



**Monthly Update – November 2021**  
December 6, 2021

# IMPORTANT INFORMATION

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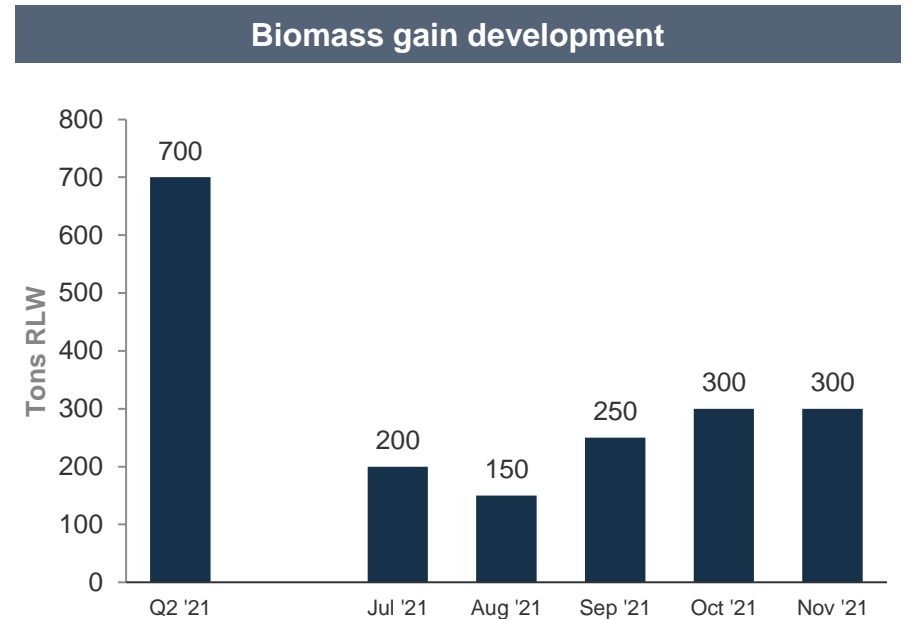


## Highlights of the month

- Overall biomass gain impacted negatively by the performance of the Initial Batches, while New Batches continue to perform excellently
- Elevated degree of maturation on Initial Batches
  - Higher share of downgrades at harvest expected through Q1 2022
- ~40% of the November biomass gain in the New Batches, despite only representing ~20% of the total standing biomass
- BI and BII were transferred and restocked in November, setting the stage for improved biomass gain in December

## Water quality

- Stable water quality and water temperatures



**Under Stable Conditions, Biomass Gain Is Increasing Steadily**

<sup>1</sup> Biomass gain: Estimated net change in standing biomass in the period, adjusted for actual harvest volumes. Includes any culling or mortality.

