ANNUAL REPORT 2025

ARCTIC BIOSCIENCE

CONTENTS

INTRODUCTION

Arctic Bioscience is a clinical stage biotechnology company working to develop drug candidates within the areas of autoimmune and inflammatory diseases. The company's unique proprietary extraction technology is used to extract membrane fats from marine raw materials, such as herring roe and algae.

At the core of Arctic Bioscience is a team of experts with more than 25 years of experience in lipids and marine oils, complemented by a substantial research environment and an internationally experienced commercial and financial apparatus. Since its inception in 2011, the company has demonstrated significant operational prowess, covering the entire spectrum from identifying and analysing lipid sources to manufacturing and quality assurance of the final products.

In 2023, the company started a clinical phase IIb study for the development of the novel oral drug candidate HRO350 for the treatment of mild-to-moderate psoriasis. The study, comprising 519 patients from five countries, was fully recruited in January 2024. The 12-months data read-out was conducted in 2025. Analysis on blood samples from the trial revealed statistically significant effects of HRO350 versus placebo on Systemic Immune-inflammation Index (SII) in patients with mild-to-moderate psoriasis, showing the potential of HRO350 in reducing inflammation. The prevalence of autoimmune and inflammatory diseases is substantial, with mild-to-moderate psoriasis estimated to affect more than 18 million patients in the EU5 and USA alone. Currently, for the mild-to-moderate patient population there are few treatment options except corticosteroid creams and light treatment.

In 2025 a pilot study on herring caviar oil from Arctic Bioscience was published and demonstrated effects on visual field and data on intra ocular pressure in glaucoma patients. Based on these exciting results the strategic direction for developing this asset for glaucoma patients will be evaluated.

In addition to its major pharmaceutical efforts, the company has a dedicated nutraceutical division that develops and sells phospholipid-DHA omega-3 products under the brand ROMEGA®. There has been a substantial growth in revenues the last years, and the growth potential in the years to come is significant.

Arctic Bioscience's comprehensive approach, from cutting-edge research to impactful nutraceuticals, positions the company as a key player in the dynamic landscape of autoimmune and inflammatory indications. By delivering on our mission, we will create value for patients with an unmet need for treatment, the international pharmaceutical community, and our investors.

SUMMARY

1. HRO350 – a novel oral drug candidate for mild-to-moderate psoriasis. Significant unmet medical need for new treatment, with a target addressable market of 18 million patients in the US and EU5
2. The HeROPA study, an international phase IIb clinical trial with 519 patients, showed statist ically significant effects of HRO350 versus placebo on Systemic Immune-inflammation Index (SII)
3. Cash generating global nutraceutical business, with a growing presence in large markets and strong focus on further international expansion, with significant growth potential the years to come
4. Proprietary technology platform with control over value chain underpins both the pharmaceutical and nutraceutical businesses
5. Expert management with broad experience within the pharmaceutical and nutraceutical industries

HIGHLIGHTS 2025

- Phase IIb clinical trial in mild-to-moderate psoriasis, the HeROPA-study, showed encouraging top-line results where a larger percentage of patients treated with HRO350 achieved a PGA 0/1 than placebo treated patients and, further, analysis on blood samples revealed statistically significant effects on inflammation
- Clinical Glaucoma study demonstrated that daily supplementation with herring caviar oil resulted in a statistically significant improvement in the visual field measure Mean Deviation in patients with primary open-angle glaucoma and controlled intraocular pressure
- Total nutraceutical sales revenues for 2025 ended at NOK 39.8 million
- Strong development in the American nutraceutical market in 2025, with 143 % annual revenue growth
- Positive prospects and good order backlog for the nutraceutical business, with several new promising customers both in North America, Europe and Asia
- Strong cost focus resulted in significant operational cost reductions in 2025
- Romega Skin Refine launched. New European B2C markets to be entered into in 2026
- Arctic Algae AS has continued its positive development to bring the Group in position to explore future commercial opportunities in the microalgae segment. A grant of NOK 2.5 million was received in October 2025 to fund a project developing oral vaccines for aquaculture together with leading partners in the industry

KEY FIGURES

	Arctic Bioscience Group	
Amounts in NOK	2025	2024
Revenue from sales	40 096 019	43 483 616
Gross profit	11 042 503	11 887 749
Gross margin %	28%	27%
EBIT	-33 445 211	-47 789 728
EBITDA	-28 325 854	-42 638 941
Adjusted gross profit*	**11 042 503**	**14 227 749**
Adjusted gross margin %*	**28%**	**33%**
Adjusted EBIT*	**-33 445 211**	**-41 965 887**
Adjusted EBITDA*	**-28 325 854**	**-36 815 100**
Cash flow operating activities	-22 652 520	-45 356 778
Cash flow from investment activities	-22 697 323	-50 628 934
Cash flow from financing activities	43 359 535	19 660 746
Net cash flow	**-1 990 308**	**-76 324 966**
Cash and cash equivalents end of period	**1 286 795**	**3 277 103**
Available liquidity including credit facility	**5 173 647**	**7 014 898**
Total assets	284 654 948	279 741 030
Total equity	173 488 807	210 730 763
Total liabilities	111 166 141	69 010 267
Equity ratio	61%	75%

* Adjustments in 2024 relate to pre-concept costs new production line, financial advisory costs and cost provisions recall of goods. Alternative Performance Measures and reconciliations are explained at the end of the Annual Report .

LETTER FROM THE CEO

Dear investors, customers, and partners of Arctic Bioscience,

We are entering 2026 following a year of solid execution and important strategic milestones in 2025. Building on the momentum from prior years, 2025 has been a year where Arctic Bioscience further strengthened its commercial platform, advanced its pharmaceutical pipeline, and improved its operational robustness in a measured and disciplined manner.

The HeROPA phase IIb clinical study in mild-to-moderate psoriasis reached its 12-month read-out during the summer of 2025. While the study did not meet its primary endpoint due to an unexpectedly high placebo response, analyses of key secondary endpoints, responder analyses and relevant patient subgroups demonstrated encouraging efficacy signals, supported by a strong safety profile. In addition, post-hoc analyses from the study demonstrated statistically significant reductions in systemic inflammation, measured by the Systemic Immune-Inflammation Index (SII), in patients treated with HRO350. Systemic inflammation is increasingly recognised as a key underlying mechanism across a range of chronic inflammatory and metabolic diseases, and these findings therefore strengthen the overall asset profile of HRO350 beyond the immediate psoriasis indication. Together, this supports strategic potential and partnership discussions for the asset going forward.

In parallel, our nutraceutical business continued to demonstrate resilience and scalability. Sales development in 2025 was supported by a strong product portfolio, high customer loyalty, and recurring revenues, despite varying market conditions. We expanded our consumer offering with the launch of Romega® Skin Refine, marking our entry into the rapidly growing beauty and skincare segment, and reinforcing our long-term innovation strategy. On the negative side, we experienced a product recall which affected both sales and deliveries in 2025. The case was closed late in the year with sales and deliveries returning back to normal operationts and mitigating actions being implemented.

Our B2B nutraceutical activities remained a key pillar of the Company, with products sold across the Americas, Europe and the APAC region. Order intake towards the end of 2025 was strong, and our recurring business model continues to enable gradual expansion with new customers, new formulations and new geographies. We have also continued to strengthen our presence in Asian markets through established partnerships, laying the groundwork for further growth.

Throughout 2025, we maintained a strong focus on operational discipline. Following a comprehensive cost review conducted at the end of 2024, several cost-reduction initiatives were implemented and are now clearly reflected in our cost base and financial performance. In addition, the Company secured new long-term financing during 2025, improving liquidity and providing an important financial step as we progress towards cash-positive operations.

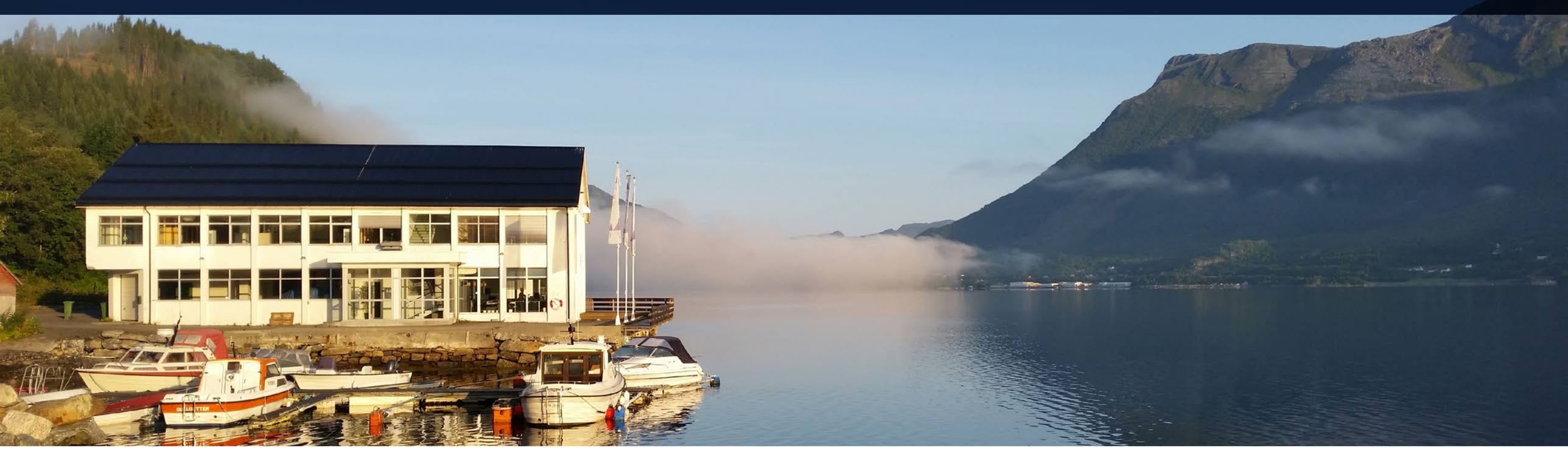
Our focus on research and production of microalgae through Arctic Algae has continued to develop according to plan. The activity level increased in 2025, supported by external collaborations and public funding, and we see meaningful long-term potential for this platform across both pharmaceutical and nutraceutical applications.

Looking ahead, we remain confident in Arctic Bioscience's strategic direction. With a strengthened commercial platform, valuable clinical data and improved operational efficiency, the Company is well positioned to creating significant shareholder value in the years to come.

Finally, I would like to thank our employees for their dedication, professionalism and commitment throughout 2025, as well as our investors, partners and customers for their continued trust and support.

Warmly,

Christer Valderhaug,
Arctic Bioscience CEO



THIS IS ARCTIC BIOSCIENCE

History

Founded in 2011, Arctic Bioscience began selling its nutraceutical products as bulk ingredients in Europe and the Americas in 2012. In the period 2012-2016, significant resources were deployed into R&D to pursue the most attractive routes to market. Revenue from the nutraceutical business has grown steadily in the past decade and Nutra is a very important part of our business.

The company initiated a randomized, double-blind, placebo-controlled pilot clinical trial at Haukeland University Hospital which was completed in 2019. Results from the study were published in 2020 and 2021, demonstrating promising, statistically significant clinical results in using herring roe oil (HRO) to treat mild-to-moderate psoriasis.

In 2019, the company initiated a scientific advice procedure with the European Medicines Agency (EMA) to evaluate a clinical development program for Herring Roe Oil in mild-to-moderate psoriasis, including design of a phase IIb clinical trial. Simultaneously, the company was also granted SME Instrument funding from the European Innovation Council to conduct a comprehensive feasibility analysis of the development of HRO350. In 2021, conduct of a large phase IIb clinical trial was contracted to the Clinical Research Organization (CRO) Smerud Medical Research International (Smerud). The clinical trial aimed to investigate the efficacy and safety of the investigational product HRO350 in patients with mild-to-moderate psoriasis. The Clinical Trial Application (CTA) was submitted in Q4 2022 and was granted approval by medicinal authorities in five European countries at the start of 2023. In January 2024 the HeROPA-trial was fully recruited with the 519 patients needed for the study. Twelve months read-out in the study was conducted in 2025 showing encouraging top-line results. A larger percentage of patients treated with HRO350 achieved a PGA 0/1 than placebo treated patients. PGA 0/1 is a measure indicating clear or almost clear skin. Subsequent analysis on blood samples from the psoriasis HeROPA-trial also revealed statistically significant effects of HRO350 versus placebo on Systemic Immune-inflammation Index (SII) in patients with mild-to-moderate psoriasis.

In 2025 a pilot study on herring caviar oil (HCO) from Arctic Biosicence was published in the journal International Ophthalmology and demonstrated effects on visual field and data on intra ocular pressure in glaucoma patients. Based on these exciting results, Arctic Bioscience will evaluate the strategic direction for developing this asset for glaucoma patients, which is planned to be conducted with partners.

In Q1 2023 Arctic Algae was acquired, a biotechnology company specializing in production of microalgae by innovative reactor technologies. With this acquisition Arctic Bioscience stepped into an exciting area in the field of bioscience, where there has been a strong development over the years. In 2025 Arctic Algae has continued its positive development to bring the Group in position to explore future commercial opportunities in the microalgae segment. In October 2025 Arctic Algae received a grant to fund a project developing oral vaccines for aquaculture, a project which will have full focus going into 2026.

