

Q3 2021

BAKKAFROST GROUP

Glyvrar 9 November 2021

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Operation

- **Harvest in the Faroe Islands (FO):** 14,937 t_{gw} in Q3 2021 (11,135 t_{gw} in Q3 2020)
- **Harvest in Scotland (SCT):** 6,914 t_{gw} in Q3 2021 (10,476 t_{gw} in Q3 2020)
- **Feed sales** of 44,973 tonnes in Q3 2021* (39,869 tonnes in Q3 2020*)
- **Raw material purchase** of 17,224 tonnes in Q3 2021 (24,101 tonnes in Q3 2020)

Revenues and Operational EBIT

- **Revenues** of DKK 1,272.4 million in Q3 2021 (DKK 1,123.1 million in Q3 2020)
- **Operational EBIT**** of DKK 70,5 million in Q3 2021 (DKK 102.7 million in Q3 2020)

Cash Flow

- **Cash flow from operations** of DKK 267 million in Q3 2021 (DKK 104.5 million in Q3 2020)

Segments

- **Positive operational EBIT** for Farming FO, Value Added Products and Fishmeal, Fish Oil and Fish Feed segments, but negative operational EBIT for Farming SCT.

*) Including internal sales of 42,980 tonnes in Q3 2021 (34,353 tonnes in Q3 2020)

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

SUMMARY OF THE QUARTER

LOWER OPERATIONAL EBIT DRIVEN MAINLY BY FARMING SCOTLAND

Q3 2020	Q3 2021
OPERATIONAL EBIT/Kg (NOK)	
Farming Faroe Islands	
12.43	12.56
Farming Scotland	
-3.89	-16.32
VAP	
5.84	2.89
EBITDA margin	
Fishmeal, -oil and Feed	
14.4%	20.0%

(DKK million)	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating revenue	1,272	1,123	4,066	3,513
Operational EBITDA	194	188	1,081	853
Operational EBIT	71	103	702	533
Profit for the period	131	177	967	501
Operational EBITDA margin	15.2%	16.7%	26.6%	24.3%
Operational EBIT margin	5.5%	9.1%	17.3%	15.2%
Operational EBIT/Kg (Farming FO) (NOK)	12.56	12.43	18.37	15.90
Operational EBIT/Kg (Farming FO and VAP) (NOK)	13.59	15.24	21.07	18.36
Operational EBIT/Kg (VAP) (NOK)	2.89	5.84	8.07	5.05
Operational EBIT/Kg (Farming SCT) (NOK)	-16.32	-3.89	-2.00	1.68
EBITDA margin (Fishmeal, -oil and Feed)	20.0%	14.4%	17.7%	15.1%

Group Operational EBIT was DKK 71 million in Q3 2021, compared to DKK 103 million in Q3 2020



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Haraldsund, A72 Faroe Islands

MARKETS & SALES

TOTAL SALES TO ASIA AND EASTERN EUROPE INCREASED
– OTHER MARKETS DECREASED

Sales & volume (FO only)

Q3 2020 Q3 2021

Western Europe

56%



65%

North America

24%



17%

Asia

9%



9%

Eastern Europe

11%



9%

Harvest volumes used in the VAP

48%



35%

Total sales of salmon by markets

Western Europe
North America
Asia
Eastern Europe
Rest of world

Q3 2021

FO	SCT	Total
65%	88%	71%
17%	6%	14%
9%	6%	8%
9%	0%	7%
0%	0%	0%

Q3 2020

FO	SCT	Total
56%	92%	71%
24%	7%	16%
9%	0%	5%
11%	0%	6%
0%	2%	1%

YTD 2021

FO	SCT	Total
65%	80%	69%
16%	10%	14%
9%	9%	9%
10%	1%	8%
0%	0%	0%

YTD 2020

FO	SCT	Total
57%	89%	69%
24%	6%	17%
13%	1%	8%
6%	0%	4%
0%	4%	2%

Fresh salmon only by markets

Western Europe
North America
Asia
Eastern Europe
Rest of world

Q3 2021

FO	SCT	Total
64%	88%	70%
18%	5%	15%
12%	7%	10%
6%	0%	5%
0%	0%	0%

Q3 2020

FO	SCT	Total
29%	92%	66%
38%	7%	19%
14%	0%	6%
19%	0%	8%
0%	2%	1%

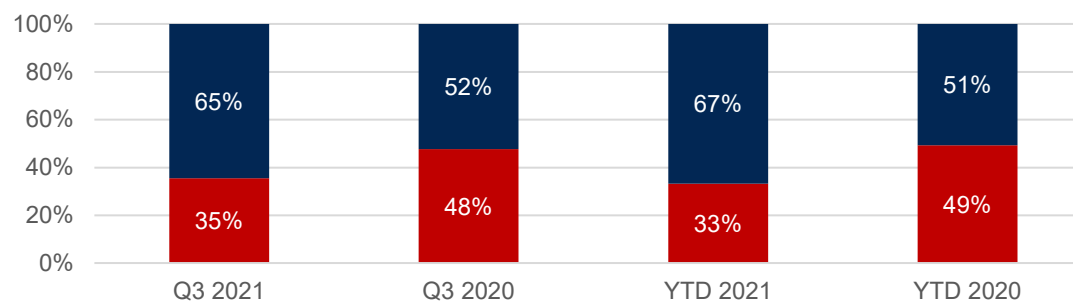
YTD 2021

FO	SCT	Total
61%	78%	66%
18%	11%	16%
12%	11%	12%
9%	0%	6%
0%	0%	0%

YTD 2020

FO	SCT	Total
28%	89%	62%
41%	6%	21%
22%	1%	10%
10%	0%	4%
0%	4%	2%

Contract share FO, VAP products [% of qty]



■ VAP on contract ■ HOG, Spot

GLOBAL MARKETS

HIGHER PRICES Y/Y BUT LOWER PRICES Q/Q

Average spot prices increased y/y but decreased q/q in Q3 2021

(NOK/KG)

y/y:

48.43
(Q3 2020)

14.4%
6.98

55.41
(Q3 2021)

q/q:

63.31
(Q2 2021)

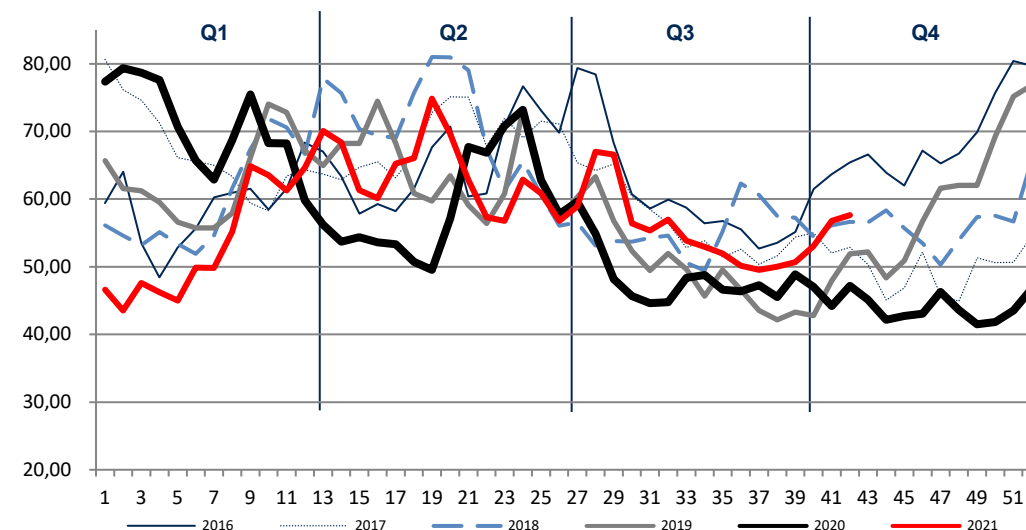
-12.5%
-7.90

55.41
(Q3 2021)

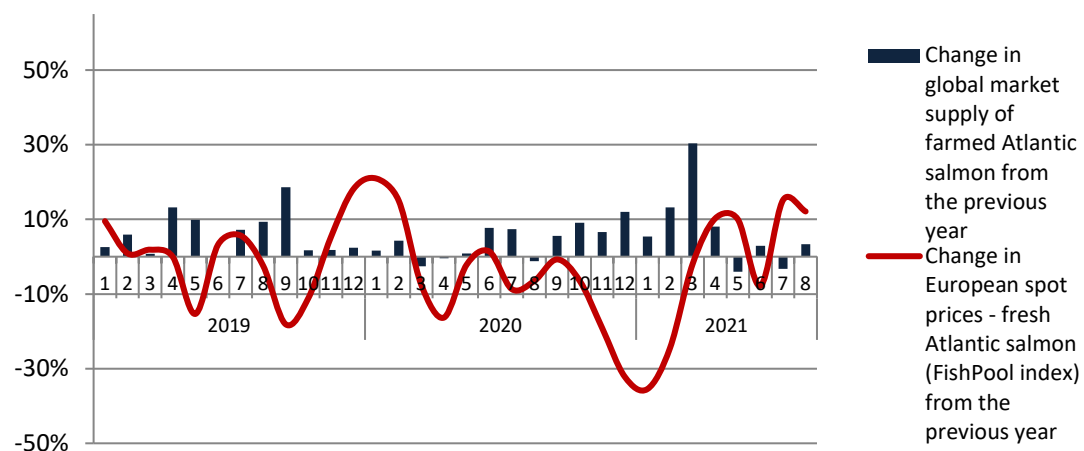
Declining spot prices throughout the quarter

Global harvest grew 5% y/y

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



Change in global market [volume harvested and market price]



Source: Kontali

HARVESTED AND SOLD QUANTITY BY ORIGIN

- **4% increase in total quarterly harvest**
 - 6% increase in supply to the markets, taking inventory movements into account
- **14% increase in European harvest**
 - 15% increase in Norway
 - Strong growth in the Faroes and Iceland
- **15% decrease in American harvest**
 - 17% decrease in Chile
 - 9% decrease in Canada
- **Limited inventory movements in the quarter**

SUPPLY DEVELOPMENT	Q3 2021	Q3 2020	Change %
Norway	371	322	15,2 %
UK	49	49	-0,4 %
Faroes	21	16	33,1 %
Iceland	8	6	39,1 %
Ireland	3	4	-27,1 %
Total Europe	453	398	13,9 %
Chile	149	179	-16,6 %
Canada	31	34	-8,5 %
USA	5	5	5,6 %
Total Americas	185	217	-14,9 %
Other	29	24	21,9 %
Total (Harvested quantity)	667	639	4,4 %
Inventory movements	-4	-11	-67,4 %
Total (Sold Quantity)	664	628	5,7 %

Source: Kontali

SALMON MARKETS, SOLD QUANTITY

- **5% increase in the EU**
 - Low compared to 14% harvest growth in Europe
 - EU consumed larger than normal share last year due to Covid-19
- **11% increase in the US**
 - High compared to 15% reduction in American harvest
 - Strong demand in retail and food service
- **High growth in China**
 - Very low consumption in 2020
- **Large drop in Russia and Japan**
 - Reduced supply from Chile

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

Markets	Estimated volumes		Q2 comparison		Estimated volumes		H1 comparison	
	Q3 2021 E	Q3 2020	Volume	%	H1 2021	H1 2020	Volume	%
EU + UK	310.800	295.800	15.000	↑ 5%	521.900	463.600	58.300	↑ 13%
USA	144.300	130.500	13.800	↑ 11%	289.800	241.200	48.600	↑ 20%
Russia	17.000	21.400	-4.400	↓ -21%	40.000	28.800	11.200	↑ 39%
Japan	14.800	16.800	-2.000	↓ -12%	31.500	28.100	3.400	↑ 12%
Greater China	28.400	21.100	7.300	↑ 35%	49.400	59.200	-9.800	↓ -17%
ASEAN	17.200	17.100	100	↗ 1%	41.000	34.400	6.600	↑ 19%
Latin America	43.900	42.900	1.000	↗ 2%	94.900	73.600	21.300	↑ 29%
Ukraine	7.900	5.700	2.200	↑ 39%	13.700	8.600	5.100	↑ 59%
Other markets	79.500	76.700	2.800	↑ 4%	144.000	137.800	6.200	↑ 4%
Total all markets	663.800	628.000	35.800	↑ 5,7 %	1.226.200	1.075.300	150.900	↑ 14,0 %

