FEED**	**Other**
Revenue from external customers	1 101 982	230 301	3 273
Eliminations	203 842	7 834	11 464
Revenue from contracts with customers	**1 101 982**	**230 301**	**3 273**

Note 6 - Inventories

	Group	
Cost of materials	**2023**	**2022**
Raw material	931 591	803 765
Support material	42 986	111 853
Excipients	314	791
Packaging	13 765	6 060
Write-down to net realization value	53 654	(11 780)
Total	**1 042 311**	**910 689**

	Group	
Inventories	**2023**	**2022**
Finished goods:		
At net realizable value		
	424 401	460 732
Total finished goods	**424 401**	**460 732**
Support material	307	1 491
Excipients	8 989	4 589
Packaging	7 335	6 634
Spare parts/workshop equipment	9 369	7 295
Correction of errors in prior periods	-	-
Total	**450 403**	**480 742**
Inventories measured at cost	511 820	488 504
Write-down to net realization value	(61 417)	(7 763)
Total	**450 403**	**480 742**

The parent company does not hold any inventory at any of the balance sheet dates. Inventories, among other assets, have been pledged for current debts. More information on pledged assets is disclosed in note 26.

Inventories consists of frozen and marinated products, as well as fish oil stored on tanks and fish meal in bags. Marinated and frozen products may have a storage time more than a year. The physical condition of the goods and impairment is evaluated on a monthly basis. If the net realizable value is less than cost, the book value is reduced to net realizable value for items for which such impairment has been identified. Fish oil and fish meal is sold almost immediately after production.

Write-down to net realizable value has been carried out for goods with a lower net realizable value than cost. The write-downs have mainly been carried out related to FOOD products.

Note 7 - Salary and personnel expense and management remuneration

	2023	2022
Salaries and holiday pay	122 049	89 386
Payroll tax	11 260	12 622
Pension costs defined contribution plans (Note 8)	5 961	5 335
Other personnel costs	3 887	25 955
Total salaries and personnel expense	**143 157**	**133 298**

The number of man-years that has been employed during 2023 was 184.5 for the Group (214 in 2022).

	2023	2022
Norway	134,5	168
Sweden	50	46
Total	**184,5**	**214**

Management remuneration:

The Group Management comprises the CEO, the CFO and the COO, along with the CEO in Klädesholmen AB. The CEO and the CFO are employed by Grøntvedt AS. The COO is employed by Grøntvedt Pelagic AS.

2023	**Salary**	**Bonus**	**Other benefits**	**Board remuneration**	**Pension cost**	**Total remuneration**
Group CEO - Bjørnar Grøntvedt	1 785	-	469	190	71	2 516
Group CFO - Ole Ronny Vekseth	1 436	-	8	-	71	1 515
Group COO - Alexander Grøntvedt	1 871	112	4	-	29	2 016
Managing Director Klädesholmen AB	3 196	-	-	-	427	3 623
Board of Directors:						
Chairman of the board - Helge Gåsø	-	-	-	240	-	240
Member of the board - Anne Sofie Utne	-		-	220	-	220
Member of the board - Alexander Borge Grøntvedt	-	-	-	190	-	190
Member of the board - Bengt Martin Thomas Brue	-	-	-	190	-	190
Member of the board - Hege Aasen Veiseth	-	-	-	240	-	240
Total management remuneration	**8 288**	**112**	**482**	**1 270**	**599**	**9 670**

2022	**Salary**	**Bonus**	**Other benefits**	**Board remuneration**	**Pension cost**	**Total remuneration**
Group CEO - Bjørnar Grøntvedt	1 728	-	-	-	35	1 763
Group CFO - Ole Ronny Vekseth	188	-	1	-	-	189
Group COO - Alexander Grøntvedt	1 758	72	9	-	28	1 867
Managing Director Klädesholmen AB	946	-	84	-	220	1 250
Board of Directors	-	-	-	621	-	621
Total management remuneration	**4 620**	**72**	**94**	**621**	**283**	**5 689**

Severance pay of NOK 1.7 million has been paid to the former Managing Director in Klädesholmen AB who left the company during the year. The severance pay has been included in salary expenses. The company has no further commitments towards the former Managing Director with regards to compensation after termination of employment, including bonus, options or pension.

Bonuses are given to management based on the previous years performance of the Group.

No loans or guarantees have been granted to the management or the board of directors, neither employees or related parties of management.

Note 8 - Pensions and other long-term employee benefits

The company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenestepensjon"). The company's pension arrangements fulfil the requirements of the law.

Defined contribution plan

The Group's companies have defined contribution plans in accordance with local laws and amounts to between 5 % and 8 % of the salary.

The companies in the Group have AFP pension through the union LO/NHO. All employees between 20 and 65 years are included in AFP. This type of pension is partly financed by the company.

Contribution is expensed when it is accrued. As of 31. december 2023 there were 262 members covered by the scheme. The contributions recognised as expenses equalled NOK 5.9 million and NOK 5.4 million in 2023 and 2022 respectively.

Note 9 - Other Operating Expenses

Other operating expenses	**2023**	**2022**
Premises, service and office costs	30 534	35 055
Freight	37 734	48 838
Leases	14 424	22 569
Repair and maintenance costs	17 981	23 468
Travel costs	1 370	1 265
Consultancy fees and external personnel	31 724	31 361
Bad debts	4 964	0
Change in provision for bad debts	-5 653	0
Other operating costs	17 922	1 408
Insurance	2 659	2 802
Total operating expenses	**153 661**	**166 765**

Short term office rent, leasing and rental costs are not capitalized and are expensed as they occur.

Specification of auditor's fee	**2023**	**2022**
Statutory audit	4 862	3 553
Other attestation services	850	-
Other non-assurance services	-	954
Total	**5 711**	**4 507**

VAT is not included in the auditor fees specified in the table above.

Note 10 - Property, plant and equipment

The Group's property, plant and equiment are recognized at cost less any accumulated depreciation and write-downs.

	Property and plant	Machinery	Equipment	Total
Carrying amount 1. January 2023	**322 238**	**227 608**	**4 377**	**554 224**
Cost at 1 January 2023	390 481	276 262	24 485	691 228
Additions	2 612	28 665	4 199	35 476
Disposal		(14 547)	(2 790)	(17 337)
Corrections	-	(29)	(4 619)	(4 648)
Cost at 31 December 2023	**393 093**	**290 351**	**21 275**	**704 720**
Accumulated depreciation and impairment at 1 January 2023	**68 243**	**48 654**	**20 108**	**137 004**
Depreciation	4 613	28 111	(401)	32 323
Corrections	23 339	(29 936)	(8 275)	(14 873)
Disposal				-
Accumulated depreciation and impairment at 31. December 2023	**96 195**	**46 828**	**11 432**	**154 455**
As at 31 December				
Cost	393 093	290 351	21 275	704 720
Accumulated depreciation and write-downs	96 195	46 828	11 432	154 455
Carrying amount 31. December 2023	**296 898**	**243 523**	**9 844**	**550 265**
Useful life	7-50 years	5-20 years	3-10 years	
Depreciation method	Linear	Linear	Linear	

	Property and plant	Machinery	Equipment	Total
Carrying amount 1. January 2022	**319 641**	**236 793**	**11 531**	**567 966**
Cost at 1 January 2022	383 583	264 972	90 672	739 228
Additions	6 921	11 323	1 452	19 696
Disposals	(24)	(33)	(67 639)	(67 696)
Cost at 31 December 2022	**390 481**	**276 262**	**24 485**	**691 228**
Accumulated depreciation and impairment at 1 January 2022	**63 402**	**28 179**	**79 141**	**170 722**
Depreciation	4 841	20 508	1 548	26 897
Disposal	-	(33)	(60 582)	(60 615)
Accumulated depreciation and impairment at 31 December 2022	**68 243**	**48 654**	**20 108**	**137 004**
As at 31 December				
Cost	390 481	276 262	24 485	691 228
Accumulated depreciation and write-downs	68 243	48 654	20 108	137 004
Carrying amount 31 December 2022	**322 238**	**227 608**	**4 377**	**554 224**
Useful life	7-50 years	5-20 years	3-10 years	
Depreciation method	Linear	Linear	Linear	

Note 11 - Leases

Some of the Group's equipment and machinery are leased. The Group's production equipment and machinery are recognized as a right-of-use-assets with a corresponding lease liability. The Group's right-of-use-assets and lease liabilities are categorised and presented in the table below. Expenses related to this lease reduce the lease liability accordingly.

A major part of the Group's significant assets are buildings (production facilities and offices) in Norway and Sweden. These production facilities were sold and the Group entered into a sale-leaseback agreement with a purchase option. The liability is treated as other long/short term financial liabilities in accordance with IFRS 9. See note 17 for further details.

Right-of- use assets	**Equipment**	**Total**
Acquisition cost 1. January 2023	**120 166**	**120 166**
Additions	33 067	**33 067**
Adjustments	15 908	**15 908**
Disposals	-25 247	**-25 247**
Acquisition cost 31. December 23	**143 893**	**143 893**
Accumulated depreciations 1. January 2023	**18 710**	**18 710**
Depreciations	12 521	12 521
Accumulated depreciations/impairments 31. December 2023	**31 232**	**31 232**
Carrying amount 31. December 2023	**112 661**	**112 661**
Lower of remaining lease term or economic life	2-5 years	
Depreciation method	Straight line	

Change in lease liabilities	**Equipment**	**Total**
Total lease liabilities 1. January 2023	**74 396**	**74 396**
New/changes in lease liabilities	35 692	35 692
Payment	34 171	34 171
Interest	4 193	4 193
Total lease liabilities 31. December 2023		-
Current lease liabilities	**26 582**	**26 582**
Non current lease liabilities	**53 528**	**53 528**

Other leasing expenses recognized in profit and loss	**Equipment**	**Total**
Expenses related to short term and low value leasing agreements	14 424	14 424

Total lease expenses recognized in profit and loss	**14 424**	**14 424**

Undiscounted lease liabilities and payment schedule	**Equipment**	**Total**
Less than 1 year	24 472	24 472
1-2 years	20 487	20 487
2-3 years	8 611	8 611
3-4 years	5 320	5 320
4-5 years	3 940	3 940
More than 5 years	15 263	15 263
Total undiscounted lease liabilities 31. December 2023	**78 091**	**78 091**

Right-of- use assets	Equipment	Total
Acquisition cost 1. January 2022	**116 498**	**116 498**
Additions	3 674	3 674
Currency effect	(6)	-6
Acquisition cost 31. December 2022	**120 166**	**120 166**
Accumulated depreciations 1. January 2022	**8 497**	**8 497**
Depreciations	10 214	10 214
Disposals	-	-
Accumulated depreciations/impairments 31. December 2023	**18 710**	**18 710**
Carrying amount 31.12.22	**101 455**	**101 455**
Lower of remaining lease term or economic life	2-5 years	
Depreciation method	Straight line	

Change in lease liabilities	Equipment	Total
Total lease liabilities 1. January 2022	**96 006**	**96 006**
New/changes in lease liabilities	3 063	3 063
Payment	27 975	27 975
Interest	3 302	3 302
Total lease liabilities 31. December 2022	**74 396**	**74 396**
Current lease liabilities	**25 657**	**25 657**
Non current lease liabilities	**48 740**	**48 740**

Other leasing expenses recognized in profit and loss	Equipment	Total
Expenses related to short term and low value leasing agreements	22 569	22 569
Total lease expenses recognized in profit and loss	**22 569**	**22 569**

Undiscounted lease liabilities and payment schedule	Equipment	Total
Less than 1 year	26 741	26 741
1-2 years	22 529	22 529
2-3 years	18 331	18 331
3-4 years	6 439	6 439
4-5 years	3 148	3 148
More than 5 years	3 618	3 618
Total undiscounted lease liabilities 31. December 2022	**80 805**	**80 805**

The leases do not contain any restrictions on the Group's dividend policy or financing. The Group does not have significant residual value guarantees related to its leases to disclose. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

Practical expedients applied

The Group also leases personal computers, IT equipment and machinery with contract terms of one to three years. The Group has chosen to apply the practical expedient of low value assets for some of these leases and does not recognise lease liabilities or right-of-use assets. The leases are instead expensed when they occur. The Group has also applied the practical expedient to not recognise lease liabilities and right-of-use assets for short-term leases. These expenses are considered material and stated above.

