



SUPERIOR
QUALITY
SALMON

Bakkafrost Scotland presentation

Capital Markets Day – Part 4 (Site visit at Applecross)

06 June 2023



WELCOME TO SCOTLAND

Scotland Video

This is a very special place – apart from our developments that you will see today this area is known for:

- Torridon National Park to the North is an ancient and enchanting wilderness of water and rock, parts of the rocky landscape are over 2,600 million years old
- Naturally, some of the best water quality in Britain
- Wildest road in UK– the Bealach - one of the world's most scenic drives
- Couldoran Estate is a UNESCO reserve for its native woodlands and iconic species



Loch Torridon

OUR PILLARS AND VALUES

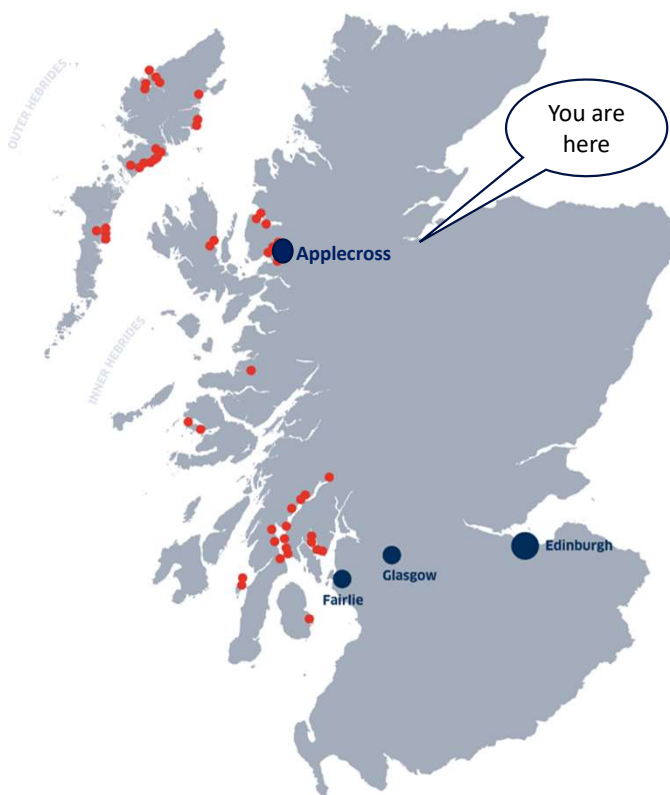
 <p>HEALTHY BUSINESS Responsible growth</p> <p>Sustainable growth</p> <p>Ethical conduct</p> <p>Partnership</p>	 <p>HEALTHY SALMON Exceeding leading standards</p> <p>Integrated value chain</p> <p>Health & welfare</p> <p>Best practice</p>	 <p>HEALTHY PEOPLE Preferred employer</p> <p>Employees</p> <p>Health, safety & wellbeing</p> <p>Human rights</p>	 <p>HEALTHY ENVIRONMENT Committed to environmental stewardship</p> <p>Biodiversity</p> <p>Resource efficient</p> <p>Climate change & energy</p>	 <p>HEALTHY COMMUNITIES Create shared value</p> <p>Responsible leadership</p> <p>Community engagement & transparency</p> <p>Creating value</p>
				

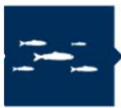




PROVENANCE
Committed to provenance

PASSION
Passion of our people

RESPECT
Respect for our natural environment
and our communities

OVERVIEW



	Previous CMD	Current	5 Years
 HATCHERIES	7 sites Capacity 10.7k m3 6.0m @ 85g	4 sites (+3 rd parties) Capacity 22k m3 11m @ 150g+	2 sites Capacity to 62k+ m3 15M @ 500g
 FARMING	42 active sites	37 active sites 69kT Consent (total consent: 86kt)	37 sites (6 prospects) Consent opportunity 55kT production
 PROCESSING	2 Processing facilities 2 Harvest stations Capacity 185T/day	2 Processing facilities 2 Harvest stations Capacity 185T/day	Primary / secondary facilities Integrated Capacity 405+ T/day
 FSV	2,100 m3 Harvest 150T/hr Delousing 2500 m3 FW treatment	2,840 m3 Harvest 200T/hr Delousing only 6,500 m3 FW / FLS	5,000+ m3 Harvest 200T/hr Delousing only 6,500+ m3 FW / FLS
 PEOPLE	610 fte 49T/fte	535 fte 55T/fte	610+ fte >90T/fte