At the end of 2025, the Group had a total of 20 employees and 1 contracted personnel across pharmaceutical development, sales & marketing, operations, quality, regulatory and R&D teams.

Since its foundation in 2011, the Company has evolved from a nutraceutical manufacturer to a clinical-stage biotechnology company.

Company structure

PHARMA
Drug candidate HRO350 for mild-to-moderate psoriasis. Encouraging results from the international clinical trial, HeROPA, published in 2025

NUTRA
Premium Omega-3 products with benefits for brain, heart, eyes, prenatal and sports nutrition.

TECHNOLOGY / R&D
Utilizing cutting edge extraction technology and R&D experience to create new areas of use, beyond our products as of today.

Founding story

2011-2016: Laying the foundation

- 2011 — Arctic Bioscience is founded
- 2012 — Pharmaceutical potential of products discovered

2017-2025: Building the foundation framework for a robust clinical program

PHARMA
- 2017 — Pilot clinical trial initiated
- 2018 — Pilot clinical trial completed
- 2020 — First clinical study results published
- 2020 — Scientific Advice from the EMA

NUTRA ROMEGA
- 2019 — Strategic partnership entered with Kotler
- 2019 — B2B bulk sales surpass NOK 20m
- 2020 — B2C subscription is launched in Norway
- 2020 — Dr. Mercola sales in USA pass 3m in single order

- 2021 — IPO Euronext Growth, Oslo
- 2022 — HeROPA Phase IIb clinical study Scaling Nutra globally
- 2023 — Entering micro algae space
- 2024 — Strong Nutra growth
- 2025 — Statistically significant effects of HRO350 on inflammation

2019-2025: Developing the organization to prepare for future growth

PHARMA

Investigational medicinal product HRO350 for mild-to-moderate psoriasis

Executive summary

Arctic Bioscience is developing a novel, oral drug candidate (HRO350) for the treatment of mild-to-moderate psoriasis, a large market with significant unmet medical need. Psoriasis is a chronic, non-communicable, inflammatory skin disorder with no clear cause or cure. Psoriasis is commonly categorized by severity ranging from mild to moderate to severe. Psoriasis affects over 20 million patients in the US and Europe, with 80-90 per-cent having the mild-to-moderate form. It is estimated that psoriasis affects 2-6 percent of the population worldwide and can have a profound impact on patients' quality of life [1]. Arctic Bioscience targets patients in the mild-to-moderate category, the group that makes up the vast majority of psoriasis patients. HRO350 is targeting an addressable market of approximately 18.7 million mild-to-moderate psoriasis patients in US and EU-5 alone.

Phase IIb clinical trial – the HeROPA study

In late 2022 Arctic Bioscience submitted a Clinical Trial Application (CTA) for the international HeROPA study, a phase IIb randomized, placebo-controlled clinical trial in mild-to-moderate psoriasis with the investigational medicinal product (IMP) HRO350. The HeROPA study was designed to investigate the efficacy, safety and dose of drug candidate HRO350 vs. placebo. The CTA was approved at the start of 2023 in five European countries. These countries were Germany, Poland, Finland, the UK and Norway.

519 patients were included in the HeROPA study, where the last patient was recruited in January 2024. The 12 months data read-out from the trial was conducted in 2025.

Statistically significant effects of HRO350 on inflammation

The HeROPA phase IIb study showed encouraging results on key secondary endpoint with increasing durable efficacy up to week 52. More patients treated with HRO350 achieved "clear" or "almost clear" skin (PGA 0/1) indicting minimal or no skin symptoms in both active groups compared to placebo. PGA 0/1 is commonly used as a primary endpoint in studies, it is a treatment-goal for psoriasis and is a harder endpoint to reach than PASI50, a 50% reduction in the psoriasis symptoms. HRO350 was well tolerated throughout the study duration with no new safety concerns and no unexpected serious adverse events.

Analysis on blood samples from the psoriasis HeROPA-trial revealed statistically significant effects of HRO350 versus placebo on Systemic Immune-inflammation Index (SII) in patients with mild-to-moderate psoriasis. Significantly more patients treated with HRO350 achieved a ≥ 25% reduction in a systemic inflammatory marker at both 26 weeks and 1 year compared to placebo. Among patients with lower baseline systemic inflammation, this reduction was accompanied by statistically significant improvements in psoriasis skin symptoms and quality of life, shown through achievement of sPGA0/1 and DLQI0/1 in the HRO350 group after 1 year.

The Systemic Immune-inflammation Index (SII) is a biomarker which reflects systemic inflammation and immune status. SII has been found to correlate with psoriasis severity, risk of disease activation, and decreases with effective systemic therapy.

The results show that patient screening based on baseline SII in mild-to-moderate psoriasis may reduce the inherent uncertainty in the patient target group for HRO350 in further development phase. Inflammation plays a key role in psoriasis and can be measured through biomarkers. Systemic inflammation measured in blood provides a distinct perspective on disease severity compared to skin symptoms. These findings on the impact of HRO350 on inflammation align with in vitro cellular data indicating involvement of HRO350 in resolution of inflammation.The very interesting data on SII status in the HeROPA trial, will be important to take into account when designing a future phase III clinical trial.

Further planned drug development program

A Pediatric Investigational Plan (PIP) for HRO350 was submitted in 2021. In March 2022 Arctic Bioscience received a positive opinion from the Pediatric Committee of the EMA. It is a strong belief there is a major market potential for HRO350 in mild-to-moderate psoriasis, and Arctic Bioscience is currently seeking partnerships for further development. The company's ambition is to run a phase III clinical trial in collaboration with a commercial partner, before submitting a Marketing Authorization (MA) application thereafter.

Market opportunity

There is a significant unmet medical need for cost-effective, oral treatment for mild-to-moderate psoriasis. It is estimated that 9/10 patients experience mild-to-moderate disease, resulting in an addressable market of more than 18 million patients in the USA and the EU5 alone. Based on conservative pricing and market share projections, moderate psoriasis alone presents a peak revenue opportunity of $1.2 billion per annum. If the drug is positioned to treat a segment of the mild psoriasis population in addition to the moderate patient population, the peak revenue opportunity could potentially increase to $2 billion per year [2].

Arctic Orphan - Drug development opportunity for extremely premature infants

Arctic Bioscience has a collaboration with Smerud Medical Research International (Smerud) for the development of a novel drug candidate for brain development in extremely premature infants. Babies born this early do not have fully developed brains and are therefore subject to a high risk of disability and complications. DHA is crucial for normal development of brain and vision in the fetus, and herring roe is a natural and rich source of DHA. Thus, there is a sound scientific rationale for a drug candidate based on phospholipid esters from herring roe extract.

Arctic Bioscience plans to apply for orphan designation for the drug candidate. In the collaboration, Smerud will cover the cost of the clinical program and Arctic Bioscience will cover the cost of formulation development and clinical material. A grant of NOK 2.3 million has been received from Innovation Norway to develop the pre-clinical material.

The drug development program will run in parallel with the HRO350 clinical program for mild-to-moderate psoriasis and will provide a further basis for development of Arctic Bioscience's pharmaceutical business.

ABS403 – Promote resolution of inflammation and support neuroprotection in glaucoma

Glaucoma is an eye disease which does not currently have a cure and leads to blindness. A clinical pilot study [3] published in International Ophthalmology demonstrated that daily supplementation with herring caviar oil resulted in a statistically significant improvement in the visual field measure Mean Deviation (MD) in patients with primary open-angle glaucoma (POAG) and controlled intraocular pressure (IOP). No adverse events were observed, and the treatment was well tolerated.

These findings suggest that herring caviar oil may be a safe and potentially effective adjunct to protect vision in glaucoma patients, even when IOP is already controlled. Going forward Arctic Bioscience is planning larger, randomized studies to confirm these promising results. As preparation for the next stages are conducted, partners and investors to join in advancing ABS403 into further clinical development are being sought.

[1] World Health Organization. Global report on psoriasis. World Health Organization 2016. https://apps.who.int/iris/handle/10665/204417 Yeung H, et. Al. Psoriasis severity and the prevalence of major medical co-morbidities: a population-based study. JAMA Dermatol. 2013 October 1: 149(10):1173-1179

[2] Results represented are based on indicative price and patient share assumptions, subject to achieving optimal price and market access; WAC; weighted average cost. Source: Arctic Bioscience assumptions, IQVIA research and analysis

[3] Read more about the promising pilot trial by Luo et al: https://doi.org/10.1007/s10792-025-03693-1

NUTRA

Arctic Bioscience's nutraceutical product is ROMEGA®, a premium phospholipid-DHA omega-3 food supplement with a 3:1 ratio of DHA to EPA. DHA and EPA are present in their phospholipid bound form which increases uptake of these essential fatty acids. Due to its EPA content, ROMEGA® has benefits for heart health, and its high composition of DHA is especially important for brain health, eye health and prenatal development. Over the last years, the company has produced several new ROMEGA® products, both oil and protein products.

Arctic Bioscience's strategy for sale of nutraceutical products is multi-dimensional including B2B, B2C and strategic partner sales.

The nutraceutical business is cash generating with a loyal and ever-growing customer base. There is a vast global Omega-3 market set for further growth in coming years, and ROMEGA® is attractively positioned in the market. Over the last years the revenue growth has been good, whereas several promising customers from around the world have been on-boarded. There are positive prospects for our nutraceutical business going forward, by introducing new products into the market and by further building our international customer base. Significant marketing and delivery agreements have been established with key international partners, agreements that are expected to have continued and increasing effects in the years to come.

B2B

The majority of the company's nutraceutical business' revenues are from B2B sales of herring caviar oil (bulk) and finished goods (capsules) products in the Americas, Europe and APAC. The last years a larger share of the total revenues has come from finished goods (capsules), an effect of an updated implemented sales and distribution strategy. In 2025 the American market accounted for 38 % of the total B2B sales. Europe accounted for 33 %, the APAC region 23 % and Norway 6 % respectively.

B2C

Arctic Bioscience also sells direct to consumers. Overall, in 2025 B2C accounted for 12% of Arctic Bioscience' total sales revenues. 2025 showed a stable revenue development after significant growth in the years before. Until last part of 2025 Norway has been the only B2C market which Arctic Bioscience has operated in. From end of 2025 our ROMEGA® products were also launched in Sweden, with more European countries to come in 2026. Our products are available through an e-commerce subscription model.

Strong and long strategic partnership in China

Through a strategic partnership with Kotler Marketing Group, Arctic Bioscience has developed a strong and effective platform for marketing and sales in the Chinese consumer market. China is the second largest Omega-3 market in the world and is considered an ideal market for ROMEGA® with high status attached to caviar products and premium quality "Made in Norway"-products. Kotler Marketing Group is well known for its world-class marketing experience and had deep local market insight and significant resources dedicated to sales and distribution of Arctic Bioscience's products. The key products in China are ROMEGA® Prenatal, ROMEGA® Eye and ROMEGA® Brain.

A joint venture with the Kotler Group is established to further develop the Chinese and Southeast Asian nutraceutical markets together to truly realize the business potential in this long and strategic partnership.

ARCTIC ALGAE

The company Arctic Algae, a biotechnology company specializing in production of micro algae by innovative reactor technologies, was acquired in Q1 2023. In addition to current use of marine ingredients in the Group, Arctic Algae will enhance the product- and technology platform by developing proprietary and scalable ingredients based on micro algae and expand the product portfolio into marine algal oils, products that have a high growth rate in the nutraceutical marketplace.

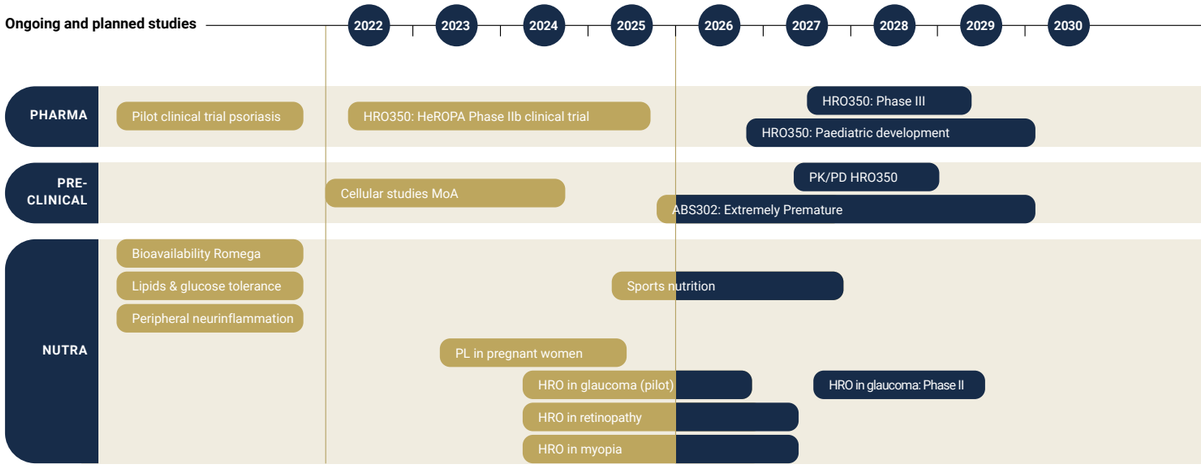
Arctic Algae has the infrastructure needed for both heterotrophic and phototrophic development of micro algae, which is the basis for valuable marine oils, protein and other promising ingredients.

