



**Q4 2021**

Status and progress

**23 March 2022**





# Q4 Presentation 2021



**Martin Rasmussen**  
CEO



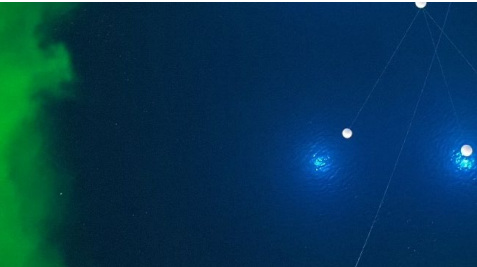
**Bjarne Martinsen**  
CFO

## Agenda

- Introduction
- Quarterly highlights and subsequent events
- Operational update
- Key financial figures
- Summary and outlook

# ANDFJORD SALMON AT A GLANCE

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



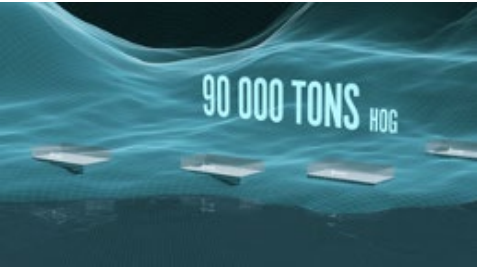
**FLOW-THROUGH**  
Uses a closed flow-through system, which combines the benefits of both traditional and land based aquaculture while solving a number of traditional farming issues.



**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.



**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.



**~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).



**LOW ENERGY FACILITIES**  
No need to lift the water above sea surface. No need to heat or cool the sea water or other costly operations.



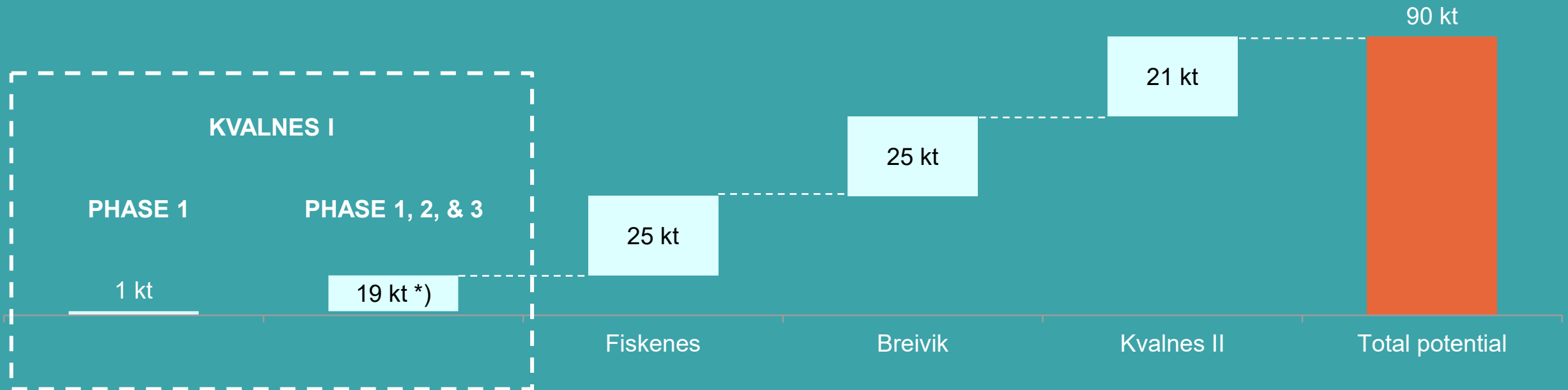
**FISH FRIENDLY & SUSTAINABLE**  
Andfjord Salmon™ aims to build the world's most fish-friendly and environmentally friendly facility for salmon, with the lowest possible energy consumption and cost.

