

Contents

Board of Directors' Report 2021	3
Annual Accounts - Group	15
Consolidated Statement of Profit or Loss	15
Consolidated Statement of Financial Position	16
Consolidated Statement of Cash Flows	18
Consolidated Statement of Changes in Equity	19
Notes to the Consolidated Accounts	20
Annual Accounts - Parent	62
Income Statement	62
Balance Sheet	63
Cashflow Statement	64
Notes to the Parent Company Accounts	65
Alternative Performance Measures	78
Responsibility Statement	79
Auditor's Report	80

This annual report includes Endúr ASA Financial Statements for 2021 as approved by the Board of Endúr ASA on 28 april 2022.

A norwegian version of the report is available on the group's website www.endur.no. Here you will also find more detailed and updated information about the group. The english version is an office translation. In case of inconsistency, the norwegian version prevails.

Front cover

Representatives of COWI and BMO Entreprenør inspecting a bridge at Atlanterhavsveien using an underbridge lift.

Board of Directors' Report 2021

Endúr ASA (OSE: ENDUR) is a leading supplier of construction and maintenance projects, services, and solutions for marine infrastructure, including facilities for land-based aquaculture, quays, harbours, dams, bridges and other specialised concrete and steel projects. The company and its subsidiaries also offer a wide range of other specialised project and marine services. Endúr ASA is headquartered in Bergen, Norway.

THE YEAR IN REVIEW

Overall, even though the Endúr Group over the course of 2021 has undertaken many actions to restructure and strengthen the Company's industrial platform, and exited the year with an improved standing and outlook, the board is not satisfied with the financial result as the Group incurred a loss of NOK 51.8 million for the year. The board will do its utmost to ensure that the Group going forward improves its operational and financial performance to the extent that the Group earns a positive and competitive return for its owners and stakeholders. Based in part on the much improved result in the second half of 2021, the board of directors believes that Endúr is favourably positioned to achieve such an overall improvement that is both necessary and required.

Towards completion of group transformation through major acquisitions

In Endúr's 2020 annual report the board of directors' report described 2020 as a transformational year, as the board midyear resolved that the Company would implement a significant strategic redirection and transformation, away from the Company's traditional operations related to maritime industry and offshore energy, towards becoming a provider of products and services to the marine infrastructure market and aquaculture industry.

When setting out on this transformation, Endúr announced an ambition to build a company with revenues of more than NOK 2 billion within 2022, targeting a 10-12% EBITDA-margin.

Over the course of 2021 Endúr has endeavoured to complete this transformation, as the Group's activities within its two new major operating and reporting segments, Marine Infrastructure and Aquaculture Solutions, comprised more than 85% of the group's revenues (proforma). Following and supplementing the late-2020 acquisition of BMO Entreprenør AS ("BMO Entreprenør"), a leading provider of maintenance and rehabilitation services for critical marine infrastructure in the Norwegian market, Endúr in March 2021 completed two related major acquisitions that combined to establish a solid base for the Company's new industrial strategy and direction. Marcon-Gruppen i Sverige AB ("Marcon"), a company that in many respects mirror BMO Entreprenør's service offering and standing in the Swedish market, and Artec Aqua AS ("Artec Aqua"), a renowned, leading turnkey supplier of land-based aquaculture facilities, both became part of the Endúr group on 12 March 2021.

Through these acquisitions, and with the acquired companies' organic growth whilst part of the Endúr group, Endúr achieved its stated revenue target already in 2021 (proforma), a full year ahead of the announced ambitious plan.

New Industrial ownership base and refinancing

The acquisitions of BMO Entreprenør, Marcon and Artec Aqua were all financed through a combination of new Endúr shares issued and cash consideration. As all three companies were majority owned by their founders, the shareholder base of Endúr today is anchored by approx. 45% industrial ownership. Most of the acquired companies' former owners remain leading persons in the Endúr group, either through continuing their managerial positions in the respective group subsidiaries or directorships in Endúr ASA. Endúr considers this continuity and industrial ownership base a considerable strength going forward.

In order to finance the cash consideration parts of the acquisitions, Endúr in March 2021 issued a NOK 1,100 million senior secured floating rate non-amortizing bond issue with maturity in 2025. With proceeds from the bond loan the Company also refinanced all interest-bearing debt in the Group at the time of the issue.

Divestment and discontinued entities

Endúr's commitment to the transformational strategy with profitable growth a key objective, further manifested through the decisions to wind down loss-making entities Endúr Industrier AS and ØPD AS in January and February 2021, respectively. Both companies suffered consistent poor financial performance over time, subjected to additional pressure from low order intake following the coronavirus pandemic outbreak, and, ultimately, material liquidity deficits. Furthermore, the strategic redirection had also identified certain parts and activities in the group as non-core and not integral to Endúr's strategy and vision for the future. In this context the Company resolved to divest its wholly owned subsidiary Endúr AAK AS, effective 30 June 2021.

Unsatisfactory first half-year financial results, noncompliance and workout agreement

Concurrent with the completion of the structural and strategic overhaul of the Endúr Group, the Company achieved highly unsatisfactory financial results in the first half of 2021. The first six months were characterized by a weak Swedish market, restructuring costs and costly tail-end activities on certain projects in within Aquaculture Solutions. Marcon suffered a 25% year-onyear revenue reduction per June 2021 due to an unusually cold winter and the effects of the coronavirus pandemic on the Swedish market, and inevitably also significantly lower results. In the same period Artec Aqua saw their results negatively affected by costly tailend activities on two projects.

Even though Endúr's Norwegian marine infrastructure operations achieved consistently strong margins on historically high revenues, the group's consolidated EBITDA in the second quarter of 2021 was reduced by close to 60% relative to the corresponding quarter in 2020 (proforma). Taken in concert with a passing working capital increase, this culminated with the Company not being fully compliant with the leverage ratio requirement under the bond loan agreement per 30. June 2021, as management belatedly became aware with the publication of the Company's second quarter results.

With the board of directors and many of its largest shareholders leading the charge, the Company immediately mobilized to rectify this highly unfortunate situation. The largest shareholders pooled together to guarantee a total of NOK 110 million of new equity to be provided to the Company, which provided basis for reaching an accord with the holders of the bond loan, whereby the covenant breach was waived and greater headroom in terms of covenant compliance for the following 3 quarters were afforded. In sum, the situation was swiftly and timely cured, and at no time was an event of default continuing under the loan agreement.

Following the non-compliance, the board also enacted meaningful and immediate

measures to strengthen and improve the Company's competences and capacity for group accounting and financial reporting.

Forceful operational and financial improvement in the year's second half

Concurrently, whilst the matter pertaining to the bond loan was being resolved, from the late summer onwards, Endúr was in the process of achieving substantially improved results from operations in both the Marine Infrastructure and Aquaculture Solutions segments.

Following the removal or alleviation of the most restrictive anti-COVID-19 regulatory measures in Sweden, the marine infrastructure market started to improve markedly, most notably in the Stockholm region and northwards. Marcon, through its market presence, agility and adeptness in general, were at the ready to capitalize on these improved circumstances, achieving a threefold EBITDA in the second half of 2021 relative to the first. Artec Aqua's activity and production on the Salmon Evolution project, the group's largest project, remained very high through the second half of 2021, attaining improved margins as well.

The Group's greatly improved operational and financial performance was upheld throughout the second half of 2021, herein the group's strongest fourth quarter ever, actual and proforma, as well as the group's highest quarterly revenues ever, also in the fourth quarter. Consolidated group revenues in the second half of 2021 were up 29% on the first half, and, more importantly, EBITDA in the second half of 2021 more than doubled that of the first half. The Marine Infrastructure segment returned particularly strong results.

Equity capital increase

As important as the improved operating performance is the strengthened balance sheet. In November 2021 the Company successfully completed an equity raise for gross proceeds of NOK 170 million. The raise was partially guaranteed by the Company's largest shareholders. Per the above-mentioned accord with the bondholders Endúr was obliged to undertake a

NOK 110 million principal amortization of the outstanding bond loan. Employing the net proceeds from the equity raise, and as enabled by the strong operational cash conversion from the third conversion, the board resolved to undertake a voluntary early redemption of an additional NOK 90 million for a total amortization of the bond loan of NOK 200 million in early December 2021

One net effect of the overall improvement in the Company's financial performance and standing were to lower the leverage ratio (the ratio of net interest-bearing debt to EBITDA) by more than one third in the second half of the year, to 3.7 at year-end.

Transformation completed, favourable outlook

Overall, it is the opinion of the board of directors that the Company has achieved material positive progress in 2021, thus ending the year in a stronger position than where it started. Endúr has onboarded three material new companies, all leading companies in their respective markets with histories of profitable growth, whereas several non-core and unprofitable activities and companies have been discontinued or divested. The strategic shift and transformation resolved in 2020 is complete in the sense that the group's capital and revenues are now close to exclusively invested in and generated by the now core activities within marine infrastructure and aquaculture solutions.

The Company has achieved many and significant improvements particularly in the second half of 2021, both in terms of operational and financial performance as well as market standing. At year-end Endúr has a firm order-backlog of NOK 2.2 billion (exclusive of several announced Letters of Intent, herein Phase 2 of the Salmon Evolution project), and even though wholly conscious of the inherent risks associated with the ongoing coronavirus pandemic and the war in Ukraine, the board considers that the outlook for both the group's main operating segments remain favourable.

The board is however not at all satisfied by the returns achieved by the Company's

shareholders in 2021, as evidenced and signified by the development in the Endúr share price. The Endúr share ended 2021 at NOK 0.69, approx. 43% lower than at the start of the year. Even though of the opinion that the Company is now well positioned to capitalize on an overall strong industrial position in markets with favourable outlook, the board is determined that achieving a competitive capital return for the Company's owners is of paramount importance in 2022.

REPORTING SEGMENTS

The Endúr group's operating activities have in 2021 been undertaken and reported through the following segments, with their respective operating companies:

- Marine Infrastructure
 BMO Entreprenør AS
 Marcon-Gruppen i Sverige AB
 Installit AS
- Aquaculture Solutions Artec Aqua AS Endúr Sjøsterk AS
- Other
 Endúr Maritime AS
 Endúr AAK AS
 Endúr ASA

Marine infrastructure

In 2021 the operating activities in the Marine Infrastructure segment were undertaken through BMO Entreprenør AS, Marcon-Gruppen i Sverige AB (Marcon) and Installit AS.

BMO Entreprenør was acquired effective late December 2020. BMO Entreprenør is a market leader within maintenance and rehabilitation services for critical marine infrastructure such as quays, harbours, dams, bridges and other specialized concrete and steel projects to public and private customers in the Norwegian market.

The Swedish marine infrastructure group Marcon was acquired and incorporated into the Endúr Group effective March 2021. In many respects Marcon's history of strong profitable growth, service offerings, market standing and culture mirrors that of BMO Entreprenør. Marcon is a market leader within marine infrastructure in

Sweden. The company performs a range of services connected to marine infrastructure construction and marine services, as well as other adjacent services including hydrographical services, dredging, rentals, inspections and diving.

Marcon's financial performance in the first half of 2021 was negatively impacted by unfavourable market conditions caused by both adverse weather and restrictive anti-COVID-19 regulatory measures, as previously commented. Being able to earn a high single-digit EBITDA margin even under these circumstances is a testament to Marcon's all-round proficiencies. And when less restricted in the second half of the year, Marcon achieved a very strong operational and financial result and was a principal driver behind Endúr's markedly improved result in that period.

Installit AS (Installit) is an engineering and technology company providing project management and engineering services within subsea cable installation and marine operations for the marine and renewables industries. Installit was incorporated into Endúr as part of the October 2020 merger between Endúr ASA and Oceano AS. On 7 April 2022 Endúr entered into an agreement to sell Installit to the DeepOcean Group, cf. the section "Events after the balance sheet date" to this directors' report.

Endúr has previously communicated its ambition of being a consolidator in the highly fragmented marine infrastructure markets in both the Norwegian and Swedish domestic markets, something which hasn't previously been attempted. Following the onboarding of BMO Entreprenør and Marcon, with their particular expertise within project management and execution, the board believes Endúr has built a very strong and favourable base from which to realize this ambition. As important, Endúr will endeavour to impart the innate commercial drive in BMO Entreprenør and Marcon throughout the Group.

Total revenue within the marine infrastructure segment in 2021 was NOK 813.8 million (2020: NOK 6.2 million), with an EBITDA

of NOK 157.8 million (2020 NOK 4.4 million). Proforma, assuming the acquisition of Marcon was undertaken January 1st, 2020, total marine infrastructure revenue in 2021 was NOK 891.1 million (2020: NOK 895.9 million), with an EBITDA of NOK 164.9 million (2020 NOK 162.9 million).

The marine infrastructure segment's order backlog stood at NOK 618 million at year-end 2021. Proforma, the corresponding figure at year-end 2020 was NOK 631 million. Note that a substantial part of the revenue earned in the marine infrastructure segment does not go through Endúr's quarterly reported order backlog.

Cf. also the section "Events after the balance sheet date" to this directors' report for recent significant individual contract awards. Per Endúr's communication policy new individual contract awards of minimum NOKm 50 are publicly announced.

Aquaculture solutions

In 2021 the operating activities in the Aquaculture Solutions segment were undertaken through Artec Aqua AS (Artec Aqua) and Sjøsterk AS (Sjøsterk).

Artec Aqua was acquired and incorporated into the Endúr Group effective March 2021. Artec Aqua AS is a leading turnkey supplier of land-based aquaculture facilities. Based in Ålesund, Artec Aqua is renowned for its specialised services and patented technologies and solutions for water quality and fish health, two key aspects of reliable and environmentally sustainable land-based aquaculture.

Artec Aqua has experienced a prolonged period of hypergrowth, growing their revenues by a compound annual growth rate of more than 43% over the last five years. Whilst large land-based grow-out farming facilities for salmon and other species is an emerging industry, Artec Aqua, having undertaken a great many projects as turnkey supplier of process facilities and solutions involving both broodstock, smolt and post-smolt facilities, already has extensive experience and market standing as a key supplier to the onshore aquaculture industry.

As suitable localities and licenses for traditional near-shore fish farming is growing increasingly scarce and costly, and as a complexity of biological challenges has hampered production growth and caused substantial production cost increases, further augmented by sustainability requirements and demands driven by regulatory and market forces both, the aquaculture industry is increasingly looking to extend the length of the on-shore production cycle. Growing larger and more robust smolt, or undertaking also the entire growout phase on shore are the two predominant ways / approaches to achieving this.

Either way, Artec Aqua is well positioned to assume an active and central part of this market's development. Endúr and Artec Aqua ambitions to further capitalize on the company's acquired specialized competences and renown to maintain its position as a leading supplier to the land-based aquaculture industry, growing and developing the company's activities and services and solutions offerings as land-based aquaculture looks set to grow significantly in the coming years.

Salmon Evolution AS' land-based growout salmon farming facility at Indre Harøy constitutes a pioneering project in both the further development of the aquaculture industry as well as, arguably, Norwegian industrial history. The complete project is planned and designed for an annual production capacity of approx. 31,500 tonnes HOG [1], Artec Aqua was in early 2021 contracted as turnkey supplier of the project's phase 1 build-out. With a projected contract value of NOK 1.3-1.4 billion, this constitutes Artec Aqua's single largest project awarded to date and was the main driver behind the company's revenues increasing by more than 60% in 2021.

The Salmon Evolution phase 1 build-out has now entered an operational test phase, with first smolt released late March 2022. Phase 1 is planned completed in the fourth quarter of 2022, whereafter Salmon Evolution ambitions that phase 2 shall

seamlessly follow. On 7 February 2022 the parties announced having entered into a Heads of Terms agreement for Artec Aqua to continue as turnkey supplier also for the phase 2 build-out (cf. the section "Events after the balance sheet date"). The Heads of Terms sets out the main commercial terms and scope for the final agreement. The final design and construction agreement is expected to be effectuated during first half of 2022 and will comprise another major milestone for Artec Aqua and the Endúr group.

Artec Aqua's financial performance in the first half of 2021 was negatively impacted by two projects with contract structures differing from the company's norm. Predominantly Artec Aqua employs partnership agreements (NO: Samspills-kontrakter) with an "open book, cost plus" contract structure for their turnkey deliveries, involving a shared risk exposure, and a key component to the company's overall risk management. In H1 2021 however, Artec Aqua completed tail-end activities on two projects which both impacted the company's accounts negatively.

In the second half of 2021, as production and revenues derived from the Salmon Evolution project ramped up substantially, Artec Aqua's financial performance improved markedly, contributing to the Endúr group's overall materially improved financial result in that period. As Artec Aqua expects and prepares for growing its activities even further, the company grew its number of employees by more than 50% over the course of 2021, incurring increased personnel and related expenses in the process.

Endúr Sjøsterk manufactures floating concrete structures largely by way of feed barges for the aquaculture industry. The company's production facility is located in the Stamsneset industrial area in Bergen.

Sjøsterk had a strong start to the year, but the production activity level tapered off in the third and fourth quarters of 2021. Overall, Sjøsterk returned a negative operating result for the year. This effect was amplified by Sjøsterk altering its method for financial reporting of project execution and completion late in 2021. The change in reporting yielded a significant negative result in the year's fourth quarter.

Sjøsterk's outlook for 2022 is much improved however, as the company's order backlog recently has increased substantially, having secured contracts for 3 new barges in January 2022 alone for a value of approx. NOK 100 million, cf. the section "Events after the balance sheet date". Thus, Sjøsterk is expected to operate at close to its maximum production capacity for the bulk of 2022 and yield a positive result contribution to the Endúr group.

Total revenue for the Aquaculture Solutions segment in 2021 was NOK 1006.2 million (2020: NOK65.2 million), with an EBITDA of NOK 52.8 million (2020 NOK -0.4 million). Proforma, assuming the acquisition of Artec Aqua was undertaken January 1st 2020, total Aquaculture Solutions revenue in 2021 was NOK 1115.7 million (2020: NOK 701.7 million), with an EBITDA of NOK 55.6 million (2020 NOK 62.7 million).

The Aquaculture Solutions segment's order backlog stood at NOK 1.284 million at year-end 2021. Proforma, the corresponding figure at year-end 2020 was NOK 411 million. Note that the 2021 year-end order backlog reflects firm, unqualified orders only, and hence not, for example, the estimated contract value of the Salmon Evolution phase 2 Heads of Terms agreement and the several other Letters of Intent and conditional agreements entered into and announced by Artec Aqua during 2021.

Other

In 2021 the Other segment comprised Endúr Maritime AS, Endúr AAK AS and Endúr ASA, the Endúr group's holding

Based in Bergen, employing its own slip, drydock, quay, machining and welding

[1] Head on, Gutted

workshops, Endúr Maritime provides a range of maintenance and repair services for ships, various marine vessels and related equipment. The company as has extensive competences and experience within ship technical maintenance for complex vessels with strict quality and operational safety requirements, and services both military and civilian maritime customers

Endúr Maritime's operational activities are based on a combination of long-term framework agreements and spot market contracts. Approx. half of the company's 2021 revenues were generated under the four-year [2], NOK 400 million estimated contract value framework agreement awarded by the Norwegian Armed Forces Logistics Organization (FLO) in 2019 for maintenance services and alteration work for all vessel classes received at the Royal Norwegian Navy's naval base Haakonsvern in Bergen. Endúr further operates a fouryear, NOK 50 million estimated contract value framework agreement awarded in 2020 by the Royal Norwegian Navy for maintenance services on the Royal Yacht of the King of Norway, «Norge».

As in the year before, Endúr Maritime returned a small negative operating result in 2021. An ongoing turnaround process yielded a positive result contribution in the fourth quarter and provides a platform for continued improvements going forward. In the same quarter Endúr Maritime also entered into an extension agreement with Equinor for maintenance of auxiliary power supply systems on Equinor's offshore installations in the North Sea. The agreement runs through 2024 and is strategically important for Endúr Maritime's activities.

Group holding company Endúr ASA affords holding group functions, incl. financing, to

the group companies. The comprehensive restructuring and transformation of the Endúr group, commenced in 2020 and completed in 2021, as discussed above, has incurred material restructuring and transaction costs, which to the extent said costs have not been capitalized, are born by Endúr ASA.

Endúr entered into an agreement to sell the access specialist Endúr AAK AS to Norwegian Group AS.

Total revenue for the Other segment in 2021 was NOK 190.2 million (2020: NOK 203 million), with an EBITDA of NOK -55.3 million (2020 NOK -10.8 million). Proforma, assuming the divestment of Endúr AAK was undertaken January 1st 2020, total Other revenue in 2021 was NOK 179.3 million (2020: NOK 196.3 million), with an EBITDA of NOK -71.5 million (2020 NOK -23.8 million).

The Other segment's order backlog stood at NOK 260 million at year-end 2021. Proforma, the corresponding figure at year-end 2020 was NOK 349 million.

PROFIT & LOSS, BALANCE SHEET AND CASH FLOW

This annual report has been developed according to the International Financial Reporting Standards (IFRS) as established by EU.

Result

The Group's revenue (continued operations) was NOK 2009.1 million in 2021, compared to NOK 280.2 million in 2020. The Group's operating profit before depreciation and amortization (EBITDA) in 2021 was NOK 138.9 million, compared to NOK 6.8 million in 2020. The Group's operating result was NOK - 3.5 million in 2021, compared to NOK -59.7 million the prior year [3]. The Group's result after tax in 2021

was NOK -67.1 million, compared to NOK 67.5 million in 2020.