Since the acquisition in 2023, Arctic Algae has had a positive development in the Group. The company has received several public grants and has worked on significant product development and R&D projects within the segment. The path forward for the company is very exciting, including focus on a project to develop oral vaccines for the aquaculture industry.

TECHNOLOGY / R&D

Research & development, alongside focus on cutting edge technology, is the foundation of all operations in Arctic Bioscience, both in pharmaceutical and nutraceutical business units. Our experienced team of scientists are constantly innovating, developing new product formulations and processes to be utilized in the company's diverse range of products.

Arctic Bioscience's extraction technology, together with the experience in our R&D department, puts us in a position to explore new areas of use, beyond our core products as of today. We do this by leveraging our proprietary production process, protected by a comprehensive portfolio of patents and technological know-how. Our experts in this field are highly involved in the positive development Arctic Bioscience has both in the pharmaceutical and nutraceutical market space.



MANAGEMENT

Christer L. Valderhaug
CEO

Mr. Valderhaug (1972) has 25+ years of experience in international business. His most recent role was Partner and Head of Investments at Converto, where he assisted top Management and boards across a range of industries including marine growth companies. Prior to joining Converto in 2016, he was the CEO of ICD Software and worked 15 years as a consultant at Accenture, SINTEF and Gagn Consulting. Valderhaug holds a Master of Economics degree from NHH - Norwegian School of Economics and the University of Mannheim in Germany.

Jone R. Slinning
CFO

Mr. Slinning (1979) has a broad and long experience from various industries, including auditing, the banking and finance sector, and different CFO positions, latest in the aquaculture industry. Mr. Slinning holds a Master of Economics degree from NHH – Norwegian School of Economics.

Runhild Gammelsæter
Medical director

Dr. Gammelsæter (1976) is highly experienced in the pharmaceutical industry. She has experience from R&D-based entrepreneurship, patenting, leading research units, and as an entrepreneur founding the biotech firm Regenics AS. Former positions include leadership roles in GSK, AbbVie, and Abbot. Dr. Gammelsæter holds a Ph.D. in cell physiology from the Medical Faculty at the University in Oslo.

Hogne Hallaråker
CSO

Mr. Hallaråker (1966) is the founder and developer of Arctic Bioscience´s business concept. He is an entrepreneur with more than 20 years of experience in the Nutraceutical and Biomarine industries. Mr. Hallaråker holds a MSc in Marine Biology and Aquaculture from the University of Bergen.

Jannicke Bjørkedal
Quality Manager

Mrs. Bjørkedal (1970) has more than 20 years of experience working with marine oils both from the nutraceutical and pharmaceutical industry. Her experience includes working as a Qualified Person (QP) and leading quality unit. She holds a Bachelor's degree in Aquatic Biology.

Per Christian Sæbø
COO

Mr. Sæbø (1967) has more than 25 years of experience from manufacturing management and process development, including concept architecture, concept testing, and verification, upscaling and operationalization. Mr. Sæbø holds a MSc in Chemistry from NTNU.

Para Ghildyal-Palani
Regulatory Manager

Dr. Ghildyal-Palani (1976) has diverse experience from the life science industry, having held numerous scientific and advisory roles across academic, public, and private sectors. Her expertise lies in regulatory affairs and safety risk management of nutraceuticals and medicines. She has valuable experience from working at the Norwegian Food Safety Authority, framing national policies and negotiating nutraceutical standards, globally and within the EU. She has a Ph.D. in Neurophysiology from the Indian Institute of Technology – Bombay.

Daniele Mancinelli
CTO

Mr. Mancinelli (1973) is experienced in R&D specialized in omega-3 fatty acids. His experience span: concept architecture, concept testing and verification, up-scaling and operationalization as well as process optimization. Mr. Mancinelli holds a MSc in Chemistry and Pharmaceutical Technologies.

Kim Frode Thorup
EVP B2B Nutra

Mr. Thorup (1972) has 25+ years of experience with global international sales and marketing management within industries like furniture, renewable energy, salmon by-products and food supplement. His recent position was heading global sales at Mowi Nutrition. Mr. Thorup has a Higher Commercial Examination Program from Herning Business School - Denmark.

BOARD OF DIRECTORS

Harald Nordal – Chairman

Harald Nordal is a co-founder of the Company and has served at the board of directors since the founding of the Company. He has served as chairman from 2011 to January 2015 and from December 2015. He has extensive experience from national and international senior board and executive management positions in industry and biosciences. He sits on the board of directors of Regenics AS and Hyperthermics AS. He holds a MSc in Civil Engineering from the Norwegian University of Science and Technology (NTNU) and an MBA in Project Management from the SKEMA Business School, France.

Marita Holstad – Board member

Marita Holstad has served as a board member of the company since 2021. She currently holds the role as Global Brand Lead Dermatology for Dupixent at Sanofi. Prior to joining Sanofi Marita held the role as Commercialization Leader Respiratory in GlaxoSmith-Kline (GSK), based in Chicago, IL. Before joining GSK, Ms. Holstad has 16 years' experience from AbbVie (previously Abbott) from management positions in Norway, UK and the US within Immunology across Rheumatology, Gastrology and Dermatology. Holstad holds an MBA degree in Strategic Leadership from the Norwegian School of Economics and Business Administration (NHH). She has a relevant track-record and capabilities when it comes to developing and bringing pharmaceutical products to market, including within the field of psoriasis. Marita is based in the US, outside Chicago.

Tore A. Tønseth – Board member

Tore A. Tønseth has served as a board member of the Company since January 2021. He currently works as Investment Director at Ronja Capital AS and is chairman of the board in Salmon Evolution ASA, in addition to several board positions in different private and public companies: Rimfrost AS, Hyperthermics AS and Griff Aviation AS among others. He has also worked as an Equity Analyst at SpareBank 1 Markets and Pareto Securities. He holds a Master's Degree in Finance from the Norwegian School of Economics.

Jan Endre Vartdal – Board member

Jan Endre Vartdal has served as a board member of the Company since 2015. In 1997, together with his two siblings, Mr. Vartdal took over the family Company Vartdal Plastindustri AS. Since 2008 Mr. Vartdal has been CEO of the Company, which under his leadership has grown from a single factory Company with 70 employees to a Company employing more than 250 people running seven factories located in all parts of Norway under the Company name Vartdal Plast. Mr. Vartdal currently sits on the board of the Confederation of Norwegian Enterprise Møre og Romsdal (NHO). In addition to this, he is involved in the development of several companies and projects as investor and board director.

Olav Sindre Kriken – Board member

Olav Sindre Kriken has served as a board member of the Company since 2025. He is an experienced founder and businessman with demonstrated history from bu siness innovation and growth. He is skilled in Product-Led Growth, Business Modelling, Marketing Management and Digital Strategy and complements the experience and competency of the other Board members well. From his base in Palo Alto, California, he brings another perspective and network to the Board of the Company.

BOARD OF DIRECTORS' REPORT

Operations and locations

Arctic Bioscience AS ("the Company" or "the Group") is a clinical stage biotechnology company developing pharmaceutical and commercializing nutraceutical products based on unique bioactive marine compounds, including lipids essential to maintaining cell membranes. The main office is in Ørsta, but the Group also has an office in Oslo. Due to operational activity in Spain, Arctic Bioscience has a VAT/fiscal registration in this country with address in Barcelona. The Group is also VAT-registered in Sweden.

The Group includes, in addition to Arctic Bioscience AS:

- Arctic Algae AS
- Arctic Nutrition AS
- Romega AS
- Arctic Biopharma AS

The Board of Directors' report for Arctic Bioscience 2025 is based on the consolidated financial accounts for 2025 and 2024. When "Arctic Bioscience" is referred to throughout this report, it represents the consolidated activity of the Group. Arctic Nutrition AS, Romega AS and Arctic Biopharma AS are established with minimal capital and have limited operations at this point.

Operational review

The phase 2b clinical trial in mild-to-moderate psoriasis, the HeROPA-study, reached full recruitment of all 519 patients in January 2024. The HeROPA-study was a randomized, placebo-control clinical trial with the investigational medicinal product HRO350. The study was designed to investigate the efficacy, safety and dose of the drug candidate HRO350 vs. placebo, and was conducted in 5 European countries. 12 months data read-out from the trial was conducted in 2025. This showed encouraging results on key secondary endpoint with increasing durable efficacy up to week 52. More patients treated with HRO350 achieved "clear" or "almost clear" skin (PGA 0/1) indicting minimal or no skin symptoms in both active groups compared to placebo. Further analysis on blood samples from the psoriasis HeROPA-trial revealed statistically significant effects of HRO350 versus placebo on Systemic Immune-inflammation Index (SII) in patients with mild-to-moderate psoriasis. The results show that patient screening based on baseline SII in mild-to-moderate psoriasis may reduce the inherent uncertainty in the patient target group for HRO350 in further development phase. These findings on the impact of HRO350 on inflammation align with in vitro cellular data indicating involvement of HRO350 in resolution of inflammation.

A clinical pilot study published in International Ophthalmology demonstrated that daily supplementation with herring caviar oil resulted in a statistically significant improvement in the visual field measure Mean Deviation in patients with primary open-angle glaucoma and controlled intraocular pressure (IOP). These findings suggest that herring caviar oil may be a safe and potentially effective adjunct to protect vision in glaucoma patients, even when IOP is already controlled. Going forward Arctic Bioscience is planning larger, randomized studies to confirm these promising results.

Arctic Bioscience has a collaboration with Smerud Medical Research International (Smerud) for the development of a novel drug candidate for brain development in extremely premature infants (Arctic Orphan). Arctic Bioscience plans to apply for orphan designation for the drug candidate. In the collaboration, Smerud will cover the cost of the clinical program and Arctic Bioscience will cover the cost of formulation development and clinical material. A grant of NOK 2.3 million from Innovation Norway was approved in 2025 to develop the pre-clinical material.

The company's nutraceutical business continued to demonstrate resilience and scalability. A strong product portfolio, high customer loyalty and recurring revenues supported the sales development in 2025. The market conditions were varying, and a product recall which affected both sales and deliveries in 2025 was experienced, resulting in a slight decrease in total revenues from the nutraceutical business compared to 2024 and below what was expected going into 2025. The American market had a very positive growth in 2025, more than doubling the revenues compared to last year, and with further positive outlook for 2026. The B2C segment had a stable development compared to last year. From end of 2025 the company's B2C-products were also launched in Sweden, with more European countries to come in 2026. Total order intake towards end of 2025 was strong, and the recurring business model continues to enable gradual expansion with new customers, new formulations and new geographies.

In 2023 Arctic Bioscience acquired Arctic Algae, a biotechnology company specializing in production of micro algae by innovative reactor technologies. The focus on research and production of microalgae has continued to develop according to plan. The activity level increased in 2025 and was supported by external collaborations and public grants.

The organization has been stable in 2025 with continued focus to professionalize the company's operations by developing and further implementing new work- and quality processes. By its employees and technical infrastructure Arctic Bioscience is in a strong position to meet future requirements for both the pharmaceutical and nutraceutical operational activities.

Financial review

Income statement

Arctic Bioscience generated sales revenue of NOK 40.1 million in 2025, down from NOK 43.5 million in 2025. 88% of the sales revenue was related to the B2B segment in 2025.

Gross profit of the year was NOK 11.0 million, down from NOK 11.9 million in 2024. For 2025 this represents a gross margin of 28%,

compared to 27% in 2024. Included in the gross profit for 2024 is an extraordinary cost provision of NOK 2.34 million in relation to recall of goods sold in December 2024. Adjusted for this provision, adjusted gross profit in 2024 was NOK 14.2 million, representing a gross margin of 33%. The 2025 figures were also affected by further costs related to the recall issue, which negatively affected gross profit for the year.

Other income was NOK 2.5 million in 2025, up from NOK 0.9 million in 2024. These income are linked to increased R&D activity and thereby public grants both in Arctic Bioscience and Arctic Algae.

Total operating expenses excluding cost of goods sold for the year were NOK 41.6 million for the parent company and NOK 47.0 million for the group in total in 2025. The corresponding figures for 2024 were NOK 54.8 million for the parent company and NOK 60.6 million for the group in total. Of the 2024 figures NOK 3.5 million were non-recurring costs related to pre-concept of new production line and financial advisory costs. Significant cost reduction initiatives were implemented in late 2024, and these have given positive results in 2025 where a lower cost base has been achieved.

Personnel costs in the parent company decreased by NOK 2.0 million. Personnel costs for the group in total decreased with NOK 1.5 million compared to 2024. Temporary layoffs have been implemented for parts of the year. During 2025, NOK 3.0 million of total personnel expenses were capitalized to development projects. The corresponding figures from 2024 were NOK 4.4 million. Other operating expenditures decreased with NOK 11.2 million compared to the last year for the parent company and decreased with NOK 12 million for the group in total compared to 2024. Depreciation expenditures were stable between the two years.

Operating loss for 2025 was NOK 29.9 million for the parent company, compared to NOK 42.9 million in 2024. For the group total operating loss for 2025 was NOK 33.4 million, compared to NOK 47.8 million in 2024.

