

Preliminary draft – not to be distributed



# SMART SALMON

SMART | FLEXIBLE | SUSTAINABLE

Combining a flexible farm in Norway with a sustainable concept in France

INTRODUCTION FEBRUARY 2021



# EXECUTIVE SUMMARY

Combining a profitable, low risk and flexible post-smolt/grow-out farm in Norway with a sustainable potential in France

1. PROJECT NORWAY	2. PROJECT FRANCE
7.500t flexible grow-out and post smolt in Bremanger	10.000t sustainable salmon & vegetable farming in Brittany
<ul style="list-style-type: none"> <li>• Site, infrastructure and licenses in place</li> <li>• Ready to build</li> <li>• Mixing post-smolt with full cycle production</li> <li>• Lower operational risk compared to 100% full scale</li> <li>• Strong demand for post-smolt with stable prices</li> <li>• Well proven technology</li> <li>• Further expansion possible</li> </ul>	<ul style="list-style-type: none"> <li>• Site in place with local partners</li> <li>• Unique circular concept with zero water emission and re-use of energy and sludge</li> <li>• Combining salmon production with vegetables</li> <li>• Finalizing application process – license approval expected in 2021</li> <li>• Ambition to expand up to 20.000 tons at current site</li> </ul>

<p><b>Owners and management team from the salmon industry</b></p> <ul style="list-style-type: none"> <li>• Founding team and management has considerable experience from genetics, smolt production, farming, biology and fish health management</li> <li>• Technology provider AquaMaof will take an active part in operation of the facility and are investing equity in the project</li> </ul>	<p><b>Proven technology and committed technology provider AquaMaof</b></p> <ul style="list-style-type: none"> <li>• AquaMaof has developed an innovative RAS technology that stands out in terms of lower energy use and bio security – proven technology up to 6 kg fish size at low production cost</li> <li>• Outperforming cost and capex levels versus traditional RAS technology</li> </ul>	<p><b>Ready to build and profitable from 2023</b></p> <ul style="list-style-type: none"> <li>• Raising 300 MNOK in equity will ensure finalizing step 1a of 2500 tons post-smolt</li> <li>• Building start before summer 2021 with first fish in tanks March 2022 and sale December 2022</li> </ul>
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# People and partners

SMART SALMON

Extensive **farming and RAS experience** and industry leading partners with equity



# OUR PEOPLE

Management team with extensive salmon farming and RAS experience



## Petter Bakke

*CEO & farmer*

- 16 years of experience from fish farming
- 10 years within trading, portfolio management and equity sales
- MSc in Economics and Business Administration



## Ole Bakke

*Business developer & innovator*

- More than 20 years of experience from various salmon and cod farming businesses
- 7 years of experience as managing director in Seamatech and Sjøtungå AS
- Education: Aquaculture DH



## Ole-Alexander Palm

*CFO & strategist*

- Experienced seafood consultant with 10 years of experience from strategy and M&A related advisory
- Acted as COO for a Norwegian fish farmer for almost 2 years
- MSc in Economics and Business Administration

## Kjell Rune Hoff

*Project manager & RAS expert*

- Extensive experience from RAS and land-based engineering and project management
- Previous experience from drilling industry
- MSc in Economics and Business Administration

## Arild Lokøy

*Project developer France*

- Running salmon/trout farm in France
- Deep local knowledge and network in Brittany
- Owns 20 % of the French project

NORSK MARINFISK™



Seamatech AS

Sjøtungå AS

Vestlaks Sotra

Aris Fiskefarm

Kirkenes Salmon

Seafood People.





## Committed owners and Board of Directors



### Tom Ivar Sætremyr

Chairman  
Seafood experience from Nordea



### Åsmund Baklien

Board member  
Farming Executive  
Pharmaq, Novartis, Noraqua



### Petter Bakke

Board member  
Founder and  
Farming executive



### Stig Bakke

Board member  
Founder and  
Farming executive



### Knut A Løvdal Stauri

Board member  
CEO HS Bygg

## Largest shareholders

Name	%
Davik AS/Stig Bakke	20,82 %
High Peak AS/Ole Bakke	13,09 %
Quantum Invest AS (Petter Bakke)	10,65 %
AquaMaof	7,61 %
Åsmund Baklien	5,91 %
Nordfjord AS	6.81 %
HS Entreprenør AS	3.83 %
<b>Total</b>	<b>100.0%</b>







# OUR PARTNERS

Partnering with industry leader AquaMaof and supported by suppliers with an equity stake.