# EXPANSION POTENTIAL TO A TOTAL CAPACITY OF ~90.000t (HOG)



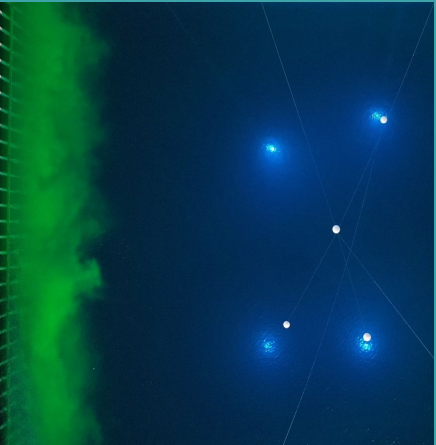
- Andfjord Salmon has secured, by purchase or purchase options, land on Andøya enabling an expansion of a total annual production volumes to ~90.000t (HOG)
- License for Kvalnes I secured, licensing process for the expansion initiated
- Support from local authorities for its planned project and expansion plans

Indicative\*)



\*) 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



QUARTERLY  
HIGHLIGHTS AND  
SUBSEQUENT EVENTS



OPERATIONAL  
UPDATE



KEY  
FINANCIALS

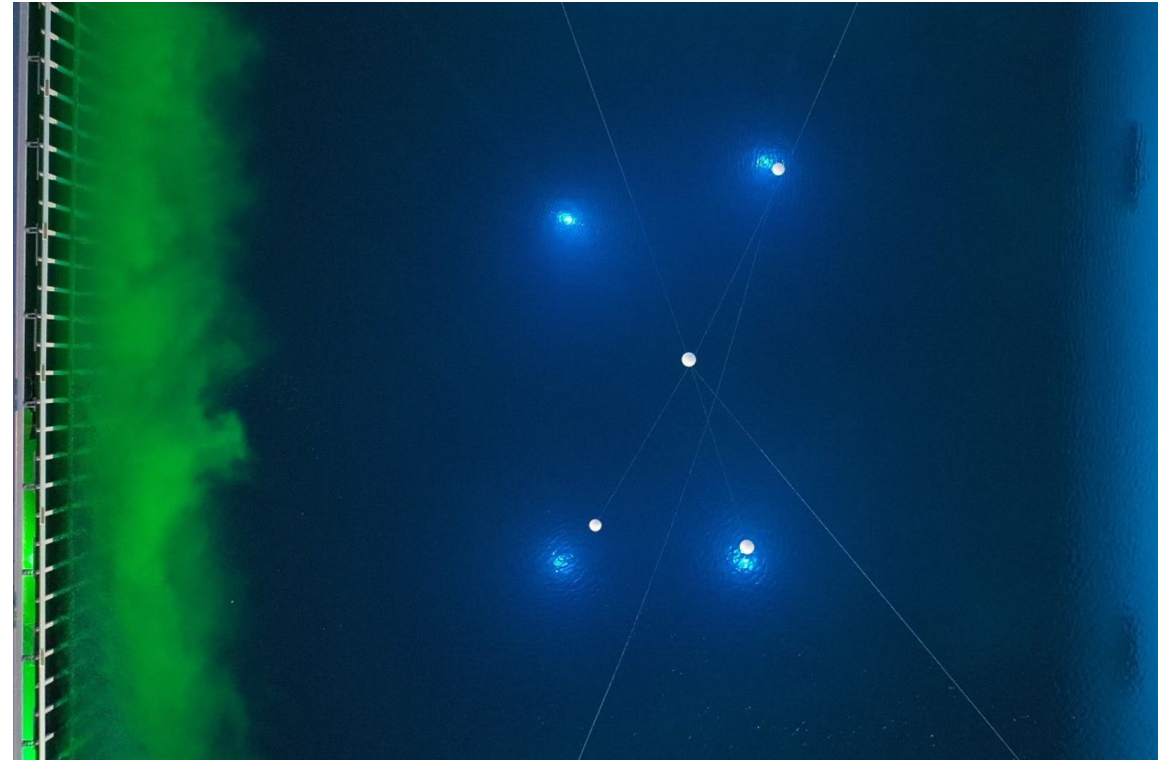


SUMMARY  
AND  
OUTLOOK

## SUCCESSFUL TEST OF POOL FUNCTIONS



## SUCCESSFUL VERIFICATION OF LAMINAR WATER FLOW





# SUBSEQUENT TO YEAR-END: OPERATIONAL MILESTONES UNLOCKS STRATEGIC INVESTMENTS

## NUTRECO – FEEDING THE FUTURE



- MARKET LEADER**  
Global leader in animal nutrition and aquafeed.
- 37 COUNTRIES**  
Headquartered in the Netherlands, 12,000 employees in 37 countries.
- SEAFOOD INVESTOR**  
Invests in the seafood industry.
- INVESTMENT**  
Invests NOK 20 million to become shareholder in Andfjord Salmon.

## HOLMØY GROUP – FISH IS OUR PASSION






- WHITEFISH AND SALMON**  
Seafood group based in Vesterålen. One of Norway's largest players within whitefish and salmon.
- SEAFOOD INVESTOR**  