Including net financial items, the total loss for 2025 for the parent company was NOK 42.6 million, compared to NOK 49.1 million in 2024 for the parent company. Included in financial items was an impairment of investment in subsidiary of NOK 5.5 million in 2025. For the group the total loss for 2025 was NOK 41.0 million, compared to NOK 47.9 million in 2024.

Research and development

Arctic Bioscience is investing in research and development projects in the pharmaceutical and nutraceutical business units. The projects are mainly related to the development of HRO350, the production process, and other product developments. Arctic Bioscience mainly capitalizes development costs as these are considered to form the basis for future earnings.

Arctic Bioscience has in 2025 received total payments of NOK 918 678 from Innovation Norway related to two projects: "Romega brand positioning" and "Arctic Orphan". These payments are booked as other operating income. In 2025, Arctic Bioscience has been paid NOK 4.75 million in SkatteFunn relating to 2024, and has earned a grant of NOK 4.1 million for 2025. These amounts have been entered in their entirety as a reduction of capitalized costs related to the projects in 2024 and 2025, respectively.

Arctic Algae AS received total grants of NOK 1 602 806 in 2025. NOK 200 000 was received via a development project led by Sintef Nordvest AS. NOK 1 402 806 was received from Regional Forskningsfond connected to two different development projects led by Arctic Algae AS. The public grants in Arctic Algae AS are recognized in the income statement on the basis that the company's development projects are not recognized in the balance sheet.

The group will continue to be active in applying for grants from both Norwegian and international organizations.

Cash flow statement

Net cash flow from operating activities was NOK -21.0 million (NOK -42.1 million in 2024) for the parent company in 2025, and NOK -22.7 million (NOK -45.4 million in 2024) for the group in total, mainly driven by negative operating results. Of other items influencing operating activities, changes in inventory amounted to NOK -0.6 million, and changes in accounts receivable of NOK 4.4 million. Changes in accounts payable amounted to NOK 10.2 million for the parent company and NOK 10.5 million for the group in total. Finally, changes in other accrual items amounted to NOK -1.3 million for the parent company and NOK -0.9 million for the group in total.

Net cash flow from investing activities was NOK -24.2 million for the parent company in 2025 (NOK -53.2 million in 2024). This was mainly related to the phase 2b HRO350 clinical development program. Received public grant of NOK 4.75 million has been netted in the total investing figures. For the group in total net cash flow from investing activities was NOK -22.7 million in 2025.

Cash flow from financing activities during 2025 amounted to NOK 44.0 million for the parent company (NOK 20.2 million in 2024). This relates to net change in credit facility and new long-term debt of NOK 30 million. Cash flow form financing activities for the group in total in 2025 was NOK 43.4 million (NOK 19.7 million in 2024).

Total net cash flow during 2025 ended at NOK -1.2 million for the parent company (NOK -75.1 million in 2024) and NOK -2.0 million for the group in total (NOK -76.3 million in 2024). Total available liquidity at end of 2025 was NOK 5.0 for the parent company (NOK 6 million) and NOK 5.2 million (NOK 7.0 million) for the group in total, including unused credit facility. In April 2026 the liquidity situation was strengthened with a new long-term loan of NOK 15 million.

Financial position – balance sheet as of 31.12.2025

For the parent company total equity as of 31.12.2025 amounted to NOK 175 million (NOK 213.8 million), and for the group in total NOK 173.5 million (NOK 210.7 million). This corresponds to an equity ratio of 62% (76%) for the parent company and 61% (75%) at group level.

Total non-current assets as of 31.12.2025 for the parent company amounted to NOK 230.8 million (NOK 221.2 million), and for the group in total NOK 235.3 million (NOK 221.9 million). The increase during the year is mainly allocated to an increase in intangible assets related to the pharmaceutical development program of HRO350.

The parent company has NOK 53.3 million in current assets (NOK 59.3 million), and the group in total has current assets of NOK 49.3 million (NOK 57.9 million), at end of 2025. Inventories amount to NOK 29.6 million, short-term receivables NOK 22.7 million for the parent company and NOK 18.4 million for the group in total, and cash NOK 1.1 million for the parent company and NOK 1.3 million for the group in total.

The parent company has debt of a convertible loan of NOK 12.4 million and a long-term loan from Innovation Norway of NOK 15 million. The group has in addition NOK 0.8 million in other non-current liabilities, related to financial leasing contracts. Total liabilities amounts to NOK 109.1 million for the parent company (NOK 66.7 million), and NOK 111.2 million for the group in total (NOK 69.0 million).

Allocation of net profit/loss

Net loss for 2025 was NOK 42.6 million for Arctic Bioscience AS and NOK 41.0 million for the consolidated Group, compared to a net loss of NOK 49.1 million for the parent company and net loss of NOK 47.9 million for the consolidated Group in total in 2024. The Board proposes that the loss be covered by share premium reserve.

Subsequent events

On 1. April 2026 Arctic Bioscience secured new long-term financing through a bank loan of NOK 15 million. Together with increase in credit facility of NOK 8 million from December 2025, available liquidity has been increased by a total of NOK 23 million combined. The new loan and the increased credit facility are secured through a growth guarantee from Innovation Norway of NOK 6 million and through guarantees from various shareholders of a total of NOK 18 million. Agreements have been entered into with shareholders who have provided guarantees for the new financing. There will be no guarantee fee to be paid. The guarantors shall, for the entire term of the loan agreement, have an irrevocable right to redeem the entire outstanding amount of the loan on behalf of the company by paying such amount directly to the bank, and to have the resulting claim against the company converted into shares in the company. The claim is convertible by the guarantors at any time into freely tradable shares. Conversion price per share is the lower of 70% x previous 5 trading days VWAP (T+1) from the date the conversion notice is sent, or maximum conversion price of the lower of NOK 3 or 70% x price-per-share in any equity financing in the period where the guarantee is valid.

Risks and risk management

Arctic Bioscience is exposed to financial, operational and market risks. The Group has adopted a risk management policy to identify, measure, and mitigate risks.

Financial risks

Currency risk: Arctic Bioscience has significant sales to customers outside of Norway but does not currently hedge foreign exchange risk on the income side. However, the company holds cash in EUR and USD for known upcoming supplier payments to entities outside of Norway related to the Group's various investment projects and has thus hedged currency risk on the expenditure side.

Credit risk: Relates to receivables from customers and is monitored on a routine basis with credit evaluations being performed on customers when appropriate. Despite sometimes lengthy credit terms, Arctic Bioscience has had low losses on receivables as the sales and accounting departments maintain close contact with each customer, and routine billing and cash collection is performed. Arctic Bioscience has implemented credit score applications used when evaluating new customers.

Interest rate risk: The Group has financial leasing contracts, credit facilities and other long-term debt established and is therefore exposed to interest fluctuations. The financial leasing contracts and some of the long-term loans are based on floating interest rates. The credit facilities are based on 3 months NIBOR with addition of a fixed margin. The convertible loan is based on a fixed yearly interest rate.

Liquidity risk: Management of liquidity risk is accorded high priority. The liquidity position is tightly tracked and managed via rolling forecasting models, with continuous assessments of funding possibilities going forward.

Market and operational risks

The majority of the Group's revenues derive from sales of products containing herring roe derived Omega-3 fatty acids, phospholipids or proteins, and the Group is dependent on the market acceptance and long-term price development of such product. The markets in which the Group operate may become more competitive or may not sufficiently accept some of the Group's products.

The Group relies on the supply of raw materials, the most important being herring roe, which may be subject to availability or price fluctuations. The Group is reliant upon third party suppliers and there are risks associated with the distributor and partner agreements.

Arctic Bioscience does not yet have any approved pharmaceutical products, and the risk of delays or failures at any stage of the clinical program may prevent commercialization of the pharmaceutical product candidate in line with the planned timeline, or at all.

Any failures, material delays or unexpected costs related to the implementation of the Group's strategies could have a material adverse effect on business, results, cash flows, financial condition and/or prospects.

Board liability insurance

The Group has an insurance policy which covers all members of the Board, CEO, members of Group management and employees who can incur an independent management responsibility. Total insurance amount is set at NOK 20 million.

Health, safety, security, and organization

Arctic Bioscience places utmost value in the safety and wellbeing of its people. We are proud that there were no reportable incidents in 2025. The Group's sick leave rate in 2025 was low. Total reported sick notices amounted to 87 days in 2025, equivalent to 1.9%. None of these were directly linked to working conditions. Arctic Bioscience has established an occupational health service scheme.

Arctic Bioscience seeks to be an inclusive employer and believes that diversity among employees and management contributes positively to the work environment and strengthens competitiveness and performance. There is no discrimination due to gender, nationality, culture, and religion with respect to remuneration, promotion, or recruitment. The Group is committed to recognize diversity and ensure equal opportunities, including fair employment conditions.

As of 31. December 2025, the parent company had 17 employees and in addition 1 consultant on a full-time basis outside of Norway. Of the 18 in total, 8 are female and 10 are male. In addition, the subsidiaries have 3 employees, all females. The working environment is internationally orientated with employees and full-time consultants from different nations as Italy, Denmark, USA, Ukraine, India, Australia, Malaysia and Norway.

The Board has 5 members, 4 men and 1 woman.

The Group's working environment and culture are considered strong with a continuous focus on improvement.

Corporate governance

The Board of Directors has a responsibility to ensure that the Group has sound corporate governance mechanisms. The Group is not listed on a regulated market and thus not subject to mandatory corporate governance codes. Trading in the shares on Euronext Growth Oslo does not require implementation of a specific corporate governance code, such as the Norwegian Code of Practice for Corporate Governance (the "Code"). Nonetheless, the Group intends to maintain a high level of corporate governance standard.

ESG and impact on external environment

The Group recognizes its environmental, social, and corporate governance (ESG) responsibilities and supports the UN Sustainable Development Goals initiative. The Group has a robust ESG footprint, addressing at least four UN Sustainable Development Goals:

Good Health and Well-Being:
by improving the quality of life for people with inflammatory disorders

Gender Equality:
by dedication to employee gender balance and having women in key leadership positions

Industry, Innovation and Infrastructure:
by developing new GMP production, by having a dedicated R&D department working on developing novel products and by having a medical department dedicated to running clinical trials

Responsible Consumption and Production:
by producing products from herring roe, a by-product of the herring fishing industry produced in Norway

Arctic Bioscience's operations have limited impact on the environment. The Group operates in compliance with applicable environmental legislation, without any requirement for waivers or exemptions.

Shareholder information

Arctic Bioscience has been listed on Euronext Growth since February 24th, 2021. As of 31.12.2025, the Company had 26 956 256 issued shares, each with a par value of NOK 0.10, divided between 1 035 shareholders. The Company has one class of shares, and accordingly there are no differences in the voting rights among the shares.

Ronja Capital Investment AS was the largest shareholder as of 31.12.2025, with 3 087 999 shares, representing 11.46%. Note 15 includes a list of the 20 largest shareholders of the Company's shares.

Dividend and dividend policy

Arctic Bioscience is currently in a growth phase and will seek to deploy available capital towards growth initiatives. Beyond the growth phase, it is the Group's ambition to pay dividends to shareholders as soon as it considers itself to be in a position to do so and when it is considered to be in the general interest of the shareholders.

Analyst coverage

Two investment banks (DNB Markets and ABG Sundal Collier) had coverage of the Arctic Bioscience share at year-end 2025.

Business outlook

Forward looking statements are always associated with some degree of uncertainty.

Arctic Bioscience will have a strong focus on further international expansion related to its nutraceutical business in 2026. The strong order outlook for 2026 indicates good growth for the total nutraceutical business compared to 2025.

Data from the HeROPA trial will be published in scientific journals and presented at conferences during H1/H2 2026, which will increase the visibility and outreach of the results significantly. Arctic Bioscience will continue to leverage the positive results from both the HeROPA study and the glaucoma study and seek partnerships for future development. Work on designing pre-clinical studies for the asset for extremely premature infants is ongoing.

The liquidity situation continues to be closely monitored. The Board is continuously assessing liquidity measures beyond those already implemented. The dialogues with financing partners have been and still are close and good. New long-term funding of NOK 15 million was secured in April 2026, supported by guarantees from various shareholders. Further pharma project developments will be sought to be financed separately through partnerships or specific project financing.

Board of Directors statement

The Annual Report and Financial Statements are prepared in accordance with the Norwegian Accounting Act, Norwegian GAAP as applied for other companies and additional disclosure requirements for Euronext Growth listed companies.

Going concern

In the Board's opinion, the Company has delivered several positive results in 2025, with special focus on good results from the HeROPA study showing statistically significant effects of HRO350 versus placebo on Systemic Immune-inflammation Index (SII) in patients with mild-to-moderate psoriasis. In addition, the 12 months data read-out showed encouraging results on key secondary endpoint with increasing durable efficacy up to week 52. More patients treated with HRO350 achieved "clear" or "almost clear" skin (PGA 0/1) indicting minimal or no skin symptoms in both active groups compared to placebo. These results are important in the Company's ongoing dialogues with potential pharma partners to bring the HRO350 development project into a planned phase 3. Further, the Company has a good nutraceutical order intake going into 2026, and there are positive growth outlooks going forward.

