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Ice Fish Farm AS

Fourth Quarter 2021 results

23 February 2021
Guðmundur Gíslason, CEO
Róbert Róbertsson, CFO



Forward looking statements

This Presentation contains forward-looking information and statements relating to the business, financial performance and results of the Group and/or industry and markets in which it operates.

Forward-looking statements are statements that are not historical facts and may be identified by words such as "aims", "anticipates", "believes", "estimates", "expects", "foresees", "intends", "plans", "predicts", "projects", "targets", and similar expressions. Such forward-looking statements are based on current expectations, estimates and projections, reflect current views with respect to future events, and are subject to risks, uncertainties and assumptions.

Forward-looking statements do not guarantee future performance and risks, uncertainties and other important factors could cause the actual results of operations, financial condition and liquidity of the Group or the industry to differ materially from this results expressed or implied in this Presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved, and you are cautioned not to place any undue influence on any forward-looking statement.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this report, either to make them confirm to actual results or changes in our expectations.

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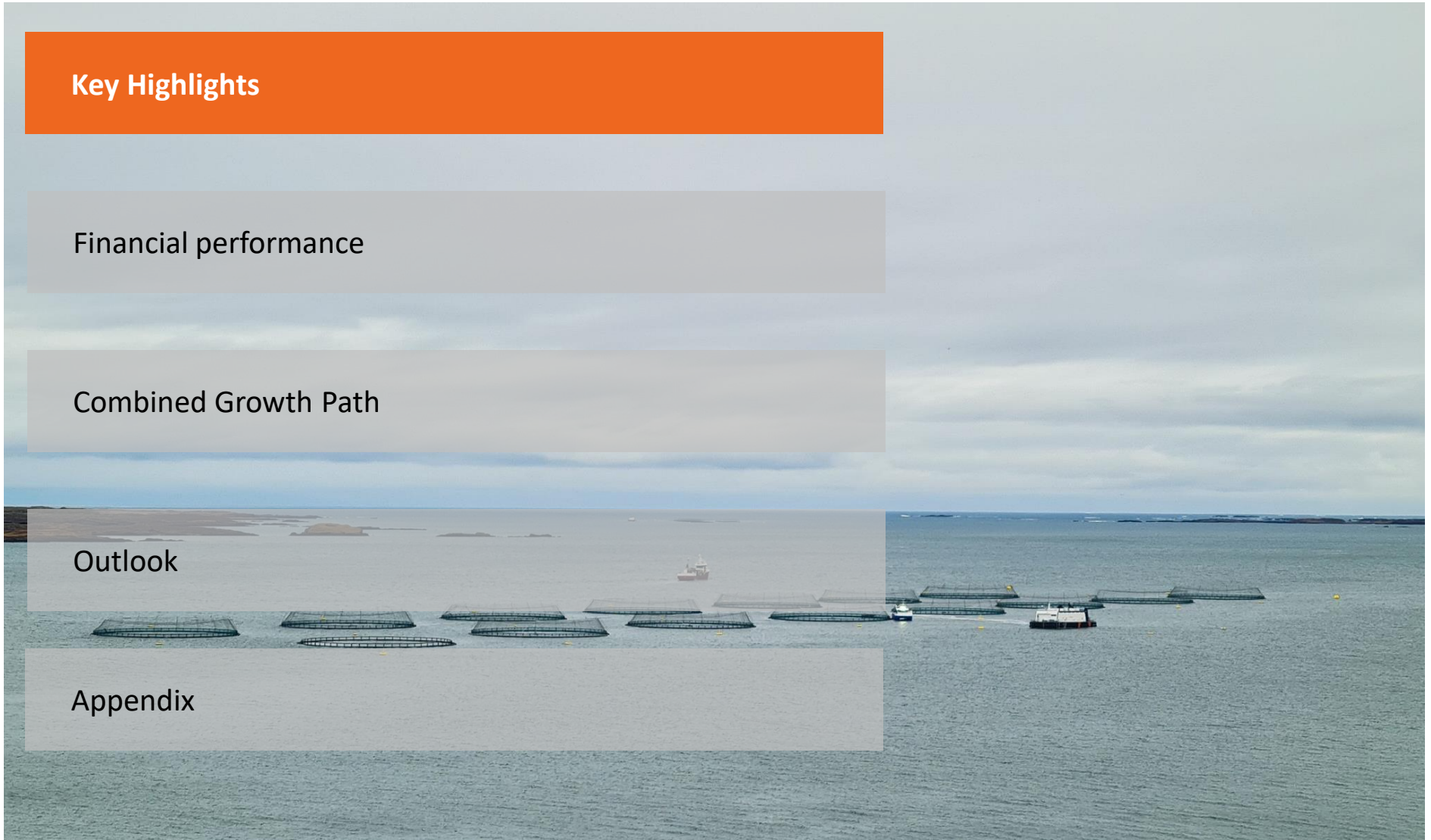
Key Highlights

Financial performance


Combined Growth Path


Outlook


Appendix





Highlights in Q4 2021

 New Record harvest in Q4 in 2021 was 1.823 compared to 1.561 tons in 2020.


 ICE FISH FARM AS harvested 5.451 tons in 2021 compared to 3.916 tons in 2020.


 EBIT for salmon amounted to NOK –0,5 per kg in Q4 2021 compared to NOK 5,1 per kg in Q4 2020.

 Early harvest of fish caused higher cost per kg and low share of superior salmon.

 Harvest in Q1 for ICE FISH FARM is expected to be 2.500 tons. Early harvest with low share of Superior.

STRATEGIC UPDATE -

 Majority of shareholders in ICE FISH FARM AS and Laxar ehf have agreed to combine the companies, which was introduced on the 13th of December 2021

 Expected closing late Q1-22 or early Q2-22

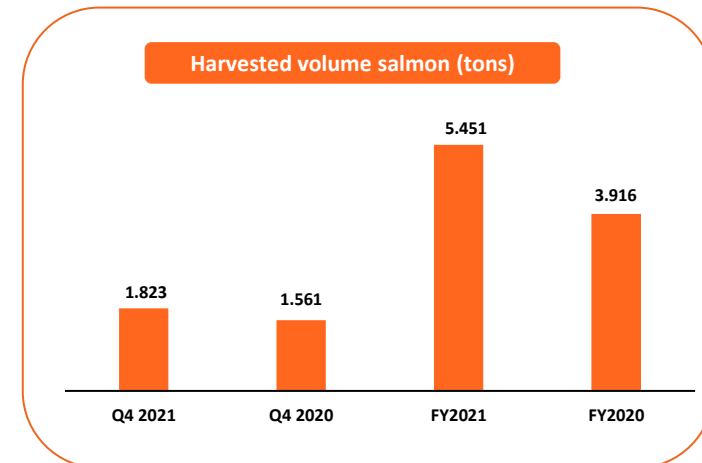
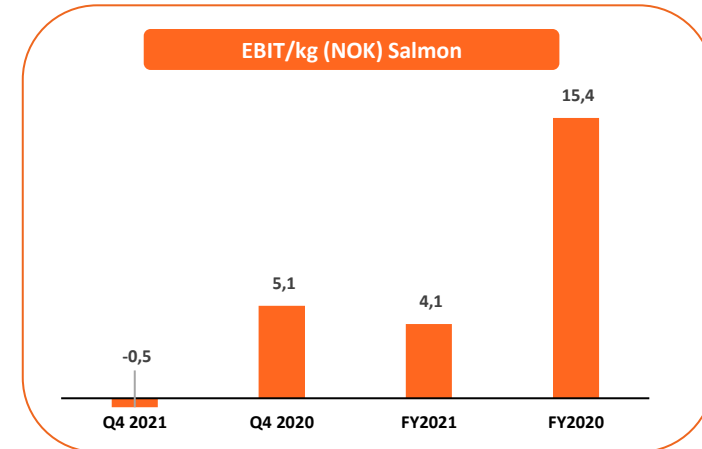


