



SUMMARY PRESENTATION

Q3 2021



Icelandic Salmon

SUSTAINABLE SALMON FROM ARNARLAX

Q3 PRESENTATION

OPERATIONAL UPDATE – STABLE COST DEVELOPMENT



Icelandic Salmon

Stable cost development, but lower spot price and one-off costs weakens results

2019 generation has accounted for the volume

Significantly improved biological performance compared to previous generations

Stable cost development

Launch of new brand in August: Arnarlax – Sustainable Icelandic Salmon

Improved price achievement already starting to materialize

One-off costs mainly related to branding reduces margin in Q3 with 2,6 NOK/kg

Expect higher volume and stable cost level in Q4 2021

Will finish harvest of 2019 generation and start harvest of 2020 generation

Guiding reduced with 2,000 tons to 12,000 tons in 2021

Due to weaker biological performance resulting in slightly slower growth and higher mortality in 2021

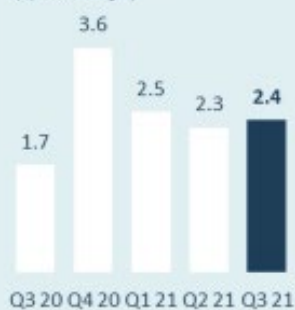
To optimize biological performance moving part of the volume to 2022

Expect 16,000 tons harvest volume in 2022

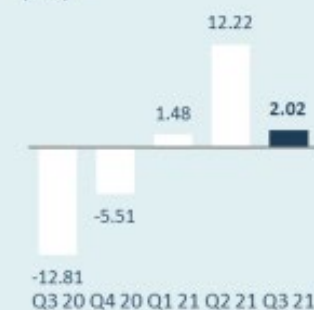
KEY RESULTS

	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating income (NOKm)	202	110	562	489
Operational EBIT (NOKm)	5	-22	37	-31
Operational EBIT %	2 %	-20 %	7 %	-6 %
Harvest volume (tgv)	2.4	1.7	7.3	7.7
EBIT/kg	2.02	-12.81	5.06	-4.02

Harvest volume (1,000 tons gw)



EBIT/kg (NOK)



Strong growth between periods with better price achievement compared to NASDAQ

Volume guidance for 2022 increased by 1.000 MT to 16.000 MT

Source: SalMar's report for Q3 2021

Note: Numbers may appear slightly inconsistent due to different accounting principles in SalMar and Icelandic Salmon

Q3 PRESENTATION

RECENT OPERATIONAL MILESTONES

CAPACITY INCREASE

- The development of the two smolt/post-smolt facilities acquired earlier in the year is progressing according to plan with applications for conversion to salmon well underway.
- The stations are now empty from Arctic Char and are being prepared for salmon production.
- The additional smolt capacity is expected to allow for an increase in harvest volume of approximately 7.000 MT with the capacity for bigger smolts, thereby allowing for better license utilization in line with long term growth plans.

OTHER WORTHY MENTIONS

- Our operations in Reykjavik were moved to a new office on the 1st of November. The new office is centrally located with good facilities and more space for our growing team.
- Arnarlax Academy was successfully held for the second time in October with good participation from all levels of our value chain.
 - *Close to 150 participants with focus on continued development and operational improvements.*
- Branding is moving towards implementation with good reception from customers and stake holders.



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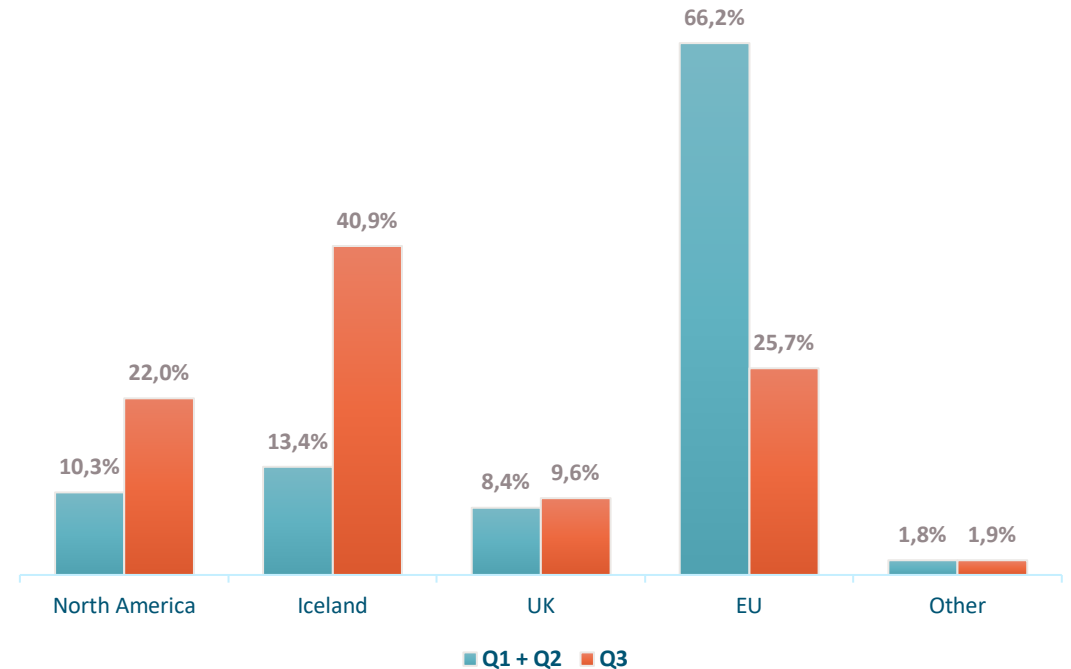
SALES AND MARKETING STRATEGY SHOWING RESULTS