In December 2025 the Company increased its credit facility and further supported the liquidity situation in April 2026 with a new long-term loan guaranteed by key shareholders. The liquidity situation is closely monitored, and plans for further liquidity measures during 2026 are established. The credit facility is subject to various covenants. The new long-term loan received in April 2026 is subject to the same terms and covenants as the existing credit facility. These covenants, which are related to borrowing base, the size of net working capital and the size of net booked equity, are waived until 30.6.2026, with next measurement point on 30.9.2026. It is expected that the Company will be in breach with the given covenants in the second half of 2026. If the bank does not waive the covenant further, and if the Company does not succeed with other planned liquidity measures, it is a risk that the Company will experience significant liquidity challenges. Further development of the HRO350 in mild-to-moderate psoriasis will be sought to be financed separately through partnerships or specific project funding.

In accordance with section 2-2 of the Norwegian Accounting Act, the Board confirms that the financial statements have been prepared on the assumption that the entity is a going concern. Although the Board believes it is likely that the Company will succeed with planned liquidity measures and that the bank will waive the loan conditions in the second half of the year, the Board cannot guarantee this will happen. This means that the Board believes there is material uncertainty that may cast doubt on the Company's ability to continue as a going concern.

Board adoption of results

The Board of Directors has today considered and adopted the Annual Report of Arctic Bioscience for the financial year 1 January to 31 December 2025.

In our opinion, the Annual Report and Board of Directors Report include a true and fair account of the important events, operational and financial developments, and any material related party transactions in Arctic Bioscience during the year as well as a description of the risks and elements of uncertainty facing the group.

In our opinion, the Financial Statements of both the Group and parent company Arctic Bioscience give a true and fair view of the financial position on 31 December 2025.

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

Ørsta, 6. May 2026

The Board of Directors and CEO of Arctic Bioscience AS

Harald Nordal	Marita Holstad	Tore Tønseth	Jan Endre Vartdal	Olav Sindre Kriken	Christer Valderhaug
Chairman	Board member	Board member	Board member	Board member	CEO

INCOME STATEMENT

Arctic Bioscience AS				Arctic Bioscience Group	
2025	2024	Amounts in NOK	Note	2025	2024
		Operating income and operating expenses			
39 846 019	43 483 616	Revenues	1	40 096 019	43 483 616
918 678	0	Other income	1, 2	2 526 484	920 516
40 764 697	**43 483 616**	**Total income**		**42 622 503**	**44 404 132**
29 468 205	30 449 651	Raw materials and consumables used	3	29 468 205	30 449 651
-414 689	1 146 216	Change in inventories of finished goods and work in progress	3	-414 689	1 146 216
22 011 749	23 955 732	Employee benefits expense	4, 5	24 414 511	25 949 003
3 571 605	3 583 885	Depreciation and amortisation expense	6, 7	5 119 357	5 150 787
16 055 319	27 259 685	Other expenses	4	17 480 331	29 498 203
70 692 189	**86 395 169**	**Total expenses**		**76 067 714**	**92 193 860**
-29 927 492	**-42 911 553**	**Operating profit**		**-33 445 211**	**-47 789 728**
		Financial income and expenses			
267 931	71 260	Interest income from group companies		0	0
2 058 739	2 052 142	Other interest income		2 058 739	2 052 142
731 246	1 528 397	Other financial income		731 408	1 528 427
5 500 000	6 300 000	Write-down on long-term investments	11	0	0
8 984 231	2 992 960	Other interest expenses		9 088 017	3 148 616
1 282 459	574 043	Other financial expenses		1 283 014	575 187
-12 708 773	**-6 215 204**	**Net financial items**	**8**	**-7 580 884**	**-143 235**
-42 636 265	-49 126 757	Net profit before tax		-41 026 095	-47 932 964
0	0	Income tax expense	9	0	0
-42 636 265	-49 126 757	Net profit after tax		-41 026 095	-47 932 964
-42 636 265	**-49 126 757**	**Net profit or loss**		**-41 026 095**	**-47 932 964**
		Attributable to			
42 636 265	49 126 757	From share premium reserve		41 026 095	47 932 964
-42 636 265	**-49 126 757**	**Total**	**10**	**-41 026 095**	**-47 932 964**
		Earnings pr. share		-1.52	-1.89

BALANCE SHEET

as at 31 December

Arctic Bioscience AS				Arctic Bioscience Group	
2025	2024	Amounts in NOK	Note	2025	2024
		ASSETS			
		Non-current assets			
		Intangible assets			
209 770 531	193 866 520	Development	2, 6	209 770 531	193 866 520
1 421 405	1 591 033	Concessions, patents, licenses and trademarks	6	1 421 405	1 591 033
0	0	Goodwill	6, 11	1 337 161	1 931 453
211 191 936	**195 457 553**	**Total intangible assets**		**212 529 097**	**197 389 006**
		Property, plant and equipment			
14 158 580	14 047 108	Building and land	7	14 158 580	14 047 108
0	0	Machinery and equipment	7	7 768 574	8 646 974
821 079	1 587 498	Equipment and other movables	7	885 499	1 771 978
14 979 659	**15 634 606**	**Total property, plant and equipment**		**22 812 653**	**24 466 060**
		Non-current financial assets			
4 599 900	10 099 900	Investments in subsidiaries	11	0	0
4 599 900	**10 099 900**	**Total non-current financial assets**			
230 771 495	**221 192 059**	**Total non-current assets**		**235 341 750**	**221 855 066**
		Current assets			
29 622 822	28 987 296	Inventories	3	29 622 822	28 987 296
		Receivables			
10 205 881	14 573 711	Accounts receivables	12	10 205 881	14 573 711
12 449 597	13 495 378	Other short-term receivables	13	8 197 699	11 047 853
22 655 478	**28 069 090**	**Total receivables**		**18 403 580**	**25 621 564**
		Investments			
1 064 559	2 251 093	Cash and cash equivalents	14	1 286 795	3 277 103
53 342 860	**59 307 479**	**Total current assets**		**49 313 197**	**57 885 963**
284 114 355	**280 499 538**	**TOTAL ASSETS**		**284 654 948**	**279 741 030**

Arctic Bioscience AS				Arctic Bioscience Group	
2025	2024	Amounts in NOK	Note	2025	2024
		EQUITY AND LIABILITIES			
		Equity			
		Paid-in capital			
2 695 626	2 536 955	Share capital	15	2 695 626	2 536 955
172 270 273	211 281 069	Share premium reserve		170 793 181	208 193 808
174 965 898	**213 818 025**	**Total paid-in capital**		**173 488 807**	**210 730 763**
174 965 898	**213 818 025**	**Total equity**	**4, 10**	**173 488 807**	**210 730 763**
		Liabilities			
		Non-current liabilities			
12 351 197	0	Convertible debt	10, 16	12 351 197	0
15 000 000	0	Liabilities to financial institutions	16	15 000 000	0
0	0	Other non-current liabilities	7, 16	844 445	1 472 338
27 351 197	**0**	**Total non-current liabilities**		**28 195 642**	**1 472 338**
		Current liabilities			
34 124 566	20 237 138	Liabilities to financial institutions	16	34 124 566	20 237 138
25 514 160	18 743 313	Trade payables		26 028 474	18 975 293
1 726 352	1 922 605	Public duties payables		1 881 240	2 076 650
20 432 181	25 778 457	Other current liabilities	3, 17	20 936 219	26 248 849
81 797 259	**66 681 513**	**Total current liabilities**		**82 970 499**	**67 537 929**
109 148 457	**66 681 513**	**Total liabilities**		**111 166 141**	**69 010 267**
284 114 355	**280 499 538**	**TOTAL EQUITY AND LIABILITIES**		**284 654 948**	**279 741 030**

Ørsta, 6. May 2026

The Board of Directors and CEO of Arctic Bioscience AS

Harald Nordal	Marita Holstad	Tore Tønseth	Jan Endre Vartdal	Olav Sindre Kriken	Christer Valderhaug
Chairman	Board member	Board member	Board member	Board member	CEO

CASH FLOW STATEMENT

Arctic Bioscience AS				Arctic Bioscience Group	
2025	2024	Amounts in NOK	Note	2025	2024
		Cash flows from operating activities			
-42 636 265	-49 126 757	Profit/loss before tax		-41 026 095	-47 932 964
0	0	Paid taxes this period	9	0	0
0	0	Profit/loss from sale of tangible assets	7	-5 000	-12 553
3 571 605	3 583 885	Depreciation	6, 7	5 119 356	5 150 787
5 500 000	6 300 000	Impairment of investment in subsidiary	11	0	0
-635 526	3 806 494	Change in inventory	3	-635 526	3 806 494
4 367 830	-5 003 116	Change in accounts receivable	12	4 367 830	-5 003 116
10 186 920	-967 516	Change in accounts payable		10 469 254	-781 608
-1 338 078	-730 193	Change in other accrual items	17	-942 341	-583 818
-20 983 514	**-42 137 203**	**Net cash flow from operating activities**		**-22 652 520**	**-45 356 778**
		Cash flow from investment activities			
0	0	Payments from sale of tangible and intangible assets	6, 7	50 000	184 319
-22 747 323	-50 689 202	Payments to buy tangible and intangible assets	2, 6, 7	-22 747 323	-50 813 253
-1 443 125	-2 500 000	Payment to group loan receivable	13	0	0
-24 190 448	**-53 189 202**	**Net cash flow from investment activities**		**-22 697 323**	**-50 628 934**
		Cash flow from financing activities			
0	0	Repayment on long-term debt	7.16	-627 893	-576 392
13 887 428	20 237 138	Net change in credit facility	16	13 887 428	20 237 138
30 100 000	0	Payments from new long term debt	16	30 100 000	0
43 987 428	**20 237 138**	**Net cash flow from financing activities**		**43 359 535**	**19 660 746**
-1 186 534	-75 089 267	Net change in cash and cash equivalents		-1 990 308	-76 324 966
2 251 093	77 340 361	Cash and cash equivalents at the start of the period		3 277 103	79 602 069
1 064 559	**2 251 093**	**Cash and cash equivalents at the end of the period**	**14**	**1 286 795**	**3 277 103**
3 886 852	3 737 795	Unused credit facility		3 886 852	3 737 795
4 951 411	**5 988 888**	**Available liquidity at the end of the period**		**5 173 647**	**7 014 898**

NOTES TO THE FINANCIAL STATEMENTS

Accounting principles
The annual accounts have been prepared in accordance with the Accounting Act and Norwegian GAAP as applied for other companies.

Use of estimates
The preparation of financial statements in accordance with the Norwegian Accounting Act requires the use of estimates. Furthermore, the application of the company's accounting principles requires management to exercise judgment. Areas that largely involve such judgments, a high degree of complexity, or areas where assumptions and estimates are material to the financial statements are described in the notes.

Shares in subsidiaries and associated companies
Subsidiaries are companies in which the parent company has control, and thus a decisive influence on the entity's financial and operational strategy, normally by owning more than half of the voting capital.

The following companies are included in the Group as of 31.12:

Parent company and subsidiaries	Ownership
Arctic Bioscience AS (parent company)	
Arctic Algae AS	100 %
Arctic Nutrition AS	100 %
Arctic Biopharma AS	100 %
Romega AS	100 %

Accounting principles for shares in subsidiaries
The cost method is used as the principle for investments in subsidiaries and associated companies in the company accounts. The cost price is increased when funds are added through capital increases, or when group contributions are made to a subsidiary. Distributions received are initially recognized as income. Distributions that exceed the share of earned equity after the purchase are recognized as a reduction in the acquisition cost. Dividends/group contributions from a subsidiary are recognized in the same year that the subsidiary allocates the amount.

Consolidation principles
Subsidiaries are consolidated from the date control is transferred to the Group (the acquisition date).

In the consolidated financial statements, the item shares in subsidiaries is replaced by the subsidiary's assets and liabilities. The consolidated financial statements are prepared as if the Group were a single economic entity. Transactions, unrealized profits and balances between the companies in the Group are eliminated.

Acquired subsidiaries are accounted for in the consolidated financial statements based on the parent company's acquisition cost. Acquisition cost is allocated to identifiable assets and liabilities in the subsidiary, which are recorded in the consolidated financial statements at fair value at the acquisition date. Any excess value over and above that attributable to identifiable assets and liabilities is recognized in the balance sheet as goodwill. Goodwill is treated as a residual and is recognized in the balance sheet at the proportion observed in the acquisition transaction. Excess values in the consolidated financial statements are amortized over the expected useful lives of the acquired assets.

Sales revenue
Revenue from the sale of goods and services is measured at the fair value of the consideration, net of VAT, returns, discounts and other rebates. Sales of goods are recognized in the income statement when an entity within the Group has delivered its products to the customer and there are no unfulfilled obligations that could affect the customer's acceptance of the delivery. Delivery is not made until the products have been shipped to the agreed location and the risk of loss and obsolescence has been transferred to the customer.

Services are recognized as revenue as they are performed.

Classification of balance sheet items
Assets intended for permanent ownership or use are classified as fixed assets. Assets associated with the product cycle are classified as current assets. Receivables are otherwise classified as current assets if they are to be repaid within one year. Analogous criteria are used for liabilities. However, first-year installments on long-term receivables and long-term liabilities are not classified as current assets and short-term liabilities.