Operates trawlers, ocean-based fish farms (annual production: 20,000 t HOG), and offers cold storage of fish.
- INVESTMENT**  
Invests NOK 8 million in Andfjord Salmon through fish farming company Eidsfjord Sjøfarm AS. Holmøy Group's CEO part of Andfjord Salmon's board of directors.


# SUBSEQUENT TO YEAR-END: FEED AGREEMENT SIGNED

## SKRETTING – FEEDING THE FUTURE



-  **SUSTAINABLE**  
Dedicated to driving the sustainability transformation within raw materials for fish feed
-  **STRATEGIC AGREEMENT**  
Long-term running strategic feed supply agreement
-  **SEAFOOD INVESTOR**  
Tailored feed to 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.



# UPDATE ZONING PLAN FOR FISKENES / BREIVIK



## BREIVIK

69 DEGREES NORTH,  
ANDØYA, VESTERÅLEN

# 25,000

HOG IN TOTAL POTENTIAL  
PRODUCTION VOLUME



## FISKENES

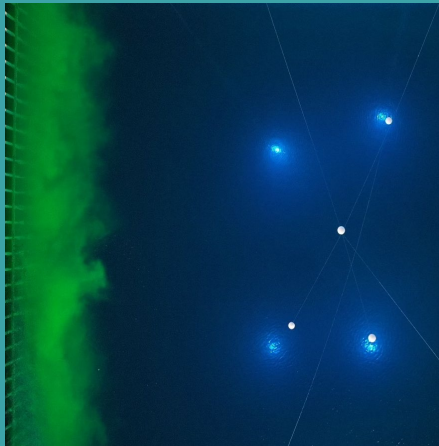
69 DEGREES NORTH,  
ANDØYA, VESTERÅLEN

# 25,000

HOG IN TOTAL POTENTIAL  
PRODUCTION VOLUME

- Process managed by Andøy municipal council
- Zoning plan approved by the municipal executive committee (“Formannskapet”) in March 2021
- First public hearing for zoning plan proposal conducted in Q2 2021; second public hearing currently ongoing without objections from important regulatory stakeholders
- Expect final decision from Andøy municipal council during H1 2022

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# KVALNES AREA DEVELOPMENT (PHASE 2)

