

Extending the ocean potential

Q4 2024

SALMON
EVOLUTION®



Highlights in the quarter

- New harvest record, with total harvest of 1,729 tonnes HOG including post smolt.
- Farming EBITDA NOK 9/kg, Group EBITDA 9.3 NOKm and Farming EBITDA 15.3 NOKm.
- Solid price achievement – strategy of backloading harvest in second half of 2024 paying off.
- Standing biomass end Q4 at ~2,000 tonnes LW. Stable operations supporting continued positive growth trend at Indre Harøy, with biomass growth of 1,518 tonnes LW in the quarter.
- Indre Harøy phase 2 construction well underway – on track for first smolt release in Q1-26 as planned.
- Strong financial position with 684 NOKm in available liquidity including committed undrawn credit facilities. Additionally, the Company has 1,450 NOKm in earmarked construction financing.

Key figures

Operational	Q4 2024	Q4 2023	2024	2023
Standing biomass (tonnes, LW)	2 023	2 204	2 023	2 204
Net growth (tonnes, LW)	1 518	1 439	5 706	3 751
Harvest volumes (tonnes, HOG)	1 729	1 104	4 891	1 874
All-in price realization/kg (NOK) ¹	82,4	76,4	93,4	82,0
Farming EBITDA/kg	8,9	NA	23,0	NA
Farming costs/kg (NOK)	74,9	NA	69,4	NA
Financial (in thousand)				
Operating revenues	149 535	88 850	471 573	168 424
Operational EBITDA ²	9 248	-16 162	71 415	-83 950
Operational EBIT ²	-11 291	-33 253	-4 727	-130 680
Cash flow from operations	965	5 293	43 331	-124 445
Operational EBITDA Farming Norway ²	15 325	43	112 425	-23 214
Capital structure (in thousand)				
Cash flow from investment activities	-155 496	-60 838	-342 562	-338 436
Cash flow from financing activities	20 742	-3 923	342 297	570 516
Cash and cash equivalents	429 462	386 395	429 462	386 396
Net Interest-bearing debt	313 111	299 386	313 111	299 386
Equity ratio (%)	70 %	71 %	70 %	71 %
Profitability				
Earnings per share (NOK)	-0,00	-0,00	-0,11	-0,37

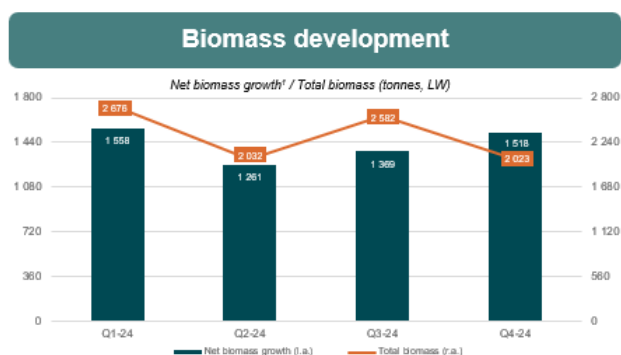
¹Calculated on a back to farm basis and adjusted for transport cost to Norway border (Nasdaq equivalent)

²Before fair value adjustment related to biological assets

Norway

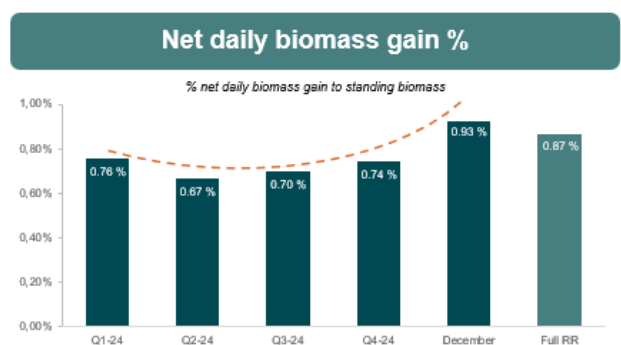
Operations

Salmon Evolution is experiencing continued stable operations with strong biological KPIs both at the smolt facility in Dale and at the grow-out facility on Indre Harøy.



1) Net biomass growth includes mortality and culling

At Indre Harøy the positive growth trend continued in Q4-24, with good feeding and biomass gain, especially from the second half of November and through December. The biomass production was the second highest on record with 1,518 tonnes LW, a +11% growth quarter over quarter. At the end of Q4-24 the Company had a standing biomass of 2,023 tonnes LW including smolt.



Enabled by stable operations, the Company is fully focused on optimization and turning to take out the full growth potential in the farm. A wide range of optimization activities are ongoing, with different time frames and expected impact. The steady improvement in daily growth

rates, with biomass production accelerating towards the end of the quarter, highlights the positive impact of these activities. The tuning and optimization are deeply rooted in data – everyday Salmon Evolution collect over 40 million datapoints at Indre Harøy, providing insights that is key in taking out the full potential and beyond.

The Company stocked two smolt groups during the fourth quarter, both performing well after transfer from the smolt facility to Indre Harøy. Both batches had stocking weights above targeted weight (> 130g). In general, the performance at the smolt facility in Dale has been strong during 2024, with biomass growth 36% above 2023. As previously mentioned, the Company has during 2024 implemented enhanced vaccination protocols and changes to the smoltification process at the smolt facility which is expected to result in a stronger and more adaptable smolt. Additionally, several upgrades have been made to the Dale smolt facility during 2024, including installing additional heating capacity to ensure a better and more stable growth environment in the winter season. The Company is pleased to note that thus far these initiatives have yielded the expected positive impact.

During the quarter the Company harvested 1,729 tonnes HOG, including 105 tonnes LW post smolt (LW to HOG conversion 84 %). Salmon Evolution experienced continued excellent product quality with superior grade share of 95 % during the quarter. The average harvest weight was 3.8 kg HOG, up 15 % from last quarter.

During the quarter the Company harvested Batch 9 and 10 and stocked the 18th smolt group. Batch 9 provides a strong datapoint, illustrating the significant milestones achieved

since operations commenced in March 2022. This batch, comprising 1,050 tonnes HOG with an average weight of 4.0 kg HOG, highlights the

continued strong harvest KPIs, including exceptionally tight weight spread, minimal mortality and high superior grade share.

Batch 9 a strong datapoint



Harvest guidance

The 2025 harvest volume is estimated at 6,000 – 6,500 tonnes HOG, reflecting the abovementioned planned biomass buildup. Current biomass composition following smolt quality issues in 1H 2024 will have a spillover-effects into the first quarter of 2025. This is

expected to lead to lower harvest weights in Q1 2025. Base scenario is Q1 harvest of 1,100 tonnes HOG, but potentially pushing some volume scheduled late Q1 into Q2. Focus on optimizing biomass composition, harvest weights and price realization.

Indre Harøy phase 2

Indre Harøy phase 1 and 2 represents a potent platform with strong expected cash flow generation, supporting a substantial organic investment capacity for Salmon Evolution.

Leading up to the investment decision taken in Q2-24, the Company had a thorough tender process together with the contractors on all major components to have visibility on cost and reduce the risk in the cost estimates. The Company also builds on its extensive experience, after close to three years in operation as well as having successfully

completed a project of this scale and magnitude before.

The phase 2 project is planned to add 10,100 tonnes HOG of annual harvest. This will take Salmon Evolution from its current production capacity of 7,900 tonnes to 18,000 tonnes HOG in full run-rate. The additional 2,200 tonnes HOG released, on top of the original plan of 15,800 tonnes HOG, is achieved through adding additional tank capacity, by introducing pre-grow-out tanks. This represents a highly capital efficient way to increase output at the facility, leveraging infrastructure that is already in place.

Under the new program, by adding the pre-grow-out tanks, the Company will increase the stocking weight in the grow-out department from current ~130 grams to ~400 grams. At the same time the targeted harvest weight is reduced to approximately 5.2 kg LW. In sum this will reduce the production cycle to ~8-9 months and enable an increase in the number of smolt stockings from 6 to 8 per year per phase (i.e. 16 smolt stockings a year from phase 1 and 2 combined). Generally, this is a more conservative production plan with lower average harvest weight and peak densities through the production cycle, which also lower

the operational risk through increased robustness and added operational flexibility.

The phase 2 grow-out project is split in two parts, with Artec Aqua having responsibility for design, construction, and commissioning of the process facility and HENT for civil design and construction. Phase 2 is an improved copy of phase 1, incorporating key learnings after almost three years in operation. The project has a total estimated investment cost of up to 2.5 NOKbn including contingencies, buffers and the additional tank capacity. This figure also includes 200 NOKm in project contingencies and a project buffer of 100 NOKm.

Indre Harøy illustration



Illustration: Salmon Evolution

Project status – Indre Harøy phase 2

The project is developing according to plan, with targeted smolt release in Q1-26 and first harvest in Q4-26 as planned. In parallel Salmon Evolution is proceeding with the planning and engineering for the additional tank capacity with expected completion by 2026.

