

Q2 2022

BAKKAFROST GROUP
Oslo 23 August 2022

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SUMMARY OF Q2 2022

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Operation

- **Harvest in the Faroe Islands:** 13,101 t_{gw} in Q2 2022 (17,561 t_{gw} in Q2 2021)
- **Harvest in Scotland:** 6,646 t_{gw} in Q2 2022 (10,634 t_{gw} in Q2 2021)
- **Record Feed sales in a 2nd quarter** of 31,243 tonnes in Q2 2022* (27,272 tonnes in Q2 2021*)
- **Market balance:** Strong markets and tight supply outlook
- **Raw material purchase** of 97,610 tonnes in Q2 2022 (59,290 tonnes in Q2 2021)

Revenues and Operational EBIT

- **All time high revenue in a quarter:** DKK 1,684 million in Q2 2022 (DKK 1,618 million in Q2 2021), increased prices and strong demand
- **All time high operational EBIT** in a quarter** of DKK 587 million in Q2 2022 (DKK 407 million in Q2 2021)

Cash Flow

- **Cash flow from operations** of DKK 542 million in Q2 2022 (DKK 532 million in Q2 2021)

Segments

- **Positive operational EBIT** in Farming FO, Farming SCT and FOF, negative in VAP

Dividends

- **Dividend** of DKK 5.14 per share paid for 2021

*) Including internal sales of 30,231 tonnes in Q2 2022 (26,416 tonnes in Q2 2021)

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

SUMMARY OF THE QUARTER

HIGHER OPERATIONAL EBIT DRIVEN MAINLY BY FARMING FAROE ISLANDS

Q2 2021		Q2 2022
OPERATIONAL EBIT/Kg (NOK)		
Farming Faroe Islands		
26.52	→	63.38
Farming Scotland		
6.75	→	8.29
VAP		
1.53	→	-24.46
EBITDA margin		
Fishmeal, -oil and Feed		
16.5%	→	22.7%

(DKK million)	Q2 22	Q2 21	H1 22	H1 21
Operating revenue	1,684	1,618	3,323	2,793
Operational EBITDA	724	534	1,278	888
Operational EBIT	587	407	1,004	631
Profit for the period	845	428	1,249	836
Operational EBITDA margin	43.0%	33.0%	38.5%	31.8%
Operational EBIT margin	34.8%	25.2%	30.2%	22.6%
Operational EBIT/Kg (Farming FO) (NOK)	63.38	26.52	47.73	21.07
Operational EBIT/Kg (Farming FO and VAP) (NOK)	52.28	26.93	41.70	24.55
Operational EBIT/Kg (VAP) (NOK)	-24.46	1.53	-14.30	10.72
Operational EBIT/Kg (Farming SCT) (NOK)	8.29	6.75	-1.47	3.54
EBITDA margin (Fishmeal, -oil and Feed)	22.7%	16.5%	21.3%	15.8%

Group Operational EBIT DKK 587 million in Q2 2022, compared to DKK 407 million in Q2 2021

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Average spot prices increased y/y and q/q in Q2 2022

(NOK/KG)

y/y:

63.31
(Q2 2021)

69.7%
44.15

107.46
(Q2 2022)

q/q:

80.17
(Q1 2022)

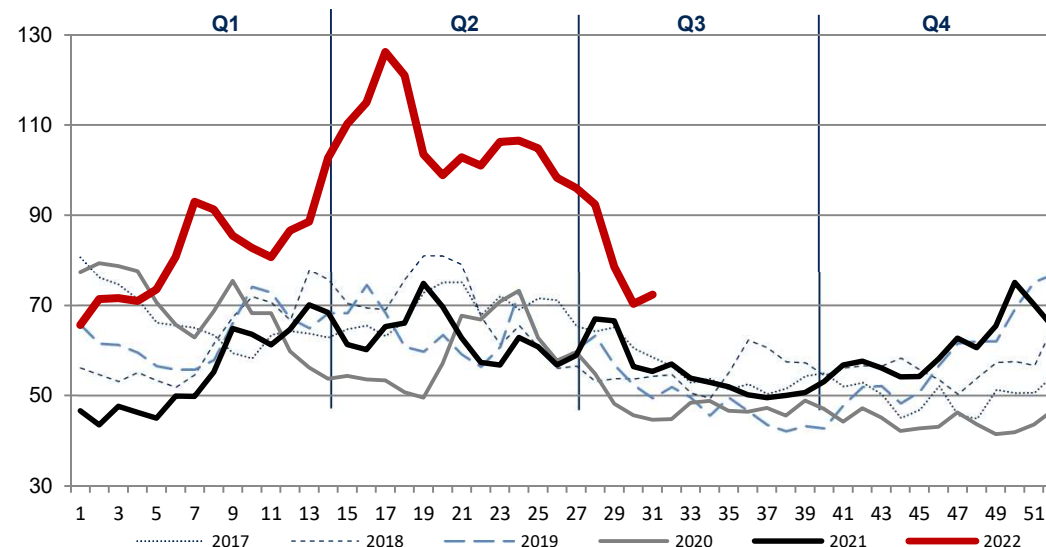
34.0%
27.29

107.46
(Q2 2022)

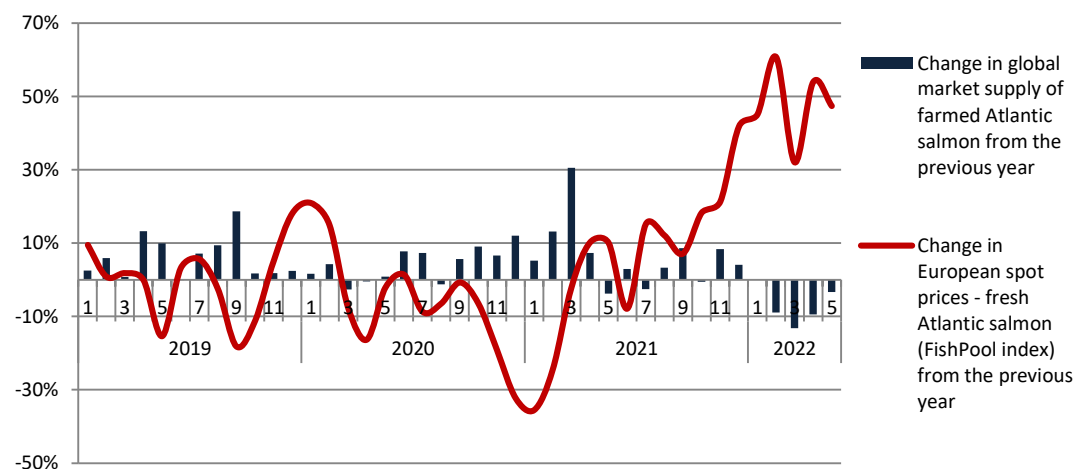
Very high spot prices throughout the quarter

Decreasing so far in Q3 2022

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



Change in global market [volume harvested and market price]



Source: Kontali

SUMMARY OF Q2 2022

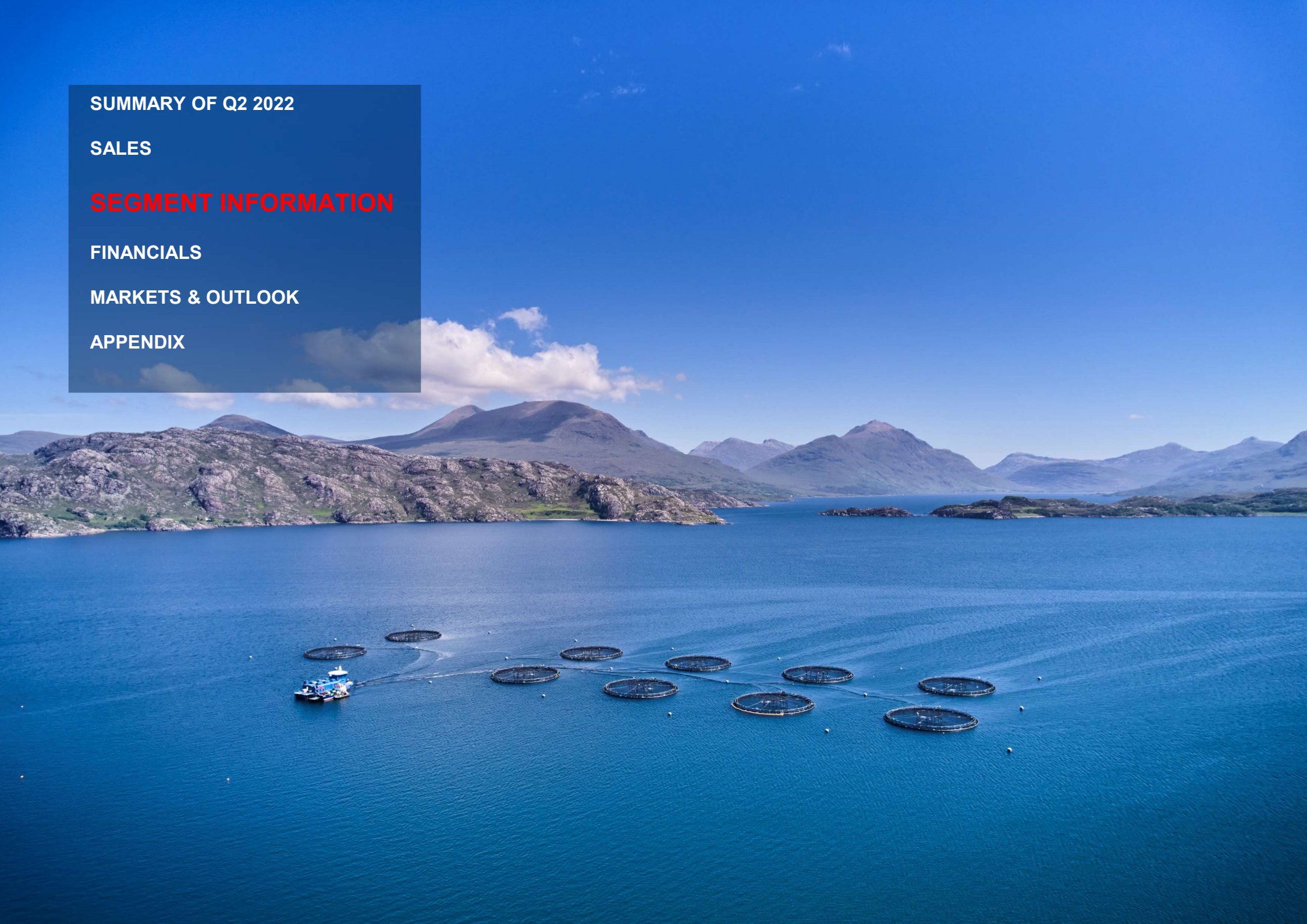
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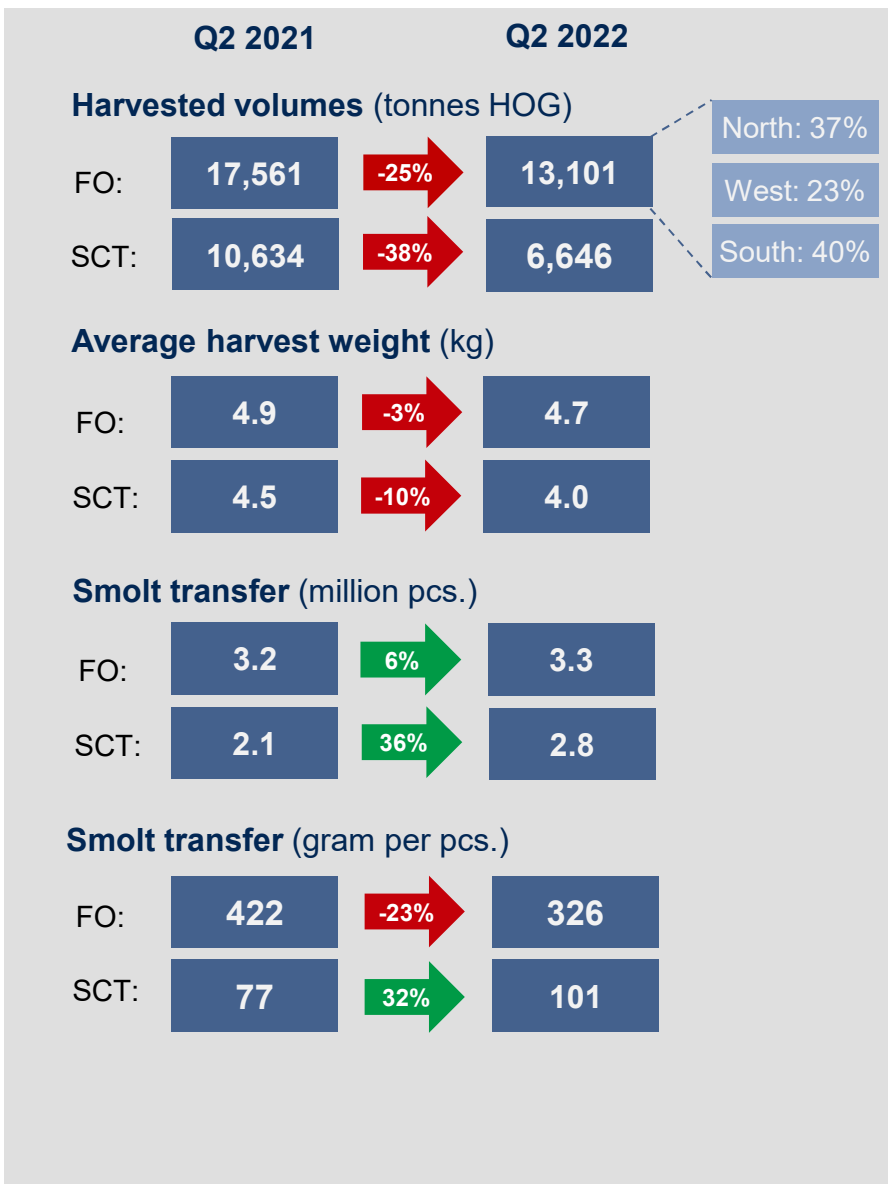
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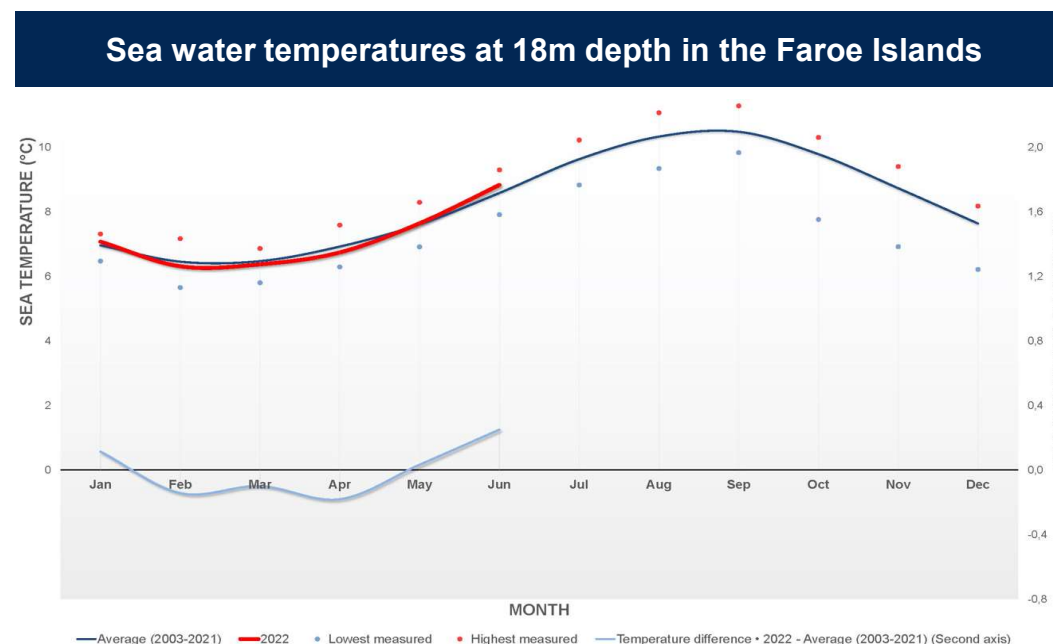


