



# Ice Fish Farm AS

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## Fourth quarter 2022 results

28. February 2023

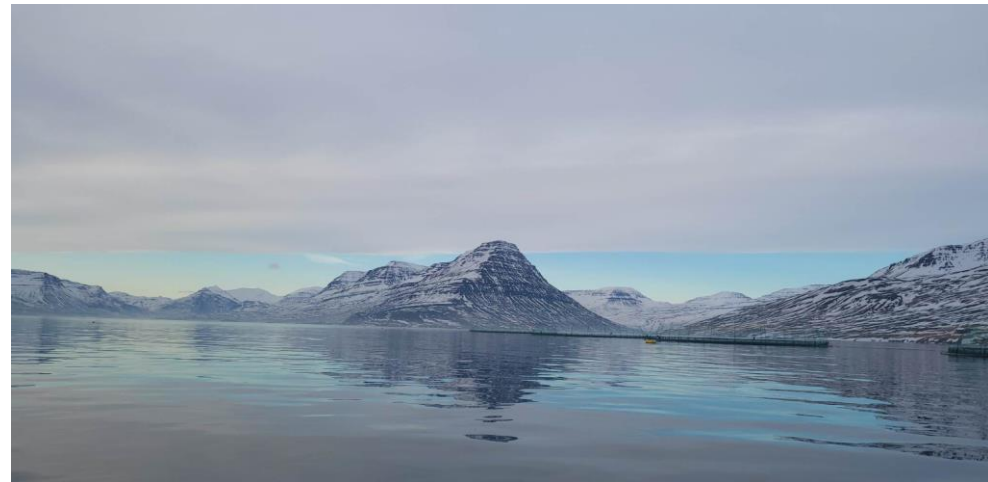
Guðmundur Gíslason, CEO

Róbert Róbertsson, CFO

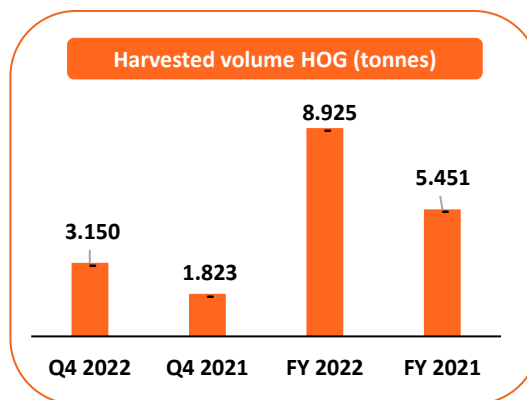
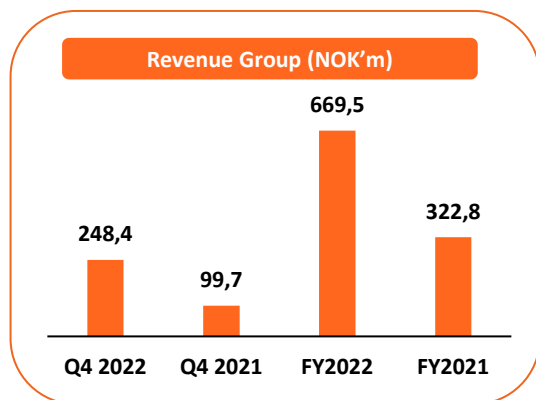


## ICE FISH FARM Q4 HIGHLIGHTS AND RECENT EVENTS

- 🐟 **Revenues increased** to NOKm 248,4 from NOKm 99,7 last year.
- 🐟 Operational EBIT per kg of **NOK 4,1** in the quarter.
- 🐟 **Premium certified salmon** contract gave good price achievement for a relatively small size fish.
- 🐟 Harvested volume in Q4 amounted to **3 150 tonnes** making YTD harvest volume of **11 300 tonnes**.
- 🐟 Biomass build up is going as planned. Generation 2022 planned to give **over 20 000 tonnes of harvest**.
- 🐟 **Investments** in Q4 **NOKm 27,2** and total for the full year **NOKm 140.8**, full year 2022 investments is lower due to some investments moved to 2023.
- 🐟 Reached an agreement with banks for a long-term bank financing package of up to **EUR 156.2 million**
- 🐟 A condition under the New Financing that the Company raises a gross cash amount of approx. EUR 45 million in **new equity**, in addition to a conversion of the currently outstanding shareholder loans of approx. EUR 25 million