Tank installation for the first four tanks is well underway and there is continued good progress on other concrete works both in the grow-out section and for the intake station. At the end of

Q4-24 the intake manifold was delivered, a major milestone for the project. Preparations for the intake pipe installation is well underway. Activity at the building site is expected to gradually increase towards the summer, currently there are approximately 90-100 workers working on site. At the end of Q4-24 the accumulated investment in the project amounted to 407 NOKm, of which 162 NOKm was invested during the quarter.

Tank installations well underway (February 2025)



Salmon Evolution is also developing a plan to cover the smolt needs for phase 2 and beyond. One of the benefits of the new grow-out program, is that the Company will get better utilization of the smolt facility at Dale.

Additionally, the Company is evaluating several options to increase smolt capacity, including temporary external sourcing, expansion opportunities at our existing smolt facility and other options.

North America

As part of Salmon Evolution's strategy towards a production capacity of 100kt HOG, the Company seeks to replicate its Norwegian success in the North American market.

As previously communicated, the Company is in advanced negotiations for a high-potential site in North America. The initial site verification processes are still ongoing, including fatal flaws analyses of both water, biological, technical, and regulatory aspects, points to this being an ideal site for a hybrid flow-through system.

When assessing possible sites, the Company focuses around areas with an established salmon farming industry, mirroring the Group's approach for Indre Harøy in Norway. Salmon Evolution sees a significant value in leveraging existing aquaculture infrastructure and value chains, enabling both scale and cost leadership, as well as reducing operational and biological risk.

The company is monitoring the geopolitical situation closely and is currently assessing the impact from potential tariffs in the North American market.



It is expected that site verification and relevant regulatory approval processes will take two to three years, upon which the plan is to build a full scale 36kt HOG "Indre Harøy" facility drawing on the experiences learned from Norway.

To facilitate this expansion, the Company has established a dedicated team of both in-house and external resources.

The Company's strategy of pursuing accretive partnerships in overseas markets remains unchanged. As the project develops, Salmon Evolution aims to engage in partnership structures leveraging the human capital in our Company and maximizing shareholder value.

Korea

Project overview

The Company has a joint venture, K Smart Farming, with the South Korean seafood giant Dongwon Industries where the plan is to develop, construct and operate a 16,800 tonnes HOG land-based salmon farming facility in South Korea, using Salmon Evolution's technology approach and competence. This is planned completed in two stages, each phase aiming for an annual capacity of 8,400 tonnes HOG.



Yangyang on-growing site

The project consists of a smolt facility at Jeongseon, a grow-out site at Yangyang and certain other infrastructure. At the site for the planned smolt facility at Jeongseon, there has been freshwater trout production for many years. The planned site for the grow-out facility at Yangyang, is located on the northeast coastline of South Korea.



Jeongseon smolt site

Project status

The design and engineering activities for the grow-out facility at Yangyang is mostly completed. Permitting work is on track and not considered a material risk for the realization of the project.

The Company currently sees the overall project economics as challenging, primarily driven by site specific circumstances at the Yangyang grow-out site, in particular related to the intake and discharge water solution due to a relatively long and shallow shoreline at the grow-out site.

Additionally, given that Korea has no existing salmon farming industry, certain other infrastructure items are impacting the project cost as well as operating cost.

The project is currently working with authorities in South Korea on governmental financial support, further clarifications are expected during 2025. Meanwhile project activities have been scaled down and cash burn has been reduced to a minimum.

Funding

Since its inception Salmon Evolution has actively been using the debt and capital markets to fund its growth roadmap. The Company is continually optimizing its capital structure through strategic financial management, carefully balancing debt and equity to maintain financial stability whilst also funding expansion projects. By regularly evaluating and adjusting its capital structure, the company aims to reduce costs and improve returns on capital employed.

In June 2024 the Group carried out a private placement, raising gross proceeds of approximately 365 NOKm through the allocation of 48,666,666 new shares in the Company, each at a subscription price of NOK 7.50 per share. This brings total raised equity to approximately 2.6 NOKbn.

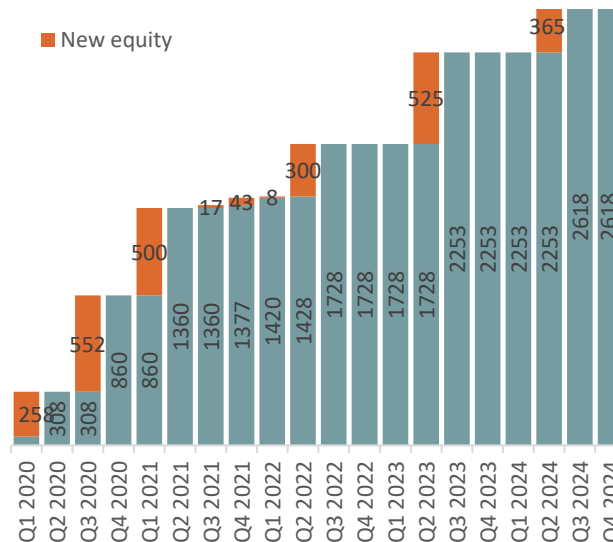
Funding Indre Harøy Phase 1 and 2

In June 2024 the Company expanded its existing senior secured debt financing package related to Indre Harøy Phase 1 and 2, from 1,550 NOKm to 2,225 NOKm, an increase of 675 NOKm.

The new debt funding package consists of the following credit facilities:

- 525 NOKm non-amortizing term loan facility (the "Term loan").
- 250 NOKm RCF facility available for general corporate purposes including Indre Harøy phase 2 capex (the "RCF facility")
- 1,225 NOKm construction facility available for financing of capex relating to the phase 2 grow-out facility at Indre Harøy (the "Construction Facility grow-out").

Development in paid-in equity (NOKm)



Source: Group data

- 225 NOKm construction facility available for financing of capex relating to the phase 2 additional tank capacity (the "Construction facility additional tank capacity").

Additionally, there is added flexibility under the improved debt financing facility, in the form of added flexibility on other financial services and a 100 NOKm accordion facility. The entire facility non-amortizing until Q4-26 or completion of phase 2.

As per 31 December 2024, the Term Loan of 525 NOKm was fully drawn. Neither the RCF facility nor construction facilities were drawn as per 31 December 2024.

In addition, the Group has a 150 NOKm overdraft facility for biomass and receivables financing of which 145 NOKm was drawn at the end of Q4-24.

Funding Salmon Evolution Dale

The Group has a debt financing package of 60 NOKm in relation to Salmon Evolution Dale at favourable commercial terms reflecting the solid operational and financial track record of the facility.

The bank debt package is split across three separate facilities and will be used as follows:

- General corporate purposes, hereunder financing of working capital

- Investments relating to facility upgrades
- 25 NOKm in acquisition financing utilized for refinancing of seller's credit with previous owners

As part of the Indre Harøy phase 2 build out, the Group is evaluating expansion opportunities at Dale. In such scenario further debt financing of Salmon Evolution Dale is expected.

As per 31 December 2024 about 58 NOKm of the 60 NOKm debt financing package was drawn.

Extending the ocean potential

Our Technology – Hybrid flow through system (HFS)

Salmon Evolution is founded on the belief that good biology equals good economy. This belief has been essential when developing the production methods and technology that are to be applied in the Company's land-based salmon farming facilities.

Salmon Evolution's chosen hybrid flow-through system (HFS) technology ensures plentiful access of fresh filtered seawater while at the same time reducing energy consumption by reusing around 65% of the water.

A reusage level of around 65% is in the Company's view a "sweet spot" balancing cost and operational risk. Higher reusage levels require the introduction of more advanced filtration and water treatment, and leads to an exponential increase in risk. On the other side, a low level of reusage leads to significantly higher energy costs in connection with pumping and heating of water.

At Indre Harøy the seawater intake is based on two inlet pipes at 25 meters and 95 meters, enabling the Company to tap into ideally

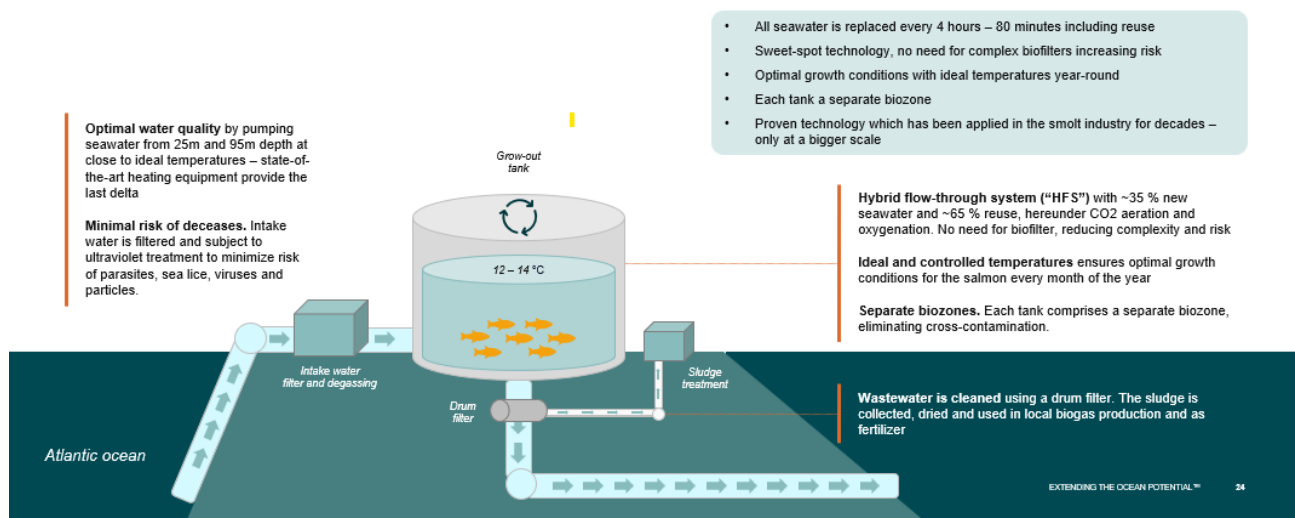
tempered water and hence reducing energy costs relating to heating of seawater.

