



**Gigante
Salmon**

R E P O R T F O R

THE SECOND QUARTER OF

2024

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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

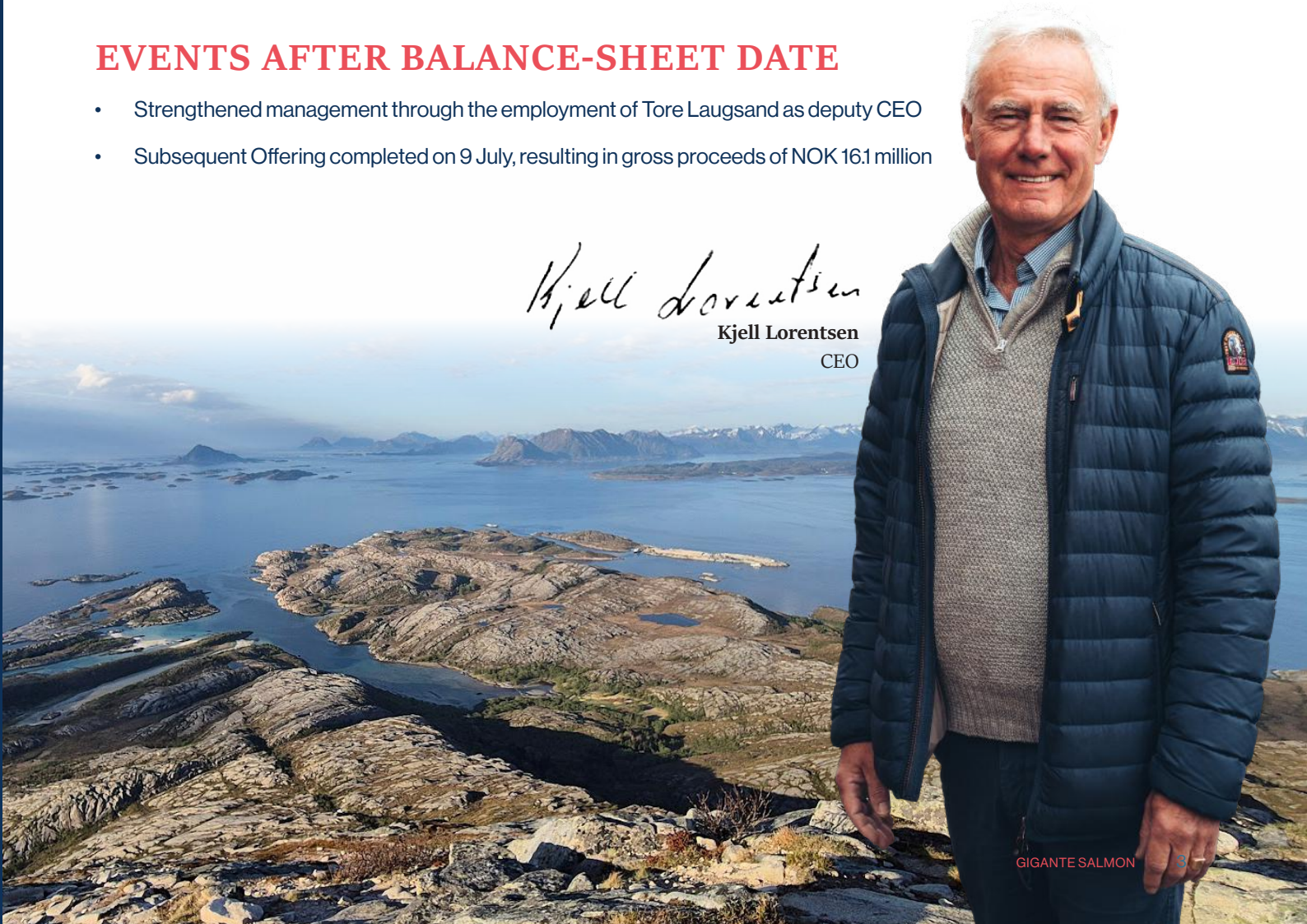
THE SECOND QUARTER OF 2024

- Kjell Lorentsen appointed CEO on 23 April
- Technical room and piping for production basin 2 completed
- New board elected by AGM on 15 May
- NOK 120m in long-term loan financing granted by SpareBank 1 Nord-Norge. Financing backed by Export Finance Norway (Eksfin)
- Private placement successfully completed on 13 June. Increased to NOK 225 million from NOK 200 million on the back of strong investor demand