EBIT/kg

ESG

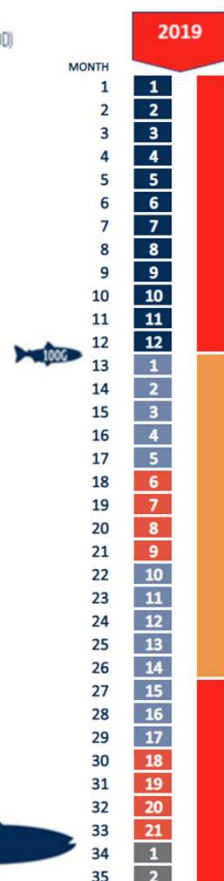
Animal Welfare

Employer of Choice

Growth

*) fte: Full Time Equivalent

 FRESHWATER STAGE
 IN SEA LOCH STAGE (HIGH RISK PERIOD)
 FOLLOWING THE SEA LOCH



2019 - 2023

RAS - phase 1

One-Company - Husbandry

Feed quality - Havsbrun

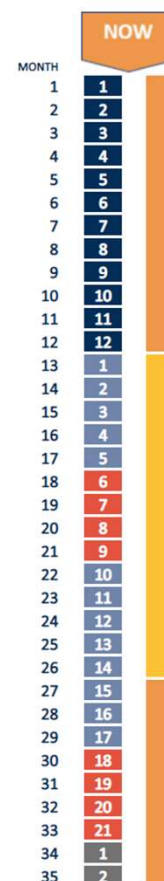
Feed efficiency - remote

Equipment upgrades

Containment - seal pro nets

AGD - Dual treatment FW / FLS 6500

Aeration + advanced monitoring



2023 - 2028

RAS - 15m healthy smolt 500g

Broodstock - Native Hebridean

Own genetics - quality OVA

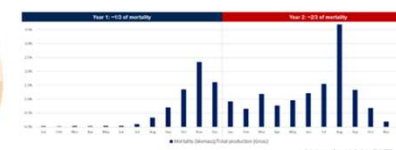
3rd party - exited

Feed efficiency - pellet detection

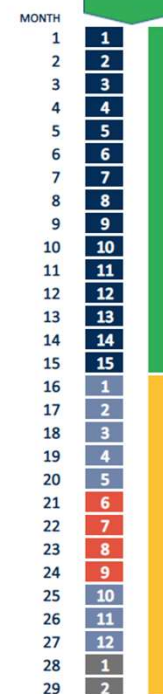
Vaccination - PD

Site development - consolidation

Harvest - capacity / flexibility



FUTURE



CASE STUDY MULTI AWARD WINNING NATIVE HEBRIDEAN

Production

Refresh

- Broodstock programme

Further Develop

- Genetics - continuous QTL evaluation and develop unique attributes

Grow

- Robust stock with consistent availability

1

2

3

Sales

Developing the story & Positioning

- Determine USP's, Champion & chef endorsement

Raise the profile

- Multi award winner

Drive Sales

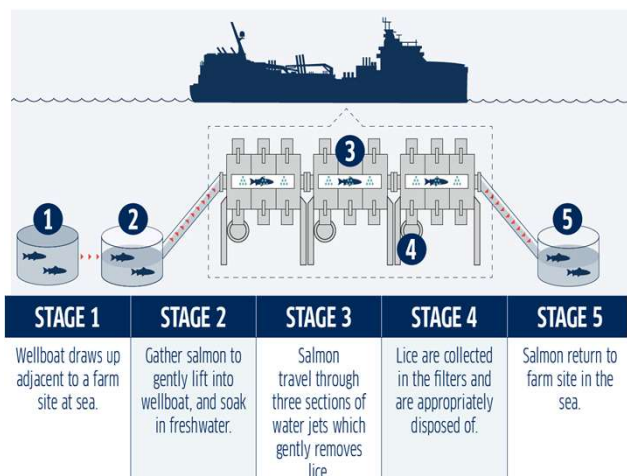
- Target local and export sales, explore new channels



