



# COMPANY PRESENTATION

FEBRUARY 2025





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# INVESTMENT HIGHLIGHTS



**Phase 1 production about to commence – to deliver up to 11,000 tons in production**

Phase 1 remains on track with **production of up to 11,000 tons** (HOG + post-smolt) scheduled to commence in Q3 2025. This represents an increase of 3,000 tons versus old guidance



**Phase 2a construction to be initiated for increased volumes**

Now initiating Phase 2a with **additional production volume** of 6,000 tons (HOG + post-smolt) for a total of 17,000 tons (HOG + post-smolt)



**Optimizing production logistics for +20% higher volumes**

Investing in increased water flow capacity and optimized fish logistics expected to enable **20% higher through-put** to give 23,700t (HOG + post-smolt) production capacity from current license



**Making the site ready for potential regulatory changes**

**Future-proofing** Andfjord Salmon through investments in redundancy for potential regulatory changes



**+NOK 200m in cash effect from sale and leaseback agreement of infrastructure asset**

Potential sale and leaseback agreement on harbour area, releasing ~NOK 400m with **positive cash effect of NOK 200m**

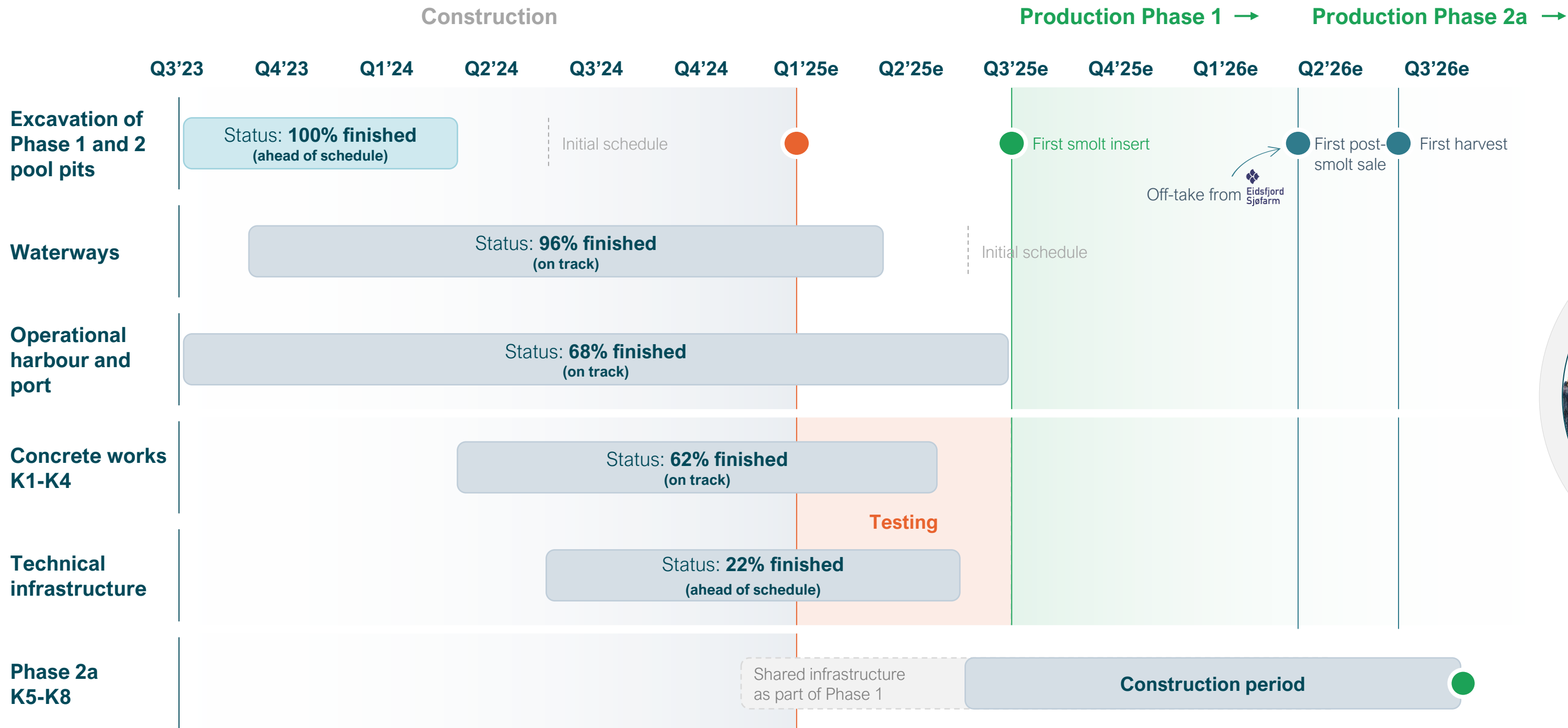


**Increased bank package to support further expansion**

Increased **bank debt for a total of NOK 400m term loan + NOK 175m leasing**. Exploring additional **equity funding**, with strong support from larger existing shareholders already collected



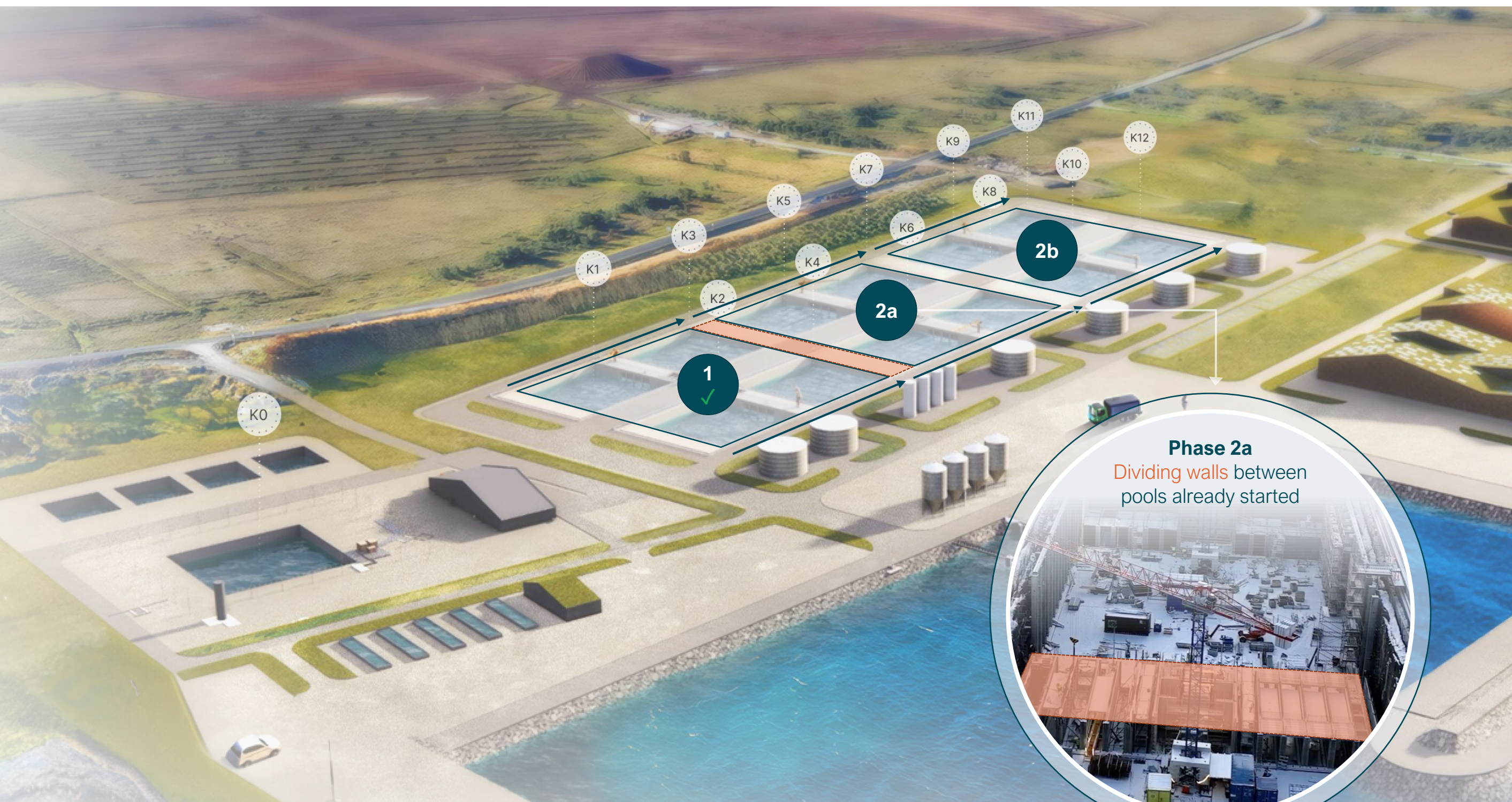
# BUILD-OUT OF PHASE 1 AT KVALNES NEARING COMPLETION



