

Statt Torsk

Financial Report – Third Quarter 2021

Oslo, 12. November 2021



Q3+ 2021 Highlights & Summary

Operational highlights

- Rekvika in full production in July - 850.000 fingerlings transferred to sea, first commercial production
- Production performing well – steady biomass growth
- Entered into long term agreement for harvest and processing – covering Statst needs through 2023, and enabling value added processing in 2022

Financial highlights

- Secured financing of NOK 63 million - feed barges and work boats
- Limited direct financial impact of the incident in July – NOK 1,7 million

Outlook

- Prices for 2021-sales expected to be set within the next weeks
- 500-600 tons WFE to be harvested from end November 2021 until mid-January 2022
- 3,000 tons WFE to be harvested at Stad in 2022

Quote from our CEO

«In a few weeks we will have a first indication of what price we will achieve in the market, and how the market responds to our product. Our goal is to achieve prices that reflects the true uniqueness of the Statst cod»



CEO Message

Gustave Brun-Lie
CEO



Dear Shareholder

As I said in the Q2 2021 report, in Statt Torsk there is certainly no boring days. An enormous number of tasks need to be attended to; a lot of hours spent to build up Statt as a company where we want it to be. To be frank; it is great fun!

Our focus is to do the right investments, at the right time, according to our plan and promises to you: building the company and a solid and sustainable industry. We believe that solid results are in sight and that values will come for the benefit of our shareholders. We are very motivated and our faith in the company and the new industry is as strong as ever.

We continue to build Statt, as we have promised to do. We invest our shareholders' money as planned, and the way we believe is right. In only 3 years, Statt will go from harvesting 500-600 tons starting now, to 3,000 in 2022, 4,000 in 2023 and towards target of 12,000 tons annually from 2024.

As everyone knows, problems may occur, but «so far so good»; there are challenges, but we have shown our abilities to cope with them. In other words, we are prepared for the future and well on track.

The production is performing well in both facilities. The biomass is healthy with the

expected growth rate, feed conversion rate and mortality rate, supporting our cost and quality targets for the future.

Many exciting milestones are ahead of us the next coming months. We will start harvesting and processing at the end of November, at Stad. Our plant is ready, one year ahead of plan. Having inhouse control of the processing at Stad is part of plan to reduce our cost and gives us increased flexibility in harvesting. In addition, it will reduce our environmental footprint.

Most importantly, in a few weeks we will have a first indication of what price we will achieve in the market, and how the market responds to our product. In close cooperation with Lerøy, we are now entering into concrete discussions with our customers. Should be noted also that we will propose our products to the Norwegian market.

The oncoming harvest and sales of 500-600 tons will run until mid-January 2022. This will give us good guidance on what we can expect of pricing for the coming years. Our goal is to achieve prices that reflects the true uniqueness of the Statt cod.

Thank You for reading our report, have a nice day!



Q3 2021 Operational update

Stokkeneset – 500-600 tons to be harvested from end November

- This facility stocked a limited production volume of 200.000+ fingerlings in July 2020, our last pilot production. As Q2 reported a rare incident occurred at the facility with the result that 48,000 fish died. Report on www.statt.no. As of 30. September there are 150.000+ fish in 3 pens.
- The growth rate follows planned level at the end of Q3. If this growth continues, we expect the average weight in end of Q4 to be 3.5-4.0 kg WFE, which is according to plan. The production plan is increased with 1 month to 18-19 months, due to setup of processing plant at Stad - Per Stave AS.
- Both feed conversion rate and mortality rate (normalized) are within expected development curves at 30. September 2021.
- We expect to deliver about 500-600 tons WFE from end November 2021 to mid-January 2022.

Rekvika – 3000 tons to be harvested in 2022

- Our second location, Rekvika, was inaugurated in Q1 in March, with a batch of 230.000 fingerlings from Nofima + adding batch 2 of 620.000 from Havlandet arrived in July. A total of 850.000 fingerlings have been transferred to sea production in 2021; approx. 3000 tons WFE planned for

harvest and sales during September 2022 to January 2023.

- As for Stokkeneset, the growth rate at Rekvika is as expected, both batches seems to thrive in the facility. As of end Q3: Total of 828,000 fish in this facility / biomass = 349,7 Tons.
- Biological feed conversion rate (FCR) in Q3: 1,00 / as per 30.09.2021: 0,97. Economical feed conversion rate (eFCR) in Q3: 1,03 / as per 30.09.2021: 0,99. As expected. Expected eFCR end of production H2-2022: 1,25.
- Mortality rate in Q3 is 2,09% / per 30.09.2021 2,64%. Expected mortality rate end of this production is 10%.

