



Aquaculture: the next economic pillar of Iceland?

NASF, March 9th 2023



Icelandic Salmon

SUSTAINABLE SALMON FROM ARNARLAX

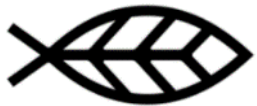
THIS IS ICELANDIC SALMON



Icelandic Salmon AS is listed on the Euronext Growth market in Oslo. 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



Harvesting plant
in Bíldudalur.
BRC* certified

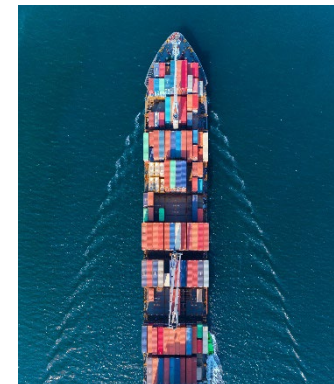
30,000 tonnes
per year capacity



Farming in seven
sites in three fjords

All production ASC**
certified

Total MAB 23,700
tonnes



Sales by internal
team

Domestic and
global markets

Note: *BRC = British Retail Consortium
**ASC = Aquaculture Stewardship Council

ALL TIME HIGH HARVEST VOLUME

40% INCREASE IN HARVEST VOLUME BETWEEN YEARS



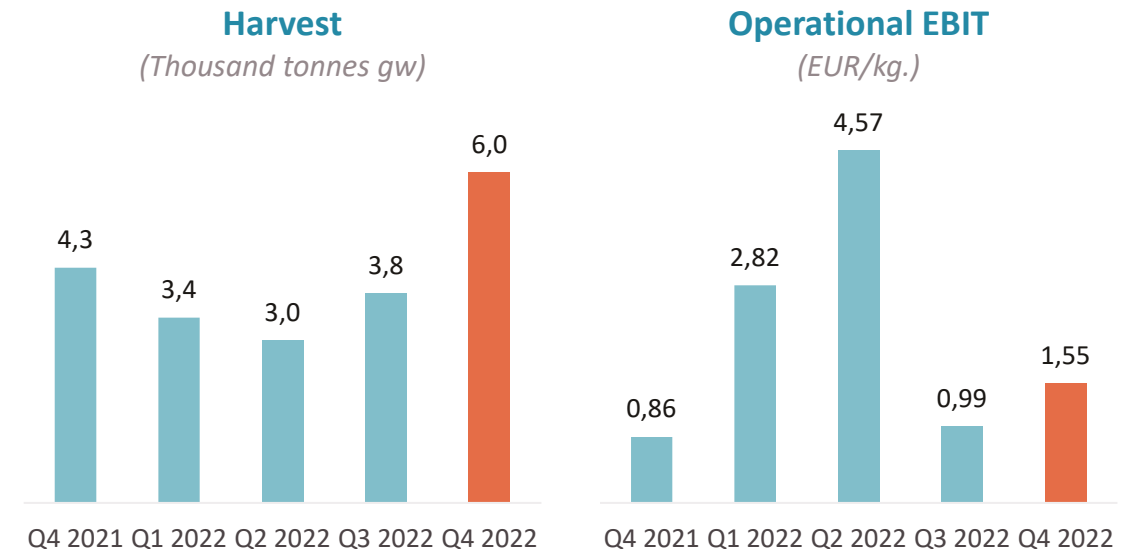
- Quarterly harvest volume of 6.008 tons compared to Q4-21 at 4.272 tons.
 - Finalized the 2020 generation in the quarter and started harvest on the 2021 generation.
 - Full year harvest volume increased by 40% to 16.138 tons, compared to 11.521 tons in 2021.
 - EBIT for the year at 36.153k EUR. An all time high along side 78% growth of revenues between years.
 - Guidance for 2023 is 16.000 Tons, expect significant increase in 2024.

- We see a reduction in cost compared to Q3 with harvesting on the 2021-generation.
 - We will continue harvesting the 2021 generation in Q1 and Q2.
 - Expect cost increase in 2023, due to increased raw material prices.

- Strong market prices and good price achievement compared to market
 - Some effect of increased quality downgrades at end of quarter.
 - Large fish was harvested in Q4, achieving higher prices in the market.

