

# Third quarter 2024

– Financial statements and review



**AKVA**GROUP™



About AKVA group	2
Highlights	3
Orderintake, revenues and profit for the group	5
Financial performance per segment	6
Revenue per segment	7
Revenue per region	8
Revenue per CAPEX / OPEX	9
Revenue per species	10
Balance sheet and cash flow	11
Statement from the Board and Chief Executive Officer	12
Notes	15
Our offices	20

## AKVA group in brief

AKVA group is the leading technology and service partner to the aquaculture industry worldwide. The company has 1 409 employees and offices in 12 countries. The total turnover was NOK 3.4 billion in 2023.

We are a public listed company operating in one of the world's fastest growing industries and supply everything from single components to complete installations, both for sea based farming and land based aquaculture. AKVA group is recognized as a pioneer and technology leader through more than 40 years.



# Strong financial performance driven by Sea Based

## Third quarter 2024 - highlights

- High quarterly revenue of MNOK 1,011. Adjusted for the gain of MNOK 76 related to the Observe transaction the revenue is MNOK 936 and 14,5% higher compared to Q3 2023
- Order intake was MNOK 803 and up from MNOK 600 in Q3 2023
- Order backlog at the end of the quarter of MNOK 2,367
- EBIT of MNOK 150 in the quarter. Adjusted for the net gain of MNOK 71 related to the Observe transaction the EBIT is MNOK 78 and increase from MNOK 29 in Q3 2023
- Completion of the acquisition of Observe Technologies, increasing our ownership from 33.7% to 100%.
- Awarded LOI from Cermaq early Q4 related to RAS contract for new post smolt facility in Chile with estimated contract value of MEUR 30



## YTD 2024 - highlights

- Revenue of MNOK 2,810 YTD 2024. Adjusted for the gain of MNOK 76 related to the Observe transaction the revenue is MNOK 2,734 and up from MNOK 2,631 YTD 2023.
- EBIT YTD of MNOK 233. Adjusted for the net gain of MNOK 71 related to the Observe transaction the EBIT is MNOK 162 and increase from MNOK 77 YTD Q3 2023.
- Order intake of MNOK 2,608, decrease from MNOK 3,610 in the YTD Q3 2023.
- Award of five barges for the Nordic market during YTD Q3 2024.
- Order backlog of MNOK 2,367, 9% decrease compared to end of Q3 2023.
- Completion of the acquisition of Observe Technologies, increasing our ownership from 33.7% to 100%.
- Awarded LOI from Cermaq early Q4 related to RAS contract for new post smolt facility in Chile with estimated contract value of MEUR 30

# Order intake, revenues, and profits for the Group

## OPERATIONS AND PROFIT (Figures in brackets = 2023 unless other is specified)

The activity level in the third quarter was high with quarterly revenue of MNOK 936 (adjusted for the gain of MNOK 76 related to the Observe transaction) and order intake of MNOK 803. After a somewhat slow start to 2024 the activity level has been sound and higher compared to last year both in Q2 and Q3. The high activity is driven by the Sea Based business segment and continued positive momentum in the Nordic market. The market for Land Based is still soft but the revenue level is gradually increasing. The award of the LOI from Cermaq in the beginning of Q4 with an estimated contract value of MEUR 30 will have a positive effect on the revenue level in Q4 and onwards. The outlook for the post smolt market in Norway is still uncertain but is expected to improve gradually into 2025.

Profitability improved significantly in the third quarter compared to last year, and the improved profitability is primarily related to strong performance in the Sea Based business. The profitability in the Land Based business is improving partly due to higher activity level and partly due to improved project margins. The Digital business segment has experienced great revenue growth the last few years but the current cost base is still high compared to the activity level resulting in soft profit margins.

Note that the acquisition of 100% ownership in Observe which was completed during Q3 resulted in a gain of MNOK 75.5 reflected in the revenues for the Digital segment, with a net EBIT/EBITDA gain of MNOK 71.4 (including transaction related cost). The gain is a result of the step acquisition where AKVA remeasured previously held ownership of 33,7% at fair value in accordance with IFRS 3.

- Order intake was MNOK 803 in Q3 2024 compared to MNOK 600 in Q3 2023.
- Revenues in Q3 2024 ended at MNOK 1,011 compared to MNOK 817 in Q3 2023, an increase of 23,7%. Adjusted for the gain of MNOK 76 related to the Observe transaction the increase is 14,5%.
- EBITDA increased from MNOK 78 in Q3 2023 to MNOK 199 in Q3 2024. Adjusted for the net gain of MNOK 71 related to the Observe transaction EBITDA was MNOK 128 in Q3 2024
- Depreciation and amortization for the quarter were MNOK 50 compared to MNOK 49 in the same quarter last year.
- EBIT was MNOK 150, up from MNOK 29 in Q3 2023. Adjusted for the net gain of MNOK 71 related to the Observe transaction EBIT was MNOK 78 in Q3 2024
- Net financial items were MNOK -52, compared to MNOK -32 in Q3 last year.
- Profit before tax ended at MNOK 98, up from MNOK -3 in Q3 2023.
- Net Profit increased from MNOK -3 last year to MNOK 88 in Q3 2024.

Financial key figures (NOK 1 000 000)	2024 Q3	2023 Q3	2024 YTD	2023 YTD
<b>Revenues</b>	1 011	817	2 810	2 631
EBITDA	199	78	376	223
EBIT	150	29	233	77
Net profit	88	-3	118	18
Net interest-bearing debt	1 265	1 088	1 265	1 088
Cash flow from operations	189	102	178	101
ROACE	10,3%	3,3%	10,3%	3,3 %
Order backlog	2 367	2 609	2 367	2 609
Order intake	803	600	2 608	3 610

# Financial performance per segment

## SEA BASED TECHNOLOGY (SBT)

SBT revenue for Q3 2024 ended at MNOK 740 (660). EBITDA and EBIT for the segment in Q3 ended at MNOK 112 (79) and MNOK 75 (41), respectively. The related EBITDA and EBIT margins were 15.2% (11.9%) and 10.1% (6.3%), respectively.

Order intake in Q3 2024 was MNOK 635 compared to MNOK 574 in Q3 2023. Order backlog ended at MNOK 711 compared to MNOK 731 last year.

The revenue in the Nordic region ended at MNOK 528 (417). The order intake was MNOK 386 (379) in the third quarter.

In the Americas region, the revenue was MNOK 156, which is a decrease from MNOK 171 in the third quarter last year. The order intake was MNOK 112 (136) in the third quarter.

Europe and Middle East (EME) had a revenue of MNOK 55 in Q3 2024, compared to a revenue of MNOK 73 in the third quarter last year. The order intake was MNOK 137 (59) in the third quarter.

## LAND BASED TECHNOLOGY (LBT)

Revenues for the third quarter were MNOK 162 (124). EBITDA and EBIT ended at MNOK 5 (-11) and MNOK 3 (-13), respectively. The related EBITDA and EBIT margins were 3.1% (-8.5%) and 1.6% (-10.4%).

Order intake in Q3 2024 of MNOK 138 compared to MNOK 4 in Q3 2023. Order backlog ended at MNOK 1,509, compared to MNOK 1,728 last year.