FARMING – HARVEST VOLUME

DECREASED HARVEST IN FO AND IN SCT – LOWER AVG. HARVEST WEIGHTS



Harvest Volumes tonnes [HOG]	Q2 22	Q2 21	H1 22	H1 21
FO - North Region	4,801	2,530	14,847	13,952
FO - West Region	3,082	13,135	8,415	15,593
FO - South Region	5,218	1,897	7,298	2,042
FO – Total	13,101	17,561	30,560	31,586
SCT	6,646	10,634	10,619	17,636
Total (FO & SCT)	19,747	28,195	41,179	49,222



FARMING – OPERATIONAL PERFORMANCE

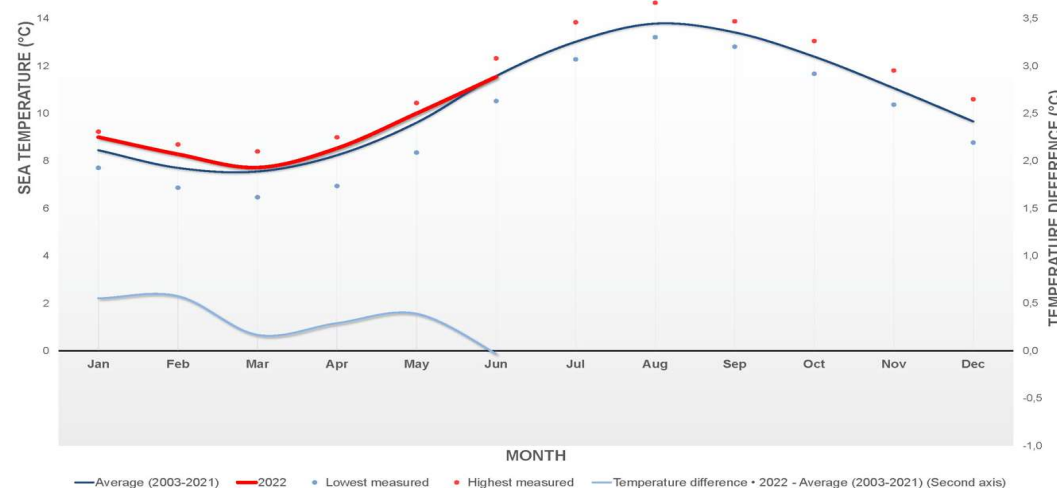
STRONG PERFORMANCE IN THE FAROES – WEAKENED IN SCOTLAND

	Q2 2021		Q2 2022
Operational EBIT (mDKK)			
FO:	343	80%	617
SCT:	53	-23%	41
Operational EBIT margin			
FO:	36%		54%
SCT:	9%		9%
Operating revenue (mDKK)			
FO:	961	19%	1,140
SCT:	559	-17%	467

Farming FO (DKK million)	Q2 22	Q2 21	H1 22	H1 21
Operating revenue	1,140	961	2,338	1,606
Operational EBIT	617	343	1,088	486
Operational EBIT margin	54%	36%	47%	30%

Farming SCT (DKK million)	Q2 22	Q2 21	H1 22	H1 21
Operating revenue	467	559	701	881
Operational EBIT	41	53	-12	46
Operational EBIT margin	9%	9%	-2%	5%

Sea water temperatures at 5m depth in Scotland

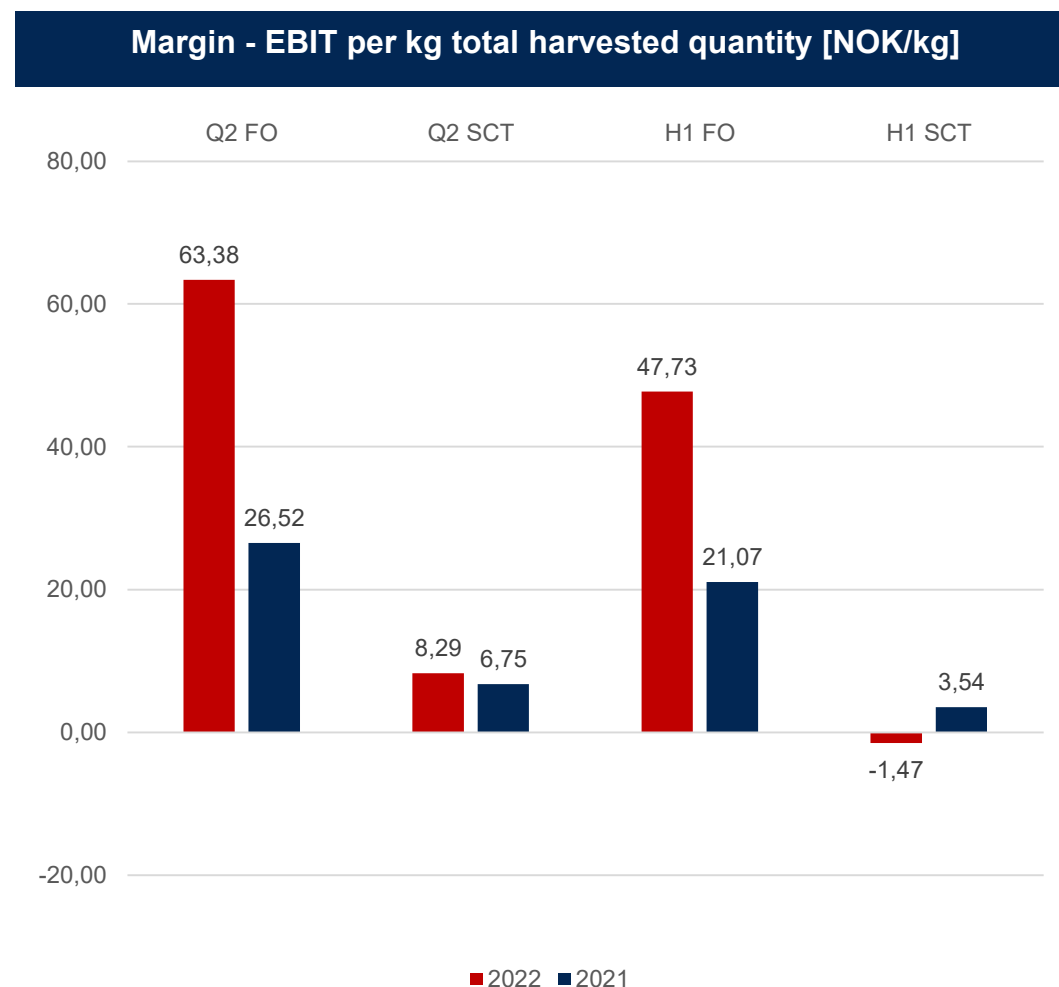


FARMING – OPERATIONAL PERFORMANCE

	Q2 2021		Q2 2022
Operational EBIT per kg (NOK)			
FO:	26.52	36.86	63.38
SCT:	6.75	1.54	8.29

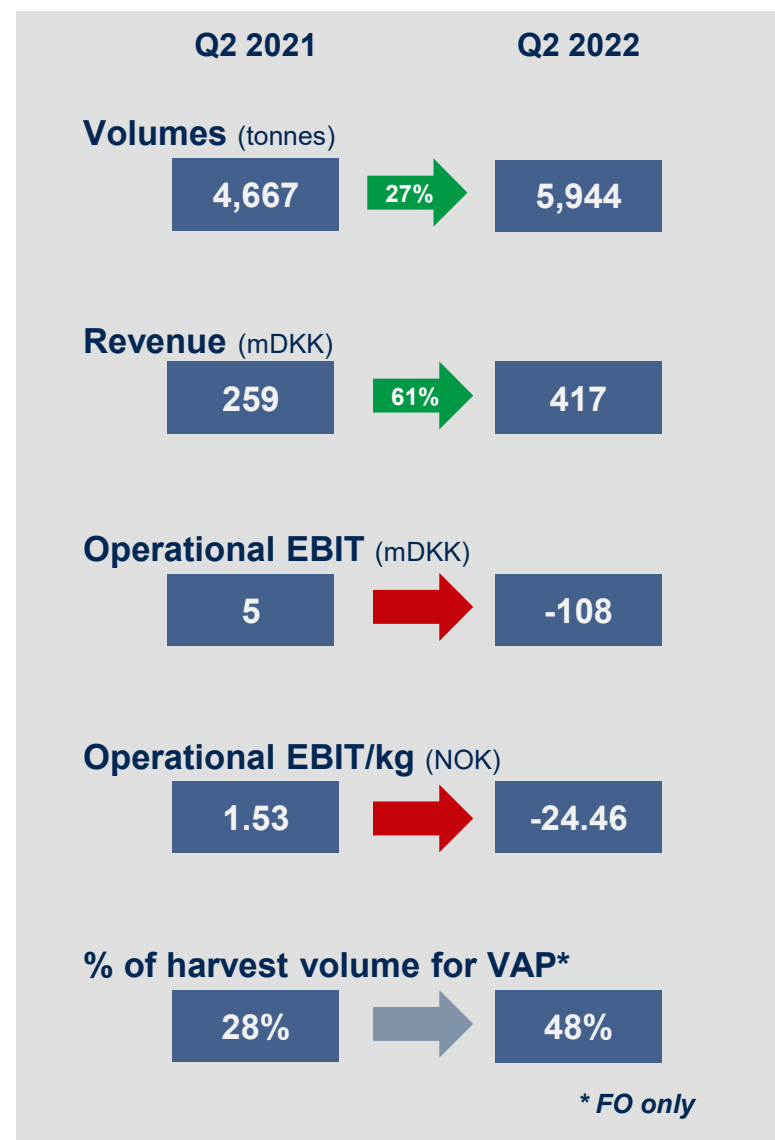
FO: Good biological development
Low sea lice levels

SCT: Low harvest volumes
Some challenges at some sites
Significant improvements during 2022
EBIT/kg for farming (excl. contracts) was
21.99 NOK/kg in Q2

