



## NORDIC HALIBUT

Sustainable superfood!

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NASF 2022

# Nordic Halibut at a glance

## Nordic Halibut in brief



Leading producer of farmed Atlantic halibut



Pioneering the Atlantic halibut farming industry since foundation in 1995



Fully integrated value chain from genetics to sales



Dedicated broodstock program – approaching 4<sup>th</sup> generation farmed halibut

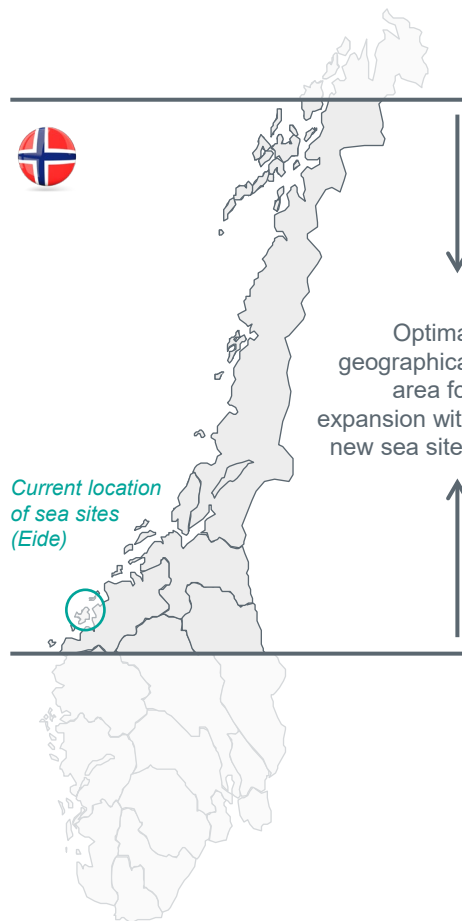


Licenses in place to produce 4,500 tonnes Atlantic halibut annually

