

Lerøy Seafood Group ASA

Q3 2023

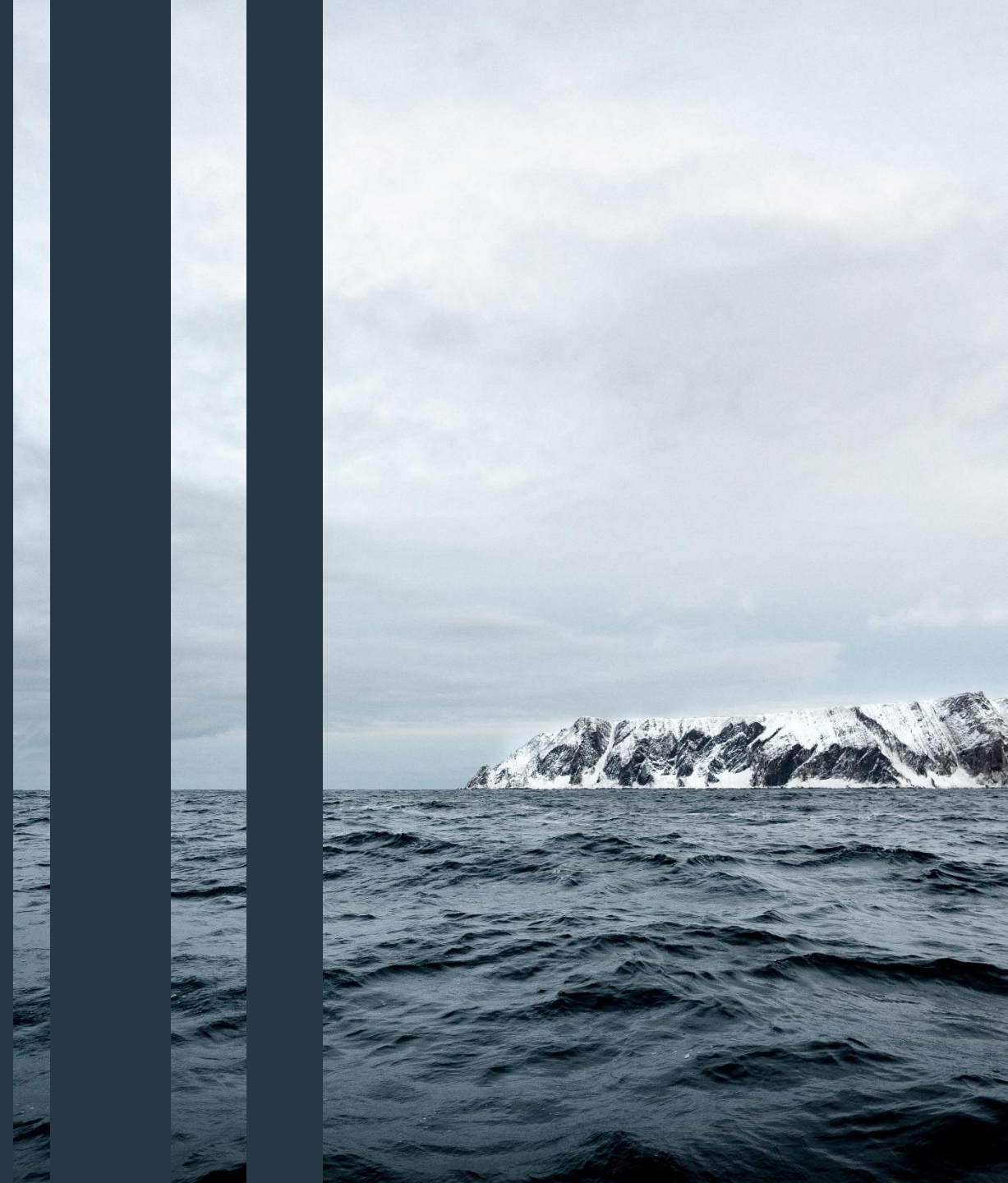
Henning Beltestad

CEO

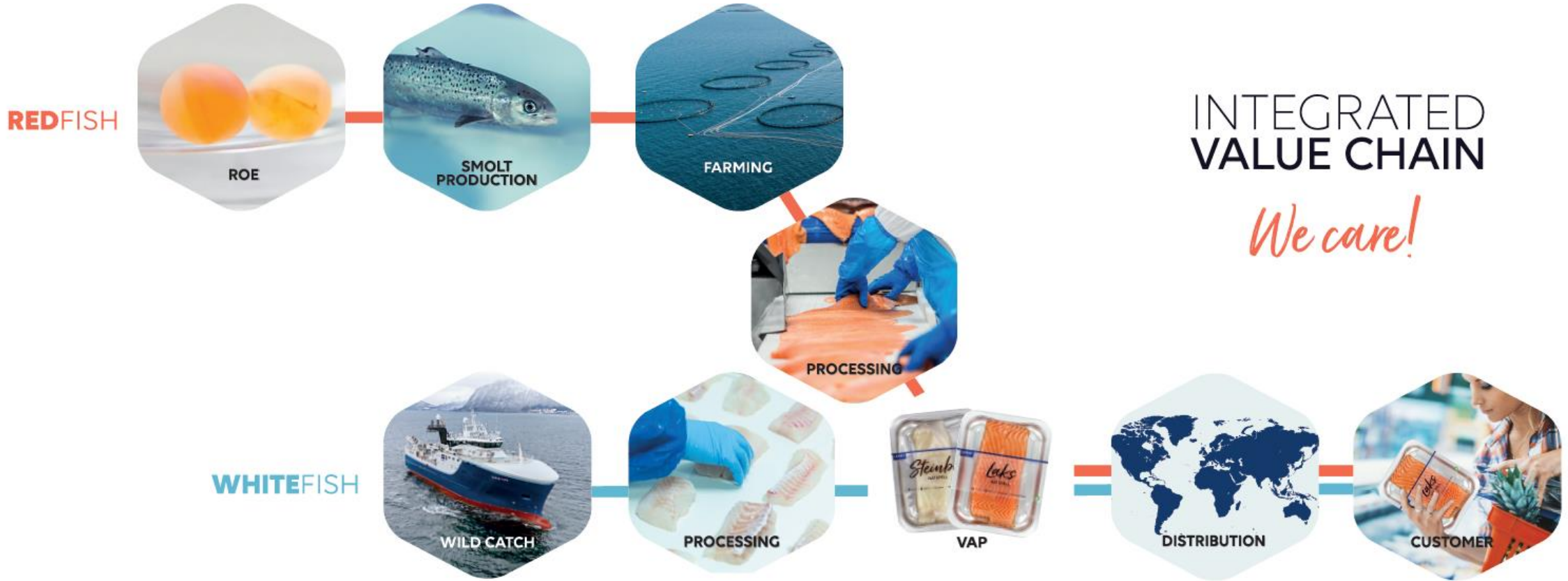
15 November 2023

Sjur Malm

CFO



Creating the world's most efficient and sustainable value chain for seafood



Targets for 2025 and beyond

LSG

>50

bn NOK in revenue by 2030

LSG

46%

reduction in total GHG
emissions by 2030
(baseline 2019)