Note: Status per 24<sup>th</sup> February 2025



# SPEED AND ACCURACY OF PHASE 1 ALLOWS FOR IMMEDIATE START OF PHASE 2 EXPANSION



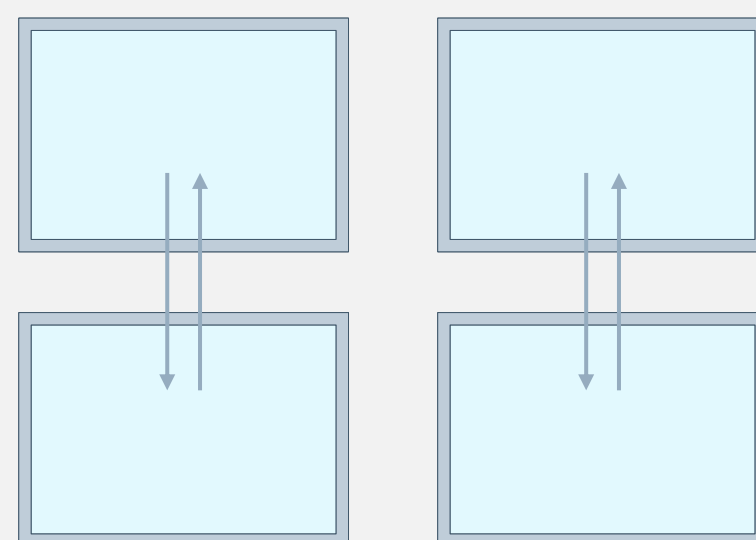
- Kvalnes construction plan follows a four-by-four pool expansion
- **Construction of Phase 1 and shared operational infrastructure for all 12 pools to be finalized by Q2 2025, on time and budget**
- **Decision to start Phase 2a construction immediately, reaping construction synergies** from continuous process across phases. Retaining personnel and equipment on-site, allowing for optimized resource usage and accelerated execution time
- **Accretive investment opportunity to be further pursued now**, prior to pool pits being cemented in:
  - This includes **wall segment** joining Phase 1 and Phase 2a, which will reinforce the pools to allow for optimized water flow and **fish logistics**, as well as preparations for adherence to potential regulatory changes (further described on subsequent pages)



# DESIGN IMPROVEMENTS FOR **OPTIMIZED POOL UTILIZATION AND +20% PRODUCTION OUTPUT**

## OLD

water flow and fish logistics

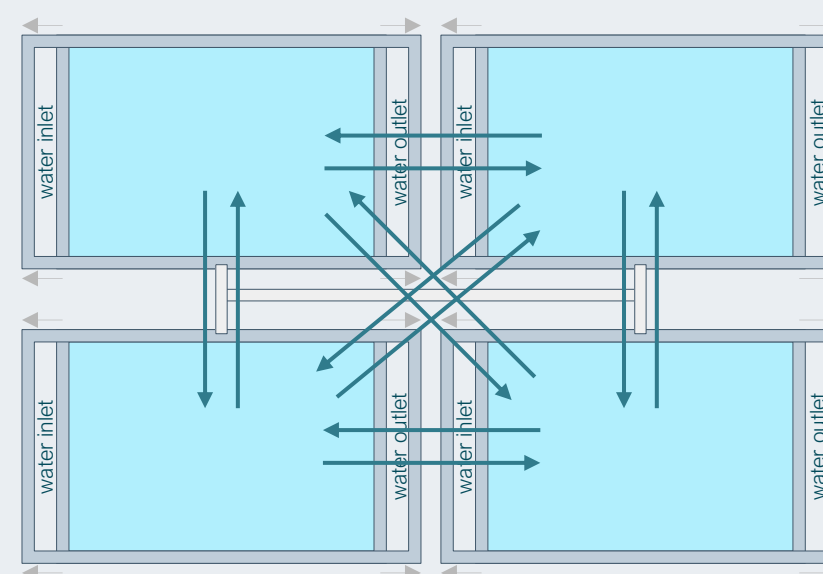


**19,000 tons**

Previous annual production estimate,  
Phases 1 & 2 (HOG)

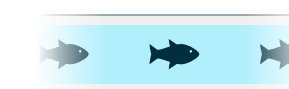
## NEW

water flow and fish logistics

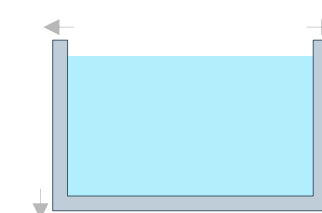


**23,700 tons**

Revised annual production estimate,  
Phases 1 & 2 (HOG + post-smolt)



