



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	913 379 403
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ANDFJORD SALMON GROUP AS
Forretningsadresse:	Kvalnesveien 69 8485 DVERBERG

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Martin Rasmussen
Dato for fastsettelse av årsregnskapet:	29.04.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 09.06.2025



Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenue from contracts with customers		0	37 278 000
Sum inntekter		0	37 278 000
Kostnader			
Change in biological assets at cost and other inventories		0	1 162 000
Cost of materials		0	59 358 000
Fair value adjustments of biological assets		0	-25 707 000
Employee benefit expenses	3.1	0	24 783 000
Depreciation and amortisations expenses		0	21 857 000
Other operating expenses	3.2	3 597 000	31 545 000
Sum kostnader		3 597 000	112 998 000
Driftsresultat		-3 597 000	-75 720 000
Finansinntekter og finanskostnader			
Financial income	3.3	30 860 000	12 187 000
Sum finansinntekter		30 860 000	12 187 000
Net financial costs	3.3	27 474 000	1 459 000
Sum finanskostnader		27 474 000	1 459 000
Netto finans		3 386 000	10 728 000
Resultat før skattekostnad		-211 000	-64 992 000
Income tax expense	3.4	0	0
Årsresultat		-211 000	-64 992 000
Overføringer og disponeringer			
Retained earnings		-211 000	-64 992 000
Sum overføringer og disponeringer		-211 000	-64 992 000



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	4.1	414 651 000	412 339 000
Other non-current assets		0	30 000
Sum finansielle anleggsmidler		414 651 000	412 369 000
Sum anleggsmidler		414 651 000	412 369 000
Omløpsmidler			
Varer			
Fordringer			
Other current assets	4.3	1 376 000	914 000
Konsernfordringer	4.2	1 720 090 000	335 391 000
Sum fordringer		1 721 466 000	336 305 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	4.4	24 745 000	250 032 000
Sum bankinnskudd, kontanter og lignende		24 745 000	250 032 000
Sum omløpsmidler		1 746 211 000	586 337 000
SUM EIENDELER		2 160 862 000	998 706 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	5.1	67 619 000	57 013 000
Overkurs	5.1	1 440 261 000	1 124 620 000
Sum innskutt egenkapital		1 507 880 000	1 181 633 000



Balanse

Beløp i: NOK	Note	2024	2023
Opptjent egenkapital			
Retained earnings		-190 640 000	-190 429 000
Other reserves		9 561 000	7 278 000
Sum opptjent egenkapital		-181 079 000	-183 151 000
Sum egenkapital		1 326 801 000	998 482 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	5.2, 5.3, 5.4	832 309 000	0
Sum annen langsiktig gjeld		832 309 000	0
Sum langsiktig gjeld		832 309 000	0
Kortsiktig gjeld			
Leverandørgjeld		487 000	0
Kortsiktig konserngjeld		299 000	0
Other current liabilities		967 000	223 000
Sum kortsiktig gjeld		1 753 000	223 000
Sum gjeld		834 062 000	223 000
SUM EGENKAPITAL OG GJELD		2 160 863 000	998 705 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Revenue from contracts with customers	3.2	190 000	37 279 000
Other operating income		134 000	0
Sum inntekter		324 000	37 279 000
Kostnader			
Changes in biological assets at cost and other inventories	5.1	0	1 162 000
Cost of materials	5.2	375 000	59 638 000
Fair value adjustments of biological assets	5.1	0	-25 707 000
Employee benefit expenses	3.3	21 683 000	25 208 000
Depreciation and amortisation expenses	4.1, 4.2, 6.3	24 756 000	24 904 000
Other operating expenses	3.4	25 450 000	31 707 000
Sum kostnader		72 264 000	116 912 000
Driftsresultat		-71 940 000	-79 633 000
Finansinntekter og finanskostnader			
Financial income	3.5	4 914 000	12 187 000
Sum finansinntekter		4 914 000	12 187 000
Net financial costs	3.5	837 000	2 340 000
Sum finanskostnader		837 000	2 340 000
Netto finans		4 077 000	9 847 000
Resultat før skattekostnad		-67 863 000	-69 786 000
Income tax expense	3.7	0	0
Årsresultat		-67 863 000	-69 786 000
Overføringer og disponeringer			
Retained earnings		-67 863 000	-69 786 000
Sum overføringer og disponeringer		-67 863 000	-69 786 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2024	2023
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Konsernets balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	4.2	16 420 000	14 389 000
Sum immaterielle eiendeler		16 420 000	14 389 000
Varige driftsmidler			
Property, plant and equipment	4.1	2 230 854 000	876 632 000
Right-of-use assets	6.3	13 060 000	17 640 000
Sum varige driftsmidler		2 243 914 000	894 272 000
Finansielle anleggsmidler			
Other non-current assets		139 000	113 000
Sum finansielle anleggsmidler		139 000	113 000
Sum anleggsmidler		2 260 473 000	908 774 000
Omløpsmidler			
Varer			
Other inventories	5.2	1 340 000	1 697 000
Sum varer		1 340 000	1 697 000
Fordringer			
Trade and other receivables		44 000	0
Other current assets	5.3	76 443 000	52 361 000
Sum fordringer		76 487 000	52 361 000
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	5.4	59 196 000	250 032 000
Sum bankinnskudd, kontanter og lignende		59 196 000	250 032 000
Sum omløpsmidler		137 023 000	304 090 000
SUM EIENDELER		2 397 496 000	1 212 864 000



Konsernets balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6.6	67 619 000	57 013 000
Overkurs	6.6	1 440 261 000	1 124 620 000
Sum innskutt egenkapital		1 507 880 000	1 181 633 000
Opptjent egenkapital			
Retained earnings		-263 086 000	-195 224 000
Other reserves		9 561 000	7 278 000
Sum opptjent egenkapital		-253 525 000	-187 946 000
Sum egenkapital		1 254 355 000	993 687 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	6.2, 6.4	832 309 000	59 959 000
Lease liabilities	6.3, 6.4	6 163 000	9 340 000
Sum annen langsiktig gjeld		838 472 000	69 299 000
Sum langsiktig gjeld		838 472 000	69 299 000
Kortsiktig gjeld			
Borrowings	6.2, 6.4	0	7 666 000
Lease liabilities	6.3, 6.4	4 276 000	4 511 000
Leverandørgjeld	6.5.2.1	295 506 000	131 134 000
Other current liabilities		4 887 000	6 567 000
Sum kortsiktig gjeld		304 669 000	149 878 000
Sum gjeld		1 143 141 000	219 177 000
SUM EGENKAPITAL OG GJELD		2 397 496 000	1 212 864 000



Konsernets balanse

Beløp i: NOK	Note	2024	2023
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Skatteetaten

Vår dato
04.05.2023

Din/Deres dato
28.03.2023

Saksbehandler
Vibeke Horne

800 80 000
Skatteetaten.no

Din/Deres referanse
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Telefon
90518192

Org.nr
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Vår referanse
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Postadresse
Postboks 9200 Grønland
0134 OSLO

ANDFJORD SALMON AS
Kvalnesveien 69
8485 DVERBERG

Att. Bjarne Martinsen

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Andfjord Salmon AS, org.nr. 913 379 403

Vi viser til deres brev av 28. mars 2023 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Andfjord Salmon AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Andfjord Salmon AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Andfjord Salmon AS er registrert på Euronext Growth, Oslo og har en betydelig eierspredning, inkludert internasjonale institusjonelle investorer. Selskapet er et oppdrettsselskap og satser på drift og utvikling av fasiliteter for landbasert oppdrett av laks.

Selskapet har i stor grad engelsk som internt arbeidsspråk, og sentrale brukere av regnskapet er profesjonelle og institusjonelle aktører som anvender engelsk som forretningsspråk. Selskapet forventer å eksportere en betydelig del av produksjonen til utlandet.

Selskapet har et utenlandsk styremedlem.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:



"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er registrert på Euronext Growth, Oslo og har en betydelig eierspredning, inkludert internasjonale institusjonelle investorer. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



Andfjord Salmon Group AS

Annual consolidated financial statements

2024



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

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ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK thousand</i>	Notes	2024	2023
Revenue from contracts with customers	3.2	190	37 279
Other operating income		134	-
Total operating revenue		324	37 279
Changes in biological assets at cost and other inventories	5.1	-	(1 162)
Cost of materials	5.2	(375)	(59 638)
Fair value adjustments of biological assets	5.1	-	25 707
Employee benefit expenses	3.3	(21 683)	(25 208)
Depreciation and amortisation expenses	4.1, 4.2, 6.3	(24 756)	(24 904)
Other operating expenses	3.4	(25 450)	(31 707)
Operating profit/(loss)		(71 940)	(79 634)
Financial income	3.5	4 914	12 187
Net financial costs	3.5	(837)	(2 340)
Net financial result		4 077	9 847
Profit/(loss) before income tax		(67 862)	(69 787)
Income tax expense	3.7	-	-
PROFIT/(LOSS) FOR THE PERIOD		(67 862)	(69 787)
Net other comprehensive income/(loss)		-	-
COMPREHENSIVE PROFIT/(LOSS) FOR THE YEAR		(67 862)	(69 787)
Earnings per share (in NOK):			
Basic earnings per share	3.6	(1.07)	(1.43)
Diluted earnings per share	3.6	(1.07)	(1.43)



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>Amounts in NOK thousand</i>	Notes	2024	2023
ASSETS			
Non-current assets			
Intangible assets	4.2	16 420	14 389
Property, plant and equipment	4.1	2 230 854	876 632
Right-of-use assets	6.3	13 060	17 640
Other non-current assets		139	113
Total non-current assets		2 260 473	908 774
Current assets			
Biological assets	5.1	-	-
Other inventories	5.2	1 340	1 697
Trade and other receivables		44	-
Other current assets	5.3	76 443	52 361
Cash and cash equivalents	5.4	59 196	250 032
Total current assets		137 023	304 090
TOTAL ASSETS		2 397 496	1 212 864

<i>Amounts in NOK thousand</i>	Notes	2024	2023
EQUITY AND LIABILITIES			
EQUITY			
Share capital	6.6	67 619	57 013
Share premium	6.6	1 440 261	1 124 620
Retained earnings		(263 086)	(195 224)
Other reserves		9 561	7 278
Total equity		1 254 355	993 688
LIABILITIES			
Borrowings	6.2, 6.4	832 309	59 959
Lease liabilities	6.3, 6.4	6 163	9 340
Total non-current liabilities		838 472	69 299
Borrowings	6.2, 6.4	-	7 666
Lease liabilities	6.3, 6.4	4 276	4 511
Trade payables	6.5.2.1	295 506	131 134
Other current liabilities		4 887	6 567
Total current liabilities		304 669	149 877
Total liabilities		1 143 141	219 176
TOTAL EQUITY AND LIABILITIES		2 397 496	1 212 864



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

Roger Brynjulf Mosand
Chair

Roy Bernt Pettersen
Director

Knut Roald Holmøy
Director

Hanne Digre
Director

António Serrano
Director

Gro Skaar Knutsen
Director

Kim Strandenæs
Director

Martin Rasmussen
CEO

Andøy
9 April 2025



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>Amounts in NOK thousand</i>	Notes	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit/(loss) before income tax		(67 862)	(69 787)
Adjustments to reconcile profit/loss before tax to net cash flow:			
Depreciation and amortisation	4.1, 4.2, 6.3	24 756	24 904
Finance income/(expense), net	3.5	(4 077)	(9 847)
Share-based payment expense	3.3.2	2 282	4 588
Fair value adjustments of biological assets		-	(25 707)
Working capital changes:			
Change in other inventories and biological assets at cost		358	39 458
Change in trade and other receivables		(44)	-
Change in trade payables		(7 697)	4 556
Change in other current assets and liabilities		8 312	(1 666)
Interests received		4 914	12 187
Interests paid		(30 887)	(7 833)
Net cash flow from operating activities		(69 945)	(29 148)
CASH FLOW FROM INVESTMENT ACTIVITIES:			
Payment for property, plant and equipment	4.1	(1 204 887)	(320 559)
Payment for intangible assets	4.2	(3 524)	(6 307)
Net cash flow from investing activities		(1 208 411)	(326 866)
CASH FLOW FROM FINANCING ACTIVITIES:			
Equity received	6.6	326 247	583 182
Proceeds from borrowings	6.2, 6.4	768 517	-
Repayment of borrowings	6.2, 6.4	(3 833)	(55 918)
Payment of principal portion of lease liabilities	6.3, 6.4	(3 411)	(4 128)
Net cash flow from financing activities		1 087 519	523 136
Net increase/(decrease) in cash and cash equivalents		(190 836)	167 121
Cash and cash equivalents as of 1 January		250 032	82 911
Cash and cash equivalents as of 31 December		59 196	250 032



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

<i>Amounts in NOK thousand</i>	Notes	Share capital	Own shares	Share premium	Retained earnings	Other reserves	Total equity
Balance at 1 January 2023		41 034	5	557 414	(125 438)	2 690	475 705
Profit for the year		-	-	-	(69 787)	-	(69 787)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	-	-	(69 787)	-	(69 787)
Capital increase		15 974	-	567 208	-	-	583 182
Share based payments to employees	3.3.2	-	-	-	-	4 588	4 588
Balance at 31 December 2023		57 008	5	1 124 622	(195 225)	7 278	993 688
Balance at 1 January 2024		57 008	5	1 124 622	(195 225)	7 278	993 688
Profit for the year		-	-	-	(67 862)	-	(67 862)
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		-	-	-	(67 862)	-	(67 862)
Capital increase	6.6	10 606	-	315 641	-	-	326 247
Share based payments to employees	3.3.2	-	-	-	-	2 282	2 282
Balance at 31 December 2024		67 614	5	1 440 263	(263 087)	9 560	1 254 355



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

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ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

SECTION 1. Corporate information and basis of preparation

In brief

This section includes corporate information, basis of preparation, an overview of general accounting policies, key estimates, and judgements in the Group.



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

1.1 Corporate Information

These consolidated financial statements are made for the group comprised of Andfjord Salmon Group AS and its subsidiary Andfjord Salmon AS (together the “Company”, “Group” or “Andfjord”). The parent company of the Group is Andfjord Salmon Group AS, which is a limited liability company incorporated and domiciled in Norway. The shares are currently traded in Euronext Growth Oslo. Andfjord Salmon Group AS was established in 2014 and the registered office is located at Kvalnesveien 69, Andøy.