KEY RESULTS	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income ('000 EUR)	51,710	35,814	157,593	90,806
Operational EBIT ('000 EUR)	9,331	3,657	36,153	7,314
Operational EBIT (%)	18%	10%	23%	8%

Harvest volume ('000 t _{gw})	6.0	4.3	16.1	11.5
Operational EBIT/kg.	1.55	0.86	2.24	0.63



NO LONGER A FUTURE PROSPECT BUT A REALITY

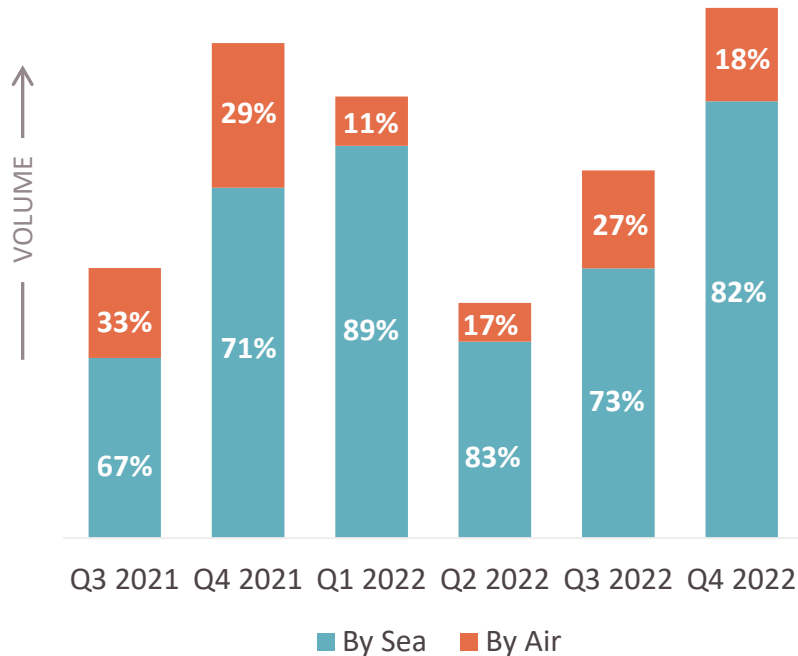


SALES & MARKETING UPDATE

STRATEGIC UPDATE AND OUTLOOK



TRANSPORTATION SPLIT TO NORTH AMERICA



STRONG INTEREST FOR ICELANDIC SALMON

- Working closely with more companies across North America and Europe.
- Active focus on participation in Seafood exhibitions.
- Increased interest from the Canadian market.
- Volume to US, quarter by quarter continues to grow.

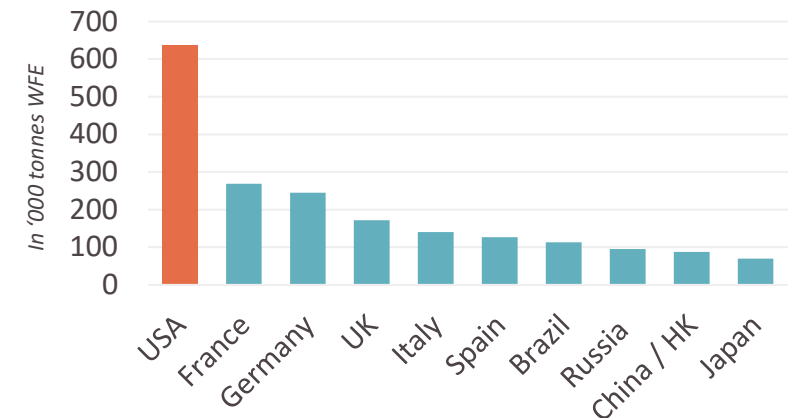
CONTRACTS

- Contract share for Q4 was 24% and is expected to be ~10%, for 2023.

NORTH AMERICAN MARKET IS GROWING

- The North American salmon market has been growing steadily and as of 2022 is now over 600k tonnes annually.
- CAGR* for the US has been forecasted up to 9,6% until 2030 highlighting the significant growth opportunities in the market.
 - *With Icelandic Salmon ideally positioned to capitalize on the growth.*

TOP 10 MARKETS BY SIZE (2021E)



