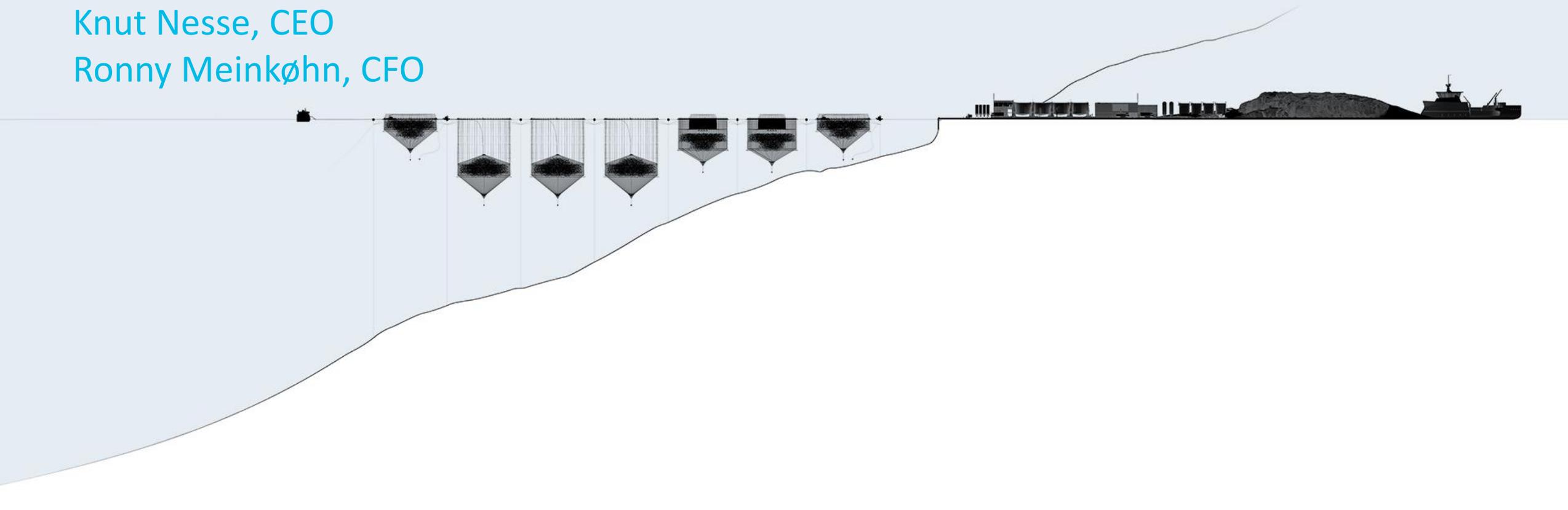


# Q4 2023 Presentation

Oslo, 16 February 2024

Knut Nesse, CEO

Ronny Meinkøhn, CFO





Pioneering a better future

**AKVA**GROUP™

# Agenda | Q4 2023

## Introduction and Highlights

Knut Nesse, CEO

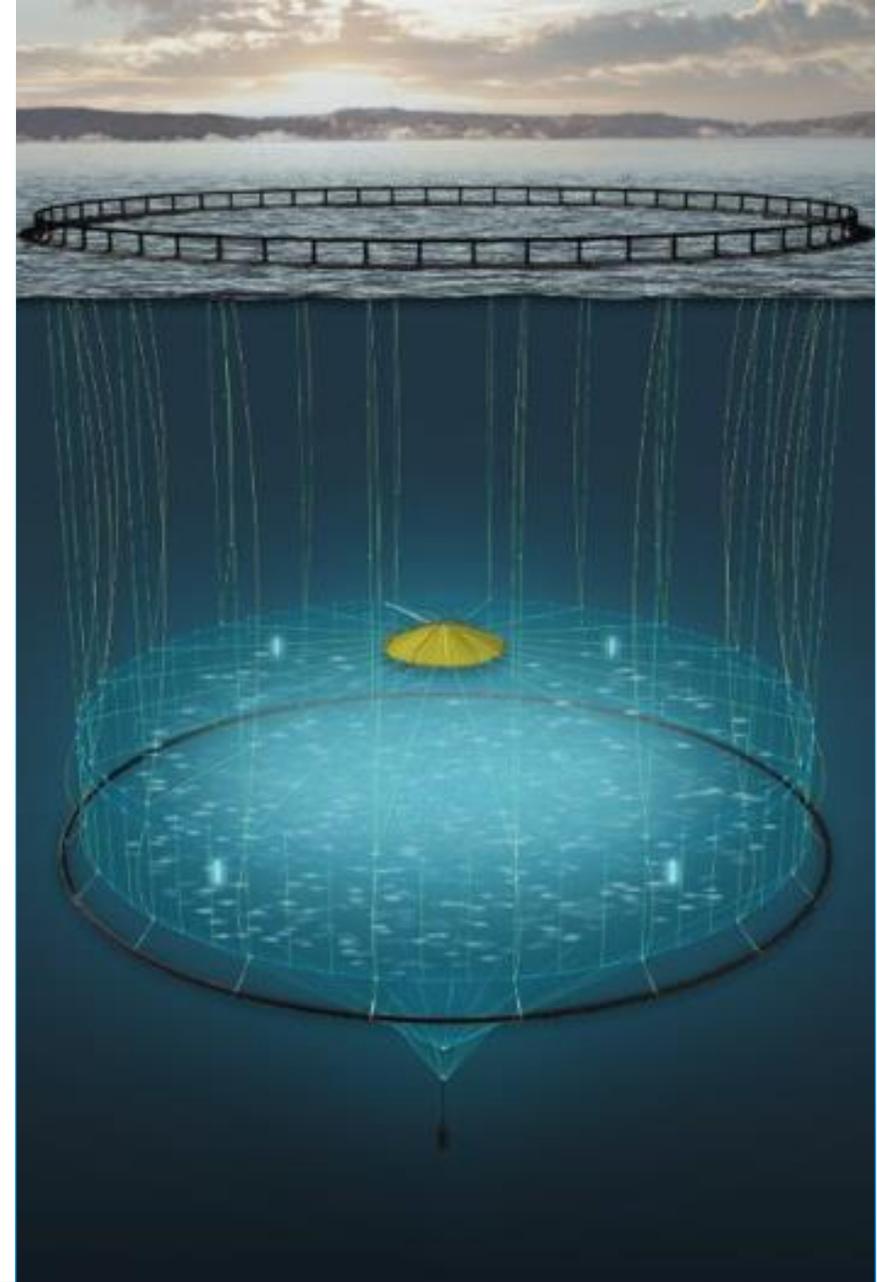
## Financial Performance

Ronny Meinkøhn, CFO

## Q&A Session

# Highlights | Q4 2023

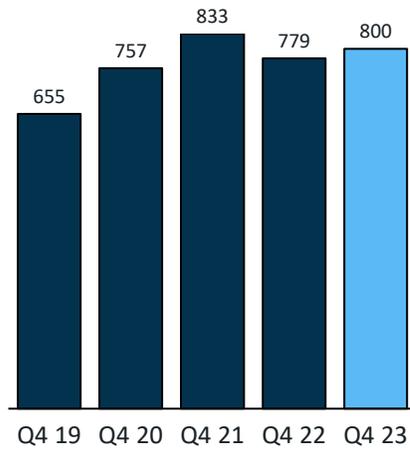
- Revenue of MNOK 800 and EBIT of MNOK 0 adjusted for MNOK 10 in costs related to rightsizing process
- Rightsizing process with estimated MNOK 45 in annual costs savings completed in Q4
- Acceptable order intake in Sea Based but still slow market in Land Based
- AKVA has revised the medium-term financial targets and is aiming for revenue of minimum BNOK 3.6 and EBIT of 4%-5% in 2024
- Strong focus to further develop and improve deep farming concepts after the successful commercial breakthrough during 2023



# Key figures | Q4 2023

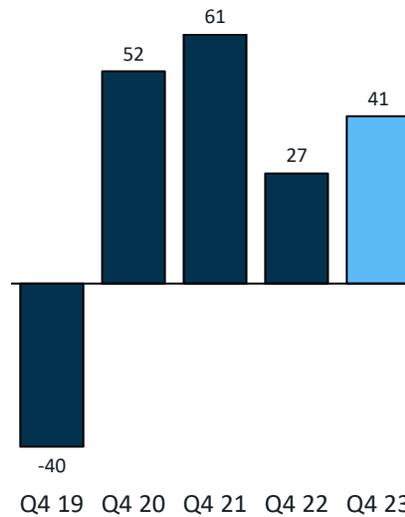
## Revenue

**800** MNOK



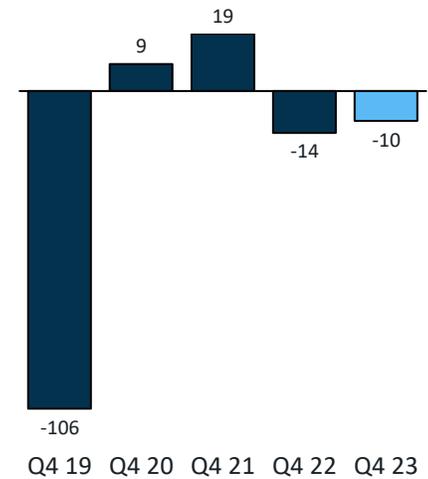
## EBITDA

**41** MNOK



## EBIT

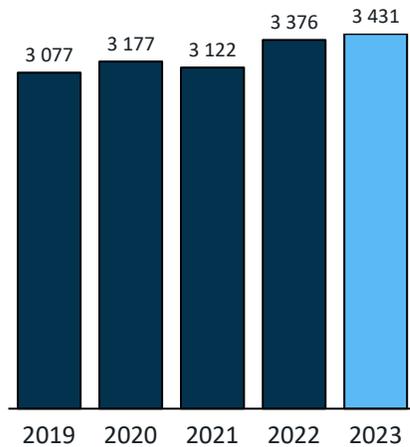
**-10** MNOK



# Key figures | Full year 2023

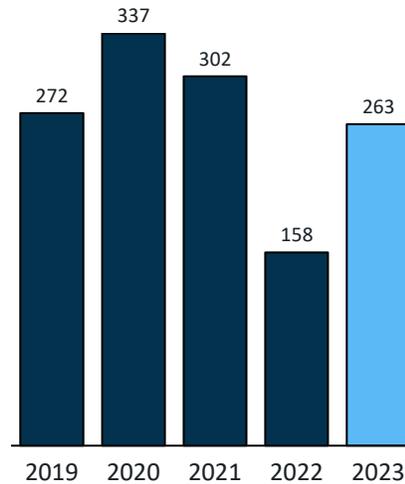
## Revenue

**3 431** MNOK



## EBITDA

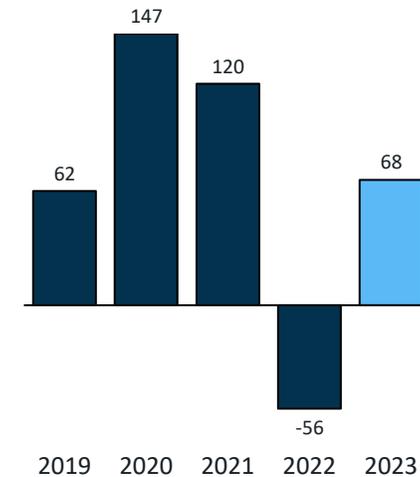
**263** MNOK



\* Note: EBITDA of MNOK 158 in 22 is impacted by MNOK 58 in costs related to restructuring and cost saving programs

