

2022  
Q2 /  
HALF-YEAR  
REPORT

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# FISH FARMING WITH A **CLEAR** **CONSCIENCE**

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SECOND QUARTER  
AND HALF-YEAR 2022  
**FINANCIAL REPORT**



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# ABOUT **ANDFJORD SALMON™**



Located on the island of Andøya in the Arctic archipelago of Vesterålen, Norway, Andfjord Salmon has developed an innovative aquaculture concept for shore-based farming of Atlantic salmon, based on its patented flow-through technology. The concept represents the best of traditional sea-based salmon farming, combined with the advantages of being land-based.

Andfjord Salmon's ambition is therefore to build and operate the world's most sustainable aquaculture facility of its kind. The nearby Gulf Stream provides oxygen-rich water at an ideal temperature, unaffected by other salmon farms, which contributes towards a lower risk of infectious diseases. Further, Andfjord Salmon will not face problems with salmon lice or algae as it sources seawater below the level where these organisms live. The pools are escape-proof and are equipped with an innovative cleaning system that utilises biological waste as a resource, while preventing the pollution of marine life. Andfjord Salmon AS is listed on Euronext Growth in Oslo under the ticker "ANDF".

For more information, see [www.andfjordsalmon.com](http://www.andfjordsalmon.com)



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# NATURAL FLOW SYSTEM™

Andfjord Salmon™ is taking salming farming into the future. With its combined experience from both offshore and land-base aquaculture, Andfjord benefits from the best of both worlds. The result is optimal salmon welfare and sustainable production in Arctic waters at a latitude of 69 degrees north. The brand name of our technology is Natural Flow System.





# ANDFJORD SALMON



1

**FIRST LOCATION**

Andfjord Salmon™ has been granted a licence for 10 000 tonnes MAB with potential production volume of 19 000 tonnes HOG at Kvalnes, Andøya.

# AT A GLANCE



2

**GULF STREAM**

Strategically located at Andøya – with unique access to oxygen-rich seawater at stable temperatures. The unit is situated at a depth of 30 to 160 metres, depending on the season.

3

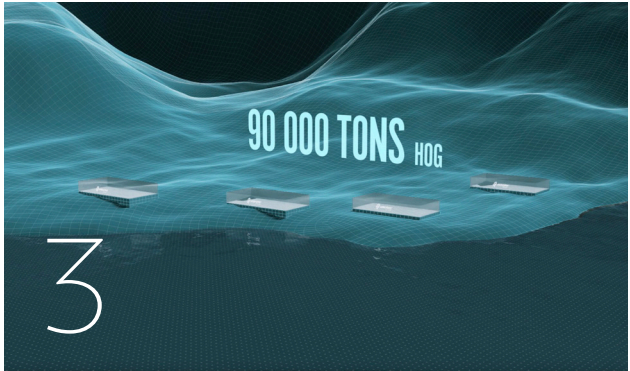
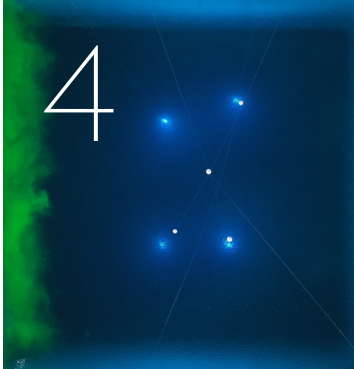
**-90,000 TONNES IN TOTAL**

Andfjord Salmon has acquired three locations, with a clear roadmap towards achieving a total capacity of ~90,000 tonnes (HOG).

4

**FLOW-THROUGH**

A closed flow-through system combines the benefits of both traditional and land-based aquaculture while solving a number of traditional farming issues.



5

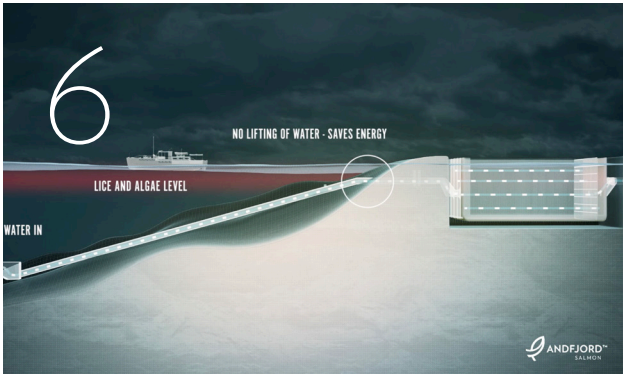
**FISH FRIENDLY & SUSTAINABLE**

Andfjord Salmon™ aims to build the world's most fish-friendly and environmentally friendly facility for salmon, with the lowest possible energy consumption and cost.