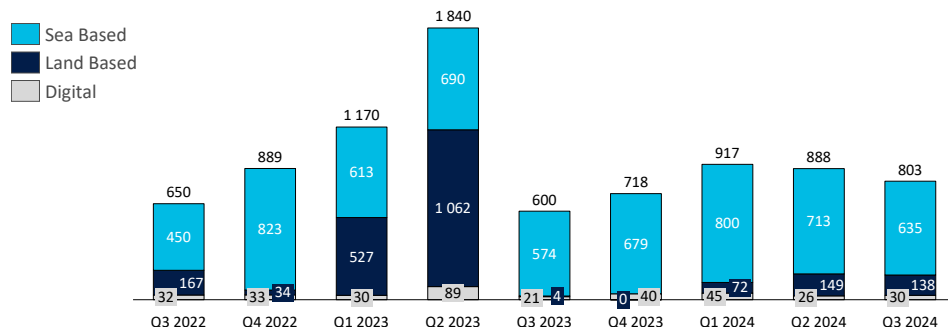
## DIGITAL (DI)

The revenue in the segment was MNOK 109 (33) in Q3 2024. Adjusted for the gain of MNOK 76 related to the Observe transaction the revenue was MNOK 34 in Q3 2024. EBITDA and EBIT ended at MNOK 82 (10) and MNOK 72 (0), respectively. The related EBITDA and EBIT margins were 75.2% (29.9%) and 66.4% (0.8%). Adjusted for the net gain of MNOK 71 related to the Observe transaction EBITDA and EBIT in Q3 2024 was MNOK 11 and MNOK 1, respectively. Adjusted EBITDA and EBIT margins were 31,9% and 3%.

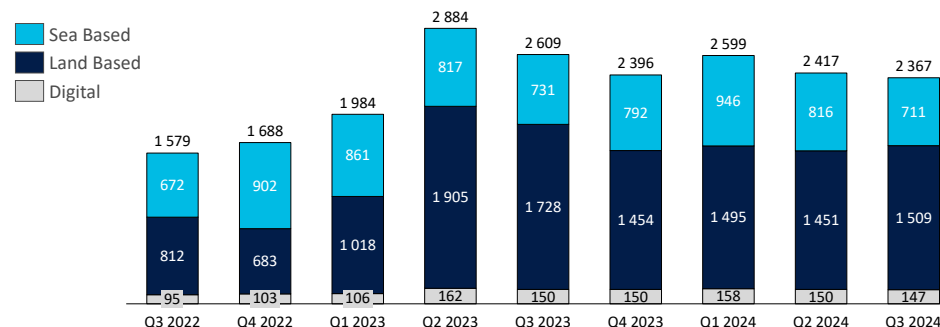
Order intake in Q3 2024 of MNOK 30 compared to MNOK 21 in Q3 2023. Order backlog ended at MNOK 147, compared to MNOK 150 last year.

The information below shows AKVA group's three business segments, Sea Based Technology, Land Based Technology and Digital (ref. notes to the interim financial statements).

## ORDER INTAKE PER SEGMENT

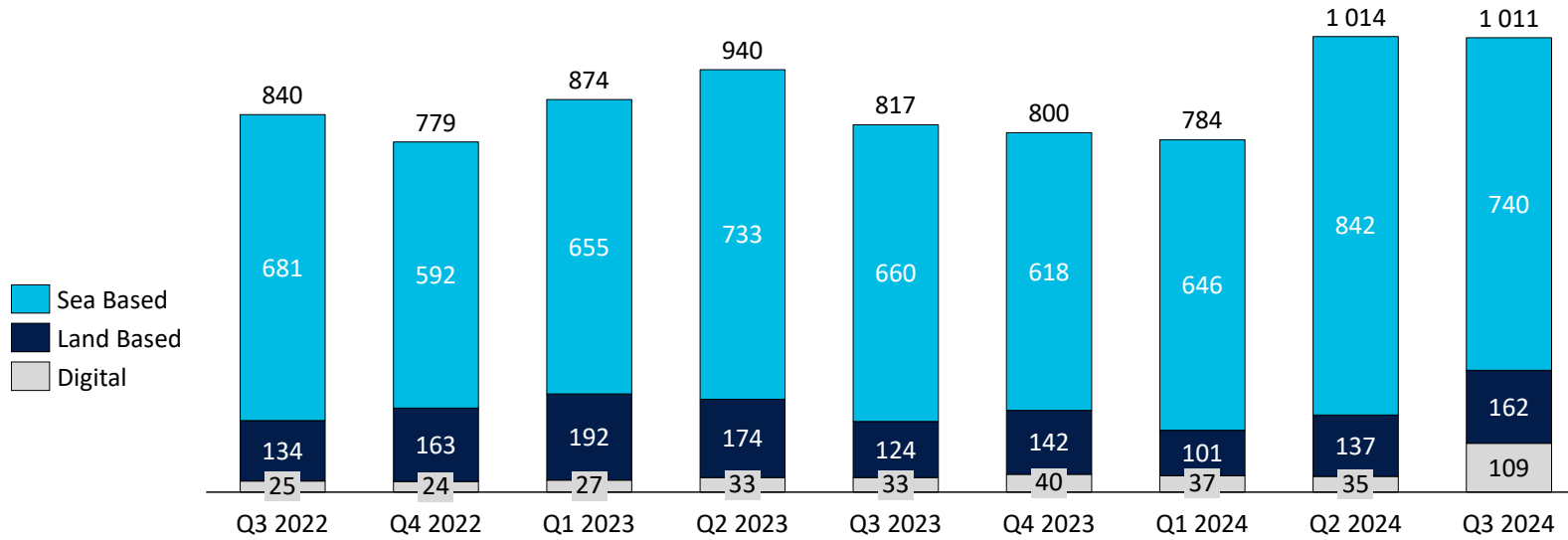


## ORDER BACKLOG PER SEGMENT



# Revenue per segment

Sea Based and Land Based had an increase in activity level this quarter of 12.1% and 30.3% compared to the same quarter last year, respectively. Digital had increased revenue of 232% compared to the same quarter last year. Adjusted for the gain of MNOK 76 related to Observe the revenue increased by 2,2%

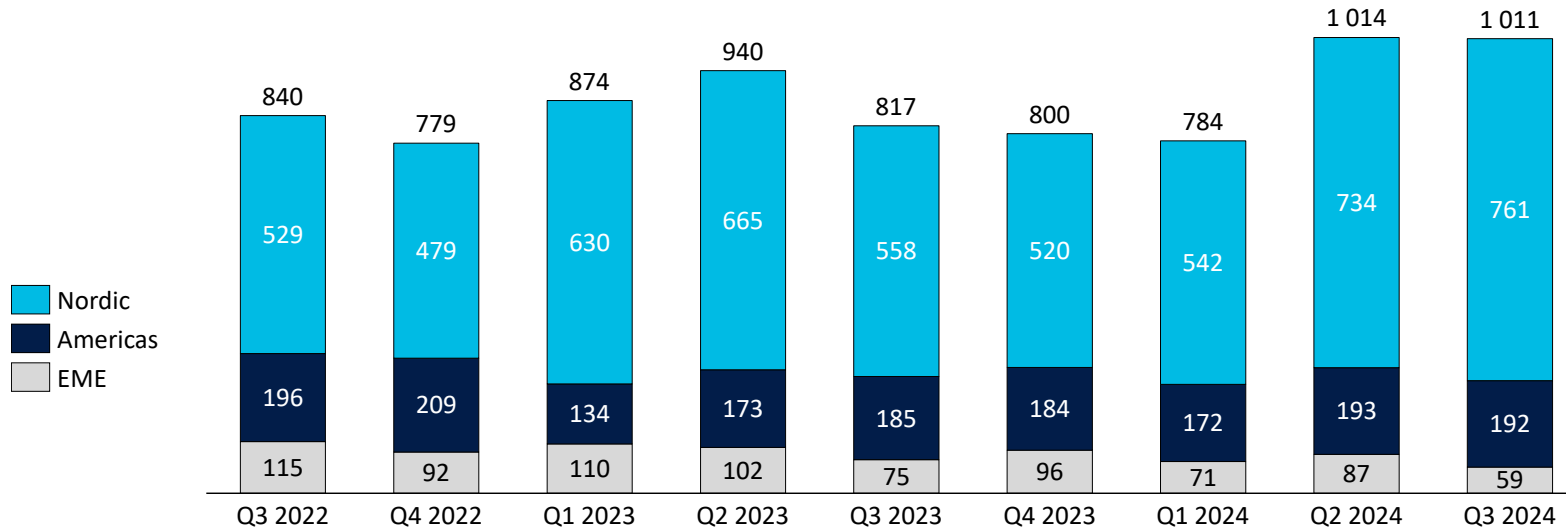


The revenue in AKVA group can be divided based on segments, and the above graphs show the last nine quarters development in revenue by segments



