



Arctic Fish

Q3 2023 Management Report

8 November 2023

Disclaimer

Cautionary note regarding forward-looking statements

This presentation is the managements summary of the 3rd quarter report, it includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology.

These forward-looking statements are not historic facts. The forward-looking statements are not guarantees of future performance. The Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements.

The Company cannot guarantee that the intentions, beliefs, or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties, and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements.

These forward-looking statements speak only as at the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this presentation.

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Highlights for the period



Highlights

- Harvested quantities amounted to 4,383 tonnes in the quarter compared to 1,968 tonnes in the same period last year.
- The new harvesting facility in Bolungarvík was fully operational within the quarter and harvesting operations have proceeded according to plans.
- CAPEX investments amounted to 7.5 MEUR in the quarter and were mainly related to the completion of the harvesting facility.
- There are biological complications and challenges ongoing for the Industry in Talknafjordur and at the company's site, Hvannadalur, that resulted in ongoing operations of culling affected fish groups.
- The implications of the biological issues causes a reduction in harvest volumes for 2023 and 2024.

Biological challenges

- Arctic Fish started to experience biological challenges at the end of the quarter related to a lice situation that has been escalating fast, that consequently led to a decision of culling the affected fish.
- This incident will have a negative impact on expected harvesting volumes. Volumes for 2023 have been reduced to 11.4 tonnes for 2023 and further to 10.1 thousand tonnes in 2024.
- Financial EBIT in Q3 2023 has been negatively impacted by 15 MEUR related to write-downs and provisions for clean-up costs and restructuring costs following the incident.

Key Financials

Arctic Fish - main figures	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	2022
(EUR '000)					
Operational revenue and other income	29.674	13.468	69.940	48.616	55.495
Operational EBITDA	2.652	2.928	15.031	4.468	8.588
Operational EBIT	730	1.639	10.319	769	3.410
Net interest-bearing debt (NIBD)	102.321	55.618	102.321	55.618	69.374
Underlying EPS (EUR)	0,16	0,07	0,45	0,02	0,07
Net cash flow per share (EUR)	-0,31	-0,72	-0,84	-0,75	-1,11
ROCE	-9,3%	1,1%	-4,3%	0,2%	2,1%
Equity ratio	39,1%	52,9%	39,1%	52,9%	50,0%
Harvest volume (GWT)	4.383	1.968	9.349	7.218	8.561
Operational EBIT - EUR per kg	0,17	0,83	1,10	0,11	0,40

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Financials



Profit and Loss

Arctic Fish (EUR '000)	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	2022
Operational revenue and other income	29.674	13.468	69.940	48.616	55.495
Operational EBIT	730	1.639	10.319	769	3.410
Net fair value adjustment of biomass,	-736	-1.016	-683	4.801	10.269
Production/license/sales taxes	-562	-159	-1.163	-581	-687
Impairment losses	-283		-790		
Restructuring costs	-16.319		-16.319		
EBIT	-17.171	463	-8.636	4.989	12.992
Net financial items	-3.115	-3.410	-9.244	-4.893	-5.912
Earnings before tax	-20.286	-2.947	-17.880	96	7.080
Profit or loss for the period	-16.228	-2.358	-14.304	77	5.829
Basic EPS (NOK)	-0,51	-0,07	-0,45	0,00	0,18
Underlying EPS (NOK)	0,16	0,07	0,45	0,02	0,07
Net cash flow per share (NOK)	-0,31	-0,72	-0,84	-0,75	-1,11
Operational EBIT margin	2,5%	12,2%	14,8%	1,6%	6,1%
Harvested tonnes GW	4.383	1.968	9.349	7.218	8.561
Operational EBIT per kg	0,17	0,83	1,10	0,11	0,40
ROCE	-9,3%	1,1%	-4,3%	0,2%	2,1%

Revenues amounted to 29.7 MEUR in the third quarter of 2023, an increase of 120% from the corresponding prior-year period which can be traced to substantially higher volumes.

Financial Position

Arctic Fish	30.9.2023	30.6.2023	30.9.2022	31.12.2022
(EUR '000)				
Non-current assets	135.068	127.142	97.746	105.878
Current assets	80.486	89.180	77.801	91.305
Total assets	215.554	216.322	175.547	197.184
Equity	84.311	101.974	92.882	98.615
Non-current liabilities	70.244	65.661	54.280	69.996
Current liabilities	61.000	48.687	28.385	28.573
Total equity and liabilities	215.554	216.322	175.547	197.184
Net interest-bearing debt	102.321	90.230	55.618	69.374
Equity ratio	39,1%	47,1%	52,9%	50,0%

At the end of the reporting period, total assets amounted to EUR 227.5 million, an increase of EUR 11.2 million from the prior period.