## EBIT

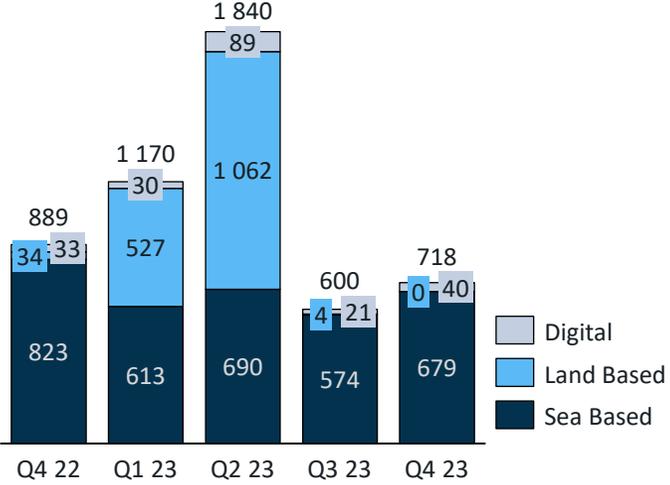
**68** MNOK



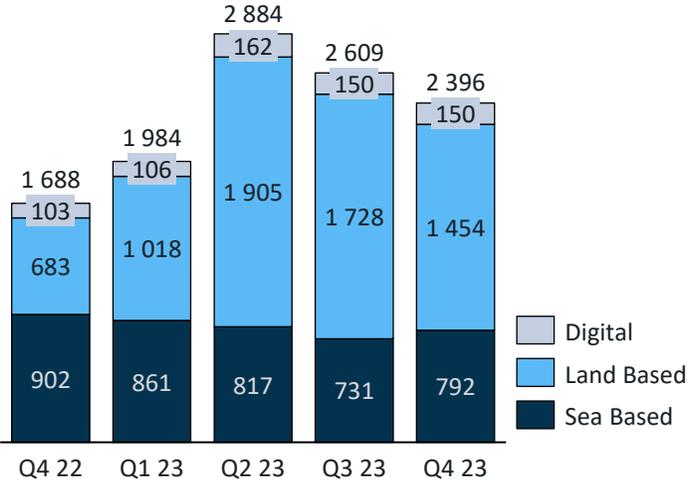
\* Note: Negative EBIT of MNOK 56 in 22 is impacted by MNOK 98 in costs related to restructuring and cost saving programs

# Development order intake and order backlog

**Order intake (MNOK)**



**Order backlog (MNOK)**



Note: Order backlog includes currency effects on existing contracts



# Strategic and Operational Status

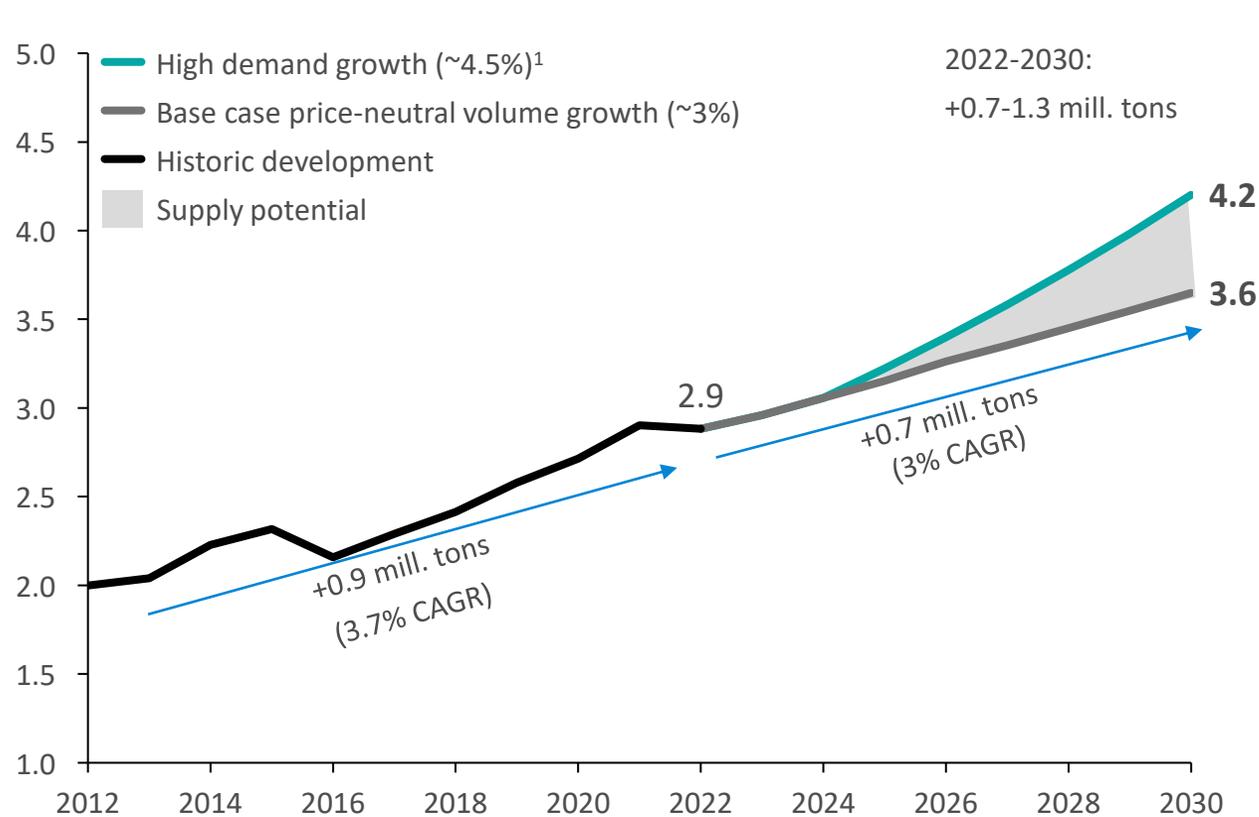
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# Underlying demand growth implies 0.7-1.3 million ton volume increase by 2030

## Extrapolation of underlying demand growth for salmon 2012-2030

Consumption of Atlantic salmon WFE in mill. tons



1) +1.5 percentage point increased price-neutral volume growth compared to base case  
Source: Kontali, Cardo Partners analysis

## Main supply and demand drivers

Category	Icon	Driver Description
Demand drivers		Growth in demand driven by emerging salmon markets and product development in existing markets
		Global health and wellness megatrend drives adoption of salmon as a sustainable and healthy source of protein
		Inflationary pressures may shift consumption towards cheaper protein sources
Supply drivers		Technological advances for improved utilization of existing licenses
		Slow scale-up of new farming technologies (land-based and offshore)
		Uncertainty regarding future regulations in several farming regions impacting future supply growth
		Norwegian resource tax reducing investments in new technology for future license utilization

# Precision Farming - Sea Based Solutions

- From advanced, tailored marine infrastructure to single components and products

## Marine Infrastructure



- quality equipment for better operations

- Plastic and Steel pens
- Nets
- Anchoring & Mooring
- Net Cleaning
- ROV systems
- Boats
- Marine engineering
- Lab services

## Precision Feeding



- for optimizing fish performance, feed conversion and growth

- Barges
- Feed systems
- Camera & sensors
- Lights
- Digital support:
  - AKVA connect
  - AKVA observe
  - AKVA fishtalk

## Deep farming & Lice control



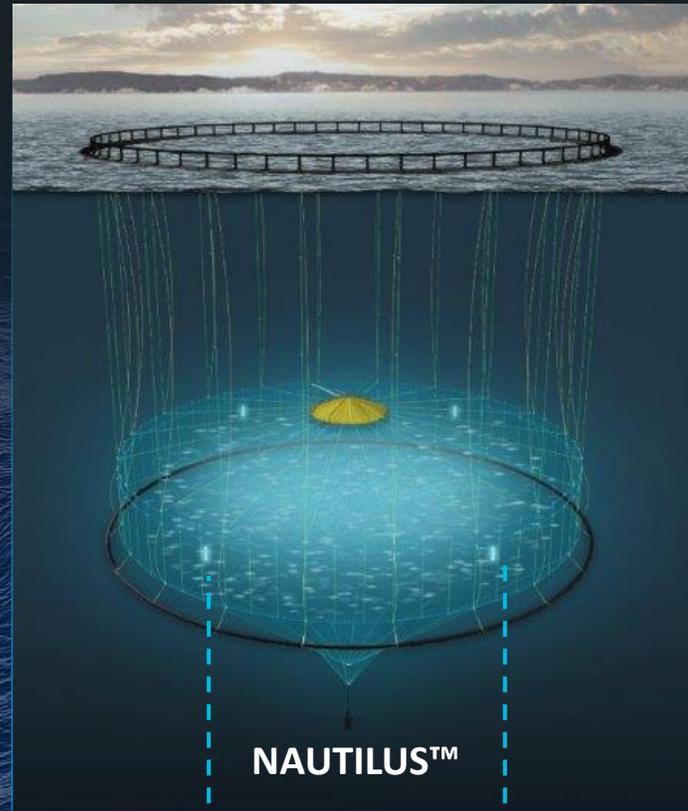
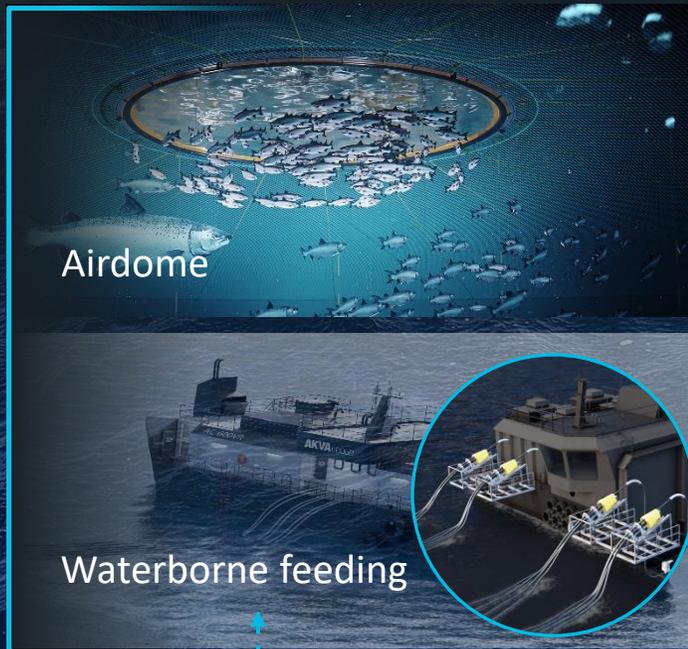
- reducing lice problems

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

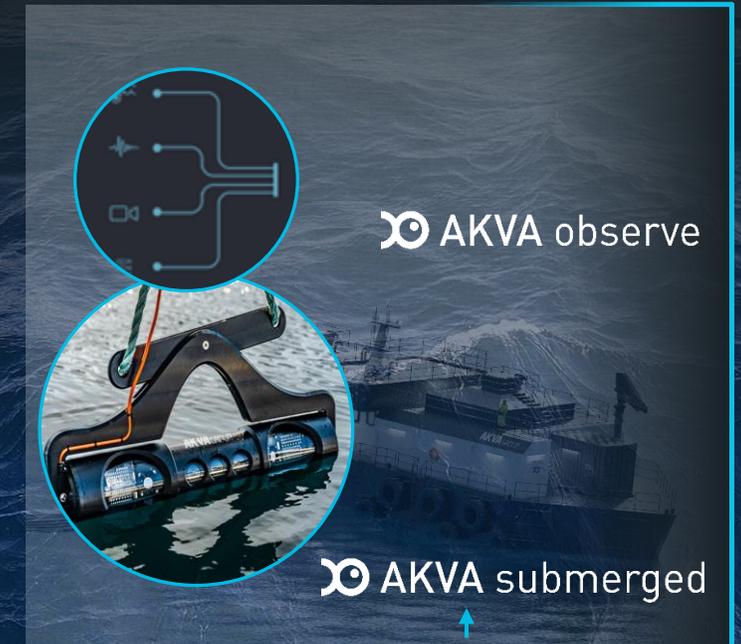
# Deep farming concept - Nautilus™

- Can solve one of the biggest sustainability challenges in aquaculture: salmon lice

## Important innovations



## Digital support



# Current digital solutions

## AKVA observe

- 104 sites worldwide on recurring revenue model
- 25 new sites in 2022
- 64 new sites in 2023

## AKVA fishtalk

- Global market share of 60%

## AKVA connect

- 353 sites worldwide on recurring revenue model
- 125 new sites in 2022
- 178 new sites in 2023

## AKVA submerged

- 17 sites worldwide on recurring revenue model

# Innovation agenda for Land Based Salmon Farming

1

Market leading RAS technology 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

# Post-smolt RAS concept is validated

There are significant benefits from a post smolt strategy:

- Reduced time in the sea means less lice treatment and improved fish health
- Better utilization of licenses provides improved volume with 30% or higher dependent on the size of the post smolt

Outlook – post smolt market in Norway:

- Our customers want to know all the implications from the new resource tax and this takes some time
- AKVA does not expect to sign any major new RAS contracts in Norway before second half 2024
- Pipeline of prospects is solid