## Revenue per region

Nordic had an increase in activity level this quarter of 36.4% compared to last year. Adjusted for the gain of MNOK 76 related to the Observe transaction the increase was 22,8% . Revenue in Americas was 3.9% higher compared to the same quarter last year. Europe and Middle East (EME) had a decrease in revenues compared to the same quarter last year of 22.3%.



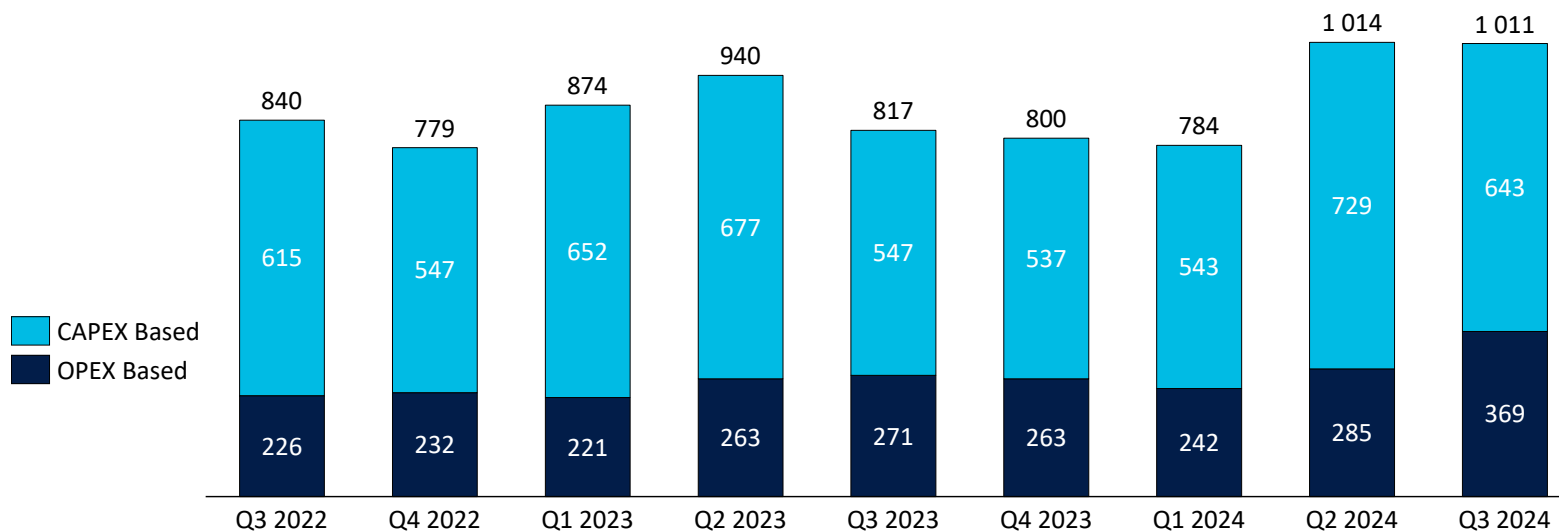
AKVA group has organized its business into three geographical regions:

- Nordic: Includes the Nordic countries,
- Americas: Includes the Americas and Oceania
- Europe and Middle East: Includes the rest of the world



## Revenue per CAPEX / OPEX

The CAPEX based revenues increased with 17.5% in the third quarter compared to the same quarter in 2023, whilst the OPEX based revenues increased with 36.2% in the same period. Egersund Net's service stations contributed with MNOK 96 (99) in Q3 2024.



The revenue in AKVA group can be split between CAPEX based revenue and OPEX based revenue. The above graphs show the last nine quarters development in CAPEX and OPEX based revenues.

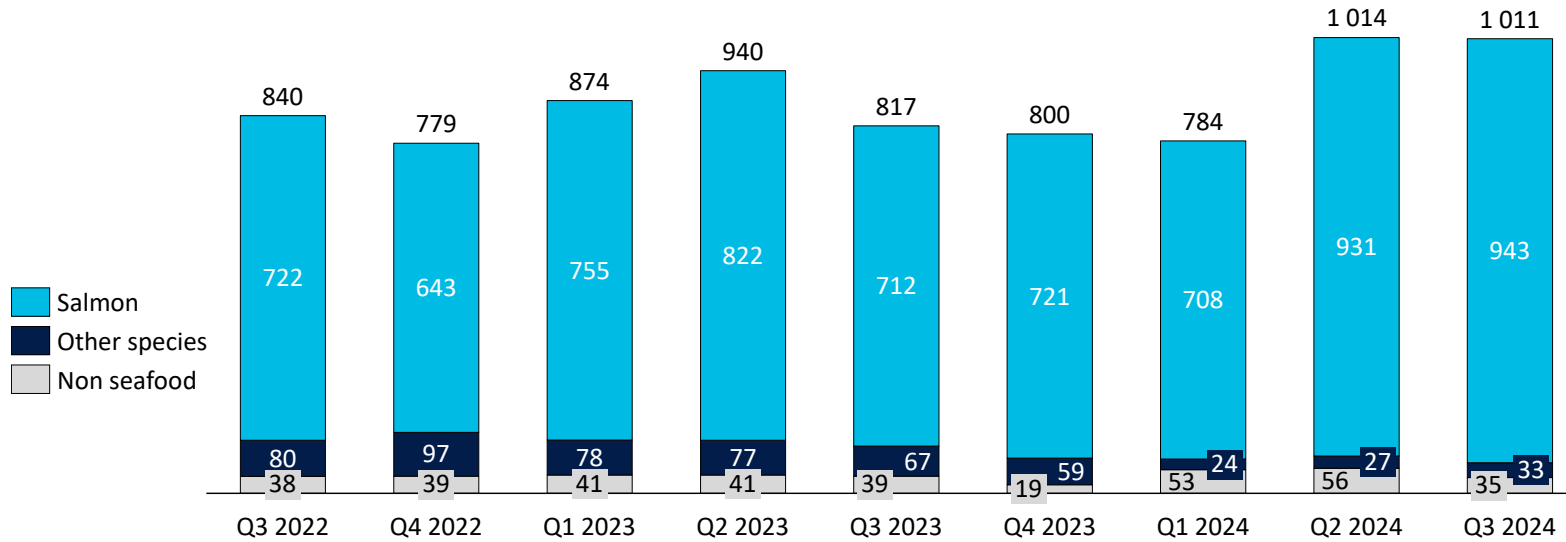
We use the following definition:

- CAPEX based: Revenue classified as CAPEX in our customers' accounts
- OPEX based: Revenue classified as OPEX in our customers' accounts

Note that the gain of MNOK 76 related to the Observe transaction is classified as OPEX based revenue.