6

**LOW ENERGY FACILITIES**

Strategically located at Andøya – with unique access to oxygen-rich seawater at stable temperatures. The unit is situated at a depth of 30 to 160 metres, depending on the season.





# HIGHLIGHTS Q2

1

**SMOLT RELEASE**

In June 2022, Andfjord Salmon successfully released smolt into the company's first land-based pool at Kvalnes, Andøya.

2

**JERÓNIMO MARTINS INVESTS**

Jerónimo Martins, a Portugal-based international food industry group agreed to invest NOK 173.9 million (equivalent to approx. €16.8 million) in Andfjord Salmon through a direct private placement. With this investment, done through its agribusiness subsidiary Jerónimo Martins Agro-Alimentar, S.A., Jerónimo Martins Group became one of the largest shareholders in Andfjord Salmon with an ownership share of 10.1 percent.



3

**APPROVED ZONING PLAN**

The Andøy municipality council approved the zoning plan application from Andfjord Salmon for the development of a land-based fish farming facility at Breivik, Andøya (Andøy Industripark Breivik), Norway. The zoning plan specifies the use, conservation and design of land and physical surroundings. It consists of a detailed land-use plan map with associated planning provisions and a plan description.

4

**CALANUS PLUS BY ANDEFJORD SALMON**

In June, Andfjord Salmon, Skretting Norway and Sortland-based Zooca® signed a letter of intent to facilitate the provision of a specially designed salmon feed for Andfjord Salmon and a long-term cooperation to increase the utilisation of the zooplankton Calanus finmarchicus in salmon feed.





# LETTER FROM THE CEO



**The first half of 2022, and in particularly the second quarter, has been packed with important and enjoyable strategic and operational milestones for Andfjord Salmon, culminating in the first smolt release on June 25. I am immensely proud of everything we have achieved so far, but as I have said before: the hard work starts now.**

Right now, with a pool full of small fish, our primary focus 24/7 is their wellbeing. However, I would also like to reflect on what brought us to where we are today.

Looking back, I am delighted that we spent six months testing and fine-tuning pool functions, components and the laminar water flow at our first pool. During this period, the first pool was operational 24/7, as if smolt were already released in the pool. We conducted a continuous and complete technical and organisational simulation during this period, to make sure that everything and everyone was well prepared for smolt release. Back-up systems and solutions were also subject to comprehensive testing. I am convinced that this extensive test and training period helped make the smolt release a success. Further, I am

extremely grateful for being part of a concept that is based on recreating the salmon's natural habitat on land. This makes it much easier for us to minimise and control biological risk.

Fast forward to today, we are delighted to see that our technology has created the desired biological conditions in the pool, and that the fish has adapted to the pool environment in an excellent manner. The fish has a solid appetite and are growing according to plan, which confirms their wellbeing. Fish mortality is also very low, which proves that the fish have healthy living conditions. We are monitoring the fish and biological conditions in the pool constantly to ensure that we keep it this way.

A key part of the salmon's well-being is what they are fed. Our feed supply partner, Skretting, has developed a feed that is specifically tailored to our flow-through technology to ensure optimal water quality, fish welfare and growth conditions. The feed has been named "Calanus® Plus by Andfjord Salmon". It consists of ingredients that have a proven track record from land-based salmon farming, but its composition is specifically tailored to Andfjord

Salmon's flow-through system and location at Andøya. It contains the zooplankton *Calanus finmarchicus* and algae oil as an alternative to marine fish oil. The Calanus is supplied by local company Zooca®. Briefly summarised, the fish love their feed. Our ambition is to develop the world's most fish friendly and sustainable aquaculture facility of its kind. Having our own specially designed feed, with unique ingredients from a local supplier, is another important building block towards realising this ambition.

The first pool is only the beginning at our Kvalnes site. We have already scraped the entire Kvalnes Phase 2 area, and the pools closest to the first pool have been excavated. Further excavation work will continue in the coming months.