New system **for increased flexibility of moving fish**



**Reinforced concrete walls** for increased water flow and levels

Previous capex/kg estimate,  
full Kvalnes site

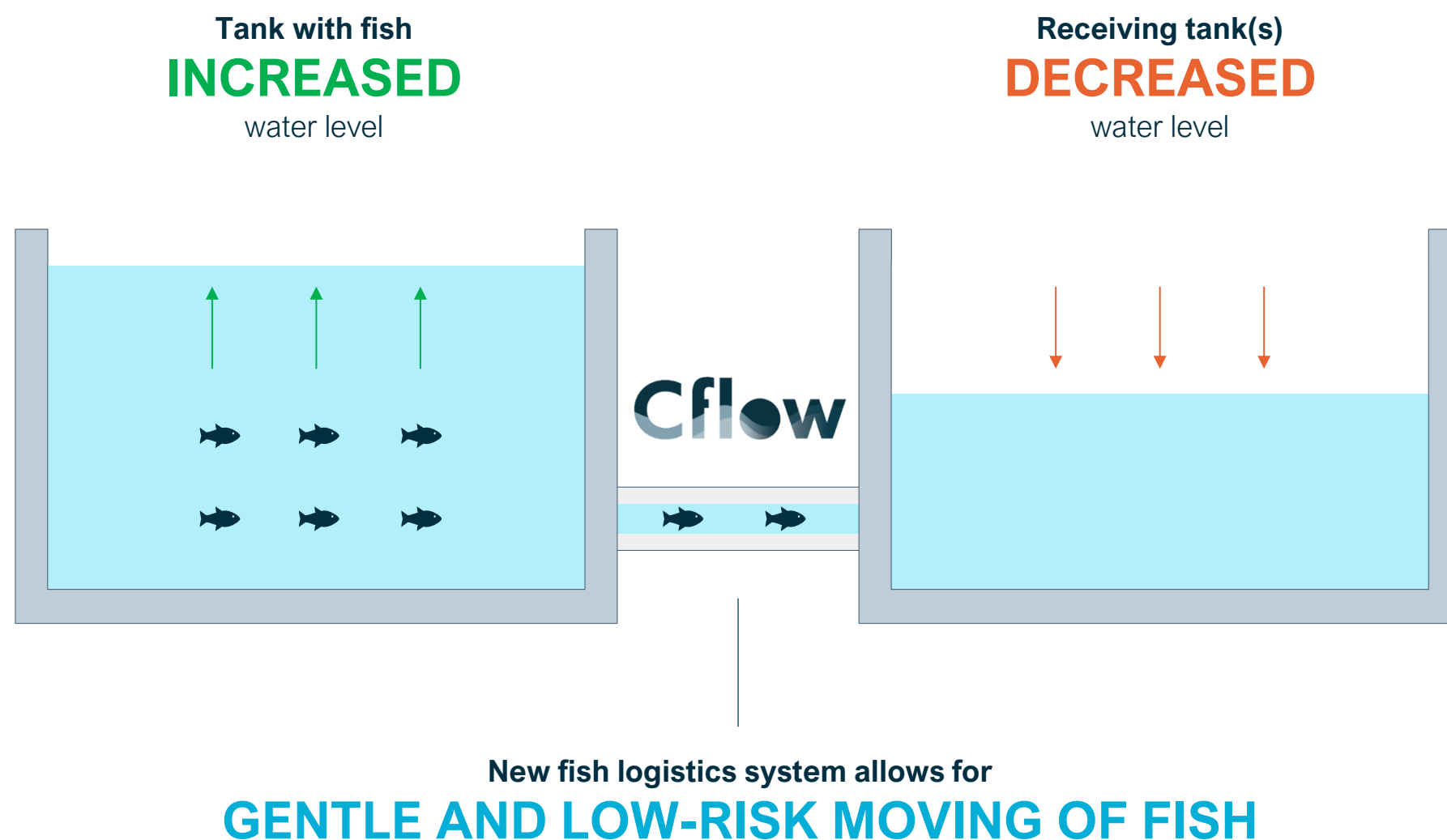
**NOK 114/kg**

Updated capex/kg estimate,  
full Kvalnes site

**NOK 105/kg**

# NEW AND MORE GENTLE LOGISTICS SYSTEM REDUCES OPERATIONAL RISK

New fish logistics system developed in partnership with Cflow

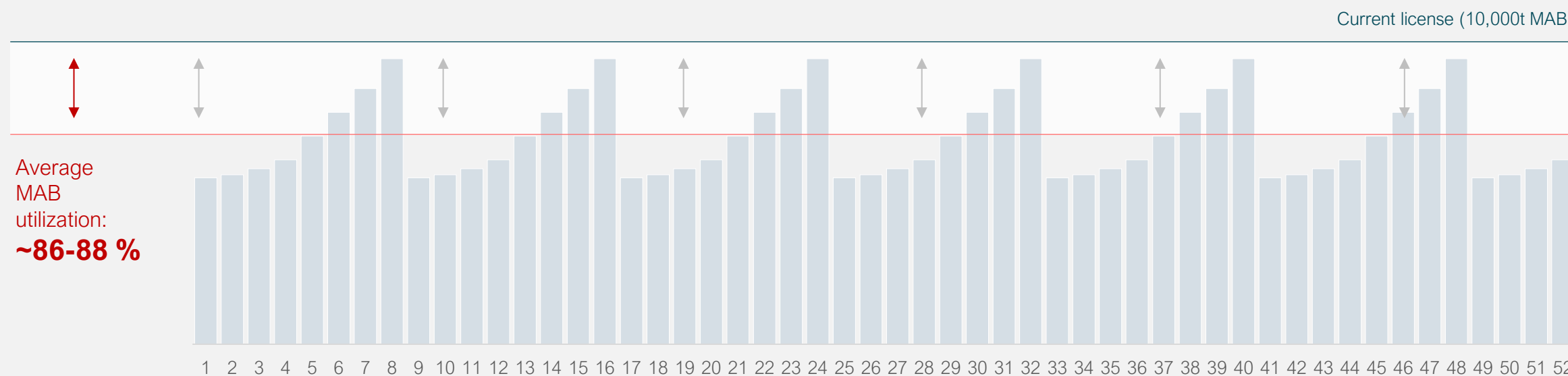


Key features of upgraded system

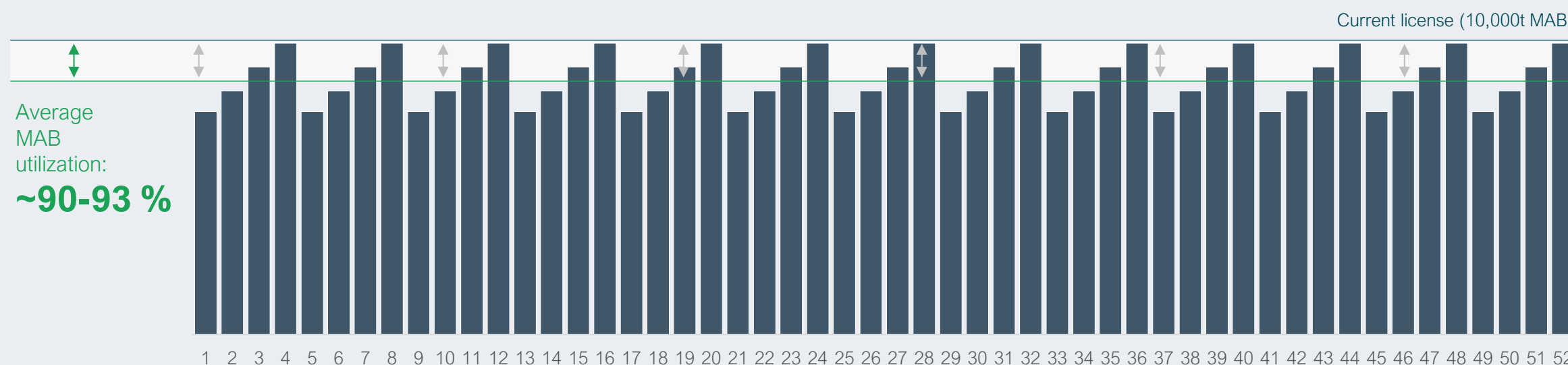
- Originally, Andfjord had planned for splitting between pools to utilize piping going over the walls, one time per life cycle
- Now, with a new design developed together with fish handling experts and core partner Cflow, the company will move fish using a network of piping below the ground
- This revised method imposes less stress on the fish
- **Further, the revised logistics system enables more flexibility in splittings, meaning that pools will achieve significantly higher utilization (higher average number of fish across all pools)**
- The method for moving fish entails having a lower water level in the 'receiving' pool versus the 'sending' pool, resulting in a natural flow of water and fish between pools
- This added water pressure means that walls need reinforcing
- **For Kvalnes in total, the optimizations are expected to give approximately +20% production output**

# ENSURING MORE STABLE, HIGH UTILIZATION OF THE CURRENT LICENSE

License utilization through the year based on **OLD** fish logistics and water flow



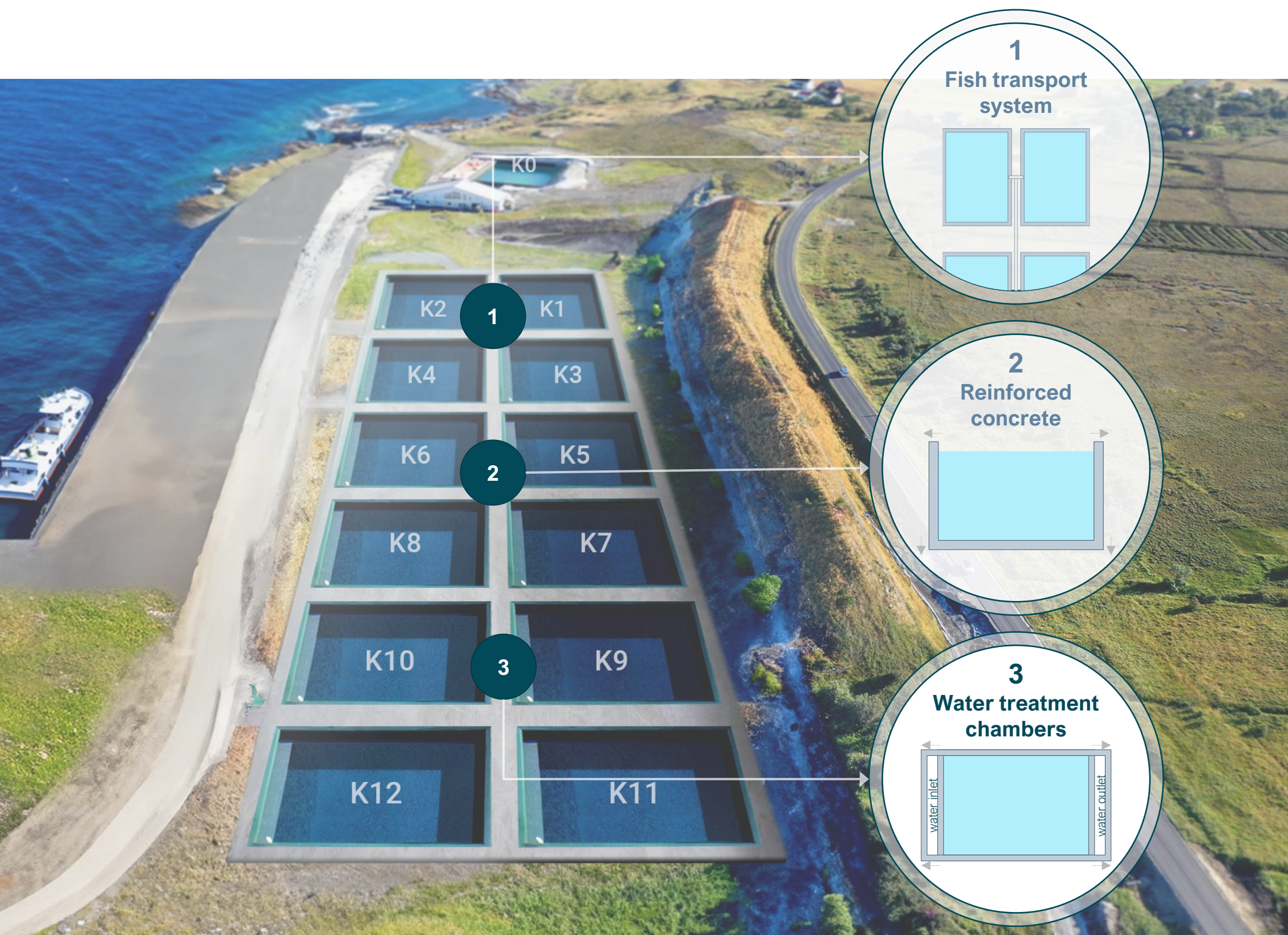
Expected license utilization through the year based on **NEW** fish logistics and water flow



- New fish logistics system allowing for **more flexibility in the relocation** of fish between pools thanks to **increased water flow**, with up to 24 times water renewal per day, and **new fish transport system**
- Possible to stock more smolt when avoiding the illustrated drops in pool utilization, and thereby **increasing production**
- **Improved MAB utilization** of current license while maintaining optimal farming conditions
- Better water flow and fish management also means that the system can handle higher densities at the peaks



# OPTIMIZATIONS ALSO OPEN FOR **ADHERENCE TO POTENTIAL REGULATORY CHANGES**



- The Norwegian Ministry of Trade, Industry and Fisheries has proposed changes to the regulations to ensure the sustainable development of aquaculture production on land:
  - The proposals will not affect facilities that have already received permission for farming on land<sup>1</sup>
  - The proposal eliminates past confusion about which aquaculture facilities are defined as being “on land”
  - Proposed requirement for disinfection of seawater at water inlet
- **Proactive upgrades made to all Phase 1 and 2 pools – highly accretive given that it also enables stronger MAB utilization**
- Upgrades include treatment chambers for both inlet- and outlet water as well as significant reinforcements to pool concrete structures
- As such, **Andfjord is fully prepared to retrofit water treatment equipment in case of future water cleansing requirements**