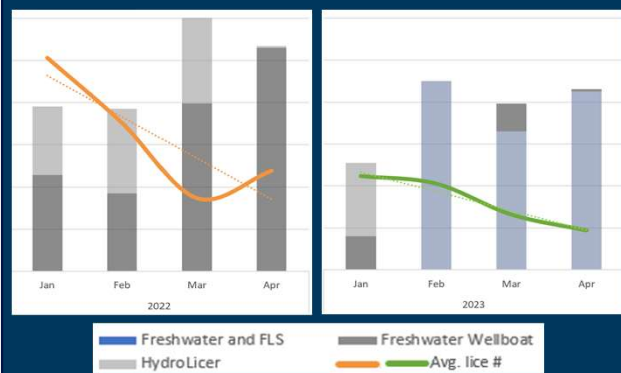
CASE STUDY DUAL TREATMENT – FW / FLS IS A GAME CHANGER

Gentle and efficient treatment solution with a focus on fish welfare

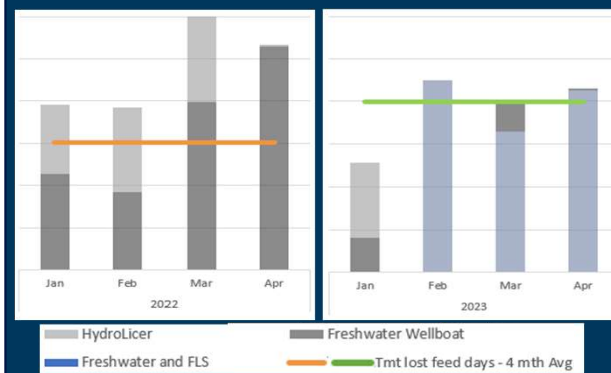
- 100% natural
- high capacity
- excellent for fish welfare
- removes nearly 100% lice
- reduces resettlement of lice
- onboard freshwater regeneration