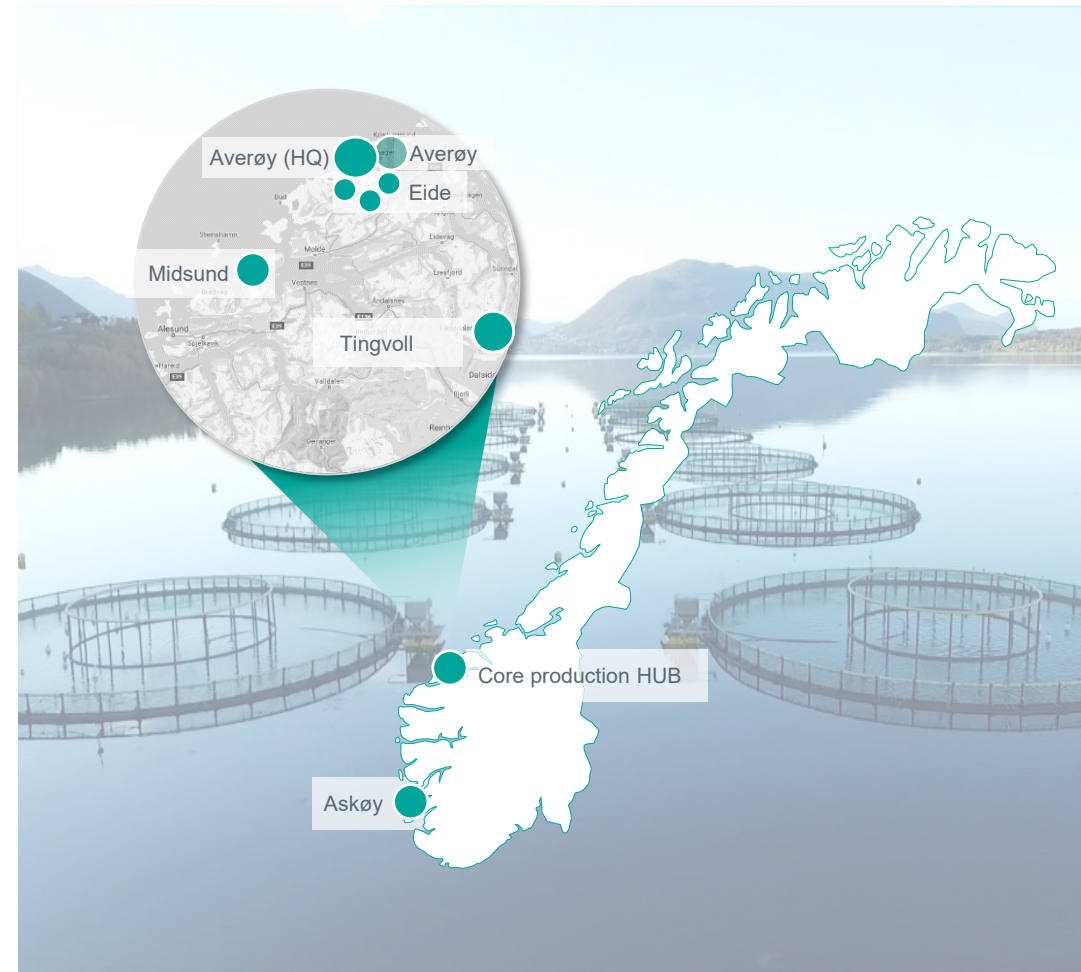


Management team with unparalleled aquaculture experience

## HUB in optimal area



## Full-fledged farming setup in northwest Norway



# Fully funded to realize 9.000 tonnes HOG within 2030



Biological development reached predictability and scale potential



Technological solutions proven and accessible using 100% flow-through systems

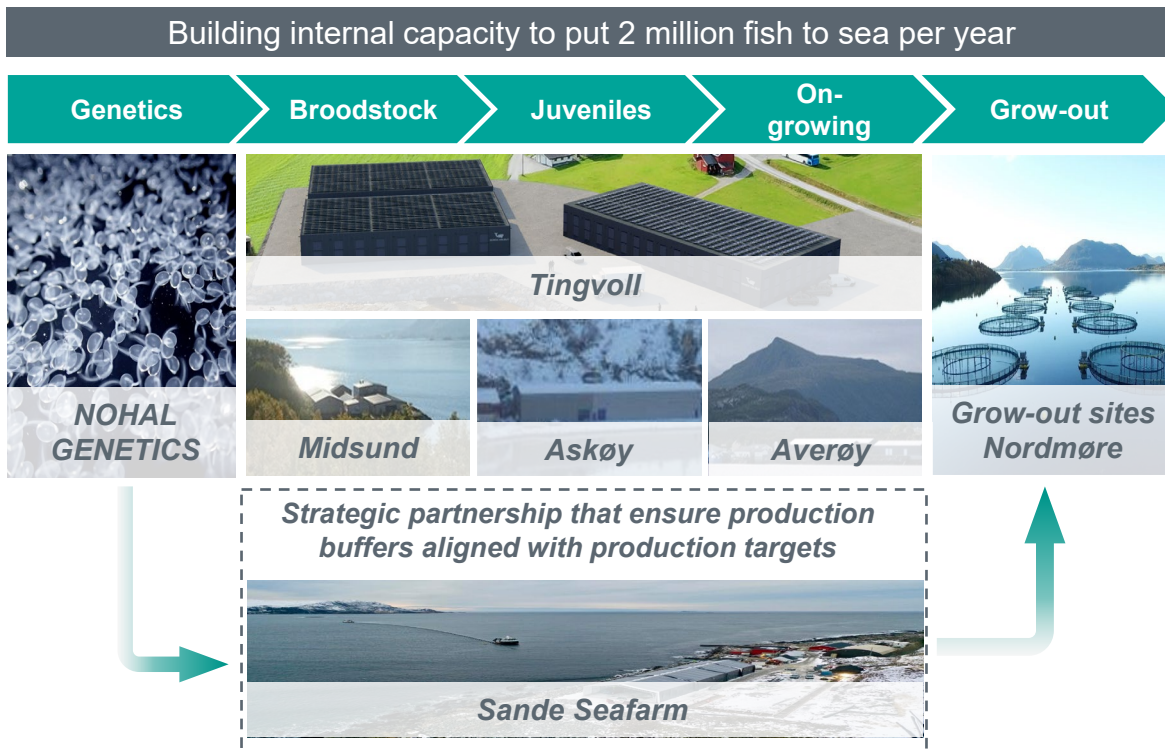


Financial structure that enables acceleration of business plan (dynamic credit facility in place)