Balance sheet and cash flow

As of 31 December 2021, total assets were NOK 2508.5 million and book equity was NOK 898.5 million, equivalent to an equity ratio of 36 %. Similarly, as of 31 December 2020, the Group had total assets of NOK 989.8 million, total equity of NOK 319.6 million and an equity ratio of 32%.

Net interest-bearing debt by the end of 2021 was NOK 687.5 million. Cash and cash equivalents constituted NOK 304.4 million.

Cash flow from operations was NOK -29.0 million in 2021, versus NOK -476.0 million in 2020.

Net cash flow from investments was NOK -982.2 million in 2021, largely driven by the acquisitions of Marcon-Gruppen i Sverige AB and Artec Aqua AS, both completed in March 2021.

Cash flow from financing activities was NOK 1155.7 million in 2021. Issuance of a senior secured bond loan in March 2021 comprised Endúr's most notable financing event in 2021.

Research and development

Endúr has no overarching research and development activity but works with targeted projects within product and service development, which may strengthen the market positions of the companies.

Parent Company - Endúr ASA

The operating result for the parent company was NOK -59.5 million in 2021, while the corresponding figure for 2020 was NOK -13.8 million. Net financial costs were NOK -56.9 million in 2021, versus NOK -450.8 million in 2020. The annual result

- [2] Option for three additional years
- [3] The operating result in 2020 was negatively affected by a goodwill impairment of NOK 461.3 million, primarily related to the bank-ruptcy filing in former subsidiary ØPD AS. NOK 198.7 million of the goodwill impairment derived from an increase in consideration value resulting from an increase in the Endúr share price from the announcement date to the closing date of a merger involving ØPD AS, and was mirrored by a corresponding increase in book equity, hence the net change to Endúr ASA's equity from this part of the goodwill impairment was zero

was NOK -93.5 million in 2021, compared to NOK -461.4 million in 2020.

Allocation of profit/loss and dividend policy:

The profit/loss for the parent company was NOK -93.5 million, which is allocated to share premium. At 31 December 2021, the parent company's equity was NOK 881.2 million.

It is the company's stated ambition to provide shareholders with annual returns on their investments in the form of dividends and value increases that are at least on a par with investment alternatives with comparable risk. Based on the Group's 2021 results, the Board does not propose any dividends.

QHSE – QUALITY, HEALTH, SAFETY AND ENVIRONMENT

Endúr works systematically and continuously on improving the systems for quality, health, safety culture and the environment (QHSE) connected to the Group's operations. The Group has a zero incident / accident vision for incidents connected to HSE, quality deviations and incidents impacting the environment. The goal is to avoid injuries or work-related illness, as well as ensuring the correct quality of deliveries and avoid negative impact on the environment.

Quality: The Group systematically develops process-based quality systems within each specific business area. An important part of this work is a dedicated focus on the management systems and to ensure that these are quality assured through ISO certifications. BMO Entreprenør, Marcon (with subsidiaries), Installit, Endúr Sjøsterk, and Endúr Maritime are all certified according to ISO 9001:2015. Artec Agua has implemented a program towards qualifying for ISO 9001:2015. ISO 9001:2015 specifies requirements for a quality management system. BMO Entreprenør is also certified according to ISO 14001:2015 and ISO 45001::2018.

Health: The average sick leave among Endúr's Norwegian employees in 2021 was 4.7%. The 2020 corresponding figure, reflecting only the subsidiaries that then were part of the Endúr Group, was 6.6%. The average sick leave among Endúr's Swedish employees in 2021 was 3.7%.

Endúr ambitions to reduce sick leave to a level corresponding to or better than the national averages. The sick leave within the industry sector in Norway in 2021 was 5.1% [4], and 7.3% in Sweden [5].

The annual H1-value [6] was 11.1 in 2021, as compared to 7.9 in 2020 (reflecting only the subsidiaries that then were part of the Group).

Safety: The Group, both at group level as well as through its subsidiaries, continuously monitors and, as required, further develops its systems, competences and learning in order to manage and reduce safety-related risks for all our activities. Operational activities employ electronic tools for all guiding documentation connected to the above mentioned certifications both for reporting purposes as well as attending to any incidents and non-conformances. The Group subsidiaries have implemented digital systems for risk assessment and maintenance management

Environment: Endúr maintains a continuous focus on environmental improvement when it comes to production processes and the use of alternative products and services in order to reduce the Group's environmental footprint. In general, the Group's activities have a limited negative impact on the environment. There were no serious incidents that had consequences for the environment registered in 2021. The company strives for minimal use of solvents, energy, and water. Collaborative agreements have been established with approved companies that ensure that

hazardous waste is handled safely and according to regulations. The company focuses on reduced use of environmentally harmful products by increasing the awareness of the total environmental impact of a product throughout its lifecycle.

ORGANISATION

Effective 6 January 2021, Hans Olav Storkås was appointed CEO and Lasse B. Kjelsås appointed CFO of Endúr ASA and the group. They succeeded CEO Hans Petter Eikeland and CFO Nils Hoff.

Morten Riiser, head of group accounting quit the Company at the end of February 2021. This group function was served through successive hired consultants until February 1st, 2022, when Hanne V. Snipen assumed the position as Endúr's head of group accounting.

On 1 February 2021, Christine Skogholt Amland was appointed managing director of group subsidiary Installit AS.

Ivar-Andreas Monefeldt and Stig Arne Høiland, having both joined Endúr's management team late 2020, resigned their respective positions as senior vice president of business development and COO with effect July and September 2021, respectively. Neither position have directly been replaced.

On 2 September 2021 Hans Olav Storkås resigned his position as CEO with immediate effect.

Endúr's board of directors recognised that the Group's organisation required strengthening both in terms of commercial approach, corporate governance and financial reporting. The Board has implemented a number of measures in the second half of 2021 to strengthen the organisation.

Jeppe Raaholt, at the time managing director of group subsidiary BMO Entreprenør

- [4] Source: Norsk Industri
- [5] Source: Statistikmyndigheten SCB
- [6] Standard metric that calculates the number of incidents that result in time away from work; calculated as number of injuries leading to time away from work per million work hours

AS, was appointed new CEO of Endúr ASA and the group, effective 1 October 2021. Through this transitory period group chairman Pål R. Olsen assumed additional responsibilities as working chairman.

Aleksander Rød was appointed managing director of BMO Entreprenør AS, succeeding Raaholt effective 1 October 2021.

Einar Olsen joined Endúrs executive management November 1st, 2021, in a new position as senior vice president of business development and controlling.

Additional resources have been added early in 2022 to strengthen the Company's financial reporting.

Personnel, equality, competence development and diversity

Per 31 December 2021 the Group had 463 employees, the great majority of which in full-time positions. Endúr considers it strategically necessary to carry out continuous competence and capacity adjustments according to the market development and operational activities. During 2021 there was a net decrease of 15 FTEs within the Group, a somewhat arbitrary net effect from the dissolutions of Endúr Industrier AS and ØPD AS in January and February 2021, shortly followed by the acquisitions of Artec Aqua AS and Marcon-Gruppen i Sverige AB.

The work environment is generally considered good. Endúr has a zero tolerance towards all types of harassment, discrimination, or other forms of behaviour that colleagues, customers, suppliers or others may perceive as threatening or derogatory. Endúr encourages its employees to alert either management or employee representatives when subjected to or witnessing any negative deviations in the work environment.

The Company considers it important to promote gender equality and prevent discrimination in conflict with the Gender Equality Act. A substantial part of Endúr's operational activities, particularly in the Marine Infrastructure segment, is comprised of construction-type occupations

traditionally dominated by male employees. The Group maintains a dedicated focus on recruiting more female employees across occupations and at all levels. The salary for women is considered the same as for men in similar positions. Long- and short-term goals have been established to help increase the percentage of women in the Group, both in terms of employment and in terms of management positions.

By the end of 2021, the percentage of female employees was 10%, of which 17% in corporate management, compared to 7.1% by the end of 2020 when there were no women in corporate management. At the end of both 2021 and 2020 the board of Endúr ASA had 43% female directors.

Endúr relies on talented, experienced, and qualified managers and co-workers. All employees are and shall be treated equally, regardless of ethnicity, nationality, sexual orientation, gender, religion, or age. Equal opportunities are offered for development and promotion to management positions.

Endúr remains convinced that diversity benefits the Company's business, provides access to a wider range of talent and ensures better and wider understanding of customers, suppliers, and other stakeholders. Different perspectives drive innovation and growth, which is why Endúr endeavours to recruit and develop people of different ethnic backgrounds, ages and genders. To the extent possible, Endúr tries to implement working conditions enabling individuals with diminished functional abilities to work for the Group.

SUSTAINABILITY IN ENDÚR: ESG AND CORPORATE COMPLIANCE

ESG

Endúr recognizes the importance of securing a sustainable future for the present and future generations. Sustainability in Endúr means creating value through responsible business decisions that protect the environment and contribute to the good of society. With a focus on environmental, social and governance (ESG) activities, Endúr is committed to work to mitigate and transition to the climate change challenge. We aim to provide Marine Infrastructure

and aquaculture solutions that enable a sustainable use of marine resources, contribute to the development of sustainable technologies and solutions and secure responsibility in our supply chains.

As part of the Company's ambition to afford our customers a unique service provider within Marine Infrastructure and aquaculture solutions we continue to develop and implement a sustainability strategy based on the UN Sustainable Development Goals (SDG), the requirements in the EU Taxonomy and other relevant standards. The strategy shall comprise a basis for how to continuously improve our sustainability impact and create value in a sustainable manner.

Corporate compliance

Corporate compliance is a key factor to enable sustainability in our business and is considered a "license to operate" by Endúr. We are committed to ensuring compliance with relevant laws and regulations, including human rights, as well as best practices, to enable a sustainable business in all our operations, including our supply chain.

The industries in which our business segments operate involve inherent compliance risks such as bribery, fraud, and misconduct in the supply chain of subcontractors. Given Endúr's change in strategic direction, commenced in the second half of 2020, and the group's rapid growth in 2021, Endúr initiated in 2021 a comprehensive corporate compliance project.

The project was first anchored by a comprehensive overhaul and renewal of Endúr's governing policy documents, as thoroughly discussed and resolved by the Company's board of directors. Concurrently, Endúr undertook a compliance review of all our businesses in Norway and Sweden. The purpose of the review was to ascertain the degree to which, and subsequently to ensure that adequate policies and procedures were and are in place to address both general as well as particular risks related to Endúr's business activities, and further to safeguard that all employees, suppliers and other business partners adhere to Endúr's ethical requirements.

The initial part of our compliance review was to conduct a thorough risk analysis of the underlying business units of Endúr, herein a review of the at the time existing policies and procedures within Endúr's operating entities, including the three major new companies incorporated into the Endúr group from December 2020 through March 2021.

Based on the results and subsequent analysis of the risk analysis, Endúr are in the final stages of designing a plan and policy for further strengthening Endúr' corporate compliance program, reflecting the specific risks pertaining to our businesses as well as existing policies and procedures.

CORPORATE GOVERNANCE

Endúr ASA is of the opinion that the foundation for good Corporate Governance should be built on clear and transparent relationships between the owners, the Board, and the management.

Corporate Governance shall ensure credibility and trust among all stakeholders and form a good foundation for furthering sustainable value creation and good results. Good business management is an important prerequisite for achieving Endúr ASA's vision and carrying out our strategy plans. Good business management contributes to the Group's long-term value creation, while the resources are utilised in an efficient and sustainable manner.

Endúr ASA's guidelines for corporate governance follow the recommendation of The Norwegian Committee for Corporate Governance (NUES), available at www. nues.no. The Norwegian recommendation for Corporate Governance is based on the shares, accounting, stock exchange and securities legislation, as well as stock exchange regulations, and contains rules and guidelines which partially elaborates the current legislation, and partially covers areas not addressed by the legislation.

The guidelines aim to clarify the distribution of roles between shareholders, the Board and caseworkers beyond the requirements of the law. Endúr's goal is to follow the NUES recommendation of

strengthening the trust in the company and contribute to the greatest possible value creation in the long term, to the best of the shareholders, employees, and other stakeholders.

Endúr's principles for Corporate Governance are available on the company's website.

SHARE CAPITAL, SHARES AND SHAREHOLDER INFORMATION.

Endúr ASA has been listed on the Oslo Stock Exchange since June 2008. The company's shares are freely transferable. No transferability restrictions are incorporated into the Articles of Association.

As of 31 December 2021, there were 1,372,643,406 shares issued, all of the same class and with equal voting rights. Each share has a nominal value of NOK 0.01. At year-end Endúr ASA had a total of 5,686 shareholders, compared to 4,350 shareholders by the end of 2020. An updated overview over the company's 20 largest shareholders is available on the company's IR pages at www.endur.no.

RISK EXPOSURE AND RISK MANAGEMENT

Endúr ASA is exposed to risks of both operational and financial character. The Board of Endúr ASA is conscious of the importance of risk management and work actively to reduce the total risk exposure of the Group. The most important risk factors are financial risks, market risks and project risks, hereunder counterparty risks.

The financial risk has historically largely been managed independently by the respective group companies, with the level of financial risk varying between the group's segments and companies. With the issuance in March 2021 of the NOK 1100 million senior secured bond by the group holding company Endúr ASA, amortized down to NOK 900 million in December 2021, the group's financial risk is to a greater extent monitored and managed at the group level.

The March 2021 NOK 1100 million bond issue involved an increase in the company's

debt ratio and a corresponding obligation to pay interest and otherwise service the bond loan. Even though the bond loan was amortized by NOK 200 million to NOK 900 million in December, the higher leverage involves a financial risk. Also, as the coupon on the bond is comprised of both a fixed margin and a floating base interest rate, this exposes the company to interest rate risk. As interest rate fluctuations are beyond Endúr's control and influence, the company will continuously consider whether to lessen its exposure to interest rate risk though hedging transactions.

Liquidity risk is financial risk that a business will not have sufficient cash to meet its financial commitments in a timely manner. Endúr is exposed to liquidity risk through its largely project based revenue generation, often employing a host of subcontractors. The failure of an Endúr contractee to make timely payments can in turn impact Endúr's ability to make timely payments to its own subcontractors. Generally, taking on increased project-based activities often involves higher working capital requirements, particularly in the projects' early phases, and it is important that a company such as Endúr both has sufficient liquid funds to finance such growth and increased activity, as well as actively monitors and manages its working capital exposure. Diversification of project size, timing and customers affords active measures of liquidity risk mitigation, as well as, and more importantly, consistent profitable project execution. Endúr is highly attuned to cash flow management and monitoring, both at a group and company level.

Project risk constitutes a persistent risk factor in and of itself and may be exacerbated by any resulting adverse liquidity consequences. From a portfolio perspective, and to the extent that the group's turnover is largely distributed across a number of different projects and customers, both in the public and private sector, this lowers the group's overall project risk exposure. However, as the February 2021 bankruptcy in group subsidiary ØPD AS clearly demonstrated, having a diversified project portfolio does not inoculate the group from being materially adversely affected by underperforming projects.

Beyond diversification through project size and counterparties, embedding risk-mitigating contract structures and provisions is paramount in managing both liquidity and project risk. By way of example, Endúr and Artec Aqua would be hard-fought to take on large individual projects on the scale of Salmon Evolution were it not for the partnership agreements with an "open book, cost plus" contract structure, cf. the Aquaculture Solutions segment review.

Market risks are mainly connected to strong fluctuations within market areas in which the Group operates. Currently the Group has diversified operational activities undertaken within different market areas and industry segments that are partially independent of each other. The market risks are therefore considered to be limited, however with certain risks connected to the renewal of larger framework contracts.

Reference is also made to the section "Going concern".

Covid-19 and geopolitics

The Group's performance is affected by the global economic conditions in the market in which it operates. Few world events have proven more influential on the global economy over the past two years than the coronavirus pandemic. Since The World Health Organization declared the outbreak a pandemic on 11 March 2020, extraordinary health measures and restrictions on local and global basis have – with varying severity - been imposed by authorities across the world. The pandemic still retains its status and may be expected to continue to pose a source of both direct consequence and material uncertainty, causing, amongst a host of others, substantial market fluctuations, labour shortages and supply chain disruptions.

As a matter of course the Endúr group is far from immune from the ramifications of the pandemic, both general and economic, and the pandemic may adversely affect the Group's risk profile, brought on by the factors mentioned in the previous paragraph. The remaining presence of the coronavirus may also exacerbate the

economic consequences of other world events such as the current geopolitical turmoil deriving from Russia's invasion of Ukraine. Global supply chain disruptions and transportation capacity shortages had already contributed greatly towards greater inflationary pressures in many key geographical and product markets. These pressures have at the time of writing increased manifold by the dramatically increased energy prices induced by the war in Ukraine. At the very least these events impart greater market uncertainty and volatility, and any investment in securities issued by Endúr should take these matters into account.

The Endúr group has, and will continue to adapt any guidelines, laws and regulations imposed by national health authorities in Norway and Sweden. As the past two years have witnessed, measures varying in severity may be imposed and alleviated on short-term notices, which may in turn continue to affect the Group's operations, influence both its main input factor and end markets, and generally impact the Group's risk profile.

As the situation surrounding the coronavirus pandemic may continue to change, both in terms of severity, intensity, possible new virus variants or strains, with ensuing changes in guidelines, laws, regulations and restrictions, prospective investors should note that the pandemic may negatively affect the Group's revenue and operations going forward.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

Endúr ASA has purchased and maintains a Directors and Officers Liability Insurance for the Group and subsidiaries. The insurance covers the directors' and managements' legal personal liability in the event of claims made for any wrongful act.

EVENTS AFTER THE BALANCE SHEET DATE:

Management changes

 On 28 April 2022, Lasse B. Kjelsås resigned his position as CFO of Endúr ASA and the Group with three months notice

Acquisitions / Divestments

- Effective 28 February 2022, Endúr's wholly owned subsidiary Marcon-Gruppen i Sverige AB acquired Dykab AB, a company providing Marine Infrastructure services out of Luleå, a city located in Norrbotten, Sweden's northernmost county. The primary purpose of the acquisition was to secure a local foothold and platform from which to grow Marcon's activities in the northern part of Sweden, where infrastructure investments of more than SEK 1,000 billion are planned over the coming decade filling the company's last geographical gap in its domestic market, and thus enabling the company to cost-efficiently serve also the northern part of the country.
- On 7 April 2022 Endúr entered into an agreement with the DeepOcean Group for the sale of Installit AS and its subsidiaries, effective 1 January 2022. The divestment of Installit will free up gross cash of approx. NOK 25 million for Endúr. The decision to divest Installit AS, even though incurring an accounting loss of approx. NOK 22.8 million, was founded on the Company's resolve to to the greatest extent possible employ and commit all the Group's capital and resources towards its core focus areas.

Significant contract awards

- On 6 February 2022 Artec Aqua AS ("Artec Aqua") entered into a Heads of Terms agreement with Salmon Evolution ASA ("Salmon Evolution") for the planning, construction, and implementation of phase 2 of Salmon Evolution's land-based grow-out salmon farming facility at Indre Harøy. Artec Aqua is contracted as turnkey supplier for phase 1 of the project.
- Salmon Evolution's land-based growout salmon farming facility at Indre Harøy is a significant and pioneering project for the Norwegian aquaculture industry, which at the time of writing has entered the operational test phase of phase 1, with first smolt released late March 2022.
- The Heads of Terms agreement for phase 2 sets out the main commercial

terms and scope for the final agreement. The final design and construction agreement is expected to be effectuated during first half of 2022, for an estimated contract value for Artec Aqua as turnkey supplier of NOK 1.3 – 1.4 billion.

- On 3 March 2022 Stockholms Vattenentreprenader AB ("Sventab"), a subsidiary of Marcon was awarded a long-term frame agreement by Stockholms Hamn AB for maintenance and repairs of quays and quay equipment as well as construction work. The agreement stipulates a call off structure with Sventab ranked as no. 1, and has a duration of two years plus six one-year extension options, for a maximum total of eight years. Stockholms Hamn AB estimates that the contract value is approximately SEK 10-30 million per year, equivalent to a revenue potential of between SEK 80–240 million over the full eight-year period.
- On 4 April 2022 Endúr's subsidiary BMO Entreprenør entered into a threeyear frame agreement with Agder Energi. The contract value of the frame agreement is up to NOK 150 million.
- On 8 april 2022 BMO Entreprenør signed an agreement with NRC Group for tunnelling works on Trønder- og Meråkerbanen. The contract value is approx. NOK 70 million.
- In the first quarter of 2022 Endúr's subsidiary Sjøsterk has won contracts for four new barges, herein 3 feed barges for salmon farming companies Ballangen Sjøfarm AS, partly owned by Cermaq which also directly procured a feed barge from Sjøsterk in November 2021, Gigante Salmon AS and Arnarlax hf (Iceland). The collective contract value of the four contracts is close to NOK 140 million. With these awards Sjøsterk had achieved orders to fill all 8 possible construction slots for 2022.

MARKET AND FUTURE OUTLOOK

Following the holistic transformation commenced in 2020 and completed in 2020,

away from the highly cyclical maritime and offshore energy markets, Endúr's core business, core focus and predominant market exposure is today related to marine infrastructure and aquaculture solutions. As importantly, the group's activities in these industry segments and in these markets are undertaken through subsidiaries that are all leading companies in their respective markets, and all with prolonged histories of profitable growth. Fundamentally, and as evidenced by the Group's operational and financial performance particularly in the second half of 2021, Endúr today has a robust platform from which both to operate, grow and capitalize on the significant and profitable growth opportunities intrinsic to both the marine infrastructure and aquaculture solutions industry segments.

