



**Gigante  
Salmon**

---

**Q4 REPORT**  
**2022**

*14 February 2023*

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 Q4 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
- Agreements so far in 2023:
  - Lovund Bedrifts Service for delivery of concrete
  - Nordkontakt and Elektro for the establishment of electricity, automation, instrumentation, ICT / telecommunications and power transmission

# Development and operation of Gigante Salmon Rødøy AS

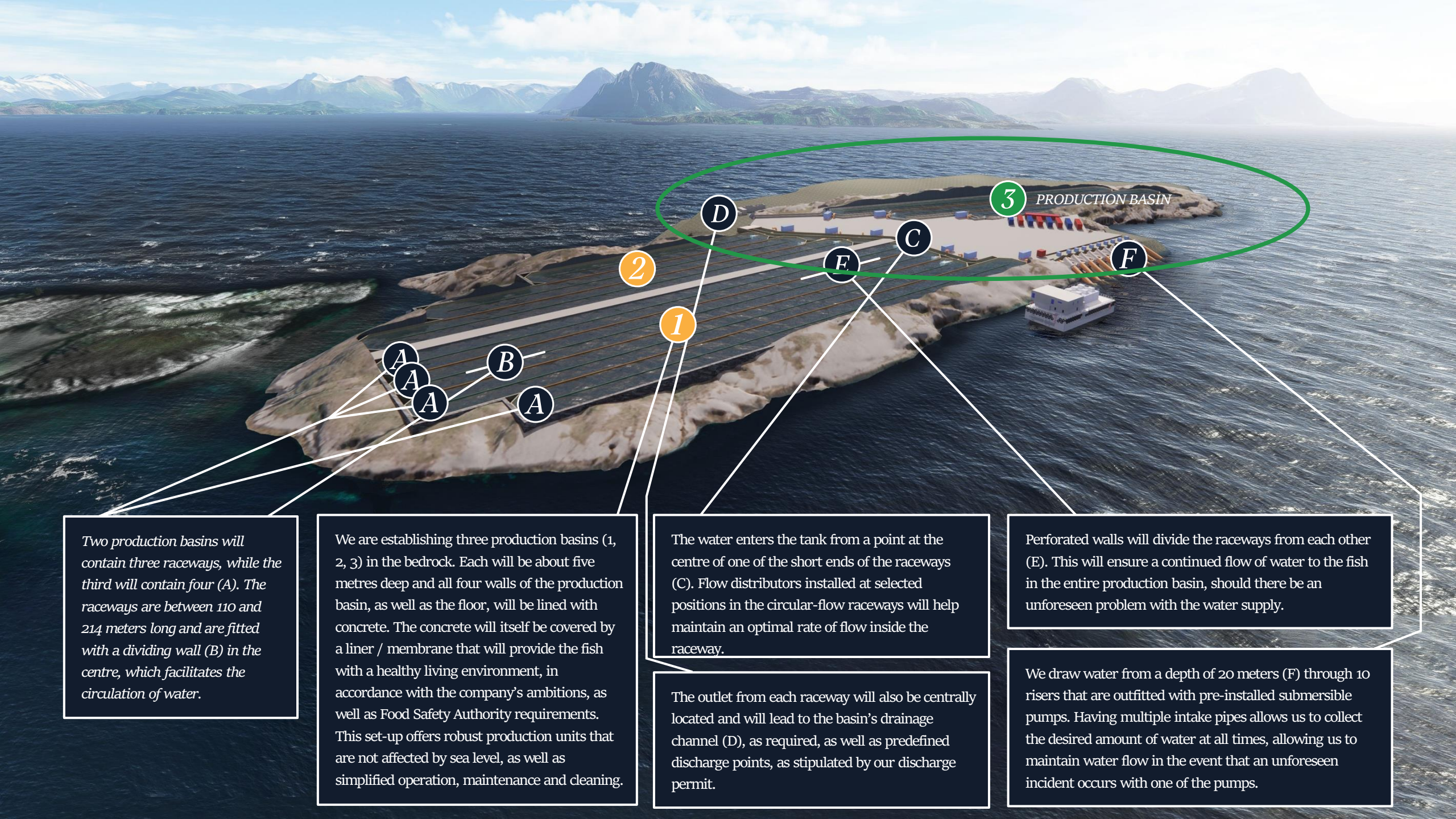
## IMPLEMENTATION OF THE PROJECT

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.







2

1

3

PRODUCTION BASIN

A  
A  
A

B

A

D

E

C

F

Two production basins will contain three raceways, while the third will contain four (A). The raceways are between 110 and 214 meters long and are fitted with a dividing wall (B) in the centre, which facilitates the circulation of water.

We are establishing three production basins (1, 2, 3) in the bedrock. Each will be about five metres deep and all four walls of the production basin, as well as the floor, will be lined with concrete. The concrete will itself be covered by a liner / membrane that will provide the fish with a healthy living environment, in accordance with the company's ambitions, as well as Food Safety Authority requirements. This set-up offers robust production units that are not affected by sea level, as well as simplified operation, maintenance and cleaning.

