

H2 2021

Presentation 21.03.2022



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Agenda

■ Highlights and Nordic Aqua Partners in brief

Project Review

Market

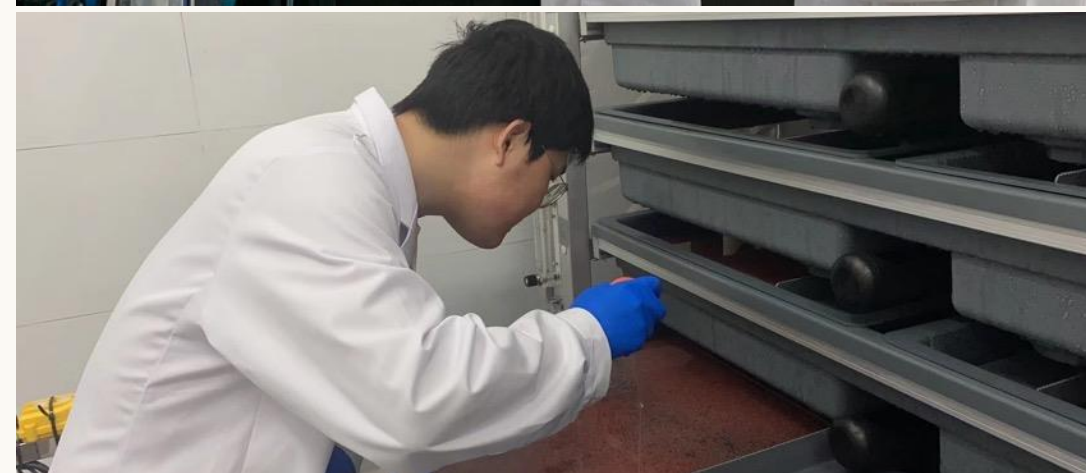
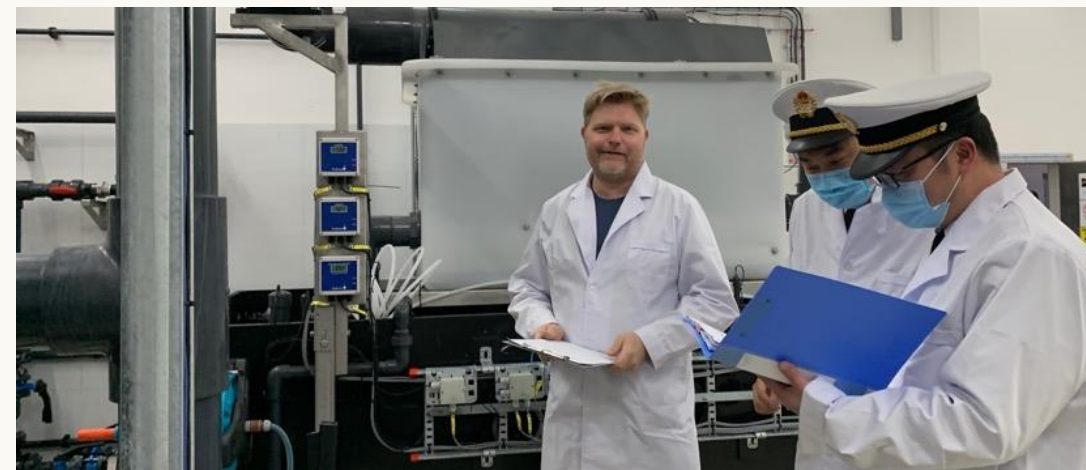
Assumptions and KPI's

Financials

Outlook & Summary

Highlights

- Project on time and on budget – Hatchery completed
- Inlay of first eggs in hatchery completed in Q1 2022
- Installation of AKVA Group RAS technology started in December 2021 and is progressing as planned
- Strong salmon price development to the Chinese market
- Capex of 94 MDKK in period H2 2021 and 112 MDKK for 2021 out of total 370 MDKK
- Available liquidity of 499 MDKK as of 31.12.2021, including cash and undrawn credit facilities



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

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Project status

- Project on time and on budget
- Construction activity in full motion – carried under lease agreement
- Completed hatchery and first inlay of eggs
- AKVA Group started installation of RAS technology during December 2021, all process equipment has arrived on site
- Small building with hatchery and RAS 1, 2, and 3 to be fully completed in Q2 2022
- Construction work on large building for phase 1 has commenced