Andfjord Salmon’s business is to farm salmon with the aim of selling to third parties when the fish has reached a mature state. At 31 December 2024, the Group is only devoted to the construction of its land-based salmon farming facility located in the intertidal zone on the eastern shores of Andøya, in Andøy municipality. During 2022, and until July 2023, the Group operated one salmon pool facility. The facility uses a seawater flow-through system that avoids issues with salmon lice and poisonous algae, prevents salmon escapement and is at the same time contributing to reduced feed waste.

As at 31 December 2024, Andfjord Salmon Group AS has one subsidiary: Andfjord Salmon AS (100% equity interest).

The consolidated financial statements for the year ended 31 December 2024 of Andfjord Salmon Group AS were authorised for issue by the Board of Directors on 9 April 2025.

1.2 Basis of Preparation

The Group’s consolidated financial statements are prepared in accordance with IFRS® Accounting Standards as adopted by the European Union (EU) (“IFRS”).

The Group has prepared consolidated financial statements at 31 December 2024, together with the comparative periods for the year ended 31 December 2023.

All amounts are presented in NOK (Norwegian kroners), and rounded to the nearest thousand, unless stated otherwise.

These 2024 consolidated financial statements have been prepared based on the going concern assumption. When preparing consolidated financial statements, management has assessed the Group’s ability to continue as a going concern. There is no material uncertainties related to events or conditions that may cast significant doubt upon the Group’s ability to continue as a going concern.

Critical accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in accordance with IFRS® Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

In the case of the Group, the areas involving significant estimates or judgements were mainly related to measuring the fair value of the biomass, until that uncertainty was resolved when the production cycle was completed, and salmon was sold during 2023. See Note 5.1 for further information.

Therefore, Management notes that these consolidated financial statements contain no areas subject to significant judgments or estimates, even though some areas require certain degree of judgement and estimates by Management:



ANNUAL CONSOLIDATED FINANCIAL STATEMENTS 2024

- Capitalisation criteria of expenditures with respect to PPE
- Assessing impairment indicators in the PPE being developed by the Group including considerations about the climate-related risks as specified further below in this note.

Estimates and judgements are evaluated on an ongoing basis, and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

1.2.1 Climate-related risks

Management has assessed the potential effects that climate-related matters may have on the Group's operations and consolidated financial statements.

Climate-related risks can take the form of both physical, political and transition risks, that may lead to potential effects in the Group's consolidated financial statements. Physical risks are risks of economic ramifications resulting from climatic events such as extreme weather and long-term environmental changes. Political risks are risks of regulatory changes. Transitions risk relates to shifts in consumer behaviour and technological advancements, resulting from the process of transitioning away from reliance on fossil fuels towards renewable energy sources. Physical risks are considered when determining the remaining useful life of PPE, and on the assessment of impairment indicators (see Note 4.1).

Andfjord Salmon's flow-through system with laminar water flow consumes a minimal amount of energy with relatively low operating costs, and its land-based facility is sustainable with minimal impact on the surrounding environment. The farming facilities are recently constructed following the appropriate standards, so it is highly unlikely that these will be materially affected by climate-related events in the foreseeable future. Therefore, physical risks and transition risks from climate change are not considered to affect the Group's operations significantly.

Changes in the regulatory and legal environment related to adverse environmental effects from the salmon farming industry may potentially affect the Group's operations and future income tax and levies payments, but no significant policy adjustments for onshore salmon farming have been signalled by the regulators or the current administration.



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New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group.

Out of these standards, amendments or interpretations, only IFRS 18 'Presentation and Disclosure in Financial Statements' is expected to have a material impact on the company's future reporting periods and foreseeable future transactions, as described below.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 1 January 2027)

In April 2024, the IASB® issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. IFRS 18 introduces a defined structure for the statement of profit or loss with new totals and subtotals, and in which all income and expenses should be classified in one of the following categories: operating, investing, financing, income taxes and discontinued operations, where the first three are new. IFRS 18 also requires disclosure of newly defined management-defined performance measures.

Additionally, IFRS 18 made narrow scope amendments to IAS 7 'Statements of Cash Flows'. These amendments require companies to start the cash flow statement with the 'operating profit' subtotal (new subtotal introduced by IFRS 18) and requires companies without a specified business activity (i.e. which is the case for the Group) to present interests and dividends received within the investing activities, and interests paid within financing activities.

IFRS 18 and corresponding amendments to other standards are effective for annual periods beginning on or after 1 January 2027. Early application is permitted, and application should be made retrospectively.

The management is currently assessing the detailed implications of applying IFRS 18 on the company's financial statements.

1.3 Summary of General accounting policies

1.3.1 Impairment of non-financial assets

At each reporting date, the Group assesses whether there is an indication of impairment of its non-financial assets, of which the most important asset is the property, plant and equipment held by the Group. Management assesses both internal and external sources of information, including but not limited to technological, market, economic or legal environment considerations, in respect to the salmon industry and affecting the land-based facilities. Management has not found any indication of impairment of its non-financial assets during 2024 or 2023.

The Group considers in its assessment whether climate-related risks could have a significant impact on the carrying amount of the Group's assets, such as the effects of long-term environmental changes on fish farming production, or the introduction of emission-reducing legislations that may increase costs. These risks are included as key assumptions where they materially impact the measure of the recoverable amount. See Note 1.2.1 for more information.



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1.3.2 Statement of cash flows

The cash flow statement is prepared using the indirect method.

Interest paid on trade payables and interest received on trade receivables are presented as operating cash flows. Interests paid on borrowings are classified as operating cash flows.

Cash flows are only classified as investing activities if they result in the recognition of an asset in the statement of financial position.

Cash payments for the principal portion of the lease liabilities are presented as cash flows from financing activities, whereas cash payments for short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented as cash flows from operating activities.



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SECTION 2. Significant transactions and events during the reporting period

In brief

This section summarises significant transactions and events that occurred during the reporting period.



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2.1 Significant transactions and events during the reporting period

The main transactions and events in relation to the Group are the following ones:

Transactions and events	Disclosure notes
First drawdowns of the construction loan facility of NOK 825 million.	Note 6.2
Capital increase of NOK 326 million in May.	Note 6.6
Strong progress at the construction project at Kvalnes.	Note 4.1, 1.2.1

Other than those noted above, the Group has presented material information of its financial position, highlighting any material changes, policies, judgements and estimates in the Group for the period presented.



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SECTION 3. Results of the year

In brief

This section provides insights into the financial performance of the Group over the periods presented, including those relating to financing activities, employee costs, taxes and government grants.



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3.1 Segment Information

Accounting policies

Operating segments are components of the Group regularly reviewed by the chief operating decision maker (CODM) to assess performance and be able to allocate resources. The Board of Directors as a whole is considered to be, collectively, Andfjord Salmon's CODM. The Group as a whole is operated as a single segment.

Andfjord Salmon has no operating pools as at 31 December 2024 due to property development. One pool has been operating until mid-2023. Further details on the sale of salmon during 2023 has been included in Note 3.2.

All non-current assets held by the Group are located in Norway.

3.2 Operating income

Accounting policies – Revenue from contracts with customers

Revenue was recognised at the point in time salmon was physically delivered to the customer and all significant risks and rewards were transferred to the customer. The transaction price was not subject to any significant variable consideration.

Total operating income	2024	2023
<i>(Amounts in NOK thousand)</i>		
Revenue from contracts with customers	190	37 279
Other operating income	134	-
Total operating income	324	37 279

Sales revenue in 2024 were from remaining fish from the first production cycle that was harvested in 2023. See Note 5.1 for further details in respect to this.

3.3 Employee benefits

Accounting policies

The Group recognises the undiscounted amount of short-term employee benefits expected to be paid to its employees in exchange for their services. Obligations for short-term employee benefits mainly include wages and salaries; bonuses; annual leave and accumulated sick leave that are expected to be settled within twelve months of the reporting date. Employee benefit obligations are included in the 'other current liabilities' in the statement of financial position.

The Group has incurred in the following employee benefit expenses:



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Employee benefits	2024	2023
<i>(Amounts in NOK thousand)</i>		
Salary expenses and bonuses	23 124	21 076
Share based payments	2 282	4 588
Other benefits	383	458
Social security cost	1 599	1 407
Pension cost (defined contribution)	2 947	2 540
Total employee benefits before capitalisation (*)	30 336	30 069
Capitalised employee benefits	(8 653)	(4 861)
Total employee benefits after capitalisation	21 683	25 208

(*) The Group decided to present employee benefits before and after capitalisation made for works performed by the Group, mainly in relation with the construction of its new pools (see Note 4.1).

During 2024, the average number of employees was 23 (2023: 23).

See Section 7.1.1 for further information on remuneration to its key management personnel.

3.3.1 Defined contribution plans

Accounting policies

The Group has a defined contribution plan for its employees, where payments are made through an insurance Group. Cost from the defined contribution plans is recognised when payable. The Group does not hold any credit or actuarial risks from these contribution plans.

With respect to its defined contribution plans, Andfjord Salmon has a defined contribution plan in accordance with local laws. The defined contribution plan covers all employees and amounts to between 7.0% and 18.1% of the gross salary. As at 31 December 2024 there were 21 members in the plan (2023: 23).

3.3.2 Share based payments

Accounting policies

Share-based compensation programs are provided to the Group's employees. These programs are equity-settled, since services rendered by the employees will be settled with the Group's own equity instruments.

The cost of the equity-settled program is measured at the fair value of the options, at the grant date. The cost is recognised as 'employee benefit expenses', with a corresponding increase in equity, over the vesting period. The vesting period is the period over which the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its best estimates of the number of options expected to vest, recognising in the statement of comprehensive income the difference between the cumulative expense at the beginning and period-end dates, with a corresponding adjustment to equity.



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When the options vest in annual instalments over the vesting period, in substance it implies that each instalment has a different vesting period. Therefore, the Group accounts for each “tranche” as a separate award.

The Group recognises social security taxes from its share-based payments in line with IAS 37 ‘Provisions, contingent liabilities and contingent assets’. The Group assumes that the activity that triggers the payment is the granting of the options to its employees, and measures the liability as the share price per the reporting date, minus the strike price of the options, multiplied by the current applicable social security tax rate.

In June 2022 Andfjord Salmon established a Long-Term Incentive Program for the Group’s Management and employees, under which the Group will deliver share options as part of the consideration for the services rendered by its employees. The incentive program consists of equity settled share options.

The options granted have equal terms for all employees. The program is divided into three different tranches, with vesting periods ranging from one to three years starting at grant date 30 June 2022. An equal amount of shares vest in each of the three tranches. The earliest exercisable date is 1 January 2027 and the expiry date is 30 June 2031. These dates are the same for all options independently of vesting period or employee. The Group has not granted any new options in 2024.

Employee share option plan	Earliest exercise date - expiry date	Strike price	Number of options
Number of options as at 1 January 2023		41,945	503 520
Options granted	1 January 2027 - 30 June 2031	41,945	248 800
Correction for employees who have left during the year			(15 000)
Number of options as at 31 December 2023			737 320
Weighted average remaining vesting period			1 year

Employee share option plan	Earliest exercise date - expiry date	Strike price	Number of options
Number of options as at 1 January 2024		41,945	737 320
Options granted	1 January 2027 - 30 June 2031	41,945	-
Correction for employees who have left during the year			(10 320)
Number of options as at 31 December 2024			727 000
Weighted average remaining vesting period			< 1 year



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The Group assessed fair value at the grant date for the options granted in June 2022 was NOK 17.49 per option. The Group has calculated the value of the options using the Black-Scholes options pricing model, with the fair value following main assumptions:

Assumptions share-based payment program

Expected dividend yield	0.0 %
Historical volatility	38.4 %
Risk-free interest rate	3.3 %
Expected life of option (years)	3

Due to the Group's limited length of share price history, expected volatility used in the calculations are estimated based on implied volatility of similar traded entities.

As any dividend payment during the options' vesting period is regulated with a proportional adjustment of the exercise price, the dividend parameter is not included in the calculations.



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3.4 Other operating expenses

Other operating expenses	2024	2023
<i>(Amounts in NOK thousand)</i>		
Expenses related to short-term and low-value leases	1 662	662
Legal and consultancy services (incl. remuneration to auditors)	9 952	10 668
Sales and marketing costs	4 244	7 848
Maintenance (incl. materials and other small equipment)	677	2 418
Insurance and bank fees	1 098	950
Energy expenses (fuel, electricity, water, etc.)	722	1 831
IT costs	4 481	3 844
Other taxes and levies	174	109
Other expenses	2 439	3 376
Total other operating expenses	25 450	31 707

Auditor's remuneration	2024	2023
<i>(Amounts in NOK thousand)</i>		
Statutory audit fees	812	523
Other assurance services	206	1 232
Total auditor's remuneration	1 018	1 755

3.5 Finance income and costs

Finance income and costs	2024	2023
<i>(Amounts in NOK thousand)</i>		
Financial income	4 914	12 187
Interest from bank deposit	4 885	12 136
Other financial income	29	51
Financial costs:	(30 887)	(7 173)
Interests on borrowings	(29 792)	(5 860)
Net foreign currency loss	(6)	(16)
Interest expense on lease liabilities	(523)	(658)
Other financial expense	(565)	(639)
Capitalised borrowing costs	30 049	4 834
Net finance result	4 077	9 848



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3.6 Earnings per share

Accounting policies

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares; by the weighted average number of ordinary shares outstanding during the financial year, adjusted for treasury shares (see Note 6.6).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share, to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

A potential ordinary share is a financial instrument or other contract that may entitle its holder to ordinary share, and whose conversion into an ordinary share would lead to a reduction in earnings per share or an increase in loss per share from continuing operations (i.e. would make the loss per share more negative).

Therefore, options granted to its employees by the Group through its Long-Term Incentive Program (Note 3.3.2 contains further information) are considered anti-dilutive in the diluted earnings per share calculation for the periods where the Group incurred a loss from continuing operations.

