


BioFish

4Q 2023





In beautiful Hardanger we have access to the cleanest freshwater from a nearby lake and unlimited fresh seawater from the fjord.

This is BioFish

BioFish is a Norwegian independent producer of high-quality smolt and post-smolt. The company has a post-smolt RAS production facility in Ljones close to the Hardangerfjord on the west coast of Norway. Numerous Norwegian fish farming sites are located within one day of transport.

BioFish was established in 2016 and has its own unique built facility where fish health and water environment have been in focus through all decisions in the building of the production facility.

BioFish holds an aquaculture license for 5 million smolt and a discharge license for 2 200 tons.

HIGHLIGHTS Q4 & FY 2023

- New equity raised with a net cash inflow of NOK 69 million
- Warrants program established with a potential minimum cash inflow of NOK 81 million (before expenses) over a 3 year period
- In 2023, BioFish successfully delivered 450 tons of smolt and post-smolt, generating revenues of NOK 48 million for the full year period
- Strong biological performance on smolt delivered in 2023
- BioFish had no smolt deliveries in the fourth quarter, in line with the production plan
- New management in place in all key positions

SUBSEQUENT EVENTS

- A total of 13 406 423 warrants exercised in February 2024, resulting in a net cash inflow of NOK 14 million
- Refinancing process finalised including a new revolving credit facility and an extension of existing loan facility
- Improved systems and routines for operations, monitoring and reporting
- Successful delivery of 206 tons of smolt in the first quarter of 2024

KEY FIGURES

Amounts in NOK 1 000	Q4 23	Q4 22	2023	2022
Total revenue	-	5 699	47 684	20 244
Total expenses	11 517	4 239	57 840	35 990
Operating result (EBIT)	-11 517	1 460	-10 156	-15 746
Result before tax	-13 110	826	-12 325	-16 478
Tax expense	-313	-1 588	-313	-1 588
Result for the period	-12 797	2 414	-12 012	-14 890

FINANCIAL REVIEW

Income statement

The Company had no deliveries in the fourth quarter, and consequently no revenues were generated for the period. In the fourth quarter of 2022, revenues totalled NOK 5.7 million.

For the full-year period, deliveries of 450 tons of smolt and post-smolt resulted in revenues of NOK 47.7 million, compared with NOK 20.2 million in 2022 when 154 tons were delivered.

Total expenses in the quarter were NOK 11.5 million, compared with NOK 4.2 million in 2022. The increase was mainly driven by increased personnel expenses due to higher operational activity and no capitalization of expenses, as well as increased depreciation charges. Depreciation charges for the quarter were NOK 3.0 million, up from negative NOK 0.7 million in fourth quarter 2022.

Moreover, cost of goods sold in the fourth quarter 2024 included cost related to biological challenges.

For the full-year period, total operating expenses were NOK 57.8 million, including depreciation charges of NOK 6.3 million. In 2022, total operating expenses were NOK 36.0 million, including depreciation charges of NOK 0.5 million.

The result for the quarter ended at negative NOK 12.8 million, down from NOK 2.4 million in the same period last year.

For the full-year period, the net result was negative NOK 12.0 million, compared with negative NOK 14.9 million in 2022.

Financial position

Cash and cash equivalents decreased to NOK 1.3 million at the end of the year, down from NOK 28.3 million at the end of September and NOK 2.8 million at year-end 2022.

At the end of the year, interest-bearing debt was NOK 52 million, compared with NOK 53 million at

the end of the previous quarter and NOK 56 million at year-end 2022.

Total equity at 31 December 2023 was NOK 200.4 million, resulting in an equity ratio of 75.7 per cent, compared with NOK 213.6 million three months earlier and NOK 143.5 million at the end of 2022.

Cash flow

Cash flow from operations was negative NOK 20.5 million, down from NOK 3.2 million in same period of 2022.

For the full-year, cash flow from operations totalled negative NOK 19.1 million, compared with NOK 2.7 million in 2022.

Investments in the facility and related machinery ended at NOK 3.9 million for the quarter and was mainly related to the capacity expansion of the production facilities.

For the full year, cash flow used in investments totalled NOK 45.9 million, compared with NOK 45.7 million in 2022.

