



**Gigante
Salmon**

R E P O R T F O R

THE FOURTH QUARTER OF

2023

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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.
Photo: Gigante Salmon

Highlights

REPORT FOR THE FOURTH QUARTER OF 2023

- Additional financing in the amount of NOK 306 million secured
- Preparations, groundwork and installations in technical area for phase 1 and phase 2 completed
- Organisational changes in advance of the start of operations and phase 2 of development
- Filling of production basin 3 begun on 15 December

EVENTS AFTER BALANCE SHEET DATE

- Release of fish in production basin 3 starting week 3 in 2024
- Construction manager for phase 2 of the project hired
- On-going work towards completion of phase 1
- Preparations for start of phase 2
- Change of project design of production basins 1 and 2



Helge E. W. Albertsen
CEO



Project implementation

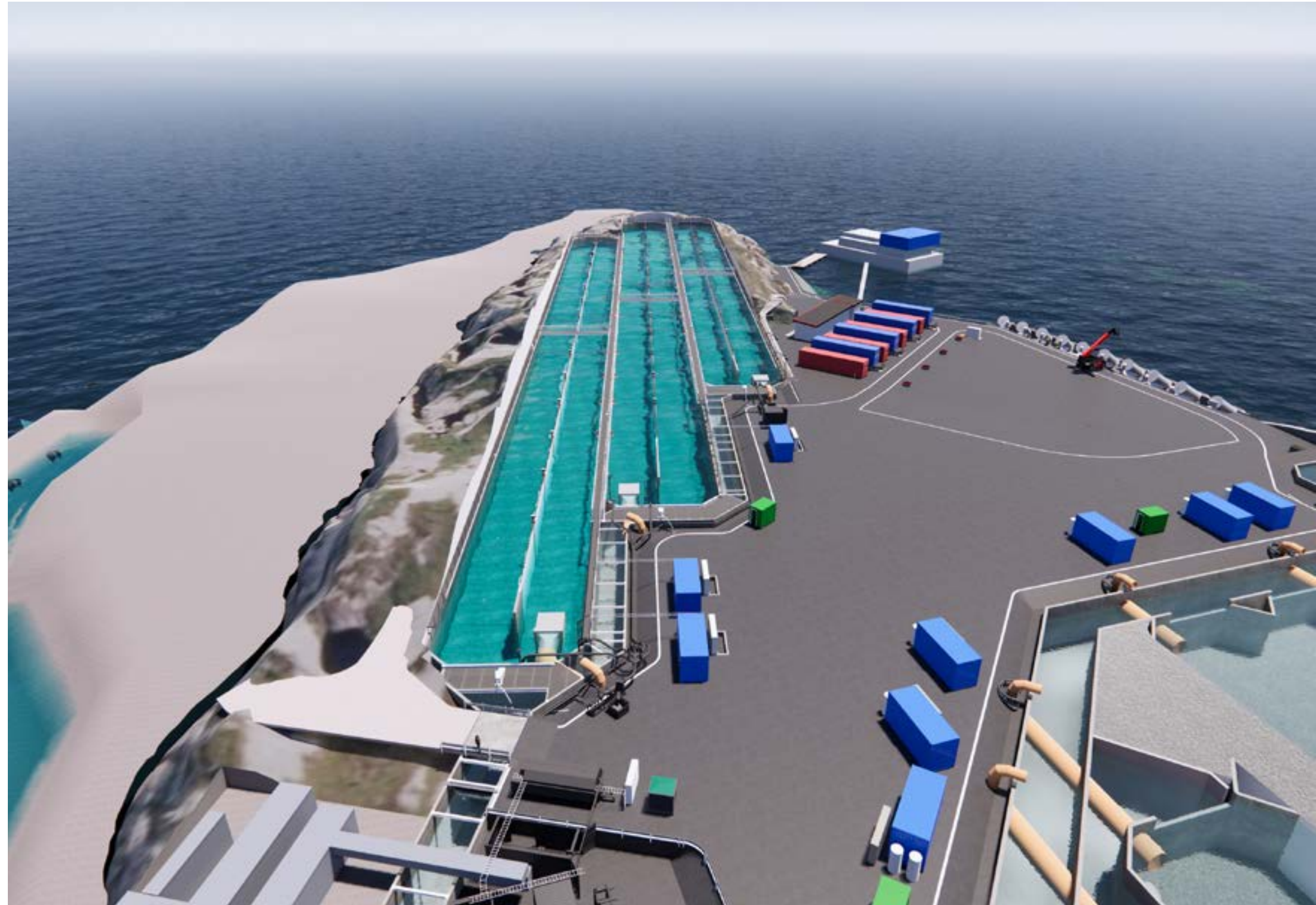
Gigante Salmon carried out a private placement, subsequent offering and a new leasing agreement in Q4 that provided approximately 300 MNOK in additional financing. Details are provided in the financial review section of this report.