The infrastructure market in both Norway and Sweden are large markets of which marine infrastructure constitutes relatively minor parts. As these markets are primarily driven by public sector investment (approx. 80% of Endúr's 2021 marine infrastructure revenue was generated from projects with public sector as the end customer), for which there is identifiable and publicly announced long-term prospects and market visibility, one can derive with a favourable level of certainty that the market will exhibit material and stable growth going forward.

The Norwegian aquaculture industry has experienced extraordinary growth and earned out-sized returns since the outset in the 1970s. Although annual production growth has decreased post 2013, primarily due to biological difficulties with sea lice as the root cause, both the industry and governing bodies are adamant that there is still room for growth. The main drivers behind this sustained growth are (i) the megatrend comprised of global population growth, with a corresponding need and demand for protein-rich foods, the rapidly increasing seafood consumption per capita, and the superior feed conversion ratio - and hence also in terms of sustainability – of farmed fish relative to beef and poultry, and (ii) the industrialization of (predominantly) salmon farming, driven largely by Norwegian farmers and cluster of technology and service providers.

The Government's ambition is for Norway to become the world's leading seafood nation through a five-fold increase in salmon production and a six-fold increase in value creation between 2010 and 2050 [7]. Moreover, global sustainability demands and requirements are also driving a trend towards locally sourced and produced foods. Land-based aquaculture production is likely to constitute a material part of the "solution" for the continued growth of the aquaculture industry, both domestically and globally, substantial investments are planned both in landbased post-smolt and grow-out facilities, in terms of timing partly pending the outcome of early-phase projects such as Salmon Evolution.

In June 2020, Endúr announced an ambition to build a NOK 2+ billion revenue, 10-12 percent EBITDA-margin company within 2022. Through the acquisitions of BMO Entreprenør, Artec Aqua and Marcon in late 2020 and early 2021 respectively, and with these companies' organic growth since becoming part of Endúr, the Endúr Group has – proforma – achieved the revenue part of the stated ambition NOK 2 billion already in 2021.

Based on this first goal attainment, as well as the market prospects discussed herein, Endúr has resolved that a new revenue target for the Group of NOK 4 billion within 2024 is both realistic and appropriate. Endúr will always prioritize profitable growth over growth alone, and provided that a major part of the expected revenue growth is likely to be generated within the Aquaculture Solutions segment, where the contract structure for large turnkey projects historically has yielded lower than 10-12 EBITDA-margins, Endúr will not affix a corresponding margin target to the new NOK 4 billion 2024 revenue target.

[7] Source: «Roadmap for the Aquaculture Industry», Norsk Industri

Order backlog: Per 31 December 2021 the Endúr group had a total firm order backlog of NOK 2,162 million, as compared to NOK 853 million at year-end 2020 (proforma NOK 1,391 million). The 2021 year-end order backlog reflects firm, unqualified orders only, and hence not, for example, the estimated contract value of the Salmon Evolution phase 2 Heads of Terms agreement and other Letters of Intent and conditional agreements entered into and announced in 2021.

Overall, based on the Company's current prospects, Endúr's Board of Directors believes that the outlook for the Company is favourable.

GOING CONCERN

The Board of Directors of Endúr ASA remains focused on operational, financial, strategic and structural measures that seek to ensure that the Endúr group is positioned to realise its potential and ambitions, both in the present and for the future.

The Board of Directors consider that the Endúr group's continuing operations collectively comprise a sound platform for profitable and sustainable operations.

The Board of Endúr ASA confirms, according to § 3-3 of the Accounting Act, that the annual accounts have been prepared based on the assumption for continued operations.

Bergen - 28 April 2022 Board of Directors and CEO of Endúr ASA

Pål Reiulf Olsen (Chairman) -sign	Jeppe Bjørnerud Raaholt (CEO) -sign	Bjørn Finnøy -sign	Kristoffer Nesse Hope -sign
Kristine Landmark	Hedvig Bugge Reiersen	Jörn Ryberg	Jorunn Ingebrigtsen
-sign	-sign	-sign	-sign



Consolidated Statement of Profit or Loss **

(NOKm)	Note	IFRS 2021	IFRS 2020 *
Continued operations			
Revenue	4,5, 29	1 998.9	267.1
Other revenue		10.1	13.1
Revenue		2 009.1	280.2
Cost of materials	29	(1 297.4)	(173.5)
Payroll expenses	6, 27, 30	(380.0)	(81.0)
Depreciation, amortization, impairment	11,12,13,19	(142.4)	(52.9)
Other operating expenses	28, 29	(192.8)	(32.5)
Operating expenses		(2 012.6)	(339.9)
Operating profit/loss		(3.5)	(59.7)
Financial income	7	2.1	1.0
Financial expenses	7	(110.8)	(14.6)
Net financial items		(108.7)	(13.6)
Profit/loss before tax		(112.2)	(73.3)
Income tax	8	45.1	5.9
Profit/loss - continued operations		(67.1)	(67.5)
Discontinued operations			
Profit/loss - discontinued operations	9	15.3	(451.7)
Profit/loss for the period		(51.8)	(519.1)
Other comprehensive income			
Exchange rate differences		(8.0)	-
Items which may be reclassified over profit and loss in subsequent periods		-	-
Other comprehensive income for the period, net of tax		(8.0)	-
Total comprehensive income		(59.8)	(519.1)
Profit / Loss attributable to:			
Owners of the Company		(51.8)	(519.1)
Profit / Loss		(51.8)	(519.1)
Total comprehensive income attributable to:			
Owners of the Company		(59.8)	(519.1)
Total comprehensive income		(59.8)	(519.1)
Earnings per share			
Basic earnings per share (NOK)	10	(0.05)	(1.68)
Diluted earnings per share (NOK)	10	(0.05)	(1.68)
Earnings per share - continued operations			
Basic earnings per share (NOK)	10	(0.06)	(1.71)
Diluted earnings per share (NOK)	10	(0.06)	(1.71)

 $[\]star$ The comparative information has been restated due to discontinued operations. See note 9.

^{**}Artec Aqua AS and Marcon-Gruppen i Sverige AB has only been a part of the Group since 12 March 2021. For proforma numbers 2021 see note 33.

Consolidated Statement of Financial Position

		IFRS	IFRS
(NOKm)	Note	31.12.2021	31.12.2020
ASSETS			
Deferred tax assets	8	0.0	11.7
Intangible assets and goodwill	11, 13	1 120.7	410.5
Property, plant and equipment	12	426.0	87.8
Right-of-use assets	12, 19	93.1	109.0
Equity-accounted investees		2.4	0.4
Total non-current assets		1 642.2	619.4
Inventories	14	26.3	10.5
Contract assets	5	30.8	60.8
Trade and other receivables	15, 23	504.8	131.2
Cash and cash equivalents	16, 23	304.4	167.8
Total current assets		866.3	370.4
TOTAL ASSETS		2 508.5	989.8

(NOKm)	Note	IFRS 31.12.2021	IFRS 31.12.2020
EQUITY AND LIABILITIES			
Equity			
Share capital	17, 30	13.7	7.3
Share premium	30	880.7	308.2
Other paid-in capital		4.1	4.1
Equity		898.5	319.6
Liabilities			
Deferred tax liabilities	8	77.9	-
Loans and borrowings	18, 23, 24	890.6	153.5
Lease liabilities	18, 19, 24	73.2	116.0
Other non-current liabilities		9.1	3.6
Total non-current liabilities		1 050.7	273.1
Loans and borrowings	18, 23	-	93.7
Lease liabilities	18, 19, 24	22.7	22.0
Trade and other payables	20, 21, 23, 24	505.3	248.6
Tax payables	8	-	-
Contract liabilities	5	31.4	32.7
Total current liabilities		559.4	397.1
Total liabilities		1 610.0	670.2
TOTAL EQUITY AND LIABILITIES		2 508.5	989.8

Bergen - 28 April 2022	Pål Reiulf Olsen
Board of Directors	(Chairman)
and CEO of Endúr ASA	-sign

Pål Reiulf Olsen	Jeppe Bjørnerud Raaholt	Bjørn Finnøy	Kristoffer Nesse Hope
(Chairman)	(CEO)	-sign	-sign
-sign	-sign		
Kristine Landmark	Hedvig Bugge Reiersen	Jörn Ryberg	Jorunn Ingebrigtsen
-sign	-sign	-sign	-sign

Consolidated Statement of Cash Flows

(NOVer)	Nata	IFRS	IFRS
(NOKm)	Note Note	2021	2020
Cash flow from operating activities			
Loss for the period		(51.8)	(519.1)
Adjustments for:			
Tax expense / Tax income	8	(45.1)	(5.8)
Depreciation, amortization	11, 12	119.6	10.6
Impairment Right-of-use-asset		-	14.9
Impairment Goodwill	11, 13	22.8	27.4
Recognition of negative goodwill		-	(2.4)
Items classified as investments and financing activities		108.7	3.1
Gains on disposal of discontinued operations	9	(51.9)	(6.2)
Share option expense	25		0.1
Changes in:			
Trade and other receivables	15	(372.3)	41.6
Trade and other payables	20	256.7	(34.7)
Inventories		15.7	(0.8)
Contract assets		(30.0)	(1.4)
Contract liabilities		(1.3)	(3.3)
Net cash from operating activities		(28.9)	(476.0)
Cash flow from investments activities			
	11, 12	(120.5)	(4.2)
Acquisition of property, plant and equipment		(120.5)	(4.2)
Proceeds from sale of intangible assets and goodwill	11	75.6	
Proceeds from sale of property, plant and equipment	12	75.6	(40.5)
Net outflow from non-current receivables		32.6	(40.5)
Effect bankruptcy in subsidiary		(0.6)	(3.8)
Business combinations, net cash	3	(969.3)	269.6
Net cash from investments activities		(982.2)	221.1
Cash flow from financing activities			
	17	638.7	213.9
Proceeds from issue of share capital (capital increase)	17	638.7 1 100.0	213.9 229.7
Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings	<u>.</u>		
Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings Payment of interests	<u>.</u>	1 100.0	229.7
Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings Payment of interests Repayment of lease liabilities	18	1 100.0 (102.1)	229.7 (3.1)
Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings Payment of interests Repayment of lease liabilities Repayment of borrowings	18 18, 19	1 100.0 (102.1) (33.7)	229.7 (3.1) (13.0)
Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings Payment of interests Repayment of lease liabilities Repayment of borrowings Net cash from financing activities	18 18, 19	1 100.0 (102.1) (33.7) (447.2) 1 155.7	229.7 (3.1) (13.0) (25.6)
Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings Payment of interests Repayment of lease liabilities Repayment of borrowings Net cash from financing activities Net currency translation effect	18 18, 19	1 100.0 (102.1) (33.7) (447.2) 1 155.7 (8.0)	229.7 (3.1) (13.0) (25.6) 401.9
Cash flow from financing activities Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings Payment of interests Repayment of lease liabilities Repayment of borrowings Net cash from financing activities Net currency translation effect Net change in cash and cash equivalents Cash and cash equivalents as per 1.1	18 18, 19	1 100.0 (102.1) (33.7) (447.2) 1 155.7 (8.0) 136.6	229.7 (3.1) (13.0) (25.6) 401.9
Proceeds from issue of share capital (capital increase) Proceeds from loans and borrowings Payment of interests Repayment of lease liabilities Repayment of borrowings Net cash from financing activities Net currency translation effect	18 18, 19	1 100.0 (102.1) (33.7) (447.2) 1 155.7 (8.0)	229.7 (3.1) (13.0) (25.6) 401.9

18

Consolidated Statement of Changes in Equity

(NOKm)	Note	Share capital	Share premium	Other paid-in capital	Retained earnings	Foreign currency transl. reserve	Total equity
Equity 01.01.2020		2.1	167.0	0.3	(57.9)	-	111.5
Profit (loss)		-	(519.1)	-		-	(519.1)
Issue of shares - Business combination		3.2	474.1	3.7	-	-	481.1
Issue of shares		2.0	244.0	-	-	-	246.0
Adjustments		-	(57.9)	-	57.9	-	-
Equity effect of share options		-	-	0.1	-	-	0.1
Equity 31.12.2020		7.3	308.2	4.1	-		319.6
Equity 01.01.2021		7.3	308.2	4.1	-	<u>-</u>	319.6
Profit (loss)		-	-	-	(51.8)		(51.8)
Other comprehensive income, exchange differences		-	-	-	-	(8.0)	(8.0)
Issue of shares - Business combination	3, 17	4.0	466.8	-	-		470.8
Issue of shares	17	2.4	165.5	-	-		167.9
Adjustments		-	(59.8)	-	51.8	8.0	-
Equity 31.12.2021		13.7	880.7	4.1	_	-	898.5

Notes to the Consolidated Accounts

NOTE 1: CORPORATE INFORMATION

Endúr ASA is a public limited liability company based in Norway, and was founded on 22 May 2007. The Company's registered office is at Laksevåg in Bergen. These consolidated financial statements comprise the Company and its subsidiaries (collectively the "Group" and individually "Group companies"). Endúr ASA is listed on Oslo Stock Exchange with the ticker ENDUR.

NOTE 2: ACCOUNTING PRINCIPLES

DECLARATION OF CONFORMITY

The consolidated financial statements of the Endúr group have been prepared in accordance with EU approved International Financial Reporting Standards (IFRS) and associated interpretations, and also the additional Norwegian information requirement pursuant to the Norwegian Accounting Act, and that are applicable as at 31 December 2021. The consolidated accounts is for the period 01.01.2021 until 31.12.2021. The proposed annual accounts were adopted by the Board of Directors on 28 April 2022. The annual accounts will be dealt with by the Ordinary General Meeting in May 2022 for final approval.

BASIS OF MEASUREMENT

The consolidated financial statements have been prepared based on historical cost.

The consolidated accounts are presented in NOK, which is also the functional currency of the parent company. Financial information is stated in NOK thousands, unless otherwise specified.

BASIS OF CONSOLIDATION

The consolidated accounts include the parent company Endúr ASA and subsidiaries. The parent company and the subsidiaries are referred to collectively as "the Group" and individually as "group companies".

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred.

Subsidiaries

A subsidiary is a company controlled by the group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Transactions between group companies and inter-company balances, including internal profit and unrealised gains and losses, are eliminated. Unrealised gains that arise from transactions with associated companies are eliminated with the group's share in the associated company. The same applies to unrealised loss, but only if there are no indications of an impairment of the asset that has been sold internally. The consolidated accounts have been prepared on the assumption of uniform accounting principles for similar transactions and other events under similar circumstances.

20

JUDGEMENTS AND ESTIMATES

Preparation of the annual accounts in accordance with IFRS includes valuations, estimates and assumptions that influence both the choice of accounting principles applied and reported amounts for assets, obligations, income and expenses. During preparation of the annual accounts, the management has used estimates based on best judgement and assumptions that are considered realistic based on historical experience. Actual amounts may differ from estimated amounts. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 5 Whether revenue is recognized over time or at a point in time. Identification of performance obligations in customer contracts.

Note 19 Classification of lease contracts.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year to come is included in the following notes:

- Note 3 Business combinations: fair value of the consideration transferred and fair value of the assets acquired and liabilities assumed.
- Note 8 Recognition of deferred tax assets; availability of future taxable profit against which carry forward tax losses can be used.
- Note 13 Impairment test: key assumptions underlying recoverable amounts.
- Note 21 Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources.

CHANGES IN ACCOUNTING PRINCIPLES AND NEW PRONOUNCEMENTS

Endúr has not implemented any new accounting standards or otherwise made any significant changes to accounting policies during 2021.

None of the issued, not yet effective, accounting standards or amendments to such standards are expected to have significant effects for Endúr's financial reporting.

CHANGES IN COMPARATIVE FIGURES IN P&L AND ASSOCIATED NOTES

Due to discontinued operations in Endùr AAK AS, Endùr Industrier AS and ØPD AS comparative figures for 2020 in P&L and associated notes are restatet to be comparable to the business reflected in the 2021 numbers.

NOTE 3: BUSINESS COMBINATIONS

ARTEC AQUA AS

On 12 March 2021, Endúr ASA, through its wholly owned subsidiary, Endùr BidCo AS, bought all the shares in Artec Aqua AS for a purchase price of approx. NOK 702.5 million, of which 50% of the purchase price was settled by issuing 296,128,789 consideration shares in Endúr ASA, and 50% in cash consideration.

On the same day, the board decided, pursuant to a board authorization granted by the EGM on 10 March 2021, to issue the consideration shares. The company's share capital increased by NOK 2,961,287.89 by issuing 296,128,789 new shares, each with a nominal value of NOK 0.01. The capital increase was registered on 15 March 2021.

Artec Aqua was established in 2002 and is today a leading turnkey supplier of process facilities and solutions to the onshore aquaculture industry. It is the undisputed market leader for onshore broodstock facilities, and customers include the global leading salmon farming companies. Artec Aqua is renowned for its superior water treatment solutions design, which secures fish welfare and sustainable development of the aquaculture industry. The company has the capability to deliver all available water system solutions for onshore aquaculture, including flow-through, regeneration and recirculation aquaculture systems (RAS). Artec Aqua has developed a new RAS system that has demonstrated favourable water quality and recorded stress levels among the lowest measured in onshore fish farming.

CONSIDERATION TRANSFERRED

The following table summarises the acquisition date fair value of each major class of consideration transferred.

(NOKm)	2021
Cash	338.7
Shares in Endúr ASA (296 128 789 shares)	346.5
Other adjustments	12.5
Total consideration transferred	697.7

Equity instruments issued

The fair value of the shares issued was based on the listed share price of the Endúr ASA at 12 March 2021 at NOK 1,17 per share.

IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

The fair value of identifiable assets and liabilities is based on a purchase price allocation. The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

(NOKm)	2021
Customer relationships	186.7
Technology	84.1
Right-of-use assets	8.4
Property, plant and equipment	1.9
Financial assets	20.4
Inventories	1.3
Contract assets	10.1
Trade and other receivables	126.8
Contract liabilities	(7.3)
Trade and other payables	(92.4)
Other current liabilities	(17.7)
Net financial debt	(8.8)
Deferred tax liability	(84.9)
Cash and bank deposit	55.3
Total identifiable net assets acquired	283.9

GOODWILL

Goodwill arising from the acquisition has been recognised as follows.

(NOKm)	2021
Total consideration transferred	697.7
- Fair value of identifiable net assets acquired	283.9
Goodwill	413.8

The goodwill-value can be explained by synergies, economies of scale, expectations of future profitability and growth and expectations of better market conditions.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS - PROFORMA

If the business combination had been completed on 1 January 2021, management estimates that the condensed consolidated statement of profit or loss 2021 would have been according to the table below. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021.

(NOKm)	2021 proforma
Continued operations	
Revenue	2 118.2
Cost of sales	(1 389.1)
Payroll expenses	(389.9)
Depreciation, amortization, impairment	(142.8)
Other operating expenses	(197.1)
Operating profit/loss	(0.8)
Financial income	2.1
Financial expenses	(111.0)
Profit/loss before tax	(109.7)
Income tax expense	44.5
Profit/loss - continued operations	(65.2)

Profit or loss account in the acquired company after the acquisition date

(NOKm)	12.03.2021 - 31.12.2021
Operating revenue	933.5
Operating profit/loss	54.5

MARCON-GRUPPEN I SVERIGE AB

On 5 March 2021, Endúr ASA, bought 35% of the shares in Marcon-Gruppen i Sverige AB for a purchase price of approx. SEK 140 million. The purchase price was settled by issuing 106,230,838 consideration shares in Endúr ASA.

On the same day, the board decided, pursuant to a board authorization granted by the EGM on 4 December 2020, to issue the consideration shares. The company's share capital increased by NOK 1,062,308.38 by issuing 106,230,838 new shares, each with a nominal value of NOK 0.01. The capital increase was registered on March 8, 2021.

On 12 March 2021, Endúr ASA bought the remaining 65% of the shares in Marcon-Gruppen i Sverige AB for a purchase price of approx. SEK 260 million. The purchase price was settled in cash consideration. Exchange rate at closing date was 0.9948.

Marcon was established by Jörn Ryberg in 1982 and has since grown to become a market leader within marine infrastructure in Sweden. The company performs a range of services connected to marine infrastructure construction and marine services, as well as other adjacent services including hydrographical services, dredging, rentals, inspections and diving. Marcon serves both as independent contractor and subcontractor in construction projects and other services. Its HQ is in Ängelholm with offices in Stockholm, Malmö, Gothenburg, Sölvesborg and Härnösand. The group operates in the Swedish market under the brands Swedish Sjöentrepenad (SSE), Marcon Teknik (MTE), Frog Marine Service (FMS), SVENTAB and Marcon Windpower.

CONSIDERATION TRANSFERRED

The following table summarises the acquisition date fair value of each major class of consideration transferred.

(NOKm)	2021
Cash	259.4
Shares in Endúr ASA (106 230 838 shares)	124.3
Total consideration transferred	383.7

Equity instruments issued

The fair value of the shares issued was based on the listed share price of the Endúr ASA at 12 March 2021 at NOK 1,17 per share.

IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

The fair value of identifiable assets and liabilities is based on a purchase price allocation. The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

(NOKm)	2021
Right-of-use assets	20.2
Property, plant and equipment	389.3
Financial assets	6.0
Inventories	1.8
Contract assets	5.6
Trade and other receivables	67.5
Doubtful receivable	37.1
Contract liabilities	(26.7)
Trade and other payables	(19.7)
Other current liabilities	(2.1)
Net financial debt	(163.2)
Deferred tax liability	(63.5)
Cash and bank deposit	45.0
Total identifiable net assets acquired	297.4

GOODWILL

Goodwill arising from the acquisition has been recognised as follows.