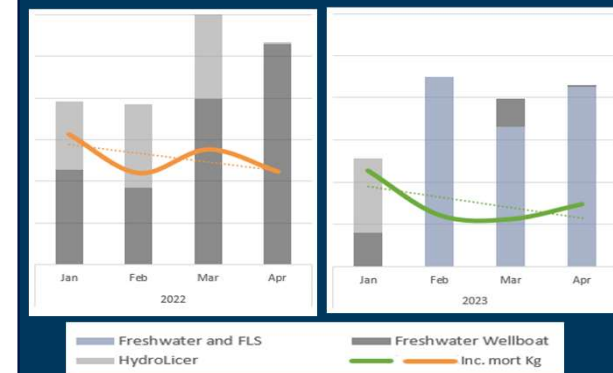
LICE – Average # down 50% on prior year



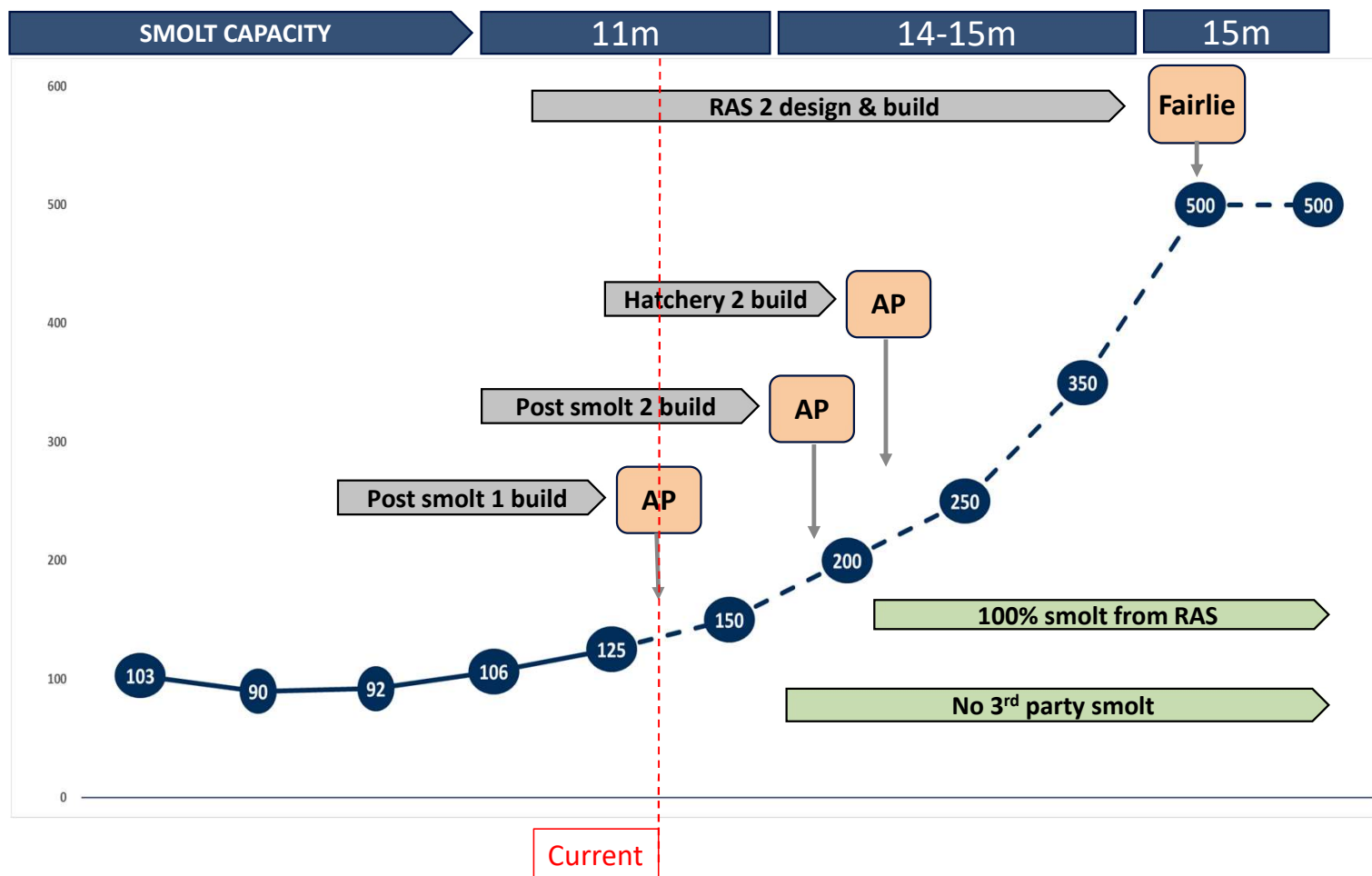
GROWTH – 32% more available feed days



SURVIVABILITY – 20% increase post treatment



LARGE SMOLT STRATEGY DELIVERING LARGE HEALTHY SMOLT



Fairlie - Planning

8m smolt at 500g
32,300m³ capacity



Applecross - Construction

7m smolt at 500g
29,300m³ capacity

FAIRLIE RAS DESIGN & PLANNING STAGE



Planning stage

- Pre-planning - complete
- Planning and ground works – est. Q2 2024
- Build – est. 2 to 3 years

Production capacity

- 8m smolt @ 500g
- 32,300m³ tank capacity

Sustainability

- 5T/day waste converted to fertiliser
- Water usage 82m³/hr (with denitrification)
- 4.5mw power (3.0mw solar generation)
- Secondary renewable power source