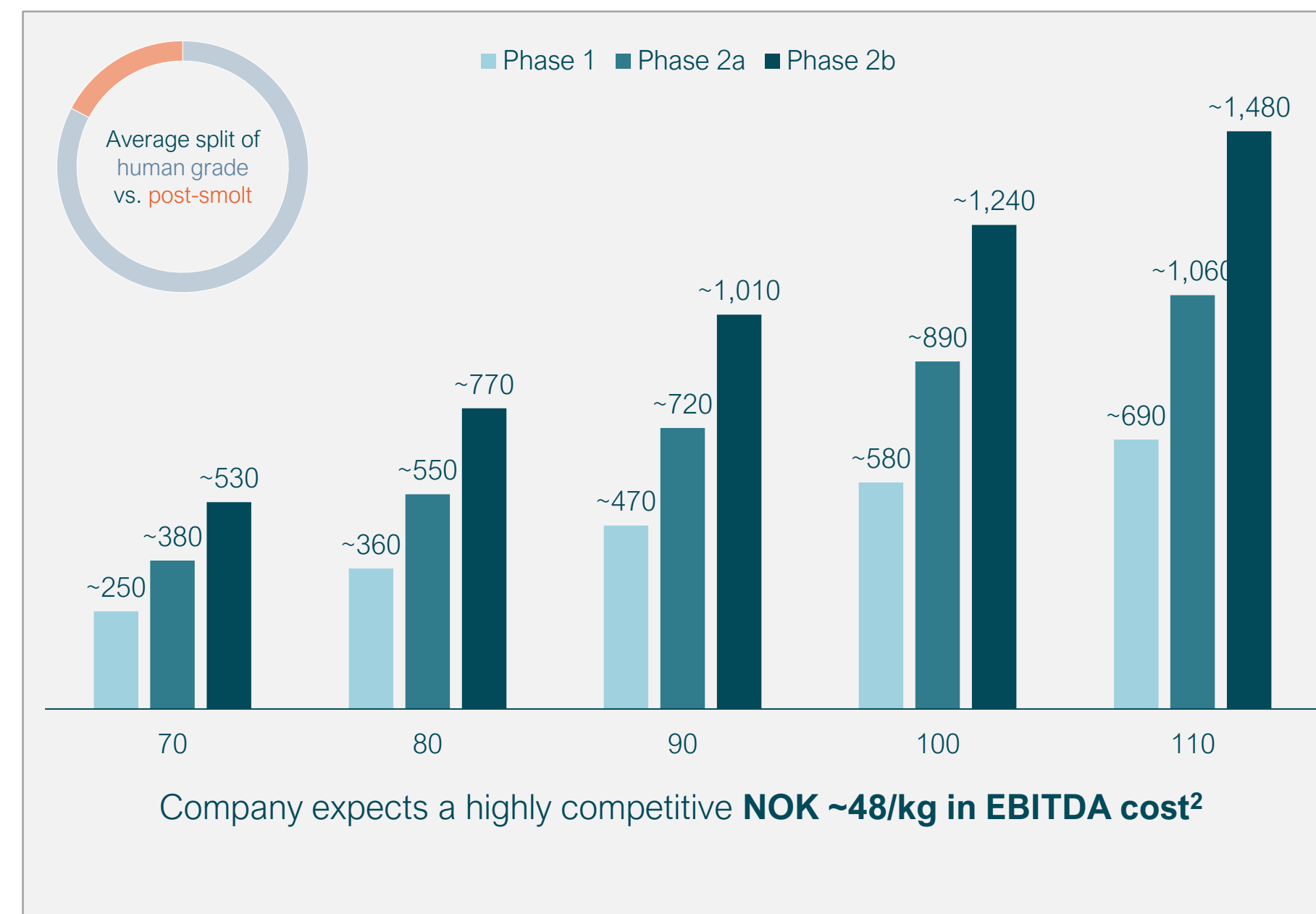
# TOTAL CAPEX FOR KVALNES DOWN TO AN ESTIMATED NOK 105/KG

Updated Kvalnes build-out plan increases production by +20%

Phase, Kvalnes	Previous capex <sup>1</sup> (NOK, est.)	Previous accum. Production (HOG, est.)	Updated capex <sup>1</sup> (NOK, est.)	Updated accum. Production (HOG, est.)
Pilot	~ 450m	1,000t	~ 450m	1,200t
1	Up to 1,650m <sup>a</sup>	8,000t	Up to 1,650m <sup>a</sup>	11,000t
2a	~ 800m	13,000t	~ 1,150m	17,000t
2b	~ 300m	19,000t	~ 400m	23,700t
3 (license expansion)	~ 0m	23,000t	~ 0m	28,800t
4	~ 280m	28,000t	~ 280m	34,200t
5	~ 1,100m	40,000t	~ 1,100m	48,100t

Highly competitive **blended capex for Kvalnes down from 114 NOK/kg<sup>a</sup> to NOK 105/kg<sup>a</sup>**

Illustrative EBITDA sensitivity to salmon prices, Kvalnes Phase 1 & 2 (NOKm)

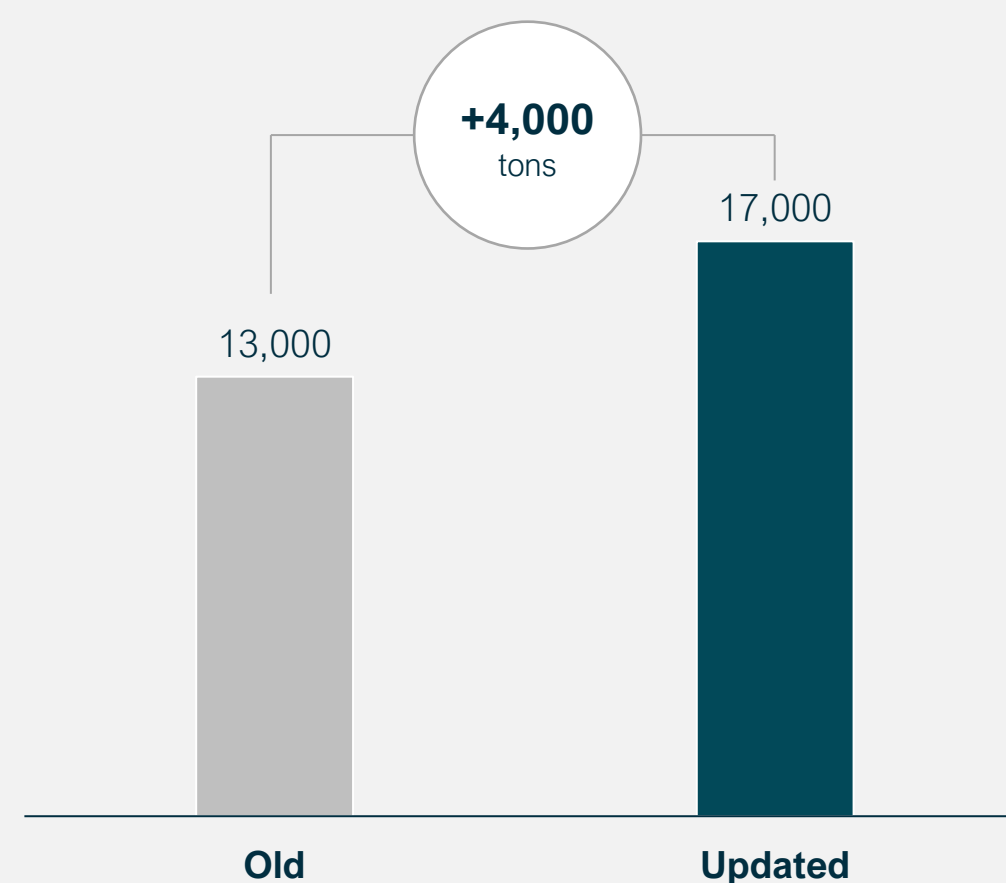




# LESS THAN TWO YEARS IN EXPECTED PAYBACK PERIOD ON PRODUCTION OPTIMIZATIONS

## Estimated annual production volumes

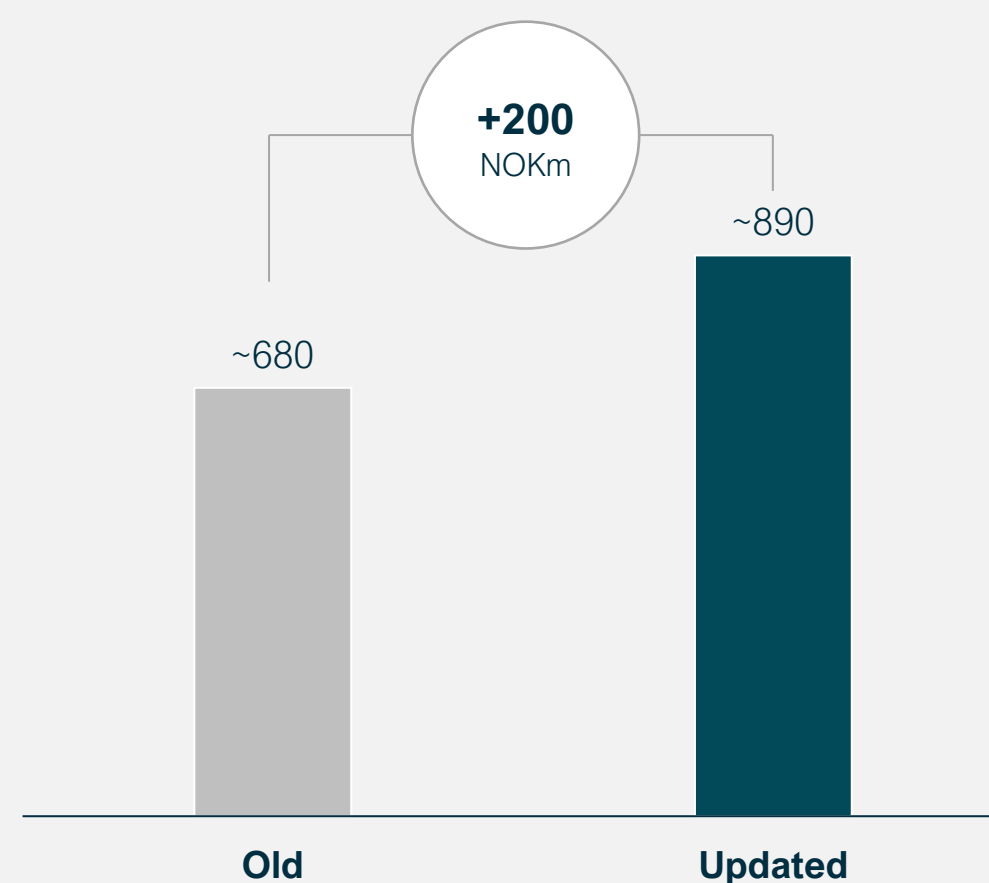
Tons, HOG & post-smolt – Kvalnes Phase 1 & 2a