The Group's net interest-bearing debt (NIBD) increased by EUR 12 million from EUR 90 million at the end of the second quarter of 2023 to EUR 102 million at the end of the third quarter 2023.

At the end of the quarter, the Group's equity totalled EUR 96 million, a decrease of EUR 6 million from the end of the previous quarter. The equity ratio at the end of the quarter amounted to 39.1%.

Cash Flow and Net Interest-Bearing Debt

Arctic Fish	Q3 2023	YTD Q3 2023
(EUR '000)		
NIBD beginning of period*	-90.230	-69.374
Operational EBITDA*	2.652	15.031
Change in working capital	12.573	9.332
Other adjustments	-16.881	-17.482
Cash flow from operations	-1.656	6.880
Net CAPEX	-7.509	-31.116
Cash flow from Investments	-7.509	-31.116
Net interest and financial items paid	-2.205	-6.164
Other items	-8	-24
Currency effect	-712	-2.524
NIBD end of period*	-102.321	-102.321

*Excluding effects of IFRS 16

Net interest-bearing debt has increased as a result of increased Capital Expenditures.

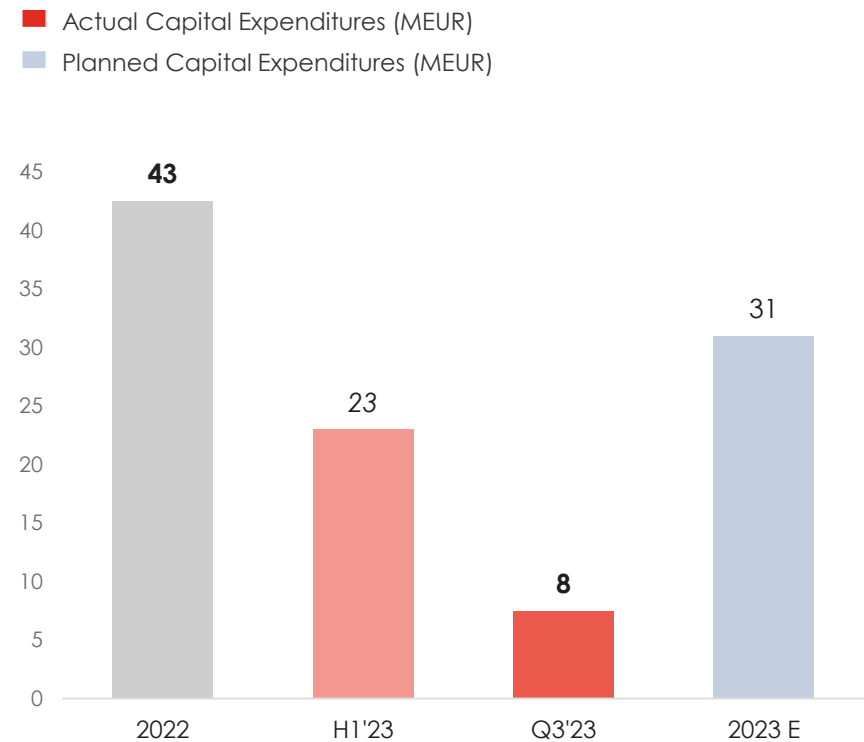
Low margin on harvest volumes affect the cash flow from operations in the quarter.

Capital Expenditures

Investments in the quarter

- CAPEX was mainly related to the finishing stages of the harvesting facility. The harvesting facility design has been upgraded from original specs with investment additions in water treatment, water intake and waste handling.
- Redesign work of smolt facility is ongoing.