Good progress at the construction site

Construction site early December 2021



Construction site early March 2022

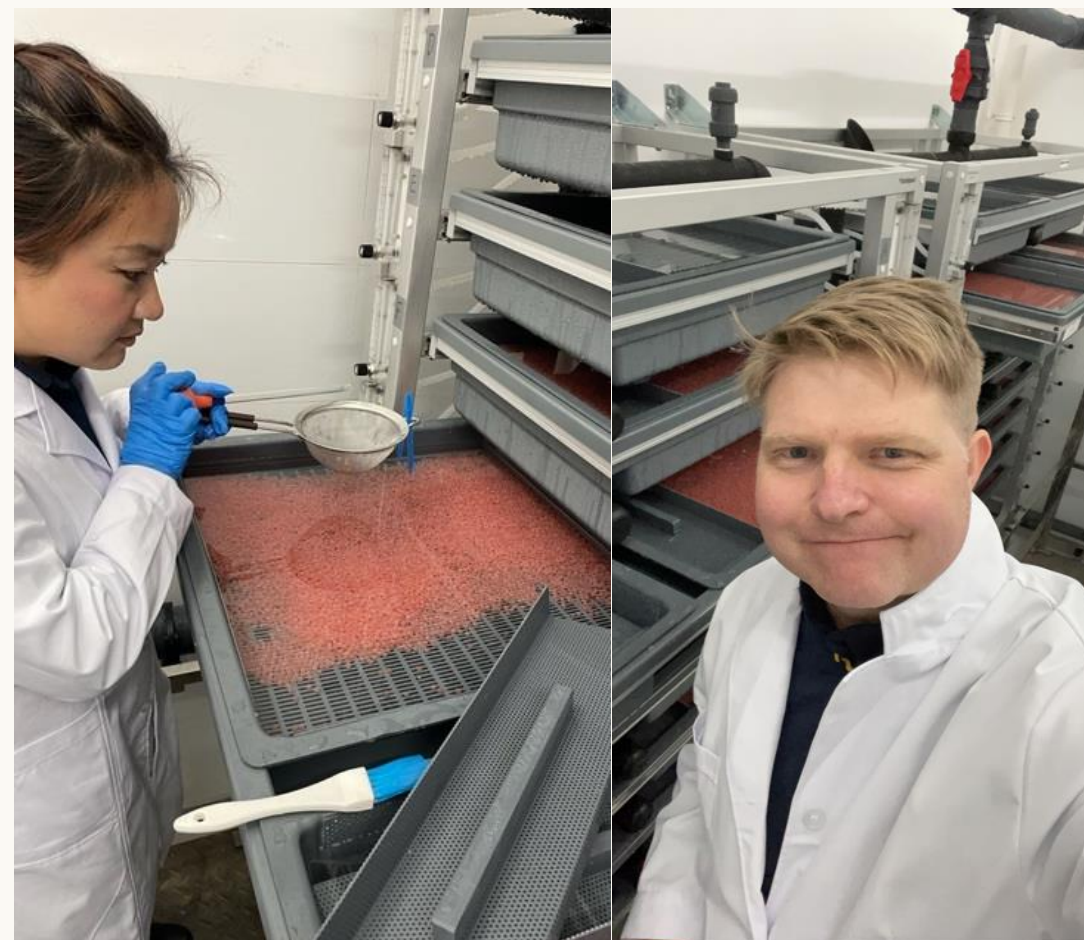


● Stage 1: 38k m^2

● Stage 2: 19k m^2

First eggs have arrived at Gaotang

- Successfully completed inlay of 350,000 eggs in March 2022
- First of four inlays scheduled for 2022
- Will be moved to start feeding tanks in Q2 2022
- Eggs produced by Benchmark Genetics Iceland
- Imported in accordance with the license issued by local authorities
- Harvest ready in 24 months – for stage 1 - 4,000 tonnes



Installing RAS technology and building organization

- Senior RAS team in place, track-record of land-based farming
- Recruitment and subsequent training of local farming operators ongoing

