



**Gigante
Salmon**

R E P O R T F O R

THE FOURTH QUARTER OF

2022

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The report has been prepared in both Norwegian and English.
In case of any discrepancy between the two versions, the Norwegian version shall prevail.

Highlights

THE FOURTH QUARTER OF 2022

- Construction has been on-going throughout the period. Excavation of production basin 3 is complete. All required blasting will be completed by the end of February.
- Completed acquisitions and agreements: Skretting, Xylem, Infrakon.
- Application in process for the establishment of a small rockfill that will enable the placement of risers to the west of Lille Indre Rosøy.
- Our smolt partner, Grytåga Settefisk AS, has begun raising the first release of fish for the facility.

Events after balance sheet date:

- Agreement signed with Lovund Bedrifts Service AS for delivery of concrete.
- Agreement signed with Nordkontakt and Elektro AS for the establishment of electricity, automation, instrumentation, ICT / telecommunications and power transmission.
- Permission granted for the establishment of a rockfill that will enable the placement of risers.
- New hires: Bjørn Arne Johansen will begin working as a technician on 1 May.

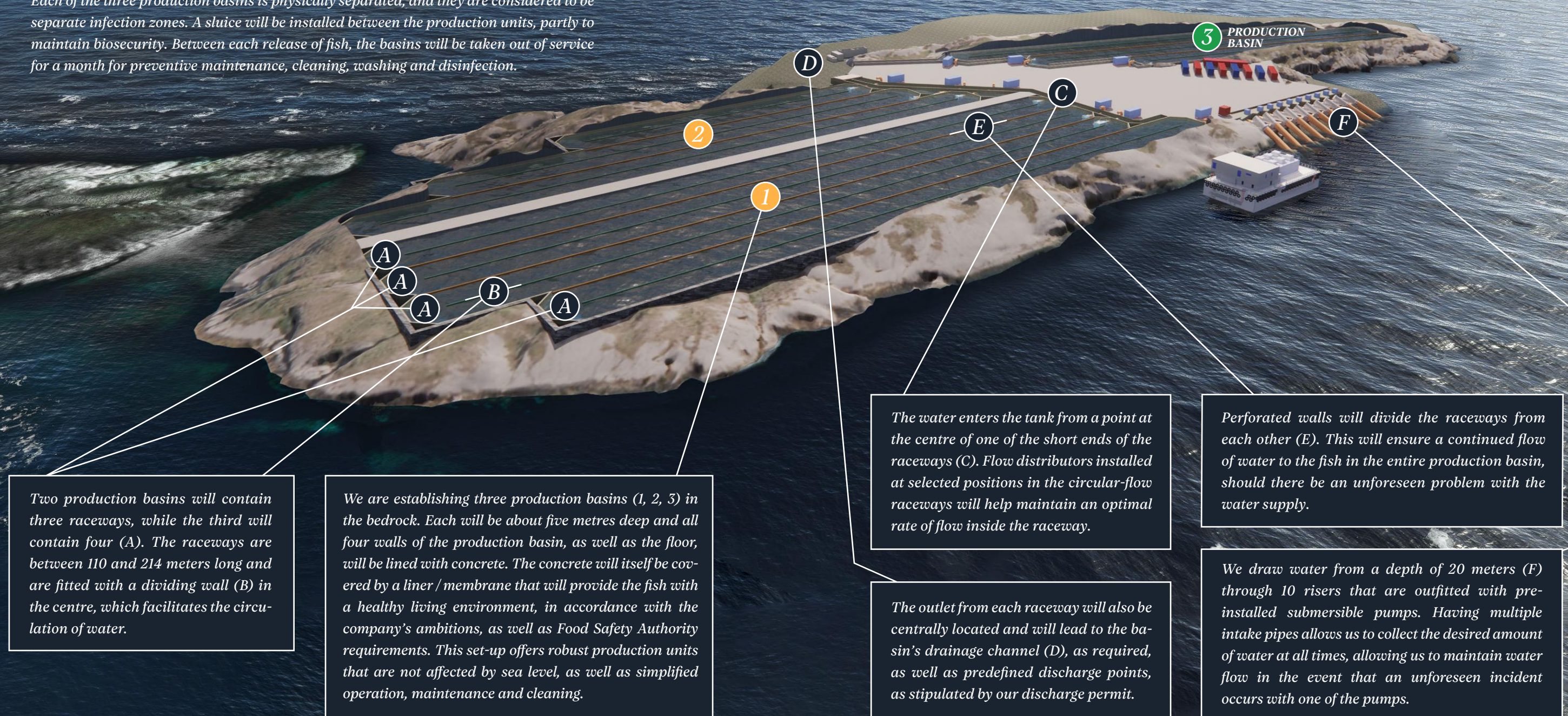


Helge E. W. Albertsen
CEO



Our breeding facility is built to give the fish the best environment in which to live and grow during the entire production phase, thanks to a continuous inflow of fresh seawater and a structure that provides ample current to swim against.

