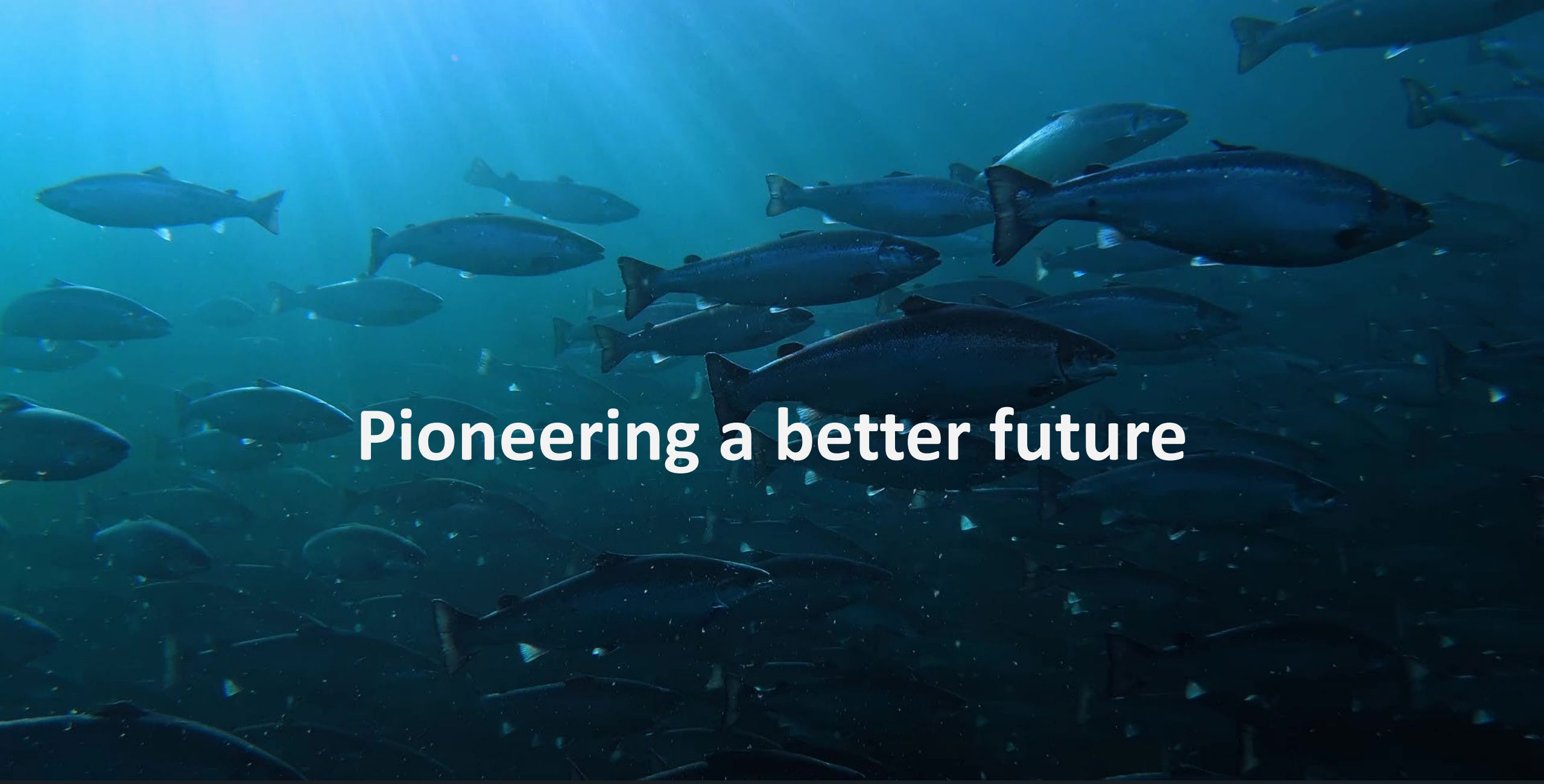
AKVA Update

Bergen, 23 June 2022

Knut Nesse, CEO

AKVA GROUP™



Pioneering a better future

Agenda:

Financial status

Innovation agenda

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Highlights | Q1 2022

Operation

- High market activity with order intake of MNOK 1,048 in the quarter
- Negative EBIT impact from cost inflations and supply chain restrictions
- Sale of shares in Atlantis Subsea Farming AS completed with a gain of MNOK 33

