

Q2 2021

BAKKAFROST GROUP
Glyvrat 24 August 2021

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SUMMARY OF Q2 2021

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Operation

- **Harvest in the Faroe Islands (FO):** 17,561 t_{gw} in Q2 2021 (12,941 t_{gw} in Q2 2020)
- **Harvest in Scotland (SCT):** 10,634 t_{gw} in Q2 2021 (7,937 t_{gw} in Q2 2020)
- **Feed sales** of 27,272 tonnes in Q2 2021* (22,121 tonnes in Q2 2020*)
- **Raw material purchase** of 59,290 tonnes in Q2 2021 (122,512 tonnes in Q2 2020)

Revenues and Operational EBIT

- **Revenues** of DKK 1,617.5 million in Q2 2021 (DKK 1,134.2 million in Q2 2020)
- **Operational EBIT**** of DKK 407,5 million in Q2 2021 (DKK 181,9 million in Q2 2020)

Cash Flow

- **Cash flow from operations** of DKK 532 million in Q2 2021 (DKK 111 million in Q2 2020)

Segments

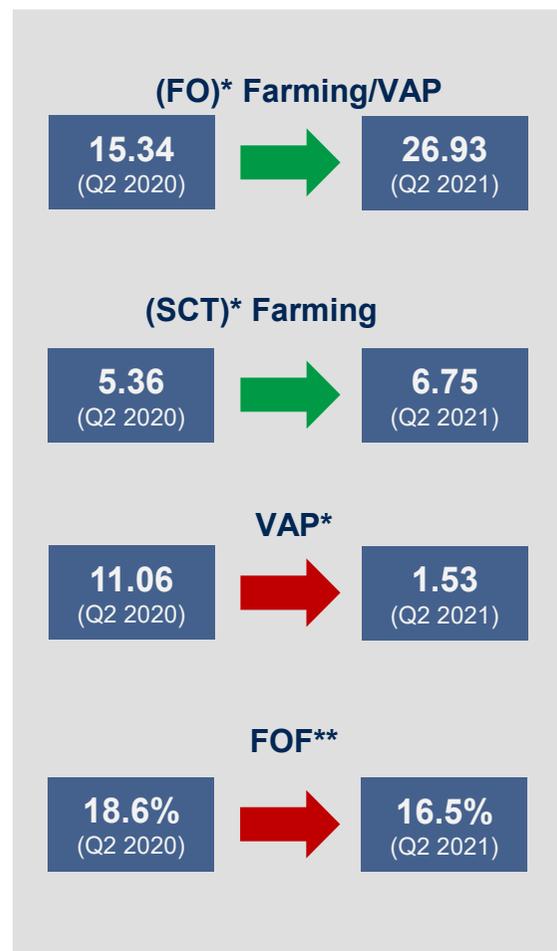
- **Positive operational EBIT** for all segments

*) Including internal sales of 26,416 tonnes in Q2 2021 (16,159 tonnes in Q2 2020)

***) EBIT aligned for fair value adjustments of biomass, onerous contracts provisions, income from associates and revenue tax

SUMMARY OF THE QUARTER

IMPROVED OPERATIONAL EBIT DRIVEN BY FARMING SEGMENTS



(DKK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Operating revenue	1,618	1,134	2,793	2,389
Operational EBITDA	534	298	888	665
Operational EBIT	407	182	631	430
Profit for the period	428	472	836	324
Operational EBITDA margin	33.0%	26.2%	31.8%	27.8%
Operational EBIT margin	25.2%	16.0%	22.6%	18.0%
Operational EBIT/Kg (Farming FO) (NOK)	26.52	9.79	21.07	17.54
Operational EBIT/Kg (Farming FO and VAP) (NOK)	26.93	15.34	24.55	19.83
Operational EBIT/Kg (VAP) (NOK)	1.53	11.06	10.72	4.69
Operational EBIT/Kg (Farming SCT) (NOK)	6.75	5.36	3.62	5.52
EBITDA margin (Fishmeal, -oil and Feed)	16.5%	18.6%	15.8%	15.6%

* Operational EBIT in NOK/kg

** EBITDA margin

Group Operational EBIT was DKK 407 million in Q2 2021, compared to DKK 182 million in Q2 2020

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MARKETS & SALES

SALES TO NORTH AMERICA AND EASTERN EUROPE INCREASED
– OTHER MARKETS DECREASED

Sales & volume (FO only)

Western Europe



North America



Asia



Eastern Europe



Harvest volumes used in the VAP



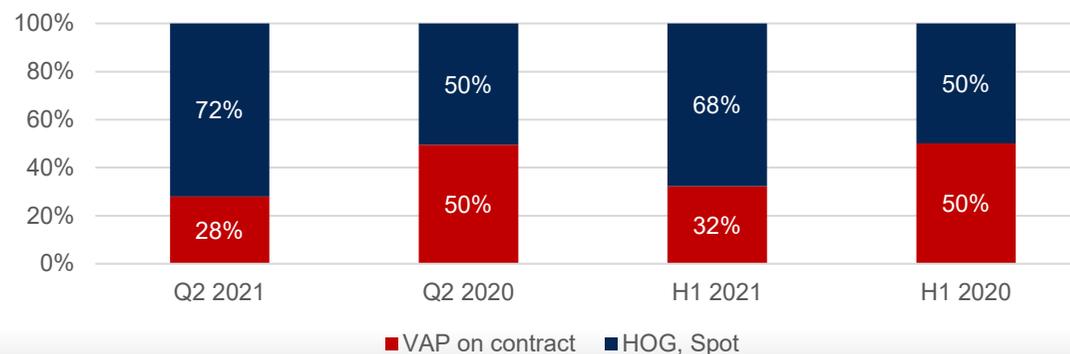
Total sales of salmon by markets

	Q2 2021			Q2 2020			H1 2021			H1 2020		
	FO	SCT	Total									
Western Europe	51%	73%	59%	64%	84%	72%	53%	79%	62%	56%	88%	69%
North America	23%	11%	18%	16%	8%	13%	23%	10%	19%	24%	7%	17%
Asia	13%	15%	14%	19%	8%	15%	11%	10%	11%	15%	5%	11%
Eastern Europe	13%	1%	9%	1%	0%	1%	12%	0%	8%	4%	0%	2%
Rest of world	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Fresh salmon only by markets

	Q2 2021			Q2 2020			H1 2021			H1 2020		
	FO	SCT	Total									
Western Europe	47%	70%	56%	30%	84%	66%	45%	76%	58%	24%	88%	62%
North America	17%	12%	15%	32%	8%	16%	20%	11%	16%	43%	7%	22%
Asia	19%	18%	19%	37%	8%	18%	18%	12%	16%	26%	5%	13%
Eastern Europe	16%	0%	10%	0%	0%	0%	16%	0%	10%	7%	0%	3%
Rest of world	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Contract share FO, VAP products [% of qty]



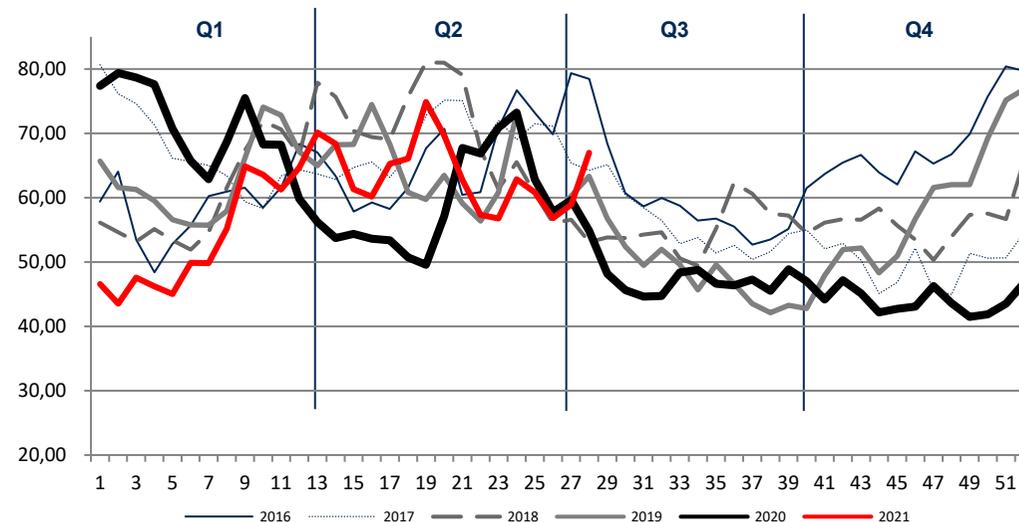
Average spot prices increased y/y and q/q in Q2 2021 (NOK/KG)



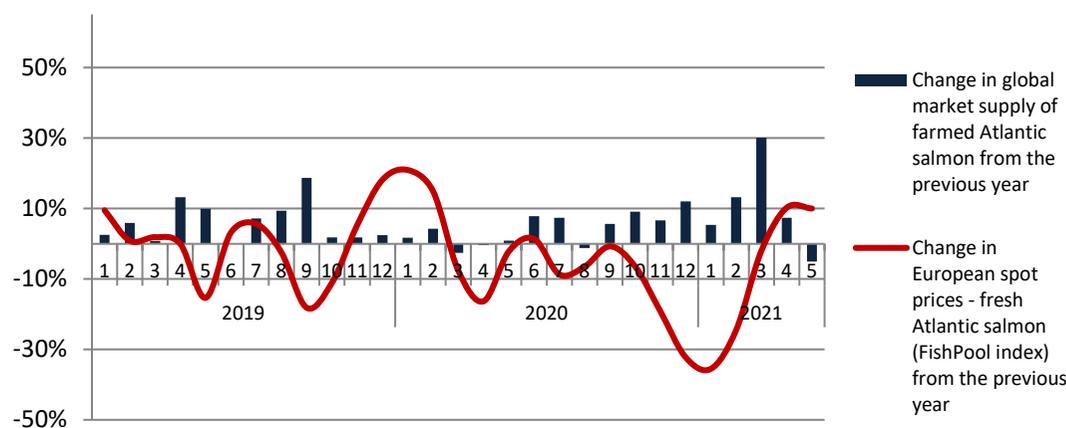
Spot prices peaked in the middle of the quarter

Global harvest grew 1% y/y

Spot prices (NASDAQ) on superior 4-5 [NOK/kg HOG]



Change in global market [volume harvested and market price]



Source: Kontali

DEVELOPMENT IN HARVESTED AND SOLD QUANTITY BY ORIGIN (HEAD ON GUTTED – HOG)

- Total quarterly harvest up 1%
 - Supply to the markets up 9% due to inventory release in Chile
- European harvest up 7%
 - 6% increase in Norway
 - Strong quarterly growth in the UK and Iceland
- 12% decrease in American harvest
 - 14% decrease in Chile
 - 2% increase in Canada
- Inventory changes primarily relates to Chile

