

BioFish



THIRD QUARTER 2023 RESULTS

HIGHLIGHTS

- Biofish achieved a net result of NOK 8.1 million in the third quarter, the first quarter ever with a reported positive net result. Year to date result ended at NOK 0.8 million
- In September the Company successfully delivered 3 batches of smolt, totalling 250 tons, bringing the year-to-date deliveries of smolt to a total of 450 tons
- The capacity expansion plan was completed early October 2023
- The Company has received a valuation of the entire production facility of NOK 640 million
- New CEO appointed from 1 October 2023

FINANCIAL REVIEW

Income statement

The Company delivered 3 batches of smolt to a customer in September 2023, resulting in a net revenue of NOK 27.6 million for the quarter and year to date revenue amounting to NOK 47.7 million. Corresponding cost of goods sold amounted to NOK 12.1 million and NOK 35.7 million, respectively. Salaries and personnel expenses ended at NOK 2.1 million for the quarter (up from NOK 1.4 million in the second quarter) and NOK 3.4 million year to date. The key reason for the increase from previous quarter is reduced capitalization of expenses due to increased operational activity.

Depreciation charges for the quarter were NOK 3.0 million, up from NOK 0.125 million in second quarter 2023. The decomposition of the plant for depreciation purposes is ongoing and the depreciation charge for the third quarter 2023 is an estimate. Depreciation charges year to date ended at 3.3 million.

Other operating expenses ended as NOK 1.8 million compared to NOK 2.2 million for the second quarter 2023 and NOK 3.9 million year to date.

The net result ended at NOK 8.1 million for the quarter and NOK 0.8 million year to date.

Liquidity and financial position

Cash and cash equivalents increased to NOK 28.3 million at the end of third quarter, up from NOK 24.1 million at the end of second quarter. Cash flow from operation was NOK 10.1 million, up from NOK -11.2 million in the second quarter, bringing total cash flow from operation year to date to NOK 1.4 million. Investment in the plant and related machinery ended at NOK 5.5 million for the quarter and NOK 41.7 million for the first nine months of 2023.

Interest-bearing debt remained unchanged during third quarter 2023 and is currently at NOK 53 million. The loan is due in August 2024 and the Company is in process of refinancing this facility at more competitive levels which is expected to be finalised sometime in first quarter 2024.

Book equity on September 30, 2023 was NOK 213.2 million and total assets was NOK 279.4 million, resulting in an equity ratio of 76.3% at quarter-end.

OUTLOOK

The market for smolt and post-smolt continues to look strong, and Biofish should be well positioned for this with its high quality smolt produced according to its Green Fish Farming Concept. The Company has a strong focus on fish health and emissions from the production whereby residuals is used as a biomass and fertilizer source to protect the natural environment around its facilities at Ljones.

With the current facility, the Company will increase its production capabilities and expect to reach a total production volume around 1,000-1,250 tons in 2024. The production volume is expected to further increase into 2025.

Ljones, 13 December 2023

Torbjørn Gjelsvik
Chairman of the Board

Torbjørn Skulstad

Jens-Julius Nygaard

Bent-Are Brunnes Ratvik

Kjetil Grønskag

Margrethe Sæbø Smith

Sondre Johnsrud
Chief Executive Officer

CONSOLIDATED INCOME STATEMENT

(Unaudited figures in NOK 1,000)

	Note	Q3 23	Q3 22	YTD 23	YTD 22	2022
Total revenue		27 576	10 594	47 684	14 545	20 244
Cost of goods sold		12 064	7 022	35 704	17 980	21 225
Salaries and personnel expenses		2 053	1 068	3 445	2 465	5 021
Depreciation	2	3 000	-	3 250	1 200	501
Other operating expenses		1 752	5 868	3 924	10 106	9 243
Total expenses		18 869	13 958	46 323	31 751	35 990
Operating result (EBIT)		8 707	-3 364	1 361	-17 206	-15 746
Net interest expenses		235	-133	187	75	-732
Net other financial items		389	-173	389	-173	-
Net financial items		-624	306	-576	98	732
Result before tax		8 083	-3 058	785	-17 108	-15 014
Tax expense		-	-	-	-	-1 588
Result for the period		8 083	-3 058	785	-17 108	-13 426

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in NOK 1,000)

	Note	30.09.2023	30.09.2022	31.12.2022
ASSETS				
Total intangible assets		-	-	-
Total tangible fixed assets	2	232 658	187 784	193 916
Total non-current assets		232 658	187 784	193 916
Biological assets	3	12 273	16 920	17 918
Other inventories		1 171	936	2 493
Account receivables		3 297	-	50
Other receivables		1 680	4 146	2 079
Cash and cash equivalents		28 281	5 878	2 838
Total current assets		46 702	27 880	25 378
TOTAL ASSETS		279 360	215 664	219 294
		30.09.2023	30.09.2022	31.12.2022
EQUITY AND DEBT				
Paid in equity		212 326	143 340	143 340
Earned equity		918	-2 083	134
Total equity	4,5	213 244	141 257	143 474
Long term debt				
Deferred tax		-	1 588	-
Loans from credit institutions	6	-	52 000	52 000
Other long term debt		-	-	-
Total other long term debt		-	53 588	52 000
Short term debt				
Short term part of loans from credit institutions	6	53 000	4 000	4 000
Account payable		7 977	8 803	14 481
Public duties		3 192	-240	646
Other short-term liabilities		1 947	8 256	4 693
Total short-term debt		66 116	20 819	23 820
Total debt		66 116	74 407	75 820
TOTAL EQUITY AND DEBT		279 360	215 664	219 294

CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited figures in NOK 1,000)

	Q3 23	Q3 22	YTD 23	YTD 22	2022
Cash flows from operating activities					
Result before tax	8 083	3 058	785	17 108	-16 479
Depreciation	3 000	-	3 250	1 200	501
Change in inventories	2 453	-	6 967	2 674	-5 229
Change in account receivable	- 3 297	-	3 247	-	5 046
Change in account payable	- 6 452	258	6 504	7 582	13 249
Items reclassifies as financing activities	235	133	187	75	-732
Other accruals	6 050	11 631	51	10 553	4 859
Net cash flows from operating activities	10 072	8 698	1 387	372	1 215
Cash flows from investing activities					
Net investment in fixed assets	- 5 517	- 14 609	- 41 742	- 40 234	-45 668
Net cash flows from investing activities	- 5 517	- 14 609	- 41 742	- 40 234	-45 668
Cash flows from financing activities					
New long term debt	-	-	-	-	-
Repayment of long term debt	-	1 000	3 000	-3 000	-3 000
New equity	- 118	-	68 985	-	-
Net interest expenses	- 235	133	187	-75	732
Net cash flows from financing activities	- 353	867	65 798	3 075	-2 268
Net cash flows for the period	4 202	6 778	25 443	43 681	-46 721
Cash and cash equiv. at beginning of period	24 079	12 656	2 838	49 559	49 559
Cash and cash equiv. at end of period	28 281	5 878	28 281	5 878	2 838

NOTES

Note 1 - Accounting principles

This report is prepared according to Norwegian Generally Accepted Accounting Principles (NGAAP) standard for small enterprises and NRS 11.

The interim consolidated financial statements do not include all the information and disclosures required by NGAAP in the annual financial statements and should be read in conjunction with the Group's Annual Financial Statements 2022.

All amounts are in NOK 1 000 if not otherwise stated.

All figures are unaudited, except for year-end figures (last year).

Note 2 - Fixed assets

	Q3 2023	Q3 2022	2022
Opening balance	230 141	173 175	148 750
Additions	5 517	14 609	45 667
Disposals	-	-	-
Depreciations	- 3 000	- -	501
Closing balance	232 658	187 784	193 916

Note 3 - Biological assets

Biofish recognises and measures biological assets (smolt) at cost. Cost on stock is historic costs after expensed mortality.

Note 4 - Equity

	Paid in capital	Earned equity	TOTAL
Equity at 1.1.23	143 340	134	143 474
Net result for the period	-	785	785
New equity (net of expenses)	68 985	-	68 985
Equity at 30.9.23	212 325	919	213 244
Equity at 1.1.22	143 340	15 025	158 365
Net result for the period	- -	17 108 -	17 108
New equity (net of expenses)	-	-	-
Equity at 30.9.22	143 340 -	2 083	141 257
Equity at 1.1.22	143 340	15 025	158 365
Net result for the period	- -	14 891 -	14 891
New equity (net of expenses)	-	-	-
Equity at 31.12.22	143 340	134	143 474

Note 5 - Share capital and shareholder information

Shareholder	Number of shares	Shareholding
Awilco AS	11,420k	12,93%
Stoksund AS	8,500k	9,62%
Odfjell Land AS	8,335k	9,44%
Monaco Invest AS	3,200k	3,62%
Yme Fish AS	3,200k	3,62%
Imagine Capital AS	3,000k	3,40%
Tigerstaden Marine AS	2,980k	3,37%
Biofish Aquafarm AS	2,527k	2,86%
UBS Switzerland AG	2,466k	2,79%
Asteroidbakken AS	2,400k	2,72%
Profond AS	2,400k	2,72%
Telecom AS	2,216k	2,51%
Nordnet Livsforsikring AS	2,173k	2,46%
Trapesa AS	1,932k	2,19%
Viking Aqua AS	1,800k	2,04%
Helgø Invest AS	1,755k	1,99%
Millennium Falcon AS	1,745k	1,98%
Ole Fredrik Skulstad	1,681k	1,90%
Nordnet Bank AB	1,516k	1,72%
Sniptind Invest AS	1,389k	1,57%
Total 20 largest shareholders	66,635k	75,44%
Others	21,694k	24,56%
Total	88,329k	100,00%

In January 2023, Biofish Holding AS issued 82 550 000 warrants with a duration of 3 years. Strike prices is 1.10, 1.20 and 1.30 respectively. Warrants can be exercised twice a year during this period (July/ August and January/ February).

Biofish Holding AS has a total of 88 328 635 shares issued, of which 428 635 shares were exercised by Warrants and paid in August 2023 (but not registered until 4 October 2023).

Note 6 – Interest bearing debt

Interest bearing debt totalling NOK 53 000 000 is due in August 2024. The facility is with Norian Bank (previously named Collector Bank).

The loan has quarterly instalments of NOK 1 000 000.