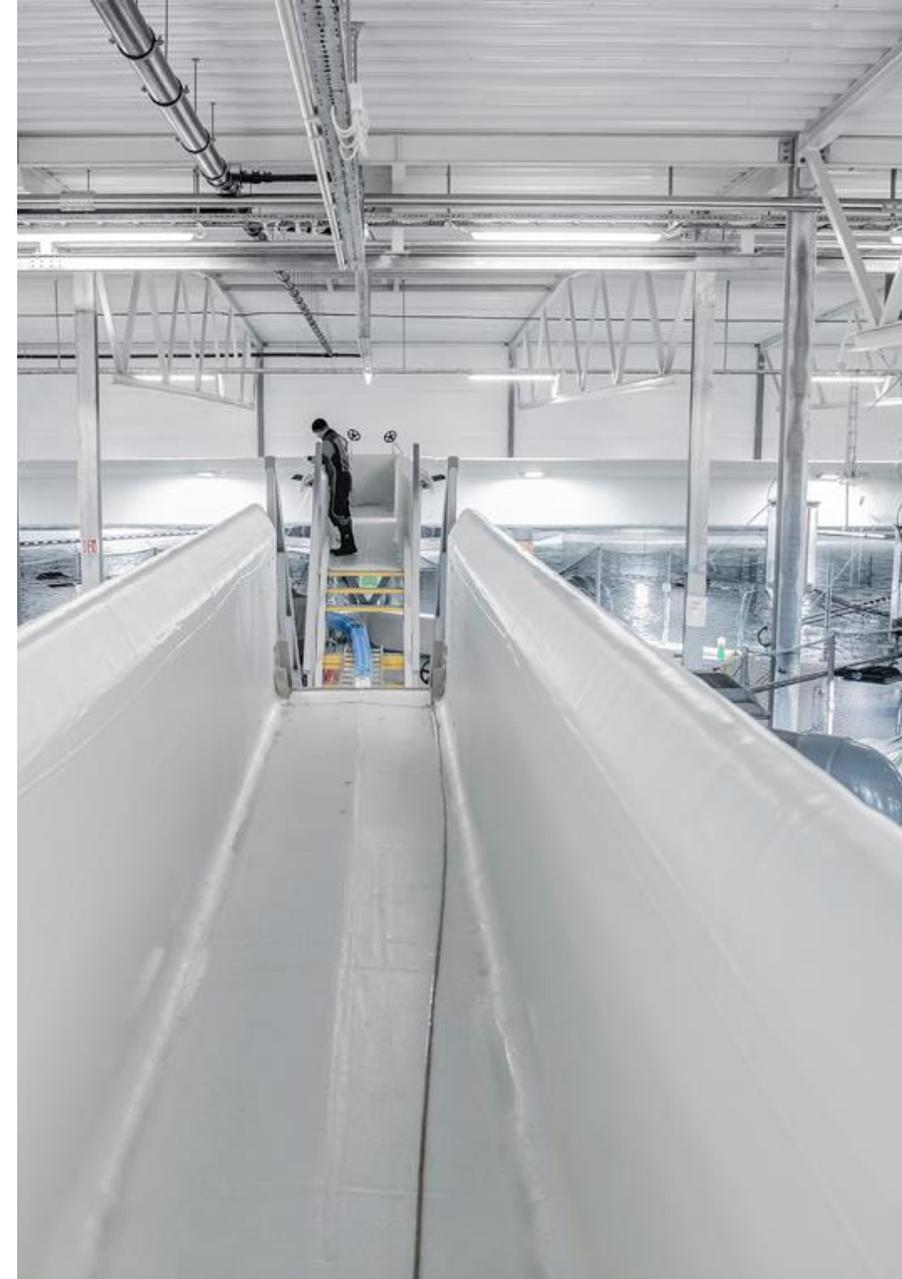
# NOAP phase I will be finished in Q1-2024

- Construction of NOAP phase I will be completed in Q1 2024. Annual capacity of 4,000t
- NOAP phase II is initiated with additional annual capacity of 4,000t
- Phase II to be executed towards end of 2024 and during 2025
- AKVA has signed RAS contract for phase III (not included in order backlog) with additional annual capacity of 12,000t. Start-up of project to be authorized by NOAP in the future



# Expected activity level for Land Based

- Total order backlog of BNOK 1,5
- During 2023 AKVA has signed the following contracts:
  - NOAP phase II MEUR 40 (full grow out): Project is started and will be executed next 2-3 years
  - Cermaq Finnmark MEUR 60 (post smolt): Project is started and will be executed next 2-3 years
  - Two RAS contracts outside Norway at approx. MEUR 16 to be executed next 1-2 years
- With main basis in these contracts the expected activity level for 2024 will be minimum MNOK 600
  - Soft activity level in first half of 2024 due to closing of “old” projects during Q1 and slow start up of new projects
  - Project margins expected to improve
  - OPEX will be reduced due rightsizing process completed in Q4 2023

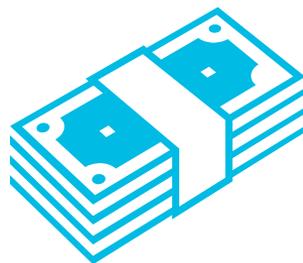


# Revised medium term financial targets



## Revenue growth

- 2024: Min. 5% growth (BNOK 3,6) but no growth in Land Based
- Long term: Organic topline growth of min. 10% Y-oY
  - Sea Based: 5%
  - Land Based: Min. 30% as of 2025 and onwards
  - Digital 30%



## Profitability

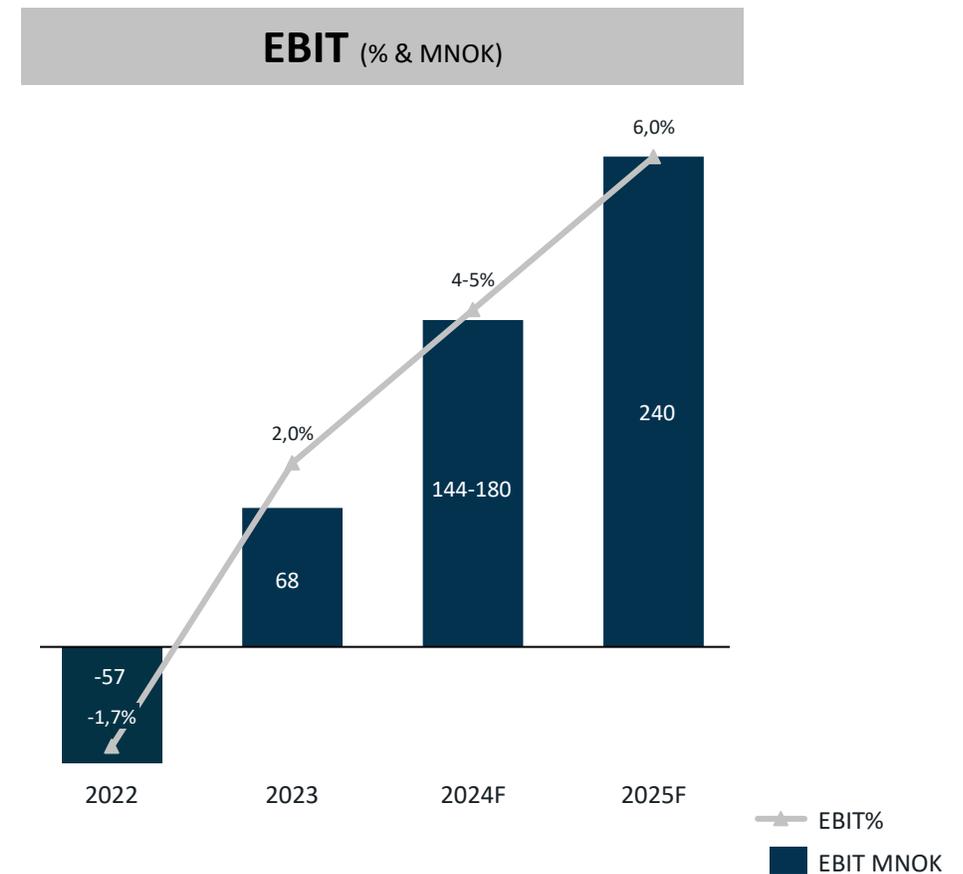
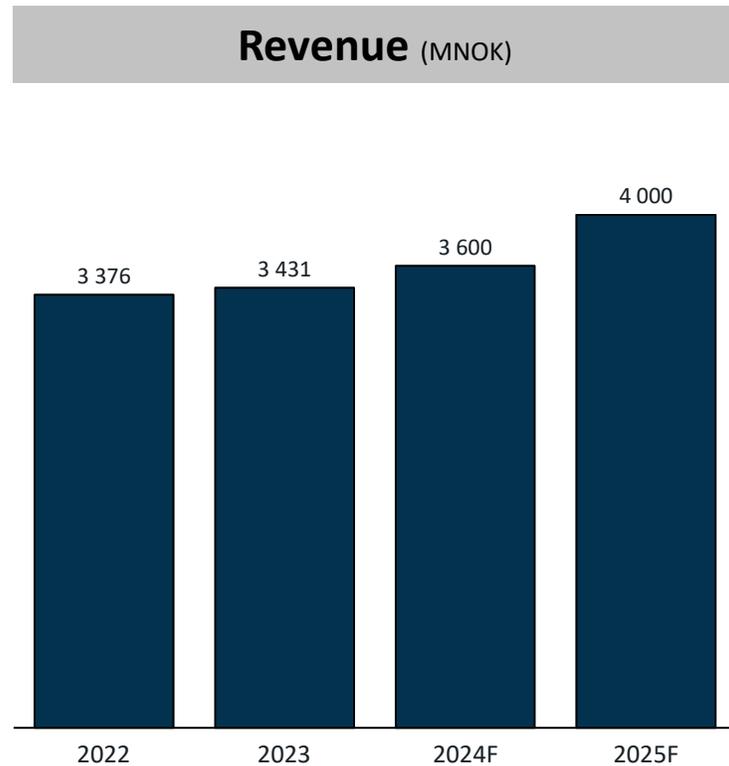
- 2024: 4-5% EBIT
- 2025: min. 6% EBIT
- Improve ROACE to 10-15% by 2025



## EBIT enablers

- Operational excellence
- Cost reduction program implemented 2023
- Scaling of Digital and Land Based business
- New contract management Land Based

# Revenue and EBIT development



# Agenda | Q4 2023

## Introduction and Highlights

Knut Nesse, CEO

## Financial Performance

Ronny Meinkøhn, CFO

## Q&A Session

# Q4 2023 – Income statement

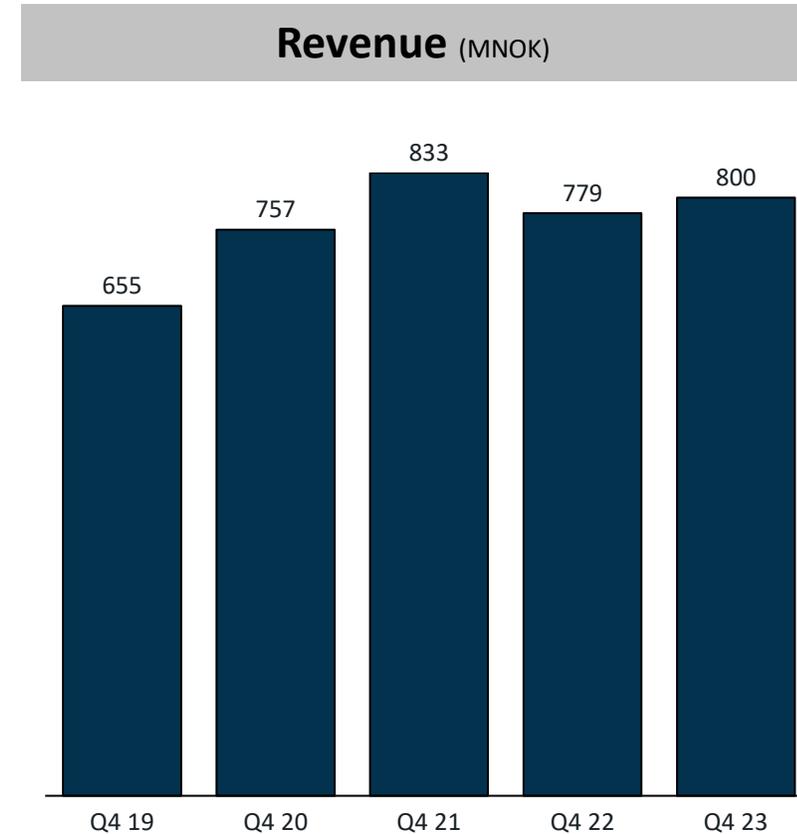
- Revenues increased by MNOK 21 compared to Q4 22
- EBIT increased by MNOK 4 from MNOK -14 in Q4 22 to MNOK -10 in Q4 23
- Adjusted for costs of MNOK 10 related to rightsizing process EBIT was MNOK 0 in Q4 23
- Net finance costs in Q4 23 is negative impacted by increased interest rates and currency effects