The water inlet is further filtered and treated with UV to eliminate parasites, sea lice, viruses, and particles. This ensures a rich flow of fresh and clean seawater into the fish tanks.

To ensure optimal biological and growth conditions in the fish tanks, oxygen and CO2 levels are constantly monitored and adjusted.

Each of Salmon Evolution fish tanks represents an individual biological zone, meaning that water in one tank never mixes with water in the other tanks. This again serves as a significant risk reducing measure in case of diseases etc. where a potential outbreak in one tank never can contaminate the fish swimming in the other tanks.

As part of Salmon Evolution commitment to a truly sustainable production and circular economy, waste is filtered and collected, before being transported to a recirculation plant where it is converted into fertilizer, biogas or similar.



Group financial review

Revenue and results for the fourth quarter 2024

Comparable figures for Q4-23 in brackets

(figures in NOK 1000)	Q4 2024	Q4 2023	FY 2024	FY 2023
Total operating revenue	149 535	88 850	471 573	168 424
Operational EBITDA	9 248	-16 162	71 415	-83 950
Operational EBIT	-11 291	-33 253	-4 727	-130 680
Profit/loss for the period	-26 925	-50 888	-47 405	-145 773

In Q4-24 Salmon Evolution harvested 1,729 tonnes HOG, including 105 tonnes LW post smolt (LW to HOG conversion 84 %), resulting in operating revenues of 149.5 NOKm (88.9 NOKm). Additionally, the Company had some limited revenue from other sources in Q4-24.

Operating expenses totalled 140.3 NOKm (105.0 NOKm). In all material respect this related to operating expenses at our facilities in Dale and Indre Harøy, primarily production costs in relation to said harvest, costs related to the growth projects and other administration expenses.

The Company recorded depreciations of 20.5 NOKm (17.1 NOKm), mostly related to the facility at Indre Harøy. The increase from the same period last year, is primarily driven by initiation of depreciations of the upgrades undertaken at the smolt facility in Dale.

The Company had a positive EBITDA of 9.2 NOKm (negative 16.2 NOKm) in the quarter, with Operational EBIT ending at negative 11.3 NOKm

(negative 33.3 NOKm). EBIT after fair value adjustment related to the biomass of negative 10.5 NOKm ended at negative 21.8 NOKm (negative 35.9 NOKm). In the quarter the Company recorded capacity adjustments for unutilized production capacity of 3.9 NOKm. Capacity adjustments are gradually decreasing alongside increased utilization of the facility.

Net financials for the quarter were negative at 5.1 NOKm (negative 15.0 NOKm), primarily driven by interest rate costs, partly offset by a positive change in value of the interest hedge contract and interest rate income on the bank deposits.

The Group recorded no tax cost in Q4, and the loss for the period ended at negative 26.9 NOKm (negative 50.9 NOKm).

Salmon Evolution's share of K Smart's net income is recognized in the profit and loss statement. The investment in K Smart is accounted for using the equity method where K Smart is considered an associated company.

Farming Norway

(in NOK thousand)	Q4 2024	Q4 2023	2024	2023
Operating revenue (NOK 1000)	148 687	85 850	467 742	158 248
Operational EBITDA (NOK 1000)²	15 325	43	112 425	-23 214
Operational EBIT (NOK 1000)²	-3 882	-16 722	37 884	-67 932
All-in price realization/kg (NOK) ¹	82,4	76,4	93,4	82,0
Harvest volumes (tonnes, HOG)	1 729	1 104	4 891	1 874
Farming EBITDA cost/kg	74,9	NA	69,4	N/A
Operational EBITDA/kg (NOK)	8,9	NA	23,0	N/A
Operational EBIT/kg (NOK)	-2,2	NA	7,7	N/A

¹Calculated on a back to farm basis and adjusted for transport cost to Norway border (Nasdaq equivalent)

²Before fair value adjustment related to biological assets

Farming Norway consists of the farming activities at the grow-out facility at Indre Harøy, smolt production at Salmon Evolution Dale and sales.

In Q4-24 Salmon Evolution harvested 1,729 tonnes-HOG, including 105 tonnes LW post smolt (LW to HOG conversion 84 %), resulting in operating revenues of 148.7 NOKm (85.9 NOKm). During Q4-24, the Company achieved an all-in price realization of NOK ~82/kg. The strong price realization was driven by an industry leading superior grade share of 95 %, with continued excellent feedback on product quality and taste. The all-in price realization is calculated on a back to farm basis and adjusted for transport cost to Norway border (Sisalmoni equivalent) and includes all fish sold, including downgrades. The overall price achieved by Salmon Evolution on superior grade fish is strong and consistently above the reference price.

In the quarter the Company sold its first post smolt group, comprising 150 thousand individuals at ~700 gram totalling 105 tonnes LW. Pricing was at market terms. Salmon Evolution has already secured overcapacity on smolt for 2025, which is planned used for post smolt deliveries.

The farming EBITDA cost in the segment, including allocated G&A, ended at NOK 74.9 per kg. The farming EBITDA cost is the sum of all direct production and harvest cost and other operating expenses (G&A) allocated to the harvested fish during the production cycle, divided by harvest volume. Incident based mortality, culling and exports costs are excluded. The farming EBITDA cost was slightly up from the previous quarter, primarily an effect of post smolt deliveries, which carry a higher farming EBITDA cost, allocation of costs between segments and harvest of fish with peak production in late Q2 and Q3 coinciding with a lower standing biomass, which impacted the cost allocation at that point in time.

The strong development in the underlying biological KPIs and low mortality will have a positive impact on the farming EBITDA cost. Coupled with increased biomass production and increasing harvest volumes, the farming EBITDA cost is expected to trend downwards in future periods.

The farming segment had an EBITDA of 15.3 NOKm, with EBITDA per kg of 8.9 NOK.

The segment recorded capacity adjustments for unutilized production capacity of 3.9 NOKm.

Other

(figures in NOK 1000)	Q4 2024	Q4 2023	FY 2024	FY 2023
Operating revenue	8 501	7 525	28 160	27 564
Operational EBITDA	-6 077	-16 205	-41 010	-60 737

In the Other segment all the resources related to projects and technology are employed, as well as general corporate functions. A significant portion of costs are related to future expansion.

In Q4-24 the Other segment had operating revenues of 8.5 NOKm (7.5 NOKm) related to sale of services to the Farming segment and growth projects. Operating expenses totalled 14.6 NOKm (23.7 NOKm), a decrease from previous quarter.

The cost base in the segment is primarily driven by salaries, representing ~64 % of operating costs in Q4-24. A portion of this is invoiced to the Farming segment for services rendered, as well as salaries relating to personnel taking part in the Indre Harøy phase 2 expansion project. Result in the segment was positively impacted by allocation of costs between segments in the quarter.

The operational EBITDA ended at negative 6.1 NOKm (negative 16.2 NOKm).

Cash flow

(figures in NOK 1000)	Q4 2024	Q4 2023	FY 2024	FY 2023
Net cash flow from operating activities	965	5 293	43 331	-124 445
Net cash flow from investments activities	-155 496	-60 838	-342 562	-338 436
Net cash flow from financing activities	20 742	-3 923	342 297	570 516
Net change in cash and cash equivalents	-133 789	-59 468	43 066	107 636
Cash and cash equivalents at start of period	563 251	445 865	386 396	278 759
Cash and cash equivalents at end of period	429 462	386 396	429 462	386 396

During the quarter the Company had net cash flow from operating activities of 1.0 NOKm (5.3 NOKm).

Having initiated the Indre Harøy phase 2 expansion project, there was a significant increase in investments compared to previous quarters. The net cash flow from investment activities ended at negative 155.5 NOKm (negative 60.8 NOKm).

In Q4-24 the investments were primarily funded by cash at hand.

Total net cash flow during the fourth quarter was negative 133.8 NOKm (59.5 NOKm). The liquidity position at the end of the period was strong, with cash and cash equivalents of 429.5 NOKm.

Total available liquidity ended at of 684 NOKm, this includes available committed undrawn credit facilities but excludes the construction facilities in relation to Indre Harøy Phase 2 of 1,450 NOKm.