Market demand and willingness-to-pay for premium fish products

# Fully integrated value chain enables flexibility in ramp-up of production



Fully integrated value chain from genetics to sales with built capacity for 4.500t HOG



Full biological and operational control throughout the value chain a key success factor



Long-term strategic partnership with Sande Seafarm to establish production buffers in land-phase



Value chain builds on cross-industry collaboration that secures capacity and de-risks future production volumes

# New fully integrated land-based facility located in our core production HUB in Nordmøre



Strategically located in NOHAL core production HUB in Nordmøre enabling capacity for 9.000 tonnes HOG



Proven technology and based on a 100% flow-through system yielding low kwh/kg



Fit-for-purpose and designed for Halibut farming specifically

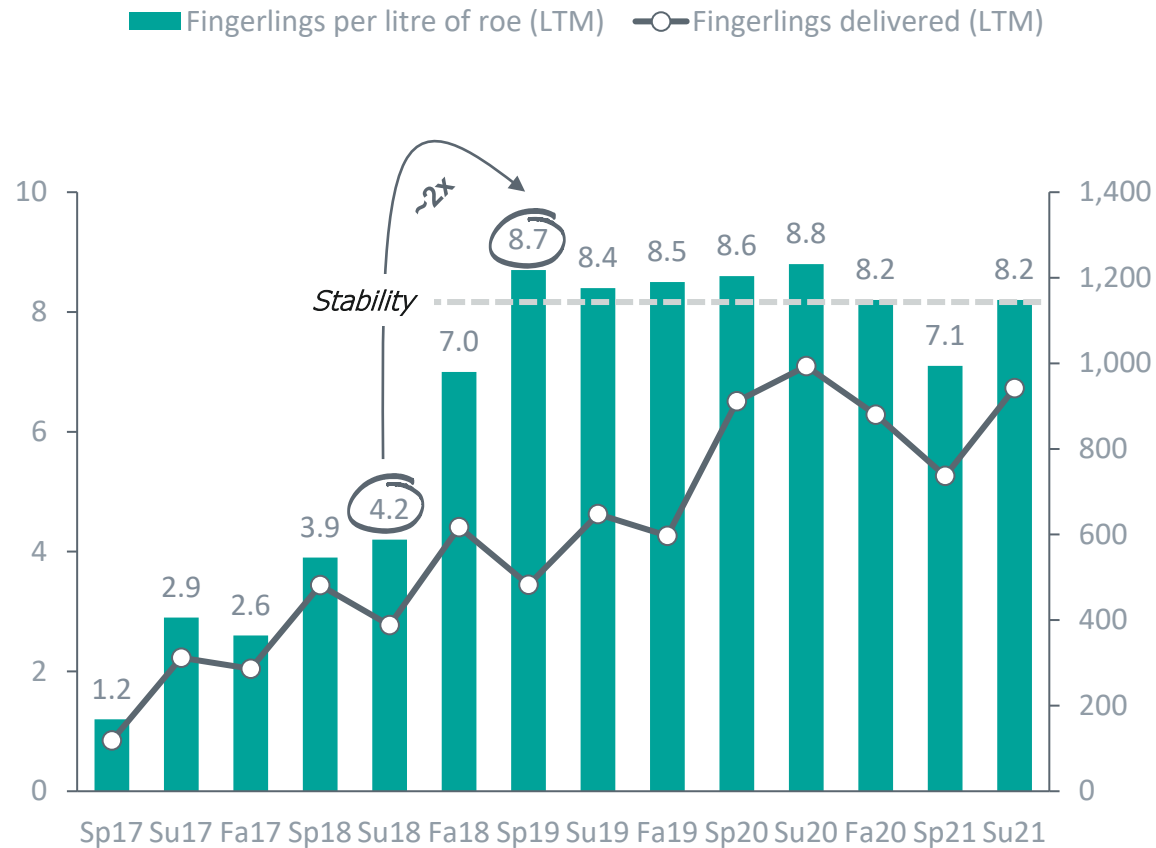


Construction is planned to commence in H2 2022 and gradually phased into production in 2023/24



*WHY DOES NORDIC HALIBUT'S BROODSTOCK PROGRAM MATTER?*

# Stable and predictable production of juveniles enables significant growth



Self developed algorithm that structures and optimizes roe production based on ovulation rhythms



Advancement in broodstock generations yielding higher quality roe enabling stricter quality selection

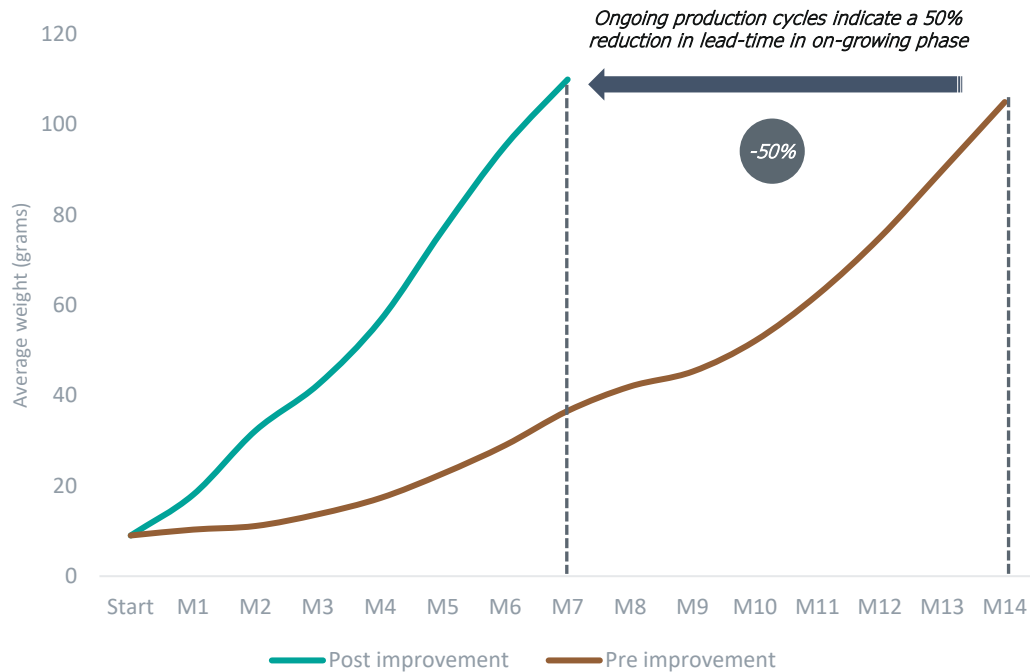


New quality regime in early phase production has resulted in considerable improvements in juvenile production



Stability and predictability in roe and fingerling production a prerequisite for scaled production

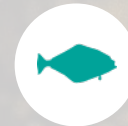
# Investments in our on-growing facility already yielding significant returns – Lead time reduced!