Partners with commitment and equity	
<b>Design, technology/ equipment and operations</b>  	Strong track record
	Unique technology
	Involved in operations
<b>Construction</b>  	Strong track record
	Local knowledge
<b>Strategy and people</b>  Seafood People.	Unique network
	Access to relevant competency
<b>Farming Partner Brittany</b>  	Local knowledge and relationships
	Runs farming operations in France today


### Why AquaMaof

#### Track record

	500 tonnes Trout facility in Russia. Operational since 2014. Ongoing expansion with a 4,000 tonnes Atlantic salmon facility from AquaMaof.		7,000 tonnes post-smolt facility in Newfoundland, Canada. Under construction (Grieg Seafood ASA).
	1,000 tonnes Grouper facility South-East Asia. Construction completed.		IN DESIGN: A fully-integrated indoor salmon farm to incorporate a hatchery, grow-out and processing facilities, with projected production of 10,000 tonnes per year.

#### Unique technology

<div style="background-color: #00728f; color: white; padding: 5px; text-align: center;">Low water exchange</div> <div style="background-color: #00728f; color: white; padding: 5px; text-align: center;">Simple and modular concept</div> <div style="background-color: #00728f; color: white; padding: 5px; text-align: center;">Strict biosecurity with treatment redundancy</div>	<ul style="list-style-type: none"> <li>Lower OPEX and CAPEX compared to other technologies</li> <li>Reduced carbon footprint through lower energy usage</li> <li>No more land based Off-flavor</li> <li>Stable and high water quality</li> <li>High Growth, also at later stages with larger fish</li> <li>Low Mortality</li> </ul>	
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# Project Norway

SMART SALMON

A lower operational and project risk, with possibility for expansion.



e distributed



1a  
2,500 tonnes  
post-smolt

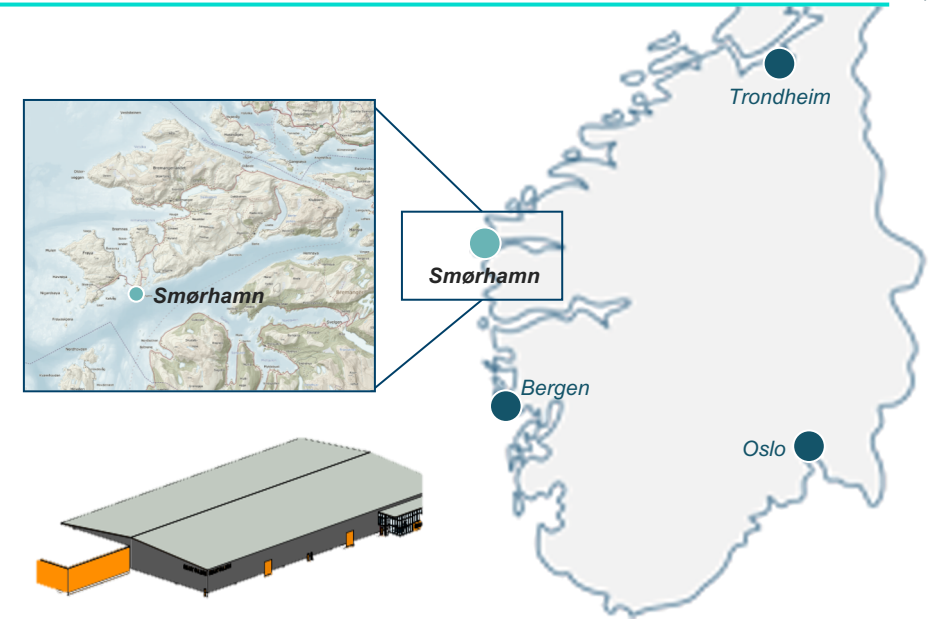
1b  
5,000 tonnes  
expansion big smolt  
& full-grown