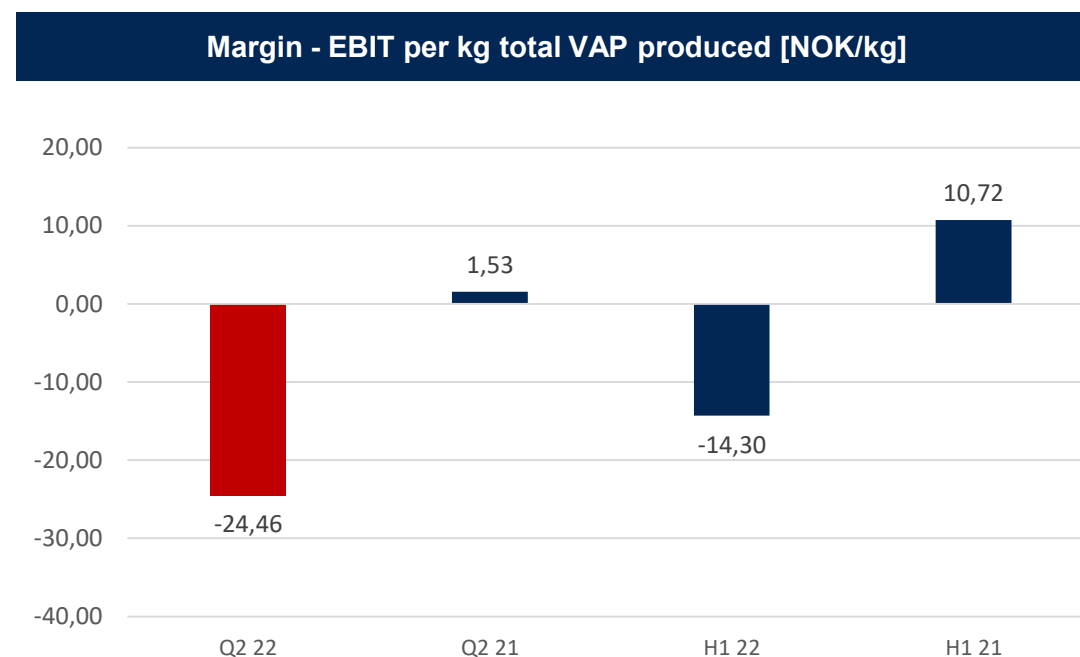


VALUE ADDED PRODUCTS (VAP)

HIGHER VOLUMES AND HIGHER COST OF RAW MATERIAL



(DKK million)	Q2 22	Q2 21	H1 22	H1 21
Operating revenue	417	259	835	559
Operational EBIT	-108	5	-137	80
Operational EBIT margin	-26%	2%	-16%	14%
Farming FO transferred to VAP (tgv)	6,318	4,917	12,995	10,182
VAP produced (tgv)	5,944	4,667	12,880	10,243



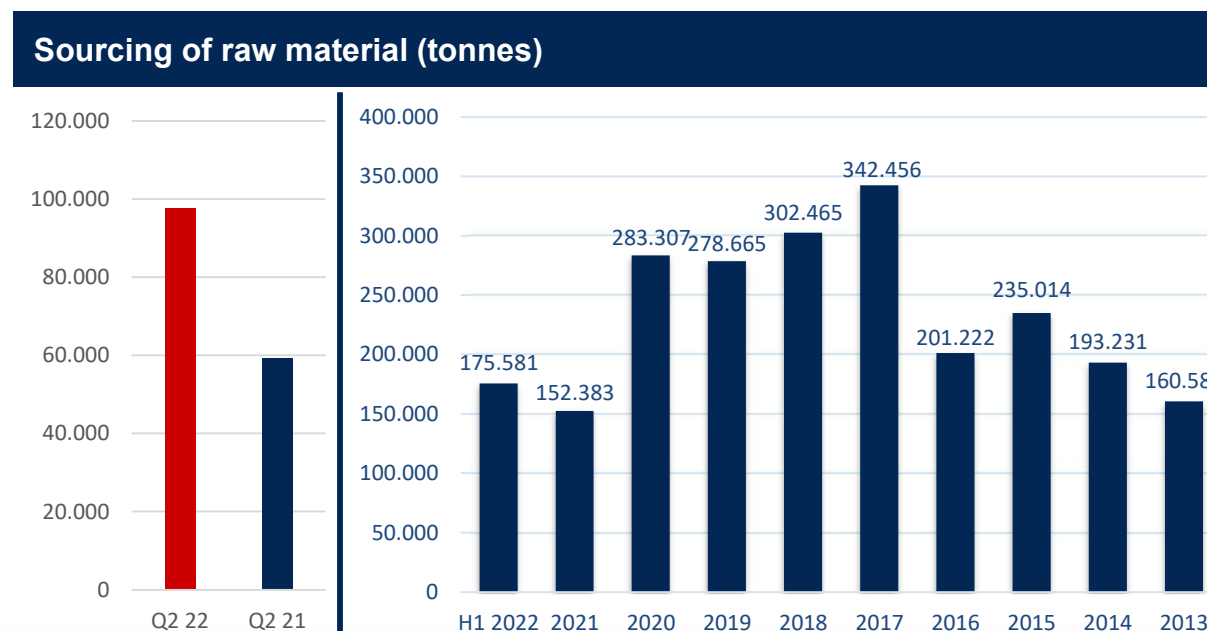
FISHMEAL, OIL AND FEED (FOF)

HIGHER EBITDA AND HIGHER SALES OF FEED AND FISHMEAL



(DKK million)	Q2 22	Q2 21	H1 22	H1 21
Operating revenue	523	347	965	669
EBITDA	119	57	205	106
EBITDA margin	23%	17%	21%	16%
Feed sold (tonnes)*	31,243	27,272	57,435	50,989
Fishmeal sold external (tonnes)	5,247	2,961	15,044	10,167

- Including internal sales, corresponding to 97% of feed volumes in Q2 2022 (Q2 2021: 97%)



MARKET CONDITIONS FEED

INCREASE IN INTERNAL AND EXTERNAL FEED SALES

Q2 2021

Q2 2022

Total feed sales increased (tonnes)

27,272



31,243

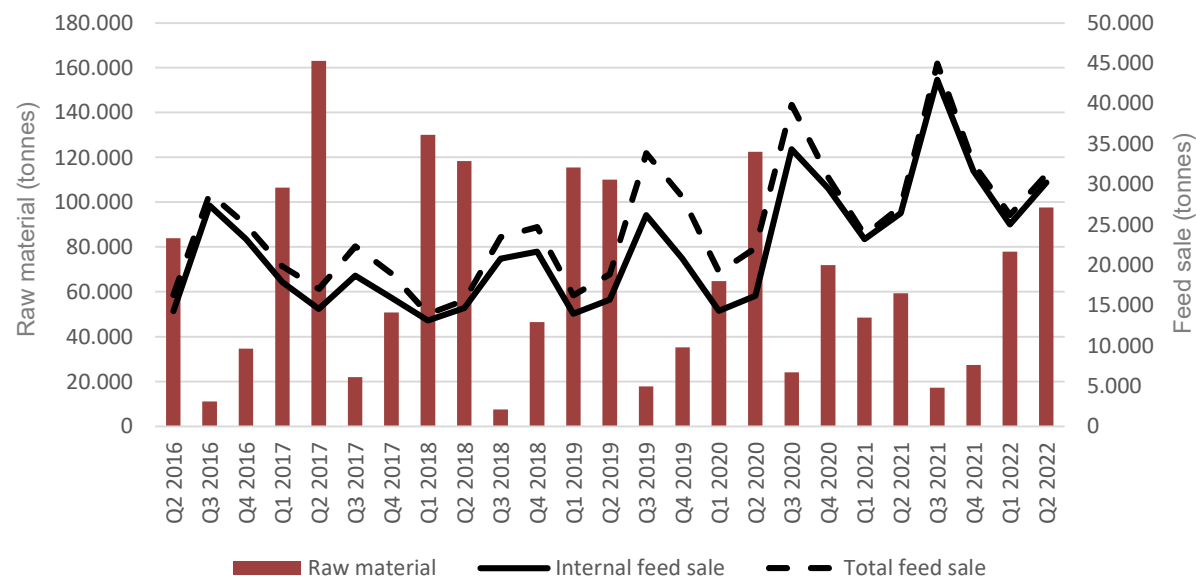
External feed sale increased (tonnes)

856



1,012

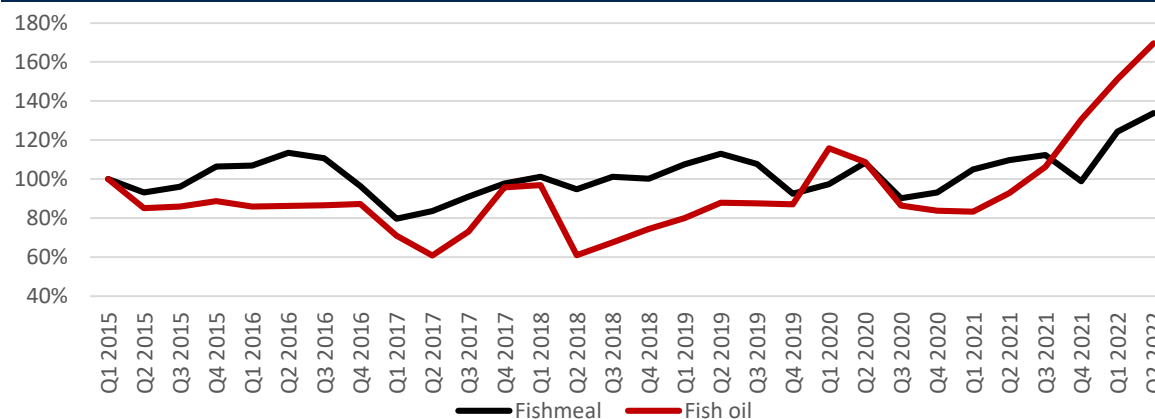
Volumes of raw material purchase and feed sale [tonnes]



Market fluctuations

Fishmeal price and fish oil price increased in Q2 2022, compared to the same quarter last year.

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



Source: Holtermann



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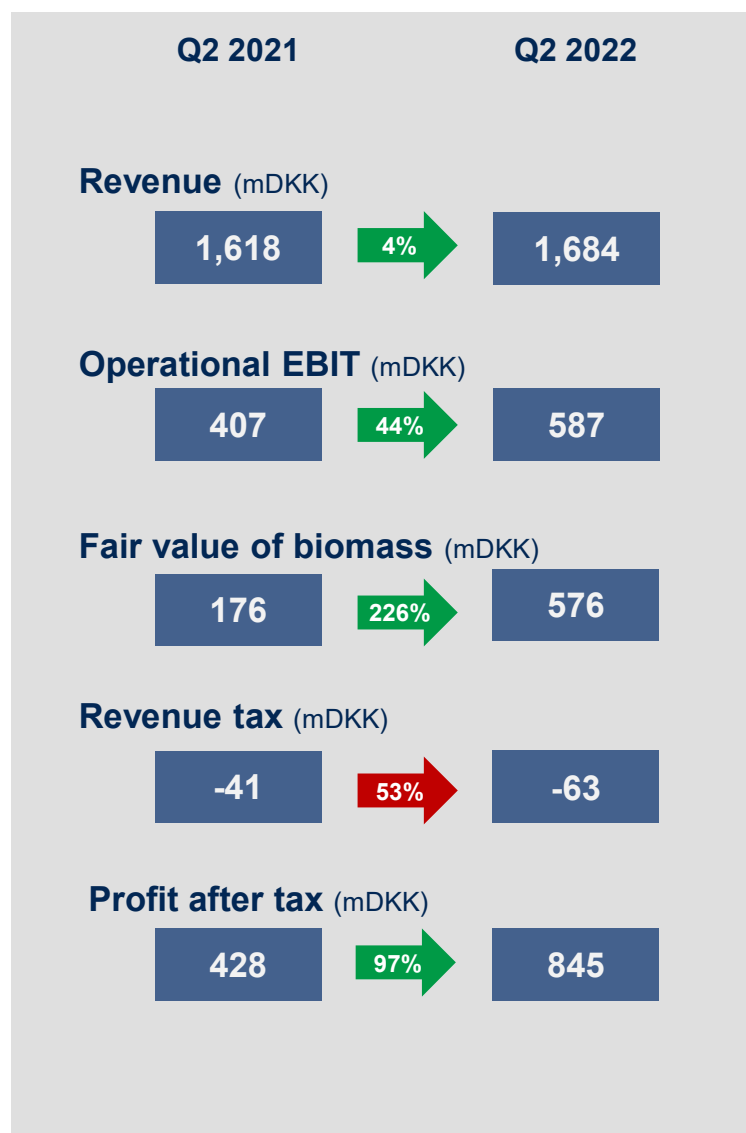
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GROUP PROFIT AND LOSS