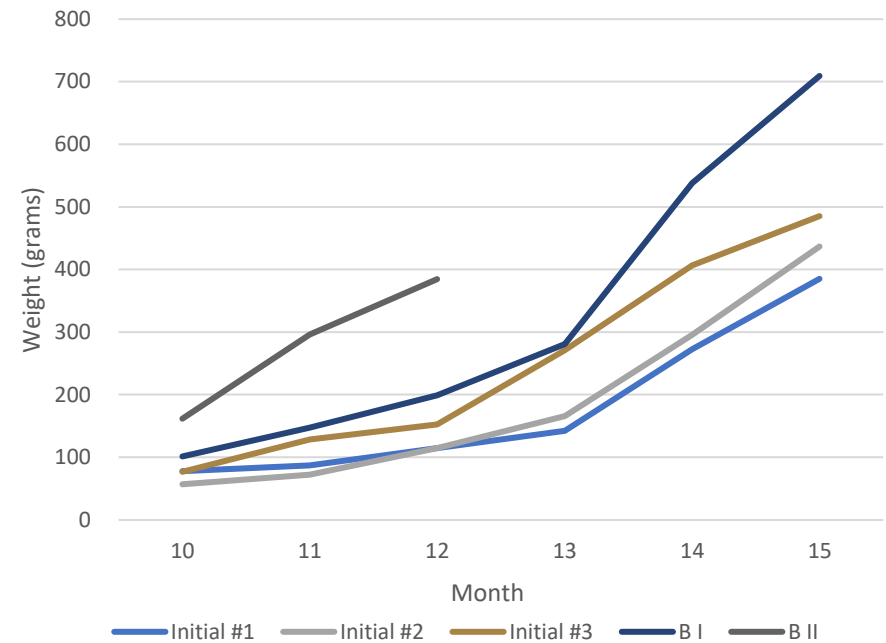




### US batches introduced from mid-2020 have had stable conditions and deliver excellent biological performance

- Phase 1 conditions stable after a long period of commissioning efforts and construction challenges
- Performance of New Batches is currently exceeding expectations

#### Biomass gain of Initial Batches vs. New Batches



Focus Is On The New Batches



## US standing biomass overview<sup>1</sup> as of November 30, 2021

Nov 30, 2021	Number	Average Weight (grams)	Standing Biomass (kg)	Quarter introduced in start-feed	Comment
Initial batches <sup>2</sup>	550k	3,100	1,705,000		Groups exposed to uneven and suboptimal conditions early in the cycle (chiller plant breakdown, key water treatment tools missing)
B I	415k	709	295,000	Q4 '20	Stable conditions in line with plan
B II	500k	384	192,000	Q1 '21	Stable conditions in line with plan
B III	375k	200	75,000	Q2 '21	Stable conditions in line with plan
Freshwater <sup>3</sup>	2,380k	20	47,000		Stable conditions in line with plan
<b>Total</b>	<b>4,220k</b>	<b>550</b>	<b>2,314,000</b>		

**The New Batches Will Contribute Increasingly To Total Biomass Gain**

<sup>1</sup> The biomass overview is based on management estimates, and may change based on counting and weight sampling

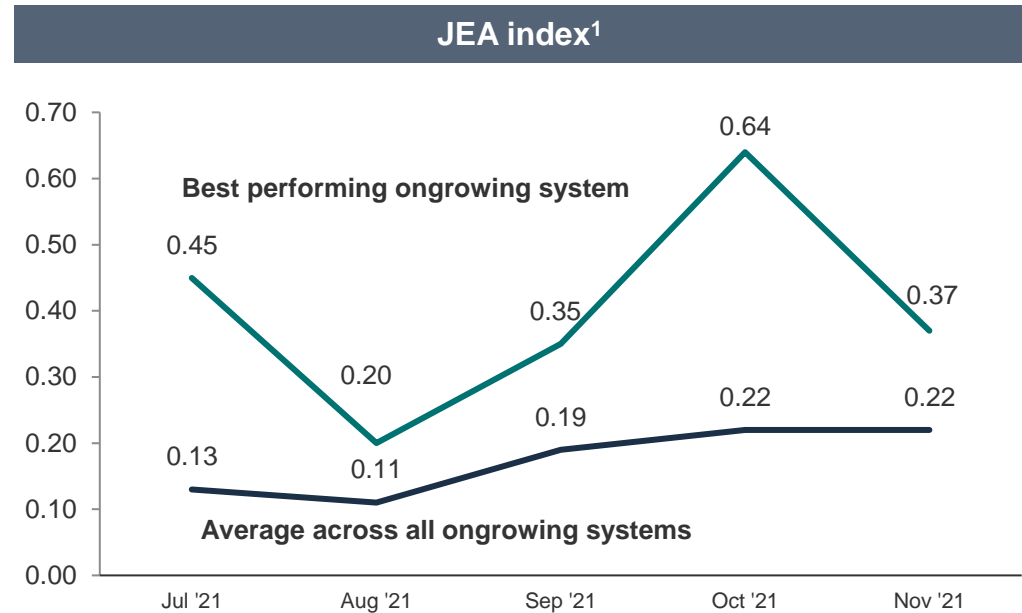
<sup>2</sup> Remaining batches introduced before mid-2020, that have not had stable conditions and therefore have mixed biological performance. To be harvested out by Q2 2022.

