



Operational optimization in Icelandic farming - ICELANDIC SALMON

Arctic Seafood investor day - Thursday 16 Nov 2023 – Björn Hembre



Icelandic Salmon

SUSTAINABLE SALMON FROM ARNARLAX

THIS IS ICELANDIC SALMON



Icelandic Salmon AS is listed on the Euronext Growth market in Oslo, and NASDAQ First North in Reykjavik.

The company is the sole owner and parent company of Arnarlax ehf.



All operational activities of the group are performed in Arnarlax ehf.



Arnarlax – Sustainable Icelandic Salmon is the common brand for all operational activities and products from Icelandic Salmon

Four smolt facilities,
Current capacity
of 7-8 million smolt,
depending on size
of smolt



Farming in seven
sites in three fjords

All production
ASC** certified

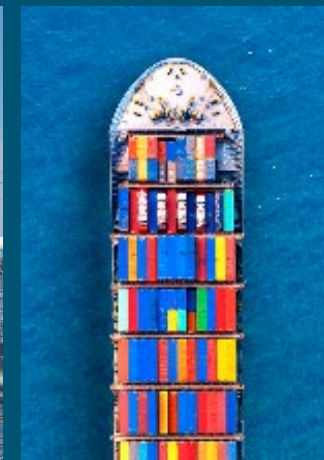
Total MAB 23,700
tonnes



Harvesting plant
in Bíldudalur.

BRCGS* certified

30,000 tonnes
per year capacity



Sales by
internal team

Domestic and
global markets

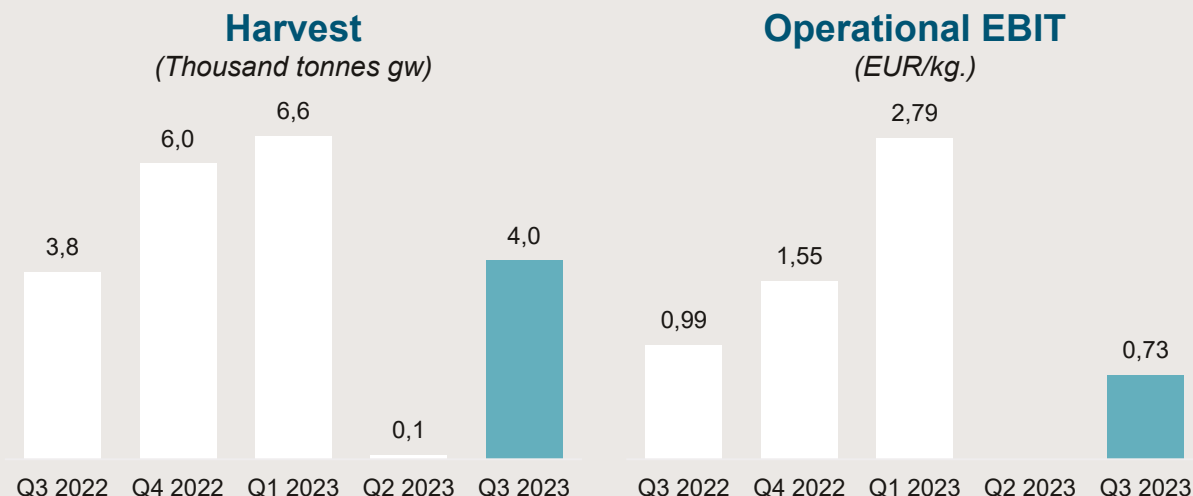
A STABLE PRODUCTION QUARTER

Q3 SUMMARY



Icelandic Salmon

- Quarterly harvest volume of 4,040 tonnes compared to Q3-22 at 3,804 tonnes.
- EBIT for the quarter positive of EUR 3.0 million.
- Continued Smolt output in Q3
- Good price achievement towards market price
- Dual listing on the NASDAQ First North in Iceland
- Capital Market day in September
- New sustainability linked financing in place - 100mEUR



KEY RESULTS	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Operating income ('000 EUR)	41,951	33,798	113,174	105,884
Operational EBIT ('000 EUR)	2,953	3,779	18,527	26,822
Operational EBIT (%)	7%	11%	16%	25%

Harvest volume ('000 t _{gw})	4.0	3.8	10.7	10.1
Operational EBIT/kg.	0.73	0.99	1.71	2.65

ICELANDIC SALMON

WHERE DO WE OPERATE?