Acquisition cost
The acquisition cost of assets includes the purchase price of the asset, less bonuses, discounts and the like, plus purchase expenses (freight, customs, non-refundable government taxes and any other direct purchase expenses). When purchased in a foreign currency, the asset is recorded at the exchange rate at the transaction date, but at the forward rate when using a forward contract.

For property, plant and equipment and intangible assets, acquisition cost also includes direct expenses incurred in preparing the asset for use, such as expenses for testing the asset.

Intangible assets and goodwill
Goodwill has arisen in connection with the acquisition of a subsidiary. Goodwill is amortized over its expected useful life.

Development costs are capitalized to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified and the costs can be measured reliably. Otherwise, such costs are expensed on an ongoing basis. Capitalized development is amortized on a straight-line basis over its useful life.

Tangible assets
Plot is not depreciated. Other tangible assets are recognized in the balance sheet and depreciated on a straight-line basis to their residual value over the expected useful life of the assets. In the event of a change in the depreciation schedule, the effect is distrib-

uted over the remaining depreciation period ("breaking point method"). Maintenance of tangible assets is expensed on an ongoing basis under operating expenses. Expenses and improvements are added to the cost price of the asset and depreciated in line with the asset. The difference between maintenance and expenses/improvements is calculated in relation to the condition of the asset at the time of acquisition.

Leased tangible assets are recognized in the balance sheet as tangible assets if the lease is considered financial.

Impairment of fixed assets
If there is an indication that the booked value of a fixed asset is higher than its fair value, an impairment test is performed. The test is performed for the lowest level of fixed assets that have independent cash flows. If the carrying amount is higher than both the sales value and the value in use (present value in continued use/ownership), an impairment is performed to the higher of the sales value and the value in use.

Previous impairments, apart from impairment of goodwill, are reversed if the conditions for the impairment no longer exist.

Inventories
Goods are valued at the lower of acquisition cost (FIFO) and fair value. For finished goods and work in progress, cost comprises design costs, material consumption, direct labor, and other direct and indirect production costs (based on normal capacity). Fair value is the estimated selling price less costs of completion and sale. Only variable costs are considered necessary to sell finished goods, while fixed production costs are also included as necessary for goods that are not yet finished.

Receivables
Accounts receivables are entered into the balance sheet after deduction of provisions for expected losses. Provisions for losses are made based on an individual assessment of the receivables and an additional provision to cover other foreseeable losses. Significant financial problems with the customer, the likelihood that the customer will go bankrupt or undergo financial restructuring, and delays and defaults in payments are considered indicators that trade receivables must be written down.

Other receivables, both current and fixed receivables, are entered at the lower of nominal and fair value. Fair value is the present value of expected future payments. However, no discount is made when the effect of discounting is immaterial to the accounts. Provisions for losses are assessed in the same way as for accounts receivable.

Foreign currency
Receivables and liabilities in foreign currency are valued at the exchange rate at the end of the financial year. Exchange gains and losses related to the sale and purchase of goods in foreign currency are recorded as financial expenses and financial income.

Debt
Debt, except for certain provisions for liabilities, is recorded in the balance sheet at the nominal debt amount.

Pensions
Defined contribution plans
Under defined contribution plans, the company pays contributions to an insurance company. The company has no further payment obligation after the contributions have been paid. The contributions are recognized as salary expense. Any prepaid contributions are recognized as an asset (pension funds) to the extent that the contribution can be refunded or reduce future payments.

Tax
The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated based on the temporary differences that exist between the accounting and tax values, as well as any tax loss carryforwards at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are offset. The recognition of deferred tax assets on net tax-reducing differences that have not been offset and tax loss carryforwards is justified by assumed future earnings. Deferred tax and tax assets that can be recognized are entered net in the balance sheet.

Tax reductions on group contributions made, and tax on group contributions received that are recognized as a reduction of the balance sheet amount of investments in subsidiaries, are recognized directly against tax in the balance sheet (against tax payable if the group contribution has an effect on tax payable, and against deferred tax if the group contribution has an effect on deferred tax). Deferred tax in both the company accounts and the group accounts is recognized at nominal amount.

Cash flow statement
The cash flow statement is prepared using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments that are readily convertible to known amounts of cash with an insignificant exchange rate risk and have a remaining maturity of less than three months from the acquisition date.

NOTE 1: OPERATING INCOME AND REVENUE SEGMENTS

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Total operating income		
39 846 019	43 483 616	Sales revenue	40 096 019	43 483 616
918 678	0	Other operating income	2 526 484	920 516
40 764 697	**43 483 616**	**Sum**	**42 622 503**	**44 404 132**

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Sales revenue - distribution by business area		
4 849 558	4 954 544	B2C	4 849 558	4 954 544
34 996 461	38 529 072	B2B	35 246 461	38 529 072
39 846 019	**43 483 616**	**Sum**	**40 096 019**	**43 483 616**

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Sales revenue - geographical distribution		
7 043 745	6 890 486	Norway	7 293 745	6 890 486
13 320 609	5 470 144	Americas	13 320 609	5 470 144
11 459 176	18 554 333	Europe	11 459 176	18 554 333
8 022 489	12 568 653	APAC	8 022 489	12 568 653
39 846 019	**43 483 616**	**Sum**	**40 096 019**	**43 483 616**

The company generates sales revenue through global sales of dietary supplements. Dietary supplements from Arctic Bioscience are sold as bulk ingredients as well as finished products under the Romega brand. Arctic Algae AS contributes with sales revenues by sale of R&D services.

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Other operating income		
918 678	0	Public grants	2 521 484	907 963
0	0	Profit sale of fixed assets	5 000	12 553
918 678	**0**	**Sum**	**2 526 484**	**920 516**

The Group, both through Arctic Bioscience AS and its subsidiary Arctic Algae AS, has received public grants from Innovation Norway and Regional Research Fund Møre og Romsdal. The funds are earmarked for development projects in accordance with letters of commitment received in 2024 and 2025. See also note 2.

NOTE 2: GOVERNMENT GRANTS AND DEVELOPMENT PROJECTS

The company has several ongoing development projects, which are supported with various public grants.

The company has in 2025 received total payments of NOK 918 678 from Innovation Norway related to two projects: "Romega brand positioning" and "Arctic Orphan". These payments are booked as other operating income.

In 2025, the company earned grants related to the SkatteFUNN scheme of NOK 4.07 million. This amount has been entered as a reduction of capitalized costs related to the HRO350 project.

Arctic Bioscience is active in applying for grants from both Norwegian and international organizations.

Arctic Algae AS, which is a company in the group, received total grants of NOK 1 602 806 in 2025. NOK 200 000 was received via a development project led by Sintef Nordvest AS. NOK 1 402 806 was received from Regional Forskningsfond connected to two different development projects led by Arctic Algae AS. The public grants in Arctic Algae AS are recognized in the income statement on the basis that the company's development projects are not recognized in the balance sheet.

NOTE 3: INVENTORIES

Arctic Bioscience Group & Parent Company

Amounts in NOK	2025	2024
Raw materials	8 603 512	8 382 675
Goods in progress	8 916 841	9 026 843
Self-made finished goods	12 102 469	11 577 778
Sum	29 622 822	28 987 296

Arctic Bioscience Group & Parent Company

Amounts in NOK	2025	2024
Inventories valued at acquisition cost	31 546 468	29 992 343
Provision for obsolence	-1 923 646	-1 005 047
Sum	29 622 822	28 987 296

The inventory is entirely affiliated with Arctic Bioscience as the parent company. The group purchase necessary raw materials and sends these to its contract manufacturer abroad for processing. The group's agreement with the contract manufacturer gives Arctic Bioscience the opportunity to settle only when the end customer receives the product. Consequently, a provision is made for accrued costs related to the processed warehouse at the end of the year. The agreed production cost is added to the value of work in progress and finished goods. When pricing stock, the exchange rate on the production date is used as a basis.

Liabilities related to settlement for production are adjusted for the exchange rate at the end of the year. The obligation to the contract producer at the end of the fiscal year amounts to NOK 12 835 352 and is classified as other current liabilities.

A provision has been made for obsolescence related to goods that are considered to have a lower value than cost price.

NOTE 4: WAGE COSTS, NUMBER OF EMPLOYEES, REMUNERATION, LOANS TO EMPLOYEES, ETC.

Parent Company 2025	Parent Company 2024	Amounts in NOK	Arctic Bioscience Group 2025	Arctic Bioscience Group 2024
		Wage costs		
20 342 061	22 246 351	Wages	22 330 299	23 869 904
2 872 886	3 796 965	Employer's tax	3 168 499	4 035 873
1 336 069	1 580 123	Pension costs	1 445 113	1 674 878
475 492	705 569	Other salary-related benefits	485 359	741 624
-3 014 760	-4 373 276	of which capitalized wages	-3 014 760	-4 373 276
22 011 749	23 955 732	Sum	24 414 511	25 949 003
16	18	Number of full time employees	19	21

In 2025, NOK 3 014 760 has been capitalized in wage costs related to development projects. The same amount has been deducted from the wage expenses above. The corresponding capitalized amount in 2024 was NOK 4 373 276.

Arctic Bioscience Group & Parent Company

	CEO	Board
Benefits for senior executives		
Salary / board fees	2 718 697	1 200 000
Pension expenses	95 700	
Other allowance	15 374	
Sum	2 829 771	1 200 000

The CEO has a bonus agreement that is based on the achievement of extraordinary results and milestones for the company. The bonus is assessed annually according to established criteria approved by the board. No provision for bonus has been recognized for 2025.

No loan or security has been granted to the CEO, the Chairman of the board or other related parties.

Shares and options owned by senior executives
As of 31.12.2025, the company has granted a total of 351 570 options. The options are fully vested on the balance sheet date.

Name	Position	Shares	Options
Christer L. Valderhaug	CEO	57 630	250 000
Jone R. Slinning	CFO	13 200	0
Runhild Gammelsæter	Medical Director	34 774	101 570
Hogne Hallaråker 1)	CSO	465 000	0
Per Christian Sæbø	COO	22 940	0
Daniele Mancinelli 2)	CTO	135 020	0
Jannicke Bjørkedal 3)	Quality Manager	10 000	0
Para Ghildyal-Palani 4)	Regulatory Manager	12 500	0
Kim Frode Thorup	EVP B2B Nutra	5 350	0
Sum		756 414	351 570

1) Personally and through company Gold Coast Nutrition
2) Personally and through 60% ownership in company Futuron AS
3) Indirect via spouse
4) Personally and indirect via spouse

Options granted to the CEO have an exercise price of NOK 17.798 per share. The share options to the CEO may be exercised when the share price is above NOK 31 for 10 executive trading days on Euronext Growth. Duration of the options to the CEO is set to three years from the start of the exercising period. Shares acquired by the CEO from exercise of the options are subject to a 3-year lock in.

Options outstanding	Strike price
250 000	17.798
101 570	20.628

Each option gives the right to subscribe for one share in the company. However, the company has the right to settle the options by means of a cash consideration based on the difference between (i) the value of shares that the employee is entitled to subscribe for (based on the price per share in the last share transfers before the employee exercises his or her options) and (ii) the redemption price multiplied by the number of shares that the employee is entitled to subscribe for. Furthermore, the employee is entitled to the cash consideration if the company does not fulfill its obligation to deliver shares to the employee when the employee exercises his or her options.

In 2021, the company adopted a new incentive program for its employees based on a bonus in combination with a share purchase program that replaced the previous option program and has been applied since 2022.

In connection that Arctic Bioscience changed to preparing the accounts in accordance with the requirements for other companies in the Norwegian Accounting Act in 2024, and no longer use the simplification rules for small businesses, the company implemented NRS 15A. In connection with the transaction, the simplification rules in NRS 8 section 9.1.1 was applied, which entail the following:

1) Agreements entered into regarding share value-based remuneration that have not previously been expensed at fair value are accounted for at fair value as of 1. January 2024
2) Comparative figures for the income statement, cash flow statement and note information have not been revised

The following assumptions were made:
The share-based plans that were open as of 1.1.2024 were valued at fair value on 1.1.2024 based on the share price on 1 January 2024, remaining time to maturity and volatility in the last year. The share-based plans that were fully vested before 1.1.2024 were not expensed after transition (they would have been expensed in previous periods). Provisions for deferred tax and employer's tax on plans that have not matured and are "in the money" were made.

The company has valued the options that were not fully vested as of 1.1 2024.

Number of options	Strike price (NOK)	Date of vesting	Settlement
137 500	NOK 9.85 to 31.00	Q1 2024	Equity
250 000	NOK 17.80	Q1 2025	Equity

Fair value calculated as of 1. January 2024: 110 272

The fair value of the options that vested in and expired in Q1 2024 was immaterial. The fair value of the options granted to the CEO as of 1.1.2024 was NOK 110 272 and has been expensed on a straight-line basis until January 2025. In 2025, NOK 3 783 has been expensed related to share-based payment.