17MNOK invested in the facility during 2021/2022 to improve water quality and enable regulated temperatures



Increased capacity for medium size juveniles (50 – 100 gram) to support growth plan



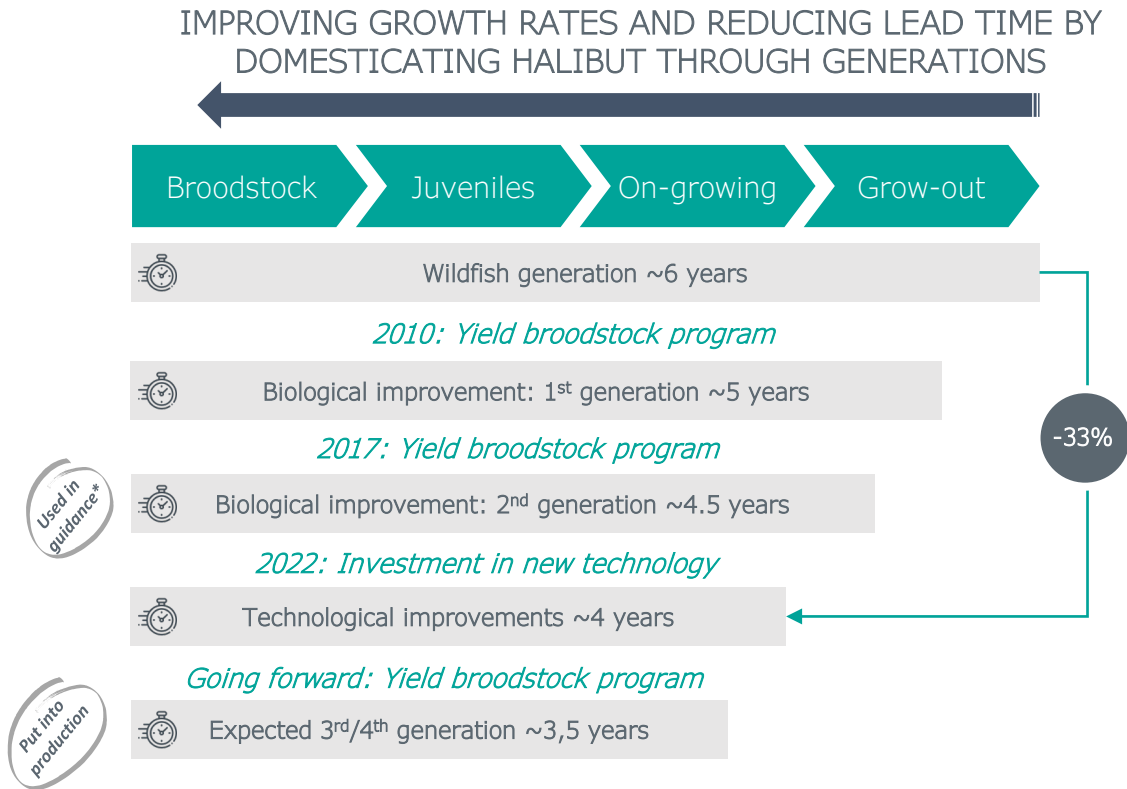
More robust fish, increased biological performance and significantly improved growth-rates



Ongoing production cycles indicate a 50% reduction in lead-time in on-growing phase reducing the full cycle production time to 4 years



# Lead time continuously improving by advancement in broodstock generations



27 years of R&D and investments in broodstock program lays the foundation for scale-up



Slow growing specie which require 8 years per generation of broodstock – Lasting competitive advantage!



More robust fish, increased growth rates, reduced lead time and higher capacity utilization of assets