HIGHER REVENUE AND OPERATIONAL EBIT

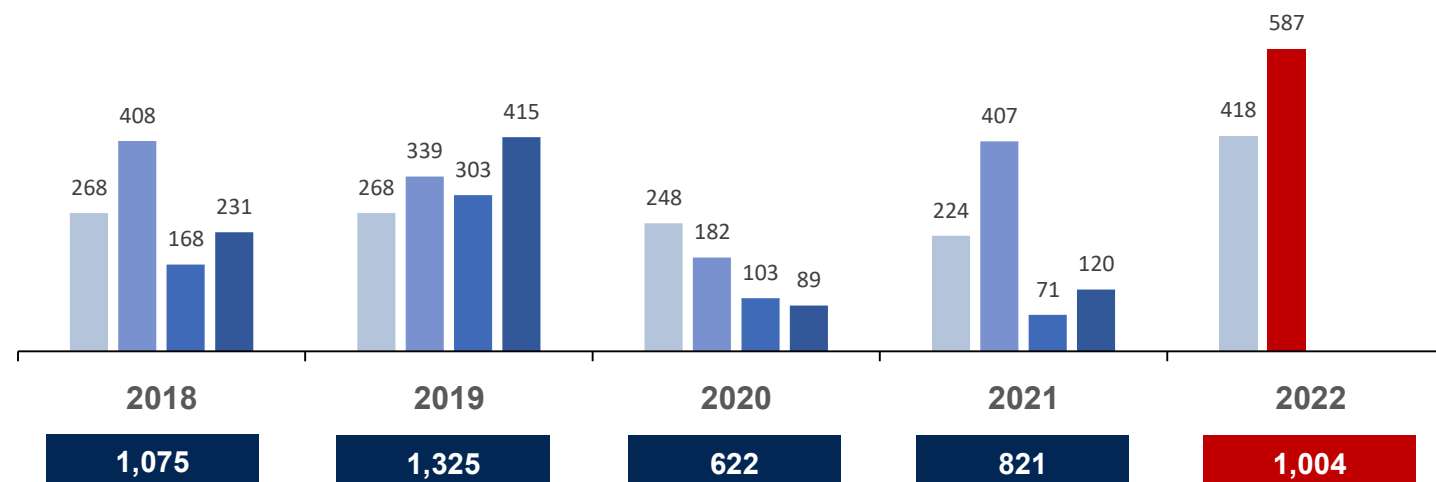


(DKK million)	Q2 22	Q2 21	H1 22	H1 21
Operating revenue	1,684	1,618	3,323	2,793
Operational EBITDA	724	534	1,278	888
Operational EBIT	587	407	1,004	631
Fair value adjustment of biological assets	576	176	753	461
Onerous contracts	-34	0	-64	0
Income from associates	-4	3	-1	4
Revenue tax	-63	-41	-121	-62
EBIT	1,062	546	1,572	1,035
Net Financial items	-5	-16	-24	-12
EBT	1,057	530	1,549	1,023
Taxes	-212	-102	-299	-187
Profit for the period	845	428	1,249	836
Operational EBITDA margin	43.0%	33.0%	38.5%	31.8%
Operational EBIT margin	34.8%	25.2%	30.2%	22.6%
Operational EBIT/kg (Farming Faroe Islands and VAP) (NOK)	52.28	26.93	41.70	24.55
Operational EBIT/kg (Farming Scotland) (NOK)	8.29	6.75	-1.47	3.54
EBITDA margin (fishmeal, oil and feed)	22.7%	16.5%	21.3%	15.8%

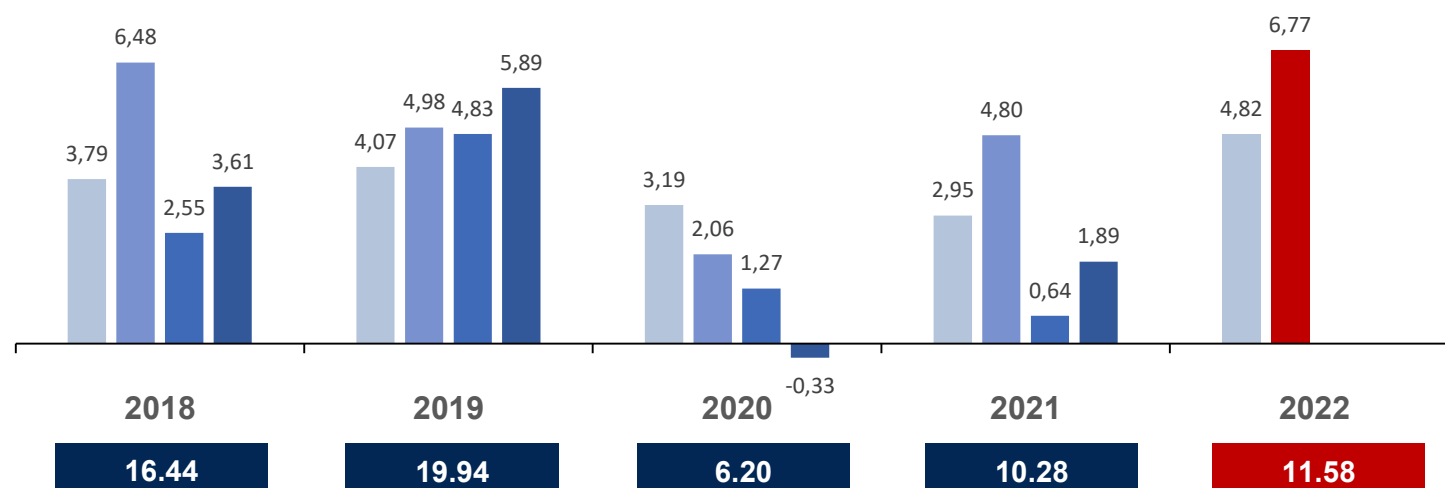
* Operational EBITDA and EBIT aligned for fair value adjustment of biomass, onerous contracts provisions, income from associates and revenue tax.

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 2021		Q2 2022
PPE:	4,889	202	5,091
Biological assets: <i>*(whereof mDKK 1,358 (605) are fair value adjustments)</i>	2,448*	852	3,301*
Inventory:	709	214	923
Receivables:	824	-132	692
Cash & cash equiv.:	509	-1	508
Equity:	9,348	931	10,279
Equity ratio:	64%	1	65%

(DKK million)	Q2 22	End 2021
Intangible assets	4,507	4,496
Property, plant and equipment	5,091	4,889
Right of use assets	280	302
Financial assets	139	149
Long-term receivables	0	8
Deferred tax assets	120	215
Biological assets	3,301	2,448
Inventory	923	709
Financial derivatives	0	0
Receivables	692	824
Other receivables	152	78
Cash and cash equivalents	508	509
Total Assets	15,714	14,628
Equity	10,279	9,348
Deferred tax and other taxes	1,798	1,590
Long-term interest-bearing debt	2,775	2,635
Long-term leasing debt	236	246
Financial derivatives	7	8
Short-term leasing debt	70	88
Accounts and other payables	548	714
Total Equity and Liabilities	15,714	14,628

CASH FLOW



(DKK million)	Q2 22	Q2 21	H1 22	H1 21
Cash flow from operations	542	532	693	669
Cash flow from investments	-272	-245	-447	-513
Cash flow from financing	-206	-107	-247	-70
Net change in cash	63	179	-1	86
Cash at the end of the period	508	553	508	553
Undrawn facilities	2,924	2,323	2,924	2,323

NET INTEREST-BEARING DEBT (NIBD)

NIBD INCREASED DURING Q2 2022

NIBD was increased by:

- Net investments (mDKK 272)
- Dividend (mDKK 304)
- Change in working capital (mDKK 105)

NIBD was decreased by:

- Cash flow, operating activities (mDKK -605)

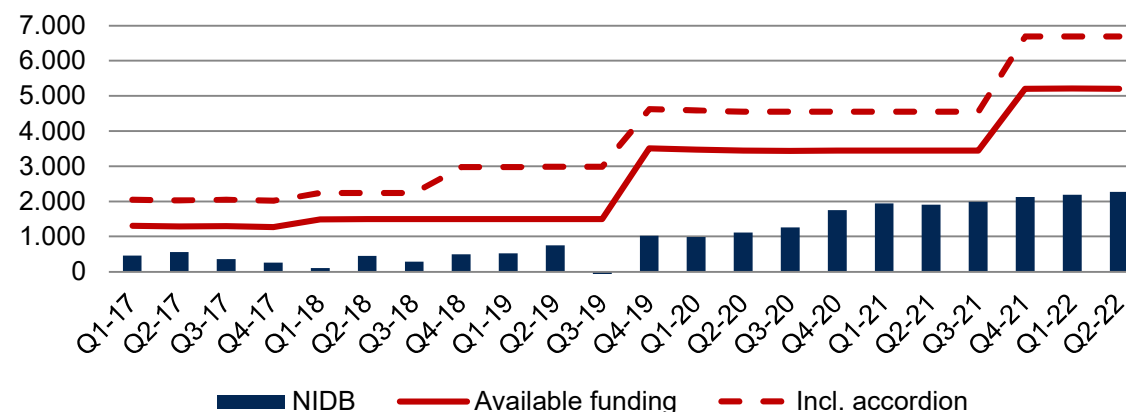
Development in NIBD in DKK millions



Financing end Q2 2022

- NIBD: DKK 2,267 million
- Bank facilities of EUR 700 million, and an accordion of EUR 150 million.
- Undrawn credit facilities: DKK 2,924 million

NIBD and available funding



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HARVESTED AND SOLD QUANTITY BY ORIGIN

- **3% drop in global quarterly harvest volumes**
 - 7% down when including inventory movements
- **9% drop in European harvest**
 - Norway – Lower than normal incoming biomass in 2022
 - UK – Historic high volumes in Q2 2021, biological challenges in 2H 2021
 - Iceland – Biological challenges
- **9% increase in American harvest**
 - Chile exceptionally low same quarter last year
 - Q2 2022 down 5% drop Q1 2022 and 15% down vs Q4 2021
 - Normal variation in North America
 - Some impact from site reorganisation in British Columbia

SUPPLY DEVELOPMENT	Q2 2022	Q2 2021	Change %
Norway	272	287	-5.2 %
UK	40	53	-24.3 %
Faroes	18	23	-20.0 %
Iceland	6	8	-22.1 %
Ireland	5	4	14.3 %
Total Europe	342	375	-8.9 %
Chile	153	135	13.3 %
Canada	32	37	-12.4 %
USA	5	3	69.7 %
Total Americas	190	175	8.8 %
Other	25	23	8.7 %
Total (Harvested quantity)	557	573	-2.8 %
Inventory movements	2	27	-90.8 %
Total (Sold Quantity)	559	599	-6.7 %

Source: Kontali

SALMON MARKETS, SOLD QUANTITY

- **Good relative performance in EU/UK**
 - Positive food service dynamics following release of Covid-19 measures
 - High contract share compared to other markets at significant discount to spot prices
- **3% drop in the US**
 - Increased availability of fish from Chile
 - Reduced flow of fish from Europe
- **Russia impacted by sanctions**
- **Latin America benefiting from increased availability from Chile**
- **Generally weaker performance in Asia**

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

	Estimated volumes		Q1 comparison			Estimated volumes		FY comparison		
	Q2 2022E	Q2 2021E	Volume	%		FY 2021E	FY 2020	Volume	%	
EU+UK	240	250	-10	⬇️	-4%	1,156	1,071	85	⬆️	8%
USA	146	150	-4	👉	-3%	570	505	65	⬆️	13%
Russia	7	18	-12	⬇️	-63%	86	79	7	⬆️	9%
Japan	11	15	-4	⬇️	-24%	65	64	1	👉	1%
Greater China	21	28	-7	⬇️	-25%	105	102	3	⬆️	3%
ASEAN	18	19	-2	⬇️	-8%	81	73	8	⬆️	11%
Latin America	44	44	-1	👉	-1%	184	169	15	⬆️	9%
Ukraine	3	6	-3	⬇️	-53%	33	24	9	⬆️	39%
Other markets	70	69	0	👉	1%	315	299	17	⬆️	6%
Total all markets	559	599	-40	⬇️	-6.7 %	2,594	2,385	209	⬆️	8.8 %

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)

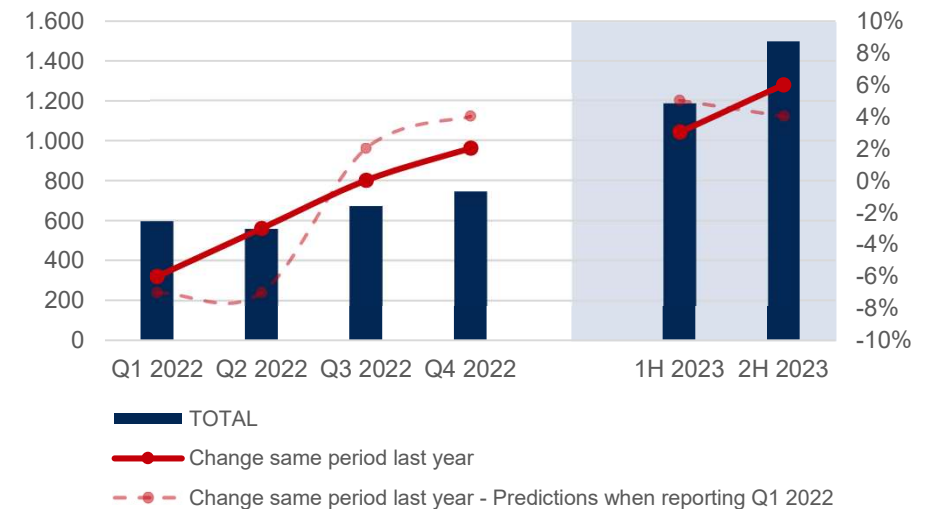
All figures above are in tonnes hog, and are rounded to the nearest 100 tonnes.

