

| KALERA AS  
QUARTERLY REPORT



Q4 2021

[Kalera.com](https://www.kalera.com)

**Oslo, 17 February 2022- Kalera AS (symbol KAL) today announced its financial results for its fiscal fourth quarter, which ended 31 December 2021.**

**Kalera AS is a vertical farming company that uses technology to locally produce leafy greens that are always fresh, free from pesticides, non-GMO, and affordable.**

- Q4-2021 sales increase of 53% vs. the prior quarter and 440% vs. the prior year, achieving total revenue of \$1.2 million during the quarter.
- Adjusted EBITDA during the quarter was (\$9.3) million compared to (\$6.7) million in Q3-2021.
- Houston facility which opened in late September 2021, has achieved throughput yields on plan.
- During Q4-2021, shipments continued to grow with existing customers such as Publix and Kroger. Orders from new and various large national distributors continued to increase during January 2022.
- Atlanta sales and production continue to increase as demand in Georgia is trending positively while demand in Florida exceeded Orlando's farm production capacity and is now complemented with production from Atlanta for select customers.
- In Q4-2021, Kalera recorded the first sales from international customers as the Kuwait farm started to ramp up after the Kuwait government lifted COVID-19 travel restrictions.
- The acquisitions of &ever GmbH and the Middle East Ltd joint venture were completed, which has given Kalera a global footprint and an international customer base.
- On 31 January 2022, Kalera announced the signing of a merger agreement with Agrico Acquisition Corporation, a special purpose acquisition company, to list the Company on NASDAQ and which is expected to provide a minimum of \$100 million in capital to the combined entity.



## HIGHLIGHTS Q4 2021



Sales increased during Q4-2021, growing by 53% compared to the prior quarter and 440% compared to the prior year.



Vindara continues to develop seeds for new and existing programs.



Houston vertical farm has achieved throughput yields on plan.



Atlanta facility continues to ramp up and new customers in the foodservice sector were added.



&ever transaction transformed Kalera into a multi-product, multi-geography company.



Letter from our Interim CEO:

Dear Shareholders,

On 1 October 2021, Kalera completed the acquisition of &ever GmbH and its Middle East joint venture partner. These acquisitions expanded Kalera's vertical farming global footprint, further enhancing our product portfolio of healthy and clean leafy greens, lettuce, and microgreens that can now be delivered to customers across the United States, Europe, Middle East, and Asia. Together with our acquisition of Vindara and its leading seed science that was completed earlier this year, they have positioned Kalera with industry leading plant and seed technology which further supports our compelling platform.

Additionally, on 31 January 2022, Kalera announced it would become a NASDAQ listed company through a merger with Agrico Acquisition Corporation, a special purpose acquisition company (SPAC), which is expected to close sometime during the 2nd quarter of 2022.

Sales for the fourth quarter 2021 surpassed \$1.2M while sales for the full-year 2021 exceeded \$2.8M, setting records on both a quarterly and annual basis. The overall increase in sales is attributed to continued growth in both the retail and foodservice channels including sales to new customers such as H-E-B, Performance Food Group, and Kroger.

With the addition of the Kuwait farm as part of the &ever acquisition, Kalera's global operating vertical farms grew during the fourth quarter to a total of four farms. Five additional farms, in Denver, Seattle, Honolulu, St. Paul, and Singapore are set to open in 2022. Collectively, Kalera's production capacity is expected to reach 17 million pounds by the end of 2022. The Houston farm began operations in late September 2021, is the largest farm to date, and launched with strong production results during the fourth quarter 2021. The ramp up phase at the facility continues to make great progress.

Fiscal 2022 will be an important year in Kalera's continued growth and development. The Company is well positioned to fully exploit its US footprint, expand internationally, and further capitalize on the Company's innovative technology leading to improved operating results as the year unfolds. Additionally, with the added capital expected to be provided by the Agrico merger and its upcoming listing on the more liquid NASDAQ exchange, Kalera is poised for continued growth over the long-term.

A handwritten signature in blue ink, appearing to read "Curtis McWilliams", with a long horizontal line extending to the right.