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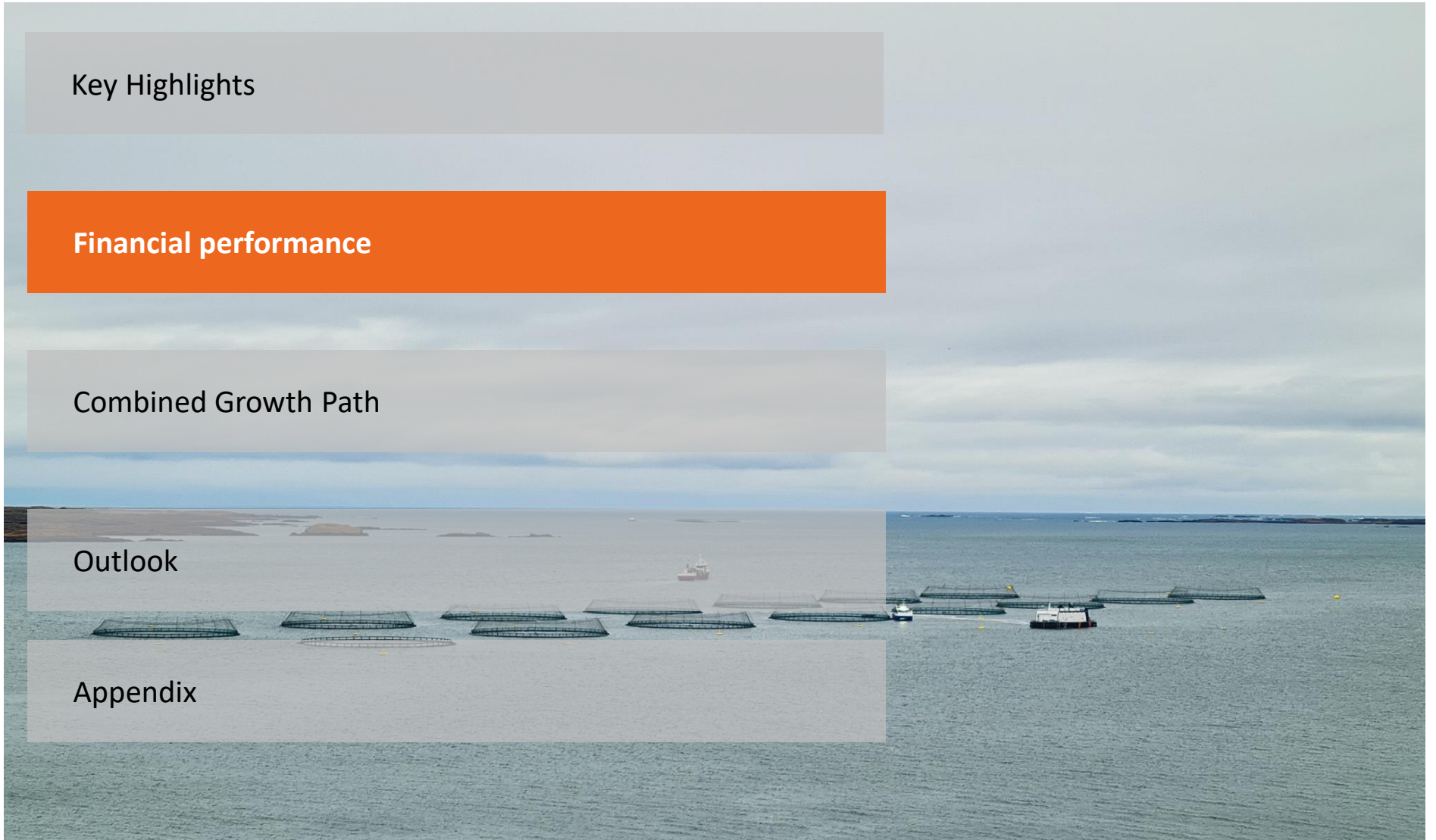
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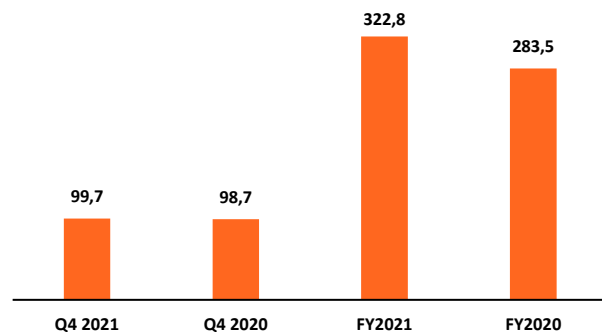
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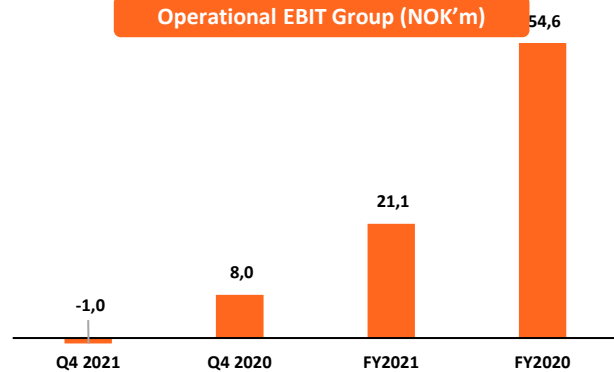


Financial summary




Revenue Group (NOK'm)



Operational EBIT Group (NOK'm)



Challenging Quarter

-  Despite increased harvesting in Q4 2021 the revenues are similar in to Q4 2020 due to lower price achievement.
-  Investments for the past couple of years cause increased depreciation which cause Operational EBIT to be around 0 in Q4.
-  We aim to get back on track in Q3

Consolidated Income statement 2021

NOK '0000	Q4 2021	Q4 2020	FY2021	FY2020
Operating income	99.685	98.681	322.764	283.463
EBITDA	12.895	15.435	59.803	84.121
Depreciation	13.896	7.478	38.674	29.524
Operating EBIT	-1.001	7.957	21.129	54.597
Net fair value adjustment biomass	25.559	4.677	15.298	1.050
EBIT	24.558	12.634	36.427	55.647
Net financial items	1.415	-13.078	-13.917	-27.340
Profit or loss before tax	25.972	-444	22.510	28.307
Income tax expense	-4.273	16.042	3.102	9.487
Profit or loss for the period	21.700	15.598	25.611	37.794

Financial summary

Strong balance sheet

Assets

- Increase of assets due to investments in production capacity on land and sea.
- Q4 investments amounted to 29M NOK.
- Total net investments for the year ended at 305M NOK.

Liabilities

- Investments and biomass financed for long term.
- Investments during the year where about 70% financed by loans.

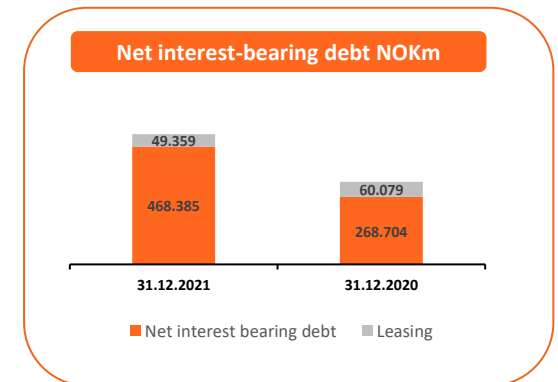
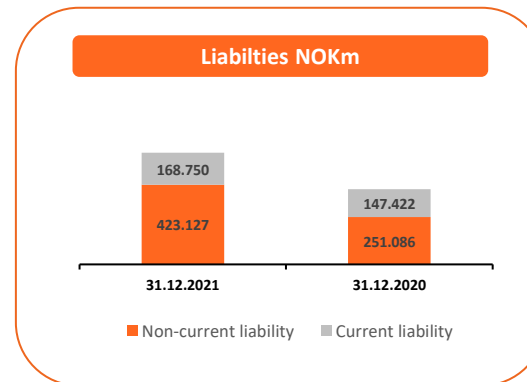
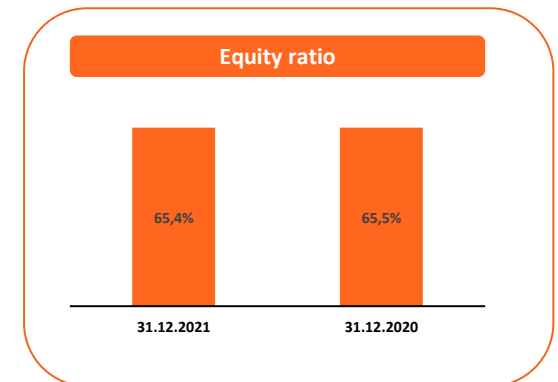
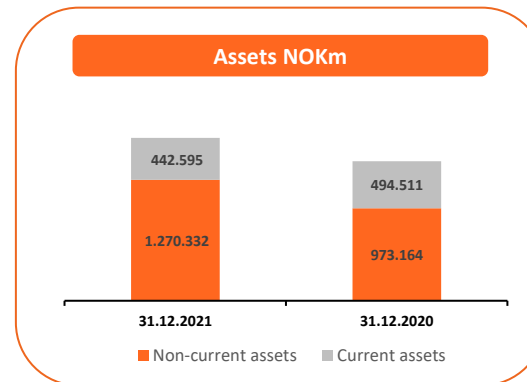