Expenses for auditor's fee

Amounts in NOK	Parent company	Arctic Bioscience Group
Audit	475 000	505 000
Other certification services	109 300	109 300
Tax advice (incl. technical assistance with tax papers)	20 000	56 563
Other services (incl. technical assistance with annual accounts)	83 602	126 884
Sum	687 902	797 746

NOTE 5: PENSIONS

Both the Arctic Bioscience Group and the Parent company has a group pension insurance that covers all the employees. The scheme is a defined contribution scheme. This year's premium, adjusted for any contributions to or deductions from the defined contribution fund, is accounted for as a pension expense. Premium paid in 2025 amounts to NOK 1 248 168 for the Parent company and NOK 1 349 501 for the total Arctic Bioscience Group.

The Company's and the Group's pension scheme satisfy the requirements of the act on mandatory occupational pensions.

NOTE 6: INTANGIBLE ASSETS AND GOODWILL

Arctic Bioscience Group Amounts in NOK	Development	Patents and trademarks	Goodwill	Sum
Acquisition cost 1.1.2025	204 962 351	2 895 085	2 971 465	210 828 901
Access	18 166 895	201 861	0	18 368 756
Departure	0	0	0	0
Acquisition cost 31.12.2025	223 129 246	3 096 946	2 971 465	229 197 657
Accumulated depreciation	-13 358 715	-1 675 541	-1 634 304	-16 668 560
Booked value per 31.12.2025	**209 770 531**	**1 421 405**	**1 337 161**	**212 529 097**
Annual depreciation	2 262 883	371 490	594 292	3 228 664
Life expectancy	7-10 years	5-20 years	5 years	
Depreciation plan	Linear	Linear	Linear	

Parent Company Amounts in NOK	Development	Patents and trademarks	Sum
Acquisition cost 1.1.2025	204 962 351	2 895 085	207 857 436
Access	18 166 895	201 861	18 368 756
Departure	0	0	0
Acquisition cost 31.12.2025	223 129 246	3 096 946	226 226 192
Accumulated depreciation	-13 358 715	-1 675 541	-15 034 256
Booked value per 31.12.2025	**209 770 531**	**1 421 405**	**211 191 936**
Annual depreciation	2 262 883	371 490	2 634 373
Life expectancy	7-10 years	5-20 years	
Depreciation plan	Linear	Linear	

In 2025, the group carried out various research and development projects in connection to the pharma segment and nutraceutical segment. The projects are mainly related to the development of HRO350, production processes and other product developments. As of 31.12.2025 NOK 203 554 920 is booked under the accounting line intangible assets in relation to HRO350. Access of NOK 17 224 758 under "Development" in the note above is related to this development project.

During the financial year, the Group conducted research and development projects. Some of the public grants have been entered as a reduction of capitalized costs related to these projects. Additions under "Development" therefore include a reduction of NOK 4 069 791 in SkatteFUNN grants related to the group's development projects.

Booked values related to development and patents are always fraught with risk. Should the group not achieve its objectives related to the sale and commercialization of various products, this could lead to write-downs in the accounts. The company is of the opinion that there are no indicators of the obligation to write down at present, and that the development work shows results in line with expectations.

The acquiring of Arctic Algae AS in Q1 2023 identified a commercial added value of NOK 2 971 465 not attributable to other balance values at the date of the acquisition. This value is booked as goodwill in the group accounts and is depreciated over a period of 5 years.

The Group capitalizes development costs when the projects are expected to generate future economic benefits and the related costs can be measured reliably.

The difference of NOK 4 096 282 between total additions disclosed in the notes and the line "Payments to buy tangible and intangible assets" in the cash flow statement is explained by:

- capital expenditures that had not been paid as of 31.12.2024 and 31.12.2025 (unpaid fixed assets recognized in trade payables), and
- timing differences between government grants recognized in the accounts and government grants actually received in cash

NOTE 7: FIXED ASSETS

Arctic Bioscience Group Amounts in NOK	Buildings and land	Machines and equipment	Equipment and other movables	Total
Acquisition cost 1.1.2025	15 560 667	11 276 890	5 981 220	32 818 777
Access	191 922	0	90 363	282 284
Departure	0	-161 094	0	-161 094
Acquisition cost 31.12.2025	15 752 589	11 115 796	6 071 583	32 939 967
Accumulated depreciation	-1 594 009	-3 347 222	-5 186 084	-10 127 315
Booked value per 31.12.2025	**14 158 580**	**7 768 574**	**885 499**	**22 812 653**
Annual depreciation	80 449	833 400	976 843	1 890 692
Life expectancy	10 - 50 years	10 - 20 years	3 - 6 years	
Depreciation plan	Linear	Linear	Linear	

Parent Company Amounts in NOK	Buildings and land	Equipment and other movables	Total
Acquisition cost 1.1.2025	15 560 667	5 305 534	20 866 201
Access	191 922	90 363	282 284
Departure	0	0	0
Acquisition cost 31.12.2025	15 752 589	5 395 897	21 148 485
Accumulated depreciation	-1 594 009	-4 574 818	-6 168 827
Booked value per 31.12.2025	**14 158 580**	**821 079**	**14 979 659**
Annual depreciation	80 449	856 782	937 231
Life expectancy	10 - 50 years	3 - 6 years	
Depreciation plan	Linear	Linear	

NOK 9 594 413 recognized under "Building and land" relates to preliminary project of construction of a new production unit.

The group has two leasing agreements at end of 2025 which are booked as financial leasing. Booked value of the leasing objects as of 31.12.2025 is NOK 2 460 445 and is presented under Machines and facilities in the group balance sheet. Annual depreciation and interest expenses for the leased assets are expensed during the year and constitute respectively NOK 230 832 and NOK 102 900.

Residual liability as of 31.12.2025 related to the financial lease agreements is NOK 844 445 and is presented as non-current liabilities in the balance sheet. The lease agreements have a duration from 2021 until 2027.

Capitalized leases

Future obligation	Rent	Present value
Next 12 months	727 680	695 994
Next 2 - 5 years	141 894	140 090

NOTE 8: SPECIFICATIONS OF FINANCIAL INCOME AND EXPENSES

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Financial income		
267 931	71 260	Interest income from group companies	0	0
2 058 739	2 052 142	Other interest income	2 058 738	2 052 142
673 496	1 471 529	Currency gain	673 659	1 471 559
57 750	56 868	Other financial income	57 750	56 868
3 057 916	**3 651 799**	**Sum**	**2 790 147**	**3 580 569**

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Financial expenses		
5 500 000	6 300 000	Impairment investment in subsidiary *	0	0
8 984 231	2 992 960	Other interest expenses	9 088 017	3 148 616
1 097 778	574 043	Currency loss	1 098 333	575 188
184 681	0	Other financial expenses	184 681	0
15 766 690	**9 867 003**	**Sum**	**10 371 031**	**3 723 804**

* See also note 11 for specification of impairment of shares in subsidiary

NOTE 9: TAX

Parent Company		Calculation of deferred tax / deferred tax asset:	Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Temporary differences:		
-20 296 834	-6 687 063	Fixed assets	-18 017 011	-4 504 184
-1 923 646	-1 005 047	Inventory	-1 923 646	-1 005 047
237 626	425 910	Receivables	237 626	425 910
	0	Capitalized leasing agreements	1 616 000	1 218 939
	0	Profit & loss accounts	58 094	72 618
-21 982 854	**-7 266 200**	**Net temporary differences**	**-18 028 937**	**-3 791 764**
-282 470 886	-255 955 123	Accumulated carry-forward deficit	-310 961 080	-280 397 080
-304 453 740	**-263 221 323**	**Basis for calculation of deferred tax**	**-328 990 017**	**-284 188 844**
-66 979 823	-57 908 691	Deferred tax asset (22 %)	-72 377 804	-62 521 546
66 979 823	57 908 691	Of which no deferred tax asset is recognized in the balance sheet	72 377 804	62 521 546
0	**0**	**Deferred tax in the balance sheet**	**0**	**0**

The reason why deferred tax assets are not recognized in the balance sheet is that historical results cast doubt on whether future taxable profits will be sufficient to utilize the tax asset.

Parent Company		Basis for tax expense, change in deferred tax and tax payable	Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
		Taxable income:		
-42 636 265	-49 126 757	Profit before tax expense	-41 026 095	-47 932 964
1 403 845	1 494 805	Permanent differences	-3 775 081	1 504 408
14 716 657	-4 601 491	Change in temporary differences	14 237 176	-5 208 003
-26 515 763	**-52 233 443**	**Taxable income**	**-30 564 000**	**-51 636 559**
		Payable tax:		
0	0	Tax payable on profit of the year	0	0
0	**0**	**Tax payable in the balance sheet**	**0**	**0**
		Tax expense for the year:		
0	0	Tax payable on profit for the year	0	0
0	0	Change in deferred tax assets	0	0
0	**0**	**Tax expense for the year**	**0**	**0**
		Reconciliation of this year's tax expense:		
-42 636 265	-49 126 757	Profit before taxes	-41 026 095	-47 932 964
-9 379 978	**-10 807 887**	**Calculated tax on profit before tax**	**-9 025 741**	**-10 545 252**
0	0	Tax expense in the income statement	0	0
-9 379 978	**-10 807 887**	**Differences**	**-9 025 741**	**-10 545 252**
308 846	328 857	Tax effect of permanent differences	-759 455	330 970
9 071 132	10 479 029	Change in deferred tax assets	9 785 196	10 214 282
9 379 978	**10 807 887**	**Sum explained difference**	**9 025 741**	**10 545 252**
		Payable tax in the balance sheet:		
0	0	Payable tax in tax expense	0	0
0	0	Tax impact of group contributions	0	0
0	**0**	**Payable tax in the balance sheet**	**0**	**0**

NOTE 10: EQUITY

Arctic Bioscience Group

Amounts in NOK	Share capital	Share premium reserve	Sum equity
Equity 01.01.2025	2 536 955	208 193 808	210 730 763
Options scheme effect 2025	0	3 783	3 783
Debt conversion	158 671	3 621 685	3 780 356
Profit/loss for the year	0	-41 026 095	-41 026 095
Equity 31.12.2025	**2 695 626**	**170 793 181**	**173 488 807**

Parent Company

Amounts in NOK	Share capital	Share premium reserve	Sum equity
Equity 01.01.2025	2 536 955	211 281 069	213 818 025
Options scheme effect 2025	0	3 783	3 783
Debt conversion	158 671	3 621 685	3 780 356
Profit/loss for the year	0	-42 636 265	-42 636 265
Equity 31.12.2025	**2 695 626**	**172 270 273**	**174 965 898**

"Debt conversion" relates to a partial conversion of the convertible loan, where certain lenders have converted their share into equity, as described in note 16.

NOTE 11: INVESTMENT IN SUBSIDIARIES

Parent Company

Amounts in NOK	Located	Ownership share	Equity last year (100 %)	Results last year (100 %)	Booked value
Arctic Biopharma AS	Ørsta	100%	-56 727	-17 098	30 000
Arctic Nutrition AS	Ørsta	100%	-29 320	-14 375	39 900
Romega AS	Ørsta	100%	-48 100	-17 098	30 000
Arctic Algae AS	Sande	100%	1 919 794	-3 246 967	4 500 000
Booked value 31.12					**4 599 900**

At end of 2025 there is no operations in the 3 subsidiaries Arctic Biopharma AS, Arctic Nutrition AS and Romega AS.

A write-down of the shares in Arctic Algae AS has been carried out as of 31.12.2025. The original value of the investment was NOK 16 300 000, and the write-down amount for 2024 was NOK 6 300 000, and further NOK 5 500 000in 2025. The booked value as of 31.12.2025 is NOK 4 500 000. The assessment is based on Arctic Algae AS's equity, the results of recent years, as well as a qualitative assessment of the added value the subsidiary adds to the parent company.

NOTE 12: ACCOUNTS RECEIVABLE

Arctic Bioscience Group & Parent Company

Amounts in NOK	2025	2024
Accounts receivable at face value	10 246 072	14 613 902
Provision for losses	-40 191	-40 191
Booked value accounts receivable 31.12	**10 205 881**	**14 573 711**

For significant parts of the customer portfolio, the company has agreed a credit period. A share of the accounts receivable at year end is overdue. The company has a regular and stable customer base with established long-term relationships, and the company is of the opinion that overdue accounts receivable does not represent a risk of loss beyond what has been allocated in the accounts. For all significant receivables, there is a good dialogue with the customer about the background for the delays and the plan for payment.