## Revenue per species

Most of the revenues are generated from the Salmon segment. The revenues from other species relate mainly to the Mediterranean area.



The revenue in AKVA group can be divided based on species, and the above graphs show the last nine quarters development in revenue by species.

The following species are used:

- Salmon: Revenue from technology and services sold for production of salmon
- Other species: Revenue from technology and services sold for production of other species than salmon
- Non-Seafood: Revenue from technology and services sold to non-seafood customers

Note that the gain of MNOK 75.5 related to the Observe transaction is classified as revenue from Salmon.



## Balance sheet and cash flow

The working capital was MNOK 263 on 30 September 2024, a decrease from MNOK 293 on 30 September 2023. The working capital relative to last twelve months revenue was 7.3% at the end of September 2024, compared to 8.6% at the end of September 2023.

Total CAPEX in Q3 2024 was MNOK 46. MNOK 21 relates to capitalized R&D expenses, MNOK 7 is related to new ERP system and MNOK 18 was other CAPEX.

Cash and unused credit facilities amounted to MNOK 448 at the end of Q3 2024 versus MNOK 526 at the end of Q3 2023. The unused credit facility (at DNB) is MNOK 279.

Net interest-bearing debt was MNOK 1,265 at the end of September 2024, including lease liabilities of MNOK 464, compared to MNOK 1,088 and MNOK 471 at the end of Q3 2023.

Gross interest-bearing debt was MNOK 1,506 at the end of Q3 2024 versus MNOK 1,380 at the end of Q3 2023. The short-term interest-bearing debt in the balance sheet includes the next 12 months instalments of the long-term debt. The IFRS 16 lease liability of MNOK 464 (471) at the end of Q3 2024, is included in the interest-bearing debt.

A waiver from DNB was obtained in respect of the leverage ratio (NIBD/EBITDA) covenant. The waiver is effective from 23 November 2023 to and including 30 September 2024 (waiver period). The EBITDA used for calculating the NIBD/EBITDA covenant is adjusted with MNOK 10 in Q3 2024. In the waiver period the leverage ratio shall not exceed 4,5 including the allowed adjustment to the EBITDA set out above. The leverage ratio was 2.96 as at 30 September 2024 and AKVA group was in compliance with all bank covenants. The Group continues to closely monitor its financial performance to ensure compliance with financial covenants.

Refinancing process with DNB has been initiated with expected completion by the end of 2024.

Trailing 12 months average return on capital employed (ROACE) ended at 10.3 % (3.3%) for the quarter.

Total assets and total equity amounted to MNOK 4,018 and MNOK 1,301 respectively, resulting in an equity ratio of 32.4% (31.8%) at the end of Q3 2024. Adjusted for the effect of IFRS 16 assets, the equity ratio is 36.4% (36.1%).

### OTHER SHAREHOLDER INFORMATION

Earnings per share in Q3 2024 were NOK 2.44 (-0.08). The calculations are based on 36,316,177 (36,437,070) shares on average.

The minority interests in Newfoundland Aqua Service and Submerged are reflected in the balance sheet with 1.5% and 49% ownership, respectively.

The 20 largest shareholders are presented in note 6 in this report.

### MARKET AND FUTURE OUTLOOK

Salmon prices are expected to remain strong driven by reduced supply.

AKVA expects to see a normalization of the post smolt market in Norway into 2025.

AKVA is aiming for revenue of minimum BNOK 3.6 and EBIT of 5% in 2024.

AKVA group will continue to invest and improve solutions, both within Sea Based, Digital and Land Based Technology.

# Statement from the Board and Chief Executive Officer

We confirm that, to the best of our knowledge, the condensed set of financial statements for the period 1 January to 30 September 2024, which have been prepared in accordance with IAS 34 Interim Financial Statements, gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

KLEPP, 6 NOVEMBER 2024

## BOARD OF DIRECTORS, AKVA GROUP ASA



Hans Kristian Mong  
Chairperson



Frode Teigen  
Board Member



Yoav Doppelt  
Board Member



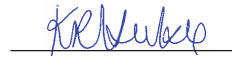
Heidi Nag Flikka  
Board Member



Irene Heng Lauvsnes  
Board Member



Knut Nesse  
CEO



Kristin Reitan Husebø  
Deputy Chairperson



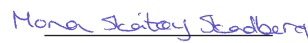
Tore Rasmussen  
Board Member



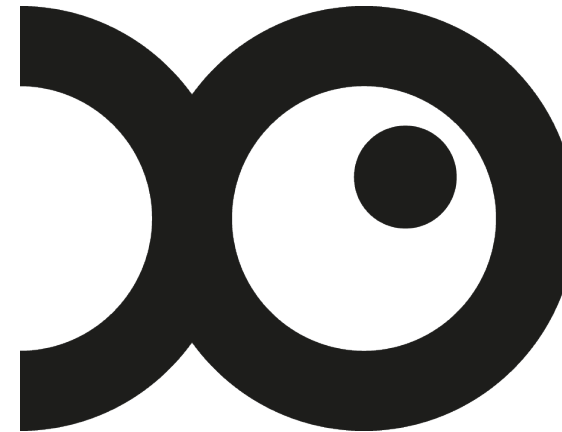
Odd Jan Håland  
Employee's Representative



John Morten Kristiansen  
Board Member



Mona Skåtøy Skadberg  
Employee's Representative





## STATEMENT OF INCOME

CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME (NOK 1 000)	Note	2024 Q3	2023 Q3	2024 YTD	2023 YTD	2023 Total
<b>OPERATING REVENUES</b>	5	<b>1 011 232</b>	<b>817 485</b>	<b>2 809 836</b>	<b>2 631 396</b>	<b>3 432 262</b>
Cost of materials		522 978	466 926	1 539 135	1 561 049	1 996 252
Payroll expenses		233 035	219 628	719 156	684 232	953 853
Other operating expenses		55 826	52 933	175 130	163 417	218 750
<b>OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)</b>	5	<b>199 393</b>	<b>77 998</b>	<b>376 415</b>	<b>222 699</b>	<b>263 407</b>
Depreciation		12 340	11 902	36 762	35 151	48 653
IFRS 16 Depreciation		25 779	24 773	76 243	70 625	95 239
Amortization		11 415	12 565	30 373	39 494	51 913
Impairment		-	-	-	-	-
<b>OPERATING PROFIT (EBIT)</b>	5	<b>149 859</b>	<b>28 757</b>	<b>233 037</b>	<b>77 429</b>	<b>67 603</b>
Net interest expense		-20 575	-16 789	-53 400	-44 678	-63 417
IFRS 16 Interest expenses		-5 786	-5 685	-17 501	-16 839	-22 481
Other financial items		-25 498	-9 643	-20 661	7 943	-11 014
Net financial items		-51 859	-32 117	-91 561	-53 575	-96 912
<b>PROFIT BEFORE TAX</b>		<b>98 001</b>	<b>-3 359</b>	<b>141 476</b>	<b>23 855</b>	<b>-29 309</b>
Taxes <sup>1</sup>		10 181	-322	23 232	6 138	-10 782
<b>NET PROFIT</b>		<b>87 819</b>	<b>-3 038</b>	<b>118 243</b>	<b>17 717</b>	<b>-18 527</b>
<b>Net profit (loss) attributable to:</b>						
Non-controlling interests		-763	-68	-1 595	-50	-692
Equity holders of AKVA group ASA		88 582	-2 970	119 839	17 767	-17 835
Earnings per share equity holders of AKVA group ASA		2,44	-0,08	3,29	0,49	-0,49
Diluted earnings per share equity holders of AKVA group ASA		2,44	-0,08	3,29	0,49	-0,49
Average number of shares outstanding (in 1 000)		36 316	36 437	36 381	36 409	36 416
Diluted number of shares outstanding (in 1 000)		36 316	36 437	36 381	36 409	36 416