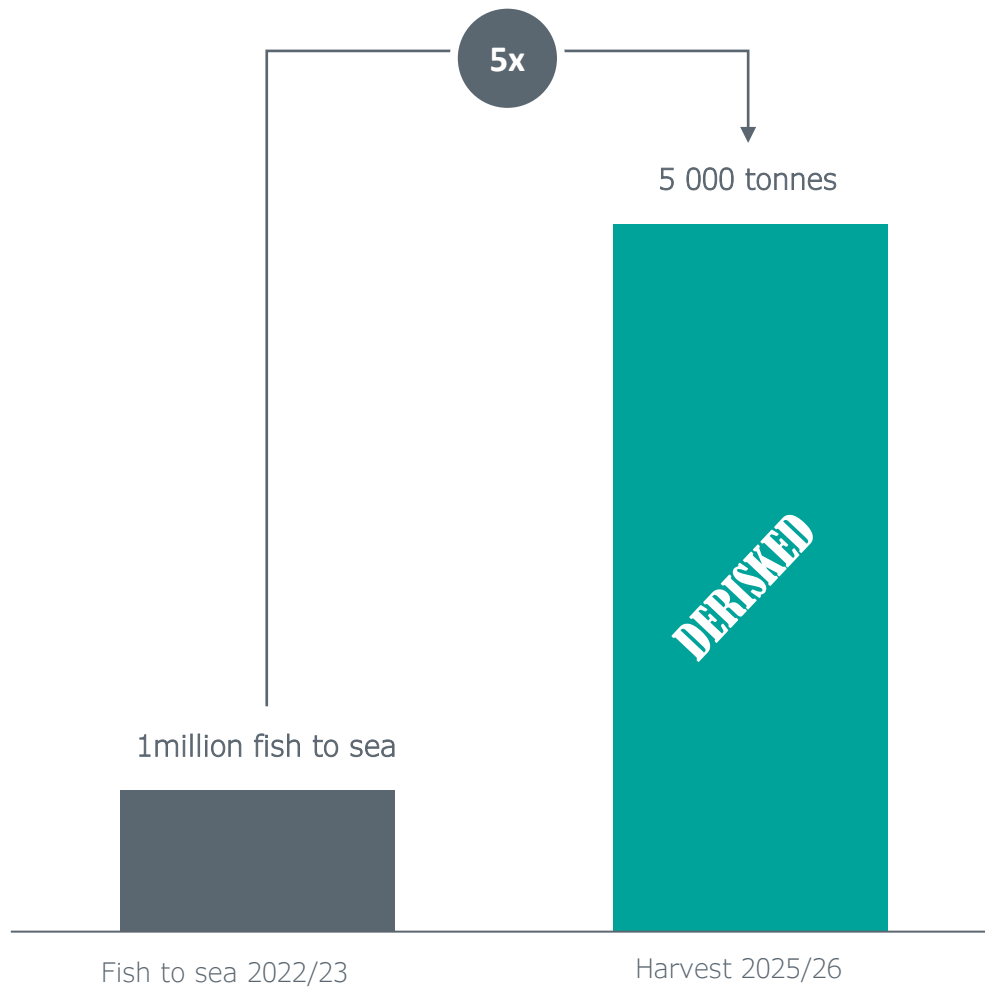


Now producing roe from the 3<sup>rd</sup> and 4<sup>th</sup> generations and are expecting to see further improvements in growth rate and lead time going forward