Farming & VAP, S&D

#1

EBIT/kg for farming and
VAP S&D by 2025

Wild Catch

500

mill NOK in EBIT for Wild
catch by 2025

VAP, S&D

1.25

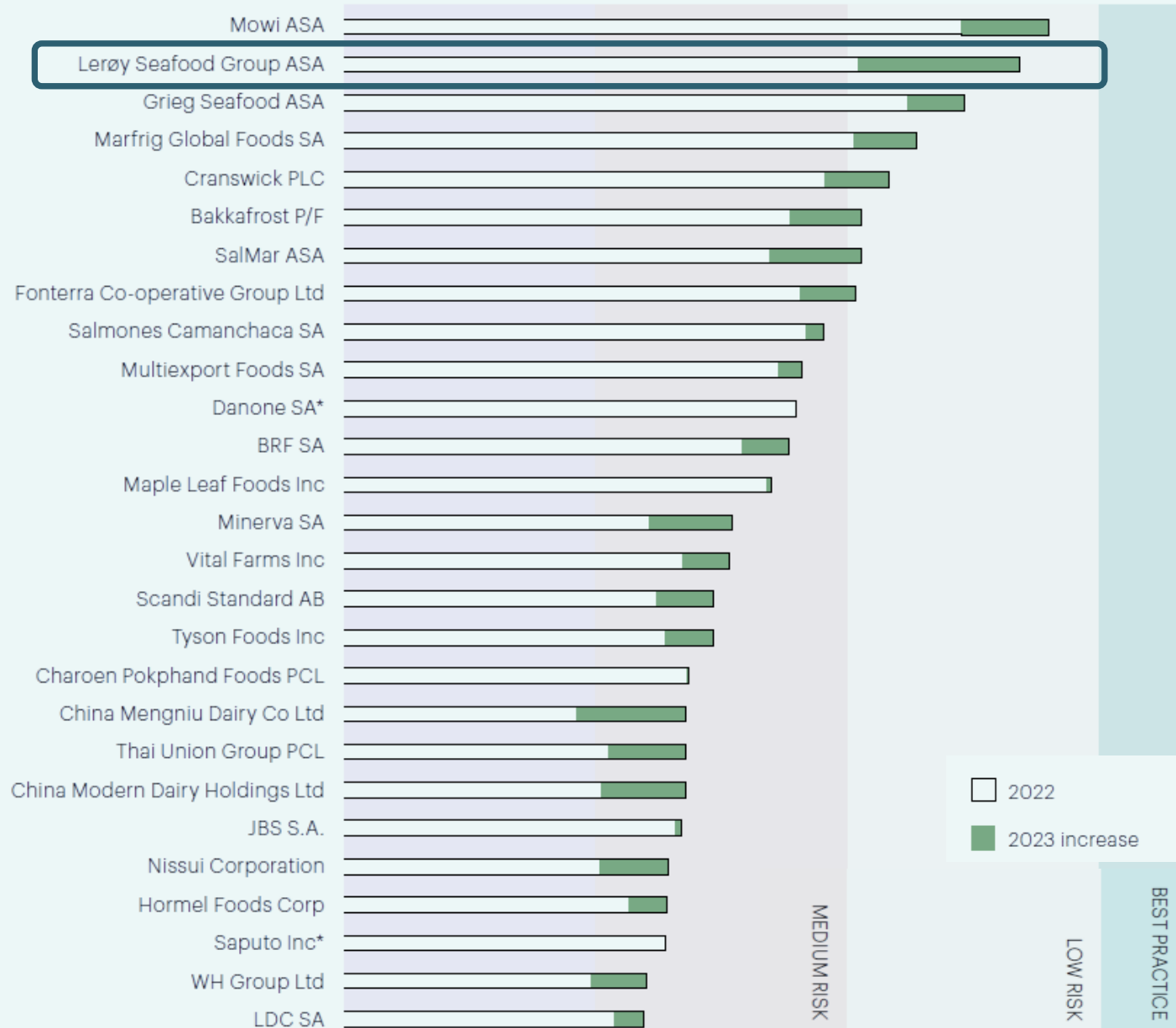
bn NOK in EBIT for
VAP S&D by 2025

Farming

205,000

tonnes harvested in 2025
(Norway)

Top 3 spot on Coller FAIRR sustainability ranking among 60 producers



The Coller FAIRR Protein Producer Index is a detailed sustainability assessment of the largest listed protein producers worldwide and includes producers of meat, dairy and farmed fish.

The sustainability assessment includes animal welfare, climate footprint, environmental impact, freshwater consumption, antibiotic use, social rights, and more.

Lerøy's score represents the largest index score improvement among any of the participants in the latest assessment.

Lerøy is on track towards targets on climate emissions, CO2

- In PwC annual review of Norwegian companies, Lerøy is said to be one of only nine large companies who fulfill the requirements to become a climate winner
- This is the second year Lerøy is on this exclusive list

