



Norcod

Q4-2024
Financial report



Q4 2024 Highlights

- 124 MNOK in revenues, up 47% from 83 MNOK in Q4-23
- 35 MNOK in operating loss, down 66% from 104 MNOK in Q4-23
- 2,390 tons WFE* harvested, up from 1,611 tons WFE in Q4-23
- The Jamnungen site has been granted an increase of MAB (Maximum Allowable Biomass) from 3,600 tons to 5,200 tons.
- Stocking of 5 pens at the new location Bjørnvika (Nesna).
- Strong market conditions have made the outlook for both farmed cod and Norcod more promising than ever.

Post Q4 2024 Highlights

- Revised and profitable growth strategy that aligns with the current favorable market dynamics, including funding of approximately 300 MNOK through a combination of increased debt commitment and a contemplated Private Placement.
 - The Company is contemplating an equity raise of minimum 150 MNOK to fund annual production capacity of up to 25,000 tons WFE. Some of Norcod's largest shareholders have already indicated support covering the minimum amount in the equity raise. DNB Markets has been engaged as financial advisor.
 - Increased debt commitment from DNB Bank ASA of up to 150 MNOK, subject to completion of equity raise.

Operational update

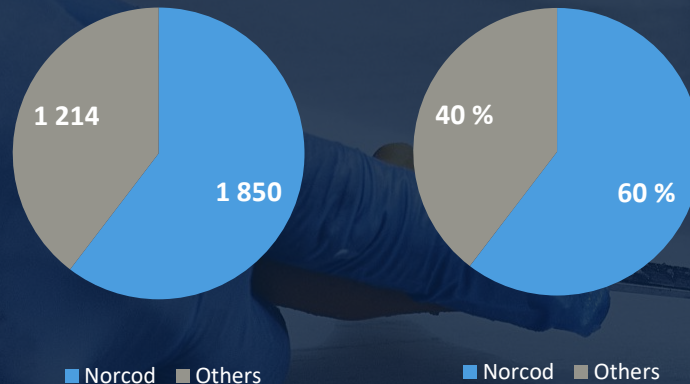
A total of 2,390 tons were harvested during the quarter, with the majority coming from Labukta (902 tons) and Mausund (909 tons). An additional 578 tons were harvested from Frosvika. All biomass was processed at Norcod's harvesting facility, Kråkøy Slakteri. The biological performance of the fish at the Jamnungen site is strong, exceeding expectations. Fish stocked at the Bjørnevika site have also shown promising results, and more are expected to be stocked in Q1 2025. Sea temperatures during Q4 were favorable for cod production, contributing to good growth throughout the period.

The Jamnungen site has been granted an increase in MAB (Maximum Allowable Biomass) from 3,600 tons to 5,200 tons, contributing to more cost-efficient production.

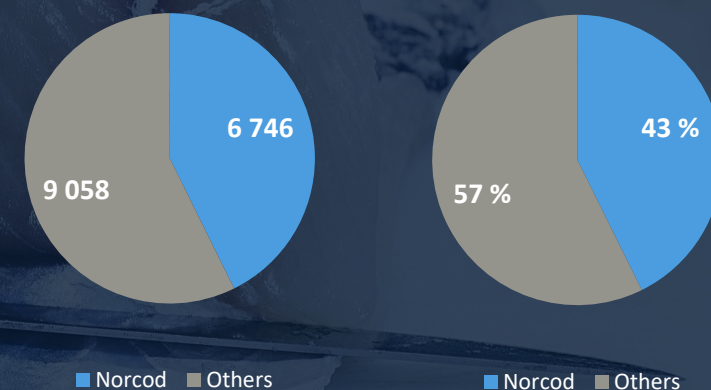
As disclosed in a separate press release, Norcod experienced a fish escape at the Labukta site. While the exact cause remains under investigation, an inspection will be conducted in collaboration with the Directorate of Fisheries and the supplier to determine the cause. Norcod has a zero-escape policy and is committed to continuously improving its procedures and equipment.