We have also made solid progress on the business development front in the second quarter. In June, Andøy municipal council approved Andfjord Salmon's zoning plan application for the development of a land-based fish farming facility at Breivik, Andøya. Here, we intend to develop and build a land-based fish farming facility at Breivik. The production volume target for the new facility is 25,000 tonnes HOG. But that is further down the road. Right now, our primary focus is on Kvalnes.

I am also pleased that Andfjord Salmon's financial position is significantly stronger now than it was at the beginning of the year. During this period, global leader in animal nutrition and aquafeed, Nutreco, and Norwegian seafood group Holmøy, decided to invest in Andfjord Salmon. In addition, Jerónimo Martins, a Portugal-based international food industry group agreed to invest NOK 173.9 million in Andfjord Salmon. We are delighted to attract such reputable investors to our company. It is perhaps equally important that these investors share the same sustainability ambitions as us.

All in all, it has been a fantastic first half of 2022. I can assure you that my excellent colleagues and I will do everything in our power to make the second half a success too.

*Martin Rasmussen*  
CEO



**i Roy Bernt Pettersen with his granddaughter**



# ANDFJORD SALMON, SKRETTING AND ZOOCA® (CALANUS® AS) **COLLABORATE ON TAILOR- MADE SALMON FEED**

**This June, Andfjord Salmon, Skretting Norway and Sortland-based Zooca® signed a letter of intent to facilitate the provision of a specially designed salmon feed for Andfjord Salmon and a long-term cooperation to increase the utilisation of the zooplankton Calanus finmarchicus in salmon feed.**

Andfjord Salmon is the first salmon farmer in the world to commercially utilise a commercially developed feed that contains Calanus. “Our ambition is to develop the world’s most fish friendly and sustainable aquaculture facility of its kind. Having our own specially designed feed, with unique ingredients from a local supplier, is another important building block towards realising this ambition,” says Martin Rasmussen, CEO of Andfjord Salmon, which released the first smolt in its groundbreaking new pool in June 2022. “The fish settled quickly and have demonstrated a healthy appetite, which continues to improve daily. The fish mortality rate is extremely low, so we had a promising start,” adds Martin Rasmussen.

## **CALANUS® PLUS BY ANDFJORD SALMON**

In February 2022, Andfjord Salmon entered into a strategic feed supply agreement with Skretting, which is the aquaculture business line of global leader in animal nutrition and aquafeed, Nutreco. Under the agreement, Skretting will develop feed that is specifically tailored to Andfjord Salmon’s flow-through technology to ensure optimal water quality, fish welfare and growth conditions in its land-based facilities. This will also ensure the production of premium quality salmon. The feed is called “Calanus® Plus by

## **OUR AMBITION IS TO DEVELOP THE WORLD’S MOST FISH FRIENDLY AND SUSTAINABLE AQUACULTURE FACILITY OF ITS KIND.**

**Martin Rasmussen**



**Andfjord Salmon** is the first salmon farmer in the world to utilise a commercially developed feed that contains Calanus.



Andfjord Salmon”. It consists of feed ingredients that have a proven track record from land-based salmon farming. However, the feed composition is specifically tailored to Andfjord Salmon’s flow-through system and location at Andøya. Calanus® Plus by Andfjord Salmon is the first salmon feed that utilises the zooplankton Calanus finmarchicus as a raw material ingredient. The feed also contains algae oil as an alternative to marine fish oil. “Calanus finmarchicus is nature’s own ‘starter’ feed. It is a natural prey that is biologically adapted to provide optimal nutrition for fish. Adding Zooca® Hydrolysate made from Calanus finmarchicus to the feed is very useful in stimulating the fish’s appetite in the transition to seawater. We look forward to our continued cooperation with Zooca® (Calanus AS) and Andfjord Salmon in realising the vast untapped potential that Calanus finmarchicus represents,” says Mads Martinsen, Director of Product Development and Sustainability at Skretting.