SUPPLY DEVELOPMENT	Q2 2021	Q2 2020	Change %
Norway	287	271	5.9 %
UK	48	41	16.9 %
Faroese	22	20	5.7 %
Iceland	8	5	48.3 %
Ireland	4	5	-24.6 %
Total Europe	369	344	7.4 %
Chile	135	158	-14.2 %
Canada	35	34	2.1 %
USA	3	5	-34.0 %
Total Americas	173	196	-11.8 %
Other	23	19	19.3 %
Total (Harvested quantity)	565	559	1.0 %
Inventory movements	27	-16	-264.7 %
Total (Sold Quantity)	591	543	8.9 %

Source: Kontali

SALMON MARKETS, SOLD QUANTITY (HEAD ON GUTTED – HOG)

- Moderate increase of 2% in the EU
 - *Compared to 7% harvest growth in Europe*
 - *Slower reopening compared to US*
- Strong US demand
 - *Strong demand in retail despite Covid-19 reopening of Horeca*
- 46% growth in Russia
 - *Supply from frozen inventory in Chile*
- Flat in Japan after long period of growth
- 20% drop in Greater China
 - *High logistic costs*
- Continued strong increase in Latin America

Salmon markets, sold quantity (head on gutted - HOG)

Markets	Estimated volumes		Q1 comparison		Estimated volumes		FY comparison	
	Q2 2021E	Q2 2020	Volume	%	H1 2021E	H1 2020	Volume	%
EU	247,500	242,000	5,500	2%	519,300	463,600	55,700	12%
USA	146,300	119,500	26,800	22%	285,300	241,200	44,100	18%
Russia	17,400	11,900	5,500	46%	39,700	28,400	11,300	40%
Japan	14,800	14,800	0	0%	31,300	28,100	3,200	11%
Greater China	27,500	34,200	-6,700	-20%	49,300	59,200	-9,900	-17%
ASEAN	20,700	16,300	4,400	27%	42,400	34,400	8,000	23%
Latin America	44,300	31,100	13,200	42%	94,900	73,600	21,300	29%
Ukraine	6,100	4,100	2,000	49%	14,000	8,600	5,400	63%
Other markets	66,400	68,400	-2,000	-3%	141,500	137,700	3,800	3%
Total all markets	591,000	542,300	48,700	9.0 %	1,217,700	1,074,800	142,900	13.3 %

Comments:

EU+UK incl. estimates for both European Union (Post-Brexit) & United Kingdom (England, Scotland, Wales & Northern Ireland).

Greater China = China / Hong Kong / Taiwan (incl. estimated re-export from Vietnam & Thailand)

ASEAN = Association of Southeast Asian Nations (estimated re-export from Vietnam & Thailand subtracted)

Latin America (including both Mexico and Caribbean + domestic consumption in Chile)

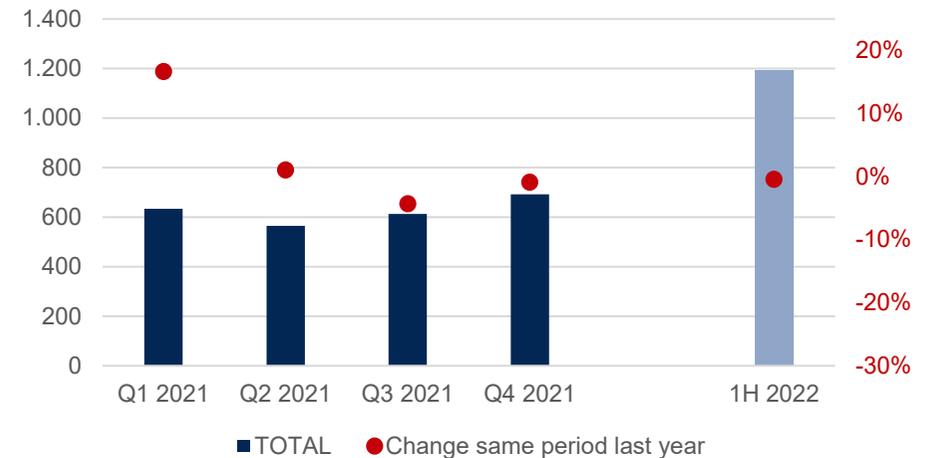
All figures above are in tonnes hog, and are rounded to the nearest 100 tonnes.

Source: Kontali

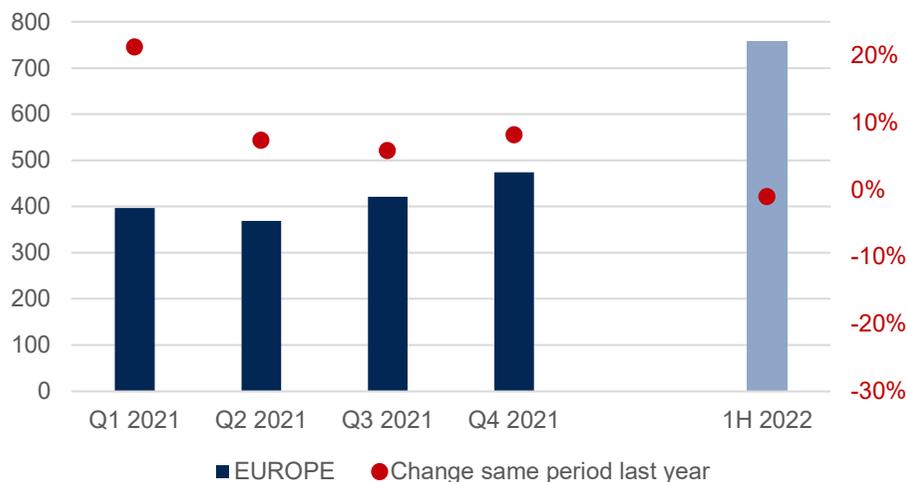
SHORT TERM SUPPLY OUTLOOK

- Expectation of drop in global harvest next quarters
- Stable growth around 8% in Europe rest of 2021
 - *Drop expected in 1H 2022*
- Strong drop expected in Americas next quarters
 - *Driven by Chile*
 - *Temporary low smolt release 2H 2019/1H 2020*

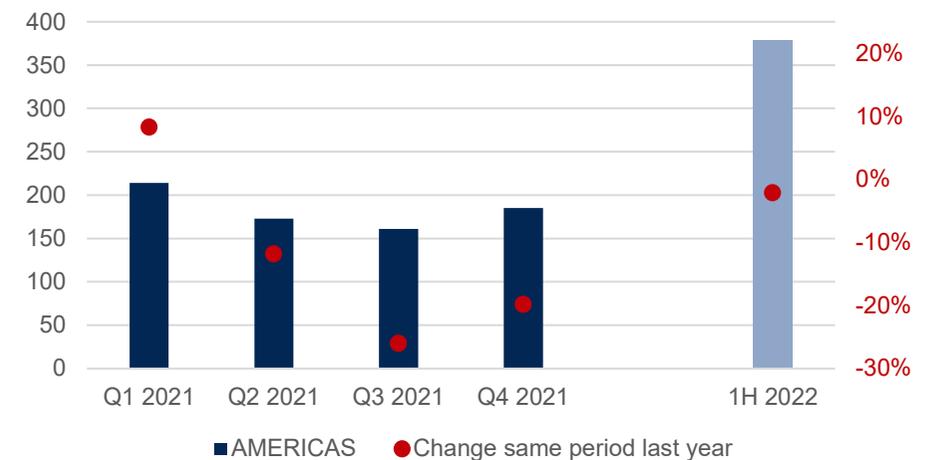
SUPPLY - TOTAL



SUPPLY - EUROPE



SUPPLY - AMERICAS



Note: Supply does not take movement of inventory into account

Source: Kontali

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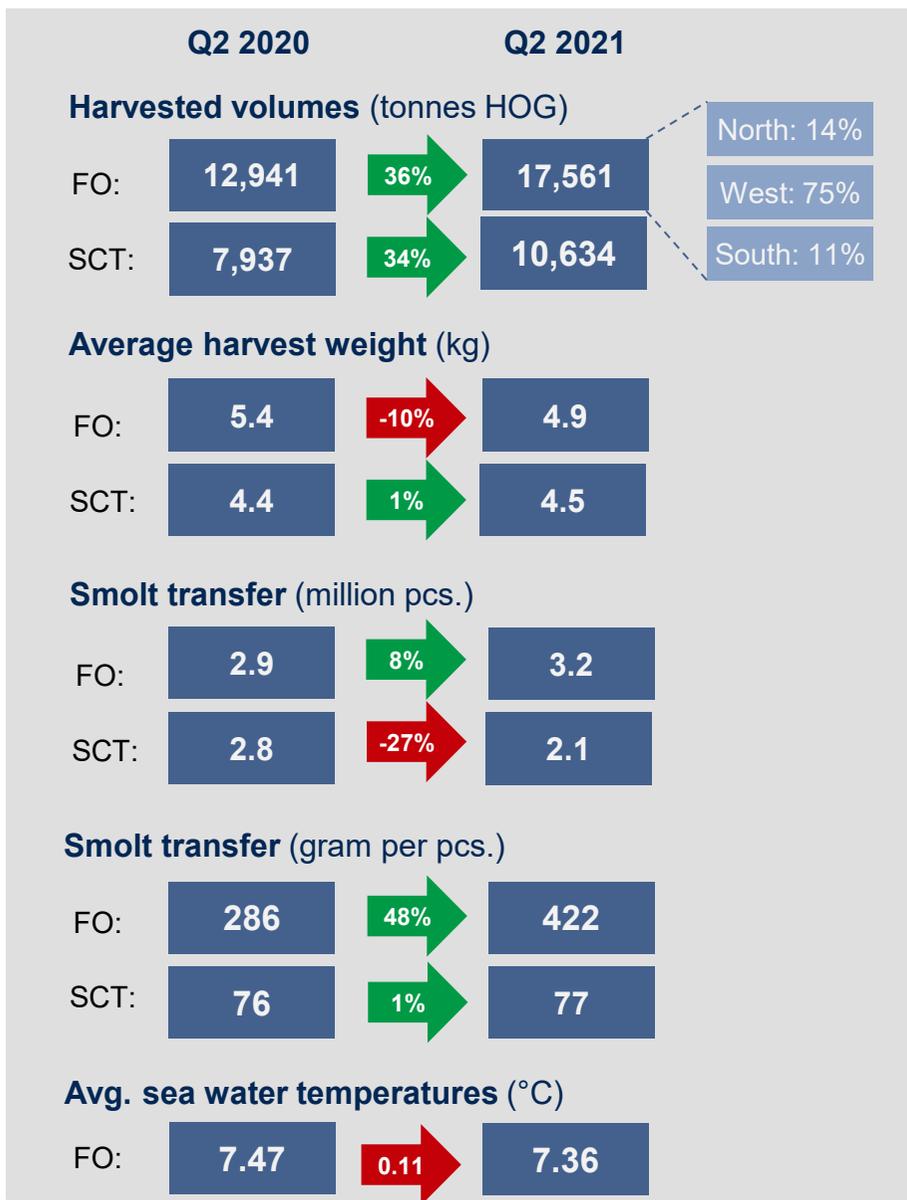
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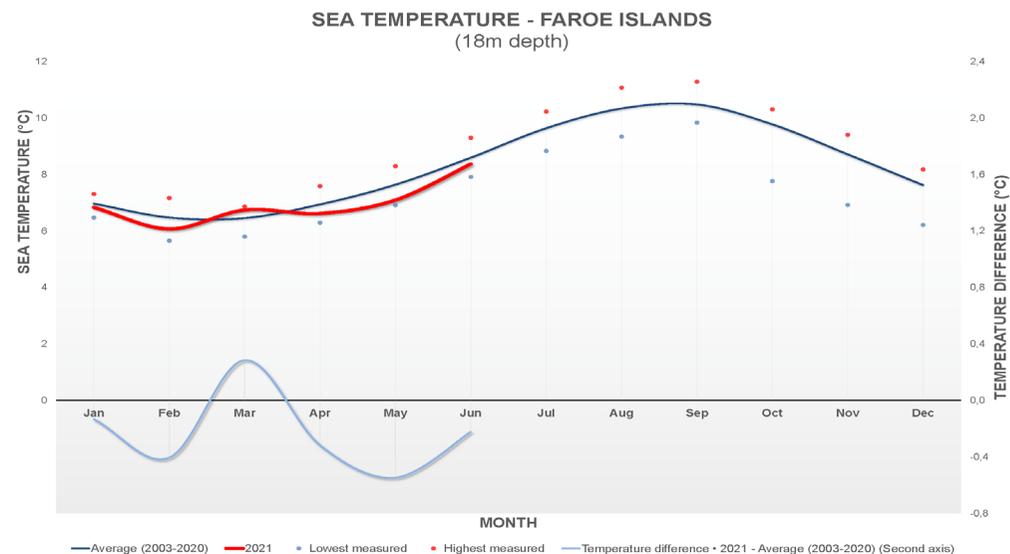
FARMING – HARVEST VOLUME