Basic and diluted earnings per share	2024	2023
Profit/(loss) for the year	(67 862)	(69 787)
Weighted average number of shares used as the denominator		
Weighted average number of shares used in basic earnings per share	63 644 020	48 657 358
Dilutive effect of granted share options	-	-
Weighted average number of shares used in diluted earnings per share	63 644 020	48 657 358
Basic earnings per share (NOK)	(1.07)	(1.43)
Diluted earnings per share (NOK)	(1.07)	(1.43)

The options have not been included in the determination of basic earnings per share. In the future, these options could potentially dilute basic earnings per share.

3.7 Income tax

3.7.1 Income Tax Expense

Accounting policies

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and



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liabilities attributable to temporary differences and to unused tax losses. Deferred taxes are calculated at 22% of the temporary differences between book value and tax values, in addition to tax losses carried forward at the end of the accounting year.

The income tax rate has been determined by using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets are realised or the deferred income tax liabilities are settled.

Income tax expense	2024	2023
<i>(Amounts in NOK thousand)</i>		
Current income tax	-	-
Change in deferred tax	-	-
Total income tax expense	-	-

3.7.2 Deferred Tax Balances

Accounting policies

The Group is subject to ordinary Norwegian company tax with a tax rate of 22%. Because of timing differences between the financial statements and the tax rules, there will be temporary differences that give rise to deferred tax liabilities or deferred tax assets.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses.

Deferred tax balances	2024	2023
<i>(Amounts in NOK thousand)</i>		
Tangible fixed assets	(20 787)	(18 041)
Leases	(2 621)	(3 789)
Inventories biological assets	-	-
Receivables	-	-
Allocations and more	14 481	14 481
Other differences	6 071	7 398
Total deferred tax relating to temporary differences	(2 856)	49
Tax losses to carry forward	261 688	260 361
Not included in the deferred tax calculation	(258 832)	(260 410)

3.7.3 Reconciliation of Income Tax Expense

Reconciliation of income tax expense	2024	2023
<i>(Amounts in NOK thousand)</i>		
Profit before tax	(67 862)	(69 787)
Expected income tax at statutory income tax rate of 22% (2021: 22%)	(14 930)	(15 353)



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Permanent differences	(5 790)	(5 189)
Change in unrecognised deferred tax asset	20 720	20 542
Calculated tax expense/(income)	-	-

3.8 Government grants

Accounting policies

Government grants are recognised when there is a reasonable assurance that the Group complies with the conditions attaching to them; and the grant will be received. When government grants relate to assets, the Group recognises the grant as a reduction in the carrying value of the asset, and therefore as a reduction of the depreciation expense for subsequent measurement. When grants relate to expenses, the Government grant is recognised as a reduction of the expense over the period that the related costs are expensed.

Skattefunn

Andfjord Salmon has received during 2024 NOK 903 thousand in grants from Skattefunn in connection with the tax settlement for 2023. These grants were presented as 'other receivables', until the amounts were settled.



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SECTION 4. Invested capital

In brief

This section provides insights into the disclosures in relation to the capital invested by the Group in its tangible and intangible assets.



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4.1 Property, plant and equipment

Accounting policies

Property, plant and equipment ('PPE') is initially recognised at cost and subsequently measured at cost less accumulated depreciation and impairments.

The following table summarises the useful life and depreciation method by class of asset:

	Land and buildings	Machinery and plant	Furniture, tools and others	Facilities for farming	Assets under construction
Depreciation method	Buildings: straight-line. Land not depreciated	Straight-line	Straight-line	Straight-line	Not applicable
Useful life	50 years	5-20 years	3-10 years	5-50 years	Not depreciated

Estimated residual values and expected useful lives of assets are reviewed by the Group at least annually. In estimating the remaining useful lives of the assets, Management considers the expected level of use; the expected physical wear and tear together with the maintenance plans; and any technical, legal or commercial obsolescence arising from, among others, laws and regulations affecting health, safety or environmental regulations.

Each significant component is identified separately for depreciation purposes and depreciated over its individual useful life. When a significant component is replaced, the old component is derecognised and the new component capitalised, if its cost is recoverable.

Property, plant and equipment	Land and buildings	Machinery and plant	Furniture, tools and others	Facilities for farming	Assets under construction	Total
At 1 January 2023						
Cost	98 973	32 113	6 660	299 267	73 429	510 442
Accumulated depreciation	(423)	(1 359)	(1 337)	(8 937)	-	(12 056)
Net book amount	98 550	30 754	5 323	290 330	73 429	498 386
Year ended 31 December 2023						
Opening net book amount	98 550	30 754	5 323	290 330	73 429	498 386
Additions	6 440	(1 213)	891	2 685	393 268	402 071
Other movements	-	-	-	(5 653)	-	(5 653)
Depreciation	(398)	(2 909)	(1 543)	(13 322)	-	(18 172)
Closing net book amount	104 592	26 632	4 671	274 040	466 697	876 632



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At 31 December 2023

Cost	105 413	30 900	7 551	296 299	466 697	906 860
Accumulated depreciation	(821)	(4 268)	(2 880)	(22 259)	-	(30 228)
Net book amount	104 592	26 632	4 671	274 040	466 697	876 632

Year ended 31 December 2024

Opening net book amount	104 592	26 632	4 671	274 040	466 697	876 632
Additions	827	242	568	-	1 370 519	1 372 156
Other movements	-	-	-	(149)	149	-
Sale	-	-	(11)	-	-	(11)
Depreciation	(400)	(2 929)	(1 557)	(13 038)	-	(17 924)
Closing net book amount	105 019	23 945	3 671	260 853	1 837 365	2 230 853

At 31 December 2024

Cost	106 240	31 142	8 108	296 150	1 837 365	2 279 005
Accumulated depreciation	(1 221)	(7 197)	(4 437)	(35 297)	-	(48 152)
Net book amount	105 019	23 945	3 671	260 853	1 837 365	2 230 853



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	-	-	-	-	-
	Land and buildings	Machinery and plant	Furniture, tools and others	Facilities for farming	Assets under construction
Buildings:					
Depreciation method	straight-line. Land not depreciated	Straight-line	Straight-line	Straight-line	Not applicable
Useful life	50 years	5-20 years	3 - 10 years	5 - 50 years	Not applicable

The difference against the investment in property, plant and equipment in the statement of cash flow comes from timing differences between capitalisation and payment date.

Note 6.2.2 discloses information on the amount of property, plant and equipment that are pledged as security for borrowings.

Note 7.2 discloses information of contractual obligations to purchase, construct or develop property, plant and equipment or for repairs, maintenance or enhancements.

4.1.1 Significant additions during the period

Accounting judgments and estimates

Management assesses to which extent costs are directly attributable to bringing the assets into the condition for them to operate in the intended manner. In this sense, Management considers own employees with direct responsibilities for the building of the pools to meet the capitalisation criteria for capitalisation, excluding general management, administrative and finance roles.

Kvalnes land-based facility – Phase II

The additions during 2024 mainly relate to the development of the Kvalnes land-based facilities. The Group's construction project at Kvalnes has made strong progress through 2024. It is expected that the Group will have four new pools in operation from mid-2025, in addition to the existing pool in which a production cycle has already been completed. The production capacity will then be 8,000 tonnes HOG annually and continue to increase up to 19,000 tonnes HOG annually from mid-2027.

In this context, the significant additions to assets under construction during 2024 mainly relates to development of the land by excavating the rock pits, improving the port area, building the waterways and pool construction.

Fiskenes and Breivik

Development of Fiskenes and Breivik is at the current stage about formal matters relating to properties and regulation.



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4.1.2 Capitalisation of borrowing costs

Accounting policies

Specific borrowing costs that are directly attributable to the construction of an asset that necessarily takes a substantial period to get ready for its intended use (a qualifying asset) are capitalised as part of the cost of the respective asset. The Group interprets 'substantial period' one year or more. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The Group has incurred in general borrowings that form part of the funds used to finance a project, and it has capitalised its borrowing costs using a weighted average of rates applicable to relevant general borrowings of the Group during the period.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

The amount of borrowing costs capitalised during the 2024 period has been NOK 30 049 thousand (2023: NOK 4 834 thousand), and the amount of assets under constructions have significantly exceeded the amount of borrowings held by the Group.



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4.2 Intangible assets

Accounting policies

Intangible assets are initially recognised at cost and amortised to their residual values over their economic useful life using the straight-line method.

The following table summarises the useful life and depreciation method by class of intangible asset:

	Licenses, patents, and similar rights	Other intangible assets
Amortisation method	Straight-line	Straight-line
Useful life	10-20 years	5 years

Estimated residual values and expected useful lives of assets are reviewed by the Group at least at each financial reporting date.



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Intangible assets	Licenses, patents, and similar rights costs	Other intangible assets	Total
<i>(Amounts in NOK thousand)</i>			
At 1 January 2023			
Cost	3 745	5 158	8 903
Accumulated amortisation and impairment	(31)	(316)	(347)
Net book amount	3 714	4 842	8 556
Year ended 31 December 2023			
Opening net book amount	3 714	4 842	8 556
Additions	-	6 997	6 997
Additions - capitalised development	-	-	-
Amortisation charge	(187)	(977)	(1 164)
Closing net book amount	3 527	10 862	14 389
At 31 December 2023			
Cost	3 745	12 155	15 900
Accumulated amortisation and impairment	(218)	(1 293)	(1 511)
Net book amount	3 527	10 862	14 389
Year ended 31 December 2024			
Opening net book amount	3 527	10 862	14 389
Additions	-	3 524	3 524
Amortisation charge	(187)	(1 307)	(1 494)
Closing net book amount	3 340	13 079	16 419
At 31 December 2024			
Cost	3 745	15 679	19 424
Accumulated amortisation and impairment	(405)	(2 600)	(3 005)
Net book amount	3 340	13 079	16 419

The difference against the investment in intangible assets in the statement of cash flow comes from timing differences between capitalisation and payment date.

The additions in «other intangible assets» in 2024 is mainly related to work on licences.

4.2.1 Development costs

During 2024, the Group was developing its Laminar Flow Technology for its current and future salmon farming pools. Expenditures incurred during the development stages of these pools have been capitalised to the extent that they meet the requirements.



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SECTION 5. Working capital

In brief

This section provides insights into the disclosures in relation to items considered part of the working capital of the Group, typically with a short-term nature, and related to its operating activities.



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5.1 Biological assets

5.1.1 Summary of accounting policies for biological assets

Accounting policies

The smolt is acquired and released into the Group's operating pool, and remain there until its ready to be harvested, which is when the salmon is considered mature.

The Group held no biological assets, live salmon stock, during 2024 and in the second half of 2023 because of the development project. New biological assets are planned to be acquired and released in 2025.

The accounting treatment of biological assets is regulated by IAS 41 'Agriculture'. According to IAS 41, biological assets are recognised and measured at fair value less cost to sell at each reporting period. However, when there is little biological transformation, the cost of biological assets is deemed to be a close approximation to its fair value. This is the case of the smolt that has been acquired, but not released into the pools yet.

Management has considered the approach to measure fair value of the biomass, in accordance with IFRS 13 'Fair value', at each reporting period during the growing phase. Transactions with live, unmaturing salmon are rare. Also, those transactions would not reflect the highest and best use for the Group's biological assets. Therefore, the market approach for estimating fair value would not be at optimal approach for the Group.

The income approach is applied to estimate the fair value of the salmon stock, by which future cash flows from selling the salmon at harvest date are discounted to a single current amount. The valuation model for the salmon considers the highest and best use for salmon, which Management believes corresponds to the moment when the salmon is ready to be harvested (see Note 5.1.2 for Management's assumption on optimal weight).

The valuation model requires the use of several significant inputs, part of which are not observable. Therefore, the fair value it is considered 'level 3' in the fair value hierarchy. Significant unobservable inputs include the cost to complete; the biomass' weight and quality; the implied discount rate and estimated growth rate of salmon. The significant observable inputs are the forward market price of salmon at the expected time of harvest. Environmental or operational incidents leading to mortality exceeding a rate of 3% from that single incident. Will be recognised under 'cost of materials' in the statement of comprehensive income.

Only one set of assumptions was used, as the Group only operates one location during 2023.

The change in the fair value of biological assets is recognised in the statement of comprehensive income as 'fair value adjustments of biological assets'. The accumulated costs from incident-based mortality will reduce the fair value of the biological assets in the statement of financial position and is recognised as 'cost of materials' in the statement of comprehensive income.



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5.1.2 Main judgments and assumptions for the valuation of the biomass

Accounting judgments and estimates

The valuation model for the salmon livestock considers the highest and best use for salmon, which Management believes corresponds to a live weight of approximately 4.8 kg, and a gutted weight of 4.0 kg when harvested.

The Group estimates the fair value of the biomass at each reporting period using a model following an income approach.

Estimated future cash inflows

Future cash inflows are estimated based on the estimated biomass volume, and price at the expected harvesting date. Biomass volumes are estimated based on the number of fish in the pools, adjusted by expected mortality, and multiplied by the expected average weight of salmon at the harvest date. The expected price at harvesting date is calculated using the Fish Pool forward price at the harvest date, adjusted for costs to sell the fish, such as harvesting costs, transportation etc. The Fish Pool forward prices are also adjusted for differences in quality.

An increase in the forward price will increase the fair value of the salmon biomass. However, the effect will be compensated by the deductions of costs to complete at each point in time. Only changes in prices when the salmon is matured has a full effect on the value of the biomass. Equivalent effects can be expected when the source of the change is due to the deduction of costs to sell.

The following forward price was estimated at harvesting time, corresponding to the forward price at optimal weight time, from Fish Pool have been considered by the Group for the expected harvesting dates for its biomass:

Expected harvesting period	Forward price at harvest dates
<i>(Amount in NOK per kg)</i>	
Aug-23	77.50

At harvest date, the mortality for the live salmon in was expected at 3%. The actual rate was 2.5% after transportation to process harvested salmon for sale.

Estimated future cash outflows

Future cash outflows are defined as the costs to complete the salmon lifecycle at each point in time. This includes costs necessary to grow the fish to its optimal weight, which main components are fodder and other direct costs. The estimation of the fodder costs depends on future fodder prices, but also expected conversion rate, measured as gained weight of the salmon stock per kg of fodder released in the fish pools.

