



# SalmoNor Acquisition - Webcast

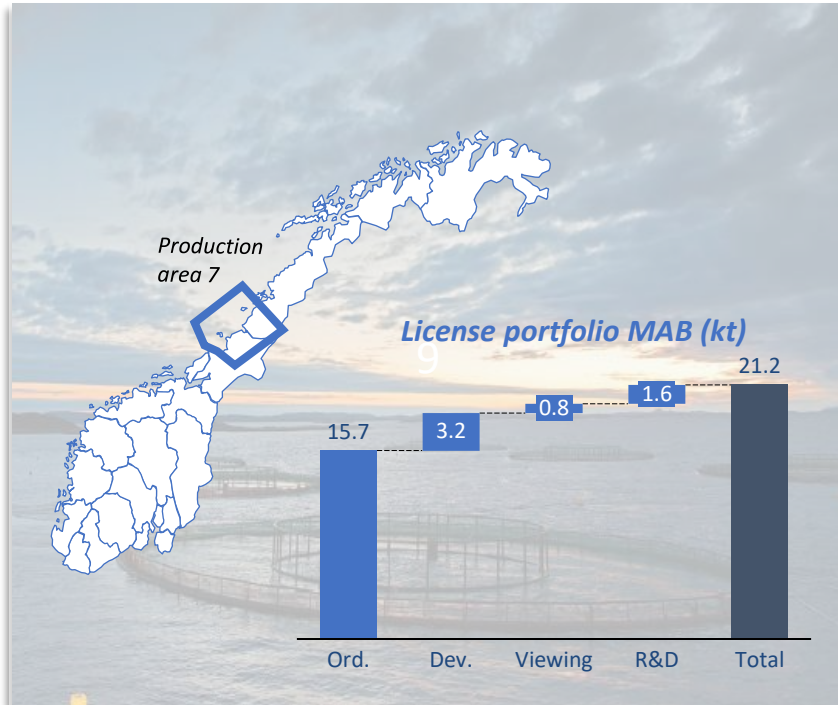
13<sup>th</sup> January 2022

Klaus Hatlebrekke, Interim CEO

Ola Loe, CFO



# SalmoNor at a glance & transaction highlights



## Transaction highlights

### Transaction information

NRS have entered into an agreement to acquire 100% of the shares in SalmoNor from NTS ASA for a total enterprise value of NOK 8,297m and an estimated equity value at the time of closing of NOK 6,350m

The transaction is creating the world's 6<sup>th</sup> largest salmon farmer with potential to produce ~100,000t salmon in Norway and ~24,000t on Iceland

SalmoNor is the result of the merger between SalmoNor AS and Midt-Norsk Havbruk AS ("MNH")

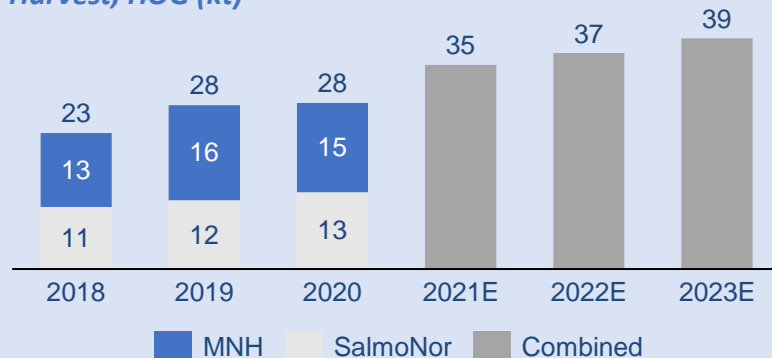
### Financing

The purchase price will be financed through a 68.14% share consideration in NRS and a 31.86% cash consideration. Cash consideration to be fully or partly financed through a private placement in NRS. NRS has several sources available for financing of the cash portion in combination with the private placement. The Board of Directors in NRS will spend sufficient time to consider the different alternatives. Equal treatment of all shareholders is a key consideration for the Board in NRS.