To manage maturation and prevent spawning, Norcod has increased harvesting capacity at the Kråkøy processing plant. As a result, the fish harvested from Frosvika will be smaller than originally budgeted. Although this is offset by higher prices and a strong market, the financial results for both the first and second quarters of 2025 may be impacted.

Total export volume during the quarter



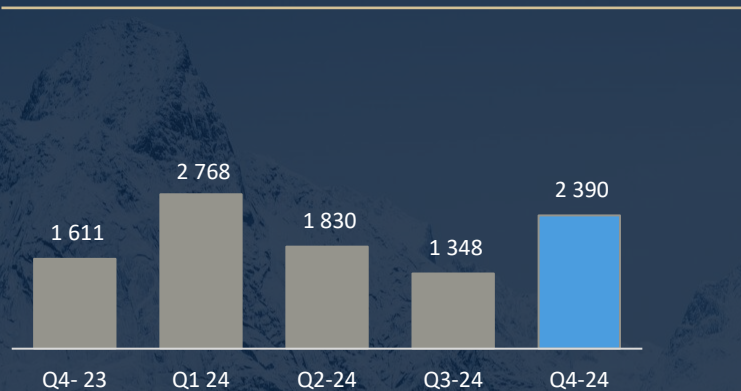
Standing biomass at the end of the quarter



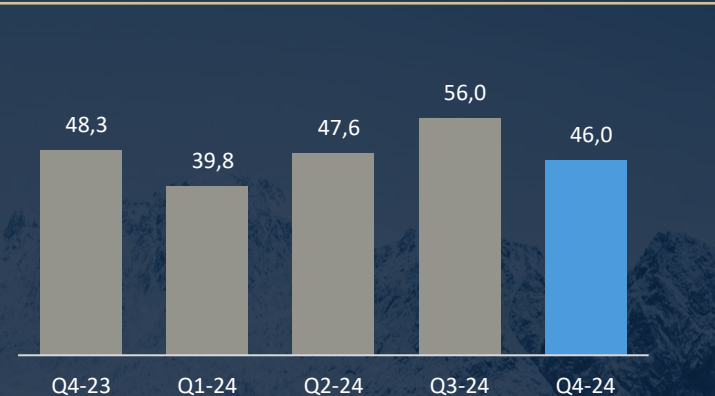
At the end of the quarter, Norcod's biomass at sea totaled 6,746 tons (43% of the total biomass volume). According to officially reported statistics by the Norwegian Seafood Council, Norcod's share of total export volume of harvested cod during the quarter was 60%.

Financial Update - Highlights

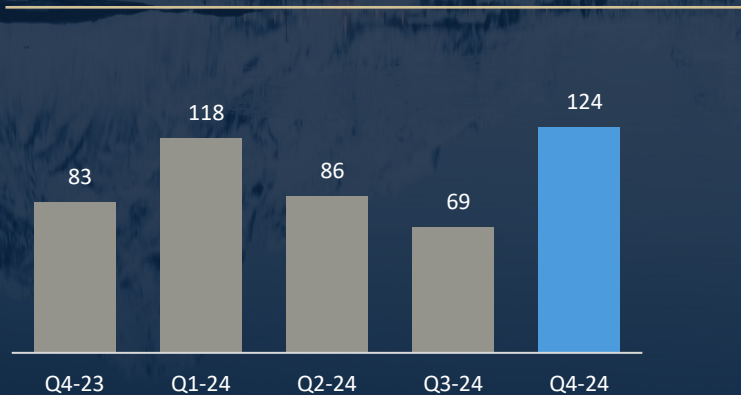
Harvest volume (tons WFE)