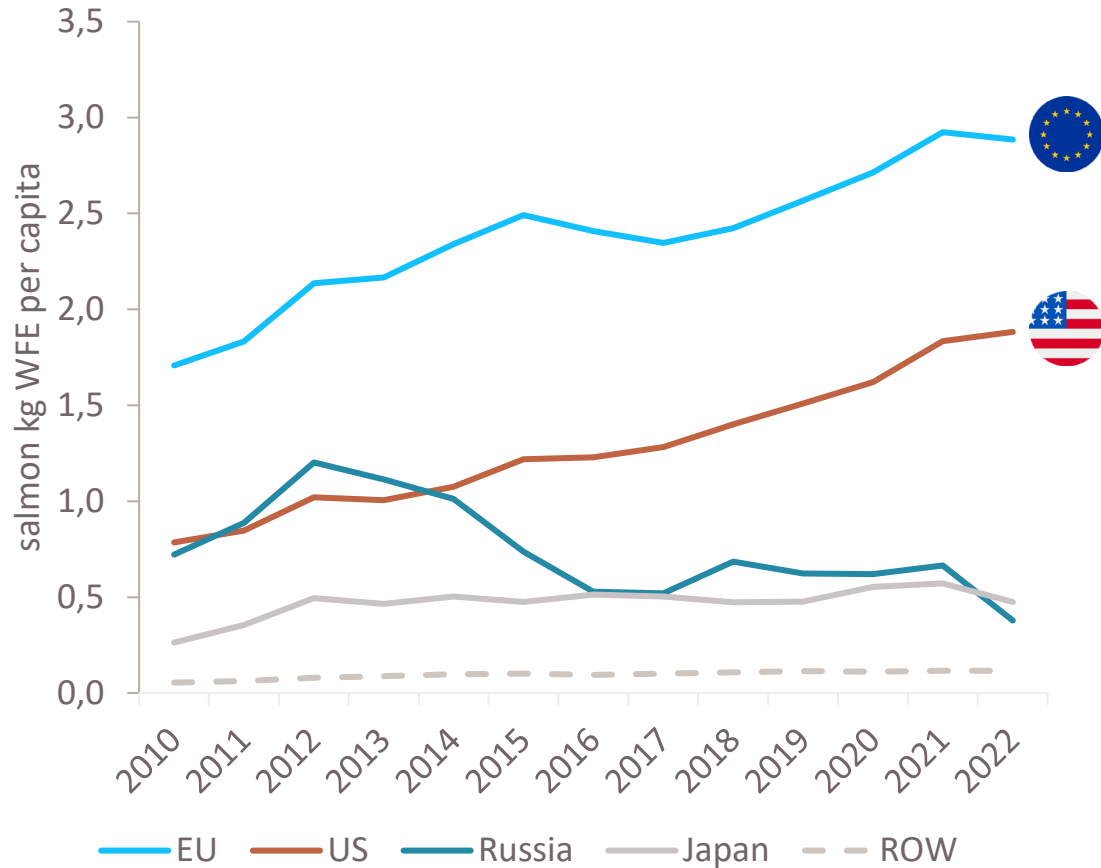
Note: * CAGR = Compound annual growth rate
 Source: Intrafish.com / Kontali, Grandviewresearch.com, Mowi Industry handbook 2022.

ICELAND IS UNIQUELY POSITIONED BETWEEN US AND EU MARKETS

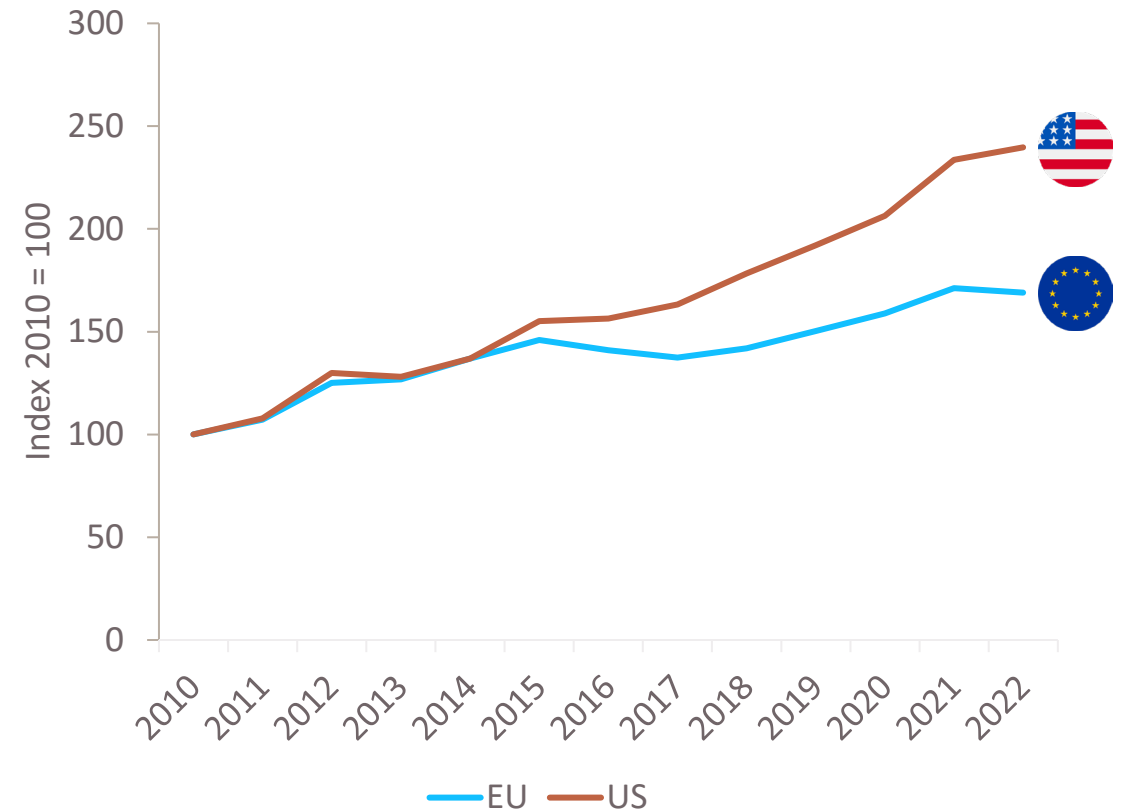
US per capita consumption has increased c. 2x faster than in the EU since 2010