Variable lease payments

The group has no variable rate leases. Amounts expenses in profit and loss is related to short-term and low value leases.

Purchase options

The Group leases machinery and equipment with lease terms of 2 to 5 years. Some of these contracts include a right to purchase the assets at the end of the contract term. The Group assesses at the commencement whether it is reasonably certain to exercise the renewal right.

Note 12 - Intangible assets

Intangible assets acquired individually or in a group are recognized at fair value when acquired. Intangible assets acquired in a business combination are recognized at fair value separately from goodwill when they arise from contractual or legal rights or can be separated from the acquired entity and sold or transferred. Following initial recognition, intangible assets are carried at historical cost less any accumulated amortisation and any accumulated impairment losses.

Some of the intangible assets currently held by Grøntvedt are assessed to have indefinite useful lives. An indefinite useful life means that it is impossible on the statement of financial position date to estimate the period during which assets will be available for use. However, the estimated remaining useful life is evaluated at each period end date.

The capitalised amount less accumulated depreciation and impairment is presented in the statement of financial position as "Goodwill" and " Other intangible assets". The Group's capitalised intangible assets consists of goodwill, trademarks and customer relations.

Customer relations

As a part of the purchase price allocation (PPA) conducted in conjunction with the acquistion of Grøntvedt Nutri AS in 2021 NOK 73.9 million has been recognized as customer relations. Several factors was considered to determine a useful life of these customers relations, and three years was determined to be a suitable estimate for useful life.

Brand

The brand "Klädesholmen Seafood AB" dates back to 1954, and is a well-known brand. As a part of the purchase price allocation (PPA) conducted in conjunction with the acquisition of Klädesholmen Seafood AB in 2021 NOK 12.39 million has been recognized as a brand. The Group considers useful life to be indefinite and that it should not be depreciated. This is based on:

1. Klädesholmen's market share and customer base.
2. The brand's long-standing presence in the swedish market and how it has evolved and adapted to changing consumer preferences since 1954.

An indefinite useful life means that it is impossible on the statement of financial position date to estimate the period during which assets will be available for use. However, the estimated remaining useful life is evaluated at each period end date.

Trademarks

The Group's trademarks were acquired through the acquistion of Grøntvedt Nutri AS in 2021. Trademarks are measured at cost and constitute NOK 30 thousand as of 31. December 2023 (NOK 33 thousand as of 31. December 2022). Initial recognition of the capitalised cost is based on management's judgment that technological and financial feasibility has been confirmed. Typically, this confirmation occurs when a project reaches a defined milestone according to the project management model. Capitalised development costs mainly consist of external consultant services as well as personnel expenses. Ten years was determined to be a suitable estimate for useful life.

Costs occuring in the research-phase of a development project is expensed as they occur. The group has not had major development projects during 2022 or 2023, and no material costs related to research has been expensed.

Goodwill

Goodwill is the residual value consisting of the difference between purchase price and the capitalised value of the acquired company. The payment for goodwill in the acquired company consists of workers and synergy gains and derives solely from the acqusition of Grøntvedt Nutri AS in 2021. In 2023 Goodwill is valued at NOK 586 million (NOK 586 million in 2022). Goodwill is not depreciated, but tested yearly for impairment. Allocation of goodwill to cash generating units (CGU) and the impairment test of acquired goodwill and other intangible assets with indefinite useful life is further explained in note 18.

	Customer relations	**Brand**	**Trademarks**	**Goodwill**	**Total**
Cost at 1 January 2023	**73 900**	**12 395**	**36**	**586 000**	**672 328**
Additions	-	-	-	-	-
Additions from business combinations	-	-	-	-	-
Disposals	-	-	-	-	-
Cost at 31 December 2023	**73 900**		**36**	**586 000**	**659 936**
Accumulated amortisation and impairment at 1 January 2023	**36 950**	**-**	**3**	**-**	**36 953**
Amorisation	24 633	-	3	-	24 636
Disposal	-	-	-	-	-
Accumulated amortisation and impairment at 31. December 2023	**61 584**	**-**	**6**	**-**	**24 636**
As at 31 December					
Cost	73 900	-	36	586 000	659 936
Accumulated amortisation and impairment	61 584	-	6	-	61 590
Carrying amount 31.12.2023	**12 316**	**-**	**30**	**586 000**	**598 346**
Useful life	3 years	Indefinite	10 years	Indefinite	
Depreciation method	Linear	N/A	Linear	N/A	

	Customer relations	**Brand**	**Trademarks**	**Goodwill**	**Total**
Cost at 1 January 2022	**73 900**	**12 395**	**667**	**586 000**	**672 962**
Additions	-	-	36	-	36
Additions from business combinations	-	-	-	-	-
Disposals	-	-	(667)	-	(667)
Cost at 31 December 2022	**73 900**	**12 395**	**36**	**586 000**	**672 331**
Accumulated amortisation and impairment at 1 January 2022	**12 317**	**-**	-	-	**12 317**
Amorisation	24 633	-	3	-	24 636
Disposal	-	-	-	-	-
Accumulated amortisation and impairment at 31. December 2022	**36 950**	**-**	**3**	**-**	**36 953**
As at 31 December					
Cost	73 900	12 395	36	586 000	672 331
Accumulated amortisation and impairment	36 950	-	3	-	36 953
Carrying amount 31. December 2022	**36 950**	**12 395**	**33**	**586 000**	**635 378**
Useful life	3 years	Indefinite	10 years	Indefinite	
Depreciation method	Linear	N/A	Linear	N/A	

Cash generating units (CGU)
Grøntvedt's goodwill derives solely from the acquisition of Grøntvedt Nutri AS in 2021. This goodwill is allocated to cash-generating units for the purpose of impairment testing. A detailed explanation of the impairment test can be found in note 18. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combinations in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes is the operating segments described in note 4.

Goodwill is monitored by the chief operating decision makers (CODM) at the level of the Group's two operating segments (Note 4). A segment-level summary of the goodwill allocation is presented in the table below:

FOOD	**31.12.2023**	**31.12.2022**
Goodwill	0	0
Other intangible assets	0	12 395
Total	**0**	**12 395**

FEED	**31.12.2023**	**31.12.2022**
Goodwill	586 000	586 000
Other intangible assets	12 346	36 983
Total	**598 346**	**622 983**

The Group recognized NOK 1.6 million of research and development costs in the income statement in 2023 (NOK 0 million in 2022).

Note 13 - Financial income and expenses

Financial income	**2023**	**2022**
Interest income	98	4 042
Change in fair value of financial instruments	765	-
Foreign currency exchange income	-	19 838
Other finance income	318	-
Total financial income	**1 181**	**23 880**

Financial expenses	**2023**	**2022**
Interest expense	75 824	69 349
Change in fair value of financial instruments	3 480	8 334
Interest expense related to other short- and long term liabilities (note 17)	33 803	36 787
Interest expense related to lease liabilities	4 193	3 302
Foreign currency exchange loss	268	16 218
Other finance expense	28 187	-
Total financial expenses	**145 755**	**133 991**
Net financial items	**(144 574)**	**(110 111)**

Note 14 - Financial instruments - Financial risk and management objectives and policies

The Group's principal financial liabilities, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing market risk, credit risk and liquidity risk.

Capital management

In order to achieve this overall objective, the Group's capital management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2023 and 2022. In the table below, the Group's equity ratio is presented:

	2023	**2022**
Total assets	1 849 672	2 053 727
Total equity	509 752	731 491
Equity ratio	**27,6 %**	**35,6 %**

As per 31 December 2023 the Group was in breach with the equity ratio covenant and the bond has been refinanced after the balance sheet date, as further described in notes 17, 26, 30 and 31. The target for the equity ratio is to, as a aminimum , be compliant with the bond terms, i.e. the equity ratio shall be minimum 30 % as from 2024. The equity ratio per 31 December 2023 was below this target. However, if one adjust for the share issue described in notes 30 and 31, the equity ratio would have been 38 % by 31 December 2023, if the refinancing had been completed by the end of December 2023 instead of January 2024.

Market risk

Market risk is the risk that the future cash flows will fluctuate because of changes in market prices. Market risk includes interest risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and debt.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctate because of changes in foreign exchange rates. The Groups exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities.

Most of the Groups raw material purchases and salaries are made in NOK. However, pelagic raw material prices are affected by the access to alternative FEED resources such as anchoveta in the Pacific Ocean. As the global fish oil market is mainly using USD as trade currency, pelagic raw material prices are indirectly affected by the foreign exchange rate for USD. Sales of fish oil is in USD also for the Group, while fish meal sales is in NOK. For the FOOD products NOK is the dominating currency. However, a material part of FOOD sales in done i foreign currency, with EUR as the most prominent. Further, from time to time, material investments can be carried out using foreign currencies, or where the underlying prices are denominated in one or more foreign currencies.

The Group manages its foreign currency risk associated with revenues in foreign currency partly by hedging transactions that have significant currency associated risk, and for which an effective hedge can be obtained. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

31 December 2023 - currency in NOK	**NOK**	**USD**	**EUR**	**SEK**	**Total**
Trade receivables	45 467	1 624	5 744	52	**52 887**

Trade payables	(119 676)	(1 567)	(1 639)	(62)	**(122 943)**
Cash and cash equivalents *)	(111 557)	21 475	125 226	-	**35 144**
Interest-bearing liablitities	(739 308)	-	-	-	**(739 308)**
Total	**(925 073)**	**21 532**	**129 332**	**(10)**	**(774 219)**

*) The Group has a cash pool agreement. The amounts presented in foreign currency represent the net exposure.