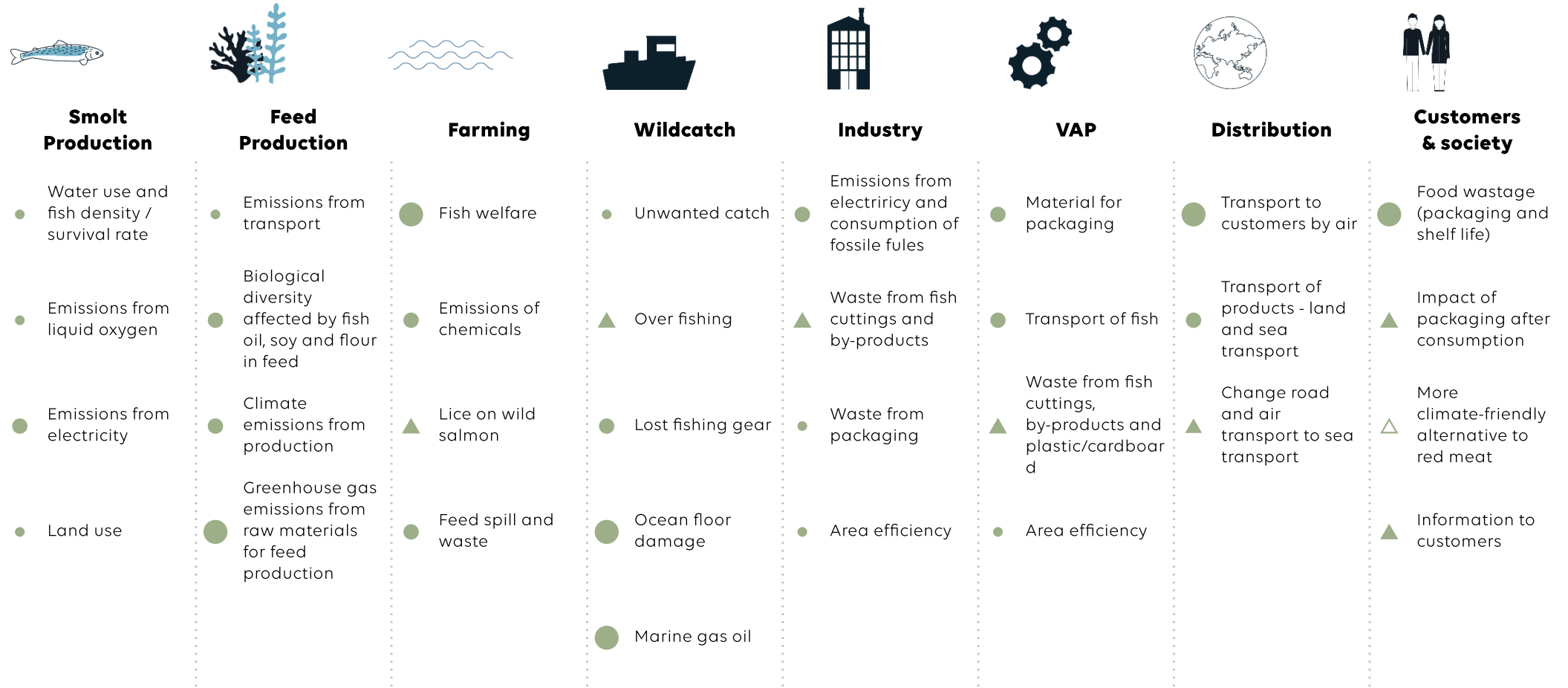
Category 1: Climate winners 2023

Companies that cut at least 7% and are in line with the Paris Agreement

- | | | |
|-------------------------|----------------|--------------|
| → Lerøy Seafood Group | ↑ NG Group | ↑ Skretting |
| → Mowi | → Posten Norge | → Storebrand |
| → Møller Mobility Group | ↑ Salmar | ↑ Veidekke |



We are working on reducing our environmental impact in daily operations – across our value chain...

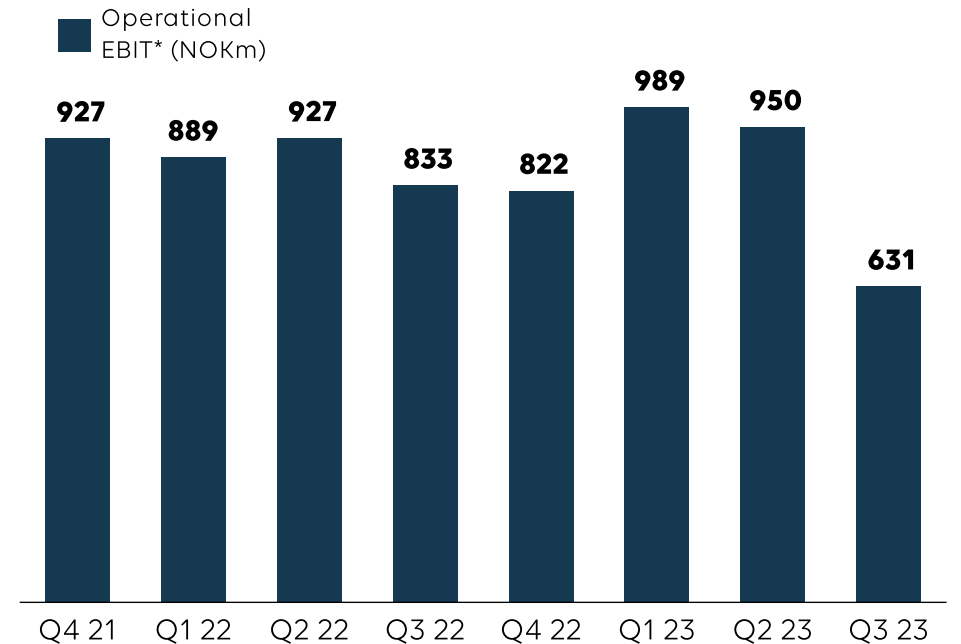




Highlights of the quarter

- Record revenue . Earnings impacted by previously announced ISA outbreaks
- Operational EBIT of NOK 12,4/kg (all inclusive) vs NOK 14,3/kg Q3/22
- Challenging biology late Q3 early Q4 in farming segment
- Positive development VAP, S&D
- Lower profitability on lower quota in Wild Catch

Operational EBIT* (NOKm)