Each of the three production basins is physically separated, and they are considered to be separate infection zones. A sluice will be installed between the production units, partly to maintain biosecurity. Between each release of fish, the basins will be taken out of service for a month for preventive maintenance, cleaning, washing and disinfection.



Project implementation

The project is progressing according to plan. During Q4, important agreements were concluded with the feed supplier (Skretting), the inlet-pump supplier (Xylem) and the firm that will pour the concrete in the production basins (Infrakon).

Detailed design and preparation for construction were largely completed during the period.

As previously reported, the aquaculture industry, including Gigante Salmon Rødøy, is affected by significant increases in the cost of electricity and longer delivery times. The final design of the electrical system is not complete (electronics and automation), and work with the power utility to identify ways to reduce costs that do not affect the health of the fish continues.

In order to promote the health of the fish, a change in the project will now see all basin walls and floors lined with concrete and all immersed surfaces protected by a PE liner or membrane. This will improve living conditions. It will also allow for more secure regulation of the water level between the raceways during operation, and in the event of a stoppage in the water supply from one or more pumps.

This was not included in the original scope of work and budget

and will add to the cost of construction. For now, this only applies to production basin 3. A decision about whether to implement the same measure in production basins 1 and 2 will be made after production basin 3 is taken into use.

We still encounter market-related difficulties due to the pandemic and the Russian invasion of Ukraine. These challenges

have resulted in higher prices for equipment and materiel, as well as generally longer delivery times. We have entered into agreements that ensure the delivery of critical equipment prior to the facility coming on-line. Other deliveries could be affected, but we have a plan that will allow us to continue installation and finalisation and eventually start production as planned.

Excavation of production basins 1 and 2 is due to be completed by this time, as will much of the facility's infrastructure (fleet, sludge plant

etc.) Establishing one production basin first will help us make technological choices and be aware of their associated costs in advance of completion of the remaining production basins in the summer of 2024. After production basin 3 is finished, we

Our plans call for only production basin 3 to be ready when the facility comes on-line this autumn.

will present an updated investment forecast, but we continue to progress within the framework of the original budget.

Excavation of production basin 3 is now complete. Installation of equipment will begin in Q1 and continue until mid-July. The project is proceeding according to plan, and We expect production to begin in September.



Operational review

Basin 3, which will be the first to be taken into service, in September, has been built, and loose material left over after blasting has been removed.

We will begin pouring concrete in February, and we expect the work to be completed in mid-August with the final milestone being the completion of drainage channels. Other work on basin 3 – including installation of poles, automation equipment and walkways, as well as wiring for electricity – will be carried out concurrently.

The majority of the work to establish a rockfill in the waters north-east Lille Indre Rosøy was carried out during the period and is expected to be completed during Q1.

The planned construction of a quay south-east of Lille Indre Rosøy has been dropped; there is no need for a dedicated quay, and the price of establishing one does not match the budgeted cost.

Instead, we applied in Q4 for permission to build a small rockfill on the north-eastern side of Lille Indre Rosøy. The rockfill would be part of the infrastructure for intake pipes / risers. The application was approved by the Nordland state administrator after the balance-sheet date. We are currently awaiting permission to begin work but expect construction to start in mid-February.

One new hire was made during the period: Anders Larsos will begin



working for Gigante Salmon Rødøy AS as an electrician on 1 April.

A decision about power supply – including where the submarine cable will be brought on land – was clarified in Q4 and will be carried out in two phases, with phase 1 to be completed before start-up in September. Phase 1 will be a combined land and sea cable from Rødøy to Rosøy that will supply the facility during initial production with power from Rødøy's existing 1MW network. Phase 2 will involve installation of a longer submarine cable, from

Reppen to Rødøy, to prepare and maintain production after 2025.

Installation starts in February. Lovund Bedrifts Service will deliver the concrete, and Infrakon will lay it. Planning for the receipt of equipment and building materials, including intake pipes, pumps etc, to ensure optimal logistics is on-going. An agreement has been entered into for the rental of additional housing units in Rødøy for accommodating staff that cannot be housed on the construction site.