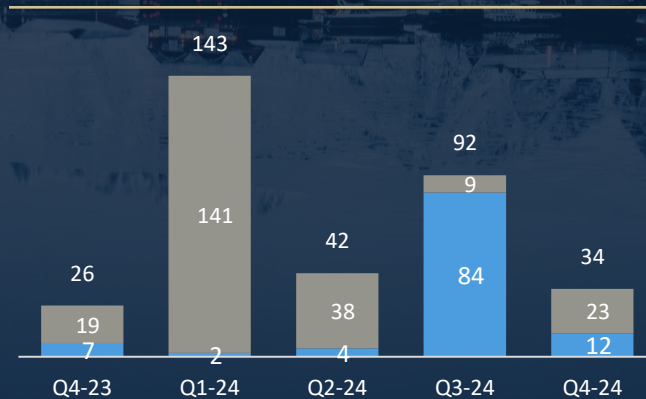
Production cost at sea (NOK per kg WFE)



Revenues (MNOK)



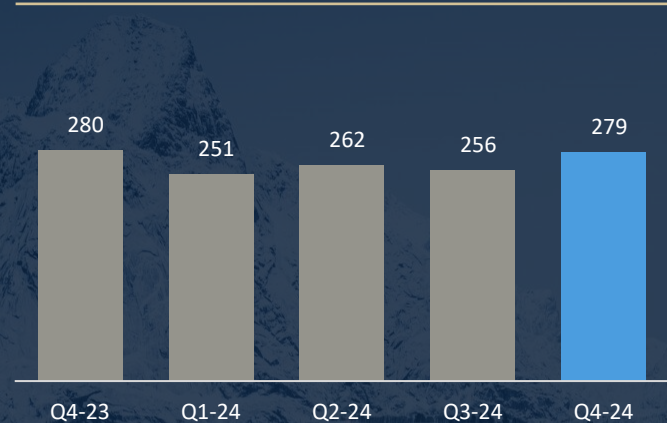
Available credit and cash at hand (MNOK)



■ Available credit ■ Cash at hand

Financial Update - Highlights

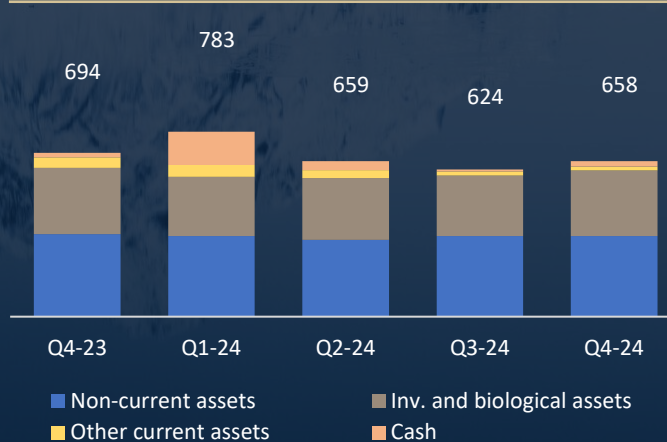
Biological assets (MNOK)



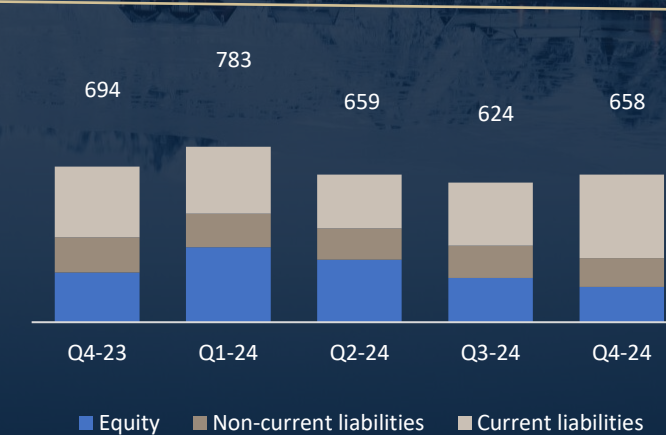
Biomass at sea (tons)



Balance sheet development – Assets (MNOK)



Balance sheet development – Equity and liabilities (MNOK)