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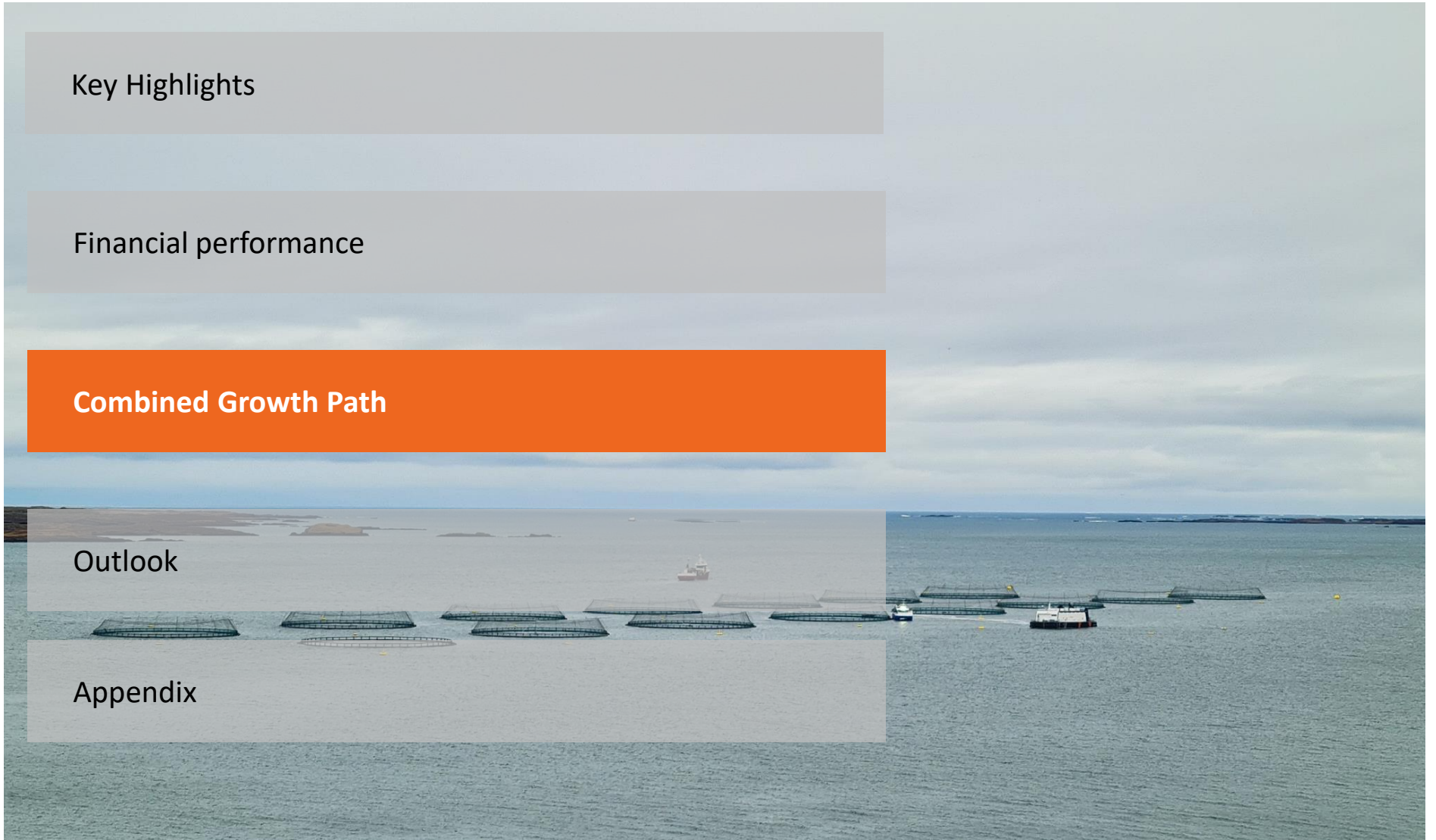
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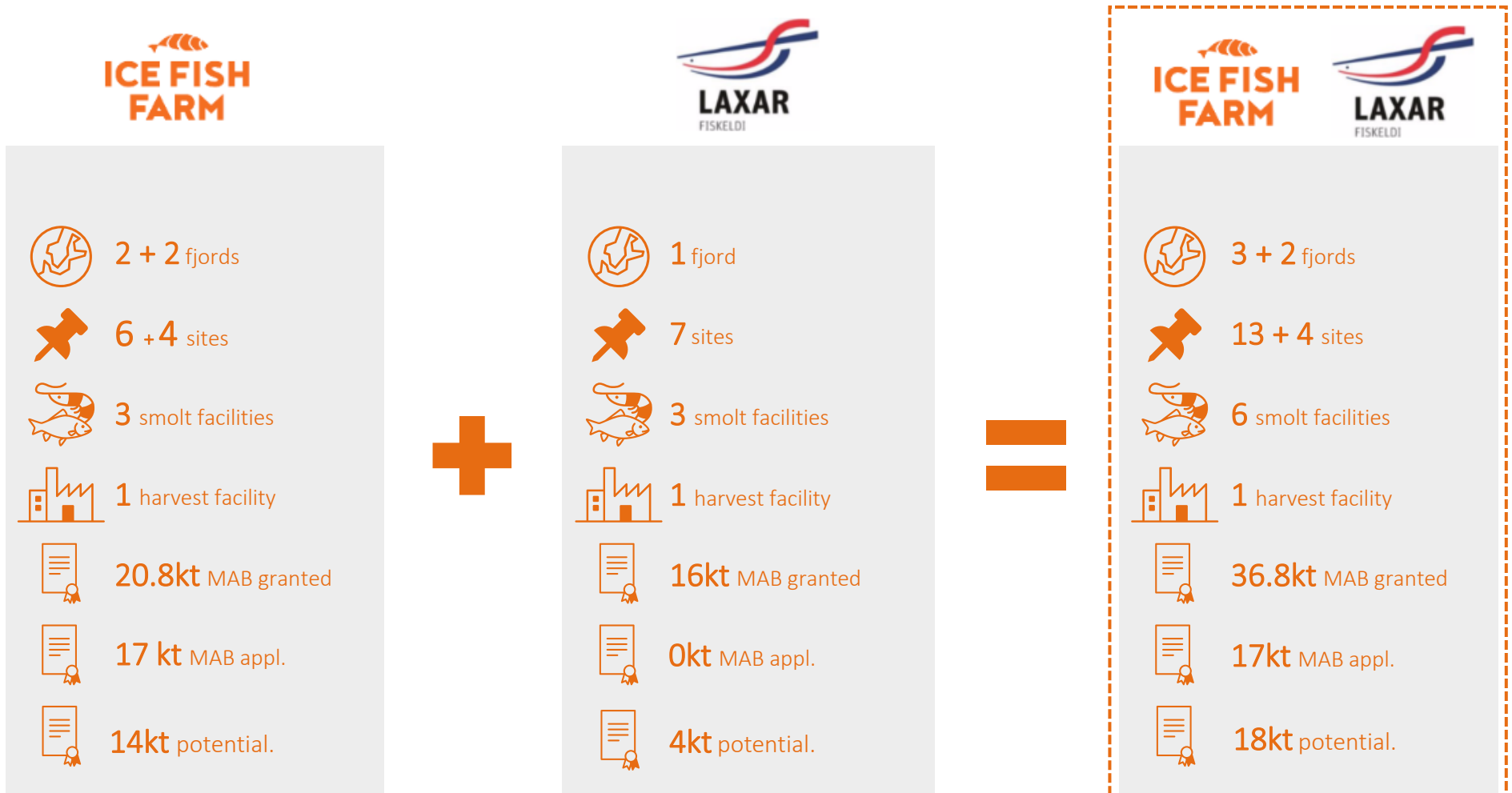
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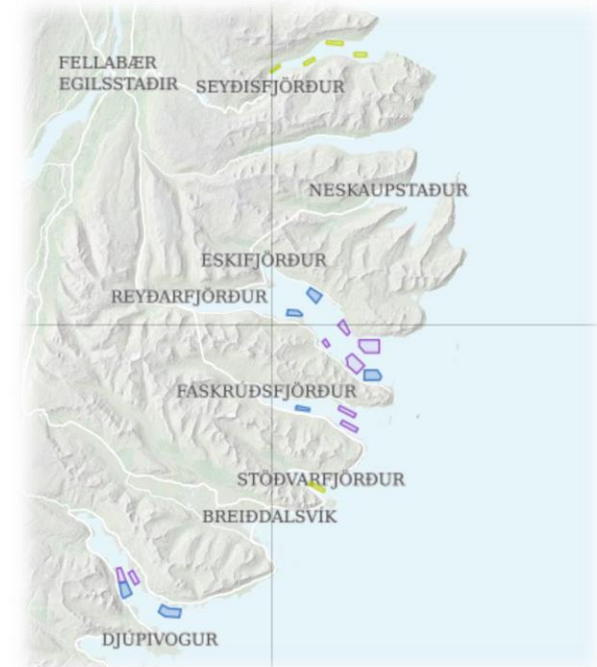
Ice will become a market leader with full access of the East Fjord