Salmon consumption per capita



Indexed salmon consumption per capita US vs EU

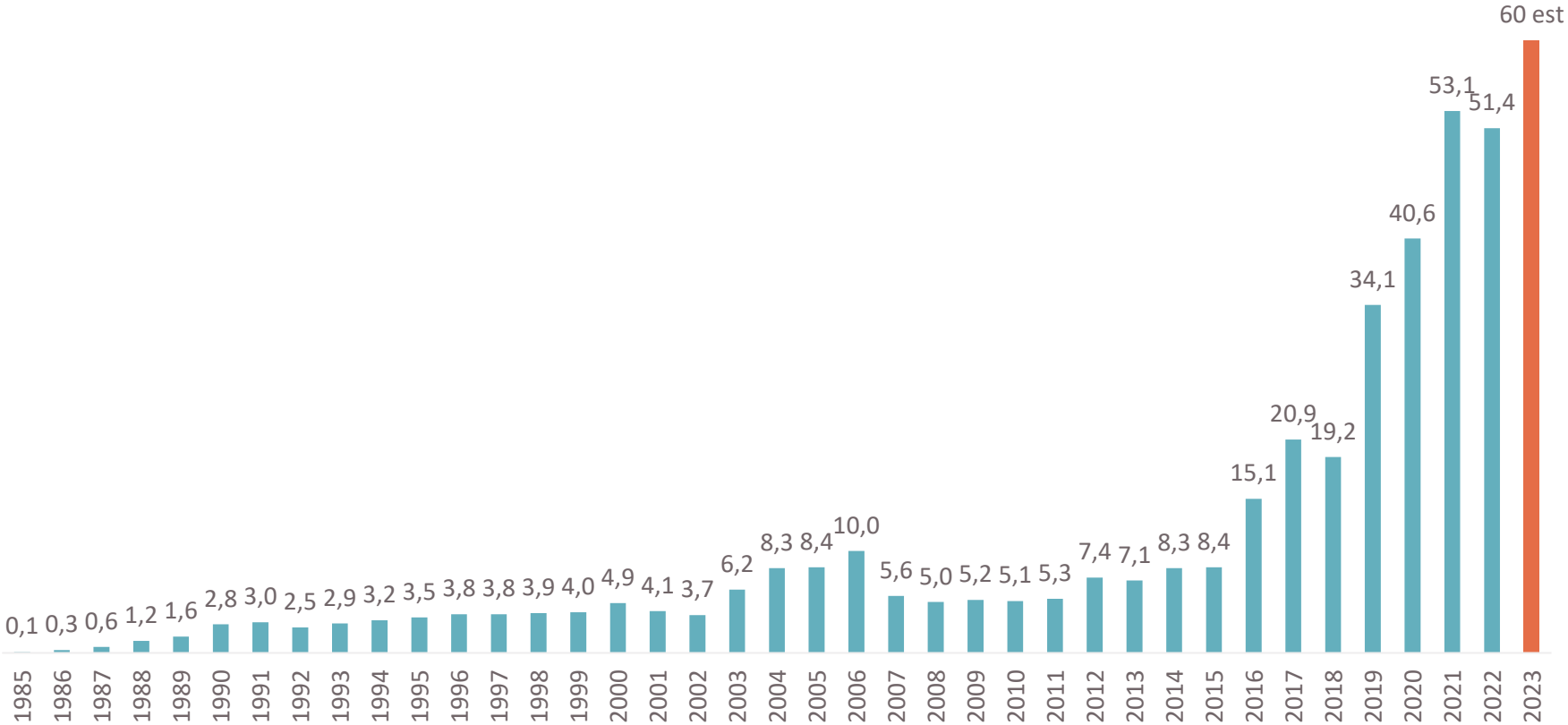


AQUACULTURE IN ICELAND IS GROWING VERY RAPIDLY

At CAGR of +30% since 2015



Aquaculture production in Iceland (kT LW)



SALMON FARMING HAS BEEN THE MAIN DRIVER OF AQUACULTURE GROWTH IN ICELAND

- In recent years salmon farming production in Iceland has increased very rapidly
- Iceland has become one of the fastest growing regions for traditional farming
- Aquaculture in Iceland benefits from a strong fishing heritage with a highly developed local seafood industry, in particular with regards to seafood processing equipment