Source: Kontali

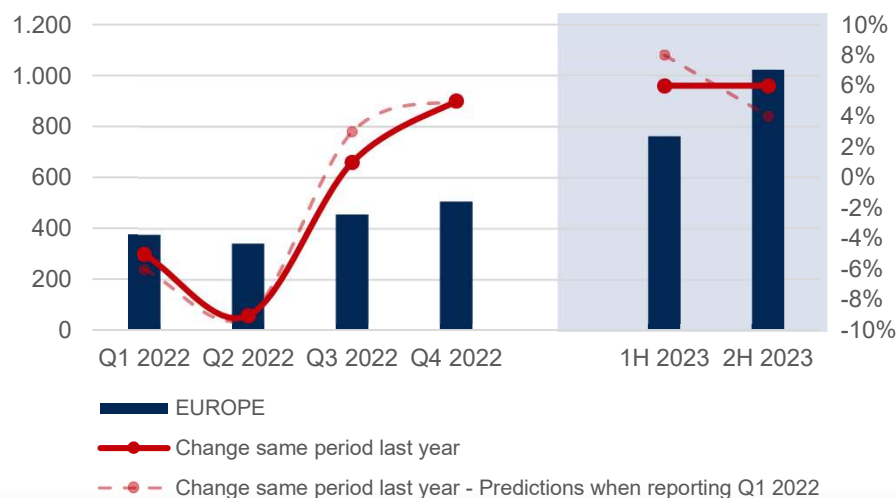
SHORT TERM SUPPLY OUTLOOK

- **Expectation of limited global supply growth**
 - Flat development 2H 2022
 - Low/mid single digit growth expected in 2023
- **European drivers**
 - Reduced 2H 2022 MAB pressure due to licence auction in Norway
 - Normalisation of UK biomass
- **Flat/negative development Americas until 2H 2023**

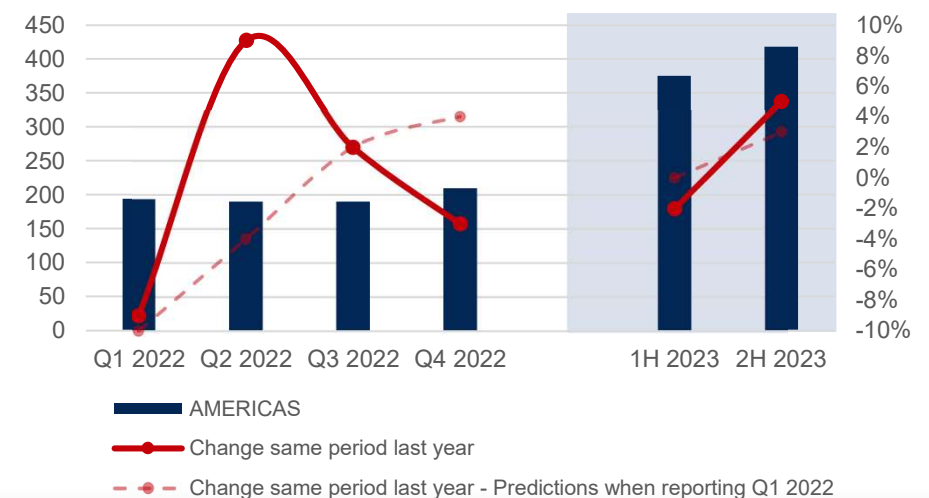
SUPPLY - TOTAL



SUPPLY - EUROPE



SUPPLY - AMERICAS



Source: Kontali

Market

- Global **harvest** decreased 2.8% in Q2 2022 vs Q2 2021
- Global **supply** for 2022 expected to decrease moderately
 - decrease 1% for FY 2022

Farming

Harvest

- In 2021, Bakkafrost harvested HOG 96,900 tonnes
(Faroe Islands: 67,200 and Scotland: 29,700)
- In 2022, Bakkafrost expects to harvest HOG 103,000 tonnes
(Faroe Islands: 68,000 and Scotland: 35,000)
- **Smolt stocking**
 - In 2021, Bakkafrost released 25.5 million smolts
(Faroe Islands: 14.4 and Scotland: 11.1)
 - In 2022, Bakkafrost expects to release 25.7 million smolts
(Faroe Islands: 14.9 and Scotland: 10.8)

Contracts

- For 2022, Bakkafrost has signed contracts for around 32% 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 2022
- Good sourcing raw material for fishmeal and oil

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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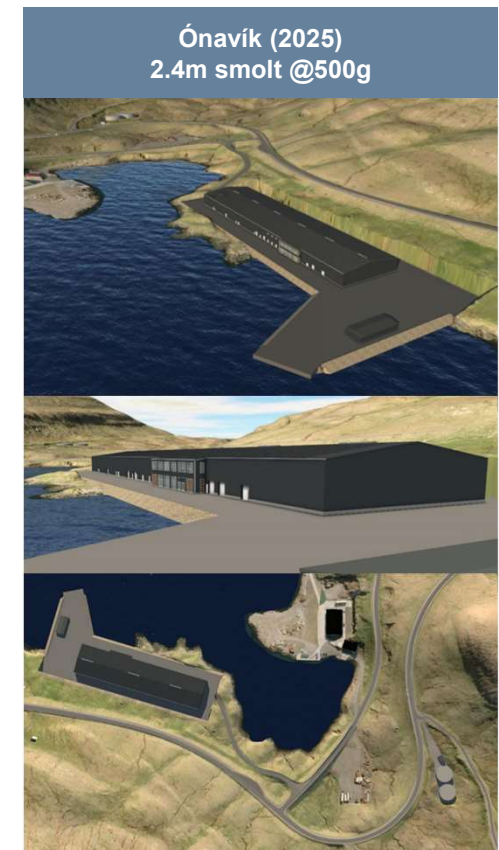
APPENDIX

Applecross 4 expansion, Scotland

HATCHERY EXPANSIONS - FAROE ISLANDS

INCREASING HATCHERY CAPACITY FROM 15 TO 23 MILLION AT 500G

- The Strond hatchery has significantly increased smolt capacity
- Large smolts grow strongly after release
- Very low feed conversion rate

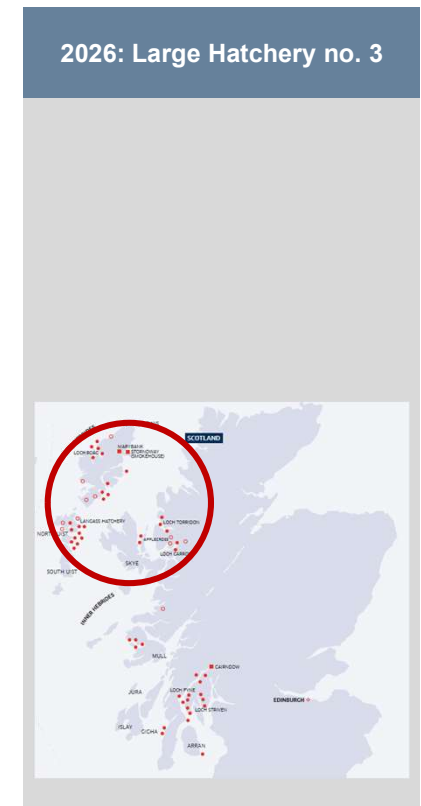
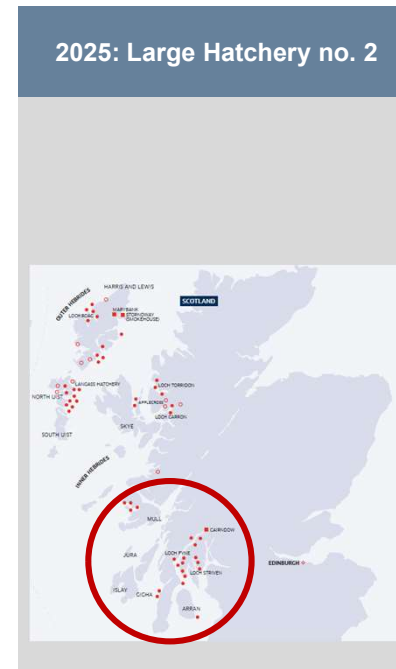
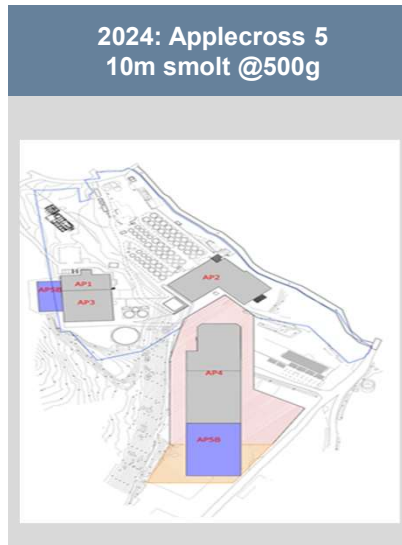


Existing hatcheries at Viðareiði, Gjógv and Húsar
3.3m smolt @500g

HATCHERY EXPANSION - SCOTLAND

INCREASING HATCHERY CAPACITY TO +18 MILLION AT 500G

- Significant increase in smolt capacity in Scotland



SCOTLAND SITE OVERVIEW

7,742 TONNES OF CONSENT INCREASE SINCE THE ACQUISITION

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

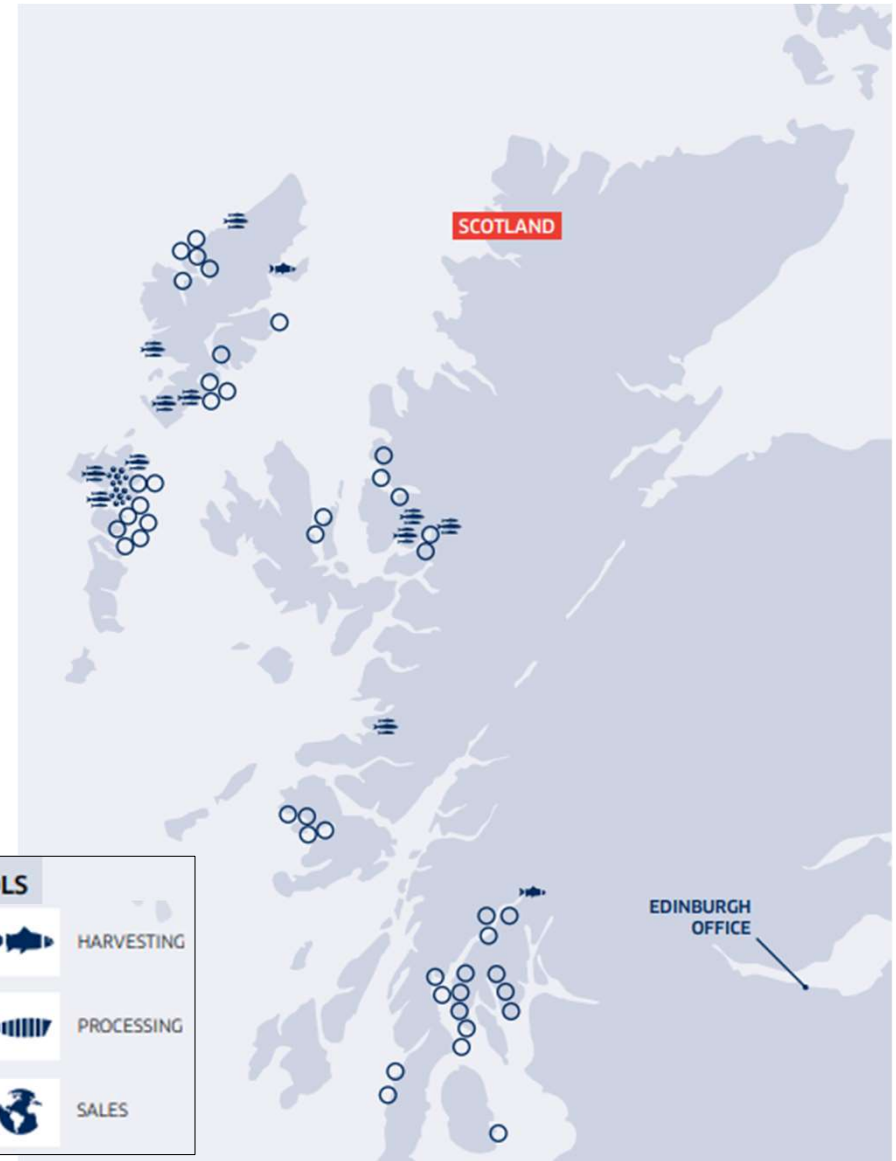
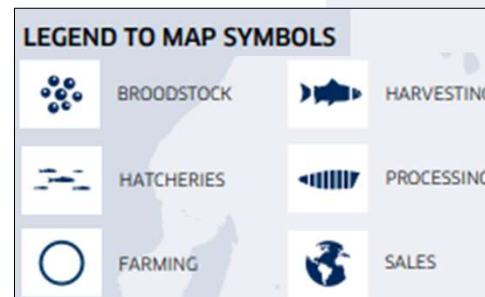
Total consent is 74,765 tonnes in 44 farming sites:

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



FARMING SCOTLAND

FRESHWATER TREATMENT CAPACITY HAS BEEN UPSCALED IN Q1 (...MORE TO COME)

- Freshwater treatment capacity has been more than doubled in Q1 2022
- Enables a preventive treatment strategy to ensure strong gill health ahead of the challenging autumn

Ronja Star



In service mid Sep22

- 4,000m³, live haul
- Reverse Osmosis system
- Will replace Aqua Kvaløy

Aqua Kvaløy – Vessel Presentation



In service since mid Apr 22

- 2,800m³, live haul
- Reverse Osmosis system

Ronja Fisk



In service (since 2020)

- 2,500m³, live haul
- Reverse Osmosis system

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**, the Faroe Islands and Scotland
 - **Premium brands**



West Strome, Scotland



SCOTLAND – STRATEGIC RATIONALE

3. Potential for significant **improvement**

- Scottish Salmon **profitability** to improve over five years 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



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.