Production Synergy – Potential for significant improvement

Milestone 1: Reach Stable Yearly Production ≈ 30 000 tonnes.

- 🐟 Yearly release 7-8 million post smolt >300 gram
- 🐟 Reduced Biological Risk
 - 🐟 Bigger smolts - > reduced time in sea -> reduce exposure for risks
 - 🐟 13 (17) sites and 3 (5) fjords
 - 🐟 Possibility to separate generations and reduce risk for cross generation biological risk's
 - 🐟 Harmonize feeding, cage set up and density limits
 - 🐟 Strong operational team optimizes use of resources
- 🐟 Harvesting
 - 🐟 Joint company will optimize use of 120 tons daily capacity



Access to the whole farming region.



Pure natural farming on the east coast of ICELAND.



New equipment in sea.



High technology feeding, giving great results already.

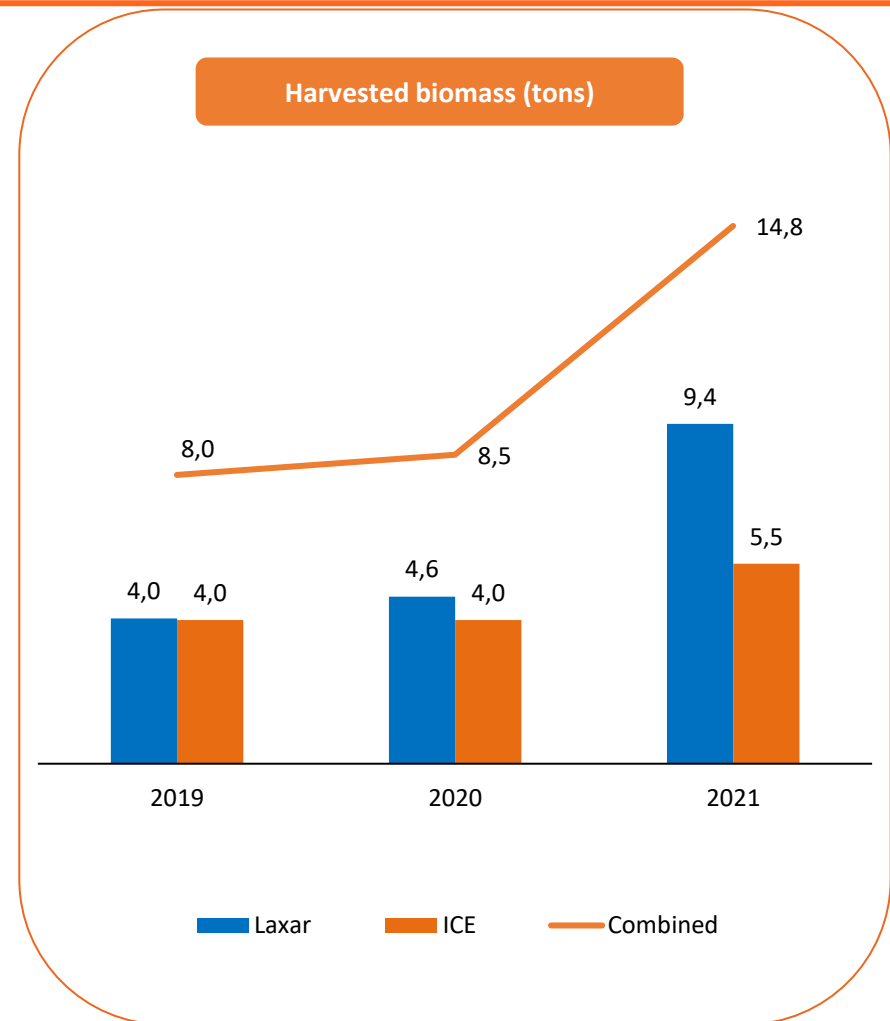
Highlights in Q4 2021 – Combination of ICE FISH FARM and Laxar

Transaction overview

- 🐟 Majority of shareholders in ICE FISH FARM AS and Laxar ehf have agreed to combine the companies, which was introduced on the 13th of December 2021
- 🐟 Ice will acquire Laxar with a relative equity valuation of 59/41 in Ice's favour, settlement in Ice shares
- 🐟 Expected closing late Q1-22 or early Q2-22

Business overview

- 🐟 Laxar have fertile license of 16th tons in Reyðarfjörður with 7 sites
- 🐟 Harvested 3.000 tons in 2019, 4.600 tons in 2020 and 9.400 tons 2021
- 🐟 Laxar owns a smolt station with proven strong operational track record with capacity of 4M 400gr smolt and over 30 000 cubic tank capacity
- 🐟 Laxar owns 1/3 in Búlandstindur Harvesting station taking ownership to 2/3 post acquisition
- 🐟 Challenging year for Laxar in 2021 with
 - 🐟 High mortality due to winter storms
 - 🐟 ISA outbreak at one site, resulting in accelerated harvesting



Certifications that ensure environmentally-friendly production

Certified quality and sustainable aquaculture



Qualifications

Complete transparency of origin and production

Commitment towards the local communities

Adherence to principles of corporate social responsibility

Quality at each stage of the production

Great aquaculture farming practices

Maintenance or improvement of surrounding ecosystem

Differentiated from other salmon producers

- Salmon from Ice Fish Farm has received international recognition for its deep red color, high-quality meat and good taste
- Icelandic branding and pristine Icelandic nature
- 72% of consumers think that we need to consume seafood from sustainable sources
- Salmon from Iceland
- Certified salmon
- Organic salmon

- Salmon from Laxar has potential in future to be certified.
- ICE FISH FARM has been able to achieve stable prices, while the premium to spot price has varied due to large fluctuations in the market.

- New market differentiator is achieving low CO2 per kg. With boat transfer we believe we are lower than the competition.