RAS Team

Senior RAS management



Ragnar Joensen
COO



Ola Frøvik
Farm Manager



Bergur Magnussen
Assisting Farm
Manager



Johan Toftegaard
RAS and fish
production expert

Farming operators – currently 5 employees



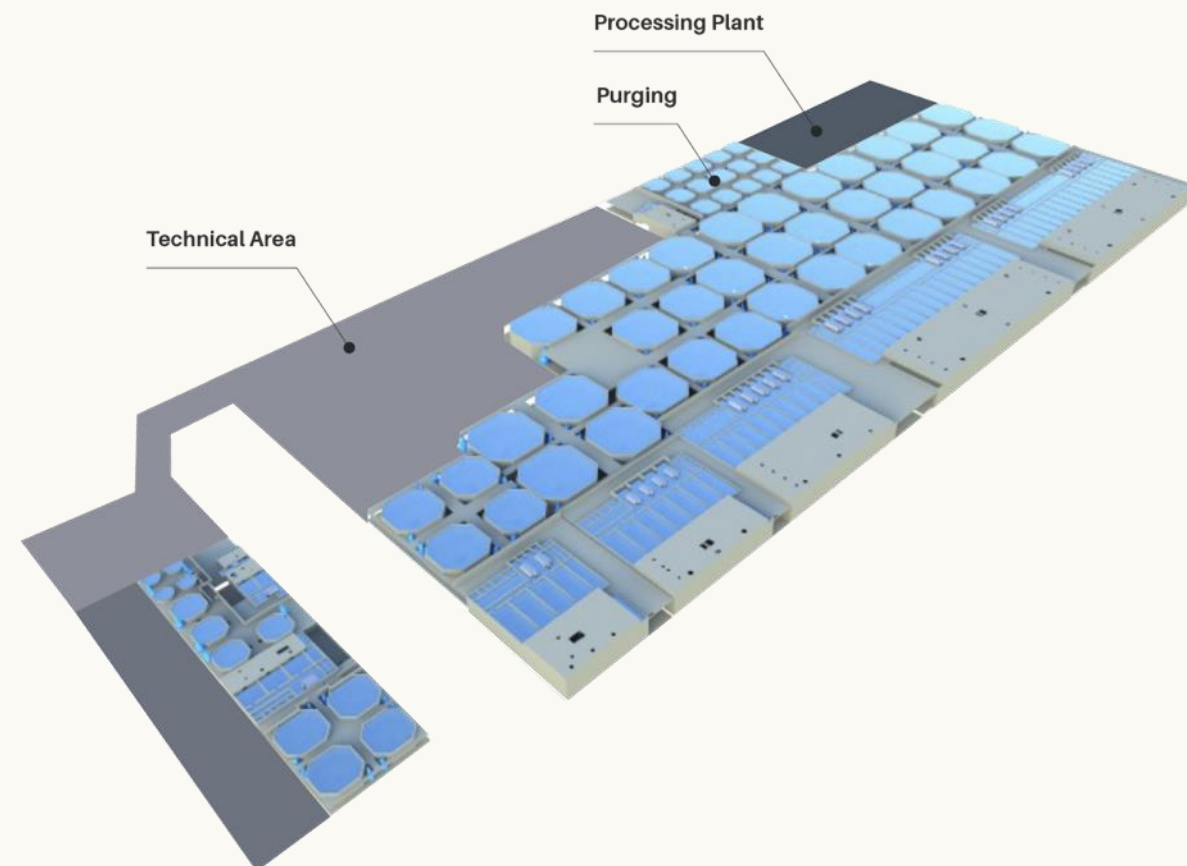
Hatchery



Start feeding

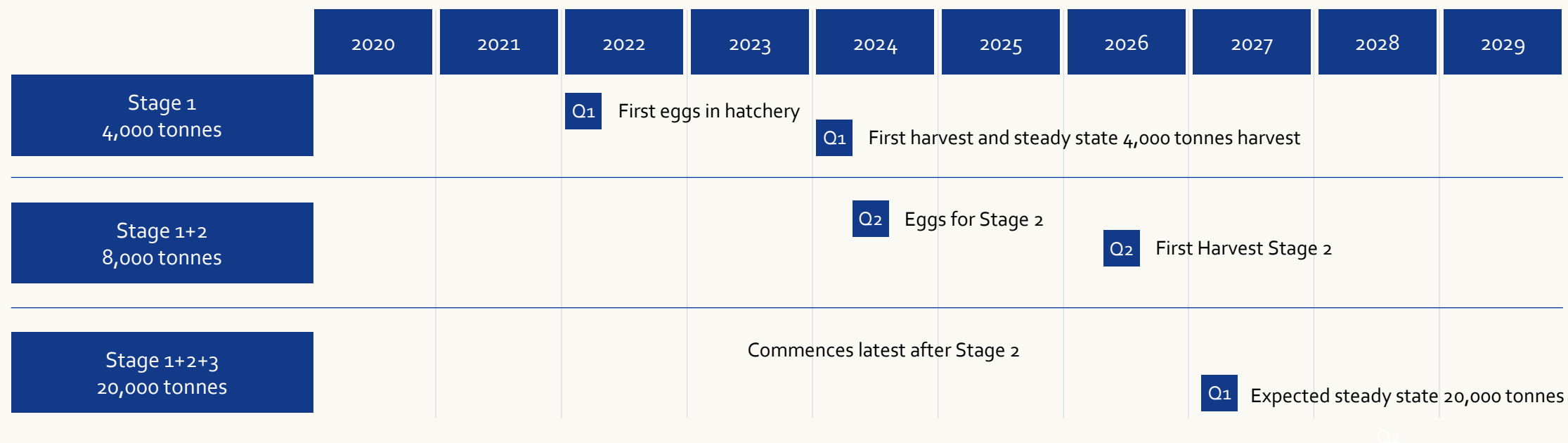
4,000 tonnes RAS facility under construction

- 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



Timeline of Gaotang buildout

TIMELINE IN GAOTANG BUILDOUT



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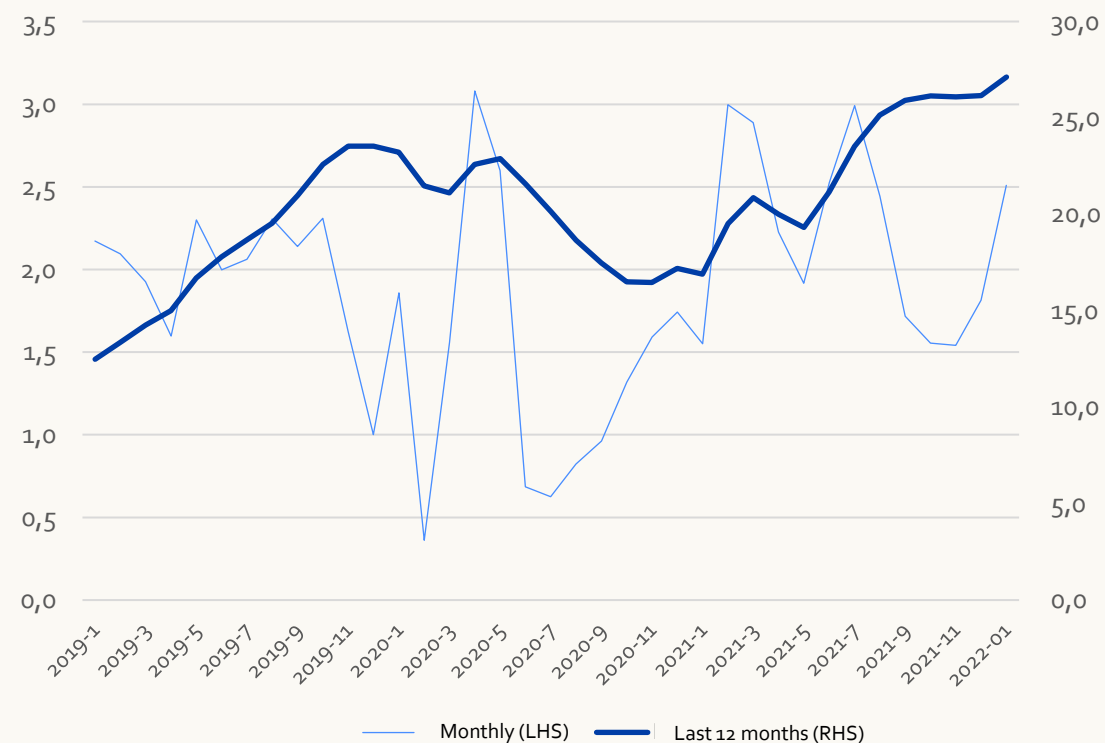
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Outlook & Summary

