



NORDIC AQUA PARTNERS

First half year 2021

Presentation 20.08.2021

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Agenda

■ HIGHLIGHTS & NORDIC AQUA PARTNERS IN BRIEF

Project Review & Market

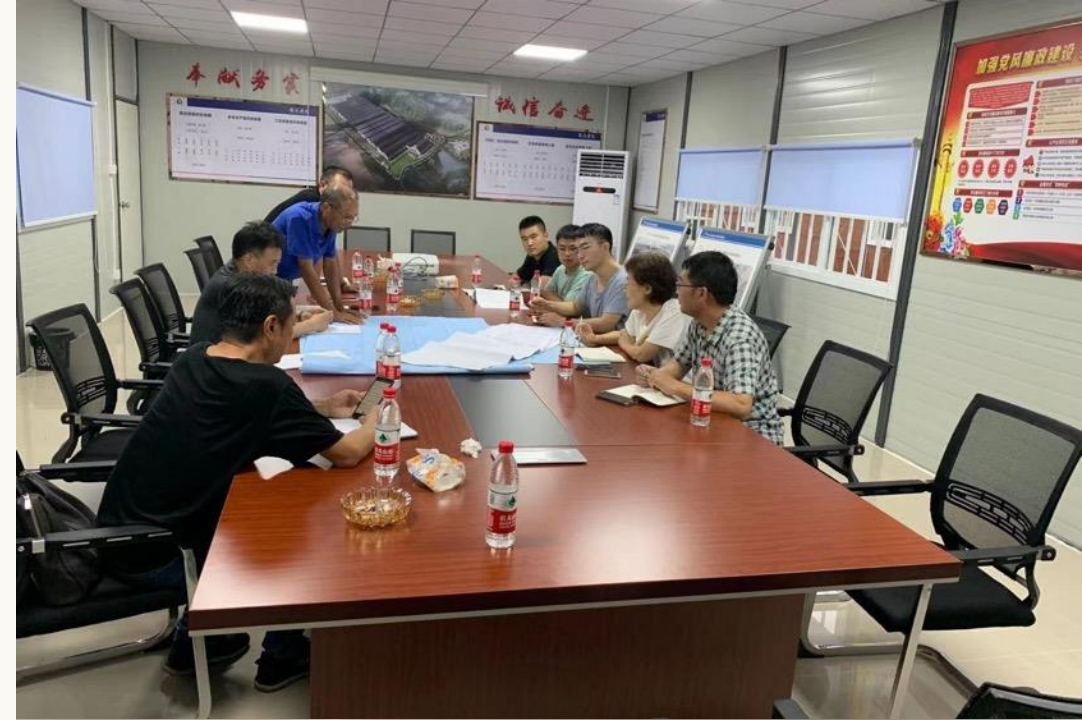
Upscaling and Technology

Financials

Outlook & Summary

H1 2021 highlights

- Project is developing according to plan – on time and on budget. First eggs in Q4 2021 and first harvest in Q4 2023
- Upscaling of business plan to 20,000 tonnes
- Design package and site preparation completed in Q1 2021. Construction start on hatchery facility in Q2 2021
- Signed agreement with Xiangshan Strait Economic & Technological Cooperation Co., Ltd, for a 10 + 10 years' lease of land, infrastructure and facilities
- Signed banking agreement with Bank of Ningbo for working capital facility of RMB 35 million (DKK 34 million)
- Available cash of DKK 374 million and total undrawn credit facility at EUR 25 million (DKK 186 million) as of 30.06.2021



Nordic Aqua Partners – first producer of fresh salmon in China



- 1 Fully funded to reach 4,000 tonnes, equity in place for 8,000 tonnes
- 2 Existing plan for 20,000 tonnes and an ambition to reach 50,000 tonnes
- 3 Uniquely located near Shanghai, with access to +100 million customers within 5 hours
- 4 World class RAS- and management team with extensive experience from land-based salmon farming and doing business in China
- 5 Dedicated support from local authorities and leading industry players

Agenda

Highlights & Nordic Aqua Partners in Brief

■ PROJECT REVIEW & MARKET

Upscaling and Technology

Financials

Outlook & Summary

Project status

- Project developing according to plan and budget
- Construction of infrastructure and buildings well underway
 - Longyuan Construction Group Co. Ltd., a leading construction company in China, awarded the main contract
 - Completed site preparations, backfilling and piling
 - Construction start-up in July for hatchery and RAS 1, 2 and 3
- AKVA Group has mobilized on site
 - Supplier of RAS equipment
 - First containers with hatchery and RAS 01 and 02 have arrived



