



Q1 2022 STATUS AND PROGRESS

3 JUNE 2022

69°N
ANDØYA
VESTERÅLEN
NORWAY

BUILDING A STRONG IDENTITY AND BRAND



69°N
ANDØYA
VESTERÅLEN
NORWAY

FISH FARMING
WITH A
— CLEAR
CONSCIENCE

69°N

ANDØYA
VESTERÅLEN
NORWAY

SERVED WITH A
— CLEAR
CONSCIENCE

 **ANDFJORD™**
SALMON

69°N
ANDØYA
VESTERÅLEN
NORWAY

NATURAL FLOW SYSTEM™



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NORWAY

NATURAL FLOW RAISED™



Q1 PRESENTATION 2022

AGENDA

Introduction

Quarterly highlights and subsequent events

Operational update

Feed management for sustainable fish farming

Key financial figures

Summary and outlook



Martin Rasmussen
CEO



Bjarne Martinsen
CFO



Christian Torgersen
Operations manager

ANDFJORD SALMON AT A GLANCE

FOUNDED: 2014 **LOCATION:** ANDØYA, NORWAY **EURONEXT GROWTH:** ANDF



FLOW-THROUGH – NATURAL FLOW

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



GULF STREAM

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



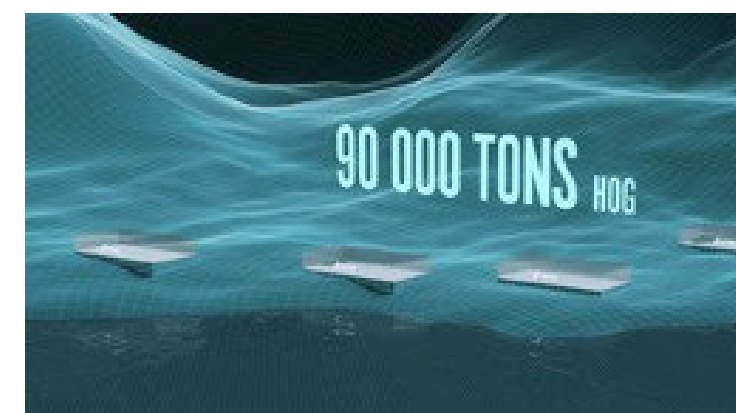
LOW ENERGY USE

No need to lift the water above the surface.
No need to heat or cool the seawater or other costly operations.