Sharp recovery in demand for Norwegian salmon during 2021

Norwegian export of salmon to China (k tonnes HOG)

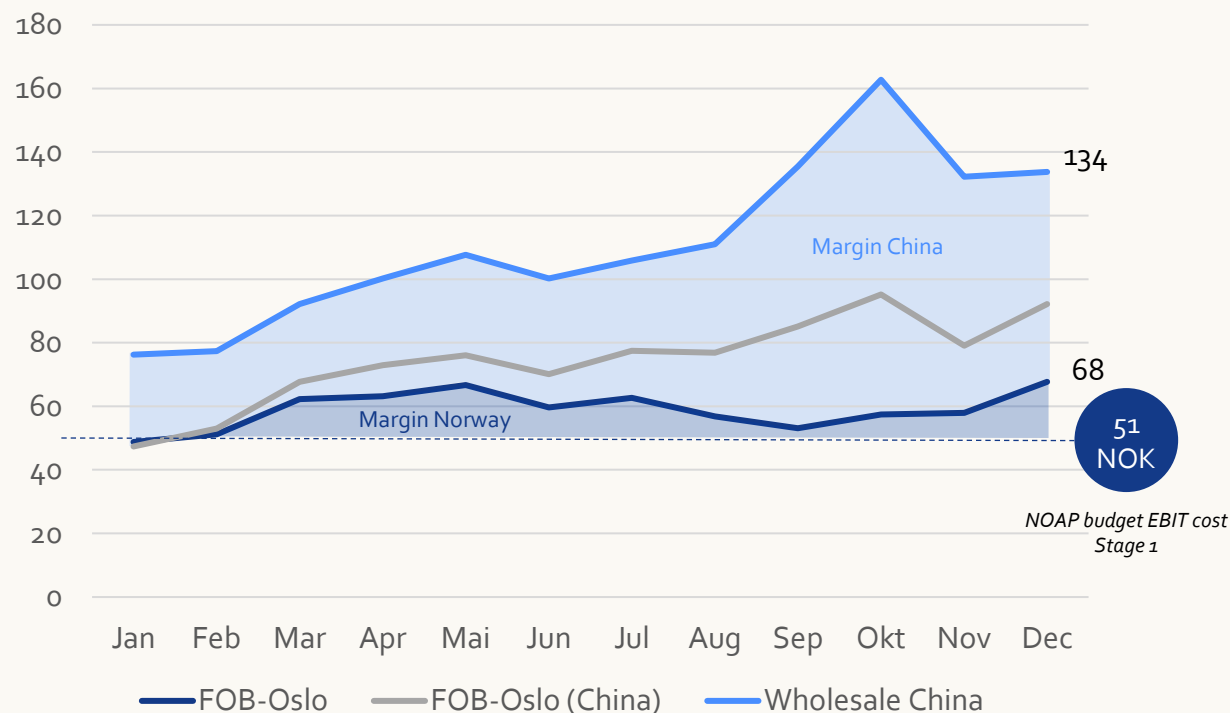


Source: Norwegian Seafood council monthly reports

- Market for Atlantic salmon is expected to exceed pre-pandemic levels in 2022, and expected to grow to > 250,000 tons by 2025
- On-line and home delivery of fresh seafood, including salmon, continues to grow

Salmon prices – to the Chinese market

Export prices 2021 from Norway to China, NOK/kg HOG



Source: Norwegian Seafood Council, China custom statistics

- Market prices for fresh salmon is expected to remain high also after current pandemic restrictions have been eased
- We do therefore expect to see attractive margins for our locally farmed salmon also in 2024, our first year on full capacity
- In December prices in Wholesale in China were 134 NOK/kg HOG and with an EBIT cost/kg at 51 NOK the implied margin would be **83 NOK/kg**.
- Relative to FOB-Oslo prices at 68 NOK/kg HOG the **extra margin in China was in December 66 NOK/kg HOG**.

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Budget remains unchanged since IPO



Lease

Terms fixed for Stage 1
and Stage 2 (8,000 t)



Akva Group RAS technology

Stage 1:

Turn-key contract at fixed price

Next stages:

Development and adjustments
expected to offset current
inflation impact



Production cost

Budget includes headroom for
inflation

Project Milestones

Key milestones and KPI's

	Stage 1	Stage 2	Stage 3****	Total
RAS Capex	500 MNOK (370 MDKK)	500 MNOK (370 MDKK)	1,500 MNOK (1,100 MDKK)	2,500 MNOK (1,840 MDKK)
Equity requirement	600 MNOK (448 MDKK)		TBD	
Secured bank financing**	250+50 MNOK (186+36 MDKK)			
Annual volume tonnes (HOG)	4,000	4,000	12,000	20,000
Capex/kg*** (HOG)	125 NOK (93 DKK)	125 NOK (93 DKK)	125 NOK (93 DKK)	125 NOK (93 DKK)
WC/kg (HOG)	33 NOK (37 DKK)	31 NOK (27 DKK)	29 NOK (23 DKK)	29 NOK (23 DKK)
EBITDA cost / kg (HOG)	43 NOK (32 DKK)	41 NOK (30 DKK)	38 NOK (27 DKK)	38 NOK (27 DKK)
EBIT cost / kg (HOG)	51 NOK (38 DKK)	49 NOK (36 DKK)	46 NOK (33 DKK)	46 NOK (33 DKK)
Production Capacity (lwe)	127 Kg / m ³	127 Kg / m ³	127 Kg / m ³	127 Kg / m³