**Curtis McWilliams**  
Interim Chief Executive Officer

# STATEMENT BY MANAGEMENT AND BOARD OF DIRECTORS

17 February 2022

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**Bjorge Gretland**  
Chairman of the Board

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**Chris Logan**  
Member of the Board

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**Umur Hursever**  
Member of the Board

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**Camilla Magnus**  
Member of the Board

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**Kim Lopdrup**  
Member of the Board

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**Sonny Perdue**  
Member of the Board

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**Maria Sastre**  
Member of the Board

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**Erik Sauar**  
Member of the Board

Management and the Board of Directors have considered and approved the interim consolidated financial statements of Kalera AS (“the Company”) and its subsidiaries (collectively, “the Group”) for the quarter and fiscal year ended 31 December 2021.

The interim report, which has not been audited or reviewed by the Group’s independent auditors, has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU disclosure requirements for listed Companies. In our opinion, the accounting policies used are appropriate, and the interim report gives a true and fair view of the Group’s financial position as of 31 December 2021, and the results from the Group’s operations during the quarter, including cash flows for the period ended 31 December 2021. In our opinion, Management’s review provides a true and fair presentation of developments, results for the respective periods, overall financial position of the Group’s operation, and a description of the most significant risks and elements of uncertainty facing the Group. Following the successful purchase of &ever, the Group now operates production facilities globally. This expansion, in line with our goals of becoming the world leader for operating vertical farms, diversifies concentration away from one single market. Outside of the purchase of &ever, the Group does not consider there to be any changes to the most significant risks and uncertainties relative to the disclosures in the annual report for 2020 published on 21 April 2021 and quarterly report for Q3 -2021 published on 11 November 2021.




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**Curtis McWilliams**  
Interim Chief Executive  
Officer

# FINANCIAL STATEMENTS

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND OTHER COMPREHENSIVE LOSS

Unaudited (\$ in thousands)

	Notes	For the three months ended		Year-ended	
		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
<b>Total revenue</b>		<b>1,226</b>	<b>227</b>	<b>2,855</b>	<b>887</b>
Raw materials and consumables used		587	177	1,406	391
Wages and benefits		5,197	1,493	14,664	4,623
Share-based compensation expense		841	661	2,844	1,509
Depreciation and amortization expense	2, 3, 4	3,798	352	6,750	1,019
Other expenses		4,908	798	11,768	2,405
Impairment and other gains / (losses), net	3	1,209	-	(685)	-
<b>Operating loss</b>		<b>(12,896)</b>	<b>(3,254)</b>	<b>(35,262)</b>	<b>(9,060)</b>
Finance income (costs), net		(3,642)	(308)	(5,204)	(831)
Changes in fair value		-	-	-	(382)
Loss on equity method investment		(74)	-	(74)	-
Gain on financial assets		-	327	-	327
<b>Loss before income tax</b>		<b>(16,612)</b>	<b>(3,235)</b>	<b>(40,540)</b>	<b>(9,946)</b>
Income tax expense		-	-	-	-
<b>Net loss</b>		<b>(16,612)</b>	<b>(3,235)</b>	<b>(40,540)</b>	<b>(9,946)</b>
Translation adjustments		(1,606)	-	(1,590)	-
<b>Total comprehensive loss</b>		<b>(18,218)</b>	<b>(3,235)</b>	<b>(42,130)</b>	<b>(9,946)</b>
Basic and diluted loss per share:		(0.09)	(0.02)	(0.20)	(0.09)

Notes 1 to 11 are an integral part of these consolidated financial statements.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unaudited (\$ in thousands)	Notes	31 December 2021	31 December 2020
<b>Assets</b>			
Property, plant and equipment, net	3	127,970	28,014
Right-of-use assets, net	2	56,909	9,279
Goodwill and other intangible assets	4	133,933	686
Equity method investment		1,487	-
Deposits and other receivables		3,353	3,148
<b>Total non-current assets</b>		<b>323,652</b>	<b>41,127</b>
<b>Current assets</b>			
Trade and other receivables		796	135
Prepaid and other current assets		2,386	352
Inventory		1,190	104
Cash and cash equivalents	1	16,146	113,353
<b>Total current assets</b>		<b>20,518</b>	<b>113,944</b>
<b>Total assets</b>		<b>344,170</b>	<b>155,071</b>
<b>Equity and liabilities</b>			
Share capital	8	206	194
Share premium	8	320,297	167,101
Shares to be issued		9,728	-
Share-based compensation		4,353	1,509
Other reserves		(66,823)	(24,693)
<b>Total equity</b>		<b>267,761</b>	<b>144,111</b>
<b>Liabilities</b>			
Long term debt		69	62
Asset retirement obligations	6	1,476	-
Long term lease liabilities	2	59,352	9,535
<b>Total non-current liabilities</b>		<b>60,897</b>	<b>9,597</b>
<b>Current liabilities</b>			
Trade payables and accrued liabilities		13,474	1,214
Short term lease liabilities		2,038	149
<b>Total current liabilities</b>		<b>15,512</b>	<b>1,363</b>
<b>Total liabilities</b>		<b>76,409</b>	<b>10,960</b>
<b>Total equity and liabilities</b>		<b>344,170</b>	<b>155,071</b>