31 December 2022 - currency in NOK	**NOK**	**USD**	**EUR**	**SEK**	**Total**
Trade receivables	96 234	38 271	21 419	-	**155 924**
Trade payables	(107 440)	(2 274)	(4 954)	(94)	**(114 762)**
Cash and cash equivalents	44 106	4 137	179		**48 422**
Interest-bearing liablitities	738 911				**738 911**
Total	**771 811**	**40 134**	**16 644**	**(94)**	**828 495**

The following table demonstrate the sensitivity of a 10 % change in NOK foreign exchange rates versus USD, EUR and SEK at the balance sheet date and the effects on the Group´s profit before tax. All other variables held constant:

Sensitivity in NOK		**USD**	**EUR**	**SEK**
Effect on profit/loss before tax	-/+	2 153	12 933	(1)

Forward currency contracts at fair value through profit and loss

At year end 2023 the Group had two active forward foreign currency contracts (0 at year end 2022).

Maturity interval *)	**Sold**	**Amount currency**	**Bought**	**Amount currency**	**Weighted hedging rate**	**Market rate**	**Market value in NOK**
18.08.2023 - 02.09.2024	EUR	2 600	NOK	30 025	11,5481	11,2405	765

*) Maturity specified as an interval for multiple contracts.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's main interest rate risk arises from the bond and bank overdrafts with floating interest, which expose the group to cash flow interest rate risk. At year end the bond and all bank overdrafts agreements are using NIBOR. The amounts are carried at amortised cost.

The following table demonstrate the sensitivity on the profit/loss before tax if the interest rate had been 100 basis points lower (higher) throughout the year, with all other variables held constant. The sensitivity analysis is calculated based on the Group´s revolving credit facility and bond loan. A reduction in interest rates will increase profit before tax.

Sensitivity in NOK	**Change in basis points**	**2023**	**2022**
Effect on profit/loss before tax	+/- 100	7 391	7 147

Liquidity risk

Liquidity risk is the risk that the Group will not be able to fulfil its financial obligation as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Groups reputation.

The table below sets out the maturity profile of the Groups for financial liabilities based on contractual undiscounted payments. When a counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which the entity can be required to pay.

	Period left						
31 December 2023	**Less than 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Bond (current)	589 308	-	-	-	-	-	589 308
Interest on long-term debt	61 347	-	-	-	-	-	61 347
Short-term credit facilities	150 000	-	-	-	-	-	150 000
Interest on short-term debt	10 980	-	-	-	-	-	10 980
Leasing liabilities (undiscounted)	27 855	23 770	11 620	12 502	5 844	17 313	98 904
Interest on leasing liabilities	3 670	2 666	1 902	3 907	1 080	3 886	17 111
Other liabilities	35 833	35 728	36 484	37 172	37 915	150 322	333 454
Interest on other liabilities	37 523	37 823	38 081	38 150	38 207	308 032	497 816
Trade and other payables	122 819	-	-	-	-	-	122 819
Total	**1 039 334**	**99 987**	**88 087**	**91 730**	**83 046**	**479 552**	**1 881 738**

	Period left						
31 December 2022	**Less than 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Financial liabilities							
Bond (non-current)	-	588 911	-	-	-	-	588 911
Interest on long-term debt	62 425	63 096	-	-	-	-	125 521
Short-term credit facilities	150 000	-	-	-	-	-	150 000
Interest on short-term debt	9 090	-	-	-	-	-	9 090
Leasing liabilities (undiscounted)	25 829	21 018	16 519	5 605	2 647	2 526	74 144
Interest on leasing liabilities	16 343	14 674	13 064	11 671	10 555	43 440	109 748
Other liabilities	33 544	33 430	33 325	36 034	36 806	150 617	323 757
Interest on other liabilities	34 410	34 645	34 859	37 483	37 597	343 553	522 548

Trade and other payables	114 762	-	-	-	-	-	114 762
Total	**446 403**	**755 775**	**97 768**	**90 793**	**87 605**	**540 136**	**2 018 480**

	Short-term borrowings		Long term borrowings		Lease Liabilities		Total Financial Liabilties	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Balance at 1 January	183 544	696 303	879 124	209 384	74 397	96 006	1 137 065	1 001 692
Cash flow							-	-
Changes in RCF	-	60 000	-	-	-	-	-	60 000
Changes in overdraft facilities	-	-	-	-	-	-	-	-
Changes in long term borrowings	-	-	-	-	-	-	-	-
Changes in current liabilities	-	6 336		-			-	6 336
Changes in other short term liabilities	-	9 817	-	-	-	-	-	9 817
Changes in other long term liabilities	-	-		80 829	-	-	-	80 829
Payment lease liabilities	-	-	-	-	(34 171)	(27 975)	(34 171)	(27 975)
Non Cash Changes								
New lease liabilites	-	-	-	-	35 692	3 063	35 692	3 063
Changes in current liabilities	2 289						2 289	
Other non-cash changes	589 308	(588 911)	(581 503)	588 911	4 193	3 303	11 998	3 303
Balance at 31 December	**775 141**	**183 544**	**297 621**	**879 124**	**80 111**	**74 397**	**1 152 873**	**1 137 065**

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and account receivables. Gross credit risk on the reporting date equals the Group's total receivables on the same date. See note 20.

Note 15 - Income tax

Total income tax in the income statement includes both the tax payable for the period, and changes in deferred tax. Tax payable is based on taxable profit for the year. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities.

In Norway statutory income tax rate was 22% in 2023 (2022: 22%). In Sweden statutory income tax rate was 20,6% in 2023 (2022: 20,6%). The 22 % tax rate was used to calculate income tax, deferred tax assets and deferred tax liabilities.

	Group	
	2023	**2022**
Profit before tax	(200 113)	(47 051)
Permanent differences *)	17 664	(68 871)
Change in temporary differences	58 593	44 519
Applied tax loss carried forward	(20 031)	-
Basis for tax payable	**(143 886)**	**(71 403)**
Tax Payable	-	-
Correction of tax payable from prior period	(0)	36
Change in deferred tax/benefits	21 657	(11 110)
Income tax expense	**21 657**	**-11 074**
Reconciliation of effective tax rate		
Profit/loss before income tax	(200 113)	(47 051)
Expected tax at nominal rate 22 %	(43 755)	(10 351)
Permanent differences (22%) *)	9 331	(15 152)
Adjustment in tax in prior years		(668)
Other changes	56 082	15 100
Income tax expense	**21 657**	**-11 072**
		-
Effective tax rate	-10,8 %	23,5 %

*) Permanent differences consist of non deductible costs, for instance representation, and deduction of the share of profits of associates, aswell as correction of inventories and trade receivables.

Specification of the basis for deferred tax	Group	
	2023	**2022**
Tangible assets	94 360	91 850
Inventories	(3 123)	61 818
Receivables	(8 711)	(9 823)
Leases	(3 515)	(24 692)
Applied loss carried forward	(382 077)	(283 144)
Other differences	1 348	65 551
Changes in prior periods		
Total	**(301 718)**	**(98 441)**
Differences not included in the calculation of deferred tax	301 718	
Basis for deferred tax asset	-	
Deferred tax liability (asset)	**-**	**(21 657)**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

As per 31 December 2023 the Group has decided not to recognize unused tax losses. Despite expextations of profits in the coming years, the combination of losses in prior years, high tax losses carried forward and time frames for future profits has made the Group conclude as such for the asessment per 31 December 2023.

Specification of the basis for deferred tax			
	Assets	**Liabilities**	**Net**
Amounts in NOK 1000		2023	
Tangible assets	5 886	(100 246)	(94 360)
Inventories	3 123		3 123
Receivables	8 711		8 711
Leases	3 515		3 515
Gains and losses	382 077		382 077
Other differences	9 104	(10 692)	(1 588)
Deferred tax asset/liability	**412 416**	**(110 938)**	**301 478**
Offseting of assets and liabilities	110 938	110 938	-
Net deferred tax asset/liability	**301 478**	**-**	**66 325**

Specification of the basis for deferred tax			
	Assets	**Liabilities**	**Net**
Amounts in NOK 1000		2022	
Tangible assets	4 980	(96 830)	(91 850)
Inventories	-	(61 818)	(61 818)
Receivables	9 827	(4)	9 823
Leases	24 692	-	24 692
Gains and losses	283 144	-	283 144
Other differences	50 371	(115 922)	(65 551)
Deferred tax asset/liability	**373 014**	**(274 574)**	**98 441**
Offseting of assets and liabilities	274 574	274 574	
Net deferred tax asset/liability	**98 441**	**-**	**21 657**

Note 16 - Earnings per share

The basic earnings per share are calculated as the ratio of the profit for the year that is due to the shareholders of the parent of NOK -221.8 million (NOK -36.0 million in 2022) divided by the weighted average number of ordinary shares outstanding; 38 007 (36 254 in 2022).

Profit for the year due to holders of ordinary sha	**2023**	**2022**
Net profit for the year	(221 770)	(35 977)
Attributable to ordinary shares	**(221 770)**	**(35 977)**

Average number of shares outstanding	**2023**	**2022**
Weighted number of ordinary shares	38 007	36 254
Number of shares end of period	38 007	38 007
Basic earnings per share	**(5,83)**	**(0,99)**
Diluted earnings per share	**(5,83)**	**(0,99)**

There are no instruments with a dilutive effect on earnings per share.

Note 17 - Financial assets and financial liabilities

Financial instruments by category

Financial instruments at 31. December 2023	At amortised cost	At fair value through profit and loss	Total
Assets			
Equity instrument	**-**	**17 754**	**17 754**
Non-listed equity instruments	-	12	12
Listed equity instruments	-	17 742	17 742
Debt instruments	**107 081**	**765**	**107 846**
Accounts receivable	71 937	-	71 937
Derivative assets	-	765	765
Cash and cash equivalents	35 144	-	35 144
Total Financial assets	**107 081**	**18 520**	**125 600**

Liabilities			
Interest bearing loans and borrowings	**1 072 762**	**-**	**1 072 762**
Bonds	589 308		589 308
Current interest bearing credit facilities	150 000		150 000
Other short term liabilities	35 833		35 833
Other long term liabilities	297 621		297 621
Other financial liabilities	**187 047**	**-**	**187 047**
Trade and other payables	122 819		122 819
Contract liabilities	11 221		11 221
Other current liabilities	53 007		53 007
Total financial liabilities	**1 259 809**	**-**	**1 259 809**

The bond was refinanced in 2024, as further described in note 31. The consideration for this buy-back of the bond, including call premium, was NOK 611 million. This is also deemed as the fair value of the bond by 31. December 2023.