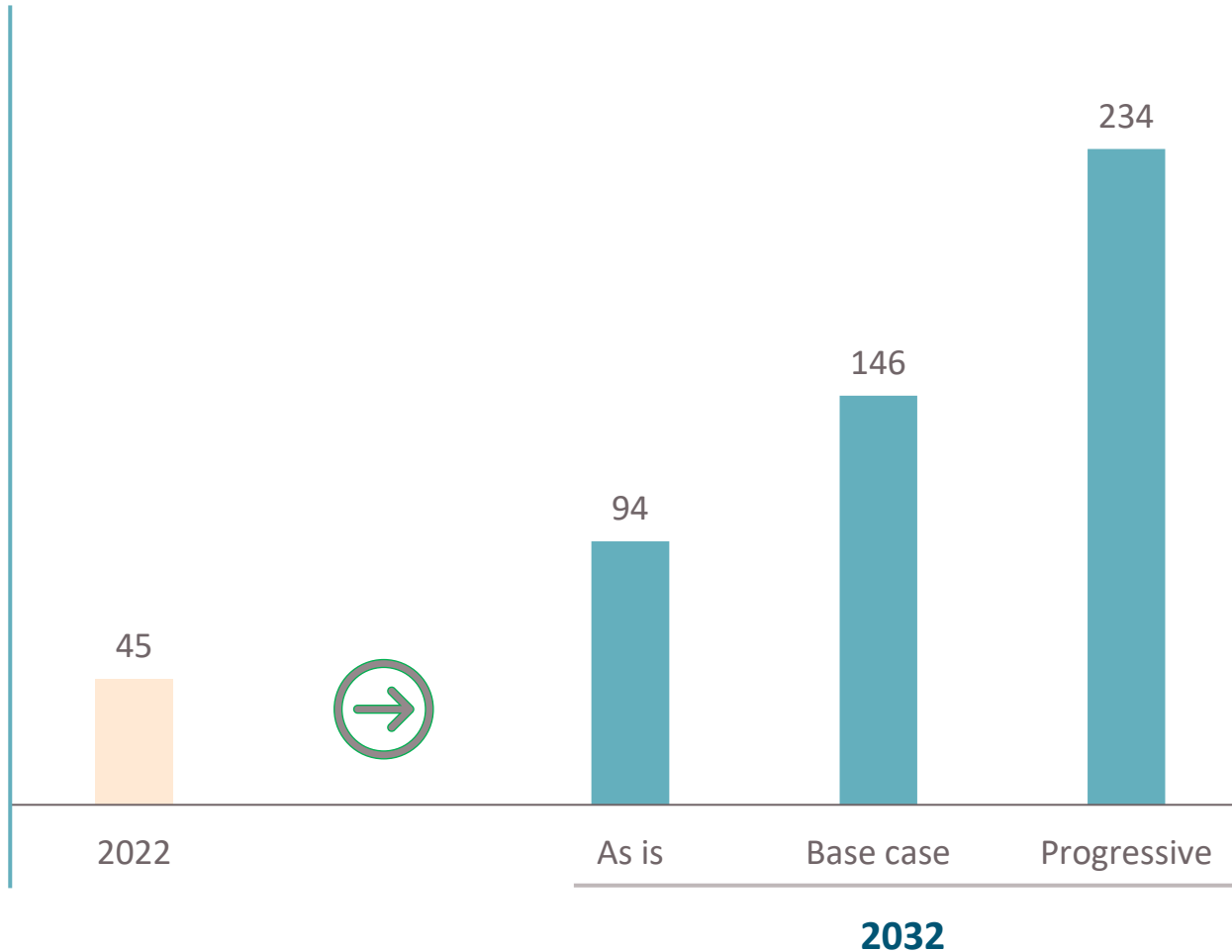
POTENTIAL VOLUME SCENARIOS

BOSTON CONSULTING GROUP (BCG) REPORT FOR THE MINISTRY OF FISHERIES



Salmon harvest volume

KT LW



BCG IDENTIFIES 3 POTENTIAL SCENARIOS - GROWTH DEPENDING ON REGULATORY FRAMEWORK

- BCG foresee a potential for a volume produced in traditional cage farming in Iceland at a level between 94.000 – 234.000 ton, depending on further political decisions