FIRST LOCATION

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



~90,000 TONNES IN TOTAL

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

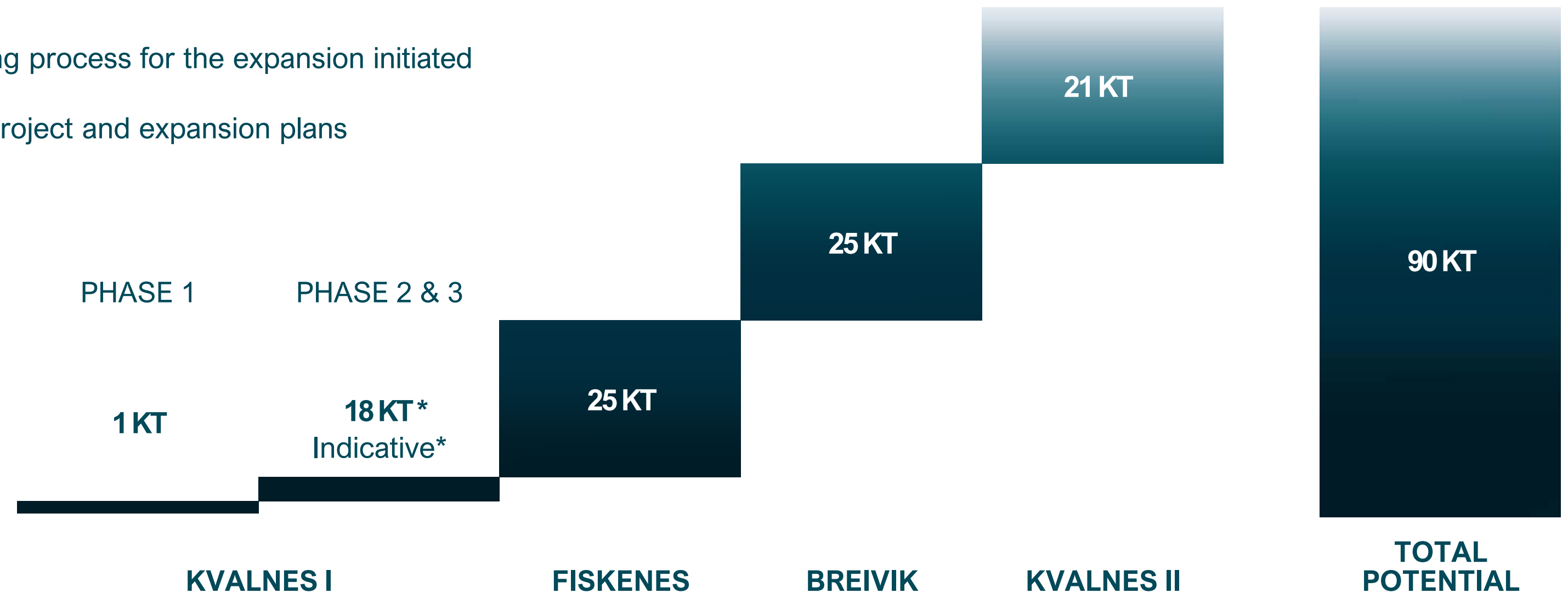


FISH-FRIENDLY & SUSTAINABLE

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

EXPANSION POTENTIAL TO A TOTAL CAPACITY OF ~90,000T (HOG)

- **Andfjord Salmon has secured**, by purchase or purchase options, land on Andøya enabling an increase in total annual production volume to ~90,000t (HOG)
- License for Kvalnes I **secured**, licensing process for the expansion initiated
- **Support** from local authorities for its project and expansion plans



*) Management base case assuming WFE/MAB=2.25 and HOG/WFE=0.84.
19 kt = 19 000t HOG based on existing licence of MAB 10 000t on the regulated production area of Kvalnes I.

AGENDA

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AND SUBSEQUENT EVENTS

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KEY FINANCIALS

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SUMMARY AND OUTLOOK

HIGHLIGHTS Q1 AND SUBSEQUENT PERIOD

**FURTHER TESTING AND FINE-TUNING
OF LAMINAR WATER FLOW AND POOL FUNCTIONS**



SUCCESSFUL PREPARATIONS FOR SMOLT RELEASE



UPDATE ZONING PLAN FOR FISKENES / BREIVIK

- Process administered by Andøy municipal council
- Zoning plan approved by the municipal executive committee in March 2021
- Second public consultation conducted in 2022
- Zoning plan process progressing well, decisions expected in H1/H2 2022

BREIVIK

25,000 TONNES HOG IN TOTAL
POTENTIAL PRODUCTION VOLUME

FISKENES

25,000 TONNES HOG IN TOTAL
POTENTIAL PRODUCTION VOLUME

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SUMMARY AND OUTLOOK

KVALNES AREA DEVELOPMENT (PHASE 2)

STATUS PHASE 2 – SCRAPING COMPLETED:

SCRAPING

- Scraping of area completed

NEXT POOLS

- Blasting and excavation work well advanced for the next pools

EXCAVATING

- Pools closest to first pool to be excavated first, then moving sequentially further away from first pool



FIRST POOL READY FOR SMOLT RELEASE

STATUS SMOLT RELEASE

24/7 OPERATIONS FOR SEVERAL MONTHS

- Pool fully operational, as if smolt were released
- Full technical and organisational simulation
- Avoid operational surprises

BIOLOGICAL SENSORS

- All sensors installed
- 24/7 monitoring of technical parameters
- Key to monitoring biological conditions

CLEANING ROBOTS

- Extensively tested and operated
- Functioning as planned

BACK-UP SYSTEMS AND SOLUTIONS IN PLACE

- Plan A, B and C in place for all types of events
- Comprehensive testing of emergency systems
- Trained for all different scenarios

SMOLT RELEASE IN A CONTROLLED MANNER

SMOLT RELEASE PLANNED FOR ULTIMO JUNE 2022

INFRASTRUCTURE IN PLACE AND TESTED

- Pipeline from wellboat to pool
- Onshore fish-friendly suction pump

NATURE'S OWN TIMING

- Smolt release in ultimo June coincides with the migration period of wild salmon
- Increasing amount of natural light and period with rising temperature = good for fish health and development



PRIORITIES AFTER SMOLT RELEASE

STATUS SMOLT RELEASE

ASSESSMENT

- Constant assessment of biological indicators

FOLLOW-UP

- Physical proximity to fish enables close follow-up of fish welfare

SENSOR TECHNOLOGY

- Advanced sensors monitor what the human eye cannot see

MONITORING

- 24/7 monitoring of technical and biological conditions



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STRATEGIC FEED SUPPLY AGREEMENT WITH SKRETTING

- **SUSTAINABLE**
Dedicated to driving the sustainability transformation within raw materials for fish feed
- **STRATEGIC AGREEMENT**
Long-term running strategic feed supply agreement
- **SEAFOOD INVESTOR**
Feed tailored to fit Andfjord Salmon's flow-through technology. Ensures optimal water quality, fish welfare and growth conditions. Facilitates production of premium quality salmon
- **TECHNICAL ADVISORY**
Participation with Andfjord Salmon in technical advisory committee to continuously improve production protocols and conditions for fish