Notes 1 to 11 are an integral part of these consolidated financial statements.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Unaudited (\$ in thousands)

For the twelve months ended

	Notes	31 December 2021	31 December 2020
<b>Cash flows from operating activities</b>			
Net loss		(40,540)	(9,946)
Adjustments to reconcile net loss to cash used in operating activities:			
Depreciation and amortization	2, 3, 4	6,750	1,019
Share-based compensation		2,844	1,509
Finance costs, net		5,204	503
Interest paid		(3,657)	(272)
Impairment on construction in progress assets		1,051	-
Gain from insurance recoveries		(650)	-
Changes in operating assets and liabilities (net of assets acquired and liabilities assumed in business combinations):			
Trade and other receivables		(1,266)	(3,103)
Trade and other payables		8,768	381
Change in inventory		(1,076)	(103)
Equity method investment		74	-
Change in fair value of assets and liabilities		-	382
<b>Net cash used in operating activities</b>		<b>(22,499)</b>	<b>(9,630)</b>
<b>Cash flows from investing activities</b>			
Insurance proceeds		650	-
Purchase of property, plant and equipment	3	(83,169)	(20,846)
Research and development		(2,444)	-
Net of business acquisitions cash acquired	5	(50,017)	-
<b>Net cash used in investing activities</b>		<b>(134,980)</b>	<b>(20,846)</b>
<b>Cash flows from financing activities</b>			
Net proceeds from issuance of shares		62,247	140,619
Proceeds from forgiven loan / loan facility		34,000	328
Repayment of loans and lease liabilities	2	(34,457)	(507)
<b>Net cash generated from financing activities</b>		<b>61,790</b>	<b>140,440</b>
<b>Net change in cash and cash equivalents</b>		<b>(95,689)</b>	<b>109,964</b>
Cash and cash equivalents at the beginning of the period		113,353	3,395
Impact of foreign currency on cash and cash equivalents		(1,518)	(6)
<b>Cash and cash equivalents at end of period</b>		<b>16,146</b>	<b>113,353</b>

Notes 1 to 11 are an integral part of these consolidated financial statements.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR

## ENDED 31 DECEMBER 2021 AND YEAR ENDED 31 DECEMBER 2020

Unaudited (\$ in thousands)

	Note	Share capital	Share premium	Shares to be issued	Share-based compensation	Other reserves	Total equity
<b>Balance, 1 January 2020</b>		<b>98</b>	<b>21,902</b>	<b>-</b>	<b>-</b>	<b>(14,747)</b>	<b>7,253</b>
Issue of shares	8	83	123,650	-	-	-	123,733
Share-based compensation		-	-	-	1,509	-	1,509
Issue of shares	8	13	21,549	-	-	-	21,562
Loss for the period		-	-	-	-	(9,946)	(9,946)
<b>Balance, 31 December 2020</b>		<b>194</b>	<b>167,101</b>	<b>-</b>	<b>1,509</b>	<b>(24,693)</b>	<b>144,111</b>
Issue of shares	8	12	153,196	9,728	-	-	162,936
Share-based compensation		-	-	-	2,844	-	2,844
Comprehensive loss for the period		-	-	-	-	(42,130)	(42,130)
<b>Balance, 31 December 2021</b>		<b>206</b>	<b>320,297</b>	<b>9,728</b>	<b>4,353</b>	<b>(66,823)</b>	<b>267,761</b>

Notes 1 to 11 are an integral part of these consolidated financial statements.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited (\$ in thousands) except per share and number of shares

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Company Overview

Kalera AS (the “Company”) and its subsidiaries (together, the “Group”) develop technology driven vertical farming techniques to conduct operations related to hydroponic food production. The Group currently operates hydroponic farms in Florida, Georgia, Texas and Kuwait. In addition the Group is in the process of building new plants in Ohio, Colorado, Washington State, Hawaii, Minnesota and Singapore. The Company holds a license to patented technology related to geopolymer concrete.