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

Expected drop in global harvest next quarters

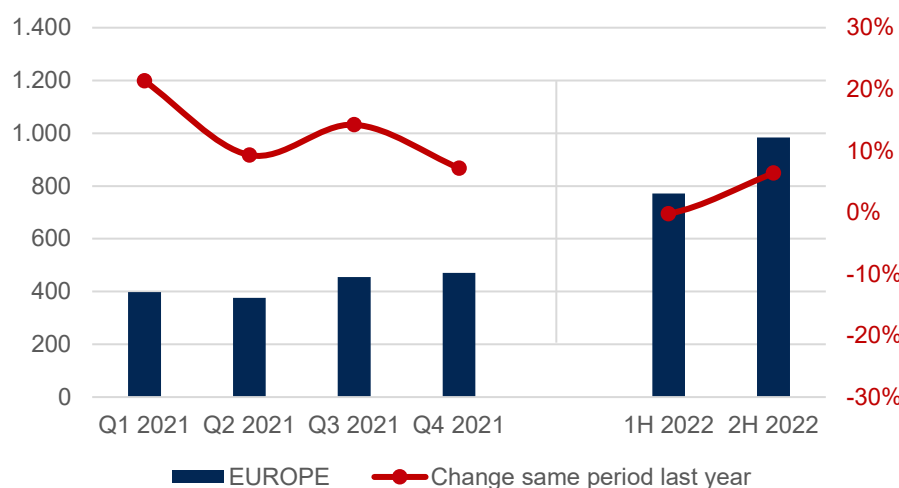
Around 8% growth in Europe in Q4 2021

- Flat development expected in 1H 2022

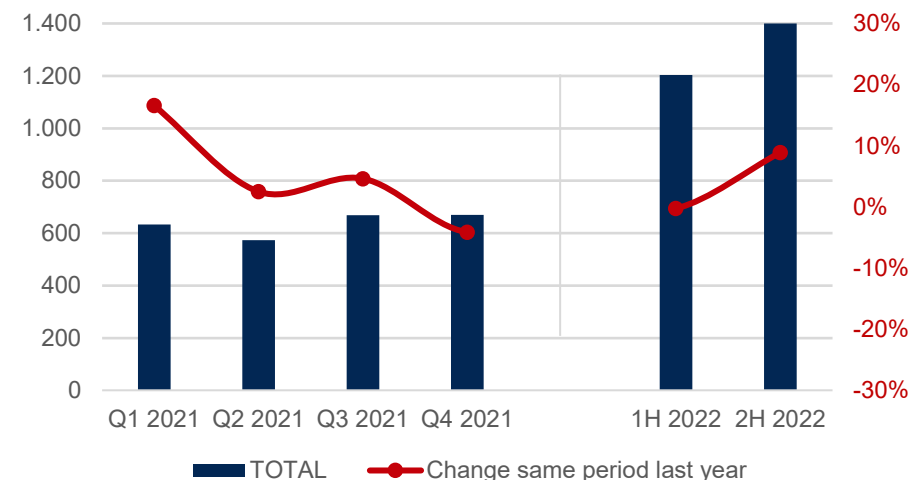
Drop expected in Americas next quarters

- Driven by Chile
- Temporary low smolt release 2H 2019/1H 2020

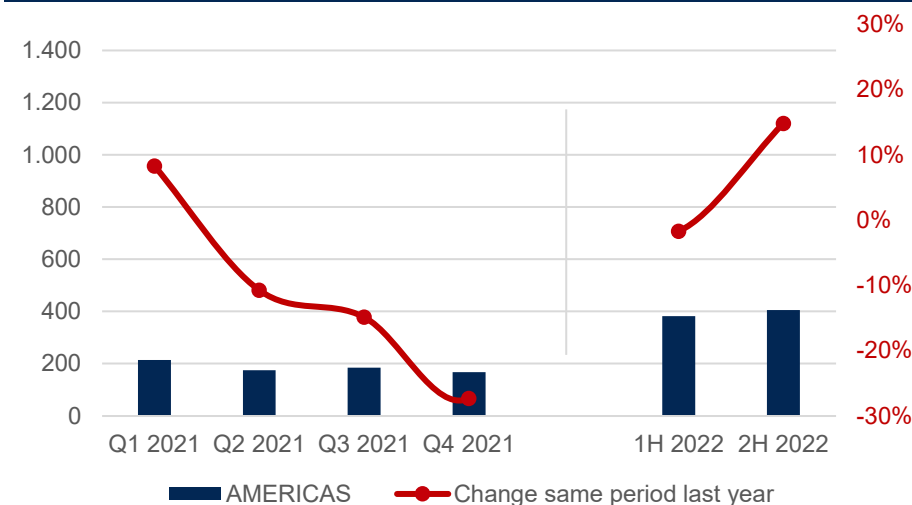
SUPPLY - EUROPE



SUPPLY - TOTAL




SUPPLY - AMERICAS



Note: Supply does not take movement of inventory into account

Source: Kontali



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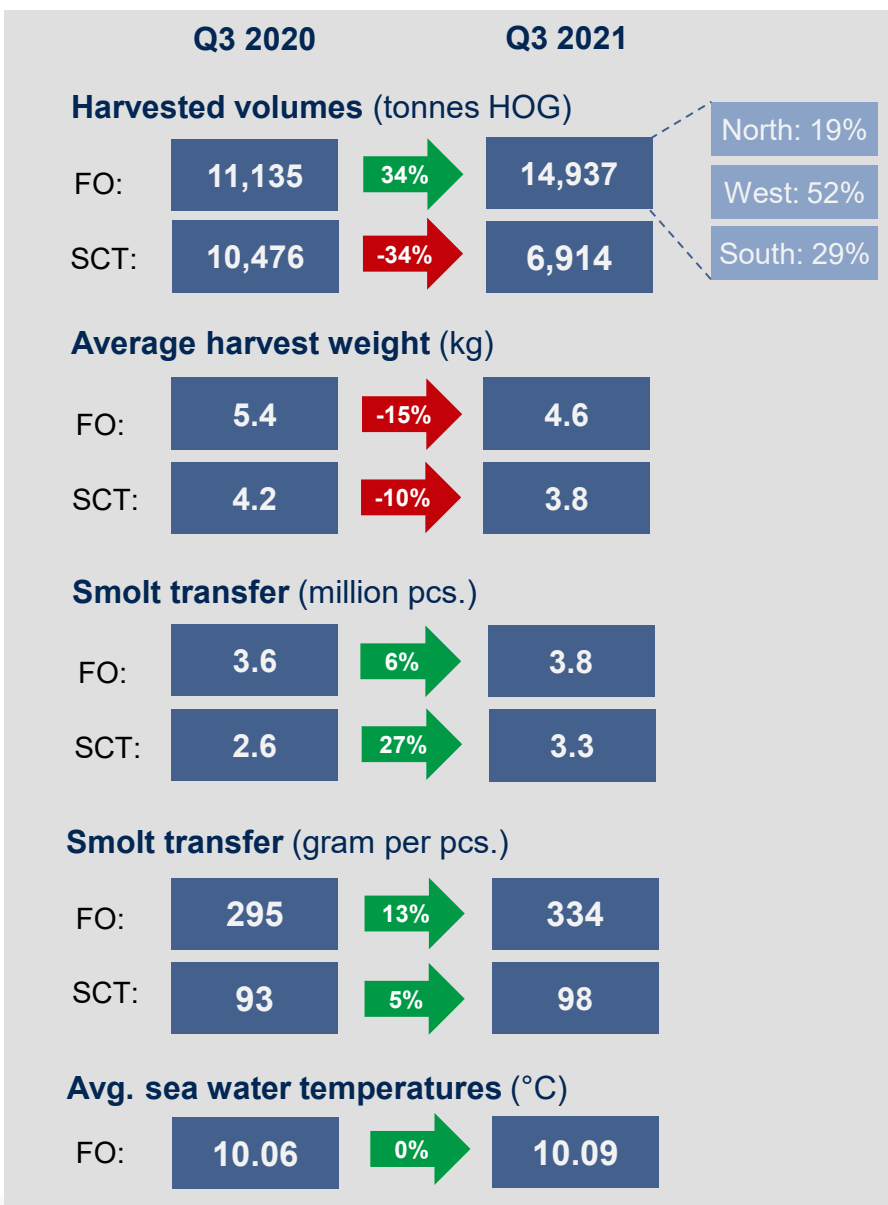
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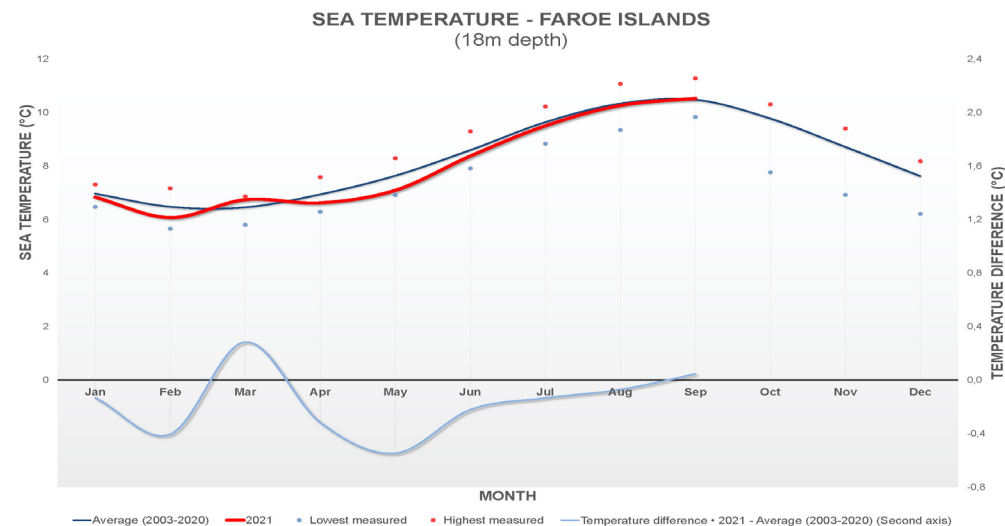
FARMING – HARVEST VOLUME

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









Harvest Volumes tonnes [HOG]	Q3 21	Q3 20	YTD 21	YTD 20
FO - North Region	2,862	5,337	16,814	24,543
FO - West Region	7,756	4,681	23,349	7,450
FO - South Region	4,319	1,117	6,361	2,750
FO – Total	14,937	11,135	46,523	34,743
SCT	6,914	10,476	24,550	25,681
Total (FO & SCT)	21,851	21,611	71,073	60,424

Sea water Temperatures at 18m depth in the Faroe Islands



FARMING – OPERATIONAL PERFORMANCE

HIGHER OPERATIONAL EBIT AND OPERATING REVENUE IN FO
LOWER OPERATIONAL EBIT AND OPERATING REVENUE IN SCT

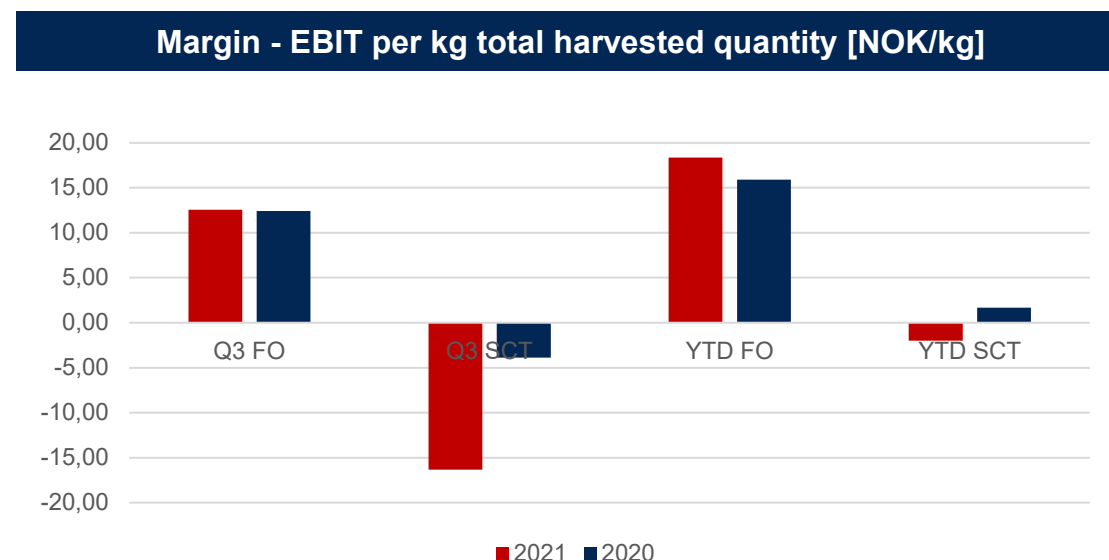
	Q3 2020		Q3 2021
Operational EBIT (mDKK)			
FO:	97	40% 	135
SCT:	-28	-189% 	-81
Operational EBIT margin			
FO:	18%		18%
SCT:	-7%		-23%
Operating revenue (mDKK)			
FO:	530	43% 	759
SCT:	417	-14% 	356