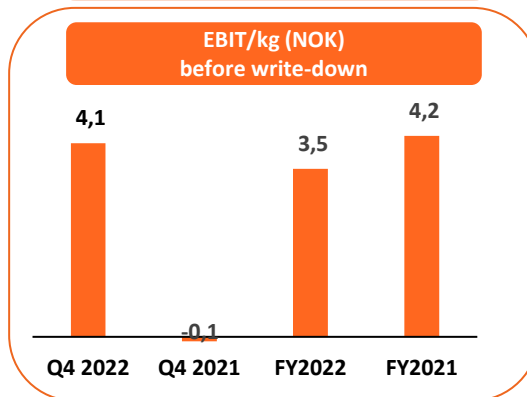
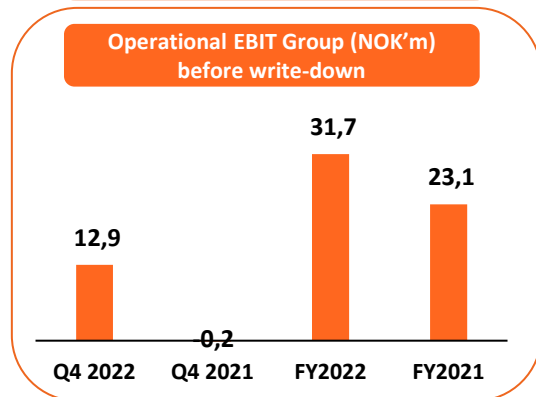


## Q4 Results and Financial summary



### Harvested volume 11 300 tonnes YTD HOG.

Total harvested volume excluding harvest volume in Laxar Fiskeldi in the period before consolidation (Jan – May) amounted to **8 925 tonnes YTD HOG**.



### Operating EBIT of NOKm 12.9 in Q4





## Financial summary

The acquisitions of Laxar Fiskeldi ehf and Búlandstindur ehf have materially impact on the balance sheet in 2022.

### Equity

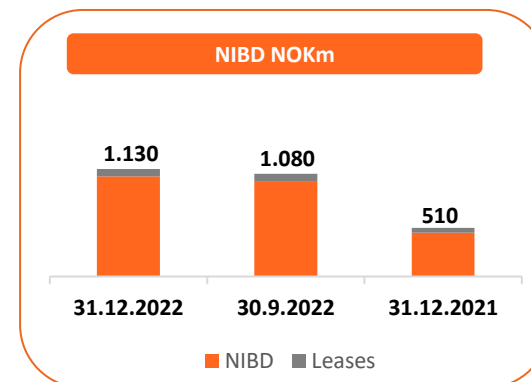
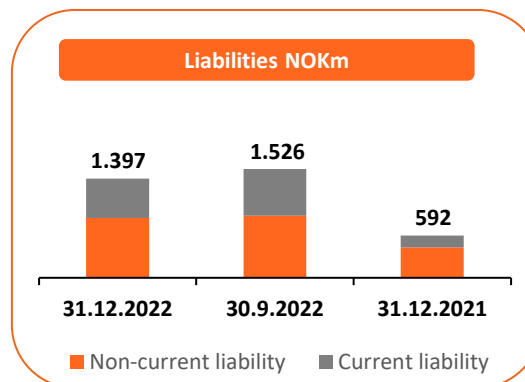
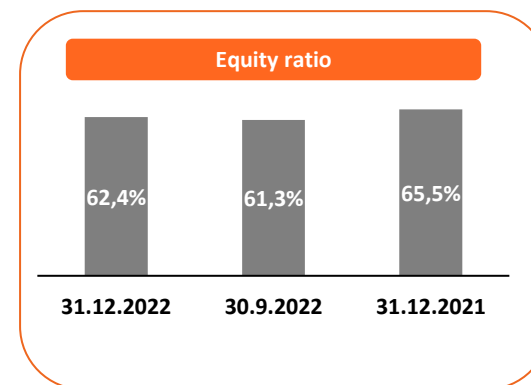
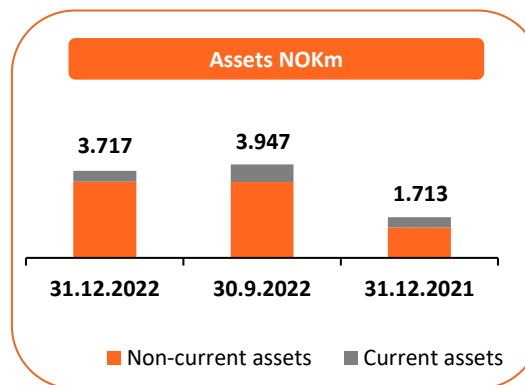
- Strong balance sheet with equity ratio of 62.4%