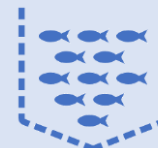
### Timing

The agreement is conditional upon satisfactory due diligence and the transaction is expected to be completed in Q2 2022

## Harvest, HOG (kt)



**fully  
integrated**



**21,195t  
MAB**



**16.5m  
smolt capacity**



**39,000t est.  
2023 harvest**

# SalmoNor is a fully integrated salmon farmer from smolt to market



## Smolt & post-smolt



- SalmoNor has three smolt facilities, Osan Settefisk (66% owned by SalmoNor), Flatanger Settefisk (owned 41% by Osan Settefisk) and SalmoNor Settefisk
- In 2020, 10.8m smolt was produced in the facilities
- After the newly upgrade of Osan Settefisk, the facilities has a total annual capacity of 16.5 million smolt

## Grow-out



- Total MAB capacity of 21,195t split on ordinary-, development-, «viewing»- and R&D licenses
- All licenses are located in production area 7 in Central Norway – considered a highly attractive farming area

## Processing



- Processing capacity through SalmoSea AS, which has processed fish since mid 1980s
- The facility was expanded and substantially upgraded during 2019
- A new closed waiting cage with capacity for 700t salmon provides further flexibility and predictability
- SalmoSea is co-owned with Bjørøya AS

## Sales & marketing

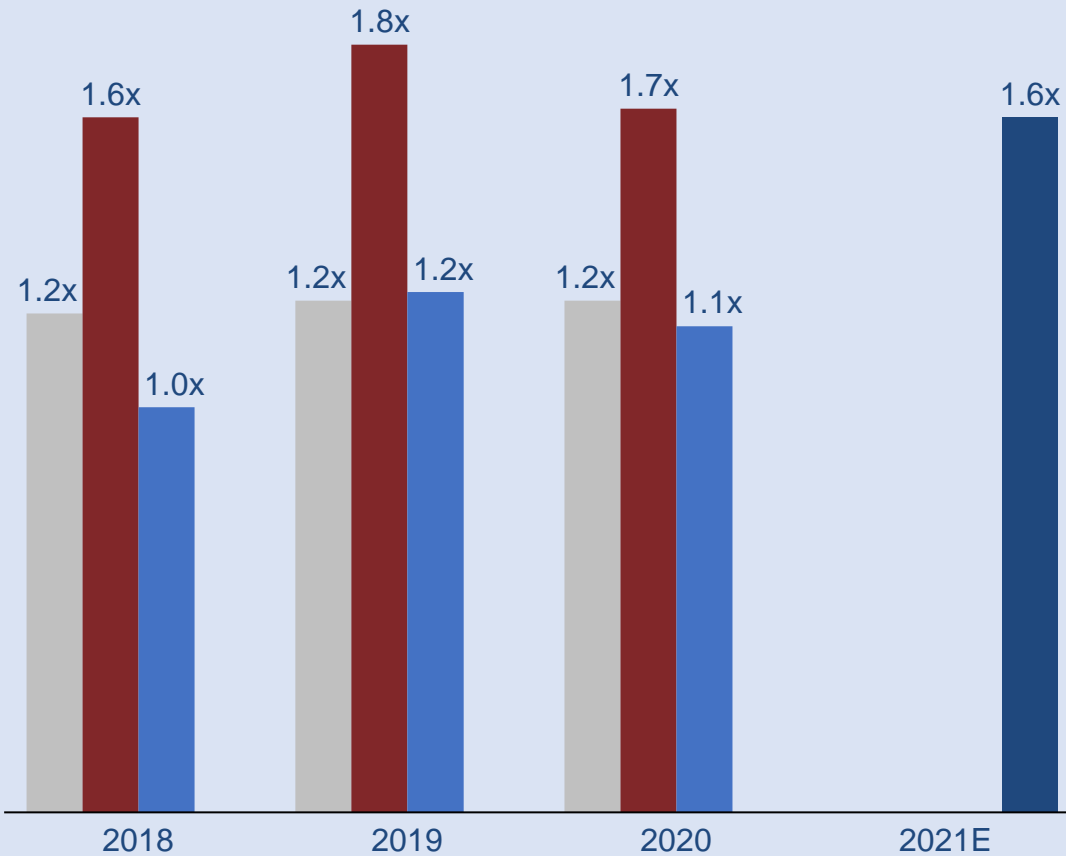


- Sales and distribution of salmon through the major Norwegian exporters and distributors such as Seaborn, NRS and Fram
- Especially close collaboration with Seaborn, where SalmoNor has a 8.5% shareholding

