



NORDIC HALIBUT

Field-trip presentation

October 2023

Nordic Halibut at a glance

The leading producer of farmed Atlantic halibut since 1995



The leading producer of farmed Atlantic halibut



Fully integrated value chain from genetics to sales
- to be optimized with new facility in Tingvoll



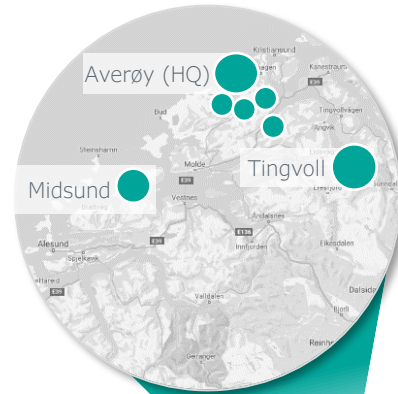
Dedicated broodstock program - currently in the 4th generation



De-risked production plan and visible growth towards 9k tonnes



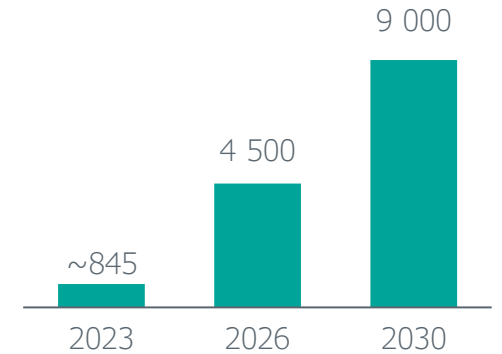
Management team with unparalleled aquaculture experience



Nordmøre

Askøy

Production plan
Tonnes (HOG)








Nordic Halibut is a sustainable producer contributing to a blue future

Product quality and fish welfare in focus

- ✓ Stress-free fish throughout life cycle
- ✓ No usage of antibiotics or chemicals
- ✓ Parasite and sea lice free
- ✓ Low heavy metals content
- ✓ 100% utilization of the fish

Minimal environmental impact

-  Contributor to avoid overfishing
-  Farming sites are reversible
-  Frequent testing of site conditions
-  Full value-chain control and transparency
-  No usage of chemicals for disinfection



Addressing several UN Sustainable Development Goals



Video of sites



Unique product with unique potential

Versatile and high value specie with huge market potential

Attributes with the specie and production

Versatile (raw or cooked)	Atlantic halibut is a very versatile specie that is suitable for all cooking techniques and most cuisines worldwide
Endangered	Listed as an endangered species by the IUCN. Debated whether the specie is being over exploited in Norway. Limited supply growth from wild catch longer-term
High value specie	Globally recognised as a high quality and high value specie. One of the most expensive flatfish species in the world
Healthy	Atlantic halibut is rich in protein, selenium, Vitamin B12, Vitamin D, niacin, phosphorus and Omega fatty acids. Lean fish - only 2% fat
Consistent quality	Controlled production enables product quality
Traceability	Vertical integration provides full traceability from egg to plate
Security of supply	Provides visibility and security in supply to customers

Versatility in cooking



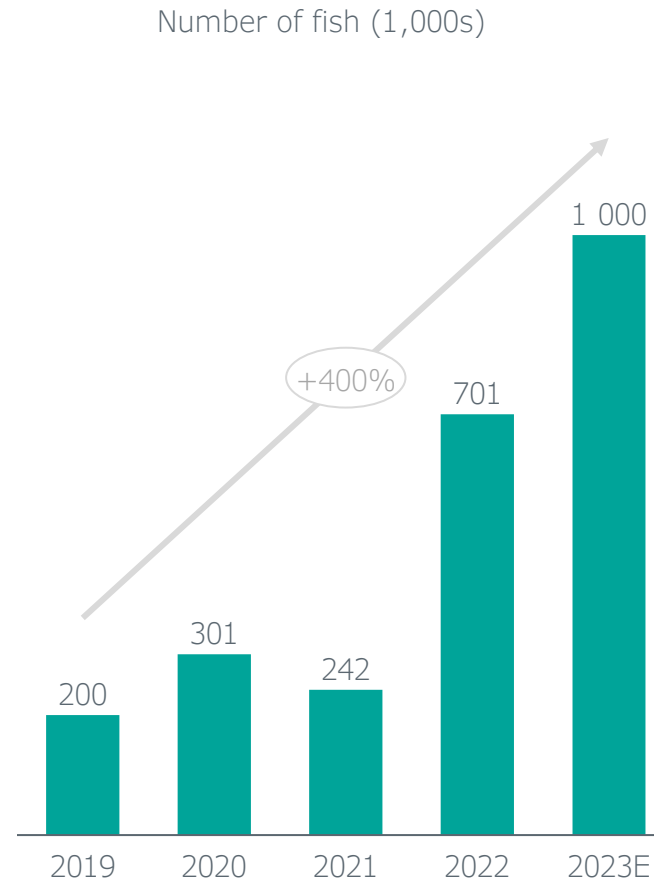
Targeting Michelin restaurants, high-end restaurants and retailers