INCREASED HARVEST IN FO AND SCT – INCREASED AVG. SMOLT SIZE



Harvest Volumes tonnes [HOG]	Q2 2021	Q2 2020	H1 2021	H1 2020
FO - North Region	2,530	12,941	13,952	19,206
FO - West Region	13,135	0	15,593	2,769
FO - South Region	1,897	0	2,042	1,633
FO – Total	17,561	12,941	31,586	23,608
SCT	10,634	7,937	17,636	15,205
Total (FO & SCT)	28,195	20,878	49,222	38,813

Sea water Temperatures at 18m depth in the Faroe Islands



FARMING – OPERATIONAL PERFORMANCE

HIGHER OPERATIONAL EBIT AND HIGHER OPERATING REVENUE

Faroe Islands (FO)

Operational EBIT (mDKK)



Operational EBIT margin (%)



Operating revenue (mDKK)



Scotland (SCT)

Operational EBIT (mDKK)



Operational EBIT margin (%)



Operating revenue (mDKK)



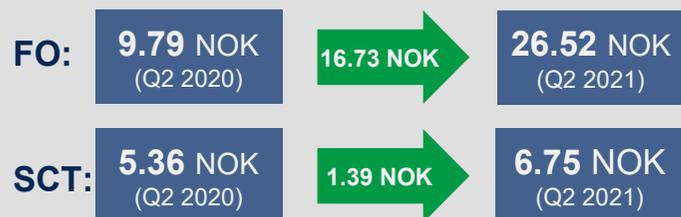
Farming FO (DKK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Operating revenue	961	574	1,606	1,207
Operational EBIT	343	86	486	289
Operational EBIT margin	36%	15%	30%	24%

Farming SCT (DKK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Operating revenue	559	377	881	790
Operational EBIT	53	29	47	59
Operational EBIT margin	9%	8%	5%	7%



FARMING – OPERATIONAL PERFORMANCE

Operational EBIT per kg



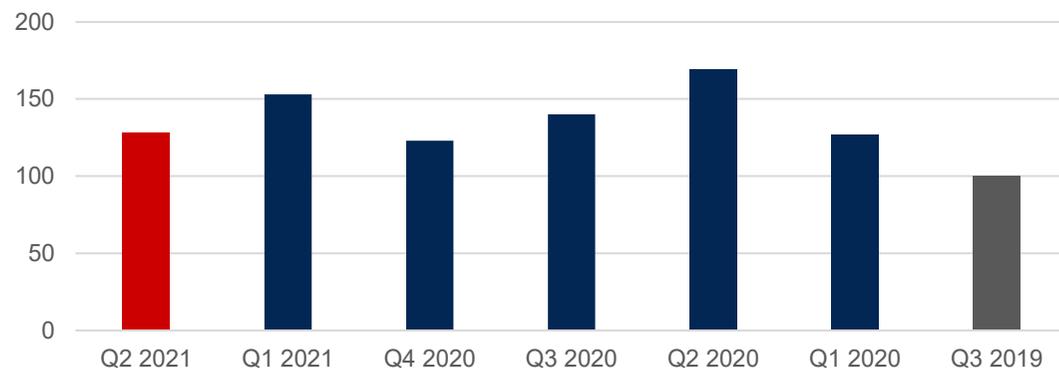
Margin - EBIT per kg total harvested quantity [NOK/kg]



FO: Good biological performance in the quarter

SCT: Biological performance improved but hampered by smolt quality and size

Freight per kilo sold fresh salmon (FO) [Q3 2019 = Index 100]



VALUE ADDED PRODUCTS (VAP)

LOWER VOLUMES AND HIGHER COST OF RAW MATERIAL

Volumes (tonnes)

6,420
(Q2 2020) **4,917**
(Q2 2021)

Revenue (mDKK)

308
(Q2 2020) **259**
(Q2 2021)

Operational EBIT (mDKK)

49
(Q2 2020) **5**
(Q2 2021)

Operational EBIT/kg (NOK)

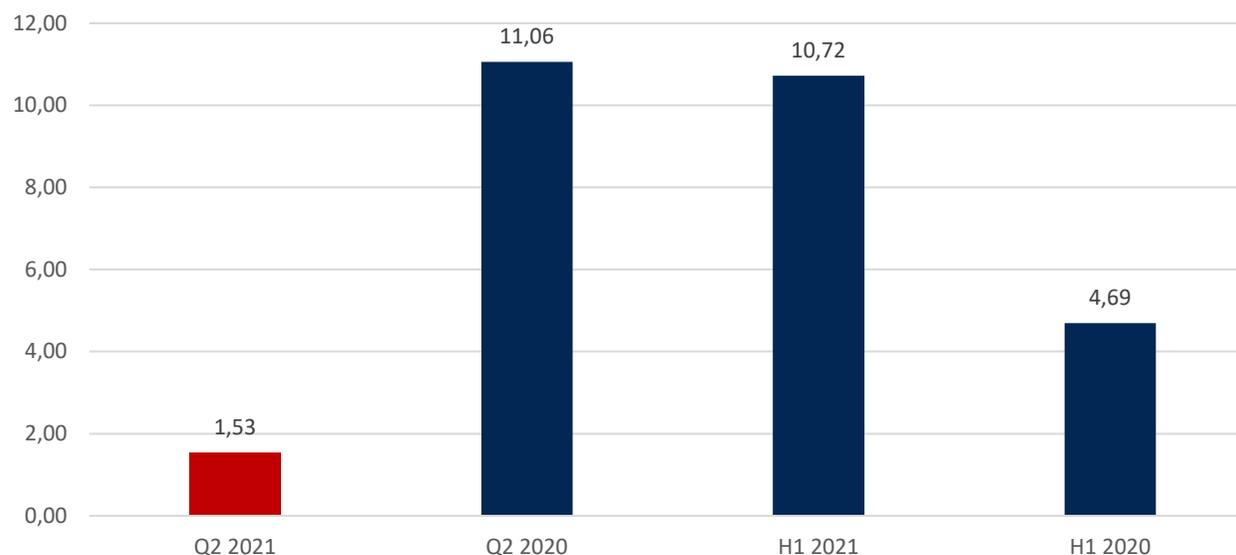
7.49
(Q2 2020) **1.13**
(Q2 2021)

% of harvest volume for VAP

50%
(Q2 2020) **28%**
(Q2 2021)

(DKK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Operating revenue	259	308	559	582
Operational EBIT	5	49	80	38
Operational EBIT margin	2%	16%	14%	6%
Farming FO transferred to VAP (tgw)	4,917	6,420	10,182	11,828
VAP produced (tgw)	4,667	6,494	10,243	11,560

Margin - EBIT per kg total VAP produced [NOK/kg]



FISHMEAL, OIL AND FEED (FOF)

LOWER RAW MATERIAL SOURCING AND HIGHER SALES OF FEED AND FISHMEAL

EBITDA (mDKK)



EBITDA margin (%)



External fishmeal sold (tonnes)



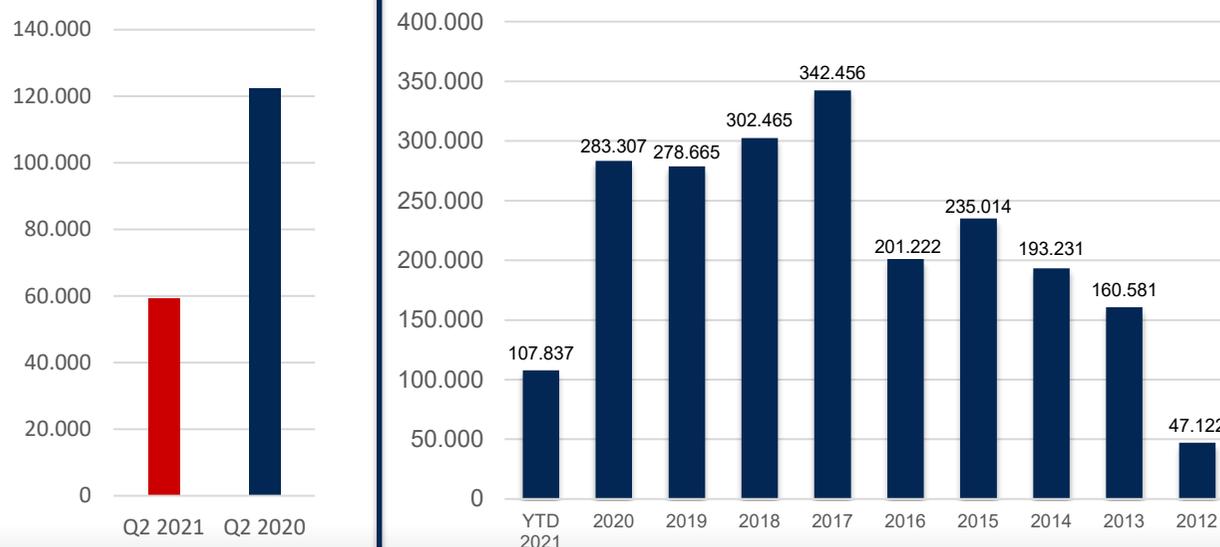
Raw material sourced (tonnes)