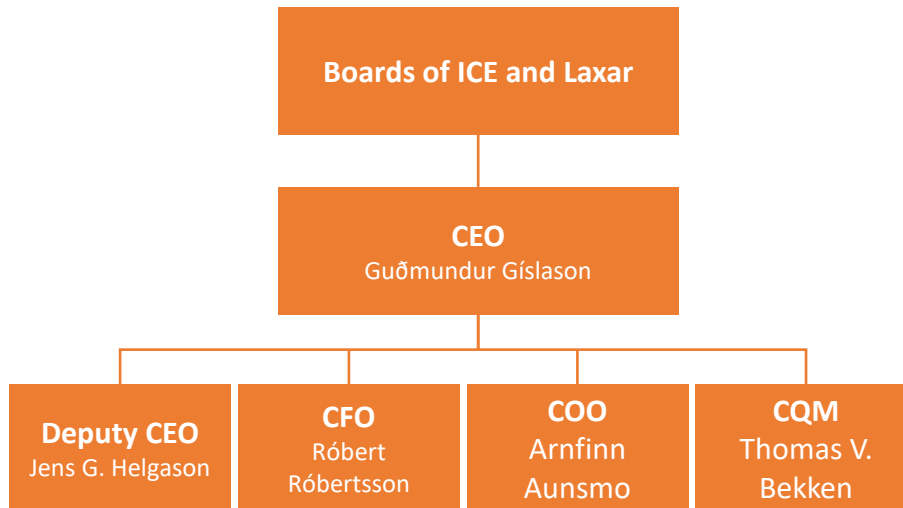


Clear strategical combination rationale



Joint management team

Management structure



Joint management team



CEO - Guðmundur Gíslason

- Bs in Business and MBA from University of Reykjavík
- Co-founder of ICE Fish Farm in 2012
- Previous experience family car importer company B&L and built up first data center in Iceland, Thor Data Center.



Deputy CEO - Jens Garðar Helgason

- Education from University of Iceland and Norwegian School of Economics
- Previous experience includes CEO of Laxar, CEO of Fiskimid Exporting and BoD of Fisheries Iceland and Business Iceland



CFO - Róbert Róbertsson

- Education from the University of Iceland
- Previous experience as Head of Transaction Advisory at EY Iceland



COO - Arnfinn Aunsmo PhD.

- PhD in Epidemiology of salmon farming from The Norwegian Veterinary School, degree in Veterinary Medicine from the University of Edinburgh
- Previous experience from the Norwegian Army and Måsøval



CQM - Thomas Vavik Bekken

- Education from Aalesund University College
- +20 years experience from the aquaculture companies including at SalMar, AquaGen, and 5 years experience from DNV

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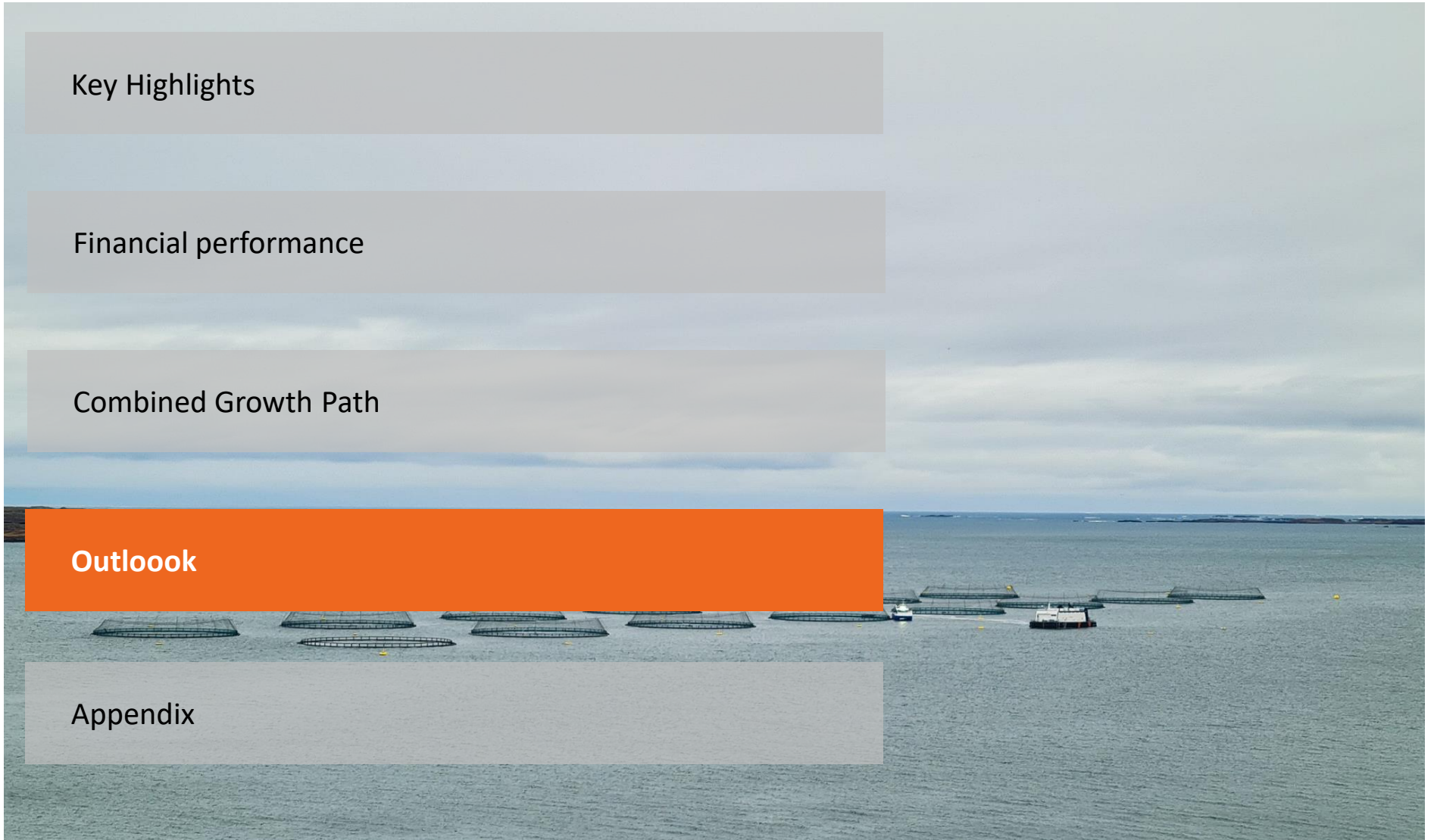
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Outlook combined company