NOK million	2023	2022	2023	2022
	Q4	Q4	YTD	YTD
Revenue	800	779	3 431	3 376
Cost of materials	435	474	1 996	2 107
Payroll expenses	270	224	954	881
Other operating expenses	54	54	217	230
<b>EBITDA</b>	<b>41</b>	<b>27</b>	<b>263</b>	<b>158</b>
EBITDA margin	5,1 %	3,5 %	7,7 %	4,7 %
Depreciation, amortization and impairment	51	42	196	215
<b>EBIT</b>	<b>-10</b>	<b>-14</b>	<b>68</b>	<b>-56</b>
EBIT margin	-1,2 %	-1,9 %	2,0 %	-1,7 %
Net Financial Items	-43	-22	-97	-95
<b>Income (loss) before tax</b>	<b>-53</b>	<b>-37</b>	<b>-29</b>	<b>-152</b>
Income tax <sup>1</sup>	-13	1	-6	-21
Net income (loss)	-41	-37	-23	-131
Earnings per share (NOK)	-1,10	-1,03	-0,61	-3,61

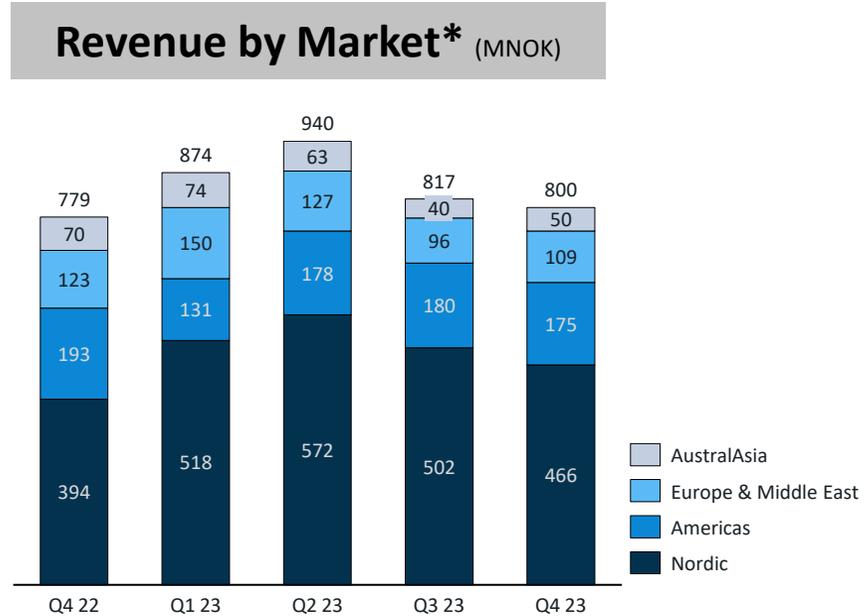
<sup>1</sup> Income tax Q4 and YTD 23 based on best estimate

# Revenue development

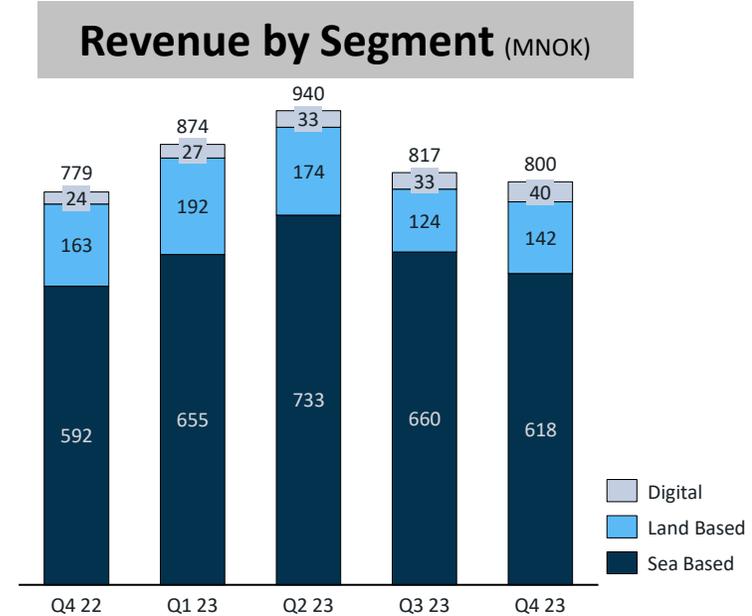
- Last twelve months order intake and revenue was MNOK 4,328 and MNOK 3,431, respectively
- Revenue increased by 3% compared to Q4 22
- Increased revenue in both Sea Based and Digital but reduction of 13% in Land Based compared to Q4 22



# Revenue by Market and Segment



- Strong increase of 18% in the Nordic market compared to Q4 22
- Reduced revenue in other markets

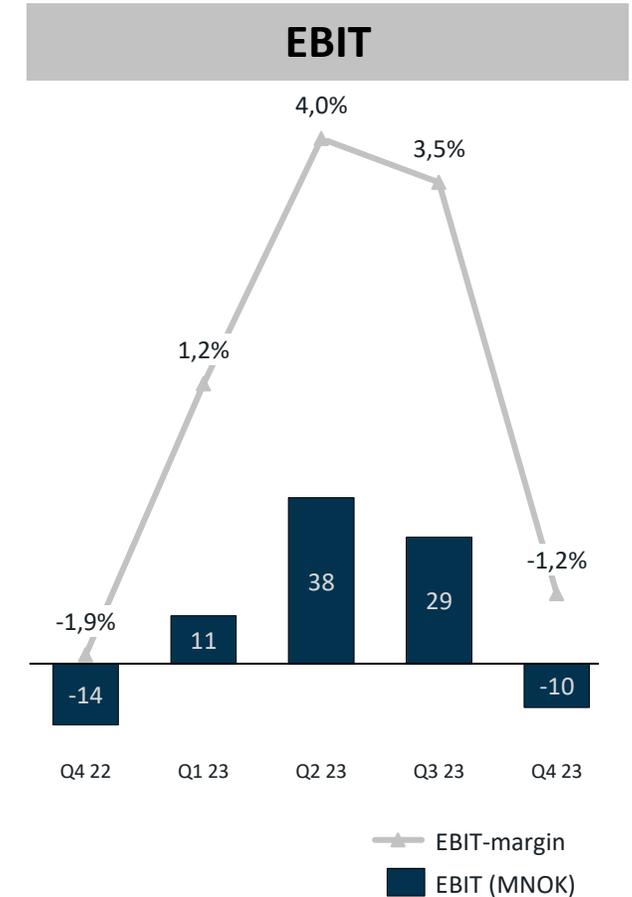
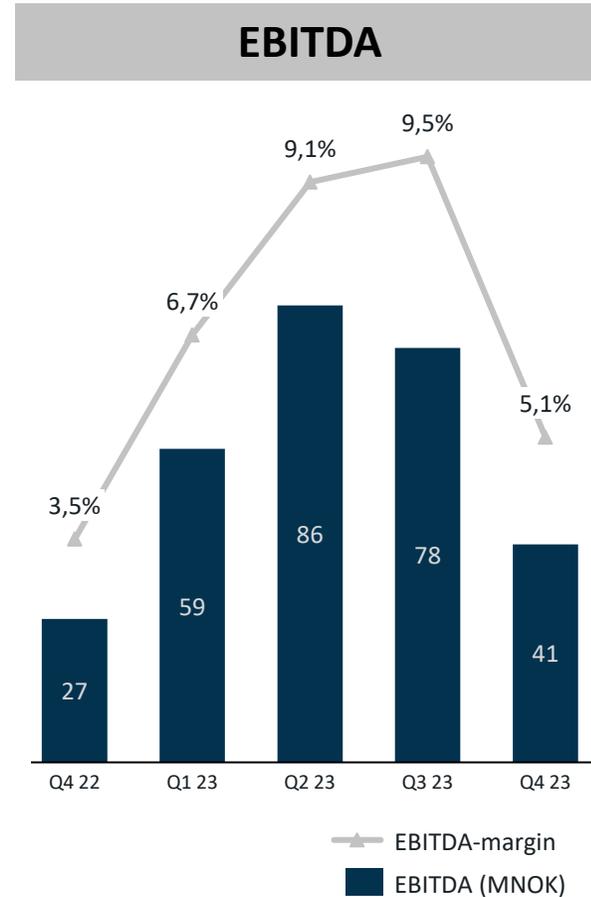


- Sea Based represents 77% of total revenue in Q4 23
- Increase in revenue compared to Q4 22 is related to increased activity in Sea Based (+4%) and Digital (+66%)

\* Note: Market definition is location of customer

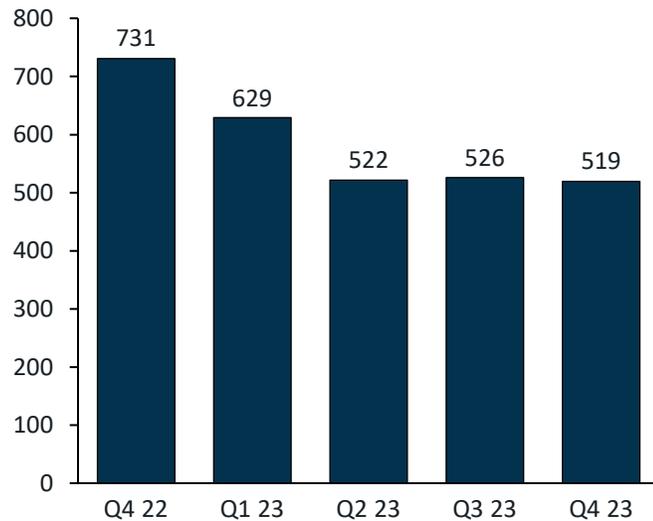
# EBITDA and EBIT development

- EBITDA margin increased from 3,5% in Q4 22 to 5,1% in Q4 23
- Adjusted for costs of MNOK 10 related to rightsizing process EBITDA margin was 6,3% in Q4 23
- EBITDA margin of 8,8% in Sea Based
- Still challenging profitability in Land Based due to high cost base, low activity level and low profit margins on part of project portfolio
- Rightsizing process completed in Q4 with estimated annual cost savings of MNOK 45



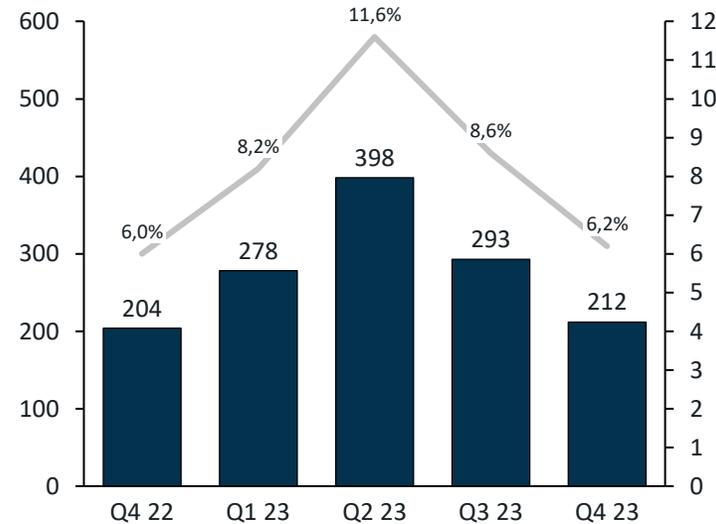
# Cash flow and financial position

## Available cash (MNOK)

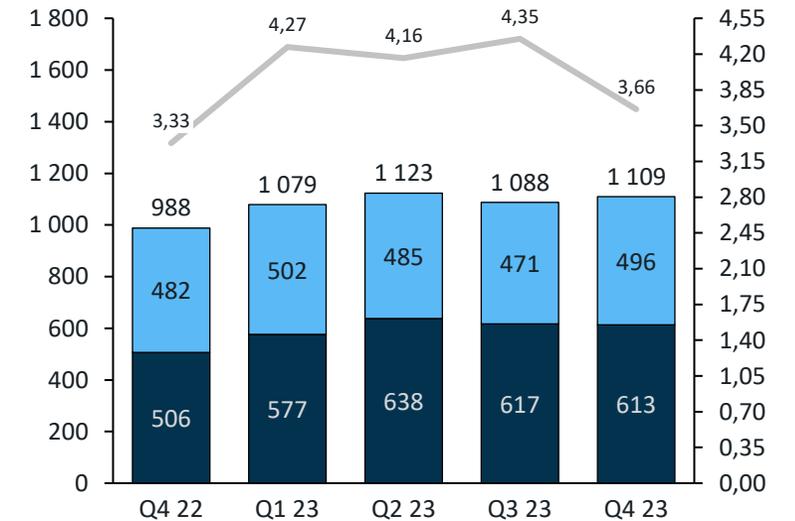


Numbers includes MNOK 300 credit facility in DNB

## Net Working capital



## Net debt / EBITDA\*



— NIBD/EBITDA (12 mth rolling)