~ 6.2BN PLANNED INVESTMENTS 2022-2026

FRONTLOADED TO ACCELERATE BUSINESS TRANSFORMATION IN SCOTLAND

Faroe Islands:

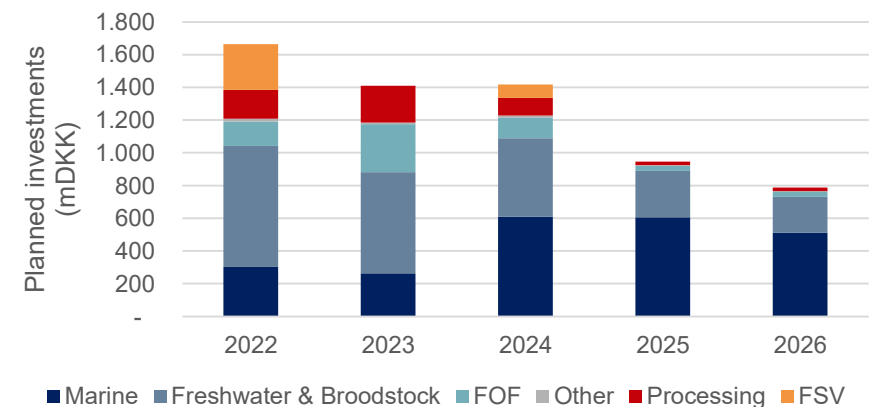
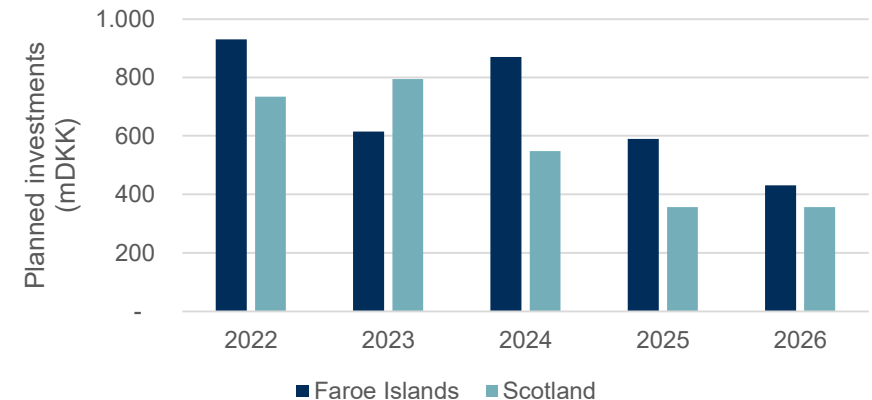
- Hatchery capacity (2026 capacity: +23m smolt at 500g)
- Increase feed capacity to cater 200,000 tonnes (HOG) harvest
 - Flexibility for further expansion to 290kt (HOG) harvest
- 7,000m3 multi-purpose well boat
- Seawater expansion investments, including offshore
- Broodstock facility

Scotland:

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

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

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

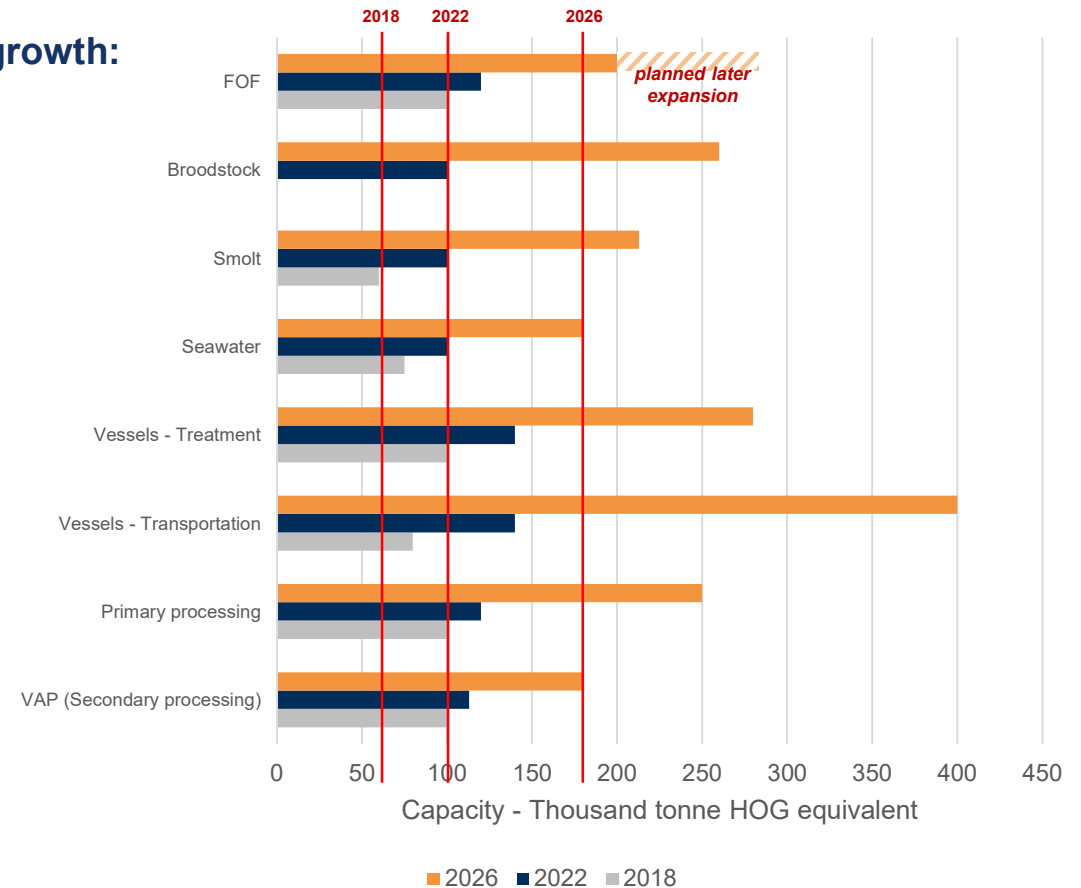


PLANNED INVESTMENTS ENSURE SIGNIFICANT UPLIFT IN CAPACITY

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

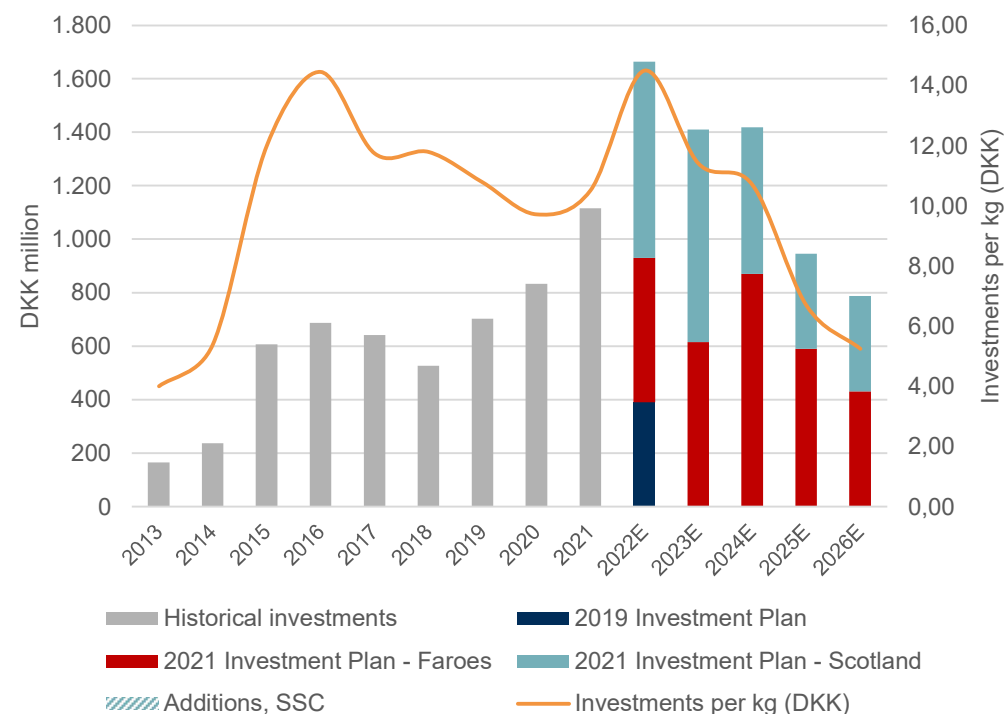


INVESTING IN SUSTAINABLE GROWTH

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

Volumes	Faroe Islands	Scotland
2021	67,217t	29,672t
2022	68,000t	35,000t
2026	100,000t	50,000t

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



MARKETS & SALES

TOTAL SALES TO WESTERN EUROPE, NORTH AMERICA AND ASIA EUROPE INCREASED
– EASTERN EUROPE DECREASED

Sales & volume

Q2 2021

Q2 2022

Western Europe

59%



62%

North America

18%



21%

Asia

14%



15%

Eastern Europe

9%



2%

Harvest volumes used in the VAP*

28%



48%

* FO only

Total sales of salmon by markets

Western Europe

North America

Asia

Eastern Europe

Rest of world

Q2 2022

FO	SCT	Total
52%	86%	62%
28%	6%	21%
18%	6%	15%
2%	1%	2%
0%	1%	0%

Q2 2021

FO	SCT	Total
51%	73%	59%
23%	11%	18%
13%	15%	14%
13%	1%	9%
0%	0%	0%

H1 2022

FO	SCT	Total
53%	89%	62%
27%	6%	22%
16%	4%	13%
4%	1%	3%
0%	0%	0%

H1 2021

FO	SCT	Total
53%	79%	62%
23%	10%	19%
11%	10%	11%
12%	1%	8%
1%	0%	0%

Fresh salmon only by markets

Western Europe

North America

Asia

Eastern Europe

Rest of world

Q2 2022

FO	SCT	Total
39%	86%	57%
35%	7%	24%
25%	6%	18%
1%	0%	1%
0%	1%	0%

Q2 2021

FO	SCT	Total
48%	70%	56%
17%	12%	15%
19%	18%	19%
16%	0%	10%
0%	0%	0%

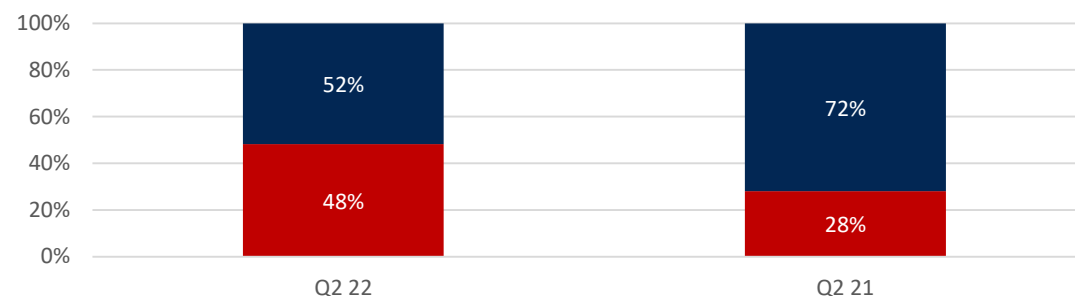
H1 2022

FO	SCT	Total
42%	90%	56%
33%	6%	25%
21%	4%	16%
4%	0%	3%
0%	0%	0%

H1 2021

FO	SCT	Total
46%	77%	58%
20%	11%	16%
18%	12%	16%
16%	0%	10%
0%	0%	0%

Contract share FO, VAP products [% of qty]



■ VAP on contract ■ HOG, Spot

DEVELOPMENT IN SUPPLY AND SOLD QUANTITY BY ORIGIN

Expected supply growth in 2022

- 1% decrease in Global supply
- 2% decrease in supply from Europe
- No change in supply from the Americas

Global Supply of Atlantic Salmon (head on gutted - HOG)						
	2017	2018	2019	2020	2021E	2022E
Norway	1.078	1.129	1.198	1.223	1.378	1.361
UK	159	137	171	160	179	172
Ireland	15	13	14	14	14	15
Iceland	11	12	22	27	35	37
Faroese	72	64	78	72	96	91
Total Europe	1.336	1.355	1.484	1.496	1.703	1.675
Chile	490	598	601	657	638	646
Canada	123	131	124	123	128	123
USA	20	17	19	18	17	16
Total Americas	633	747	744	798	783	786
Others	68	65	71	91	109	111
Total (Sold Quantity)	2.037	2.167	2.299	2.385	2.595	2.573
Supply growth - Global	2%	6%	6%	4%	9%	-1%
Supply growth - Europe	4%	1%	10%	1%	14%	-2%
Supply growth - Americas	-3%	18%	0%	7%	-2%	0%

Salmon Markets (head on gutted - HOG)						
	2017	2018	2019	2020E	2021E	2022E
EU+UK	918	949	1.017	1.071	1.156	1.174
USA	401	435	468	505	570	596
Japan	57	54	53	64	65	61
Russia	70	89	78	79	86	29
Others	590	640	682	666	718	712
Total (Sold Quantity)	2.036	2.167	2.298	2.385	2.594	2.572

Comments:

All figures are in hog-equivalents and thousand tonnes.