Farming FO (DKK million)	Q3 21	Q3 20	YTD 21	YTD 20
Operating revenue	759	530	2,366	1,737
Operational EBIT	135	97	622	385
Operational EBIT margin	18%	18%	26%	22%

Farming SCT (DKK million)	Q3 21	Q3 20	YTD 21	YTD 20
Operating revenue	356	417	1,237	1,206
Operational EBIT	-81	-28	-36	30
Operational EBIT margin	-23%	-7%	-3%	2%

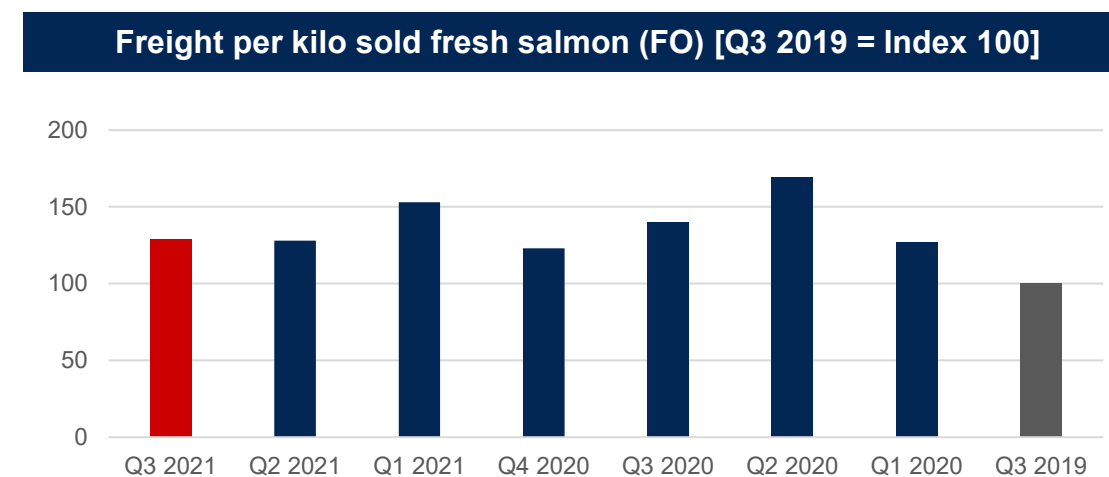
FARMING – OPERATIONAL PERFORMANCE

	Q3 2020		Q3 2021
Operational EBIT per kg (NOK)			
FO:	12.43	0.12	12.56
SCT:	-3.89	-12.44	-16.32



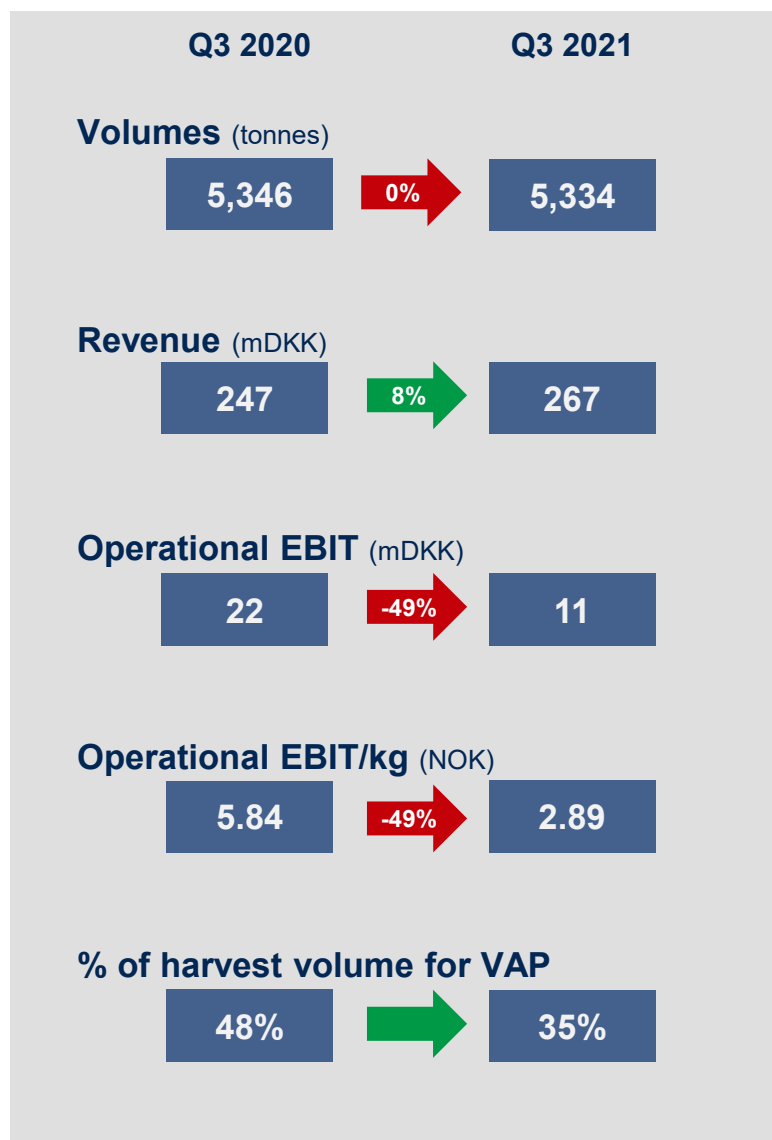
FO: Deliberate early harvest of small fish from A72 Haraldsund to synchronise production cycle with A73 Vidareidi – to reduce risk forward.
Delay in implementation of new de-lousing system on M/S Martin caused challenges in the quarter.

SCT: Environmental blooms (micro-jelly/hydrozoan zooplankton) and AGD causing significant gill issues and high mortality at three sites during Q3 and early Q4

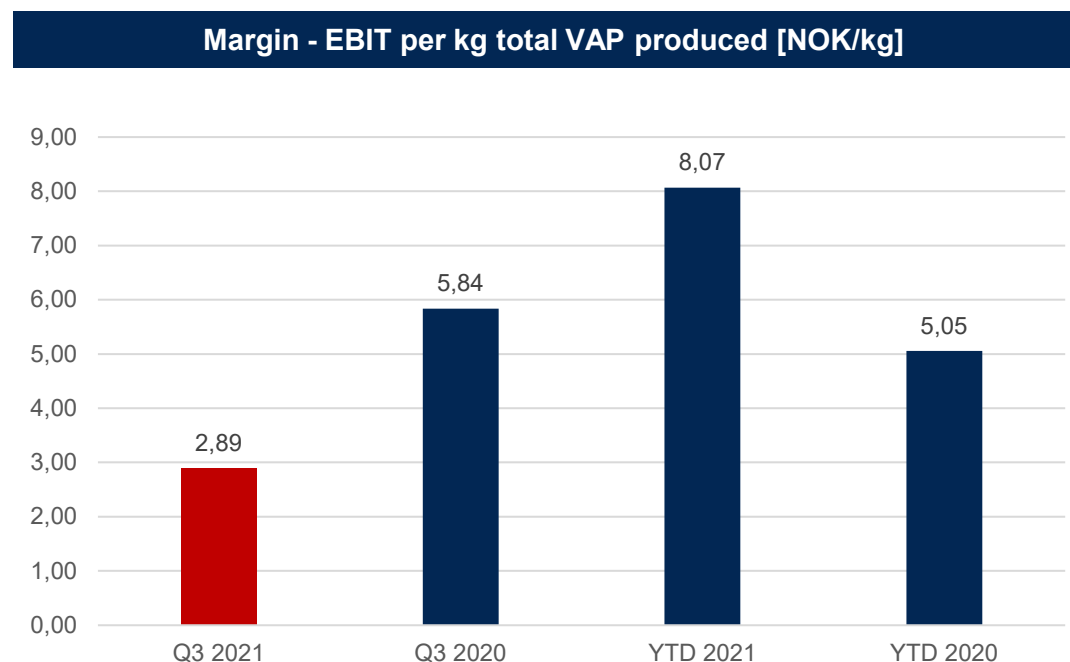


VALUE ADDED PRODUCTS (VAP)

SAME VOLUMES AND HIGHER COST OF RAW MATERIAL

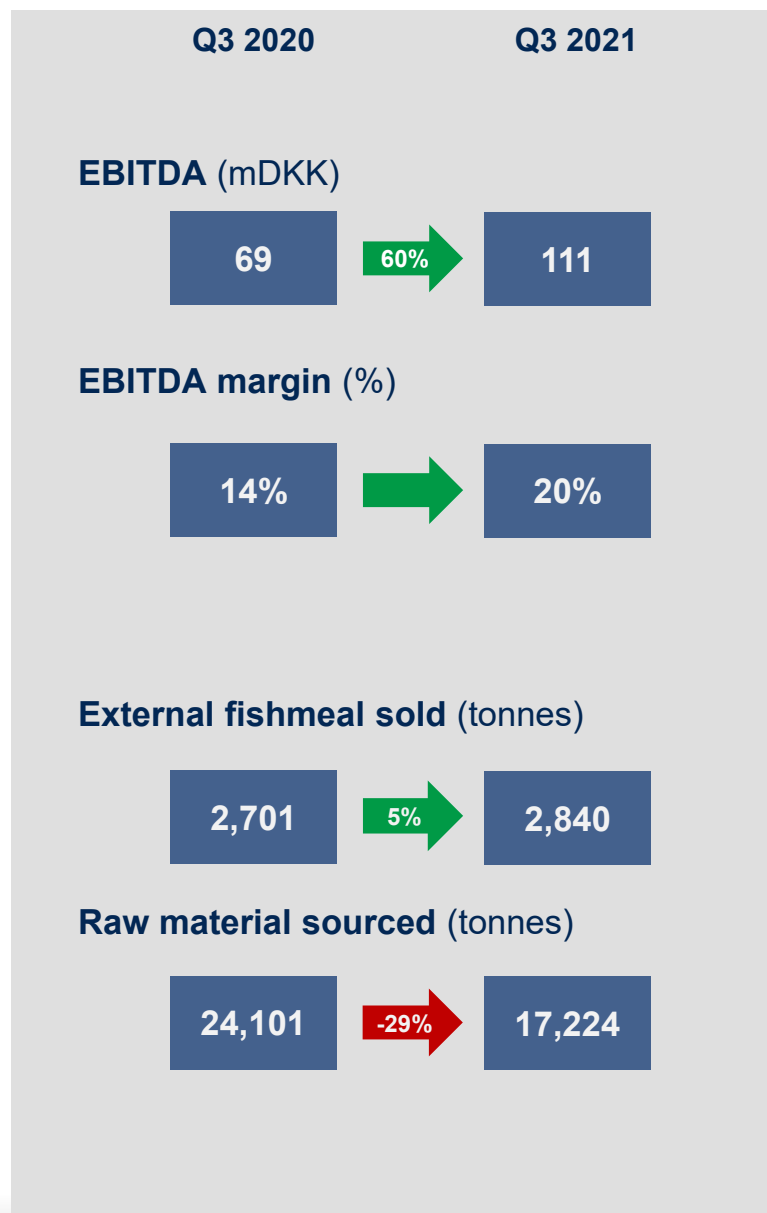


(DKK million)	Q3 21	Q3 20	YTD 21	YTD 20
Operating revenue	267	247	836	829
Operational EBIT	11	22	91	60
Operational EBIT margin	4%	9%	11%	7%
Farming FO transferred to VAP (tgw)	5,299	5,313	15,481	17,141
VAP produced (tgw)	5,334	5,346	15,577	16,906