■ NIBD ex IFRS 16

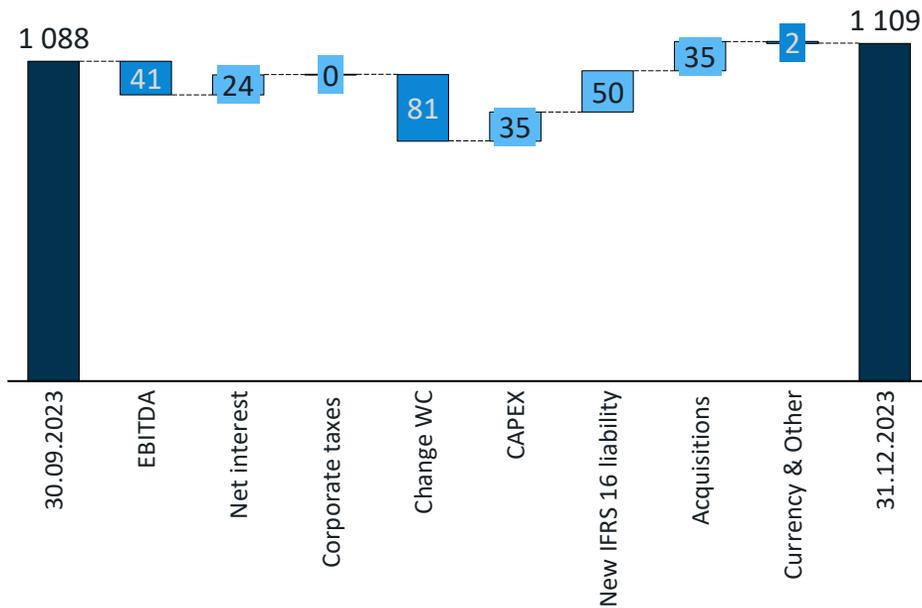
■ Lease Liability (IFRS 16)

NIBD/EBITDA covenant threshold of 4,50

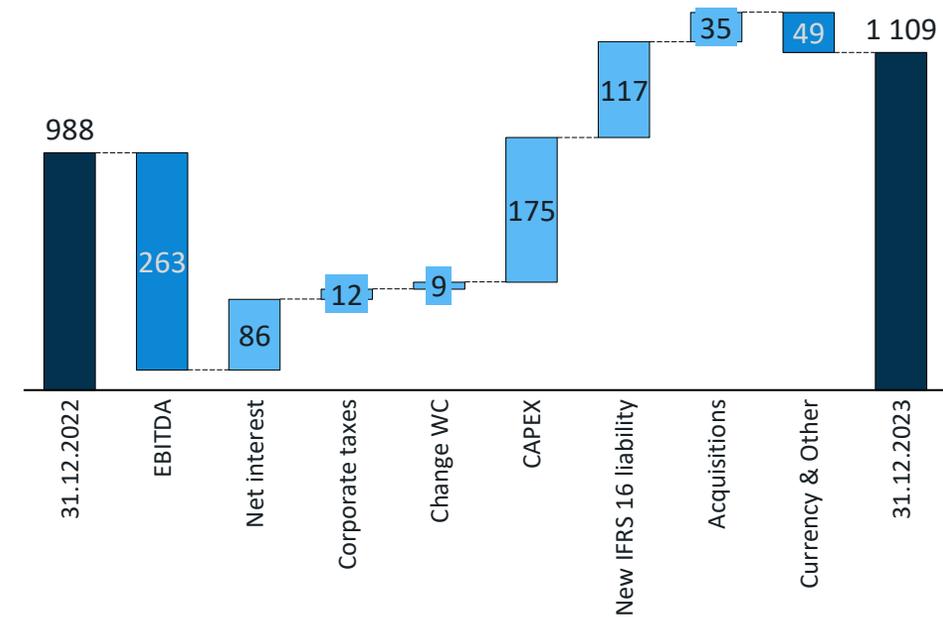
\* NIBD/EBITDA ratio for the periods Q4 22 to Q1 23, Q2 23 and Q4 24 is adjusted for non-recurring costs of MNOK 138, MNOK 73 and MNOK 40, respectively, in agreement with DNB

# Development Net interest-bearing debt

**NIBD Q4 2023** (MNOK)

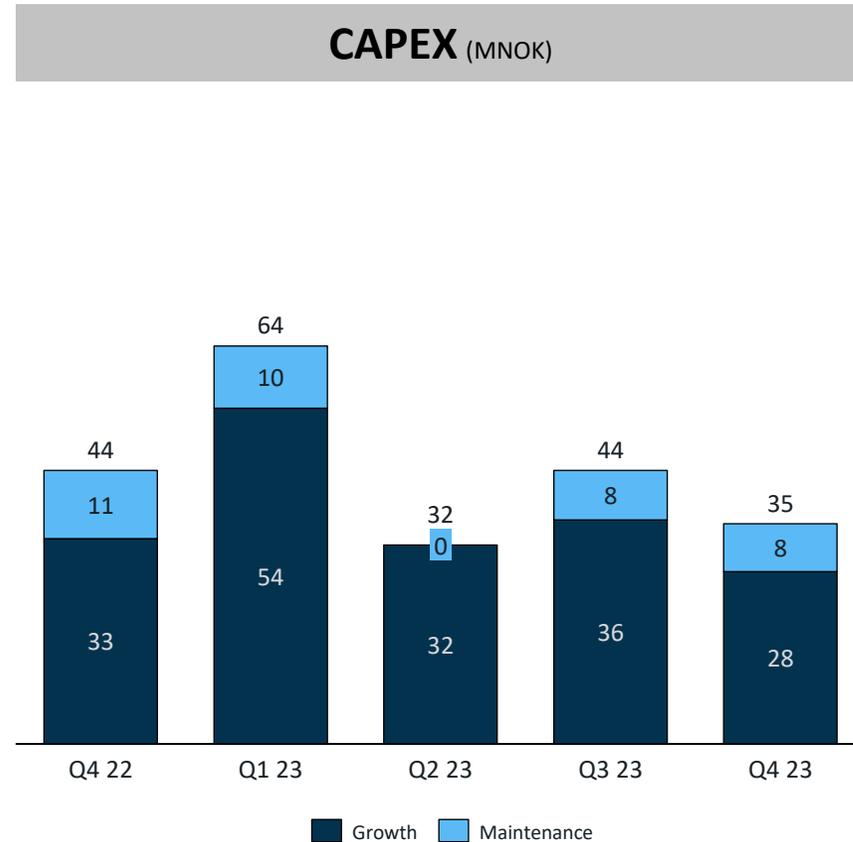


**NIBD YTD 2023** (MNOK)



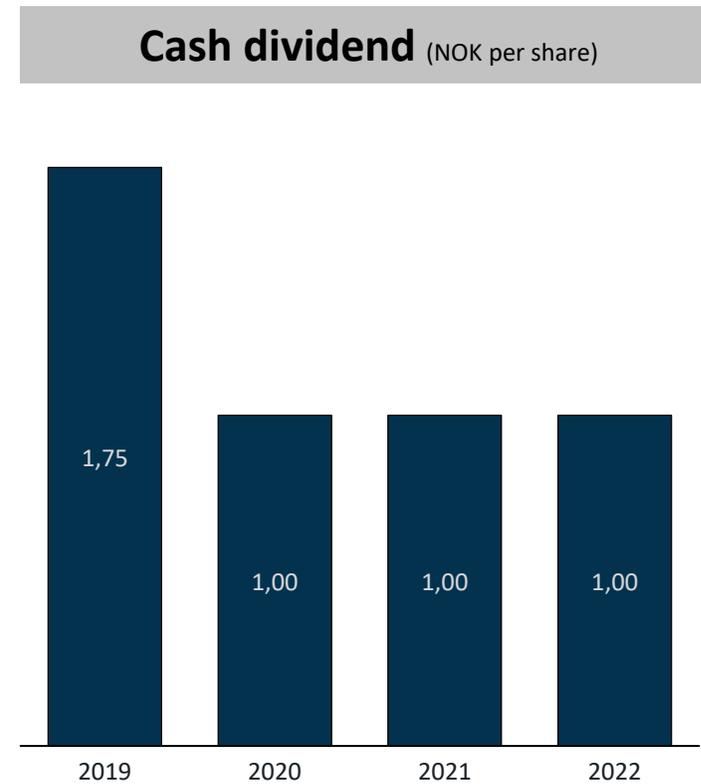
# Capital expenditure

- Total CAPEX of MNOK 35 in Q4 23, where MNOK 16 applies to our three innovation agendas
- Total CAPEX in 2023 of MNOK 175



# Dividend

- The company has decided not to pay any dividend for the first half of 2024





# Business segments

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# Sea Based Technology

## Overall

- Revenue increased by MNOK 26 while EBITDA margin increased from 8,4% in Q4 22 to 8,8% in Q4 23
- Order intake decreased from MNOK 823 in Q4 22 to MNOK 679 in Q4 23

## Nordic

- Revenue increased by 18% in Q4 23 compared to Q4 22
- 21% decrease in order intake Q4 23 compared to last year

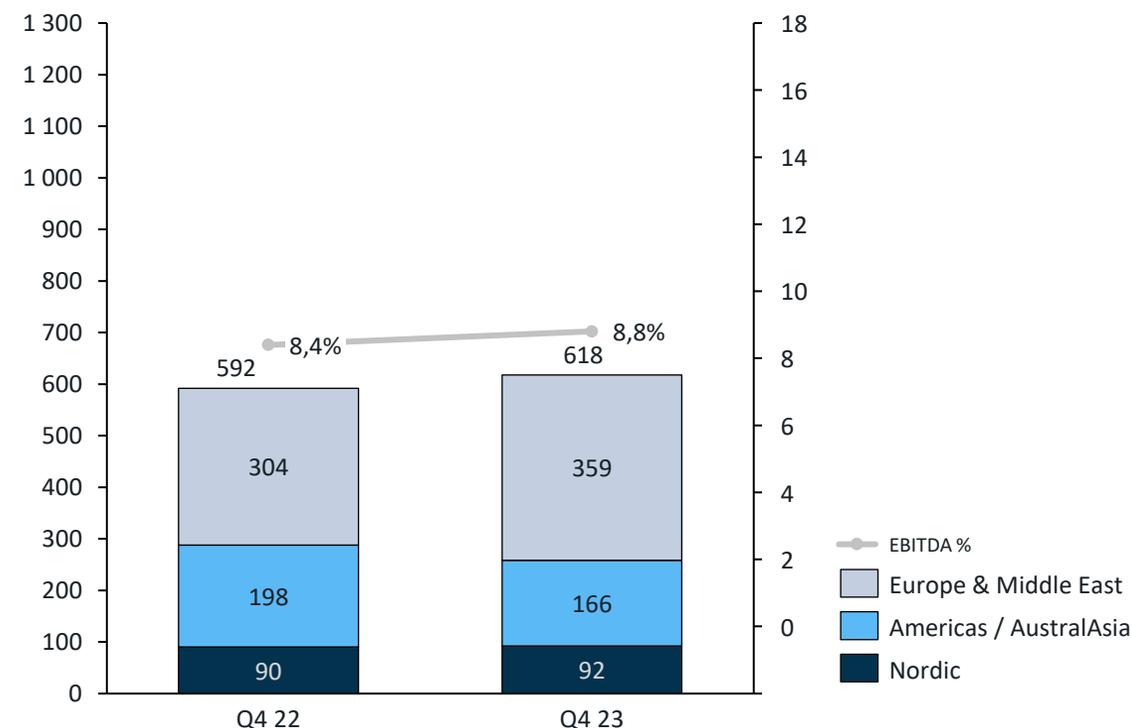
## Americas

- Revenue decreased by 16% in Q4 23 compared to Q4 22 while order intake was 12% higher in the same period