On 28 October 2020, the Company was admitted to the Euronext Growth Oslo (symbol KAL). Neither the Company, nor any other Group companies, have securities listed on any other stock exchange or regulated marketplace. The shares had been registered on the N-OTC since 21 April 2020 under the ticker code “KALERA.” Prior to commencement of trading on Euronext Growth Oslo, the shares were deregistered from the N-OTC. The address of the Company’s registered office is Tjuvholmen allé 19, 0252 OSLO.

Kalera AS wholly-owned subsidiaries include:

- Kalera, Inc.
- Iveron Materials, Inc.
- Vindara, Inc.
- &ever GmbH (now Kalera GmbH)
- Kalera S.A. (Luxembourg)
- Kalera Real Estate Holdings, LLC
- Kalera Singapore PTE. LTD.
- WAFRA Agriculture for Agriculture Contracting Company - SPC (Kuwait)
- &ever Middle East Holdings Ltd (Dubai)

### Basis for Preparation

These interim consolidated financial statements for the year and three months ended 31 December 2021, have been prepared in accordance with IAS 34 Interim Financial Reporting, and authorized for issue by the Board of Directors on 17 February 2022. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for 2020.

The Group’s accounting policies adopted are consistent with those applied in the Group’s 2020 Annual Report as published on the Oslo Stock Exchange on 21 April 2021 with the exception of business combinations and asset retirement obligations.

### Reclassification

Certain amounts in the Group’s 2020 consolidated financial statements have been reclassified to conform to the 2021 presentation. The reclassifications have no effect on the Group’s consolidated financial position or previously reported results of consolidated operations.

### Cash and Cash Equivalents

Cash and cash equivalents comprise cash in the bank, inclusive of restricted holdings, and exclusive of guarantees for our lease liabilities, that are included under Deposits and Other Receivables. Cash and cash equivalents at 31 December 2021 were \$16,146 thousand and \$113,353 thousand at 31 December 2020.

## NOTE 2: LEASES

Right-of-use assets increased to \$56,909 thousand at 31 December 2021 from \$9,279 thousand at 31 December 2020, resulting from leases for new facilities opened or opening during 2021 and additions from our business combination. The Group used incremental borrowing rates of 9.15% and 6.00% for all leases entered into during 2021 and 2020, respectively. Lease liabilities increased to \$61,390 thousand at 31 December 2021 compared to \$9,684 thousand at 31 December 2020 as a result of new leases for facilities that will open during 2022.

### Unaudited (\$ in thousands)

Right-of-use assets	Vehicles & equipment	Facility leases	Total
<b>Net - 1 January 2020</b>	<b>116</b>	<b>3,836</b>	<b>3,952</b>
Additions	77	5,753	5,830
Amortization	(19)	(484)	(503)
<b>Total right-of-use assets, 31 December 2020</b>	<b>174</b>	<b>9,105</b>	<b>9,279</b>
Current lease liability	29	120	149
Non-current lease liability	120	9,415	9,535
<b>Total lease liabilities, 31 December 2020</b>	<b>149</b>	<b>9,535</b>	<b>9,684</b>

Right-of-use assets	Vehicles & equipment	Facility leases	Total
<b>Net - 1 January 2021</b>	<b>174</b>	<b>9,105</b>	<b>9,279</b>
Additions	<b>258</b>	<b>44,561</b>	<b>44,819</b>
Acquired in business acquisition	-	5,552	5,552
Amortization	(59)	(2,682)	(2,741)
<b>Total right-of-use assets, 31 December 2021</b>	<b>373</b>	<b>56,536</b>	<b>56,909</b>
Current lease liability	80	1,958	2,038
Non-current lease liability	296	59,056	59,352
<b>Total lease liabilities, 31 December 2021</b>	<b>376</b>	<b>61,014</b>	<b>61,390</b>

## NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Unaudited (\$ in thousands)

	Furniture, fixtures & equipment	Production facilities	Vehicles	Assets under construction	Real estate	Total
<b>2020</b>						
Net book value, 1 January 2020	224	2,252	40	5,174	-	7,690
Additions	576	205	-	20,065	-	20,846
Reclassifications	-	5,899	-	(5,899)	-	-
Depreciation	(68)	(447)	(7)	-	-	(522)
<b>Net book value, 31 December 2020</b>	<b>732</b>	<b>7,909</b>	<b>33</b>	<b>19,340</b>	<b>-</b>	<b>28,014</b>
Cost or valuation	957	8,553	55	19,340	-	28,905
Accumulated depreciation	(225)	(644)	(22)	-	-	(891)
<b>Net book value, 31 December 2020</b>	<b>732</b>	<b>7,909</b>	<b>33</b>	<b>19,340</b>	<b>-</b>	<b>28,014</b>
<b>2021</b>						
Net book value, 1 January 2021	732	7,909	33	19,340	-	28,014
Additions	1,399	20,947	198	58,436	3,659	84,639
Reclassifications	-	15,969	-	(15,969)	-	-
Acquired in business acquisition	1,265	9,810	-	7,451	-	18,526
Impairment of assets under construction	-	-	-	(1,051)	-	(1,051)
Depreciation	(284)	(1,862)	(12)	-	-	(2,158)
<b>Net book value, 31 December 2021</b>	<b>3,112</b>	<b>52,773</b>	<b>219</b>	<b>68,207</b>	<b>3,659</b>	<b>127,970</b>
Cost or valuation	5,227	55,800	244	68,207	3,659	133,136
Accumulated depreciation	(2,115)	(3,027)	(25)	-	-	(5,166)
<b>Net book value, 31 December 2021</b>	<b>3,113</b>	<b>52,773</b>	<b>219</b>	<b>68,207</b>	<b>3,659</b>	<b>127,970</b>

The Company recorded an impairment loss on assets under construction for \$1,607 thousand in Q3-2021 due to damage that occurred during construction of a farming facility. The Company received insurance proceeds of \$650 thousand during Q4-2021. In Q4-2021, the Company reversed \$556 thousand of the impairment charge previously recorded in Q3-2021 as it was determined certain farming equipment was not impaired as originally estimated. The Company also anticipates receiving an additional \$401 thousand in insurance proceeds in Q1-2022 for remainder of the insured loss.

## NOTE 4: GOODWILL AND INTANGIBLE ASSETS

The Company tests goodwill and intangibles for impairment annually on 31 December or more frequently if warranted. No instances of impairment were identified for 2021 or 2020.

### Unaudited (\$ in thousands)

	Gross carrying amount 2021	Accumulated amortization	Net carrying amount 2021	Gross carrying amount 2020	Accumulated amortization	Net carrying amount 2020
Intellectual property	9,250	(694)	8,556	-	-	-
Research and development	2,454	(11)	2,443	-	-	-
Technology	62,150	(1,018)	61,132	-	-	-
Patents and licenses	2,230	(128)	2,102	530	-	530
Goodwill	59,700	-	59,700	156	-	156
<b>Total</b>	<b>135,784</b>	<b>(1,851)</b>	<b>133,933</b>	<b>686</b>	<b>-</b>	<b>686</b>

The components of goodwill and intangible assets acquired during the periods presented were as follows:

	Amount 2021	Weighted average life	2020 and prior	Weighted average life
Intellectual property	9,250	10	-	-
Research and development	2,454	15	-	-
Technology	62,150	15	-	-
Patents and licenses	1,700	10	530	10
Goodwill	59,544	-	156	-
<b>Total</b>	<b>135,098</b>	<b>-</b>	<b>686</b>	<b>-</b>

## NOTE 5: BUSINESS COMBINATIONS

### Vindara Acquisition

The Company purchased Vindara Inc., on 10 March 2021. Vindara's results are included with the Group's results, in the accompanying financial statements. The acquisition method of accounting was used by the Group for the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred. Any excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill.

During Q1-2021, the Company incurred transaction costs of \$0.3M in connection with this acquisition. Goodwill from this acquisition represents the portion of purchase prices in excess of the fair value of the know-how, licenses, and intellectual property to develop seeds that are attributable to the expected synergies to be achieved including increased revenues, combined talent, technology, production/yield improvements and cost reductions. This goodwill is assigned to the whole Group. The expected economic lifetime of identifiable assets is ten years for accounting and tax purposes. Goodwill is tested for impairment annually, the first test was in Q4-2021. Assuming a transaction closing on 1 January 2021, pro-forma Group loss for the twelve-month period ended 31 December 2021 including Vindara would have been approximately \$40.9M. Based on our preliminary analysis of Vindara's assets and liabilities, the provisional allocation of the purchase price to the identifiable assets and liabilities is set out below.