Strong support and good relations with local authorities

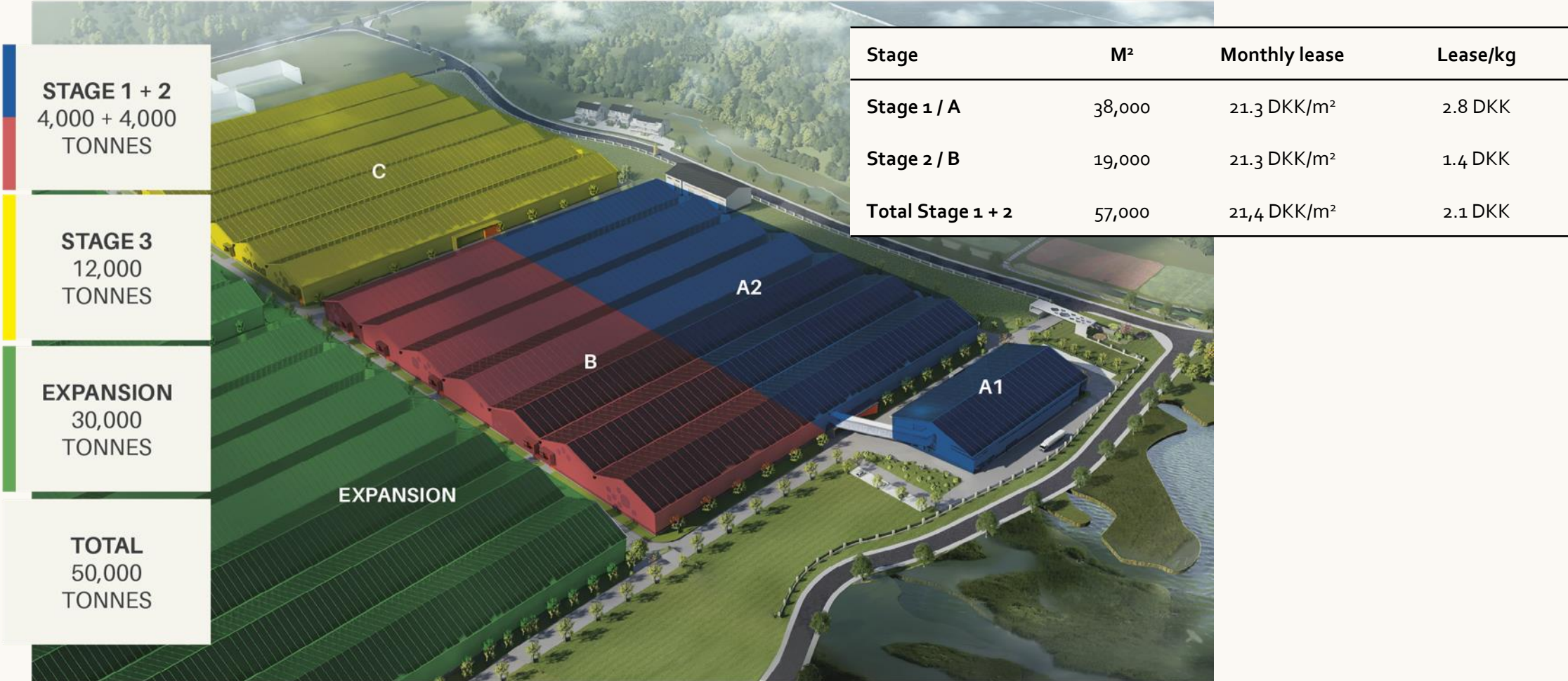


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- Strong relationship between management, project and local government
- Lease agreement with local authorities eliminates all risks related to possible cost overruns
 - Normally accounts for 30-40% of total capex for similar project.
- Letter of Intent being negotiated to expand lease from 8,000 tonnes to 20,000 tonnes at similar terms – and intention for 50,000 tonnes currently being negotiated with local government