(DKK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Operating revenue	347	269	669	579
EBITDA	57	50	106	90
EBITDA margin	17%	19%	16%	16%
Feed sold (tonnes)*	27,272	22,121	50,989	41,244
Fishmeal sold external (tonnes)	2,961	2,702	10,167	14,474

* Including internal sales, corresponding to 96.9% of feed volumes in Q2 2021 (Q2 2020: 59.3%)

Sourcing of raw material (tonnes)



MARKET CONDITIONS FEED

SIGNIFICANT INCREASE IN INTERNAL FEED SALES

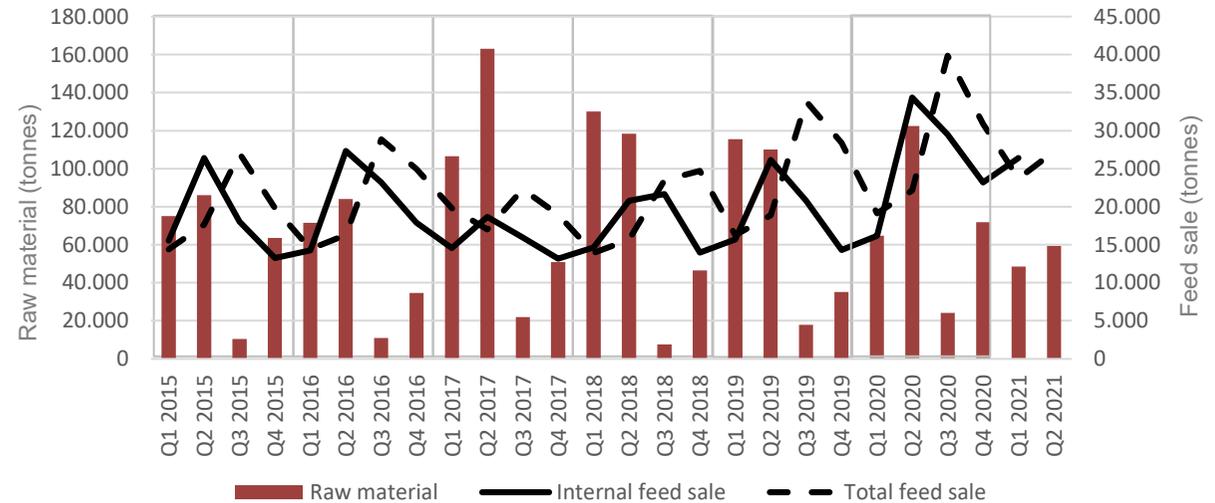
Total feed sales increased (tonnes)

22,121
(Q2 2020) ➔ 23% **27,272**
(Q2 2021)

External feed sale decreased (tonnes)

5,962
(Q2 2020) ➔ -86% **856**
(Q2 2021)

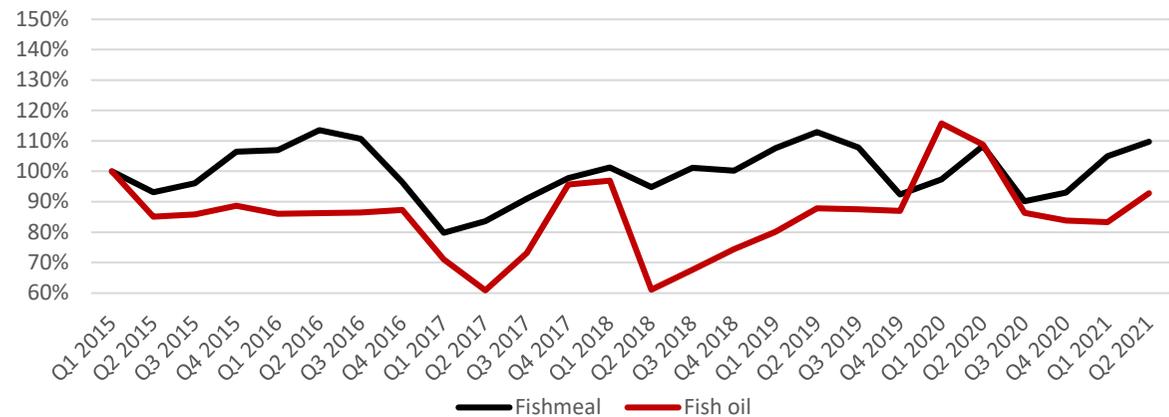
Volumes of raw material purchase and feed sale [tonnes]



Market fluctuations

The fishmeal price increased while the fish oil price decreased in Q2 2021, compared to the same quarter last year.

Fishmeal and fish oil price index in DKK (Q1 2015 = 100)



Source: Holtermann

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GROUP PROFIT AND LOSS

HIGHER REVENUE AND OPERATIONAL EBIT, REDUCED PROFIT

Revenue (mDKK)

1,134
(Q2 2020)  **1,618**
(Q2 2021)

Operational EBIT (mDKK)

182
(Q2 2020)  **407**
(Q2 2021)

Fair value of biomass (mDKK)

427
(Q2 2020)  **176**
(Q2 2021)

Revenue tax (mDKK)

-23
(Q2 2020)  **-41**
(Q2 2021)

Taxes

-100
(Q2 2020)  **-102**
(Q2 2021)

Profit after tax (mDKK)

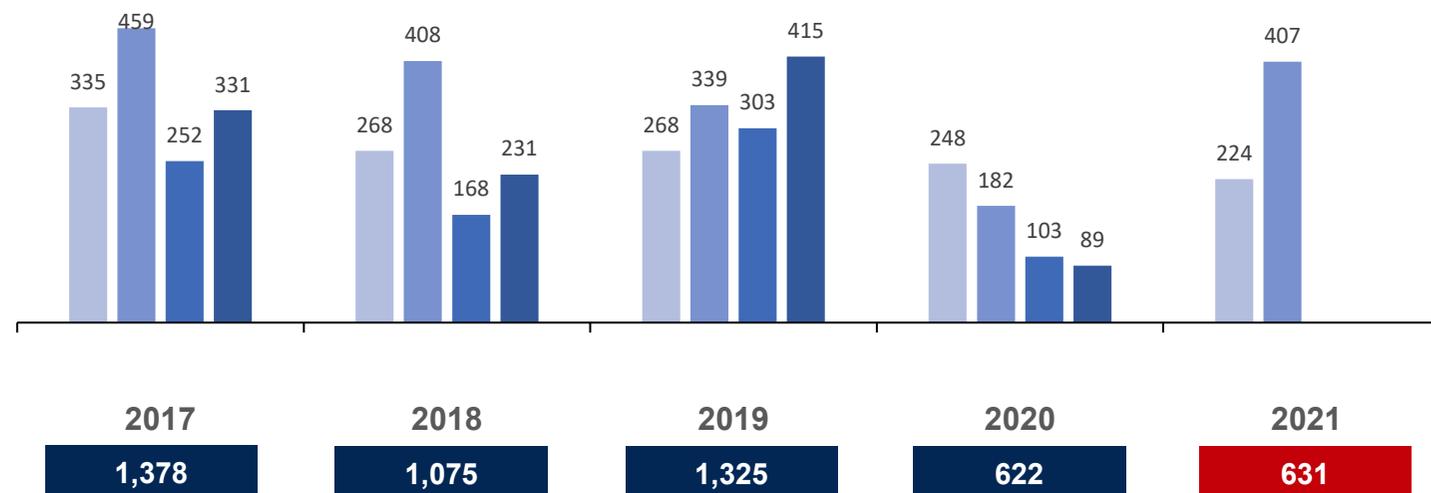
472
(Q2 2020)  **428**
(Q2 2021)

(DKK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Operating revenue	1,618	1,134	2,793	2,389
Operational EBITDA	534	298	888	665
Operational EBIT	407	182	631	430
Fair value adjustment of biological assets	176	427	461	16
Onerous contracts	0	0	0	0
Income from associates	3	0	4	0
Revenue tax	-41	-23	-62	-42
EBIT	546	586	1,035	404
Net Financial items	-16	-15	-12	-14
EBT	530	571	1,023	390
Taxes	-102	-100	-187	-67
Profit for the period	428	472	836	324
Operational EBITDA margin	33.0%	26.2%	31.8%	27.8%
Operational EBIT margin	25.2%	16.0%	22.6%	18.0%
Operational EBIT/kg (Farming Faroe Islands and VAP) (NOK)	26.93	15.34	24.55	19.83
Operational EBIT/kg (Farming Scotland) (NOK)	6.75	5.36	3.62	5.52
EBITDA margin (fishmeal, oil and feed)	16.5%	18.6%	15.8%	15.6%

* Operational EBITDA and EBIT aligned for fair value adjustment of biomass, onerous contracts provisions, income from associates and revenue tax.

OPERATIONAL EBIT* AND ADJUSTED EARNINGS PER SHARE**

Operational EBIT* (mDKK)



Adjusted EPS** (DKK)



*) Operational EBIT is EBIT before fair value adjustments of biomass, onerous contracts provisions, income from associates and revenue tax

**) Earnings per share adjusted for fair value of biomass, onerous contracts provisions and tax and these.

Headlines (mDKK)

Intangible assets:			4,495 (Q2 2021)
PPE:	4,221 (End 2020)	329 →	4,550 (Q2 2021)
Biological assets: <i>* (whereof mDKK 631 are fair value adjustments)</i>	2,117 (End 2020)	372 →	2,489* (Q2 2021)
Inventory:	776 (End 2020)	33 →	809 (Q2 2021)
Receivables:	490 (End 2020)	129 →	619 (Q2 2021)
Cash & cash equiv.:	467 (End 2020)	86 →	553 (Q2 2021)
Equity:	8,729 (End 2020)	667 →	9,396 (Q2 2021)
Equity ratio:			67% (Q2 2021)

(DKK million)	Q2 2021	End 2020
Intangible assets	4,495	4,493
Property, plant and equipment	4,550	4,221
Right of use assets	315	353
Financial assets	124	122
Long-term receivables	8	8
Deferred tax assets	0	27
Biological assets	2,489	2,117
Inventory	809	776
Receivables	619	490
Other receivables	85	134
Cash and cash equivalents	553	467
Total Assets	14,053	13,208
Equity	9,396	8,729
Deferred tax and other taxes	1,368	1,222
Long-term interest-bearing debt	2,456	2,220
Long-term leasing debt	249	265
Financial derivatives	2	11
Short-term leasing debt	98	131
Accounts and other payables	484	629
Total Equity and Liabilities	14,053	13,208

CASH FLOW

Cash flow, operations (mDKK)



Cash flow, investments (mDKK)