# PROJECT NORWAY – STEP 1



The site in Bremanger is located in the center of a major fish farming cluster in the north west coast of Norway

✓	Site and land	Acquired 45,000 m2 and option to acquire additional 40,000 m2. Long term potential of 265,000 m2
✓	Licenses	2.500 tonnes for big smolt and 5.000 tonnes for full size; most likely convertible to more big smolt
✓	Water	Access to pure fresh water supplied by the municipality and option to use sea water when required
✓	Power	Access to green hydropower from local power company
✓	Competency	Close to major fish farming clusters with easy access to skilled labor.
✓	Market	Within proximity of 100 + salmon sites in need of larger smolt. Established market infrastructure
✓	Other infrastructure	Roads, service suppliers, feed suppliers in place
✓	Fixed priced equipment contracts	Technology contract signed at fixed price with low project risk. Collaborative approach for civil works.
✓	Detailed design on-going, fully financed by existing capital	All detailed design will be finished during Q3 2021 and costs are covered by existing financing
✓	Sales agreement post-smolt negotiation in process	Ongoing discussions with several local fish farmers to secure sales agreement for post-smolt



## Key technical DATA step 1a

Average yearly production	2.500 tonnes
Average standing biomass	400 tonnes
Average biomass	50 kg/m3
Fish tanks	11.700 m3
Facility	13.500 m2
Electricity usage	447 KW
Daily feeding / capacity	6,529 kg / 9,000 kg
Water intake without de-nitrification	646 m3/day
Water intake with de-nitrification	57 m3/day



Starting with post-smolt in Norway provides a profitable and lower risk fundament for 2. step in France

## Stage 1a – 2,500 tonnes post-smolt

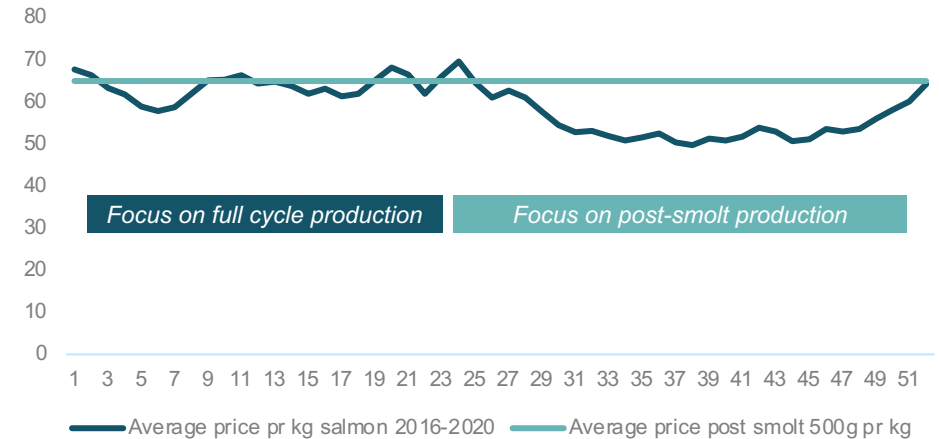
- A 2,500 tonnes post-smolt farm for production of 500+ grams big smolt.
- Lower operational and project risk compared to full cycle
- Strong market demand for post-smolt with stable prices
- Aim to specialize and optimize before scaling further

## Stage 1b – 5,000 tonnes flexible production facility

- Expansion into production of more big smolt and full-grown salmon in step 1b
- Possible to optimize production to match volatility in salmon price and post-smolt demand
- Produce full cycle when salmon prices are high and demand for post-smolt lower
- Further expansion is possible

Production Forecast

Salmon vs Post-smolt price (NOK/kg)



- A flexible plant makes it possible to sell full size salmon when prices are higher, typically from December to May and selling post-smolt when salmon prices are lower
- This will match well with demand for post-smolt