EVENTS AFTER BALANCE-SHEET DATE

- Strengthened management through the employment of Tore Laugsand as deputy CEO
- Subsequent Offering completed on 9 July, resulting in gross proceeds of NOK 16.1 million

Kjell Lorentsen
Kjell Lorentsen
CEO



Project implementation



During Q2—and continuing after the balance-sheet date—Gigante Salmon increased its financing by approximately NOK 361. The amount consists of NOK 120 million in long-term bank financing, as well as NOK 241 million in gross proceeds from direct and repair issues. Our financial position is described in the financial review in this report.

Construction of production basin 2 continued throughout Q2 and is nearing completion. Concrete work and establishment of infrastructure for production basin 1 began as planned.

The concrete floor and walls of basin 2 were finished on schedule. Work is underway to cast the walls

that separate the basin's three circular-flow raceways and to cast the partitions in the raceways.

The pipes that will supply basin 2 with seawater have been laid. Work to install walkways and clad the floor and walls is ongoing.

The technical room and installations that serve basin 2, including the primary electrical panels and oxygen-production units, are in place. The sea-side risers that will provide basin 2 with seawater are in place. At the end of the quarter, work on their underwater foundations was nearing completion.

Work to lay the foundation of basin 1 is underway and progressing according to plan. The floor of the drainage channel is being poured and water pipes are being laid. The technical room that will serve basin 1 is under construction and is scheduled to be completed during Q3.

The final four sea-side risers are to be installed during the second half of the year.

There have been no organisational changes to the team working to establish the Rødøy facility. As reported last quarter, rig capacity has been expanded and changes to optimise logistics and use of

infrastructure in the work area have been made.

Deliveries and logistics remain a challenge for a project of this scale and remote location, but to date no major or critical components have been delayed.

There were no reports in Q2 of injuries that required leave.

Operational update

During Q2, our attention was focused on establishing and optimising day-to-day operations, routines and procedures.

On 30 June, there were 160,852 fish in the facility, each with an average weight of 417.83 grams. The fish have healthy appetites, and our weekly health assessments have been more than satisfactory.