Segments

Farming



Wild catch



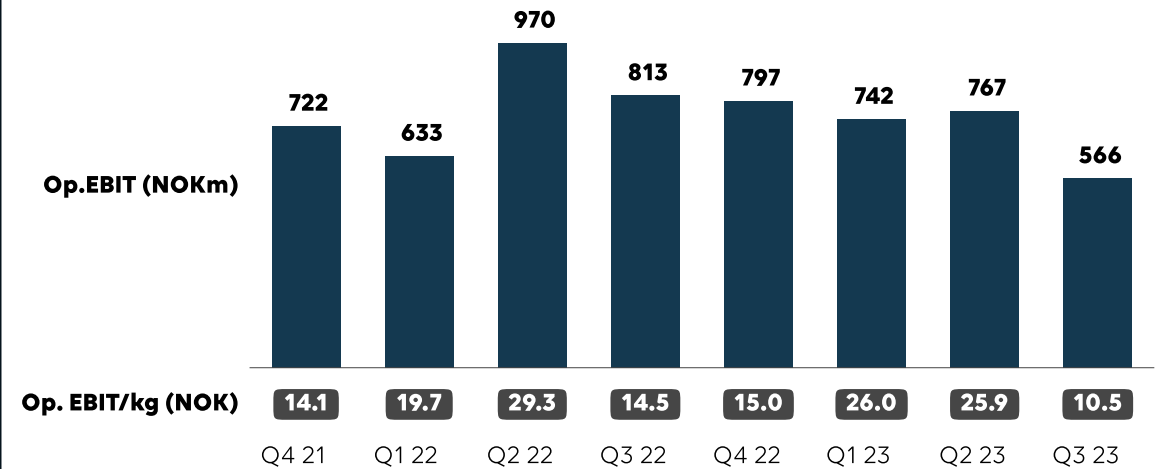
VAP, Sales & Distribution



Farming highlights this quarter

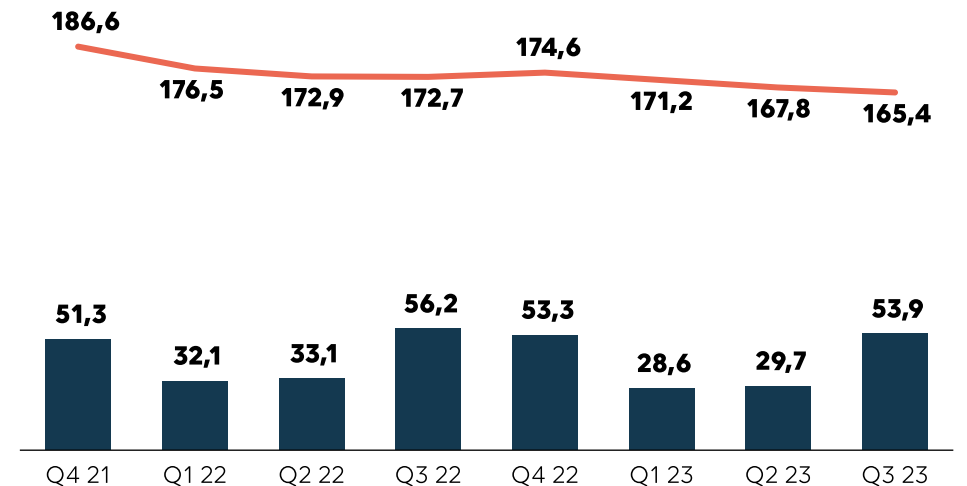
- Loss on operational EBIT for salmon in Lerøy Sjøtroll, driven by ISA, of around NOK 200m in quarter
- Still significant q-o-q reduction in costs, driven by Lerøy Aurora and Lerøy Midt
- Challenging biology end Q3 and start of Q4
 - Gill health issues
 - Harvesting fish sooner than planned
 - Impacting harvest volume 2023 and 2024
- Expects cost in farming segment Q4/23 on level with Q3/23

Operational EBIT Farming



Harvest volume (1,000 GWT)

