



**ARCTIC  
FISH**

# Arctic Fish

**Q1 2024 Presentation**

**8 May 2024**



# Disclaimer

## Cautionary note regarding forward-looking statements

This presentation is the managements summary of the 1<sup>st</sup> 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.



# Arctic Fish in brief

Arctic Fish (AFISH), listed at Euronext Growth market in Oslo, is a leading salmon farmer in Iceland with an attractive and sustainable value chain from smolt to sales.

The production capacity for the company is 29,800 tonnes MAB (Maximum Allowed Biomass) and includes licenses covering 13 farming areas in 6 different fjords, all located in the Westfjords of Iceland.

The company's value chain consists of a state-of-the-art RAS hatching and smolt production facility, attractive sea sites with high bearing capacity and high-energy equipment, and a newly completed harvesting facility with sufficient capacity to secure the utilization of the licenses and growth objectives for the company.

The salmon is eventually sold under the branding of “Mowi Arctic” utilizing the substantial synergies that become available through the majority owner.



# Highlights Q1 2024

- Harvested quantities amounted to 2,531 tonnes compared to 4,866 tonnes for the same period last year.
- Operational EBIT pr. kg amounted to 3.84 EUR pr. kg, which is an all-time high. For the same period last year, the Operational EBIT pr. kg amounted to 2.14 EUR pr. kg.
- The company received a license for 8,000 tonnes in Ísafjarðardjúp. The new total MAB capacity for Arctic Fish is 29,800 tonnes.
- Satisfactory biological performance with growth beyond expectations on seasonal low temperatures.
- CAPEX investments amounted to 5.0 MEUR in the quarter, mainly related to setup of new seawater sites.

(EUR '000)	Q1 2024	Q1 2023	2023
Operational revenue and other income	<b>24,138</b>	<b>38,990</b>	<b>88,900</b>
Operational EBITDA	11,823	11,804	21,239
Operational EBIT	<b>9,725</b>	<b>10,397</b>	<b>14,493</b>
Net interest-bearing debt (NIBD)	<b>112,339</b>	<b>78,133</b>	<b>114,289</b>
Underlying EPS (EUR)	0.26	0.31	0.59
Net cash flow per share (EUR)	0.14	-0.22	-1.14
ROCE	19.5%	23.2%	7.6%
Equity ratio	<b>38.8%</b>	<b>47.9%</b>	<b>38.0%</b>
Harvest volume (GWT)	2,531	4,866	11,878
Operational EBIT - EUR per kg	3.84	2.14	1.22

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## Financials



# Profit and Loss

(EUR '000)	Q1 2024	Q1 2023	2023
<b>Operational revenue and other income</b>	<b>24,138</b>	<b>38,990</b>	<b>88,900</b>
<b>Operational EBIT</b>	<b>9,725</b>	<b>10,397</b>	<b>14,493</b>
Net fair value adjustment of biomass	1,391	-4,184	-412
License and production fees / taxes	-641	-588	-1,473
Impairment losses			-790
Restructuring costs	-428		-16,456
<b>EBIT</b>	<b>10,047</b>	<b>5,624</b>	<b>-4,638</b>
Net financial items	-2,695	-2,038	-11,550
<b>Earnings before tax</b>	<b>7,352</b>	<b>3,586</b>	<b>-16,188</b>
<b>Profit or loss for the period</b>	<b>5,882</b>	<b>2,869</b>	<b>-12,876</b>
Basic EPS (EUR)	0.18	0.09	-0.40
Underlying EPS (EUR)	0.26	0.31	0.59
Net cash flow per share (EUR)	0.14	-0.22	-1.14
Operational EBIT margin	40.3%	26.7%	16.3%
Harvested tonnes GW	2,531	4,866	11,878
Operational EBIT per kg	3.84	2.14	1.22
ROCE	19.5%	23.2%	7.6%

Revenues amounted to 24.1 MEUR in the quarter, a decrease of 38% from the corresponding prior-year period which can be traced to substantially higher volumes harvested last year. The volumes in Q1 2024 were 48% lower than same period last year.

The Group achieved a positive operational EBIT of EUR 9.7 million (Q1'2023: EUR 10.4 million), which was mainly a result of the higher harvest volumes in last year's quarter. The EBIT in Q1 this year is a far better operational result when comparing the two periods especially when looking at Operational EBIT pr. kg and EBIT margin.