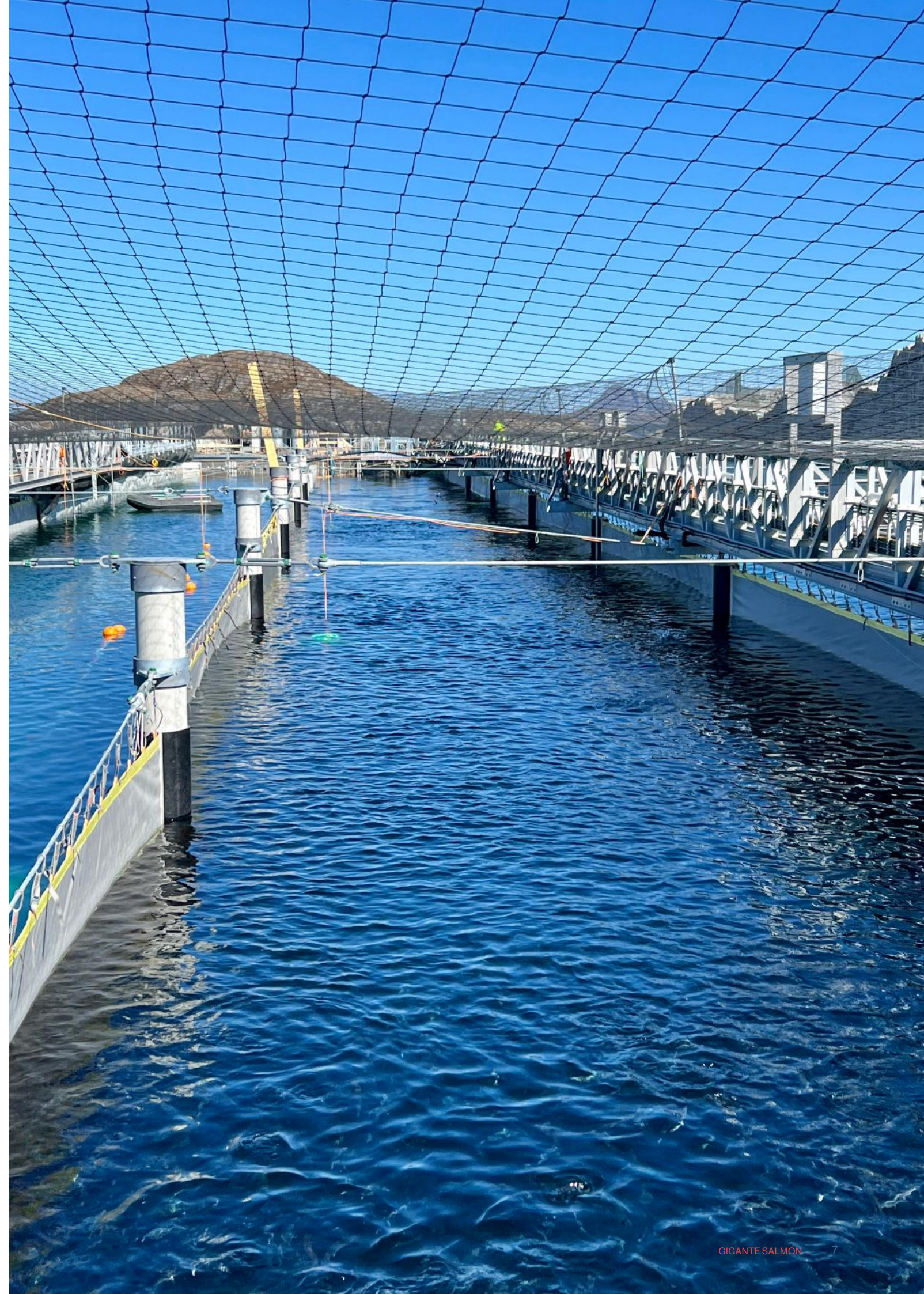
During Q2, we sought to optimise the composition of the feed and how it is dispensed. We value the efforts Skretting has made to supply us with feed that is specially adapted to our facility.

We have identified a short-term solution to the problems related to sludge, dead-fish removal and cleaning that became apparent in Q1. We expect that a long-term solution will involve automation. Cleaning the walls of the production basin has been more labour-intensive than expected, and we have hired in a firm to be responsible for cleaning.



Notable developments after the balance-sheet date: the fish grew satisfactorily in July and August, and we recorded stable water temperatures of between 12°-14°. There were no biological issues.

The facility's procedures are continuously adjusted to optimise operations, and our dedicated and competent operating organisation has begun preparations for the next release of smolt.



Financial review

Q2 RESULT

Even though the group has moved into a phase that entails concurrent operational and development activity, no sales income is expected before the first harvest, in Q2 2025. The group therefore had no sales revenue in Q2. Operating costs in Q2 were NOK 1.067m, down from NOK 870,000 during the year-ago period. As a result, the operating profit for the period was NOK -1.067m.

Total cash flow for the group in the second quarter was NOK 119.005m. The discrepancy with the operating result is mainly due to changes in accruals and payment of new equity linked to the issue of shares. The investments will fund the group's project in Rødøy.

Group liquid assets were NOK 152.077m on 30 June. Gigante Salmon Rødøy has NOK 44m standing as working capital and access to a further NOK 90m in the form of a line of credit.

On 30 June, long-term debt amounted to 22.6% of total capital, down from 31.8% in Q1. The decrease is due to increased reliance on equity to finance the Rødøy projet. The proportion of long-term debt is expected to increase throughout the establishment period as we draw further on construction loans.

Long-term bank financing for completion of the Gigante Salmon Rødøy facility in the amount of

Total investments in Q2 rose to NOK 792.778m, compared with NOK 641.679m in Q1.

NOK 204m has been granted by SpareBank 1 Nord-Norge. Eksfin has issued a guarantee covering 50% of the loan amount. As of 30 June, NOK 116.911m of the funding had been used. In addition, a second construction loan of NOK 120m has been granted by SpareBank 1 Nord-Norge. As with the first loan, Eksfin has issued a guarantee covering 50% of the loan amount. After completion, the construction loans are convertible into repayment loans.

The group's financial position is good, and, as of 30 June, we are able to repay short-term debt using our most liquid funds.