Work on production basin 3 continued throughout Q4. The project is not significantly affected by weather or other external conditions.

All significant work had been completed as of the balance sheet date, and testing of production equipment had begun. Production basin 3 has been filled with seawater and emptied.

As previously reported, the deadline for completion of the installation plan was extended, and, as a consequence, the planned release of smolt was postponed. Smolt release and start-up will take place in January.

Preparations and planning for phase II of development have started. Most of Gigante Salmon's internal resources are now committed to the operating organisation, as the firm's focus is now fully on production. Hiring of staff—particularly project management—for the development organisation is underway. Key responsibilities for the new hires include construction management, HSEQ and logistics. Additional resources will be made available as necessary.



Operational review

Establishment of technical installations continued throughout Q4. Installation of the seawater-intake structure for phase 1 was completed on schedule. Installation of sea-side sieve boxes, risers and pumps is complete. Installations connecting sea-side and land-side installations have been completed as called for in the plans for phase 1.

GRP inlet pipes for the circular flow raceways have been installed and are laid sufficiently deep enough that they will not be damaged by operational activity. Other work completed during Q4 includes installation of power-distribution panels, back-up generators, light and oxygenation systems.

All concrete work on basin 3, including foundations, columns, floors and drainage channels, are complete. The surfaces of the circular flow raceways have been finished. Flow distributors have been installed in the circular flow raceways, and walkways giving access to the entire basin have been built.

Systems for handling sludge and removing dead fish have been installed; adequate jump nets have been installed.



Drainage channels leading away from production basin 3 are ready, and drainage pipes leading to the approved sea-side discharge points are in place.

The facility has been verified by an accredited third party in accordance with Norwegian Standard 9416, which sets out the technical standards for land-based aquaculture facilities.



Financial review

RESULT FOR THE FOURTH QUARTER OF 2023

As the group was in a development phase in Q4, sales revenue was NOK 0. Operating costs in Q4 were NOK 984,000 down from NOK 1.194m during the year-ago period. The operating profit for the period was NOK -984,000.

Total cash flow for the group in the fourth quarter was NOK 15.300m. The discrepancy with the operating result is mainly due to changes in other accrued income and expenditure. Total investments in Q4 rose to NOK 506.018m, compared with NOK 385.260m in Q3. The investments are connected to the group's development project in Rødøy.

The group's liquid assets were NOK 114.967m as of 31 December. Gigante Salmon Rødøy has NOK 50m on hand. This has been set aside as working capital. In addition, an overdraft of NOK 90m has been granted as working capital.

As of 31 December, long-term debt amounted to 19.8% of total capital, reduced from 34.5% in Q3 2023. The reduction in long-term debt is due to increased investment in the group's development in Rødøy being financed through increased equity. The share of long-term debt of the total capital is expected to increase as the development phase progresses.

Long-term bank financing for Gigante Salmon Rødøy's development in the amount of NOK 204m has been granted by SpareBank 1

Nord-Norge. Eksfin has issued a guarantee covering 50% of the loan amount. As of 31 December, the loan had been drawn down by NOK 130.436m. After completion, the construction loan is convertible into a repayment loan.