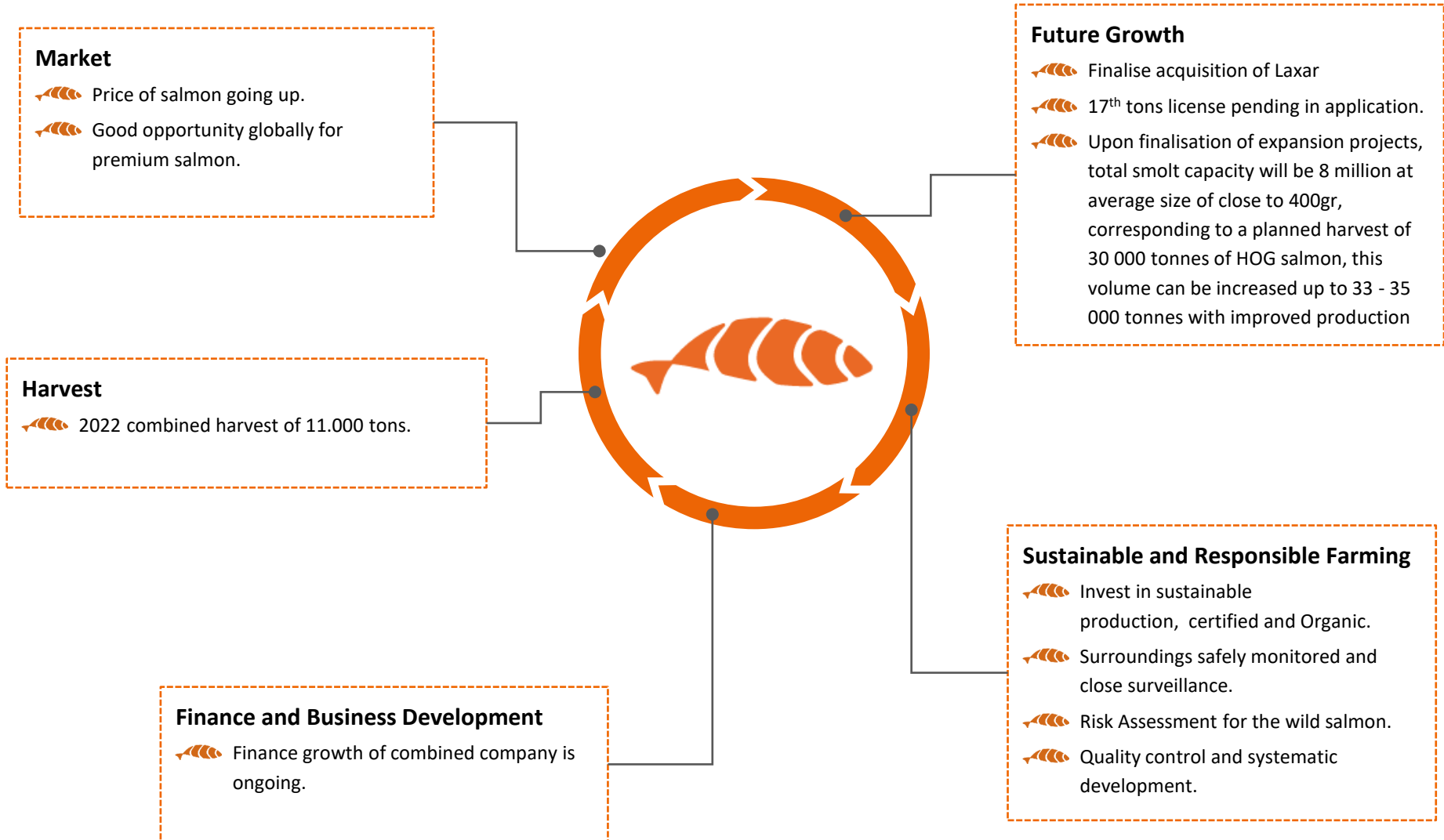




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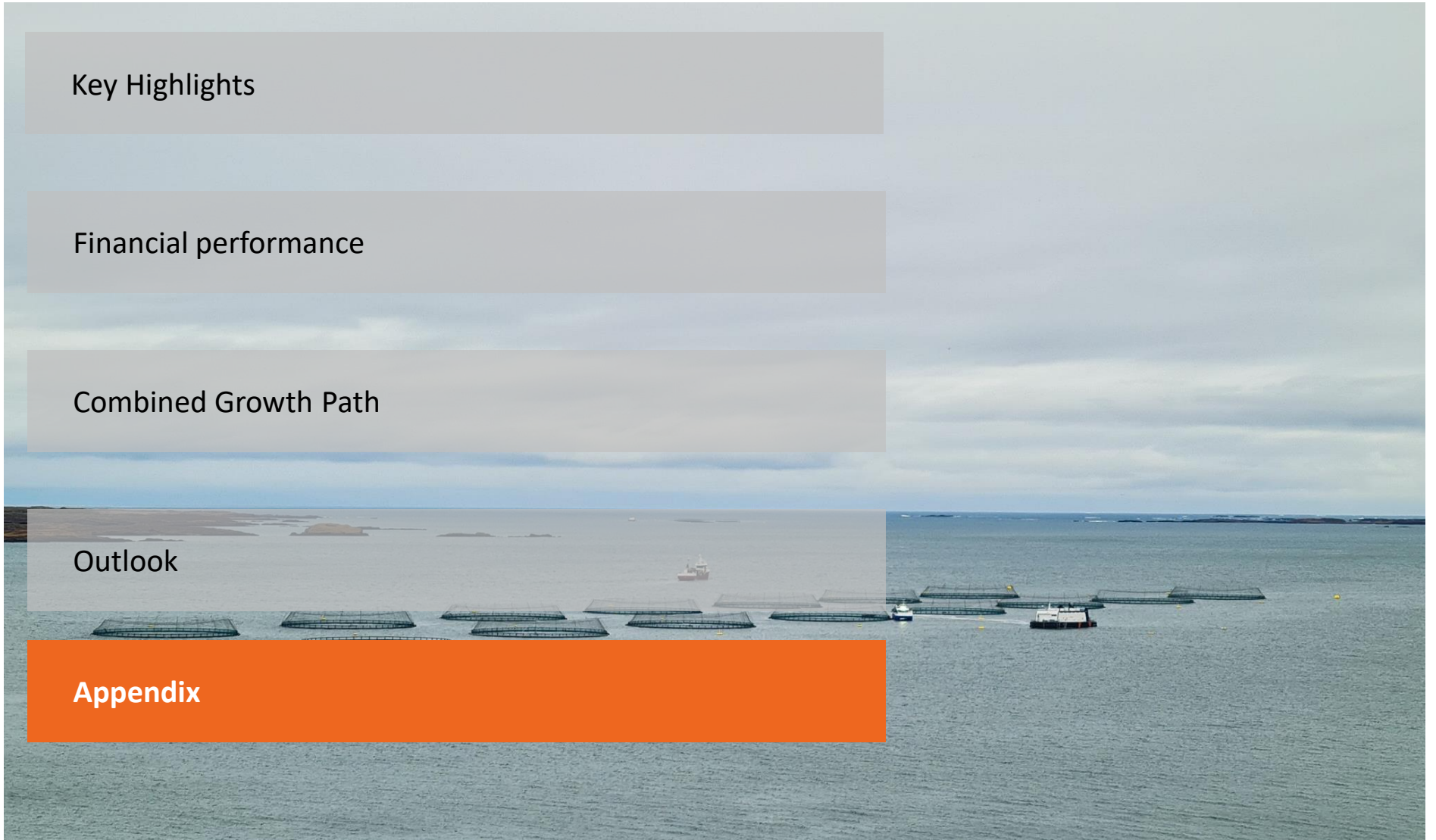
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Ice Fish Farm at a glance combined with Laxar

Key Highlights



100% control of Region

13 farming locations and 36,8th tons MAB licenses potential of reaching 71 th tons of MAB



14.878 tons

Harvested Volume in FY'21



Set for growth

7,6 million 330gr smolt output in 2022
180 employees



NOK 780 million

Total revenue in FY'21



State of the art equipment

New barges, boats, cages, smolt stations.

Established farming stronghold



3 Smolt stations
Total cubic over 50th
Capacity of 10M 400gr smolts.

- ★ Fjords with granted licenses
- Fjords will have granted license in 2022
- Fjords still waiting to get biomass measurements, before an auction process. ICE FISH FARM has active application on these sites, giving ICE FISH FARM advantage

Farming locations:

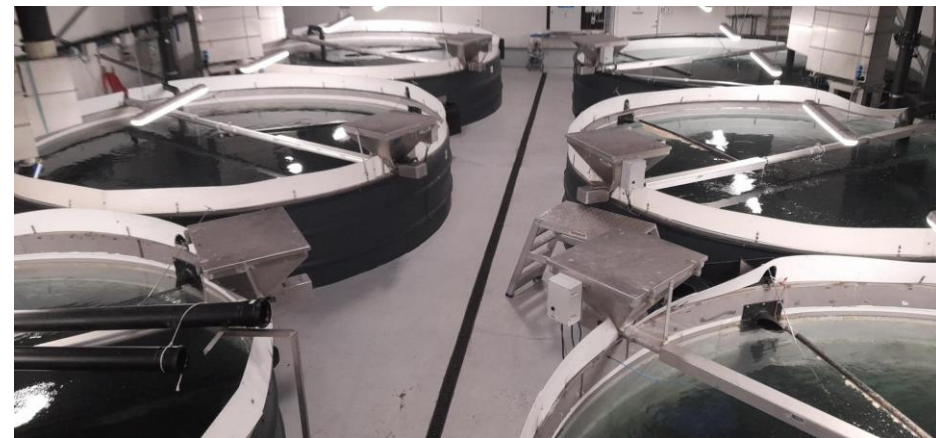
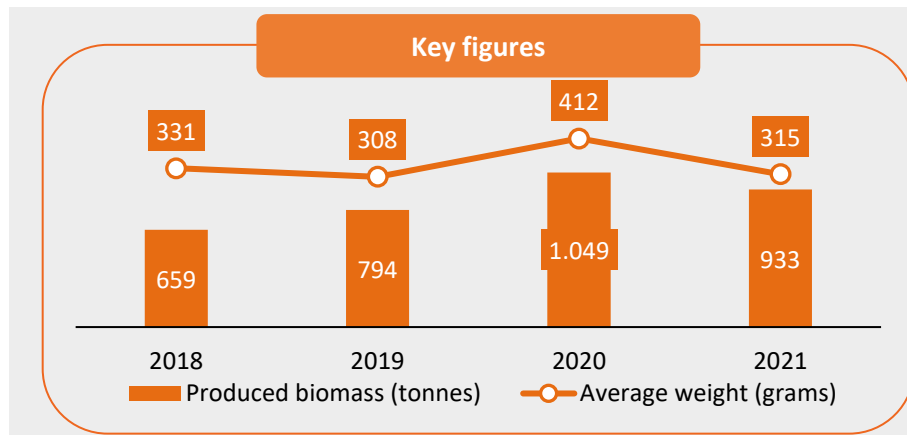