Proven farming concept ready to scale

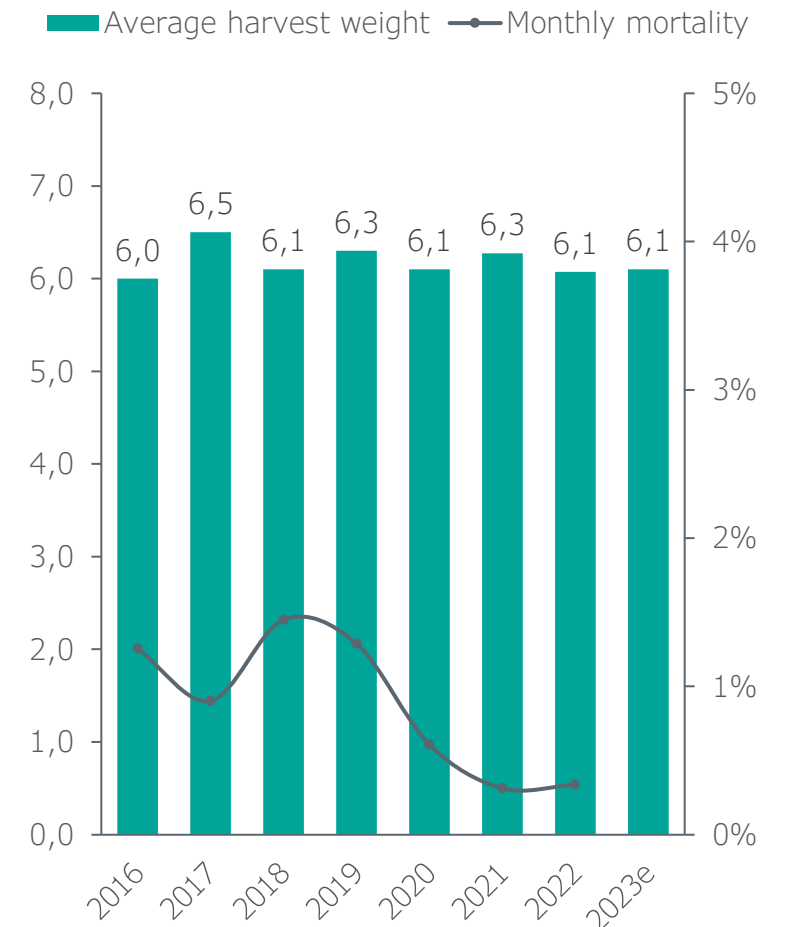
Optimized production setup



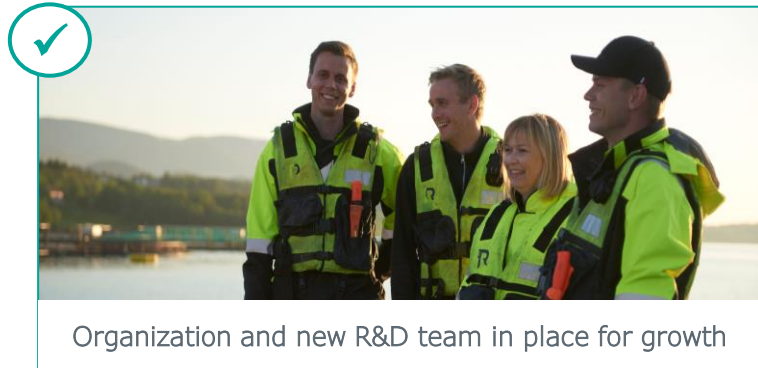
Significant increase in fish put to sea



Stable production and low mortality

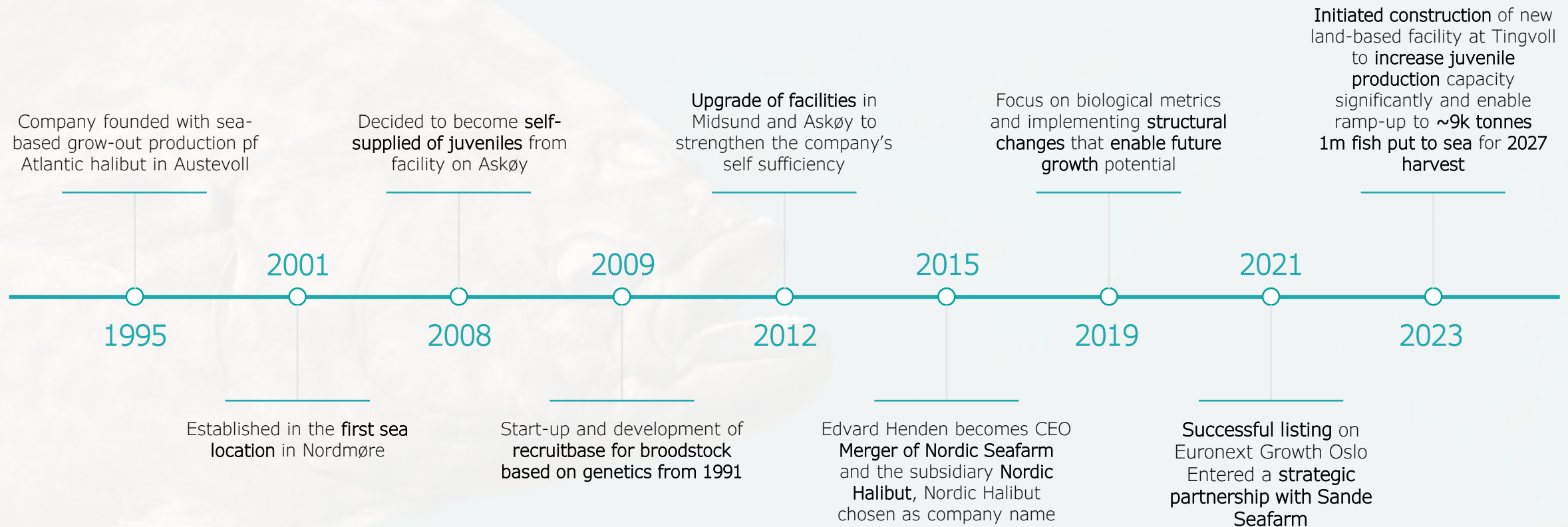


Several important milestones reached since 2021 placement



Next step *EBITDA positive NTM due to proven concept, driven by economies of scale and strong financials*

Unique competitive advantage producing halibut since 1995



Robust value chain in place for growth phase 1

Building internal capacity to put 2 million fish to sea per year for growth phase 2



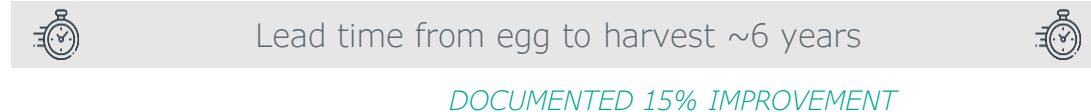
Started to build a value chain with integrated production buffers to ensure stable volumes

30 years of R&D resulting in a dedicated broodstock program and lasting competitive advantage

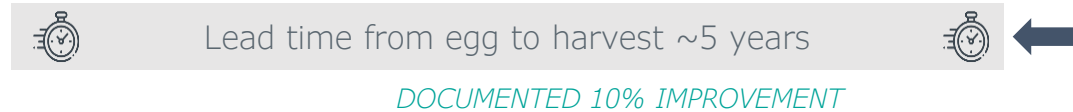
Improving growth rates & reducing lead time by domesticating halibut generation



Wild fish generation

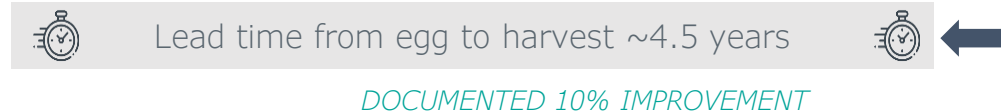


2nd generation



3rd generation

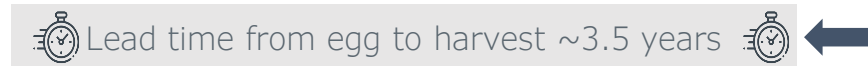
Nordic Halibut currently used in estimates