Fair value interpolation

Estimated net cash flows are discounted at each point in time using an interpolation method where the two known data points are the value of the smolt when released into the pool, and the expected cash inflows as described above. The discounting follows a natural interpretation to calculate a discount rate representing the time value of money and hypothetical license fees for the salmon farming permits.



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Hypothetical license fees are included in the calculation of the discount rate, as it represents the value that a hypothetical buyer of a salmon farming license would have to incur for such a permit, which cannot be obtained in the open market, therefore causing entry barriers.

The interpolation model is updated monthly, considering data on actual forward prices, mortality rates, number of fish in the pools, etc. These estimates are approved by the Group's Management, supported by real quantitative data samples of the biomass, and updated budgets and forecasts.



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5.1.3 Carrying amount reconciliation of biological assets

The Group holds no biological assets 31 December 2024 (31 December 2023: 0 tonnes). No roe, fry or smolt was held year-end 2024 and 2023.

5.2 Other inventories

Accounting policies

Other inventories mainly include fodder, packaging materials, and other materials to be used during the maturing process of the salmon. Inventory is measured at the lower of its cost and its net realisable value. Cost of inventories held by the Group mainly include its cost of purchase.

As at 31 December 2024, the Group does not have any harvested salmon. In the future, harvested salmon will be classified within 'other inventories'.

Inventory is based on the first-in first-out principle, except for fodder where a weighted average is used.

Other inventories	31 December 2024	31 December 2023
<i>(Amounts in NOK thousand)</i>		
Others	1 340	1 697
Total other inventories	1 340	1 697

As at year-end 2024 and 2023 inventory consists of frozen salmon for sale.

5.3 Other current assets

Other current assets	2024	2023
<i>(Amounts in NOK thousand)</i>		
Other receivables	-	-
Prepayments	2 911	1 793
Government grants receivables	-	903
VAT receivables	73 522	49 665
Other current assets	10	-
Total other current assets	76 443	52 361



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5.4 Cash and cash equivalents

Cash and cash equivalents	2024	2023
<i>(Amounts in NOK thousand)</i>		
Cash at bank	59 196	250 032
Restricted cash (payroll)	1 169	1 160
Unrestricted cash	58 028	248 872
Total cash and cash equivalents	59 196	250 032

5.4.1 Short-term deposits

The Group does not hold bank deposits or other short-term, liquid investments that have been classified as cash equivalents.

5.4.2 Restricted cash

Part of the cash and cash equivalents disclosed is subject to regulatory restrictions on payroll tax liabilities and is therefore not available for general use by the Group.



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SECTION 6. Capital and debt structure

In brief

This section provides insights into Andfjord Salmon's capital and debt structure, including financial risk and capital management.



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6.1 Financial Assets and Liabilities

None of the financial instruments held by the Group are measured at fair value. The financial instruments' amortised cost is considered to be a close approximation to their fair value.

6.1.1 Financial Assets

Financial assets	2024	2023
<i>(Amounts in NOK thousand)</i>		
Debt instruments measured at amortised cost:	59 196	250 032
Cash and cash equivalents	59 196	250 032
Total financial assets	59 196	250 032

6.1.2 Financial Liabilities

Financial liabilities	2024	2023
<i>(Amounts in NOK thousand)</i>		
Liabilities measured at amortised cost	1 138 254	212 610
Borrowings	832 309	67 625
Lease liabilities	10 439	13 851
Trade and other payables	295 506	131 134
Total financial liabilities	1 138 254	212 610



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6.2 Borrowings

Accounting policies

Borrowings are initially recognised at fair value, net of transaction costs incurred that are directly attributable to the issuance of the financial liability. After initial recognition, borrowings are measured at amortised cost. Any difference between the net proceeds and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as financial expenses.

Borrowings are classified as current liabilities except for the portion of the liability that is due to be settled more than twelve months after the reporting period, or for the portion the Group has an unconditional right to defer settlement for at least twelve months after the reporting period.

Overview of borrowings	2024	2023
<i>(Amounts in NOK thousand)</i>		
Non-current		
Debt to credit institutions	832 309	49 126
Debt to related parties	-	-
Debt to other entities	-	10 833
Total non-current borrowings	832 309	59 959
Current		
Debt to credit institutions	-	5 999
Debt to related parties	-	-
Debt to other entities	-	1 667
Total current borrowings	-	7 666
Total borrowings	832 309	67 625



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6.2.1 Relevant terms and conditions

Debt with financial institutions

During 2024, the Group refinanced its debt with financial institutions, settling all its previous debt to financial institutions. The refinancing consist of a construction loan facility with an available amount of up to NOK 825 million and a loan facility of NOK 75 million entered into with SpareBank 1 Nord-Norge and bank alliance partners (with support from Eksfin). These facilities have drawdown available until 31 December 2025. Additionally, up until that date, the Company can decide to convert these facilities into a new facility maturing 4 years after the conversion date (i.e. latest maturity 31 December 2029). No payments of principal are required until 24 months after the conversion date (i.e. starting at 31 December 2027, at the latest), with quarterly instalments that reflect a repayment period of 12 years.

In addition, the financing agreement includes an overdraft facility, which is subject to annual renewal. The total amount available is NOK 20 million.

Debt to other parties

Debt to other entities was repaid and settled in 2024. The debt to other entities mainly comprised NOK 15 000 thousand loan facility with Innovasjon Norge maturing in 2031.

6.2.2 Assets pledged as securities for liabilities

The debt to credit institutions required certain assets to be pledged as security, being property, plant and equipment, inventory, trade receivables and licenses.

As of 31 December 2024, assets pledged as security included property, plant and equipment with a carrying amount of NOK 2 230 853 thousand (2023: NOK 876 632 thousand), and intangible assets with a carrying amount of NOK 16 419 thousand (2023: NOK 14 389 thousand).

Assets pledged as security in relation to the outstanding loans and credit facilities also include aquaculture permissions, other inventories, and trade receivables.

6.2.3 Compliance with covenants

Debt to financial institutions entered during 2024 (see note 6.2.1 for further information) is subject to the following covenants:

- Overdraft facility within 60 % of borrowing base
- Total equity at minimum 35 % of Total assets at year-end
- Minimum liquidity of NOK 50 million each quarter until 31 December 2027

The following covenants are applicable as of 31 December 2027:

- Net interest-bearing debt / EBITDA shall be above 5,00
- Minimum required work capital of NOK 100 million

The Company has complied with the financial covenants during the reporting period, and Management does not expect to breach any covenant in the foreseeable future (see note 7.4 for further information).



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6.3 Leases

6.3.1 Nature of the lessee's leasing activities

Accounting policies

The Group recognises right-of-use assets and lease liabilities for all lease contracts, except leases that are considered short-term (lease term of 12 months or less), or leases for underlying assets that are of a low value. Management considers as low value those assets that are worth NOK 50 thousand or less when new.

The Group has lease agreements related to offices and other buildings; machinery and specialized equipment used in the salmon farming operations; and vehicles. The lease term varies normally from 1 to 5 years with options to both extend and terminate the lease contracts at Management's discretion.

The Group also leases offices, warehouses and machinery, with lease terms being less than 12 months. Some machinery and small equipment also meet the low-value exemption. In both cases, the Group applies the recognition exemption to these leases, and consequently these are recognised as expense linearly over the lease term. These expenses are presented within 'other operating expenses' (see Note 3.4 for further information).

The Group is not typically subject to variable lease payments for its leases.

6.3.2 Right-of-use assets

Accounting policies

The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liabilities, any lease payments made at or before the commencement date of the lease, less any lease incentives received, and initial direct costs incurred by the lessee.

Subsequently, right-of-use assets are measured at cost less accumulated depreciation and impairments and adjusted for certain remeasurements of the lease liabilities. Depreciation of the right-of-use asset is carried out using the straight-line method over the shorter of the lease term or the useful life of the underlying asset.



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Right-of-use assets	Land and buildings	Machinery, equipment and other	Vehicles	Total
<i>(Amounts in NOK thousand)</i>				
At 1 January 2023	1 155	20 415	969	22 539
Year ended 31 December 2023				
Additions	413	(7)	110	516
Depreciation charge	(715)	(4 257)	(443)	(5 415)
Closing net book amount	853	16 151	636	17 640
At 31 December 2023	853	16 151	636	17 640
Year ended 31 December 2024				
Additions	771	-	-	771
Depreciation charge	(565)	(4 317)	(468)	(5 350)
Closing net book amount	1 058	11 834	168	13 060
At 31 December 2024	1 058	11 834	168	13 060

6.3.3 Lease liabilities

Accounting policies

Lease liabilities are recognised at the lease commencement date. The lease liabilities are measured as the present value of future lease payments, discounting by the Group's incremental borrowing rate.

Lease payments mainly consist of fixed payments, which are typically updated by changes on consumer price indexes or interest rate levels.

Lease liabilities are measured at amortised cost using the effective interest rate method.

If there is a change in future lease payments arising from a change in an index or rate, there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or the Group changes its assessment of whether it will exercise a purchase, extension or termination option, the liability is remeasured and a matching adjustment is made to the carrying amount of the related right-of-use asset. No significant changes in this regard have occurred during the period.

Lease liabilities	2024	2023
<i>(Amounts in NOK thousand)</i>		
At 1 January	13 807	17 979
Additions	817	48
Interest expense	521	654
Lease payments	(4 706)	(4 830)
Balance at 31 December	10 439	13 851



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Current	4 276	4 511
Non-current	6 163	9 340

The following table discloses the maturity analysis for lease liabilities.

Contractual maturities	2024	2023
<i>(Amounts in NOK thousand)</i>		
Less than 1 year	4 375	4 615
1-3 years	6 613	7 521
3-5 years	71	2 775
More than 5 years	-	-
Total contractual cash-flows	11 060	14 911
Recognised as liabilities	10 439	13 851

6.3.4 Amounts recognised in the statement of comprehensive income and statement of cash-flows

The following amounts have been recognised in the income statement in relation to leases:

Amounts recognised in the income statement	2024	2023
<i>(Amounts in NOK thousand)</i>		
Interest expense (included in finance cost)	521	654
Expense relating to short-term and low-value leases	133	133
Expense relating to depreciation	5 350	5 415

The total cash outflow for leases in 2024 has been NOK 6 368 thousand (2023: NOK 5 493 thousand).

6.4 Reconciliation of cash-flows from financing activities

Reconciliation cash flow from financing activities	Borrowings	Lease liabilities	Total
<i>(Amounts in NOK thousand)</i>			
Liabilities from financing activities at 1 January 2023	123 543	17 979	141 522
Financing cash flow (payments)	(55 918)	(4 176)	(60 094)
New leases	-	48	48
Liabilities from financing activities at 31 December 2023	67 625	13 851	81 476
Financing cash flow (payments)	(3 833)	(4 185)	(8 018)
Cash inflows from new borrowings	785 404	-	785 404
Capitalised financing costs	(18 625)	-	(18 625)
Amortised financing costs	1 739	-	1 739
New leases	-	773	773



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Liabilities from financing activities at 31 December 2024	832 309	10 439	842 748
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6.5 Financial risk and capital management

As indicated in Note 6.1, financial assets held by the Group mainly comprise cash and cash equivalents. Financial liabilities are mainly comprised of borrowings, lease liabilities, and trade payables.

In conducting its operations, the Group faces the following main types of risks: credit risk, liquidity risk and market risk. Management keeps track of the evolution of the different risks, and the potential impact to the Group. The Group has not entered into any derivative contracts to manage its exposure to financial risks during 2024 or 2023.

The following sections provide disclosures on the specific exposure to risks and how they arise; the objectives, policies, and processes for managing the risks and the methods used to measure the risk; and any changes thereof.

6.5.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the Group by failing to settle its obligation. The Group is exposed to credit risks in conducting its ordinary activities.

Cash and cash equivalents from the Group are managed by the Group's Finance Department. The Group limits the amount of deposits that can be held in a single bank to limit the concentration of risks.

As at 31 December 2024, the Group has trade receivables of NOK 44 thousand (2023: NOK 0 thousand), so there is insignificant credit risk associated with these.

6.5.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group manages its liquidity with a high level of prudence, with rules and policies that ensure an adequate amount of cash and cash equivalents to meet the immediate needs of resources both in the short and long term. Management develops rolling forecasts on liquidity, which are regularly monitored against the contractual maturities of the financial liabilities.

6.5.2.1 Maturities

The following table discloses the maturity analysis for non-derivative liabilities (except for lease liabilities, which are disclosed in Note 6.3), showing its undiscounted remaining contractual liabilities:

At 31 December 2024 (Amounts in NOK thousand)	Carrying amount	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
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Borrowings	832 309	-	-	159 224	689 971	849 196
Trade payables	295 506	295 506	-	-	-	295 506
Other current liabilities	4 887	2 576	2 310	-	-	4 887
Total financial liabilities	1 132 702	298 082	2 310	159 224	689 971	1 149 588

At 31 December 2023 <i>(Amounts in NOK thousand)</i>	Carrying amount	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
Borrowings	67 625	2 333	5 333	30 669	29 290	67 625
Trade payables	131 134	131 134	-	-	-	131 134
Other current liabilities	6 567	4 705	1 862	-	-	6 567
Total financial liabilities	205 326	138 172	7 195	30 669	29 290	205 326

6.5.2.2 Financing facilities

As at 31 December 2024, the Group has undrawn amounts from its loan facility with a credit institution (as disclosed in Note 6.2) until the end of 2025, which provides the Group with the financing needed to complete the ongoing construction projects of four new production pools by mid-2025.

6.5.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is mainly exposed to interest rate risk.

Foreign exchange risk is not considered relevant for the Group as they do not hold any balances in foreign currencies. The Group is neither exposed to risk related to salmon price as it does not hold any derivatives or other financial contracts based on the price of salmon as of 31 December 2024.



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6.5.3.1 Interest rate risk

The following table summarises the effects that a reasonably possible change in the effective interest rate of the borrowings would have in the profit after tax:

Sensitivity of changes in interest rates on borrowings <i>(Amounts in NOK thousand)</i>	Impact on profit after tax	
	2024	2023
Increase in interest rate of 2%	(16 646)	(1 353)
Decrease in interest rate of 1%	8 323	676

Changes in interest rates on borrowings will not have impact on OCI, and Andfjord has no hedge accounting.