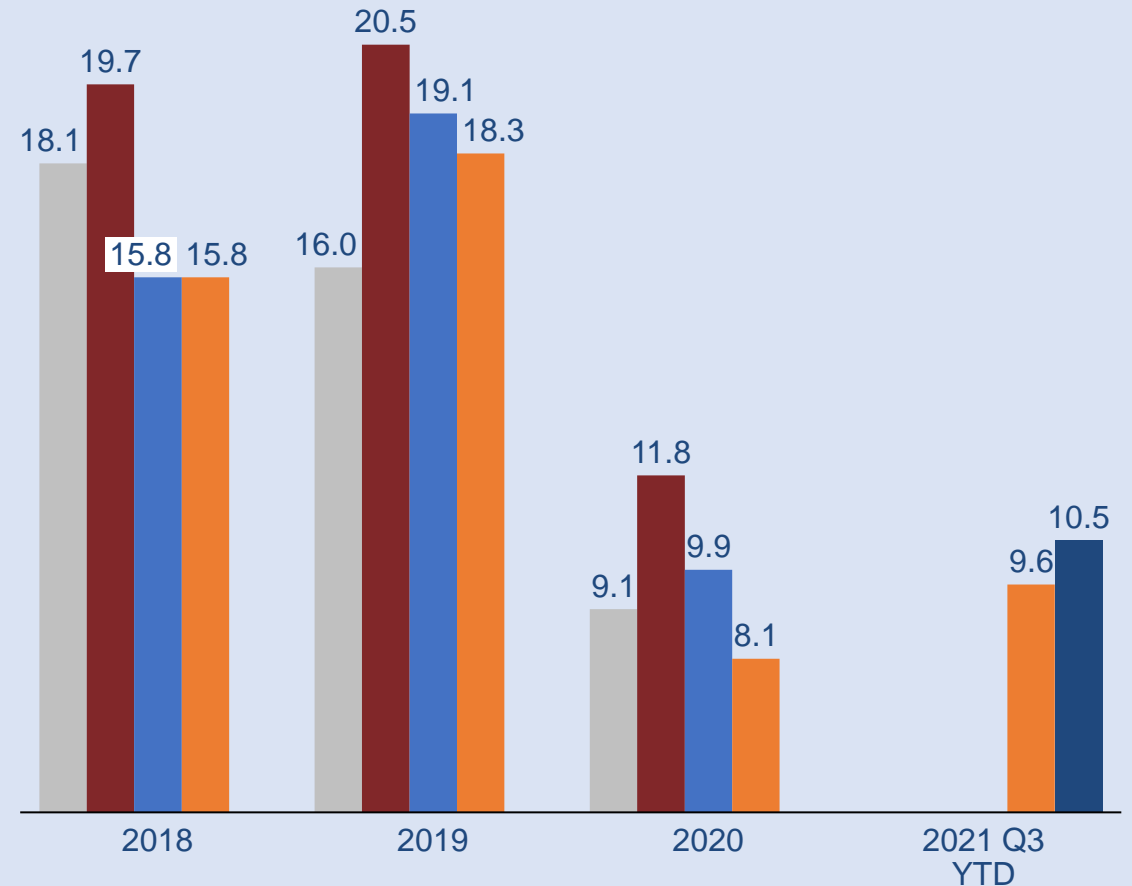
# SalmoNor has outperformed the general salmon farming market in Norway during later years



*MAB utilization (x)*



*EBIT/kg (NOK)*



Source: Company information, Fiskeridirektoratet, Kontali

■ Avg. Norway ■ Midt-Norsk Havbruk stand-alone ■ SalmoNor (combined)  
■ SalmoNor stand-alone ■ NRS

# NRS see clear synergies in the Transaction



1.

**Competence for growth** – Exploit best practise in a period with expected growth

2.