Laxabraut smolt station owned by Laxar

- 🐟 Huge capacity
 - 🐟 Over 30 thousand cubic of tank space.
- 🐟 Been in operation since 2017
 - 🐟 Delivered big smolts with average weigh of 318gr
- 🐟 Most likely biggest smolt station in the world
- 🐟 Possible to double production in future
- 🐟 Challenge has been sea transfer
 - 🐟 Good improvements between years
 - 🐟 In 2022 will use bigger specialized smolt transfer well boat
- 🐟 License of MAB 2.700 tons
- 🐟 400gr smolt saves 3-6 months production in sea vs 100gr smolt

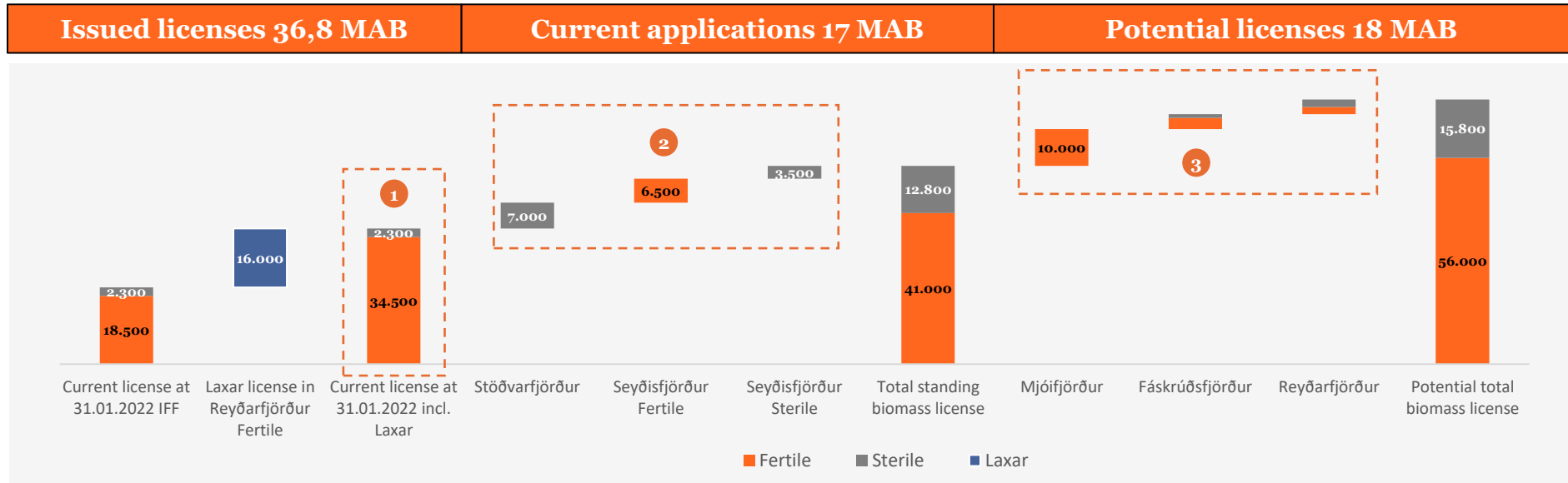


Huge tank capacity and possible to build more. Easy to build and not RAS needed..



Latest equipment to ensure good growth and stable production..

Licenses status with 71,8 MAB potential



1 Combined company total current licenses:

- ▶ Fertile license is now 34.500 tonnes.
- ▶ Sterile license is now 2.300 tonnes.

The 16.000 tonnes license in Reyðarfjörður held by Laxar means the merged company will have access to 3 fjords with 13 farming sites

2 Stöðvarfjörður: The National Planning Agency has published their opinion on environmental impact. UST and MAST have advertised proposals for licenses and the final licenses are expected to be issued this month.

Seyðisfjörður: Planning agency has given ruling and now the application is in process to issue the license.

3 Potentials of additional biomass in Fáskrúðsfjörður and Reyðarfjörður: According to a recent addition to the Marine Research Institute's risk assessment from June 2020 fertile biomass can be added to Fáskrúðsfjörður and Reyðarfjörður, given that minimum smolt size would be 400 gm. In total, added fertile biomass in the two fjords could be 5.000 tonnes.

3 The minister has ordered the Marine Research Institute to issue bearing capacity and risk assessment for Mjóifjörður. The allowed biomass in the fjord is then set to be auctioned.

Ice Fish Farm has previously submitted an evaluation report to the National Planning Agency and the report was approved by the agency in 2014. Later the laws were changed, discontinuing traditional application process and allowing the government to auction the fjord's biomass.

We have a reason to believe that the position of ICE FISH FARM will be strong when auction will take place due to our work on environmental report and general position in the East.

Steps for improved production in 2022

Smolt farming

- ▶ Ongoing investments for improved production and more capacity in all our smolt stations.
- ▶ Planned 7,6 million smolt average weight 330 grams in 2022 and increasing up to 8 million smolt with average weight 400 gr in 2023

Sea farming

- ▶ Production zones to lower risk
- ▶ Shorten time in sea with bigger smolts and right timing of smolt release and harvest
- ▶ Harmonize feeding, cage set up, density limits in farming at sea.
- ▶ Prepare for smolt output of 2022
- ▶ Postpone further production of sterile salmon
- ▶ Harvest site in Fáskrúðsfjörður to put out smolt in spring 2022.

Processing and distribution

- ▶ A box factory is being set up at Djúpvogur at Búlandstindur harvesting station and is estimated to be ready end of Q2 2022.
- ▶ Ongoing improvements.
- ▶ Already shown capacity of 120 tons per day, capable of 30th tons per year.

End customer

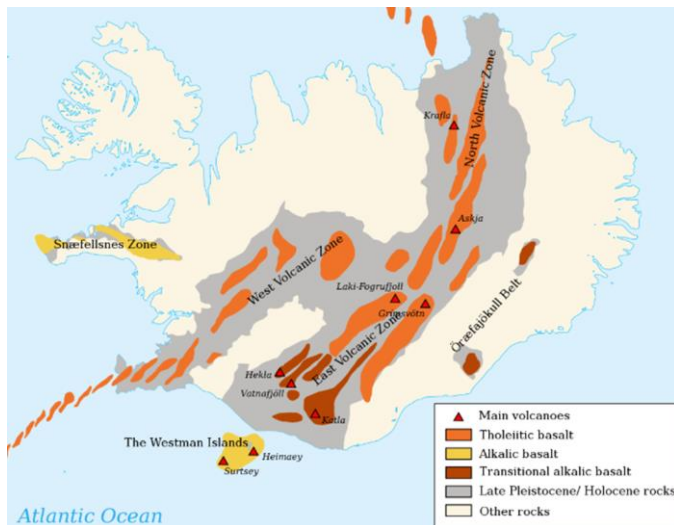
- ▶ Majority of harvest for Q1 is contracted for ICE FISH FARM.
- ▶ Contract for premium salmon from ICE FISH FARM for second half of 2022 have been achieved higher prices than in 2021.