TAILORED FEED FOR ANDFJORD SALMON

- LOI between Skretting, Andfjord Salmon and Zooca
- Ingredients with proven track record from land-based farming, but tailored to Andfjord Salmon's flow-through technology and location
- First Salmon farmer in the world that utilises a commercial feed with *Calanus finmarchicus*, provided by Zooca
- Calanus is nature's own starter: a natural prey biologically adapted to provide optimal nutrition for fish
- Locally harvested raw material, produced at local factory at Sortland, and using the entire animal, underlines sustainable approach



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CALANUS PLUS BY ANDFJORD SALMON



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SALMON

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INVEST WITH A
—— **CLEAR**
CONSCIENCE



INCOME STATEMENT

ANDFJORD SALMON AS

All amounts in NOK

	Q1 2022 1.1– 31.3 Unaudited	Q1 2021 1.1 – 31.3 Unaudited	2021 1.1 – 31.12
Operating income and expenses			
Other income	31 500	0	0
Total operating income	31 500	0	0
Salary and personnel expenses	5 064 477	4 325 171	17 402 069
Depreciation of tangible and intangible fixed assets	632 248	122 661	1 229 217
Other operating expenses	4 273 247	2 804 126	15 829 035
Total operating expenses	9 969 971	7 251 958	34 460 322
Operating profit/loss	-9 938 471	-7 251 958	-34 460 322
Financial income and expenses			
Other financial income	55 036	132 679	282 983
Other financial expenses	720 373	71 271	1 358 912
Net financial income/expenses	-665 337	61 408	-1 075 929
Profit/loss before tax	-10 603 807	-7 190 550	-35 536 250
Net profit/loss for the period	-10 603 807	-7 190 550	-35 536 250

BALANCE SHEET

ANDFJORD SALMON AS

All amounts in NOK

	31.3.2022 Unaudited	31.12.2021	31.3.2021 Unaudited
Assets			
Total intangible assets	2 750 557	2 664 757	1 327 457
Total property, plant & equipment	445 672 364	428 987 851	277 698 939
Total long-term fixed assets	115 115	123 970	150 535
Total fixed assets	448 538 036	431 776 578	279 176 932
Total current receivables	27 784 799	33 673 118	20 291 276
Cash and deposits	18 872 186	14 918 370	88 795 252
Total current assets	46 656 984	48 591 488	109 086 528
Total assets	495 195 021	480 368 067	388 263 459

Figures do not include a new loan of NOK 50 million from Sparebank 1 Nord Norge and a NOK 20 million undrawn credit facility with Sparebank 1 Nord Norge. In addition the Company has NOK 5 million in unpaid grants from Innovation Norway.

BALANCE SHEET

ANDFJORD SALMON AS

All amounts in NOK

	31.3.2022 Unaudited	31.12.2021	31.3.2021 Unaudited
Total equity	350 469 802	323 273 127	349 999 178
Liabilities			
Non-current liabilities			
Liabilities to financial institutions	39 405 524	39 478 187	15 000 000
Other non-current liabilities	59 566 518	59 191 509	4 078 176
Total non-current liabilities	98 972 042	98 669 696	19 078 176
Current liabilities			
Trade payables	43 254 221	49 689 856	17 193 725
Current tax liabilities	540 543	1 246 151	451 780
Other current liabilities	1 958 413	7 489 236	1 540 600
Total current liabilities	45 753 177	58 425 243	19 186 105
Total liabilities	144 725 219	157 094 939	38 264 281
Total equity and liabilities	495 195 021	480 368 067	388 263 459

CASH FLOW STATEMENT

ANDFJORD SALMON AS

All amounts in NOK

	Q1 2022 1.1 – 31.3 Unaudited	Q1 2021 1.1 – 31.3 Unaudited	Q1 2021 1.1 – 31.12
Net cash flow from operating activities	-16 746 452	-24 123 294	-20 620 952
Net cash flow from investing activities	-17 402 561	-53 980 045	-207 820 439
Net cash flow from financing activities	38 102 828	18 052 524	94 513 693
Net change in cash and cash equivalents	3 953 815	-60 050 815	-133 927 697

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SUMMARY & OUTLOOK

KVALNES



- Phase 1: Successful preparations for smolt release
- Phase 2: Excavation of next pools progressing as planned

FINANCE



- Strengthened financial position through NOK 50 million bank loan from Sparebank 1 Nord Norge

SMOLT RELEASE



- All set for first smolt release ultimo June 2022
- Release date coincides with migration period of wild salmon

FISKENES - BREIVIK



- Zoning plan decisions for Breivik and Fiskenes expected in H1/H2 2022

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Q1 2022

ON TRACK
TO BUILD THE
THE WORLD'S MOST
**FISH-FRIENDLY AND
SUSTAINABLE
FACILITY**



Q & A



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