APPLECROSS RAS COMMISSIONING / UNDER CONSTRUCTION

19th Century Ancient
crofting settlement,
architectural preservation



1980's largest hatchery in Scotland,
excellent water quality



Applecross - Post Smolt 1



Applecross - Post smolt 2 / Hatchery



Production capacity

- 7m smolt at 500g
- 29,300m³ tank capacity

Sustainability

- 4T/day waste converted to fertiliser
- Water usage 220m³/hr
- 4mw power (2.5mw solar generation)
- Private wire hydro-electricity power

APPLECROSS RAS BUILT UPON OUR 5 PILLARS OF SUSTAINABILITY

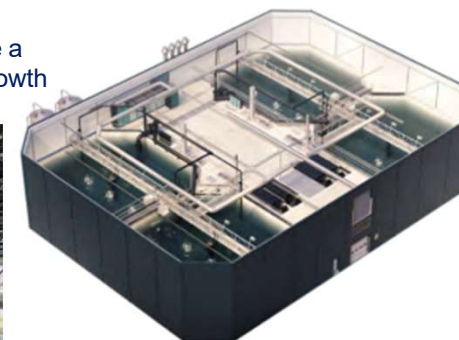
Community Engagement - Hydro project

Hydro scheme developed with Applecross Trust (crofting) and local enterprises, linked by 31km private cable along UK's wildest road. Purchasing power from the local community and providing charging points in the village of Applecross, an isolated coastal community



Optimise welfare & quality growth

The latest RAS technology to provide a biosecure environment for healthy growth



Waste & Circular Economy

Pyrolysis technology converts the organic matter (sludge) into biochar, a solid carbon rich product. Biochar is widely recognised as having significant uses in agriculture, horticulture & forestry and is commonly used as a soil improver (fertiliser)