<sup>1</sup> Income tax Q3 2023 and Q3 2024 based on best estimate

## STATEMENT OF COMPREHENSIVE INCOME

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (NOK 1 000)	Note	2024 Q3	2023 Q3	2024 YTD	2023 YTD	2023 Total
<b>NET PROFIT</b>		<b>87 819</b>	<b>-3 038</b>	<b>118 243</b>	<b>17 717</b>	<b>-18 527</b>
<b>Other comprehensive income that may be reclassified subsequently to income statement:</b>						
Translation differences on foreign operations		25 886	-40 236	22 626	8 690	-4 726
Income tax effect		-	-	-	-	-
<b>Total</b>		<b>25 886</b>	<b>-40 236</b>	<b>22 626</b>	<b>8 690</b>	<b>-4 726</b>
Gains(+)/losses(-) on cash flow hedges		-5 580	-4 637	2 306	7 311	7 681
Income tax effect		1 228	1 020	-507	-1 608	-1 690
<b>Total</b>		<b>-4 352</b>	<b>-3 617</b>	<b>1 799</b>	<b>5 703</b>	<b>5 991</b>
<b>Total other comprehensive income, net of tax</b>		<b>21 534</b>	<b>-43 853</b>	<b>24 425</b>	<b>14 393</b>	<b>1 265</b>
<b>TOTAL COMPREHENSIVE INCOME, NET OF TAX</b>		<b>109 353</b>	<b>-46 890</b>	<b>142 668</b>	<b>32 110</b>	<b>-17 262</b>
<b>Attributable to:</b>						
Non-controlling interests		-763	-68	-1 595	-50	-692
Equity holders of AKVA group ASA		110 116	-46 822	144 263	32 160	-16 570

## STATEMENT OF CHANGES IN EQUITY

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (NOK 1 000)	Note	2024 Q3	2023 Q3	2024 YTD	2023 YTD	2023 Total
<b>Balance at start of period before non-controlling interest</b>		<b>1 156 026</b>	<b>1 222 982</b>	<b>1 142 451</b>	<b>1 144 000</b>	<b>1 144 000</b>
The period's net profit		88 582	-2 970	119 839	17 767	-17 835
Buyback of own shares		-3 734	-	-13 241	-	-
Gains/(losses) on cash flow hedges (fair value)		-4 352	-3 617	1 799	5 703	5 991
Share-based payments		2 222	-	3 727	-	6 768
Adjustment related to prior periods		20 518	-	3 213	-	7 716
Translation differences		25 886	-40 236	22 626	8 690	-4 726
Other adjustments		6 904	-	11 637	-	538
<b>Equity before non-controlling interests</b>		<b>1 292 053</b>	<b>1 176 160</b>	<b>1 292 053</b>	<b>1 176 160</b>	<b>1 142 451</b>
Non-controlling interests		8 630	10 867	8 630	10 867	10 225
<b>Book equity at the end of the period</b>		<b>1 300 683</b>	<b>1 187 027</b>	<b>1 300 683</b>	<b>1 187 027</b>	<b>1 152 676</b>

## STATEMENT OF FINANCIAL POSITION

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (NOK 1 000)	Note	2024 30.9.	2023 30.9.	2023 31.12.
Intangible fixed assets	1,3	1 576 670	1 095 311	1 157 266
Deferred tax assets		78 694	62 202	72 464
Tangible fixed assets		647 423	639 757	671 833
Long-term financial assets	2	284 150	328 103	312 778
<b>FIXED ASSETS</b>		<b>2 586 937</b>	<b>2 125 372</b>	<b>2 214 341</b>
Stock		627 371	647 820	628 614
Trade receivables		543 118	672 614	508 581
Other receivables		92 085	60 562	113 002
Cash and cash equivalents		168 618	225 918	219 394
<b>CURRENT ASSETS</b>		<b>1 431 191</b>	<b>1 606 914</b>	<b>1 469 591</b>
<b>TOTAL ASSETS</b>		<b>4 018 128</b>	<b>3 732 286</b>	<b>3 683 933</b>
Equity attributable to equity holders of AKVA group ASA		1 292 053	1 176 160	1 142 451
Non-controlling interests	1,3	8 630	10 867	10 225
<b>TOTAL EQUITY</b>		<b>1 300 683</b>	<b>1 187 027</b>	<b>1 152 676</b>
Deferred tax		47 402	48 574	30 995
Other long term debt		164 513	28 743	59 777
Lease Liability - Long-term		368 794	378 857	405 466
Long-term interest bearing debt	1	983 486	871 803	862 317
<b>LONG-TERM DEBT</b>		<b>1 564 195</b>	<b>1 327 977</b>	<b>1 358 554</b>
Short-term interest bearing debt		58 433	37 500	37 500
Lease Liability - Short-term		95 079	91 668	90 560
Trade payables		306 926	349 100	328 421
Public duties payable		115 897	103 903	133 467
Contract liabilities		282 134	361 473	330 087
Other current liabilities		294 782	273 638	252 666
<b>SHORT-TERM DEBT</b>		<b>1 153 251</b>	<b>1 217 282</b>	<b>1 172 701</b>
<b>TOTAL EQUITY AND DEBT</b>		<b>4 018 128</b>	<b>3 732 286</b>	<b>3 683 933</b>

## STATEMENT OF CASH FLOW

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (NOK 1 000)	2024 Q3	2023 Q3	2024 YTD	2023 YTD	2023 Total
<b>Cash flow from operating activities</b>					
Profit before taxes	98 000	-3 359	141 475	23 855	-29 309
Taxes paid	-2 254	544	-9 749	-11 760	-12 399
Share of profit(-)/loss(+) from associates	-8 159	-3 168	-7 131	-8 150	-10 256
Net interest cost	26 361	22 474	70 901	61 517	85 898
Gain from acquisition of subsidiary	-75 552	0	-75 552	0	0
Gain(-)/loss(+) on disposal of fixed assets	175	-200	74	-756	-1 339
Gain(-)/loss(+) on financial fixed assets	26 325	2 820	7 145	-5 312	-10 953
Depreciation, amortization and impairment	49 533	49 241	143 378	145 269	195 805
Changes in stock, accounts receivable and trade payables	93 452	18 634	-54 789	-88 730	114 568
Changes in other receivables and payables	-1 469	86 884	3 995	-931	-97 747
Net foreign exchange difference	-17 089	-71 575	-41 506	-13 772	23 955
<b>Cash generated from operating activities</b>	<b>189 322</b>	<b>102 294</b>	<b>178 243</b>	<b>101 232</b>	<b>259 222</b>
<b>Cash flow from investment activities</b>					
Investments in fixed assets	-46 053	-44 001	-128 705	-139 742	-221 359
Proceeds from sale of fixed assets	110	367	125	1 558	2 218
Dividends payment from associates	0	0	3 642	0	8 052
Acquisition of subsidiary, net of cash	-73 812	-328	-73 812	-328	-35 648
Equity issued in associates	0	0	-4 371	0	0
<b>Net cash flow from investment activities</b>	<b>-119 754</b>	<b>-43 962</b>	<b>-203 121</b>	<b>-138 512</b>	<b>-246 737</b>
<b>Cash flow from financing activities</b>					
Repayment of borrowings	-34 009	-75 734	-112 730	-149 105	-95 343
Proceed from borrowings	-7 150	52 836	170 933	195 833	195 833
Repayment of lease liabilities	0	0	0	0	-84 671
IFRS 16 interest	-5 786	-5 685	-17 501	-16 839	-22 481
Net other interest	-20 575	-16 789	-53 400	-44 678	-63 417
Sale/(purchase) own shares	-3 716	0	-13 200	0	0
<b>Net cash flow from financing activities</b>	<b>-71 236</b>	<b>-45 372</b>	<b>-25 898</b>	<b>-14 789</b>	<b>-70 080</b>
Cash and cash equivalents at beginning of period	170 286	212 959	219 394	277 988	277 988
Net change in cash and cash equivalents	-1 668	12 959	-50 776	-52 070	-58 594
<b>Cash and cash equivalents at end of period</b>	<b>168 618</b>	<b>225 918</b>	<b>168 618</b>	<b>225 918</b>	<b>219 394</b>