- Base case and Progressive case assume the use of bigger smolt and better utilization of MAB (1x and 1.3x respectively)
- According to BCG, the economic value of the revenue of the base case could represent 6% of Iceland GDP
- Icelandic Salmon are in position to continue to be an industry leader in Iceland

INVESTMENTS IN SMOLT PRODUCTION AND EQUIPMENT ON SEA

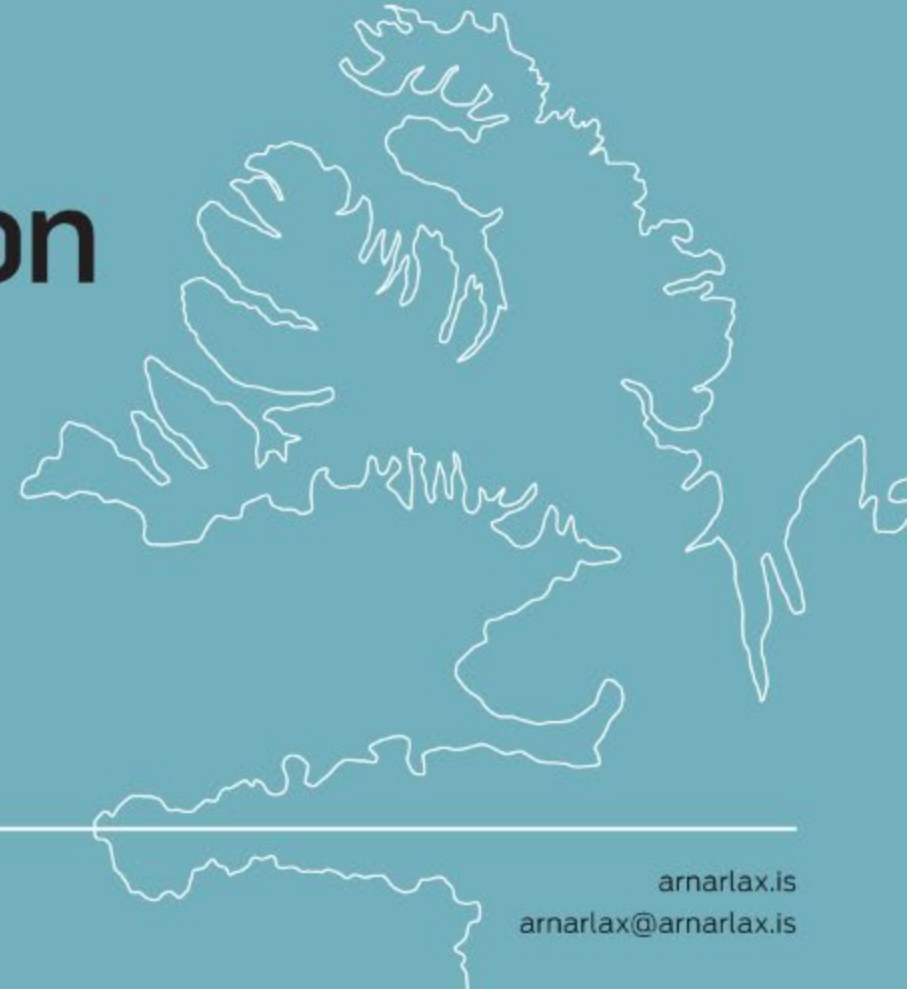
OVERVIEW





Icelandic Salmon

SUSTAINABLE SALMON FROM ARNARLAX



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