17,000 tons of annual production from Phase 1 and 2a, through a mix of volume for human consumption and previously announced post-smolt strategy.  
Full Phase 1 & 2 to give 23,700 tons (HOG + post-smolt) within current license

## Estimated EBITDA<sup>1</sup>

NOKm – Kvalnes Phase 1 & 2a



Production optimizations estimated to unlock an additional NOK ~200 million in annual EBITDA on Phases 1 and 2a

## Estimated annual production volumes<sup>1</sup>

Tons, HOG – Kvalnes Phase 1 & 2a

NOK  
**~350 million**  
optimization capex (Phase 2a additions)





NOK  
**~200 million**  
enabled in additional EBITDA

**~1.8 years**  
estimated period required for full payback on optimization investment



# NEW BANK PACKAGE TO COMPLETE PHASE 2 EXPANSION

## Debt funding plan for next expansion at Kvalnes

Main terms	Updated bank package
Lenders	   
Construction loan	Up to NOK 400m
Existing loan <sup>a</sup>	Up to NOK 700m <sup>c</sup>
Construction loan converted to term loan	At first production
<b>Total loan</b>	<b>Up to NOK 1,100m<sup>c</sup></b>
Amortization holiday	24 months after first term loan draw down
Repayment profile	12 years
Equity ratio covenant <sup>b</sup>	35% at year-end
<b>Overdraft facility</b>	<b>60% of borrowing base<sup>d</sup></b>

### Key terms of the bank facility

- Andfjord Salmon has received a term sheet signed by the banks for an additional commitment for a construction loan of up to NOK 400 million (up to 50% loan to Phase 2a construction capex), for a total debt package of NOK 1,100 million
- As shown on the next page, Andfjord is working on securing a 100% financing on the harbour area which implies a NOK 200 million reduction of the existing bank package
- The commitment comes with attractive terms from SpareBank 1 Nord-Norge, SpareBank 1 Sør-Norge and SpareBank 1 SMN, with support from Export Finance Norway (NO: Eksfin)
- The loan represents a major step in the further expansion of Andfjord Salmon and another strong signal from lending banks
- Overdraft facility of up to 60% of the value of borrowing base (standing biomass, inventories, accounts receivables) discussed, not yet committed
- Utilization of the construction loan is subject to customary conditions, including fully financed status
- Flexibility on timing of full financing and construction start

### Leasing facility

- A leasing facility of NOK 175m is planned for certain equipment financing

### Further financing plans

- Good dialogue with several banks regarding future financing
- Future expansions expected to be financed through debt

Notes: a) Including loan with Sparebank1 Nord-Norge and Innovation Norway; b) The loan is subject to additional covenants not shown in this page; c) Net of the sale leaseback shown on next page; d) Not yet committed



# ~NOK 400M SALE OF INFRASTRUCTURE ASSET



ABP

### Key terms of the sale leaseback to Asset Buyout Partners AS (“ABP”)

- Andfjord Salmon signed a term sheet for the sale of the harbour area to ABP based on estimated cost of ~NOK 400m which, if such transaction is duly agreed and completed, will give ~NOK +200m in immediate positive cash effect to Andfjord
- Upon completion, the harbour is leased back to the company on an 80-year contract at 7.5% yield adjusted for CPI
- The transaction is conditional upon the parties agreeing on a share purchase agreement, lease agreement and due diligence, with estimated signing of the share purchase agreement in March 2025

### Harbour area

- The harbour is a key asset for Andfjord and its operations for the transportation of feedstock, product and waste to and from the site
- Contract design and length will ensure full right of use

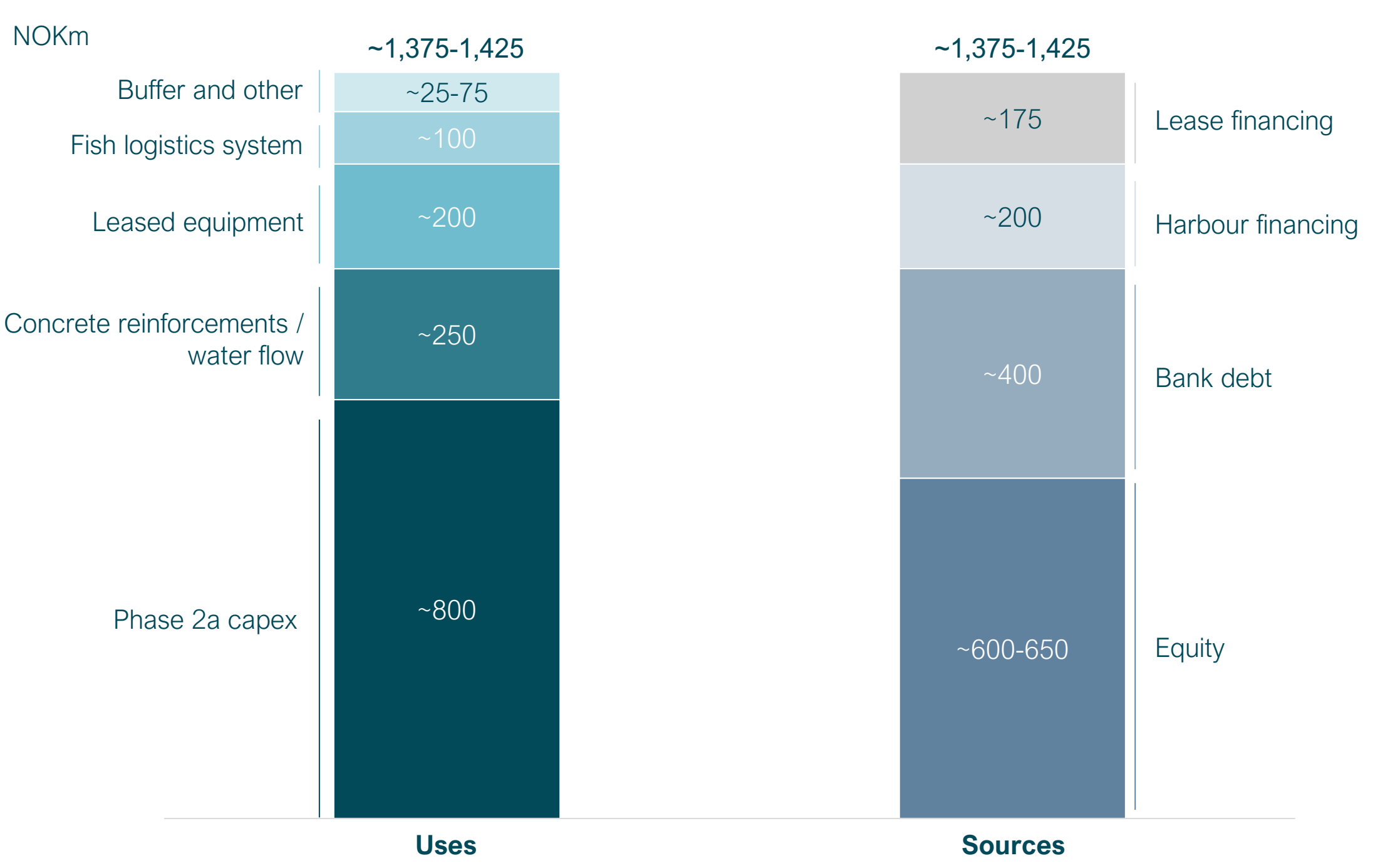
### ABP<sup>1</sup>

- ABP is a leading Norwegian industrial real estate company with a dedicated investment strategy focusing on mission critical real estate and infrastructure located in major Norwegian energy and maritime clusters

ABP sale leaseback	Total value
Harbour sales value	~NOK 400m
Repayment of bank loan linked to harbour area	NOK -200m
Cash effect for Andfjord	~NOK +200m

Note: 1) ABP is owned by Fastighets AB Balder, the largest listed real estate company in the Nordics, listed on Nasdaq Stockholm with a balance sheet of around SEK 220 billion. For more info on ABP, go to [www.abpre.no](http://www.abpre.no)

# CONSTRUCTING GROWTH AND ENABLING PRODUCTION BOOST



- Sources and uses**
- Phase 2a construction, optimizations across the system and buffer to amount to NOK 1,375-1,425 million
  - Construction capex for Phase 2a to be 50% debt financed
  - Fish transportation system of NOK ~100m and water flow enhancements of NOK 250 million to increase production output by ~20% (accretive optimization capex-per-kg of NOK 88)
  - Preparing pools to be able to accommodate potential changes in regulations
  - Lease financing of NOK ~175 million on certain technical equipment
  - Immediate cash effect of NOK +200m from harbour sale and leaseback agreement
  - NOK 600-650 million of new equity envisaged, with larger existing shareholders already having anchored a substantial part of a potential transaction
  - Working capital financing planned upon production start