Cash flow, financing (mDKK)



(DKK million)	Q2 2021	Q2 2020	H1 2021	H1 2020
Cash flow from operations	532	111	669	477
Cash flow from investments	-245	-196	-513	-297
Cash flow from financing	-107	-262	-70	-1,034
Net change in cash	179	-347	86	-855
Cash at the end of the period	553	454	553	454
Undrawn facilities	1,523	2,323	1,523	2,323

NET INTEREST-BEARING DEBT (NIBD)

NIBD DECREASED DURING Q2 2021

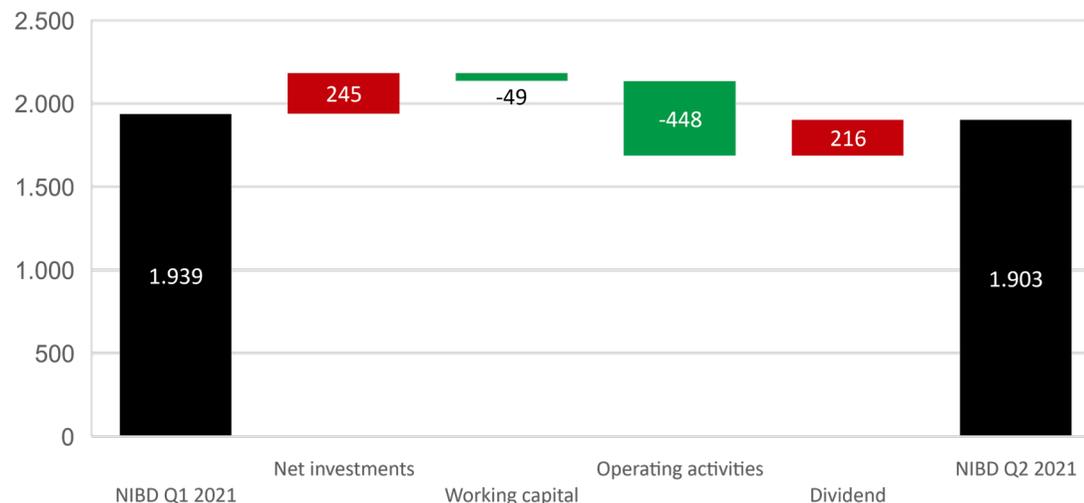
NIBD was increased by:

- Net investments (mDKK 245)
- Dividend (mDKK 216)

NIBD was decreased by:

- Cash flow, operating activities (mDKK -448)
- Change in working capital (mDKK -49)

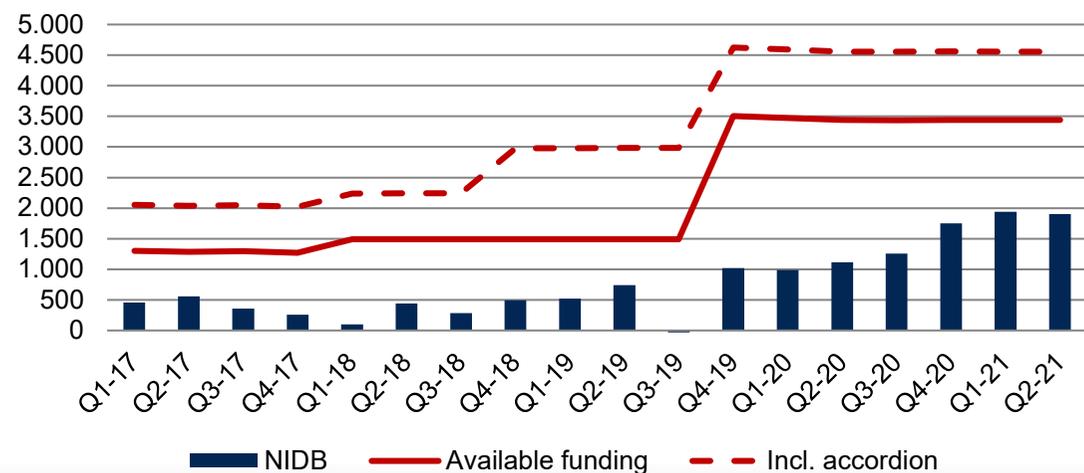
Development in NIBD in DKK millions



Financing end Q2 2021

- NIBD: DKK 1,903 million
- Bank facilities of EUR 463 million, and an accordion of EUR 150 million.
- Undrawn credit facilities: DKK 1,523 million

NIBD and available funding





Published the **4th Sustainability Report**, covering the entire Bakkafrost Group



Purchased farming supply vessel **M/S Bakkanes** to strengthen the **mechanical delousing capabilities** in Scotland



Havsbrún recognized with a **“Best Aquaculture Practice” (BAP) certification**

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HANS Á BAKKA
GÆYVRAR

KTL

OUTLOOK

Market

- Global harvest increased 1% in Q2 2021 vs Q2 2020
- Global harvest in Q3 2021 expected to decrease 4%
- Global harvest in H2 2021 expected to decrease 3%

Farming

- In 2021, Bakkafrost expects to harvest HOG 106,000 tonnes (Faroe Islands: 66,000 tonnes and Scotland: 40,000 tonnes)
- In the Faroe Islands, Bakkafrost expects to release around 14.5 million smolts in 2021
- In Scotland, Bakkafrost expects to release around 11.0 million smolts in 2021

Contracts

- For 2021, Bakkafrost has signed contracts for around 31% of the total expected harvest volumes in the Faroe Islands and Scotland
- Bakkafrost strategy is to allocate around 40% of expected harvested volumes at commitments and contracts at any time

Fishmeal, Oil and Feed

- Feed sales are expected to be around 120,000 tonnes in 2021
- Fishmeal and fish oil volumes are expected to be lower than in 2020

Business development / Investment programme

- Pursuing sustainable organic growth
- For the period 2020 – 2022, ~DKK 1.8 billion will be invested in the Faroe Islands
- In Scotland, the yearly investments for 2020-2024 are expected to be around DKK 350-400 million per year
- Capital Markets Day will be held on 14-15 September 2021

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LAND BASED FARMING EXPANSION TO 14 KT

S16 Glyvradalur capacity expansion in progress

- In operation in 2023
1.9kt ~ 3.8m smolt á 500g



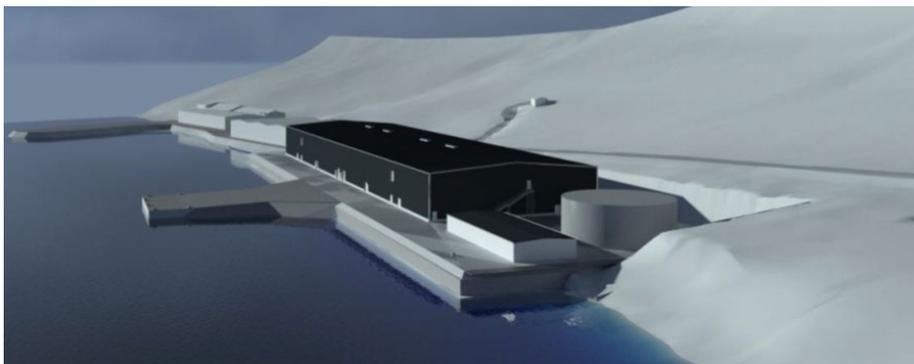
S24 Strond capacity expansion finalised

- Full operation 2021 ~ 9m smolt á 500g
- 10 unrelated departments, building of 320m x 80m



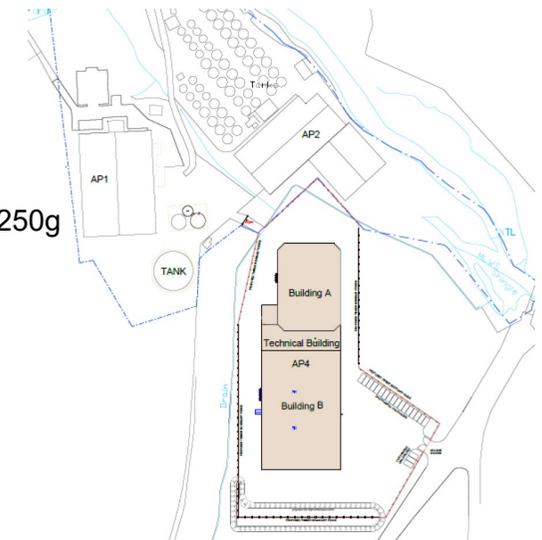
S03 Norðtoftir capacity expansion in progress

- In operation in 2023
2.8kt ~ 5.3m smolt á 500g



FS1336 Applecross, Scotland

- RAS expansion
- Expected to be in operation in 2023
2.8kt ~ 11m smolt á 250g



SCOTLAND SITE OVERVIEW

7,742 TONNES CONSENT INCREASE SINCE THE ACQUISITION

Total consent has increased by 11.6% (7,742 tonnes) since the acquisition in Q4 2019

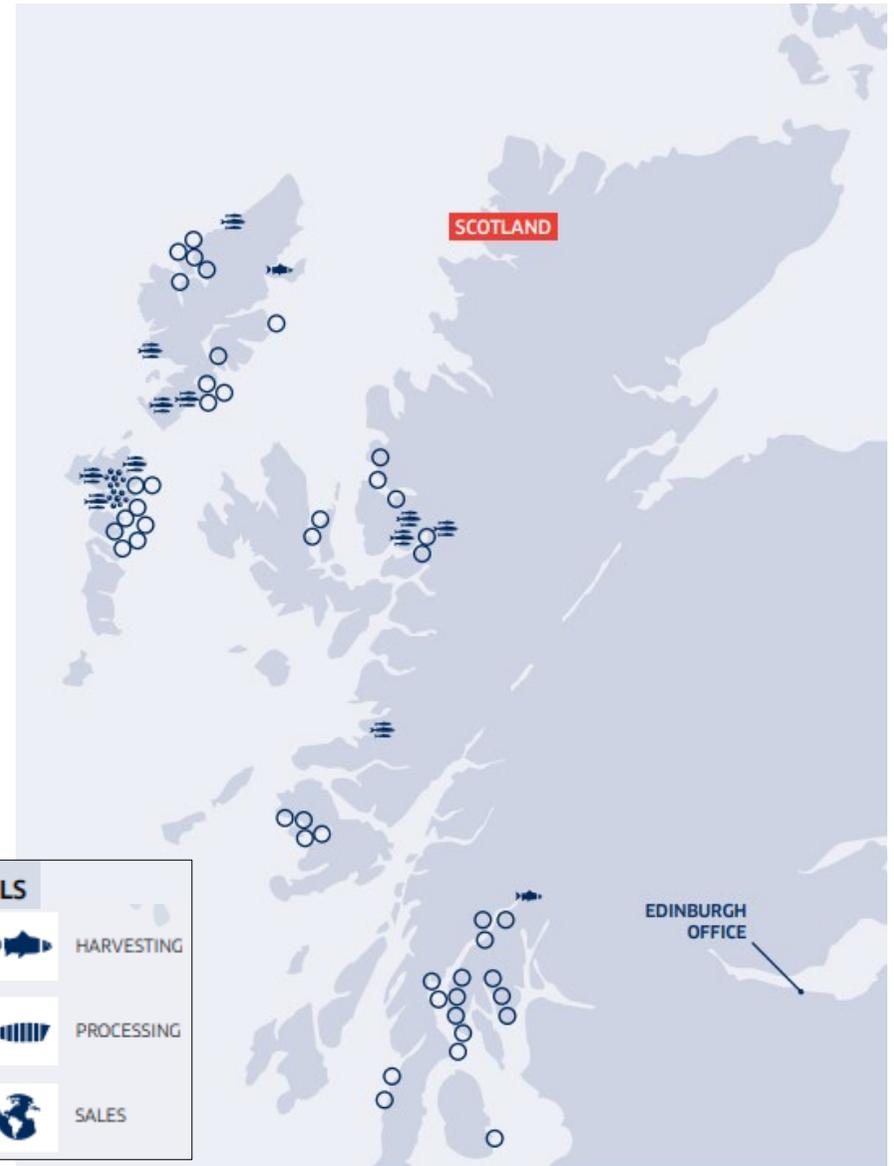
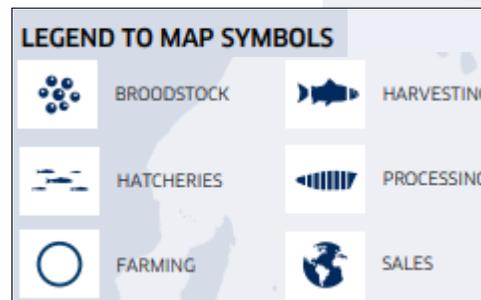
Total consent is 74,765 tonnes in 44 farming sites:

North: 24 sites / 44,415 tonnes consent

- Uist, 5 sites
- Sky & mainland, 6 sites
- Loch Roag, 7 sites
- East Lewis & Harris, 6 sites

South: 20 sites / 30,350 tonnes consent

- Mull and Gigha, 6 sites
- Loch Striven and Arran, 4 sites
- Loch Fyne, 10 sites



SCOTLAND – STRATEGIC RATIONALE

1. Provides **access** to the attractive Scottish farming region
 - **Niche** and differentiated region
 - **High quality** salmon from Scottish Provenance priced at a premium

2. Creating a differentiated **global leader in premium salmon**
 - Exposure to **two geographies**, Faroe Islands and Scotland
 - **Premium brands**



Grosebay, Scotland



SCOTLAND – STRATEGIC RATIONALE

3. Potential for significant **improvement**

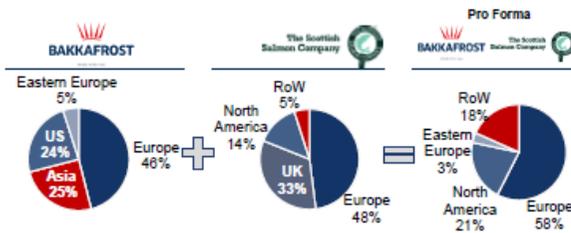
- Scottish Salmon **profitability** to improve over a five-year period through transfer of best practices
- **Synergies**
- Targeted **investment** programmes

4. Financially attractive

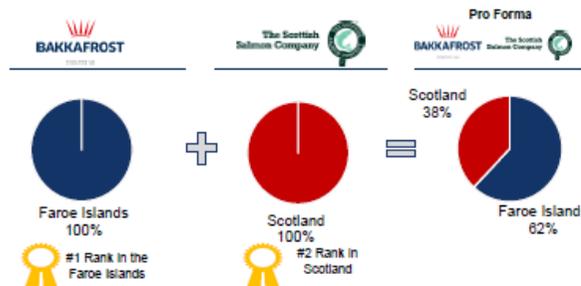
- Acquiring the business at a **reasonable value, multiple** to the sector and Bakkafrost



Revenue by Geography²



Harvest by Geography



Source: Company filings, company website, Mowi Salmon Farming Industry Handbook 2019.

¹ Harvest figures reflect total harvest in European region comprising of Norway, United Kingdom / Scotland and Faroe Islands as per Mowi Salmon Farming Handbook.

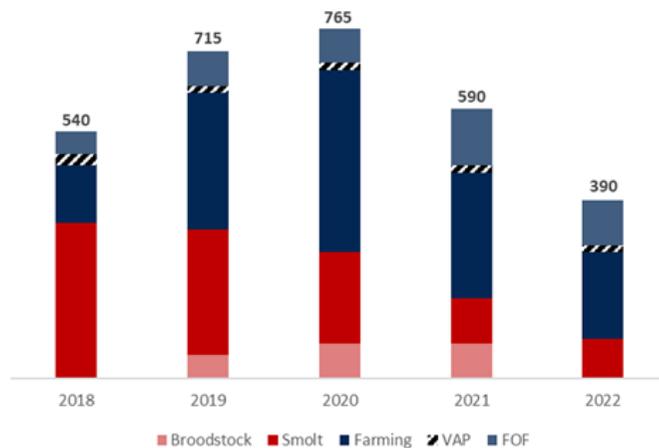
² Geographic breakdown of revenue based on H1 2019 data for both companies.

FAROE ISLANDS - GROWING TO 100KT

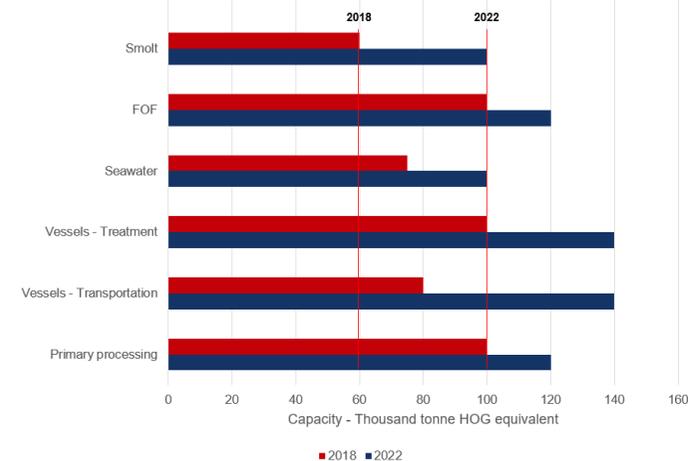
SUPERIOR BIOLOGY COMBINED WITH STATE-OF-THE-ART INFRASTRUCTURE

	FISHMEAL, OIL AND FEED	BROODSTOCK	SMOLT	SEA WATER	PROCESSING	SALES/MARKETING
CAPACITY 2018	Equivalent to 100k (tgw) annual harvest @ marine index of 44%	None	12 million @ 200 grams	21 farming sites/17 fjords 55k (tgw) @100g smolt/ 65k (tgw) @500g smolt 4 well boats & 2 FSVs	130k primary (tgw) 40k secondary (tgw) 80k packaging material (tgw)	Central sales Faroes UK sales office US sales office Branding
CMD ANOUNCED INVESTMENTS	Additional 65k (tgw) annual harvest @ marine index of 44%	Own breeding programme Full self sufficiency	19 million @ 500 grams	Upgraded infrastructure Fish transportation R&D	Selected upgrading, efficiency and functionality	Marketing/sales initiatives Market penetration
PURPOSE	Sustainable Growth Flexibility Efficiency, streamlining & innovation Environmental improvement Food safety	Adaptability to local biology Product differentiation Support branding strategy (immaterial property) Less dependency of suppliers Veterinary control	Sustainable growth Reduced exposure in sea	>100k (tgw) @ 500g smolt	Product quality Product presentation Product differentiation Fresh premium product capability	Premium price achievement Reduced spot price sensitivity Maintain low exposure to single markets

2018 Capex programme



Development in capacity constraints



DEVELOPMENT IN SUPPLY AND SOLD QUANTITY BY ORIGIN

Expected supply growth in 2021

- 6% growth in Global supply
- 11% growth in European supply
- -4% growth in supply from Americas

Global Supply of Atlantic Salmon (head on gutted - HOG)

	2018	2019	2020	2021E	2022E
Norway	1,129	1,198	1,223	1,331	1,372
UK	137	171	160	188	181
Ireland	13	14	14	14	15
Iceland	12	22	27	43	43
Faroes	64	78	72	88	96
Total Europe	1,355	1,484	1,496	1,665	1,706
Chile	598	601	657	628	645
Canada	131	124	123	125	121
USA	17	19	18	14	13
Total Americas	747	744	798	766	779
Others	67	72	92	109	120
Total (Sold Quantity)	2,169	2,300	2,386	2,540	2,606
Supply growth - Global	7%	6%	4%	6%	3%
Supply growth - Europe	1%	10%	1%	11%	2%
Supply growth - Americas	18%	0%	7%	-4%	2%

Salmon Markets (head on gutted - HOG)

	2018	2019	2020	2021E	2022E
EU+UK	949	1,017	1,071	1,139	1,171
USA	435	468	505	549	567
Japan	54	53	64	65	68
Russia	89	78	79	83	85
Others	642	683	666	703	714
Total (Sold Quantity)	2,169	2,299	2,385	2,540	2,606

Comments:

All figures are in hog-equivalents and thousand tonnes.