The Group's exposure to interest rate risk arises from long-term borrowings with variable rates (see Note 6.1 and 6.2 for further information) based on the NIBOR rate applicable at each point in time. These instruments have no effect on other comprehensive income.

The Group has not entered into any interest rate swaps agreement or other interest rate hedges to mitigate risk related to increase in the variable interest rate of its loans.

6.5.3.2 Currency risk

The Group is currently exposed to currency risk to a small extent. Although some components for the development have been purchased in EUR, both cost and investments are primarily in NOK. The Group will be increasingly exposed to currency risk once it starts operating the fish farming facility and in the case of future fish sales. Currency hedging will be considered to reduce such exposure.

Due to the very limited currency risk exposure, no sensitivity analysis has been presented.

6.5.4 Capital management: objectives, policies and processes

The Group defines capital as equity, including other reserves. The Group's main objective when managing capital is to ensure the ability of the Group to continue as a going concern and to meet all requirements imposed by external financing agreements in the form of covenants.



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6.6 Share capital

6.6.1 Share capital and share premium

As of 31 December 2024, the share capital consists of 67 619 013 ordinary shares (2023: 57 012 953 shares), with a par value of NOK 1.00 each. All shares are entitled to equal rights with respect to dividends, voting rights and other rights in accordance with Norwegian corporate law.

6.6.2 Authorised shares and amounts

Authorised shares	Number of shares		Amounts in NOK thousand	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Fully paid ordinary shares	67 619 013	57 012 953	67 619	57 013
Total share capital	67 619 013	57 012 953	67 619	57 013



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6.6.3 Movements in ordinary shares

Movements in ordinary shares	Number of shares	Par value per share (NOK)	Share premium total (TNOK)	Total (TNOK)
At 1 January 2023				
Opening balance	41 038 927	1.00	557 413	598 452
Capital increase	15 974 026	1.00	567 208	583 182
Closing balance at 31 December	57 012 953	1.00	1 124 621	1 181 634
At 1 January 2024				
Opening balance	57 012 953	1.00	1 124 621	1 181 634
Capital increase	10 606 060	1.00	339 394	350 000
Transaction costs	-	-	(23 753)	(23 753)
Closing balance at 31 December	67 619 013	1.00	1 440 262	1 507 881

During 2024, The Company completed a private placement on 22 May 2024. As a consequence, the total share capital and premium increased by NOK 350 million, and the number of shares by 10 606 060. Transaction costs corresponding to the incremental directly attributable costs from this increase in capital. The capital increase was approved on 22 May and registered in the Norwegian Register of Business Enterprises on 30 May.

At 31 December 2024, the Group held 5 thousand (2023: 5 thousand) treasury shares amounting to NOK 185 thousand (2023: NOK 185 thousand). Treasury shares are recognised at cost. These are deducted from equity and no gain or loss is recognised on the purchase, sale, issue or cancellation of these shares.



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6.6.4 List of the 20 largest shareholders at 31 December 2024

<u>Shareholders</u>	<u>Number of shares</u>	<u>Ownership percentage</u>	<u>Voting percentage</u>
Jerónimo Martins Agro-Alimentar, S.A.	18 958 855	28.04	28.04
Andfjord Holding AS	4 858 680	7.19	7.19
KG Investment Comp AS	3 636 419	5.38	5.38
High Liner Foods INC	3 634 970	5.38	5.38
Eidsfjord Sjøfarm AS	3 071 759	4.54	4.54
OG Invest AS	2 250 991	3.33	3.33
Skagerak Vekst AS	2 045 064	3.02	3.02
Jan Heggelund	1 932 865	2.86	2.86
DNB Markets Aksjehandel/-Analyse	1 339 597	1.98	1.98
Karstein Gjersvik	1 291 384	1.91	1.91
Traaseth Property AS	1 262 916	1.87	1.87
Euro Tv AS	1 057 114	1.56	1.56
Vicama AS	1 000 000	1.48	1.48
Sirius AS	940 000	1.39	1.39
Sparebank 1 Markets AS	710 541	1.05	1.05
J.P. Morgan Securities LLC	693 142	1.03	1.03
Ristora AS	685 656	1.01	1.01
Omniverse AS	666 000	0.98	0.98
Leonhard Nilsen & Sønner - Eiendom AS	645 257	0.95	0.95
Bliksmark AS	601 000	0.89	0.89
Total 20 largest shareholders	51 282 210	75.8	75.8



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SECTION 7. Other disclosures

In brief

This section provides insights into topics other than those covered in the previous sections, including related parties, provisions, contingent liabilities and events after the reporting period.



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7.1 Related parties

7.1.1 Key management personnel compensation

<i>For the year ended 31 December 2024</i>						
	Salary	Board remuneration	Pension costs	Share-based payments	Other remuneration	Total
<i>(Amounts in NOK thousand)</i>						
Martin Rasmussen, CEO	2 249	-	231	849	32	3 360
Bjame Martinsen, CFO	1 991	-	245	565	15	2 816
Jostein Nilssen, Project director	-	-	-	153	-	153
Christian Torgersen, COO	1 249	-	216	129	19	1 613
Roger Brynjulf Mosand, Chairman	-	280	-	-	1	281
Roy Bernt Pettersen, Board member	-	140	-	-	4	144
Knut Roald Holmøy, Board member	-	140	-	-	-	140
Tore Traaseth, Board member	-	140	-	-	-	140
Bettina Flatland, Board member	-	140	-	-	-	140
Kim Marius Strandenæs, Board member	-	140	-	-	3	143
António Serrano, Board member	-	-	-	-	-	-
Gro Skaar Knutsen, Board member	-	140	-	-	-	140
Total	5 489	1 120	691	1 696	74	9 070

<i>For the year ended 31 December 2023</i>						
	Salary	Board remuneration	Pension costs	Share-based payments	Other remuneration	Total
<i>(Amounts in NOK thousand)</i>						
Martin Rasmussen, CEO	1 917	-	235	1 932	18	4 101
Bjame Martinsen, CFO	1 750	-	273	783	14	2 819
Jostein Nilssen, Project director	-	-	-	348	-	348
Christian Torgersen, COO	1 107	-	108	253	12	1 480
Roger Brynjulf Mosand, Chairman	-	270	-	-	4	274



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Roy Bernt Pettersen, Board member	-	135	-	-	4	139	
Knut Roald Holmøy, Board member	-	135	-	-	-	135	
Tore Traaseth, Board member	-	135	-	-	-	135	
Bettina Flatland, Board member	-	135	-	-	-	135	
Kim Marius Strandenæs, Board member	-	135	-	-	2	137	
António Serrano, Board member	-	-	-	-	-	-	
Gro Skaar Knutsen, Board member	-	135	-	-	-	135	
Total		4 773	1 080	615	3 316	54	9 839

(*) Project Director Jostein Nilssen is not employed by Andfjord, and delivers key management services as an independent consultant. In 2024, NOK 3 600 thousand was expensed for his services.

As at 31 December 2024, Martin Rasmussen owns 125 000 shares, Bjarne Martinsen 40 000 shares and Christian Torgersen 2 739 shares in Andfjord Salmon Group AS. The Group has not granted any new options in 2024.

In addition to their roles as board members, Roger Mosand, Tore Traaseth and Kim Strandenæs have advised the Group in relation to financing. For this, RBM Invest (Roger Mosand) received NOK 243 thousand (2023: NOK 372 thousand) in 2023. Skagerak Vekst AS (Tore Traaseth) received NOK 77 thousand (2023: NOK 180 thousand). KS Invest AS (Kim Strandenæs) received NOK 2 000 thousand (2023: NOK 3 588 thousand). Andfjord Holding AS (Roy Pettersen) has received NOK 375 thousand (2023: NOK 0 thousand) for participation in different projects of the Group.



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7.1.2 Transactions with other related parties

Transactions with related parties	Relationship	2024	2023
<i>(Amounts in NOK thousand)</i>			
Financial advisory	Board members	2 320	4 140
Other operating expenses	Board members	375	-
Interest expense	Majority shareholders	-	1 000
Total related party profit or loss items		2 695	5 140

7.1.3 Balances with related parties

During 2023, the Group repaid the loan agreement with shareholders amounting to NOK 50 000 thousand.

No other balances with related parties were held by the Group at 31 December 2024 or 2023.

7.2 Provisions and contingent liabilities

7.2.1 Dismantling obligations

It has been assessed by Management whether dismantling provisions should be recognised, or contingent liabilities disclosed, in connection with any future termination of the business or license expiry.

In this respect, the Group operates on its own property, which is regulated for this kind of operations. Future disposal of the property must take care of the ecosystem and water quality in accordance with the Biodiversity Act and the Water Regulations, among others. This also applies in the event of termination of activities. The Group will be able to take care of the environment and comply with statutory requirements without requiring changes to its properties. It is the Group's assessment that, based on current legislation, there are no obligations related to the potential termination or dismantling of the operations.



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7.3 Commitments

The following significant contractual commitments are present at the end of the reporting period:

Capital commitments	2024	2023
<i>(Amounts in NOK thousand)</i>		
Property, plant and equipment	138 187	66 618
Total capital commitments	138 187	66 618

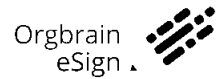
7.4 Events after the reporting Period


In March 2025, the Group raised funds of approximately NOK 1.4 billion through a bank package of NOK 400 million, potential sale and leaseback agreement of the harbour area valued at NOK 400 million, and a NOK 600 million private placement of new shares. Further, a leasing facility of NOK 175 million is planned for certain equipment financing, and an overdraft facility of up to 60% of the borrowing base, which is expected to be finalised ahead of the first smolt release, is discussed but not yet committed.


The Board of Directors is not aware of any other events that have occurred after the balance sheet date, or any additional new information regarding existing matters, that can have a material effect on the 2024 consolidated financial statements of the Group.




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Roger Brynjulf Mosand

 Roger Brynjulf Mosand
2025-04-09 18:16 UTC
631a197095027f6e961fd434



Antonio Serrano

 Antonio Serrano
2025-04-09 16:22 UTC
631f2d5209cc495a8d498354



Gro Skaar Knutsen

 Gro Skaar Knutsen
2025-04-09 17:15 UTC
631a197095027f6e961fd447



Hanne Digre

 Hanne Digre
2025-04-09 19:59 UTC
664205009cab834504448126



Knut Roald Holmøy

 Knut Roald Holmøy
2025-04-09 19:20 UTC
631a197295027f6e961fd466


Kim Marius Strandenæs

 Kim Marius Strandenæs
2025-04-09 16:16 UTC
631a197495027f6e961fd48b


Roy Bernt Pettersen

 Roy Bernt Pettersen
2025-04-09 16:18 UTC
631a197495027f6e961fd49d

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- Det originale dokumentet (55 pages)
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Andfjord Salmon Group AS – Parent Company

Annual financial statements

2024



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

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STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK thousand</i>	Notes	2024	2023
Revenue from contracts with customers		-	37 278
Other operating income		-	-
Total operating revenue		-	37 278
Changes in biological assets at cost and other inventories		-	(1 162)
Cost of materials		-	(59 358)
Fair value adjustments of biological assets		-	25 707
Employee benefit expenses	3.1	-	(24 783)
Depreciation and amortisation expenses		-	(21 857)
Other operating expenses	3.2	(3 597)	(31 545)
Operating profit/(loss)		(3 597)	(75 721)
Financial income	3.3	30 860	12 187
Net financial costs	3.3	(27 474)	(1 459)
Net financial result		3 386	10 728
Profit/(loss) before income tax		(211)	(64 992)
Income tax expense	3.4	-	-
PROFIT/(LOSS) FOR THE PERIOD		(211)	(64 992)
Net other comprehensive income/(loss)		-	-
COMPREHENSIVE PROFIT/(LOSS) FOR THE YEAR		(211)	(64 992)



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

STATEMENT OF FINANCIAL POSITION

<i>Amounts in NOK thousand</i>	Notes	2024	2023
ASSETS			
Non-current assets			
Shares in subsidiaries	4.1	414 651	412 339
Other non-current assets		-	30
Total non-current assets		414 651	412 369
Current assets			
Receivables from group companies	4.2	1 720 090	335 391
Other current assets	4.3	1 376	914
Cash and cash equivalents	4.4	24 745	250 032
Total current assets		1 746 211	586 337
TOTAL ASSETS		2 160 862	998 705
EQUITY AND LIABILITIES			
EQUITY			
Share capital	5.1	67 619	57 013
Share premium	5.1	1 440 261	1 124 620
Retained earnings		(190 640)	(190 429)
Other reserves		9 561	7 278
Total equity		1 326 801	998 483
LIABILITIES			
Borrowings	5.2, 5.3, 5.4	832 309	-
Total non-current liabilities		832 309	-
Trade payables		487	-
Liabilities from group companies		299	-
Other current liabilities		967	223
Total current liabilities		1 752	223
Total liabilities		834 061	223
TOTAL EQUITY AND LIABILITIES		2 160 862	998 705



ANDFJOR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

Roger Brynjulf Mosand
Chair

Roy Bernt Pettersen
Director

Knut Roald Holmøy
Director

Hanne Digre
Director

António Serrano
Director

Gro Skaar Knutsen
Director

Kim Strandenæs
Director

Martin Rasmussen
CEO

Andøy
9 April 2025



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

STATEMENT OF CASH FLOWS

<i>Amounts in NOK thousand</i>	<i>Notes</i>	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit/(loss) before income tax		(211)	(64 992)
Adjustments to reconcile profit/loss before tax to net cash flow:			
Depreciation and amortisation		-	21 857
Finance income/(expense), net	3.3	(3 386)	(10 728)
Share-based payment expense	3.1.1	2 282	3 734
Fair value adjustments of biological assets		-	(25 707)
Working capital changes:			
Increase in other inventories and biological assets at cost		-	39 403
Change in trade and other receivables		-	38 541
Change in trade payables		487	-
Change in other current assets and liabilities		611	(35 499)
Change in current assets to group company		-	(89 455)
Interests received		30 860	12 187
Interests paid		(27 474)	(7 833)
Net cash flow from operating activities		3 169	(118 482)
CASH FLOW FROM INVESTMENT ACTIVITIES:			
Payment for property, plant and equipment		-	(231 225)
Proceeds from sale of property, plant and equipment		-	-
Payments for investments and loans in subsidiaries		(1 387 012)	-
Payment for intangible assets		-	(6 307)
Net cash flow from investing activities		(1 387 012)	(237 532)
CASH FLOW FROM FINANCING ACTIVITIES:			
Equity received	5.1	326 247	583 182
Proceeds from borrowings	5.2	832 309	-
Repayment of borrowings		-	(55 918)
Payment of principal portion of lease liabilities		-	(4 128)
Net cash flow from financing activities		1 158 556	523 136
Net increase/(decrease) in cash and cash equivalents		(225 287)	167 122
Cash and cash equivalents at the beginning of the period		250 032	82 911
Cash and cash equivalents at the end of the period		24 745	250 032