*WHY DOES FISH PUT TO SEA DESRISK FUTURE PRODUCTION TARGETS?*

# Fish put to sea proven metric for de-risking future harvest volumes the last 21 years



Stable sea production with predictable output since 2001



No external enemies or natural foes – Parasite and sea lice free



Never needed or used any antibiotics or chemicals in sea production

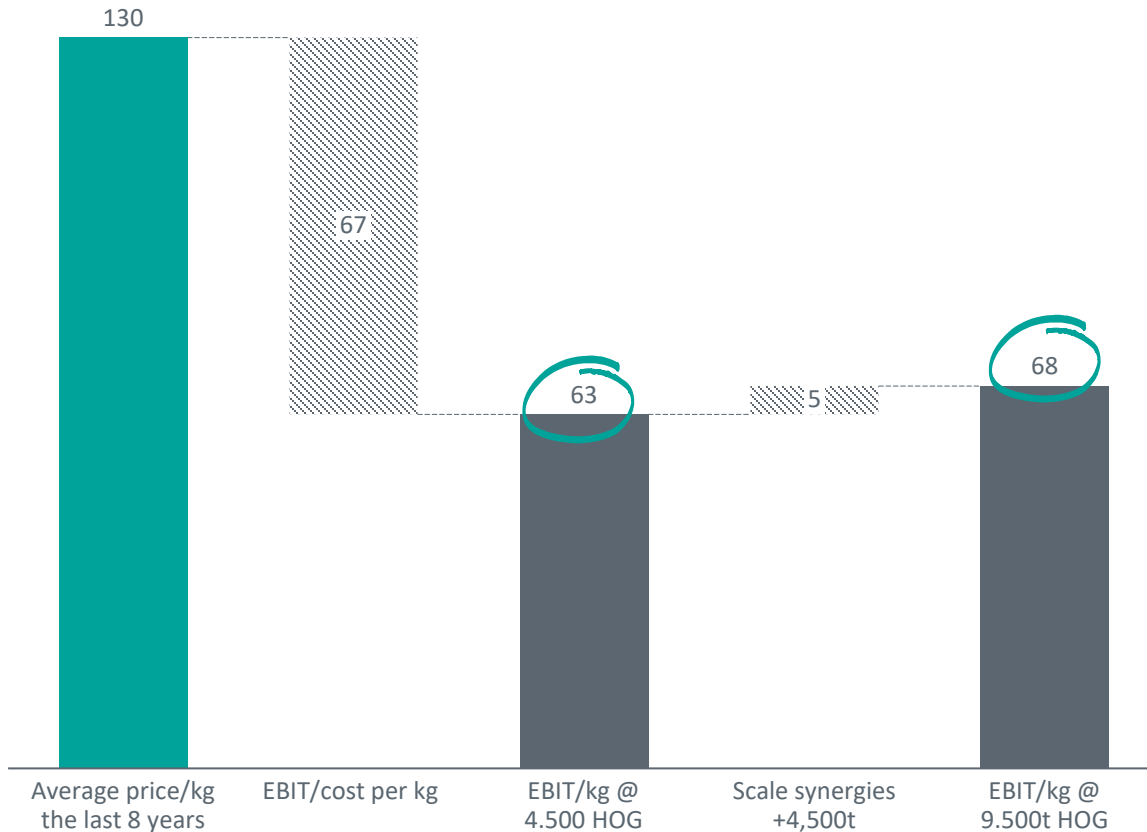


Low biological pressure and footprint enables flexibility when ramping up production