# Financial Position

(EUR '000)	31.3.2024	31.3.2023	31.12.2023
Non-current assets	139,994	118,385	138,520
Current assets	96,392	93,418	87,110
<b>Total assets</b>	<b>236,386</b>	<b>211,803</b>	<b>225,630</b>
Equity	91,623	101,484	85,739
Non-current liabilities	126,857	66,508	126,799
Current liabilities	17,907	43,810	13,093
<b>Total equity and liabilities</b>	<b>236,386</b>	<b>211,803</b>	<b>225,630</b>
Net interest-bearing debt	112,339	78,133	114,289
Equity ratio	38.8%	47.9%	38.0%

At the end of the reporting period, total assets amounted to EUR 236.4 million, an increase of EUR 10.7 million from the prior period (Q4'2023).

The Group's net interest-bearing debt (NIBD) decreased by EUR 2.0 million, from EUR 114.3 million at the end of 2023 to EUR 112.3 million at the end of the first quarter 2024.

At the end of the quarter, the Group's equity totalled EUR 91.6 million, an increase of EUR 5.9 million from the end of the previous quarter. The equity ratio at the end of the quarter amounted to 38.8%, which is an increase of 0.8% from the prior period.

# Cash Flow and Net Interest-Bearing Debt

(EUR '000)	Q1 2024	Q1 2023	2023
<b>NIBD beginning of period*</b>	<b>-114,289</b>	<b>-69,374</b>	<b>-69,374</b>
Operational EBITDA*	11,823	11,804	21,239
Change in working capital	-988	-3,624	-697
License and production fees / taxes	-641	-588	-1,473
Other adjustments	-428		-16,456
<b>Cash flow from operations</b>	<b>9,766</b>	<b>7,591</b>	<b>2,612</b>
Net CAPEX	-5,042	-14,630	-36,865
<b>Cash flow from Investments</b>	<b>-5,042</b>	<b>-14,630</b>	<b>-36,865</b>
Net interest and financial items paid	-2,420	-1,635	-8,323
Other items	-96	-8	-90
Currency effect	-258	-76	-2,248
<b>NIBD end of period*</b>	<b>-112,339</b>	<b>-78,133</b>	<b>-114,289</b>

\*Excluding effects of IFRS 16

Net interest-bearing debt has decreased as a result of positive operational cash flow. Capital Expenditures and financial items pull the NIBD slightly back in the quarter, but the net change is a EUR 2.0 million reduction.

For 2023 the main reason for increased NIBD can be traced to substantial investments in the value chain.





# Capital Expenditures

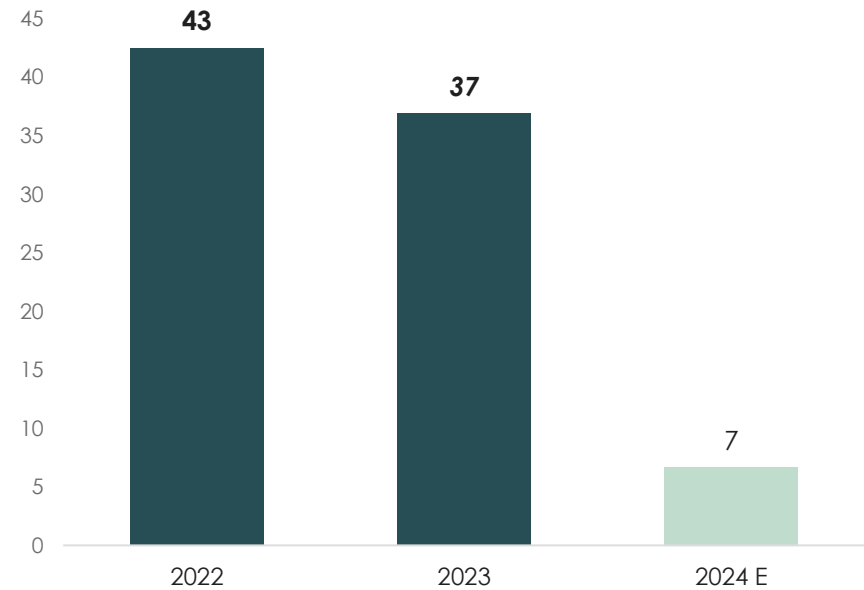
## Investments in the quarter

- CAPEX was mainly related to growth investments in seawater-based equipment for new sites.