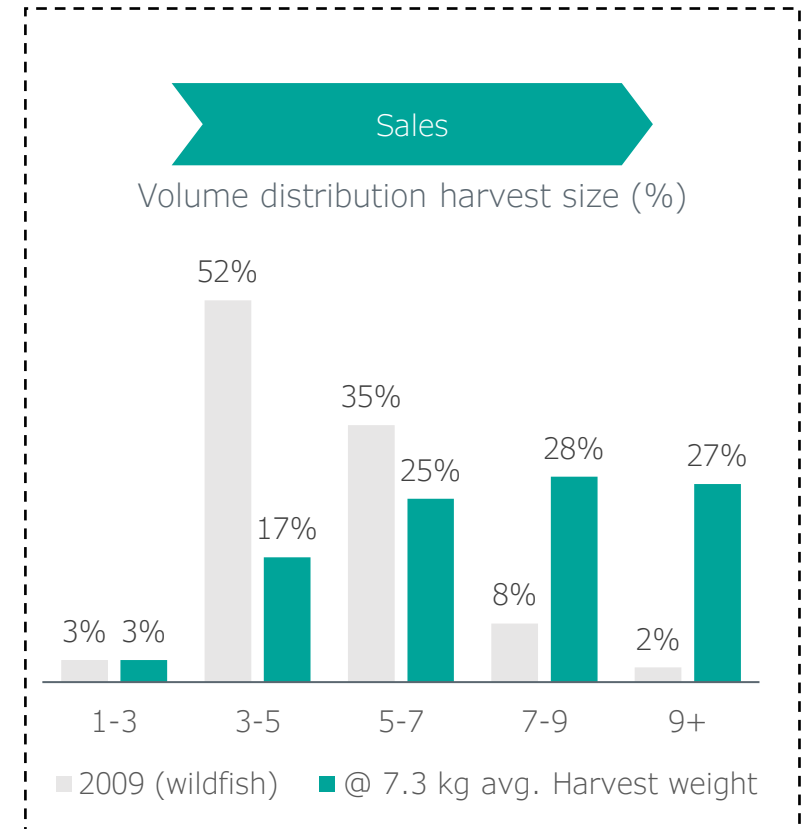
4th generation



Future generations



Stable production of halibut above 5 kg

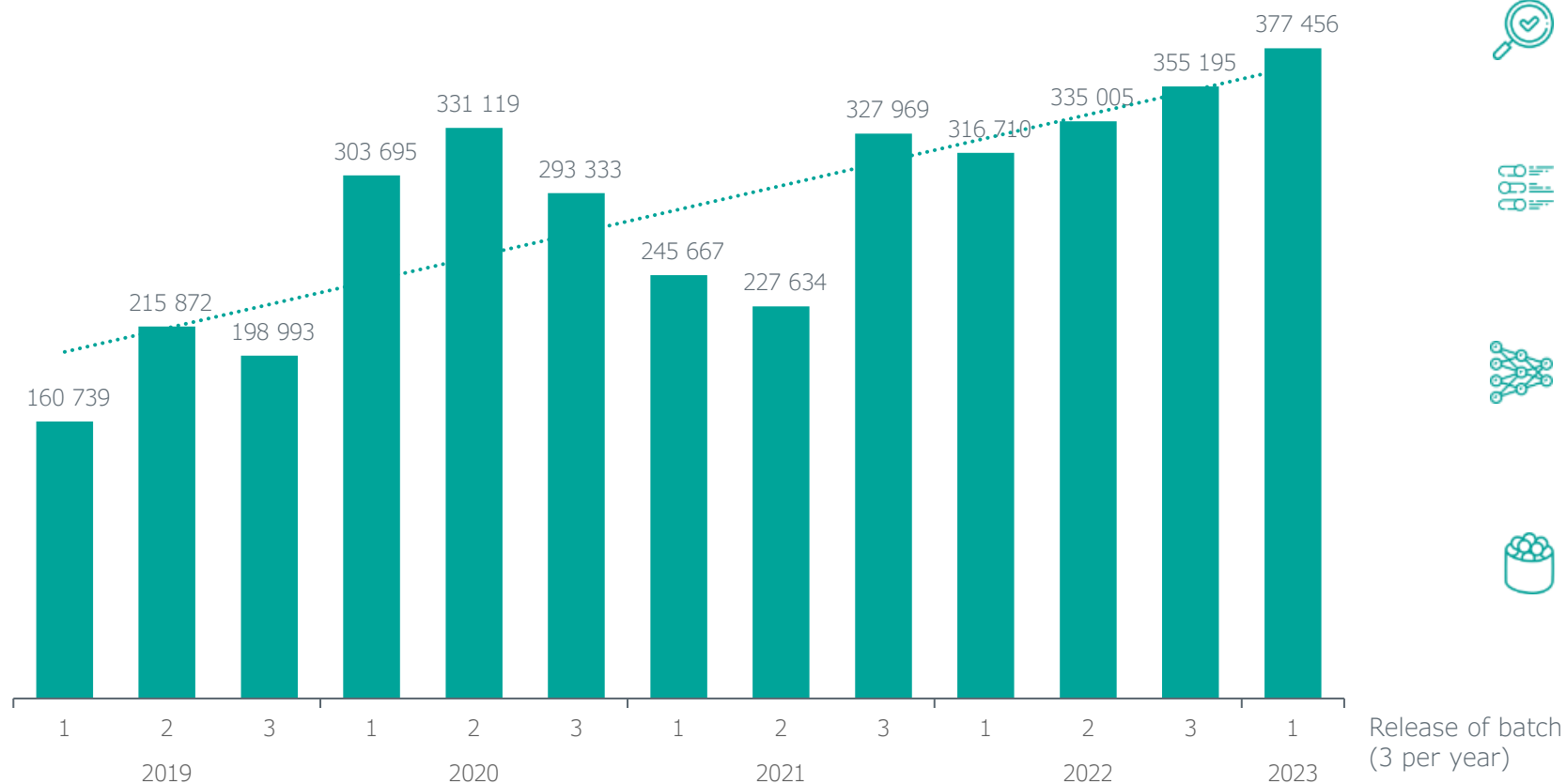


Nordic Halibut is now producing roe from the 4th generation and are expecting to see significant improvements in growth rate and lead time

Stable and predictable production of juveniles enables significant growth

Juvenile production development

Number of fish delivered



Key takeaways



New quality regime in early phase production has resulted in considerable improvements in juvenile production



Stability and predictability in roe and fingerling production a prerequisite for optimal unit utilization and scaled production



Self developed algorithm that structures and optimizes roe production based on ovulation rhythms

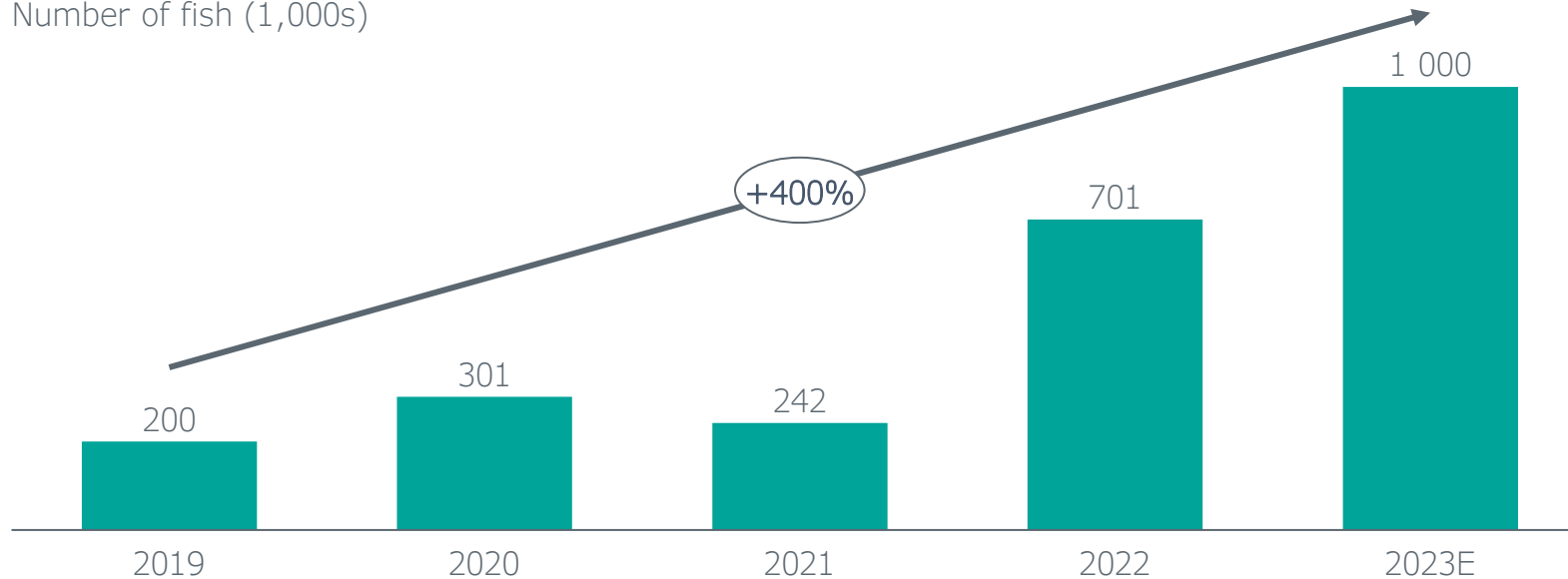


Advancement in broodstock generations yielding higher quality roe enabling stricter quality selection