## **LOCAL SUPPLIER**

Zooca® (Calanus AS), which processes Calanus finmarchicus at its facility at Sortland in Vesterålen, close to Andfjord Salmon’s site at Kvalnes, supplies the Zooca® Hydrolysate to Skretting. During the last 20 years, Zooca has researched, studied and developed technology to sustainably harvest and process the tiny zooplankton Calanus finmarchicus. This innovative, new marine resource has shown numerous health benefits for both people and animals. Calanus finmarchicus is one of the most abundant species on the planet, with an annual reproduction of approximate-

ly 300 million tonnes, and it is Norway’s largest harvestable and renewable marine resource. Today, the company only harvests approximately 0.0005 percent of the total volume annually. “By sustainably harnessing high-performing, high-quality nutrients from Calanus finmarchicus, there is a large potential to improve long-term human health and ensure superior animal nutrition around the globe. We are delighted to have secured this commercial breakthrough in salmon feed together with Andfjord Salmon and Skretting,” says Hogne Abrahamsen, International Account Director at Zooca. “By utilizing a locally harvested raw material, produced at a local production plant, and using the entire animal, we are able to make our feed even more sustainable and our salmon even more healthy. We are pleased to be using Calanus® Plus by Andfjord Salmon at our Kvalnes site and are looking forward to continuing our long-term cooperation with Skretting and Zooca,” adds Martin Rasmussen.



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# CALANUS®PLUS BY ANDFJORD SALMON





# OPERATIONAL REVIEW

Following successful verification of the laminar water flow in December 2021, Andfjord Salmon spent large parts of the first half of 2022 fine-tuning the pool functions, components and the laminar water flow at the company's first land-based pool at Kvalnes, Andøya, Norway. This extensive preparatory work progressed according to plan.

During this period, Andfjord Salmon's first pool, with its unique flow-through technology, was operational 24/7, as if smolt were already released in the pool. The company conducted a continuous and complete technical and organisational simulation during this period, to make sure that all technology, equipment and personnel were well prepared for smolt release. All biological sensors were installed and the cleaning robots were extensively tested. Back-up systems and solutions were also subject to comprehensive testing. The line for receipt and delivery of fish was also put in place.

Towards the end of the second quarter, on 25 June 2022, Andfjord Salmon successfully released smolt into its first pool at Kvalnes, Andøya. This was an important milestone for the company. Approximately 200,000 smolt at an average weight of 120 grams were released into the pool. The operation was well prepared and was executed in a safe and predictable manner. The biological conditions in the pool were exactly as planned following smolt release.

Subsequent to the end of the second quarter, the fish has adapted to conditions in the pool in an excellent manner. Andfjord Salmon is pleased to see that the company's technology has created the desired biological conditions. The fish has a solid appetite and is growing according to plan, which confirms its wellbeing. Fish mortality is very low, proving healthy living conditions for the fish.

In February 2022, Andfjord Salmon entered into an operational feed supply agreement with Nutreco's aquaculture business line, Skretting. Under this agreement, Skretting,

Zooca and Andfjord Salmon have together developed a feed that is specifically tailored to Andfjord Salmon's flow-through technology to ensure optimal water quality, fish welfare and growth conditions in the land-based pool. The feed has been named "Calanus® Plus by Andfjord Salmon". It consists of ingredients that have a proven track record from land-based salmon farming, but its composition is specifically tailored to Andfjord Salmon's flow-through system and location at Andøya. It includes the zooplankton *Calanus finmarchicus* as an ingredient, and also contains algae oil as an alternative to marine fish oil. Andfjord Salmon is the first salmon farmer in the world to utilise a commercially developed feed that contains Calanus. In conjunction with this, Andfjord Salmon, Skretting Norway and Sortland-based Zooca® (Calanus AS) signed a letter of intent that facilitates the provision of feed that is tailor made for Andfjord Salmon and a long-term cooperation to increase the utilisation of the zooplankton *Calanus finmarchicus* (Calanus) in salmon feed.

For the next phase at Kvalnes (Phase 2), Andfjord Salmon completed the scraping of the area in the first quarter. In March, blasting and excavation work started on the next pools. The pools closest to the first pool have been excavated first.

Phase 1 and 2 at Kvalnes represent a total target production volume of approximately 12,600 tonnes HOG, while phase 3 will take production volume up to 19,000 tonnes HOG.

In June 2022, Andøy municipal council approved Andfjord Salmon's zoning plan application for the development of a land-based fish farming facility at Breivik, Andøya (Andøy Industripark Breivik), Norway. Andfjord Salmon is targeting a production volume of 25,000 tonnes HOG at the facility.

# FINANCIAL REVIEW

## INCOME STATEMENT

In the first half of 2022, Andfjord Salmon reported operating expenses of NOK 18.3 million, up from NOK 14.1 million in the same period last year. Andfjord Salmon's first pool was operational from the start of the year with all systems up and running, and operating personnel working in shifts as if there were fish in the pool. This the main reason for the increase in operating expenses

The company had no sales income in the period. Net financial expenses were NOK 1.6 million, an increase from NOK 0.1 million last year, as a result of an increase in interest-bearing debt from NOK 30 million to NOK 135 million. Net loss year to date is NOK 19.9 million, up from NOK 14.2 million in the same period last year.