Financial instruments at 31. December 2022	At amortised cost	At fair value through profit and loss	Total
Assets			
Equity instrument	**-**	**21 102**	**21 102**
Non-listed equity instruments	-	13	13
Listed equity instruments	-	21 089	21 089
Debt instruments	**239 170**	**-**	**239 170**
Accounts receivable	181 493	-	181 493
Contract assets	9 254	-	9 254
Cash and cash equivalents	48 422	-	48 422
Total Financial assets	**239 170**	**21 102**	**260 272**
Liabilities			
Interest bearing loans and borrowings	**1 062 668**	**-**	**1 062 668**
Bonds	588 911	-	588 911
Current interest bearing credit facilities	150 000	-	150 000
Other short term liabilities	33 544	-	33 544
Other long term liabilities	290 212	-	290 212
Other financial liabilities	**185 171**	**-**	**185 171**
Trade and other payables	114 762	-	114 762
Contract liabilities	357	-	357
Other current liabilities	70 052	-	70 052
Total financial liabilities	**1 247 839**	**-**	**1 247 839**

Financial instruments at fair value

Financial instruments are categorised within different levels based on the observability of the market data for the individual instruments. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly (price) or indirectly (deducted from prices).

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table presents the Group´s assets and liabilities measured at fair value:

31.12.2023	Level 1	Level 2	Level 3	Total
Derivatives				
Foreign exchange forward contracts	-	765	0	765

Equity instruments				
Non-listed equity instruments	-	-	12	12
Listed equity instruments	17 742	-	-	17 742
Total financial assets	**17 742**	**765**	**12**	**18 520**
Derivatives				
Foreign exchange forward contracts	0	0	0	0
Total financial liabilities	**0**	**0**	**0**	**0**

31.12.2022	Level 1	Level 2	Level 3	Total
Derivatives				
Foreign exchange forward contracts	-	-	0	-
Equity instruments				
Non-listed equity instruments	-	-	13	13
Listed equity instruments	21 089	-	-	21 089
Total financial assets	**21 089**	**-**	**13**	**21 102**
Derivatives				
Foreign exchange forward contracts	0	0	0	0
Total financial liabilities	**0**	**0**	**0**	**0**

Recognized non-listed equity instruments in level 3 are both illiquid and immaterial. This financial asset is measured at cost as cost is considered the best estimate for fair value.

Derivatives

The Group enters into forward foreign currency contracts to reduce the foreign exchange risk relating to future sales revenues deriving from customer contracts denominated in foreign currencies.

At year end 2023 the Group had two active forward foreign currency contracts.

The Group does not apply hedge accounting and changes in fair value of forward foreign exchange contracts are recorded as foreign exchange gains / losses in the income statement as financial item. The derivative assets are presented in the table below:

Asset	2023	2022
Forward currency contracts in EUR	765	-
Total fair value	**765**	**-**

Other long- and short term liabilities

In 2020 and 2022 the Group sold their production facilities in Norway and Sweden. At the same point in time they entered into a sale-leaseback agreement with the buyer with a purchase option at the end of the leasing agreement. This leasing liability is not recognized in accordance with IFRS 16, but with IFRS 9, as this is not a leasing agreement which falls under the scope of IFRS 16. The asset which has been sold is still recognized as a property and plant in the balance sheet with a corresponding liability, both long term and short term. Payments to the lessee is recognized as financial expenses in profit and loss, and the recognized asset is depreciated. The asset and liability is presented in the table below:

Asset	**2023**	**2022**
Property and plant	254 289	250 298
Total	**254 289**	**250 298**

Liability		
Long-term	297 621	290 212
Short-term	35 833	33 544
Total liability	**333 454**	**323 757**

Note 18 - Impairment testing of goodwill and other intangible assets
The group tests whether goodwill, other intangible assets with indefinite useful life and ongoing development projects have suffered any impairment on an annual basis or when there are indications of impairment. The Group's cash-generating units (CGUs) are based on the Group's operating segments. An allocation of the goodwill to the Group's different CGU's can be found below.

The impairment test is carried out by calculating the net present value of future cash flows of the Group's cash-generating units (CGUs) in its current condition and comparing it with the carrying amount of capital employed. An impairment loss is recorded if the carrying amount exceeds the estmated value in use. Impairment testing is performed on an annual basis. The CGUs are based on the Group's operating segments explained in note 4.

Intangible assets with definite useful life consists of customer relationships arising from business combinations. Useful life of these are three years. As the customer relationships with the customers have been maintained and strengthened during the period, the low remaining useful life for accounting purposes and the book value is deemed very low as compared to the underlying value of the relation, no further detailed evaluation is made for this.

The brand Klädesholmen has a recognized value at NOK 12.4 million per 31. December 2023. As there has been no negative incidents or no other material negative circumstances have arised related to the brand since the acquisition in 2021, a separate impairment test for this is not performed.

Recognized goodwill in the Group amounts to NOK 586 million as of 31 December 2023 (NOK 586 million in 2022). Goodwill has derived from the acquisition of Grøntvedt Nutri AS in 2021 as part of a restructuring of the ultimate parent company, Grøntvedt Invest AS. The payment for goodwill in the acquired company consists of workers and synergy gains.

For the 2023 reporting period, the recoverable amount of the cash-generating unit (CGU) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management. The recoverable amount of the cash generating units is NOK 874 million in 2023 (NOK 1 227 million in 2022), which exceeds the carrying amount goodwill and intangible assets with indefinite useful lives of NOK 598.4 million (NOK 591.6 million in 2022). Therefore, no impairment loss is recognized in this period.

Key assumptions for value in use calculations

The calculation of value in use for the cash generating unit is most sensitive regarding the following assumptions:

a) Production volume
b) Raw material price from the fisheries
c) Prices for fish meal and fish oil

Production volumes have been set based on historical data and future expectations for quotas, timing of fisheries for the different pelagic species and expectations on auction behavior from the involved players in pelagic fisheries and production.

Further, raw material prices and prices for fish meal and fish oil have been set based on expectations on the same, as well as expecations related to long term development of global fisheries, customer behavior and preferences in the main FOOD markets and the aquaculture fish feed market, as the development of the latter is the main driver for demand for products derived from trimmings from pelagic production.

Discount rate

The required rate of return for the total capital (nominal WACC before tax) is set at 12.82 % (9.34 % in 2022). Risk-free interest rate is set at 3.86 % (3.5 % in 2022), based on the interest on Norwegian Government bonds at the time of assessment. In the CAPM assessment a market risk premium of 5.0 % (5 % in 2022) has been applied, based on Norwegian market data as applied by PwC in their annual report on the risk premium. Further, a company beta of 0.65 (0.65 in 2022) has been used, reflecting beta values from comparable companies and industries. Adjusted for leverage, the equity beta for the Group is 1.32.

Gross margin and EBITDA margin

The gross EBITDA margin is based on expectations derived from industry data and internal analysis. This due to the lack of historical data from own production in Grøntvedt Nutri.

Growth rate

The growth in the remaining part of the ramp-up period is 41 % from the first to the second year and 8 % from the second to the third year. The high growth in the first year is related to effects from the project on capacity utilization at Grøntvedt Nutri as further described in The Board of Directors report, i.e. the effects that increase capacity to reach closer to the agreed capacity when the existing Grøntvedt Nutri factory was delivered. Further, this high growth in the first year is based on a prudent assumption for ramp-up in 2024, effectively assuming the capacity increase to come into effect from 2025. Terminal growth is set at 0 %, i.e. following the ramp-up plan including the years 2024-2026, it is for the purpose of Goodwill assessment assumed that the business would reach a steady state at the 2026 level.

Useful life

The useful life of Goodwill is indefinite, as the access to raw material is derived from the access to pelagic fish from the Atlantic Ocean, which, with expected resource control and allocation, will be a renewable and hence indefinite resource with respect to time.

Sensitivity

Management's analysis' of sensitivity related to the main elements in the impairment test shows that no reasonable change in assumptions will lead to an impairment of goodwill and intangible assets. An increase of WACC by 1 % will reduce the headroom by 49 %. However, this has to be viewed in light on the prudent assumption on timing of ramp-up of the Grøntvedt Nutri factory in 2024, as further described above.

Cash generating units (CGU)

Grøntvedt's goodwill derives solely from the acquisition of Grøntvedt Nutri AS in 2021. This goodwill is allocated to cash-generating units for the purpose of impairment testing. A detailed explanation of the impairment test can be found above. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combinations in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes is the operating segments described in note 4.

Goodwill is monitored by the chief operating decision makers (CODM) at the level of the Group's two operating segments. A segment-level summary of the goodwill allocation is presented in the table below:

FOOD	31 December 2023	31 December 2022
Goodwill	0	0
Other intangible assets	0	12 395
Total	**0**	**12 395**

FEED	31 December 2023	31 December 2022
Goodwill	586 000	586 000
Other intangible assets	12 346	36 983
Total	**598 346**	**622 983**

Note 19 - Business combinations

Business combinations are accounted for using the acquisition method in accordance with IFRS 3 Business combinations. Consideration is the sum of the fair values, as of the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued in exchange for control of the entity. For each business combination, the Group measures the non-controlling interest in the acquiree as the proportionate share of the acquirer's identifiable net assets. Costs related to the acquisition are expensed and included in Other operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. If a business combination is completed in stages, the fair value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. Goodwill is not amortised but is tested for impairment annually in the fourth quarter and more frequently if indicators of possible impairment are observed, in accordance with IAS 36 Impairment of Assets. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units, or groups of cash generating units, that is expected to benefit from the synergies of the combination.

There have been no business combinations or changes in the Group in 2023.

In 2022 there were no business combinations except for the establishment of Grøntvedt Biotech AS which was not a business combination under IFRS 3.

Note 20 - Trade and other receivables

Trade receivables	**2023**	**2022**
Trade receivables	56 809	156 489
Allowance for credit losses	(3 922)	(566)
Total trade receivables	**52 887**	**155 924**

Other receivables	**2023**	**2022**
Contract assets	0	9 254
Other current receivables	16 575	14 238
Other non-current receivables	2 475	11 331
Total	**19 050**	**34 823**

Total trade and other receivables	**71 937**	**190 746**

Prepaid expenses included in other current receivables	8 715	9 253
VAT refunds inluded in other current receivables	1 035	94

Provisions for losses are based on individual assessment of each item and customer. Expected loss in categories without any provisions made is based on the assumption that there are not risk of any material losses. Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix. A significant part of the outstanding trade receivables are credit insured.

		Days past due				
31. December 2023	**Not due**	**1-30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
Outstanding trade receivables	27 850	26 402	874	437	1 247	56 809
Provision for losses	-	-	-	-	(3 922)	(3 922)
Total	**27 850**	**26 402**	**874**	**437**	**(2 675)**	**52 887**

		Days past due				
31. December 2022	**Not due**	**1-30 days**	**30-60 days**	**61-90 days**	**>91 days**	**Total**
Outstanding trade receivables	65 338	28 747	10 950	2 289	49 166	156 489
Provision for losses	-	-	-	-	(566)	(566)
Total	**65 338**	**28 747**	**10 950**	**2 289**	**48 600**	**155 924**

Note 21 - Liabilities and assets related to contracts with customers

The Group has recognised contract liabilities of NOK 11.2 million at year end 2023 (NOK 0.4 million in 2022). A reconciliation and explanation of changes in contract liabilities can be found below.