Financial Review

	Q4 - 2024	FY 2024	Q4 - 2023	FY 2023	Y/Y-%
Operating revenue	123 721	397 183	83 163	269 419	47,4 %
Production cost*	-110 016	-382 866	-77 755	-312 257	22,6 %
Other operating expenses	-59 606	-205 634	-51 161	-190 544	7,9 %
EBIT excl non-recurring items and FV adjustment of biomass	-45 901	-191 317	-45 753	-233 382	18,0 %
Non-recurring items**	-7 202	-30 226	-21 110	-21 110	43,2 %
FV-adjustment of biomass	18 572	17 740	-36 965	38 623	-54,1 %
EBIT	-34 531	-203 802	-103 828	-215 869	5,6 %
Harvest volume WFE	2 390	8 333	1 611	6 155	35,4 %
Production cost NOK per kg*	46,0	45,9	48,3	50,7	-9,4 %

* Costs incurred during the process of raising fish to harvestable size, including expenses for fry and during juvenile stages.

Harvest, wellboat, freight and non-production administration not included

** Non-recurring items in Q4 mainly relates to the escape incident late November

Financial Review

Profit and Loss Fourth Quarter 2024

Operating revenues for the fourth quarter were 124 MNOK based on a harvested volume of 2.400 tons, up from 83 MNOK and a harvested volume of 1.600 tons in Q4-23. Operating expenses ended at 177 MNOK, up from 150 MNOK in Q4-23. The increase is mainly explained by significantly higher harvest volume compared to the corresponding quarter last year.

Production cost per kg decreased from 48.3 NOK per kg WFE in Q4-23 to 46.0 NOK per kg WFE in Q4-24. Operating loss ended at 35 MNOK, down from 104 MNOK in the corresponding quarter last year. Net loss for the period ended at 40 MNOK, down from 110 MNOK in Q4-23.

The non-recurring items mainly relates to the escape incident late November, which was reported via the stock exchange.

Balance Sheet

Total assets ended at 658 MNOK in Q4-24, down from 695 MNOK in Q4-23.

The change from last year is due to a reduction in biological assets and short-term receivables. Available credit ended at 12 MNOK, and cash on hand ended at 23 MNOK. Total available funds reached 34 MNOK, up from 26 MNOK in Q4-23.

The retained earnings has reduced the equity further from Q4-23. Total equity ended at 157 MNOK, down from 225 MNOK corresponding quarter last year.

Norcod has operated in compliance with all financial covenants under its loan agreement with DNB. Due to the challenging conditions during the summer of 2024 and a subsequent decrease in the equity ratio to approximately 24%, Norcod has been given a waiver of the equity ratio requirement of 35% until the contemplated capital increase is completed.

Financial Review

Balance Sheet (cont.)

Total non-current liabilities ended at 128 MNOK in Q4-24, down from 153 MNOK in Q4-23. Current interest-bearing debt ended at 205 MNOK in Q4-24, up from 119 MNOK in Q4-23. Total current liabilities ended at 373 MNOK in Q4-24, up from 317 MNOK in Q4-23. The change is mainly due to investing in biomass along with the increased harvesting levels, combined with the increased overdraft facility.

Cash Flows

Net cash flows from operating activities were -48 MNOK in Q4-24 compared to -6 MNOK in Q4-23. The increased overdraft facility was utilized throughout the quarter to repay overdue accounts payable. Net cash flows from investing activities were -5 MNOK in Q4-24 compared to -9 MNOK in Q4-23. This change is due to reduced purchases of equipment in this quarter.

Net cash flows from financing activities ended at 66 MNOK in Q4-24, compared to 15 MNOK during Q4-23. This change is primarily explained by the variation in the utilization of the credit line facility.

Market update

Norcod is currently benefiting from favorable market conditions, with a 29 percent rise in sales prices from Q1 to Q4 of 2024.

We are witnessing growing awareness and recognition of the advantages of farmed cod, offering a reliable year-round supply of fresh, high-quality cod, with similar versatility to salmon.