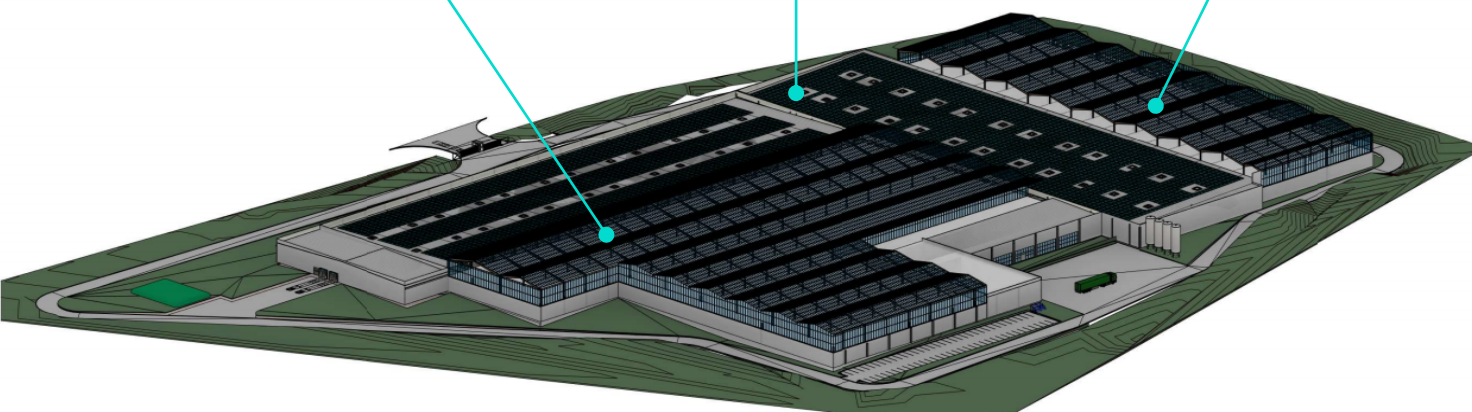
# Project France

SMART SALMON

A **highly sustainable concept** for farming of salmon close to Paris supplemented by growing vegetables to fully utilize all waste resources.



## CONCEPT ILLUSTRATION



## SUSTAINABILITY BENEFITS

Combining salmon with vegetables ensures zero emissions

- Rest water and nutrition from salmon farming used for farming of vegetables
- Zero outlet – only cleansed water

Carbon neutral

- Using clean on-site energy (solar, hydrogen)
- Catching CO<sub>2</sub> for use in greenhouse production on-site
- From eggs to full size consumer packaged salmon – decreasing the total transportation substantially

Circular – using sludge as a resource

- Biogas production - methane/hydrogen
- Discussions to combine biogas production with agricultural players
- Combining sludge from fish with sludge from agriculture increases the power output substantially.

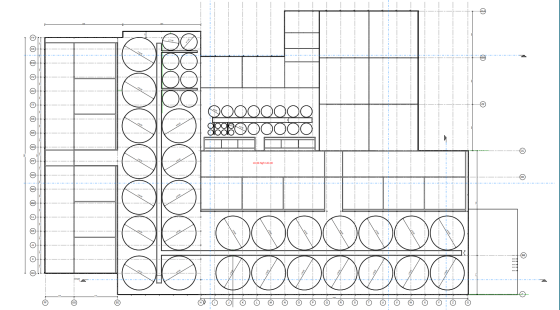
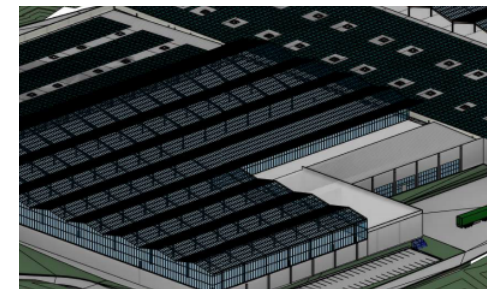