*Total investments
in Q4 rose to
NOK 506.018m,
compared with
NOK 385.260m in Q3.*

The group's financial position is good, and, as of 31 December, the group is able to repay short-term debt using its most liquid funds.

Total capital at the end of Q4 was NOK 657.653m, compared with NOK 317.592m the end of Q4 2022. Equity as of 31 December was NOK 481.515m (73.2%), compared with NOK 279.704m (88.1%) as of 31 December 2022.

On 7 September, Gigante Salmon announced an increased investment requirement for the Lille Indre Rosøy facility in Rødøy council on the order of NOK 200m more than previously forecast. During Q4, the firm sought to secure the additional financing. On 4 October, the firm announced that it had reached a

long-term financing agreement with SpareBank 1 Finans Nord-Norge for up to NOK 100m of the additional capital expenditures.

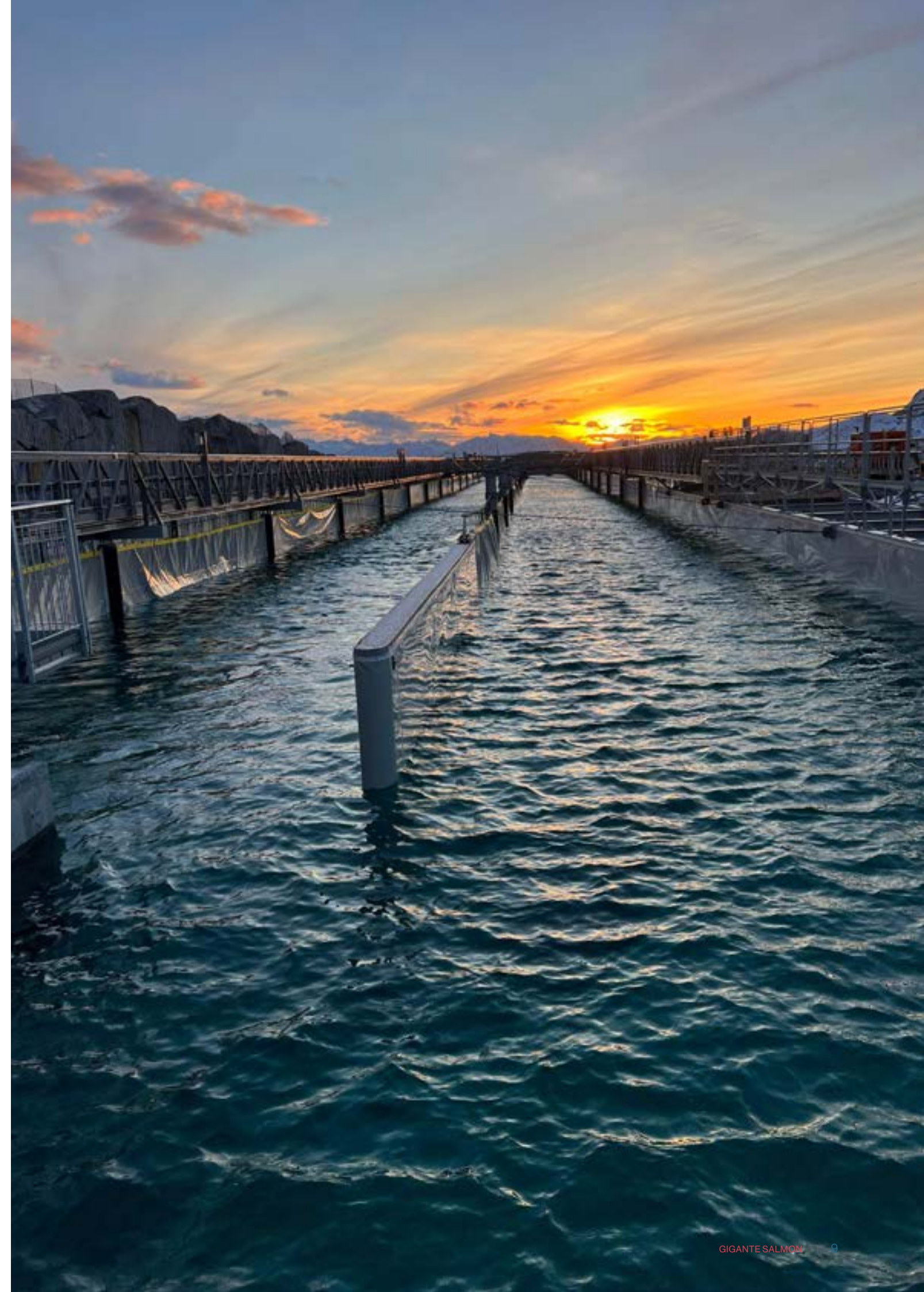
The remaining capex increase has been financed through a private placement on 11 October in the amount of NOK 200m. The net proceeds will be used to finance the company's expected investments and working-capital needs for the construction and operation of the land-based salmon-farming facility at Lille Indre Rosøy in Rødøy council, as well as for general purposes.