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK thousand</i>	Notes	Share capital	Share premium	Retained earnings	Other reserves	Total equity
Balance at 1 January 2023		41 039	557 414	(125 438)	2 690	475 705
Profit for the year		-	-	(64 992)	-	(64 992)
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-	-	(64 992)	-	(64 992)
Capital increase June and July 2023	5.5	15 974	567 208	-	-	583 182
Share based payments to employees	3.1.1	-	-	-	4 588	4 588
Balance at 31 December 2023		57 013	1 124 620	(190 429)	7 278	998 483
Balance at 1 January 2024		57 013	1 124 620	(190 429)	7 278	998 483
Profit for the year		-	-	(211)	-	(211)
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-	-	(211)	-	(211)
Capital increase		10 606	315 641	-	-	326 247
Share based payments to employees	3.1.1	-	-	-	2 282	2 282
Balance at 31 December 2024		67 619	1 440 261	(190 640)	9 561	1 326 802



ANDFJØR SALMON GROUP AS – ANNUAL FINANCIAL STATEMENTS 2024

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ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

SECTION 1. Corporate information and basis of preparation

In brief

This section includes corporate information, basis of preparation, an overview of general accounting policies, key estimates, and judgements in the Company.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

1.1 Corporate Information

These financial statements have been prepared for Andfjord Salmon Group AS ('the Company') which is the parent entity of the Andfjord Salmon Group ('the Group'). At 31 December 2024, the Group is comprised of Andfjord Salmon Group AS (mother company) and Andfjord Salmon AS (Subsidiary).

The Company is a limited liability company incorporated and domiciled in Norway. Andfjord Salmon Group AS was established in 2014 and the registered office is located at Kvalnesveien 69, Andøy. The shares are currently traded on Euronext Growth Oslo under the ticker 'ANDF'.

The Group's business is to farm salmon with the aim of selling to third parties when the fish has reached a mature state. At 31 December 2024, the Group is only devoted to the construction of its land-based salmon farming facility located in the intertidal zone on the eastern shores of Andøya, in Andøy municipality.

After capital reorganisation, performed at the end of 2023, that involved transfer of operational activities to a newly established subsidiary, The Company's main activities comprise of holding shares in the subsidiary and entering into financing agreements to carry out the planned investments in the Group.

The stand-alone financial statements for the year ended 31 December 2024 of Andfjord Salmon Group AS were authorized for issue by the Board of Directors on 9 April 2025.

1.2 Basis of Preparation

The Company's financial statements are prepared in accordance with the simplified International Financial Reporting Standards (IFRS®) Accounting Standards rules as stipulated in the Norwegian Accounting Act's §3-9 and regulation on simplified IFRS issued by the Norwegian Ministry of Finance in 2022.

The Company has prepared financial statements as of 31 December 2024 together with the comparative periods for the year ended 31 December 2023.

All amounts are presented in NOK (Norwegian kroner), and rounded to the nearest thousand, unless stated otherwise. Transactions in foreign currencies are translated at the exchange rate applicable at the date of the transaction. Monetary items in a foreign currency are translated to NOK using the exchange rate applicable on the balance sheet date. Foreign exchange differences arising on translation are recognized in the income statement as they occur.

The financial statements have been prepared based on the going concern assumption. When preparing financial statements, management has assessed the Company's ability to continue as a going concern. There are no material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

1.2.1 Accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Historically, the areas involving significant estimates or judgements were mainly related to measuring of the fair value of the biomass, capitalisation of PPE and other operational activities, that are no longer part of the Company after the reorganisation at the end of 2023. Therefore, Management notes that these financial statements contain no areas subject to significant judgements or estimates.

Estimates and judgements are evaluated on an ongoing basis, and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

1.2.2 Statement of cash flows

The cash flow statement is prepared using the indirect method.

Interest paid on trade payables and interest received on trade receivables are presented as operating cash flows. Interests paid on borrowings are classified as operating cash flows.

Cash flows are only classified as investing activities if they result in the recognition of an asset in the statement of financial position.

Cash payments for the principal portion of the lease liabilities are presented as cash flows from financing activities, whereas cash payments for short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented as cash flows from operating activities.

1.2.3 New standards and interpretations adopted

The Company has applied certain amendments to the standards and interpretations that are effective for annual periods beginning 1 January 2024. None of the amendments and interpretations applied had impacts in the amounts recognised in the current or previous periods and are not expected to affect future periods.

1.2.4 New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Company.

Out of these standards, amendments or interpretations, mainly IFRS 18 'Presentation and Disclosure in Financial Statements' is expected to have a material impact on the company's future reporting periods and foreseeable future transactions. We refer to note 1.2.2 in the consolidated financial statements of Andfjord Salmon Group for the description and assessment of the new IFRS 18 standard.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

SECTION 2. Significant transactions and events during the reporting period

In brief

This section summarizes significant transactions and events that occurred during the reporting period.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

2.1 Significant transactions and events during the reporting period

The main transactions and events in relation to the Company are the following ones:

Transactions and events	Disclosure notes
First drawdowns of the construction loan facility of NOK 825 million.	Note 5.3
Capital increase of NOK 326 million in May.	Note 5.1

The financial position and the performance of the Company was not, other than mentioned above, particularly affected by any significant events or transactions during 2024.



ANDFJOR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

SECTION 3. Results of the year

In brief

This section provides insights into the financial performance of the Company, including those relating to financing activities and taxes.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

3.1 Employee benefits

The Company is a holding company with no employees. As such, the Company does not have any pension schemes. However, see Section 7.1.1 of the consolidated financial statements for further information on remuneration to its key management personnel.

3.1.1 Share based payments

Accounting policies

Share-based compensation programs are provided by Andfjord Salmon Group AS (mother company) to Andfjord Salmon AS (the subsidiary)'s employees. These programs are equity-settled, since services rendered by the employees will be settled with the Andfjord Salmon Group AS (mother company)'s own equity instruments.

The cost of the equity-settled program is measured at the fair value of the options, at the grant date. The cost of this share-based payments is recognised as 'shares in subsidiaries', with a corresponding increase in equity, over the vesting period. The vesting period is the period over which the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Company revises its best estimate of the number of options expected to vest, recognising in the investment in subsidiaries the difference between the cumulative expense at the beginning and period-end dates, with a corresponding adjustment to equity.

When the options vest in annual instalments over the vesting period, in substance it implies that each instalment has a different vesting period. Therefore, the Company accounts for each "tranche" as a separate award.

The Company recognises social security taxes from its share-based payments in line with IAS 37 'Provisions, contingent liabilities and contingent assets'. The Company assumes that the activity that triggers the payment is the granting of the options to its employees and measures the liability as the share price per the reporting date, minus the strike price of the options, multiplied by the current applicable social security tax rate.

In June 2022 Andfjord Salmon Group AS established a Long-Term Incentive Program for its Management and employees, under which the Company will deliver share options as part of the consideration for the services rendered by its employees. The incentive program consists of equity settled share options. As from the capital reorganisation date (see Section 1.2.1), employees and Management are hired by Andfjord Salmon AS' subsidiary.

The options granted have equal terms for all employees. The program is divided into three different tranches, with vesting periods ranging from one to three years starting at grant date 30 June 2022. An equal amount of shares vest in each of the three tranches. The earliest exercisable date is 1 January 2027 and the expiry date is 30 June 2031. These dates are the same for all options independently of vesting period or employee. During 2023, additional have been granted under the same terms.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

Employee share option plan	Earliest exercise date - expiry date	Strike price	Number of options
Number of options as at 1 January 2023		41,945	503 520
Options granted	1 January 2027 - 30 June 2031	41,945	248 800
Correction for employees who have left during the year			(15 000)
Number of options as at 31 December 2023			737 320
Weighted average remaining vesting period			1 year

Employee share option plan	Earliest exercise date - expiry date	Strike price	Number of options
Number of options as at 1 January 2024		41,945	737 320
Options granted	1 January 2027 - 30 June 2031	41,945	-
Correction for employees who have left during the year			(10 320)
Number of options as at 31 December 2024			727 000
Weighted average remaining vesting period			< 1 year

The Company assessed fair value at the grant date for the options granted in June 2022 as NOK 17.49 per option. The Company has calculated the value of the options using the Black-Scholes options pricing model, with the following main assumptions:

Assumptions share-based payment program

Expected dividend yield	0.0 %
Historical volatility	38.4 %
Risk-free interest rate	3.3 %
Expected life of option (years)	3

Due to the Company's limited length of share price history, expected volatility used in the calculations are estimated based on implied volatility of similar traded entities.

As any dividend payment during the options' vesting period is regulated with a proportional adjustment of the exercise price, the dividend parameter is not included in the calculations.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

3.2 Other operating expenses

Other operating expenses	2024	2023
<i>(Amounts in NOK thousand)</i>		
Expenses related to short-term and low-value leases	-	1 993
Legal and consultancy services (incl. remuneration to auditors)	3 030	10 193
Sales and marketing costs	-	7 324
Maintenance (incl. materials and other small equipment)	-	2 319
Insurance and bank fees	50	950
Energy expenses (fuel, electricity, water, etc.)	-	1 713
IT costs	345	3 604
Other taxes and levies	-	109
Other expenses	171	3 241
Total other operating expenses	3 596	31 545

Auditor's remuneration	2024	2023
<i>(Amounts in NOK thousand)</i>		
Statutory audit fees	284	523
Other assurance services	159	1 232
Total auditor's remuneration	443	1 755



ANDFJOR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

3.3 Finance income and costs

Finance income and costs	2024	2023
<i>(Amounts in NOK thousand)</i>		
Financial income	30 860	12 187
Interest from intercompany loan	26 669	-
Interest from bank deposit	4 191	12 136
Other financial income	-	51
Financial costs:		(6 293)
Interests on borrowings	(25 194)	(4 965)
Net foreign currency loss	-	(16)
Interest expense on lease liabilities	(1)	(658)
Other financial expense	(2 279)	(654)
Capitalised borrowing costs	-	4 834
Net finance result	3 386	10 728

3.4 Income tax

3.4.1 Income Tax Expense

Accounting policies

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred taxes are calculated at 22% of the temporary differences between book value and tax value, in addition to tax losses carried forward at the end of the accounting year.

The income tax rate has been determined by using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets are realised or the deferred income tax liabilities are settled.

Income tax expense	2024	2023
<i>(Amounts in NOK thousand)</i>		
Current income tax	-	-
Change in deferred tax	-	-
Total income tax expense	-	-

ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

3.4.2 Deferred Tax Balances

Accounting policies

The Company is subject to ordinary Norwegian company tax with a tax rate of 22%. Because of timing differences between the financial statements and the tax rules, there will be temporary differences that give rise to deferred tax liabilities or deferred tax assets.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses.

Deferred tax balances	2024	2023
<i>(Amounts in NOK thousand)</i>		
Total deferred tax relating to temporary differences	-	-
Tax losses to carry forward (*)	77 625	50 161
Not included in the deferred tax calculation	(77 625)	(50 161)
Basis for deferred tax assets (liabilities)	-	-
Carrying value of deferred tax assets (liabilities)	-	-

Deferred tax asset is not recognised in the balance sheet.

3.4.3 Reconciliation of Income Tax Expense

Reconciliation of income tax expense	2024	2023
<i>(Amounts in NOK thousand)</i>		
Profit before tax	(211)	(64 992)
Expected income tax at statutory income tax rate of 22% (2021: 22%)	(46)	(14 298)
Permanent differences	(5 226)	(6 031)
Demerger effect (*)	-	15 386
Change in unrecognised deferred tax asset	5 272	4 943
Calculated tax expense/(income)	-	-

Permanent differences relate to equity issue costs recognised directly against the share premium.

(*) Demerger effects are due to the tax treatment of the capital reorganisation and the use of predecessor accounting. In the tax reporting, the demerger has been treated as effective from 1 January 2023. In accordance with the demerger plan, the profit is distributed between the transferor company (being the mother company) and the Acquiring Company (the subsidiary) to reflect the business or part of the business that the companies will continue. Only costs relating to the listing of the shares on Euronext Growth and owning and administrating the subsidiary has been allocated as taxable costs. Also, only interest income on bank deposits have been recognised as taxable income. In total, a taxable profit of NOK 3 618 thousand has been calculated, and have been netted out with carry forward losses from previous years. The tax expense of the Company is therefore zero.



ANDFJOR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

SECTION 4. Assets

In brief

This section provides insights into the disclosures in relation to asset items of the Company.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

4.1 Investments in subsidiaries

Accounting policies

Investments in subsidiaries are measured at cost.

Investment in subsidiaries	Voting share/ ownership share	31 December 2024
<i>(Amounts in NOK thousand)</i>		
Andfjord Salmon AS (the subsidiary)	100%	414 651
Total investments in subsidiaries		414 651

4.2 Financial assets

None of the financial instruments held by the Company are measured at fair value. The financial instruments' amortised cost is considered to be a close approximation to their fair value.

Financial assets	31 Dec 2024	31 Dec 2023
<i>(Amounts in NOK thousand)</i>		
Debt instruments measured at amortised cost:	1 743 981	250 032
Receivables from Group companies	1 720 090	335 391
Cash and cash equivalents	24 745	250 032
Total financial assets	1 744 835	250 032

Receivables from group companies arose as a consequence of the Company's reorganisation indicated in Section 1.2.1, and it is also disclosed as a balance with related parties 7.1.