## STATUS KVALNES PHASE 2:

- 🌿

**SCRAPING**

Scraping of area completed
- 🌿

**NEXT POOLS**

Blasting and excavation work started on the next pools
- 🌿

**EXCAVATING**

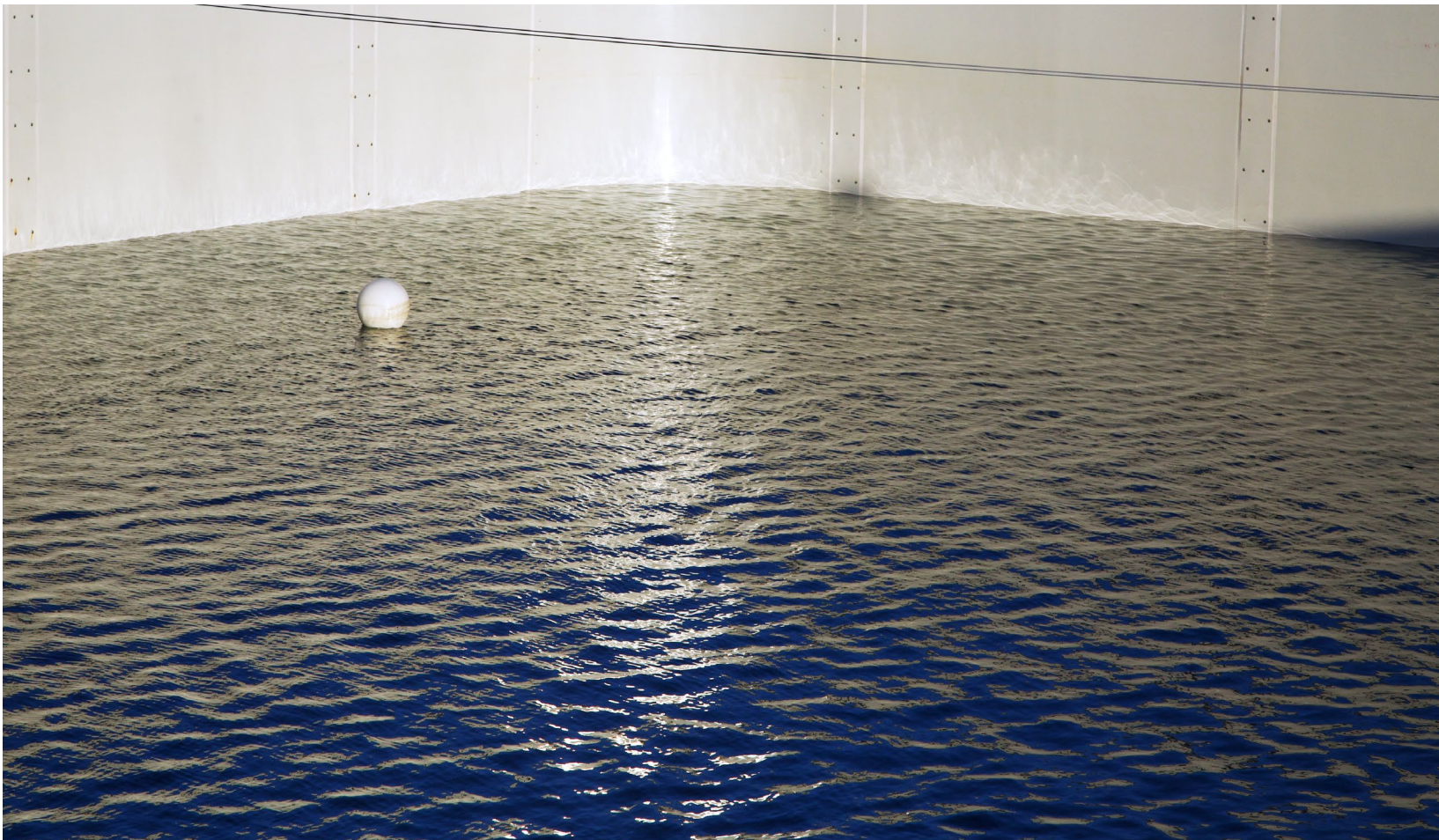
Pools closest to first pool to be excavated first, then moving sequentially further away from first pool





# POOL FUNCTIONALITY TESTS COMPLETED IN Q4

## STATUS FIRST KVALNES POOL (PHASE 1) – PROGRESSING AS PLANNED:



### POOL FUNCTIONS

Testing of pool functions and equipment: power adapters, sensors, water measurement systems, filtration system for discharge water

### POOL INFRASTRUCTURE

Testing of pool infrastructure with seawater

### SEAWATER

Obtained detailed knowledge about how the pool and equipment responds to seawater, both inside and outside the pool walls