(NOKm)	2021
Total consideration transferred	383.7
- Fair value of identifiable net assets acquired	297.4
Goodwill	86.3

The goodwill-value can be explained by synergies, economies of scale, expectations of future profitability and growth and expectations of better market conditions.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS - PROFORMA

If the business combination had been completed on 1 January 2021, management estimates that the condensed consolidated statement of profit or loss 2021 would have been according to the table below. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2021.

(NOKm)	2021 proforma
· · · ·	
Continued operations	
Revenue	2 076.4
Cost of sales	(1 327.1)
Payroll expenses	(403.1)
Depreciation, amortization, impairment	(155.7)
Other operating expenses	(198.3)
Operating profit/loss	(7.7)
Financial income	0.9
Financial expenses	(111.1)
Profit/loss before tax	(117.9)
Income tax expense	51.4
Profit/loss - continued operations	(66.5)

Profit or loss account in the acquired company after the acquisition date

(NOKm)	12.03.2021 - 31.12.2021
Operating revenue	326.1
Operating profit/loss	78.1

NOTE 4: OPERATING SEGMENTS

OPERATING SEGMENTS

Endúr reports in 2021 distributed on the following segments. These segments offer different products and services, and are managed separately because they require different marketing strategies. Inter-segment pricing is determined on an arm's length basis. Segment changes from 2020 to 2021 are due to the business combination described in note 3 and discontinued operations in note 9. The segment information for 2020 has been restated as a result of activities being classified as discontinued operations ref note 9. The energy segment consisting of Endùr AAK AS and Endùr Industrier AS is no longer a segment in 2021. ØPD AS is excluded from the Marine infrastructure segment and Endùr Maritime AS is transferred from the Marine segment to the Other segment.

Segment performance is measured by operating profit before depreciation, amortization and write-downs (EBITDA) and operating profit (EBIT). This is included in internal management reports, of which are being reviewed by the Group's CEO.

Marine infrastructure

The Marine infrastructure segment includes harbour/quay construction and maintenance and underwater services. Consists of the companies BMO Entreprenør AS, Marcon-Gruppen i Sverige AB og Installit AS.

Aquaculture solutions

The Aquaculture solutions segment includes production of concrete barges for the aquaculture industry. Consists of the companies Artec Aqua AS, Endúr Sjøsterk AS and Endúr Eiendom AS.

Other

Other includes maritime service and ship maintenance, unallocated corporate costs, investments in the Group's subsidiaries and Group financing. Consists of the companies Endùr Maritime AS, Endùr Bidco AS, Endùr Invest AS and BG Malta Ltd.

2021 (NOKm)	Marine infrastructure	Aquaculture solutions	Other	Intra-group eliminations	Total
Operating revenue	813.8	1 006.2	190.2	(11.3)	1 998.9
Operating profit / loss EBITDA	157.8	52.8	(55.3)	(16.4)	138.9
Depreciation, amortization	(85.5)	(26.7)	(7.4)	-	(119.6)
Impairment	(22.8)	-	-	-	(22.8)
Operating profit / loss EBIT	49.5	26.1	(62.7)	(16.4)	(3.5)
Segments assets	1 264.9	1 199.7	2 002.4	(1 958.6)	2 508.5
Segment liabilities	470.9	456.3	1 053.1	(370.3)	1 610.0
2020 (NOKm)	Marine infrastructure	Aquaculture solutions	Other	Intra-group eliminations	Total
Operating revenue	6.2	65.2	203.0	(7.3)	267.1
Operating profit / loss EBITDA	4.4	(0.4)	(10.8)	-	(6.8)
Depreciation, amortization	(0.2)	(1.0)	(9.4)	-	(10.6)
Impairment	-	-	(42.3)	-	(42.3)
Operating profit / loss EBIT	4.3	(1.4)	(62.5)		(59.7)
Segments assets	698.0	96.2	994.0	(838.6)	949.6
Segment liabilities	740.6	26.7	151.8	(297.8)	621.3

MAJOR CUSTOMERS

Revenues from one customer of the Group's Aquaculture solutions segment represented approximately NOK 640 million of the Group's total revenues in 2021.

There are no other customer in the Group where the recognised revenue is more than 10 percent of total revenues in 2021.

NOTE 5: REVENUE

FINANCIAL REPORTING PRINCIPLES

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. In the profit or loss statement revenues from contracts with customers are presented net of discounts, VAT and other public duties.

Revenue

The majority of the group's revenues, in the Marine infrastructure and Aquaculture solutions segment, stem from projects based on Norwegian Standard Contracts (NS) for construction works. Payments may be based on fixed totals with milestone installments, cost-plus or quantity-based unit prices. The latter two are typically billed monthly. Revenues are typically due for payment within 30 days after the billing date, while end-invoices typically are due for payment within 60 days.

Revenue in the Other segment stem mainly form service and maintenance contracts that are mainly time and material contracts, T&M, but fixed-price contracts and elements of fixed-price also occur. Each individual contract is normally considered as a separate performance obligation and revenue is recognised over time to depict the delivered time and materials. For contracts with significant fixed-price elements an input method is used to measure the progress of the project, which is the basis for recognizing revenue over time.

The majority of the group's delivery commitments are fulfilled at project hand-over (or in some cases in accordance with partial hand-overs).

Contract balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables represents the Group's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group fulfills the performance obligation(s) under the contract.

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

	Mar infrastr		Aquaculture solutions		Oth	ner	Total	
(NOKm)	2021	2020	2021	2020	2021	2020	2021	2020
Primary geographical markets								
Norway and the Norwegian Continental Shelf	469.1	4.9	1 002.4	65.2	180.1	197.0	1 651.6	267.1
Sweden	296.9	-	-	-	5.8	-	302.7	-
Other	37.9	-	3.9	-	2.9	-	44.7	-
	803.9	4.9	1 006.2	65.2	188.8	197.0	1 998.9	267.1
Major products / service lines								
Public sector - Directly	460.8		-		102.5		563.4	-
Private Sector	343.1	4.9	1 006.2	65.2	86.3	197.0	1 435.6	267.1
	803.9	4.9	1 006.2	65.2	188.8	197.0	1 998.9	267.1
Timing of revenue recognition								
Products transferred at a point in time	460.9		72.7		184.8		718.4	-
Products and services transferred over time	343.0	4.9	933.5	65.2	4.0	197.0	1 280.5	267.1
	803.9	4.9	1 006.2	65.2	188.8	197.0	1 998.9	267.1

Performance obligations that are unsatisfied at the reporting date, have an original expected duration of one year or less.

CONTRACT BALANCES

(NOKm)	31.12.2021	31.12.2020
Receivables, which are included in trade and other receivables	471.6	95.7
Contract assets	30.8	60.8
Contract liabilities	31.4	32.7

The contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. There have been significant changes in the balances for the contract asset during the reporting period. This is mainly due to the bankruptcy in \emptyset PD AS and a reduction in contract assets in Endùr Maritime AS. The significant increase in receivables is mainly due to business combinations described in note 3.

NOTE 6: PAYROLL EXPENSES

FINANCIAL REPORTING PRINCIPLES

Pensions

The Group mainly has defined contribution pension schemes that are charged against income as contributions are made to the scheme. Some group companies also have an early retirement scheme (AFP) in the LO-NHO area. The AFP scheme is accounted for as a defined contribution pension scheme, as the scheme's administrator is not able to make the necessary calculation of obligations, assets and pension earnings for each member enterprise. Consequently, the premium and contributions will be charged against income as they arise. However, an obligation is calculated for employees who have chosen to take early retirement. These are defined as active AFPs and the obligation is equivalent to the employer's contribution in the period from when they take early retirement until they reach 67 years of age. The obligation is recognized in the consolidated accounts. In the previous AFP scheme, there is an undercoverage. The company have accrued for the expected cost related to this undercoverage.

Share-based compensation

The Group did not during the 2021 accounting year pay or award any remuneration to any of its employees or officers by way of shares, options, warrants or any other form of equity instruments for services rendered as employees or officers of the Group. The Board of Directors did propose, and the general meeting did resolve on 21 May 2021 to authorize the Board to issue new shares for the purpose of establishing an option program for key employees. As of the time of writing however, no such option program has been implemented.

The Group did undertake a share subscription program in December 2021 whereby all permanent employees of the Group were offered the opportunity to subscribe new shares in the Group at a discount in accordance with a resolution made by the annual general meeting on 21 May 2021 at a subscription price per share of NOK 0.52996, reflecting a discount of 20% on the volume weighted average closing price of the Group's share during the application. All shares subscribed and allotted under the offering are subject to 6 months lock-up. See note 30 for further description.

PAYROLL EXPENSES

(NOKm)	2021	2020
Salarias and holiday pay	302.5	65.5
Salaries and holiday pay Employer`s national insurance contribution	54.7	9.5
Share subscription program	0.9	-
Pension expenses	14.1	3.0
Other payroll expenses	7.7	3.0
Total	380.0	81.0
Number of employees 31.12	463	276

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

The Group has defined contribution pension plans for all employees. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contribution is expensed when it occurs.

The Group has, for some employees, an AFP scheme which gives a lifelong contribution to the ordinary pension. The employees can choose to exercise the new AFP-scheme starting at the age of 62 years, also in combination with continued work until they turn 67 years old. The new AFP-scheme is a defined benefit multi-employer plan, of which is financed through contributions that are determined by a percentage of the employee's earnings between 1G and 7.1G. There is currently no reliable measure and allocation of liabilities and assets in the plan. The plan is accounted for as a defined contribution plan, of which means that the contributions are recognised as expenses with no provisions.

NOTE 7: NET FINANCE COSTS

NET FINANCE COSTS

	Mar infrastr		-	Aquaculture Solutions Other		ier	Total	
(NOKm)	2021	2020	2021	2020	2021	2020	2021	2020
Interest income	0.1	0.0	0.4	0.0	0.0	0.8	0.6	0.8
Currency gain	0.2	0.0	-	-	0.2	0.0	0.4	0.0
Leasing income	0.0	0.0	-	-	0.1	0.1	0.1	0.1
Other financial income	0.2	0.1	-	-	0.9		1.1	0.1
Finance income	0.5	0.1	0.4	0.0	1.2	0.9	2.1	1.0
Interest expenses	0.2	-	0.4	0.5	2.1	4.4	2.7	4.8
Interest expenses bond	-	-	-	-	67.7	-	67.7	-
Currency loss	(0.2)	-	0.1	-	2.7	0.2	2.6	0.2
Other financial expenses	0.0	-	0.0	0.0	15.0	8.1	15.0	8.2
Leasing expenses	2.5	0.1	0.5	-	1.5	1.3	4.5	1.4
Amortization bond	-	-	-	-	18.4	-	18.4	-
Finance costs	2.5	0.1	1.0	0.5	107.3	14.0	110.8	14.6
Net finance costs recognised in the income statement	(2.0)	(0.0)	(0.5)	(0.5)	(106.2)	(13.1)	(108.7)	(13.6)

NOTE 8: TAX

FINANCIAL REPORTING PRINCIPLES

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities.

Deferred tax assets are recognised when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. The companies recognise previously unrecognised deferred tax assets to the extent it has become probable that the company can utilise the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the company no longer regards it as probable that it can utilise the deferred tax asset.

Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates applicable to the companies in the Group where temporary differences have arisen. Deferred tax and deferred tax assets are recognised at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet.

INCOME TAX EXPENSE

(NOKm)	2021	2020
Tax payable		
Tax payable for the year	(7.8)	-
Adjustments in respect of current income tax of previous years	(2.4)	
Total tax payable for the period	(10.2)	-
Changes deferred tax		
Changes in deferred tax	55.3	5.8
Total changes deferred tax	55.3	5.8
Net income tax	45.1	5.8

TAXES PAID

(NOKm)	Total	Norway	Abroad
Corporate income tax	(7.8)	-	(7.8)
Prepaid tax	7.8	-	7.8
Total tax payable 2021	-	-	-

Taxes paid relates to the Swedish operations. Taxes are paid monthly in Sweden, based on estimated figures and settled yearly, resulting in zero tax payable in the balance sheet at 31.12.2021.

RECONCILIATION OF EFFECTIVE TAX RATE

(NOKm)	2021		2020	
Loss		(51.8)		(519.1)
Net tax income / expense		(45.1)		(5.8)
Loss before tax		(96.9)		(524.9)
Tax at nominal tax rate	22.0 %	21.3	22.0 %	115.5
Other permanent differences	(17.5) %	(17.0)	(22.2) %	(116.7)
Effects of temporary differences not recognised	38.8 %	37.6	1.3 %	7.1
Other tax effects	(3.2) %	3.1		
Net tax income / expense for the group	46.5 %	45.1	1.1 %	5.9

MOVEMENT IN DEFERRED TAX BALANCES

(NOKm)	31.12.2020	Recognised in profit or loss	Bankruptcy subsidiary	Acquired in business combinations	31.12.2021
Non current assets	(13.8)	(16.5)	4.8	138.9	113.4
Currents assets	(6.8)	17.7	(49.5)	(0.5)	(39.1)
Provisions	(9.9)	(1.1)	4.9	(12.2)	(18.3)
Other differences	(1.4)	(13.8)	0.1	194.4	179.3
Excess values	42.0	(13.2)	-	337.8	366.6
Interest deductibility carried forward	(55.6)	0.2	-	-	(55.4)
Taxable loss carried forward	(380.9)	(53.2)	241.6	-	(192.5)
Total basis related to deferred tax	(426.3)	(80.1)	202.0	658.4	354.0
Net deferred tax asset	93.8	17.6	(44.4)	(144.9)	(77.9)
Net deferred tax asset - not recognised in the accounts	82.1	(37.6)	(44.4)	<u>-</u>	0.0
Net deferred tax asset - recognised in the accounts	11.7	55.3		(144.9)	(77.9)

Deferred tax assets have been recognised in respect of the total basis, because it is probable that future taxable profit will be available against which the Group can use the benefits therefrom.

NOTE 9: DISCONTINUED OPERATIONS

FINANCIAL REPORTING PRINCIPLES

At disposal of a separate major line of business, the profit or loss from these operations, including gains/losses from the derecognition is classified as discontinued operations, if the criteria in IFRS 5 have been met. Profit/loss from group of as- sets classified as held for sale is also classified as discontinued operations. When discontinued operations are identified, the comparable amounts in the income statement and other comprehensive income, and the accompanying notes, are restated to reflect these operations in the previous year as if they were discontinued in that year.

Bankruptcy in subsidiary - ØPD AS

The Board of Directors of the subsidiary ØPD AS decided on 5 February 2021 to file for bankruptcy. The company had for some time experienced a strained liquidity situation, and the Board considered that there was no longer a basis for continued operations.

The operating result was negatively affected by a goodwill impairment of NOK 461.3 million [1], primarily related to the bankruptcy filing in ØPD AS.

Bankruptcy in subsidiary - Endúr Industrier AS

The Board of Directors of the subsidiary Endúr Industrier AS decided on 15 January 2021 to file for bankruptcy. The company had for some time experienced a strained liquidity situation, and the Board considered that there was no longer a basis for continued operations.

Divestment of subsidiary - Endúr AAK AS

The Board of Directors of Endùr ASA entered into an agreement with Norwegian Group AS (NOG) 1 July 2021 to sell the Group's wholly owned subsidiary, Endúr ASA resolved mid-2020 a strategic change of direction, where marin infrastructure and solutions for land-based aquaculture are defined as the group's core focus areas. The implementation of this strategic redirection has most importantly involved the recent acquisitions of BMO Entreprenør AS, Marcon-Gruppen i Sverige AB and Artec Aqua AS, all leading companies in their respective markets, with histories of profitable growth. The choice of new direction has also identified certain parts and activities in the group as non-core and not integral to Endúr's strategy and vision.

The result up to the date of the bankruptcys and divestment is presented as discontinued operations. In addition, gains related to the bankruptcy's and divestment are presented as discontinued operations.

[1] Note that NOK 198.7 million of the goodwill impairment derives from an increase in consideration due to increase in share price from announcement date to closing date of the merger with Oceano AS, and was mirrored by a corresponding increase in book equity, hence the net change to Endúr ASA's equity from this part of the goodwill impairment was zero.

32

RESULTS OF DISCONTINUED OPERATIONS

(NOKm)	2021	2020
Revenue	29.6	129.2
Expenses	(66.2)	(587.2)
Profit/loss before tax	(36.6)	(457.9)
Income tax expense	-	(0.1)
Profit/loss	(36.6)	(458.0)
Gain discontinued operations	51.9	6.2
Net result from discontinued operations	15.3	(451.8)
Earnings per share - discontinued operations		
Earnings per share (NOK)	0.01	(1.47)
Diluted earnings per share (NOK)	0.01	(1.47)

CASH FLOWS FROM DISCONTINUED OPERATIONS

(NOKm)	2021	2020
Net cash used in operating activities	-	-
Net cash from investing activities	(12.2)	(3.8)
Net cash from financing activities	-	-
Net cash flow	(12.2)	(3.8)

EFFECT OF DISPOSAL

(NOKm)	2021	2020
Intangible assets	6.9	-
Property, plant and equipment	46.0	12.5
Inventories	3.2	-
Contract assets	19.3	14.2
Trade and other receivables	128.2	24.4
Cash and cash equivalents	12.2	3.8
Loans and borrowings	(15.1)	(13.9)
Lease liabilities	(39.2)	(11.7)
Trade and other payables	(208.5)	(35.6)
Tax payable	(0.1)	-
Contract liabilities	(4.8)	-
Net assets and liabilities	(51.9)	(6.2)

NOTE 10: 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 divided by the weighted average number of ordinary shares outstanding. When calculating the diluted earnings per share, the profit/loss that is attributable to the ordinary shareholders of the parent and the weighted average number of ordinary shares outstanding are adjusted for all the dilution effects relating to convertible bonds and share options. In the calculations, convertible bonds and share options are assumed to have been converted/ exercised on the first date in the fiscal year. Convertible bonds and share options issued in the period are assumed to be converted/ exercised at the date of issue/ grant date.

BASIC EARNINGS PER SHARE

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of shares outstanding

Profit (loss) attributable to ordinary shareholders (basic) (NOKm)		2021	2020
Profit (loss) attributable to ordinary shareholders (basic)		(59.8)	(519.1)
Weighted-average number of ordinary shares (basic)	Date	2021	2020
Issued ordinary shares at 1 January		732 667 536	213 091 018
Effect of shares issued	08/07/2020		32 146 119
Effect of shares issued	13/07/2020		1 561 643
Effect of shares issued related to a business combination	17/10/2020		44 182 401
Effect of shares issued	18/11/2020		12 557 137
Effect of shares issued	18/12/2020		3 827 730
Effect of shares issued related to a business combination	18/12/2020		742 009
Effect of shares issued	21/12/2020		57 100
Effect of shares issued	02/03/2021	1 707 438	
Effect of shares issued related to a business combination	08/03/2021	87 021 974	
Effect of shares issued related to a business combination	12/03/2021	239 336 966	
Effect of shares issued	19/11/2021	26 703 196	
Effect of shares issued related to share purchase program	31/12/2021	24 401	
Weighted-average number of ordinary shares at 31 December		1 087 461 511	308 165 157

DILUTED EARNINGS PER SHARE

The calculation of diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of shares outstanding after adjustment for the effects of all dilutive potential ordinary shares

Profit (loss) attributable to ordinary shareholders (diluted) (NOKm)	2021	2020
Profit (loss) attributable to ordinary shareholders (basic)	(59.8)	(519.1)
Profit (loss) attributable to ordinary shareholders (diluted)	(59.8)	(519.1)
Weighted-average number of ordinary shares (diluted)	2021	2020
Weighted-average number of ordinary shares (basic)	1 087 461 511	308 165 157

At 31 December 2020, 4 995 000 convertible bonds and 13 500 000 options were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive. In 2021 all the convertible bonds were converted to new shares in Endúr ASA.

NOTE 11: INTANGIBLE ASSETS

FINANCIAL REPORTING PRINCIPLES

Intangible assets that have been acquired separately are carried at cost. The costs of intangible assets acquired through an acquisition are recognised at their fair value in the Group's opening balance sheet. Capitalised intangible assets are recognised at cost less any amortization and impairment losses.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised but are expensed as occurred.

The economic life is either definite or indefinite. Intangible assets with a definite economic life are amortised over their economic life and tested for impairment if there are any indications. The amortization method and period are assessed at least once a year. Changes to the amortization method and/or period are accounted for as a change in estimate.

Intangible assets with an indefinite economic life and goodwill are tested for impairment at least once a year, either individually or as a part of a cash-generating unit. Intangible assets with an indefinite economic life and goodwill are not amortised. The economic life is assessed annually with regard to whether the assumption of an indefinite economic life can be justified. If it cannot, the change to a definite economic life is made prospectively.