France offers attractive conditions for domestic sustainable farming of salmon

<p>Close to the world's largest salmon market</p>	<p><b>France is the second largest market for farmed Atlantic salmon in the world.</b> The facility is located in Brittany, close to Paris and other markets in the center of Europe.</p>	<p><b>4 hrs</b> from Paris</p>
<p>Consumers with high awareness of sustainability</p>	<p><b>Patriotic market willing to pay a premium for domestic products.</b> French consumers are willing to pay a premium price for domestic and sustainable products.</p>	<p><b>25 - 50 % premium</b> (15% in financial model)</p>
<p>Branding opportunities</p>	<p><b>Establishing own brand consumer packages in France / Europe.</b> Testing of suggested name in process.</p>	
<p>Possible to utilize fully circular model</p>	<p><b>Environmental and sustainable; green focus</b></p>	

## PROJECT STATUS

DESIGN	50.000 M <sup>2</sup> buildings – preliminary design finished.
LICENSE	License in process – goal is 10.000 tonnes salmon production.
LAND	Agreement with French municipality to buy 100 000 m <sup>2</sup> land in Guingamp for 15 NOKm.
FUNDING	Ongoing process through French consultant regarding grants/loans/equity in EU for sustainable food production.
TECHNOLOGY	Final choice of technology provider will be made at a later stage.





# Projects Overview

SMART SALMON

Timeline  
Key financials  
Capital

Introduction February 2021

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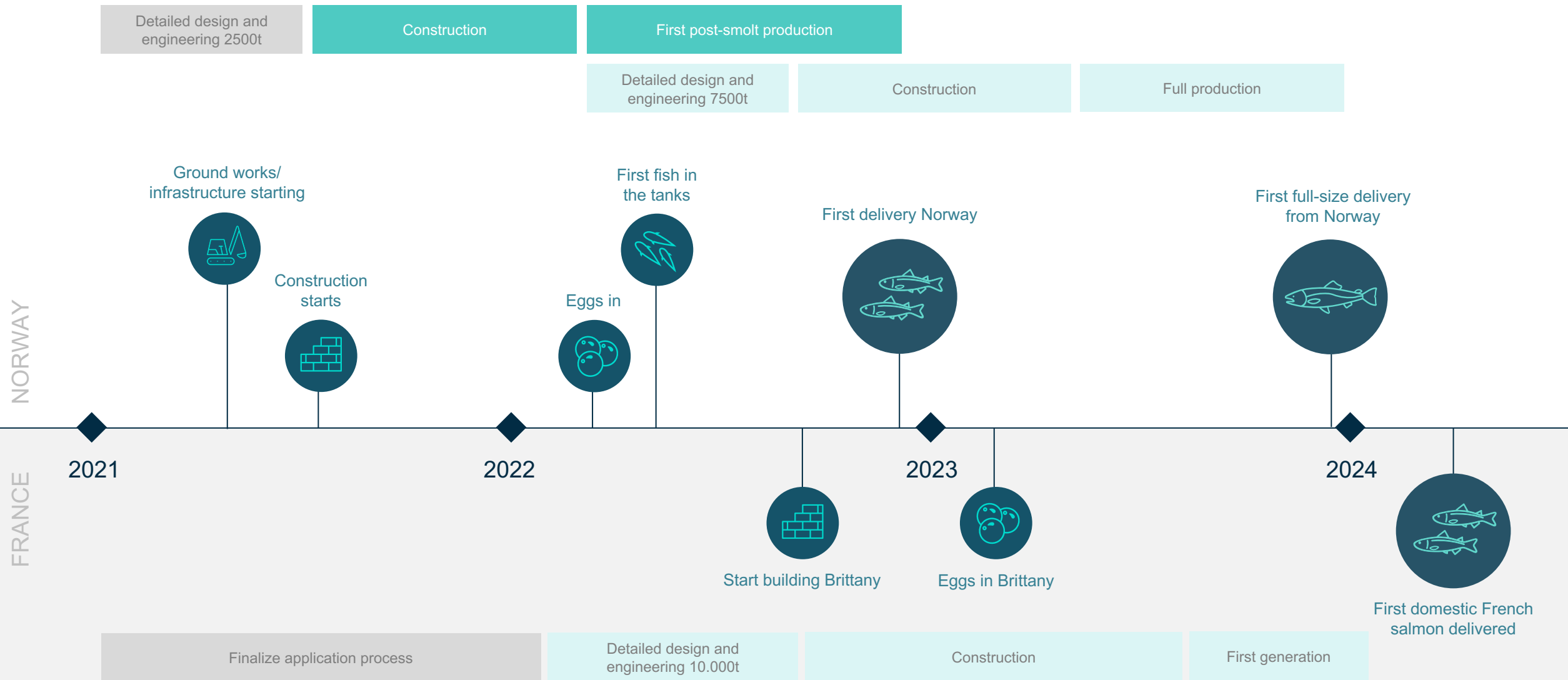
# TIMELINE

