

First 
Water



First Water

Redefining Salmon Farming

Q2 2024 Investor presentation

CEO's Address

Dear Investors,

This marks our inaugural quarterly report for investors. Moving forward, you can anticipate a comprehensive update each quarter, detailing progress in both construction and production.

I am pleased to share with you the progress and achievements of First Water during the second quarter of 2024. Despite facing some challenges, we have made significant strides in our mission to become a leading land-based salmon farming company.

Firstly, I am proud to report that we have successfully sold 378 tons of fish this quarter. This milestone is a testament to the quality of our product and the dedication of our team. The strong demand and positive market response reaffirm our belief in the potential of our venture.

While construction of our facility has been progressing slower than initially anticipated, we remain confident that our decision to prioritize design and quality is the right one. Ensuring that our infrastructure is built to the highest standards is crucial for the long-term success and sustainability of our operations. This careful approach will ultimately benefit us by minimizing risks and optimizing efficiency once we are fully operational.

We are committed to delivering on our promises and are working diligently to overcome the current delays. Our focus remains on building a state-of-the-art facility that will support sustainable and efficient salmon farming. We are grateful for your continued support and patience as we navigate these early stages of development.

Looking ahead, we are optimistic about the future and the progress we will continue to make. We believe that our strategic decisions today will pave the way for a prosperous and sustainable operation tomorrow.

Thank you for your trust in First Water. Together, we are building a strong foundation for success in the land-based aquaculture industry.