## FINANCIAL POSITION AND CASH FLOW

Andfjord Salmon now has one pool that is operational. The investment activities related to phase 1 of the Kvalnes expansion are therefore complete. Book value of property, plant and equipment is NOK 492.1 million as of 30 June 2022, up from NOK 429.0 million at year-end 2021.

At the end of June 2022, close to 200,000 smolt were

released into the pool and the company has biomass of NOK 6.7 million on the balance sheet as of 30 June 2022. Cash and deposits are NOK 191.2 million as of 30 June 2022, an increase from NOK 14.9 million at year-end 2021. In addition, the company has other short-term receivables of NOK 24 million, which is a reduction from NOK 33.7 million at the end of last year.

The company's assets at the end of June 2022 are financed with 71.7% equity. The company had interest-bearing debt of NOK 135 million and trade payables of NOK 56 million. Andfjord Salmon thus has a very healthy liquidity position for the current phase of the company's development. In addition to bank loans already on the balance sheet, the company has an unused credit of NOK 20 million and commitments for a further NOK 5 million in bank loans. The company will also receive grants of NOK 8 million during the second half of 2022.

Net cash flow from operating activities was NOK -16.8 million, which is related to the operating loss for the period. Cash flow from investing activities was NOK -65.2 million. Net cash flow from financing activities was NOK 258.2 million, of which NOK 211.5 was related to paid-in equity and NOK 46.7 million related to net increase of non-current debt.



# STATEMENT FROM THE BOARD OF DIRECTORS AND CEO

We confirm, to the best of our knowledge, that the condensed consolidated financial statements for the period January 1 to June 30, 2022, have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway, and provide a true and fair view of the company’s assets, liabilities, financial position and profit and loss as a whole. We also confirm, to the best of our knowledge, that the interim report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related party transactions.

Kvalnes, Andøya, 14.09.2022.

Sign.	Sign.	Sign.
Roger Mosand Chair of the board	Roy Bernt Pettersen Board member	Tore Traaseth Board member
Sign.	Sign.	Sign.
Bettina Flatland Board member	Knut Roald Holmøy Board member	Kim Marius Strandenæs Board member
Sign.	Sign.	Sign.
António Serrano Board member	Gro Skaar Knutsen Board member	Martin Rasmussen CEO



## PROFIT AND LOSS

### ANDFJORD SALMON AS

All amounts in NOK	Note	Q2 2022 Unaudited	Q2 2021 Unaudited	YTD 2022 Unaudited	YTD 2021 Unaudited	31.12.2021
<b>OPERATING INCOME AND EXPENSES</b>						
Other income			0	31 500	0	0
<b>Total operating income</b>		<b>0</b>	<b>0</b>	<b>31 500</b>	<b>0</b>	<b>0</b>
Salary and personnel expenses		2 953 441	3 357 717	8 017 918	7 682 888	17 402 069
Depreciation of tangible and intangible fixed assets	2	549 989	122 661	1 182 237	245 322	1 229 217
Other operating expenses		4 856 739	3 380 866	9 129 985	6 184 992	15 829 035
<b>Total operating expenses</b>		<b>8 360 169</b>	<b>6 861 244</b>	<b>18 330 140</b>	<b>14 113 202</b>	<b>34 460 322</b>
<b>Operating profit/loss</b>		<b>-8 360 169</b>	<b>-6 861 244</b>	<b>-18 298 640</b>	<b>-14 113 202</b>	<b>-34 460 322</b>
<b>FINANCIAL INCOME AND EXPENSES</b>						
Other financial income		74 962	52 126	129 998	184 805	282 983
Other financial expenses		1 023 325	216 854	1 743 698	288 125	1 358 912
<b>Net financial income/expenses</b>		<b>-948 363</b>	<b>-164 728</b>	<b>-1 613 700</b>	<b>-103 320</b>	<b>-1 075 929</b>
<b>Profit/loss before tax</b>		<b>-9 308 532</b>	<b>-7 025 972</b>	<b>-19 912 340</b>	<b>-14 216 522</b>	<b>-35 536 250</b>
<b>Net profit/loss for the period</b>		<b>-9 308 532</b>	<b>-7 025 972</b>	<b>-19 912 340</b>	<b>-14 216 522</b>	<b>-35 536 250</b>