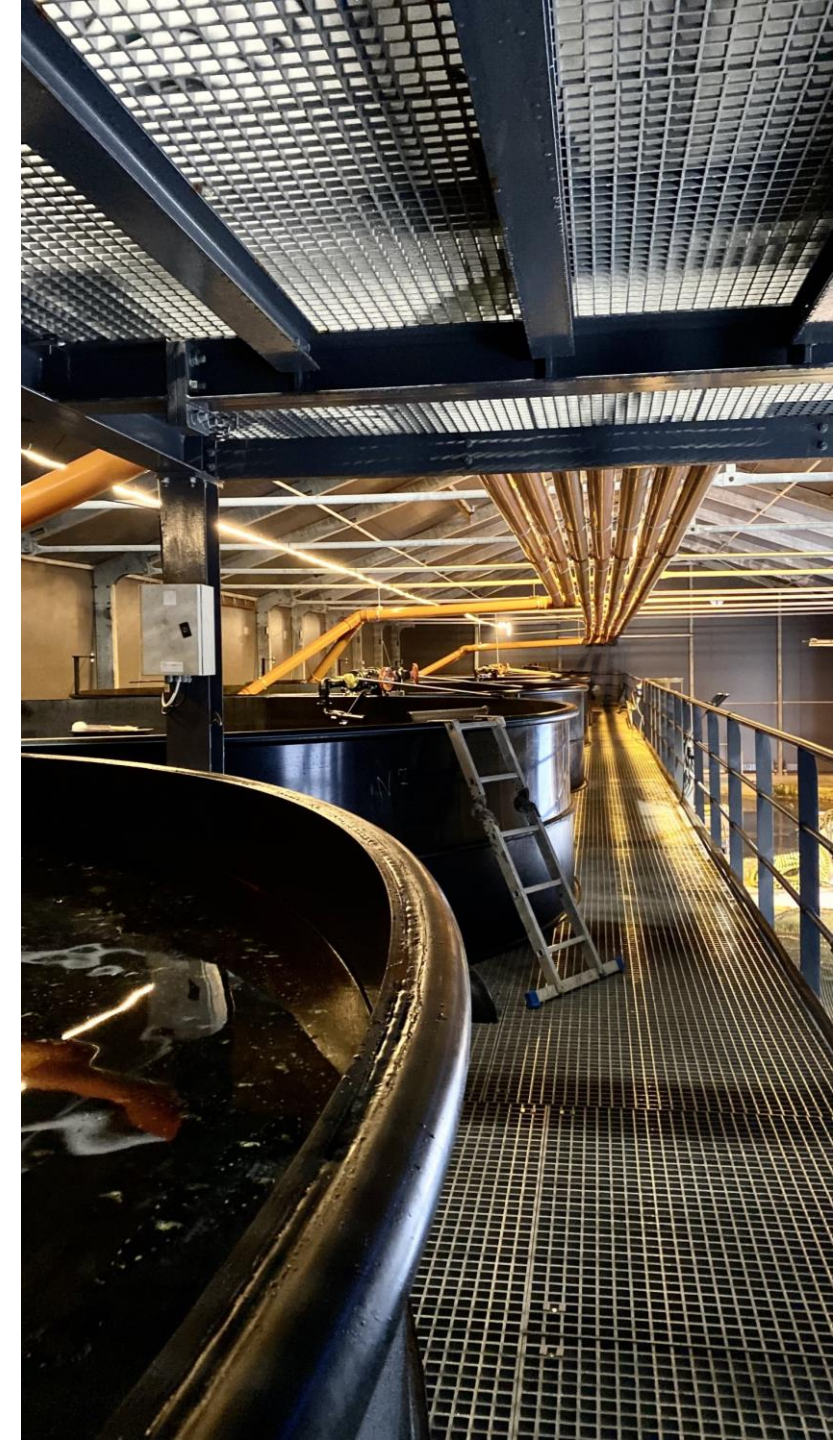
Strong set-up in on-growing facilities yielding higher number of fish

Significant increase in fish put to sea

Number of fish (1,000s)



- Invested in the Averøy facility during 2021-2023 to improve water quality, capacity and enable regulated temperatures
- More robust fish, increased biological performance and improved growth-rates
- Ongoing production cycles indicate reduced lead-time in on-growing phase
- New set-up at Averøy functioning as pilot for the new full-scale facility at Tingvoll – reducing risk