Eggert Kristófersson, CEO

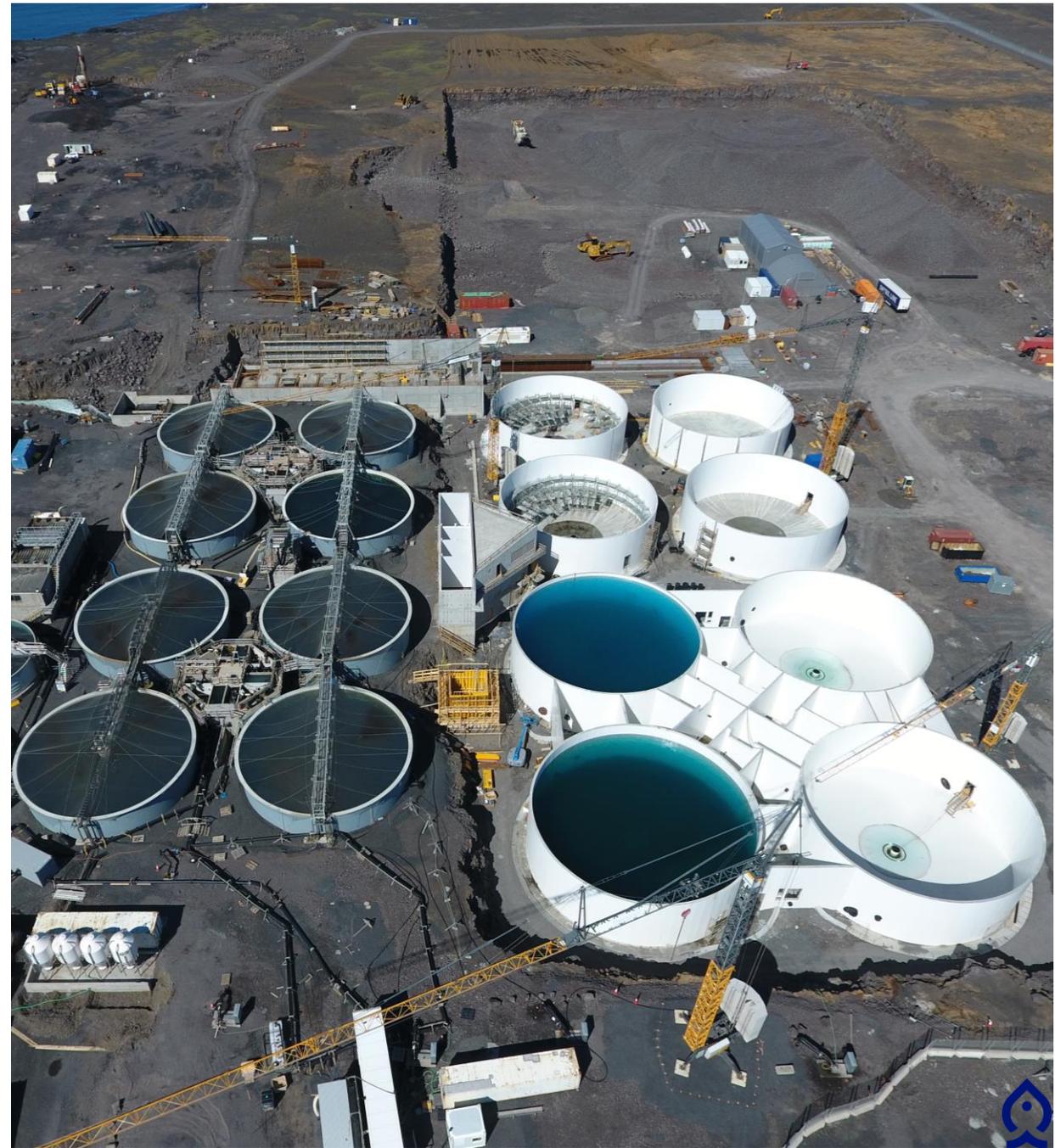


Construction and design

The construction and design of our salmon farming facility have seen significant developments and some challenges this year. The international engineering firm Cowi was hired to lead the design of the facility, bringing their extensive expertise and innovative approach to the project. Preliminary design work is being conducted at First Water's offices. They will deliver the initial plans and then continue the collaborative efforts with Cowi. This partnership is expected to bring increased momentum to the project's design, which is anticipated to progress significantly as the year goes on.

Despite some delays in construction due to the re-designing of the facility, the efforts to refine and optimize the design are poised to enhance the overall efficiency and effectiveness of the facility. The design of the hatchery is being meticulously handled by Billund Aquaculture, ensuring that all aspects of the facility meet the highest standards of aquaculture practices.

All eight 25-meter tanks, each with a capacity of 3,500 cubic meters, in phase 1 have been successfully constructed. This marks a major milestone in the project, demonstrating our commitment to advancing our operations. It is anticipated that salmon will be introduced into the first tank in the fall, marking the beginning of a new phase in our production process.



Construction and design

Construction has begun on the company's substation, which will house two transformers along with backup power for the entire project. New high-voltage cables from Landsnet will be laid underground this summer and connected in April 2025.

Work has begun on the affluent treatment plant, and construction has started. At this facility, waste water from the salmon will be filtered out in drums and biogas produced.