Preliminary draft – not to be distributed

Ongoing – covered by existing equity

Covered by this capital raise

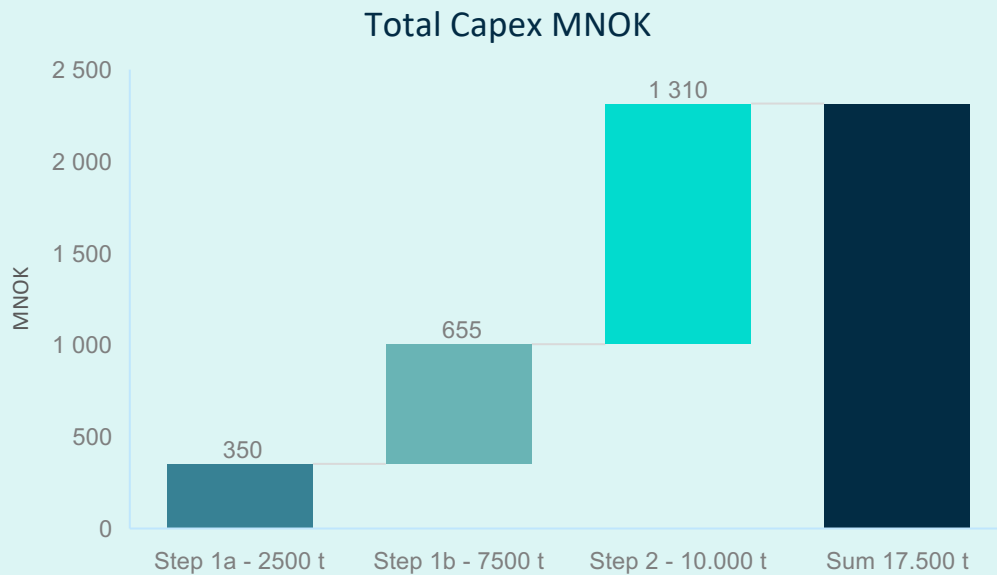
Future capital raise



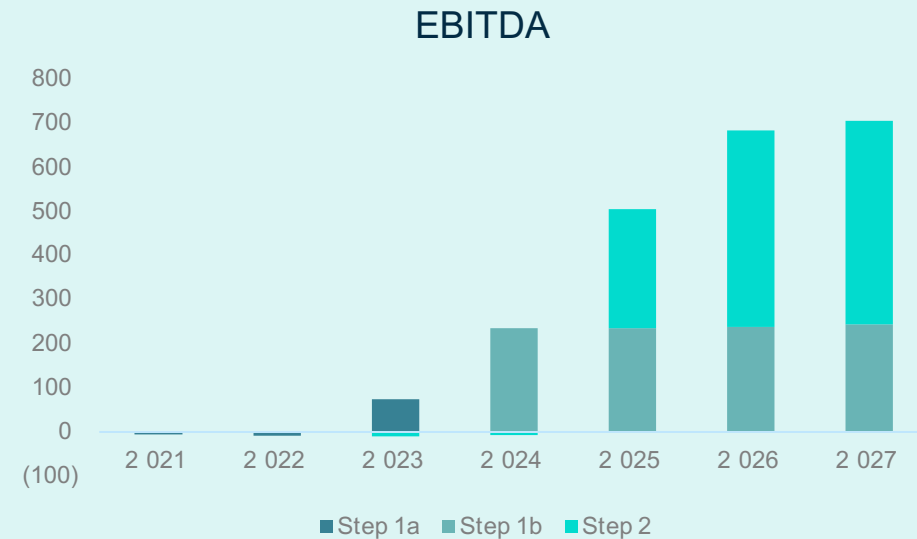


Raising 300-350 MNOK will secure finalizing step 1a and producing post-smolt

- First equity will cover civil works of around 180 MNOK and AquaMaof technology of around 170 MNOK
- Working capital and operational expenses will be covered by debt financing
- Expansion in Bremanger and France will be covered by future capital raises