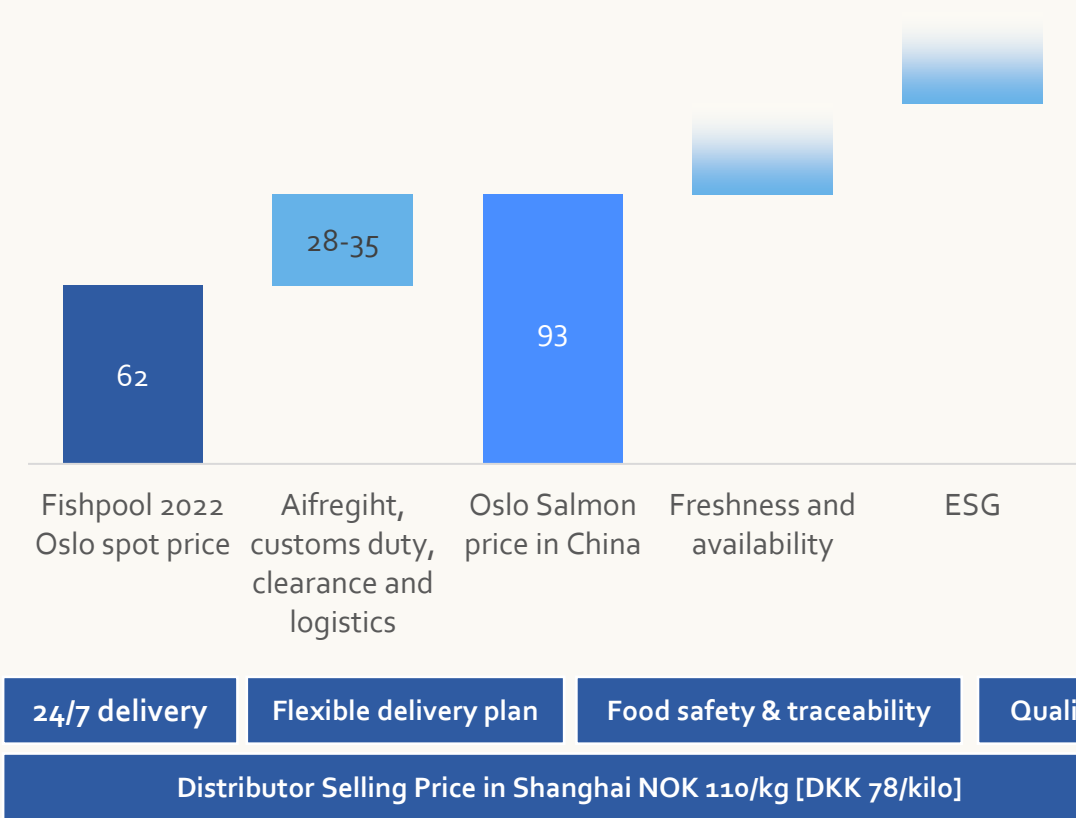


Attractive lease with local government



First mover to reap benefit of high prices in China

High salmon prices in China (NOK/kg)

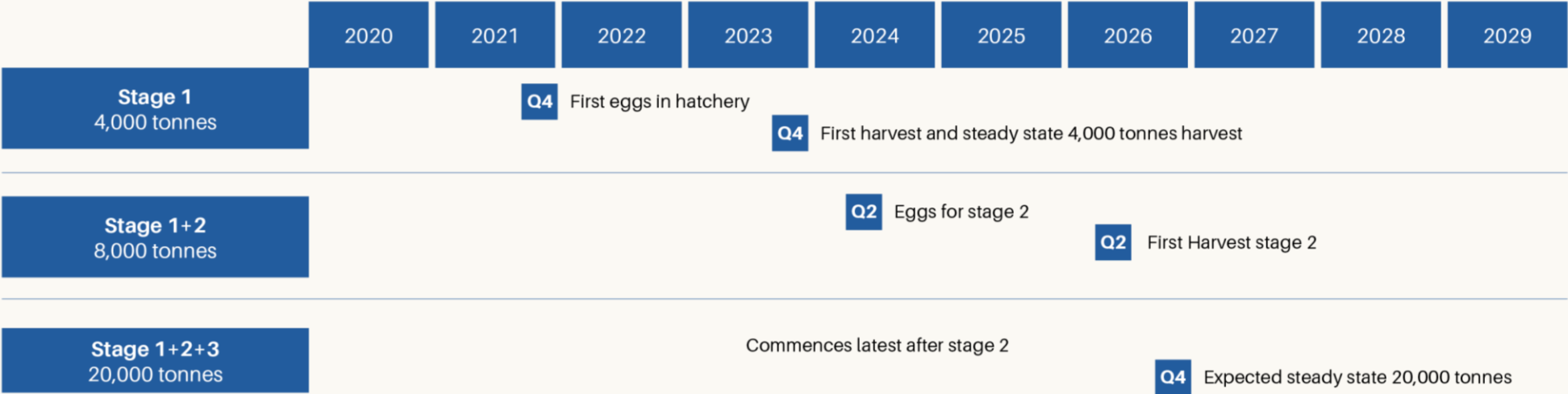


- Chinese consumption of seafood continues to grow
- Market for Atlantic salmon expected to grow > 250,000 tons by 2025
- HoReCa market continues to recover following the C-19 pandemic
- Fastest growing market is the online- and home delivery segment
- From farmers direct to end users, offering opportunities and competitive edge
- Pandemic has significantly change customers behavior and buying pattern
- Consumers preferring locally produced goods and food products

As the first supplier of commercially farmed Atlantic salmon in China, Nordic Aqua Partners is ideally positioned to become the preferred supplier to the Chinese consumers. Our 24/7 delivery flexibility makes us an attractive supplier to the fast growing online and homedelivery business.