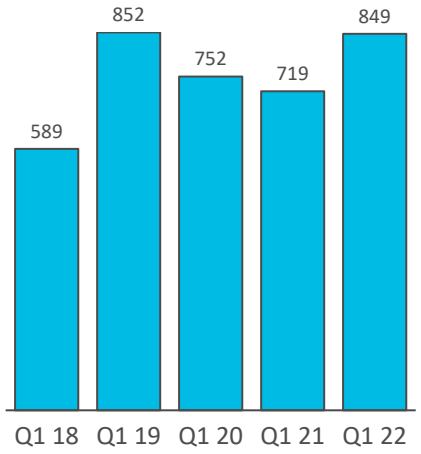
Innovation and Digital

- Good momentum on developing capabilities within Land Based technology and advisory services
- High focus on further strengthening and commercializing of deep-sea open farming concepts
- Digital agenda progressing in line with strategic ambitions

Key figures|Q1 2022

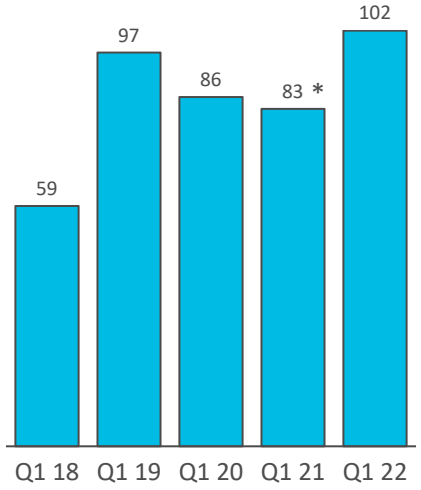
Revenue

849 MNOK



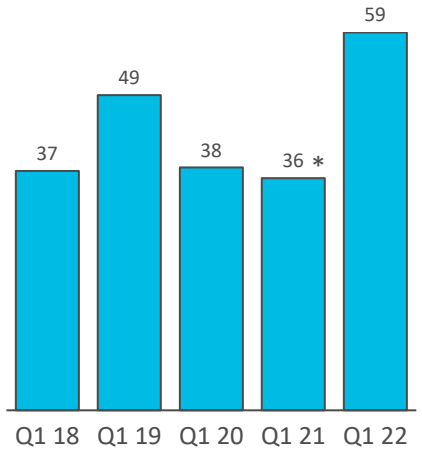
EBITDA

102 MNOK



EBIT

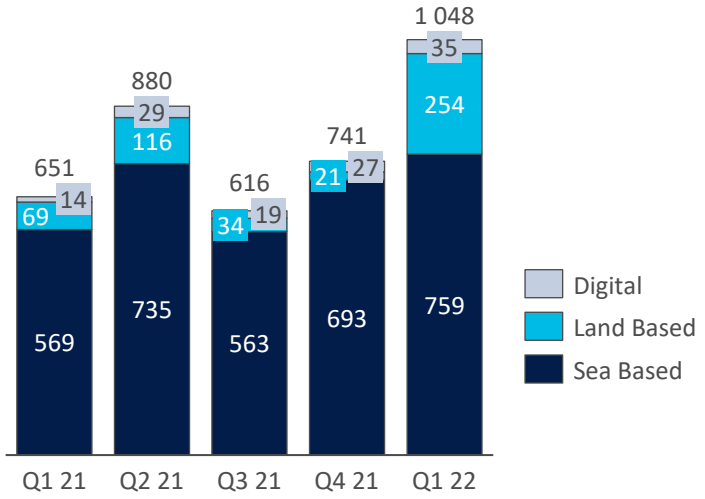
59 MNOK



* Note: Costs of 49,7 MNOK related to cyber-attack in Q1 21 are excluded

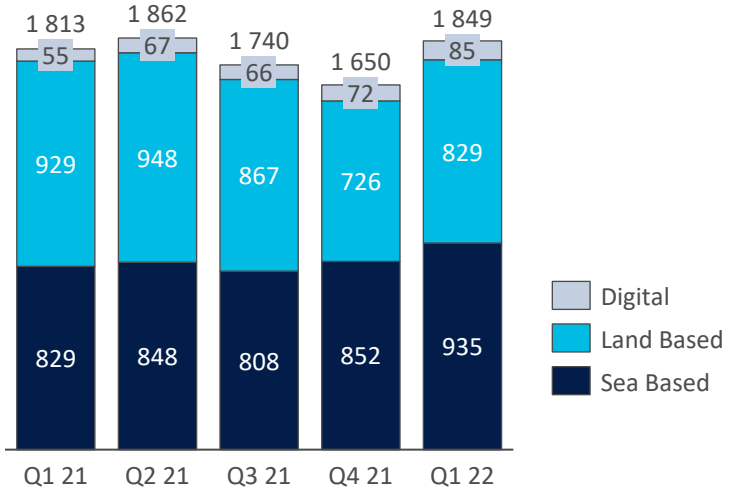
Development order intake and order backlog

Order intake (MNOK)



*Note: MNOK 1 317 in order intake related to AquaCon is removed from the order intake in Q3 2021

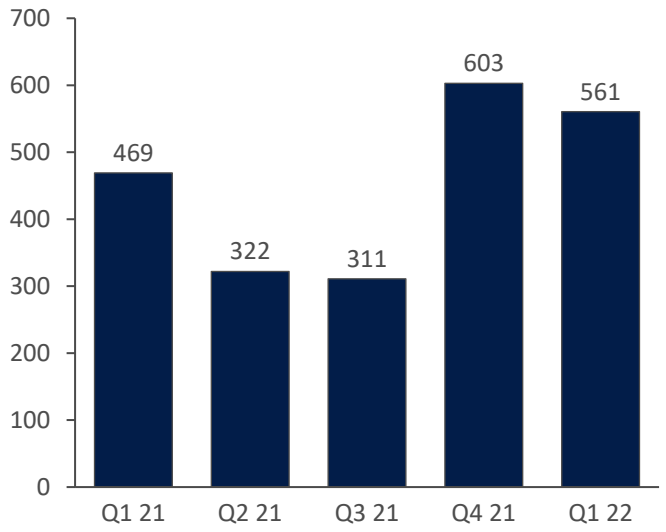
Order backlog (MNOK)



*Note: MNOK 1 317 in order backlog related to AquaCon is removed from the order backlog in Q1 2022