The launch of the Snow Cod brand and our efforts to position the product within a premium niche segment in key growth markets have been well received both in the retail and food service sectors.

In light of the substantial quota reductions for wild cod and a reduction in available raw materials, both Norcod and our customers are aligned in recognizing farmed cod as a sustainable and viable alternative. Farmed cod ensures a steady supply while easing the strain on wild stocks, positioning farmed cod as a dependable and sustainable protein source for the future. Farmed cod is a proven part of the solution to providing the world's growing population with a reliable, sustainable and healthy protein source.

With these market conditions, the outlook for farmed cod, and Norcod in particular, has never been more promising.



Outlook

Revised and profitable long-term growth strategy with increased debt commitment and contemplated Private Placement
Driven by favorable market conditions and strong sales price trends, the company has seen improvements in its financial performance year-on-year.

By maintaining a sharp focus on cod biology, optimizing the feeding regime, refining production processes, maximizing production capacity and capitalizing on scale-up effects, Norcod has developed a revised and profitable growth strategy that aligns with the current favorable market dynamics. This includes funding of approximately NOK 300 million through a combination of increased debt commitment and a contemplated Private Placement.

The Company is contemplating an equity raise of minimum NOK 150 million to fund annual production capacity of up to 25,000 tons Whole Fish Equivalent (WFE). Some of Norcod's largest shareholders have already indicated support covering the minimum amount in the equity raise. DNB Markets has been engaged as financial advisor. The contemplated Private Placement is expected to take place during Q1 2025.

Subject to completion of the equity raise, Norcod has secured increased debt commitment from DNB Bank ASA of up to NOK 150 million.

Adjustments to expected financial results for 2025 compared to indications provided in Q3 24-report

As part of the revised growth strategy, Norcod has adjusted its production plan for 2025 to optimize long-term, profitable growth. Along with increased harvesting in Q1 2025 to manage maturation (see the section "Operational update"), these changes will negatively affect cash flow from operations for the 2025 financial year, compared to the Q3 2024 report where Norcod indicated that positive cash flow from operations in 2025 was within reach.

Green visions for a blue future

Norcod in a sustainable global food system

- Zero use of antibiotics
- Certified feed ingredients
- Best possible score regarding seabed surveys
- Hybrid-electric vessels and feed barges
- Highly nutritious and flavourful product good for everyone and the planet
- 90 % utilization of the cod for human consumption

Looking ahead

- Targeting 98 % utilization of the cod for human consumption
- 50 % reduction in carbon footprint by 2030 (Scope 1, 2, 3) per kg edible yield
- Zero escape vision
- Aiming to increase the survival rate to 90 % per cycle within 2030
- Available tools not only to prevent and detect, but fully control maturation

Devoted to

People

Human rights
Safe work environment
Local communities
Gender equality
Aquaculture education
Customers

Cod

Fish Welfare
Production environment
Product quality
Increase yield
Food safety

Nature

The ocean
Local and global environment
Biodiversity
Responsible producer
Fish feed
Climate action

Innovation & Profit

Research and development
Year-round harvest
Market development



Interim condensed consolidated statement of comprehensive income

Consolidated statement of comprehensive income					
(Amounts in NOK '000)	Note	Q4 - 2024	FY 2024	Q4 - 2023	FY 2023
Operating revenue		123 721	397 183	83 163	269 419
Cost of materials		106 702	373 036	74 920	315 439
Salaries and personnel expenses		23 755	88 842	22 805	67 845
Depreciation, amortization and impairment		9 458	36 550	10 967	29 095
Other operating expenses		36 909	120 296	41 333	111 532
Operating expenses		176 823	618 724	150 026	523 911
Operating profit/ loss(-) before fair value adj. of biomass		-53 103	-221 542	-66 863	-254 492
Fair value adjustment biomass	1	18 572	17 740	-36 965	38 623
Operating profit/loss		-34 531	-203 802	-103 828	-215 869
Share of profit/ loss(-) from associates		0	0	0	1 489
Net financial items	2	-4 992	-30 033	-9 656	-34 921
Profit/loss before tax		-39 522	-233 835	-113 484	-249 301
Income tax expenses		0	0	3 121	3 121
Net profit/loss for the period		-39 522	-233 835	-110 363	-246 180
Other comprehensive income		0	0	0	0
Total comprehensive income for the period		-39 522	-233 835	-110 363	-246 180