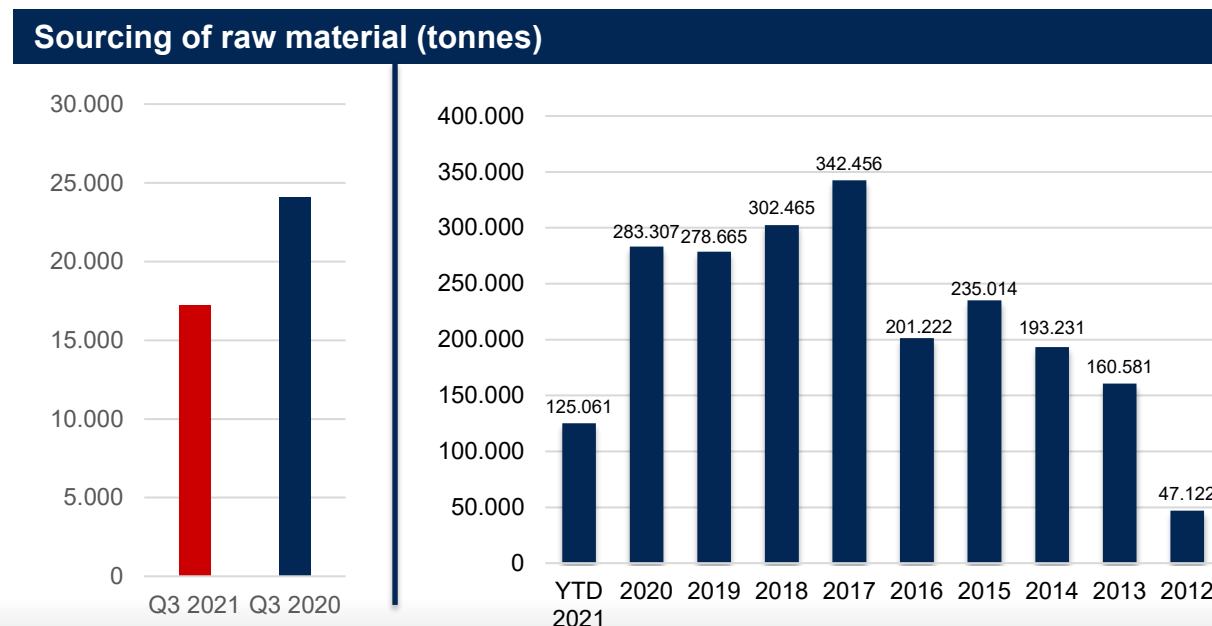
FISHMEAL, OIL AND FEED (FOF)

LOWER RAW MATERIAL SOURCING AND HIGHER SALES OF FEED AND FISHMEAL



(DKK million)	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating revenue	557	481	1,226	1,060
EBITDA	111	69	217	160
EBITDA margin	20%	14%	18%	15%
Feed sold (tonnes)*	44,973	39,869	95,962	81,113
Fishmeal sold external (tonnes)	2,840	2,701	13,007	17,175

* Including internal sales, corresponding to 95.6% of feed volumes in Q3 2021 (Q3 2020: 86.2%)



MARKET CONDITIONS FEED

SIGNIFICANT INCREASE IN INTERNAL FEED SALES

Q3 2020

Q3 2021

Total feed sales increased (tonnes)

39,869



44,973

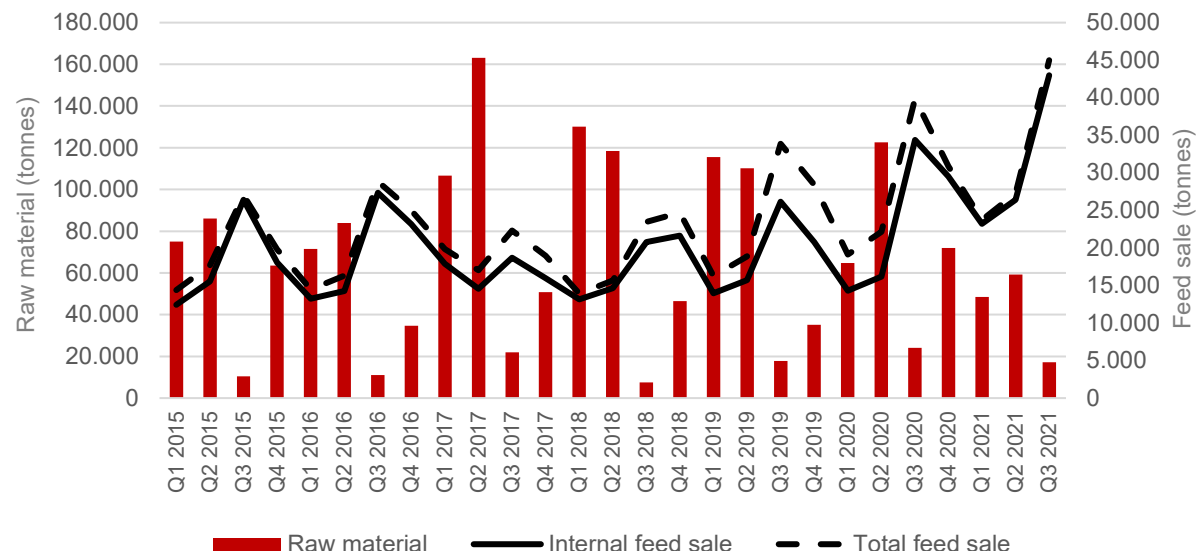
External feed sale decreased (tonnes)

5,516



1,992

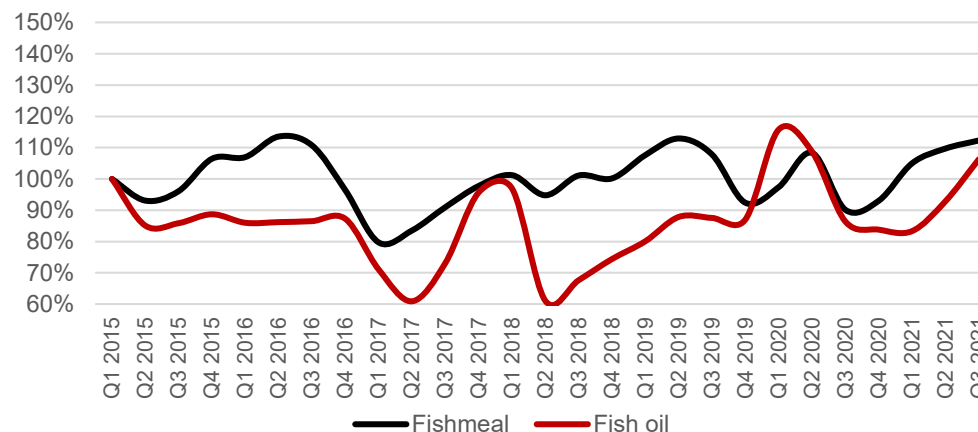
Volumes of raw material purchase and feed sale [tonnes]



Market fluctuations

Fishmeal price and fish oil price increased in Q3 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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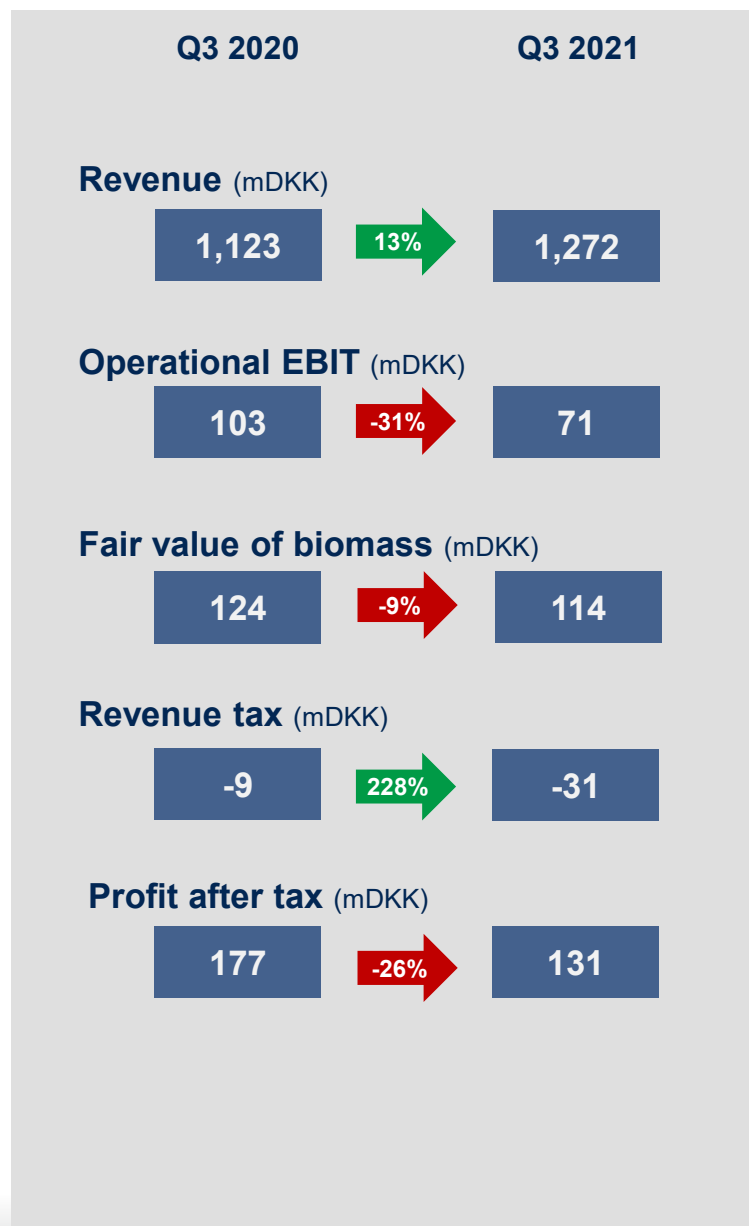
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GROUP PROFIT AND LOSS

HIGHER REVENUE – REDUCED OPERATIONAL EBIT AND PROFIT

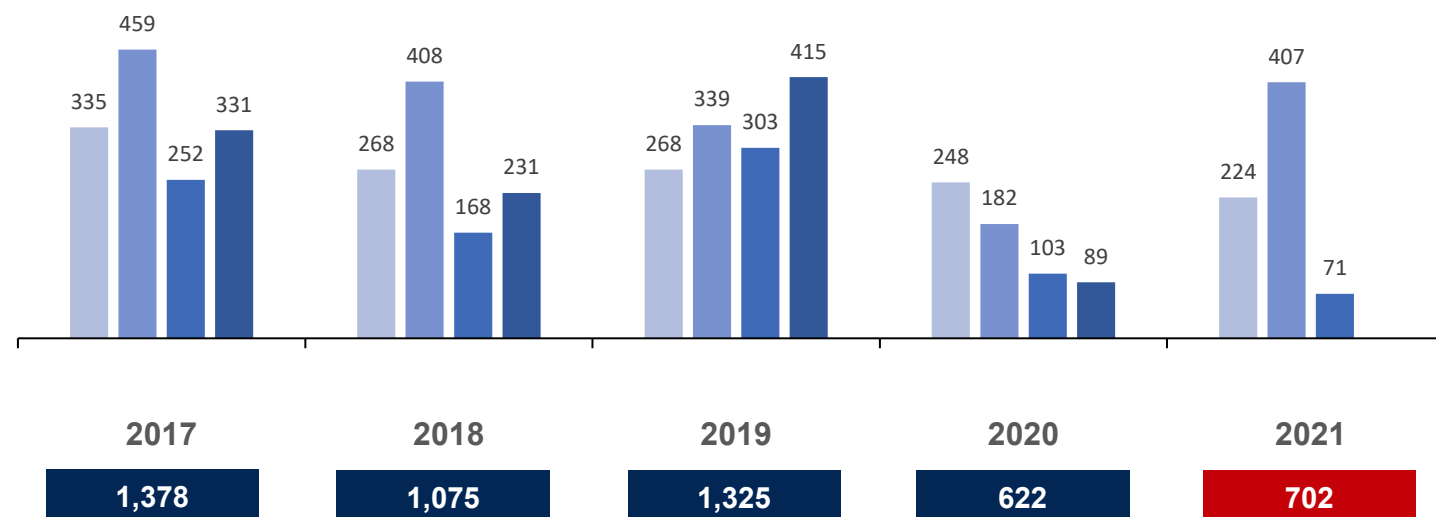


(DKK million)	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Operating revenue	1,272	1,123	4,066	3,513
Operational EBITDA	194	188	1,081	853
Operational EBIT	71	103	702	533
Fair value adjustment of biological assets	114	124	575	140
Onerous contracts	0	0	0	0
Income from associates	8	0	12	0
Revenue tax	-31	-9	-92	-51
EBIT	162	218	1,197	622
Net Financial items	-3	-23	-15	-36
EBT	158	195	1,181	585
Taxes	-27	-18	-214	-85
Profit for the period	131	177	967	501
Operational EBITDA margin	15.2%	16.7%	26.6%	24.3%
Operational EBIT margin	5.5%	9.1%	17.3%	15.2%
Operational EBIT/kg (Farming FO and VAP) (NOK)	13.59	15.24	21.07	18.36
Operational EBIT/kg (Farming Scotland) (NOK)	-16.32	-3.89	-2.00	1.68
EBITDA margin (fishmeal, oil and feed)	20.0%	14.4%	17.7%	15.1%