*WHY IS HALIBUT PRODUCTION SUPER PROFITABLE?*

# Unprecedented EBIT/kg margin potential when scaling up Halibut production



Farming of Halibut is a volume game yielding significant EBIT/kg margins once produced at larger scale



Expect to be EBITDA positive in 2023 and cash neutral in 2024



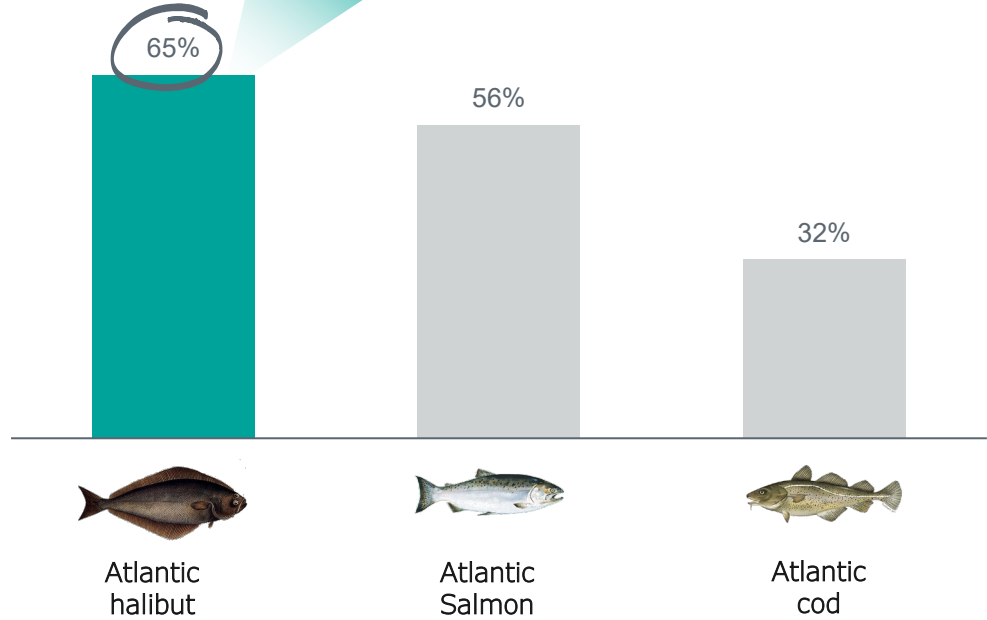
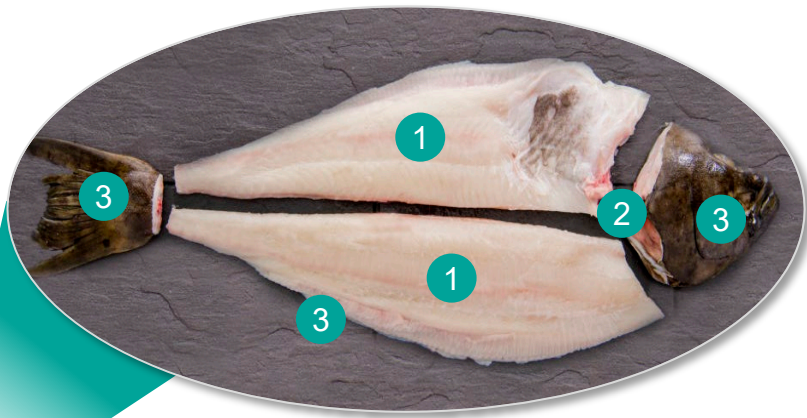
When 3rd and 4th generation are ready for harvest further improvement are expected