■ Harvest volume salmon&trout, quarterly — Harvest volume 12 months rolling

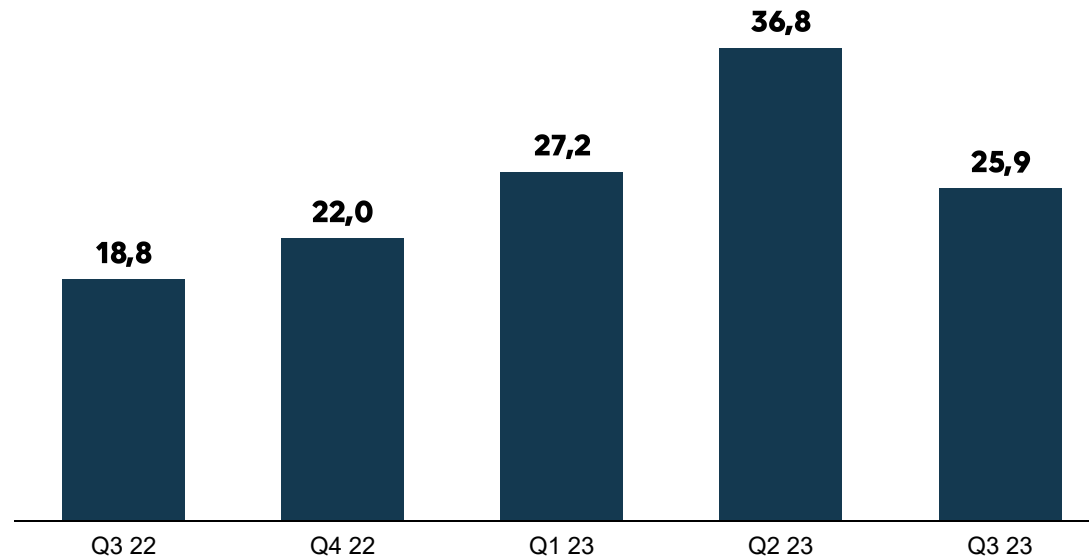


Lerøy Aurora

Lerøy Aurora	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenue (NOKm)	1 275	1 029	2 586	1 748
Operational EBIT (NOKm)	378	277	788	460
Harvested volume (GWT)	16 529	15 681	30 526	24 990
Harvest weight (avg. in kg)	4,1	4,2	3,9	4,0

- Positive development in 2023, but lower growth rates than expected late Q3 and start of Q4
- Cost significantly lower q-o-q. Expect same level Q4/23
- Expected harvest volume
 - 43,000 GWT in 2023
 - 47,000 GWT in 2024
- Significant lift in harvest weights expected in 2024

Operational EBIT/kg value chain (in NOK)



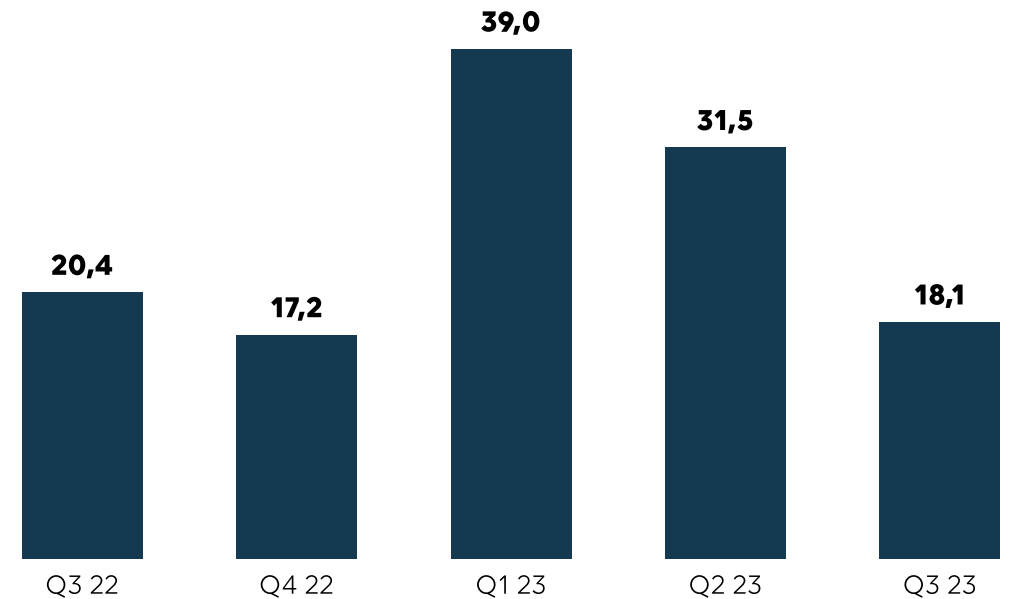
The value chain consists of farming and VAPS&D

Lerøy Midt

- Positive biological development in 2023. Gill health issues late Q3 and start of Q4 with accelerated harvest.
- Significant cost decrease q-o-q. Same level expected in Q4/23
- Expect harvest volume:
 - 61,000 GWT in 2023
 - 70,000 GWT in 2024
- Expect to see improvement in coming year from
 - Higher, better quality, biomass going into 2024
 - Smolt quality
 - Impact from new farming technology

Lerøy Midt	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenue (NOKm)	1 699	1 491	3 521	3 546
Operational EBIT (NOKm)	339	422	924	1 193
Harvested volume (GWT)	22 419	21 896	41 051	47 794
Harvest weight (avg. in kg)	3,7	4,5	3,8	4,6

Operational EBIT/kg value chain (in NOK)