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

** Converted with EUR:DKK 745

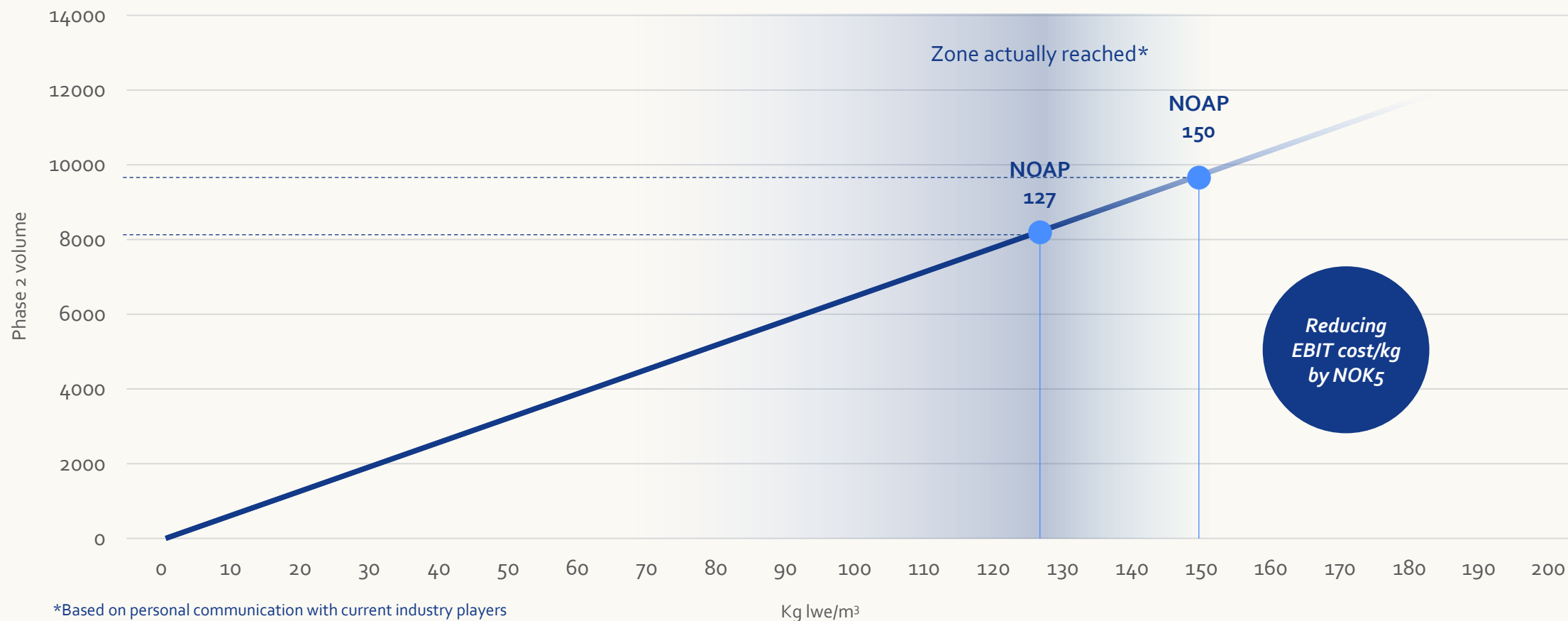
*** Capex relates to processing equipment, building is leased

**** 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

Assumed production capacity

Stage 2 production volume for different kg (lwe) / m³




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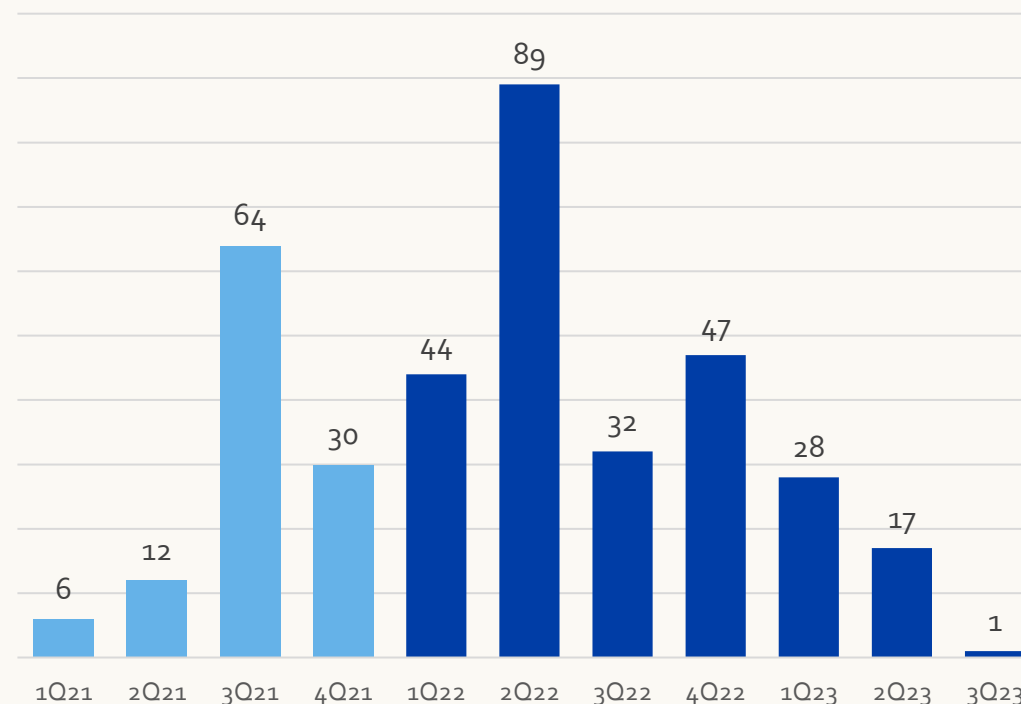
 Financials

Outlook & Summary

Project Financials

- Capex of 94 MDKK in H2 2021
 - Mainly on smolt facility already on site, and prepayments of major components for grow out facility
- Remaining capex of 258 MDKK
- Next large payment will be in Q2 2022 when the major RAS components will arrive on site
- Capex remains on budget.