Timeline of Ningbo buildout – «on time»

TIMELINE OF NINGBO BUILDOUT



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Highlights & Nordic Aqua Partners in Brief

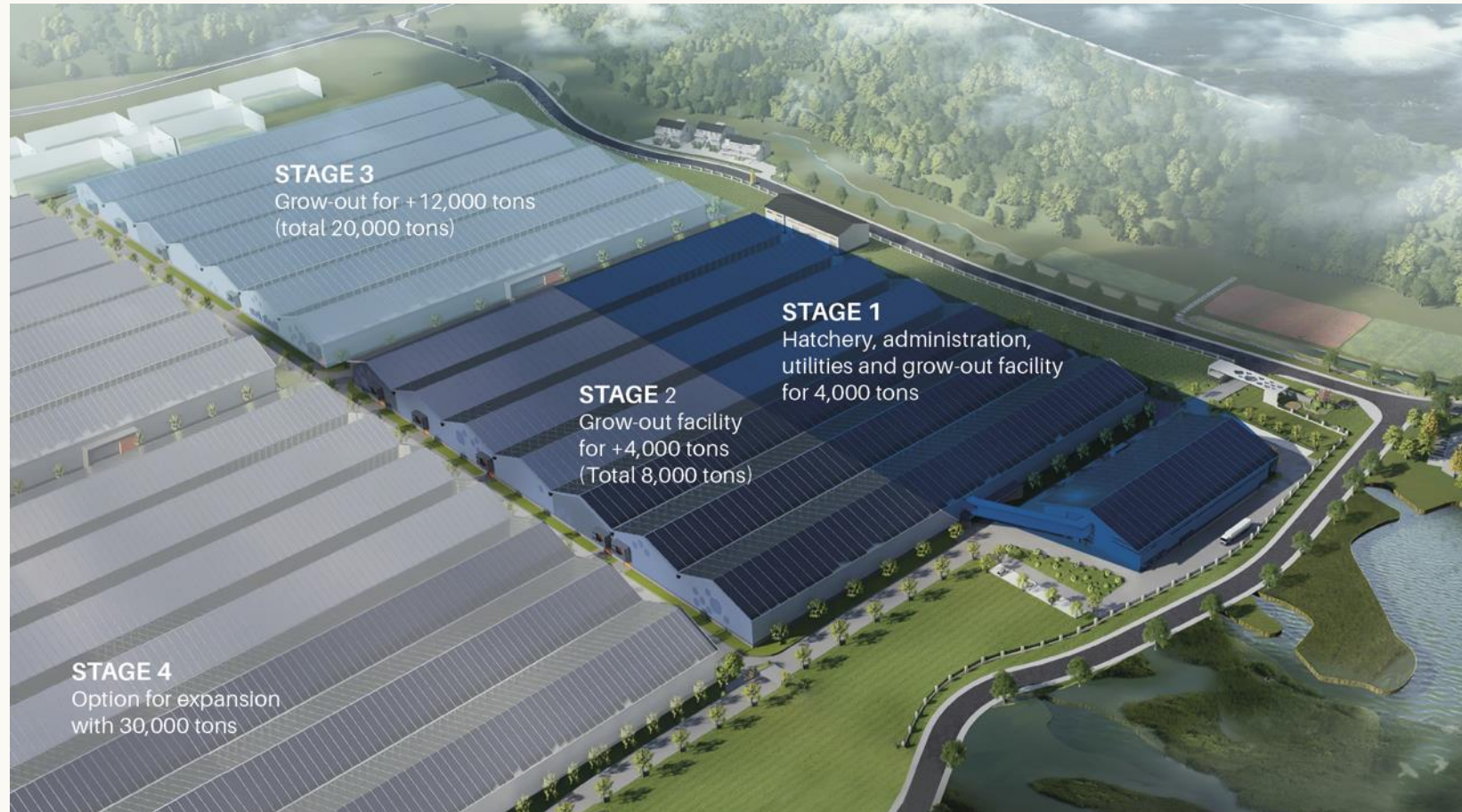
Project Review & Market

■ UPSCALING AND TECHNOLOGY

Financials

Outlook & Summary

Design optimizations allow upscaling to 20,000 harvest by 2027



BUILDOUT STAGE 1-4

STAGE 1

Hatchery, Administration, Utilities and Grow-out facility for 4,000 tons

STAGE 2

Grow-out facility for +4,000 tons
[total 8,000 tons]