Financial position

(figures in NOK 1000)	31 Dec 2024	31 Dec 2023
Non-current assets	2 416 124	2 076 513
Current assets	768 639	633 072
Total assets	3 184 763	2 709 585
Equity	2 223 260	1 920 693
Non-current liabilities	582 411	586 859
Current liabilities	379 092	202 032
Total equity and liabilities	3 184 763	2 709 585

On 31 December 2024 the book value of the Company's assets was 3,184.8 NOKm (2,709.6 NOKm per 31.12.2023). The main increase from previous periods is related to the ongoing Indre Harøy phase 2 expansion project.

The fixed assets in the Company mostly relate to the facility at Indre Harøy, comprising land, buildings, and production equipment, as well as the Dale smolt facility and other smaller items. There are no significant movements from the previous quarter.

The current assets in the Company are primarily biological assets, other current receivables, and cash & cash equivalents.

Total equity amounted to 2,223.3 NOKm which corresponds to an equity ratio of 70%.

Consolidated net interest-bearing liabilities totalled 313.1 NOKm at the end of the quarter.

Summary of revenue and results for 2024

Comparable figures for 2023 in brackets

In 2024 the Company had operating revenues of 471.6 NOKm (168.4 NOKm), mostly related to harvest of 4,891 tonnes HOG salmon, including post smolt deliveries of 105 tonnes LW. The Company had some revenue from other sources, primarily government grants in relation to R&D projects. The 303 NOKm increase in revenues from 2023 reflects a 160 % increase in harvest volumes.

Operating expenses totalled 400.2 NOKm (204.7 NOKm). The increase from the same period last year is driven by the said higher activity at the Company's grow-out facility at Indre Harøy.

In 2024 Salmon Evolution had a positive EBITDA of 71.4 NOKm compared to a negative EBITDA of 84.0 NOKm in 2023. In the Farming segment EBITDA amounted to 112,4 NOKm (negative 23.2 NOKm).

For the year depreciations amounted to 76.1 NOKm (46.7), mostly related to the facility at Indre Harøy. Depreciations for the Indre Harøy facility commenced in May 2023. Additionally, depreciations of the upgrades undertaken at the smolt facility in Dale commenced in Q1-24.

The fair value adjustment related to the biomass amounted to negative 10.5 NOKm, and the Company recorded an operating profit of negative 15.2 NOKm (loss of 110.5 NOKm) in 2024.

Net financials amounted to negative 32.2 NOKm (negative 35.2 NOKm), primarily due to

interest rate expenses, partly offset by interest income on bank deposits and gain on the interest rate hedge. The Company recorded no tax cost, and the loss ended at 47.4 NOKm (loss of 145.8 NOKm).

Cash flow from operating activities ended at 43.3 NOKm in 2024 (negative 124.4 NOKm), a significant improvement from the same period last year driven by the much higher harvest activity and strong financial results.

With the Indre Harøy phase 2 expansion project the investments are ramping up. Net cash flow from investing activities were negative at 342.5 NOKm (negative 338.5 NOKm).

Cash flow from financing activities in 2024 was driven by the successful equity raise that took place in June and ended at 342.3 NOKm (570.5 NOKm).

Net change in cash and cash equivalents for 2024 was 43.1 NOKm (107.6 NOKm), and as of 31 December 2024 cash and cash equivalents amounted to 429.4 NOKm and total available liquidity of 684 NOKm including committed undrawn credit facilities.

Salmon Evolution's share of K Smart's net income is recognized in the profit and loss statement. The investment in K Smart is accounted for using the equity method where K Smart is regarded as an associated company.

Share information

As per 31 December 2024 Ronja Capital Investment AS was the Company's largest shareholder with 32,407,311 shares, corresponding to 7.0% of the total number of shares outstanding. The 20 largest shareholders held 58.4% of the shares in the Company.

During the quarter the average daily traded volume was about 480,000 shares and the average daily traded value was about NOK 3.3 million (Oslo Børs).

Salmon Evolution ASA was listed on Oslo Børs on 9 July 2021.

20 largest shareholders at 31 December 2024

Shareholder	# of shares	% share
Ronja Capital Investment AS	32 407 311	7,0 %
DNB Asset Management	30 181 466	6,5 %
Arctic Fund Management	24 569 080	5,3 %
Handelsbanken Fonder	22 931 481	5,0 %
Farvatn AS	21 168 366	4,6 %
Dongwon Industries	17 932 838	3,9 %
Nordea Investment Management	16 702 022	3,6 %
Rofisk AS	15 204 563	3,3 %
Frode Kjølås	13 173 105	2,8 %
Stette Invest AS	12 410 954	2,7 %
Jakob Hatteland Holding AS	9 790 519	2,1 %
Ewos AS	9 480 984	2,0 %
Mevold Invest AS	9 074 474	2,0 %
Lynghem Invest AS	8 449 252	1,8 %
Kristofer Reiten	7 569 330	1,6 %
Bondø Invest AS	4 614 718	1,0 %
Salmoserve AS	4 136 666	0,9 %
Hustadlitt AS	3 624 094	0,8 %
Nordnet Livsforsikring AS	3 349 404	0,7 %
AS Straen	3 300 000	0,7 %
Total 20 largest shareholders	270 070 627	58,4 %
Other shareholders	192 532 679	41,6 %
Total number of shares	462 603 306	100,0 %

Source: Monitor Holdings, Company

Risk and uncertainties

As described in the Annual Report for 2023, Salmon Evolution's business activities entail exposure to various types of risk, including risk related to project, market-, operational- and financial development. The Company's internal controls and risk exposure are subject to continuous monitoring and improvement, and efforts to reduce risk in different areas have a high priority. Below is a summary of some of the risks facing the Company.

Operational risk

The greatest operational risk relates to biological incidents within the Company's aquaculture operations. Although Salmon Evolution has been operating for almost three years, land-based salmon farming is still a relatively young industry and is subject to inherent risk by being an industry in a development phase. The Company is vulnerable to errors in technology,

production equipment and maintenance routines as well as diseases which may have a material adverse effect.

Further, challenges or incidents in connection with the ongoing production ramp up could also have adverse effects for the Company's ability to realize its business plan.

Project risk

Successful project execution and construction are decisive for the Company's business and comes with numerous risks, including risk for delays or cost overruns.

adverse effects for the Company's ability to realize its business plan.

Due to the size of these construction projects, any material delay or cost overrun could have

In the current contract structure for phase 2 there are moderate risk sharing elements to incentivise realization of the project at target price and on-time.

Market risk

The Company is exposed to the fluctuations and overall development of the salmon prices. Through 2024 salmon prices remained strong, supported by strong demand. As of 31 December 2024, the Company has not entered any hedging programs to reduce its exposure to the salmon price.

Furthermore, the Company is exposed to changes in market prices for the input factors used in the production process, in particular feed prices and electricity prices. As to the latter, the Company has hedged about half of its expected electricity needs for 2025-2027, with a gradually declining hedging profile.

Interest Rate risk

The Company's interest rate risk relates primarily to borrowings from financial institutions with floating interest rates. Currently, the Company has entered into hedging programs to reduce this risk for parts of its planned borrowings. As of 31 December 2024, outstanding loans from credit institutions amounted to NOK 727.6 million (excluding financial leasing).

The Company's bank loans have an interest rate of NIBOR 3M plus an agreed margin. To reduce exposure to fluctuations in the interest rate the Company has entered interest rate swap contracts for a total amount of NOK 200 million.

Foreign Currency risk

The Company's foreign currency risk relates to the Company's operating, investing, and financing activities denominated in a foreign currency. This includes the Company's revenues, expenses, and capital expenditures. From time to time the Company utilizes financial instruments to hedge its currency exposure. As

per 31 December 2024 the Company did not have material any exposure in foreign currency contracts.

The Company's presentation currency is Norwegian Kroner ("NOK").

Credit risk

With respect to credit risk arising from the financial assets of the Company, which comprise cash and cash equivalents, and other receivables, the Company's exposure to credit risk arises from default of the relevant counterparty, with a maximum exposure equal to the carrying amount of these instruments. The

Company has procedures in place to ensure that products are only sold to customers with satisfactory creditworthiness, and in all material respect use credit insurance. This risk is not considered to be material on 31 December 2024.

Liquidity risk

A lack of liquidity will entail a risk that the Company will not be able to pay its obligations on maturity. Management monitors rolling forecasts of the Company's liquidity reserve (comprising cash and cash equivalents) based on expected cash flows. The Company's

business plan and growth strategy is capital intensive, and the Company may be dependent upon future equity issues and/or debt financing to finance its current and long-term plans.

Outlook statement from the board of directors

During 2024 Salmon Evolution strengthened its position as the global leader in land-based salmon farming and took significant steps towards realizing the ambition of producing salmon in a better and more sustainable way.

Having operated the farm at Indre Harøy for close to three years, Salmon Evolution possess unique know-how on land-based aquaculture, and the insights gathered at Indre Harøy will shape the industry for decades. Every day over 40 million datapoints are logged at Indre Harøy, used to optimize operations and decrease operational risk.