Capex plan Gaotang Island stage 1 / Total 370 MDKK



Profit & Loss

Summary of result (figures in DKK 1000)	H2 2021	H2 2020	FY2021	FY2020
Total operating income	620	0	620	0
Personnel expenses	-4.976	-3.070	-8.601	-4.111
Other external expenses	-5.732	-9.367	-9.606	-14.876
Depreciations	-138	-2	-166	-3
Operating profit (EBIT)	-10.225	-12.439	-17.752	-18.990
Financial income	155	469	157	469
Financial expenses	-4.152	-6.633	-9.910	-6.986
Financial expense - net	-3.997	-6.164	-9.753	-6.517
Profit/loss before tax	-14.222	-18.603	-27.505	-25.506
Income tax expense	0	0	0	0
Profit/loss for the period	-14.222	-18.603	-27.505	-25.506

- Financial performance according to plan and budget
- Personnel expenses driven by new hirings RAS experts and administration staff
- Financial expenses are negative interest on cash, commitment fee on the 25 MEUR loan and exchange deviations.

Cash flow

(figures in DKK 1000)	H2 2021	H2 2020	FY2021	FY2020
Cash flow from operations				
Operating profit/loss	-10.225	-12.439	-17.752	-18.990
Adjustments for:				
Depreciation	138	2	166	3
Changes in working capital:				
Change in other current receivables	-3.643	-77	-4.401	-462
Change in trade payables	-16.280	230	4.670	1.255
Cash generated from operations	-30.011	-12.284	-17.317	-18.194
Interest paid	-1.231	-6.462	-4.772	-6.471
Interest received	155	469	157	469
Net cash flow from operations	-31.086	-18.277	-21.932	-24.196
Cash flow from investment activities				
Payments for fixed assets and other capitalizations	-72.140	-5.431	-106.997	-5.431
Payments for intangible assets	-1.012	-9.284	-1.012	-9.284
Net cash flow from investment activities	-73.152	-14.715	-108.009	-14.715
Cash flow from financing activities				
Proceeds from capital increase	0	440.811	0	448.486
Transaction cost of issue of shares	0	-18.471	0	-18.817
Proceeds from new borrowings	0	-12.069	0	0
Net cash flow from financing activities	0	410.271	0	429.669
Net change in cash and cash equivalents	-104.238	-32.992	-129.941	-38.911

- Cash flow according to plan and budget
- Payment for fixed assets 107 MDKK in 2021
- First utilization of loan expected in Q4 2022
- Net change in cash in 2021 -130 MDKK
- Available liquidity of 499 MDKK as of 31.12.2021, including cash and undrawn credit facilities

Financial Position

(figures in DKK 1000)	31.12.21	31.12.20
ASSETS		
Property, plant & equipment	112.431	5.412
Deposits	10.296	9.284
Total non-current assets	122.727	14.718
Other current receivables	4.656	628
Receivables	1.234	0
Cash and cash equivalents	277.345	399.588
Total current assets	283.235	400.216
Total assets	405.962	414.934
EQUITY AND LIABILITIES		
Share capital	10.284	10.284
Other equity	388.172	402.675
Total equity	398.456	412.959
Total non-current liabilities	0	0
Trade payables	6.687	86
Other current liabilities	820	1.888
Total current liabilities	7.506	1.975
Total liabilities	7.506	1.975
Total equity and liabilities	405.962	414.934

- Total assets of 406 MDKK
- Cash 277 MDKK
- Equity to reach Phase 2, annual production of 8.000 tonnes HG

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Summary and Outlook

- Project on time and on budget
- Entered production phase in March 2022 with first inlay of eggs
- Recruitment and training of local farming operators ongoing
- Strong development of the Chinese market for Atlantic Salmon
- Initiated a project to investigate all aspects of a possible accelerated expansion plan to reach a capacity of 20,000 tons by 2026, to be concluded by end 2022



Q & A

Appendix

Management team and Board of Directors with extensive experience from land-based fish farming and China

Legal management structure



Ole Juul Jørgensen
CEO
(NOAP)



Hjalti Hvitklett
CFO
(NOAP)



Ove Nodland
CEO
(NAN)



Arne Knudsen
Project Manager
(NAN)



Ragnar Joensen
COO
(NAN)

Board of Directors



Ragnar Joensen
Chairman
(NOAP)



Knut Nesse
Board Member
(NOAP)



Ove Nodland
Board Member
(NOAP)