Figures represents sold quantity of Atlantic Salmon from each producing country

Source: Kontali

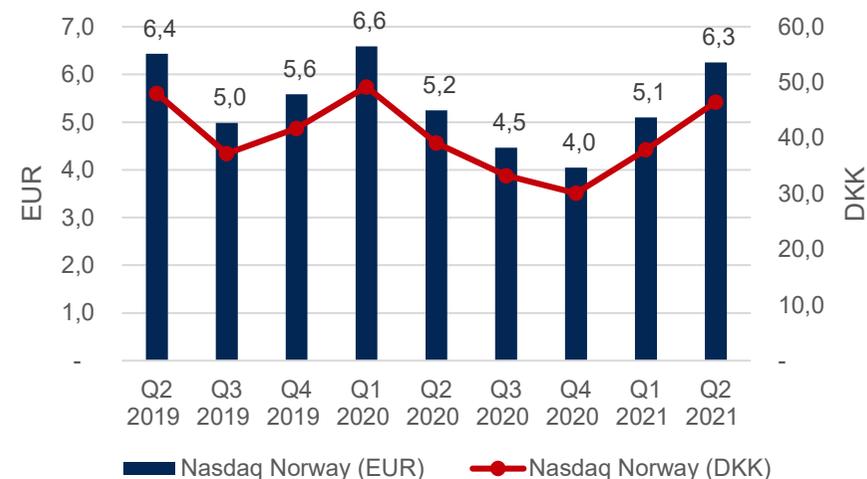
Q2 2021 MARKET ENVIRONMENT

- Increased market prices compared to Q2 2021 in spite of
 - Strong supply growth
 - Continued but diminished impact from Covid-19
- Nasdaq Norway price EUR 6.3 in Q2 2021
 - 19% up vs. Q2 2020
 - 23% up vs. Q1 2021
- Urner Barry East Coast price outperformed other markets
 - 41% down vs. Q2 2020
 - 22% up vs. Q1 2021

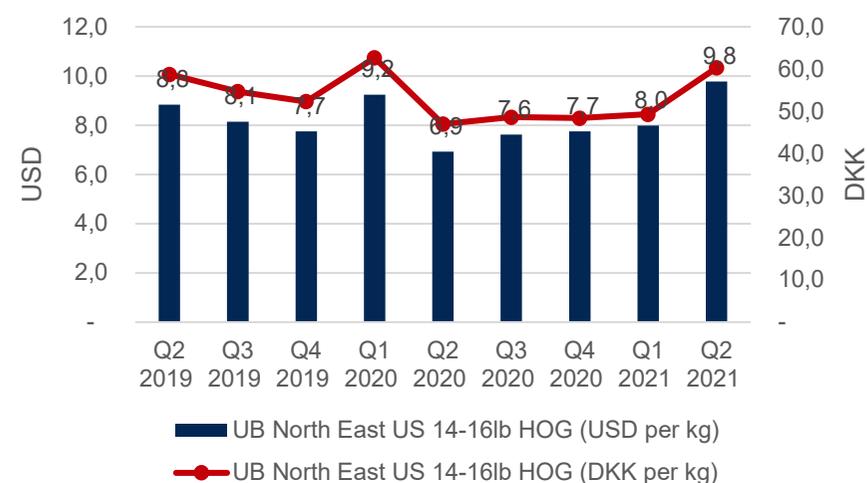
MARKET CURRENCY	Q2 2021	Q2 2020	Change %
Nasdaq Norway (EUR)	6.25	5.24	19.2 %
UB North East US 14-16lb HOG (USD per kg)	9.77	6.93	41.1 %

DKK	Q2 2021	Q2 2020	Change %
Nasdaq Norway	46.50	39.12	18.9 %
UB North East US 14-16lb HOG (per kg)	60.28	46.95	28.4 %

PRICE NORWAY



PRICE US – NORTH EAST

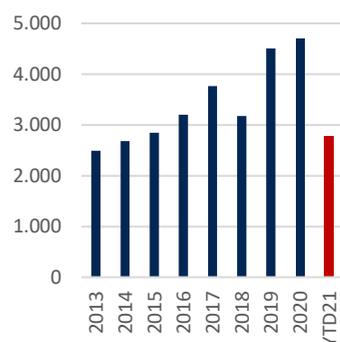


Source: Kontali

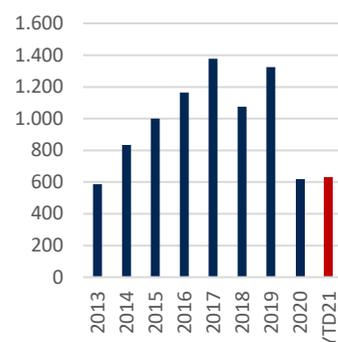
DEVELOPMENT PER QUARTER

(mDKK)	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Revenue	947	996	1,605	1,255	1,134	1,123	1,183	1,176	1,618
Operational EBIT	339	303	415	248	182	103	89	224	407
Profit/Loss	189	181	220	-148	472	177	-38	408	428
Harvest FO (tgv)	12,609	12,938	17,930	10,667	12,941	11,135	15,957	14,025	17,561
Harvest SCT (tgv)			7,925	7,268	7,937	10,476	9,305	7,002	10,634
Op. EBIT Farming FO & VAP (NOK/kg)	31.31	26.25	28.25	25.10	15.34	15.24	12.92	21.48	26.93
Op. EBIT Farming FO (NOK/kg)	31.31	23.61	25.49	26.51	9.79	12.43	5.66	14.10	26.52
Op. EBIT VAP (NOK/kg)	-0.01	9.23	11.72	-2.97	11.06	5.84	17.31	18.56	1.53
Op. EBIT Farming SCT (NOK/kg)			3.09	5.70	5.36	-3.89	-8.41	-1.23	6.75
Equity ratio	65%	68%	65%	66%	69%	68%	66%	68%	67%
NIBD	744	-1,271	1,019	988	1,116	1,257	1,753	1,939	1,903

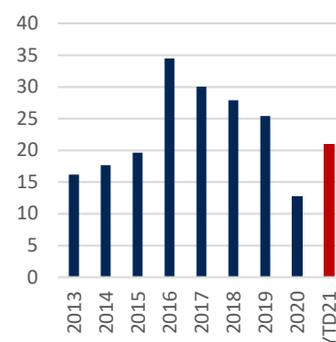
Revenue (mDKK)



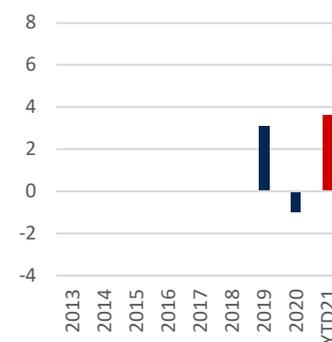
Operational EBIT (mDKK)



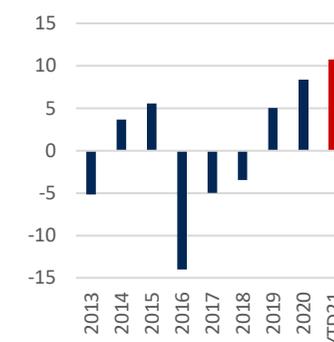
Farming FO margin Op. EBIT (NOK/kg)



Farming SCT margin Op. EBIT (NOK/kg)



VAP FO margin Op. EBIT (NOK/kg)



DIVIDEND

Dividend

- The dividend for 2020 of DKK 3.65 (NOK 4,96) per share was paid out on 30 April 2021.
- Dividend payment equals 59% of adjusted EPS.

Dividend policy

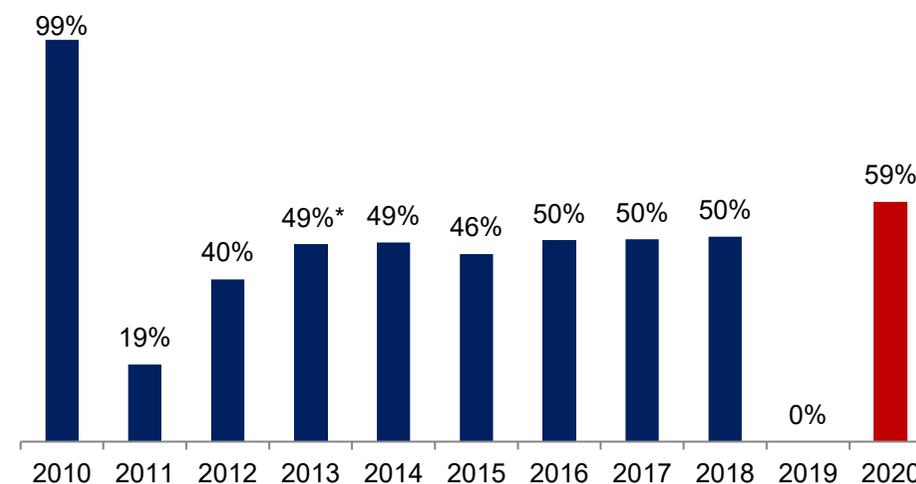
- Competitive return through:
 - Dividends
 - Increase in the value of the equity
- Generally, Bakkafrøst shall pay dividend to its shareholders
- A long-term goal is that 30–50% of adjusted EPS shall be paid out as dividend

* Adjusted EPS is EPS adjusted for fair value adjustments of biomass and onerous contracts provisions

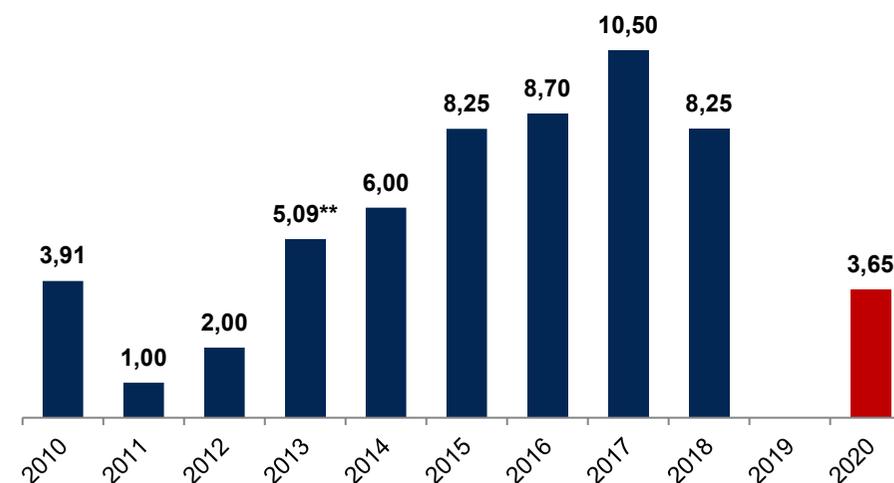
** Dividend and acquisition of treasury shares