Total capital at the end of Q2 was NOK 998.819m, compared with NOK 454.783m at the end of the year-ago period. Equity on 30 June was NOK 420m (70.2%), compared with NOK 279.653m (61.5%) at the end of the year-ago period.

On 19 March, we announced that construction of the facility at Lille Indre Rosøy in Rødøy council would require a projected additional investment of NOK 350m. Some NOK 100m of the additional investment comes from previously raised buffer capital. During

Q2, we worked on securing the remaining NOK 250. On 23 April, we announced that SpareBank 1 Nord-Norge had issued a new long-term construction loan in the amount of NOK 120m to finance the increase in capex. Eksfin has issued a guarantee covering 50% of the loan amount.

The remaining increase in the investment has been financed by a fully subscribed direct issue of shares on 13 June that earned NOK 225m. The net proceeds will be used to finance expected investments and working-capital needs for the construction and operation of the facility at Lille Indre Rosøy, as well as for general operational needs. The new share capital was registered on 24 June.

On 26 June, we decided to conduct a repair issue of up to 4.615m shares, offered at the same price as in the direct issue, in order to ensure equal treatment of all shareholders. The repair issue closed on 9 July and generated gross proceeds of NOK 16.1m. The new share capital was registered on 22 July.

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 April-30 June 2024 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 Q2 update includes an accurate summary of the company's most important activities up to the presentation of the results.

Bodo
19.08.24

Liv Monica Stubholt
Styreleder

Kjell Lorentsen
Adm. dir.

Iselin Tenfjord Alvestad
Styremedlem

Kristian Lorentsen
Styremedlem

Dagfinn Eliassen
Styremedlem

Report for the second quarter of 2024

GIGANTE SALMON AS - GROUP

Income statement

(Amount in kNOK)

		Group				
Income statement	Note	Q2 2024	YTD 2024	Q2 2023	YTD 2023	2023
Other income		-	-	28	168	60
Total income		-	-	28	168	60
Employee benefits expense		157	376	155	582	746
Depreciation and amortisation expenses	1	25	50	25	50	100
Other operating expenses		885	1174	690	1581	2 538
Total operating expenses		1067	1600	870	2 213	3 384
Net income		-1067	-1600	-842	-2 045	-3 324
Interest income		318	1180	1332	2 620	5 570
Other finance income		88	88	3	3	27
Interest expenses		-	-	46	46	24
Other financial expense		26	26	12	12	46
Stock exchange fees		901	1574	388	388	1207
Net finances		-521	-332	889	2 177	4 320
Profit before income tax		-1588	-1932	47	132	996
Income tax expense		-343	-405	24	54	267
Net profit or loss for the period	2	-1245	-1527	23	78	729
To minority interests						
To majority interests		-1245	-1527	23	78	729
Disposal						
Transferred from/to equity		-1245	-1527	23	78	729

Cash flow statement

(Amount in kNOK)

		Group				
Cash flow from operations		Q2 2024	YTD 2024	Q2 2023	YTD 2023	2023
Profit before income taxes		-1588	-1932	47	132	995
Depreciation		25	50	25	50	100
Change in inventory		-2 348	-5 200	-	-	-
Change in trade debtors		-	-	54	-229	350
Change in trade creditors		-127	-1207	-4	460	1347
Change in other provisions		-3 482	-12 667	-7 133	9 077	3 853
Net cash flow from operations		-7 520	-20 956	-7 011	9 489	6 645
Cash flow from investments						
Proceeds from sale of fixed assets		44 519	68 472	-	-	-
Purchase of fixed assets		-99 472	-214 319	-101 859	-170 178	-403 793
Repayment of short term loans		-	-2 987	-12 556	-13 622	-
Purchase of shares and investments in other companies		-	-	-100	-100	-100
Net cash flow from investments		-54 953	-148 834	-114 515	-183 900	-403 893
Cash flow from financing						
Proceeds from long term loans		23 303	143 934	147 102	147 644	433 867
Repayment on loans		-62 250	-157 459	-	-	-303 432
Proceeds from issuance of equity		220 425	220 425	-	-	199 683
Net cash flow from financing		181 478	206 900	147 102	147 644	330 118
Net change in cash and cash equivalents		119 005	37 110	25 576	-26 767	-67 130
Cash and cash equivalents at the beginning of the period		33 072	114 967	129 755	182 097	182 097
Cash and cash equivalents at the end of the period		152 077	152 077	155 331	155 331	114 967
Which exists of: Cash and bank deposits		152 077	152 077	155 331	155 331	114 967