### Assets

- Main changes are related to changes in exchange rates.
- Total investments during the quarter amounted NOKm 27.2
- Biological assets amounted to NOKm 340.7 in Q4
  - FV adjustment on Biological assets NOKm 43.4 in Q4
- PP&E Amounted to NOKm 1 217
- Licenses NOKm 1 782

### NIBD

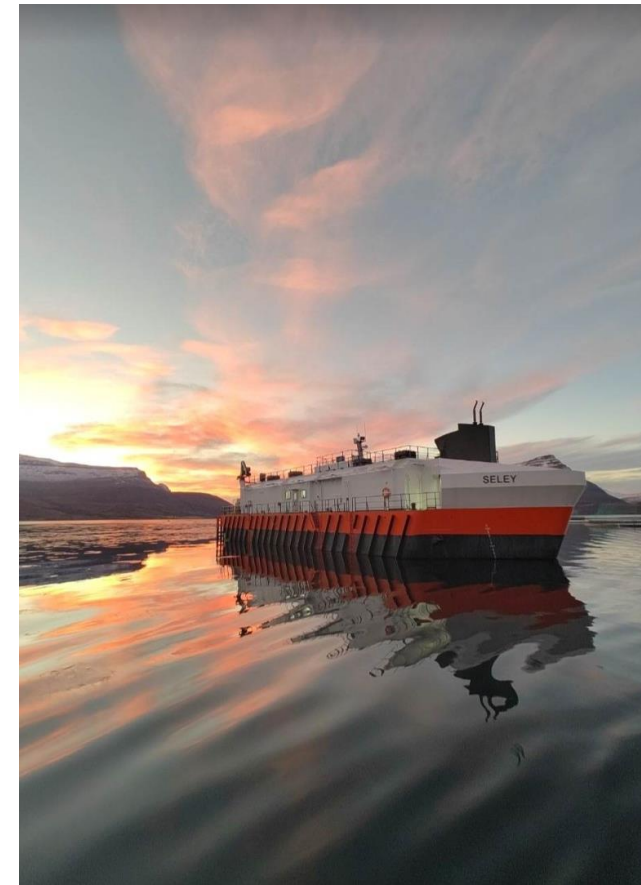
- NIBD increased to NOKm 1 130 from Q3
- NIBD excluding lease liability NOKm 1 052



## Agreement reached on refinancing

### Loan agreements






- 🐟 Reached an agreement with DNB Bank ASA, Nordea Bank Abp, filial i Norge, Arion Banki hf and Landsbankinn hf for a long-term bank financing package of up to **EUR 156.2 million**
- 🐟 The New Financing includes
  - i) a EUR 60 million term loan facility for the refinancing of certain existing indebtedness of the group
  - ii) a EUR 20 million capex facility for financing of new equipment, upgrades to facilities, investments in barges, vessels and other assets
  - iii) an up to EUR 70 million revolving credit facility to refinance current biomass financing and for general corporate and working capital purposes
  - iv) an up to EUR 6.2 million term loan facility for refinancing of certain other existing indebtedness of the group and for financing of new equipment
  - The borrowing base limitations for the revolving credit facility will be based on value of insured biomass and eligible account receivables
- 🐟 In addition to the New Financing, the Company has an optionality to draw on a short-term bridge facility of EUR 10 million
- 🐟 Some of the main shareholders have also supported the company by shareholders loan of about EUR 8 million in Q1 2023
- 🐟 The initial drawdown on the New Financing is expected within Q1 2023 and remain subject to documentation and customary conditions precedent
- 🐟 Further, it is a condition under the New Financing that the Company raises a gross cash amount of approx. EUR 45 million in **new equity**, in addition to a conversion of the currently outstanding shareholder loans of approx. EUR 25 million



## Actions in place to improve operations





### Smolt



-  Increasing smolt quality.
-  Invest in better facility and secure optimal conditions.
-  Training our personnel.
-  Installing quality control.
-  Work with advisors to implement.







### Sea



-  With good smolt and right sizes at right time will give us better performance in sea.
-  Strong set up of sites and equipment.
-  Farming zones to lower biological risk.
-  Screening for ISA monthly.



### Biomass build up



-  Next 18 months we will build up biomass.
-  After a challenging 2022 we now see benefits with decisions to lower risk in our operations.
-  Projects are in place to reach planned biomass growth.
-  Training
-  Quality control
-  Experience now over 10 years.