Licenses

Customer

Order

INTANGIBLE ASSETS

(NOKm)	Note	Licenses, patents etc.	rel.ships	Order backlog	Goodwill	Total
Acquisition cost 1 Jan. 2021		2.4	4.1	26.4	841.1	873.9
Acquisitions		4.7	-	-	-	4.7
Acquisitions through business combinations	3	84.1	186.7	-	500.1	770.9
Disposals due to discontinued operations	9	-	-	-	(355.0)	(355.0)
Currency adj		-	-	-	(1.7)	(1.7)
Acc. acquisition cost 31 Dec. 2021		91.2	190.8	26.4	984.4	1 292.8
Accumulated depreciations as of 1 Jan. 2021		(2.2)	-	-	(461.3)	(463.3)
Current year's depreciations		(7.1)	(16.0)	(10.7)	-	(33.9)
Current year's impairment	13	-	-	-	(22.8)	(22.8)
Disposals due to discontinued operations	9				348.1	
Acc. amort. and imp. losses 31 Dec. 2021		(9.3)	(16.0)	(10.7)	(136.1)	(520.0)
Book value 31. Dec. 2021		81.8	174.8	15.6	848.4	1 120.7
Amortization rates		10 years	7 years	2.5 years	Impairment	
Amortization plan		Linear	Linear	Linear	test	
_		Licenses,	Customer	Order		
(NOKm)	Note	patents etc.	rel.ships	backlog	Goodwill	Total
Acquisition cost 1 Jan. 2020		2.2	-	-	113.6	115.8
Acquisitions 2020		-	-	-	-	-
Acquisitions through business combinations	3	0.1	4.1	26.4	727.5	758.1
Acc. acquisition cost 31 Dec. 2020		2.4	4.1	26.4	841.1	873.9
Accumulated depreciations as of 1 Jan. 2020		(0.9)	-	_	-	(0.9)
Current year's depreciations		(1.1)	-	-	-	(1.1)
Current year's impairment	13				(461.3)	(461.3)
Acc. amort. and imp. losses 31 Dec. 2020		(2.0)		-	(461.3)	(463.3)
Book value 31. Dec. 2020		0.3	4.1	26.4	379.8	410.5
Amortization rates		10 years	7 years	2.5 years	Impairment	
Amortization plan		Linear	Linear	Linear	test	

See note 13 for details regarding impairment-testing.

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

FINANCIAL REPORTING PRINCIPLES

Property plant and equipment are valued at their cost less accumulated depreciation and impairment losses. When assets are sold or disposed of, the carrying amount is derecognised and any gain or loss is recognised in the statement of comprehensive income.

The cost of property plant and equipment is the purchase price, including taxes/duties and costs directly linked to preparing the asset ready for its intended use. Costs incurred after the asset is in use, such as regular maintenance costs, are recognised in the statement of comprehensive income, while other costs that are expected to provide future financial benefits are capitalised.

The depreciation period and method are assessed each year. A residual value is estimated at each year-end, and changes to the estimated residual value are recognised as a change in an estimate.

Assets under construction are classified as non-current assets and recognised at cost until the production or development process is completed. Assets under construction are not depreciated until the asset is taken into use. An impairment loss is identified if the carrying amount of a tangible asset exceeds its recoverable amount. The impairment loss is recognised by reducing the carrying amount of the tangible asset to equal the recoverable amount.

PROPERTY, PLANT AND EQUIPMENT

(NOKm)	Note	Land, buildings	Right-of- use assets	Plant, equipment	Operating equipment	Total
Acquisition cost 1 Jan. 2021		24.8	150.7	31.9	43.8	251.3
Acquisitions		0.1	32.0	30.2	53.6	115.8
Acquisitions through business combinations	3	8.9	28.6	2.9	379.3	419.8
Disposals		(18.9)	-	(5.7)	(42.9)	(67.5)
Disposals due to discontinued operations	9	-	(72.0)	-	-	(72.0)
Acc. acquisition cost 31 Dec. 2021		15.0	139.2	59.3	433.9	647.4
Acc. Depr/impairment 1 Jan. 2021		(2.1)	(41.7)	(3.7)	(7.0)	(54.5)
Depreciation		(1.1)	(30.4)	(17.6)	(36.3)	(85.4)
Impairment		-	-	-	-	-
Disposals		0.7	-	(3.1)	(11.4)	(13.8)
Disposals due to discontinued operations	9	-	26.0	-	-	26.0
Acc. Depr/impairment 31 Dec. 2021		(2.5)	(46.1)	(24.4)	(54.7)	(127.8)
Book value 31. Dec. 2021		12.4	93.1	34.9	379.2	519.1

Note	Land, buildings	Right-of- use assets	Plant, equipment	Operating equipment	Total
	15.2	45.8	5.9	7.8	74.8
	2.8	30.9	0.2	1.3	35.1
3	7.2	85.1	26.3	35.3	154.0
	(0.3)	(11.1)	(0.5)	(0.6)	(12.5)
	24.8	150.7	31.9	43.8	251.3
	(1.2)	(15.6)	(1.3)	(6.1)	(24.1)
	(1.0)	(11.3)	(2.4)	(0.9)	(15.5)
13	-	(14.9)	-	-	(14.9)
	(2.1)	(41.7)	(3.7)	(7.0)	(54.5)
	22.7	109.0	28.3	36.9	196.8
	0-20 years	2-7 years	3-10 years	3-10 years	
	Linear	Linear	Linear	Linear	
	3	Note buildings 15.2 2.8 3 7.2 (0.3) 24.8 (1.2) (1.0) 13 - (2.1) 22.7 0-20 years	Note buildings use assets 15.2 45.8 2.8 30.9 3 7.2 85.1 (0.3) (11.1) 24.8 150.7 (1.2) (15.6) (1.0) (11.3) 13 - (14.9) (2.1) (41.7) 22.7 109.0 0-20 years 2-7 years	Note buildings use assets equipment 15.2 45.8 5.9 2.8 30.9 0.2 3 7.2 85.1 26.3 (0.3) (11.1) (0.5) 24.8 150.7 31.9 (1.2) (15.6) (1.3) (1.0) (11.3) (2.4) 13 - (14.9) - (2.1) (41.7) (3.7) 22.7 109.0 28.3 0-20 years 2-7 years 3-10 years	Note buildings use assets equipment equipment 15.2 45.8 5.9 7.8 2.8 30.9 0.2 1.3 3 7.2 85.1 26.3 35.3 (0.3) (11.1) (0.5) (0.6) 24.8 150.7 31.9 43.8 (1.2) (15.6) (1.3) (6.1) (1.0) (11.3) (2.4) (0.9) 13 - (14.9) - - (2.1) (41.7) (3.7) (7.0) 22.7 109.0 28.3 36.9

NOTE 13: IMPAIRMENT OF ASSETS

FINANCIAL REPORTING PRINCIPLES

The carrying amounts of the group's assets, other than employee benefit assets, inventories, deferred tax assets and derivatives are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If an indication of impairment exists, the asset's recoverable amount is estimated.

Cash-generating units (CGU) containing goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use are tested for impairment annually.

The recoverable amount is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are recognised in the income statement. An impairment loss recognised in respect of CGU is allocated first to goodwill and then to the other assets in the unit (group of units) on a pro rata basis.

An impairment loss on goodwill is not reversed. An impairment loss on other assets is reversed if there has been a change in the estimates used to determine the recoverable amount, and the change can be objectively related to an event occurring after the impairment was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

IMPAIRMENT TESTING OF GOODWILL

Endúr`s goodwill originates from several business combinations. Goodwill has been allocated to the Group's cash generating units as follows:

(NOKm)	31.12.2021	31.12.2020
Marine infrastructure - Marcon-Gruppen i Sverige AB	84.6	
Marine infrastructure - BMO Entreprenør AS	278.7	278.7
Marine infrastructure - Installit AS	7.1	29.8
Aquaculture solutions - Artec Aqua AS	413.8	
Aquaculture solutions- Endúr Sjøsterk AS	48.5	48.5
Other - Endúr Maritime AS	15.7	15.7
Energy - Endúr AAK AS	-	7.1
Total goodwill	848.4	379.8

Endúr performs a test of the value of goodwill and other intangible assets annually or at the end of each reporting period, if there is indication of impairment of the assets. The impairment losses in 2021 was as follows:

(NOKm)	2021	2020
Marine infrastructure - Installit AS	22.8	
Other - Endúr Maritime AS	-	42.3
Total impairment	22.8	42.3

Marine infrastructure - Marcon-Gruppen i Sverige AB

As of 31.12.2021, the Group performed an impairment test of goodwill and other intangible assets in accordance with requirements in IAS 36. The value in use has been used in order to determine recoverable amount. The calculations are based upon estimated future cash flows for the cash generating unit, Marcon-Gruppen i Sverige AB. The calculations are based upon budgets and long term profit goals for the period 2022 up to and including 2026. Budgeted EBITDA is based on expectations for future results taking into account experience from historical results. For subsequent periods, a growth rate of 2 % has been used, which is in line with the expected inflation rate. WACC of 9.42 % after tax and EBITDA-margin of 18-21 % has been used. Estimated recoverable amount of cash-generating unit exceeds book value.

The headroom related to Marcon-Gruppen i Sverige AB in the impairment-test amounts to MNOK 211.9.

The following table shows the sensitivity related to changes in the key assumptions:

Sensitivity - changes in key assumptions

(NOKm)	Effect recoverable amount	Impairment
Discount rate +1%	(67.5)	-
Terminal value growth rate -1%	(47.3)	-
Average EBITDA-margin -0.5%	(27.6)	-

Marine infrastructure - BMO Entreprenør AS

As of 31.12.2021, the Group performed an impairment test of goodwill and other intangible assets in accordance with requirements in IAS 36. The value in use has been used in order to determine recoverable amount. The calculations are based upon estimated future cash flows for the cash generating unit, BMO Entreprenør AS. The calculations are based upon budgets and long term profit goals for the period 2022 up to and including 2026. Budgeted EBITDA is based on expectations for future results taking into account experience from historical results. For subsequent periods, a growth rate of 2 % has been used, which is in line with the expected inflation rate. WACC of 7.95% after tax and EBITDA-margin of 13-14 % has been used. Estimated recoverable amount of cash-generating unit exceeds book value.

The headroom related to BMO Entreprenør AS in the impairment-test amounts to MNOK 248.6.

The following table shows the sensitivity related to changes in the key assumptions:

Sensitivity - changes in key assumptions

(NOKm)	Effect recoverable amount	Impairment
Discount rate +1%	(96.6)	-
Terminal value growth rate -1%	(72.8)	-
Average EBITDA-margin -0.5%	(34.1)	-

Marine infrastructure - Installit AS

As of 31.12.2021, the Group performed an impairment test of goodwill and other intangible assets in accordance with requirements in IAS 36. The value in use has been used in order to determine recoverable amount. The calculations are based upon estimated future cash flows for the cash generating unit, Installit AS. The calculations are based upon budgets and long term profit goals for the period 2022 up to and including 2026. Budgeted EBITDA is based on expectations for future results taking into account experience from historical results. For subsequent periods, a growth rate of 0 % has been used. WACC of 11.5 % after tax and EBITDA-margin of -5% to 5 % has been used to reflect that Installits work force at the end of 2021 is below critical mass, the company has to hire a number of employees to retain critical mass size, and likely this will incur operating losses in the rebuild period. Estimated recoverable amount of cash-generating unit is below book value.

The headorom related to Installit AS in the impairment-test amounts to negative NOK 22.5 million.

On 7 April 2022, Endúr ASA entered into an agreement with the DeepOcean Group for the sale of Installit AS and its subsidiaries with effect from 1'st of January 2022. The recoverable amount has therefor been estimated based on the purchase price of NOK 20.8 million. Carrying amount is calculated to NOK 43.6 million. Hence the divestment of Installit AS will result in an accounting loss of approximately NOK 22.8 million for Endúr.

The following table shows the sensitivity related to changes in the key assumptions:

Sensitivity - changes in key assumptions

a a real flow of the second se		
	Effect recoverable	
(NOKm)	amount	Impairment
Discount rate +1%	(1.6)	(24.1)
Terminal value growth rate -1%	(1.0)	(23.5)
Average EBITDA-margin -0.5%	(1.7)	(24.2)

Aquaculture solutions - Artec Aqua AS

As of 31.12.2021, the Group performed an impairment test of goodwill and other intangible assets in accordance with requirements in IAS 36. The value in use has been used in order to determine recoverable amount. The calculations are based upon estimated future cash flows for the cash generating unit, Artec Aqua AS. The calculations are based upon budgets and long term profit goals for the period 2022 up to and including 2026. Budgeted EBITDA is based on expectations for future results taking into account experience from historical results. For subsequent periods, a growth rate of 2 % has been used, which is in line with the expected inflation rate. WACC of 11.47 % after tax and EBITDA-margin of 5-7 % has been used. Estimated recoverable amount of cash-generating unit exceeds book value.

The headroom related to Artec Aqua AS in the impairment-test amounts to MNOK 491.1.

The following table shows the sensitivity related to changes in the key assumptions:

Sensitivity - changes in key assumptions

(NOKm)	Effect recoverable amount	Impairment
Discount rate +1%	(124.2)	-
Terminal value growth rate -1%	(81.6)	-
Average EBITDA-margin -0.5%	(106.2)	-

Aquaculture solutions - Endúr Sjøsterk AS

As of 31.12.2021, the Group performed an impairment test of goodwill and other intangible assets in accordance with requirements in IAS 36. The value in use has been used in order to determine recoverable amount. The calculations are based upon estimated future cash flows for the cash generating unit, Endúr Sjøsterk AS. The calculations are based upon budgets and long term profit goals for the period 2022 up to and including 2026. Budgeted EBITDA is based on expectations for future results taking into account experience from historical results. For subsequent periods, a growth rate of 2 % has been used, which is in line with the expected inflation rate. WACC of 11.47 % after tax and EBITDA-margin of 4-6 % has been used. Estimated recoverable amount of cash-generating unit exceeds book value.

The headroom related to Endúr Sjøsterk AS in the impairment-test amounts to MNOK 34.7.

The following table shows the sensitivity related to changes in the key assumptions:

Sensitivity - changes in key assumptions

(NOKm)	Effect recoverable amount	Impairment
Discount rate +1%	(9.6)	-
Terminal value growth rate -1%	(6.3)	-
Average EBITDA-margin -0.5%	(8.7)	-

Other - Endúr Maritime AS

As of 31.12.2021, the Group performed an impairment test of goodwill and other intangible assets in accordance with requirements in IAS 36. The value in use has been used in order to determine recoverable amount. The calculations are based upon estimated future cash flows for the cash generating unit, Endúr Maritime AS. The calculations are based upon budgets and long term profit goals for the period 2022 up to and including 2026. Budgeted EBITDA is based on expectations for future results taking into account experience from historical results. For subsequent periods, a growth rate of 2 % has been used, which is in line with the expected inflation rate. WACC of 9.42 % after tax and EBITDA-margin of 3-10 % has been used. Estimated recoverable amount of cash-generating unit exceeds book value.

The headroom related to Endúr Maritime AS in the impairment-test amounts to MNOK 99.5.

The following table shows the sensitivity related to changes in the key assumptions:

Sensitivity - changes in key assumptions

(NOKm)	Effect recoverable amount	Impairment
Discount rate +1%	(25.4)	-
Terminal value growth rate -1%	(18.3)	-
Average EBITDA-margin -0.5%	(12.3)	-

NOTE 14: INVENTORIES

FINANCIAL REPORTING PRINCIPLES

Inventories are recognised in the accounts at the lower of the acquisition cost and net realisable value. The net realisable value is the estimated sales price in ordinary operations, less estimated costs relating to completion, marketing and distribution. The cost of inventory is based on the FIFO method and includes costs of bringing the goods to their present state and location.

INVENTORIES

(NOKm)	31.12.2021	31.12.2020
Raw materials and consumables	19.0	10.5
Work in progress	-	
Finished goods	7.2	
Total	26.3	10.5
(NOKm)	31.12.2021	31.12.2020
Inventories at 31 December at cost price	27.5	14.7
Inventories at 31 December at net realisable value	(1.3)	(4.1)
Total	26.3	10.5

NOTE 15: RECEIVABLES

FINANCIAL REPORTING PRINCIPLES

Trade and other receivables are recognized at the original invoiced amount, less impairment losses. Impairment losses are estimated based on the expected credit loss method (ECL).

TRADE AND OTHER RECEIVABLES

(NOKm)	31.12.2021	31.12.2020
Trade receivables at nominal value	476.2	98.4
Provision for bad debt	(4.5)	(2.7)
Trade receivables, net	471.6	95.7
Net investment - lease	0.0	2.0
VAT receivable	0.2	1.0
Prepaid expenses	11.7	6.5
Other short-term receivables	17.2	86.0
Provision for bad debt	4.0	(60.0)
Total	504.8	131.2

There have been significant changes in the balances during the reporting period. This is mainly due to the business combinations described in note 3.

MATURITY PROFILE OF TRADE RECEIVABLES

	202	2021		2020	
(NOKm)	Gross receivables	Provision for loss	Gross receivables	Provision for loss	
Not overdue	286.5		57.2	-	
Overdue 0-30 days	69.8		12.4	-	
Overdue 31-90 days	9.0		9.6	(0.0)	
Overdue in 91-365 days	46.0		9.9	(1.0)	
Overdue in > 1 year	64.8	(4.5)	9.3	(1.7)	
Total	476.2	(4.5)	98.4	(2.7)	

NOK 58,6 million of the trade payables overdue by more than 12 months pertain to two projects undertaken by Marcon and BMOE respectively prior to their incorporation into Endúr. Settlement for both projects are currently disputed. Endúr has obtained certain indemnification statements from the companies' previous owners which provide that Endúr's risk of incurring losses from these disputed projects is limited.

42

NOTE 16: CASH AND CASH EQUIVALENTS

(NOKm)	31.12.2021	31.12.2020
Cash and bank deposits - unrestricted funds	287.3	141.7
Cash and bank deposits - restricted funds	17.1	26.1
Total	304.4	167.8

RESTRICTED FUNDS

(NOKm)	31.12.2021	31.12.2020
Tax withholding accounts	7.3	20.0
Security related to guarantees issued	6.2	2.5
Deposit accounts for non-insured pension obligations	3.6	3.6
Total	17.1	26.1

NOTE 17: SHARE CAPITAL AND SHAREHOLDER INFORMATION

SHARE CAPITAL

Debt conversion registered 2 March 2021 - The company's share capital increased by NOK 20,433.27 from NOK 7,326,675.36 to NOK 7,347,108.63, by issuing 2,043,327 new shares each with a nominal value of NOK 0.01.

Business combination registered 8 March 2021- The company's share capital increased by NOK 1,062,308.38, from NOK 7,347,108.63 to NOK 8,409,417.01 by issuing 106,230,838 new shares each with a nominal value of NOK 0.01.

Business combination registered 12 March 2021 - The company's share capital increased by NOK 2,961,287.89, from NOK 8,409,417.01 to NOK 11,370,704.90 by issuing 296,128,789 new shares each with a nominal value of NOK 0.01.

Private placement registered 19 November 2021 - The company's share capital increased by NOK 2,266,667.67 from NOK 11,370,704.90 to NOK 13,637,371.57, by issuing 226,666,667 new shares each with a nominal value of NOK 0.01.

Share-based payment registered 31 December 2021 - The company's share capital increased by NOK 89,062.49 from NOK 13,637,371.57 to NOK 13,726,434.06, by issuing 8,906,249 new shares each with a nominal value of NOK 0.01.

At 31 December 2021, the share capital of Endúr ASA was NOK 13,726,434.06, divided into 1,372,643,406 shares, each with a nominal value of NOK 0.01. All shares have equal voting rights.

Shareholders as of 31 December 2021	No of shares	Holding
Artec Holding AS	376 432 009	27.42%
Bever Holding AS	104 382 030	7.60%
Jörn Ryberg Holding AB	87 445 469	6.37%
Tigerstaden Marine AS	61 000 000	4.44%
Middelborg Invest AS	51 105 453	3.72%
Cygnus Olor AB	43 711 026	3.18%
Gimle Invest AS	36 353 356	2.65%
AS Flyfisk	18 814 606	1.37%
Langåker, Steinar	16 429 161	1.20%
BR Industrier AS	15 817 523	1.15%
DnB Markets Aksjehandel/-Analyse	15 400 000	1.12%
Tight Holding AS	15 375 477	1.12%
DnB Nor Bank ASa, Meglerkonto Innland	14 914 384	1.09%
Tigerstaden AS	14 864 313	1.08%
Tatomi Invest AS	12 484 866	0.91%
Energon Holding AS	12 400 000	0.90%
Alundo Invest AS	10 600 000	0.77%
Fender Eiendom AS	10 599 039	0.77%
Eikeland Holding AS	9 156 357	0.67%
Trionor AS	8 758 351	0.64%
Total shares owned by 20 largest shareholders	936 043 420	68.19%
Other shareholders	436 599 986	31.81%
Total number of shares 31.12.2021	1 372 643 406	100.00%

SHARES OWNED BY EXECUTIVE PERSONNEL AND BOARD MEMBERS

The following table shows shares owned by executive personnel and board members, including shares owned by their closely-related persons and companies, as of 31 December 2021.

Board member	Title	Ownership	No of shares	Holding
Pål Reiulf Olsen	Chairman of the Board of Directors	Shares owned by Poca Invest AS	1 000 000	0.07%
Bjørn Finnøy	Board member	Shares owned by Artec Holding AS	125 477 336	9.14%
Kristine Landmark	Board member		1 050 000	0.08%
Jörn Asser Ryberg	Board member	Shares owned by Jörn Ryberg Holding AB and private. Shares owned by Råbjørn AS	87 445 469 5 002 417	6.37%
Einar Olsen	VP of Business Development and Controlling	Strates owned by Rabjatti As	502 296	0.04%
Total shares 31.12.2021 owned by board members and their closely-related parties and executive personnel			220 477 518	16.06%

No loans nor guarantees have been issued to members of the Board.