Balance sheet

(Amount in kNOK)

		Group		
Assets	Note	Q2 2024	Q2 2023	31.12.2023
Deferred tax asset		8 624	6 024	7 213
Total intangible assets		8 624	6 024	7 213
Land, buildings and other property		613 026	259 325	514 079
Ships		641	731	686
Right of use asset		179 103	-	-
Fixtures/fittings, tools, office machinery and equipment		8	18	13
Total tangible assets	1	792 778	260 074	514 778
Investments in shares		100	100	100
Total financial fixed assets		100	100	100
Total fixed assets		801 502	266 198	522 091
Inventory		5 200	-	-
Trade receivables		10 192	121	-
Other receivables		29 848	33 133	20 595
Total receivables		40 040	33 254	20 595
Cash and bank deposits		152 077	155 331	114 967
Total current assets		197 317	188 585	135 562
Total assets		998 819	454 783	657 653

Balance sheet

(Amount in kNOK)

		Group		
Equity and liabilities	Note	Q2 2024	Q2 2023	31.12.2023
Share capital	3	168 790	105 556	134 174
Share premium		525 016	165 734	338 200
Total paid-in equity	2	693 806	271 290	472 374
Other equity		7 614	8 363	9 141
Total retained earnings	2	7 614	8 363	9 141
Minority interests		-	-	-
Total equity	2	701 420	279 653	481 515
Building loan		116 911	147 644	130 436
Lease liabilities		108 419	-	-
Total other non-current liabilities		225 330	147 644	130 436
Trade creditors		59 082	17 523	33 720
Public duties payable		758	433	766
Other short-term liabilities		12 229	9 530	11 216
Total current liabilities		72 069	27 486	45 702
Total liabilities		297 399	175 130	176 138
Total equity and liabilities		998 819	454 783	657 653

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	Right-of-use assets	Ships	Movables	Total fixed assets
Purchase cost 31.03.24	530 960	110 043	894	34	641 931
Accumulated depreciation 31.03.24	-	-	229	23	253
Net book value 31.03.24	530 960	110 043	665	11	641 677
Additions*	144 700	69 060	-	-	213 760
Disposals**	-62 635	-	-	-	-62 635
Purchase cost 30.06.24	613 025	179 103	894	34	793 056
Accumulated depreciation 30.06.24	-	-	251	26	278
Net book value 30.06.24	613 026	179 103	641	8	792 778
Depreciation in Q2 2024	-	-	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 789.

**Disposals is due to sale-leaseback of some fixed assets.

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 equity	Total
Equity 31.12.23	134 174	338 200	9 141	481 515
Profit for Q1	-	-	-282	-282
Equity 31.03.24	134 174	338 200	8 859	481 234
Capital increase, registered 24.06.2024	34 615	190 385	-	225 000
Transaction costs*	-	-3 569	-	-3 569
Profit for Q2	-	-	-1245	-1245
Equity 30.06.24	168 790	525 016	7 614	701 420

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

NOTE 3 - SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital of NOK 168 789 643 consists of 168 789 643 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.

	Amount	Amount used 30.06.24	Latest used by	Note
Power of Attorney I	15 000	0	Until next annual general meeting, but no later than June 30 2025	
Power of Attorney II	40 000	34 615*	31.08.2024	Utilized in the issuance on June 13 and the repair issuance on July 10.

*The Board utilized an additional 2,473 in a repair issuance on July 10 2024.