# HIGHLY SUPPORTIVE SHAREHOLDER GROUP

**Jerónimo  
Martins**

**28.0%**  
ownership

  
HIGH LINER FOODS

**5.4%**  
ownership

  
Eidsfjord  
Sjøfarm

**4.5%**  
ownership

## About Jerónimo Martins:

- Portugal-based international industry group that operates in food distribution, retail and agribusiness
- 19<sup>th</sup> largest food retailer in Europe and 47<sup>th</sup> largest retailer in the world, regardless of sector (Deloitte, 2023)
- Listed in Lisbon with market cap of EUR ~12 billion per January 2025
- Consolidated group sales of EUR 33.5 billion (2024)



## About High Liner Foods:

- North American processor and supplier of seafood
- Established in 1899 with significant network in their region
- Sales revenue of close to USD 1.1 billion in 2023
- Exploring opportunity for distribution of Andfjord Salmon's fish to the North American market



## About Eidsfjord Sjøfarm (Holmøy Havbruk):

- Conventional salmon farmer based in Northern Norway
- Eidsfjord Sjøfarm/Holmøy Havbruk produces around 30,000 tons of salmon annually based on conventional licenses in Nordland and Troms
- Off-taker of post-smolt from Andfjord Salmon for nearby ocean-based farming locations



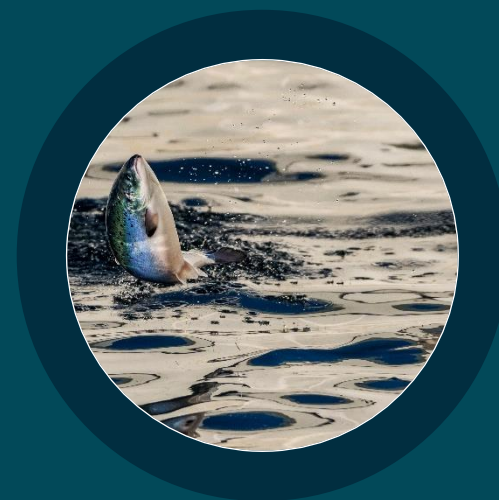


# INVESTMENT HIGHLIGHTS



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**+NOK 200m in cash effect from sale and leaseback agreement of infrastructure asset**

Potential sale and leaseback agreement on harbour area, releasing ~NOK 400m with **positive cash effect of NOK 200m**



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# APPENDIX



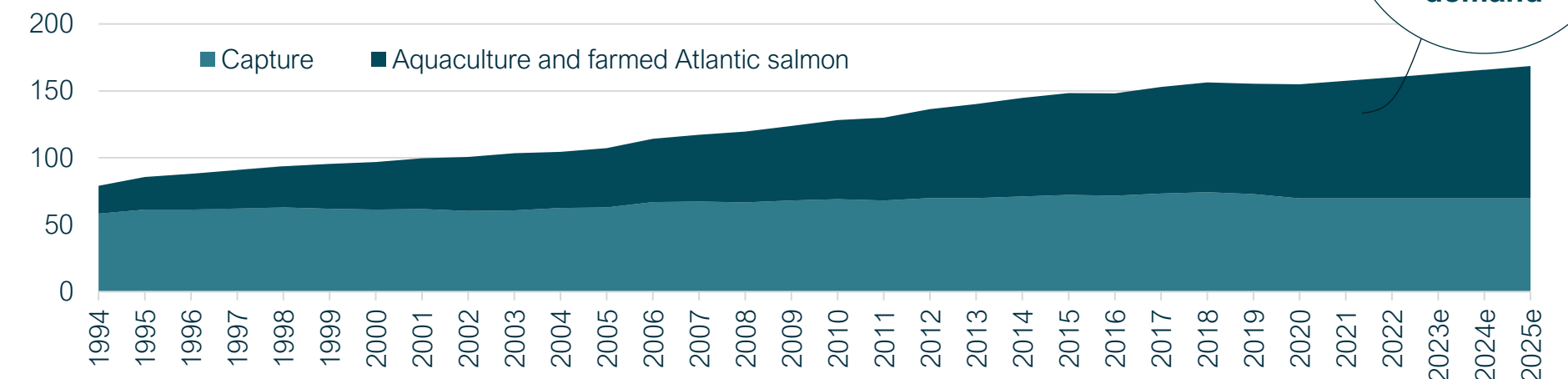
# LAND-BASED FARMING NEEDED TO BRIDGE THE GAP BETWEEN SUPPLY AND DEMAND

## Strong underlying megatrends

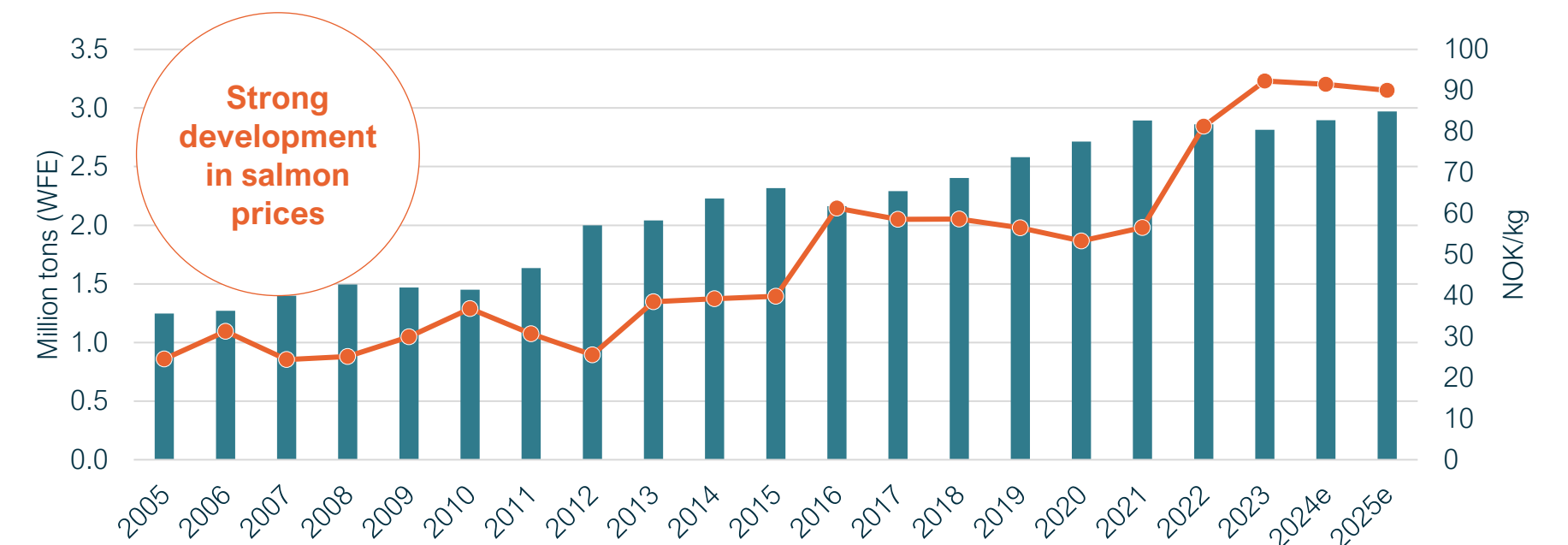
- The global Atlantic salmon market adds up to USD 24bn p.a., with strong macro trends driving the demand for Atlantic and Norwegian salmon
- Strong secular trends such as population growth, a growing middle class and consumer preferences (health and environment) are fuelling the demand for salmon
- Conventional supply is constrained by e.g., salmon lice, weak biological performance and stricter governmental regulations
- Attractive supply/demand dynamics in the salmon market going forward, with **global demand expected to grow 6.0% p.a.** to 2030, while estimated **global supply growth of conventional farming is 3.5%**, leaving a **significant supply gap to be covered by land-based initiatives and new production methods**