The shares in the private placement were allocated in two tranches; the second tranche was approved by an extraordinary general meeting on 31 October, and the share capital was registered on 16 November.

In line with the board's recommendations, the extraordinary general meeting on 31 October voted to carry out a subsequent offering of up to 2.78 million shares at the same price as in the private placement. This ensured equal treatment of all shareholders.

The subsequent offering was closed on 15 November, with gross proceeds of NOK 6.05 million. The new share capital was registered on 24 November.

A complete income statement, balance sheet, cash-flow statement and notes follow.



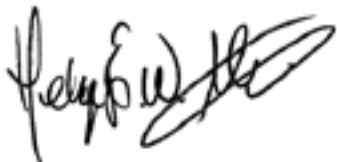


Statement by the board and CEO


The board of directors and the CEO hereby declare that the consolidated accounts for the period 1 October-31 December 2023 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
22.01.24


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 2023

GIGANTE SALMON AS - GROUP

Income statement

(Amount in kNOK)

Income statement	Note	Group			
		Q4 2023	Q4 2022	2023	2022
Other income		-	23	168	151
Total income		-	23	168	151
Employee benefits expense		189	-	1271	359
Depreciation and amortisation expenses	1	25	25	100	96
Other operating expenses		770	1170	2 606	3 408
Total operating expenses		984	1194	3 977	3 864
Net income		-984	-1171	-3 809	-3 712
Interest income		1372	1629	5 569	4 662
Other finance income	1	1	-	27	-
Interest expenses		-	-	46	29
Other financial expense		12	2	24	4
Stock exchange fees		582	-	1207	-
Net finances		779	1627	4 319	4 629
Profit before income tax		-205	456	510	917
Income tax expense		64	-53	266	-4 667
Net profit or loss for the period	2	-269	509	244	5 584
To minority interests					-
To majority interests		-269	509	244	5 584
Disposal					
Transferred from/to equity		-269	509	244	5 584

Cash flow statement

(Amount in kNOK)

Cash flow from operations	Q4 2023	Group		
		Q4 2022	2023	2022
Profit before income taxes	-205	456	510	917
Taxes paid	0	0	0	2 429
Depreciation	25	25	100	96
Change in trade debtors	188	-336	350	-350
Change in trade creditors	1430	190	1347	-1 636
Change in other provisions	-809	-1741	1370	-12 349
Net cash flow from operations	629	-1 406	3 677	-10 893
Cash flow from investments				
Purchase of fixed assets	-137 759	-9 023	-400 825	-65 714
Repayment of short term loans	150	-5 990	0	0
Purchase of shares and investments in other companies	0	0	-100	0
Net cash flow from investments	-137 609	-15 013	-400 925	-65 714
Cash flow from financing				
Proceeds from long term loans	154 672	-	368 867	-
Repayment on loans	-202 074	-	-238 431	-
Proceeds from issuance of equity	199 682	-	199 682	-
Net cash flow from financing	152 280	-	330 118	-
Net change in cash and cash equivalents	15 300	-16 419	-67 130	-76 607
Cash and cash equivalents at the beginning of the period	99 667	198 516	182 097	258 704
Cash and cash equivalents at the end of the period	114 967	182 097	114 967	182 097
Which exists of:				
Cash and bank deposits	114 967	182 097	114 967	182 097