4.3 Other current assets

Other current assets	31 Dec 2024	31 Dec 2023
<i>(Amounts in NOK thousand)</i>		
Other receivables	-	-
Prepayments	1 199	-
Government grants receivables	-	903
VAT receivables	176	-
Other current assets	-	11
Total other current assets	1 376	914



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

4.4 Cash and cash equivalents

Cash and cash equivalents	31 Dec 2024	31 Dec 2023
<i>(Amounts in NOK thousand)</i>		
Cash at bank	24 745	250 032
Restricted cash (payroll)	2	1 160
Unrestricted cash	24 744	248 872
Total cash and cash equivalents	24 745	250 032

All cash and cash equivalents held by the Company is to be used for the purpose of completing the investment projects that are currently undertaken by Andfjord Salmon AS, and carrying out the holding activities of the Company.

4.4.1 Short-term deposits

The Company does not hold bank deposits or other short-term, liquid investments that have been classified as cash equivalents.

4.4.2 Restricted cash

Part of the cash and cash equivalents disclosed is subject to regulatory restrictions on payroll tax liabilities and is therefore not available for general use by the Company.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

SECTION 5. Capital and debt structure

In brief

This section provides insights into Andfjord Salmon's capital and debt structure, including financial risk and capital management.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

5.1 Share capital

5.1.1 Share capital and share premium

As of 31 December 2024, the share capital consists of 67 619 013 ordinary shares (2023: 57 012 953 shares), with a par value of NOK 1.00 each. All shares are entitled to equal rights with respect to dividends, voting rights and other rights in accordance with Norwegian corporate law.

5.1.2 Authorised shares and amounts

	Number of shares		Amounts in NOK thousand	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Authorised shares				
Fully paid ordinary shares	67 619 013	57 012 953	67 619	57 013
Total share capital	67 619 013	57 012 953	67 619	57 013

5.1.3 Movements in ordinary shares

Movements in ordinary shares	Number of shares	Par value per share (NOK)	Share premium total (TNOK)	Total (TNOK)
At 1 January 2023				
Opening balance	41 038 927	1.00	557 413	598 452
Capital increase Tranche 1	5 922 078	1.00	222 078	228 000
Capital increase Tranche 2	10 051 948	1.00	376 948	387 000
Transaction costs	-	-	(31 818)	(31 818)
Spun off in demerger	(36 482 589)	1.00	(375 002)	411 485
Triangular merger	36 482 589	1.00	375 002	411 485
Closing balance at 31 December	57 012 953	1.00	1 124 621	1 181 634
At 1 January 2024				
Opening balance	57 012 953	1.00	1 124 621	1 181 634
Capital increase	10 606 060	1.00	339 394	350 000
Transaction costs	-	-	(23 753)	(23 753)
Closing balance at 31 December	67 619 013	1.00	1 440 262	1 507 881

During 2024, the Company completed a private placement on 22 May 2024. As a consequence, the share capital and premium increased by NOK 350 million, and the number of shares by 10 606 060. Transaction costs corresponds to the incremental directly attributable costs from this increase in capital. The capital increase was approved on 22 May 2024 and registered in the Norwegian Register of Business Enterprises on 30 May 2024.

During 2023, the Company completed a private placement on 29 June 2023. As a consequence, the total share capital and premium increased by NOK 615 million, and the number of shares by 15 974



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

026. Transaction costs corresponds to the incremental directly attributable costs from this increase in capital. The capital increase was approved on 6 July and registered in the Norwegian Register of Business Enterprises on 14 July.

On 23 October 2023 the general meeting resolved to demerger Andfjord Salmon AS (mother company) followed by implementation of the triangular merger with the subsidiaries. The transactions resulted in a share capital reduction of NOK 36.5 million, immediately followed by a share capital increase of NOK 36.5 million.

On 15 December 2023, a capital reorganisation occurred via a triangular merger. A demerger reduced share capital and share premium, followed by a merger increasing the share capital and share premium, with no (zero) net effect. See section 1.2.1 for further information.

At 31 December 2023, the Company held 5 thousand (2022: 5 thousand) treasury shares amounting to NOK 185 thousand (2022: NOK 185 thousand). Treasury shares are recognised at cost. These are deducted from equity and no gain or loss is recognised on the purchase, sale, issue or cancellation of these shares.

5.1.4 List of the 20 largest shareholders at 31 December 2024

Shareholders	Number of shares	Ownership percentage	Voting percentage
Jerónimo Martins Agro-Alimentar, S.A.	18 958 855	28.04	28.04
Andfjord Holding AS	4 858 680	7.19	7.19
KG Investment Comp AS	3 636 419	5.38	5.38
High Liner Foods INC	3 634 970	5.38	5.38
Eidsfjord Sjøfarm AS	3 071 759	4.54	4.54
OG Invest AS	2 250 991	3.33	3.33
Skagerak Vekst AS	2 045 064	3.02	3.02
Jan Heggelund	1 932 865	2.86	2.86
DNB Markets Aksjehandel/-Analyse	1 339 597	1.98	1.98
Karstein Gjersvik	1 291 384	1.91	1.91
Traaseth Property AS	1 262 916	1.87	1.87
Euro Tv AS	1 057 114	1.56	1.56
Vicama AS	1 000 000	1.48	1.48
Sirius AS	940 000	1.39	1.39
Sparebank 1 Markets AS	710 541	1.05	1.05
J.P. Morgan Securities LLC	693 142	1.03	1.03
Ristora AS	685 656	1.01	1.01
Omniverse AS	666 000	0.98	0.98
Leonhard Nilsen & Sønner - Eiendom AS	645 257	0.95	0.95
Bliksmark AS	601 000	0.89	0.89
Total 20 largest shareholders	51 282 210	75.84	75.84



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5.2 Financial liabilities

None of the financial instruments held by the Company are measured at fair value. The financial instruments' amortised cost is considered to be a close approximation to their fair value.

Financial liabilities	31 Dec 2024	31 Dec 2023
<i>(Amounts in NOK thousand)</i>		
Liabilities measured at amortised cost	833 094	-
Borrowings	832 309	-
Liabilities from group companies	299	-
Trade and other payables	487	-
Total financial liabilities	833 094	-

5.3 Borrowings

Accounting policies

Borrowings are initially recognised at fair value, net of transaction costs incurred that are directly attributable to the issuance of the financial liability. After initial recognition, borrowings are measured at amortised cost. Any difference between the net proceeds and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as financial expenses.

Borrowings are classified as current liabilities except for the portion of the liability that is due to be settled more than twelve months after the reporting period, or for the portion the Company has an unconditional right to defer settlement for at least twelve months after the reporting period.



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Overview of borrowings	31 Dec 2024	31 Dec 2023
<i>(Amounts in NOK thousand)</i>		
Non-current		
Debt to credit institutions	832 309	-
Total non-current borrowings	832 309	-
Current		
Debt to credit institutions	-	-
Total current borrowings	-	-
Total borrowings	832 309	-

5.3.1 Relevant terms and conditions

Debt with financial institutions

Debt to financial institutions consist of a construction loan facility with an available amount of up to NOK 825 million and a loan facility of NOK 75 million entered into with SpareBank 1 Nord-Norge and bank alliance partners (with support from Eksfin). These facilities have drawdown available until 31 December 2025. Additionally, up until that date, the Company can decide to convert these facilities into a new facility maturing 4 years after the conversion date (i.e. latest maturity 31 December 2029). No payments of principal are required until 24 months after the conversion date (i.e. starting at 31 December 2027, at the latest), with quarterly instalments that reflect a repayment period of 12 years. In addition, the financing agreement includes an overdraft facility, which is subject to annual renewal. The total amount available is NOK 20 million.

5.3.2 Assets pledged as securities for liabilities

The debt to credit institutions required certain assets to be pledged as security, being property, plant and equipment, inventory, trade receivables and licenses.

As of 31 December 2024, all assets held by Andfjord Salmon Group AS are pledged as security for its debt to credit institutions. As of 31 December 2024, assets pledged as security included shares in subsidiaries with a carrying amount of NOK 414 651 thousand, and receivables from group companies with a carrying amount of NOK 1 719 235 thousand.

Assets pledged as security in relation to the outstanding loans and credit facilities also include aquaculture permissions, other inventories, and trade receivables.

5.3.3 Compliance with covenants

Debt to financial institutions entered during 2024 (see note 5.2.1 for further information) is subject to the following covenants:

- Overdraft facility within 60 % of borrowing base
- Total equity at minimum 35 % of Total assets at year-end
- Minimum liquidity of NOK 50 million each quarter until 31 December 2027



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The following covenants are applicable as of 31 December 2027:

- Net interest-bearing debt / EBITDA shall be above 5,00
- Minimum required working capital of NOK 100 million

The Company has complied with the financial covenants during the reporting period, and Management does not expect to breach any covenant in the foreseeable future.

5.4 Reconciliation of cash flows from financing activities

Reconciliation cash flow from financing activities	Borrowings	Lease liabilities	Total
<i>(Amounts in NOK thousand)</i>			
Liabilities from financing activities at 1 January 2023	123 543	17 979	141 522
Financing cash flow (payments)	(55 918)	(4 176)	(60 094)
Foreign exchange adjustments	-	48	48
Disposals by merger	(67 625)	(13 851)	(81 476)
Liabilities from financing activities at 31 December 2023	-	-	-
Cash inflows from new borrowings	849 196	-	849 196
Capitalised financing costs	(18 625)	-	(18 625)
Amortised financing costs	1 739	-	1 739
Liabilities from financing activities at 31 December 2024	832 309	-	832 309

5.5 Financial risk and capital management

As indicated in Note 5.1, financial assets held by the Company mainly comprise cash and cash equivalents. Financial liabilities are mainly comprised of borrowings and trade payables.

In conducting its operations, the Company faces the following main types of risks: credit risk, liquidity risk and market risk. Management keeps track of the evolution of the different risks, and the potential impact to the Company. The Company has not entered into any derivative contracts to manage its exposure to financial risks during 2024 or 2023.

The following sections provide disclosures on the specific exposure to risks and how they arise; the objectives, policies, and processes for managing the risks and the methods used to measure the risk; and any changes thereof.

5.5.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the Company by failing to settle its obligation. The Company is exposed to credit risks in conducting its ordinary activities.



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Cash and cash equivalents from the Company are managed by the Company's Finance Department. The Company limits the amount of deposits that can be held in a single bank to limit the concentration of risks.

5.5.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company manages its liquidity with a high level of prudence, with rules and policies that ensure an adequate amount of cash and cash equivalents to meet the immediate needs of resources both in the short and long term. Management develops rolling forecasts on liquidity, which are regularly monitored against the contractual maturities of the financial liabilities.

5.5.2.1 Maturities

The following table discloses the maturity analysis for non-derivative liabilities (except for lease liabilities, which are disclosed in Note 6.3), showing its undiscounted remaining contractual liabilities:

At 31 December 2024	Carrying amount	Nominal amounts			Total	
		Less than 3 months	3-12 months	More than 1-5 years 5 years		
<i>(Amounts in NOK thousand)</i>						
Borrowings	832 309	-	-	156 058	693 138	849 196
Trade payables	487	487	-	-	-	487
Other current liabilities	299	-	299	-	-	299
Total financial liabilities	833 094	487	299	156 058	693 138	849 981

At 31 December 2023	Carrying amount	Nominal amounts			Total	
		Less than 3 months	3-12 months	More than 1-5 years 5 years		
<i>(Amounts in NOK thousand)</i>						
Other current liabilities	205	-	205	-	-	205
Total financial liabilities	205	-	205	-	-	205

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5.5.2.2 Financing facilities

As at 31 December 2024, the Company has undrawn amounts from its loan facility with a credit institution (as disclosed in Note 5.2 until the end of 2025), which provides the Group with the financing needed to complete the construction projects of its pools.

5.5.3 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is mainly exposed to interest rate risk.

Foreign exchange risk is not considered relevant for the Company as they do not hold any balances in foreign currencies. The Company is neither exposed to risk related to salmon price as it does not hold any derivatives or other financial contracts based on the price of salmon as of 31 December 2024.

5.5.3.1 Interest rate risk

The following table summarises the effects that a reasonably possible change in the effective interest rate of the borrowings would have in the profit after tax:

Sensitivity of changes in interest rates on borrowings <i>(Amounts in NOK thousand)</i>	Impact on profit after tax	
	2024	2023
Increase in interest rate of 2%	(16 984)	-
Decrease in interest rate of 1%	8 492	-

Changes in interest rates on borrowings will not have impact on OCI, and Andfjord has no hedge accounting.

The Company's exposure to interest rate risk arises from long-term borrowings with variable rates (see Note 5.1 and 5.2 for further information) based on the NIBOR rate applicable at each point in time.

The Company has not entered any interest rate swaps agreement or other interest rate hedges to mitigate risk related to increase in the variable interest rate of its loans.

5.5.3.2 Currency risk

The Company is currently exposed to currency risk to a small extent. Although some components for the development have been purchased in EUR, both cost and investments are primarily in NOK. The Company will be increasingly exposed to currency risk once its subsidiary starts operating the fish farming facility and in the case of future fish sales. Currency hedging will be considered to reduce such exposure.

Due to the very limited currency risk exposure, no sensitivity analysis has been presented.



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5.5.4 Capital management: objectives, policies and processes

The Company defines capital as equity, including other reserves. The Company's main objective when managing capital is to ensure the ability of the Company to continue as a going concern and to meet all requirements imposed by external financing agreements in the form of covenants.



ANDFJOR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

SECTION 6. Other disclosures

In brief

This section provides insights into topics other than those covered in the previous sections, including related parties, provisions, contingent liabilities and events after the reporting period.



ANDFJØR SALMON GROUP AS - ANNUAL FINANCIAL STATEMENTS 2024

6.1 Related parties

6.1.1 Key management personnel compensation

For key management personnel compensation, we refer to the consolidated financial statements Note 7.1.1.