Financial review

RESULT FOR THE FOURTH QUARTER OF 2022

As the group is still in a development phase, Q4 sales revenue was again this year NOK 0m. Operating costs rose in Q4 to NOK 1.2m from NOK 0.6m in 2022 as a result of increased activity. Operating profit for the period was NOK -1.2m.

Total cash flow from group operations was NOK -1.4m. The discrepancy with the operating result is mainly due to changes in other accrued income and expenditure. The group's total investments in Q4 amounted to NOK 15.0m, of which NOK 9m was related to the development project in Rødøy and the reminder to increased receivables.

As of 31 December, short-term debt amounted to 100% of total group debt — the same level on 31 December 2021. Long-term bank financing for development of Gigante Salmon Rødøy has been approved but has yet to be drawn on. This is long-term financing from Sparebanken Nord-Norge, and we expect to begin drawing on the construction loan before the end of Q1. The group's financial position is good, and, as of 31 December, the group is

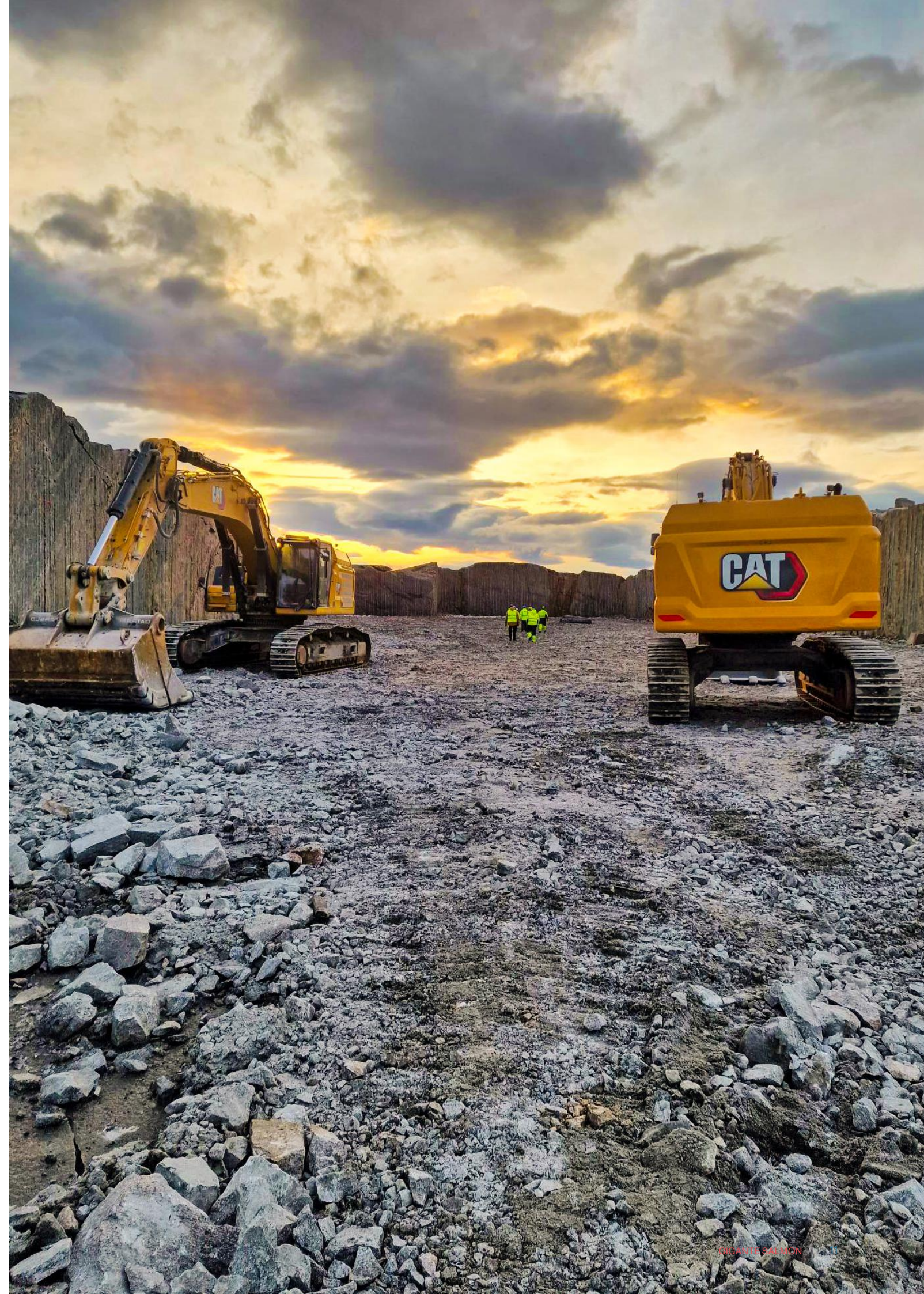


The group's liquid assets were NOK 182.1m as of 31 December. The group's ability to self-finance investments is assessed as good.

able to repay short-term debt using its most liquid funds.