Site applications

- There are no news in this matters during Q3. We have currently applied for 1 additional location, 2 new applications are ready and will be submitted in short time. We are ahead of the company's expansion plans.

Sustainability

- We have a strong focus on sustainability and will monitor and report on important KPI's such as feed conversion ratio, CO2 emission, mortality rate and other measurable impact on environment, partly in this report, completely from Q1 2022.



Q3 2021 Financial review

Statt Torsk Group Consolidated Income Statement

(All figures in NOK 1.000)	Note	Q3 2021	Q3 2020	YTD 2021	Y2020
Revenue		0	107	1 646	5 081
Operating Income		0	107	1 646	5 081
Cost of goods sold	3	1 735	0	3 365	7 491
Wages		2 390	166	4 705	1 211
Depreciation	2	552	282	1 306	988
Other operating expenses		1 830	202	5 007	816
Operating profit/loss		-6 507	-543	-12 737	-5 425
Net financial items		0	-50	0	-525
Profit/loss before tax		-6 507	-593	-12 737	-5 950



Statt Torsk Group Consolidated Statement of Financial Position

(All figures in NOK 1.000)	Note	Per Q3 2021	Per Q3 2020	Y2020
Assets				
Non-current assets				
Deferred tax		17	8	0
Plant and equipment	2	21 148	7 546	7 336
Investment in associates		1 038	0	0
Loan to associates		3 900	0	0
Total non-current assets		26 103	7 554	7 336
Current assets				
Inventories	3	32 513	16 227	8 007
Receivables	4	26 451	609	13 722
Cash and cash equivalents		75 514	6 630	33 030
Total current assets		134 478	23 466	54 759
Total assets		160 581	31 020	62 095



Statt Torsk Group Consolidated Statement of Financial Position

(All figures in NOK 1.000)	Note	Per Q3 2021	Per Q3 2020	Y2020
Equity and Liabilities				
Equity				
Share capital		16 611	10 568	9 880
Share capital/additional not registered		0	9 630	
Additional paid-in capital		152 629	13 618	51 183
Retained earnings		-12 737	-8 740	0
Total equity	5	156 503	25 076	61 063
Liabilities				
Non-current liabilities				
Other long term liabilities		0	2 960	0
Total other non-current liabilities		0	2 960	0
Current liabilities				
Accounts payable		2 992	2 782	736
Other current liabilities		1 086	202	296
Total current liabilities		4 078	2 984	1 032
Total equity and liabilities		160 581	31 020	62 095



Statt Torsk Group Consolidated Statement of Cashflow

(All figures in NOK 1.000)	Q3 2021	Q3 2020	Y 2020
Cashflow from operating activities			
Net profit before tax	-6 507	-593	-5 950
Depreciation	552	282	988
Change in inventory and biological assets	-12 786	-6 777	-3 107
Change in receivables	-5 050	981	-12 914
Change in accounts payable	-5 751	190	689
Change in other items	225	-121	135
= Net cashflow from operating activities	-29 317	-6 038	-20 159
Cashflow from investing activities			
Purchase of plant and equipment	-1 813	-1 252	-6 883
Investments in associated companies	0	0	0
= Net cashflow from investing activities	-1 813	-1 252	-6 883
Cashflow from financing activities			
New interest-bearing debt	0	0	0
Proceeds from issuing of share capital	0	13 630	55 570
= Net cashflow from financing activities	0	13 630	55 570
Net change in cash and cash equivalents	-31 130	6 340	28 528
Cash and cash equivalents (opening balace)	106 644	290	4 502
= cash and cash equivalents (closing balace)	75 514	6 630	33 030



Statt Torsk Group Notes Q3 2021

Note 1 General information and Reporting principles

Reporting entity

Statt Torsk AS is registered and domiciled in Norway, head office in Stad on the west coast of Norway. The statements includes the 100% owned subsidiary Stokkeneset Reiarlag AS. Figures of 2020 are pro forma.

Reporting principles

The financial statments have been prepared in accordance with The Norwegian Accounting Act and generally accepted accounting principles in Norway. The financial information is not audited. Accounting principles used in 2021 are the same as used in the 2020 financial statements (NGAAP)

Bought and sold fry in the period are netted in the accounts, and does not appear as revenue.