POSITIONING ICELANDIC SALMON

- Contract share is 17% for Q4.
- Contract in place for weekly supply of pre-rigor filets for FY 2022, produced by nearby third party.
 - Will be shipped by boat to US. 6% of harvested volume.
- Increased share to North America in Q3, mainly due to increased use of shipment by boat.
 - Good feedback on the quality of our fish by ship.
 - Reducing carbon footprint by 95% pr kg HOG compared to air transport.
 - Game changing position for Iceland as a farming region.
- Sales team and CEO recently visited the US market, kicking of the strategy work towards the region.

SALES BY REGION
COMPARISON BETWEEN QUARTERS



Note: Icelandic sales represent trade sales and VAP.

Q3 PRESENTATION

LICENSE STATUS



ÍSAFJÖRÐUR

- Arnarlax has a 10k MT verdict in place from the Planning Agency, including three prime site locations in Ísafjörður. Application is now awaiting approval of license and advertisement from Food and Veterinary Authorities (MAST and the Environmental Agency).
- Licenses for fertile salmon are limited to 12.000 MT in Ísafjarðardjúp but carrying capacity is 30.000 MT, making order of approvals important for the split between fertile and sterile salmon.
 - *Arnarlax has filed a complaint to the Appeal Committee regarding the order of approvals and expects clarity before 1H next year.*

ARNARFJÖRÐUR

- Arnarlax furthermore has an application of 4.500 MT. in Arnarfjörður that is being handled by the Appeal Committee where ruling can be expected before year end 2021.
- Depending on the ruling the application process of the final license may take 12-24 months, either through the auction framework according to the new law or the "old" license regime.

Q3 PRESENTATION

WELL POSITIONED FOR FURTHER GROWTH



AQUACULTURE EXPORTS CONTINUE TO GROW

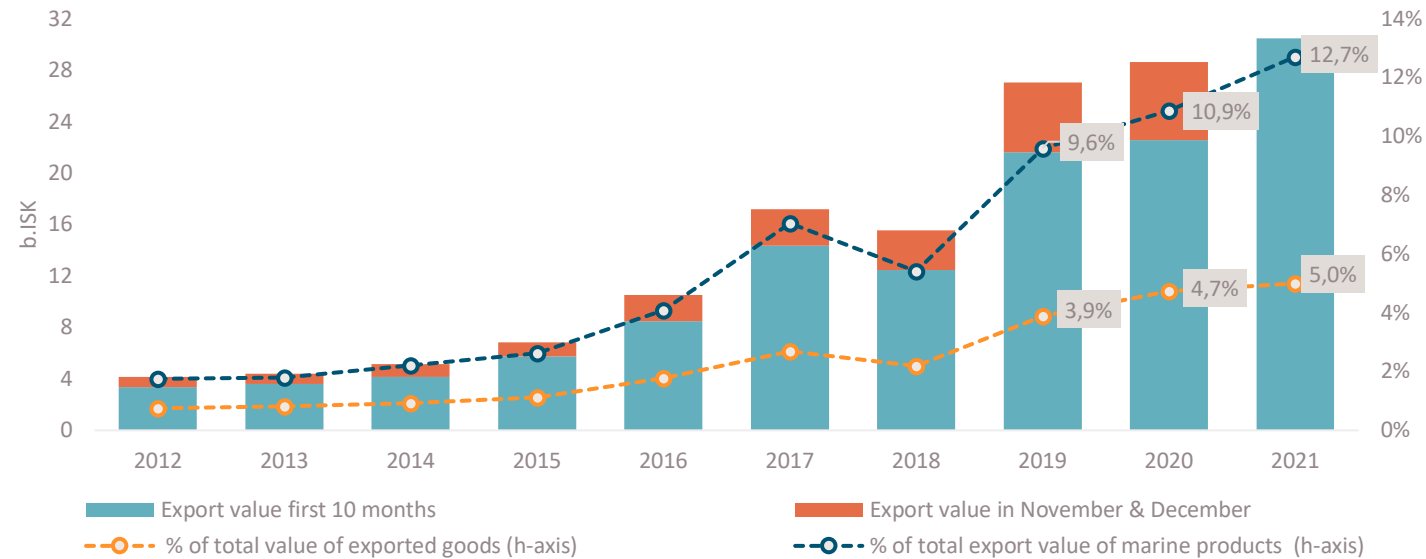
- The export value from the aquaculture industry has in the first 10 months of 2021 already surpassed to whole year of 2020 which was a record year for aquaculture in Iceland.
 - 5% of the total value of exported goods in Iceland
 - 12,7% of the total export value of marine products