Figures represents sold quantity of Atlantic Salmon from each producing country

Source: Kontali

Q2 2022 MARKET ENVIRONMENT

All time high pricing in Q2 2021

- Drop in supply
- Significant price increases for land based proteins
- Lower than normal share of volumes in the spot market

Nasdaq Norway price up 71% to EUR 10.6 in Q2 2022

Urner Barry East Coast price up 32%

- Increased supply from Chile vs. Q2 2021

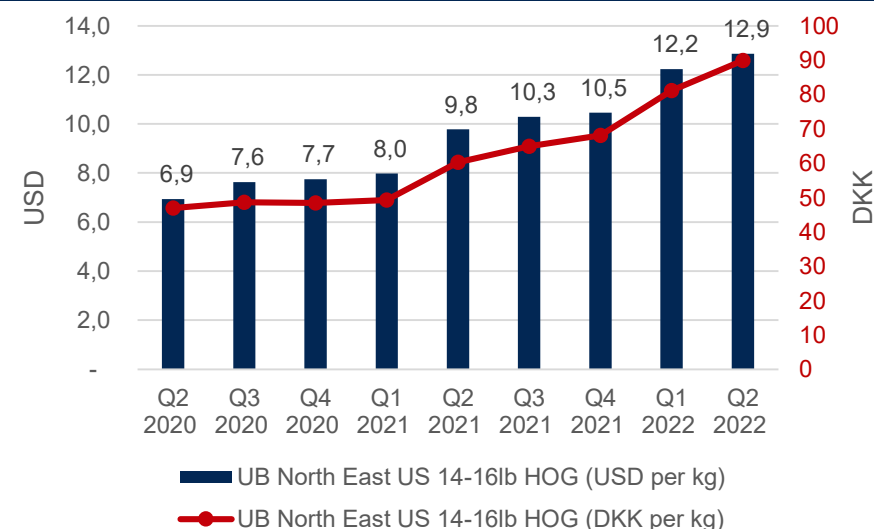
MARKET CURRENCY	Q2 2022	Q2 2021	Change %
Nasdaq Norway (EUR)	10.58	6.19	70.9 %
UB North East US 14-16lb HOG (USD per kg)	12.86	9.77	31.5 %

DKK	Q2 2022	Q2 2021	Change %
Nasdaq Norway	78.72	46.04	71.0 %
UB North East US 14-16lb HOG (per kg)	89.94	60.28	49.2 %

PRICE NORWAY

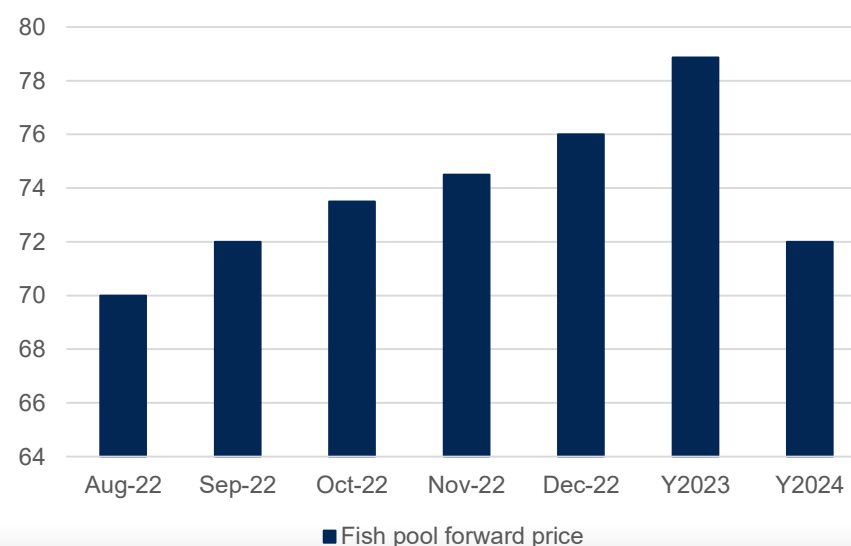
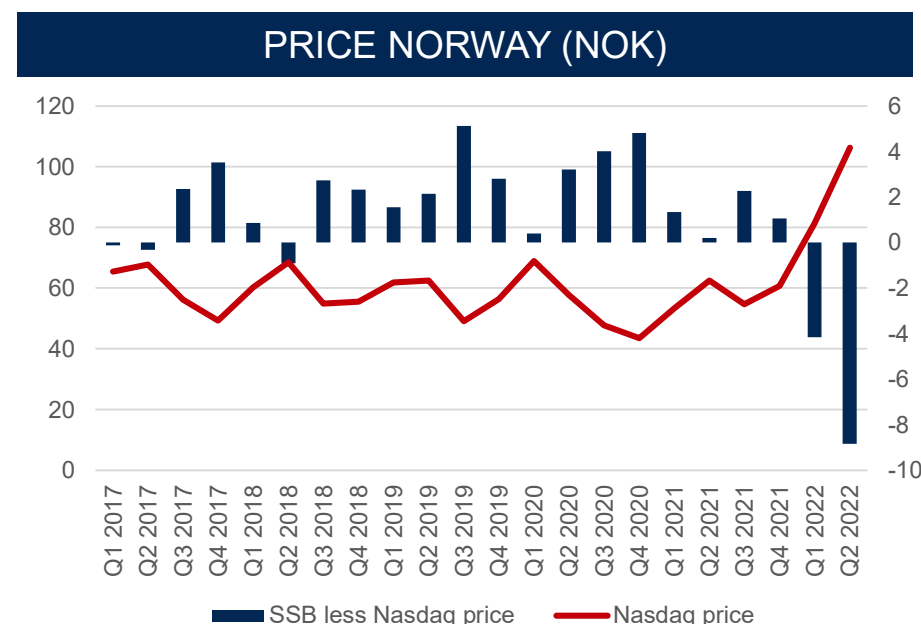


PRICE US – NORTH EAST



Q2 2022 – AVERAGE PRICING WELL BELOW SPOT PRICE

- Nasdaq spot price reflecting marginal pricing per week
- Statistics Norway (SSB) publish average price for all whole fish sold per week
 - Incorporates bilateral contracts of variable duration
- SSB materially lagging Nasdaq in 1H 2022
 - Indicating achieved prices being significantly below spot
- Fish Pool forward price well below spot price
 - Indicating that bilateral contracts are being agreed at significant discount to current spot prices



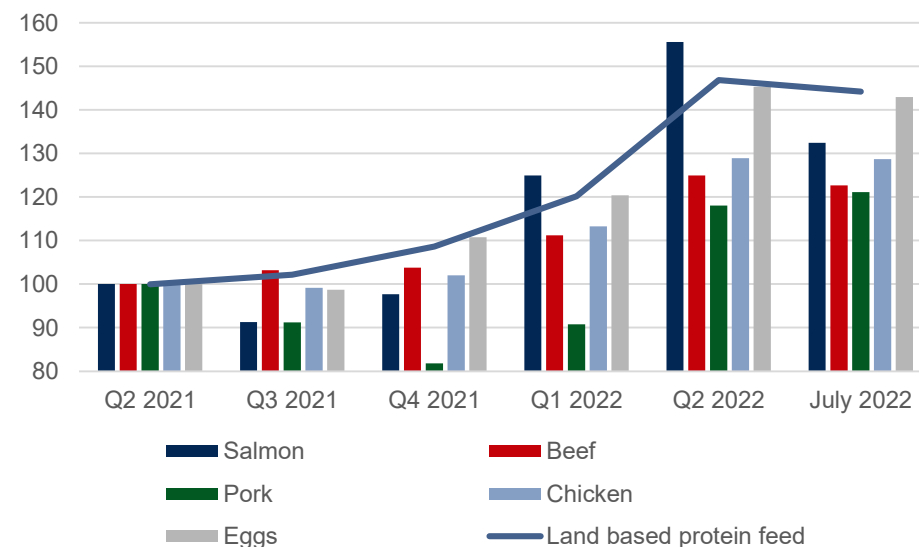
Source: Kontali

PRICE MOVEMENT LARGELY IN LINE WITH PROTEIN PEERS

Factors impacting ability to pass through cost inflation

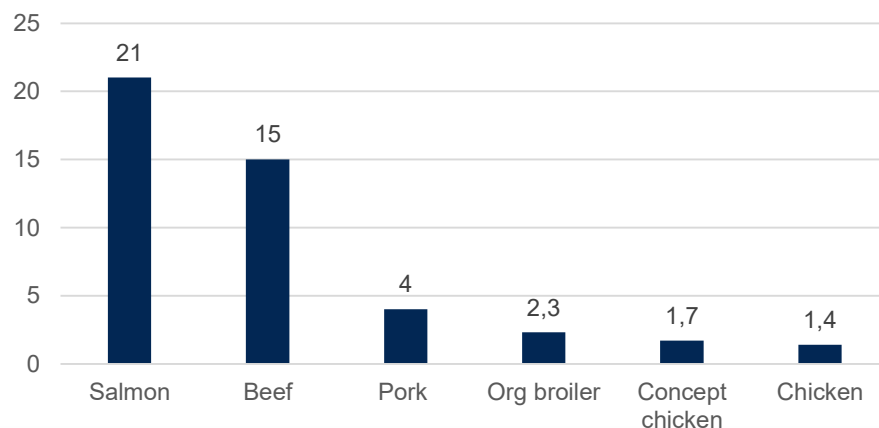
- Relative end consumer price elasticity
- Ability and lead time for implementation of required supply contraction to adapt to price elasticity
- Market structure (local or global/regionalised markets)
- Trade dynamics (commoditised/bilateral discussions)

European wholesale prices (indexed)



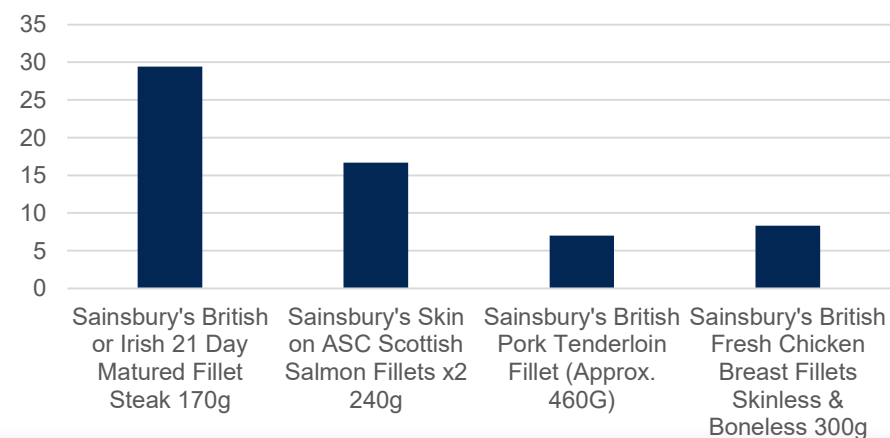
Source: Statistics Norway, Rabobank

Production cycle (months)



Source: Bakkafrøst, Rabobank

UK consumer prices July 2022 (GBP/kg)

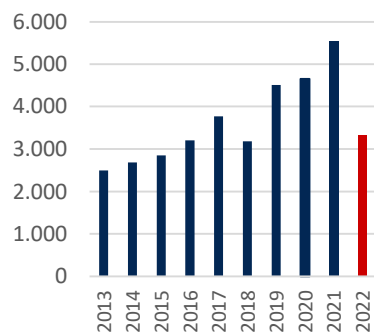


Source: Sainsbury's web site

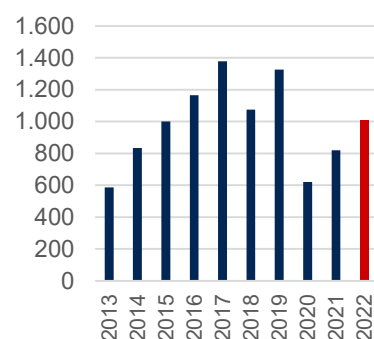
DEVELOPMENT PER QUARTER

	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
(mDKK)	2020	2020	2020	2021	2021	2021	2021	2022	2022
Revenue	1,134	1,123	1,139	1,176	1,618	1,272	1,488	1,639	1,684
Operational EBIT	182	103	89	224	407	71	120	418	587
Profit/Loss	472	177	-38	408	428	131	-3	405	845
Harvest FO (tgw)	12,941	11,135	15,957	14,025	17,561	14,937	20,694	17,459	13,101
Harvest SCT (tgw)	7,937	10,476	9,305	7,002	10,634	6,914	5,122	3,973	6,646
Op. EBIT Farming FO & VAP (NOK/kg)	15.34	15.24	12.92	21.48	26.93	13.59	20.11	33.79	52.28
Op. EBIT Farming FO (NOK/kg)	9.79	12.43	5.66	14.10	26.52	12.56	18.29	36.03	63.38
Op. EBIT VAP (NOK/kg)	11.06	5.84	17.31	18.56	1.53	2.89	5.71	-5.65	-24.46
Op. EBIT Farming SCT (NOK/kg)	5.36	-3.89	-8.41	-1.44	6.75	-16.32	-55.95	-17.67	8.29
Equity ratio	69%	68%	66%	68%	67%	67%	64%	64%	65%
NIBD	1,116	1,257	1,753	1,939	1,903	1,986	2,126	2,192	2,267