# Selected notes to the condensed interim consolidated financial statements

## NOTE 1:

### General information and basis for preparation

AKVA group consists of AKVA group ASA and its subsidiaries.

These condensed interim financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as adopted by the EU (IAS 34). The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statement. The condensed interim financial statements do not include all of the information and disclosures required by International Reporting Standards (IFRS) for a complete set of financial statements, and these condensed interim financial statements should be read in conjunction with the most recent annual financial statements. The annual financial statements were prepared in accordance with International Financial Reporting Standards and interpretations as issued by the International Standards Board and as adopted by the EU. A description of the significant accounting policies applied in preparing these condensed interim financial statements is included in AKVA group's consolidated financial statements for 2023. There have been no changes to significant accounting policies since the preparation of the annual financial statements for 2023. The condensed interim financial statements are unaudited.

Because of rounding differences, numbers or percentages may not add up to the total. The consolidated financial statements for the Group for the year ended 31 December 2023 are available upon request from the company's office at Plogfabrikkveien 11, 4353 Klepp Stasjon, Norway or at

[HTTPS://WWW.AKVAGROUP.COM/INVESTORS/FINANCIAL-INFO/ANNUAL-REPORTS/](https://www.akvagroup.com/investors/financial-info/annual-reports/).

## NOTE 2:

### Accounting principles

All significant accounting principles applied in the consolidated financial statement are described in the Annual Report 2023 (as published on the OSE on 15 March 2024).

AKVA group accounts for associates owned between 20% and 50% by using the equity method. Gain/loss on investments are

recognized as other operating revenue, subject to the investment being of similar character and type as the other businesses within the group.

In first half of 2024 IAS 29, financial reporting in hyperinflationary economies, has been implemented in relation to subsidiary in Turkey. In Turkey the Asper Law 555 dated 30.12.2023 require companies to apply inflation accounting.

All non-monetary assets are revaluated in accordance with IAS 29. The effect of the revaluation is balanced against retained earnings.

A write down of MNOK 5.5 related to the investment in Ecofisk AS was made during Q1 2024. The investment in Ecofisk AS is accounted for as a financial asset.

### Change in useful economic life for intangible assets (AKVA Connect & AKVA Fishtalk)

In accordance with IAS 38 and IAS 8, AKVA group has in Q1 2024 evaluated and changed the useful life for development cost related to intangible assets "AKVA Connect" and "AKVA Fishtalk".

The company has identified that several features & modules capitalized and released have useful life exceeding prior estimate of 5 years. The best estimate of the intangible assets is 8 years with relevant use cases for the company in the future and in accordance with group policy.

The assessment of the depreciation period resulted in a change in useful economic life from 5 – to 8 years which were adjusted at 01.02.2024.

# Selected notes to the condensed interim consolidated financial statements

## NOTE 3:

### Recognition and measurement of assets and liabilities in connection with acquisitions

IFRS 3 permits adjustments to items recognized in the original accounting for business combination, for a maximum of one year after the acquisition date, if, and when new information about facts and circumstances existing at the acquisition date is obtained. AKVA group will make a final assessment before this one-year period comes to an end.

AKVA previously held 33,69% of the shares in Observe Technologies Ltd ("Observe"). On 5 July 2024, AKVA acquired the remaining shares in Observe and obtained 100% ownership. Observe was acquired to strengthen AKVA's digital product offering. Observe is a complete AI software solution developed to optimize the feeding process in aquaculture.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table.

MNOK 89 of the total consideration payable in cash was transferred on July 5th. The contingent consideration includes ARR milestones and earn-out based on integrations and innovations milestones. The consideration is measured at fair value in accordance with IFRS 3, taking into account the expected outcomes and the probability of meeting the relevant conditions.

The goodwill of MNOK 305 arising from the acquisition consists of key employees considered to have unique competence and significant synergy effects for AKVA group. None of the goodwill is expected to be deductible for income tax purposes.

Acquisition-related costs amount to MNOK 4.1.

Observe contributed MNOK 4.7 revenue and MNOK 1.6 to the Group's profit for the period between the date of acquisition and the reporting date. Prior to the acquisition Observe was accounted for with the equity method whereas MNOK 1.3 is recognized as other income.

This fair values in the purchase price allocation was estimated by applying an income approach with a discount rate of 15%:

Balance sheet overview			
NOK'000	Book value	Adjustments	Fair value
Deferred tax asset	3 130	-	3 130
Goodwill	-	304 488	304 488
Research and development	11 005	31 714	42 720
Patents, licenses and similar	1 403	-	1 403
Machinery and equipment	103	-	103
Investments in subsidiaries	0	-	0
<b>Total non-current assets</b>	<b>15 642</b>	<b>336 202</b>	<b>351 844</b>
Accounts receivable	(3 446)	-	(3 446)
Cash and cash equivalents	15 558	-	15 558
<b>Total current assets</b>	<b>12 112</b>	<b>-</b>	<b>12 112</b>
<b>Total assets</b>	<b>27 753</b>	<b>336 202</b>	<b>363 955</b>
Pension liabilities	(31)	-	(31)
Deferred tax liability	-	(7 929)	(7 929)
<b>Total non-current liabilities</b>	<b>(31)</b>	<b>(7 929)</b>	<b>(7 959)</b>
Accounts payable	(3 009)	-	(3 009)
Public duties payable	39	-	39
Other current liabilities	0	-	0
<b>Total current liabilities</b>	<b>(2 970)</b>	<b>-</b>	<b>(2 970)</b>
<b>Total liabilities</b>	<b>(3 001)</b>	<b>(7 929)</b>	<b>(10 930)</b>
<b>Net assets</b>	<b>24 752</b>	<b>328 274</b>	<b>353 026</b>

Purchase price	
NOK'000	
Contingent consideration	53 400
Fixed cash settlement	89 063
Fixed seller credit	91 628
<b>Purchase price (66.3% ownership)</b>	<b>234 091</b>
Plus: Purchase price for 33.7% ownership	118 934
<b>Equity value (100%)</b>	<b>353 026</b>

Allocation of excess value	
NOK'000	
Purchase price	353 026
Less: Book value of equity	(24 752)
Plus: Book value of intangible assets to be reallocated	11 005
<b>Excess value to be allocated</b>	<b>339 279</b>
Technology	42 720
Deferred tax	(7 929)
Residual goodwill	304 488
<b>Total excess values</b>	<b>339 279</b>

Business combination achieved in stages (step acquisitions)	
NOK'000	
Book value of investment (33,7%)	43 382
New measurement of the 33,7% ownership	118 934
<b>Gain recognised in the consolidated income statement</b>	<b>75 552</b>

If the acquisition of Observe had been completed on the first day of the financial year, Group revenues for the year would have been MNOK 16.1 and Group profit would have been MNOK 5.3.