## BALANCE SHEET

### ANDFJORD SALMON AS

All amounts in NOK	Note	30.06.2022 Unaudited	31.12.2021	30.06.2021 Unaudited
<b>ASSETS</b>				
<b>FIXED ASSETS</b>				
<b>INTANGIBLE ASSETS</b>				
Research and development		1 886 397	1 671 147	1 457 561
Licences, patents and similar rights		1 712 405	993 610	
<b>Total intangible assets</b>	<b>2</b>	<b>3 598 802</b>	<b>2 664 757</b>	<b>1 457 561</b>
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>				
Land facilities for farming		463 896 470	405 053 040	325 218 122
Machinery and plant		19 643 494	16 241 106	670 477
Plots and other land		6 188 108	6 174 383	3 725 663
Operating movable property, furniture, tools, other		2 353 554	1 519 322	622 958
<b>Total property, plant &amp; equipment</b>	<b>2, 3</b>	<b>492 081 626</b>	<b>428 987 851</b>	<b>330 237 220</b>
<b>LONG-TERM FINANCIAL ASSETS</b>				
Other receivables		106 260	123 970	141 680
<b>Total long-term fixed assets</b>		<b>106 260</b>	<b>123 970</b>	<b>141 680</b>
<b>Total fixed assets</b>		<b>495 786 688</b>	<b>431 776 578</b>	<b>331 836 461</b>
<b>CURRENT ASSETS</b>				
<b>Inventories</b>				
Biomass	5	6 673 112	0	0
<b>Total Inventories</b>		<b>6 673 112</b>	<b>0</b>	<b>0</b>
<b>RECEIVABLES</b>				
Other receivables	4	24 064 451	33 673 118	23 551 926
<b>Total receivables</b>		<b>24 064 451</b>	<b>33 673 118</b>	<b>23 551 926</b>
<b>Cash and deposits</b>		<b>191 191 207</b>	<b>14 918 370</b>	<b>61 861 709</b>
<b>Total current assets</b>		<b>221 928 770</b>	<b>48 591 488</b>	<b>85 413 635</b>
<b>Total assets</b>		<b>717 715 458</b>	<b>480 368 067</b>	<b>417 250 096</b>



BALANCE SHEET

ANDFJORD SALMON AS				
All amounts in NOK	Note	30.06.2022 Unaudited	31.12.2021	30.06.2021 Unaudited
EQUITY AND LIABILITIES				
PAID-IN CAPITAL				
Share capital	1	36 893 995	35 934 400	35 874 400
Own Shares		-5 000	-5 000	-5 000
Share premium reserve		304 337 152	287 523 727	307 025 456
Not registered capital increase		173 859 173		
Total paid-in capital		515 085 320	323 453 127	342 894 856
RETAINED EARNINGS				
Other equity		-180 000	-180 000	-180 000
Total retained earnings		-180 000	-180 000	-180 000
Total equity		514 905 320	323 273 127	342 714 856
Liabilities				
NON-CURRENT LIABILITIES				
Liabilities to financial institutions	3	85 426 178	39 478 187	30 000 000
Other non-current liabilities		59 941 527	59 191 509	4 078 176
Total non-current liabilities		145 367 705	98 669 696	34 078 176
CURRENT LIABILITIES				
Trade payables		56 023 520	49 689 856	38 666 346
Current tax liabilities		649 727	1 246 151	648 376
Other current liabilities		769 187	7 489 236	1 142 343
Total current liabilities		57 442 433	58 425 243	40 457 065
Total liabilities		202 810 138	157 094 939	74 535 241
Total equity and liabilities		717 715 458	480 368 067	417 250 096

Kvalnes, Andøya, 14.09.2022. The board of Andfjord Salmon AS

Sign.	Sign.	Sign.
Roger Mosand Chair of the board	Roy Bernt Pettersen Member of the board	Tore Traaseth Member of the board
Sign.	Sign.	Sign.
Bettina Flatland Member of the board	Knut Roald Holmøy Member of the board	Kim Marius Strandenæs Member of the board
Sign.	Sign.	Sign.
António Serrano Member of the board	Gro Skaar Knutsen Member of the board	Martin Rasmussen General Manager