## Global market supply (million tons LW)

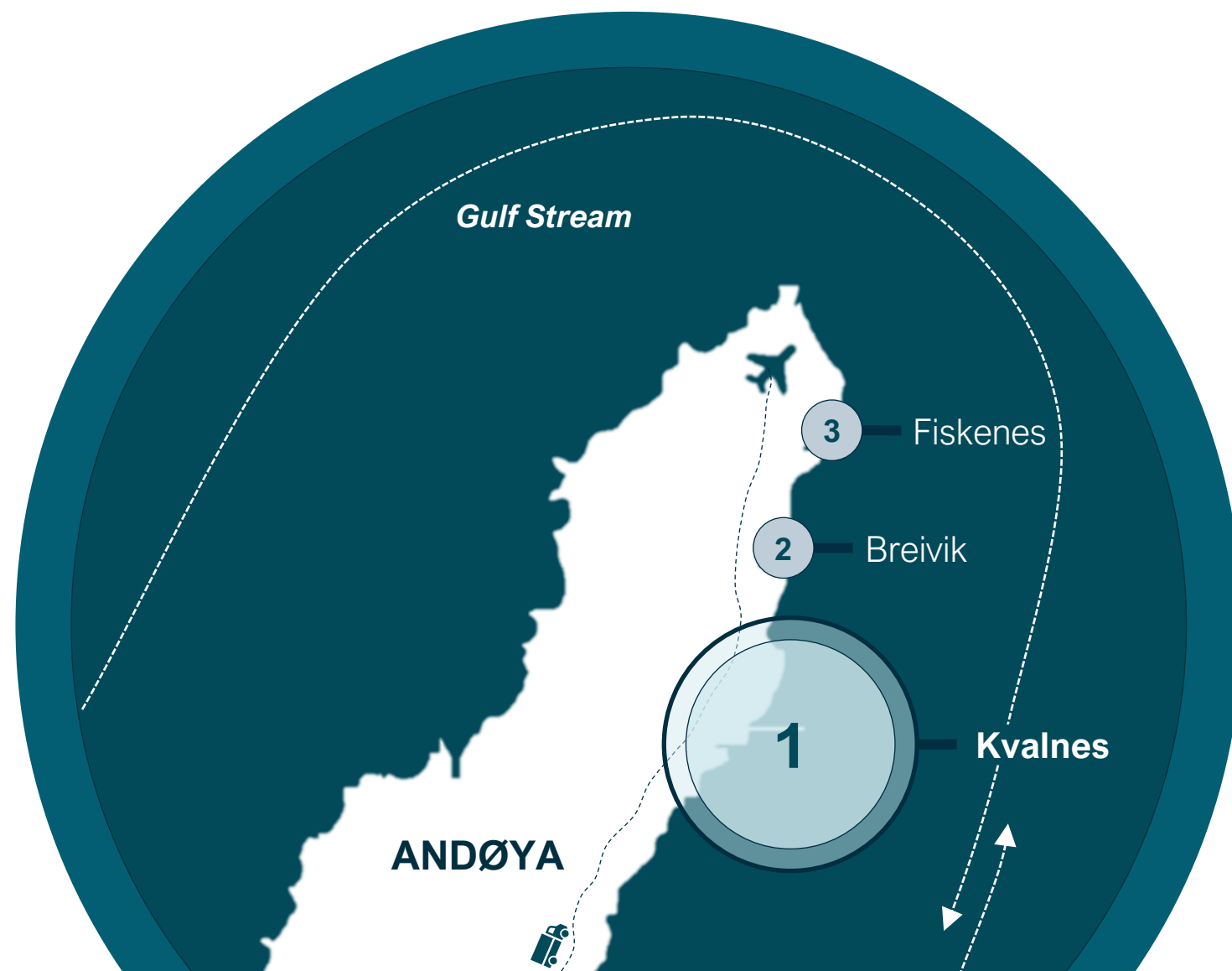


## Global market demand (million tons WFE) and price (NOK/kg)





# ENDLESS ACCESS TO FRESH SEAWATER



- **Three sites** located at Andøya, Norway
- **Kvalnes site already in operation**, currently being expanded to 11,000t
- **Unique location** with access to **natural tempered oxygen-rich seawater** from the Gulf Stream and no nearby conventional farmers

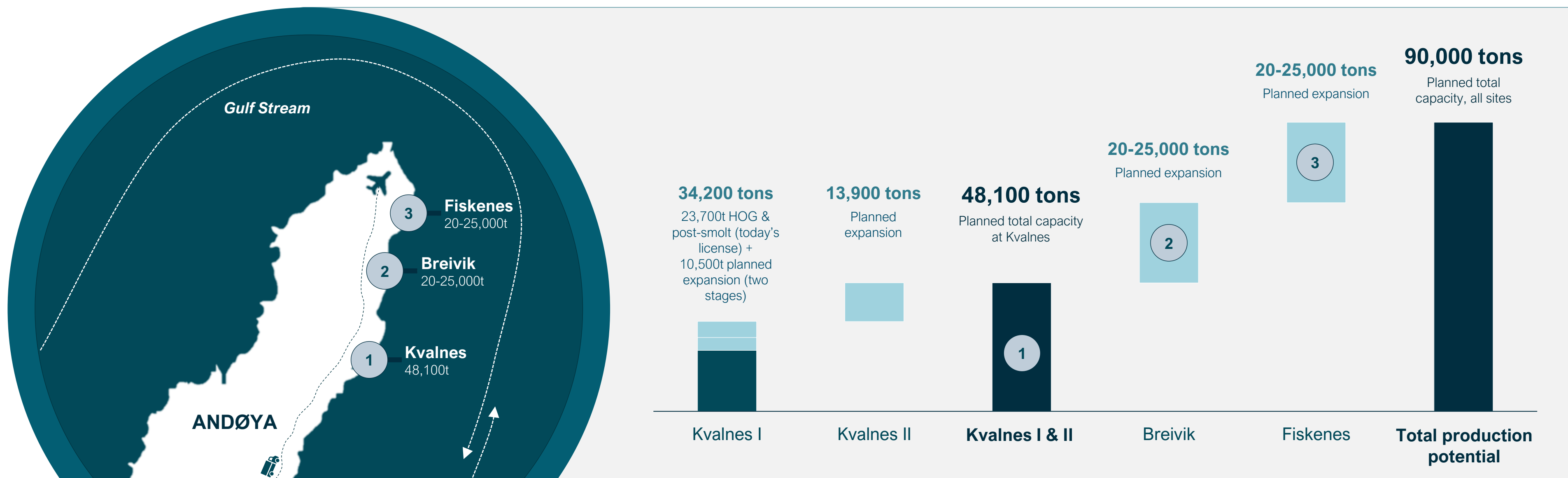


- Andfjord's **flow-through system** combines the best of two worlds, essentially bringing the ocean to land
- **Clean seawater** (below lice belt) flows almost **effortlessly to shore**



- Flow of seawater into the pools **allows Atlantic salmon to thrive in its natural habitat** – under strict quality control
- **Water is changed up to 24 times per day**, flexible dependent on standing biomass

# PRODUCTION POTENTIAL OF 90,000 TONS



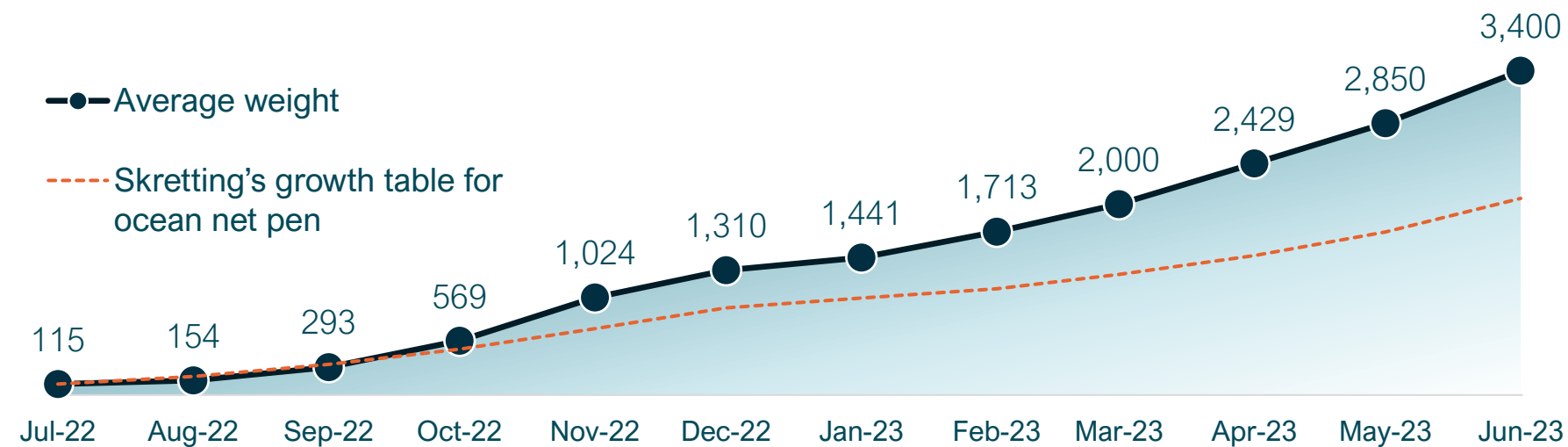
- Land secured on Andøya, by purchase or purchase options, **to increase the total annual production volume to ~90,000t (HOG)**
- **Kvalnes I: License for 10,000t MAB (expected 23,700t HOG + post-smolt production) secured** – licensing process for further expansion initiated
- **Breivik zoning plan approved** by Andøy Municipality Council in June 2022
- **Zoning plan application for Fiskenes in process** with Andøy Municipality
- **Post-smolt strategy launched** – estimated to **increase EBIT by 15-25% compared to HOG only**



# EXCELLENT BIOLOGICAL AND OPERATIONAL METRICS FROM FIRST PRODUCTION CYCLE

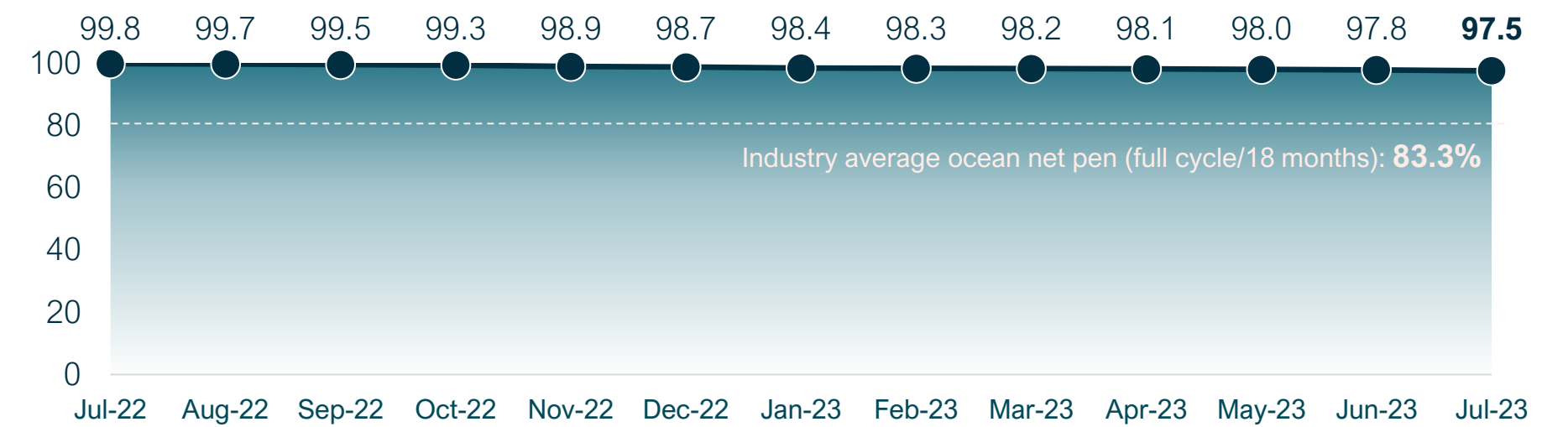
## Average weight per fish (grams) at harvest ~40% above expectations