*** Dividend is paid out the following year

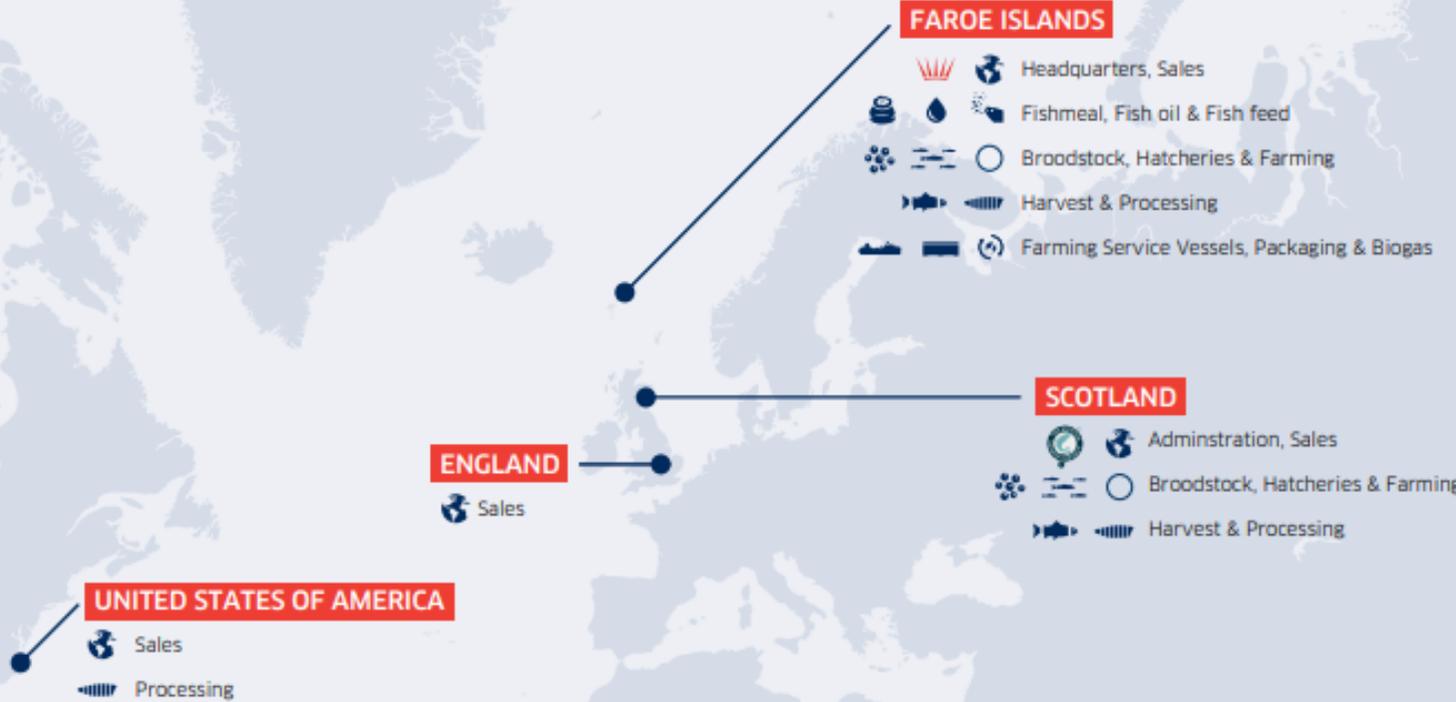
Dividend per share in % of adj. EPS*



Dividend per share (DKK)***



Bakkafrost at a Glance



LEGEND TO MAP SYMBOLS

	FISHMEAL		BROODSTOCK		HARVESTING		FSV (FARMING SERVICE VESSELS)
	FISH OIL		HATCHERIES		PROCESSING		PACKAGING
	FISH FEED		FARMING		SALES		BIOGAS

BAKKAFROST
 Salmon, packaging, fishmeal, fish oil and fish feed producer

Location: Faroe Islands

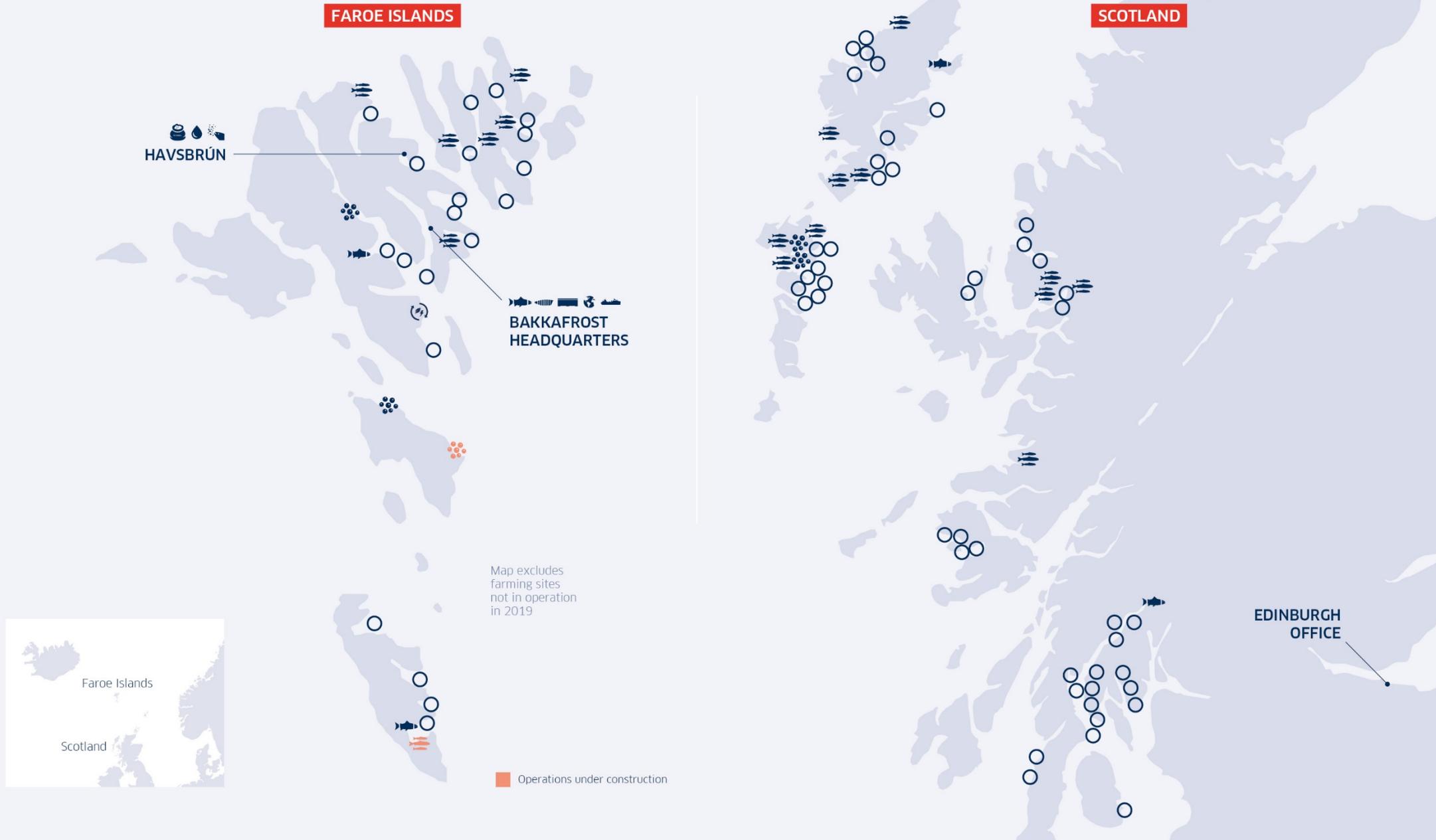
Headquarters: Glyvrar, Eysturoy

Production and business-to-business sale: salmon, fishmeal, fish oil and fish feed

Longest integrated value chain in the industry

Listed on: Oslo Børs with ticker code BAKKA

Facilities and locations



FAROE ISLANDS

- 18 islands – 1,387 km²
- 53,399 inhabitants (July 2021)
- Home rule – within the Kingdom of Denmark
- Part of the Danish monetary union, Danish krone (DKK)

Key sectors (% of wage earners, M5 2021)

- Service/public admin.: ~35%
- Private service: ~31%
- Construction: ~16%
- Fish & aquaculture: ~18%
- Unemployment rate (April 2021): 1.5%
- Total working force (November 2020): 29,724

- **GDP:** DKK ~20.9bn (2019)
- **GDP/capita:** DKK 403,300 (2019)
 - (Norway: DKK 505,961) (2019)

Total export of fish products (2020)

- DKK 7,719 million - whereof farmed fish accounts for 43%

TAXES

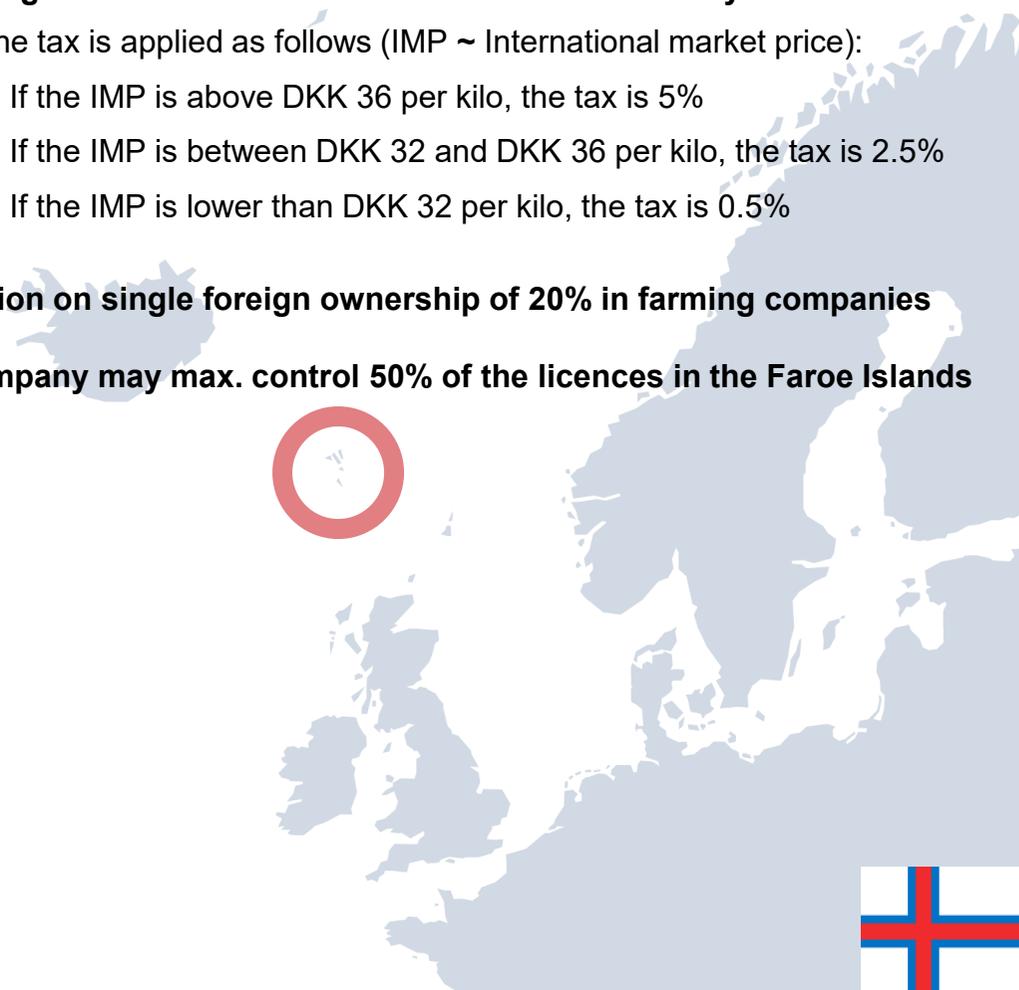
- Total percent of GDP: 41.8% (2016)
- Corporate tax: 18%
- Farming revenue tax: 5.0% of revenues after 1 January 2019

The tax is applied as follows (IMP ~ International market price):

- If the IMP is above DKK 36 per kilo, the tax is 5%
- If the IMP is between DKK 32 and DKK 36 per kilo, the tax is 2.5%
- If the IMP is lower than DKK 32 per kilo, the tax is 0.5%

Restriction on single foreign ownership of 20% in farming companies

One company may max. control 50% of the licences in the Faroe Islands



Source: Hagstova Føroya



BAKKAFROST

ESTABLISHED 1968