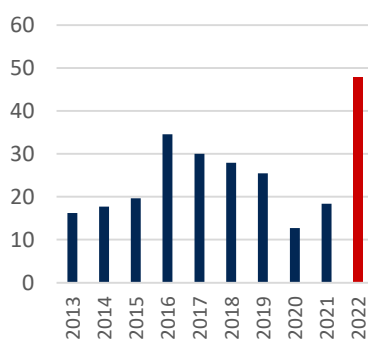
Revenue (mDKK)



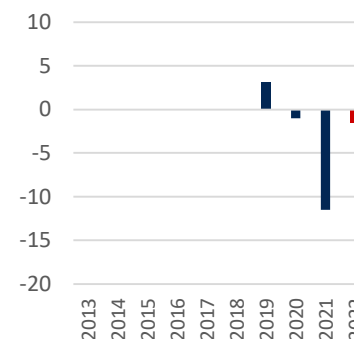
Operational EBIT (mDKK)



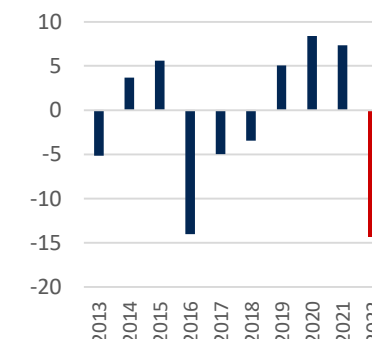
Farming FO margin Op. EBIT (NOK/kg)



Farming SCT margin Op. EBIT (NOK/kg)



VAP FO margin Op. EBIT (NOK/kg)



DIVIDEND

Dividend

- A dividend for 2021 of DKK 5.14 per share was paid out in Q2 2022
- Dividend payment equals 50% of adjusted EPS

Dividend policy

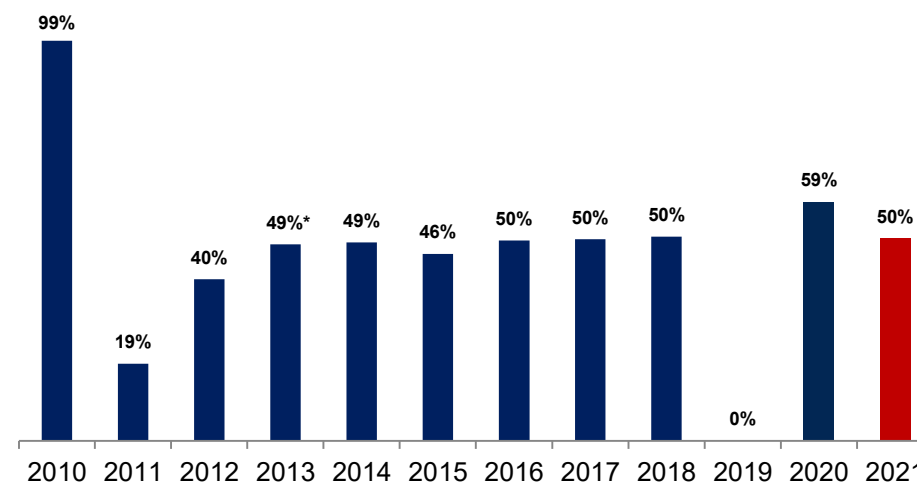
- Competitive return through:
 - Dividends
 - Increase in the value of the equity
- Generally, Bakkafrost shall pay a dividend to its shareholders
- A long-term goal is that 30–50% of adjusted EPS shall be paid out as a dividend

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

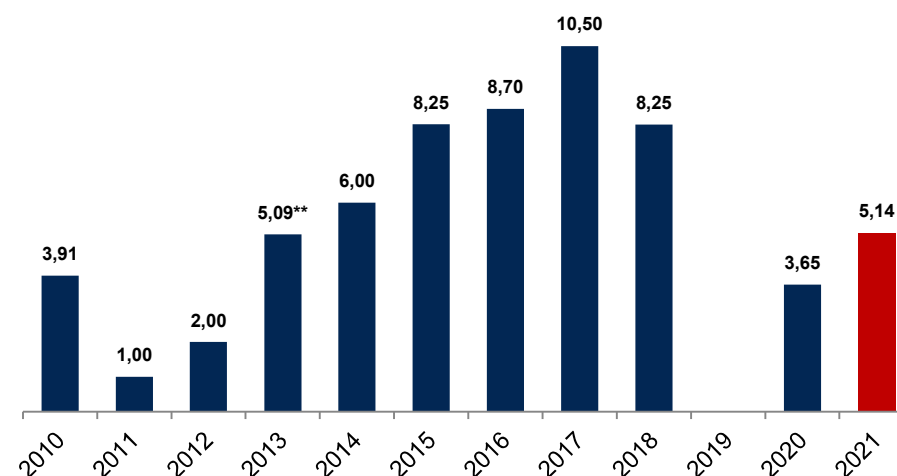
** Dividend and acquisition of treasury shares

*** Dividend is paid out the following year

Dividend per share in % of adj. EPS*



Dividend per share (DKK)***





BAKKAFROST

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

Location: Faroe Islands

Headquarters: Glyvrrar, 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



FAROE ISLANDS

- Headquarters, Sales
- Fishmeal, Fish oil & Fish feed
- Broodstock, Hatcheries & Farming
- Harvest & Processing
- Farming Service Vessels, Packaging & Biogas

SCOTLAND

- Administration, Sales
- Broodstock, Hatcheries & Farming
- Harvest & Processing
- Farming Service Vessels

DENMARK

- Administration, Sales
- Processing

ENGLAND

- Sales

UNITED STATES OF AMERICA

- Sales
- Processing

LEGEND TO MAP SYMBOLS



FISHMEAL



BROODSTOCK



HARVESTING



FSV (FARMING SERVICE VESSELS)



FISH OIL



HATCHERIES



PROCESSING



PACKAGING



FISH FEED



FARMING



SALES

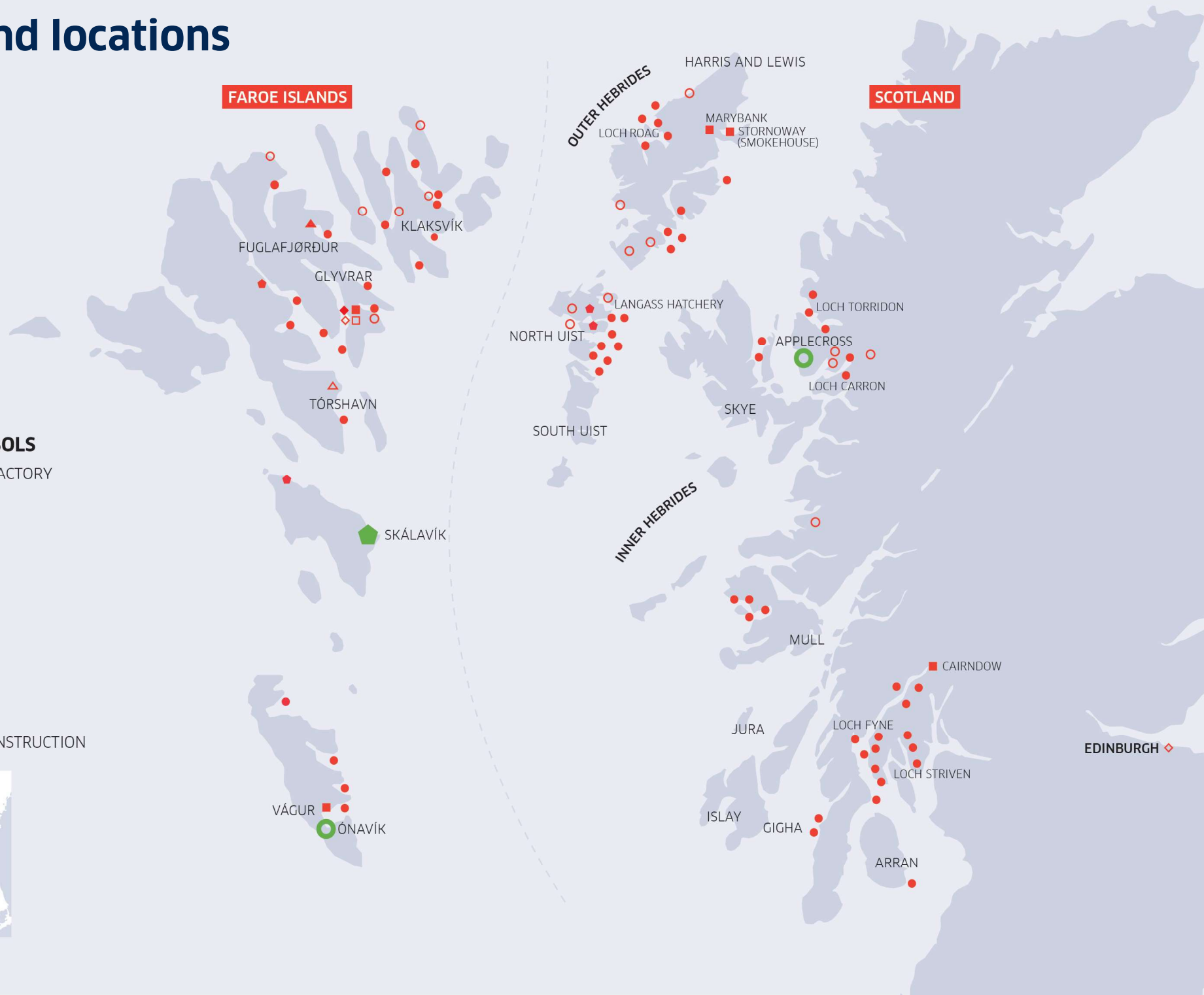


BIOGAS

Facilities and locations

LEGEND TO MAP SYMBOLS

- ▲ FISHMEAL/OIL & FEED FACTORY
- HATCHERIES
- FARMING SITES
- ◆ BROODSTOCK
- HARVEST FACTORIES
- ◆ PROCESSING PLANT
- PACKAGING FACTORY
- ◇ HEADQUARTERS
- ◇ SALES OFFICES
- ▲ BIOGAS
- OPERATIONS UNDER CONSTRUCTION



- 18 islands – 1,387 km²
- 54,072 inhabitants (July 2022)
- Home rule – within the Kingdom of Denmark
- Part of the Danish monetary union, the Danish krone (DKK)

Key sectors (% of wage earners, M7 2022)

- Service/public admin.: ~35%
 - Private service: ~32%
 - Construction: ~15%
 - Fish & aquaculture: ~18%
 - Unemployment rate (Apr 2022): 0.9%
 - Total working force (2021): 31,968
-
- **GDP:** DKK ~21.2bn (2020)
 - **GDP/capita:** DKK 404,000 (2020)
 - (Norway: DKK 407,643) (2020)

Total export of fish products (2021)

- DKK 9,294 million - whereof farmed fish accounts for 48%

TAXES

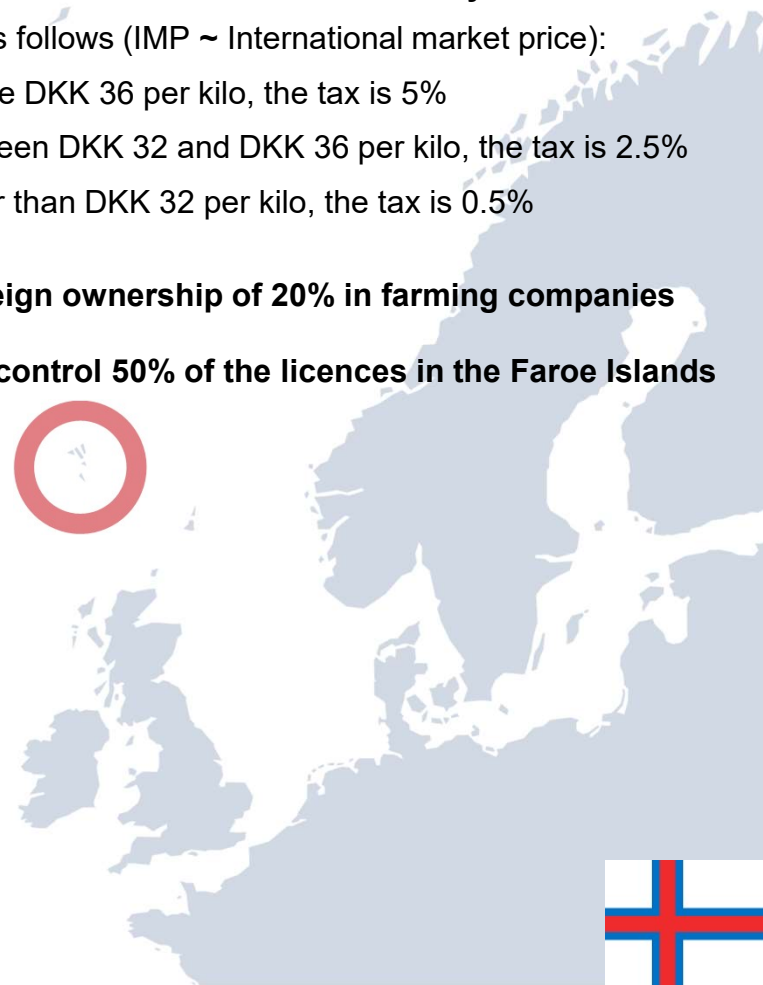
- Total percent of GDP: 43.8% (2020)
- Corporate tax: 18%
- Farming revenue tax: 5.0% of revenues after 1 January 2019

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