Balance sheet

(Amount in kNOK)

		Group	
Assets	Note	31.12.2023	31.12.2022
Deferred tax asset		7 213	6 078
Total intangible assets		7 213	6 078
Land, buildings and other property		505 319	108 981
Ships		686	776
Fixtures/fittings, tools, office machinery and equipment		13	24
Total tangible assets	1	506 018	109 781
Investments in shares		100	-
Total financial fixed assets		100	-
Total fixed assets		513 331	115 859
Trade receivables		0	350
Other receivables		29 355	19 285
Total receivables		29 355	19 635
Cash and bank deposits		114 967	182 097
Total current assets		144 322	201 733
Total assets		657 653	317 592

Balance sheet

(Amount in kNOK)

		Group	
Equity and liabilities	Note	31.12.2023	31.12.2022
Share capital	3	134 174	105 556
Share premium		338 200	165 734
Other paid-in equity		-	114
Total paid-in equity	2	472 374	271 404
Other equity		9 141	8 299
Total retained earnings	2	9 141	8 299
Minority interests		-	-
Total equity	2	481 515	279 704
Building loan		130 436	-
Total other non-current liabilities		130 436	-
Trade creditors		33 720	37 069
Public duties payable		766	189
Other short-term liabilities		11 216	630
Total current liabilities		45 702	37 888
Total liabilities		176 138	37 888
Total equity and liabilities		657 653	317 592

Notes

ACCOUNTING PRINCIPLES

Gigante Salmon quarterly accounts have been prepared in compliance with the new rules for Euronext Growth Oslo rulebook part II, implemented 1. october 2023. The accounts have been prepared in accordance with Norwegian accounting practices for larger companies.

The quarterly report is non-audited.

NOTE 1 - FIXED ASSETS

	Buildings and land	Ships	Movables	Total fixed assets
Purchase cost pr. 30.09.23	384 535	894	34	385 463
Accumulated depreciation 30.09.23	-	185	18	203
Net book value 30.09.23	384 535	709	16	385 260
Additions*	120 784	-	-	120 784
Purchase cost 31.12.23	505 319	894	34	506 247
Accumulated depreciation 31.12.23	-	207	20	228
Net book value 31.12.23	505 319	686	13	506 018
Depreciation in Q4 2023	-	22	3	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 Group has capitalized own work with kNOK 1 407.

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 31.12.22	105 556	165 734	114	8 299	279 704
Profit for Q1	-	-	-	55	55
Equity 31.03.23	105 556	165 734	114	8 354	279 759
Profit for Q2	-	-	-	-105	-105
Equity 30.06.23	105 556	165 734	114	8 249	279 653
Profit for Q3	-	-	-114	677	563
Equity 30.06.23	105 556	165 734	0	8 926	280 215
Capital increase, registered 19.10.23	10 000	62 000	-	0	72 000
Capital increase, registered 16.11.23	17 778	110 222	-	0	128 000
Capital increase, registered 24.11.23	840	5 211	-	0	6 051
Transaction costs*	-	-4 968	-	0	-4 968
Prior period error	-	-	-	484	484
Profit for Q4	-	-	-	-269	-269
Equity 31.12.23	134 174	338 200	0	9 141	481 515

* Transaction costs in conjunction with the issuance of new equity.

NOTE 3 - SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital of NOK 134 174 259 consists of 134 174 259 shares with nominal value of NOK 1 each.

The board of directors in Gigante Salmon AS is authorized to increase the Company's share capital with up to NOK 10 000 000, equivalent 10 million new shares, through one or more capital increases. The authorization for increase of share capital was given on the ordinary general meeting 31 October 2023 and is valid until the ordinary general meeting in 2024, however not longer than to 30 June 2024.