Total capital at the end of Q4 was NOK 317.4m, compared with NOK 290.7m at the end of Q4 2021.

Equity as of 31 December was 88%, compared with 94% on 31 December 2021.



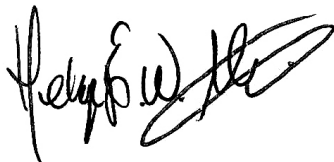


Statement by the board and CEO


The board of directors and the CEO hereby declare that the consolidated accounts for the period 01.01.22-31.12.22 have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway, and provide a correct picture of the company's assets, liabilities, financial status and income and expenses as a whole. We further declare that the Q4 update includes an accurate summary of the company's most important activities up to the presentation of the results.

Bodø
13 February 2023


Eirik Sørgård
Chairman of the board


Helge E. W. Albertsen
CEO


Kristin Ingebrigtsen
Member of the board


Liv Monica Stubholt
Member of the board


Kjell Lorentsen
Member of the board

Report for the fourth quarter of 2022

Income statement

(Amount in kNOK)

Income Statement	Note	Group			
		Q 4 2022	Q 4 2021	2022	2021
Other income		23	1902	152	1902
Total income		23	1902	152	1902
Employee benefits expense		-	851	360	2 129
Depreciation and amortisation expenses	1	25	24	96	32
Other operating expenses		1170	-308	3 408	1 548
Total operating expenses		1 194	568	3 864	3 709
Net income		-1 171	1 335	-3 713	-1 806
Interest income		1 629	606	4 662	848
Other finance income		-	0	-	0
Interest expenses		-	-93	29	0
Other financial expense		2	0	4	0
Net finances		1 627	699	4 629	848
Profit before income tax		456	2 034	916	-958
Income tax expense	4	-53	354	-4 667	-3 698
Net profit or loss for the period	2	509	1 680	5 583	2 739
To minority interests		-	-	-	-
To majority interests		509	1 680	5 583	2 739
Disposal					
Transferred from/to equity		509	1 680	5 583	2 739

Cash flow statement

(Amount in kNOK)

Cash flow from operations	Q4 2022	Group		
		Q4 2021	2022	2021
Profit before income taxes	456	2 034	916	-958
Taxes paid	0	0	2 429	0
Depreciation	25	24	96	32
Change in trade creditors	-336	0	1 413	0
Deduction of recurring VAT settlement	0	43	0	28
Change in trade creditors	190	87	58	1 518
Change in other provisions	-1 741	-3 364	-12 152	-2 463
Net cash flow from operations	-1 406	-1 175	-7 238	-1 844
Cash flow from investments				
Purchase of fixed assets	-9 023	-422	-69 369	-5 733
Repayment of short term loans	-5 990	0	0	0
Proceeds from short term loans	0	616	0	-3 678
Netto kontantstrøm fra investeringsaktiviteter	-15 013	194	-69 369	-9 411
Cash flow from financing				
Proceeds from issuance of equity	0	0	0	222 000
Repayment of long term loans	0	-1 705	0	-1 705
Issuance costs recognized directly in equity	0	-480	0	-15 902
Net cash flow from financing	0	-2 185	0	204 393
Exchange gains / (losses) on cash and cash equivalents				
Net change in cash and cash equivalents	-16 419	-3 166	-76 607	193 138
Cash and cash equivalents at the beginning of the period	198 516	261 870	258 704	65 566
Cash and cash equivalents at the end of the period	182 097	258 704	182 097	258 704
Which exists of:				
Cash and bank deposits	182 097	258 704	182 097	258 704

Balance sheet

(Amount in kNOK)