NOTE 13: SHORT-TERM RECEIVABLES AND SHORT-TERM LIABILITIES WITH GROUP COMPANIES

Parent Company

Amounts in NOK	2025	2024
Receivables		
Other short-term receivables Group	4 370 261	2 659 205
Total receivables	**4 370 261**	**2 659 205**
Liabilities		
Accounts payable	0	0
Other short-term liabilities Group	0	0
Total liabilities	**0**	**0**

NOTE 14: RESTRICTED FUNDS, CREDIT FACILITY

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
993 717	1 028 387	Of which restricted bank deposits (withholding tax)	1 068 676	1 117 956
993 717	**1 028 387**	**Sum restricted funds**	**1 068 676**	**1 117 956**

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
3 886 852	3 737 795	Unused credit facility	3 886 852	3 737 795
3 886 852	3 737 795	Sum unused credit facility	3 886 852	3 737 795

NOTE 15: SHAREHOLDERS

The share capital in Arctic Bioscience AS pr. 31.12 consists of:

	Quantity	Denomination	Booked
Ordinary shares	26 956 256	0.10	2 695 626
Sum	26 956 256		2 695 626

Shareholder	Total shares	% owned
Ronja Capital Investment AS	3 087 999	11.46%
Capra Invest AS	1 544 450	5.73%
MRFK Holding AS	1 313 960	4.87%
J.P. Morgan SE	1 123 139	4.17%
Vartdal Holding AS	1 040 286	3.86%
Brødrende Vartdal AS	803 601	2.98%
Kotler Equity Investment Limited	667 330	2.48%
Hawk Infinity AS	605 201	2.25%
Stette Invest AS	602 375	2.23%
Kjølås Stansekniver AS	574 859	2.13%
Life Capitol AS	558 531	2.07%
Ajea Invest AS	555 359	2.06%
Strand Fiskeriselskap AS	473 342	1.76%
Gold Coast Nutrition NUF	460 000	1.71%
Nordnet Livsforsikring AS	399 817	1.48%
Triplenine Vedde AS	340 000	1.26%
Melesio Invest AS	315 000	1.17%
EM-KA AS	292 771	1.09%
Høgnabben AS	252 949	0.94%
Norholmen AS	251 409	0.93%
Other	11 693 878	43.38%
Sum	**26 956 256**	**100%**

Chairman of the Board Harald Nordal does not own any shares personally, but owns 100% of the shares in Siglar AS which owns 20 000 shares in the company. Siglar AS owns 50% of the shares in Capra Invest AS that owns 1 544 450 shares in the company.

Board member Jan Endre Vartdal does not own any shares personally, but owns 100% of the shares in Sustainability Invest AS, which itself has a 50% ownership in Brødrene Vartdal AS which owns 803 601 shares in the company. Further, Mr. Vartdal owns 100% of the shares in Future Invest AS, which itself has an ownership of 33.33% in Vartdal Holding AS, which owns 1 040 286 shares in the company.

Board member Tore A. Tønseth does not own any shares personally, but owns 100% of the shares in Tønseth AS which itself has a 6.9% ownership in Ronja Capital Investment AS which owns 3 087 999 shares in the company. Mr. Tønseth is also the CEO of Ronja Capital Investment AS.

Board member Olav Sindre Kriken does not own any shares personally, but owns 100% of the shares in Techvest AS which owns 62 258 shares in the company.

NOTE 16: NON-CURRENT LIABILITIES AND ESTABLISHED CREDIT FACILITY

As of 31.12.2025 the Parent Company and the Group have a booked liability of NOK 12 351 197 connected to convertible loans, including accrued interest. The loans and accrued interest shall be repaid on the date that falls 36 months after the date of the last tranche, unless a different date is agreed by the parties. The last tranche was in February 2025. The repayment is subordinated to the obligations in facility obligations towards Innovation Norway, Sparebank1 SMN and Export Finance Norway. No amounts, including interest, fees and principal, shall be or become payable or may be paid to any lender of the convertible loans until the obligations towards these parties have been irrevocably repaid in full. This subordination does not prevent the lenders from converting their outstanding amounts into shares in Arctic Bioscience AS. The loan which is not repaid, including accrued interests, is convertible by lender at any time after the deposit into freely tradeable shares delivered T+20 from the date of the conversion notice. Conversion price per share is the lower of 75% x previous 5 trading days VWAP (T+1) from the date the conversion notice is sent, including the coupon make-whole, or NOK 3.

As of 31.12.2025 The Parent Company and the Group have a booked liability of NOK 15 000 000 towards Innovation Norway connected to a long-term loan guaranteed with 50% by the European Investment Fund (EIF). This loan has a duration of 5 years, where the first two years have no installments. The loan was received in Q1 2025. No part of this loan falls due more than 5 years after the end of 2025.

The Group has financial leasing agreements, see also note 7. No amount of these financial agreements fall due more than 5 years after the end of 2025. The Parent Company has provided a self-debtor guarantee for these liabilities, for an amount up to NOK 4.55 million..

Parent Company

Amounts in NOK	2025	2024
Debt secured by pledged assets:	49 124 566	20 237 138
Booked value pledged assets:		
Building and land	4 564 167	4 452 694
Equipment and other movables	821 079	1 587 498
Inventories	29 622 822	28 987 296
Accounts receivable	10 246 072	14 613 902
Total booked values	**45 254 140**	**49 641 390**
The assets are also pledged as collateral for:		
Unused credit facility	3 886 852	3 737 795

In addition, the credit facility is secured by an export guarantee of NOK 15 million from Export Finance Norway, NOK 6 million in growth guarantee from Innovation Norway and NOK 3 million in guarantee from large shareholders.

NOTE 17: OTHER CURRENT LIABILITIES

Parent Company			Arctic Bioscience Group	
2025	2024	Amounts in NOK	2025	2024
2 090 301	2 207 896	Holiday pay due	2 304 804	2 425 086
12 835 352	10 109 438	Provision for accrued production costs	12 835 352	10 109 438
3 932 595	2 565 749	Accrued salary and bonuses	3 936 453	2 566 517
1 573 933	10 895 374	Provision for accrued costs and other short-term debt	1 859 610	11 147 807
20 432 181	**25 778 457**	**Sum other current liabilities**	**20 936 219**	**26 248 849**

NOTE 18: RELATED PARTY TRANSACTIONS

Benefits to senior executives are disclosed in note 4, and balances with group companies are disclosed in note 13.

In January 2025 new funding through a convertible loan of a total of NOK 15.1 million was established. The following related parties were a part of the total investor consortium:

- Ronja Capital Investment AS, a company closely related to Board Member Tore Tønseth, NOK 3.0 million
- Vartdal Holding AS, a company closely related to Board Member Jan Endre Vartdal, NOK 1.0 million
- Brødrene Vartdal AS, a company closely related to Board Member Jan Endre Vartdal, NOK 1.0 million
- Siglar AS, a company closely related to Chairman of the Board Harald Nordal, NOK 0.15 million
- Clu Invest AS, a company closely related to CEO Christer L. Valderhaug, NOK 0.1 million
- Runhild Gammelsæter, Medical Director, NOK 0.05 million

The maturity of the loan is 36 months after the last tranche has been paid. Annual interest rate is set at 10% p.a. The loan which is not repaid, including accrued interests, is convertible by Lender at any time after the deposit into freely tradeable shares delivered T+20 from the date of the conversion notice. Conversion price per share is the lower of 75% x previous 5 trading days VWAP (T+1) from the date the conversion notice is sent, including the coupon make-whole, or NOK 3.

NOTE 19: GOING CONCERN

In the Board's opinion, the Company has delivered several positive results in 2025, with special focus on good results from the HeROPA study showing statistically significant effects of HRO350 versus placebo on Systemic Immune-inflammation Index (SII) in patients with mild-to-moderate psoriasis. In addition, the 12 months data read-out showed encouraging results on key secondary endpoint with increasing durable efficacy up to week 52. More patients treated with HRO350 achieved "clear" or "almost clear" skin (PGA 0/1) indicting minimal or no skin symptoms in both active groups compared to placebo. These results are important in the Company's ongoing dialogues with potential pharma partners to bring the HRO350 development project into a planned phase 3. Further, the Company has a good nutraceutical order intake going into 2026, and there are positive growth outlooks going forward.

In December 2025 the Company increased its credit facility and further supported the liquidity situation in April 2026 with a new long-term loan guaranteed by key shareholders. The liquidity situation is closely monitored, and plans for further liquidity measures during 2026 are established. The credit facility is subject to various covenants. The new long-term loan received in April 2026 is subject to the same terms and covenants as the existing credit facility. These covenants, which are related to borrowing base, the size of net working capital and the size of net booked equity, are waived until 30.6.2026, with next measurement point on 30.9.2026. It is expected that the Company will be in breach with the given covenants in the second half of 2026. If the bank does not waive the covenant further, and if the Company does not succeed with other planned liquidity measures, it is a risk that the Company will experience significant liquidity challenges. Further development of the HRO350 in mild-to-moderate psoriasis will be sought to be financed separately through partnerships or specific project funding.

In accordance with section 2-2 of the Norwegian Accounting Act, the Board confirms that the financial statements have been prepared on the assumption that the entity is a going concern. Although the Board believes it is likely that the Company will succeed with planned liquidity measures and that the bank will waive the loan conditions in the second half of the year, the Board cannot guarantee this will happen. This means that the Board believes there is material uncertainty that may cast doubt on the Company's ability to continue as a going concern.

NOTE 20: EVENTS AFTER THE BALANCE DATE

On 1. April 2026 Arctic Bioscience secured new long-term financing through a bank loan of NOK 15 million. Together with increase in credit facility of NOK 8 million from December 2025, available liquidity has been increased by a total of NOK 23 million combined. The new loan and the increased credit facility are secured through a growth guarantee from Innovation Norway of NOK 6 million and through guarantees from various shareholders of a total of NOK 18 million. Agreements have been entered into with shareholders who have provided guarantees for the new financing. There will be no guarantee fee to be paid. The guarantors shall, for the entire term of the loan agreement, have an irrevocable right to redeem the entire outstanding amount of the loan on behalf of the company by paying such amount directly to the bank, and to have the resulting claim against the company converted into shares in the company. The claim is convertible by the guarantors at any time into freely tradable shares. Conversion price per share is the lower of 70% x previous 5 trading days VWAP (T+1) from the date the conversion notice is sent, or maximum conversion price of the lower of NOK 3 or 70% x price-per-share in any equity financing in the period where the guarantee is valid.

INDEPENDENT AUDITOR'S REPORT

To the General Meeting of Arctic Bioscience AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Arctic Bioscience AS, which comprise:

- the financial statements of the parent company Arctic Bioscience AS (the Company), which comprise the balance sheet as at 31 December 2025, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Arctic Bioscience AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, the income statement and cash flow statement 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 financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, 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, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, 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.

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 relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 19 in the financial statements, which discloses that the Company has a credit facility subject to financial covenants. The bank has waived these covenants until 30.06.2026, with the next measurement date on 30.09.2026. Based on current forecasts, the Company expects to be in breach of the covenants in the second half of 2026. If further waivers are not obtained and the bank terminates the credit facility, and if the Company does not succeed with other planned liquidity measures, the Company may face significant liquidity challenges.

As stated in Note 19, this indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises 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 information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

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

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Ålesund, 6 May 2026
Tell Norge AS

Håkon Hellebust
State Authorised Public Accountant

(This document is signed electronically)

ALTERNATIVE PERFORMANCE MEASURES (APMS)

Alternative performance measures, meaning financial performance measures not included within the applicable financial reporting framework, are used by Arctic Bioscience to provide supplemental information by excluding items that in management's view, does not give indications of the periodic operating results. Financial APMs are used to enhance comparability of the results from a period to the next, and management uses these measures internally when driving performance in terms of long- and short-term forecasts. The measures are adjusted Norwegian GAAP for other companies measures, and are defined, calculated and consistently applied in the Group's financial reporting. Arctic Bioscience focuses on EBITDA and adjusted EBITDA when presenting the period's financial result internally and externally. Adjusted EBITDA is adjusted for special operating items.

Financial APMs should not be considered as substitute for measures of performance in accordance with applicable financial reporting framework.

Arctic Bioscience uses the following APMs in the reporting:

- EBITDA: Operating profit before depreciation, amortization, write-downs and impairments
- Adjusted EBITDA: Operating profit before depreciation, amortization, write-downs and impairment, and special operating items
- EBIT: Operating profit
- Adjusted EBIT: Operating profit before special operating items
- Gross profit: Total revenue minus cost of sales
- Adjusted gross profit: Total revenue minus cost of sales before special operating items
- Gross margin %: Gross profit as a % of total sales revenue
- Adjusted gross margin %: Gross profit as a % of total sales revenue before special operating items

"EBITDA" and "Adjusted EBITDA" are used as APMs to facilitate operating performance comparisons from period to period, and the others are relevant key figures mainly in connection with the mentioned performance measures. The significant items of income and expenditure represent the difference between EBITDA and adjusted EBITDA and are labeled "special operating items".

The following table reconciles adjusted EBITDA to operating profit and net income (loss) in the condensed consolidated statements of profit or loss.

	Arctic Bioscience Group	
Amounts in NOK	2025	2024
Adjusted EBITDA		
Net income	-41 026 095	-47 932 964
Net financial items	-7 580 884	-143 234
Operating profit	**-33 445 211**	**-47 789 728**
Depreciation	5 119 357	5 150 787
EBITDA	**-28 325 854**	**-42 638 941**
Special operating items	0	5 823 841
Adjusted EBITDA	**-28 325 854**	**-36 815 100**
Adjusted EBIT		
Adjusted EBITDA	-28 325 854	-36 815 100
Depreciation	5 119 357	5 150 787
Adjusted EBIT	**-33 445 211**	**-41 965 887**
Adjusted gross profit		
Revenue from sales	40 096 019	43 483 616
Cost of goods sold	29 053 516	31 595 867
Gross profit	11 042 503	11 887 749
Special operating items	0	2 340 000
Adjusted gross profit	**11 042 503**	**14 227 749**
Adjusted gross margin %	27.5 %	32.7 %
Special operating items include:		
Pre-concept new production line	0	3 062 804
Financial advisory costs	0	421 037
Cost provision recall of goods	0	2 340 000
Sum	**0**	**5 823 841**

ARCTIC
BIOSCIENCE

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