LIST OF 20 MAJOR SHAREHOLDERS AT 31.12.23:

Shareholder	Number of shares	Ownership
Gigante Havbruk AS	68 126 888	50,77 %
Kapnord AS	17 272 728	12,87 %
Yannick AS	4 830 277	3,60 %
Helgeland Invest AS	4 810 605	3,59 %
Kulta Invest AS	3 977 777	2,96 %
Torghatten Aqua AS	2 727 272	2,03 %
J.P. Morgan SE	2 413 679	1,80 %
Olav Olsen Holding AS	2 130 000	1,59 %
Verdipapirfondet Nordea Avkastning	1 643 908	1,23 %
Iha Invest AS	1 614 580	1,20 %
Nyhamn AS	1 468 956	1,09 %
Ravi Investerings AS	1 199 667	0,89 %
Joe Invest AS	1 139 060	0,85 %
Commuter 2 AS	1 090 909	0,81 %
Limt AS	910 000	0,68 %
UBS Switzerland AG	814 763	0,61 %
Hausta Vekst AS	700 486	0,52 %
Turner AS	626 462	0,47 %
Dnor AS	620 064	0,46 %
GH Holding AS	615 442	0,46 %
Other owners	15 440 736	11,51 %
Total	134 174 259	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	0,15 %
Rune Johansen	CFO	350 000	0,26 %
Linda Storholm	CCO	15 500	0,01 %
Eirik Sjørgård	Chairman of the Board	200 000	0,15 %
Kristin Ingebrigtsen	Member of the Board	17 763	0,01 %

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

Rune Johansen owns 40 000 shares privately and 310 000 shares through his wholly-owned company Nord-Norsk Eiendom AS.

Kjell Lorentsen has controlling influence through Gigante Havbruk AS who owns 68 126 888 shares (ownership 50,78%), and through Kapnord AS who owns 17 272 728 shares (12,87%), in total 63,65% ownership.

NOTE 4 - OVERVIEW OF AND TRANSACTIONS WITH RELATED PARTIES

	Related party	Ownership	Amount	Detail of transaction
a)	Gigante Havbruk AS	Owns Gigante Salmon 50,8%	132	Hire of interim CFO. Purchase of hours in connection with the design and production of The Groups land-based fish farm
b)	KapNord AS	Gigante Havbruk owns 51%	16	Purchase of hours in connection with the design and production of The Groups land-based fish farm
c)	Polarplast AS	Gigante Havbruk owns 40%	19 250	Purchase of parts in connection with raceways. Design, production and certification (NS9416)
d)	Gildeskål Forskningsstasjon AS	Gigante Havbruk owns 100%	494	Purchase of hours in connection with the design and production of The Groups land-based fish farm and rental of boat
e)	Salten Aqua AS	Gigante Havbruk owns 35%	445	Purchase of admin fees
f)	Salmon Center AS	Gigante Havbruk owns 100%	21	Office rental
g)	Fish Farm international AS	Gigante Havbruk owns 100%	358	Ferry rental
h)	Bolga Brygge AS	Gigante Havbruk owns 100%	993	Board and lodging as well as staff transport



Report for the fourth quarter of 2023

GIGANTE SALMON AS

Income statement

(Amount in kNOK)

Income statement	Note	Q4 2023	Q4 2022	2023	2022
Other income		1369	388	3 068	3 535
Total income		1369	388	3 068	3 535
Employee benefits expense		986	1097	3 680	3 592
Depreciation and amortisation expenses		3	2	11	7
Other operating expenses		753	718	2 358	2 767
Total operating expenses		1742	1817	6 049	6 366
Net income		-372	-1 429	-2 980	-2 831
Interest income		1486	675	3 623	1 835
Interest expenses		-	-	23	29
Other financial expense		0	0	1	2
Stock exchange fees		582	-	1 207	-
Net finances		904	675	2 392	1 804
Profit before income tax		531	-754	-589	-1 027
Income tax expense		100	-159	-117	-5 131
Net profit or loss for the period		431	-594	-472	4 104
To minority interests				-	-
To majority interests		431	-594	-472	4 104
Disposal				-	
Transferred from/to equity		431	-594	-472	4 104