NOTE 18: LOANS AND BORROWINGS

LOANS AND BORROWINGS

(NOKm)	31.12.2021	31.12.2020
Non-current loans and borrowings		
Secured bank loans	-	147.5
Other loans	-	6.0
Secured bond loans	890.6	
Lease liabilities	73.2	116.0
Current loans and borrowings		
Credit line	-	9.4
Secured bank loans	-	77.3
Convertible loan	-	6.0
Shareholder loan	-	1.0
Lease liabilities	22.7	22.0
Total	986.5	385.3

TERMS AND REPAYMENT SCHEDULE

	Currency	Nominal interest rate	Year of maturity	Carrying amount 31.12.2021
Secured bond loan	NOK	Fixed margin 7.25% + 3MNIBOR	2025	890.6
Lease liabilities	NOK	6%	2022-2027	95.8

Secured bond loan

Endúr has an outstanding senior secured, non-amortizing callable bond loan with ISIN NO0010935430 (the "Bonds") with NOK 900 million principal at 31.12.21. The Bonds were issued 3 March 2021, originally with NOK 1100 million principal. Effective 1 December 2021 Endúr redeemed bonds with a total nominal value of NOK 200 million. The NOK 900 million principal outstanding matures at par on 3 March 2025. The Bonds incur interest of the aggregate of 3m NIBOR (floating reference rate) plus a fixed margin 7.25% p.a., with quarterly interest payments. As issuer of the Bonds Endúr is subject to certain financial covenants; (i) maintaining a leverage ratio not greater than 5.0x up to 31 March 2022, then 3.75x up to 3. March 2023, and then 3.0x and 2.5x after 24 and 36 months respectively from the Bonds' issue date, and (ii) maintaining minimum liquidity of NOK 75 million.

Amortized amount in 2021 is NOK 15.1 million.

The net proceeds from the bond issue were employed to fully finance the cash consideration related to the acquisitions of Artec Aqua AS and Marcon-Gruppen i Sverige AB, refinance existing debt and fund general corporate purposes.

Carrying amount of assets pledged as security for liabilities

(NOKm)	31.12.2021	31.12.2020
Property, plant and equipment	304.9	16.0
Inventories	26.2	7.3
Contract assets	44.3	33.7
Trade and other receivables	543.5	14.8
Cash and cash equivalents	178.8	10.8

Reconciliation of movements of liabilities to cash flows arising from financing activities

(NOKm)	Convert.	Secured bond loan	Credit line	Secured bank loan	Shareholder loan / Other loan	Finance lease liabilities	Total
Balance as at 1 January 2021	6.0		9.4	224.8	7.0	138.1	385.3
Changes from financing cash flows							
Proceeds from loans and borrowings		1 100.0					1 100.0
Repayment of lease liabilities						(33.7)	(33.7)
Repayment of borrowings	(6.0)	(200.0)	(9.4)	(224.8)	(7.0)		(447.2)
Total changes from financing cash flows	(6.0)	900.0	(9.4)	(224.8)	(7.0)	(33.7)	619.1
Changes arising from business combinations						(8.6)	(8.6)
Other changes		(9.4)		-			(9.4)
Balance at 31 December 2021	0.0	890.6	0.0	0.0	(0.0)	95.8	986.5

NOTE 19: LEASES

FINANCIAL REPORTING PRINCIPLES

The Group recognises a right-of-use asset and a lease liability at the start date of the lease. On initial recognition in the balance sheet, the right-of-use assets is measured at cost. Subsequently, the right-of-use asset is measured at cost less depreciation and impairment. On initial recognition in the balance sheet, the lease liability is measured at the present value of future lease payments. The present value is calculated by discounting the rental payments using the implicit interest rate in the lease. If the implicit interest rate is not known, the Group's marginal borrowing rate is used for loans with similar risk. The lease liability is subsequently increased by the interest cost associated with the liability and is subsequently reduced by rental payments. Leases with a lease term of 12 months or less are not capitalised. Low-value leases, typically office equipment / fixtures, are not capitalised.

Some of the premises that the group leases are sub-leased. The sublease is assessed against the head lease, in order to assess whether the sublease agreement is to be treated as an operational or financial lease. When the sublease agreement is treated as a financial lease, a lease liability is recognized in the balance sheet, with a corresponding receivable from the lessee, which is reduced in line with the remaining sublease agreement.

AS A LESSEE

Leasing expenses recognised in P&L

(NOKm)	2021	2020
Depreciation expense of right-of-use assets	30.4	7.5
Interest expense on lease liabilities	4.5	1.4
Expense relating to short-term leases (included in other operating expenses)	0.5	-
Variable lease payments (included in other operating expenses)	0.7	-
Total amount recognised in profit or loss	36.1	8.8

Leasing liabilities

(NOKm)	31.12.2021	31.12.2020
Debt analysis - contractual undiscounted cash flows		
Less than 1 year	30.2	32.9
1-5 years	63.5	86.4
Over 5 years	17.2	38.5
Total	110.9	157.9
Non-current lease liabilities recognised	73.2	116.0
Current lease liabilities recognised	22.7	22.0
Total	95.8	138.1

The leasing liability as of 31 December 2021 primarily comprises lease of office space and other property, vehicles and office machines.

AS A LESSOR

The Group subleases property. The Group has classified the sublease as a finance lease because the sublease corresponds to the remaining contract period for the underlying lease agreement.

Net investment in the lease

(NOKm)	31.12.2021	31.12.2020
Analysis - contractual undiscounted cash flows		
Less than 1 year	0.4	0.7
1-2 years	-	1.6
Total	0.4	2.3
Non-current net investment in the lease recognised	0.3	1.4
Current net investment in the lease recognised	1.1	0.6
Total	1.4	2.0

Lease interest income recognised in P&L

(NOKm)	2021	2020
Interest income on the net investment in the lease	0.1	0.1

NOTE 20: TRADE AND OTHER PAYABLES

TRADE AND OTHER PAYABLES

(NOKm)	31.12.2021	31.12.2020
Trade creditors	339.9	116.3
Accrued expenses	52.1	21.1
Public duties and taxes	26.1	52.6
Holiday-pay allowance	24.0	43.7
Salary-liability	13.8	11.5
Provisions	33.0	0.3
Other current liabilities	16.4	3.1
Total	505.3	248.6

NOTE 21: PROVISIONS

FINANCIAL REPORTING PRINCIPLES

A provision is recognised in the balance sheet when the group has a present obligation as a result of a past event that can be estimated reliably and it is probable that the group will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a market based pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the liability-specific risks.

Warranty provision

A provision for warranty is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting the obligations under the contract.

Guarantee liabilities

Contractual guarantees of completion and guarantees in connection with advance payment from customers are furnished as part of Endúr's activities. Such guarantees usually involve a bank connection that issues the guarantee in relation to the customer. In some cases, guarantees have also been furnished by other companies in the group.

PROVISIONS

(NOKm)	Onerous contracts	Warranties	Other provisions	Total
Balance as at 1 January 2021	-	0.3	-	0.3
Assumed in a business combination	10.9	3.5	-	14.4
Provisions made during the year	6.9	13.0	-	19.9
Provisions used during the year	-	(0.4)	-	(0.4)
Provisions reversed during the year	-	(1.1)	-	(1.1)
Balance as at 31 December 2021	17.8	15.2	-	33.0

Expected timing of payment

(NOKm)	Onerous contracts	Warranties	Other provisions	Total
Current	17.8	15.2	-	33.0
Total	17.8	15.2	-	33.0

(NOKm)	Onerous contracts	Warranties	Other provisions	Total
Balance as at 1 January 2020	0.0	0.9	-	0.9
Assumed in a business combination				-
Provisions made during the year		0.3		0.3
Provisions used during the year	(0.0)			(0.0)
Provisions reversed during the year		(0.9)		(0.9)
Balance as at 31 December 2020		0.3	-	0.3

Expected timing of payment

(NOKm)	Onerous contracts	Warranties	Other provisions	Total
Current	-	0.3	-	0.3
Total	-	0.3		0.3

NOTE 22: CONTINGENT LIABILITIES / LEGAL CLAIMS

FINANCIAL REPORTING PRINCIPLES

Contingent liabilities and assets

Contingent liabilities are defined as:

- potential liabilities resulting from previous events, but whose existence depends on future events
- liabilities not recognised in the accounts because it is not likely that the liability will result in an outflow of resources
- liabilities that cannot be measured with a satisfactory degree of reliability.

Contingent liabilities are not recognised, with the exception of contingent liabilities stemming from the acquisition of enterprises. Material contingent liabilities are specified in the notes, except for contingent liabilities where the likelihood of existence is very low. A contingent asset is not recognised in the accounts, but will be specified in the notes to the accounts if it is likely that the asset will devolve on the group.

LEGAL CLAIMS

BMO Entreprenør AS

BMO Entreprenør AS is currently involved in a dispute against the NPRA related to a contract regarding surface works on Nordhordlands-brua (based on NS 8406 with adjustments). The deadline for project completion was set to 1 July 2018. The project completion is delayed, and the final completion date is estimated to be towards the end of the second quarter of 2022. BMO Entreprenør's position is that the delay is caused by extra work due to circumstances outside its scope and control, which has caused extra work, as well as higher labour costs, material costs and rig-related costs. The NPRA has offered to compensate some of the extra work, but the dispute has not yet been settled. The Company has obtained an indemnification statement from Bever Holding in the SPA, which shall indemnify and keep the Company harmless for 80% of the cost the Company may incur in connection with ongoing disputes involving BMO Entreprenør AS. The Company considers the downside risk exposure relating to said disputes to be lower than the potential upside.

Marcon-Gruppen i Sverige AB

A subsidiary of Marcon-Gruppen i Sverige AB, Sventab AB, has an ongoing litigation with Statens Fastighetsverk (SFV) regarding a construction project in Stockholm, concerning outstanding claims for payment of compensation for alterations and additions (Sw. ÄTA) in the amount of SEK 34,202,910 plus interest which have been disputed by SFV. The litigation was initiated by Sventab AB in the public court system in 2020. SFV has submitted a statement of defence and disputed all of Sventab's claims.

Endúr Sjøsterk AS

Endúr Sjøsterk AS is involved in an on-going dispute with an external consultant related to warranty-claims from a client with respect construction weaknesses discovered in previously produced concrete feed rafts. The company holds the external consultant responsible for insufficient calculations of strength. Both parties are represented by legal council, but no litigation have yet been set into motion. The company has treated the claim according to the principle of "best estimate" and maintains that the company's financial exposure, both upside and downside, must be considered well balanced.

NOTE 23: FINANCIAL INSTRUMENTS

FINANCIAL REPORTING PRINCIPLES

Financial instruments are recognized in the balance sheet when the Group has become a party to the contractual terms of the instrument. Financial instruments are derecognised when the contractual rights or obligations are met, cancelled, expired or transferred.

Initial measurement of financial instruments is made at fair value at the time of settlement, normally at transaction price. Subsequent measurement depends on the classification of the financial asset or the financial liability.

Financial instruments are classified as long-term when the expected realization date is more than twelve months after the balance sheet date. Other financial instruments are classified as short-term.

Financial assets

For initial recognition, a financial asset is classified in the following categories:

- Amortized cost
- Fair value with change in value over profit & loss
- Fair value with change in value over other income and expenses (OCI).

The Group's financial assets mainly consist of debt instruments (receivables) and cash. The receivables cash flows consist only of principal and any interest and all receivables are only held to receive contractual cash flows. Receivables and cash are included in the category amortized cost.

Financial liabilities

For initial recognition, a financial liability is classified in the following categories:

- Amortized cost
- Fair value with change in value over profit

The Group's financial liabilities consist of convertible loans, bank loans, vendor credit payables and other payment obligations. These financial liabilities are subsequently measured at amortized cost.

Overview of carrying amounts of financial instruments in the consolidated balance sheet

			2021		2020			
(NOKm)	Note	Financial assets at amort. cost	Financial liabilities at amort. cost	Other financial liabilities	Financial assets at amort. cost	Financial liabilities at amort. cost	Other financial liabilities	
Financial assets								
Trade receivables	15	471.6			95.7			
Cash and cash equivalents	16	304.4			167.8			
Financial liabilities								
Secured bond loan	18		890.6					
Credit line	18			-			9.4	
Convertible loan	18			-			6.0	
Secured bank loans	18			-			224.8	
Shareholder loan	18			-			1.0	
Other loan	18			-			6.0	
Trade payables	20			339.9			116.3	
Total		776.0	890.6	339.9	263.5	-	363.5	

Fair value hierarchy

The Group has not disclosed the fair values for financial assets and liabilities not measured at fair value since the carrying amount is a reasonable approximation of fair value.

NOTE 24: FINANCIAL RISK MANAGEMENT

The group is exposed to the following financial risks resulting from the use of financial instruments:

- · credit risk
- · liquidity risk
- market risk
- · currency risk
- · interest rate risk

This note provides information about exposure to each of the above-mentioned risks as well as goals, principles and processes for measuring and managing risk, and the Group's capital management. More quantitative information is included elsewhere in the consolidated accounts.

The board of directors has overall responsibility for establishing and monitoring the Group's risk management framework. Risk management principles have been established in order to identify and analyse the risks to which the Group is exposed, to stipulate limits on risk and pertaining control procedures, and to monitor risk and compliance with the limits. Risk management principles and systems are reviewed regularly to reflect changes in activities and market conditions.

CREDIT RISK

Credit risk is the risk of financial losses in the event that a customer or counterparty in a financial instrument is unable to meet its contractual obligations. Credit risk relates usually to the Group's receivables from customers. The Group's exposure to credit risk is mainly the result of individual factors relating to each individual customer. The demographics of the customer base, including the risk of default of payment in the industry and the country in which the customers operate, have less influence on the credit risk. There is no geographical concentration of credit risk.

The Group's trade receivables are related to the segments Marine infrastructure, Aquaculture solutions and other. The customers are public customers within maritime and transport related infrastructure, aquaculture companies and other industrial companies of all sizes.

The company has established guidelines for credit rating. This means that the creditworthiness of all new customers is assessed on an individual basis before the customer is offered the group's standard terms and conditions for delivery and payment.

The Group regards its maximum credit risk exposure to the carrying amount of trade debtors and other receivables.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities under both normal and stressed conditions. See note 18 for more information on the Group's bank loans as of 31.12.2021.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date, including payment of interest and without the effect of settlement arrangements:

31.12.2021			Contractual cash flows					
(NOKm)	Note	Carrying amount	Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Secured bond loan	18	890.6	1 148.1	37.5	38.4	76.6	995.6	-
Lease liabilities	18, 19	95.8	110.9	15.9	14.3	24.2	39.3	17.2
Trade and other payables	20, 22	505.3	505.3	505.3	=	-	-	-
Total		1 491.7	1 764.3	558.6	52.7	100.8	1 034.9	17.2

31.12.2020		_						
(NOKm)	Note	Carrying amount	Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
Convertible loans	18, 23	6.0	6.3	6.3	-	-	-	-
Secured bank loan	18, 23	224.8	228.3	64.3	23.1	45.1	95.7	-
Lease liabilities	18, 19	138.1	157.9	16.9	16.0	24.5	61.9	38.5
Other loans	18, 23	6.0	7.8	0.3	0.3	0.6	6.6	-
Shareholder loan	18, 23	1.0	1.0	1.0	-	-	-	-
Trade and other payables	20, 23	248.6	248.6	248.6	-	-	-	-
Total		624.5	649.9	337.5	39.4	70.2	164.2	38.5

On 3 March 2021, Endúr ASA issued a secured bond loan of NOK 1,100 million maturing in 2025. Effective 1 December 2021 the Company redeemed bonds with a total nominal value of NOK 200 million.

The net proceeds from the bond were used, among other things, to refinance existing debt. This means that all bank loans, convertible loans, shareholder loans, other loans and credit lines were settled in March 2021. See note 18 for further description.

MARKET RISK

Market risk is the risk that fluctuations in market prices, e.g. exchange rates, the price of such raw materials as steel, and interest rates, will affect future cash flows or the value of financial instruments. Market risk management aims to ensure that risk exposure stays within the defined limits, while optimising the risk-adjusted return. Attempts should be made to secure major purchases in connection with projects as soon as possible after the final clarification of the project.

CURRENCY RISK

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to changes in foreign exchange rates relates primarily to the Group's operating activities and the Group's net investments in foreign subsidiaries. From Marcon-Gruppen i Sverige AB the Group has parts of both revenues and expenses in SEK that provides a natural hedge. Cash holdings in currency considered to be part of the businesses' working capital are normally not hedged. Endúr has the highest currency exposure towards SEK, but also has minor exposure against other currencies. Future cash flows from entities outside of Norway with functional currency other than NOK (net investment hedging) are normally not hedged. The Group continuously assesses the need for hedging this currency exposure, based on perceived risk and materiality.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to changes in market interest rates relates primarily to the Group's secured bond loan with floating interest rates. The Group will continuously assess whether to hedge against interest rate risk. The following table demonstrates the sensitivity to interest rate changes.

Sensitivity analysis

A change in the interest rate of 100 base points on the reporting date would have increased (reduced) equity and yearly profit by the amounts shown in the table below. This analysis assumes that all other variables, particularly the exchange rates, remain unchanged.

2021	Profit/	Equity		
(NOKm)	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Secured bond loan	(0.7)	0.7	(0.7)	0.7
Cash flow sensitivity (net)	(0.7)	0.7	(0.7)	0.7

2020	Profit/	Profit/loss		
(NOKm)	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Interest-bearing loans	(0.4)	0.4	(0.4)	0.4
Cash flow sensitivity (net)	(0.4)	0.4	(0.4)	0.4

CAPITAL MANAGEMENT

The board of directors' goal is to maintain a strong capital base in order to preserve the confidence of investors, creditors and market, and to develop business activities. The return on capital is monitored by the board. Return on capital is defined as the operating profit/loss divided by the total equity. The board also monitors the level of dividends on ordinary shares. The Group has no defined plan for the purchase of own shares.

NOTE 25: SHARE OPTION PROGRAM

SHARE OPTION PROGRAM

As part of the transaction regarding the acquisition of BMO Entreprenør AS in 2020, Endúr issued 12,5 million options to the sellers of BMO Entreprenør AS.

Measurement of fair value

The model used for measurement of the fair values is Black-Scholes. The inputs used in the measurement of the fair values at grant date of the options were as follows.

Input	31.12.2021	31.12.2020
Options issued	1=10 111111011	12.5 million
Award date	17 Dec 2020	17 Dec 2020
Maturity	2023	2023
Fair value at grant date	NOK 0.26	NOK 0.26
Share price at grant date	1.165	1.165
Strike price	1.2	1.2
Risk free interest rate	0.54%	0.54%
Expected volatility	47%	47%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price.

Reconciliation of outstanding share options

Number of share options	2021	2020
Outstanding options at 1 January	12 500 000	644 444
Forfeited during the year		(644 444)
Granted during the year		12 500 000
Exercised during the year	-	-
Outstanding options at 31 December	12 500 000	12 500 000

NOTE 26: GROUP COMPANIES

Group company	Owner	Registered office	Company's share capital	Holding and votes	Profit/ loss for the year (prelim.)	Equity as at 31.12.21 (prelim.)
Endúr Invest AS	Endúr ASA	5160 Laksevåg	1.0	100%	29.7	76.6
Endúr Maritime AS	Endúr ASA	5160 Laksevåg	12.4	100%	(0.4)	63.6
Endúr Bidco AS	Endúr ASA	5160 Laksevåg	0.1	100%	55.1	100.8
Marcon-Gruppen i Sverige AB	Endúr ASA	Sweden	0.2	100%	9.6	56.1
Installit AS	Endúr ASA	0275 Oslo	0.9	100%	(2.4)	35.1
BG Malta Ltd	Endúr ASA	Malta	0.0	100%	(0.1)	(0.1)
BMO Entreprenør AS	Endúr Bidco AS	3619 Skollenborg	0.6	100%	38.4	106.0
Artec Aqua AS	Endúr Bidco AS	6018 Ålesund	3.3	100%	39.1	70.5
Norwegian Crew Management AS	Installit AS	0275 Oslo	0.1	100%	(0.0)	0.4
Offshore Power Group AS	Installit AS	0275 Oslo	0.1	100%	0.3	0.4
Installit Offshore Personell AS	Installit AS	0275 Oslo	0.1	100%	(0.0)	0.2
Endúr Sjøsterk AS	Endúr Invest AS	5252 Søreidgrend	0.4	100%	(2.6)	4.2
Endúr Eiendom AS	Endúr Invest AS	5160 Laksevåg	0.1	100%	0.4	12.8
Marcon Teknik AB	Marcon-Gruppen i Sverige AB	Sweden	0.2	100%	0.4	6.1
Svensk Sjöentrepenad i Malmö AB	Marcon-Gruppen i Sverige AB	Sweden	0.2	100%	4.0	14.6
Stockholms Vattentrepenader AB	Marcon-Gruppen i Sverige AB	Sweden	0.1	100%	2.0	15.7
Marc-Con Wind Power i Sverige AB	Marcon-Gruppen i Sverige AB	Sweden	0.1	100%	0.2	0.8
SSE Gibraltar Ltd	Marcon-Gruppen i Sverige AB	Sweden	0.0	100%	0.1	1.1
Sp/f Soundtug	Marcon-Gruppen i Sverige AB	Sweden	1.7	100%	1.1	0.0
Marcon Vindtransmission AB	Marcon-Gruppen i Sverige AB	Sweden	0.1	100%	-	0.1
Incerno AB	Marcon-Gruppen i Sverige AB	Sweden	0.0	100%	0.0	0.7

NOTE 27: MANAGEMENT REMUNERATION

The following changes have been implemented in Endúrs executive management over the course of 2021:

- Effective 6 January 2021, Hans Olav Storkås was appointed CEO and Lasse B. Kjelsås appointed CFO of Endúr ASA and the Group. They succeeded CEO Hans Petter Eikeland and CFO Nils Hoff.
- Ivar-Andreas Monefeldt resigned the position of senior vice president of business development effective July 2021.
- Stig Arne Høiland resigned the position of COO effective September 2021.
- On 2 September 2021 Hans Olav Storkås resigned his position as CEO with immediate effect.
- Jeppe Raaholt was appointed new CEO of Endúr ASA and the group, effective 1 October 2021.
- Einar Olsen joined Endúrs executive management 1 November 2021, in a new position as senior vice president of business development and controlling.

