




BioFish



H1 2024 report



In beautiful Hardanger we have access to the cleanest freshwater from the 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 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 uniquely built facility where the fish health and water environment has been in focus through all the decisions during building the production facility.

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

HIGHLIGHTS Q2 2024

- BioFish had no smolt deliveries in the quarter, in line with the production plan
- Strong biological performance on smolt delivered in the first quarter of 2024
- In June, BioFish secured an agreement to deliver 170 000-180 000 post-smolt at market terms to a recognised global aquaculture company
- Next deliveries planned for the third quarter, of which the majority has been sold to new customers
- Ongoing operational improvement progressing as planned

KEY FIGURES

| Amounts in NOK 1,000 | 2Q 24 | 2Q 23 | H1 24 | H1 23 | 2023 |
|-------------------------------|----------------|---------------|----------------|---------------|----------------|
| Total revenue | - | - | 17 189 | 20 108 | 47 684 |
| Total expenses | 11 371 | 2 959 | 30 842 | 27 455 | 63 340 |
| Operating result (EBIT) | -11 371 | -2 959 | -13 653 | -7 347 | -15 656 |
| Result before tax | -12 872 | -3 005 | -16 703 | -7 395 | -17 825 |
| Tax expenses | - | - | - | - | -313 |
| Result for the period | -12 872 | -3 005 | -16 703 | -7 395 | -17 512 |
| Interest-bearing debt | 51 000 | 53 000 | 51 000 | 53 000 | 52 000 |
| Equity ratio (%) | 75.0 | 75.3 | 75.0 | 75.3 | 75.2 |
| Net cash flow from operations | -15 917 | -5 076 | -8 612 | -8 682 | -19 143 |

FINANCIAL REVIEW

Income statement

The company had no smolt deliveries in the quarter, and consequently no revenue. There were also no smolt deliveries in the same period the year before.

For the first half-year, revenues were NOK 17.2 million driven by the delivery of 206 tons of smolt in the first quarter. For the comparable period in 2023, the company delivered 275 tons of smolt, which generated NOK 20.1 million in revenues.

Cost of goods sold totalled NOK 1.35 million in the quarter. This represents a slight reduction from NOK 1.38 million in the prior-year period, as a consequence of increased operational efficiency.

For the first half-year, cost of goods sold totalled NOK 11.3 million, compared with NOK 23.6 million in the prior-year period.

Total expenses in the second quarter were NOK 11.4 million, compared with NOK 3.0 million in the second quarter of 2023. The increase was mainly driven by higher personnel expenses due to increased operational activity and no capitalisation of expenses. Moreover, depreciation charges in the quarter increased from NOK 0.1 million in 2023 to NOK 3.3 million this year following completion of the facilities.

Total expenses for the half-year period were NOK 30.8 million, compared with NOK 27.5 million in 2023.

Net financial costs were NOK 1.5 million in the quarter, compared with NOK 0.05 million in the prior-year period.

For the first half-year, net financial costs were NOK 3.1 million, compared with NOK 0.05 million in the prior-year period.

The company had no tax expenses in the quarter or in the half-year period of 2024, nor in the comparable periods of 2023.

The result for the quarter ended at negative NOK 12.9 million, compared with negative NOK 3.0 million in the same period last year.

The result for the half-year period was negative NOK 16.7 million, compared with negative NOK 7.4 million in 2023.

Financial position

Cash and cash equivalents were NOK 3.5 million at the end of the quarter, compared with NOK 1.3 million at the end of 2023 and down from NOK 24.1 million at the end of the second quarter 2023.

At the end of the period, interest-bearing debt was NOK 51 million, compared with NOK 52 million at year-end and NOK 53 million at the end of the second quarter 2023.

Total equity at 30 June 2024 was NOK 192.8 million, resulting in an equity ratio of 75.0 per cent, compared with NOK 194.9 million at year-end 2023, and NOK 205.3 million at the end of the second quarter 2023.

Cash flow

Cash flow from operations was negative NOK 15.9 million, compared with negative NOK 5.1 million in same period of 2023. Build-up of biomass in the facility and no capitalisation of expenses were the main reasons for the increased negative cash flow.

For the half-year period, cash flow from operations was negative NOK 8.6 million, on par with negative NOK 8.7 million in same period of 2023.

Investments in the facility and related machinery totalled NOK 1.9 million in the second quarter, and NOK 21.4 million in the first half-year, and was mainly related to the capacity expansion of the production facilities.

Net cash flow from financing activities ended at positive NOK 3.5 million in the quarter, as a result of increased use of bank overdrafts, compared

with negative NOK 1.0 million in the second quarter 2023 related to repayment of debt.

For the half-year period, cash flow from financing of positive NOK 15.5 million included net proceeds from new equity of NOK 14.5 million arising from the exercise of warrants.

Net cash flow for the second quarter ended at negative NOK 14.4 million, compared with negative NOK 27.4 million in the second quarter of 2023.

Net cash flow for the first half-year ended at positive NOK 2.2 million, down from NOK 21.2 million in the same period of 2023 where NOK 69.4 million were raised in a private placement.