### Unaudited (\$ in thousands)

<b>Assets acquired and liabilities assumed</b>	
Cash acquired	37
Prepaid expenses, deposits and fixed assets	59
Licenses	1,700
Intellectual property	9,250
Accounts payable and other liabilities	(50)
Accrued salary and benefits	(22)
<b>Net identifiable assets acquired</b>	<b>10,974</b>
Goodwill	13,134
<b>Consideration</b>	<b>24,108</b>
<b>Satisfied by:</b>	
Cash consideration	14,250
Equity consideration	9,858
<b>Total consideration</b>	<b>24,108</b>

The intangible asset-technology is anticipated to have a 10-year useful life and will be amortized over 10 years.

## NOTE 5: BUSINESS COMBINATIONS (CONTINUED)

### &ever GmbH Acquisition

The Company acquired &ever GmbH (&ever acquisition) on 1 October 2021. After 1 October 2021, &ever's results are included with the Group's results, in the accompanying consolidated financial statements. The acquisition method of accounting was used by the Group for the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are, with limited exceptions, measured initially at their fair values as of the acquisition date. Acquisition-related costs are expensed as incurred. Any excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. During Q4-2021, the Company incurred transaction costs of \$421 thousand in connection with this acquisition.

### Unaudited (\$ in thousands)

<b>Assets acquired and liabilities assumed</b>	
Cash acquired	2,286
Right-of-use assets, net	5,552
Other assets	1,869
Accounts payable and accruals	(3,140)
Lease liabilities	(5,941)
Equity investment-Smart Soil	1,394
Equity investments-&ever Middle East Holding Ltd.	8,364
Fixed assets	8,711
Intangible asset - technology	61,100
<b>Net identifiable assets acquired</b>	<b>80,195</b>
Goodwill	40,724
<b>Total consideration</b>	<b>120,919</b>
Cash consideration	24,980
Shareholder loans paid off	10,917
<b>Equity consideration</b>	<b>85,022</b>
<b>Total consideration</b>	<b>120,919</b>

The intangible asset - technology is anticipated to have a 15-year useful life and will be amortized over 15 years.

## NOTE 5: BUSINESS COMBINATION (CONTINUED)

### &ever Middle East Holding Ltd Acquisition

On 13 October 2021, the Company through its wholly owned subsidiary &ever GmbH, acquired the remaining 50% equity interest in &ever Middle East Holding Ltd (Middle East acquisition) of which, an initial 50% ownership was acquired on 1 March 2021 as part of the &ever acquisition. &ever Middle East Holding Ltd operations are comprised primarily of a vertical farm in Kuwait.

The acquisition method of accounting was used by the Group for the Middle East acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are, with limited exceptions, measured initially at their fair values as of acquisition date. Acquisition-related costs are expensed as incurred. Any excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. After 13 October 2021, &ever Middle East Holding Ltd's was fully consolidated into the Company's financial statements as a wholly-owned subsidiary and &ever Middle East Holding Ltd's results are included within the Company consolidated financial statements.

### Unaudited (\$ in thousands)

<b>Assets acquired and liabilities assumed</b>	
Cash acquired	106
Accounts receivable, prepaids, and inventory	359
Accounts payable and accrued liabilities	(284)
Fixed assets	9,810
Intangible asset-technology	1,050
Equity investment-owned (50% in &ever Middle East Holdings Ltd)	(8,364)
<b>Net identifiable assets acquired</b>	<b>2,677</b>
Goodwill	5,687
<b>Total consideration</b>	<b>8,364</b>
Cash consideration	2,005
Equity consideration	6,359
<b>Total consideration</b>	<b>8,364</b>

The intangible asset - technology is anticipated to have a 15-year useful life and will be amortized over 15 years.

## NOTE 6: ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations are the result of the build-out of farming production facilities that are located in leased space. The following table provides all changes to the company's asset retirement obligations.