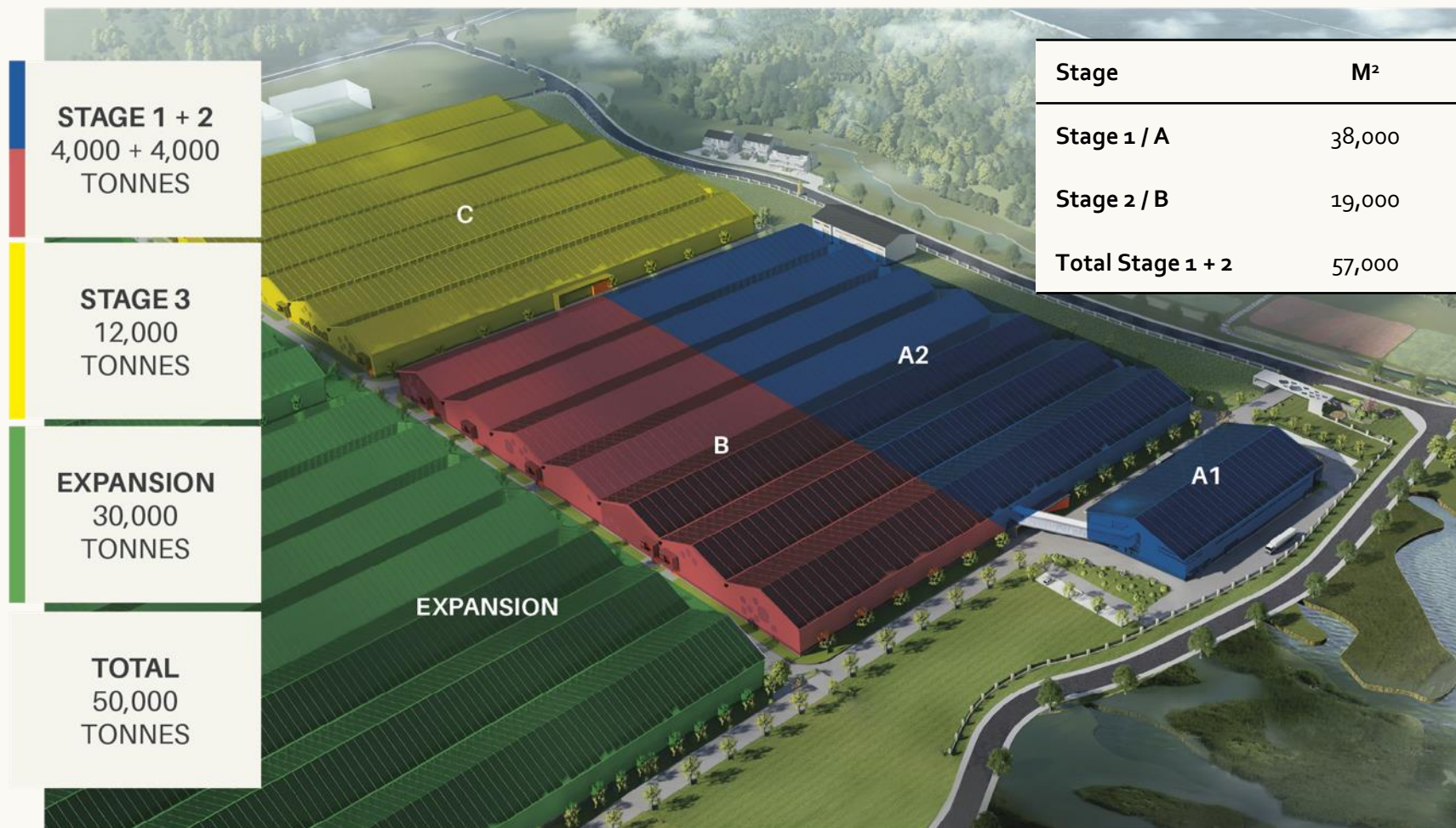


Jan Petersen
Board Member
(NOAP)



Knut Langeteig
Board Member
(NOAP)

Attractive lease with local government



Upscaling to 20,000 harvest by 2027



BUILDOUT STAGE 1-4

STAGE 1
Hatchery, Administration, Utilities
and Grow-out facility for 4,000 tons

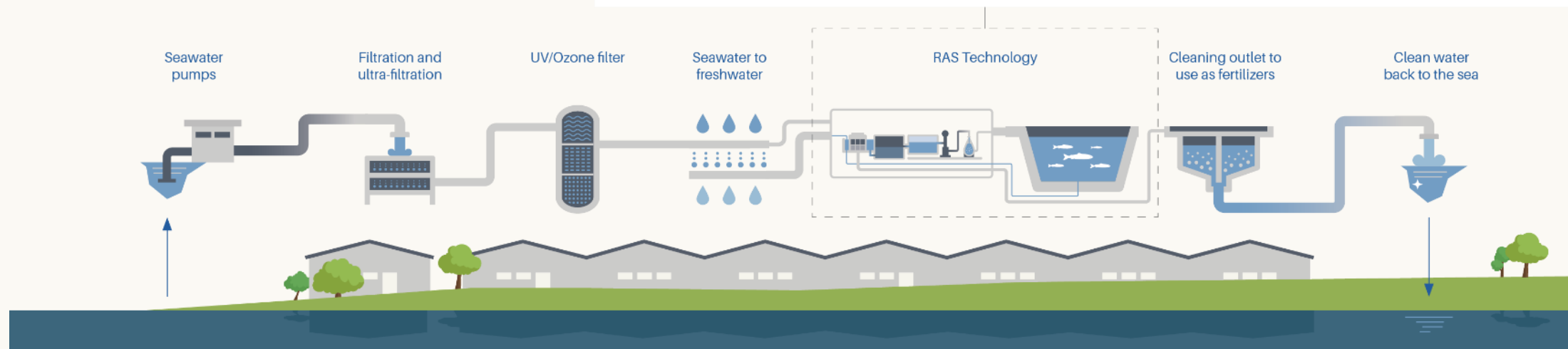
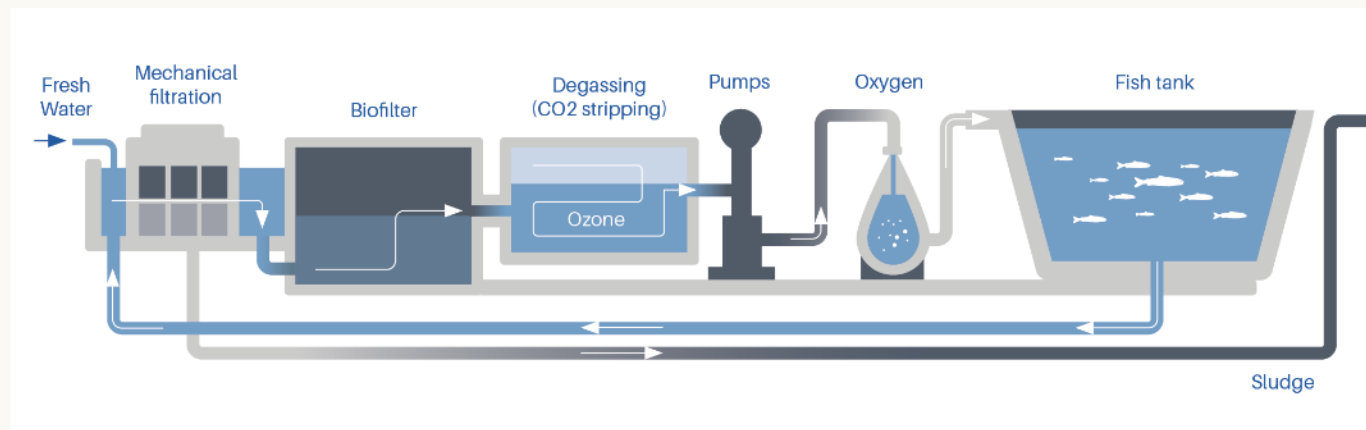
STAGE 2
Grow-out facility for +4,000 tons
[total 8,000 tons]