- Current operation
- Licence application



All production ASC certified

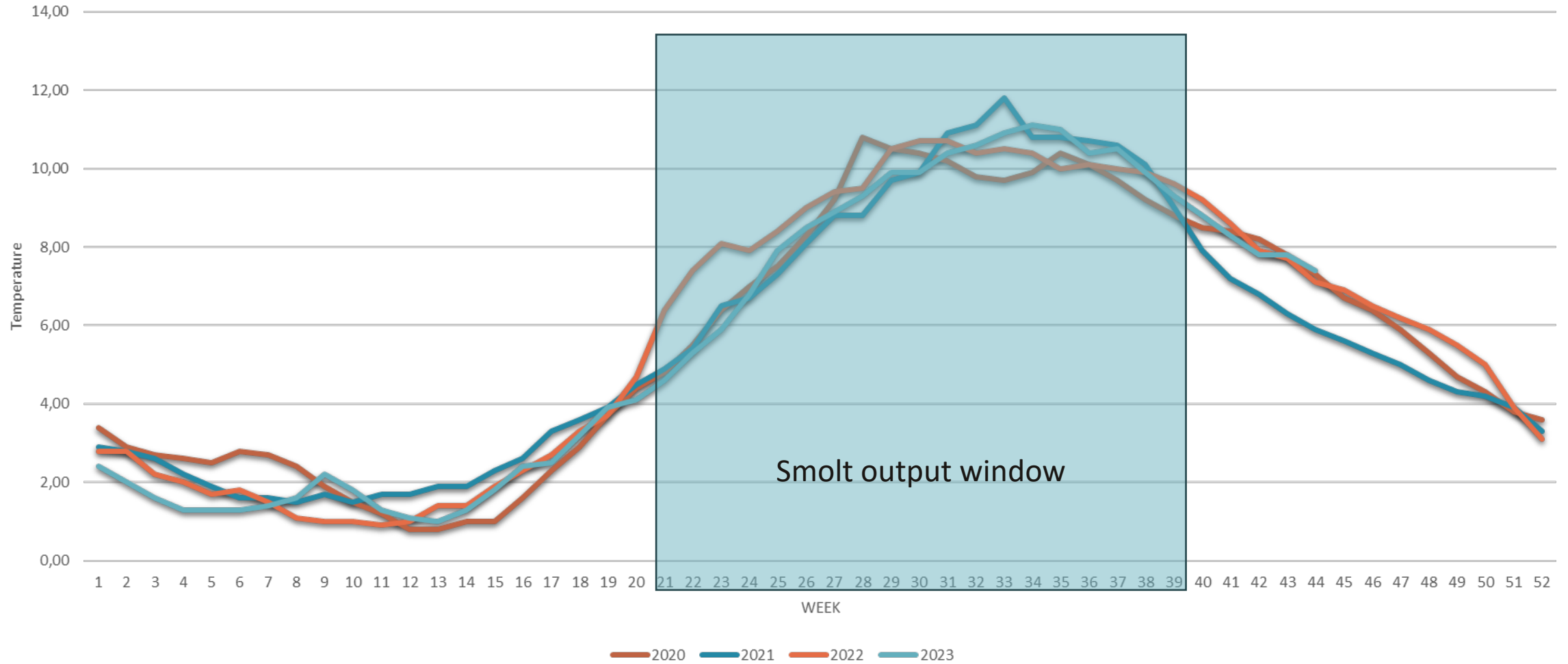
OPTIMIZING PRODUCTION ON ICELAND

- Temperature
- Smolt
- Sea water operations
- Market
- People
- Outlook



TEMPERATURE PROFILE IN ARNARLAX

Temperature for all sites



SMOLT WEIGHT



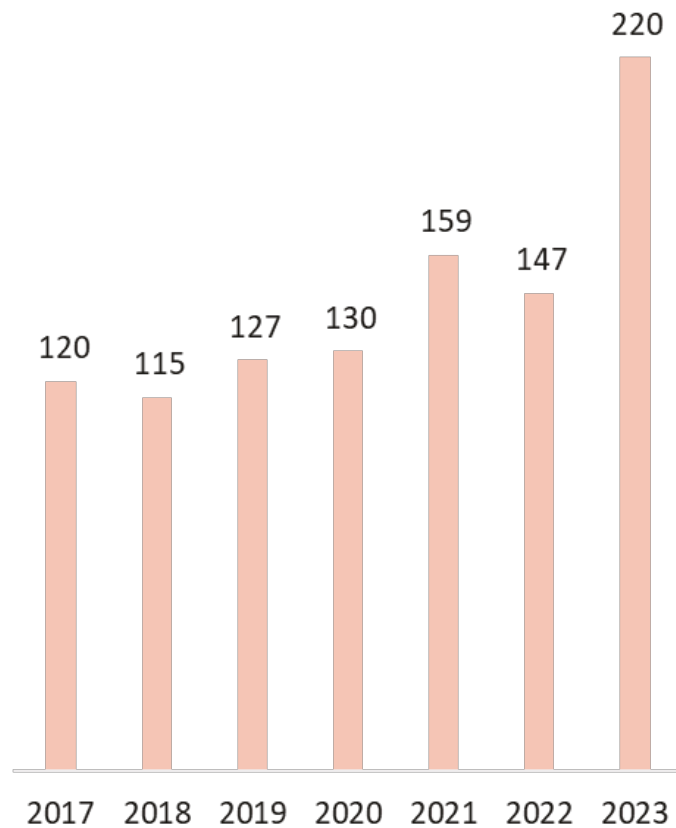
Smolt weight	Year 1												Year 2												Year 3																								
	Jan	Feb	Mar	Apr	Maí	Jún	Júl	Ágú	Sep	Okt	Nóv	Des	Jan	Feb	Mar	Apr	Maí	Jún	Júl	Ágú	Sep	Okt	Nóv	Des	Jan	Feb	Mar	Apr	Maí	Jún	Júl	Ágú	Sep	Okt	Nóv	Des													
500					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16																													
500						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16																												
350						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17																											
150						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18																										
130						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19																									
170							1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19																								
150							1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20																							
300								1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20																						
200								1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21																					
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100									1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25																
100										1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26														