### Unaudited (\$ in thousands)

Asset retirement obligations recorded at 31, December 2020	-
Liabilities incurred	1,476
Accretion expense	-
<b>Asset retirement obligations recorded at 31, December 2021</b>	<b>1,476</b>

## NOTE 7: DEBT FACILITY

On 9 August 2021, the Company entered into a debt facility agreement with DNB Bank ASA. The agreement allows the Company to borrow up to \$35M to fund the acquisition of &ever GmbH, had a term of three months and expired on 31 December 2021. The Company borrowed \$34M under this agreement on 30 September 2021 in anticipation of closing the &ever acquisition. The company repaid the principal amount of \$34M and fees and interest in the amount of \$1.8M in October 2021 and had no additional borrowings under this debt agreement thereafter.

## NOTE 8: SHARE CAPITAL AND SHARE PREMIUM

Kalera increased its share capital during 2020 and 2021 through several rounds of share issuances. On 24 February 2021, the Company completed a private placement with net proceeds of \$29.3M in connection with the acquisition of Vindara. In connection with the Vindara acquisition, the Company will issue 2,084,087 shares as deferred consideration of equity to the former owners of Vindara. These are classified as shares to be issued in our statement of financial position.

On 1 October 2021, the Company completed a second private placement with net proceeds of approximately \$35M, which were used to repay the debt facility described above in Note 7. On 1 October 2021, the Company issued shares as consideration as part of the &ever acquisition and 2,724,499 shares as part of the consideration for the acquisition of the &ever Middle East Holding Ltd joint venture.

### Unaudited (\$ in thousands except for share amounts)

	Number of shares	Ordinary shares	Share face value	Share premium	Total*
<b>At 1 January 2020</b>	<b>68,433,478</b>	<b>68,433,478</b>			<b>22,000</b>
Share issue	20,000,000	20,000,000	0.0010	0.75	14,021
Conversion of loan	6,265,762	6,265,762	0.0010	0.52	4,661
Share issue	300,000	300,000	0.0010	0.76	228
Share issue	25,401,600	25,401,600	0.0011	0.80	19,311
Share issue	2,723,400	2,723,400	0.0011	0.80	2,179
Share issue	6,666,666	6,666,666	0.0011	1.42	9,462
Share issue	3,333,333	3,333,333	0.0011	2.87	9,482
Share issue	27,900,000	27,900,000	0.0011	3.01	85,952
<b>At 31 December 2020</b>	<b>161,024,239</b>	<b>161,024,239</b>			<b>167,295</b>
Share issue	5,750,000	5,750,000	0.0012	5.44	29,284
Share issue	27,856,081	27,856,081	0.0010	4.27	84,602
Share issue	12,000,000	12,000,000	0.0010	2.91	32,962
Share issue	2,724,499	2,724,499	0.0010	4.30	6,360
<b>At 31 December 2021</b>	<b>209,354,819</b>	<b>209,354,819</b>			<b>320,503</b>

\* Net of transaction costs.



## NOTE 9: ALTERNATIVE PERFORMANCE MEASURES

### Alternative Performance Measures: EBITDA and Adjusted EBITDA

EBITDA is calculated as the operating loss excluding share-based compensation, depreciation, amortization, impairment, interest, and taxes that do not reflect the performance of the Group's underlying operations. Adjusted EBITDA is EBITDA further adjusted for what management believes are one time non-recurring charges that should be excluded as these charges do not reflect the performance of the Group's underlying operations. EBITDA and adjusted EBITDA should be used as supplemental financial information and not as a replacement for the Group's results as reported under IFRS. A reconciliation of the Group's net loss under IFRS to EBITDA and adjusted EBITDA is provided below.

#### Unaudited (\$ in thousands)

For the three months ended

	31 December 2021	31 December 2020
Net loss for the period	(16,612)	(3,235)
Interest expense	3,642	156
Loss on equity method investment	74	-
Depreciation and amortization	3,798	352
Reversal of impairment of assets under construction	(556)	-
<b>EBITDA</b>	<b>(9,654)</b>	<b>(2,727)</b>
Other (gains) / losses, net	(653)	-
Share-based compensation expense	841	661
One time accounting, consulting, and legal fees	149	-
<b>Adjusted EBITDA</b>	<b>(9,317)</b>	<b>(2,066)</b>