The Group has recognised contract assets of NOK 0 million at year end 2023 (NOK 9.3 million in 2022). A reconciliation and explanation of changes in contract assets can be found below.

There has been no material financial income or financial expenses related to contract assets or contract liabilities on the balance dates.

	2023	**2022**
Contract assets	0	9 254
Contract liabilities	11 221	357

Contract liabilities are usually recognised as revenue within 90-120 days.

Reconciliation of contract assets	
Balance at 1. january 2023	**9 254**
Earned	-
Revenue recognition	(9 254)
At year end 2023	**0**
Balance at 1. january 2022	**3 247**
Earned	32 666
Revenue recognition	(26 659)
At year end 2022	**9 254**

Reduced contract assets relates to an increase in sales to foreign customers in the latter part of 2022, these sales are recognised in 2023.

Reconciliation of contract liabilities	
Balance at 1. january 2023	**357**
Upfront payments from customers	12 764
Revenue recognition	(1 900)
At year end 2023	**11 221**
Balance at 1. january 2022	**58 813**
Upfront payments from customers	8 991
Revenue recognition	(8 634)
At year end 2022	**357**

Contract liabilities have increased during 2023. The increase in contract liabilities is mainly due to the Group choosing recieve upfront payments from customers as a policy.

Note 22 - Other short-term receivables

	2023	2022
Pre-paid costs	8 715	9 253
VAT receivable	1 035	94
Provisions related to customs duty	-	852
Other current assets	6 825	3 138
Other restricted bank deposits	-	902
Total	**16 575**	**14 238**

The parent and its Norwegian subsidiaries are registered in the Norwegian VAT-registry, whereas Klädesholmen Seafood AB, as the sole Swedish subsidiary, is registered in the Swedish VAT-registry. Every term VAT is either due to be paid or to be refunded depending on revenue and costs in the given term. In 2023 the Group has NOK 1.04 million in VAT which is to be refunded shortly after year end.

The Group pays customs duty upfront for customers, and recognizes an asset until this has been paid by the corresponding customer.

Other restricted bank deposists relate to deposits and fixed-rate deposits longer then three months.

Note 23 - Cash and cash equivalents

	2023	2022
Short-term bank deposits	35 144	48 422
Cash and cash equivalents in the balance sheet	**35 144**	**48 422**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

	2023	2022
Bank deposits and cash on hand	30 637	42 483
Restricted bank deposits for tax withholdings	4 507	5 939
Cash and cash equivalents	**35 144**	**48 422**

Note 24 - Share capital, shareholder information and dividend

Class		2023	2022
Ordinary shares	pcs.	38 007	38 007
Share capital	NOK	76	76
Share premium	NOK	1 168 800	1 168 800

As of 31 December 2023 there were 38 007 ordinary shares with a par value of NOK 2.00. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. No dividend has been proposed for 31 December 2023.

There where no changes in share capital in 2023.

Major shareholders

The company had three shareholders at 31 December 2023. The following shareholders owned more than 5 % of the shares in the company:

Shareholder	Number of shares:	Ownership interest:	Country
Grøntvedt Invest AS	21 462	56,5 %	NOR
Frøy Kapital AS	14 295	37,6 %	NOR
Klädesholmen Interessenter AB	2 250	5,9 %	SWE

Note 25 - Non-current borrowings

	2023	2022
Secured		
Net issue of bonds	-	588 911
Bank loans	-	
Other non-current liabilities	-	
Total secured long-term debt	**-**	**588 911**
Unsecured		
Non-current lease liabilities	53 528	48 739
Other long term liabilities	297 621	290 212
Total unsecured long-term debt	**351 149**	**338 951**

The Group's bond was issued on 23 September 2021 with an initial amount of NOK 600 million. The bond was issued for three years, with maturity date 23 September 2024. More information on the Group's bond can be found in note 26.

Note 26 - Short-term loans

This note provides information on the contractual terms of the Group's interest bearing loans and borrowings. The Group's interest rate risk and foreign exchange risk are described in detail in note 14.

	Interest rate	2023	2022
Bond	10,41 %	589 308	0
Revolving credit facility	7,32 %	150 000	150 000
First year's repayments on lease liabilities		26 741	25 657
First year's repayments on other long-term debt		35 833	33 544
Total		**801 882**	**209 201**

The Group's current debt to credit institutions is an revolving credit facility (RCF) that was established October 2021. At 31 December 2023 the Group had withdrawn NOK 150 million (NOK 150 million in 2022).

Issuance of Grøntvedt's bond

The Group's bond was issued on 23. September 2021 with an initial issue amount of NOK 600 million. Legal proceeds related to the issuance of the Grøntvedt's bond is capitalized and expensed over the bonds lifetime. The proceeds amount to NOK 10.7 million in 2023 (NOK 11.1 million in 2022). Grøntvedt's interest terms are NIBOR 3 month plus 5.25 per cent. The interest is calculated and paid each quarter on the 23rd. (March, June, Sept, Dec). Due date of the bond is 23 September 2024.

One of the bond's terms is that the Group reports its quarterly and annual reports in accordance with IFRS. A penalty interest of 2 % per annum related to a listing failure event was applied on top of the interest already explained above, up until the bond was listed on Euronext Oslo Børs in August 2023.

Long term interest bearing credit facilities by 1 January 2021 were all paid in full on the bond

Covenants

Financial Banking Covenants as of 31 December 2021, 2022 and 2023:
Equity ratio > 35 per cent
Interest coverage ratio (EBITDA/Net finance charges) > 2

As of 31. December 2023 the Group was in breach with both covenants. The bond was refinanced in a refinancing process that was carried out in the fourth quarter of 2023 and finally closed in January 2024, as further explained in note 31.

Pledged assets

Total credit limit on bond is NOK 900 million. The facility is secured by the Group's inventory, accounts receivables, property and plant, machinery and equipment. The carrying amount of assets pledged as collateral are as follows:

	2023	2022
Accounts receivable	69 462	170 162
Inventory	450 403	480 742
Property and plant	296 898	322 238
Machinery	243 523	227 608
Equipment	9 844	4 377
Cash and cash deposits	35 144	48 422
Total	**1 105 274**	**1 253 549**

The facility have been recognised at amortised cost by using the effective interest rate method.

Note 27 - Trade payables and other current liabilities

	2023	2022
Trade accounts payables	122 819	114 762
Other current liabilities	53 007	70 052
Total	**175 826**	**184 814**

Trade payables ar non-interest bearing and are settled on terms based on agreements with suppliers, which are regarded to be on customary market conditions. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Specification of other current liabilities

	2023	2022
Salaries and holiday pay	13 599	13 505
Public duties payable	21 178	33 000
Accrued expenses	16 025	22 897
Provisions	0	649
Other current liabilities	2 205	0
Total	**53 007**	**70 052**

Note 28 - Related parties intermediate balances

As per the balance sheet date the Group was owned 56,5 % by Grøntvedt Invest AS and was part of the Grøntvedt Invest Group.

The Group is not part in any agreements, deals, or other transactions in which the Parent company's Board of Directors or Management Group have a financial interest, except for transactions following from the employment relationship. Remuneration to key personnel is disclosed in note 7.

Transactions and balances between the parent company and its subsidiaries, and between the subsidiaries, have been eliminated on consolidation, and are not disclosed in this note. The Group's intermediate balances with related parties are summarized below. Related-party transactions are made on terms equivalent to those that prevail in arm's length transactions and are made only if such terms can be substantiated.

Transactions with related parties in 2023	Sales	Purchases	Receivables	Liabilities
Hovde Gård AS	875	236	875	18
Grøntvedt Invest AS	50	3 751	9	159
Bjørnar Grøntvedt (CEO)			442	

Transactions with related parties in 2022	Sales	Purchases	Receivables	Liabilities
Hovde Gård AS	576	141	576	141
Grøntvedt Invest AS		165		165
Bjørnar Grøntvedt (CEO)			28	

Note 29 - Climate risk

Grøntvedt has made an assessment for climate risk for its operations. Key considerations and findings in this assessment are:

Companies worldwide are increasingly facing climate risks. Norway and the EU have implemented strict climate policies aimed at raising awareness among companies about the impact of climate change on financial assets and their future financial profiles. These policies highlight the importance of identifying and understanding the challenges and opportunities associated with climate change and developing proactive strategies to enhance sustainability.

For Grøntvedt, the primary climate-related risks and opportunities encompass potential new laws and regulations, carbon taxation and/or CO_2 efficiency regulations, demands for circular economies and supply chain transparency, changes in seawater levels and temperature, technological advancements, expectations of increased use of renewable energy, and shifts in customer preferences. The most prominent risk directly affecting the business is changes in seawater temperatures and the strength of the El Niño/La Niña cycles, as this materially affects the access to alternative fish feed resources, which again affects volatility of fish oil prices, hence also the price of pelagic raw material.

The low carbon footprint of pelagic fish for consumption, as compared to other protein sources, puts the Groups FOOD business in a good position to comply with CO_2-efficiency regulations, both now and in the future. Further, pelagic FOOD products present an attractive source of protein for climate-aware consumers, at a cost lower than several other aquatic species.

Hence, there are currently no indicators of potential climate risks having a material impact on the carrying amount of the Group's assets. However, climate related risks such as El Niño/La Niña affect the prices of fish oil and raw material, and is taken into consideration in the management of the business.

It remains an important area of observation to continue to assess how climate change can give risks and opportunities for the business in the coming years.

Note 30 - Events after the balance sheet date

New information on the Group's positions at the balance sheet date is recorded in the annual financial statements. Events after the balance sheet date that will affect the Group's position in the future, but do not affect the Group's position at the balance sheet, are disclosed if significant.

During the fourth quarter of 2023 and January 2024 the Group carried out a refinancing process. New equity of NOK 200 million was raised in a share issue from Grøntvedt Invest AS and Frøy Kapital AS. Simultaneously, Grøntvedt Invest AS acquired the shares owned by Klädesholmen Interessenter AB. After these transactions Grøntvedt Invest AS and Frøy Kapital AS each own 50 % of Grøntvedt AS.

The senior secured bond with ISIN: NO0011094658, with a nominal value of NOK 600 million, was paid back on 18th January 2024. A new senior secured bond with ISIN: NO0013107474, with a nominal value of NOK 500 million, was issued on 11th January 2024, and was, together with parts of the proceeds from the share issue, used to pay back the old bond, including accrued interest and call premium. The net proceeds from the transactions is to be used for general corporate purposes.