**Smolt access** – Optimizing smolt strategy, reducing risk, increasing safety of supply and quality

3.

**Sales / Downstream** – Increased size allows for improved distribution strategy

4.

**Procurement** – Stronger purchasing power as a larger unit





# Large-scale salmon farmer in top performing regions

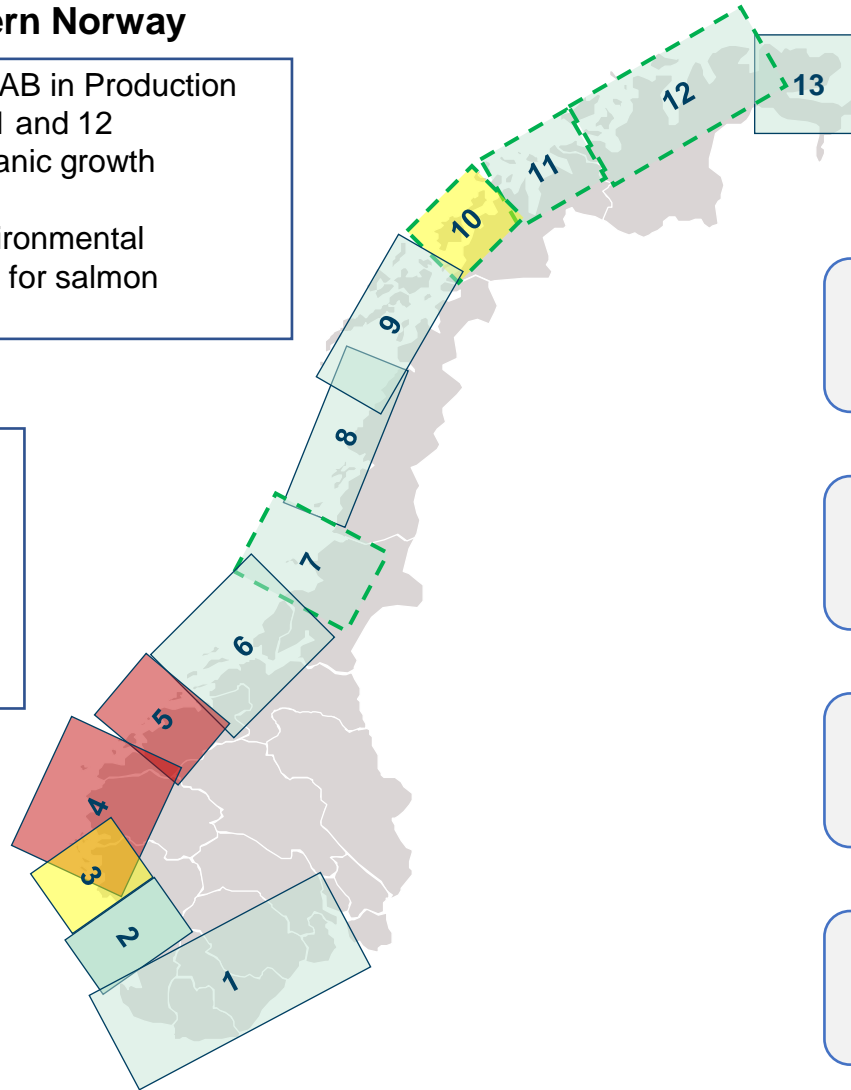


## Northern Norway

- 36,085t MAB in Production area 10,11 and 12
- Large organic growth potential
- Good environmental conditions for salmon farming

## Central Norway

- 21,195t MAB in Production area 7
- Area with lowest mortality '18-'20<sup>1</sup>
- Opportunity to grow through existing and development licenses



Creating a top performing salmon farmer with  
**~125,000t potential in Norway and on Iceland**

**Fully integrated** salmon farmer with substantial smolt capacity and sales expertise

**Attractive license portfolio** in some of the best areas in Norway

**Significant growth opportunities** through existing licenses and capacity



- Potential of 24,000t harvest

<sup>1</sup>Source: Directory of Fisheries, Norwegian Veterinary Institute

# Q&A



-Committed by name-