Salmon Evolution ended 2024 with a new quarterly harvest record of 1,721 tonnes HOG, bringing total volume in 2024 to 4,891 tonnes HOG. Towards the end of the year the Company also completed harvest of its best group so far; batch 9 comprising 1,050 tonnes HOG with an average weight of 4.0 kg HOG, accumulated mortality of 2.6 % and a 96 % superior grade share, a testament to the good fish health at Indre Harøy.

Financially Salmon Evolution became the first land-based salmon farmer to become profitable at scale during 2024. For the year the Group reported an EBITDA of 71.4 NOKm, and looking at the Farming segment EBITDA ended at 112.9 NOKm or NOK 23.5 per kg. During 2024 Salmon Evolution also delivered a positive operational cash flow of 43.3 NOKm.

In Q2-24, the Company took the final decision to move ahead with the Indre Harøy phase 2 expansion project. Combined phase 1 and 2 is planned to yield 18,000 tonnes HOG of annual harvest, representing a strong platform with substantial cash generating abilities, providing a solid foundation for further growth. As of date the project is progressing according to plan and budget.

From Salmon Evolution's perspective, 2024 also underlines the relative attractiveness and competitiveness of Norway for land-based salmon farming. With its world leading aquaculture cluster, proposed framework for land-based aquaculture and commitment to sustainable aquaculture practices, Norway offers a unique environment that supports the growth of innovative land-based operations. The country's advanced infrastructure, plentiful access to clean water, and expertise in aquaculture make it an ideal location for expanding land-based salmon farming, aligning perfectly with our goals of sustainability and high-quality production.

In summary 2024 represents a real inflection point for Salmon Evolution and land-based salmon farming, highlighting that this industry can deliver excellent biological results paired with strong financial results.

According to most sources global industry supply growth in 2025 is expected to remain muted, due to continued biological challenges for conventional sea-based farmers. This is supportive of a continued good supply/demand balance and strong salmon prices going forward.

Salmon Evolution is in a solid position to benefit from this over the coming quarters and years and continues to see a significant demand growth potential for salmon and believes that land-based farming will need to play an important role for the industry to be able utilize the demand potential. With phase 1 at Indre Harøy in full operation and phase 2 on the way, Salmon Evolution is in a unique position to continue to lead and shape the development of this industry.

Summary year to date

- Harvest of 4,891 tonnes HOG, with an industry leading superior grade share of 96 % and strong all-in price realization.
- Strong operating result and positive cash flow from operations. Farming EBITDA/kg of NOK 23.5 in 2024.
- Moving ahead with Indre Harøy phase 2, creating an 18,000 tonnes HOG platform with substantial cash flow generating capabilities.
- Successfully completed private placement in June 2024 raising gross proceeds of approximately 365 NOKm as well as a credit approved increase of 675 NOKm on the debt package to fund Indre Harøy phase 2 expansion.
- First post smolt delivery in Q4-24.
- Continued strong biological key performance metrics, targets on feed conversion, mortality and superior grade share met and exceeded.

Responsibility Statement

Responsibility statement in connection with interim management report by the Board of Directors and CEO of Salmon Evolution ASA.

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 31 December 2024 has been prepared in accordance with IAS 34 – Interim Financial Reporting and gives a true and fair view of the Company's and Group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the period and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties facing the group, and major related parties' transactions.

The Board of Directors of Salmon Evolution ASA
Ålesund/Elnesvågen 10 February 2025



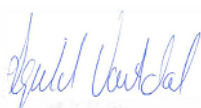
Tore Tønseth
Chair



Peder Stette
Director



Anne Breiby
Director



Ingvild Vartdal
Director



Vibecke Bondø
Director



Jan-Emil Johannessen
Director



Eunhong Min
Director



Trond Håkon Schaug-Pettersen
CEO

Interim financial statements

Statement of Profit and Loss

(figures in NOK 1000)	Note	Q4 2024	Q4 2023	FY 2024	FY 2023
Sales revenue	2	148 687	83 594	467 742	153 325
Other income		848	5 256	3 831	15 099
Total operating revenue		149 535	88 850	471 573	168 424
Change in inventory	3,4	-28 451	-2 809	29 603	78 476
Cost of materials	3,4	-55 525	-44 888	-200 933	-126 180
Personnel expenses		-12 852	-21 152	-68 046	-76 052
Other operating expenses		-43 459	-36 163	-160 781	-128 619
Operational EBITDA		9 248	-16 162	71 415	-83 950
Depreciations	5	-20 539	-17 091	-76 142	-46 730
Operational EBIT		-11 291	-33 253	-4 727	-130 680
Fair value adjustment of biomass	3	-10 493	-2 606	-10 498	20 149
Operating Profit (EBIT)		-21 784	-35 859	-15 225	-110 532
Financial income	6	10 813	-270	28 239	21 481
Financial expense	6	-13 191	-12 453	-52 610	-49 624
Share of net income from associated companies	7	-2 763	-2 306	-7 809	-7 098
Financial expense - net		-5 141	-15 029	-32 180	-35 241
Profit/loss before tax		-26 925	-50 888	-47 405	-145 773
Income tax expense	8	0	0	0	0
Profit/loss for the period	9	-26 925	-50 888	-47 405	-145 773
Basic earnings per share (NOK)	9	-0,00	0,00	-0,11	-0,37
Diluted earnings per share (NOK)	9	-0,00	0,00	-0,11	-0,37
Statement of Comprehensive Income					
Profit/(loss) for the period		-26 925	-50 888	-47 405	-145 773
Currency translation differences	6	-479	-56	-178	-861
Total comprehensive income for the period		-27 404	-50 943	-47 584	-146 634

Statements of financial position

(figures in NOK 1000)	Note	31 Dec 2024	31 Dec 2023
Assets			
Intangible assets	5	84 500	72 347
Deferred tax assets	8	415	415
Assets under construction	5	481 778	70 781
Assets in use, not allocated	5	0	54 019
Property, plant & equipment	5	1 824 284	1 848 190
Right-of-use assets	5	14 459	12 084
Investment in associated companies	7	10 689	18 676
Total non-current assets		2 416 124	2 076 513
Inventory	3	12 866	8 369
Biological assets	3	171 004	153 790
Trade receivables		90 522	40 496
Other current receivables		51 142	31 121
Financial derivatives	6	13 643	12 900
Cash and cash equivalents		429 462	386 396
Total current assets		768 639	633 072
Total assets		3 184 763	2 709 585
Equity and liabilities			
Share capital	10	23 130	20 697
Share premium	10	2 415 049	2 124 647
Other reserves		11 483	10 758
Other equity		0	0
Uncovered losses		-226 402	-235 408
Total equity		2 223 260	1 920 693
Long-term interest-bearing debt	11	569 100	569 969
Lease liabilities - long term	11	9 668	8 189
Other long-term liabilities	11	3 643	8 702
Total non-current liabilities		582 411	586 859
Short-term interest-bearing debt	11	158 488	103 275
Trade payables		193 384	71 499
Social security and other taxes		7 495	8 273
Lease liabilities - short term	11	5 317	4 350
Other short-term liabilities		14 408	14 635
Total current liabilities		379 092	202 032
Total liabilities		961 503	788 891
Total equity and liabilities		3 184 763	2 709 585

Statement of cash flow

(figures in NOK 1000)	Note	Q4 2024	Q4 2023	FY 2024	FY 2023
Cash flow from operations					
Profit/loss before tax		-26 925	-50 888	-47 405	-145 773
Adjustments for:					
Depreciation	5	20 539	17 091	76 142	46 730
Net financials		5 141	15 029	32 180	35 241
Share based payment expenses		355	582	726	2 438
Changes in working capital:					
Change in trade receivables		-75 858	-19 073	-50 026	-15 605
Change in other current receivables		-6 793	35 044	-11 073	33 785
Change in inventory and biological assets	3	28 072	2 029	-32 209	-81 143
Change in fair value of biomass	3	10 493	2 606	10 498	-20 149
Change in trade payables		40 075	-3 313	65 583	12 330
Change in social security and other taxes		2 836	3 995	-779	772
Change in other liabilities		3 029	2 191	-306	6 928
Net cash flow from operations		965	5 293	43 331	-124 445
Cash flow from investment activities					
Payments for fixed assets	5	-167 592	-63 408	-358 584	-375 739
Proceeds from government grants		0	0	764	24 123
Payments for intangible assets	5	-7 757	-3 824	-12 176	-7 201
Financial income received		19 853	6 393	27 434	20 381
Net cash flow from investment activities		-155 496	-60 838	-342 562	-338 436
Cash flow from financing activities					
Proceeds from issue of equity, net of transaction costs		-116	0	349 425	500 982
Proceeds from new borrowings	11	35 484	9 963	50 185	104 875
Repayment of borrowings		-300	0	-900	0
Payments of principal portion of lease liabilities		-1 665	0	-5 354	0
Interest paid of lease liabilities		-163	0	-941	0
Change in lease liabilities		0	13	0	227
Financial expenses paid		-12 498	-13 899	-50 118	-35 568
Net cash flow from financing activities		20 742	-3 923	342 297	570 516
Net change in cash and cash equivalents		-133 789	-59 468	43 066	107 636
Cash and cash equ. at the beginning of the period		563 251	445 865	386 396	278 759
Cash and cash equ. at the end of the period		429 462	386 396	429 462	386 396