The water enters the tank from a point at the centre of one of the short ends of the raceways (C). Flow distributors installed at selected positions in the circular-flow raceways will help maintain an optimal rate of flow inside the raceway.

The outlet from each raceway will also be centrally located and will lead to the basin's drainage channel (D), as required, as well as predefined discharge points, as stipulated by our discharge permit.

Perforated walls will divide the raceways from each other (E). This will ensure a continued flow of water to the fish in the entire production basin, should there be an unforeseen problem with the water supply.

We draw water from a depth of 20 meters (F) through 10 risers that are outfitted with pre-installed submersible pumps. Having multiple intake pipes allows us to collect the desired amount of water at all times, allowing us to maintain water flow in the event that an unforeseen incident occurs with one of the pumps.



# Timeline towards 20,000 tons of yearly production





# Income statement

- Investments in Gigante Salmon Rødøy progressing according to plan
- Net profit Q4 2022, +0.5 MNOK
- Net profit 2022, +5.5 MNOK

		Group			
Income Statement	Note	Q 4 2022	Q 4 2021	2022	2021
Other income		23	1902	152	1902
<b>Total income</b>		<b>23</b>	<b>1902</b>	<b>152</b>	<b>1902</b>
Employee benefits expense		-	851	360	2129
Depreciation and amortisation expenses	1	25	24	96	32
Other operating expenses		1170	-308	3 408	1548
<b>Total operating expenses</b>		<b>1194</b>	<b>568</b>	<b>3 864</b>	<b>3709</b>
<b>Net income</b>		<b>-1171</b>	<b>1335</b>	<b>-3 713</b>	<b>-1806</b>
Interest income		1629	606	4 662	848
Other finance income		-	0	-	0
Interest expenses		-	-93	29	0
Other financial expense		2	0	4	0
<b>Net finances</b>		<b>1 627</b>	<b>699</b>	<b>4 629</b>	<b>848</b>
<b>Profit before income tax</b>		<b>456</b>	<b>2 034</b>	<b>916</b>	<b>-958</b>
Income tax expense	4	-53	354	-4 667	-3 698
<b>Net profit or loss for the period</b>	<b>2</b>	<b>509</b>	<b>1 680</b>	<b>5 583</b>	<b>2 739</b>
To minority interests		-	-	-	-
<b>To majority interests</b>		<b>509</b>	<b>1 680</b>	<b>5 583</b>	<b>2 739</b>
Disposal					
<b>Transferred from/to equity</b>		<b>509</b>	<b>1 680</b>	<b>5 583</b>	<b>2 739</b>

(Amount in kNOK)

# Balance sheet

(Amount in kNOK)

Assets	Note	Group			
		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
<b>Total intangible assets</b>		<b>6 078</b>	<b>6 025</b>	<b>3 841</b>	<b>4 237</b>
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
<b>Total tangible assets</b>	<b>1</b>	<b>109 606</b>	<b>66 137</b>	<b>21 390</b>	<b>4 911</b>
<b>Total fixed assets</b>		<b>115 684</b>	<b>72 162</b>	<b>25 231</b>	<b>9 149</b>
Trade receivables		350	63	0	0
Other receivables		19 285	15 995	6 782	3 695
<b>Total receivables</b>		<b>19 635</b>	<b>16 058</b>	<b>6 782</b>	<b>3 695</b>
<b>Cash and bank deposits</b>		<b>182 097</b>	<b>198 516</b>	<b>258 704</b>	<b>261 870</b>
<b>Total current assets</b>		<b>201 733</b>	<b>214 574</b>	<b>265 486</b>	<b>265 565</b>
<b>Total assets</b>		<b>317 417</b>	<b>286 736</b>	<b>290 716</b>	<b>274 713</b>

Equity and liabilities	Note	Group			
		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
<b>Total paid-in equity</b>	<b>2</b>	<b>271 404</b>	<b>271 404</b>	<b>271 404</b>	<b>270 802</b>
Other equity		8 125	7 616	2 716	1 673
<b>Total retained earnings</b>	<b>2</b>	<b>8 125</b>	<b>7 616</b>	<b>2 716</b>	<b>1 673</b>
Minority interests		0	0	0	0
<b>Total equity</b>	<b>2</b>	<b>279 529</b>	<b>279 020</b>	<b>274 120</b>	<b>272 475</b>
Other non-current liabilities		0	0	0	1 763
<b>Total other non-current liabilities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>1 763</b>
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
<b>Total current liabilities</b>		<b>37 888</b>	<b>7 716</b>	<b>16 596</b>	<b>475</b>
<b>Total liabilities</b>		<b>37 888</b>	<b>7 716</b>	<b>16 596</b>	<b>2 238</b>
<b>Total equity and liabilities</b>		<b>317 417</b>	<b>286 736</b>	<b>290 716</b>	<b>274 713</b>

- Strong, financial position with equity ratio at 88%
- Long term financing granted (204 MNOK)



# Q&A



**Gigante  
Salmon**