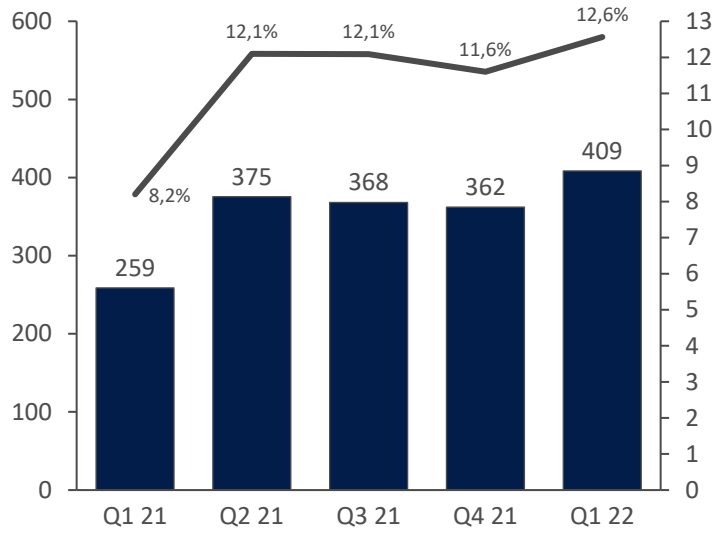
Cash flow and financial position

Available cash

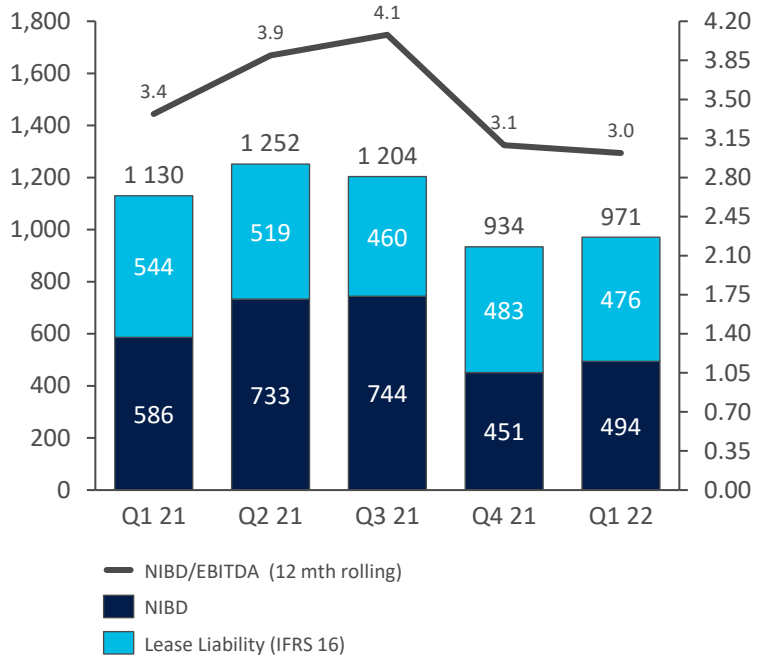


- Including a MNOK 300 available credit facility in Danske Bank
- Private placement of MNOK 322 completed in Q4 21

Net Working capital



Net debt / EBITDA*