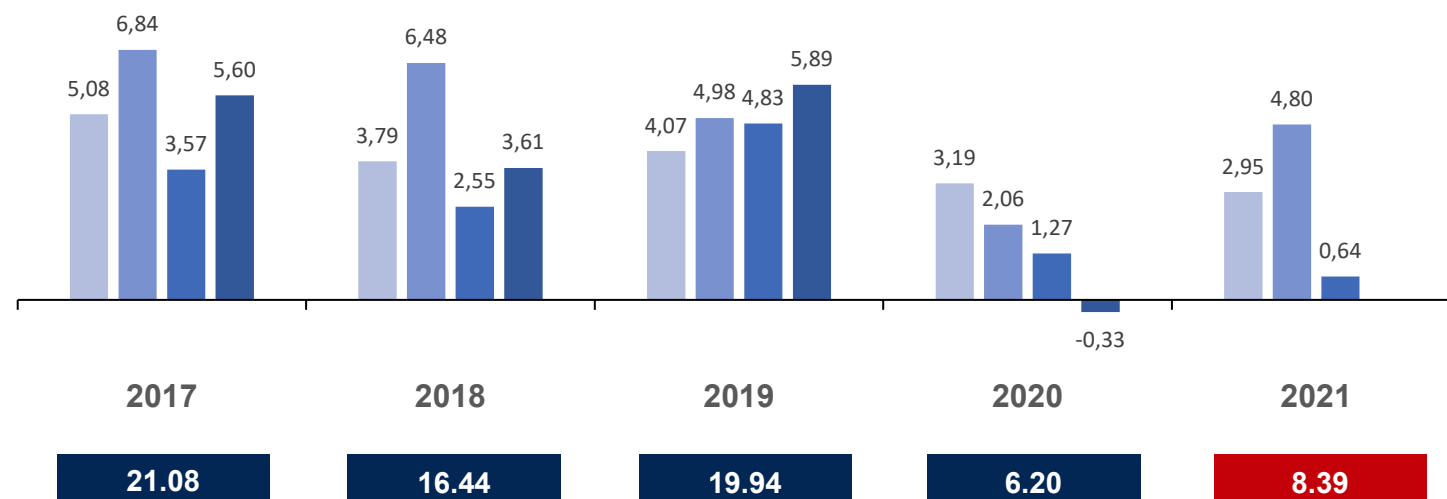
* Operational EBITDA and EBIT aligned for fair value adjustment of biomass, onerous contracts provisions, income from associates and revenue tax.

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.

BALANCE SHEET

Headlines (mDKK)	End 2020		Q3 2021
PPE:	4,221	522	4,742
Biological assets: <i>*(whereof mDKK 745 (168) are fair value adjustments)</i>	2,117*	586	2,703*
Inventory:	776	-86	690
Receivables:	490	156	646
Cash & cash equiv.:	467	-94	373
Equity:	8,729	794	9,524
Equity ratio:	66%	1	67%

(DKK million)	Q3 2021	End 2020
Intangible assets	4,495	4,493
Property, plant and equipment	4,742	4,221
Right of use assets	309	353
Financial assets	132	122
Long-term receivables	8	8
Deferred tax assets	0	27
Biological assets	2,703	2,117
Inventory	690	776
Financial derivatives	6	0
Receivables	646	490
Other receivables	153	134
Cash and cash equivalents	373	467
Total Assets	14,259	13,208
Equity	9,524	8,729
Deferred tax and other taxes	1,409	1,222
Long-term interest-bearing debt	2,360	2,220
Long-term leasing debt	247	265
Financial derivatives	3	11
Short-term leasing debt	93	131
Accounts and other payables	622	629
Total Equity and Liabilities	14,259	13,208

CASH FLOW

Q3 2020 **Q3 2021**

Cash flow, operations (mDKK)



Cash flow, investments (mDKK)



Cash flow, financing (mDKK)



(DKK million)	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Cash flow from operations	267	105	936	581
Cash flow from investments	-310	-176	-823	-473
Cash flow from financing	-136	63	-207	-972
Net change in cash	-180	-8	-94	-864
Cash at the end of the period	373	446	373	446
Undrawn facilities	1,439	2,163	1,439	2,163

NET INTEREST-BEARING DEBT (NIBD)

NIBD INCREASED DURING Q3 2021

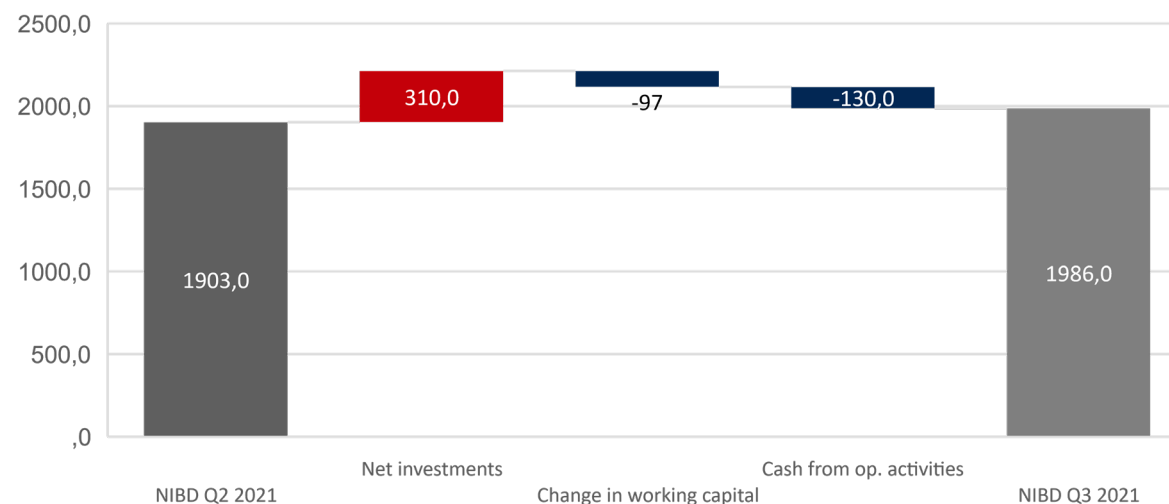
NIBD was increased by:

- Net investments (mDKK 310)

NIBD was decreased by:

- Cash flow, operating activities (mDKK -130)
- Change in working capital (mDKK -97)

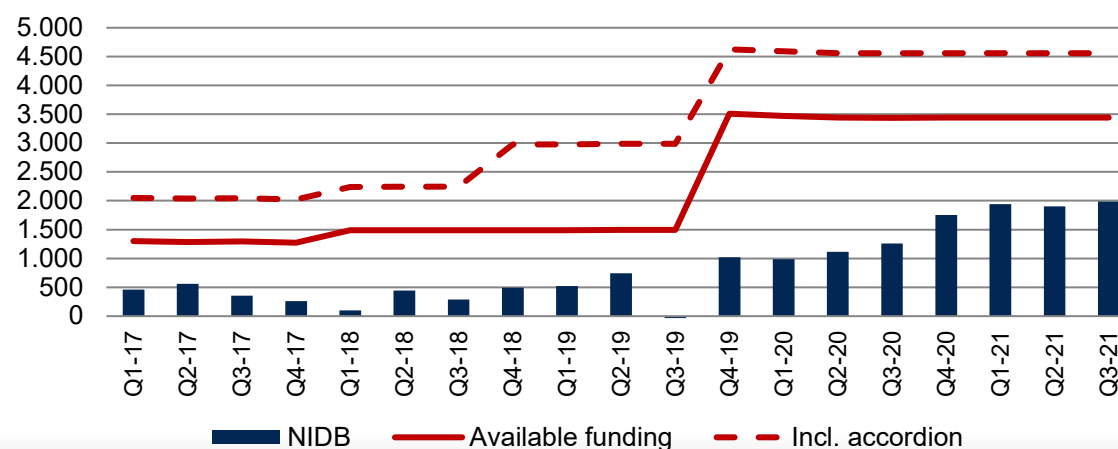
Development in NIBD in DKK millions



Financing end Q3 2021

- NIBD: DKK 1,986 million
- Bank facilities of EUR 463 million, and an accordion of EUR 150 million.
- Undrawn credit facilities: DKK 1,439 million

NIBD and available funding





Bakkafrost sets a **NetZero** GHG emission target for **2050**



Farming supply vessel **M/S Bakkanes** put in operation in Scotland to do **mechanical delousing**



In October, the North East Atlantic **Blue Whiting Fishery Improvement Project (FIP)** is **accepted** into the MarinTrust Improver Programme, hence paving the way for **regained MSC certification**

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Market

- Global harvest:
 - increased 4.6% in Q3 2021 vs Q3 2020
 - expected to decrease 4% in Q4 2021
 - expected to be flat in H1 2022
 - expected to increase 9% in H2 2022

Farming

- Harvest:
 - In 2021, Bakkafrost expects to harvest HOG 96,000 tonnes (Faroe Islands: 66,000 and Scotland: 30,000)
 - In 2022, Bakkafrost expects to harvest HOG 103,000 tonnes (Faroe Islands: 68,000 and Scotland: 35,000)
- Smolt release:
 - In 2021, Bakkafrost expects to release 25.5 million smolts (Faroe Islands: 14.5 and Scotland: 11.0)
 - In 2022, Bakkafrost expects to release 25.8 million smolts (Faroe Islands: 15.0 and Scotland: 10.8)

Contracts

- For 2022, Bakkafrost has signed contracts for around 21% of the total expected harvest volumes in the Faroe Islands and Scotland

Fishmeal, Oil and Feed

- Feed sales are expected to be around 130,000 tonnes in 2021, and are expected to be on the same level in 2022
- Fishmeal and fish oil volumes are expected to be lower in 2022 than in 2021

Business development / Investment programme

- Headlines from Capital Markets Day on 14-15 September 2021:
 - During 2022-2026, DKK 6.2 billion will be invested in the Faroe Islands and Scotland
 - Improve the operation in Scotland
 - Pursue sustainable organic growth in the Faroe Islands and Scotland

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LAND BASED FARMING EXPANSION TO 16 KT

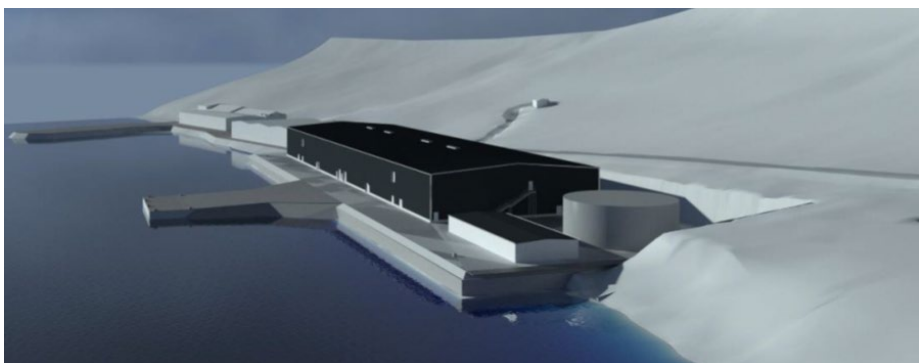
S16 Glyvradalur capacity expansion in progress