LIST OF 20 MAJOR SHAREHOLDERS AT 30.06.24:

Shareholder	Number of shares	Ownership
GIGANTE HAVBRUK AS	88 126 888	52,21 %
KAPNORD AS	17 272 728	10,23 %
Yannick AS	6 368 739	3,77 %
KULTA INVEST AS	6 285 469	3,72 %
HELGELAND INVEST AS	5 733 682	3,40 %
J.P. Morgan SE	3 428 392	2,03 %
TORGHATTEN AQUA AS	2 727 272	1,62 %
OLAV OLSEN HOLDING AS	2 500 000	1,48 %
VERDIPAPIRFONDET NORDEA AVKASTNING	2 028 523	1,20 %
NYHAMN AS	1 842 596	1,09 %
HEGGELUND	1 763 682	1,04 %
IHA INVEST AS	1 614 580	0,96 %
SATURN INVEST AS	1 538 462	0,91 %
BENT ERIKSEN AS	1 538 462	0,91 %
JOE INVEST AS	1 282 136	0,76 %
COMMUTER 2 AS	1 090 909	0,65 %
RAVI INVESTERING AS	1 090 000	0,65 %
LIMIT AS	910 000	0,54 %
RISTORA AS	835 085	0,49 %
UBS Switzerland AG	814 763	0,48 %
Other	19 997 275	11,85 %
Total	168 789 643	100,0 %

SHARES OWNED BY THE MANAGEMENT AND RELATED PARTIES OF THE MANAGEMENT

Name	Position	Number of shares	Ownership
Rune Johansen	CFO	350 000	0,21 %
Linda Storholm	CCO	15 500	0,01 %

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 88 126 888 shares (ownership 52,21%) and through Kapnord AS who owns 17 272 728 shares (10,23%), in total 62,44% ownership.

NOTE 4 - OVERVIEW OF AND TRANSACTIONS WITH RELATED PARTIES

Related party		Ownership	Amount	Detail of transaction
a)	Polarplast AS	Gigante Havbruk owns 40 %	4 906	Purchase of parts in connection with raceways. Design, production and certification (NS9416)
b)	Salten Aqua AS	Gigante Havbruk owns 35 %	357	Purchase of admin fees
c)	Salmon Center AS	Gigante Havbruk owns 100 %	18	Office rental
d)	Fish Farm international AS	Gigante Havbruk owns 100 %	425	Ferry rental
e)	Bolga Brygge AS	Gigante Havbruk owns 100 %	36	Board and lodging as well as staff transport
f)	Letsea AS	Gigante Havbruk owns 35 %	500	Participation in Joint Project "Nanobubblegenerator"

* The company has an agreement with Grytåga Settefisk AS on crediting for smolt that die in a given period after production startup. Under other receivables in the balance sheet, kNOK 2987 is for the proportion of smolt that has not been capitalized in inventory and where a credit note is expected to be received.



Report for the second quarter of 2024

GIGANTE SALMON AS

Income statement

(Amount in kNOK)

Income statement	Note	Q2 2024	YTD 2024	Q2 2023	YTD 2023	2023
Other income		813	1665	519	1277	3 069
Total income		813	1665	519	1277	3 069
Employee benefits expense		946	1976	597	1736	3 680
Depreciation and amortisation expenses		3	6	3	6	11
Other operating expenses		851	1131	636	1371	2 359
Total operating expenses		1800	3 113	1236	3 113	6 049
Net income		-987	-1448	-717	-1836	-2 980
Interest income		1074	2 187	772	1432	3 623
Other finance income		5	5	-	-	0
Interest expenses		-	-	23	23	23
Other financial expense		-	-	1	1	-
Stock exchange fees		901	1573	388	388	1 207
Net finances		177	619	361	1 020	2 392
Profit before income tax		-810	-829	-356	-816	-589
Income tax expense		-177	-177	-77	-178	-116
Net profit or loss for the period		-633	-652	-279	-638	-472
To minority interests				-		-
To majority interests		-633	-652	-279	-638	-472
Disposal				-		
Transferred from/to equity		-633	-652	-279	-638	-472



Balance sheet

(Amount in kNOK)

Assets	Note	Q2 2024	Q2 2023	31.12.2023
Deferred tax asset		9 378	6 855	8 195
Total intangible assets		9 378	6 855	8 195
Land, buildings and other property		1 437	1 437	1 437
Fixtures/fittings, tools, office machinery and equipment		8	18	13
Total tangible assets		1 444	1 455	1 450
Investments in subsidiaries		587 101	192 100	357 100
Loans to group companies		2 469	-	65 867
Investments in shares		100	100	100
Total financial fixed assets		589 670	192 200	423 067
Total fixed assets		600 493	200 510	432 711
Trade receivables		1 754	121	1 221
Other receivables		335	275	148
Total receivables		2 089	396	1 369
Cash and bank deposits		97 939	77 083	46 615
Total current assets		100 028	77 479	47 984
Total assets		700 521	277 989	480 695