STAGE 3

Grow-out for +12,000 tons
[20,000 tons]

STAGE 4 – Option

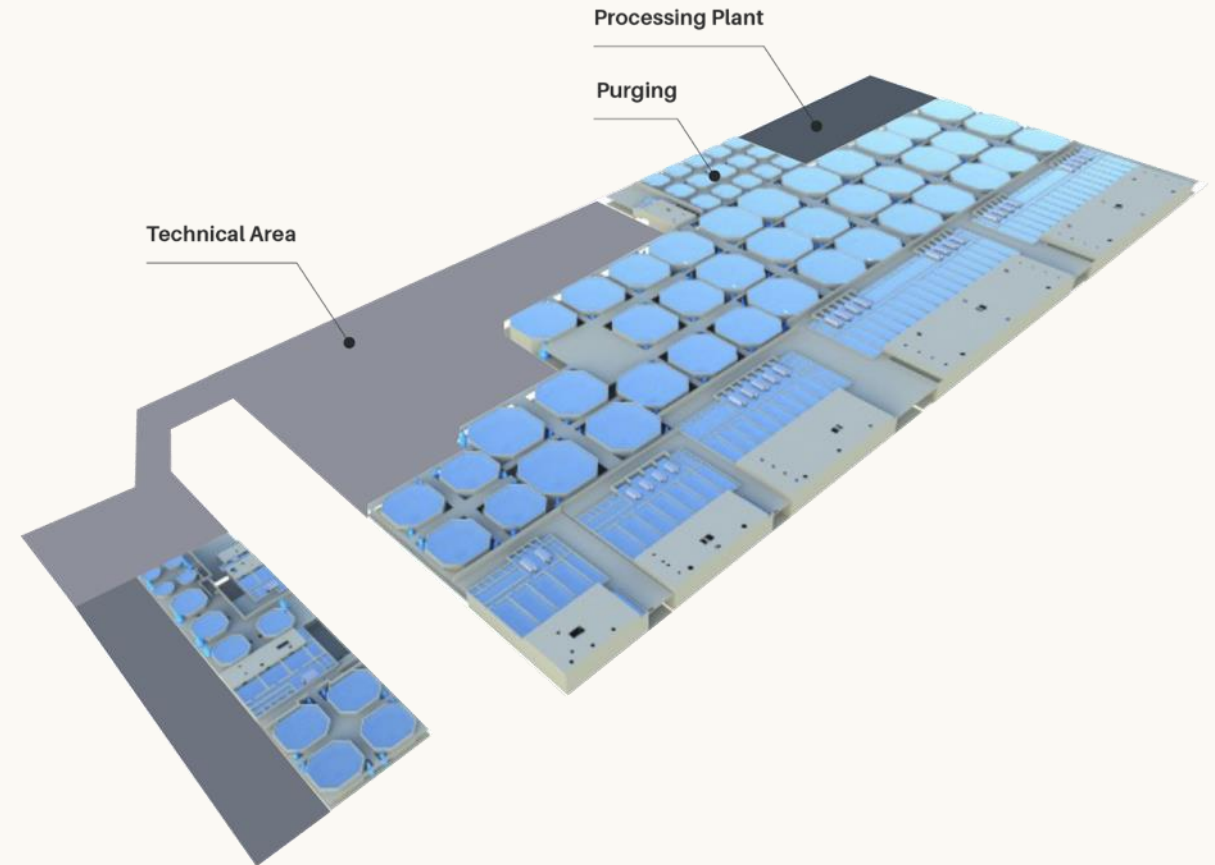
Option for expansion
with +30,000 tons [+/- 50,000 tons]