NIBD/EBITDA covenant threshold of 4,25

*Note: NIBD/EBITDA ratio for the period Q1 21 to Q4 21 for non-recurring cyber-attack costs of MNOK 49,7

Innovation agenda

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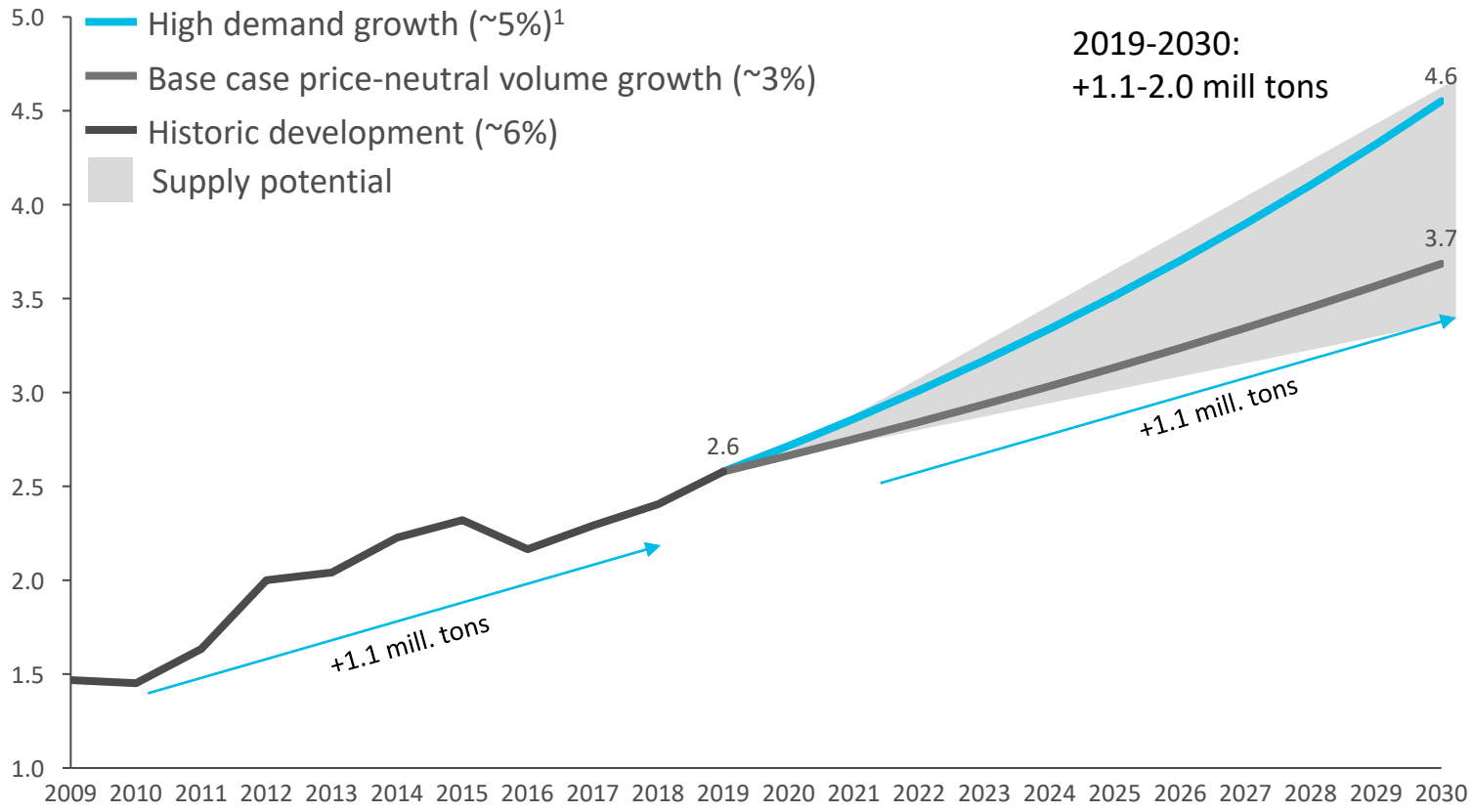
Underlying demand growth implies 1–2 million ton volume increase by 2030