Group					
Assets	Note	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Research, development, licenses, goodwill		0	0	0	43
Deferred tax asset	4	6 078	6 025	3 841	4 194
Total intangible assets		6 078	6 025	3 841	4 237
Land, buildings and other property		108 807	65 327	20 509	4 006
Ships		776	798	865	888
Fixtures/fittings, tools, office machinery and equipment		24	12	16	18
Total tangible assets	1	109 606	66 137	21 390	4 911
Total fixed assets		115 684	72 162	25 231	9 149
Trade receivables		350	63	0	0
Other receivables		19 285	15 995	6 782	3 695
Total receivables		19 635	16 058	6 782	3 695
Cash and bank deposits		182 097	198 516	258 704	261 870
Total current assets		201 733	214 574	265 486	265 565
Total assets		317 417	286 736	290 716	274 713

Balance sheet

(Amount in kNOK)

Group					
Equity and liabilities	Note	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Share capital	3	105 556	105 556	105 556	105 556
Share premium		165 734	165 734	165 734	166 214
Other paid-in equity		114	114	114	-968
Total paid-in equity	2	271 404	271 404	271 404	270 802
Other equity		8 125	7 616	2 716	1 673
Total retained earnings	2	8 125	7 616	2 716	1 673
Minority interests		0	0	0	0
Total equity	2	279 529	279 020	274 120	272 475
Other non-current liabilities		0	0	0	1 763
Total other non-current liabilities		0	0	0	1 763
Trade creditors		37 069	2 201	15 932	208
Public duties payable		189	280	280	122
Other short-term liabilities		630	5 235	384	145
Total current liabilities		37 888	7 716	16 596	475
Total liabilities		37 888	7 716	16 596	2 238
Total equity and liabilities		317 417	286 736	290 716	274 713

Notes

ACCOUNTING PRINCIPLES

The quarterly accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway, including principles for interim accounting (NRS 11). All significant accounting principles are described in the Groups annual report for 2021.

The annual report is available at www.gigantesalmon.no. For a complete statement of the accounting principles, please see the annual report.

The quarterly report is non-audited.

NOTE 1 - FIXED ASSETS

	Buildings and land	Machines	Movables	Total fixed assets
Purchase cost pr. 30.09.22	65 327	895	18	66 240
Accumulated depreciation 30.09.22	0	97	7	104
Net book value 30.09.22	65 327	798	12	66 137
Additions*	43 480	0	15	43 495
Purchase cost 31.12.22	108 807	895	33	109 735
Accumulated depreciation 31.12.22	0	119	9	128
Net book value 31.12.22	108 807	776	24	109 606
Depreciation in Q4 2022	0	22	2	25

The Group owns two islands that are not depreciated.

Gigante Salmon is currently constructing its land-based fish farm at Lille Indre Rosøy in Rødøy kommune. This explains the recent additions of fixed assets.

The construction is in line with the investment budget and time frame. The construction phase ends August 2023, with the first release of smolt in September 2023.

*The Group has capitalized own work with kNOK 863.

CHANGE IN PLAN OF DEPRECIATION

There has not been a change in plan of depreciation.

NOTE 2 - SHAREHOLDERS' EQUITY

Equity changes in the period	Share capital	Share premium	Other paid-in equity	Other equity	Total
Equity 01.01.22	105 556 037	165 734 431	113 935	2 715 562	274 119 965
Profit for Q1	0	0	0	-619 065	-619 065
Equity 31.03.22	105 556 037	165 734 431	113 935	2 096 497	273 500 900
Profit for Q2	0	0	0	-111 475	-111 475
Equity 30.06.22	105 556 037	165 734 431	113 935	1 985 022	273 389 424
Profit for Q3	0	0	0	5 630 503	5 630 503
Equity 30.09.22	105 556 037	165 734 431	113 935	7 615 525	279 019 925
Profit for Q4	0	0	0	509	509
Equity 31.12.22	105 556	165 734	114	8 125	279 529

NOTE 3 - SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital of NOK 105 556 037 consists of 105 556 037 shares with nominal value of NOK 1 each.

LIST OF 20 MAJOR SHAREHOLDERS AT 31.12.22.