Proof-of-concept in 160-meter cages

All sites located in Nordmøre



Ørjavik
1,500 tonnes capacity



Krekvikbogen
1,500 tonnes capacity



Grønset
3,000 tonnes capacity

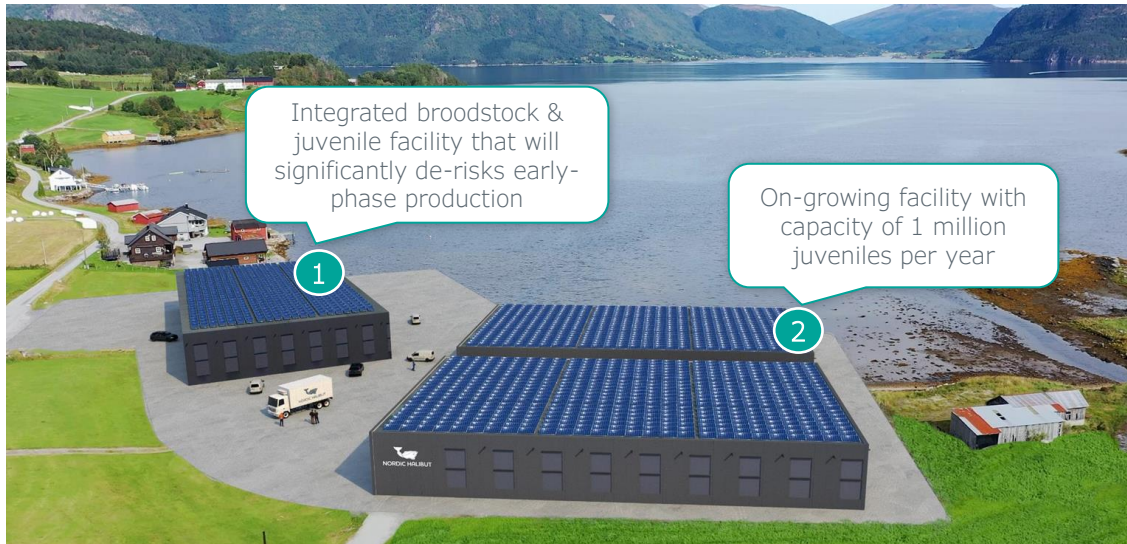


Batnfjorden
3,000 tonnes capacity

New land-based facility enable volume ramp-up to ~9k tonnes

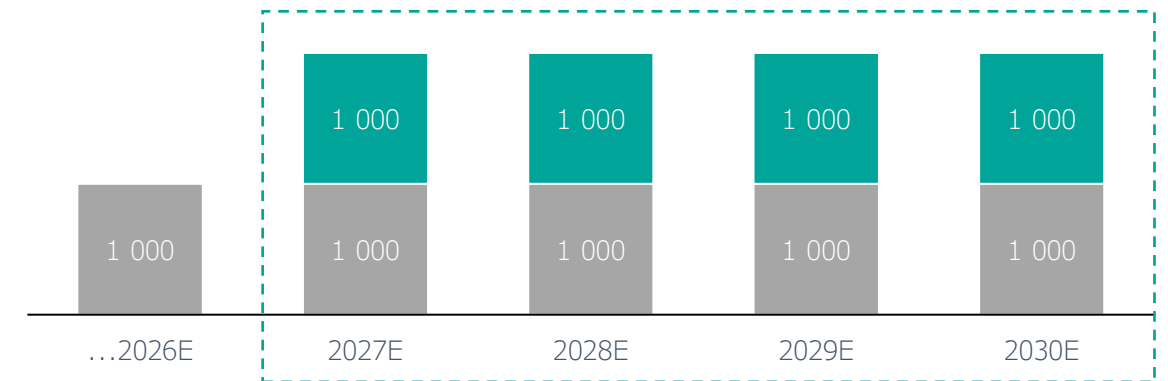
Approval in place – construction initiated in August 2023

New land-based facility in Tingvoll



Juvenile production volumes

Number of fish (1,000s) ■ New volume ■ Existing volume



Strategically located in NOHAL core production hub in Nordmøre enabling growth phase #2 capacity for 9.000 tonnes HOG



Proven technology and based on a 100% flow-through system yielding low kwh/kg



Fit-for-purpose and designed for halibut farming specifically – improved results demonstrated with pilot at Averøy facility

Building a fully integrated HUB in Nordmøre

Strategically located in the natural habitat of the Atlantic Halibut



Operational synergies

- New centralized value chain within 2 hours enabling for optimal utilization of available resources throughout organization
- Close collaboration throughout value chain enabling for industrial synergies and more flexibility in operations



Marketing synergies

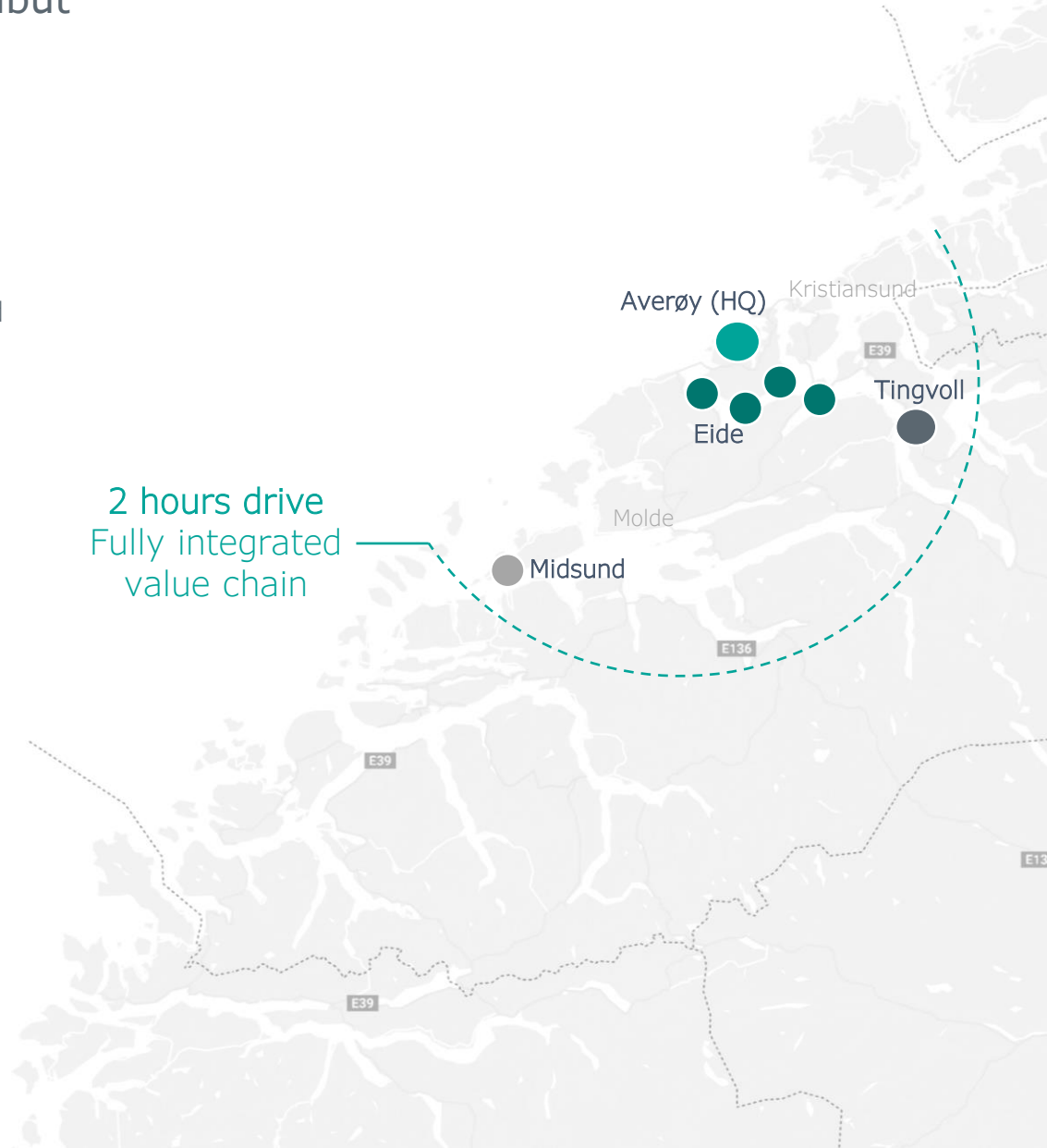
- Local HUB enabling for further improvements on product quality and more focus on branding going forward
- Building a brand from a local and sustainable producer yielding higher willingness to pay among customers