## Europe & Middle East

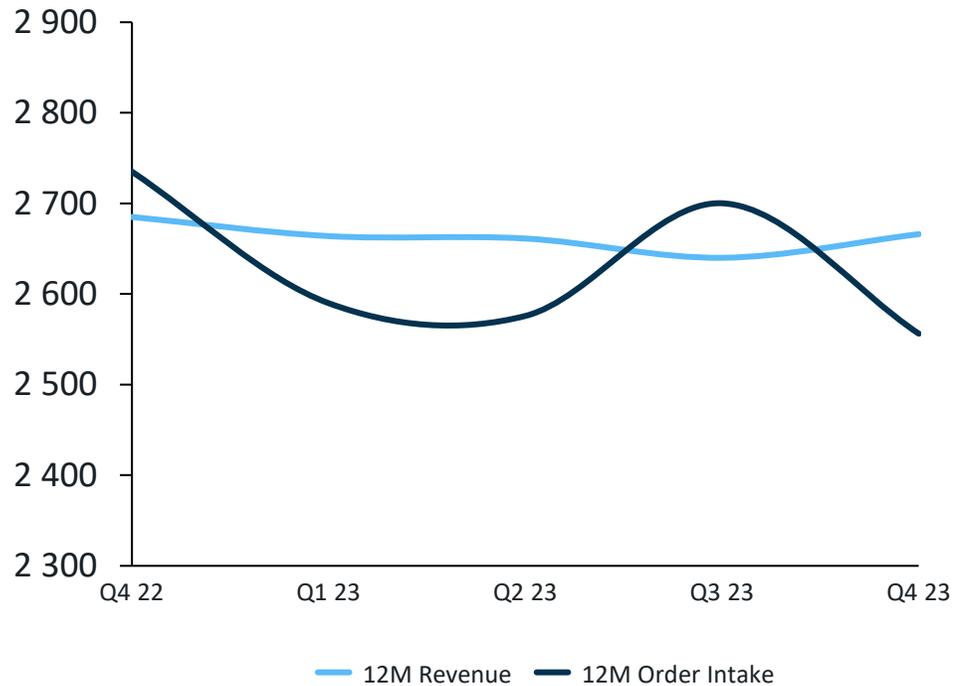
- Revenue at the same level as in Q4 22 but order intake was reduced by 37% in Q4 23 compared to Q4 22

Revenue (MNOK) and EBITDA-margin (%)

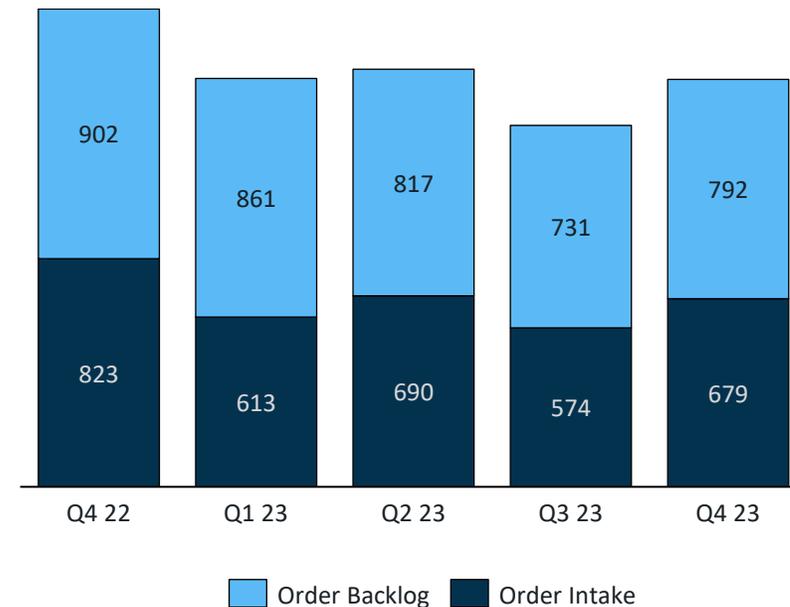


# Sea Based order intake and backlog development

## 12M Revenue & Order intake (MNOK)

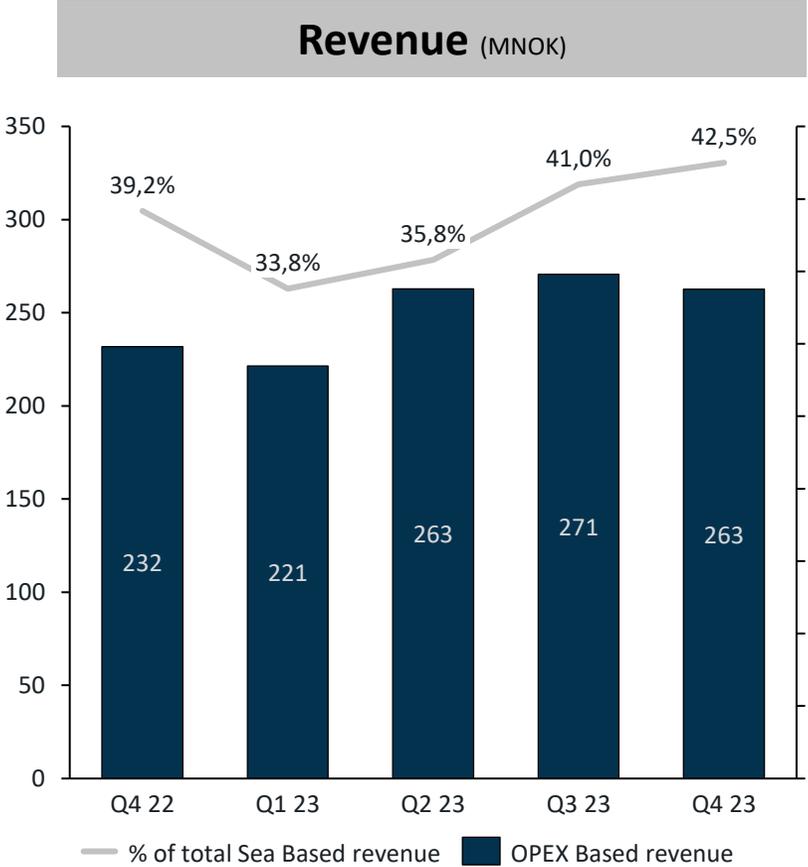


## Order backlog & Order intake (MNOK)



# Development OPEX based revenue

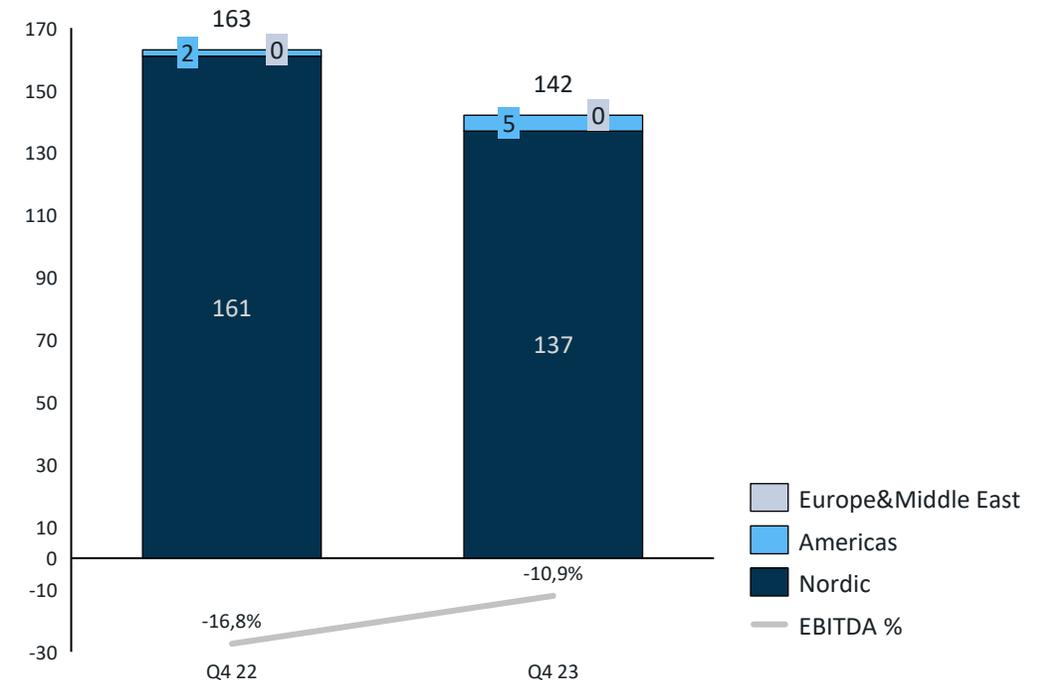
- Positive trend continues and OPEX based revenue was MNOK 31 higher in Q4 23 compared to Q4 22
- Full year OPEX based revenue amounts to MNOK 1,017 and is 18% higher compared to 2022



# Land Based Technology

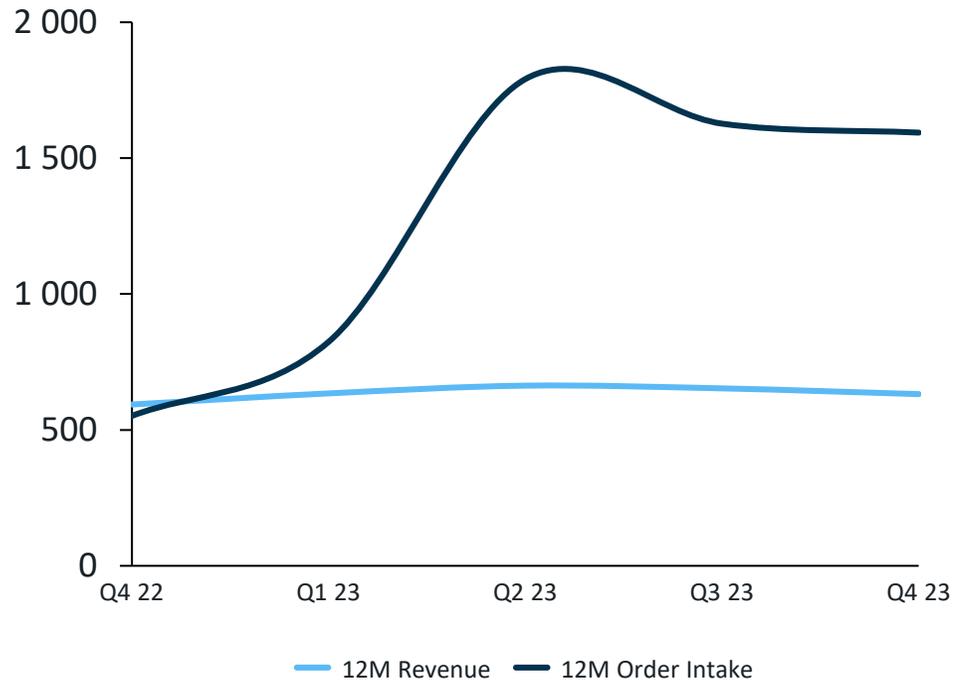
- Revenue decreased by 13% in Q4 23 compared to Q4 22
- Profit margins are still negative impacted by high cost base, low activity level and low project margins on parts of the project portfolio
- Rightsizing of organization completed in Q4 23 with annual estimated cost savings of MNOK 20

Revenue (MNOK) and EBITDA-margin (%)