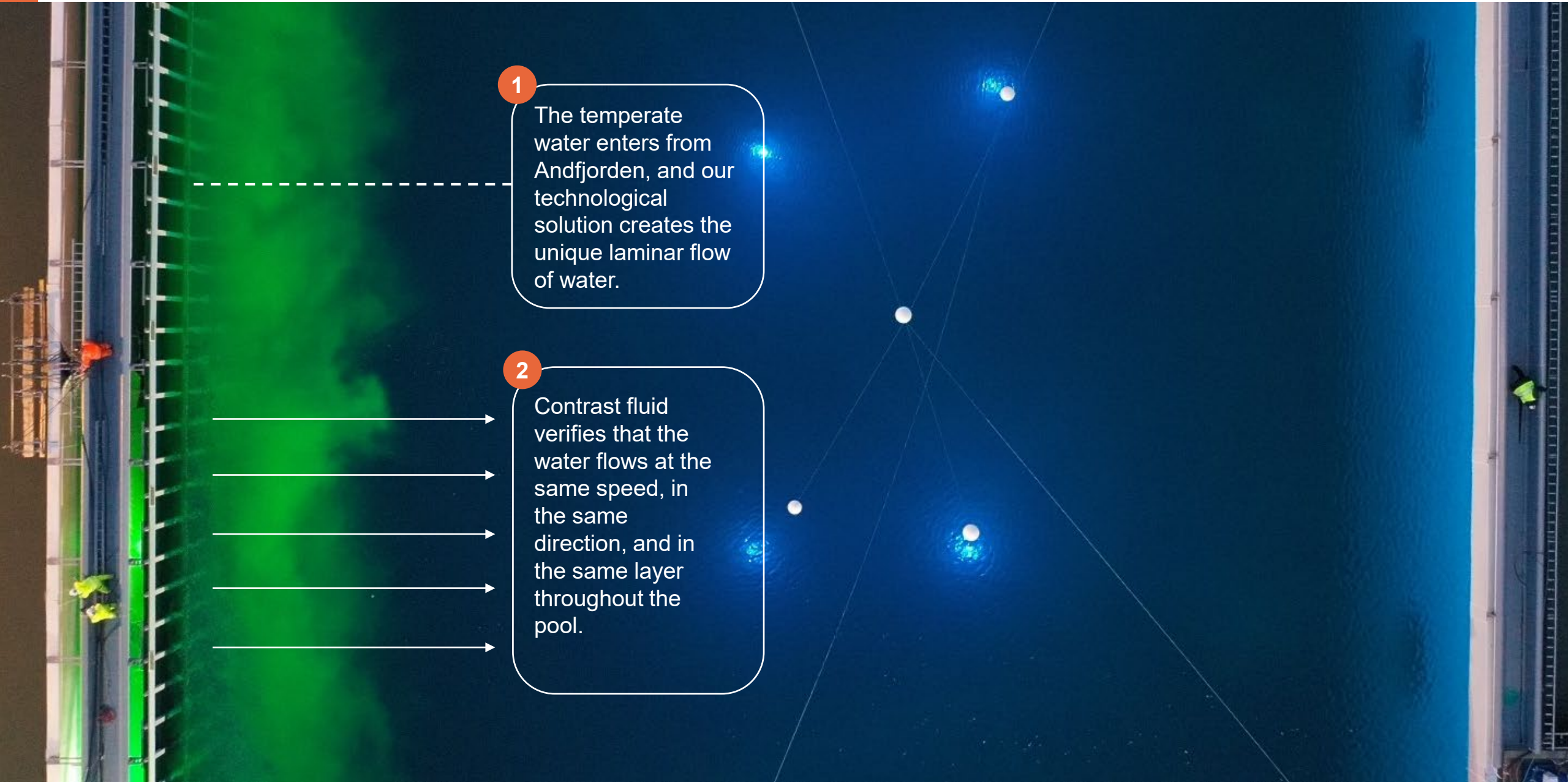
# SUCCESSFUL VERIFICATION OF LAMINAR WATER FLOW

1

The temperate water enters from Andfjorden, and our technological solution creates the unique laminar flow of water.

2

Contrast fluid verifies that the water flows at the same speed, in the same direction, and in the same layer throughout the pool.