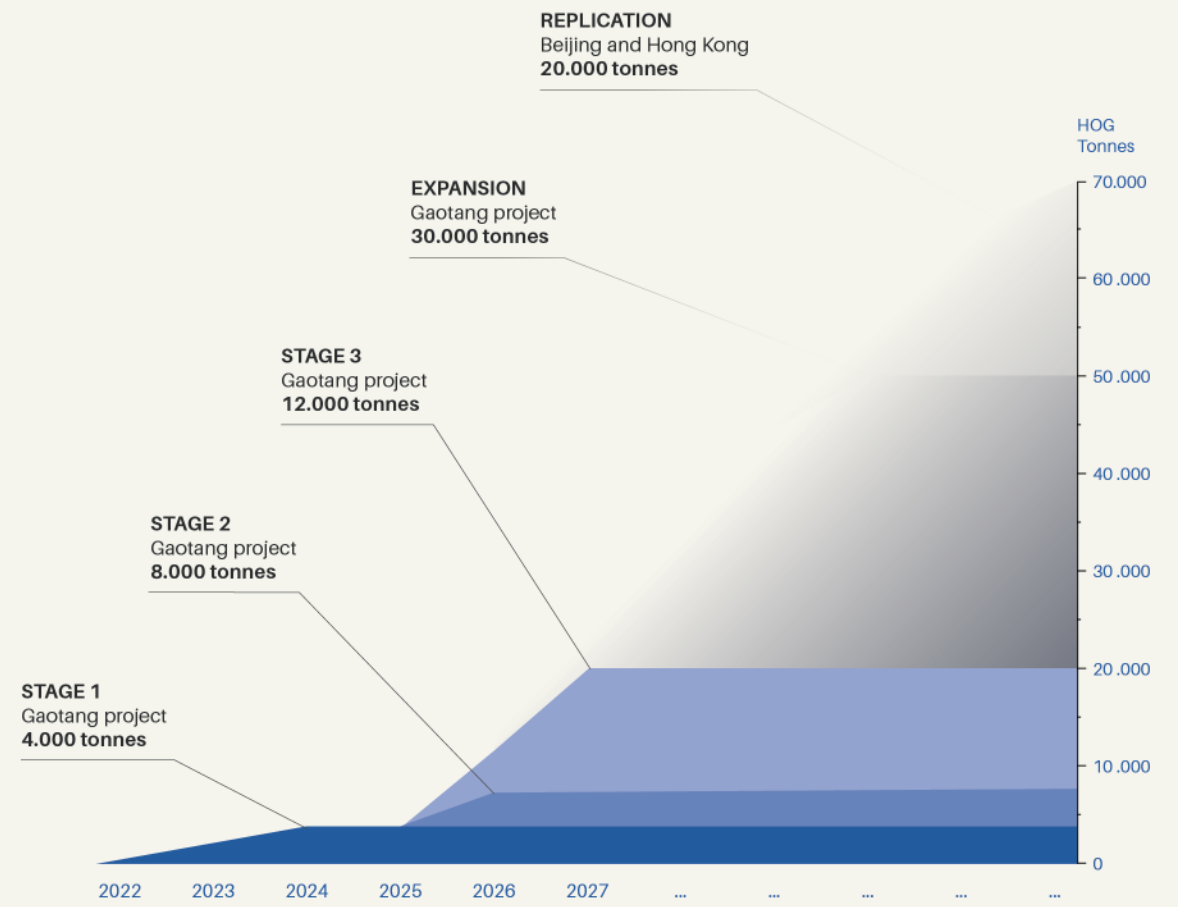
STAGE 3
Grow-out for +12,000 tons
[20,000 tons]

STAGE 4 – Option
Option for expansion
with +30,000 tons [± 50,000 tons]

Leading RAS Technology

4,000 tonnes RAS facility
under construction





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