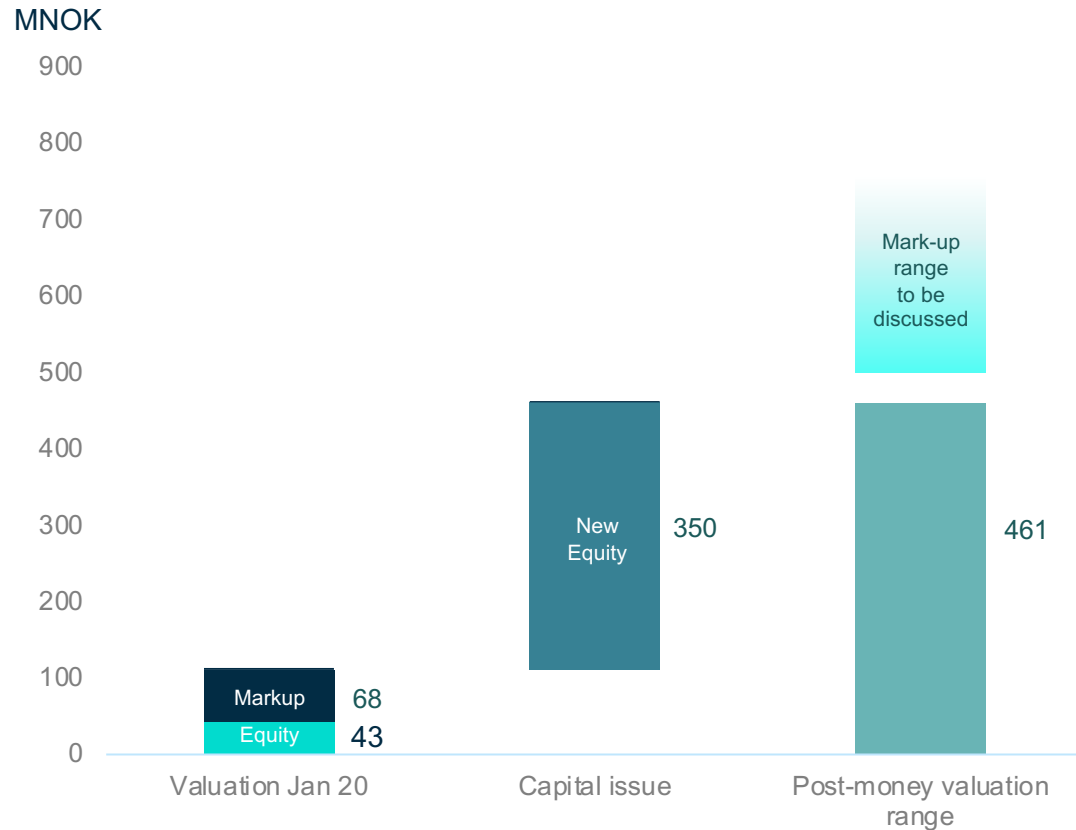


- Step 1a will be profitable from 2023
- Starting with post-smolt enables gradual introduction of full scale, making it profitable from first generation
- Conservative production plan





## CONSERVATIVE VALUATION



## COMMENTS

- Ongoing discussion to close strategic investors during March
- Existing owners support new capital issue
- Ambition to list during April/May 2021 at Euronext Growth

**EURONEXT GROWTH**





# Thanks for your time

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