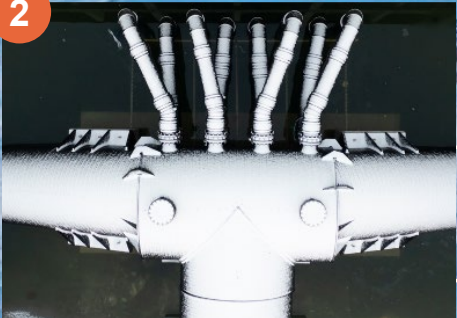
# COMPLETED TESTING OF ALL VITAL FUNCTIONS

1



WATER INTAKE TESTING COMPLETED

2



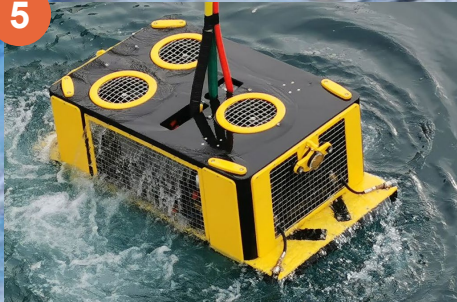
WATER DISTRIBUTION TESTING COMPLETED

4



POOL FUNCTIONS TESTING COMPLETED

5



MULTI CLEANING SYSTEM TESTING COMPLETED

3



LAMINAR FLOW TESTING COMPLETED

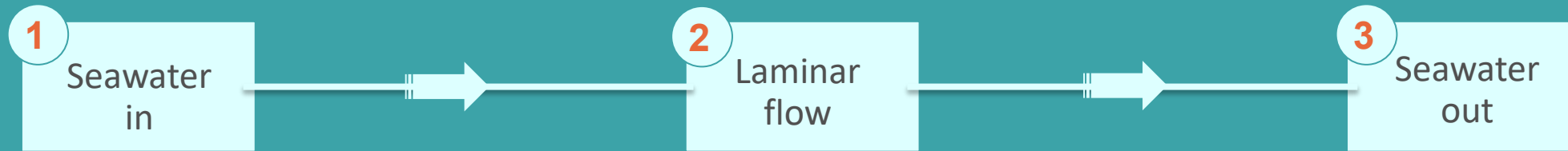
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CONTROL ROOM TESTING COMPLETED