Shareholder	Number of shares	Ownership
Gigante Havbruk AS	64 238 000	60,86 %
T Kolstad Eiendom AS	7 272 728	6,89 %
J.P. Morgan AS	2 748 631	2,60 %
Helgeland Invest AS	2 727 272	2,58 %
Torghatten Aqua AS	2 727 272	2,58 %
Ravi Investerings AS	1 970 125	1,87 %
Verdipapirfondet Nordea Avkastning	1 832 428	1,74 %
Olav Olsen Holding AS	1 500 000	1,42 %
IHA Invest AS	1 455 000	1,38 %
Commuter 2 AS	1 090 909	1,03 %
Yannick AS	1 040 000	0,99 %
LIMIT AS	910 000	0,86 %
DNOR AS	909 093	0,86 %
Nyhamn AS	909 091	0,86 %
UBS Switzerland AG	683 485	0,65 %
Oxvold Invest AS	600 000	0,57 %
Aino Aktiv AS	574 255	0,54 %
Joe Invest AS	561 739	0,53 %
Maria Olaisen AS	545 455	0,52 %
Hausta Vekst AS	545 454	0,52 %
Occasione By Olaisen AS	545 454	0,52 %
Other owners	10 169 646	9,63 %
Total	105 556 037	100,0 %

SHARES OWNED BY THE MANAGEMENT AND RELATED PARTIES OF THE MANAGEMENT

Name	Position	Number of shares	Ownership
Helge E. W. Albertsen	CEO	200 000	0,19 %
Rune Johansen	CFO	310 000	0,29 %
Linda Storholm	CCO	15 500	0,01 %
Eirik Sørgård	Chairman of the Board	200 000	0,19 %
Kristin Ingebrigtsen	Member of the Board	15 000	0,01 %

Eirik Sørgård owns 200 000 shares through his wholly-owned company Pronord AS.

Rune Johansen owns 35 000 shares privately and 275 000 shares through his wholly-owned company Nord-Norsk Eiendom AS.

Kjell Lorentsen has controlling influence through Gigante Havbruk AS who owns 64 238 000 shares (ownership 60,86 %).

NOTE 4 - TAXES

CALCULATION OF DEFERRED TAX/DEFERRED TAX ASSET

Temporary differences	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Net temporary differences	6 629	5 699	3 271	2 068
Tax losses carried forward	-34 257	-33 085	-20 729	-21 133
Basis for deferred tax asset	-27 628	-27 386	-17 458	-19 065
Deferred tax asset	-6 078	-6 025	-3 841	-4 194
Deferred tax asset in the balance sheet	-6 078	-6 025	-3 841	-4 194

BASIS FOR INCOME TAX EXPENSE, CHANGES IN DEFERRED TAX AND TAX PAYABLE

Grunnlag for betalbar skatt

Basis for income tax expense	456	917	-958	-1493
Result before taxes	29	-202	-15 849	-15 422
Permanent differences	485	716	-16 808	-16 916
Basis for the tax expense for the year	-930	-810	-3 271	-828
Change in temporary differences	-444	-94	-20 079	-17 744
Taxable income (basis for payable taxes in the balance sheet)	-444	-94	-20 079	-17 744

Basis for income tax expense, changes in deferred tax and tax payable	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Tax payable	0	0	0	0
Total tax payable	0	0	0	0
Change in deferred tax asset*	0	-2 284	-3 698	-3 721
Tax refund 2013/2014*	-53	-2 429	0	0
Tax expense	-53	-4 713	-3 698	-3 721

*The company has been successful in a tax appeal, which results in a profit of kNOK 4 713 in Q3.

NOTE 5 - OVERVIEW OF AND TRANSACTIONS WITH RELATED PARTIES

	Related party	Ownership
a)	Gigante Havbruk AS	Owns Gigante Salmon 61%
b)	KapNord AS	Gigante Havbruk owns 51%
c)	Polarplast AS	Gigante Havbruk owns 40%
d)	Gildeskål Forskningsstasjon AS	Gigante Havbruk owns 100%
e)	Salten Aqua AS	Gigante Havbruk owns 35%
f)	Salmon Center AS	Gigante Havbruk owns 100%
g)	Gigante Havbruk AS	Owns Gigante Salmon 61%
h)	Fish Farm International AS	Gigante Havbruk owns 100%

TRANSACTIONS WITH RELATED PARTIES

	Amount	Detail of transaction
a)	197	Purchase of hours in connection with the design and production of The Groups land-based fish farm.
b)	98	Purchase of hours in connection with the design and production of The Groups land-based fish farm.
c)	253	Purchase of hours in connection with the design and production of The Groups land-based fish farm.
d)	574	Purchase of hours in connection with the design and production of The Groups land-based fish farm and rental of boat.
e)	331	Kjøp av admistrasjonstjenester
f)	40	Office rent - Bodø
g)	1 275	Rent of ferry (Haarek)
h)	23	Income - media relations provided to the Group Gigante Havbruk

The design and production is capitalized at the line Land, buildings and other property.



**Gigante
Salmon**