Local value creation

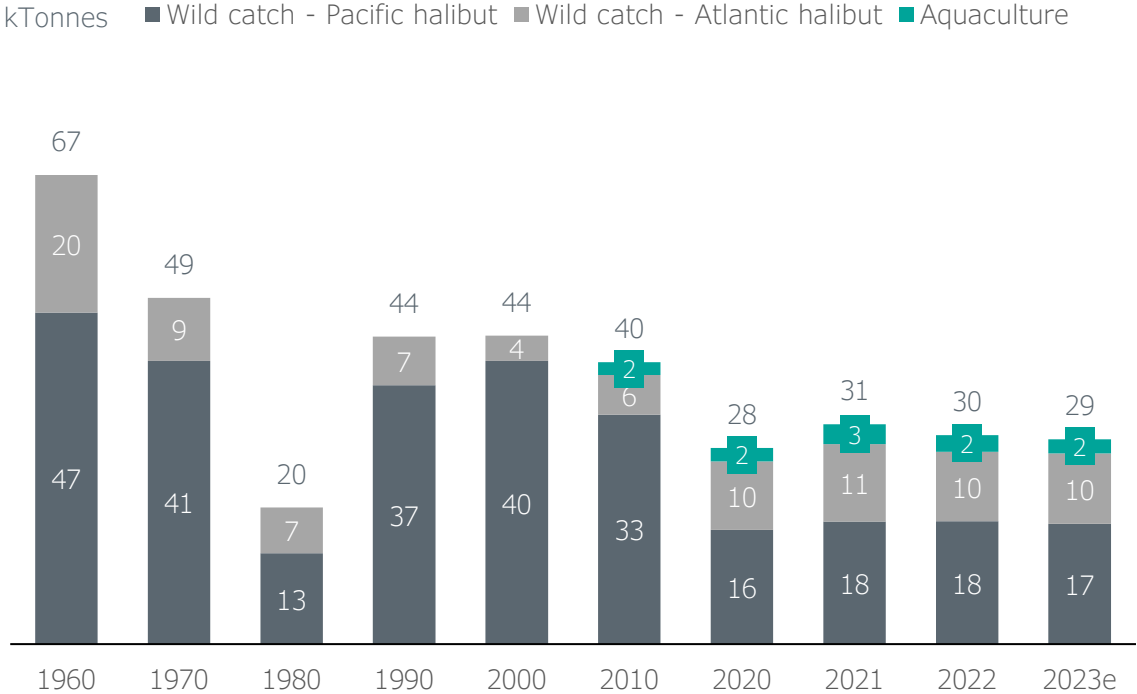
- Strong support from municipalities to building a local HUB
- Reputational benefits and local support for facilitation on further growth

2 hours drive
Fully integrated
value chain



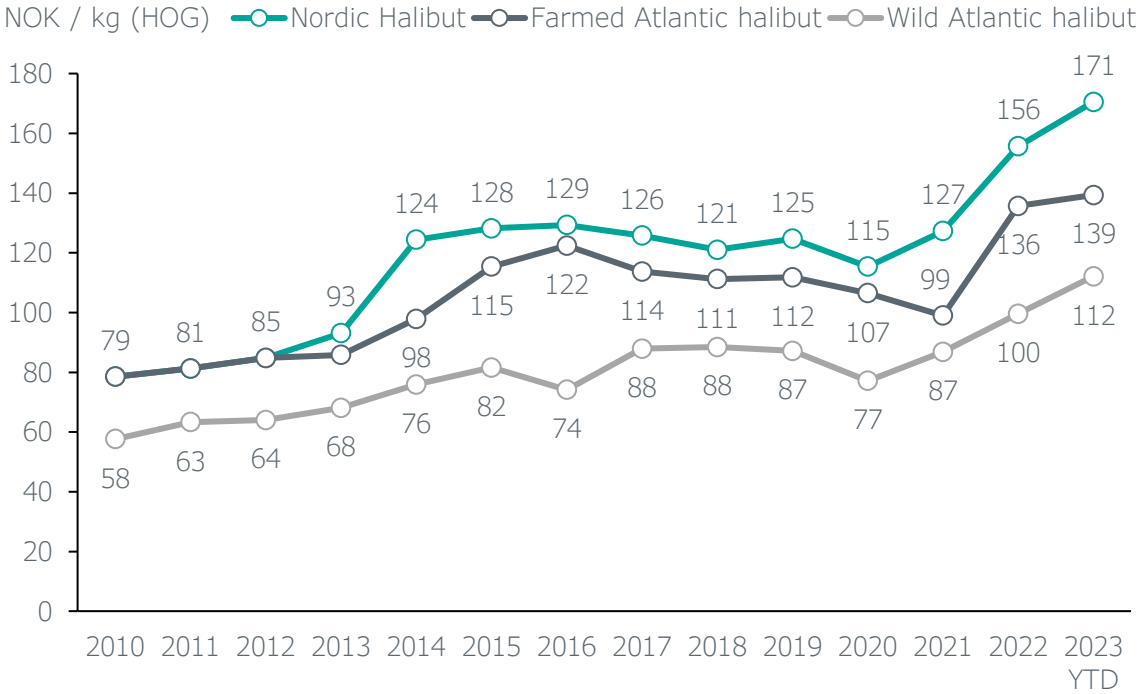
Halibut supply hampered by limited wild catch quotas – farmed halibut represents growth potential

Limited supply from unsustainable wild catches



- Wild catch volumes of halibut considerably hampered by limited quotas set to prevent continuous overfishing of the species stocks in both the Atlantic and the Pacific
- Strong demand for high quality whitefish products opens significant growth potential for the halibut farming industry

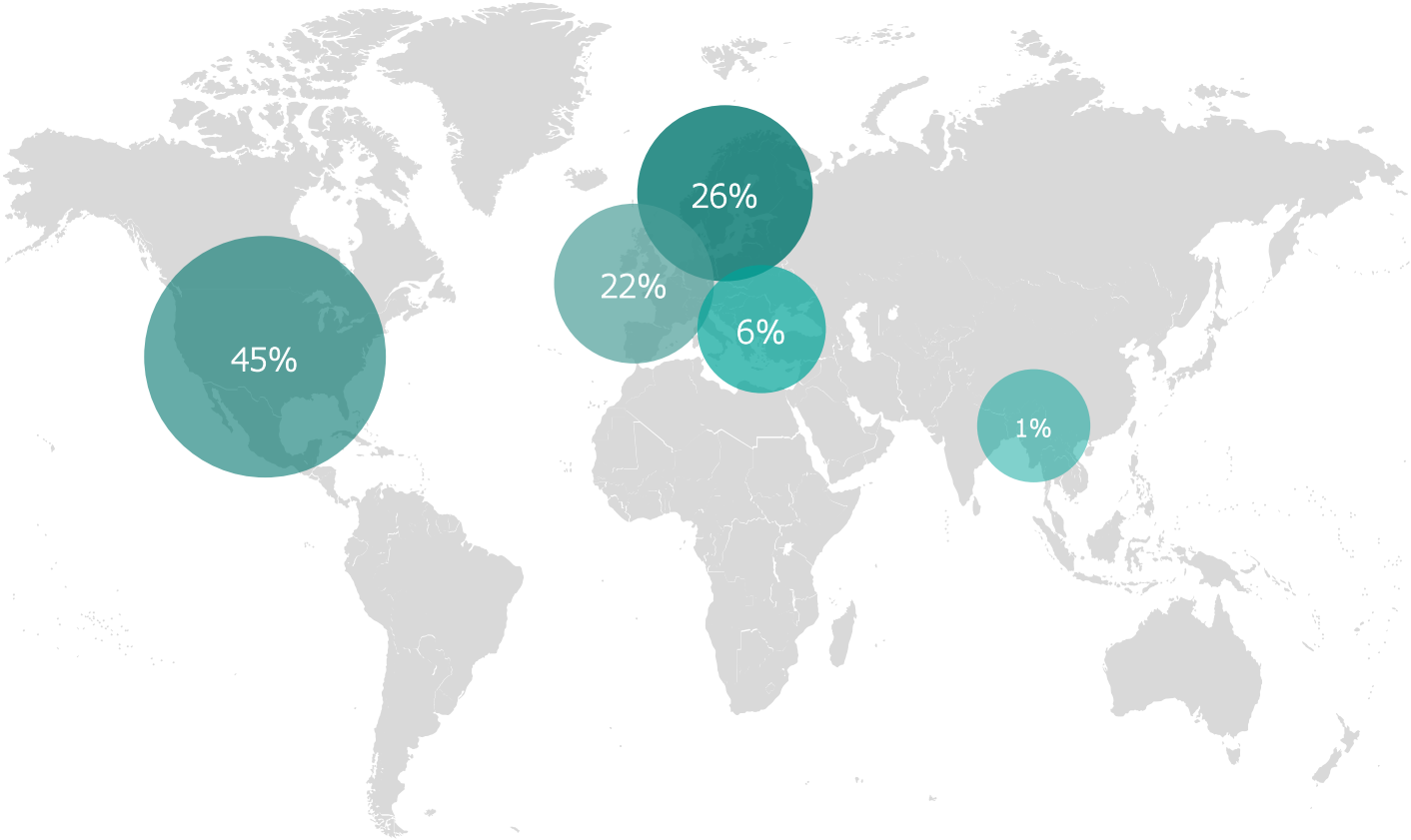
Farmed Halibut demands consistent export price premium