Statement of Changes in Equity

(figures in NOK 1000)	Note	Share capital	Share premium	Other reserves	Other equity	Uncovered losses	Total equity
Balance at 1 January 2023	10	17 288	1 627 073	8 320	0	-88 774	1 563 906
Profit/loss for the period		0	0	0	0	-145 773	-145 773
Other comprehensive income		0	0	0	0	-861	-861
Total comprehensive income		0	0	0	0	-146 634	-146 634
Private placement, April 2023		3 409	521 591	0	0	0	525 000
Private placement, transaction costs		0	-24 017	0	0	0	-24 017
Share options issued		0	0	0	0	0	0
Share based payment expensed		0	0	2 438	0	0	2 438
Transactions with owners		3 409	497 574	2 438	0	0	503 421
Balance at 31 December 2023	10	20 697	2 124 647	10 758	0	-235 408	1 920 693
Balance at 1 January 2024	10	20 697	2 124 647	10 758	0	-235 408	1 920 693
Profit/loss for the period		0	0	0	0	-47 405	-47 405
Other comprehensive income		0	0	0	0	-178	-178
Total comprehensive income		0	0	0	0	-47 584	-47 584
Private placement June 2024		2 433	362 567	0	0	0	365 000
Private placement, transaction costs		0	-15 575	0	0	0	-15 575
Reclassification uncovered losses		0	-56 590	0	0	56 590	0
Share options issued		0	0	0	0	0	0
Share based payment expensed		0	0	726	0	0	726
Transactions with owners		2 433	290 402	726	0	56 590	350 151
Balance at 31 December 2024	10	23 130	2 415 049	11 483	0	-226 402	2 223 260

Selected notes to the quarterly financial statements

Note 1 – Summary of significant accounting policies

General information

Salmon Evolution ASA and its subsidiaries, Salmon Evolution Norway AS, Salmon Evolution International AS, Salmon Evolution Dale AS and Salmon Evolution Sales AS (the "Company", "SE" or "the Company") is a Norwegian business headquartered in Hustadvika kommune in Møre og Romsdal.

Salmon Evolution operates a hybrid flow-through (HFS) system, utilizing fresh seawater from the Norwegian coast. The Company is building a land-based salmon farming facility at Indre Harøy, with a planned annual production of 36,000 tons HOG fully built. Phase 1 with a planned annual production of 7,900 tons HOG is in full operation, whilst construction of phase 2 planned to add an additional 10,100 tons HOG bringing total production up to 18,000 tons HOG was initiated in August 2024. Salmon Evolution has significant growth ambitions outside Indre Harøy.

These interim financial statements were approved by the Board of Directors for issue on 10 February 2025.

These interim financial statements have not been audited.

Consolidation

These condensed consolidated statements for the period ended 31 December 2024 include Salmon Evolution ASA together with its subsidiaries Salmon Evolution Norway AS, Salmon Evolution International AS, Salmon Evolution Dale AS and Salmon Evolution Sales AS.

Basis of preparation

These interim financial statements have been prepared in accordance with International Accounting Standard 34, "Interim financial reporting". These interim financial statements do not provide the same scope of information as the annual financial statement and should therefore be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

Going concern

The Company has adopted the going concern basis in preparing its consolidated financial statements. When assessing this assumption, management has assessed all available information about the future. This comprises information about net cash flows from existing customer contracts and other service contracts, debt service and obligations. After making such assessments, management has a reasonable expectation that the Company has adequate resources to continue its operational existence for the foreseeable future.

Accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that income tax expense is recognized in each interim period using the expected weighted average annual income tax rate for the full financial year. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss. The Company does not include net deferred tax benefits in its balance that exceeds the tax effect of group contributions in order to equalize tax payable in its subsidiaries. From Q4-24 there has been a principal change in cash flow regarding lease liabilities from presenting change in lease liabilities to actual paid expenses.

Revenue

Revenue from contracts with customers as defined in IFRS 15 is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods.

Revenue for the Company derives from sale of whole and processed salmon in the spot market. It has not been made any forward sales contracts. The Company recognised revenue at the point in time when control of the goods is transferred to the customer at an amount that reflects the expected amount that the group is entitled to have for the goods. The sales price is based on available market price where the price will vary with both quality and size.

Normal credit term of the sales transactions is 30 days. If the delivered products have discrepancies compared to the agreed sales contract, cash refunds are given to the customer. Up until now, refunds are not material.

Property, plant & equipment

Property, plant, and equipment is measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and costs include expenditures that are directly attributable to the acquisition and placement of fixed assets in service. Costs of major replacements and renewals that substantially extend the economic life and functionality of fixed asset are capitalized. Costs associated with normal maintenance and repairs are expensed as incurred.

Assets are normally considered property, plant, and equipment if the useful economic life exceeds one year. Straight-line depreciation is applied over the useful life of property, plant, and equipment based on the asset's historical cost. If a substantial part of an asset has an individual and different useful life, that portion is depreciated separately. The asset's residual value and useful life are evaluated annually. Gains or losses arising from the disposal or retirement of an asset are determined as the difference between the sales proceeds and the carrying amount of the asset and recognized as part of other income in the accompanying statements of other comprehensive income.

Depreciation is charged to expense when the property, plant or equipment is ready for intended use. In April 2023 the Company completed takeover of phase 1 at Indre Harøy, and the relevant assets commenced depreciation from May 2023.

Biological assets

Biological assets are, in accordance with IAS 41, measured at fair value unless the fair value cannot be measured reliably. For salmon in the grow-out facility, a present value model is applied to estimate the fair value. For roe, fry and smolt, historical cost is deemed to provide the best estimate of fair value, and hence applied.

The Company is still in a ramp-up phase and not yet at steady state production volumes for the grow-out facility at Indre Harøy, and hence the facility's production capacity is not fully utilized. Cost of production is therefore adjusted for unutilized production capacity.

For further information, please refer to note 3.

Borrowing costs

In accordance with IAS 23, the Company's loan agreements are subject to the following principles relating to borrowing costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

Note 2 – Segment

The Group has implemented segment reporting which consists of production of farmed salmon in Norway (Farming Norway), other activities (Other), and eliminations. The segment performance is monitored to assess performance and profitability at a strategic level.

Farming Norway consists of Salmon Evolution Norway AS (grow-out facility), Salmon Evolution Dale AS (smolt facility) and Salmon Evolution Sales AS. Additionally a portion of the Group overhead costs is allocated to the segment. Other consist of both revenue and costs not attributable to the farming segment.

Sales revenue from contracts with customers comes from both Continental Europe, UK, Asia and other markets.

(In thousand NOK)	Farming Norway	Other	Eliminations	Group
Q4 2024				
External revenue	148 687	848	0	149 535
Internal revenue	0	7 653	-7 653	0
Operating revenue	148 687	8 501	-7 653	149 535
Operational EBITDA	15 325	-6 077	0	9 248
Operational EBIT	-3 882	-7 883	474	-11 291
Fair value adjustment of biomass				-10 493
Net financial				-5 141
Profit/loss before tax				-26 925
Harvested volum (tonnes, HOG)	1 729			1 729
Operational EBITDA/kg (NOK)	8,9			5,3
Operational EBIT/kg (NOK)	-2,2			-6,5
Total PPE	2 371 935	33 086	0	2 405 020
(In thousand NOK)	Farming Norway	Other	Eliminations	Group
Q4 2023				
External revenue	85 850	3 000	0	88 850
Internal revenue	0	4 525	-4 525	0
Operating revenue	85 850	7 525	-4 525	88 850
Operational EBITDA	43	-16 205	0	-16 162
Operational EBIT	-16 722	-17 005	474	-33 253
Fair value adjustment of biomass				-2 606
Net financial				-15 029
Profit/loss before tax				-50 888
Harvested volum (tonnes, HOG)	1 104			1 104
Operational EBITDA/kg (NOK)	NA			NA
Operational EBIT/kg (NOK)	NA			NA
Total PPE	2 044 341	14 980	-1 899	2 057 421

(In thousand NOK)	Farming Norway	Other	Eliminations	Group
FY 2024				
External revenue	467 742	3 831	0	471 573
Internal revenue	0	24 329	-24 329	0
Operating revenue	467 742	28 160	-24 329	471 573
Operational EBITDA	112 425	-41 010	0	71 415
Operational EBIT	37 884	-44 509	1 898	-4 727
Fair value adjustment of biomass				-10 498
Net financial				-32 180
Profit/loss before tax				-47 405
Harvested volum (tonnes, HOG)	4 891			4 891
Operational EBITDA/kg (NOK)	23,0			14,6
Operational EBIT/kg (NOK)	7,7			-1,0
Total PPE	2 371 935	33 086	0	2 405 020

(In thousand NOK)	Farming Norway	Other	Eliminations	Group
FY 2023				
External revenue	158 248	10 176	0	168 424
Internal revenue	0	17 388	-17 388	0
Operating revenue	158 248	27 564	-17 388	168 424
Operational EBITDA	-23 214	-60 737	0	-83 950
Operational EBIT	-67 932	-63 855	1 107	-130 680
Fair value adjustment of biomass				20 149
Net financial				-35 241
Profit/loss before tax				-145 773
Harvested volum (tonnes, HOG)	1 874			1 874
Operational EBITDA/kg (NOK)	N/A			N/A
Operational EBIT/kg (NOK)	N/A			N/A
Total PPE	2 044 341	14 980	-1 899	2 057 422

Note 3 – Biological assets and inventory

Biological assets are, in accordance with IAS 41, measured at fair value unless the fair value can not be measured reliably. For salmon in the grow-out facility, a present value model is applied to estimate the fair value. For roe, fry and smolt, historical cost is deemed to provide the best estimate of fair value, and hence applied.