Remuneration and termination agreements to members of the executive management team in 2021

(NOKm)	Base salary	Variable pay	Other benefits	Pension benefit	Total	Notice period	Severance pay
Chief Executive Officer	3 668	4 181	220	147	8 216	3 months	18 months
Chief Financial Officer	2 046	2 728	94	100	4 968	3 months	18 months
Total	5 714	6 909	314	247	13 184		

There has not been any executive variable pay program in effect for the Group in 2021.

The Group's guidelines on salaries and other remuneration for directors and senior management, as resolved in the 2021 ordinary general meeting, are available at the Group's website; endur.no/investor-relations/statement-on-remuneration.

Remuneration to the Board of Directors for the period from ordinary meeting 2020 until ordinary general meeting 2021

Name	Position	Remuneration
Pål Reiulf Olsen	Chairman of the Board, Audit Committee and Remuneration Committee	384
Jorunn Ingebrigtsen	Member of the Board and former member of the Audit Committee	263
Kristoffer Nesse Hope	Member of the Board	247
Bjørn Finnøy	Member of the Board	216
Hedvig Bugge Reiersen	Member of the Board and Remuneration Committee	235
Jörn Ryberg	Member of the Board	184
Kristine Landmark	Member of the Board and Audit Committee	221
Øivind Horpestad	Former chairman of the Board	126
Bente Stangeland	Former member of the Board and the Audit Committee	21
Rune Skarveland	Former member of the Board	16
Tove Ormevik	Former member of the Board and the Audit Committee	78
Terje Nesbakken	Former member of the Board and the Audit Committee	84

Other remuneration to the Board of Directors

Endúr ASA's board chairman, Pål Reiulf Olsen, following the resignation of CEO Hans Olav Storkås, assumed additional responsibilities as working chairman in the transition period from September to November 2021 of total NOK 1.156.

Remuneration to the nomination committee for the period from ordinary meeting 2020 until ordinary general meeting 2021

Name	Position	Remuneration
Henning Nordgulen	Member	20
Arne Henning Markhus	Member	20
Espen Ommedal	Leader	20

NOTE 28: AUDIT FEE

AUDIT FEES

(NOKm - all amounts excluding VAT)	2021	2020
Audit services	2.5	1.4
Other attestation services	0.3	0.7
Tax advisory services	0.1	-
Other non-audit services	0.4	0.2
Total	3.3	2.4

NOTE 29: RELATED PARTIES

Related party relationships are those involving control (either direct or indirect), joint control or significant influence. Related parties are in a position to enter into transactions with the company, of which would not be undertaken between unrelated parties.

Marcon-Gruppen i Sverige AB

Customer / Vendor	Source of service	Amount Sale	Amount Purchase
Marine Suuply Invest AB	Barboat Charter		0.8
Total		0.0	0.8

BMO Entreprenør AS

Customer / Vendor	Source of service	Amount Sale	Amount Purchase
Bever Holding AS	Sale of admin services and rent of premises	2.2	1.8
Bever Utstyr AS	Rent of equipment	0.2	6.6
BMO Elektro AS	Subcontractor	0.0	4.8
BMO Tunnelsikring AS	Re-invoicing	0.0	0.4
Buskerud Malerforretning AS	Re-invoicing	0.0	
Bever Eiendom AS	Rent of premises		0.3
Davanger Utvikling AS	Rent of premises		1.5
Gomsrudveien 327 AS	Rent of premises		0.2
Gomsrudveien 319 AS	Rent of premises		0.1
Provita ANS	Rent of premises		2.4
Skrubbemoen 3 AS	Rent of premises		2.2
Skrubbemoen 8 AS	Rent of premises		0.3
Total		2.4	20.5

5

NOTE 30: SHARE-BASED PAYMENTS

The Group did not during the 2021 accounting year pay or award any remuneration to any of its employees or officers by way of shares, options, warrants or any other form of equity instruments for services rendered as employees or officers of the Group. The Board of Directors did propose, and the general meeting did resolve on 21 May 2021 to authorize the Board to issue new shares for the purpose of establishing an option program for key employees. As of the time of writing however, no such option program has been implemented.

The Group did undertake a share subscription program in December 2021 whereby all permanent employees of the Group were offered the opportunity to subscribe new shares in the Group at a discount in accordance with a resolution made by the annual general meeting on 21 May 2021 at a subscription price per share of NOK 0.52996, reflecting a discount of 20% on the volume weighted average closing price of the Group's share during the application. All shares subscribed and allotted under the offering are subject to 6 months lock-up.

NOTE 31: SUBSEQUENT EVENTS

Salmon Evolution phase 2

On 6 February 2022 Artec Aqua AS ("Artec Aqua") entered into a Heads of Terms agreement with Salmon Evolution ASA ("Salmon Evolution") for the planning, construction, and implementation of phase 2 of Salmon Evolution's land-based grow-out salmon farming facility at Indre Harøy. Artec Aqua is contracted as turnkey supplier for phase 1 of the project.

Dykab AB

Effective 28 February 2022, the Group's wholly owned subsidiary Marcon-Gruppen i Sverige AB acquired Dykab AB, a company providing marine infrastructure services out of Luleå, a city located in Norrbotten, Sweden's northernmost county. The primary purpose of the acquisition was to secure a local foothold and platform from which to grow Marcon's activities in the northern part of Sweden, filling the company's last geographical gap in its domestic market, and thus enabling the company to cost-efficiently serve also the northern part of the country.

Installit AS

On 7 April 2022, Endúr ASA entered into an agreement with the DeepOcean Group for the sale of Installit AS and its subsidiaries with effect from 1'st of January. The purchase price of NOK 20.8 million for 100% of the shares in Installit AS was settled in cash. The divestment of Installit AS will result in an accounting loss of approximately NOK 22.8 million for Endúr.

War in Ukraine

The war in Ukraine started in February 2022. Currently, the Group's management assesses that the Group's operations are not directly impacted by the war as none of the Group's companies are located in Ukraine or Russia. However, the Group's financials will be impacted by the unpredictable indirect consequences of this war, such as further uncertain increases is cost for raw materials, energy and transportation.

NOTE 32: GOING CONCERN

The Board of Endúr ASA confirms, according to § 3-3 of the Accounting Act, that the annual accounts have been prepared based on the assumption for continued operations.

NOTE 33: PROFORMA

Operating profit/loss	(8.1)
Operating expenses	(2 194.1)
Other operating expenses	(203.7)
Depreciation, amortization, impairment	(157.0)
Payroll expenses	(412.9)
Cost of materials	(1 420.5)
Revenue	2 186.0
Revenue	2 186.0
Continued operations	
(NOKm)	proforma
	2021



 $Fish \ tank \ in spection \ at \ Salmon \ Evolution's \ grow-out \ facility \ at \ Indre \ Har \emptyset y, where \ Artec \ Aqua \ is \ contracted \ as \ turnkey \ supplier.$

Income Statement Endúr ASA

(NOKm)	Note	2021	2020
Other operating revenue		0.1	16.5
Operating revenue		0.1	16.5
Payroll expenses	4	(29.9)	(11.4)
Depreciation, amortization, impairment	7, 8	(0.2)	(0.5)
Other operating expenses	4	(29.5)	(18.4)
Operating expenses		(59.5)	(30.3)
Operating profit/loss		(59.5)	(13.8)
Financial income	5	86.2	1.0
Financial expenses	5	(143.1)	(451.8)
Net financial items		(56.9)	(450.8)
Profit/Loss before tax		(116.3)	(464.6)
Income tax	6	22.9	3.3
Profit/Loss		(93.5)	(461.4)

Balance Sheet Endúr ASA

(NOKm)	Note	31.12.2021	31.12.2020
ASSETS			
Deferred tax assets	6	28.7	5.8
Intangible assets	7	-	0.1
Property, plant and equipment	8	0.2	
Investments in group companies	9	616.7	236.2
Receivables from group companies	13	1 119.3	164.9
Total non-current assets		1 764.9	407.0
Other receivables		0.7	13.6
Receivables from group companies	13	77.6	56.2
Cash and cash equivalents		16.9	17.0
Total current assets		95.2	86.8
TOTAL ASSETS		1 860.1	493.8
EQUITY AND LIABILITIES			
Equity			
Share capital	10, 11	13.7	7.3
Share premium	11	863.4	375.1
Other paid-in equity	11	4.0	4.0
Retained earnings	11	-	-
Equity		881.2	386.4
Liabilities			
Secured bond loan	12, 13	890.6	-
Liabilities to group companies	13	16.0	47.0
Convertible loan	12	-	7.0
Other interest bearing debt	12	-	6.0
Other non-current liabilities		3.6	3.6
Total non-current liabilities		910.1	63.5
Trade payables	13	3.4	8.6
Liabilities to group companies	13	50.9	25.8
Other short term liabilities		14.5	9.4
Total current liabilities		68.8	43.8
Total liabilities		978.9	107.4
TOTAL EQUITY AND LIABILITIES		1 860.1	493.8

Bergen - 28 April 2022 Board of Directors and CEO of Endúr ASA Pål Reiulf Olsen Jeppe Bjørnerud Raaholt Bjørn Finnøy Kristoffer Nesse Hope (Chairman) (CEO) -sign -sign -sign -sign Kristine Landmark Hedvig Bugge Reiersen Jörn Ryberg Jorunn Ingebrigtsen -sign -sign -sign -sign

Cashflow Statement Endúr ASA

(NOKm)	Note	2021	2020
Cash flow from operational activities		(02.5)	(461.4)
Profit/Loss		(93.5)	(461.4)
Profit/Loss		(93.5)	(461.4)
Adjustments for:			
Income tax expense	6	(22.9)	(3.3)
Depreciation, amortization, impairment	7, 8	0.2	0.5
Items classified as investments and financing activities	5	42.6	
Impairment investments in subsidiaries		14.2	355.4
Impairment group receivables		-	88.6
Changes in:			
Trade and other receivables		-8.5	
Trade and other payables		(5.2)	4.2
Other current accruals		9.0	(8.7)
Net cash from operating activities		(64.2)	(24.7)
Cash flow from investments activities Acquisition of shares			(0.4)
Acquisition of shares			(0.4)
Acquisition of shares Acquisition of property, plant and equipment		(0.3)	
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables		(954.4)	(40.5)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments	3	(954.4) (394.7)	(40.5) (50.0)
Acquisition of shares Acquisition of property, plant and equipment	3	(954.4)	(40.5) (50.0)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities		(954.4) (394.7) (1 349.4)	(40.5) (50.0) (90.8)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings	12	(954.4) (394.7) (1 349.4)	(40.5) (50.0) (90.8)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings	12 12	(954.4) (394.7) (1 349.4) (213.0) 1 100.0	(40.5) (50.0) (90.8)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings Proceeds from issue of share capital (capital increase)	12 12 11	(954.4) (394.7) (1 349.4) (213.0) 1 100.0 638.7	(40.5) (50.0) (90.8)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings Proceeds from issue of share capital (capital increase) Payment of interests	12 12	(954.4) (394.7) (1 349.4) (213.0) 1 100.0	(40.5) (50.0) (90.8) (7.6) 9.0
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings Proceeds from issue of share capital (capital increase) Payment of interests Proceeds from private placement	12 12 11	(954.4) (394.7) (1 349.4) (213.0) 1 100.0 638.7 (106.4)	(40.5) (50.0) (90.8) (7.6) 9.0
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings Proceeds from issue of share capital (capital increase) Payment of interests Proceeds from private placement Net changes in intercompany balances	12 12 11	(954.4) (394.7) (1 349.4) (213.0) 1 100.0 638.7	(40.5) (50.0) (90.8) (7.6) 9.0
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities	12 12 11	(954.4) (394.7) (1 349.4) (213.0) 1 100.0 638.7 (106.4)	(40.5) (50.0) (90.8) (7.6) 9.0 214.0 (87.0)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings Proceeds from issue of share capital (capital increase) Payment of interests Proceeds from private placement Net changes in intercompany balances	12 12 11	(954.4) (394.7) (1 349.4) (213.0) 1 100.0 638.7 (106.4)	(40.5) (50.0) (90.8) (7.6) 9.0 214.0 (87.0)
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings Proceeds from issue of share capital (capital increase) Payment of interests Proceeds from private placement Net changes in intercompany balances Net cash from financing activities	12 12 11	(954.4) (394.7) (1 349.4) (213.0) 1 100.0 638.7 (106.4) (5.9) 1 413.4	(40.5) (50.0) (90.8) (7.6) 9.0 214.0 (87.0) 128.5
Acquisition of shares Acquisition of property, plant and equipment Net outflow from non-current receivables Acquisition of other investments Net cash from investments activities Cash flow from financing activities Repayment of loans and borrowings Proceeds from loans and borrowings Proceeds from issue of share capital (capital increase) Payment of interests Proceeds from private placement Net changes in intercompany balances Net cash from financing activities Net change in cash and cash equivalents	12 12 11	(954.4) (394.7) (1 349.4) (213.0) 1 100.0 638.7 (106.4) (5.9) 1 413.4	(40.5) (50.0) (90.8) (7.6) 9.0 214.0 (87.0) 128.5

Notes to the Parent Company Accounts

NOTE 1: CORPORATE INFORMATION

Endúr ASA is a public limited company based in Norway, and was founded on 22 May 2007. The Company's registered office is at Laksevåg in Bergen. Endúr ASA is the parent company in the Endúr Group. Endúr ASA is listed on Oslo Stock Exchange with the ticker ENDUR.

NOTE 2: ACCOUNTING PRINCIPLES

The financial statements are prepared in accordance with the Accounting Act and Norwegian Generally Accepted Accounting Principles (NGAAP) valid as per 31 December 2021, and consist of income statement, balance sheet, cash flow statement and notes. The financial statements have been prepared based on the fundamental principles governing historical cost accounting, comparability, continued operations, congruence and prudence. Transactions are recorded at their value at the time of the transaction. Income is recognised at the time of delivery of goods or services. Costs are expensed in the same period as the income to which they relate. Costs that cannot be directly related to income are expensed as incurred. The different accounting principles are further commented on below. According to generally accepted accounting standards, there may be some exceptions to the basic assessment and valuation principles. Comments on these exceptions can be found in the respective notes to the accounts. Contingent losses, of which are probable and quantifiable are charged to the profit and loss account.

ESTIMATES AND JUDGEMENTS

Preparing the annual accounts includes judgements, estimates and assumptions that influence both the choice of accounting principles applied and the reported amounts for assets, liabilities, revenues and expenses. The management has used estimates based on its best judgement and assumptions that are considered realistic on the basis of historical experience during preparation of the annual accounts. Actual amounts may deviate from estimated amounts. Estimates and underlying assumptions are reviewed and assessed on an ongoing basis. Changes in accounting estimates are recognised in the period in which the estimates are changed and in all future periods affected.

CLASSIFICATION OF ASSETS AND LIABILITIES

Assets are classified as current assets when:

- the asset is part of the entity's service cycle and is expected to be realised or consumed during the entity's normal production period;
- the asset is held for trading;
- the asset is expected to be realised within 12 months of the balance sheet date;
- the asset is cash or cash equivalents, but with an exception for when there are restrictions on exchanging or using it to settle debt within 12 months of the balance sheet date.

All other assets are classified as non-current assets.

Liabilities are classified as current liabilities when:

- the liability is part of the service cycle and is expected to be settled during the normal production period;
- the liability is held for trading;
- settlement within 12 months of the balance sheet date has been agreed;
- the entity has no unconditional right to postpone settlement of the liability to minimum 12 months after the balance sheet date.

All other liabilities are classified as non-current liabilities.

FOREIGN CURRENCY

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The company's functional currency is NOK, of which is also the parent company's presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Balance sheet items are measured at the rate of exchange at the balance sheet date.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

REVENUE

Revenue from services is reported in the profit and loss account in accordance with the degree of completion of the transaction on the balance sheet date. The degree of completion is calculated on the basis of work completed.

SUBSIDIARIES

In the parent company, subsidiaries are valued using the cost method. The investment is valued at acquisition cost, unless a write-down is required. Dividends, group contributions and other distributions are recognised in the same year as they are distributed in the subsidiary's financial statements. If the dividend/group contribution received exceed the retained profit share in the ownership period, the excess amount is recognised as a repayment of invested capital and entered in the balance sheet as a reduction of the investment.

IMPAIRMENT OF ASSETS

If indications are identified that the carrying value of a non-current assets is higher than fair value, an impairment test is performed. The test is performed for the lowest level of an assets with independent cash flows. If carrying value is higher than recoverable amount, a write down to recoverable amount will be recognised. Write downs recognised in previous years will be reversed if the conditions leading to the write down is no longer present. Impairment of goodwill will never be reversed.

INCOME TAX

The tax consists of tax payable and the change in deferred tax. Deferred tax/tax asset is calculated on the basis of all taxable temporary differences. A deferred tax asset is recognised in the profit and loss account when it is probable that the company will have sufficient taxable income to utilise the tax asset. Deferred tax and deferred tax assets are recognised regardless of when the differences are reversed, and are in principle recognised at nominal value. Deferred tax/tax asset is valued on the basis of the expected future tax rate. Both tax payable and deferred tax are recognised directly against equity to the extent to which they relate to items recognised directly against equity.

RECEIVABLES

Accounts receivable and other receivables are recognised in the balance sheet at nominal value less provisions for expected losses. Provisions for losses are made on the basis of individual assessments of the individual receivables. In addition, for other accounts receivable, an unspecified provision is made to cover expected losses on claims.

LOANS

The Secured bond loan is recognized in the balance sheet at the discounted future cashflow with the bond's interest rate as a discount factor. The transaction cost related to the bond, is amortisized over the maturity of the bond.

EQUITY

Transaction costs relating to equity transactions, including the tax effect of the transaction costs, are recognised directly against the equity. Only transaction costs directly related to the equity transactions are recognised against equity.

On the repurchase of own shares, the purchase price, including directly attributable costs such as changes in equity, is entered as a change in equity. Own shares are presented as a reduction of equity. Losses or gains from transactions with own shares are not recognised in the profit and loss account.

NOTE 3: BUSINESS COMBINATION

MARCON-GRUPPEN I SVERIGE AB

On 5 March 2021, Endúr ASA bought 35% of the shares in Marcon-Gruppen i Sverige AB for a purchase price of approx. SEK 140 million. The purchase price was settled by issuing 106,230,838 consideration shares in Endúr ASA.

On the same day, the board decided, pursuant to a board authorization granted by the EGM on 4 December 2020, to issue the consideration shares. The company's share capital increased by NOK 1,062,308.38 by issuing 106,230,838 new shares, each with a nominal value of NOK 0.01. The capital increase was registered on March 8, 2021.

On 12 March 2021, Endúr ASA, through its wholly owned subsidiary, Endùr BidCo AS, bought the remaining 65% of the shares in Marcon-Gruppen i Sverige AB for a purchase price of approx. SEK 260 million. The purchase price was settled in cash consideration.

Marcon was established by Jörn Ryberg in 1982 and has since grown to become a market leader within marine infrastructure in Sweden. The company performs a range of services connected to marine infrastructure construction and marine services, as well as other adjacent services including hydrographical services, dredging, rentals, inspections and diving. Marcon serves both as independent contractor and subcontractor in construction projects and other services. Its HQ is in Ängelholm with offices in Stockholm, Malmö, Gothenburg, Sölvesborg and Härnösand. The group operates in the Swedish market under the brands Swedish Sjöentrepenad (SSE), Marcon Teknik (MTE), Frog Marine Service (FMS), SVENTAB and Marcon Windpower.

CONSIDERATION TRANSFERRED

The following table summarises the acquisition date fair value of each major class of consideration transferred.

(NOKm)	2021
Cash	259.4
Shares in Endúr ASA (106 230 838 shares)	124.3
Total consideration transferred	383.7

Equity instruments issued

The fair value of the shares issued was based on the listed share price of the Endúr ASA at 12 March 2021 at NOK 1,17 per share.

IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

The fair value of identifiable assets and liabilities is based on a purchase price allocation. The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

(NOKm)	2021
Right-of-use assets	20.2
Property, plant and equipment	389.3
Financial assets	6.0
Inventories	1.8
Contract assets	5.6
Trade and other receivables	67.5
Doubtful receivable	37.1
Contract liabilities	(26.7)
Trade and other payables	(19.7)
Other current liabilities	(2.1)
Net financial debt	(163.2)
Deferred tax liability	(63.5)
Cash and bank deposit	45.0
Total identifiable net assets acquired	297.4

NOTE 4: SALARIES, FEES, REMUNERATIONS

PAYROLL EXPENSES

(NOKm)	2021	2020
Salaries and holiday pay	24.6	8.2
Employer`s national insurance contribution	3.1	1.4
Share-based payment	-	-
Pension expenses	0.7	0.4
Other payroll expenses	1.5	1.4
Total	29.9	11.4
Number of employees 31.12	7	5

For an overview of compensation to the executive management group please see note 27 in the group notes.