For the year - ended

	31 December 2021	31 December 2020
Loss for the period	(40,540)	(9,946)
Interest expense	5,204	831
Loss on equity method investment	74	-
Depreciation and amortization	6,750	1,019
Impairment of assets under construction	1,051	-
<b>EBITDA</b>	<b>(27,461)</b>	<b>(8,096)</b>
Other (gains) / losses, net	(366)	-
Share-based compensation expense	2,844	1,509
One time accounting, consulting, and legal fees	528	-
<b>Adjusted EBITDA</b>	<b>(24,455)</b>	<b>(6,587)</b>

## NOTE 10: TOP 20 SHAREHOLDERS AS OF 31 DECEMBER 2021

Rank	Investor	Number of shares	% of total	Type	Country
1	LGT BANK AG	20,727,366	9.90%	Nominee	Liechtenstein
2	UBS Switzerland AG	20,138,510	9.62%	Nominee	Switzerland
3	Pershing LLC	15,267,185	7.29%	Nominee	United States
4	CANICA AS	12,195,412	5.83%	Ordinary	Norway
5	Citibank, N.A.	10,389,284	4.96%	Nominee	Ireland
6	CLEARSTREAM BANKING S.A.	9,698,296	4.63%	Nominee	Luxembourg
7	JPMorgan Chase Bank, N.A., London	7,758,442	3.71%	Nominee	Germany
8	J.P. Morgan Securities LLC	7,360,492	3.52%	Nominee	United States
9	Deutsche Bank Aktiengesellschaft	6,299,454	3.01%	Nominee	Germany
10	MACAMA AS	6,170,701	2.95%	Ordinary	Norway
11	Goldman Sachs & Co. LLC	5,146,265	2.46%	Nominee	United States
12	LANI INVEST AS	5,005,650	2.39%	Ordinary	Norway
13	State Street Bank and Trust Comp	4,670,418	2.23%	Nominee	United States
14	JPMorgan Chase Bank, N.A., London	4,199,000	2.01%	Nominee	United Kingdom
15	Skandinaviska Enskilda Banken AB	4,005,000	1.91%	Nominee	Luxembourg
16	KREANO AS	4,000,000	1.91%	Ordinary	Norway
17	DNB Markets Aksjehandel/-analyse	3,805,911	1.82%	Ordinary	Norway
18	State Street Bank and Trust Comp	2,642,260	1.26%	Nominee	United States
19	SIX SIS AG	2,300,700	1.10%	Nominee	Switzerland
20	Skandinaviska Enskilda Banken AB	2,142,250	1.02%	Nominee	Luxembourg
<b>Total number owned by top 20</b>		<b>153,922,596</b>	<b>73.52%</b>		
<b>Total number of shares</b>		<b>209,354,819</b>	<b>100.0 %</b>		

1. Excludes 2,084,087 shares to be issued in connection with the Vindara acquisition.

## NOTE 11: SUBSEQUENT EVENTS

### Sale Leaseback of St. Paul Farming Facility

In February 2022, the Company sold its 79,000 square foot farming facility and farming production equipment located in St. Paul, Minnesota for \$8,100 thousand. The company then leased back the facility and equipment in a 20 - year net lease.

### Kalera and Agrico Merger

On 31 January 2022, Kalera announced that the Company and Agrico Acquisition Corp. ("Agrico") have entered into a definitive merger agreement. The transaction will result in Kalera becoming a publicly listed company on NASDAQ and delisting from the Euronext Growth Oslo exchange during Q2-2022.

Key highlights:

- This all-stock transaction creates a combined company with an equity value of approximately \$375 million on a fully diluted pro forma basis, assuming no redemptions from Agrico's shareholders.
- Based on the common stock of Agrico Acquisition Corp. ("Agrico") at \$10 per share, the transaction implies an exchange ratio of 0.091 for existing Kalera shareholders.
- In addition to shares of Agrico common stock, Kalera shareholders will receive one contractual Contingent Value Right per share of common stock that will entitle them to receive up to two stock payments upon the achievement of certain milestones. Each stock payment will consist of shares representing 5% of the fully diluted equity of Kalera at the date of completion of the transaction.
- Agrico currently has \$146.6 million cash in trust.
- Kalera has already secured support agreements from shareholders representing approximately 45% of its outstanding shares.

New capital is expected to provide Kalera the flexibility to fuel the next generation of farms in the US and International locations. The transaction is expected to close during Q2-2022.