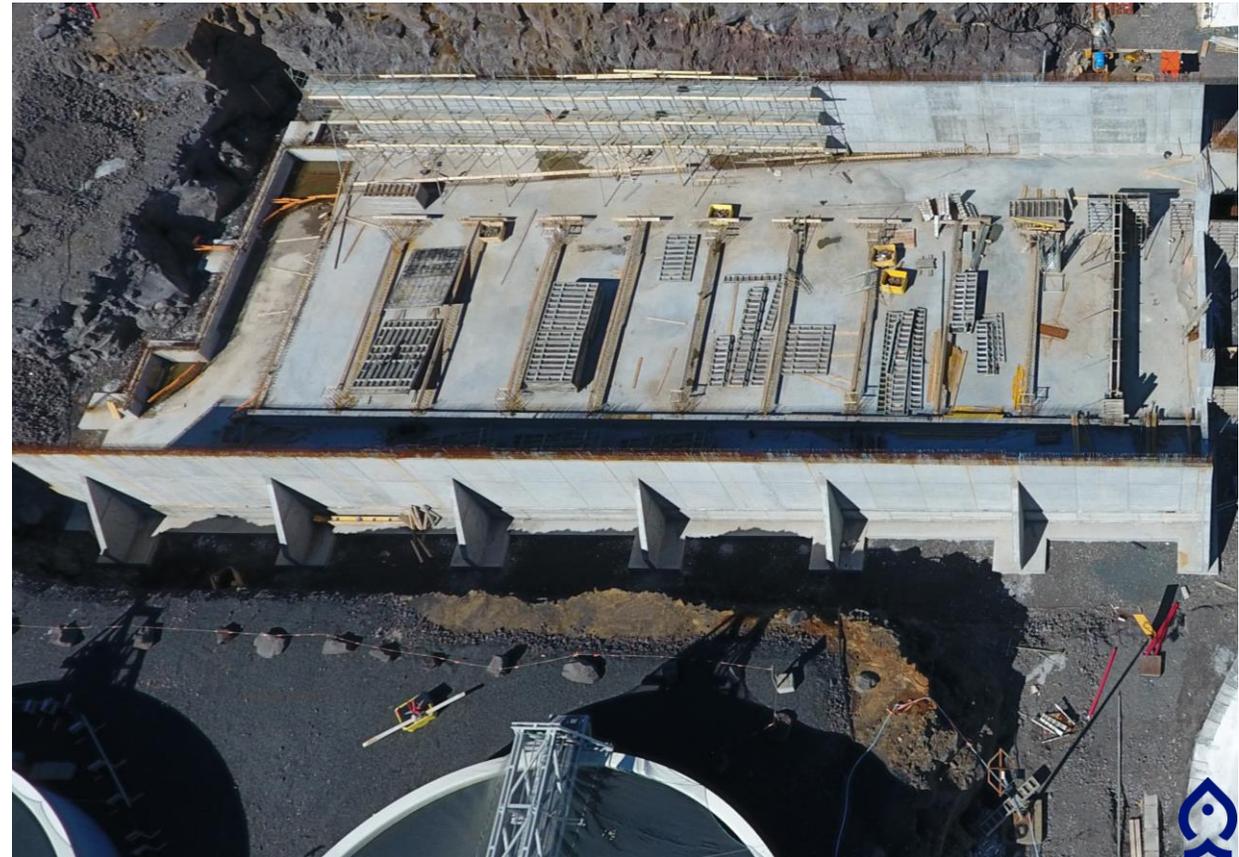
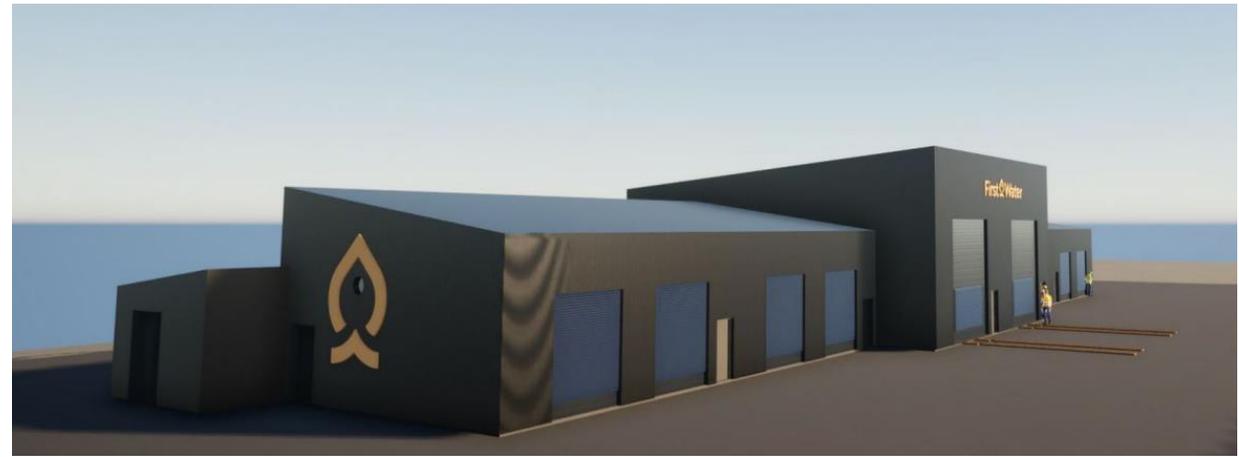
Groundwork and boreholes