The fair value of fish in the grow-out facility is calculated by multiplying the estimated biomass at the time of harvest with the estimated sales price at the same time and deducted for estimated costs to sell. For fish not ready for harvest, remaining production costs to grow the fish to harvest weight are deducted. The cash flow is further discounted by a discount rate considering both risk adjustment and time value.

The Group considers that fish greater than 4.6 kg is ready for harvest (about 3.8 kg gutted weight), and such fish is thus classified as harvestable fish. Fish that have not achieved this weight are classified as non-harvestable.

BOOK VALUE OF INVENTORY	NOK 1000	
	Q4 2024	Q4 2023
Equipment	6 245	2 667
Raw materials	6 621	4 433
Biological assets	171 004	153 790
Finished goods	0	1 270
Total	183 870	162 160

BIOLOGICAL ASSETS	TONNES	
	Q4 2024	Q4 2023
Biological assets end of period	2 023	2 204

	NOK 1000			
	Q4 2024	FY 2024	Q4 2023	FY 2023
Biological assets beginning of period	210 696	153 790	161 185	58 927
Increase due to production	99 263	371 472	74 645	218 496
Reduction due to harvest/sale	-128 462	-336 093	-79 434	-130 880
Reduction due to incident based mortality	0	-6 167	0	-12 901
Fair value adjustment beginning of period	-31 884	-31 889	-34 495	-11 740
Fair value adjustment end of period	21 391	21 391	31 889	31 889
Biological assets end of period	171 004	171 004	153 790	153 790

The estimated biomass volume is based on the actual number of individuals in the grow-out departments on the balance sheet date, adjusted for projected mortality up to harvest time and multiplied with the estimated harvest weight per individual at harvest time.

Sales price for the fish in the grow-out facility is based on forward prices from Sitagri Salmon Spot Index with relevant adjustments. The net sales value is adjusted for expected quality differences and harvesting, logistics and sales expenses.

The Company is still in a ramp-up phase and not yet at steady state production volumes for the grow-out facility at Indre Harøy, and hence the facility's production capacity is not fully utilized. Cost of production is therefore adjusted for unutilized production capacity. As per 31 December 2024 this adjustment amounted to 28.6 NOKm (3.9 NOKm in Q4-24) which has been expensed directly in the profit and loss statement.

Note 4 – Cost of materials and change in inventory

(numbers in thousand NOK)	Q4 2024	FY 2024	Q4 2023	FY 2023
Cost of materials and change in inventory	-83 976	-171 330	-47 697	-47 704

Composition COGS:

Inventory change	-28 451	29 603	-2 809	78 476
Raw material purchase	-55 525	-200 933	-44 888	-126 180
Sum	-83 976	-171 330	-47 697	-47 704

Composition inventory change:

Change due to production	99 263	371 472	74 645	218 496
Change due to harvest/sale	-128 462	-336 093	-79 434	-130 880
Change due to incident based mortality	0	-6 167	0	-12 901
Change inventory raw material	748	391	1 980	3 762
Sum	-28 451	29 603	-2 809	78 476

Composition - change due to production:

Raw material cost	54 777	200 542	42 908	122 419
Salaries	10 141	34 340	7 309	17 670
Energy cost	12 215	48 330	9 919	29 567
Depreciations	15 886	55 758	10 633	22 778
Other operating expenses	6 244	32 503	3 877	26 062
Sum	99 263	371 472	74 645	218 496

Note 5 – Property, plant and equipment

Straight-line depreciation is applied over the useful life of property, plant, and equipment based on the asset's historical cost and estimated residual value at disposal. Depreciation is charged to expense when the property, plant or equipment is ready for use or placed in service.

In April 2023 the Group completed takeover of phase 1 at Indre Harøy, subsequently the Indre Harøy facility has been reclassified from asset under construction. These assets have commenced depreciation from May 2023.

(figures in NOK 1000)	Intangible assets	Assets under construction	Assets in use, not allocated	Buildings and property	Fixtures and fittings	Right-of-use assets	Total
Cost 1 January 2023	65 149	1 713 490	0	7 607	26 419	18 562	1 831 228
Additions	7 201	269 490	0	2 157	438	3 601	282 887
Completed constructions	0	-1 912 199	54 019	1 573 232	284 031	0	-917
Cost 31 December 2023	72 350	70 781	54 019	1 582 996	310 888	22 163	2 113 197
Acc. depreciation 1 January 2023	0	0	0	-951	-2 534	-5 561	-9 046
Depreciation for the period	-3	0	0	-26 760	-15 450	-4 518	-46 731
Net book value 31 December 2023	72 347	70 781	54 019	1 555 285	292 904	12 084	2 057 421

(figures in NOK 1000)	Intangible assets	Assets under construction	Assets in use, not allocated	Buildings and property	Fixtures and fittings	Right-of-use assets	Total
Cost 1 January 2024	72 350	70 781	54 019	1 582 996	310 888	22 163	2 113 198
Additions	12 184	391 137	0	7 987	9 502	7 623	428 433
Reclassified constructions	0	19 859	-54 019	7 756	26 404	0	0
Reclassification according to IFRS 16	0	0	0	0	-4 692	0	-4 692
Cost 31 December 2024	84 534	481 778	0	1 598 739	342 102	29 786	2 536 939
Acc. depreciation 1 January 2024	-3	0	0	-27 711	-17 984	-10 079	-55 776
Depreciation for the period	-32	0	0	-40 366	-30 496	-5 249	-76 143
Net book value 31 December 2024	84 500	481 778	0	1 530 662	293 622	14 458	2 405 020

Note 6 – Finance income and finance cost

(figures in NOK 1000)

Finance income	Q4 2024	Q4 2023	FY 2024	FY 2023
Interest income	5 524	4 341	21 250	15 591
Net change in value of financial derivatives	2 216	-6 663	977	947
Foreign exchange gains	2 418	2 060	5 338	4 937
Other finance income	656	-8	674	6
Financial income	10 813	-270	28 239	21 481
Share of net income from associated companies	-2 763	-2 306	-7 809	-7 098
Total financial income	8 050	-2 576	20 430	14 384
Finance expenses	Q4 2024	Q4 2023	FY 2024	FY 2023
Interest on debts and borrowings	13 572	11 997	53 232	33 914
Realized loss/gain on interest derivative	-1 503	0	-5 966	-3 027
Foreign exchange losses	1 129	1 748	4 460	4 195
Reduced value of contract related to power supply	0	-1 446	0	13 903
Other finance expenses	-6	153	884	640
Total financial expenses	13 191	12 453	52 610	49 624
Net financial income/- expenses	-5 141	-15 029	-32 180	-35 241

Fair value adjustments - financial assets

(NOK thousand)	31.12.2024	31.12.2023
Unrealised changes in the value of interest rate swap	977	947
Unrealised changes in the value of contract related to power supply	0	-13 903
Fair value adjustments recognised in profit and loss	977	-12 956

The Group did not have any fair value adjustments of financial liabilities in 2024, nor in 2023.

Note 7 – Investment in associated companies

The group has the following investments in associated companies:

(figures in NOK 1000)	Country	Ownership	Voting share
K Smart Farming Co., Ltd	Korea	49 %	49 %
Net book value 31 December 2022		26 635	
Share of net income 2023		-7 098	
Foreign currency translation gain/(loss) YTD 2023		-861	
Net book value 31 Dec 2023		18 676	
Share of net income YTD 2024		-7 809	
Foreign currency translation gain/(loss) YTD 2024		-178	
Net book value 31 Dec 2024		10 689	

Investments in associated companies are recognized using the equity method.

Note 8 – Tax

(figures in NOK 1000)	FY 2024	FY 2023
Profit/loss before tax	-47 405	-145 773
Calculated tax (22%)	-10 429	-32 070
Tax payable	0	0
Change in deferred tax (asset)	-10 429	-32 070
Change in deferred tax not recognised in the balance sheet	10 429	32 070
Tax expense	0	0

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the period ended 31 December 2024 is 22%, compared to 22% for the period ended 31 December 2023.