Salmon demand has increased by 1.1 mill tons from 2009-2019. “Base case” assumes similar demand growth till 2030

Consumption of salmon WFE in mill. tons

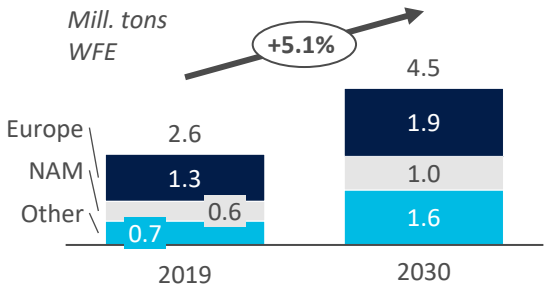


Key demand drivers

- **Focus on environment and health** increasing demand for more environmentally friendly and healthy sources of protein
- **Salmon among favored species** for consumption in developed and emerging seafood markets
- **Distribution to new markets** fueling demand, ~45% of total volume growth 2015-2019
- **Product developments** (e.g. smoked, marinated, sushi) resulting in salmon gaining market share
- **Modified Atmosphere Packaging (MAP)** has prolonged shelf life and enabled grocery retailer distribution

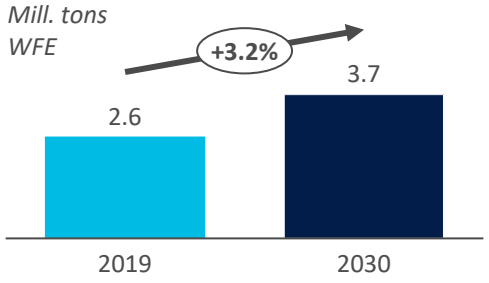
The paradigm shift of land-based farming will require major capex investments until 2030 and beyond

Demand



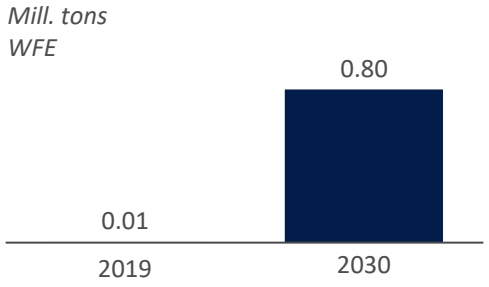
- Restricted fresh supply requires market effort to convert demand from fresh to frozen
- Asian markets critical for growth – required to increase and broaden marketing efforts

Conventional production



- Innovation critical to achieve growth
- New freezing technologies required to secure increased quality for frozen intercontinental exports
- Growth capex >20 bln NOK and additional maintenance capex
- Expectations 2030+ may limit investments/production

Land-based/ other unconventional



- ~160 bln NOK[1] in CAPEX investments needed to reach land-based capacity of 800 th. tons by 2030
- RAS suppliers critical to achieve growth

AKVA Group implications:

- Strong Cage Farming segment
- Exponential growth in Land Based revenue
- Likely high margins within Land Based technology given potential shortage of RAS supplier capacity

1. Estimated 200 NOK/kg capex investment for land-based and 20 NOK/kg for conventional production

Key digital trends in Aquaculture - Fusing

Land based Farming

Remote Operations

Digital Products & Services

Precision Fish Farming

Sea Based Farming

Business Ecosystem

Current digital solutions

AKVA observe

AKVA fishtalk

AKVA connect

Digital – Strengthened Capabilities

- Digital Leadership
- Product Management
- Architecture and Innovation disciplines
- Digital Business Development
- Acquisition of 33,67% stake in Observe Technologies