Interim condensed consolidated statement of financial position

Consolidated statement of financial position

(Amounts in NOK '000)	Note	Q4 - 2024	Q4 - 2023
ASSETS			
Non-current assets			
Concessions, patents, licenses, trademarks and similar rights		2 000	2 000
Property, plant & equipment		145 933	148 246
Right-of-use assets		193 127	198 776
Other investments	2, 3	3	505
Total non-current assets		341 064	349 527
Current assets			
Inventories	1	13 242	8 093
Biological assets	1	265 341	272 052
Short-term receivables		15 834	46 344
Cash and cash equivalents		22 533	18 777
Total current assets		316 951	345 267
TOTAL ASSETS		658 014	694 793

Interim condensed consolidated statement of financial position


Consolidated statement of financial position

(Amounts in NOK '000)	Note	Q4 - 2024	Q4 - 2023
EQUITY AND LIABILITIES			
Equity			
Share capital		21 902	14 714
Treasury Shares		-3 707	-3 707
Share premium		1 005 143	846 043
Retained earnings		-866 079	-632 243
Total equity		157 260	224 806
Liabilities			
Non-current interest-bearing debt	4	17 018	29 284
Lease liabilities	4	111 156	124 182
Total non-current liabilities		128 174	153 466
Current leasing Liabilities	4	34 661	32 642
Current interest-bearing debt	4	205 270	119 356
Trade payables		119 981	135 863
Other current liabilities		12 668	28 661
Total current liabilities		372 580	316 521
TOTAL EQUITY AND LIABILITIES		658 014	694 793

Interim condensed consolidated statement of changes in equity

Interim condensed consolidated statement of changes in equity

(Amounts in NOK '000)

	Paid-in equity			Other equity	
	Share capital	Treasury shares	Share premium	Retained earnings	Total equity
2023					
Equity as of 1 Jan 2023	9 609	-3 707	553 043	-382 266	176 679
Issue of shares 10.05.2023	3 175		176 065		179 240
Issue of shares 05.07.2023	289		19 592		19 881
Issue of shares 13.07.2023	164		9 350		9 514
Issue of shares 25.08.2023	1 477		84 196		85 673
Net profit/loss for the year				-246 180	-246 180
Other changes/ reclassification			3 796	-3 796	0
Equity as of 31 Dec 2023	14 714	-3 707	846 042	-632 242	224 806
2024					
Equity as of 1 Jan 2024	14 714	-3 707	846 042	-632 242	224 806
Issue of shares 11.03.2024	773		17 184		17 957
Issue of shares 20.03.2024	6 310		140 246		146 556
Issue of shares 15.04.2024	105		1 671		1 776
Net profit/loss for the year				-233 835	-233 835
Equity as of 31 Dec 2024	21 902	-3 707	1 005 143 	-866 079	157 260