Balance sheet

(Amount in kNOK)

Equity and liabilities	Note	Q2 2024	Q2 2023	31.12.2023
Share capital		168 790	105 556	134 174
Share premium		525 016	165 734	338 200
Other paid-in equity		-	-	-
Total paid-in equity		693 806	271 290	472 374
Other equity		5 376	6 388	6 030
Uncovered loss		-	-651	-
Total retained earnings		5 376	5 737	6 030
Minority interests		-	-	-
Total equity		699 182	277 027	478 404
Trade creditors		987	538	1 742
Public duties payable		201	163	225
Other short-term liabilities		151	260	325
Total current liabilities		1 339	961	2 291
Total liabilities		1 339	961	2 291
Total equity and liabilities		700 521	277 989	480 695

Report for the second quarter of 2024

GIGANTE SALMON RØDØY AS

Income statement

(Amount in kNOK)

Income statement	Note	Q2 2024	YTD 2024	Q2 2023	YTD 2023	2023
Other income		-	-	-	140	140
Total income		-	-	-	140	140
Depreciation and amortisation expenses	1	22	44	22	44	90
Other operating expenses		34	42	54	210	248
Total operating expenses		57	87	77	255	338
Net income		-57	-87	-77	-115	-198
Interest income		188	596	560	1188	2 814
Other financial income		83	83	3	3	27
Interest expenses		944	1 603	23	23	890
Other financial expense		26	26	11	11	24
Net finances		-699	-950	529	1 157	1 927
Profit before income tax		-755	-1 036	453	1 043	1 730
Income tax expense		-166	-228	101	232	383
Net profit or loss for the period		-589	-808	352	811	1 347
To minority interests						
To majority interests		-589	-808	352	811	1 347
Disposal				-		
Transferred from/to equity		-589	-808	352	811	1 347

NOTE 1- FIXED ASSETS	Buildings and land	Right-of-use assets	Ships	Total fixed assets
Purchase cost 31.03.24	529 873	110 043	895	640 811
Accumulated depreciation 31.03.24	-	-	229	229
Net book value 31.03.24	529 873	110 043	664	640 580
Additions*	144 723	69 060	-	213 783
Disposals**	-62 635	-	-	-62 635
Purchase cost 30.06.24	611 961	179 103	895	791 959
Accumulated depreciation 30.06.24	-	-	251	251
Net book value 30.06.24	611 961	179 103	642	791 706
Depreciation in Q2 2024	-	-	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 789.

**Disposals is due to sale-leaseback of some fixed assets.

CHANGE IN PLAN OF DEPRECIATION

There has not been a change in plan of depreciation.

Balance sheet

(Amount in kNOK)

Assets	Note	Q2 2024	Q2 2023	31.12.2023
Land, buildings and other property		611 962	258 145	504 190
Ships		641	731	686
Right-of-use assets		179 103	-	-
Total tangible assets	1	791 706	258 876	504 877
Total fixed assets		791 706	258 876	504 877
Inventory		5 200	-	-
Trade receivables		1 526	-	-
Other receivables		38 179	32 859	29 207
Total receivables		39 705	32 859	29 207
Cash and bank deposits		54 138	78 248	68 353
Total current assets		99 043	111 107	97 560
Total assets		890 750	369 983	602 436

Equity and liabilities	Note	Q2 2024	Q2 2023	31.12.2023
Share capital		35 730	19 230	35 730
Unregistered capital increase		23 000	-	-
Share premium		528 371	172 870	321 370
Total paid-in equity		587 101	192 100	357 100
Other equity		2 611	2 883	3 419
Total retained earnings		2 611	2 883	3 419
Total equity		589 712	194 983	360 519
Deferred tax		754	831	982
Liabilities to financial institutions		116 911	147 644	130 436
Liabilities to group companies		2 469	-	65 867
Lease liabilities		108 419	-	-
Total other non-current liabilities		227 799	147 644	196 303
Trade creditors		59 849	16 985	33 200
Public duties payable		557	270	542
Other short-term liabilities		12 078	9 270	10 891
Total current liabilities		72 484	26 525	44 633
Total liabilities		301 038	175 000	241 918
Total equity and liabilities		890 750	369 983	602 436



**Gigante
Salmon**