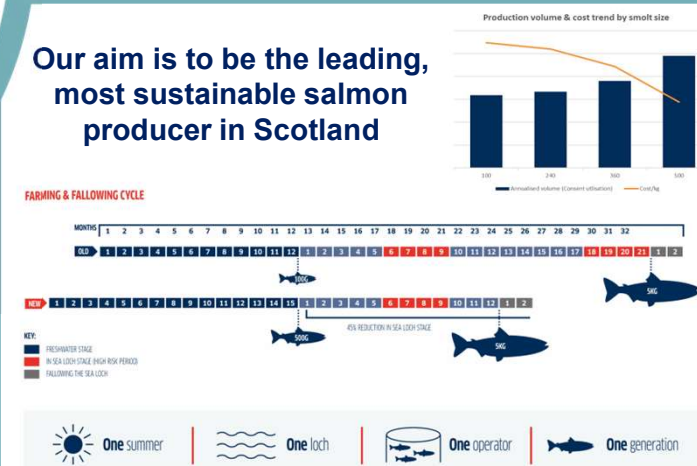
Tasty, Healthy & Sustainable Salmon



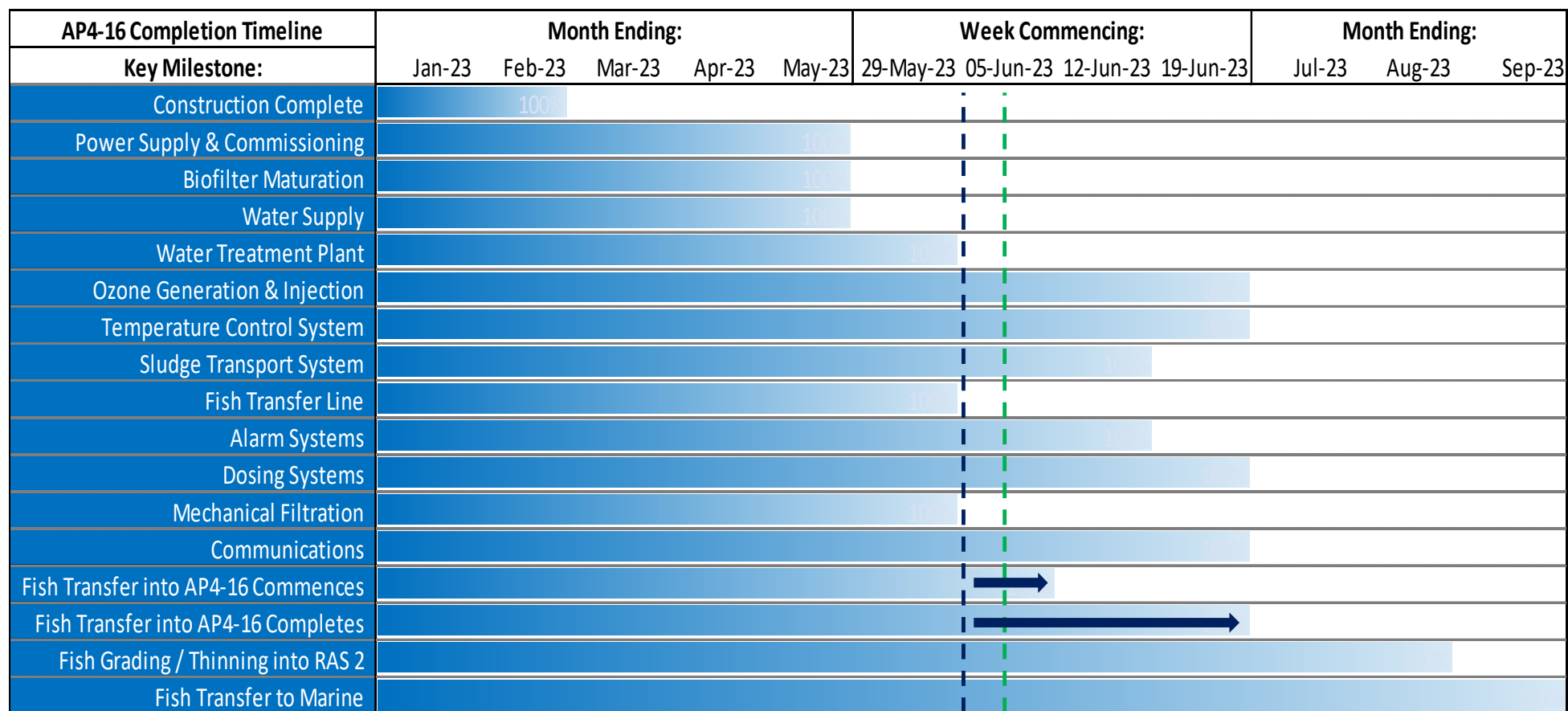
Employment and homes in rural communities in which we live and work



Our aim is to be the leading, most sustainable salmon producer in Scotland



POST SMOLT 1 COMMISSIONING TIMELINE



Fish transfer - Staged batching

We are here

APPLECROSS SITE



Tasty, Healthy & Sustainable Salmon

Site Plan

- 1 Temporary Accommodation
- 2 Amenities Block
- 3 Engineering & Feed Shed
- 4 Vaccination Shed
- 5 Freshwater Treatment
- 6 Freshwater Collection
- 7 Wastewater Treatment
- 8 Technical



AFTERNOON PLAN

- Please remember this is a working site and Port, appropriate **PPE must be worn** (bump caps / high-vis vests)
- Biosecurity is managed, but please **keep to the planned route and within barriers**
- Photography is allowed
- Marquee is the central point meeting point with refreshments available
- In case of emergency, Muster Point at coach parking

Colour coded Groups - **Blue**, **Red**, **Yellow**, **Green**

To start:

- Freshwater – minibus
 - Couldoran Hatchery (**Red**)
 - Applecross RAS (**Yellow**)
- Well boats – large coaches
 - Bakkaness (**Green**)
 - Star (**Blue**)

16.55 Meet back in Marquee

17.00 Depart for Inverness

DISCLAIMER

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