A NEW FARMING REGION

- The Icelandic legal framework for salmon farming has been developing for the last few years. New farming legislation was passed in 2019, where a new tax regime, MAB system, was implemented together with an auction system for additional MAB.
- Production density - farmed salmon pr KM coastline - is very low compared to other regions.
 - Should the Icelandic authorities decide to issue more farming licenses, Arnarlax should be well positioned for that growth having built full control of all parts of the value chain.

YEARLY EXPORT VALUE OF AQUACULTURE PRODCUTS & 10M OF 2021

in billions ISK using an average exchange rate for the first 10M 2021*



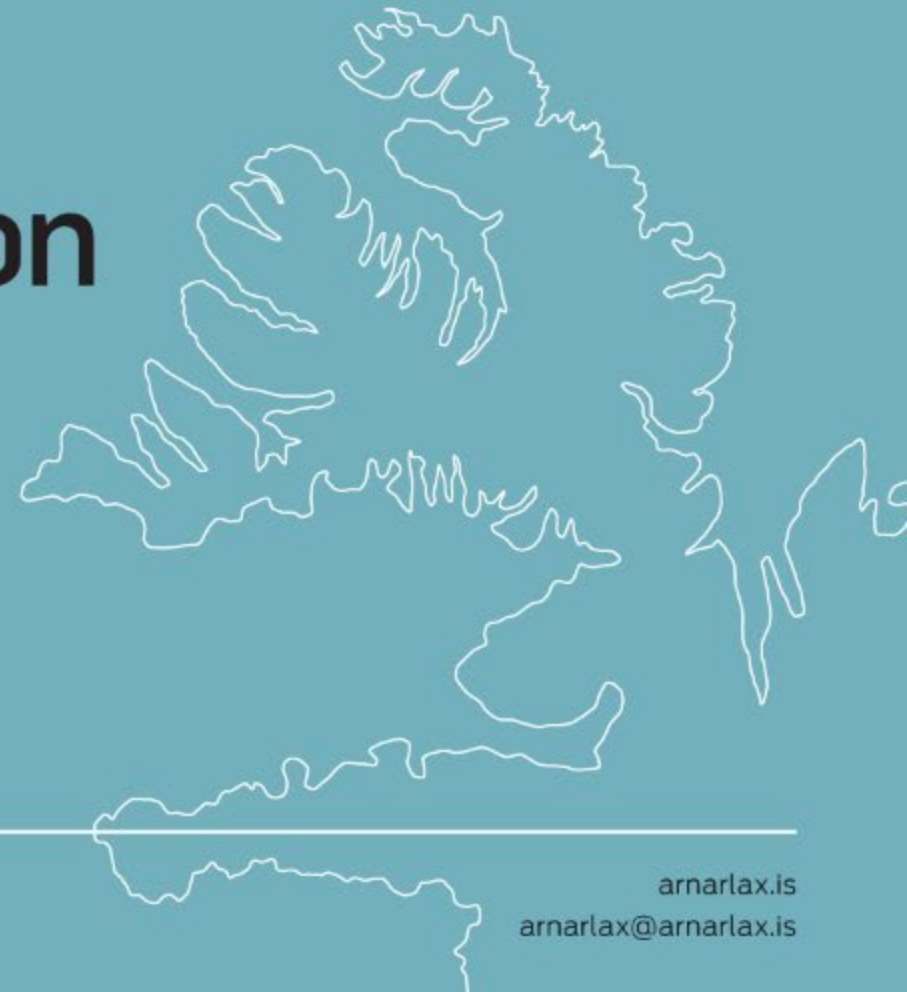
*Using the Central Bank's exchange rate index

Source: SFS, Statistics Iceland & Central Bank of Iceland



Icelandic Salmon

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