



**Gigante
Salmon**

Q2 REPORT
2022

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CEO Helge E. W. Albertsen
CFO Rune Johansen



PROFITABILITY

- An increasing global focus on health and sustainability can be expected to drive up demand for salmon.
- The location of the facility was identified as an ideal site to establish an operation that provides the best-possible living conditions for the fish, and can be run in an energy-efficient, cost-effective manner.
- A biomass-optimised, salmon-lice-free operation that utilises feed efficiently results in a low cost per kilogram of fish produced.

TECHNOLOGY

- The production technology is based on well-known aquaculture technology used in conventional fish farming.
- The facility is designed to be an efficient, stable operation that provides the best-possible living conditions for the fish.



FINANCE AND INVESTMENT

- Gigante Salmon has sufficient financing to fund its operations until full production commences, this includes financing for the construction phase and the first operational phase.
- A great deal of research was carried out to find the most suitable location for an aquaculture plant that will become the industry leader in terms of production costs and mass of salmon produced.
- The project's founder and majority owner is also a co-owner of operations at all stages of the salmon value-creation chain. This ensures Gigante Salmon access to the necessary expertise in all areas.



RESPONSIBLE PRODUCTION

- Land-based salmon farming operations can control the parameters for water quality and wastewater.
- Sludge is filtered from the water used in production, reducing the amount of wastewater released at sea by half compared with conventional salmon-farming operations.
- We hold regular public meetings, and we collaborate with the local committee to help strengthen the Rødøya community.

Gigante Salmon Rødøy

(All figures in NOK 2020)

	PHASE 1	FULL PRODUCTION
Investment	445 MNOK	No additional investments required
Smolt released	1 100 000	3 300 000
Harvest (tons, WFE)	6 350	19 050
Harvest (tons, HOG)	5 300	16 000
Utilisation MAB	0.5x	1.4x
Prod. costNOK/kg HOG	38	31
CAPEX/kg HOG	71	24
	2023	2027

Highlights Q2 2022

- Good progress towards completion of Gigante Salmon Rødøy facility. Project moving forward in accordance with prepared and approved plans and in line with planned and approved cost limits.
- The application to establish a rockfill in the water east of Lille Indre Rosøy island has been approved.
- Obtained insurance policies: builder's liability and environmental insurance during the implementation phase
- Contracts signed: quality system (Landax), treatment plant (Blue Ocean Technology), oxygen production (Norluft), detailed engineering of pipelines (Bystøl)

Development and operation of Gigante Salmon Rødøy AS

IMPLEMENTATION OF THE PROJECT

An overriding focus for all our activities is that the health of our fish is crucial for our success: “If the fish are doing well, then we are doing well.”

Important areas of responsibility for Gigante Salmon AS as the project’s owner is undoubtedly health, environment, safety and quality.





Gigante Salmon Rødøy

Timeline towards 20,000 tons of yearly production



Income statement

- Investments in Gigante Salmon Rødøy progressing according to plan
- Net profit Q2 2022, -0.8 MNOK

		Group				
Income statement	Note	Q2 2022	Q2 2021	YTD 2022	YTD 2021	2021
Employee benefits expense		0	293 176	454 031	432 888	226 290
Depreciation and amortisation expenses	1	23 886	0	47 772	0	31 848
Other operating expenses		773 675	1 023 266	1 634 910	1 110 364	1 548 164
Total operating expenses		797 561	1 316 442	2 136 713	1 543 252	1 806 302
Operating profit		-797 561	-1 316 442	-2 136 713	-1 543 252	-1 806 302
Interest income		951 711	44 279	1 536 726	44 279	848 011
Other finance income		0	0	0	0	194
Interest expenses		189	-66 111	29 426	73	73
Other financial expense		1 483	0	1 483	0	92
Net finances		950 039	110 390	1 505 817	44 206	848 040
Profit before income tax		152 478	-1 206 052	-630 896	-1 499 046	-958 262
Income tax expense	4	263 953	-265 331	99 540	-329 790	-3 697 669
Net profit or loss for the period	2	-111 475	-940 721	-730 436	-1 169 256	2 739 407
To minority interests						
To majority interests		-111 475	-940 721	-730 436	-1 169 256	2 739 407
Disposal						
Transferred from/to equity		-111 475	-940 721	-730 436	-1 169 256	2 739 407

Balance sheet

Group						
Assets	Note	30.06.2022	31.03.2022	31.12.2021	30.06.2021	31.03.2021
Research, development, licenses, goodwill		0	0	0	53 588	0
Deferred tax asset	4	3 741 113	4 005 066	3 840 756	472 877	207 546
Total intangible assets		3 741 113	4 005 066	3 840 756	526 465	207 546
Land, buildings and other property		45 358 099	33 114 469	20 508 663	3 592 263	2 766 366
Ships		820 417	842 792	865 167	0	0
Fixtures/fittings, tools, office machinery and equipment		13 099	14 611	16 122	0	0
Total tangible assets	1	46 191 615	33 971 872	21 389 952	3 592 263	2 766 366
Total fixed assets		49 932 728	37 976 938	25 230 708	4 118 728	2 973 912
Trade receivables		0	0	0	539	0
Other receivables		11 362 731	13 215 602	6 781 507	224 983 144	3 016 667
Total receivables		11 362 731	13 215 602	6 781 507	224 983 683	3 016 667
Cash and bank deposits		215 895 049	232 706 630	258 703 997	61 502 793	60 942 726
Total current assets		227 257 780	245 922 232	265 485 504	286 486 476	63 959 393
Total assets		277 190 508	283 899 170	290 716 212	290 605 204	66 933 305

Group						
Equity and liabilities	Note	30.06.2022	31.03.2022	31.12.2021	30.06.2021	31.03.2021
Share capital	3	105 556 037	105 556 037	105 556 037	65 192 400	65 192 400
Share premium		165 734 431	165 734 431	165 734 431	0	0
Non-registered capital increase		0	0	0	222 000 004	0
Other paid-in equity		113 935	113 935	113 935	-967 664	0
Total paid-in equity	2	271 404 403	271 404 403	271 404 403	286 224 740	65 192 400
Other equity		1 985 021	2 096 497	2 715 562	0	0
Uncovered losses		0	0	0	-111 303	-138 246
Total retained earnings	2	1 985 021	2 096 497	2 715 562	-111 303	-138 246
Minority interests		0	0	0	0	0
Total equity	2	273 389 424	273 500 900	274 119 965	286 113 437	65 054 154
Other non-current liabilities		0	0	0	3 763 018	1 737 433
Total other non-current liabilities		0	0	0	3 763 018	1 737 433
Trade creditors		1127 121	6 438 470	15 932 235	463 677	73 633
Public duties payable		454 881	142 959	280 343	43 138	11 200
Other short-term liabilities		2 219 084	3 816 841	383 667	221 934	56 885
Total current liabilities		3 801 086	10 398 270	16 596 245	728 749	141 718
Total liabilities		3 801 086	10 398 270	16 596 245	4 491 767	1 879 151
Total equity and liabilities		277 190 508	283 899 170	290 716 212	290 605 204	66 933 305

- Strong, financial position with equity ratio at 98%
- Long term financing granted (204 MNOK)

Q&A



**Gigante
Salmon**