Why increased smolt weight

- Lower risk with one winter in sea
- Better MAB utilization
- Higher survival rate in sea

DEVELOPMENT OF SMOLT WEIGHT IN ARNARLAX

Increase of smolt input size (g)



SEA WATER OPERATIONS



How to optimize seawater operations:

- Keep control of lice
- Low density during winter
- Use equipment adapted to the sites
- Utilize the best sites optimal

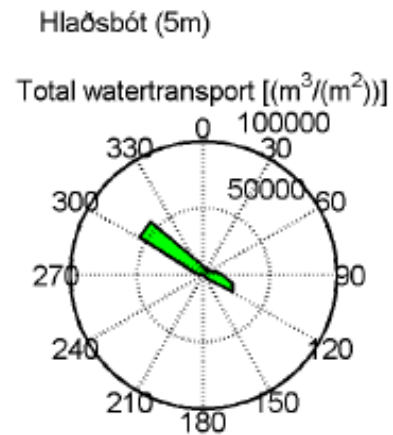
SEAWATER

Sites at sea

How is a typical site in the Westfjords?

- Good carrying capacity (>7.000 tonnes)
- Optimal temperature during summer and autumn
- Low winter temperatures, that we are managing. Improve product quality

Constant current and flow of water:



Total water transport



MARKET



☰ THE RANCH RESTAURANT & SALOON ☎

MAIN

ICEFJORD ICELANDIC SALMON
Farro / Delta Asparagus / Castelvetrano Olives
Leeks / Pixie Tangerine Nage
46

CERTIFIED SUSTAINABLE CHILEAN SEA BASS
Vadouvan Spiced Cauliflower / Marcona Almonds
Golden Raisins / Pomegranate Vinaigrette
63

24-HOUR BRAISED CAPE GRIM GRASS-FED BEEF SHORT RIB
Whole Grain Spätzle / Oyster Mushrooms / White Pearl Onion
Swiss Chard / Pickled Mustard Seeds / Cabernet Sauce
52

BEELER'S FAMILY FARM PORK CHOP
Spring Vegetable Succotash / Yellow Corn Purée
Spring Onion Marmalade / Pork Bone Jus
46

AUSTRALIAN GRASS-FED LAMB CHOPS
Moroccan Couscous / Pine Nuts / Green Garbanzo / Mint Lebaneh
Harissa / Lamb Jus
54

MAPLEWOOD SMOKED MAR [BUY GIFT CARDS](#)



SHIFT TO LOW-CARBON FOOTPRINT MARINE TRANSPORT

STRATEGIC UPDATE



95 % REDUCTION
IN CO2 EMISSIONS

PEOPLE

Organizational development and competence building



Arnarlax academy

- All employees involved one time a year
- Managers involved twice a year
- Focusing on cooperate culture and goal achievement

Blue planet Academy

- Is a tool to educate and give employees information
- Everyone has to take the courses they are invited to
- Introduction will be given by your superior

Vocational training

- Cooperate with Fisktækniskoli in Grindavik
- Approximately same curriculum as “fagbrev” in Norway
- Total of 20 of our employees have got the diploma so far

Trainee program/higher education

- We try to recruit trainees every year
- 5 have so far followed the trainee program, 2 are working in new jobs within the company, the other 3 are still in the industry.
- Support employees to take higher education

OUTLOOK

STRONG GROWTH POTENTIAL

- Guidance for harvest volume:
 - 2023: 17,000 tonnes
 - 2024: 15,000 tonnes
- Experiencing increasing demand for Sustainable Icelandic Salmon
- Growth potential unaffected by recent biological challenges
- Still see a long-term potential for growth up to 26.000 tonnes on existing licenses
- Long term 40-50,000 tonnes





SUSTAINABILITY
IT'S IN OUR NATURE

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