The new bond is subject to the following covenants:
(i) Working capital: The Group shall maintain a working capital of minimum NOK 250 million
(ii) Book equity ratio: The Group shall maintain a book equity ratio of minimum 30 per cent and
(iii) Leverage ratio: The leverage ratio in respect of any relevant period shall not exceed 7.5 for the period starting with the 4th quarter of 2024 and including the third quarter of 2025, not exceed 6.0 for the period starting with the 4th quarter of 2025 and including the third quarter of 2026 and 5.0 for any period thereafter and up to (but not including) the maturity date of 11th January 2027.

The new bond was listed on Euronext Oslo børs 27th February 2024.

Further, the Group has agreed terms with a new permanent CFO. He will start in the position in August 2024.

Note 31 - Going concern

The financial statements are prepared on the assumption of going concern.

This assumption is based on forecasts for net income and liquidity for the year 2024, and the Group's long-term strategic forecasts, taking, inter alia, the following aspects into consideration:

In June 2023, a capacity expansion at Grøntvedt Nutri was approved by the Board of Directors. The construction process is ongoing, and the expansion is on schedule to be finalized and taken into use as planned during May 2024. After the capacity expansion, the Group expects to be able to process all trimmings from the landed raw material internally, improving profits and cash flow materially.
In December 2023, Norway and the EU agreed on the main terms for customs regulation for sales of marinated herring products from Norway to countries within the EU. However, the implementation of the agreement is subject to final ratification by the EU, which has not yet been finalized. Such ratification is expected to take place during the second or third quarter of 2024. The customs situation affects customer behavior in the market, as customers have to pay a 20 % customs tariff in addition to the agreed prices on marinated herring products, until ratification has taken place, or alternatively other interim solutions have been agreed. As it is very likely that the customs regulations will be ratified, it is rational for customers to wait for final ratification to take place before they import marinated herring products, hence they postpone parts of their purchases from Grøntvedt, affecting the Group's liquidity adversely. The timing of the finalization of the customs agreement between Norway and the EU is the most significant risk with respect to timing of incoming liquidity and, hence short-term liquidity position for the Group.

The Group carried out a refinancing of its bond loan in January 2024, with new covenants aligned with the position and expected development of the Group's operations. At the same time a share issue of NOK 200 million was carried out, where Frøy Kapital and Grøntvedt Invest acquired new shares. After the share issue, Frøy Kapital and Grøntvedt Invest own 50 % each of the Group. Further, a key bond term is that the shareholders can offer shareholder support to cater for liquidity needs. Shareholder support can be granted in the form of guarantees for trade obligations and short-term loans. This gives important flexibility in order to run the business efficiently during peak-seasons and in the case of unexpected events which e.g. postpone incoming cash flows from sales.

A detailed liquidity prognosis, including stress tests thereof, has been prepared and discloses areas and times when such Shareholder support will be needed. The most significant risks in the liquidity prognosis are risks related to timing of ratification of the customs agreement between Norway and EU and whether there will be autonomous quotas in an interim period. Further, timing and extent of sales from the FEED business, including the ramp-up of the expanded Grøntvedt Nutri plant, will affect liquidity. The shareholders have communicated their intention to offer such support, through guarantees and short-term Shareholder loans. Based on this, the Group expects to have sufficient funds to carry out its activities as planned for 2024.

After the refinancing and the completion of the Grøntvedt Nutri capacity expansion, including getting sufficient catering for short-term liquidity needs from Shareholder support during 2024, the Group is adequately positioned to achieve both its short-term and long-term plans, while maintaining a sound financial position, including acting in compliance with its debt covenants as outlined in the new bond terms. Further reference is made to notes 30 and 31 in the financial statements.

2023
Grøntvedt AS

Income statement
Balance sheet
Cash flow statement
Notes

Org.no.: 927 033 836

Income statement

Grøntvedt AS

Operating income and operating expenses	Note	2023	2022
Revenue			
Revenue	1, 2	9 015 097	7 079 589
Total revenue		**9 015 097**	**7 079 589**
Expenses			
Employee benefits expense	3	6 527 015	5 334 571
Depreciation and amortisation expenses	4	439 169	8 647
Other expenses	3	10 839 244	9 676 587
Total expenses		**17 805 428**	**15 019 805**
Operating profit		**-8 790 331**	**-7 940 216**
Financial income and expenses			
Interest income from group companies	2, 5	72 911 606	45 926 801
Other interest income	5	268 444	4 532
Other financial income	5	65 521	1 526 335
Write-down of long-term investments	5, 6	411 000 000	0
Other interest expenses	5, 6	78 660 328	48 572 470
Other financial expenses	5, 6	12 849 795	15 343 044
Net financial items		**-429 264 552**	**-16 457 845**
Net profit before tax		-438 054 883	-24 398 061
Income tax expense	7	6 907 583	-5 367 645
Net profit or loss	**8**	**-444 962 466**	**-19 030 416**
Other comprehensive income			
Components of OCI that will not be reclassified to profit or loss			
Components of OCI that will be reclassified to profit or loss			
Total comprehensive income		**-444 962 466**	**-19 030 416**
Attributable to			
Loss brought forward		444 962 466	19 030 416
Total	**8**	**-444 962 466**	**-19 030 416**

Balance sheet

Grøntvedt AS

Assets	Note	2023	2022
Non-current assets			
Intangible assets			
Concessions, patents, licences, trademarks, and similar rights		29 400	33 000
Deferred tax assets	7	0	6 907 583
Total intangible assets		**29 400**	**6 940 583**
Office machinery and equipment	4	2 840 534	16 939
Total property, plant and equipment	**4, 9**	**2 840 534**	**16 939**
Non-current financial assets			
Investments in subsidiaries	10	700 579 648	1 111 579 648
Loan to group companies	11	23 888 080	10 868 687
Total non-current financial assets	**9**	**724 467 728**	**1 122 448 335**
Total non-current assets		**727 337 662**	**1 129 405 857**
Current assets			
Receivables			
Other short-term receivables		547 714	232 861
Receivables from group companies	11	968 834 852	824 601 715
Total receivables	**9**	**969 382 567**	**824 834 577**
Cash and cash equivalents	9, 12	19 487 986	17 821 548
Total current assets		**988 870 553**	**842 656 124**
Total assets		**1 716 208 215**	**1 972 061 982**

Balance sheet

Grøntvedt AS

Equity and liabilities	Note	2023	2022
Equity			
Share capital	8, 13	76 014	76 014
Share premium reserve	8	1 168 800 001	1 168 800 001
Total paid-in equity		**1 168 876 015**	**1 168 876 015**
Uncovered loss	8	-463 992 881	-19 030 416
Total retained earnings		**-463 992 881**	**-19 030 416**
Total equity		**704 883 134**	**1 149 845 599**
Liabilities			
Bond	9	0	588 911 366
Liabilities to financial institutions	9	800 334	0
Total non-current liabilities		**800 334**	**588 911 366**
Current liabilities			
Bond	9	589 307 728	0
Liabilities to financial institutions	9	150 000 000	150 000 000
Trade payables		721 527	2 333 724
Financial leasing		310 556	0
Public duties payable		837 730	1 363 420
Liabilities to group companies	11	264 463 608	77 394 844
Other current liabilities		4 883 598	2 213 028
Total current liabilities		**1 010 524 748**	**233 305 016**
Total liabilities		**1 011 325 081**	**822 216 382**
Total equity and liabilities		**1 716 208 215**	**1 972 061 981**

Uthaug,
The board of Grøntvedt AS

Anne Sofie Utne member of the board	Hege Aasen Veiseth member of the board	Helge Gåsø chairman of the board
Bjørnar Grøntvedt managing Director	Alexander Borge Grøntvedt member of the board	Bengt Martin Thomas Brue member of the board

Indirect cash flow

Grøntvedt AS

	Note	2023	2022
Cash flows from operating activities			
Profit/loss before tax		-438 054 883	-24 398 061
Ordinary depreciation		439 169	8 647
impairment of financial assets		411 000 000	0
Change in accounts receivable		0	1 637 933
Change in accounts payable		-1 612 197	-1 265 007
Change in other accrual items		985 524	3 074 429
Net cash flows from operating activities		**-27 242 387**	**-20 942 060**
Cash flows from investment activities			
Purchase of fixed assets		-1 795 541	-58 586
Long term receivables net of cash (intercompany)		-157 252 530	-115 276 028
Net cash flows from investment activities		**-159 048 071**	**-115 334 614**
Cash flows from financing activities			
New current loans from Credit institutions		0	60 000 000
Proceeds from short term loans (intercompany)		187 465 126	21 429 858
Net issue of bond		491 771	6 336 363
New equity received		0	63 516 659
Net cash flows from financing activities		**187 956 897**	**151 282 880**
Net change in cash and cash equivalents		1 666 439	15 006 206
Cash and cash equivalents at the start of the period		17 821 548	2 815 342
Cash and cash equivalents at the end of the period		**19 487 987**	**17 821 548**

Accounting principles

The financial statements have been prepared in conformity with simplified IFRS.

For periods up to and including the year ended 31.12.2021, Grøntvedt AS, prepared its financial statements in accordance with Norwegian generally accepted accounting principles (Norwegian GAAP). The Financial statements for the year ended 31.12.2022 are the first the company has prepared in accordance with simplified IFRS.

First-time Adoption of International Financial Reporting Standards there were no transition effect from Norwegian GAAP.

The company was founded 01.04.2021.

Use of estimates

In the preparation of the annual accounts estimates and assumptions have been made that have affected the profit and loss account and the valuation of assets and liabilities, and uncertain assets and liabilities on the balance sheet date in accordance with generally accepted accounting practice. Areas which to a large extent contain such subjective evaluations, a high degree of complexity, or areas where the assumptions and estimates are material for the annual accounts, are described in the notes.

Foreign currency

Foreign currency transactions are translated at the exchange rate on the date of the transaction. Monetary foreign currency items are translated to NOK at the exchange rate on the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated to NOK using the exchange rate on the transaction date. Non-monetary items that are measured at fair value in a foreign currency are translated to NOK using the exchange rate on the measurement date. Exchange rate fluctuations are posted to the profit and loss account as they arise under other financial items.

Revenues

Income from the sale of goods is recognised on the date of delivery. Services are posted as income as they are delivered. Income from the sale of services and long-term manufacturing projects (construction contracts) are posted to the profit and loss account in line with the project's degree of completion, when the outcome of the transaction can be estimated in a reliable manner. When the transaction's outcome cannot be estimated reliably, only income corresponding to a projects' incurred costs can be posted as revenue. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is posted in full to the profit and loss account.

Tax

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. The net deferred tax receivable is entered on the balance sheet to the extent that it is likely that it can be utilised

The high tax expense in the 2023 is a result of derecognition of the deferred tax asset due to uncertainty regarding the utilization of tax loss carried forward and forfeited interest deduction. This decision was made based on a principle of prudence. The tax loss carried forward and forfeited interest deduction still remain available to offset future profits.