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

See note 25 in the group financial statements for information regarding share options.

REMUNERATION TO THE AUDITOR

(NOKm)	2021	2020
Audit services	1.4	1.0
Other attestation services	0.3	0.6
Tax advisory services	0.1	-
Other non-audit services	0.3	0.2
Total	2.0	1.9

NOTE 5: NET FINANCIAL ITEMS

(NOKm)	2021	2020
(()		
Other interest income	-	1.0
Group contribution	61.0	-
Interest income from group companies	25.2	
Gain on sale of shares	-	-
Financial income	86.2	1.0
Interest expenses to group companies	(1.8)	(1.7)
Interest expenses secured bond loan	(67.7)	
Other interest expenses	-	(2.7)
Currency loss	(2.4)	
Amortization bond	(18.4)	
Impairment investments in subsidiaries	(14.2)	(355.4)
Impairment group receivables	1.2	(88.0)
Guarantee expenses bankruptcy in subsidiary	(18.6)	
Other financial expenses	(21.2)	(4.0)
Financial expenses	(143.1)	(451.8)
Net financial items	(56.9)	(450.8)

NOTE 6: INCOME TAX

(NOKm)	2021	2020
Result before taxes	(124.9)	(464.6)
Permanent differences	(1.1)	453.5
Group contribution	61.0	53.9
Changes in temporary differences	14.9	0.1
Change in losses carried forward	50.1	(42.9)
Basis for taxes payable	-	-
Taxes payable	-	-

The income tax for the year is calculated as follows:

(NOKm)	2021	2020
Taxes payable	-	-
Taxes payable on group contribution	-	11.9
Net change in deferred tax/ tax asset	22.9	(8.6)
Income tax for the year	22.9	3.3

RECOGNISED DEFERRED TAX ASSETS

(NOKm)	31.12.2020	Acquired in business profit or loss	Recognised in the income statement	31.12.2021
Temporary differences	(11.0)		(14.9)	(25.9)
Interest deductibility carried forward	(38.9)			(38.9)
Loss carried forward	(15.4)		(50.1)	(65.6)
Total basis related to deferred tax assets	(65.3)		(65.0)	(130.4)
Net deferred tax assets	14.4	-	14.3	28.7
Net deferred tax assets - not recognised in the accounts	8.6	-	(8.6)	-
Net deferred tax assets - recognised in the accounts	5.8		22.9	28.7

NOTE 7: INTANGIBLE ASSETS

INTANGIBLE ASSETS

(NOKm)	Licences, patents etc.	Total
Acquisition cost 1 Jan. 2021	0.9	0.9
Acquisitions 2021	-	-
Accumulated acquisition cost 31 Dec. 2021	0.9	0.9
Accumulated depreciations as of 1 Jan. 2021	(0.9)	(0.9)
Current year's depreciations	(0.0)	(0.0)
Accumulated amortization and impairment losses 31 Dec. 2021	(1.0)	(1.0)
Book value 31. Dec. 2021	0.0	0.0

(NOKm)	Licences, patents etc.	Total
Acquisition cost 1 Jan. 2020	0.9	0.9
Acquisitions 2020	<u> </u>	-
Accumulated acquisition cost 31 Dec. 2020	0.9	0.9
Accumulated depreciations as of 1 Jan. 2020	(0.3)	(0.3)
Current year's depreciations	(0.5)	(0.5)
Accumulated amortization and impairment losses 31 Dec. 2020	(0.9)	(0.9)
Book value 31. Dec. 2020	(0.0)	(0.0)
Amortization rates	33%	
Amortization plan	Linear	

NOTE 8: TANGIBLE ASSETS

TANGIBLE ASSETS

(NOKm)	Plant, equipment	Total	
Acquisition cost 1 Jan. 2021	0.0	0.0	
Acquisitions 2021	0.3	0.3	
Acquisitions through business combinations	-	-	
Accumulated acquisition cost 31 Dec. 2021	0.3	0.3	
Accumulated depreciations as of 1 Jan. 2021	(0.0)	(0.0)	
Current year's depreciations	(0.1)	(0.1)	
Accumulated amortization and impairment losses 31 Dec. 2021	(0.1)	(0.1)	
Book value 31. Dec. 2021	0.2	0.2	
Amortization rates	33%		
Amortization plan	Linear		

NOTE 9: INVESTMENTS IN SUBSIDIARIES

Group company	Owner	Registered office	Company share capital	Holding and votes	Profit/ loss for the year (prelim.)	Equity as at 31.12.21 (prelim.)	Book value 31.12.21
Endúr Invest AS	Endúr ASA	5160 Laksevåg	1.0	100%	29.7	76.6	82.5
Endúr Maritime AS	Endúr ASA	5160 Laksevåg	12.4	100%	(0.4)	63.6	82.6
Endúr Bidco AS	Endúr ASA	5160 Laksevåg	0.1	100%	55.1	100.8	36.1
Marcon-Gruppen i Sverige AB	Endúr ASA	Sweden	0.2	100%	9.6	56.1	394.7
Installit AS	Endúr ASA	0275 Oslo	0.9	100%	(2.4)	35.1	20.8
Total							616.7

72

NOTE 10: SHARE CAPITAL AND SHAREHOLDER INFORMATION

SHARE CAPITAL

Debt conversion registered 2 March 2021 - The company's share capital increased by NOK 20,433.27 from NOK 7,326,675.36 to NOK 7,347,108.63, by issuing 2,043,327 new shares each with a nominal value of NOK 0.01.

Business combination registered 8 March 2021- The company's share capital increased by NOK 1,062,308.38, from NOK 7,347,108.63 to NOK 8,409,417.01 by issuing 106,230,838 new shares each with a nominal value of NOK 0.01.

Business combination registered 12 March 2021 - The company's share capital increased by NOK 2,961,287.89, from NOK 8,409,417.01 to NOK 11,370,704.90 by issuing 296,128,789 new shares each with a nominal value of NOK 0.01.

Private placement registered 19 November 2021 - The company's share capital increased by NOK 2,266,667.67 from NOK 11,370,704.90 to NOK 13,637,371.57, by issuing 226,666,667 new shares each with a nominal value of NOK 0.01.

Share-based payment registered 31 December 2021 - The company's share capital increased by NOK 89,062.49 from NOK 13,637,371.57 to NOK 13,726,434.06, by issuing 8,906,249 new shares each with a nominal value of NOK 0.01.

At 31 December 2021, the share capital of Endúr ASA was NOK 13,726,434.06, divided into 1,372,643,406 shares, each with a nominal value of NOK 0.01. All shares have equal voting rights.

Shareholders as of 31 December 2021	No of shares	Holding	
Artec Holding AS	376 432 009	27.42%	
Bever Holding AS	104 382 030	7.60%	
Jörn Ryberg Holding AB	87 445 469	6.37%	
Tigerstaden Marine AS	61 000 000	4.44%	
Middelborg Invest AS	51 105 453	3.72%	
Cygnus Olor AB	43 711 026	3.18%	
Gimle Invest AS	36 353 356	2.65%	
AS Flyfisk	18 814 606	1.37%	
Langåker, Steinar	16 429 161	1.20%	
BR Industrier AS	15 817 523	1.15%	
DnB Markets Aksjehandel/-Analyse	15 400 000	1.12%	
Tight Holding AS	15 375 477	1.12%	
DnB Nor Bank ASa, Meglerkonto Innland	14 914 384	1.09%	
Tigerstaden AS	14 864 313	1.08%	
Tatomi Invest AS	12 484 866	0.91%	
Energon Holding AS	12 400 000	0.90%	
Alundo Invest AS	10 600 000	0.77%	
Fender Eiendom AS	10 599 039	0.77%	
Eikeland Holding AS	9 156 357	0.67%	
Trionor AS	8 758 351	0.64%	
Total shares owned by 20 largest shareholders	936 043 420	68.19%	
Other shareholders	436 599 986	31.81%	
Total number of shares 31.12.2021	1 372 643 406	100.00%	

ENDÚR ASA - ANNUAL REPORT 2021 73

SHARES OWNED BY EXECUTIVE PERSONNEL AND BOARD MEMBERS

The following table shows shares owned by executive personnel and board members, including shares owned by their closely-related persons and companies, as of 31 December 2021.

Board member	Title	Ownership	No of shares	Holding	
Pål Reiulf Olsen	Chairman of the Board of Directors	Shares owned by Poca Invest AS	1 000 000	0.07%	
Bjørn Finnøy	Board member	Shares owned by Artec Holding AS	125 477 336	9.14%	
Kristine Landmark	Board member		1 050 000	0.08%	
Jörn Asser Ryberg	Board member	Shares owned by Jörn Ryberg Holding AB and private.	87 445 469	6.37%	
Jeppe Bjørnerud Raaholt	CEO	Shares owned by Råbjørn AS	5 002 417	0.36%	
Einar Olsen	VP of Business Development and Controlling		502 296	0.04%	
Total shares 31.12.2021 owned by board members and their closely-related parties and executive personnel			220 477 518	16.06%	

No loans nor guarantees have been issued to members of the board.

NOTE 11: EQUITY

(NOKm)	Share capital	Share premium	Other paid- in equity	Retained earnings	Total equity
Equity 01.01.2020	2.1	123.3	0.3	(5.1)	120.6
Result for the year		(461.4)			(461.4)
Business combination	3.2	474.1	3.7		481.0
Issue of shares	2.0	244.0			246.0
Adjustment		(5.1)		5.1	-
Net changes 2020	5.2	251.6	3.7	5.1	265.7
Equity 31.12.2020	7.3	375.0	4.0		386.4
(NOKm)	Share capital	Share premium	Other paid- in equity	Retained earnings	Total equity
Equity 01.01.2021	7.3	375.0	4.0	-	386.4
Result for the year				(93.5)	(93.5)
Business combination	4.0	466.8			470.8
Issue of shares	2.4	165.5			167.9
Group contributions without tax effect				(50.5)	(50.5)
Adjustment		(143.9)		143.9	-
Net changes 2021	6.4	488.4	-	0.0	494.8
Equity 31.12.2021	13.7	863.4	4.0	0.0	881.2

NOTE 12: LOANS AND BORROWINGS

LOANS AND BORROWINGS

(NOKm)	31.12.2021	31.12.2020
Non-current loans and borrowings		
Other loans		6.0
Secured bond loans	890.6	-
Current loans and borrowings		
Convertible loan	-	7.0
Total	890.6	13.1

TERMS AND REPAYMENT SCHEDULE

	Currency	Nominal interest rate	Year of maturity	Carrying amount 31.12.2021
Secured bond loan	NOK	Fixed margin 7.25% + 3MNIBOR	2025	890.6

Secured bond loan

The Company has an outstanding senior secured, non-amortizing callable bond loan with ISIN NO0010935430 (the "Bonds") with NOK 900 million principal at 31.12.21. The Bonds were issued 3 March 2021, originally with NOK 1100 million principal. Effective 1 December 2021 the Company redeemed bonds with a total nominal value of NOK 200 million. The NOK 900 million principal outstanding matures at par on 3 March 2025. The Bonds incur interest of the aggregate of 3m NIBOR (floating reference rate) plus a fixed margin 7.25% p.a., with quarterly interest payments. As issuer of the Bonds the Company is subject to certain financial covenants; (i) maintaining a leverage ratio not greater than 5.0x up to 31 March 2022, then 3.75x up to 3. March 2023, and then 3.0x and 2.5x after 24 and 36 months respectively from the Bonds' issue date, and (ii) maintaining minimum liquidity of NOK 75 million.

The net proceeds from the bond issue were employed to fully finance the cash consideration related to the acquisitions of Artec Aqua AS and Marcon-Gruppen i Sverige AB, refinance existing debt and fund general corporate purposes.

NOTE 13: INTERCOMPANY BALANCES

RECEIVABLES		
(NOKm)	2021	2020
Long-term receivables	1 119.3	164.9
Short-term receivables	77.6	56.2
Total		221.2
LIABILITIES		
	2024	
(NOKm)	2021	2020
Long-term liabilities	16.0	47.0
Short-term liabilities	50.9	25.8
Total	66.9	72.8

The internal loans are charged with 3 months NIBOR + 2%.

ENDÚR ASA - ANNUAL REPORT 2021 75

NOTE 14: FINANCIAL MARKET RISK

The company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- interest rate risk

Credit risk of receivables towards group companies will be depending on performance of the actual operations in the subsidiary.

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities under both normal and stressed conditions

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date, including payment of interest and without the effect of settlement arrangements:

31.12.2021	-	Contractual cash flows				
(NOKm)	Carrying amount	Total	6 months or less	1 -2 years	2 - 5 years	
Secured bond loan	890.6	1 148.1	37.5	38.4	76.6	995.6
Trade and other payables	3.4	3.4	3.4	-	-	-
Total	893.9	1 151.4	40.9	38.4	76.6	995.6

Market risk for the company is related to interest risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company`s exposure to the risk of changes in market interest rates relates primarily to the company`s secured bond loan with floating interest rates. The company will continuously assess whether to hedge against interest rate risk. The following table demonstrates the sensitivity to a reasonably possible change in interest rates.

Sensitivity analysis

A change in the interest rate of 100 base points on the reporting date would have increased (reduced) equity and yearly profit by the amounts shown in the table below. This analysis assumes that all other variables, particularly the exchange rates, remain unchanged.

2021	Profit/loss		Equity	
(NOKm)	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Secured bond loan	(0.7)	0.7	(0.7)	0.7
Cash flow sensitivity (net)	(0.7)	0.7	(0.7)	0.7

76

NOTE 15: GUARANTEES

Endúr Sjøsterk AS

Endúr ASA has given a parent company guarantee of NOK 10 mill. as security for Endúr Sjøsterk AS' obligations under its guarantee facilities produced from Nordic Guarantee.

ØPD AS

Endúr ASA had given a parent company guarantee to Nordic Guarantee to secure ØPD AS' obligations under its guarantee facilities produced from Nordic Guarantee. Following the bankruptcy in ØPD AS, Endúr ASA had to answer to this parent company guarantee, assuming ØPD's continued obligation for projects with active guarantees provided by Nordic Guarantee. Endúr ASA has made relevant provisions for known and probable claims, according to the principle of best estimate.

NOTE 16: CONTINGENT LIABILITIES / LEGAL CLAIMS

LEGAL CLAIMS

There are no contingent liabilities nor legal claims in Endúr ASA as of 31.12.2021.

NOTE 17: SUBSEQUENT EVENTS

See note 31 in the group accounts.

ENDÚR ASA - ANNUAL REPORT 2021

Alternative Performance Measures

In this annual report the Group presents several Alternative Performance Measures (APMs), which are described below:

EBITDA

EBITDA (Earnings before interest, taxes, depreciation and amortization) is a commonly used performance measure. EBITDA provides an expression of profitability from operations. Endúr believes that this performance measure provides useful information about the Group's ability to service debt and finance investments. In addition, the performance measure is useful for comparing profitability with other companies. Endúr presents EBITDA in the key figures and in note 5 Operating Segments.

EBIT

EBIT (Earnings before interest and taxes) is a commonly used performance measure. EBIT provides an expression of profitability from operations, but unlike EBITDA this performance measure also includes depreciations and amortization for the period. Endúr presents EBIT in brackets behind operating profit in consolidated income statement, and in note 5 Operating Segments.

EQUITY SHARE

Equity share is calculated as Book value of Equity/ Total Assets. Endúr presents Equity share in the key figures.

NET WORKING CAPITAL

Net Working capital is calculated as Current Assets minus Current Liabilities. Net Working Capital is a measure of the group's operating liquidity. Endúr presents Net Working Capital in the key figures.

NET INTEREST BEARING DEBT

Net Interest-Bearing Debt is calculated as interest-bearing loans minus cash and cash equivalents. Endúr presents Net Interest-Bearing Debt in the key figures.

Responsibility Statement

We confirm to the best of our knowledge that the consolidated financial statements for 2021 have been prepared in accordance with IFRS as adopted by the European Union, as well as additional information requirements in accordance with the Norwegian Accounting Act, that the financial statements for the parent company for 2021 have been prepared in accordance

with the Norwegian Accounting Act and generally accepted accounting practice in Norway, and that the information presented in the financial statements gives a true and fair view of the assets, liabilities, financial position and result of Endúr ASA and the Endúr Group for the period. We also confirm to the best of our knowledge that the Board of Directors'; Report

includes a true and fair review of the development, performance and financial position of Endúr ASA and the Endúr Group, together with a description of the principal risks and uncertainties that they face.

Bergen - 28 April 2022 Board of Directors and CEO of Endúr ASA

Pål Reiulf Olsen	Jeppe Bjørnerud Raaholt	Bjørn Finnøy	Kristoffer Nesse Hope
(Chairman)	(CEO)	-sign	-sign
-sign	-sign		
Kristine Landmark	Hedvig Bugge Reiersen	Jörn Ryberg	Jorunn Ingebrigtsen
-sign	-sign	-sign	-sign

ENDÚR ASA - ANNUAL REPORT 2021 79

Auditor's Report



BDO AS Munkedamsveien 45 Postboks 1704 Vika 0121 Oslo

Independent Auditor's Report

To the General Meeting in Endúr ASA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Endúr ASA.

The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at 31 December 2021, income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2021, and income statement, statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements comply with applicable statutory requirements,
- The accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

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 as required by laws and regulations and 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 Endúr ASA for 15 years from the election by the general meeting of the shareholders on 16 July 2007 for the accounting year 2007.

Independent Auditor's Report Endúr ASA - 2021

Page 1 of 5



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 of the current period. 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.

Description of the key audit matter

How the key audit matter was addressed in the audit

Intangible assets

Under IFRS, the Group is required to perform an annual impairment test of goodwill and intangible assets with an indefinite useful life. Impairment testing of intangible assets is a key aspect of our audit due to the complexity of the assessments and the significance of assumptions related to future market and/or economic conditions that underlie the assessment.

In 2021, the Group has recognized an impairment loss of NOK 22.8 million. As of 31 December 2021, intangible assets and goodwill amounts to NOK 1 120.7 millions, representing 44.7 % of total assets.

Our audit procedures have included a detailed review of management's impairment test for each business unit to which intangible assets are allocated. We have also assessed management's assumptions underlying the valuation and taken into account management's historical accuracy in determining the estimates. Internal specialists have assisted us in this process. We have also considered the assumptions described in note 13 and assessed the adequacy of the information provided in the notes against the requirements of IAS 36

Investments in subsidiaries

The company has significant investments in subsidiaries that are measured at cost. Investments in subsidiaries are tested for impairment if indications of impairment are present. An impairment loss is recognized if the carrying amount exceeds the recoverable amount.

In 2021 the company has recognized an impairment loss of NOK 14.2 millions. The carrying amount at 31.12.2021 was NOK 616.7 millions.

The significant amounts involved, and the complexity of the valuation of the assets, lead us to classify the valuation of investments in subsidiaries as a key audit matter.

Our audit procedures included a detailed review, testing, and assessment of management's impairment tests, including the calculation of recoverable amounts. We have also assessed management's assumptions underlying the valuation and taken into consideration the historical accuracy in determining the estimates. Internal specialists have assisted us in this process. We have also considered the assumptions described in note

Independent Auditor's Report Endúr ASA - 2021

Page 2 of 5



Acquisition of Artec Aqua AS and Marcon Gruppen I Sverige AB.

On 12 March 2021, the Group acquired and gained control of a 100 % interest in Artec Aqua AS and Marcon Gruppen I Sverige AB for a purchase price of NOK 697.2 million and NOK 383.7 million respectively, both on an enterprise value basis. Acquisitions of subsidiaries are accounted for using the The acquisition method. Hence, identifiable assets acquired, and liabilities assumed are initially measured at fair value at the transaction date. Any consideration in excess of the net identifiable assets, is recorded as goodwill. In relation to the acquisitions, the Group has prepared provisional purchase price allocations. The purchase price allocation requires the application of significant judgment by management, in particular with respect to identification and valuation of intangible assets such as customer relations and technology. Due to the materiality, complexity and estimation uncertainty, we considered accounting for business combinations to constitute a key audit matter in the audit of the group. The Group's accounting policy regarding acquisitions is disclosed in note 2 to the consolidated financial statements.

Our audit procedures included an evaluation of the key assumptions applied in the valuation model, such as revenue growth, EBITDA margin, churn rate and remaining useful life. We involved our internal valuation specialists to assist us with our assessment of the discount rates, expected inflation rates, and the appropriateness of the methodology and valuation model used. In addition, we performed the following audit procedures:

- we compared the Sale and Purchase Agreement (SPA) and the Purchase Price Allocation (PPA) with respect to consideration amounts
- we reviewed the opening balances and evaluated the related fair value adjustments.
- we tested the mathematical accuracy of the calculations derived from the forecast mode

Furthermore, we have evaluated the adequacy of the disclosures provided in the notes covering business combinations.



Other information

The Board of Directors and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report and other information in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on the Board of Director's report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Our opinion on the Board of Director's report applies correspondingly for the statements on Corporate Governance, Corporate Social Responsibility.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report Endúr ASA - 2021

Page 4 of 5



For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

https://revisorforeningen.no/revisjonsberetninger

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name Endur_ASA_EN.zip-2021-12-31-en.zip have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Oslo, April 28th 2022 BDO AS

Yngve Gjethammer State Authorised Public Accountant (This document is signed electronically)





endúr.

ENDÚR ASA Postal address: Strandveien 17. 1366 Lysake

Visiting address / Group Head Quarter Damsgårdsveien 229, Laksevåg T: +47 55 54 24 00 E: post@endurasa.no W: endur.no

Further contact info is available on the company's home page.