SUBSEQUENT EVENTS

In February 2024, a total of 13 406 423 warrants were exercised, bringing the total number of shares issued to 101 735 058. Net cash inflow from this transaction amounted to NOK 14.5 million.

The refinancing process announced in February was finalised in March 2024. The agreements include a new revolving credit facility of NOK 33 million and an extension of the duration of the existing loan facility (NOK 52 million at year-end 2023) until 31 January 2027.

The management team at BioFish is currently in process of establishing and improving internal systems and routines for ensuring the highest quality operations, systematic monitoring of the production (facilities) and best practice reporting of any deviations.

BioFish successfully delivered 206 tons of smolt in the first quarter of 2024.

OUTLOOK

Demand for smolt and post-smolt is expected to develop positively moving forward, supported by strong market fundamentals. With a good track record in terms of biological performance, BioFish is an attractive supplier of high-quality, healthy smolt and post-smolt. Geographically, BioFish is ideally located near numerous salmon farmers.

Following the expansion of the RAS facility, the Company expects to grow production to an estimated 800-900 tons in 2024 and further increase the production in 2025. The volumes will vary from quarter to quarter depend on timing of customer demand as well as access to external smolt deliveries combined with in-house production.

Ljones, 21 March 2024

Torbjørn Gjelsvik
Chair

Margrethe Sæbø Smith
Director

Jens-Julius Ramdahl Nygaard
Director

Bent-Are Brunnes Ratvik
Director

Kjetil Grønskag
Director

Torbjørn Skulstad
Director

Sondre Hagerup Johnsrud
Chief Executive Officer

CONSOLIDATED INCOME STATEMENT

(Unaudited figures in NOK 1,000)

	Note	Q4 23	Q4 22	2023	2022
Total revenue		-	5 699	47 684	20 244
Cost of goods sold		1 626	3 245	37 330	21 225
Salaries and personnel expenses		4 119	2 556	7 564	5 021
Depreciation	2	3 000	-699	6 250	501
Other operating expenses		2 772	-863	6 696	9 243
Total expenses		11 517	4 239	57 840	35 990
Operating result (EBIT)		-11 517	1 460	-10 156	-15 746
Net interest expenses		-1 583	-807	-1 770	-732
Net agio		-10	173	-399	-
Net financial items		-1 593	-634	-2 169	-732
Result before tax		-13 110	826	-12 325	-16 478
Tax expense		-313	-1 588	-313	-1 588
Result for the period		-12 797	2 414	-12 012	-14 890

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in NOK 1,000)

	Note	31.12.2023	31.12.2022
ASSETS			
Total intangible assets		-	-
Total tangible fixed assets	2	233 546	193 916
Total non-current assets		233 546	193 916
Biological assets	3	17 498	17 918
Other inventories		486	2 493
Account receivables		-	50
Other receivables		11 948	2 079
Cash and cash equivalents		1 281	2 838
Total current assets		31 213	25 378
TOTAL ASSETS		264 759	219 294
		31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
Paid in equity		212 326	143 340
Earned equity		-11 879	134
Total equity	4	200 447	143 474
Long term debt			
Deferred tax		-	-
Loans from credit institutions	6	48 000	52 000
Other long term debt		-	-
Total other long term debt		48 000	52 000
Short term debt			
Short term part of loans from credit institutions	6	4 000	4 000
Account payable		9 253	14 481
Public duties		288	646
Other short-term liabilities		2 771	4 693
Total short-term debt		16 312	23 820
Total debt		64 312	75 820
TOTAL EQUITY AND DEBT		264 759	219 294

CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited figures in NOK 1,000)