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



S03 Norðtoftir capacity expansion in progress

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



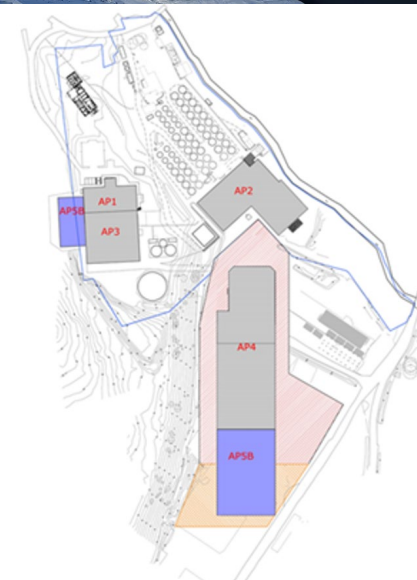
S24 Strond capacity expansion finalised

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



FS1336 Applecross, Scotland

- RAS expansion
- Expected to be in operation in 2023
5kt ~ 10m smolt @ 500g



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

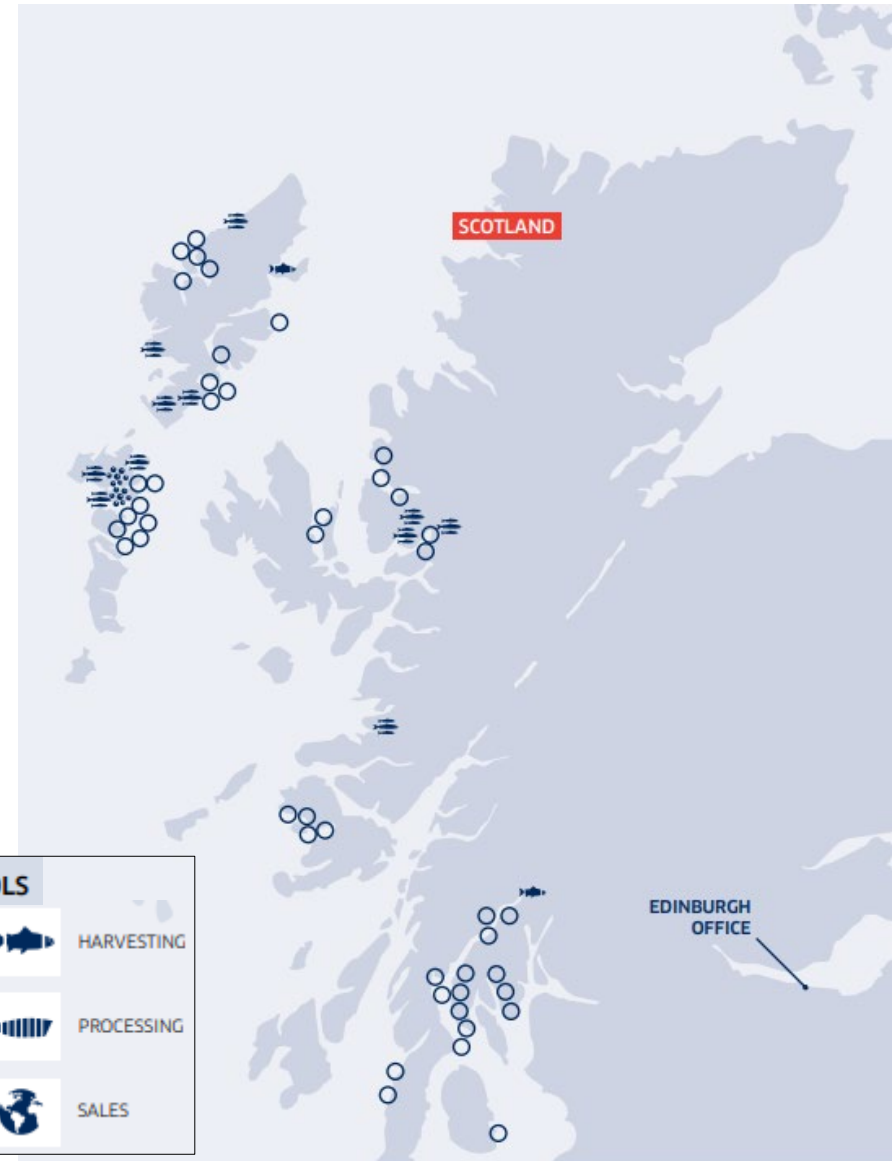
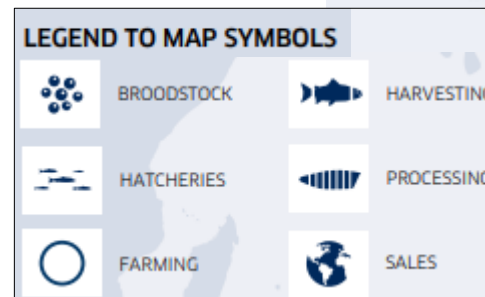
Total consent is 74,765 tonnes in 44 farming sites:

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**



West Strome, Scotland



SCOTLAND – STRATEGIC RATIONALE

3. Potential for significant **improvement**

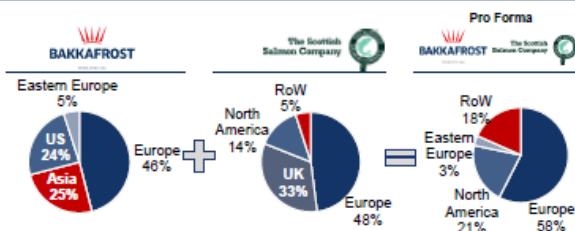
- Scottish Salmon **profitability** to improve over a five-year period through transfer of best practices
- **Synergies**
- Targeted **investment programmes**

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.

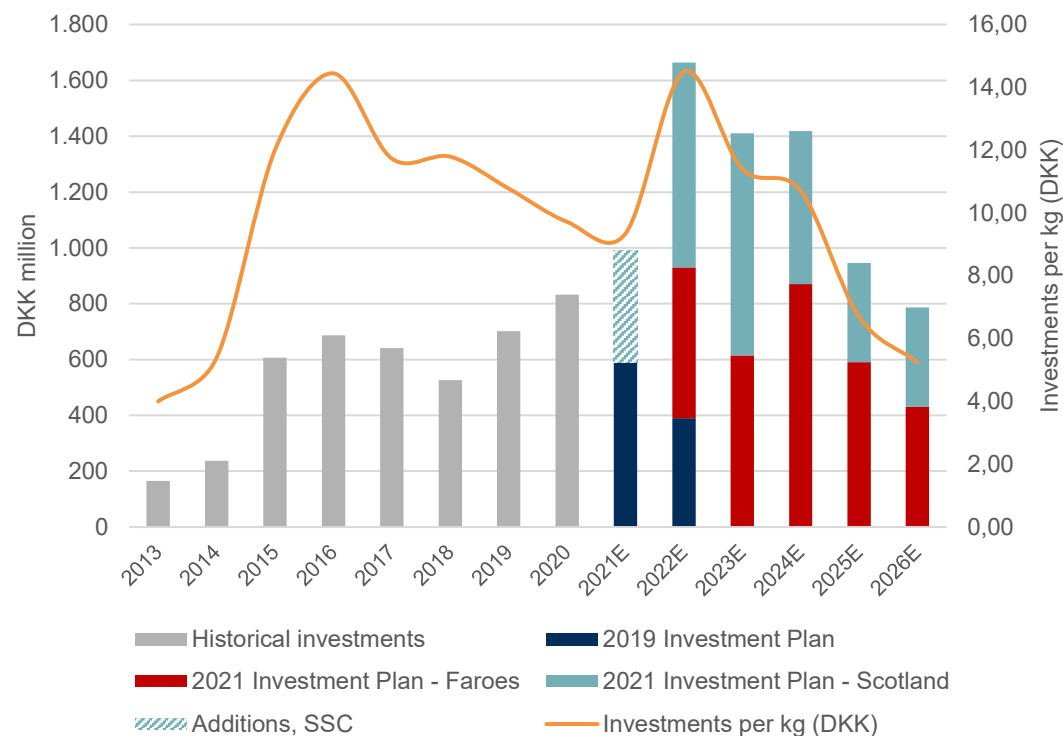
² Geographic breakdown of revenue based on H1 2019 data for both companies.

INVESTING IN SUSTAINABLE GROWTH

150,000 TONNES HARVEST IN 2026, FAROE ISLANDS AND SCOTLAND COMBINED

Volumes	Faroe Islands	Scotland
2020	50,700t	35,000t
2021	66,000t	40,000t
2023	76,000t <i>100,000t capacity built</i>	
2026	100,000t	50,000t

2022-2026 Capex of DKK 6.2 bn builds 180,000t capacity by 2026



~ 6.2BN PLANNED INVESTMENTS 2022-2026

FRONTLOADED TO ACCELERATE BUSINESS TRANSFORMATION IN SCOTLAND

Faroe Islands:

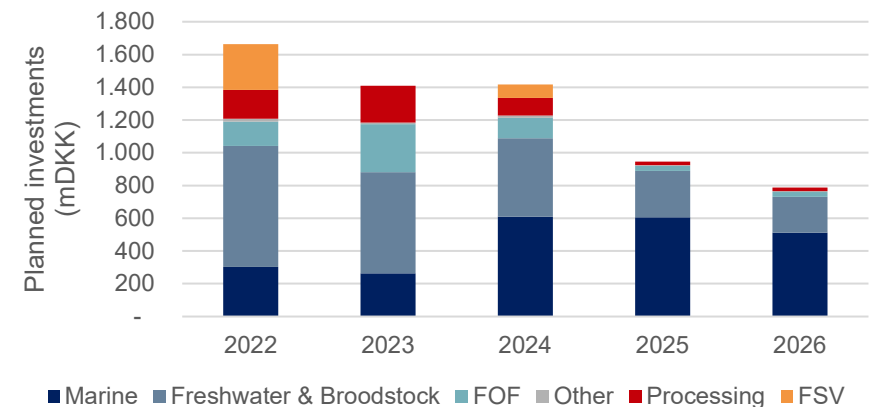
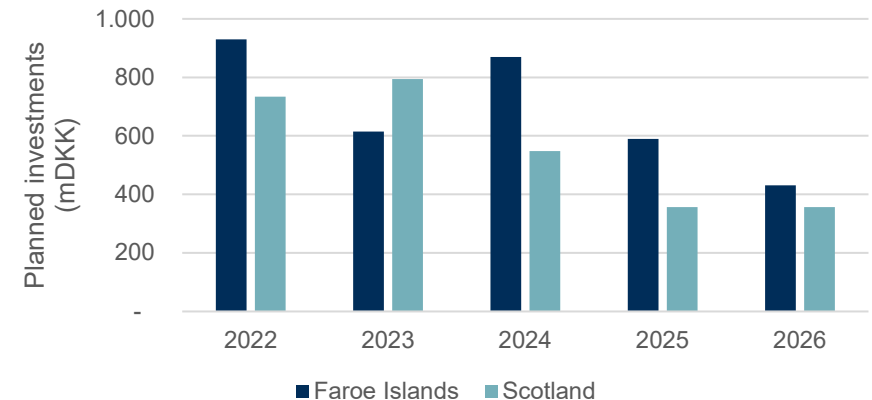
- Hatchery capacity (2026 capacity: +23m smolt at 500g)
- Increase feed capacity to cater 200,000 tonnes (HOG) harvest
 - Flexibility for further expansion to 290kt (HOG) harvest
- 7,000m³ multi-purpose well boat
- Seawater expansion investments, including offshore
- Broodstock facility

Scotland:

- Hatchery capacity (+18m smolt at 500g in 2026)
- Processing plant
- Treatment vessels
- Marine Site development

Planned investment profile is subject to necessary agreements being secured with responsible authorities

Planned investment profile 2022-2026 (DKK 1,000)