## Planned capital expenditure going forward

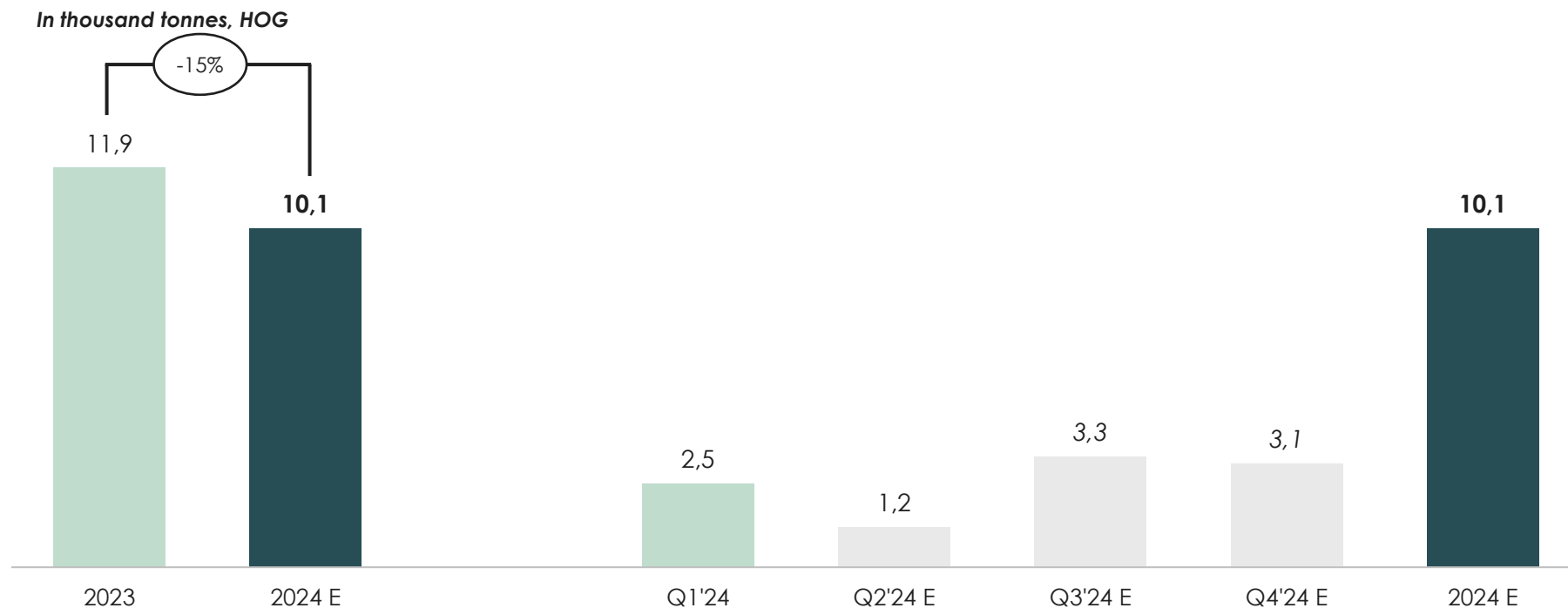
- Actual Capital Expenditures (MEUR)
- Planned Capital Expenditures (MEUR)



# Volume Guidance

- In Q1 2024, the Company harvested 2.5 thousand tonnes (HOG), compared to 4.8 thousand tonnes in the same period last year.
- The company expects to maintain the volumes set forth in earlier forecasts.
- Long-term growth objective for the company is optimal utilization of the existing license capacity.

## Harvesting volume forecast



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## Appendix



# License Portfolio

In the quarter, the company received a license for **8,000** tonnes in Ísafjarðardjúp. **5,200** tonnes are licenses for fertile salmon with the remaining 2,800 tonnes being trout. This replaces an existing license held for 5,300 tonnes of trout.

In addition, the company received a renewed license of **7,800** tonnes for Patreksfjörður and Tálknafjörður.

The total production capacity for the company after the license update is **29,800** tonnes MAB (Maximum Allowed Biomass) and includes licenses covering 13 farming areas in 6 different fjords, all located in the Westfjords of Iceland. Of the **29,800** tonnes, **27,000** tonnes are for fertile salmon.

Additionally, the Group holds a license for land based smolt production on its own land in Norðurbotn, which is required for the Group's ongoing smolt production.

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





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Thank you