Three main segments within land based

Smolt:

100 - 250 g

Post-smolt:

250 - 1000 g

- Smolt production expected to grow with approx. 300,000 tons in the next 10 years

Grow-out:

5000 g

- ~160 BNOK in CAPEX investments needed to reach land-based capacity of 800,000 tons by 2030

Strategy for Land Based Salmon Farming

1. Market leading Zero Water Concept RAS enabling sustainable and cost-effective production
2. Delivering complete scope of fish farming technology (e.g. feeding, fish tanks, fish handling, camera, lights, sensors, control system)
3. Data driven insight and intelligent farming systems enabling consistent and optimized production - “Precision Farming”
4. Production Advisory Services – RAS production competence group helping customers maximizing output and reducing cost

Standard 5,000 tonnes modules

Build up LB organization in Norway

AKVA group Innovation agenda – Centre of Excellence

NOAP project in China being executed

Precision Farming Sea Based Solutions

Marine Infrastructure

for secure containment and efficient operations

- Plastic and Steel pens
- Nets
- Moorings
- Net Cleaning services and RoV's

Precision Feeding

for optimizing feed conversion and growth

- Barges
- Feed systems
- Camera systems
- AKVA connect
- AKVA observe
- AKVA fishtalk

Digital

to support precision farming with leading, open and modular digital solutions

- AKVA connect
- AKVA observe
- AKVA fishtalk

Deep farming

to minimize number of lice treatments

- Tubenet
- Plastic pens
- Feed system
  - Sub surface feeding
- Camera systems
- Lights
- Digital

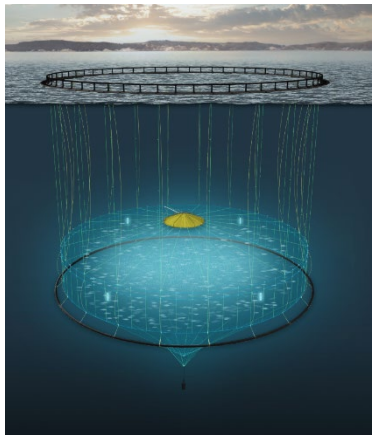
High focus to further develop deep farming concepts

Benefits from deep farming

- Avoid or reduce unwanted surface influences like lice, algae, currents, high temperatures.™
- Better fish health and reduced mortality
- Improved fish welfare and reduced frequency and cost of reactive lice treatments
- Facilitate salmon farming at more exposed sites
- Knowledge-based development in cooperation with Institute of Marine Research, SINTEF Ocean etc.
- Reduced lice infestations is needed to sustain production growth (Norwegian Traffic Light system)
- Help farmers sustain fish health, reduce risk and increase profits.

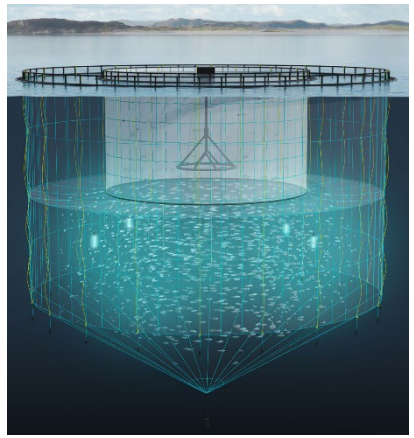
AKVA's current commercial solutions

NAUTILUS



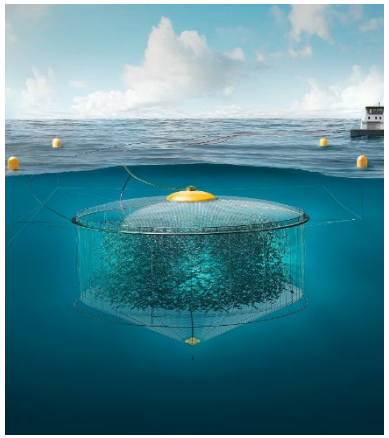
Access to air in the deep ordinary sites

TUBENET™



Access to air throught a smaller surface

ATLANTIS SUBSEA FARMING



Access to air in the deep exposed sites

We are investing in our future

CUSTOMER FOCUS

AQUACULTURE

KNOWLEDGE

RELIABILITY

ENTHUSIASM!

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