### Harvesting and Sales



-  Preparing harvesting capacity for up to 3.000 tonnes per month.
-  New contracts for second half of 2023 are being negotiated and aim to continue contracting about 50% of our harvest volume, keeping our premium for certified premium quality sustainable salmon and possible to use sport market when it is favourable

### Capex for growth



-  Capex budget for 2023-2024 will aim at stabilizing production of 30.000 tonnes.
-  Capex will be used to lower risk from egg to harvest.
-  Fish health is a key factor and investments are going into making sure we have competence to operate in same class as other farmers in more experienced farming regions.

# Improving operational performance on land

## Smolt production 2023

- 🐟 Plan for 2023 for smolt production
  - 🐟 Improve robustness of our smolt
  - 🐟 Quality control implementation
  - 🐟 All sites on land been evaluated by a third party, a project to improve smolt quality is in process to fine tune and optimize production
- 🐟 Improving conditions for the fish on land
  - 🐟 Strong smolt perform better, we see clear difference on FCR and Growth
  - 🐟 Utilize our production capacity by timing smolt release and sizes
  - 🐟 This will continue to improve our production

## Vaccination against ISA started

- 🐟 All fish from Q1 2023 vaccinated for ISA at land.



- 🐟 27.000 Cubic's of Post smolt capacity in South.





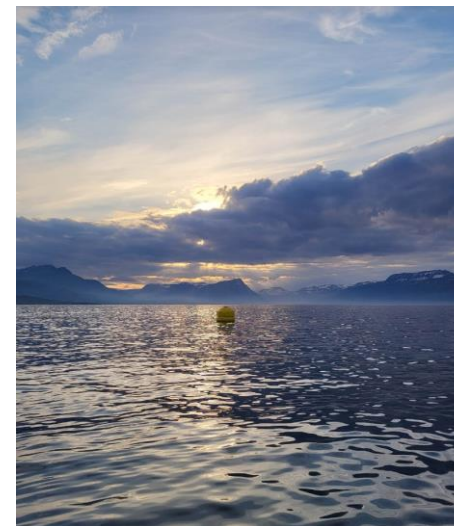
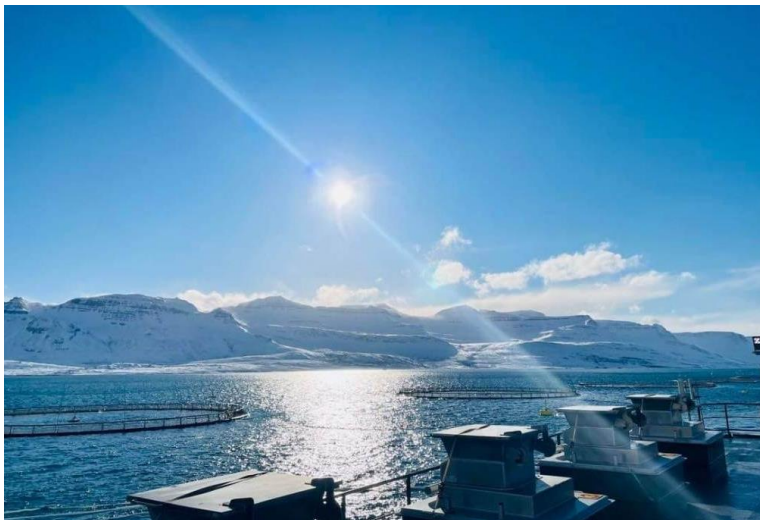
# Farming – Operational Performance

## Sea farming Q4 2022

- 🐟 Good biological development in Q4
  - All production now done within production zones to lower biological risk.
  - Farming is performing better than our plans.
  - Temperature in sea was just below normal.
- 🐟 Generation 2022 is growing well
  - Over 5,8M fish in sea at year end and 5 560 tonnes at end of year 2022.
  - Biggest groups have reached over 3 kg.
- 🐟 Preparation for output of generation 2023 has started.

## Growth and harvest targets

- 🐟 Full focus to make sure we have good biological status.
- 🐟 Good growth of our 2022 generation.
- 🐟 Continue with releasing big size smolt in 2023 which will reduce time in sea and risk.
- 🐟 Aim to produce 18 000 tonnes living weight and harvest 6 000 tonnes HOG in 2023.
- 🐟 We expect almost normal production cost for the 2022 generation due to biomass write-down in 2022.





# Outlook combined company | Focus on operation performance