### Share buy-back program

During the first three quarters of 2024 AKVA group ASA repurchased a total of 200 000 shares for a total value of MNOK 13.2. Consequently, AKVA completed the share buy-back program during Q3.

AKVA group owns a total of 358,716 shares at 30 September 2024.

## NOTE 4:

### Events after the reporting period:

In October, AKVA settled the allocation of 133,33 shares in the private placement in Nordic Aqua Partners AS corresponding to a total amount of approximately MNOK 10.

# Selected notes to the condensed interim consolidated financial statements

There have been no other events subsequent to the reporting period that might have a significant effect on the financial report for the third quarter of 2024.

## NOTE 5:

### Business segments

AKVA group is organized in three business segments; Sea Based Technology, Land Based Technology and Digital.

**Sea Based Technology (SBT)** consist of the following companies: AKVA group ASA, Helgeland Plast AS, AKVA group Services AS, Sperre AS, AKVA group Scotland Ltd, AKVASmart Turkey Ltd, AKVA group Australia Pty Ltd, AKVA group Chile

S.A., AKVA group North America Inc, AKVA group Hellas, Newfoundland Aqua Service Ltd., AKVA group España, Egersund Net AS, Egersund Trading AS, UAB Egersund Net and Grading Systems Ltd. The products included in the segment are: Cages, barges, feed systems, sensors, net cleaning systems, nets and other operational technologies and systems for Sea Based Aquaculture.

**Land Based Technology (LBT)** consist of the following companies: AKVA group Land Based Sømna AS (formerly AKVA group Land Based Norway AS), AKVA group Denmark A/S, AKVA group Land Based A/S and AKVA group Land Based Americas SA. The products included in the segment is recirculation systems and other technologies for land based aquaculture and post smolt facilities.

**Digital (DI)** consist of the following companies: AKVA group Software AS, Submerged AS and Observe Technologies Ltd. The products included in software includes digital solutions and professional services. In addition to AKVA group Software AS, Submerged AS and Observe Technologies Ltd the products are sold worldwide through a number of other companies in AKVA group.

The same accounting principles as described for the Group financial statements have been applied for the segment reporting. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions, and the measurement used in the segment reporting is the same as used for the actual transactions.

## CONDENSED CONSOLIDATED BUSINESS SEGMENTS

CONDENSED CONSOLIDATED BUSINESS SEGMENTS (NOK 1 000)	2024 Q3	2023 Q3	2024 YTD	2023 YTD	2023 Total
<b>Sea based technology</b>					
Nordic operating revenues	528 399	416 537	1 558 653	1 316 337	1 707 127
Americas operating revenues	156 074	170 908	462 256	450 415	586 576
Europe & Middle East operating revenues	55 425	72 731	207 325	281 643	373 665
<b>INTRA SEGMENT REVENUE</b>	<b>739 898</b>	<b>660 176</b>	<b>2 228 235</b>	<b>2 048 395</b>	<b>2 667 367</b>
Operating costs ex depreciations	627 596	581 436	1 945 787	1 832 093	2 396 489
<b>OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)</b>	<b>112 302</b>	<b>78 740</b>	<b>282 448</b>	<b>216 302</b>	<b>270 878</b>
Depreciation & amortization	37 544	37 338	110 611	109 964	147 528
<b>OPERATING PROFIT (EBIT)</b>	<b>74 758</b>	<b>41 402</b>	<b>171 837</b>	<b>106 338</b>	<b>123 350</b>
<b>Digital</b>					
Nordic operating revenues	94 354	18 885	136 071	51 010	74 920
Americas operating revenues	12 048	11 806	36 002	36 110	47 911
Europe & Middle East operating revenues	2 749	2 185	8 630	5 458	9 619
<b>INTRA SEGMENT REVENUE</b>	<b>109 152</b>	<b>32 876</b>	<b>180 703</b>	<b>92 577</b>	<b>132 450</b>
Operating costs ex depreciations	27 017	23 044	87 185	69 098	107 362
<b>OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)</b>	<b>82 135</b>	<b>9 832</b>	<b>93 518</b>	<b>23 479</b>	<b>25 088</b>
Depreciation & amortization	9 667	9 558	25 360	28 504	39 069
<b>OPERATING PROFIT (EBIT)</b>	<b>72 468</b>	<b>274</b>	<b>68 158</b>	<b>-6 025</b>	<b>-13 981</b>
<b>Land based technology</b>					
Nordic operating revenues	138 266	122 348	342 702	485 581	632 173
Americas operating revenues	23 915	2 085	58 197	4 843	271
Europe & Middle East operating revenues	-	-	-	-	-
<b>INTRA SEGMENT REVENUE</b>	<b>162 182</b>	<b>124 432</b>	<b>400 898</b>	<b>490 424</b>	<b>632 444</b>
Operating costs ex depreciations	157 226	135 006	400 450	507 506	665 004
<b>OPERATING PROFIT BEFORE DEPRECIATIONS (EBITDA)</b>	<b>4 956</b>	<b>-10 574</b>	<b>449</b>	<b>-17 082</b>	<b>-32 560</b>
Depreciation and amortization	2 322	2 345	7 407	6 801	9 208
Impairment	-	-	-	-	-
<b>OPERATING PROFIT (EBIT)</b>	<b>2 634</b>	<b>-12 919</b>	<b>-6 958</b>	<b>-23 884</b>	<b>-41 768</b>

# Selected notes to the condensed interim consolidated financial statements

## NOTE 6:

### Top 20 shareholders as of 30 September 2024

Number of shares	Ownership %	Shareholders	Citizenship
<b>18 703 105</b>	51,0 %	EGERSUND GROUP AS	NOR
6 600 192	18,0 %	ISRAEL CORPORATION LTD	ISR
2 201 022	6,0 %	PARETO AKSJE NORGE VERDIPAPIRFOND	NOR
1 703 050	4,6 %	J.P. Morgan SE	Nominee LUX
955 145	2,6 %	SIX SIS AG	Nominee CHE
791 167	2,2 %	VERDIPAPIRFONDET ALFRED BERG GAMBA	NOR
537 740	1,5 %	FORSVARETS PERSONELLSERVICE	NOR
400 621	1,1 %	J.P. Morgan SE	Nominee FIN
358 716	1,0 %	AKVA GROUP ASA	NOR
314 771	0,9 %	MP PENSJON PK	NOR
271 308	0,7 %	J.P. Morgan SE	Nominee LUX
256 590	0,7 %	J.P. Morgan SE	Nominee FIN
221 502	0,6 %	VERDIPAPIRFONDET ALFRED BERG NORGE	NOR
214 773	0,6 %	VERDIPAPIRFONDET EQUINOR AKSJER NO	NOR
130 000	0,4 %	NESSE & CO AS	NOR
128 000	0,3 %	VERDIPAPIRFONDET ALFRED BERG NORGE	NOR
125 795	0,3 %	DAHLE	NOR
100 800	0,3 %	JAKOB HATTELAND HOLDING AS	NOR
100 000	0,3 %	ASKVIG AS	NOR
97 200	0,3 %	BKK PENSJONSKASSE	NOR
<b>34 211 497</b>	<b>93,3 %</b>	<b>20 largest shareholders</b>	
2 456 236	6,7 %	Other shareholders	
<b>36 667 733</b>	<b>100,0 %</b>	<b>Total shares</b>	

An updated overview of the 20 largest shareholders is available on AKVA group's investor relations webpage, <https://www.akvagroup.com/investors/the-share/largest-shareholders>.