Interim condensed consolidated statement of cash flows

Interim condensed consolidated statement of cash flows

		Q4 - 2024	FY 2024	Q4 - 2023	FY 2023
(Amounts in NOK '000)	Note				
Profit/loss before tax		-39 522	-233 835	-113 484	-249 301
Taxes paid		0	0	0	0
Cash flow from operating activities					
Depreciation and amortization		9 458	36 550	9 776	27 903
Impairment of intangible assets	3	0	502	1 191	1 191
Change in inventory and biological assets	1	-4 176	19 302	79 081	-23 902
Fair value adjustment	1	-18 572	-17 740	-38 623	-38 623
Share of profit/ loss(-) from associates		0	0	0	-1 489
Change in accounts receivable		-999	15 685	-3 575	3 235
Change in accounts payable		1 412	-15 882	49 331	19 833
Change in other current receivables and other current liabilities		4 689	12 855	10 558	30 131
Net cash flow from operating activities		-47 710	-182 564	-5 745	-231 022
Cash flows from investing activities					
Payments for purchase of property, plant & equipment		-4 998	-18 883	-8 207	-24 550
Proceeds from sale of property, plant & equipment		0	4 228	-339	25 153
Acquisition of subsidiaries		0	0	0	-8 912
Proceeds from sale of shares in associates		0	0	0	35 000
Change in loans associates and others		0	0	0	40 000
Net cash flow from investing activities		-4 998	-14 655	-8 545	66 691
Cash flows from financing activities					
Receipts from new non-current debt		3 500	3 500	0	0
Net change in bank overdraft		71 660	68 701	22 444	50 865
Repayment of debt		-344	-1 461	0	-12 164
Repayment of lease liability		-7 516	-24 732	-4 179	-34 925
Interest paid	2	-846	-11 322	-3 646	-8 987
Proceeds from issues of shares		0	166 289	0	184 907
Net cash flow from financing activities		66 453	200 975	14 619	179 696
Net (decrease)/increase in cash and cash equivalents		13 746	3 757	330	15 365
Cash and cash equivalents at the beginning of the period		8 788	18 777	18 447	3 412
Cash and cash equivalents at close of the period		22 533	22 533	18 777	18 777

Notes

Norcod (the Group) consists of Norcod AS, Norcod Equipment AS, Kråkøy Norcod AS and Kråkøy Norcod Eiendom AS .

The Groups head office is located at Thomas Angells gate 22 in Trondheim, Norway.

Norcod AS is listed on the Oslo Stock Exchange Euronext Growth under the ticker NCOD.

The condensed, consolidated interim financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRS), including the International Accounting Standards 34 (IAS34) for interim financial reporting and are authorized for issue by the board of directors on 12. Feb 2025. The Group's accounting principles and calculation methods used in the most recent annual accounts are described in the annual report for 2023. No accounting principles have been changed or other standards have been adopted during the period. The annual report is published on www.norcod.no.

The condensed consolidated interim financial statements have not been audited. As a result of rounding differences, numbers or percentages may not add up to the total.

All figures in the notes are in NOK 1 000, unless otherwise specified.

Note 1 Inventories and biological assets

	31.12.2024	31.12.2023		
Book value of inventories				
Feed and other materials	13 242	8 093		
Total inventories	13 242	8 093		
Book value of biological assets				
Roe and cod fry at cost	18 796	13 830		
Biological assets held at sea farms at cost	351 035	380 452		
Total Biological assets before fair value adjustment	369 831	394 282		
Fair value adjustment of biological assets	-104 490	-122 230		
Total biological assets	265 341	272 052		
	Q4 - 2024	2024	Q4 - 2023	2023
Reconciliation of changes in carrying amount of biological assets	Statement of comprehensive income post			
Opening balance biological assets	248 356	272 052	304 852	206 758
Increase resulting from production in the period	114 302	387 311	81 921	338 928
Reduction due to extraordinary mortality	-5 872	-28 896	0	0
Fair value adjustment of biomass	18 572	17 740	-36 965	38 623
Reduction due to harvesting in the period	-110 016	-382 866	-77 755	-312 257
Closing balance biological assets	265 341	265 341	272 052	272 052
Volumes of biological assets in sea (1 000 kg)				
Opening balance biological assets in sea	7 083	7 817	6 395	6 777
Closing balance biological assets in sea	6 746	6 746	7 817	7 817

Notes

The group had no uninvoiced finished goods in Q4 2024.

Biological Assets

Biological assets are, in accordance with IAS 41 Agriculture, measured at fair value in accordance with IFRS 13. Biomass measured at fair value, is categorized at Level 3 in the fair value hierarchy, as the input is mostly unobservable. All cod at sea are subject to a fair value calculation, while roe and cod fry are measured at cost as cost is deemed a reasonable approximation for fair value as there is little biological transformation.