Potential of 3.825 tons of big smolts

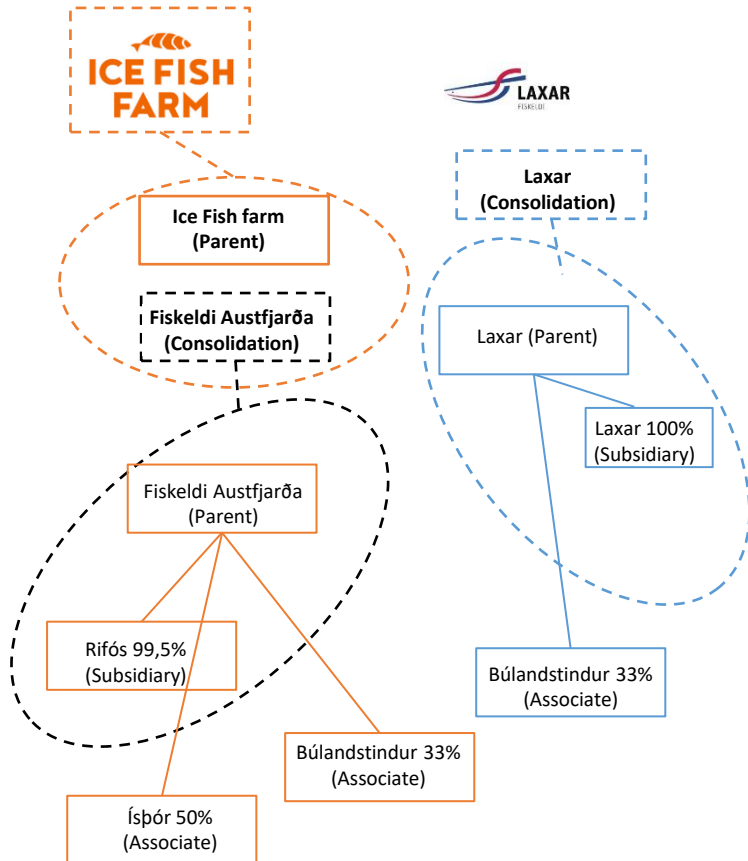
Smolt stations	Capacity of smolt per year (millions)	Size (grams)	Biomass delivered (tons)
Rifós and Kópasker	3-4	300-400	1.600
Laxabraut, Bakki and Fiskalón	3-4,5	300-400	1.600
Ísþór	2,5	150-250	625
Total	10,5	325	3.825

Smolt facilities locations built where we have access to hot fresh water and sea water - powered by thermal energy.

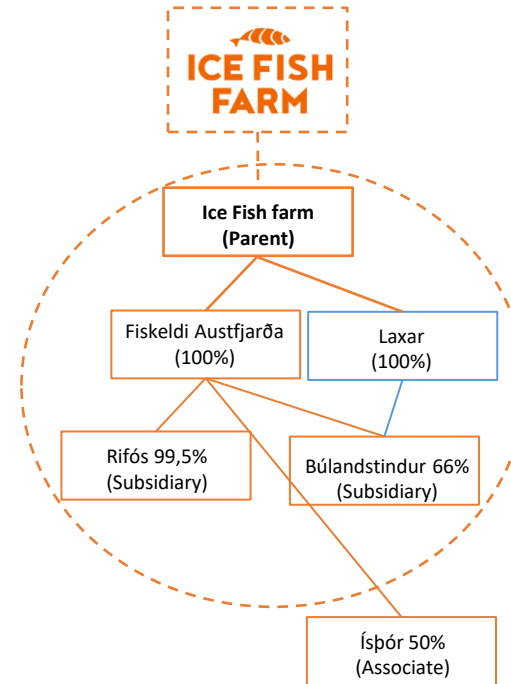


Structure of ICE FISH FARM

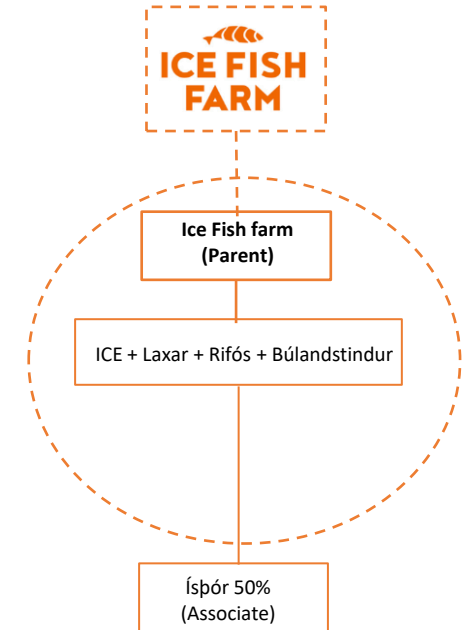
Current



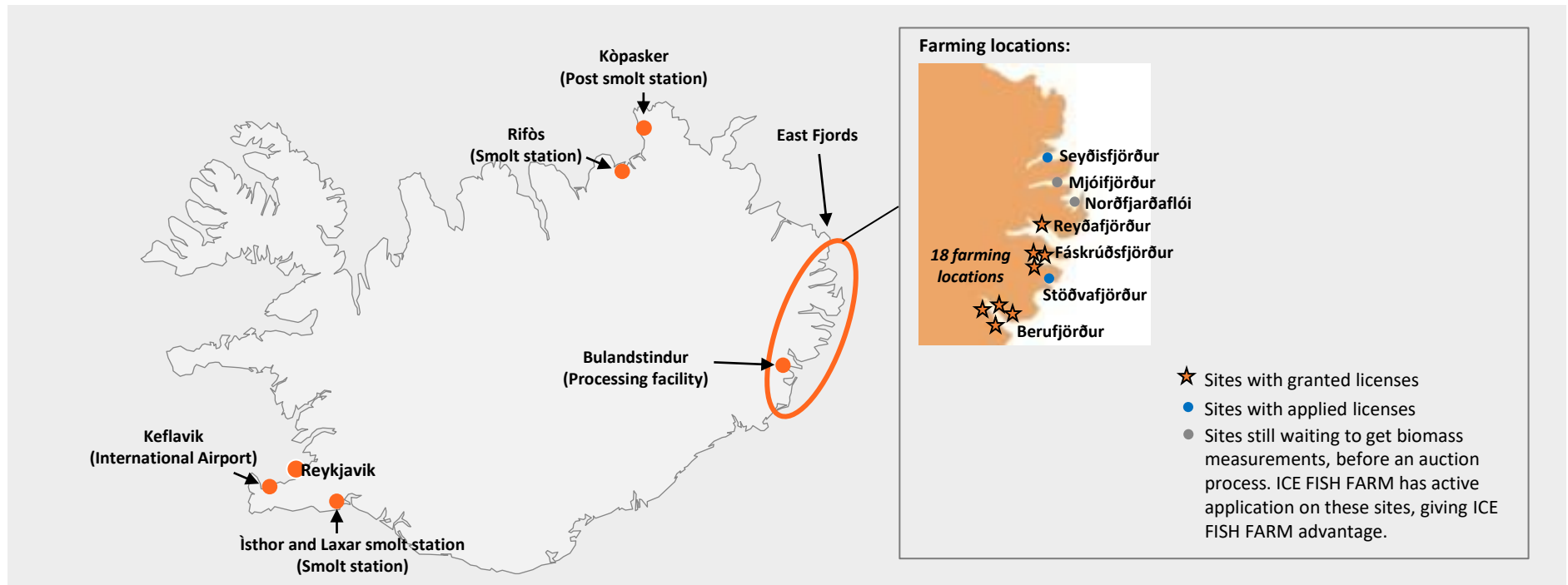
Interim




Merged



Risk diversion, smolt south and north, and spread farming over 18 locations



 ICELAND has approved bearing capacity of 144.500 tons.

 East Fjords have currently 62.000 tons and have fjords that have not been given capacity but expected to reach approximately total of 72.000 tons.