OUTLOOK

The company continues to see strong demand for smolt and post-smolt. 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 in an area with high density of salmon farmers.

The next deliveries are planned for August and November 2024. Following the recent agreements to deliver post-smolt, BioFish only has a small batch left for sale from its August delivery. The company expects to grow production to an estimated 800-900 tons in 2024 and further increase the production in 2025.

STATEMENT OF THE BOARD OF DIRECTORS AND CEO

We declare that, to the best of our knowledge, the half-year financial statements for the period 1 January to 30 June 2024 have been prepared in accordance with NRS 11 – Interim reporting, and that the information contained therein provides a true and fair view of the Group's assets, liabilities, financial position and overall results.

We further declare that, to the best of our knowledge, the half-year report provides a true and fair view of important events that have taken place during the accounting period and their impact on the half-year financial statements, as well as the most important risks and uncertainties facing the business in the forthcoming accounting period.

Ljones, 21 August 2024

Torbjørn Gjelsvik
Chair

Margrethe Sæbø Smith
Director

Jens-Julius Ramdahl Nygaard
Director

Bent-Are Brunnes Ratvik
Director

Kjetil Grønskog
Director

Sondre Hagerup Johnsrud
Chief Executive Officer

CONSOLIDATED INCOME STATEMENT

(Unaudited figures in NOK 1,000)

| | Note | 2Q 24 | 2Q 23 | YTD 24 | YTD 23 | 2023 |
|---------------------------------|------|----------------|---------------|----------------|---------------|----------------|
| Total revenue | | - | - | 17 189 | 20 108 | 47 684 |
| Cost of goods sold | | 1 354 | 1 384 | 11 323 | 23 640 | 42 830 |
| Salaries and personnel expenses | | 4 838 | 459 | 8 641 | 1 393 | 7 564 |
| Depreciation | 2 | 3 332 | 126 | 6 332 | 251 | 6 250 |
| Other operating expenses | | 1 847 | 990 | 4 546 | 2 171 | 6 696 |
| Total expenses | | 11 371 | 2 959 | 30 842 | 27 455 | 63 340 |
| Operating result (EBIT) | | -11 371 | -2 959 | -13 653 | -7 347 | -15 656 |
| Net interest expenses | | -1 534 | - | -3 057 | - | -1 770 |
| Net agio | | 33 | -47 | 7 | -48 | -399 |
| Net financial items | | -1 501 | -47 | -3 050 | -48 | -2 169 |
| Result before tax | | -12 872 | -3 006 | -16 703 | -7 395 | -17 825 |
| Tax expense | | - | - | - | - | -313 |
| Result for the period | | -12 872 | -3 006 | -16 703 | -7 395 | -17 512 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in NOK 1,000)

| | Note | 30.06.2024 | 31.03.2024 | 31.12.2023 | 30.06.2023 |
|---|------|-------------------|-------------------|-------------------|-------------------|
| ASSETS | | | | | |
| Total intangible assets | | - | - | - | - |
| Total tangible fixed assets | 2 | 231 835 | 233 243 | 233 546 | 230 141 |
| Total non-current assets | | 231 835 | 233 243 | 233 546 | 230 141 |
| Biological assets | 3 | 18 283 | 8 508 | 11 998 | 14 602 |
| Other inventories | | 1 556 | 1 564 | 486 | 1 295 |
| Account receivables | | - | 6 314 | - | - |
| Other receivables | | 1 647 | 1 068 | 11 948 | 2 491 |
| Cash and cash equivalents | | 3 528 | 17 884 | 1 281 | 24 079 |
| Total current assets | | 25 013 | 35 338 | 25 713 | 42 467 |
| TOTAL ASSETS | | 256 848 | 268 581 | 259 259 | 272 608 |
| | | 30.06.2024 | 31.03.2024 | 31.12.2023 | 30.06.2023 |
| EQUITY AND LIABILITIES | | | | | |
| Paid in equity | | 226 844 | 226 844 | 212 326 | 220 540 |
| Earned equity | | -34 082 | -21 210 | -17 379 | -15 261 |
| Total equity | 4 | 192 762 | 205 634 | 194 947 | 205 279 |
| Long term debt | | | | | |
| Loans from credit institutions | 6 | 47 000 | 47 000 | 48 000 | 53 000 |
| Total other long term debt | | 47 000 | 47 000 | 48 000 | 53 000 |
| Short term debt | | | | | |
| Short term part of loans from credit institutions | 6 | 4 000 | 4 000 | 4 000 | - |
| Bank overdraft | | 5 000 | - | - | - |
| Account payable | | 5 224 | 8 654 | 9 253 | 14 429 |
| Public duties | | 795 | 1 609 | 288 | - |
| Other short-term liabilities | | 2 067 | 1 684 | 2 771 | -100 |
| Total short-term debt | | 17 405 | 15 947 | 16 312 | 14 329 |
| Total debt | | 64 405 | 62 947 | 64 312 | 67 329 |
| TOTAL EQUITY AND DEBT | | 256 848 | 268 581 | 259 259 | 272 608 |

CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited figures in NOK 1,000)

| | 2Q 24 | 2Q 23 | YTD 24 | YTD 23 | 2023 |
|---|----------------|----------------|---------------|----------------|----------------|
| Cash flows from operating activities | | | | | |
| Result before tax | -12 872 | -3 006 | -16 703 | -7 395 | -17 825 |
| Depreciation | 3 332 | 126 | 6 332 | 251 | 6 250 |
| Change in inventories | -9 766 | -11 882 | -7 354 | 4 514 | 7 927 |
| Change in account receivable | 6 314 | - | - | - | 50 |
| Change in account payable | -3 430 | -11 260 | -4 029 | -52 | -5 228 |
| Items reclassified as financing activities | 1 534 | - | 3 057 | - | 1 770 |
| Other accruals | -1 028 | 20 947 | 10 086 | -6 000 | -12 087 |
| Net cash flows from operating activities | -15 917 | -5 076 | -8 612 | -8 682 | -19 143 |
| Cash flows from investing activities | | | | | |
| Net investment in fixed assets | -1 905 | -21 353 | -4 602 | -36 476 | -45 630 |
| Net cash flows from investing activities | -1 905 | -21 353 | -4 602 | -36 476 | -45 630 |
| Cash flows from financing activities | | | | | |
| Repayment of long term debt | - | -1 000 | -1 000 | -3 000 | -4 000 |
| Change in bank overdraft | 5 000 | - | 5 000 | - | - |
| New equity | - | - | 14 518 | 69 400 | 68 986 |
| Net interest expenses | -1 534 | - | -3 057 | - | -1 770 |
| Net cash flows from financing activities | 3 466 | -1 000 | 15 461 | 66 400 | 63 216 |
| Net cash flows for the period | -14 356 | -27 429 | 2 247 | 21 242 | -1 557 |
| Cash and cash equiv. at beginning of period | 17 884 | 51 508 | 1 281 | 2 838 | 2 838 |
| Cash and cash equiv. at end of period | 3 528 | 24 079 | 3 528 | 24 080 | 1 281 |

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 2023.

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

| | 1H24 | 1H23 |
|------------------------|----------------|----------------|
| Opening balance | 233 546 | 193 916 |
| Additions | 4 602 | 36 476 |
| Disposals | - | - |
| Depreciation* | -6 332 | -251 |
| Closing balance | 231 816 | 230 141 |

* 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 will 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 finalised during the third quarter of 2024.

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 1.1.24 | 212 326 | -17 379 | 194 947 |
| Net result for the period | | -16 703 | -16 703 |
| New equity (net of expenses) | 14 518 | - | 14 518 |
| Equity at 30.06.24 | 226 844 | -34 082 | 192 762 |
| Equity at 1.1.23 | 143 340 | 134 | 143 474 |
| Net result for the period | - | -7 395 | -7 395 |
| New equity (net of expenses) | 69 200 | - | 69 200 |
| Equity at 30.06.23 | 212 540 | -7 261 | 205 279 |

Note 5 - Share capital and shareholder information

| Shareholder | Number of shares | Shareholding |
|--------------------------------------|--------------------|-----------------|
| Awilco AS | 15 281 946 | 15.02 % |
| Odfjell Land AS | 12 734 686 | 12.52 % |
| Stoksund AS | 10 141 000 | 9.97 % |
| Helgø Invest AS | 3 305 000 | 3.25 % |
| Monaco Invest AS | 3 200 000 | 3.15 % |
| Yme Fish AS | 3 200 000 | 3.15 % |
| Tigerstaden Marine AS | 3 000 000 | 2.95 % |
| UBS Switzerland AG | 2 665 696 | 2.62 % |
| Biofish Aquafarm AS | 2 527 410 | 2.48 % |
| Skulstad | 2 400 004 | 2.36 % |
| Profond AS | 2 400 000 | 2.36 % |
| Asteroidebakken AS | 2 233 996 | 2.20 % |
| Jaras Invest AS | 2 215 571 | 2.18 % |
| Yme Holding AS | 2 000 000 | 1.97 % |
| Nordnet Livsforsikring AS | 1 982 518 | 1.95 % |
| Millennium Falcon AS | 1 744 665 | 1.71 % |
| Nordnet Bank AB | 1 698 244 | 1.67 % |
| Trapesa AS | 1 252 319 | 1.23 % |
| VH Eiendom & Invest AS | 829 321 | 0.82 % |
| First Partners Holding 16 AS | 795 000 | 0.78 % |
| Total 20 largest shareholders | 75 607 376 | 74.32 % |
| Others | 26 127 682 | 25.68 % |
| Total | 101 735 058 | 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 30 June 2024 a total of 13 835 058 warrants have been exercised.

Biofish Holding AS had a total of 101 735 058 shares issued at 30 June 2024.

Note 6 – Interest-bearing long-term debt

Interest bearing debt totalling NOK 51 000 000 is due in January 2027.

The loan has quarterly instalments of NOK 1 000 000



BioFish