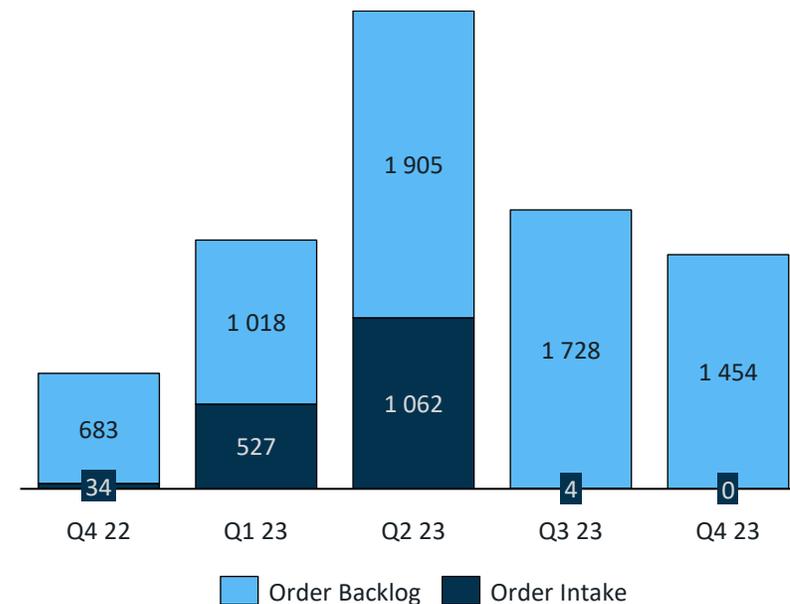


# Land Based order intake and backlog development

## 12M Revenue & Order intake (MNOK)



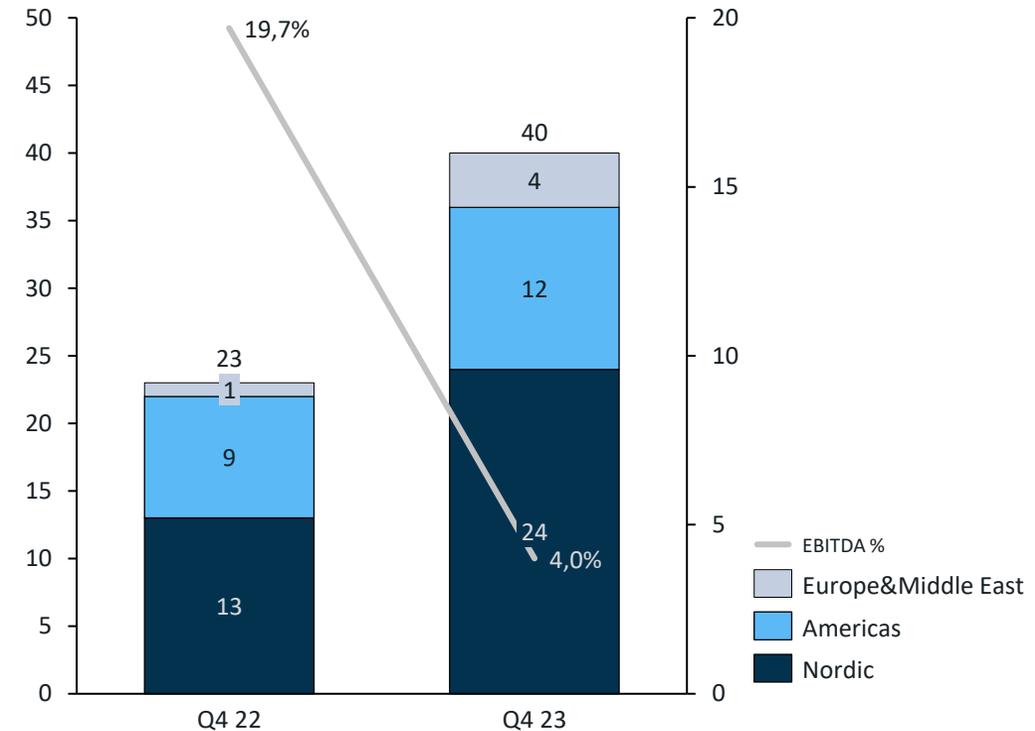
## Order backlog & Order intake (MNOK)



# Digital

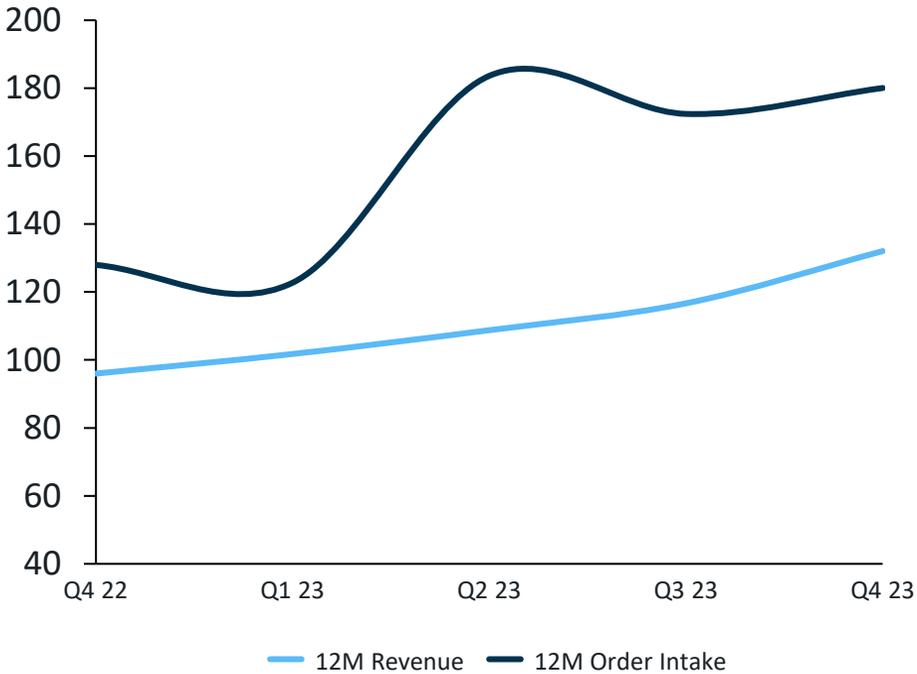
- Order intake of MNOK 40 is MNOK 7 higher than the same quarter last year
- Strong increase of 66% in recurring revenue compared to Q4 22
- Temporary setback on profitability as EBITDA margin decreased from 20% in Q4 22 to 4% in Q4 23

Revenue (MNOK) and EBITDA-margin (%)

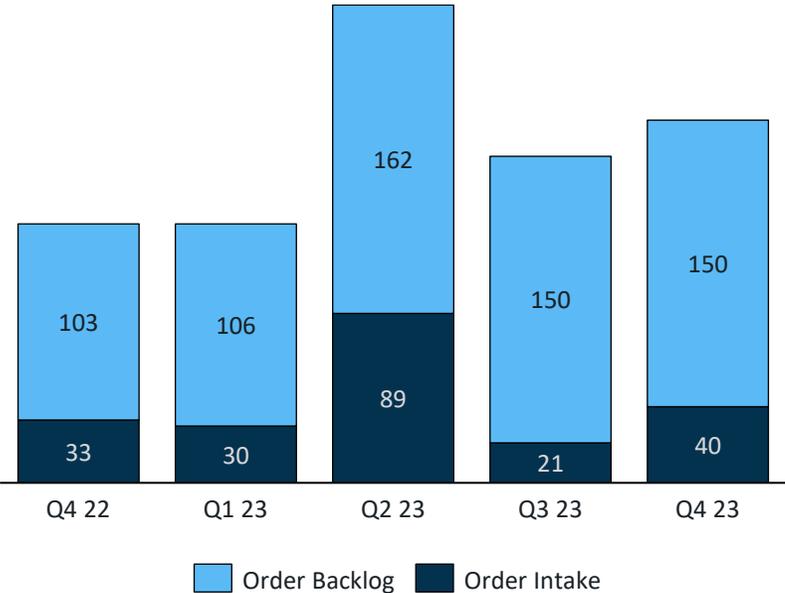


# Digital order intake and backlog development

12M Revenue & Order intake (MNOK)



Order backlog & Order intake (MNOK)





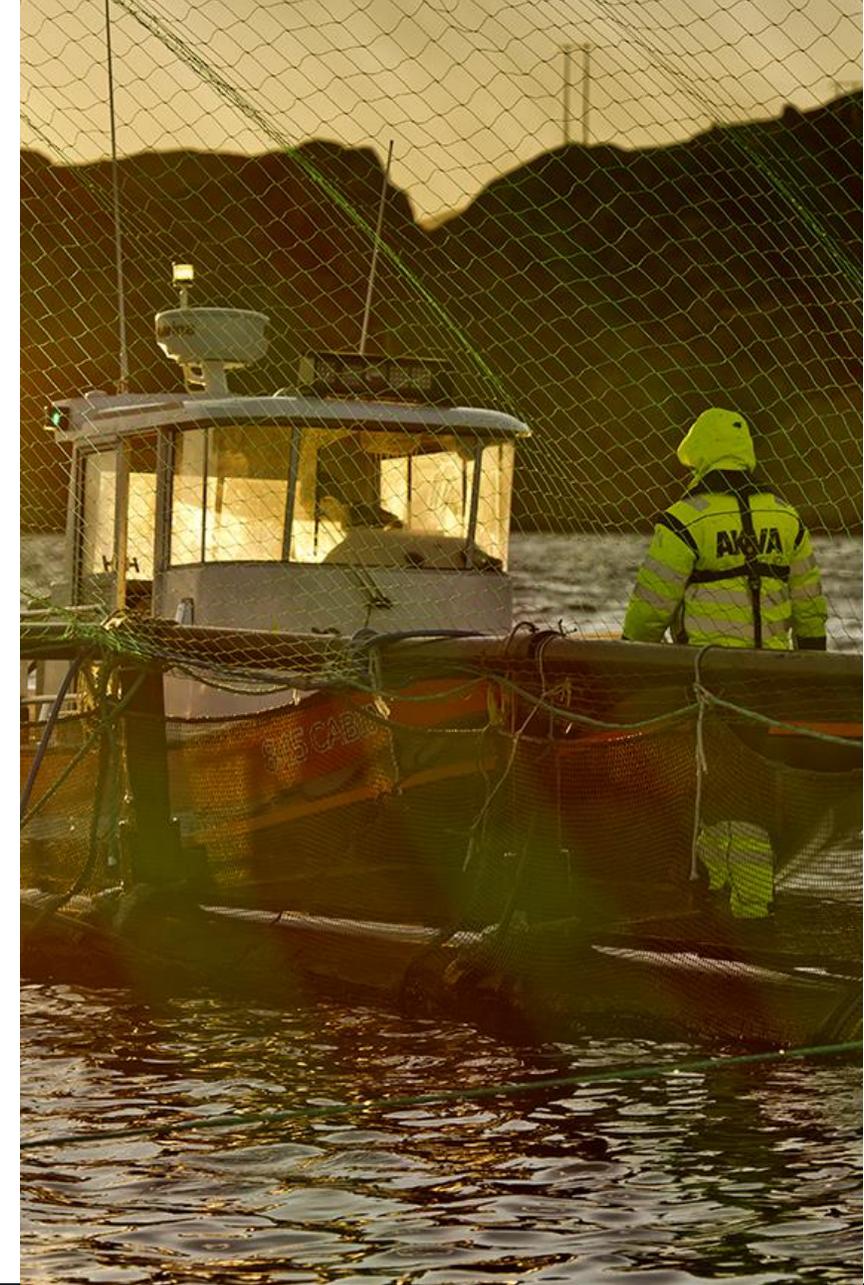
# Outlook

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# Outlook

- Salmon prices expected to remain strong driven by reduced supply
- AKVA expects to see normalization of the post smolt market in Norway during the second half of 2024
- Rightsizing of organization completed in Q4 23 with estimated annual cost savings of MNOK 45
- AKVA has revised the medium-term financial targets and is aiming for revenue of minimum BNOK 3.6 and EBIT of 4-5% in 2024
- AKVA will continue to invest and improve our solutions, both within Sea Based, Digital and Land Based Technology



# Disclaimer

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- This notice includes forward-looking statements. Forward-looking statements are based on current plans, estimates and projections, and therefore investors should not place undue reliance on them. Words such as “expect”, “anticipate”, “believe”, “intend”, “estimate”, “should” and other similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update any forward-looking statement in light of new information or future events.
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# Agenda | Q4 2023

## Introduction and Highlights

Knut Nesse, CEO

## Financial Performance

Ronny Meinkøhn, CFO

## Q&A Session



# Appendix

Pioneering a better future

**AKVA**GROUP™

# AKVA group in a brief

AKVA group is the leading technology and service partner to the aquaculture industry worldwide.