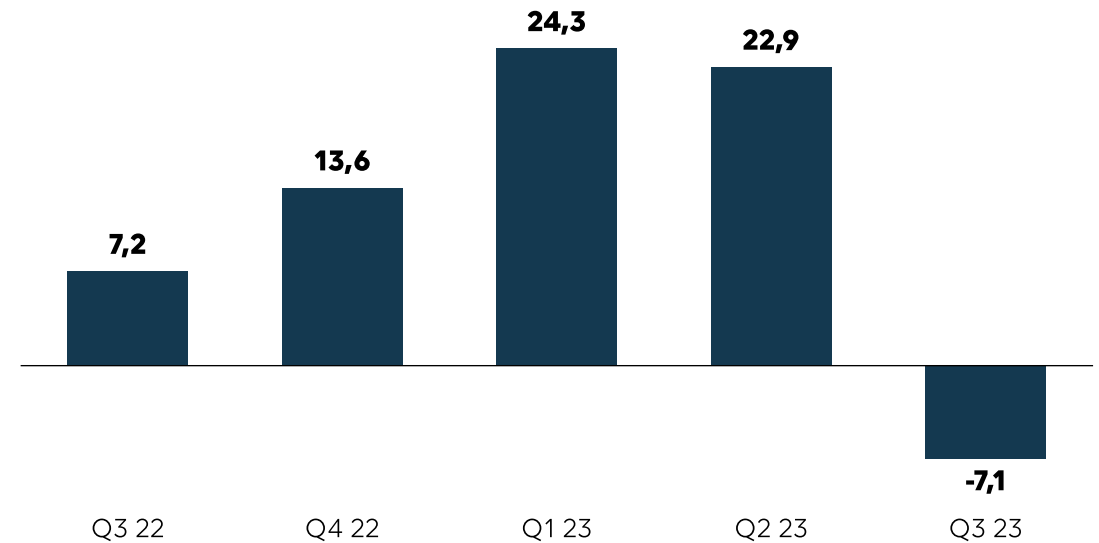
The value chain consists of farming and VAPS&D

Lerøy Sjøtroll

- Forced harvest of two salmon sites with ISA
- Trout performing well
- Fish groups with same characteristics as Lerøy Midt (gill health) harvested early. Harvest volume 2023 and 2024 reduced:
 - 53,000 GWT in 2023
 - 58,000 GWT in 2024
- Expect clear improvements from
 - Smolt quality
 - New farming technology
 - Increased production of trout

Lerøy Sjøtroll	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenue	1 093	1 226	3 429	3 476
Operational EBIT (NOKm)	-151	114	363	763
Harvested volume (GWT)	14 928	18 602	40 559	48 535
Harvest weight (avg. in kg)	3,3	3,8	3,5	4,0

Operational EBIT/kg value chain (in NOK)



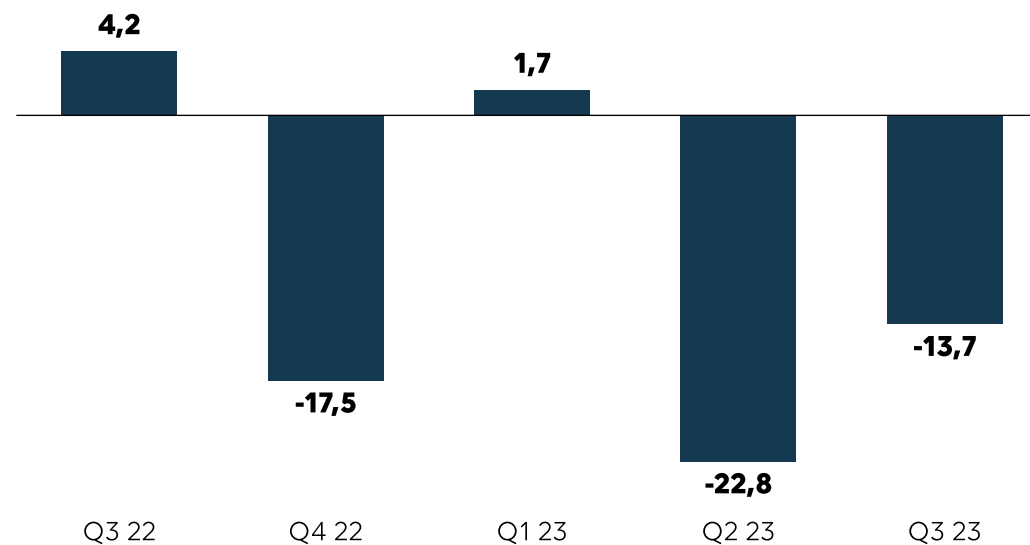
The value chain consists of farming and VAPS&D

Norskott Havbruk (50% owned)