6.1.2 Transactions with related parties

Transactions with related parties	Relationship	2024	2023
<i>(Amounts in NOK thousand)</i>			
Financial advisory	Board members	2 243	4 140
Interest income	Subsidiary	26 669	-
Interest expense	Majority shareholders	-	1 000
Total related party profit or loss items		28 912	5 140

6.1.3 Balances with related parties

At year-end, the Company has group receivables of NOK 1 719 235 thousand towards its subsidiary. Part of the intercompany balance is expected to be converted to equity in 2025. The Company also has NOK 299 thousand in liabilities from group companies.

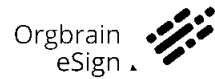
6.2 Events after the reporting period

In March 2025, the Company raised funds of approximately NOK 1.4 billion through a bank package of NOK 400 million, potential sale and leaseback agreement of the harbour area valued at NOK 400 million, and a NOK 600 million private placement of new shares. Further, a leasing facility of NOK 175 million is planned for certain equipment financing, and an overdraft facility of up to 60% of the borrowing base, which is expected to be finalised ahead of the first smolt release, is discussed but not yet committed.


The Board of Directors is not aware of any other events that have occurred after the balance sheet date, or any additional new information regarding existing matters, that can have a material effect on the 2024 financial statements of the Company.




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Roger Brynjulf Mosand

 Roger Brynjulf Mosand
2025-04-09 18:18 UTC
631a197095027f6e961fd434



Antonio Serrano

 Antonio Serrano
2025-04-09 16:22 UTC
631f2d5209cc495a8d498354



Gro Skaar Knutsen


 Gro Skaar Knutsen
2025-04-09 17:16 UTC
631a197095027f6e961fd447



Hanne Digre

 Hanne Digre
2025-04-09 20:00 UTC
664205009cab834504448126



Knut Roald Holmøy

 Knut Roald Holmøy
2025-04-09 19:20 UTC
631a197295027f6e961fd469


Kim Marius Strandenæs

 Kim Marius Strandenæs
2025-04-09 16:17 UTC
631a197495027f6e961fd48b


Roy Bernt Pettersen

 Roy Bernt Pettersen
2025-04-09 16:20 UTC
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Medlemmer av Den norske Revisorforening

To the General Meeting in Andfjord Salmon Group AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Andfjord Salmon Group AS (the Company) which comprise:

- The financial statements of the Company, which comprise the statement of financial position as at 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the statement of financial position as at 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors and the Chief Executive Officer (management) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information consists of the information included in the annual report other than the financial statement and our auditor's report. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially



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misstated. We are required to report if there is a material misstatement in the Board of Directors' report and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to

Independent auditor's report - Andfjord Salmon Group AS 2024

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draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tromsø, April 9, 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Monica Sørensen
State Authorised Public Accountant (Norway)

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Sørensen, Monica

Statsautorisert revisor

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Board of Directors' report

Nature of the enterprise

Andfjord Salmon is developing the aquaculture industry of the future and has an ambition of building the most fish-friendly and sustainable aquaculture facility of its kind. The benefits of both sea and land-based salmon farming are combined to achieve this. The result is a high level of salmon welfare and sustainable production by using Arctic seawater in land-based pools. Andfjord Salmon is a Norwegian Company that was established in Andøy municipality in 2014. The Company is developing production facilities and operating premises on Andøya. The Company has a license to farm 10,000 tonnes of maximum allowed biomass (MAB), at Kvalnes, Andøya. The Company is currently developing the Kvalnes site. Yearly production volume under the current license is expected to be 23,700 tonnes (HOG + post-smolt) when the build-out has been completed in mid-2027. Andfjord Salmon has also secured coastal properties at Fiskeenes and Breivik on Andøya for future expansion. In total, the Company has a long-term ambition of an annual production of more than 90,000 tonnes HOG from all three sites.

Overview of the annual financial statements

The financial statements for the year ended 31 December 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS®) as endorsed by the European Union (EU).

Andfjord Salmon consists of parent Company Andfjord Salmon Group AS and one subsidiary, Andfjord Salmon AS, together "the Group".

Loss before income tax for 2024 was NOK 67.9 million for the Group, compared to a loss of NOK 69.8 million in 2023. In 2024, the Company employed 23 full-time equivalents and employee benefit expenses amounted to NOK 21.7 million after capitalisation of expenses related to construction. Depreciation and amortisation expenses were NOK 24.8 million in 2024, while other operating expenses totalled NOK 25.5 million. The loss is in line with the Board's expectations for the current phase of the Company. Focus in 2024 has been on developing the Kvalnes land-based aquaculture facility, including construction of the four next pools and associated pool infrastructure, plus share infrastructure – such as waterways and harbour area – to support a future total annual production capacity of 48,100 tonnes HOG + post-smolt at Kvalnes. The next release of smolt will be in the third quarter of 2025, followed by continuous production thereafter.

The Group generated sales revenue in 2024 of NOK 190 thousand, which were fish remaining from the first production cycle that was harvested in 2023.

Net cash flow from operating activities was NOK -63.2 million, while operating loss was NOK -72 million. The Group's cash flow from investment activities was NOK -1.205 million, which is related to construction of four new pools and associated area



infrastructure at Kvalnes. Net cash flow from financing activities was NOK 1,078 million in 2024.

Total assets at the end of 2024 were NOK 2,397.5 million for the group. Total non-current assets were NOK 2,260.5 million, which consisted of investments in property, facility and equipment at Kvalnes, property at the Breivik and Fiskenes locations and intangible assets of NOK 16.4 million. Since its inception in 2014, the group has carried out research and development that has resulted in a patented solution that has been implemented in the first pool. Direct expenses for equipment and external consultants in connection with development of the solution are entered in the balance sheet as intangible assets. Direct expenses related to the patent itself are also accounted for as an intangible asset.

Current assets mainly consist of bank deposits and current receivables.

Risk factors

Market risks

Liquidity risk

The Group has financed the construction of four new pools, which will increase annual production capacity to 11,000 tonnes (HOG + post-smolt), and infrastructure including waterways and a harbour area which will support a complete development of Kvalnes to a production capacity of 48,100 tonnes per year. The financing package consists of equity and a construction loan of NOK 825 million from Sparebank 1 Nord-Norge, Sparebank 1 SR-Bank and Sparebank 1 SMN, supported by a guarantee of 50% from Eksfin. At the end of 2024, the group had a cash balance of NOK 59.2 million, undrawn construction loan of NOK 40 million, and an undrawn credit facility of NOK 20 million.

The Group's growth strategy and future plans are capital intensive and dependent on further future financing to continue to increase the production capacity beyond 11,000 tonnes yearly. The successful first production cycle has proven the concept and provided the basis for the strong financing the group secured in 2023.

Subsequent to year-end 2024, in March 2025, the Group raised funds of approximately NOK 1.4 billion through a bank package of NOK 400 million, potential sale and leaseback agreement of the harbour area valued at NOK 400 million, and a NOK 600 million private placement of new shares. Further, a leasing facility of NOK 175 million is planned for certain equipment financing, and an overdraft facility of up to 60% of the borrowing base, which is expected to be finalised ahead of the first smolt release, is discussed but not yet committed.

Currency risk

The salmon market is international and the group is exposed to currency risk in relation to sales income. In the future, currency hedging will be used to reduce such exposure.

Interest rate risk



The group is exposed to fluctuations in interest rate levels through interest-bearing debt. Total interest-bearing debt at the end of 2024 was NOK 832.3 million. Liquidity reserves are deposited on bank accounts and are thus exposed to interest rate fluctuations.

Credit risk

The group is currently exposed to credit risk through the placement of surplus liquidity in Norwegian regulated banks. Customer receivables are limited in the current phase.

Cybersecurity risk

Andfjord Salmon depends on IT systems throughout the Company's operations. The risk of falling victim to a cyberattack is rising to companies in general. Disruptions to critical systems could negatively affect Andfjord Salmon's ability to operate safely and effectively.

Pandemic risk

Pandemics may impact Andfjord Salmon and the economy at large. For example, the long-term impact on the global economy may result in impairment of assets and future decrease of the market as consumers change their habits and investors reduce their investments. Further, personnel may not be able to work due to illness, quarantines, travel restrictions and social distancing causing a shutdown of operations of the Company and its suppliers.

Going concern

The accounts have been prepared under the assumption that the companies the Group are a going concern. In accordance with Section 3-3a of the Norwegian Accounting Act, the Board confirms that the companies and the Group fulfil the requirements necessary for them to continue to operate as a going concern. The Board bases this on the Group's financial position, which is good.

Working environment

The Board considers the group's working environment to be good. No special measures have been implemented to improve the working environment. Registered sickness absence was 2.97% in 2024, while sickness absence in 2023 was 0.83%. The Group has not had any accidents or incidents in 2024 that have led to personal injuries.

Future outlook

The Group holds a fish farming licence of 10,000 tonnes MAB and expects to reach a total annual production volume of 23,700 tonnes (HOG + post-smolt) at Kvalnes under the current production license. The four next pools are being completed in 2025, which will lead to a production capacity of 11,000 tonnes. The group has secured rights to coastal properties at Fiskenes and Breivik on Andøya, enabling a potential future production of more than 90,000 tonnes HOG. The current licence will be utilised in its entirety at the Company's first production facilities at Kvalnes.

The Board considers the future prospects to be good. Successful biological results have strengthened the Company's position significantly.



The land-based facility at Kvalnes will continue to be the Company's main focal point in the coming years. However, the Company is also working on regulation of the Fiskenes and Breivik sites and will apply for a licence for 20,000 tonnes MAB (25,000 tonnes HOG) for each of the locations. The zoning plan for Breivik was approved by the local municipality in 2022. There are also plans to further develop the Kvalnes site to a total production capacity of 48,000 tonnes per year.

Andfjord Salmon benefits from the well-developed salmon farming industry in the Vesterålen area, where the necessary infrastructure with sufficient capacity and expertise has already been established. This makes it possible to have a fully integrated value chain, from smolt production and salmon farming to sales and distribution to end customers.

The Group's financial position and outlook is primarily dependent on the price of farmed salmon and the level of production costs. Historically, the market price of farmed salmon has been subject to market fluctuations.

Andfjord Salmon's flow-through concept requires low energy consumption. Due to the facilities' unique location directly adjacent to the Gulf Stream, they have access to water at very favourable temperatures year-round. Inlet water is sourced at 50 meters' below the levels inhabited by salmon lice. Salmon lice treatment represents a significant production cost in sea based salmon farming, and avoiding this gives a significant production cost advantage compared to traditional sea-based farming. The Company is largely dependent on maintaining its current licence and being awarded new licences in order to develop the business in the future.

Corporate governance

Andfjord Salmon has prepared a report on corporate governance that is included in the annual report, which is available on the Company's website. Although the Company is not subject to the Norwegian Code of Practice for Corporate Governance, it aims to comply with the principles of the recommendations as the business transitions into an operational phase. The report on corporate governance sets out the Company's status in relation to the recommendations.

Gender equality and discrimination

In 2024, 23 full-time equivalents were performed by employees of the group. At the end of the year, the Board consisted of seven members, of which two are females. At the end of 2024, the Group had 23 employees in total, of which nine are women. The proportion of woman among employees has increased considerably during the last couple of years. Based on an assessment of the size of the Group, the number of employees and job categories, the Board has not found it necessary to take further action with respect to gender equality at this time. However, Andfjord Salmon is keen to further increase the share of female employees, both in senior positions and in the Group in general. Andfjord Salmon shall be a workplace where there is full gender equality between women and men, and it shall ensure that there is no discrimination based on gender. More information on the status of gender equality in the Company can be found in the ESG report, which is part of the annual report available on the Company's website.



The natural environment

The Group does not pollute the natural environment to any significant extent in its current phase, but it has nevertheless implemented environmental measures in connection with the development at Kvalnes. It is a clear goal that the business shall have the smallest possible environmental footprint. Biological waste from the facility is captured and refined as a commercial resource, limiting discharges from the facility. The Company has prepared a separate ESG report as part of the annual report, which contains a detailed account of how it works towards achieving sustainability goals.

Other matters

Andfjord Salmon performs evaluations and assessments of suppliers in line with the Transparency Act. The Group will publish an updated statement on due diligence assessments on its website by the end of June 2025.

The Group has taken out insurance for the Board members and the CEO for their possible liability to the group and third parties, with an insurance sum of NOK 300 million.

The Board does not know of any other matters of importance to consider the Group's position and profit/loss, other than those presented in the annual financial statements and notes to the annual financial statements. No matters have arisen after the end of the financial year that have an impact on the Board's assessment of the annual financial statements.



Board of Directors and CEO of Andfjord Salmon Group AS

We hereby confirm that it is our sincere conviction that the financial statements for the period 1 January to 31 December 2024 have been prepared in accordance with the provisions and good accounting practices set out in the Norwegian Accounting Act, and that the information in the financial statements provides an accurate picture of the Company's and the Group's assets, liabilities, financial position, and profit/loss as a whole. We hereby confirm that the annual report provides an accurate overview of the development, annual profit/loss and position of the Company and the Group, together with a description of the most important risks and uncertainties the enterprise is facing.

Andøy, 9 April 2025

Roger Brynjulf Mosand
Chair

Roy Bernt Pettersen
Director

Antonio Serrano
Director

Gro Skaar Knutsen
Director

Knut Roald Holmøy
Director

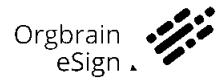
Hanne Digre
Director

Kim Strandenæs
Director


Martin Rasmussen
CEO




This document is signed with Orgbrain eSign - a standard electronic signature compliant with EU regulation 910/2014 (eIDAS).





Roger Brynjulf Mosand

 Roger Brynjulf Mosand
2025-04-09 18:19 UTC
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Antonio Serrano

 Antonio Serrano
2025-04-09 16:23 UTC
631f2d5209cc495a8d498354


Gro Skaar Knutsen


 Gro Skaar Knutsen
2025-04-09 17:17 UTC
631a197095027f6e961fd447



Hanne Digre

 Hanne Digre
2025-04-09 20:00 UTC
664205009cab834504448126



Knut Roald Holmøy

 Knut Roald Holmøy
2025-04-09 19:21 UTC
631a197295027f6e961fd466


Kim Marius Strandenæs

 Kim Marius Strandenæs
2025-04-09 16:17 UTC
631a197495027f6e961fd48b


Roy Bernt Pettersen

 Roy Bernt Pettersen
2025-04-09 16:21 UTC
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