Planned capital expenditure going forward

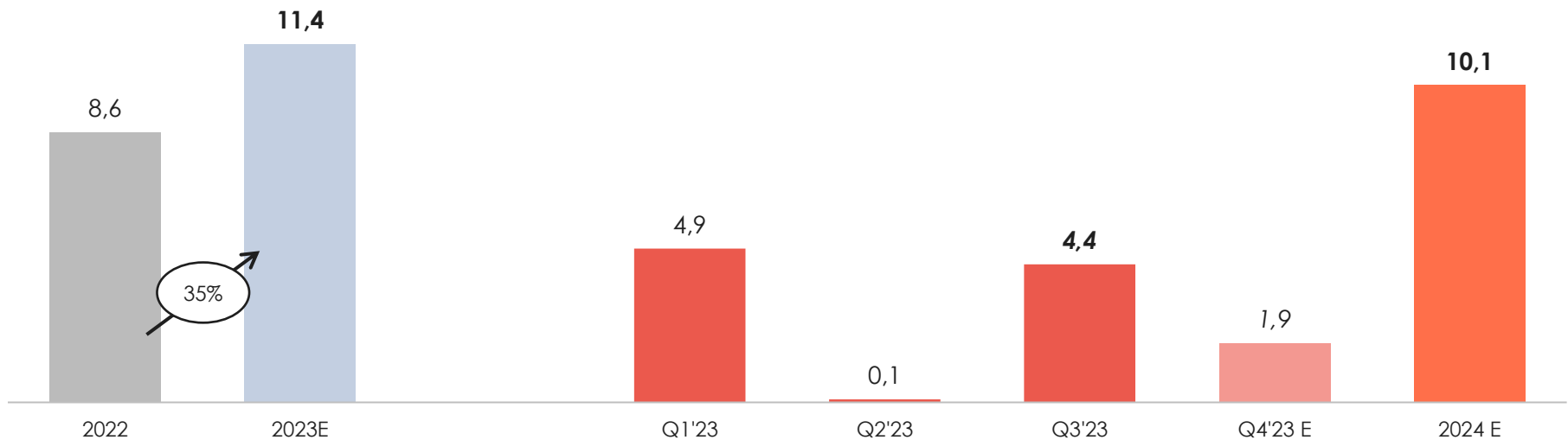


Volume Guidance

- In Q3 2023, the Company harvested 4.4 thousand tonnes (HOG) and YTD 9.3 thousand tonnes compared to 7.2 thousand tonnes at the same period the year before.
- The implications of the biological issues cause a reduction in harvest volumes for 2024.
- All processing of the Group's salmon from Q3 2023 and onwards will take place in its brand-new state of the art harvesting facility in Bolungarvík. The facility has been designed to fulfil the short- and long-term needs of Arctic Fish.

Harvesting volumes and forecast

In thousand tonnes, HOG



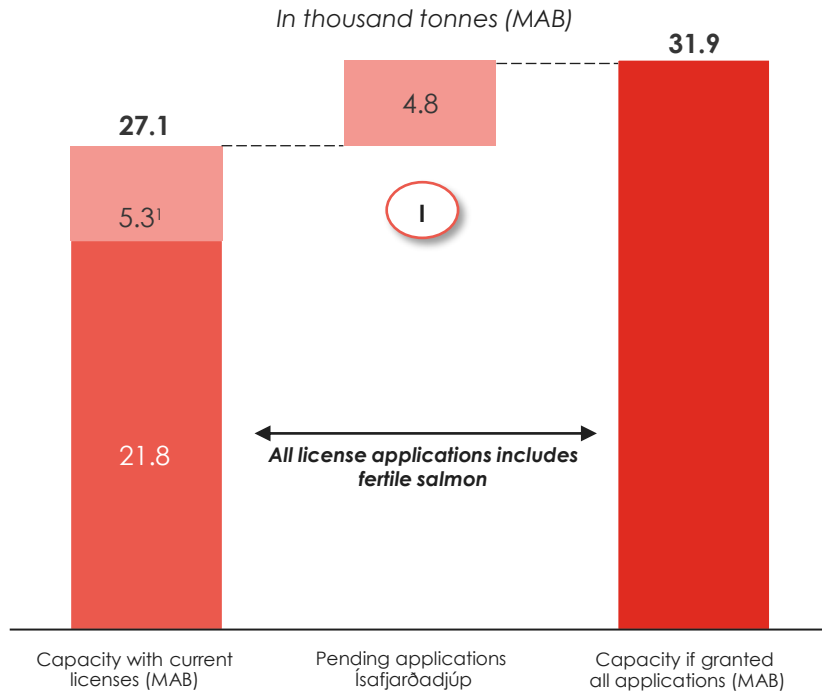
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Appendix