Average weight per fish (grams)



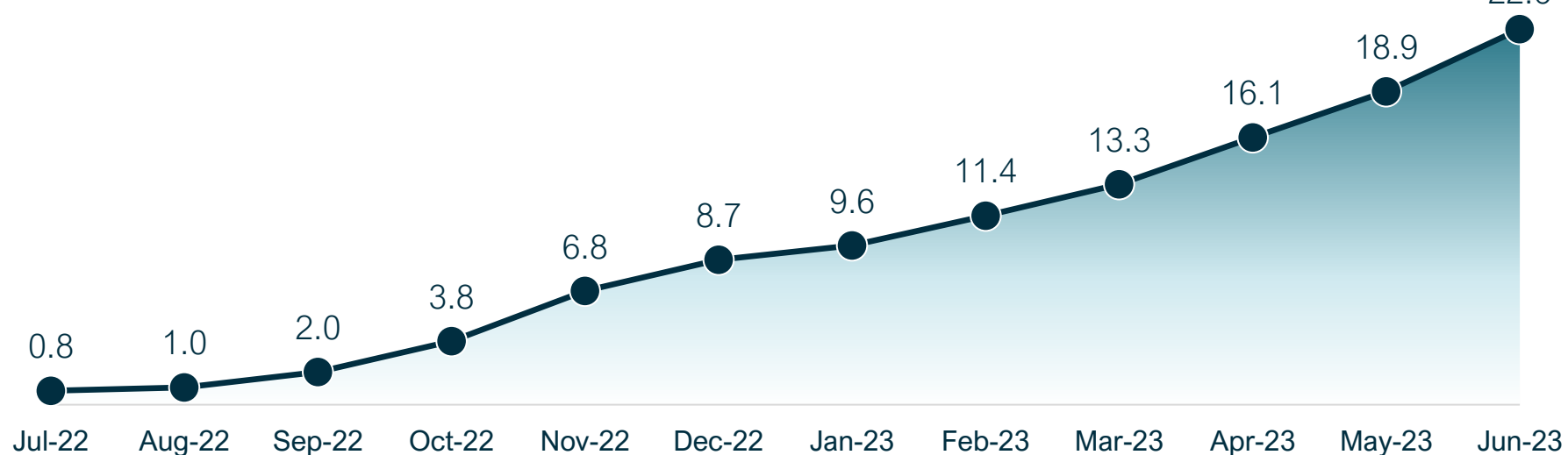
## Industry leading survival rate of 97.5%

Accumulated survival rate (%)



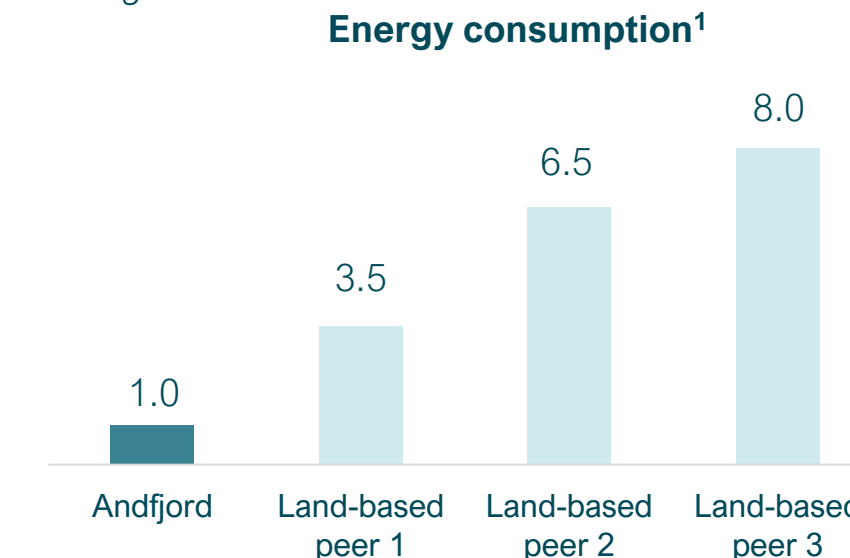
## Modest density profile

Density (kg/m<sup>3</sup>)

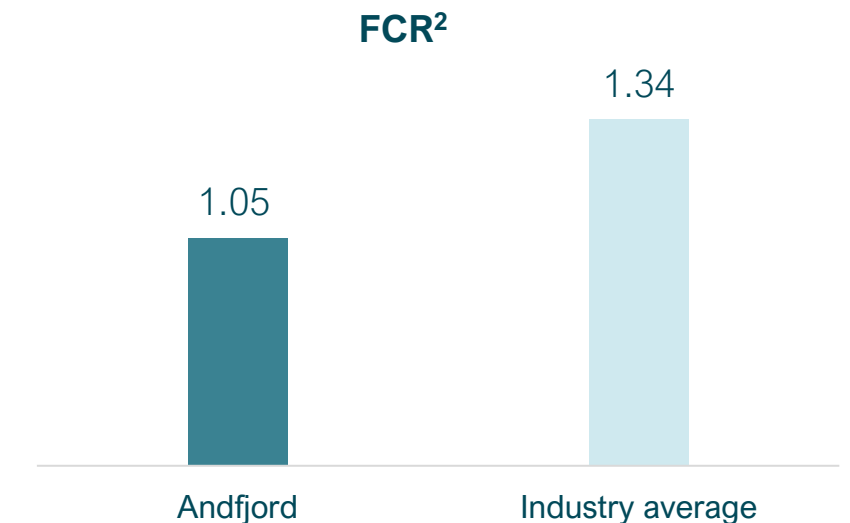


## Low energy consumption and FCR resulting in low opex

KWh/kg



FCRe



# ESG IS A KEY FOCUS FOR ANDFJORD SALMON

## Strong focus on sustainability and environment in all activities

### Low carbon footprint

- Andfjord Salmon's technology avoids sea lice, eliminates all escapes and protects life below water
- Strong focus on sustainable production to achieve very low environmental footprint

### Ambition to develop the world's most fish friendly and sustainable aquaculture facility of its kind

- Fish health and welfare, such as protecting the fish from unnecessary stress and impact, are at the core of Andfjord Salmon's innovation
- Strategic feed supply agreement with Skretting, which has developed a feed that is specifically tailored to Andfjord Salmon's flow-through system to ensure optimal water quality, fish welfare and growth conditions
- Industry-leading survival rate of 97.5% (post-transport) is a testament to the technology

### Recycling of fish sludge

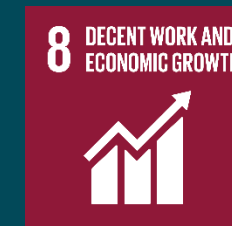
- Fish sludge is currently used for biogas production
- Fish sludge project for a biogas reactor that will be used by researchers at NMBU and NIBIO to develop an optimal bacterial culture and bioreactor process to produce biogas

### Part of the EU-funded project RESIST

- Andfjord took part in RESIST, a five-year EU-funded project coordinated by SINTEF in collaboration with INOVA+, which supports four demonstrator regions and eight twin regions across the EU in their efforts to build resilience against the impacts of climate change

Annual  
ESG reporting

## Committed to the UN Sustainable Development Goals



- **Health and safety of our employees and suppliers is the highest priority** everywhere and in all our activities
- Our goal is to have **zero work-related injuries**



- Andfjord Salmon aims to **create value for the region** of which we are a part of. We strongly contribute to **innovation, research and competence enhancement**
- Research and development are key parts of Andfjord Salmon's innovative power



- Employees and business partners are required to conduct business in accordance with the Company's **ethical guidelines**, and we have established **professional systems of accountability, oversight and control**



- Andfjord Salmon aims to have the **highest biosecurity to prevent contagious fish diseases and sea lice**. The Andfjord Salmon farming process also prevents toxic algae
- The flow-through technology and the low density in the tanks provides the **best possible fish welfare**



## Build-out plan utilises existing infrastructure to keep capex down while enabling increased production volumes

- Examples of shared infrastructure include waterways and harbour area

## Flow-through technology creates the salmon's natural habitat on land

- 100% flow-through of oxygen-rich, clean seawater from the Gulf Stream
- No lifting, heating or cooling of water result in low energy costs
- Strong sustainability angle (and value) from potential recycling of bio waste

## Biosecurity in strong focus

- No problem with salmon lice or poisonous algae
- Natural escape prevention
- Oxygen-rich, clean Arctic seawater
- Each pool designed as individual biozones
- No nearby conventional salmon farmers