## NOTE 7:

### Alternative Performance Measures - Non IFRS Financial Measures

AKVA group discloses alternative performance measures as a supplement to the financial statements prepared in accordance with IFRS. Such performance measures are used to provide an enhanced insight into the operating performance, financing and future prospects of the company and are frequently used by analysts, investors and other interested parties. The definition of these measures are as follows:

Available cash is a non-IFRS financial measure, calculated by summarizing all cash in the Group in addition to available cash from established credit facilities.

Capital Employed is a non-IFRS financial measure calculated by total assets less cash and IFRS 16 RoU assets minus current liabilities less liabilities to financial institutions (short term) and lease liability (short term).

EBITDA – EBITDA is the earnings before interest, taxes, depreciation, and amortizations. It can be calculated by the EBIT added by the depreciations and amortizations.

EBIT – EBIT is the earnings before interest and taxes. It can be calculated by the profit before tax added by the net financial items.

NIBD - Net interest-bearing debt is a non-IFRS financial measure, equal to our interest-bearing debt plus lease liability minus our cash and cash equivalents at the balance sheet date.

NIBD / EBITDA is a non-IFRS measure, calculated as period end NIBD divided by the prior 12 months EBITDA.

Order backlog is a non-IFRS measure, calculated as signed orders and contracts at the balance sheet date.

Order intake is a non-IFRS measure, calculated as order backlog at the end of period minus order backlog at start of period and revenue in the period.

ROACE - Return on average Capital Employed is a non-IFRS financial measure, calculated by dividing the last 12 months EBIT by the quarterly average of the Capital Employed ex. IFRS 16 last 12 months.

Working Capital is a non-IFRS financial measure calculated by current assets less cash minus current liabilities less liabilities to financial institutions.



# Selected notes to the condensed interim consolidated financial statements

The following tables reconciles our Alternative Performance Measures to the most directly reconcilable line item, subtotal or total presented in the financial statements:

Alternative Performance Measures - Non IFRS Financial Measures (NOK 1 000)	2024 Q3	2023 Q3	2023 31.12.
Cash and cash equivalents	168 618	225 918	219 394
Not utilized overdraft facilities at period end	279 067	300 000	300 000
<b>Available cash</b>	<b>447 685</b>	<b>525 918</b>	<b>519 394</b>
Total assets	4 018 128	3 732 286	3 683 933
Cash and cash equivalents	-168 618	-225 918	-219 394
IFRS 16 - RoU Asset	-442 917	-441 419	-475 141
Current liabilities	-1 153 251	-1 217 282	-1 172 701
Liabilities to financial institutions - Short-term	58 433	37 500	37 500
Lease Liability - Short-term	95 079	91 668	90 560
<b>Capital employed</b>	<b>2 406 854</b>	<b>1 976 835</b>	<b>1 944 756</b>
Operating profit	149 859	28 757	67 603
Depreciation and amortization	49 533	49 241	195 805
Impairment	0	0	0
<b>EBITDA</b>	<b>199 393</b>	<b>77 998</b>	<b>263 408</b>
Liabilities to financial institutions	1 041 919	909 303	899 817
Lease liabilities	463 873	470 525	496 026
Other non-current liabilities	164 513	28 743	59 777
Non-interest bearing part of non-current liabilities	-164 513	-28 743	-59 777
Long term financial assets	-72 010	-66 318	-67 161
Cash and cash equivalents	-168 618	-225 918	-219 394
<b>Net interest-bearing debt</b>	<b>1 265 164</b>	<b>1 087 592</b>	<b>1 109 288</b>
Operating profit last twelve months	223 210	62 960	67 602
Average Capital employed last twelve months	2 170 255	1 893 810	1 946 152
<b>ROACE</b>	<b>10,3 %</b>	<b>3,3 %</b>	<b>3,5 %</b>
Current assets	1 431 191	1 606 914	1 469 591
Cash and cash equivalents	-168 618	-225 918	-219 394
Current liabilities	-1 153 251	-1 217 282	-1 172 701
Current lease liabilities	95 079	91 668	90 560
Current liabilities to financial institutions	58 433	37 500	37 500
<b>Working capital</b>	<b>262 835</b>	<b>292 882</b>	<b>205 557</b>

No reconciliations have been performed for order backlog and order intake, as these are Alternative Performance Measures not linked to accounting figures.



# Our offices

Head Office  
**AKVA group ASA**  
Plogfabrikken 11,  
N-4353 Klepp Stasjon, Norway  
post@akvagroup.com



## Other AKVA group offices:

AKVA group, Trondheim	Tel (+47) 73 84 28 00
AKVA group, Brønnøysund	Tel (+47) 75 00 66 00
AKVA group, Sandstad	Tel (+47) 72 44 11 00
AKVA group, Mo i Rana	Tel (+47) 75 14 37 50
AKVA group, Tromsø	Tel (+47) 75 00 66 50
AKVA group, Sandnessjøen	Tel (+47) 75 14 37 50
AKVA group, Rørvik	Tel (+47) 75 00 66 50
Egersund Net, Egersund	Tel (+47) 51 46 29 60
Egersund Net, Austevoll	Tel (+47) 55 08 85 10
Egersund Net, Manger	Tel (+47) 51 46 29 60
Egersund Net, Kristiansund	Tel (+47) 51 46 29 60
Egersund Net, Rørvik	Tel (+47) 51 46 29 60
Egersund Net, Brønnøysund	Tel (+47) 51 46 29 60
Egersund Net, Vevelstad	Tel (+47) 51 46 29 60
Egersund Net, Vesterålen	Tel (+47) 76 14 00 00
Egersund Trading, Austevoll	Tel (+47) 55 08 85 00
Grading Systems, Shetland	Tel (+44) 1806 577 241
Helgeland Plast, Mo i Rana	Tel (+47) 75 14 37 50
AKVA group Land Based Sømna, Sømna	Tel (+47) 75 02 78 80
Sperre, Notodden	Tel (+47) 35 02 50 00
UAB Egersund Net, Lithuania	Tel (+370) 446 54 842
AKVA group Land Based, Fredericia	Tel (+45) 75 88 02 22
AKVA group Chile, Puerto Montt	Tel (+56) 65 250 250
AKVA group UK, Inverness	Tel (+44) 1463 221 444
AKVA group North America, Campbell River, Canada	Tel (+1) 250 286 8802
AKVA group North America, New Brunswick, Canada	Tel (+1) 506 754 6991
AKVA group North America, Newfoundland and Labrador, Canada	Tel (+1) 506 754 1792
AKVA group Australia, Tasmania	Tel (+61) 488 983 498
AKVA group Turkey, Bodrum	Tel (+90) 252 374 6434
AKVA group España, Murcia	Tel (+34) 968 209 494
AKVA group Hellas, Athen	Tel (+30) 69 441 660 14
AKVA group China, Ningbo	Tel (+45) 75 88 02 22