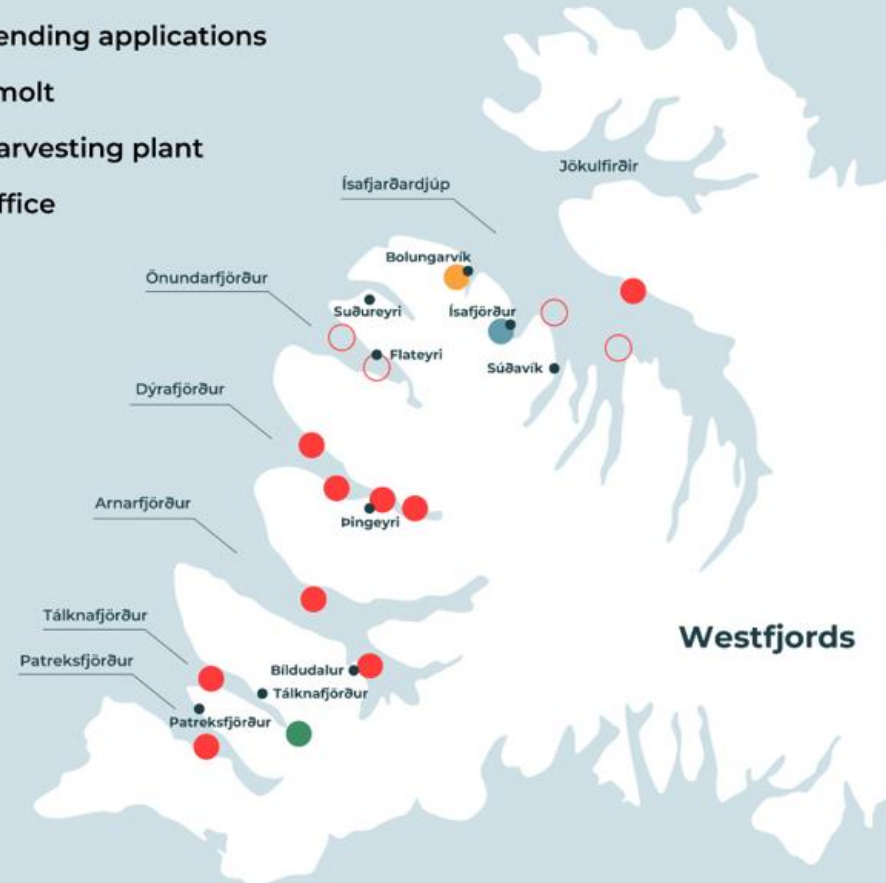
License Portfolio

Licenses and applications are well positioned for future growth with locations in different fjords



1 **Ísafjarðardjúp**
Additional license for 4.800 tonnes

- Arctic Fish sites
- Pending applications
- Smolt
- Harvesting plant
- Office



1: 5.3 thousand tonnes MAB for Trout farming that is in the process of being converted to salmon

Shareholders

Name of shareholder	No. of shares	%
MOWI ASA	16.346.824	51,28%
Síldarvinnslan hf.**	10.899.684	34,19%
J.P. Morgan SE **	2.010.081	6,31%
Landsbankinn hf.	475.724	1,49%
Íslandsbanki hf.	288.100	0,90%
KVERVA FINANS AS	223.776	0,70%
CLEARSTREAM BANKING S.A.	210.963	0,66%
VERDIPAPIRFONDET EIKA SPAR	167.406	0,53%
MP PENSJON PK	165.000	0,52%
PACTUM AS	153.751	0,48%
State Street Bank and Trust Comp	136.922	0,43%
VERDIPAPIRFONDET EIKA NORGE	121.659	0,38%
VERDIPAPIRFONDET PARETO INVESTMENT	104.500	0,33%
ROTH	80.000	0,25%
SKEIE ALPHA INVEST AS	42.575	0,13%
RAMSFJELL AS	40.849	0,13%
VERDIPAPIRFONDET EIKA ALPHA	33.705	0,11%
Euroclear Bank S.A./N.V.	33.000	0,10%
Saxo Bank A/S	32.095	0,10%
DNB Luxembourg S.A.	25.231	0,08%
VERDIPAPIRFONDET EIKA BALANSERT	18.432	0,06%
Total 20 largest shareholders	31.610.277	99,16%
Total other	266.376	0,84%
Total number of shares 30.09.2023	31.876.653	100,00%

Arctic Fish Holding does not own any of its own shares

20 largest shareholders list includes nominee accounts that are composed of multiple individual shareholders.

***Síldarvinnslan hf is a part of the nominee account "J.P. Morgan SE".*





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Thank you