The technical model used to calculate the fair value of biomass is a present value model. Present value is calculated on the basis of estimated revenues less production costs remaining until the cod is harvestable at the individual site. The cod is harvestable when it has reached the estimated weight required for harvesting specified in the company's budgets and plans. The estimated value is discounted to present value on the date of reporting. The expected biomass at harvest is calculated on the basis of the number of individuals held at sea farms on date of reporting, adjusted for expected mortality up until the point of harvest and multiplied by the fish's estimated weight at harvest. The price is calculated using the Group's best estimate of future prices and are not observable. The price includes the Group's best estimate of the future prices of cod liver and other products of the cod that will be sold. Prices are adjusted for expected costs related to harvesting, sales and carriage costs. The Group applies a monthly discount rate of 2 %.

Estimated remaining production costs are estimated costs that a market participant would presume necessary for the farming of fish up until they reach a harvestable weight. In the model, instead of being a separate cost element in the calculation, compensation for estimated license fees and site leasing costs is included in the discount factor, and thereby reduces the fair value of the biomass.

The fair value of the biomass is calculated using a monthly discounting of the cash flow based on an expected harvesting month according to the harvesting plan. The discount factor is intended to reflect three main components:

1. The risk of incidents that affect the cash flow
2. The time value of money
3. Synthetic license fees and site leasing costs

The discount factor is set on the basis of an average for all the Group's sites and which, in the Group's assessment, provides a sensible growth curve for the fish – from cod fry to harvestable fish.

The risk adjustment must take account of the risk involved in investing in live fish. Currently the Group expects a cod to spend on average 16-18 months at a sea farm, and the risk will be higher the longer the time until harvest. Biological risk, the risk of increased costs and price risk will be the most important elements to be recognized. The present value model includes a theoretical compensation for license fees and site leasing costs as a surplus to the discount factor in the model, instead of being a cost-reducing factor in the calculation.

Notes

Note 2 Financial items				
	Q4 - 2024	FY 2024	Q4 - 2023	FY 2023
Financial income				
Other financial income	34	1 240	191	851
Total financial income	34	1 240	191	851
Financial expenses				
Impairment of financial assets	0	502	0	0
Interest expenses to related companies	0	0	-181	6 323
Interest on long term loans from credit institutions	4 233	14 992	7 873	7 873
Interest expenses leasing	846	11 322	5 603	10 944
Adjustments due to currency loss	124	2 147	185	8 254
Other financial expenses	-178	2 311	-3 633	2 379
Total financial expenses	5 025	31 274	9 847	35 773
Net financial items	-4 992	-30 033	-9 656	-34 921

Notes

Note 3 Associated companies and other investments

Up until May 2023, Norcod AS had a 50 % ownership in Havlandet Norcod AS (associated company), where NOK 35 million were invested in shares. An additional NOK 40 million long-term loan was granted to Havlandet Norcod AS. In May 2023, Norcod sold its shares in Havlandet Norcod AS and the long term loan was settled in cash correspondingly. Both transactions were settled at book values.

Norcod has written down an investment in Arctic Cod AS by TNOK 502 during the second quarter of 2024. The investment was acquired for TNOK 1 003 and had a book value of TNOK 502 at the beginning of the year.

Notes

Note 4 Interest-bearing liabilities

	31.12.2024	31.12.2023
Non-Current interest-bearing liabilities		
Non-current interest-bearing debt	17 018	29 284
Non current liabilities for right-of-use assets	111 156	124 182
Non-current leasing liabilities	128 174	153 465
Current interest-bearing debt:		
Current liabilities for right-of-use assets	34 661	32 642
Current interest-bearing debt	205 270	119 356
Total current interest-bearing debt	239 931	151 998
Total interest-bearing debt	368 105	305 463
Cash and bank deposits	22 533	18 777
Net interest-bearing debt	345 572	286 687