<sup>3</sup> Excludes eggs in the hatchery



## Comments

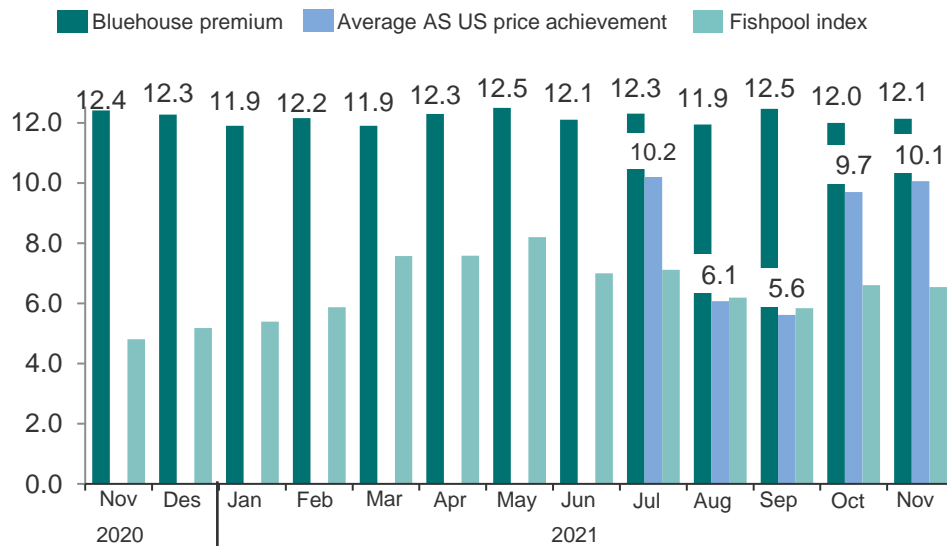
- Average JEA Index<sup>1</sup> reflects that ~50% of overall Phase 1 capacity is utilized
  - JEA Index will increase with growing biomass
- 12 identical saltwater on-growing systems
- Tracking the best performing on-growing system will provide early evidence of individual systems delivering the expected production capacity
- Budget JEA Index of 0.47 in Phase 1, which yields ~9,500t HOG of annual production



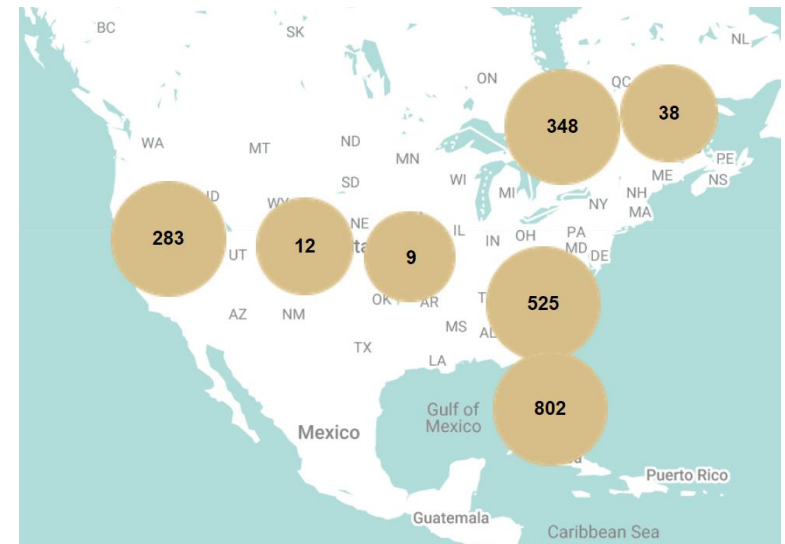
**JEA Index To Increase With Growing Biomass**

<sup>1</sup> Johan E. Andreassen (JEA) Index on operational performance based on management estimates: kg RLW biomass gain per m3 per day