Leading RAS Technology

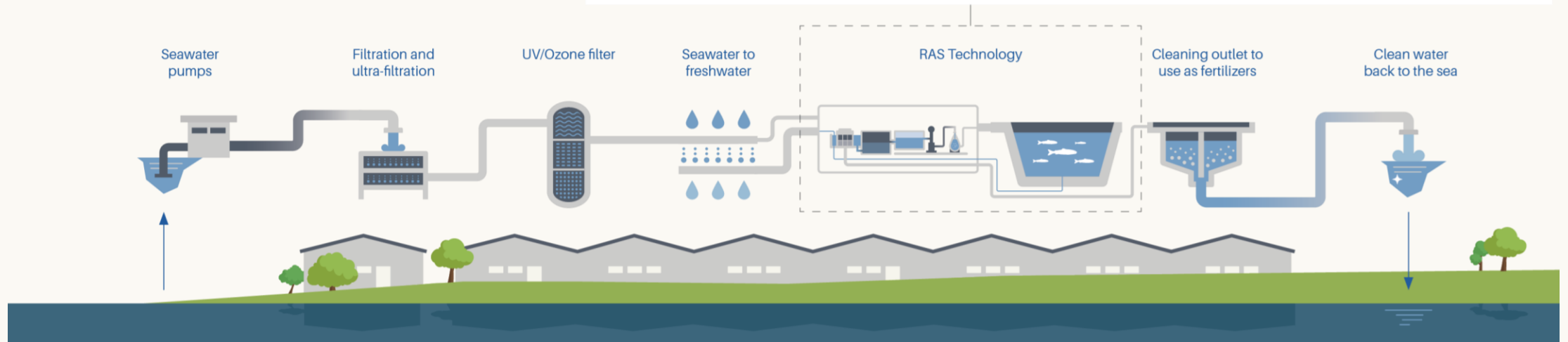
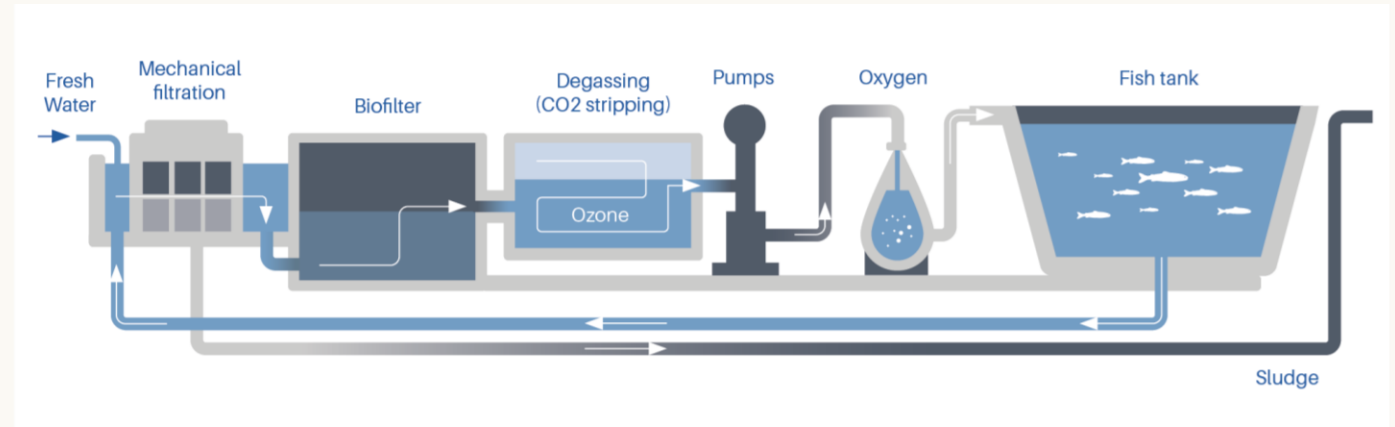
4,000 tonnes RAS facility under construction

- Delivered by leading technology provider AKVA Group
- Internal RAS team with extensive experience
 - Successful operation of similar systems
 - High certainty on capex after having completed several similar facilities
- Will run RAS system with low saline water
 - Incidents of fish mortality in RAS facilities mostly occur with high saline water



Leading RAS Technology

4,000 tonnes RAS facility
under construction



Project Milestones

Key milestones and KPI's (DKKm)

	Stage 1	Stage 2	Stage 3****	Total
RAS Capex	370 MDKK	370 MDKK	1,100 MDKK	1,840 MDKK
Equity requirement	448 MDKK			
Secured bank financing**	186 +34 MDKK			
Annual volume (HOG)	4,000	4,000	12,000	20,000
Capex/kg*** (HOG)	93 DKK/kg	93 DKK/kg	93 DKK/kg	
WC/kg (HOG)	37 DKK/kg	27 DKK/kg	23 DKK/kg	23 DKK/kg
EBITDA cost / kg (HOG)	32 DKK/kg	30 DKK/kg	27 DKK/kg	27 DKK/kg
EBIT cost / kg (HOG)	38 DKK/kg	36 DKK/kg	33 DKK/kg	33 DKK/kg

* Excluding lease with local government, including biomass and start-up costs

** Converted with EUR:DKK 745

*** Capex relates to processing equipment, building is leased

**** Not formalized, but estimated to similar to stage 2

High local salmon prices combined with competitive investment level expected to result in attractive project economics