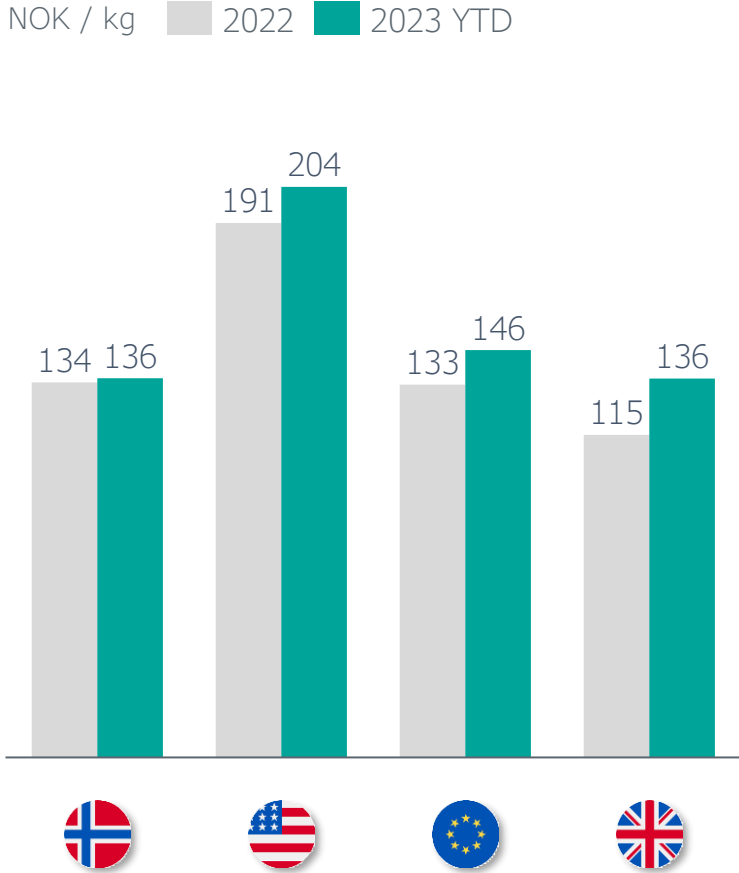
- Farmed halibut demands consistent price premium compared to wild caught halibut due to predictable supply of higher quality products
- Nordic Halibut have achieved additional price premium on other farmed halibut with higher distribution of large-sized fish

Increasing demand and willingness to pay in core markets

Revenue split per region
(% of 2022 sales)



Average sales price per region
NOK / kg



Farmed Atlantic halibut has unique attributes that perfectly suites premium VAP production

A high value specie suited for VAP



Fantastic nutritional profile, low-fat and high protein content



Strong VAP-potential with a filet yield of 65%



Minimal waste – up to 100% utilization of the fish



Size distribution well suited for VAP

Product innovation concepts

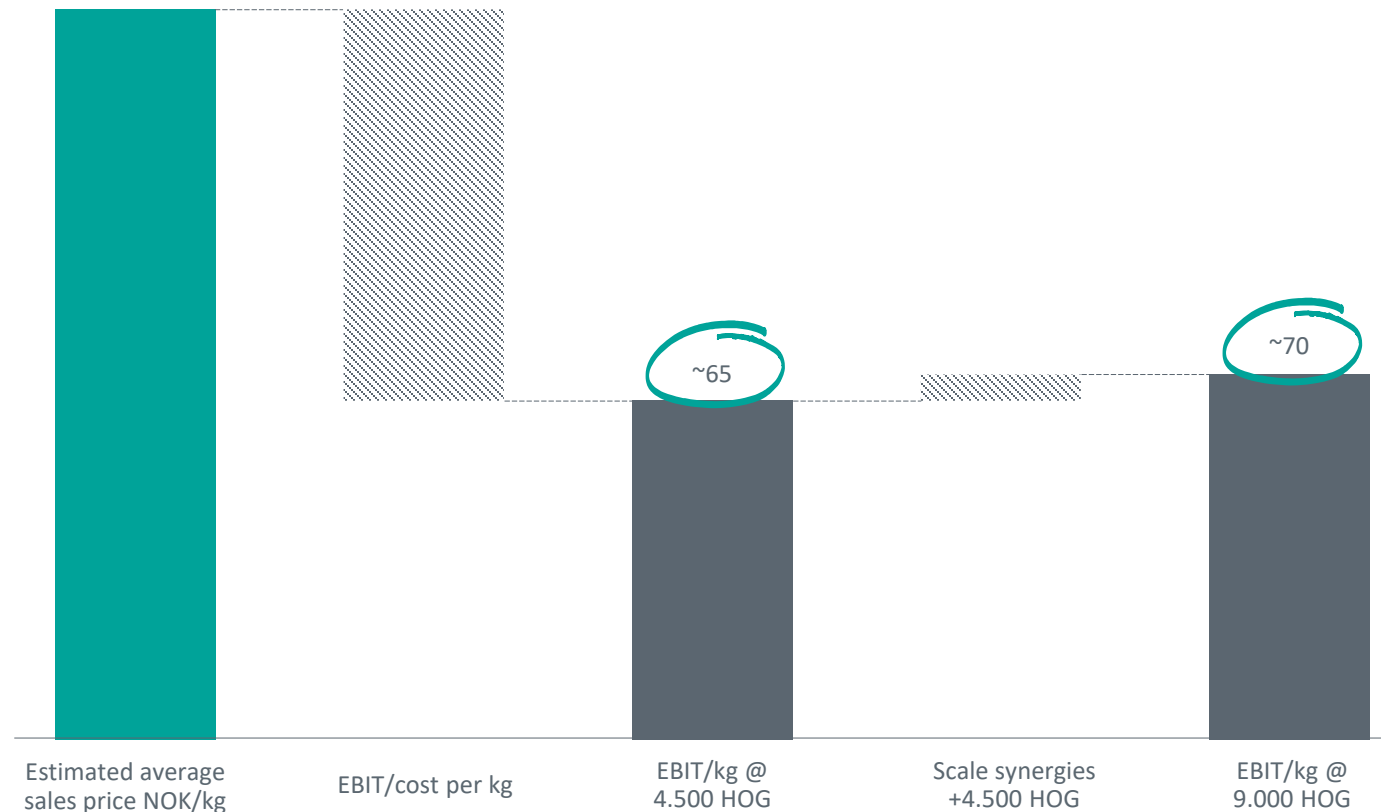


Nordic Halibut plans to build a full in-house VAP solution and a local brand of farmed Halibut from Averøy