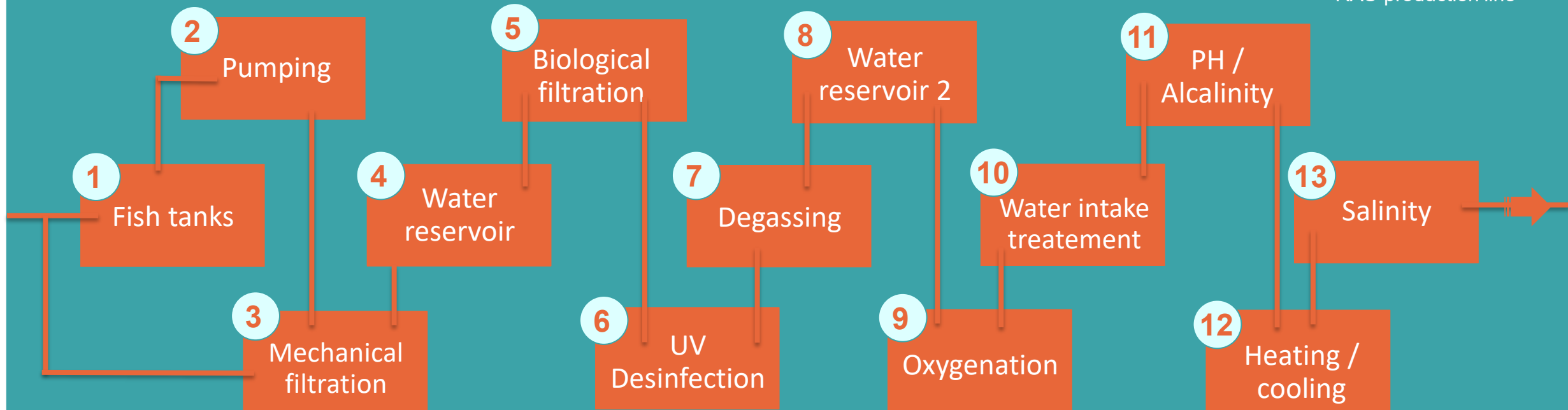


## FLOW-THROUGH TECHNOLOGY



## RECIRCULATORY AQUACULTURE SYSTEM (RAS)\*

\*Billund Aquaculture  
RAS-production line

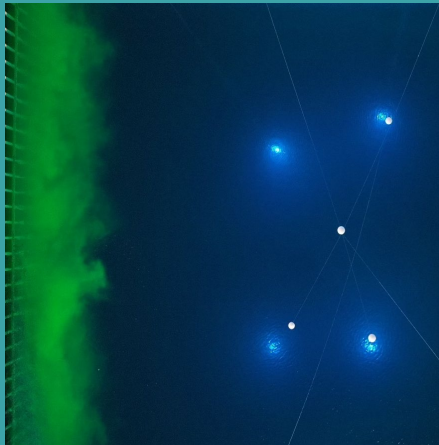


# SMOLT IS GROWING WELL | NEXT STEP: IDENTIFY OPTIMAL RELEASE DATE





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SUMMARY  
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## INCOME STATEMENT

## Andfjord Salmon AS

All amounts in NOK

	Q4 2021 1.10 – 31.12 Unaudited	Q4 2020 1.10 – 31.12 Unaudited	2021 1.1 – 31.12 Unaudited	2020 1.1 – 31.12
<b>Operating income and expenses</b>				
Other income	0	180 863	0	180 863
<b>Total operating income</b>	<b>0</b>	<b>180 863</b>	<b>0</b>	<b>180 863</b>
Salary and personnel expenses	5 848 526	3 748 867	17 402 069	10 342 618
Depreciation of tangible and intangible fixed assets	610 732	128 816	1 229 217	370 704
Other operating expenses	2 895 587	3 386 627	15 829 035	9 085 586
<b>Total operating expenses</b>	<b>9 354 845</b>	<b>7 264 310</b>	<b>34 460 322</b>	<b>19 798 909</b>
<b>Operating profit/loss</b>	<b>-9 354 845</b>	<b>-7 083 448</b>	<b>-34 460 322</b>	<b>-19 618 046</b>
<b>Financial income and expenses</b>				
Other financial income	80 918	207 265	282 983	838 273
Other financial expenses	799 556	536	1 358 912	409 703
<b>Net financial income/expenses</b>	<b>-718 638</b>	<b>206 728</b>	<b>-1 075 929</b>	<b>428 570</b>
<b>Profit/loss before tax</b>	<b>-10 073 484</b>	<b>-6 876 719</b>	<b>-35 536 250</b>	<b>-19 189 476</b>
<b>Net profit/loss for the period</b>	<b>-10 073 484</b>	<b>-6 876 719</b>	<b>-35 536 250</b>	<b>-19 189 476</b>

## BALANCE SHEET

## Andfjord Salmon AS

All amounts in NOK

<b>Assets</b>	<b>31.12.2021 Unaudited</b>	<b>31.12.2020</b>
<b>Total intangible assets</b>	<b>2 664 757</b>	<b>1 219 832</b>
<b>Total property, plant &amp; equipment</b>	<b>428 987 851</b>	<b>223 841 555</b>
<b>Total long-term fixed assets</b>	<b>123 970</b>	<b>159 390</b>
<b>Total fixed assets</b>	<b>431 776 578</b>	<b>225 220 777</b>
<b>Total receivables</b>	<b>33 673 118</b>	<b>17 609 321</b>
<b>Cash and deposits</b>	<b>14 918 370</b>	<b>148 846 067</b>
<b>Total current assets</b>	<b>48 591 488</b>	<b>166 455 388</b>
<b>Total assets</b>	<b>480 368 067</b>	<b>391 676 165</b>