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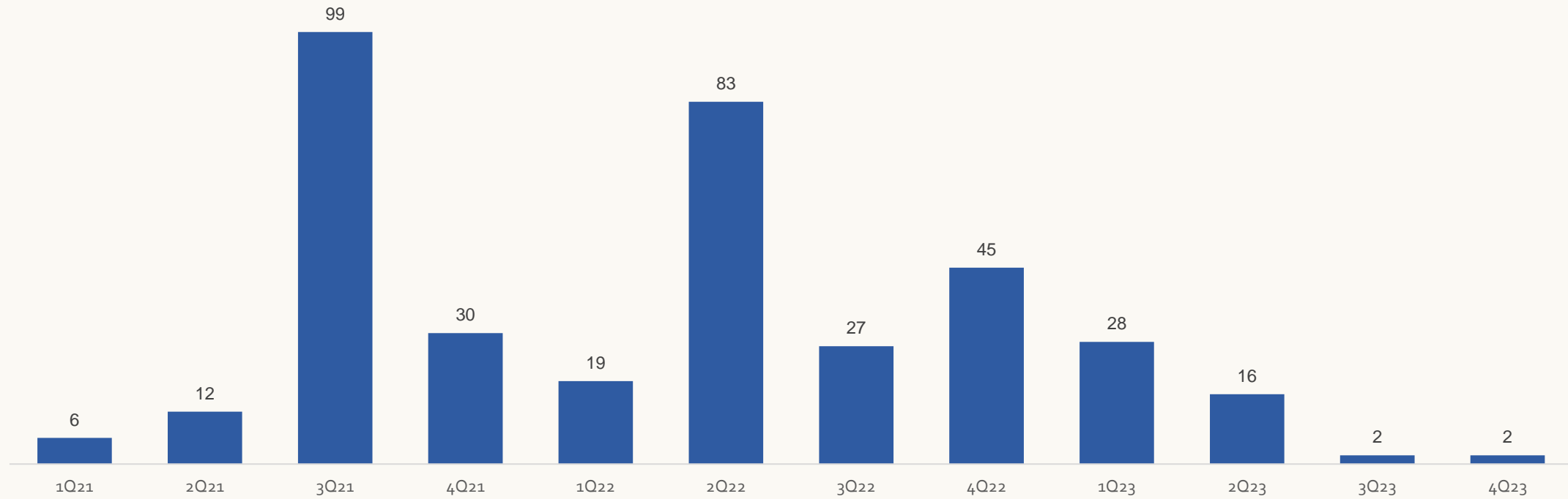
Upscaling and Technology

■ **FINANCIALS**

Outlook & Summary

Project Financials

Capex plan Ningbo stage 1 Total 370 MDKK



Profit & Loss

SUMMARY OF RESULT

(Figures in DKK 1000)

	H1 2021	H1 2020	2020
Total operating income	0	0	0
Cost of goods sold	0	0	0
Personnel expenses	-3.625	-1.040	-4.111
Other operating expenses	-3.874	-5.509	-14.876
EBITDA	-7.499	-6.549	-18.987
Depreciations	-28	-1	-3
Operating profit (EBIT)	-7.527	-6.551	-18.990
Financial income	2	0	469
Financial expenses	-5.759	-353	-6.986
Net financials	-5.757	-353	-6.986
Profit/loss before tax	-13.283	-6.904	-25.506
Income tax expense	0	0	0
Profit/loss for the period	-13.283	-6.904	-25.506



Financial Position

as per 30 June 2021 (DKK million)

(Figures in DKK 1000)	30 June 2021	30 June 2020	31 Dec 2020
Assets			
Intangible assets	0	0	0
Assets under construction	0	0	0
Property, plant & equipment	40,263	5	5,434
Deposits	9,690	0	9,684
Total non-current assets	49,953	5	14,718
Other current receivables	2,247	552	628
Cash and cash equivalents	374,480	22,545	399,588
Total current assets	376,727	23,097	400,216
Total assets	426,680	23,101	414,934
Equity and liabilities			
Share capital	10,284	2,211	10,284
Other equity	392,610	6,704	402,675
Other capital reserve	0	516	0
Total equity	402,894	9,431	412,959
Long-term interest-bearing debt	0	0	0
Lease liabilities - long term	0	0	0
Total non-current liabilities	0	0	0
Short-term interest-bearing debt	0	11,926	0
Trade payables	22,134	1,530	87
Other current liabilities	1,652	214	1,888
Total current liabilities	23,786	13,670	1,975
Total liabilities	23,786	13,670	1,975
Total equity and liabilities	426,680	23,101	414,934



Cash flow

(Figures in DKK 1000)

Cash flow from operations

Operating profit/loss

H1 2021**H1 2020****2020**

-7,527

-6,551

-18,990

Adjustments for:

Depreciation

28

1

3

Changes in working capital:

Change in other current receivables

-1,619

-385

-462

Change in trade payables

21,812

1,025

1,255

Cash generated from operations**12,693****-5,910****18,194**

Interest paid

-5,759

-9

-6,471

Interest received

2

0

469

Net cash flow from operations**6,937****5,919****-24,196****Cash flow from investment activities**

Payments for fixed assets and other capitalizations

-34,857

-5,431

Payments for intangible assets

-9,284

Net cash flow from investment activities**-34,857****0****-14,715****Cash flow from financing activities**

Proceeds from capital increase

7,675

448,486

Transaction cost of issue of shares

-346

-18,817

Proceeds from new borrowings

12,069

Net cash flow from financing activities**0****19,398****429,669**

Net change in cash and cash equivalents

-27,920

13,479

390,758

Foreign exchange differences

-2,812

-184

-420

Cash and cash equivalents at the beginning of the period

399,588

9,250

9,250

Cash and cash equivalents at the end of the period**374,480****22,545****399,588**

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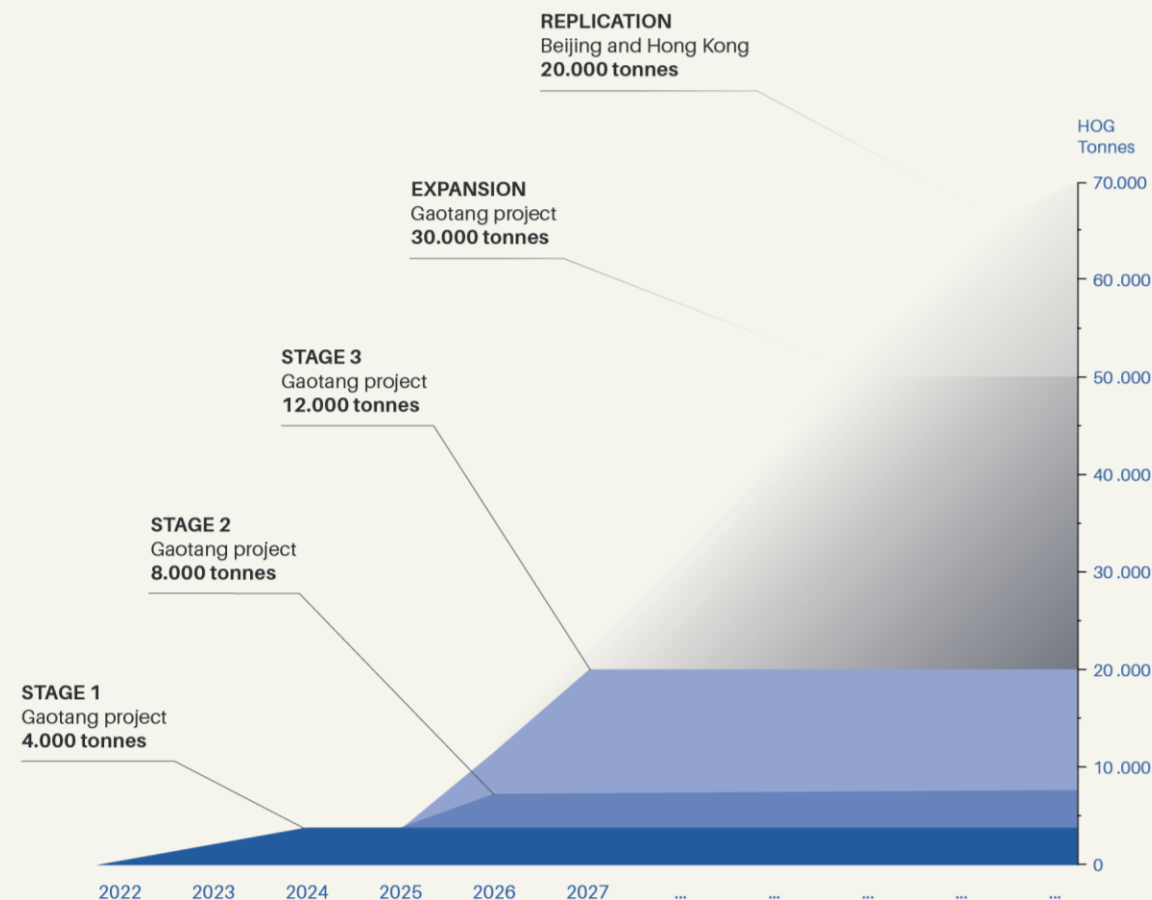
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■ OUTLOOK & SUMMARY

Outlook and Summary



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