Unprecedented margin potential at run-rate production volumes

EBIT development

NOK / kg



Comments

- Farming of Halibut is a volume game yielding significant EBIT/kg margins once produced at larger scale
- 4th generation improvements represents further upside potential once ready for harvest – promising results registered during 2022/2023
- Potential for additional margin contribution when penetrating retail/HORECA with premium VAP

Farmed halibut provides attractive financials

Differentiates from other species with better prices, margins and capex

Relevant financials

NOK	Halibut	Salmon	Cod
Filet yield	65%	55%	35%
Avg. lead time months	54.0	30.0	36.0
FCR	1.6	1.3	1.1
FCR / kg premium product	2.5	2.4	3.1
Est. EBIT/kg HOG	65.0	21.9	11.0
EBIT / kg HOG / month ¹	1.2	0.7	0.3

Strong management team with over 100 years of relevant experience from the seafood industry

Administration



Edvard Henden | Chief Executive Officer (CEO)

More than 30 years' experience of management and operations within the seafood industry and more than 25 years' experience from halibut farming. Was Production Manager in Nordic Halibut from 1995, before he became CEO in 2015.



Ann Kristin Fladset | Chief Operational Officer (COO)

Started in Nordic Halibut in 1996 and has been responsible for the development and implementation of several operational change processes related to quality, HSE, IT and construction projects. Educated as Food Technologist.



Dag Otterlei | Sales Manager

Sales Manager in Nordic Halibut since 2004 with extensive experience within the halibut market. Previous experience from the seafood industry as operations manager and from salmon sales/trading in Rolf Olsen AS and Seaborn AS. Educated as Fisheries Candidate.



Kenneth Meyer | Chief Financial Officer (CFO)

Experience from food production and as seafood analyst for Kontali Analyse. Has covered a large range of segments within the seafood industry during his time at Kontali and has since 2021 served as CFO for Nordic Halibut. Holds a MSc in economics and administration.



Torill Fladvad | R&D Manager Biology

Torill holds a MSc in Molecular biology and a PhD in Molecular medicine. She has experience from several positions within the seafood industry and has through more than 5 years served as QA Manager and R&D project manager at GC Rieber.



Susanne Mari Brevik | Quality Manager

Susanne has wide experience from quality work within food safety, HSE and sustainability. Her experience also includes responsibilities for ESG and as Industrial Safety Manager. She holds a degree in food science and - technology.

Operation managers



Steinar Bårdsnes | Operations Manager Midsund

Steinar holds a BSc in Industrial Plumbing and a Master's degree in aquaculture and seafood. Previously worked for VARD Langsten. Has worked in Nordic Halibut since 2020.



Jørgen Sørvik | Operations Manager Eide

Jørgen is educated in Process Techniques. He has a background as a process technician from Skretting. Has worked in Nordic Halibut since 2019, being responsible for sea operations for more than 2 years.



Lasse Langhelle | Operations Manager Askøy

Lasse holds several certificates and courses in aquaculture and quality control. Extensive experience from more than 20 years of employment in the aquaculture industry. Has worked in with roe and juvenile production in Nordic Halibut for 8 years.



Mari Takle Thomassen | Operations Manager Averøy

Mari is educated in Process Techniques in addition to education in pedagogy. She has a background as a process technician and quality coordinator from Skretting, and an operations technician at Lerøy. Served as operations manager at the on-growing site at Averøy since 2020.

BoD with vast industrial and financial experience

Unique network and seafood competence



Vegard Gjerde | Chairman of the Board

Vegard is an investment professional in Kontrari AS, representing Frode Teigen in numerous boards, both as a director and as a board observer. His previous experience include working as a strategic and financial management consultant in Deloitte Consulting. Vegard holds an MSc in Finance from the Norwegian School of Economics (NHH).



Tore Hopen | Member of the Board

Tore is CEO of Farvatn private equity. He has previous experience as head of Corporate Finance in Handelsbanken, CEO in SEB Private Banking, CFO in Storebrand Bank, partner in Jarlsberg partners and associate experience from JP Morgan. Tore is educated in the Royal Norwegian Naval Academy and holds an MBA from RSM Erasmus University.



Aino Olaisen | Member of the Board

Aino has extensive experience from the seafood industry from Nova Sea. She has been the CEO of Nova Sea since 2011 and is the Chairman of the Board in Nova Sea. She has also board member experience from Norges Sjømatråd, Pactum, Redox and advisor to Bluefront Equity. She holds a BSc in from Norges Fiskerihøgskole and Executive Board Programme from Insead.



Jan Erik Sivertsen | Member of the Board

Jan Erik is the CEO of Kontrari AS, representing Frode Teigen in numerous boards, both as an director and as a board observer. His previous experience include working as an auditor from 1996 to 2007 and as a CFO in BG Group from 2007-2011, before joining Kontrari as the CEO in 2011. Jan Erik holds a master in finance and accounting from UiA.



Øyvind Schanke | Member of the Board

Øyvind is CIO for TD Veen, which holds investments in companies such as Pexip, House of Control and Norselab. He has board experience from Oslo Børs, Centevo and First Fondene. Øyvind was the previous CEO in Skagen Fondene and has worked more than 15 years in NBIM with several leadership positions.



Birthe Cecilie Lepsøe | Member of the Board

Birthe has more than 25 years of experience from the maritime industry and is founder of Cebima. Her previous experience include working in the shipping department of DNB, Grieg Shipping and Vest Corporate Advisors. She has extensive board experience from companies such as Grieg International, Sparebank 1 SR Bank, Fjord 1, GC Rieber, Smedvig and Belships. She holds an MBA from NHH and is AFA certified.



Untapped potential going forward providing sustainable superfood at scale



Strong genetics for more than 30 years providing a unique competitive advantage



Premium product in an attractive market with increasing demand



Proven farming concept ready for scale



NORDIC HALIBUT

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Appendix

Unleashing the potential to craft an unparalleled product

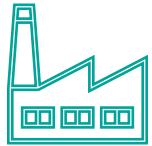
Short lead time from cage to plate enables full utilization of potential



Sea cages



Live fish carrier



Harvest and processing



Value added product



Centralized production hub enables significant synergies to support production of a unique sustainable product

Significant potential for sustainable production

Centralized production hub with significant synergies to enable production of a unique sustainable product

Product

- High filet yield of 65% eligible for human consumption
- Four boneless filets minimizing the need for additional processing
- Minimal waste and several opportunities to utilize residual raw material



Filet yield of 65%



Minimal waste – up to 100% utilization of the fish

Processing

- Species perfectly suited for value added production
- Proven technology to process and preserve quality throughout production
- Short lead time from sea to product enables steady, high quality



Fresh whole Halibut



Value added Halibut products

Logistics

- Concentrated production set-up enables efficient logistics
- Processed products enables sustainable transportation of frozen products by container
- Minimizing the environmental footprint throughout the value chain



Exported fresh by airplane



Exported frozen by container

Michelin star quality verified by Scandinavian chefs

Speilsalen, Trondheim



AIRA, Stockholm



Søllerød, Copenhagen



1 Michelin Chefs

Product verification
SoMe target activity

2 Wholesaler Distribution

Large geographical range
High quality product range

3 High-End Restaurants

Traditional
Sushi / Sashimi
Fusion