Balance sheet

(Amount in kNOK)

Assets	Note	31.12.2023	31.12.2022
Deferred tax asset		8 195	6 677
Total intangible assets		8 195	6 677
Land, buildings and other property		1437	1343
Movables		13	24
Total tangible assets		1450	1367
Investments in subsidiaries		357 100	192 100
Loans to group companies		65 867	
Investments in shares		100	-
Total fixed assets		432 711	200 144
Trade receivables		1221	-
Other receivables		148	49
Total receivables		1 369	49
Cash and bank deposits		46 615	78 494
Total current assets		47 984	78 544
Total assets		480 695	278 688

Balance sheet

(Amount in kNOK)

Equity and liabilities	Note	31.12.2023	31.12.2022
Share capital		134 174	105 556
Share premium		338 200	165 734
Other paid-in equity		-	114
Total paid-in equity		472 374	271 404
Other equity		6 030	6 388
Uncovered loss		-	-
Total retained earnings		6 030	6 388
Minority interests		-	-
Total equity		478 404	277 793
Trade creditors		1742	355
Public duties payable		225	35
Other short-term liabilities		325	505
Total current liabilities		2 291	895
Total liabilities		2 291	895
Total equity and liabilities		480 695	278 688

Report for the fourth quarter of 2023

GIGANTE SALMON RØDØY AS

Income statement

(Amount in kNOK)

Income statement	Note	Q4 2023	Q4 2022	2 023	2 022
Other income		-	-	140	11
Total income		-	-	140	11
Depreciation and amortisation expenses	1	22	22	89	90
Other operating expenses		17	452	248	641
Total operating expenses		39	474	337	730
Net income		-39	-474	-197	-720
Interest income		753	953	2 813	2 827
Other financial income		0	-	26	-
Interest expenses		867	-	890	0
Other financial expense		12	2	23	2
Net finances		-125	952	1 927	2 825
Profit before income tax		-164	477	1 730	2 105
Income tax expense		-36	106	383	464
Net profit or loss for the period		-128	372	1 347	1 641
To minority interests			-	-	-
To majority interests		-128	372	1 347	1 641
Disposal				-	
Transferred from/to equity		-128	372	1 347	1 641

NOTE 1 - FIXED ASSETS

	Buildings and land	Ships	Total fixed assets
Purchase cost pr. 30.09.23	383 320	895	384 215
Accumulated depreciation 30.09.23	-	185	185
Net book value 30.09.23	383 320	710	384 030
Additions*	120 870	-	120 870
Purchase cost 31.12.23	504 190	895	505 085
Accumulated depreciation 31.12.23	-	207	207
Net book value 31.12.23	504 190	687	504 877
Depreciation in Q4 2023	-	22	22

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 Group has capitalized own work with kNOK 1 407.

CHANGE IN PLAN OF DEPRECIATION

There has not been a change in plan of depreciation.

Balance sheet

(Amount in kNOK)

Assets	Note	31.12.2023	31.12.2022
Land, buildings and other property		504 190	107 800
Ships		686	776
Total tangible assets	1	504 877	108 576
Total fixed assets		504 877	108 576
Trade receivables		-	350
Other receivables		29 207	19 236
Total receivables		29 207	19 586
Cash and bank deposits		68 353	103 603
Total current assets		97 560	123 189
Total assets		602 436	231 765

Equity and liabilities	Note	31.12.2023	31.12.2022
Share capital		35 730	19 230
Share premium		321 370	172 870
Total paid-in equity		357 100	192 100
Other equity		3 419	2 072
Total retained earnings		3 419	2 072
Total equity		360 519	194 172
Deferred tax		982	599
Liabilities to financial institutions		130 436	-
Liabilities to group companies		65 867	
Total other non-current liabilities		196 302	-
Trade creditors		33 200	36 507
Public duties payable		542	153
Other short-term liabilities		10 891	332
Total current liabilities		44 632	36 993
Total liabilities		241 917	37 592
Total equity and liabilities		602 436	231 765



**Gigante
Salmon**