Listed on Oslo  
stock exchange  
since 2006



Total turnover in  
2023:  
NOK 3.4 billion



1.425 employees



Companies in 11  
countries

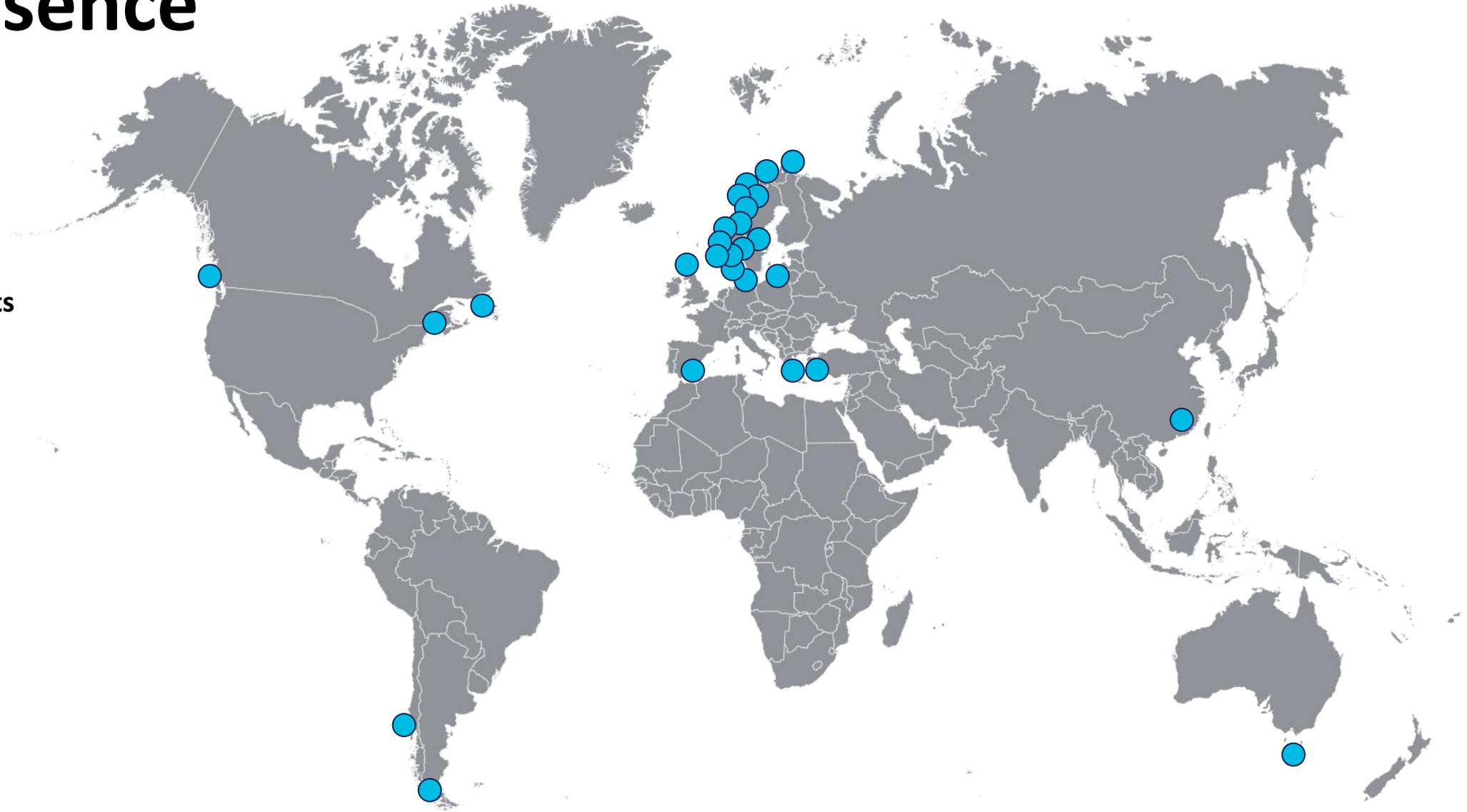


Technology leader  
through 40 years

# Our presence

Present in all markets  
with offices in:

- Norway
- Denmark
- Scotland
- Lithuania
- Spain
- Greece
- Turkey
- Chile
- Canada
- China
- Australia



# Balance sheet

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (NOK 1000)		Note	2023 31.12.	2022 31.12.
Intangible fixed assets	1,3		1 157 266	989 063
Deferred tax assets			77 283	44 902
Tangible fixed assets			671 833	635 245
Long-term financial assets			312 778	314 337
<b>FIXED ASSETS</b>			<b>2 219 160</b>	<b>1 983 547</b>
Stock			628 614	600 394
Trade receivables			468 193	592 838
Other receivables			113 002	125 679
Cash and cash equivalents			219 390	277 988
<b>CURRENT ASSETS</b>			<b>1 429 199</b>	<b>1 596 899</b>
<b>TOTAL ASSETS</b>			<b>3 648 359</b>	<b>3 580 446</b>
Equity attributable to equity holders of AKVA group ASA			1 137 932	1 144 000
Non-controlling interests	1,3		10 225	336
<b>TOTAL EQUITY</b>			<b>1 148 157</b>	<b>1 144 337</b>
Deferred tax			46 814	18 242
Other long term debt			59 777	36 637
Lease Liability - Long-term			405 231	403 340
Long-term interest bearing debt	1		862 317	702 481
<b>LONG-TERM DEBT</b>			<b>1 374 139</b>	<b>1 160 700</b>
Short-term interest bearing debt	4		37 500	80 625
Lease Liability - Short-term			90 795	79 095
Trade payables			328 421	310 629
Public duties payable			133 036	81 277
Contract liabilities			293 599	468 729
Other current liabilities			242 712	255 057
<b>SHORT-TERM DEBT</b>			<b>1 126 063</b>	<b>1 275 410</b>
<b>TOTAL EQUITY AND DEBT</b>			<b>3 648 359</b>	<b>3 580 446</b>

# Cash flow statement

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (NOK 1 000)		2023 Q4	2022 Q4	2023 YTD	2022 YTD
<b>Cash flow from operating activities</b>					
Profit before taxes		-53 166	-36 654	-29 311	-151 864
Taxes paid		-425	-5 133	-12 184	-11 370
Share of profit(-)/loss(+) from associates		-2 106	-1 102	-10 256	-7 087
Net interest cost		24 382	17 372	85 899	50 606
Gain(-)/loss(+) on disposal of fixed assets		-583	-318	-1 339	-766
Gain(-)/loss(+) on financial fixed assets		-5 641	4 551	-10 953	-5 504
Depreciation, amortization and impairment		50 536	41 548	195 805	214 762
Changes in stock, accounts receivable and trade payables		202 948	-108 630	114 218	-51 344
Changes in other receivables and payables		-122 107	80 908	-123 038	205 137
Net foreign exchange difference		-2 671	-10 016	-16 442	-21 216
<b>Cash generated from operating activities</b>		<b>91 167</b>	<b>-17 475</b>	<b>192 399</b>	<b>221 353</b>
<b>Cash flow from investment activities</b>					
Investments in fixed assets		-35 418	-43 910	-175 160	-167 859
Proceeds from sale of fixed assets		660	369	2 218	6 969
Acquisition of subsidiary net of cash acquired		-35 320	0	-35 648	0
Proceeds from sale of associates		0	0	0	40 000
<b>Net cash flow from investment activities</b>		<b>-70 078</b>	<b>-43 541</b>	<b>-208 590</b>	<b>-120 890</b>
<b>Cash flow from financing activities</b>					
Repayment of borrowings		-11 288	-14 700	-160 393	-81 622
Proceed from borrowings		0	43 125	195 833	43 125
IFRS 16 interest		-5 902	-5 511	-22 741	-19 576
Net other interest		-18 480	-12 008	-63 158	-31 177
Dividend payment		0	0	0	-36 668
Dividends payment from NCI		8 052	0	8 052	0
<b>Net cash flow from financing activities</b>		<b>-27 618</b>	<b>10 906</b>	<b>-42 407</b>	<b>-125 918</b>
Cash and cash equivalents at beginning of period		225 918	328 098	277 988	303 442
Net change in cash and cash equivalents		-6 528	-50 110	-58 598	-25 454
<b>Cash and cash equivalents at end of period</b>		<b>219 390</b>	<b>277 988</b>	<b>219 390</b>	<b>277 988</b>

# Largest shareholders

## 20 largest shareholders

No of shares	%	Account name	Type	Citizenship
18 703 105	51,0 %	EGERSUND GROUP AS		NOR
6 600 192	18,0 %	Israel Corporation Ltd		ISR
1 901 267	5,2 %	PARETO AKSJE NORGE VERDIPAPIRFOND		NOR
1 095 436	3,0 %	VERDIPAPIRFONDET NORDEA AVKASTNING		NOR
964 745	2,6 %	SIX SIS AG	Nominee	CHE
791 167	2,2 %	VERDIPAPIRFONDET ALFRED BERG GAMBA		NOR
621 997	1,7 %	VERDIPAPIRFONDET NORDEA KAPITAL		NOR
602 614	1,6 %	VERDIPAPIRFONDET NORDEA NORGE PLUS		NOR
543 332	1,5 %	FORSVARETS PERSONELLSERVICE		NOR
316 155	0,9 %	J.P. Morgan SE	Nominee	LUX
302 998	0,8 %	MP PENSJON PK		NOR
256 590	0,7 %	J.P. Morgan SE	Nominee	FIN
237 430	0,6 %	VERDIPAPIRFONDET EQUINOR AKSJER NO		NOR
230 663	0,6 %	AKVA GROUP ASA		NOR
221 502	0,6 %	VERDIPAPIRFONDET ALFRED BERG NORGE		NOR
130 000	0,4 %	NESSE & CO AS		NOR
129 988	0,4 %	PACTUMAS		NOR
128 000	0,3 %	VERDIPAPIRFONDET ALFRED BERG NORGE		NOR
125 795	0,3 %	DAHLE		NOR
100 800	0,3 %	JAKOB HATTELAND HOLDING AS		NOR
<b>34 003 776</b>	<b>92,7 %</b>	<b>20 largest shareholders</b>		
2 663 957	7,3 %	Other shareholders		
<b>36 667 733</b>	<b>100,0 %</b>	<b>Total shares</b>		

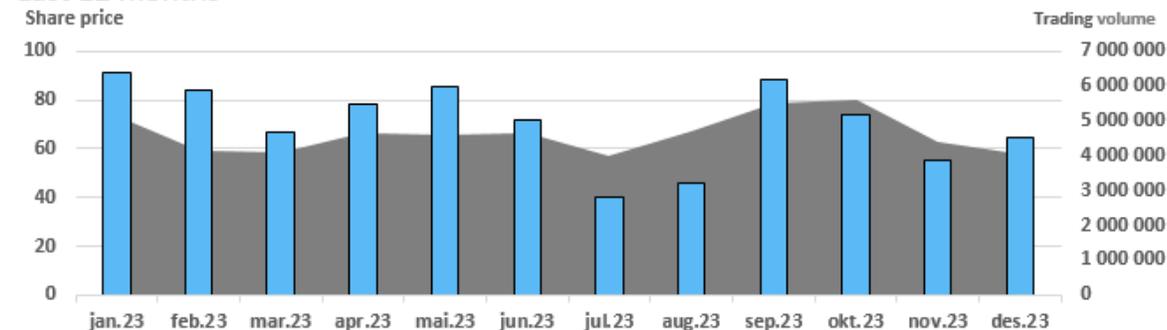
## Origin of shareholders, 5 largest countries

No of shares	%	Origin	No of shareholders
28 143 106	76,75 %	Norway	1265
3 300 192	9,00 %	Israel	1
4 284 800	11,69 %	Switzerland	7
357 873	0,98 %	Luxembourg	3
302 576	0,83 %	Finland	3
81 365	0,22 %	Denmark	20
37 904	0,10 %	Ireland	14

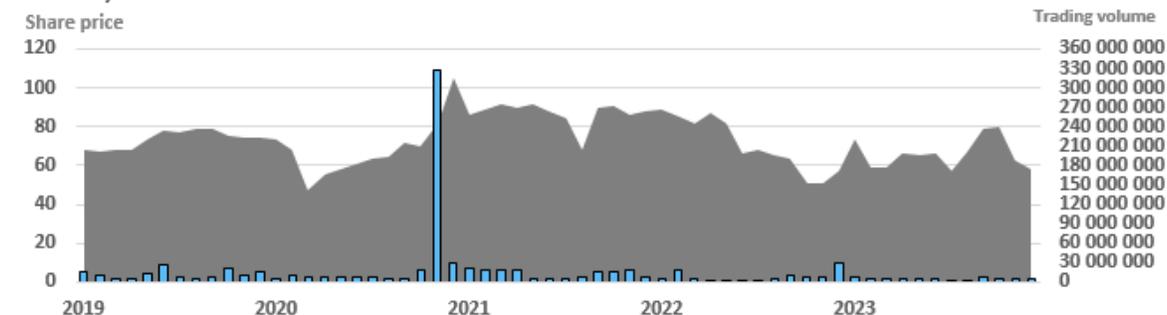
Total number of shareholders: 1408 - from 28 different countries

## Share development

### Last 12 months



### Last 5 years



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# Our Values

- We CARE for our industry and the communities we are localized

**C**ustomer focus

**A**quaculture knowledge

**R**eliability

**E**nthusiasm