Potential for additional margin contribution when penetrating retail/HORECA with premium VAP products

# Farmed Atlantic halibut has unique attributes that are perfectly suited for premium VAP products

- 1 **Filet (400-500kr/kg):**  
Used whole or cut into single-serving portions
- 2 **Cheek (20-90kr/kg):**  
Regarded by many as the tastiest part
- 3 **Tail, fins and head (20-90kr/kg):**  
Used in soups and sauces



The Halibut consists of 4x filets resulting in superior filet yield of ~65%



Prices trending at 45-50 USD/kg in US retail supported by strong market fundamentals



Ongoing R&D projects to ensure utilization and willingness to pay for whole fish



Ongoing discussions with strategic partners to establish custom fitted VAP production



*WHY DOES IT MATTER AND WHY ARE WE SO EXCITED?*

# A unique value proposition that secures accessibility of sustainable superfood at large scale and with unprecedented margin potential

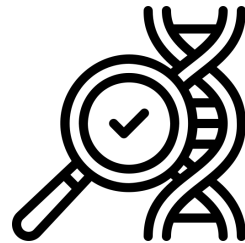
## INDUSTRY LEADERSHIP



### Long term

strategic partnership established across the value chain to de-risk current production ramp-up and fuel further growth

## THE WORLDS FIRST DOMESTICATED HALIBUT



### We own the genetics

of the only dedicated and systematic broodstock program that will increase in value aligned with the up-scaling of our own farming volumes

## SUSTAINABLE SUPERFOOD AT LARGE SCALE



### Premium seafood

with demonstrated high-willingness to pay and with no use of antibiotics or chemicals in grow-out enables a ESG friendly and sustainable production

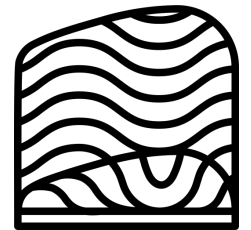
## UNPRECEDENTED MARGIN POTENTIAL



### 1.2 billion NOK

in sales revenues @ 9.500 tonnes with a +50% EBITDA margin potential using historical sales prices and proven 2<sup>nd</sup> generation growth assumptions

## VALUE CREATION AND LOCAL PRESENCE



### 65%

filet yield represent a huge potential for high scale VAP production and access to new markets resulting in increased margin contribution





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Thank you for your attention!

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Mail: [edvard@nordichalibut.no](mailto:edvard@nordichalibut.no) | Phone: +47 911 41 165