CASH FLOW STATEMENT

ANDFJORD SALMON AS					
All amounts in NOK	Q2 2022 Unaudited	Q2 2021 Unaudited	YTD 2022 Unaudited	YTD 2021 Unaudited	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/ loss before income taxes	-9 308 532	-7 025 972	-19 912 340	-14 216 522	-35 536 250
Depreciation	549 989	122 661	1 182 237	245 322	1 229 217
Change in inventories	-6 673 112		-6 673 112		
Change in accounts receivables	39 375	6 154	0	226 078	226 078
Change in trade creditors	12 769 299	21 472 622	6 333 664	8 877 491	19 901 000
Changes in other accruals	2 609 785	-3 589 715	2 309 903	-8 269 913	-6 440 997
Net cash flow from operating activities	-13 196	10 985 750	-16 759 647	-13 137 544	-20 620 952
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from the sale of fixed assets					670 477
Purchase of property, plant and equipment	-47 807 496	-52 660 942	-65 210 057	-106 640 987	-208 490 915
Net cash flow from investing activities	-47 807 496	-52 660 942	-65 210 057	-106 640 987	-207 820 439
Cash flows from financing activities					
Proceeds from the issuance of new long-term liabilities	46 395 663	15 000 000	46 698 009	30 000 000	89 841 520
Paid in capital	173 744 051	-258 351	211 544 533	2 794 173	4 672 173
Net cash flow from financing activities	220 139 713	14 741 649	258 242 542	32 794 173	94 513 693
Net change in cash and cash equivalents	172 319 022	-26 933 543	176 272 838	-86 984 358	-133 927 697
Cash and cash equivalents at the beginning of the period	18 872 186	88 795 252	14 918 370	148 846 067	148 846 067
Cash and cash equivalents at the end of the period	191 191 207	61 861 709	191 191 207	61 861 709	14 918 370



## STATEMENT OF CHANGE IN EQUITY

## ANDFJORD SALMON AS

	Share capital	Own shares	Share premium reserve	Not registered capital increase	Other equity	Total
As at 31.12.2021	35 934 400	-5 000	287 523 727	0	-180 000	323 273 127
<b>As at 01.01.2022</b>	<b>35 934 400</b>	<b>-5 000</b>	<b>287 523 727</b>	<b>0</b>	<b>-180 000</b>	<b>323 273 127</b>
Capital increase	959 595		36 725 765	173 859 173	0	211 544 533
Loss of the year					-19 912 340	-19 912 340
Loss coverage			-19 912 340		19 912 340	0
<b>As at 30.06.2022</b>	<b>36 893 995</b>	<b>-5 000</b>	<b>304 337 152</b>	<b>173 859 173</b>	<b>-180 000</b>	<b>514 905 320</b>

## ACCOUNTING PRINCIPLES

These financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

The financial statements have been prepared on the historical cost bases and the same accounting policies, presentation, methods and calculations have been followed in these financial statements as we applied in the preparation of the company's financial statements for the year ended 31 December 2021, except for the inventory. References are made to the annual report for 2021 for a further description of the company's accounting principles. The interim financial statements are unaudited. The interim financial statements were approved by the board of directors on 29.09.2022.

## INVENTORY

The inventory is valued at full production cost. The production value is set to the sum of direct and indirect production cost.

## NOTE 1 SHAREHOLDERS

## THE SHARE CAPITAL IN ANDFJORD SALMON AS AS OF 30.06.22 CONSISTS OF

	Total	Nominal value	Entered
Ordinary shares	36 893 995	1,00	36 893 995
<b>Total</b>	<b>36 893 995</b>		<b>36 893 995</b>

## Ownership structure

The largest shareholders in % at the end of the period:

Shareholders	Ordinary	Owner interest	Share of votes
Andfjord Holding AS	5 778 525	15.7	15.7
KG Investment Comp AS	3 230 000	8.8	8.8
Skagerak Vekst AS	2 309 999	6.3	6.3
Sparebank 1 Markets AS	1 902 769	5.2	5.2
Middelborg Invest AS	1 810 480	4.9	4.9
Karstein Gjersvik	1 390 309	3.8	3.8
DNB Markets Aksjehandel/-analyse	1 360 597	3.7	3.7
OG Invest AS	1 223 800	3.3	3.3
Traaseth Property AS	1 106 967	3.0	3.0
Verdipapirfondet DNB SMB	1 018 087	2.8	2.8
Euro TV AS	964 683	2.6	2.6
Sirius AS	820 000	2.2	2.2
Pershing LLC	787 481	2.1	2.1
Blue Marine Invest AS	768 086	2.1	2.1
Omniverse AS	597 000	1.6	1.6
Blinksmark AS	596 800	1.6	1.6
Nutreco International B.V.	505 050	1.4	1.4
NorNet AS	405 439	1.1	1.1
Lani Invest AS	400 000	1.1	1.1
Okeakos Blue AS	383 503	1.0	1.0
Fontura AS	382 000	1.0	1.0
Hermia AS	380 039	1.0	1.0
<b>Total &gt;1% ownership share</b>	<b>28 121 614</b>	<b>76.2</b>	<b>76.2</b>
Total other	8 772 381	23.8	23.8
<b>Total number of shares</b>	<b>36 893 995</b>	<b>100.0</b>	<b>100.0</b>

The board approved a capital increase on 22 June, where 4,144,932 new shares were issued. Jerónimo Martins Agro-Alimentar subscribed to for all the shares. Antonio Serrano is CEO of Jerónimo Martins Agro-Alimentar and was elected to the board of Andfjord Salmon on 1 July. The capital increase was registered in the business register after 30 June and does therefore not appear as a registered capital increase in the balance sheet at 30 June.



NOTE 1 SHAREHOLDERS

SHARES OWNED BY THE BOARD MEMBERS AND THE CEO

Name	Position	Ordinary
Martin Rasmussen, Mer Marin AS	CEO	125 000
Roger Brynjulf Mosand	Chairman	30 000
Roy Bernt Pettersen, Andfjord Holding AS	Board member	5 778 525
Tore Traaseth, Skagerak Vekst AS	Board member	2 309 999
Knut Roald Holmøy, Eidsfjord Sjøfarm AS	Board member	268 420
Bettina Flatland	Board member	56 700

NOTE 2 FIXED ASSETS

ANDFJORD SALMON AS

	Plots and other land	Research and development	Operating movable property, furniture, tools, other	Land facilities for farming
Purchase cost as of 01.01.22	6 174 383	1 671 147	1 846 479	406 616 719
+ Inflow purchased fixed assets	13 725	215 250	1 101 166	59 765 363
- Outflow this year				
= Acquisition cost 30.06.22	6 188 108	1 886 397	2 947 645	466 382 082
Accumulated depreciation 30.06.22			594 091	2 485 612
= Book value 30.06.22	6 188 108	1 886 397	2 353 554	463 896 470
This year's ordinary depreciations			266 934	921 933
Economic life			3-5 years	3-50 years

NOTE 2 FIXED ASSETS

ANDFJORD SALMON AS

	Licences, patents and similar rights	Financial leasing	Total
Purchase cost as of 01.01.22	1 027 873	16 241 106	433 577 707
+ Inflow purchased fixed assets	824 891	3 402 388	65 322 783
- Outflow this year			0
= Acquisition cost 30.06.22	1 852 764	19 643 494	498 900 490
Accumulated depreciation 30.06.22	140 357		3 220 060
= Book value 30.06.22	1 712 407	19 643 494	495 680 430
This year's ordinary depreciation	106 095		1 294 962
Economic life	5 years		

The facilities remain under construction, and the leasing agreement has therefore not begun to depreciate. During the building process interest is accrued. Repayments will accrue when the building process is completed.

NOTE 3 SECURED DEBT

Debt secured	30.06.2022	31.12.2021
Long-term debt to credit institutions	74 625 000	30 000 000
Total	74 625 000	30 000 000
Book value of secured assets		
Land facilities for farming	94 625 000	50 000 000
Total	94 625 000	50 000 000



NOTE 4 GOVERNMENT GRANTS

Andfjord Salmon AS will receive NOK 4 750 000 in grants from Skattefunn in connection with the tax settlement for 2021. The amount is included in other receivables at year end 2021. In the accounts this is classified as other noncurrent liabilities, as it relates to a Skattefunn project where the conditions are such that the grant must be repaid if the project becomes commercially profitable. The company expects the fish farm to be commercially profitable in the future.

NOTE 5 BIOMASS

Inventories	2022	2021
Biomass	6 673 112	0
Total inventories	6 673 112	0

The inventories of Andfjord Salmon AS as at 30.06.2022 are valued at full production cost. Close to 200,000 smolt with an average weight of 120 grams were released into the company's first pool in June 2022.



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