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Leasing

A difference is made between financial and operational leasing. Plant and equipment financed through financial leasing is accounted for under Property, plant and equipment. The counter entry is made under long-term debt. The lease payment is divided between the interest cost and instalments on the debt.

Operational leasing is expensed as an operating cost based on the invoiced lease rent.

Classification and valuation of fixed assets
Fixed assets consist of assets intended for long-term ownership and use. Fixed assets are valued at acquisition cost less depreciation and write-downs. Long-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Plant and equipment is capitalised and appreciated over the economic lifetime of the asset. Significant items of plant and equipment that consist of several material components with different lifetimes are broken down in order to establish different depreciation periods for the different components. Direct maintenance of plant and equipment is expensed on an ongoing basis under operating costs, while additions or improvements are added to the asset's cost price and depreciated in line with the asset. Plant and equipment is written down to the recoverable amount in the event of a fall in value that is not expected to be temporary. The recoverable amount is the higher of the net sales value and the value in use. Value in use is the present value of future cash flows related to the asset. The write-down is reversed when the basis for the write-down is no longer present.

Classification and valuation of current assets
Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Subsidiaries and associated companies
Subsidiaries and associated companies are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the parent company.

Receivables
Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables. In addition an unspecified provision is made to cover expected losses on claims in respect of customer receivables.

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

Note 1 Revenue

	2023	2022
By business area		
Management Fee	9 015 097	7 079 589
Total	**9 015 097**	**7 079 589**
Geographical breakdown		
Norway	9 015 097	7 079 589
Total	**9 015 097**	**7 079 589**

Note 2 Related party transactions

The Group's intermediate balances whit related parties are summarized below. Related-party transactions are made on equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.

2023

	Sales	Purchaes
Grøntvedt Biotech AS	533 521	**0**
Grøntvedt Nutri AS	1 067 042	0
Grøntvedt Pelagic AS	7 414 534	0
Sum	**9 015 097**	**0**
Intrest income		
Flexbase AS	489 459	
Grøntvedt Biotech AS	1 304 882	
Grøntvedt Eiendom AS	1 959 231	
Grøntvedt Group AS	23 785 733	
Grøntvedt Nutri AS	182 765	
Grøntvedt Pelagic AS	43 149 855	
Klädesholmen Seafood AB	2 039 681	
	72 911 606	0

2022

	Sales	Purchases
Grøntvedt Biotech AS	0	
Grøntvedt Nutri AS	348 825	
Grøntvedt Pelagic AS	1 106 476	
Flexbase AS	174 413	
Sum	**1 629 714**	
Intrest income		
Flexbase AS	421 951	

Grøntvedt Biotech AS	0
Grøntvedt Eiendom AS	1 098 057
Grøntvedt Group AS	2 884 424
Grøntvedt Nutri AS	3 654 961
Grøntvedt Pelagic AS	33 958 756
Klädesholmen Seafood AB	456 423
Sum	**42 474 572**

Note 3 Salary costs and benefits, remuneration to the chief executive, board and auditor

Salary costs

	2023	2022
Salaries	5 544 513	3 282 149
Employment tax	708 384	362 601
Pension costs	159 574	128 126
Other benefits	114 544	1 561 695
Total	**6 527 015**	**5 334 571**
Average number of man-years	2,5	4

Pension liabilities
The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

Remuneration to leading personnel

	Salary	Board remuneration	Pension costs	Other remuneration	Total
CEO - Bjørnar Grøntvedt	1 785 193	190 000	0	469 408	2 444 601
CFO - Ole Ronny Vekseth	1 435 968	0	71 172	8 140	1 515 280
Board of Directors:					
Charman of the Board - Helge Gåsø	0	240 000	0	0	240 000
Board member - Anne Sofie Utne	0	220 000	0	0	220 000
Board member - Alexander Borge Grøntvedt		190 000			
Board member - Bengt Martin Thomas Brue		190 000			
Board member - Hege Aasen Veiseth		240 000			
Total management remuneration	3 221 161	1 270 000	71 172	477 548	4 419 881

Loans and provision of security to leading personnel, shareholders etc.
No loans have been issued and no collateral was pledged for members of the management group, the board's employees or other elected persons.

Auditor
Remuneration to the auditor is distributed as follows:

	2023	2022
Statutory audit	2 357 162	2 692 725

Other attestation services	0	0
Tax advice	0	0
Other non-audit services	421 765	25 000
Total	**2 778 927**	**2 717 725**

Amounts are before vat.

Note 4 Intangible assets and tangible assets

	Trademark	Office machinery and equipment etc.	Right-of-use assets (lease)	Total
Acquisition cost as at 01.01.2023	36 000	22 586	0	58 586
Addition of purchased fixed assets	0	1 795 541	1 463 622	3 259 163
Acquisition cost 31.12.2023	**36 000**	**1 818 127**	**1 463 622**	**3 317 749**
Depreciation and write-downs as at 01.01.2023	3 000	5 647	0	8 647
Ordinary deprecation for the year	3 600	38 018	397 549	439 167
Depreciation and write-downs as at 31.12.2023	**6 600**	**43 665**	**397 549**	**447 814**
Book value 31.12.2023	**29 400**	**1 774 462**	**1 066 073**	**2 869 935**
Lease liability pr. 31.12 2023			1 110 890	
Useful lifetime	10 years	3 years		

Undiscounted lease liabilities and payment schedule

	Nominal amount	Present value
Less then 1 year	321 631	310 556
1 - 5 year	964 895	1 732 002
More then 5 year		

Note 5 Financial income and expenses

Financial income	**2023**	**2022**
Interest income	268 444	4 532
Interest income from companies in the same group	72 911 606	45 926 801
Other interest income	0	334 840
Other financial income (agio)	65 521	1 191 496
Total financial income	**73 245 571**	**47 457 668**

Financial costs	**2023**	**2022**
Write-down of long-term invenstments	411 000 000	0
Interest costs	78 660 328	48 572 470
Other interest costs	12 684 567	12 229 295
Other interest costs (disagio)	165 228	3 113 749

Total financial costs	**502 510 123**	**63 915 514**
Net financial items	-429 264 552	-16 457 845

The write-down of long-term investments regards Grøntvedt ASs shares in Grøntvedt Group AS.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing market risk, credit risk and liquidity risk.

Market risk
Market risk is the risk that the future cash flows will fluctuate because of changes in market prices. Market risk includes interest risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and debt.

Forreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities. The Company's manages its foreign currency risk associated with revenues in foreign currency partly by hedging transactions that have significant currency associated risk, and for which an effective hedge can be obtained. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from the bond and bank overdrafts with floating interest, which expose the group to cash flow interest rate risk. At year end the bond and all bank overdrafts agreements are using NIBOR. The amounts are carried at amortised cost.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to fulfil its financial obligation as they fall due. The Company approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Companys reputation. The table below sets out the maturity profile of the Company for financial liabilities based on contractual undiscounted payments. When a counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which the entity can be required to pay. "

Note 7 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	6 907 583	-5 367 645
Tax expense on ordinary profit/loss	**6 907 583**	**-5 367 645**
Taxable income:		
Ordinary profit/loss before tax	-438 054 883	-24 398 061
Permanent differences	411 000 000	-324
Changes temporary differences	104 783	6 335 234
Cut interest deduction	0	2 641 136
Taxable income	**-26 950 099**	**-15 422 015**
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	**0**	**0**

The tax effect of temporary differences and loss for to be carried forward that has formed the basis fordeferred tax and deferred tax advantages, specified on type of temporary differences:

	2023	2022	Difference
Tangible fixed assets	337 526	1 129	-336 397
Lease agreements brought to the balance	-44 817	0	44 817
Other differences	10 692 272	11 088 634	396 362
Total	**10 984 980**	**11 089 763**	**104 783**
Accumulated loss to be brought forward	-65 887 075	-38 936 976	26 950 099
Cut interest deduction	-3 550 893	-3 550 893	0
Not included in the deferred tax calculation	58 452 988	0	-58 452 988
Basis for calculation of deferred tax	**0**	**-31 398 105**	**-31 398 105**
Deferred tax assets (22 %)	**0**	**-6 907 583**	**-6 907 583**

Deferred tax not included in the balance sheet.

Note 8 Equity

	Share capital	Share premium	Uncovered loss	Total equity
As at 31.12.2022	76 014	1 168 800 001	-19 030 416	1 149 845 599
As at 01.01.2023	**76 014**	**1 168 800 001**	**-19 030 416**	**1 149 845 599**
Result for the year			-444 962 466	-444 962 466
As at 31.12.2023	**76 014**	**1 168 800 001**	**-463 992 881**	**704 883 134**

Note 9 Liabilities and receivables

	31.12.2023	31.12.2022
Liabilities		
Bond loan	600 000 000	600 000 000
Short-term debt to credit institutions	150 000 000	150 000 000
Total	**750 000 000**	**750 000 000**
Pledged assets		
Receivables	969 382 567	824 834 577
Non-current financial assets	724 467 728	1 122 448 335
Cash and cash deposits	19 487 986	17 821 548
Total	**1 713 338 281**	**1 965 104 460**

Issuance of Grøntvedt's bond
The Company's bond was issued on 23. September 2021 with an initial issue amount of NOK 600 million. Legal proceeds related to the issuance of the Grøntvedt's bond is capitalized and expensed over the bonds lifetime. The proceeds amount to NOK 10.7 million in 2023 (NOK 11.1 million in 2022). Grøntvedt's interest terms are NIBOR 3 month plus 5.25 per cent. The interest is calculated and paid each quarter on the 23rd. (March, June, Sept, Dec). Due date of the bond is 23 September 2024.

One of the bond's terms is that the Group reports its quarterly and annual reports in accordance with IFRS. A penalty interest of 2 % per annum related to a listing failure event was applied on top of the interest already explained above, up until the bond was listed on Euronext Oslo Børs in August 2023.

Long term interest bearing credit facilities 1. january 2021 were all paid in full on the bond issue.

Covenants
Financial Banking Covenants as of 31 December 2021, 2022 and 2023:
Equity ratio > 35 per cent
Interest coverage ratio (EBITDA/Net finance charges) > 2

As of 31. December 2023 the Company was in breach with both covenants. The bond was refinanced in a refinancing process that was carried out in the fourth quarter of 2023 and finally closed in January 2024, as further explained in note 14.

Note 10 Subsidiaries

	Municipality	Owner - Interest	Share of equity	Share of result
Grøntvedt Group AS	Ørland	100%	673 421 091	-435 837 346
Total		**100**	**673 421 091**	**-435 837 346**

Note 11 Inter-company items between companies in the same group etc.