14 sea-water boreholes in use

2 fresh water boreholes in use

29 boreholes have been completed

Work has begun on the next 20 boreholes (24 inches)



Operation

The biomass experienced decrease in the second quarter. At the end of 2023, the biomass was recorded at 742 tons, but by the end of June 2024, it had reduced to 609 tons. This reduction indicates our efforts towards optimizing the biomass levels for better sustainability and efficiency.

Harvesting activities showed significant progress during this period. In the first quarter of 2024, we successfully harvested 390 tons of live weight. The second quarter of 2024 saw an impressive increase, with a harvest of 449 tons of live weight. This achievement marks the largest quarterly harvest ever recorded by our company, underscoring our commitment to scaling operations and enhancing productivity.

In terms of production, the second quarter was particularly robust. We produced 286 tons in Q2, slightly less compared to the 367 tons produced in Q1. Cumulatively, Q1 and Q2 our total production stands at 653 tons.

We have successfully maintained a mortality rate below the set target of 0.4% per month, reflecting our stringent health and safety protocols and the overall well-being of our biomass. The mortality target is set to be lower in the near future as our data and operation indicate improvements.



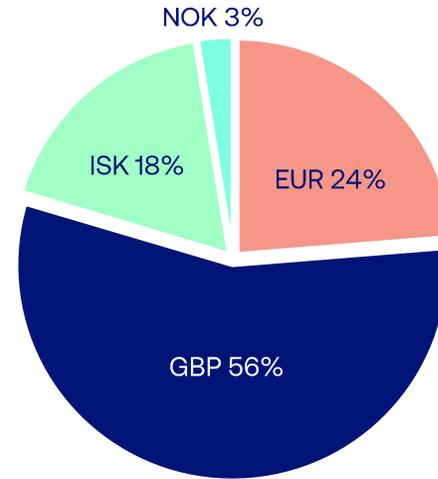
Sales

372 tons of salmon (HOG) were sold in Q2 compared to 324 tons in Q1. Total sales amounted to €2.3 million in Q2, with the majority of sales to Europe and UK. The average price achieved in Q2 was €7.54, with most of the sales being fish in the 2-3 kg size category and 3-4 kg. 94% of the salmon harvested was in the superior grade, which is very positive, especially this early in the development phase.

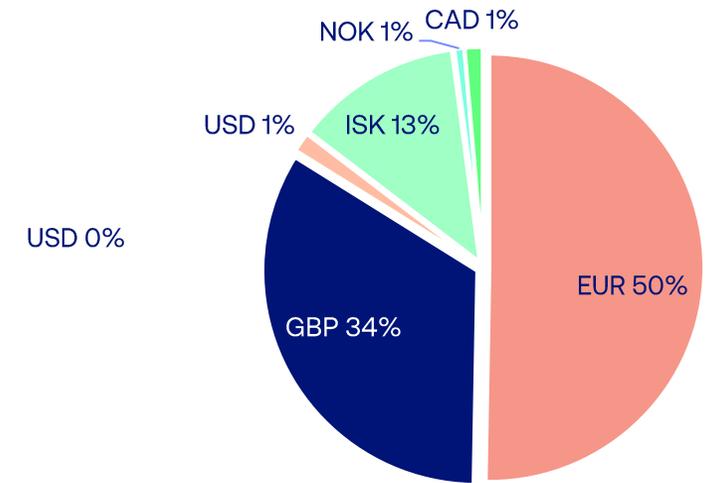
Sales by size category (tonn HOG Superior)