*Figures do not include a NOK 20 million undrawn credit facility with Sparebank 1 Nord Norge and NOK 6 million in unpaid grants from Innovation Norway (NOK 5 million) and Samskap (NOK 1,1 million). In addition, a capital increase of NOK 38 million, including investments from Nutreco and Holmøy, was completed in Q1 2022.*



BALANCE SHEET		
Andfjord Salmon AS		
All amounts in NOK		
Equity and liabilities	31.12.2021 Unaudited	31.12.2020
<hr/>		
Total equity	323 273 127	354 137 205
Liabilities		
Non-current liabilities		
Liabilities to financial institutions	39 478 187	0
Other non-current liabilities	59 191 509	4 078 176
Total non-current liabilities	98 669 696	4 078 176
Current liabilities		
Trade payables	49 689 856	29 788 856
Current tax liabilities	1 246 151	723 106
Other current liabilities	7 489 236	2 948 823
Total current liabilities	58 425 243	33 460 785
Total liabilities	157 094 939	37 538 961
Total equity and liabilities	480 368 067	391 676 165

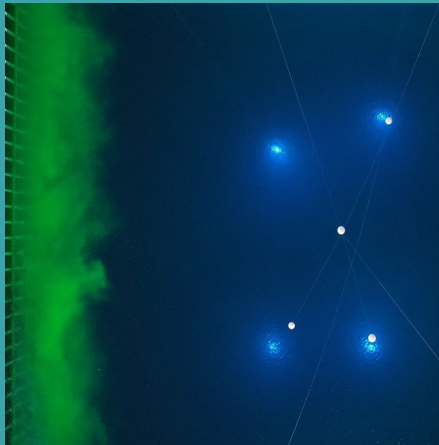
CASH FLOW STATEMENT

Andfjord Salmon AS

All amounts in NOK

	Q4 2021 1.10 – 31.12 Unaudited	Q4 2020 1.10 – 31.12 Unaudited	2021 1.1 – 31.12 Unaudited	2020 1.1 – 31.12
Net cash flow from operating activities	5 691 802	-1 630 034	-20 620 952	-6 174 684
Net cash flow from investing activities	-58 745 810	-61 505 786	-207 820 439	-165 276 082
Net cash flow from financing acitivities	31 546 770	85 195 102	94 513 693	226 516 497
Net change in cash and cash equivalents	-21 507 237	22 059 282	-133 927 697	55 065 731

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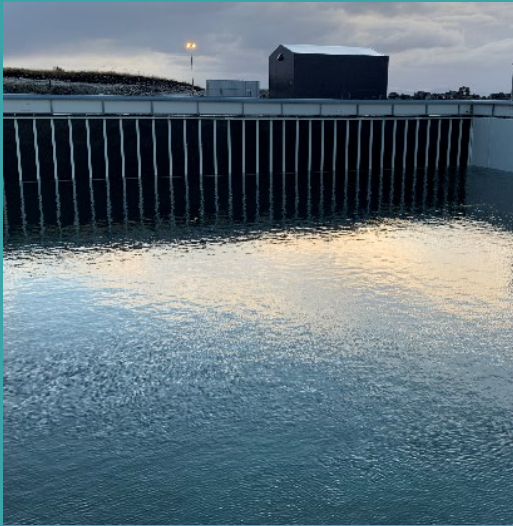


SUMMARY  
AND  
OUTLOOK



# SUMMARY

## FIRST POOL



- Successful verification of pool functions and laminar water flow

## INVESTORS & FEED



- Holmøy Group and Nutreco
- Feed agreement with Skretting

## FIRST SMOLT



- First smolt to be released in Q2 2022

## FISKENES - BREIVIK



- Zoning plan decision expected in H1 2022

# ANDFJORD SALMON ON TRACK TO BUILD THE WORLD'S MOST SUSTAINABLE AND FISH-FRIENDLY AQUACULTURE FACILITY OF ITS KIND



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



14 LIFE BELOW WATER



Q & A





**Contact us:**

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