	Note	Q4 23	Q4 22	2023	2022
Cash flows from operating activities					
Result before tax	-	13 110	825	12 325	16 479
Depreciation		3 000	699	6 250	501
Change in inventories	-	4 540	2 555	2 427	5 229
Change in account receivable		3 297	50	50	5 046
Change in account payable		1 276	5 678	5 228	13 249
Items reclassified as financing activities		1 583	807	1 770	732
Other accruals	-	12 035	806	12 087	4 859
Net cash flows from operating activities	-	20 529	3 200	19 143	2 679
Cash flows from investing activities					
Net investment in fixed assets	-	3 888	5 433	45 880	-45 668
Net cash flows from investing activities	-	3 888	-5 433	45 630	-45 668
Cash flows from financing activities					
New long term debt		-	-	-	-
Repayment of long term debt	-	1 000	-	4 000	-3 000
New equity		-	-	68 986	-
Net interest expenses	-	1 583	-807	1 770	-732
Net cash flows from financing activities	-	2 583	-807	63 216	-3 732
Net cash flows for the period	-	27 000	-3 040	1 557	-46 721
Cash and cash equiv. at beginning of period		28 281	5 878	2 838	49 559
Cash and cash equiv. at end of period		1 281	2 838	1 281	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

	Q4 2023	Q4 2022	2023	2022
Opening balance	232 658	187 784	193 916	148 750
Additions	3 888	5 433	45 880	45 667
Disposals	-	-	-	-
Depreciation*	- 3 000	699 -	6 250 -	501
Closing balance	233 546	193 916	233 546	193 916

* estimate

In 1Q 2023, BioFish entered into an agreement to acquire 100% of the shares in Biofish Land AS (to be incorporated) from the Seller Biofish Aquafarms AS, a company that owns the land where the BioFish facility is located. The transaction has taken more time than anticipated and is expected to be settled through the use of 8.5 million warrants and repayment of net debt of approximately NOK 3.9 million in Biofish Land AS. The transaction is estimated to be finalized during the second quarter of 2024.

Note 3 - Biological assets

BioFish recognises and measures biological assets (smolt) at direct 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	-	12 012	12 012
New equity (net of expenses)	68 986	-	68 986
Equity at 31.12.23	212 326	11 878	200 448
Equity at 1.1.22	143 340	15 024	158 364
Net result for the period	-	14 890	14 890
New equity (net of expenses)	-	-	-
Equity at 31.12.22	143 340	134	143 474

Note 5 - Share capital and shareholder information at 31 December 2023

Shareholder	Number of shares	Shareholding
Awilco AS	15 281 946	17,30 %
Odfjell Land AS	8 734 686	9,89 %
Stoksund AS	8 500 000	9,62 %
Monaco Invest AS	3 200 000	3,62 %
Yme Fish AS	3 200 000	3,62 %
Tigerstaden Marine AS	3 050 000	3,45 %
Ubs Switzerland Ag	2 665 696	3,02 %
Biofish Aquafarm AS	2 527 410	2,86 %
Profond AS	2 400 000	2,72 %
Asteroidebakken AS	2 233 996	2,53 %
Nordnet Livsforsikring AS	2 233 948	2,53 %
Telecom AS	2 215 571	2,51 %
Helgø Invest AS	1 755 000	1,99 %
Millennium Falcon AS	1 744 665	1,98 %
Nordnet Bank AB	1 690 667	1,91 %
Ole Fredrik Skulstad	1 680 964	1,90 %
Yme Holding AS	1 000 000	1,13 %
VH Eiendom og Invest AS	829 321	0,94 %
Walid Essebaa	778 000	0,88 %
Haukaas Eiendom & Invest AS	717 955	0,81 %
Total 20 largest shareholders	66 439 825	75,22 %
Others	21 888 810	24,78 %
Total	88 328 635	100,00 %

In January 2023, Biofish Holding AS issued 82 550 000 warrants with a duration of 3 years. Strike prices are NOK 1.10, NOK 1.20 and NOK 1.30 respectively. Warrants can be exercised twice a year during this period (July/ August and January/ February). At 31 December 2023 a total of 428 635 warrants have been exercised.

Biofish Holding AS had a total of 88 328 635 shares issued at 31 December 2023.

Note 6 – Interest bearing debt

Interest bearing debt totalled NOK 52 000 000 at 31 December 2023. The loan is with Norian Bank and is due in January 2027 (ref note 7). The loan has quarterly instalments of NOK 1 000 000.

Note 7 – Subsequent events

In February 2024, a total of 13 406 423 warrants were exercised and corresponding shares issued, bringing the total number of shares issued to 101 735 058.

In March 2024, the Company entered into agreements for a new revolving credit facility of NOK 33 million and an extension of the duration of its existing loan until 31 January 2027.

BioFish