	Trade receivables		Other receivables	
	2023	2022	2023	2022
Companies in the same group	4 946 731	12 511 689	952 891 035	822 958 713
Total	**4 946 731**	**12 511 689**	**952 891 035**	**822 958 713**

	Trade payables		Other liabilities	
	2023	2022	2023	2022
Companies in the same group	232 188	45 702	119 134 013	77 394 844
Total	**232 188**	**45 702**	**119 134 013**	**77 394 844**

In other receivables, it is NOK 23 888 080 classified as a long-term recivables.

Note 12 Bank deposits

Funds standing on the tax deduction account (restricted funds) are NOK 230 594.

The company is associated with a group account scheme. In the company accounts, deductions from overdrafts are presented as short-term debt to the group, and correspondingly, balances on overdrafts are shown as short-term receivables at the group.

Note 13 Total shares, shareholders etc

The company has 38 007 shares with a face value of NOK2 .
All shares carry the same rights in the company

	Number of shares	Interest
Shareholders:		
Grøntvedt Invest AS	21 462	56%
Frøy Kapital AS	14 295	38%
Klädesholmen Intressenter AB	2 250	6%
Total	**38 007**	**100%**

Marit Borge Grøntvedt (related party to CEO) owns 100% of the shares in Grøntvedt Invest AS. Chairman of the board, Helge Gåsø, owns 51 % of the shares in Gåsø Næringsutvikling AS. Gåsø Næringsutviklling AS owns 100% of the shares in Frøy Kapital.

Note 14 - Eventes after the balance sheet date

New information on the company's positions at the balance sheet date is recorded in the annual financial statements. Events after the balance sheet date that will affect the company's position in the future, but do not affect the company's position at the balance sheet, are disclosed if significant.

During the fourth quarter of 2023 and January 2024 the Grøntvedt AS carried out a refinancing process. New equity of NOK 200 million was raised in a share issue from Grøntvedt Invest AS and Frøy Kapital AS.

Simultaneously, Grøntvedt Invest AS acquired the shares owned by Klädesholmen Interessenter AB. After these transactions Grøntvedt Invest AS and Frøy Kapital AS each own 50 % of Grøntvedt AS.The senior secured bond with ISIN: NO0011094658, with a nominal value of NOK 600 million, was paid back on 18th January 2024. A new senior secured bond with ISIN: NO0013107474, with a nominal value of NOK 500 million, was issued on 11th January 2024, and was, together with parts of the proceeds from the share, used to pay back the old bond, including accrued interest and call premium. The net proceeds from the transactions is to be used for general corporate purposes.The new bond is subject to the following covenants:(i) Working capital: The Group shall maintain a working capital of minimum NOK 250 million(ii) Book equity ratio: The Group shall maintain a book equity ratio of minimum 30 per cent and(iii) Leverage ratio: The leverage ratio in respect of any relevant period shall not exceed 7.5 for the period starting with the 4th quarter of 2024 and including the third quarter of 2025, not exceed 6.0 for the period starting with the 4th quarter of 2025 and including the third quarter of 2026 and 5.0 for any period thereafter and up to (but not including) the maturity date of 11th January 2027.The new bond was listed on Euronext Oslo børs 27th February 2024."

After the refinancing the Group's liquidity position was strengthened. Further, the bond terms give access for the shareholders to offer Shareholder Support, i.e. the shareholders can grant e.g. guarantees for trade obligations and short term loans to a Group company to cater for seasonal liquidity needs, as further described in the bond terms. This gives important flexibility in order to run the business efficiently during peak-seasons and in the case of unexpected events which e.g. postpone incoming cash flows from sales. Based on this the Caompany expects to have sufficient liquidity to carry out it's activities as budgeted and planned for 2024. The most material risk factor related to short term liquidity position is the finalization of the customs agreements for marinated herring products between the EU and Norway. The terms for this was agreed in December 2023. However, the implementation of the agreement is still subject to final ratificaton by the EU. The ratification process is in its final stages and the company expexts ratification to take place during May og June 2024, with the agreement coming into full effect during the third quarter of 2024.

Note 15 - Going concern

The financial statements are prepared on the assumption of going concern.

This assumption is based on forecasts for net income and liquidity for the year 2024, and Grøntvedt AS's long-term strategic forecasts, taking, inter alia, the following aspects into consideration:

In June 2023, a capacity expansion at Grøntvedt Nutri was approved by the Board of Directors. The construction process is ongoing, and the expansion is on schedule to be finalized and taken into use as planned during May 2024. After the capacity expansion, Grøntvedt AS expects to be able to process all trimmings from the landed raw material internally, improving profits and cash flow materially.
In December 2023, Norway and the EU agreed on the main terms for customs regulation for sales of marinated herring products from Norway to countries within the EU. However, the implementation of the agreement is subject to final ratification by the EU, which has not yet been finalized. Such ratification is expected to take place during the second or third quarter of 2024. The customs situation affects customer behavior in the market, as customers have to pay a 20 % customs tariff in addition to the agreed prices on marinated herring products, until ratification has taken place, or alternatively other interim solutions have been agreed. As it is very likely that the customs regulations will be ratified, it is rational for customers to wait for final ratification to take place before they import marinated herring products, hence they postpone parts of their purchases from Grøntvedt, affecting Grøntvedt AS's liquidity adversely. The timing of the finalization of the customs agreement between Norway and the EU is the most significant risk with respect to timing of incoming liquidity and, hence short-term liquidity position for Grøntvedt AS.

Grøntvedt AS carried out a refinancing of its bond loan in January 2024, with new covenants aligned with the position and expected development of Grøntvedt AS's operations. At the same time a share issue of NOK 200 million was carried out, where Frøy Kapital and Grøntvedt Invest acquired new shares. After the share issue, Frøy Kapital and Grøntvedt Invest own 50 % each of Grøntvedt AS. Further, a key bond term is that the shareholders can offer shareholder support to cater for liquidity needs. Shareholder support can be granted in the form of guarantees for trade obligations and short-term loans. This gives important flexibility in order to run the business efficiently during peak-seasons and in the case of unexpected events which e.g. postpone incoming cash flows from sales.
A detailed liquidity prognosis, including stress tests thereof, has been prepared and discloses areas and times when such Shareholder support will be needed. The most significant risks in the liquidity prognosis are risks related to timing of ratification of the customs agreement between Norway and EU and whether there will be autonomous quotas in an interim period. Further, timing and extent of sales from the FEED business, including the ramp-up of the expanded Grøntvedt Nutri plant, will affect liquidity. The shareholders have communicated their intention to offer such support, through guarantees and short-term Shareholder loans. Based on this, Grøntvedt AS expects to have sufficient funds to carry out its activities as planned for 2024.

After the refinancing and the completion of the Grøntvedt Nutri capacity expansion, including getting sufficient catering for short-term liquidity needs from Shareholder support during 2024, Grøntvedt AS is adequately positioned to achieve both its short-term and long-term plans, while maintaining a sound financial position, including acting in compliance with its debt covenants as outlined in the new bond terms. Further reference is made to note 14 in the financial statements.

Statement by the Board of Directors and CEO

We confirm, to the best of our knowledge, that:

The Group financial statements for the period from 1 January to 31 December 2023 have been prepared in accordance with IFRS, as adopted by the EU.

The financial statements of Grøntvedt AS for the period from 1 January to 31 December 2023 are presented by use of simplified IFRS, in accordance with the Norwegian Accounting Act section 3-9 and corresponding regulation.

The financial statements give a true and fair view of the Group and the Company's consolidated assets, liabilities, financial position and results of operations.

The Report of the Board of Directors provides a true and fair view of the development and performance of the business and the position of the Group and the Company, together with a description of the key risks and uncertainty factors that the Group and the Company is facing.

This document is signed electronically.

Board of Directors:

Helge Gåsø – Chair
Bjørnar Grøntvedt - CEO and board member
Alexander Borge Grøntvedt – board member
Anne Sofie Utne – board member
Hege Aasen Veiseth – board member
Bengt Martin Thomas Brue – board member

List of Signatures

Grøntvedt AS Financial statements 2023.pdf

Name	Method	Signed at
Grøntvedt, Bjørnar	BANKID	2024-04-30 18:33 GMT+02
Gåsø, Helge	BANKID	2024-04-30 18:26 GMT+02
Veiseth, Hege Aasen	BANKID	2024-04-30 17:32 GMT+02
Bengt Martin Thomas Brue	BANKID	2024-04-30 17:31 GMT+02
Utne, Anne Sofie	BANKID	2024-04-30 17:30 GMT+02
Grøntvedt, Alexander Borge	BANKID	2024-04-30 19:14 GMT+02

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Grøntvedt AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Grøntvedt AS (the Company) which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company comprise the balance sheet as at 31 December 2023, 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. The consolidated financial statements of the Group comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable legal requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act,
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

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

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

We have been the auditor of the Company for 2 years from the election by the general meeting of the shareholders on 17 October 2022 for the accounting year 2022.

Emphasis of matter

We draw attention to note 15 of the financial statements and note 31 of the consolidated financial statements, which describes the risk related to short term liquidity due to timing of the finalization of the

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customs agreements for marinated herring products between the EU and Norway. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Impairment assessment of goodwill

Basis for the key audit matter
The carrying amount of goodwill in the consolidated financial statement as of 31 December 2023 was NOK 586 million.

The goodwill is allocated to one cash generating unit.

To test goodwill for impairment, management assessed recoverable amount based on estimated future discounted cash flows. Key assumptions in the impairment assessment included estimates of future production volumes, prices for fish meal and fish oil, raw material prices, gross margin, growth rates, working capital, capital expenditures and discount rates.

Considering the degree of management's judgement in establishing the key assumptions and the potential impacts on the estimated recoverable amounts of changes in such assumptions, we considered the impairment assessment as a key audit matter.

Our audit response
We evaluated the key assumptions and methods used by management. We assessed the projected cash flows, reviewed underlying assumptions such as revenue growth rates, gross margins and EBITDA margins and compared the input data to supporting evidence such as actual results, agreements and budgets approved by the board of directors.

Furthermore, we involved our internal valuation experts and assessed the discount rate comparing the estimated beta, risk-free interest rates on government bonds, market risk premium and cost for debt to peer group data, relevant external sources and the Group's specific factors. We further tested the mathematical accuracy of the valuation model and performed sensitivity analysis on the most critical assumptions.

We refer to note 18 in the consolidated financial statement.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the chief executive officer) is responsible for the other information. 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 board of directors' report, the statement on corporate governance and the statement on corporate social responsibility contain the information required by applicable legal requirements and 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 the other information is materially inconsistent with the financial statements, there is a material misstatement in this other information or that the information required by applicable legal requirements is not included in the board of directors' report, the statement on corporate governance or the statement on corporate social responsibility, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report, the statement on corporate governance and the statement on corporate social responsibility are consistent with the financial statements and contain the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in 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 in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

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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 fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Trondheim, 30 April 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Amund P. Amundsen
State Authorised Public Accountant (Norway)

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Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Amundsen, Amund Petter
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