Biological assets includes all directly attributable farm costs. Costs such as depreciation, adminstration and other common costs are not included in the book value. This principle will be used until the market and a predictable price picture for wild farmed cod is established.

Deferred tax apply to the subsidiary. The parent company dos not book deferred tax assets.

For complete accounting principles, we refer to the Annual Accounts for 2020.



Statt Torsk Group Notes Q3 2021

Note 2 Fixed assets	Farm facilities	Vessels	Other equipment	Total
Acquisition cost as of 01.07	18 432	5 060	61	23 553
Additions	1 813	0	0	1 813
Disposals	0	0	0	0
Accumulated depreciation as of 30.06	-3 776	-421	-21	-4 218
Book value as of 30.09	16 469	4 639	40	21 148

Note 4 Receivables	Per 01.07	Per 30.09
Accounts receivables	794	794
Prepayment contracts barge and vessel	9 074	15 295
Fry to fingerlings	6 825	3 500
VAT	4 200	4 206
Other short term receivables	508	2 656
Total	21 401	26 451

Note 3 Inventory and biological assets	Biological assets	Raw materials	Total
As per 01.07	19 037	690	19 727
Delivered fry, fingerlings and raw materials	5 042	3 079	8 121
Consumption of materials	4 555	-2 979	1 576
Biomass loss 18.07.2021	1 735	0	1 735
Direct production costs added	1 354	0	1 354
Book value as of 30.09	31 723	790	32 513

Note 5 Equity	Share capital	Share premium	Other equity	Total
Equity as of 01.07.	16 611	152 629	-6 230	163 010
New shares issued	0	0	0	0
Share issue costs	0	0	0	0
Profit/loss before tax		0	-6 507	-6 507
Equity as of 30.09	16 611	152 629	-12 737	156 503



Statt Torsk AS Board and CEO



Nicolas Brun-Lie (sign)

Chairman



Marianne Kveldstad (sign)

Board member



Bjug Borgund (sign)

Board member/CFO



Øyvind Schanke (sign)

Board member



Gustave Brun-Lie (sign)

CEO

Statt Torsk AS Top 20 shareholders per 11.11.2021 (T-2)

Name	Holding	% of total
Orinoco AS	37 400 000	22,51 %
T.D. Veen AS	16 525 000	9,95 %
Medvode AS	15 040 000	9,05 %
Techbridge AS	14 597 065	8,79 %
Borgund Brygge AS	10 089 735	6,07 %
DnB NOR Bank ASA	8 100 000	4,88 %
Bjug A. Borgund AS	5 955 829	3,59 %
Bypass Consulting AS	4 646 750	2,80 %
Alden AS	4 000 000	2,41 %
Brekke Holding AS	2 700 000	1,63 %
Secom AS	2 500 000	1,51 %
Frode Borgund	2 495 713	1,50 %
Lindvard Invest AS	2 314 258	1,39 %
Nersnæs AS	2 070 571	1,25 %
Tigerstaden Marine AS	2 000 000	1,20 %
Ervik Havfiske AS	2 000 000	1,20 %
Alundo Invest AS	2 000 000	1,20 %
Forte Norge	1 850 000	1,11 %
Mami Holding AS	1 820 000	1,10 %
Fjellseter Utvikling AS	1 560 000	0,94 %
Total top 20	139 664 921	84,08 %
Total number of shares	166 112 707	100,00 %



Definitions

Definitions and glossary

- Board Members: Members of the Company's Board of Directors
- Board of Directors: The Board of Directors of the Company
- CEO: The Group's designated chief executive officer
- CFO: The Group's designated chief financial officer
- COO: The Group's designated chief operating officer
- Company: Statt Torsk AS
- eFCR: Economical feed conversion ratio
- FCR: Biological feed conversion ratio
- Group: The Company and its subsidiaries
- HSE: Health, Safety and Environment
- KPI: Key Performance Indicators
- Lerøy: Lerøy Seafood AS
- Management: The Company's senior management
- NGAAP: Norwegian generally accepted accounting principles for small enterprises in Norway, NRS 8
- Shares: The Company's 166,112,707 outstanding shares, each with a par value of NOK 0.10.
- VAT: Value Added Tax
- WFE: Whole Fish Equivalent



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