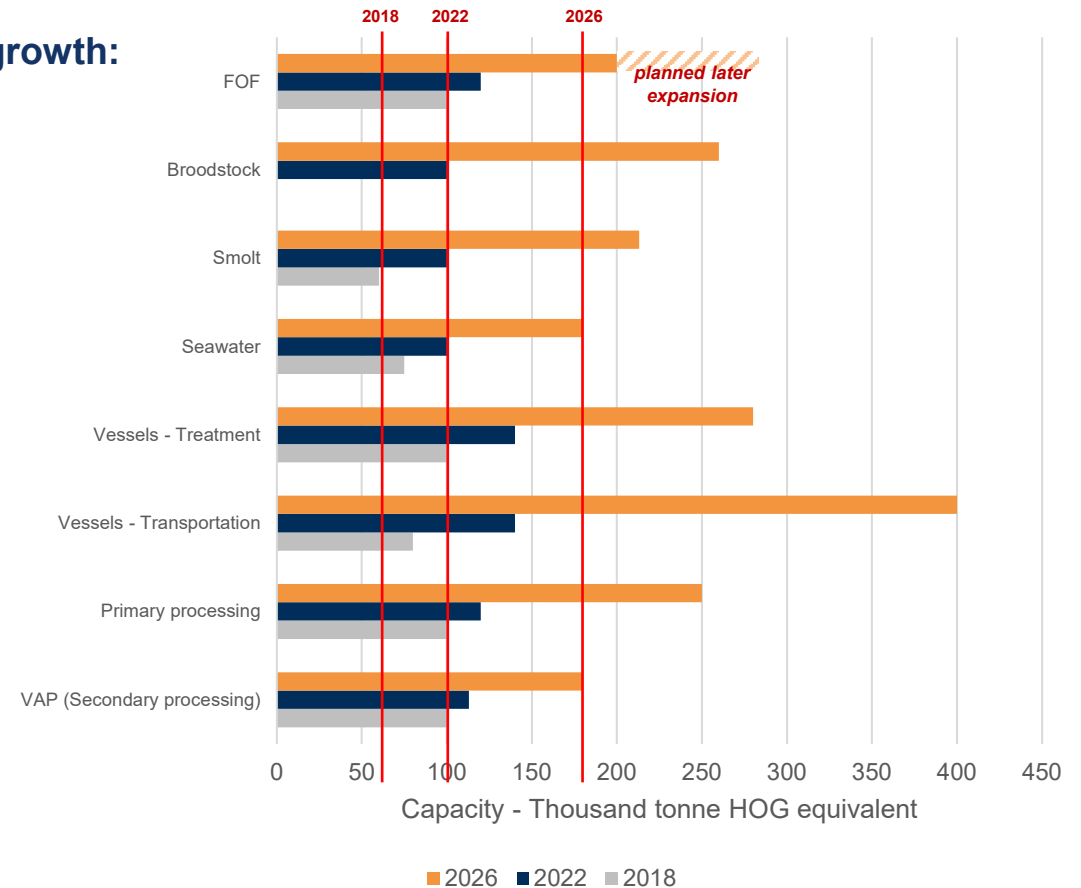


PLANNED INVESTMENTS ENSURE SIGNIFICANT UPLIFT IN CAPACITY

VALUE CHAIN SYNCHRONISED AT 180KT HOG HARVEST CAPACITY IN 2026

- Value chain synchronised at 180kt capacity in 2026
- Extra capacity as “insurance” & flexibility and for growth:
 - Broodstock *(flexibility and future growth)*
 - Smolt *(flexibility and future growth)*
 - Treatment *(improved ability to deal with biological issues)*
 - Vessel transportation *(flexibility and future growth)*
 - Primary processing *(market flexibility)*
 - Transportation *(flexibility and future growth)*

Development in capacity constraints

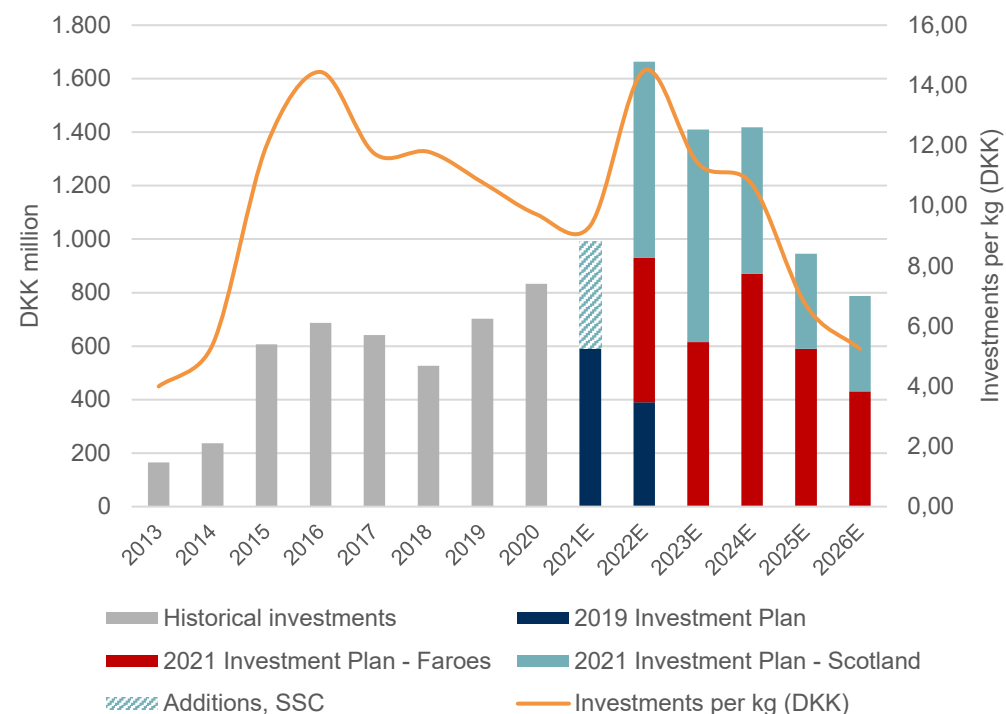


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DEVELOPMENT IN SUPPLY AND SOLD QUANTITY BY ORIGIN

Expected supply growth in 2021

- 8% growth in Global supply
- 14% growth in European supply
- -3% 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	1,364	1,417
UK	137	171	160	188	185
Ireland	13	14	14	14	14
Iceland	12	22	27	42	44
Faroes	64	78	72	93	95
Total Europe	1,355	1,484	1,496	1,701	1,755
Chile	598	601	657	630	653
Canada	131	124	123	125	121
USA	17	19	18	15	13
Total Americas	747	744	798	770	787
Others	65	71	92	106	119
Total (Sold Quantity)	2,167	2,299	2,386	2,578	2,662
Supply growth - Global	6%	6%	4%	8%	3%
Supply growth - Europe	1%	10%	1%	14%	3%
Supply growth - Americas	18%	0%	7%	-3%	2%

Salmon Markets (head on gutted - HOG)

	2018	2019	2020	2021E	2022E
EU+UK	949	1,017	1,071	1,160	1,197
USA	435	468	505	574	605
Japan	54	53	64	64	66
Russia	89	78	79	80	85
Others	640	682	666	700	708
Total (Sold Quantity)	2,167	2,298	2,385	2,578	2,661

Comments:

All figures are in hog-equivalents and thousand tonnes.

Figures represents sold quantity of Atlantic Salmon from each producing country

Source: Kontali

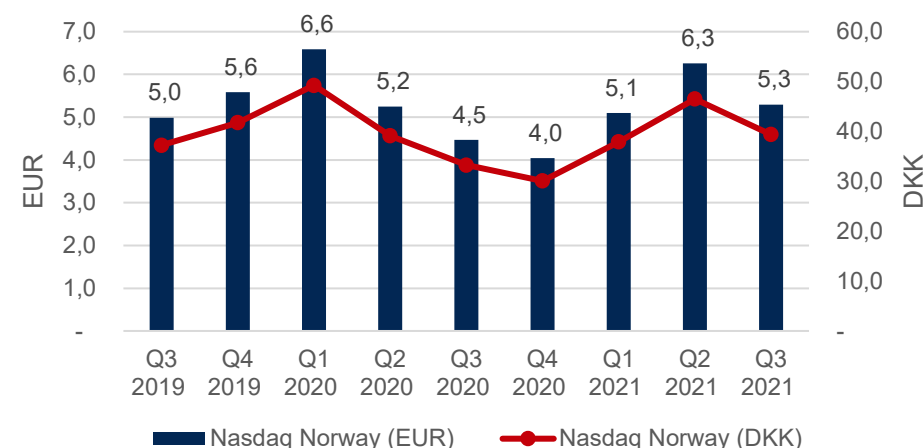
Q3 2021 MARKET ENVIRONMENT

- Increased market prices compared to Q3 2020
- Nasdaq Norway price EUR 5.3 in Q3 2021
 - Strong growth in European supply
 - 19% up vs. Q3 2020
 - 15% reduction vs. Q2 2021
- Urner Barry East Coast price continued to rise
 - Strong reduction in American supply
 - 35% up vs. Q3 2020
 - 5% up vs. Q2 2021
- Limited currency effect in the quarter

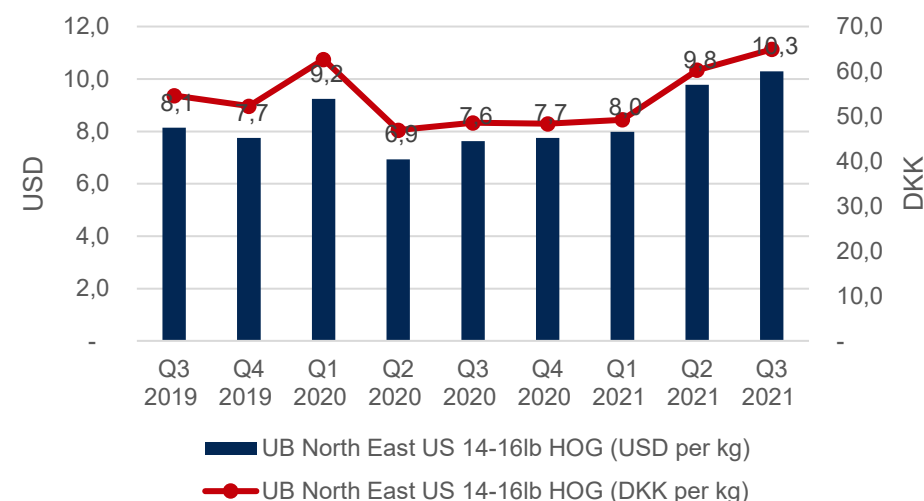
MARKET CURRENCY	Q3 2021	Q3 2020	Change %
Nasdaq Norway (EUR)	5.29	4.47	18.5 %
UB North East US 14-16lb HOG (USD per kg)	10.29	7.62	35.0 %

DKK	Q3 2021	Q3 2020	Change %
Nasdaq Norway	39.36	33.25	18.4 %
UB North East US 14-16lb HOG (per kg)	64.93	48.58	33.7 %

PRICE NORWAY



PRICE US – NORTH EAST

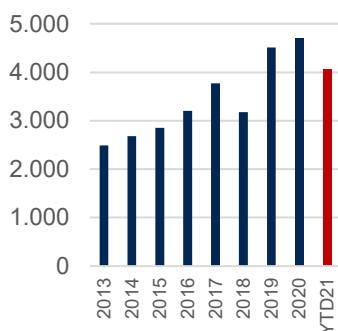


Source: Kontali

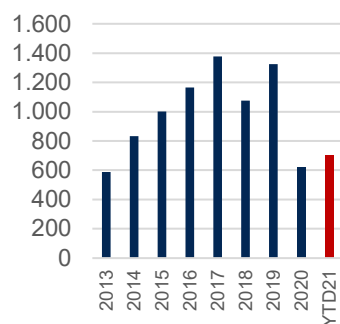
DEVELOPMENT PER QUARTER

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
(mDKK)	2019	2019	2020	2020	2020	2020	2021	2021	2021
Revenue	996	1,605	1,255	1,134	1,123	1,183	1,176	1,618	1,272
Operational EBIT	303	415	248	182	103	89	224	407	71
Profit/Loss	181	220	-148	472	177	-38	408	428	131
Harvest FO (tgv)	12,938	17,930	10,667	12,941	11,135	15,957	14,025	17,561	14,937
Harvest SCT (tgv)		7,925	7,268	7,937	10,476	9,305	7,002	10,634	6,914
Op. EBIT Farming FO & VAP (NOK/kg)	26.25	28.25	25.10	15.34	15.24	12.92	21.48	26.93	13.59
Op. EBIT Farming FO (NOK/kg)	23.61	25.49	26.51	9.79	12.43	5.66	14.10	26.52	12.56
Op. EBIT VAP (NOK/kg)	9.23	11.72	-2.97	11.06	5.84	17.31	18.56	1.53	2.89
Op. EBIT Farming SCT (NOK/kg)		3.09	5.70	5.36	-3.89	-8.41	-1.23	6.75	-16.32
Equity ratio	68%	65%	66%	69%	68%	66%	68%	67%	67%
NIBD	-1,271	1,019	988	1,116	1,257	1,753	1,939	1,903	1,986