From 31.12.2023 there was a basis for payable tax in the subsidiary Salmon Evolution Sales AS. This was offset with a group contribution from Salmon Evolution ASA.

Deferred tax benefit has not been recognised in the balance sheet as the Companies within the group are in their start-up phase and does not have any historical results to refer to when assessing whether future taxable profits will be sufficient to utilize the tax benefit.

Note 9 – Earnings per share

(figures in NOK 1000)	FY 2024	FY 2023
Gain/loss attributable to the equity owners of the Company	-47 405	-145 773
Gain/loss for calculation of diluted earnings per share	-47 405	-145 773
Weighted average number of shares outstanding ¹⁾	440 297 748	391 209 367
Dilutive options	0	0
Average number om shares and options used in calculation for diluted EPS	440 297 748	391 209 367
Basic earnings per share (NOK)	-0,11	-0,37
Diluted earnings per share (NOK)	-0,11	-0,37

Basic earnings per share are based on the weighted average number of common shares outstanding during the period.

1) FY 2024: The Company had 413,936,640 until mid June 2024. In June the Company made an issue of 48,666,660 new shares in a capital raise. Therefor the weighted average number of shares outstanding in 2024 has been calculated by applying a weight of 5.5/12 of the number of shares before the capital raise, and 6.5/12 of the total number of shares after the capital raise (462,603,300 shares).

FY 2023: The Company had 345,754,822 shares for the first four months of the year. In April the Company made an issue of 68,181,818 new shares in a capital raise. Therefor the weighted average number of shares outstanding in 2023 has been calculated by applying a weight of 4/12 of the number of shares before the capital raise, and 8/12 of the total number of shares after the capital raise (413,936,640 shares).

Note 10- Share capital & capital history

(figures in NOK 1000)	Date	Capital Increase	Share Capital After Change	Par Value	Subscription price per share	New shares	Total no. of outstanding shares
Opening balance 1 July 2020			5 375 159	0,05			107 503 182
Share options exercised	10 July 2020	30 000	5 405 159	0,05	3,33	600 000	108 103 182
Private placement	23 July 2020	581 395	5 986 554	0,05	4,30	11 627 906	119 731 088
Private placement	11 September 2020	5 000 000	10 986 554	0,05	5,00	100 000 000	219 731 088
Private placement	23 March 2021	4 166 667	15 153 221	0,05	6,00	83 333 333	303 064 421
Acquisition Kraft Laks	16 August 2021	109 535	15 262 756	0,05	7,58	2 190 694	305 255 115
Private placement	12 October 2021	277 068	15 539 824	0,05	7,71	5 541 374	310 796 489
Share options exercised	26 March 2022	81 250	15 621 074	0,05	4,80	1 625 000	312 421 489
Private placement	5 April 2022	1 666 667	17 287 741	0,05	9,00	33 333 333	345 754 822
Private placement	18 April 2023	3 409 091	20 696 832	0,05	7,70	68 181 818	413 936 640
Private placement	18 June 2024	2 433 333	23 130 165	0,05	7,50	48 666 660	462 603 300

The Company entered into an investment agreement with Dongwon Industries and completed a NOK 50 million in towards Dongwon Industries in July 2020.

The Group raised NOK 500 million in a private placement in connection with its initial public offering related to the admission on Merkur Market (now Oslo Børs) in September 2020. Further, the Group also raised another NOK 500 million in a private placement in March 2021.

In August 2021 the Group acquired 100% of the shares in Kraft Laks AS. As part of the settlement the Group issued 2,190,694 new shares of NOK 7.5775 per share, and thereby increased its equity by NOK 16.6 million. In October 2021 the Group carried out a private placement of USD 5m (NOK ~43m) towards Cargill.

Further, in April 2022 the Group carried out a private placement raising gross proceeds of NOK 300 million at a subscription price of NOK 9.00 per share.

In April 2023 the Group carried out a private placement raising gross proceed of NOK 525 million at a subscription price of NOK 7.7 per share.

In June 2024 the Group carried out a private placement raising gross proceed of NOK approximately 365 million at a subscription price of NOK 7.5 per share.

Note 11 – Interest bearing debt

Long-term interest bearing debt		
(NOK thousand)	31.12.2024	31.12.2023
Debt to credit institutions	569 100	569 969
Leasing liabilities	9 668	8 189
Total long-term interest-bearing debt	578 768	578 157
Short-term interest bearing debt		
(NOK thousand)	31.12.2024	31.12.2023
Debt to credit institutions	158 488	103 275
Other short-term interest bearing debt	0	0
Leasing liabilities	5 317	4 350
Total short-term interest-bearing debt	163 805	107 625
Total interest-bearing debt	742 573	685 782
Cash & cash equivalents	429 462	386 396
Net interest-bearing debt	313 111	299 386

In Q1 2023 the Company signed a NOK 1,550 million green debt financing package with DNB and Nordea relating to phase 1 and 2 at Indre Harøy, thus refinancing the existing senior secured debt financing package. The package consisted of a NOK 525 million non-amortizing term loan facility to the existing NOK 525 million construction loan relating to phase 1, a NOK 250 million revolving credit facility available for general corporate purposes including Indre Harøy phase 2 capex and a NOK 775 million construction facility available for financing of capex relating to phase 2 at Indre Harøy. Additionally, the Company has a NOK 100 million Overdraft Facility with Nordea. The refinancing was completed in April 2023.

In June 2024 the Company expanded its existing senior secured debt financing package related to Indre Harøy Phase 1 and 2, from 1,550 NOKm to 2,225NOKm. Additionally, the Company has a NOK 150 million Overdraft Facility with Nordea.

As per 31 December 2024, NOK 525 million was drawn of the secured green debt financing package. In addition, the Company has drawn NOK 145 million of the NOK 150 million available, of the Overdraft Facility.

The Group has also entered into loan agreements for a total of NOK 60 million relating to Salmon Evolution Dale AS of which around NOK 58 million was drawn as per 31 December 2024. This financing is for financing of working capital, investments in Salmon Evolution Dale as well as refinancing of the seller's credit from the acquisition of Salmon Evolution Dale AS.

The above table does not include other long-term liabilities of NOK 3.6 million related to water rights in Salmon Evolution Dale AS.

Financial covenants

The most important financial covenants for the long-term financing of the Company are, respectively, a solvency requirement that the borrower's (Salmon Evolution Norway AS) book equity ratio (including intra-group loans) shall be minimum 45%. Further, there is a profitability requirement linked to the borrower's EBITDA which shall be greater than NOK 250 million on a last 12-month basis from Q2 2027. Quarterly EBITDA figures shall be measured from Q2 2024 with set minimum EBITDA levels reflecting the company's gradual ramp up of production volumes and profitability.

Finally, there is a minimum cash requirement that stipulates that the obligors (Salmon Evolution Norway AS, Salmon Evolution Sales AS and Salmon Evolution ASA) cash balance shall be greater than NOK 100 million at any time. Any undrawn and available amounts under the revolving facility and the overdraft is included in the calculation of the cash balance.

As per 31 December 2024 the Company is in compliance with all financial covenants.

Security

The Company's bank debt facilities are fully guaranteed by Salmon Evolution ASA. The respective lenders also have a pledge over 100% of the shares in the borrower, Salmon Evolution Norway AS and Salmon Evolution Dale AS. Furthermore, the respective lenders have a pledge over all material operating assets of the Company, hereunder inter alia, land, plant and machinery, operating licenses, inventory and receivables.

Cash movements in financing activities (NOK thousand)	Interest bearing debt	
	Short term	Long term
Balance at January 1, 2023	58 906	522 845
Repayment of loans and borrowings	-12 841	0
Proceeds from new bank loan	60 763	56 800
Change in obligations under leases	797	-1 487
Balance at December 31, 2023	107 625	578 157
Balance at January 1, 2024	107 625	578 157
Repayment of loans and borrowings	0	-869
Proceeds from new bank loan	55 213	
Change in obligations under leases	968	1 480
Balance at December 31, 2024	163 805	578 768

Note 12 – Transactions with related parties

During the ordinary course of business, the Company may engage in certain arm's length transactions with related parties.

The group received consulting services from Ronja Capital Investment AS at a cost of NOK 0.6m in 2024. There were no other material transactions with related parties in Q4 2024, nor in 2024.

Note 13 – Subsequent events

No material subsequent events.

ABOUT SALMON EVOLUTION

Salmon Evolution is the global leader within land-based salmon farming with a clear roadmap for 100,000 tonnes HOG annual production capacity. Pioneering the hybrid flow-through system (HFS), Salmon Evolution is Extending the Ocean Potential by creating optimal growth conditions in a controlled environment on land. This approach, capturing the benefits of both land-based and sea-based farming, puts biology first and limits operational and biological risk.

Salmon Evolution is strategically located the heart of the global aquaculture industry on the west coast of Norway, where the Company has its first facility and global centre of excellence fully operational at industrial scale. Enabled by the proof of concept in Norway, Salmon Evolution targets significant international expansion.

Salmon Evolution is listed on Oslo Børs under the ticker SALME. To learn more, please visit www.salmevolution.no.

SALMON
EVOLUTION*

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