**US price achievement – premium fish (superior, 3kg+) and average<sup>2</sup> – USD/kg RTF<sup>3</sup>**



**~2,000 locations carrying Bluehouse Salmon<sup>1</sup>**



**Consistently High Price Achievement For Premium Bluehouse Salmon**

<sup>1</sup> Bluehouse Salmon store locator is updated 'live' at [bluehousesalmon.com/where-to-buy/](https://bluehousesalmon.com/where-to-buy/)

<sup>2</sup> Aug '21 and Sep '21 average price achievement reflects ~50% of harvest volumes, the remaining ~50% is in inventory for new frozen and smoked programs and existing fresh programs, all expected to be sold at premium prices. The Aug '21 and Sep '21 average price achievement includes all early harvested fish from the 'LOX shortage harvest' that was sold at non-premium prices.

<sup>3</sup> Atlantic Sapphire 'Bluehouse premium' is superior, 3kg+ salmon on Return To Farm basis (excluding freight costs). Fishpool index price converted to USD using Norges Bank fx rates

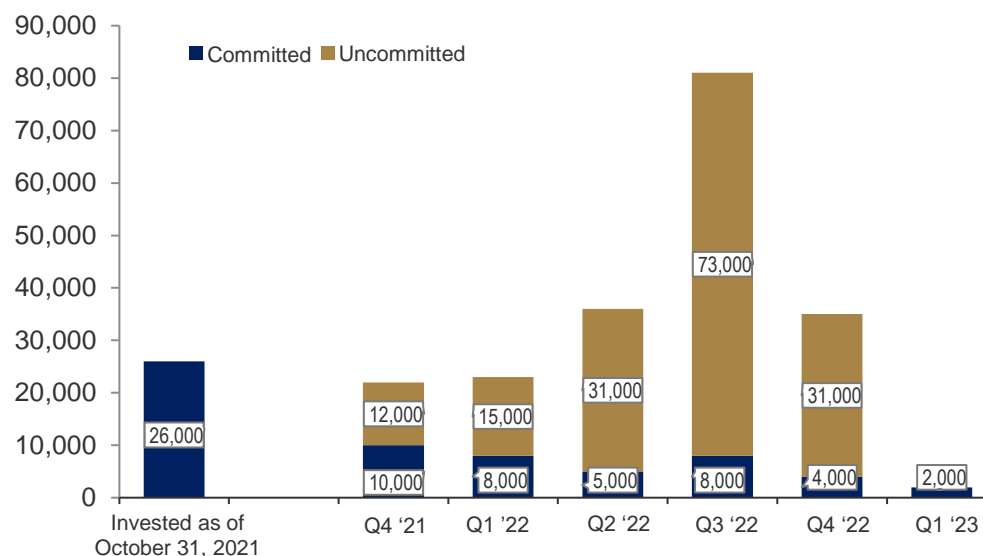
## Capex Status as of October 31, 2021

- \$225 million total budget
  - \$63 million committed, of which
    - \$26 million invested
    - \$37 million forecasted
  - \$162 million currently uncommitted
- Phase 2 construction capex and speed remains solely at the Company’s discretion until capex is committed

## Schedule of Estimated Project Completion

- Phase 2 construction progressing according to plan, expected to be ready for fish YE ‘22
- Forecasted amounts are based on expected cash flows from future bid packages

## Monthly capex spending and commitments (USD 1,000)



**Capex Spending May Be Adjusted To Secure Group Liquidity**





**Phase 2 Will Bring Total Annual Harvest Volume Capacity To 25,000t HOG**

## US offtake

- Stable price achievement expected on the premium fish going forward
- Higher percentage of downgrades and smaller sized fish expected to be harvested through Q1 2022, which will reduce average price achievement
- Bluehouse Smoked Salmon SKUs listed with UNFI, one of the largest natural food distributor to independent retailers in North America

## Other

- Initiated use of recycled and recyclable packaging as part of our mission to transition towards more sustainable alternatives throughout the value chain
- Conclusion on Denmark fire investigation expected by January 2022