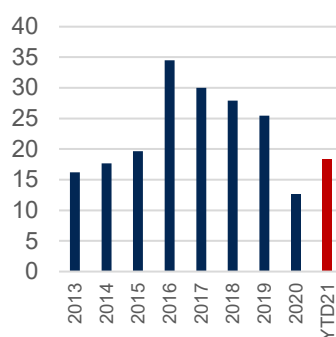
Revenue (mDKK)



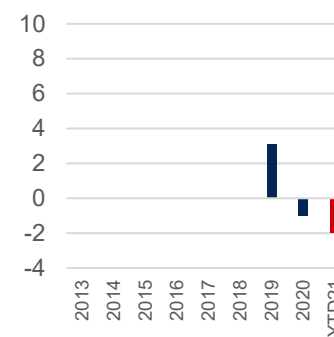
Operational EBIT (mDKK)



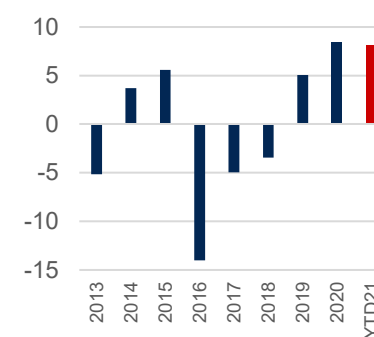
Farming FO margin Op. EBIT (NOK/kg)



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

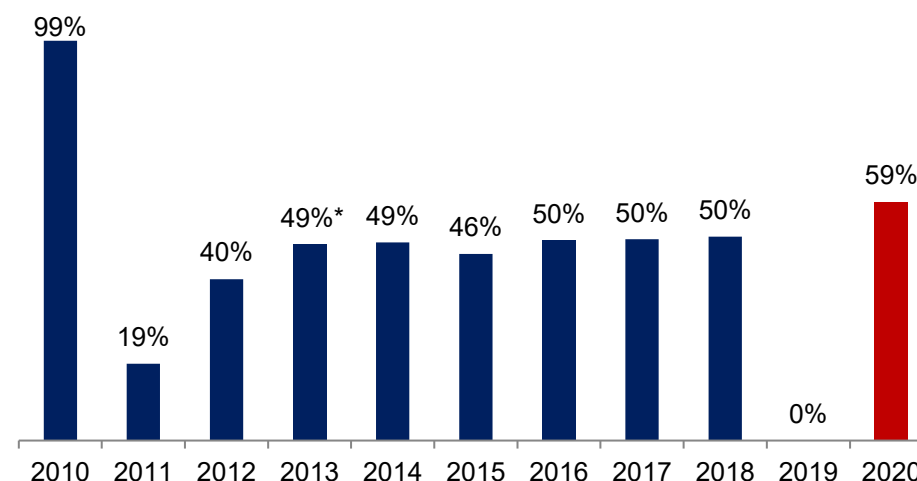
- Competitive return through:
 - Dividends
 - Increase in the value of the equity
- Generally, Bakkafrost shall pay dividend to its shareholders
- A long-term goal is that 30–50% of adjusted EPS shall be paid out as dividend

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

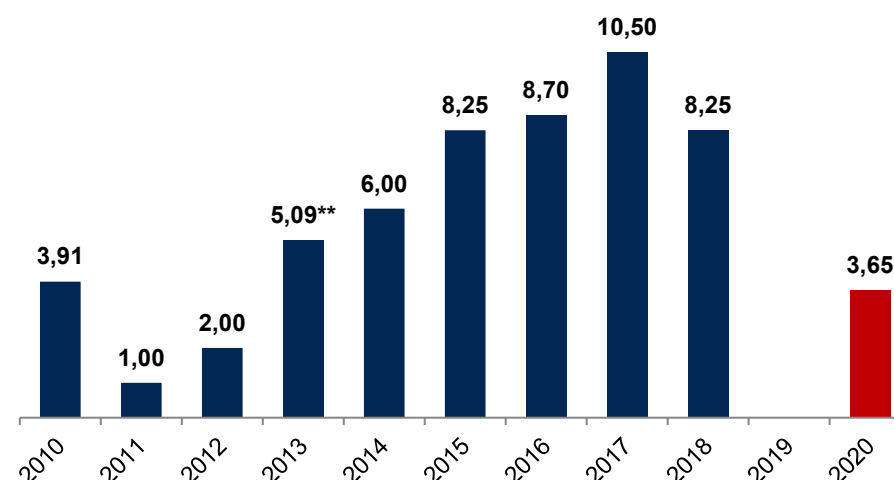
** Dividend and acquisition of treasury shares

*** 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

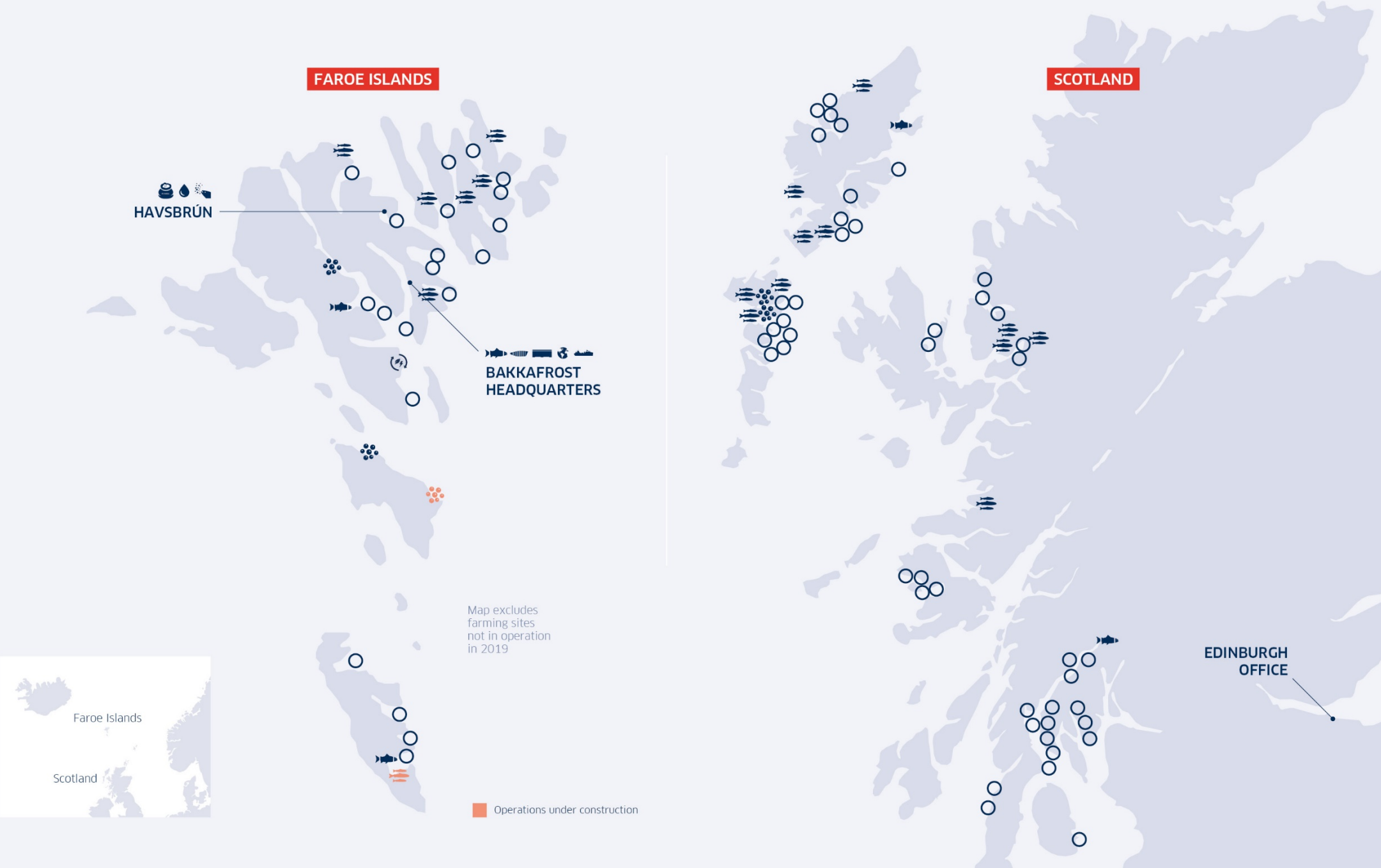
Headquarters: Glyvvar, Eysturoy

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



- 18 islands – 1,387 km²
- 53,498 inhabitants (Sept 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 (July 2021): 1.2%
 - Total working force (2020): 31,793
-
- **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

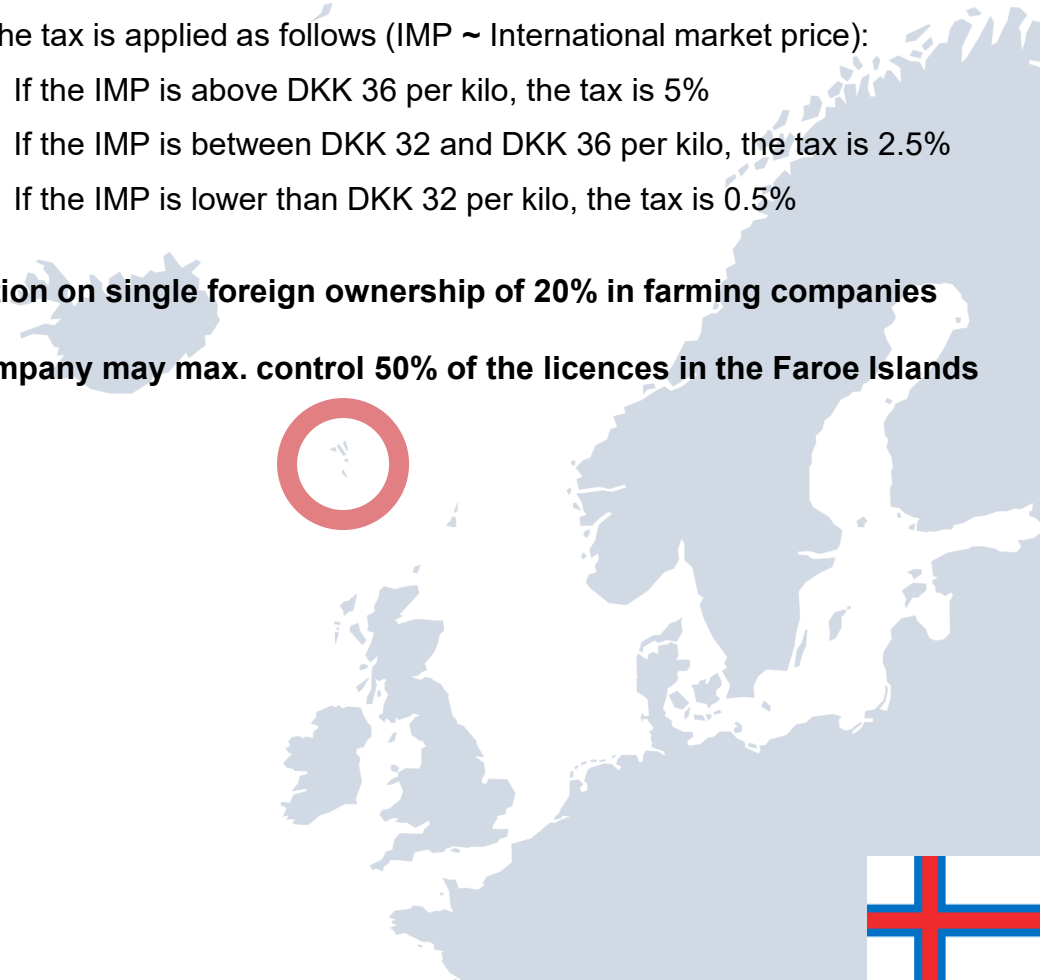
- Total percent of GDP: 41.8% (2016)
- Corporate tax: 18%
- Farming revenue tax: 5.0% of revenues after 1 January 2019

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