Size	Vol (tonn)	% vol	Av. ExW price
1 - 2 kg	65,7	19%	4,86
2 - 3 kg	138,4	39%	7,55
3 - 4 kg	105,6	30%	8,33
4 - 5 kg	35,2	10%	9,6
5 - 6kg	6,1	2%	10,21
6 - 7 kg	0,4	0%	10,28
Total	351,4	100%	7,54

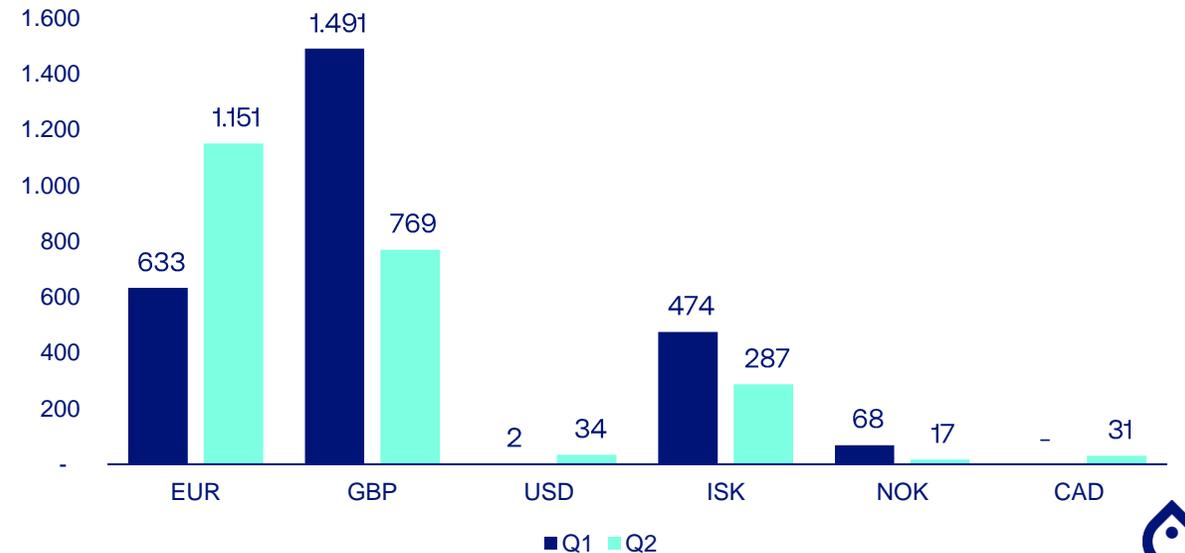
Q1 2024



Q2 2024



EUR'000



Shareholder Information

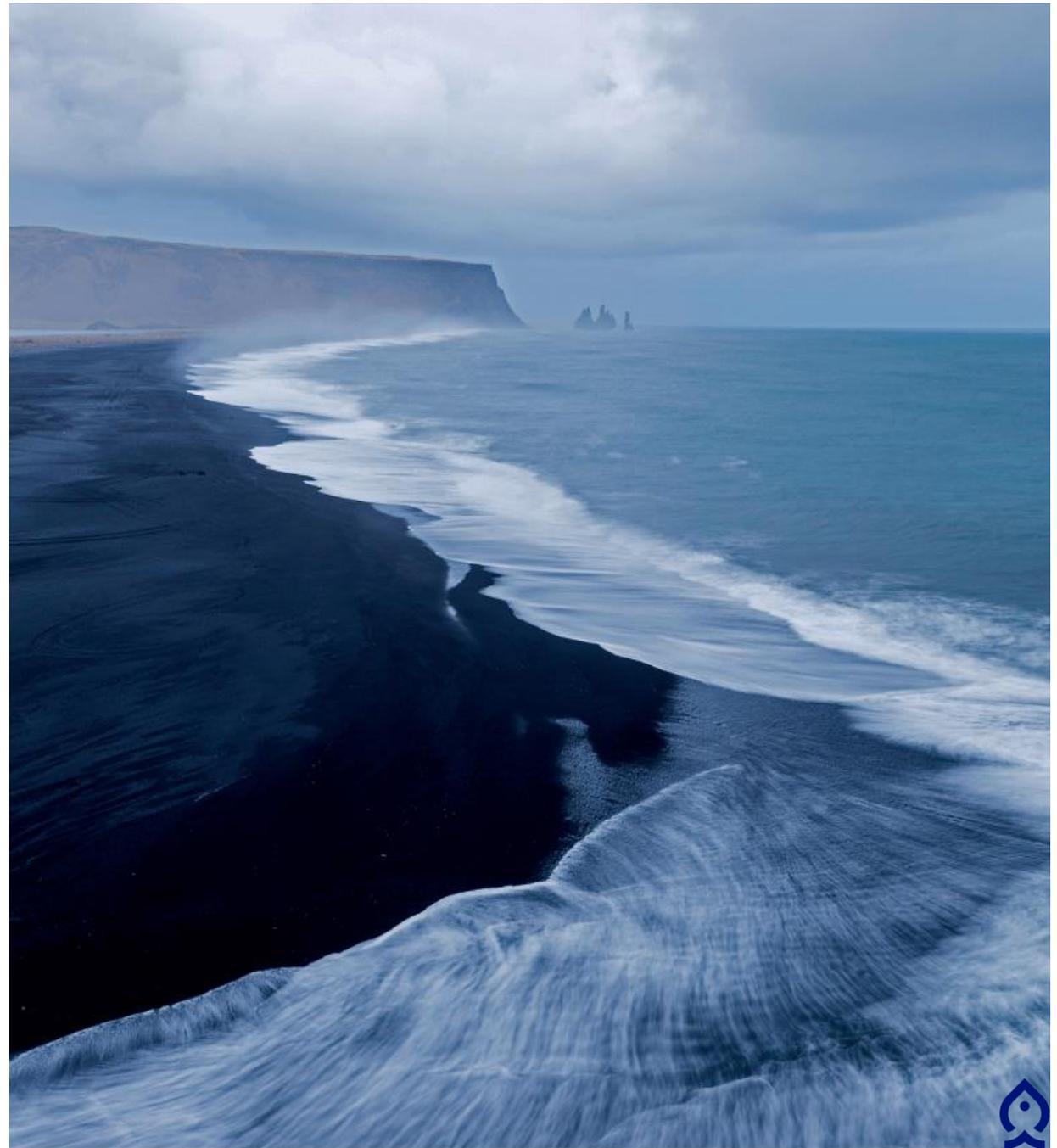
#	Shareholder	Shares	%
1	Stoðir hf.	112.291.280	34,8%
2	FW Horn slhf.	62.662.337	19,4%
3	Framherji ehf	23.400.044	7,2%
4	Lífeyrissjóður verzlunarmanna	19.480.519	6,0%
5	Fylla ehf.	11.987.433	3,7%
6	Líra ehf	11.099.985	3,4%
7	Brú Lífeyrissjóður starfs sveit	9.740.260	3,0%
8	21. júní ehf	7.600.000	2,4%
9	Investco ehf.	5.761.822	1,8%
10	Konkrít ehf.	4.308.630	1,3%
11	AK invest ehf.	4.037.002	1,3%
12	Arcus Invest ehf.	3.896.104	1,2%
13	Skel fjárfestingafélag hf.	2.922.078	0,9%
14	Reykjavík Retail ehf.	2.689.500	0,8%
15	GJ Invest ehf.	2.500.000	0,8%
16	Sleðbrjótur hf.	2.390.211	0,7%
17	Tappi ehf.	2.078.604	0,6%
18	Laugarfell ehf.	2.076.978	0,6%
19	Kóngsbakki ehf.	1.948.052	0,6%
20	Hólmi ehf.	1.948.052	0,6%
Top 20 shareholder		294.818.891	91,3%
Other 111 shareholders		28.090.525	8,7%
Total shares		322.909.416	100,0%



Thank you for your support!

Investor Contact Information

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