- Biological challenges impacting harvest volume, average harvest weights cost and price achievement
- Incident based mortality in the quarter of £13.1m or £ 1.5/kg
- 49% of volume sold on contracts
- Improved biological situation for generations to be harvested in 2024
- Expect harvest volume of
 - 25,000 GWT in 2023
 - 37,000 GWT in 2024

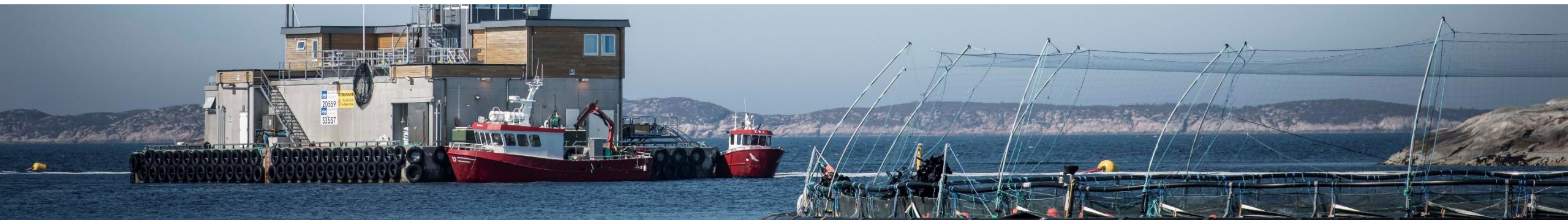
100% basis, in NOKm	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Revenues	867	972	2 065	2 495
Operational EBIT	-121	47	-257	342
Harvested volume (GWT)	8 818	11 290	20 313	28 619
Operational EBIT/kg	-13,7	4,2	-12,6	12,0
NIBD	2 700	1 871	2 700	1 871

Operational EBIT pr kg (in NOK)



Farming volumes (1000' GWT)

Farming volumes	2019	2020	2021	2022	2023E	2024E	2025E
Lerøy Aurora AS	32,8	35,0	44,0	40,1	43,0	47,0	50,0
Lerøy Midt AS	64,8	67,9	72,6	68,8	61,0	70,0	80,0
Lerøy Sjøtroll	60,6	68,0	70,0	65,7	53,0	58,0	75,0
Total Norway	158,2	170,9	186,6	174,6	157,0	175,0	205,0
Scottish Seafarms (Lerøy's 50% share)	12,9	12,0	16,2	19,0	12,5	18,5	
Total	171,1	182,9	202,8	193,6	169,5	193,5	

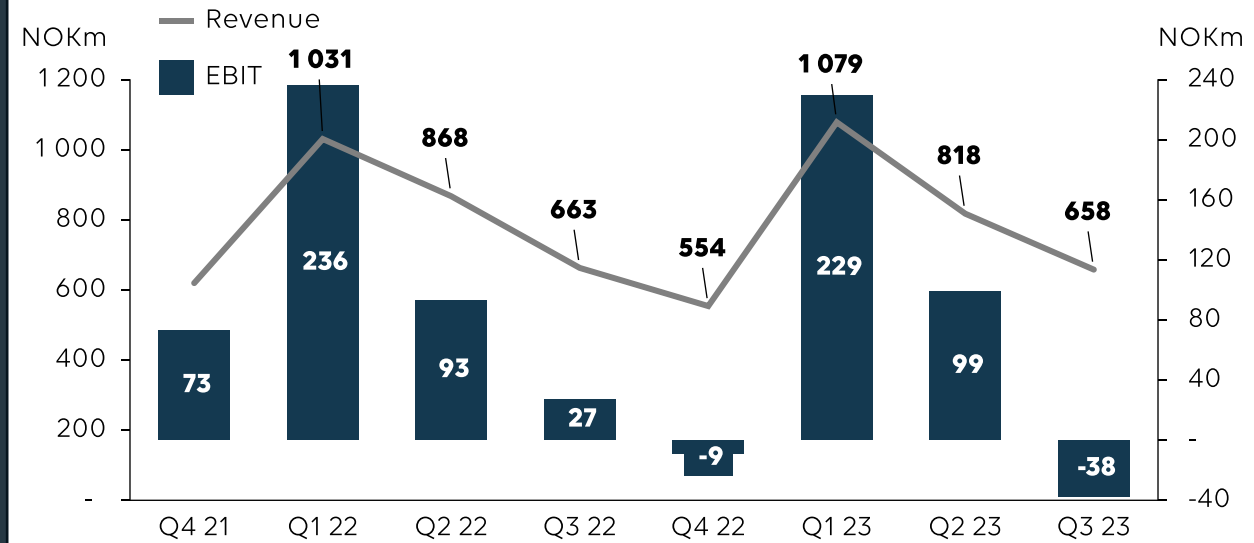


Wild catch highlights this quarter

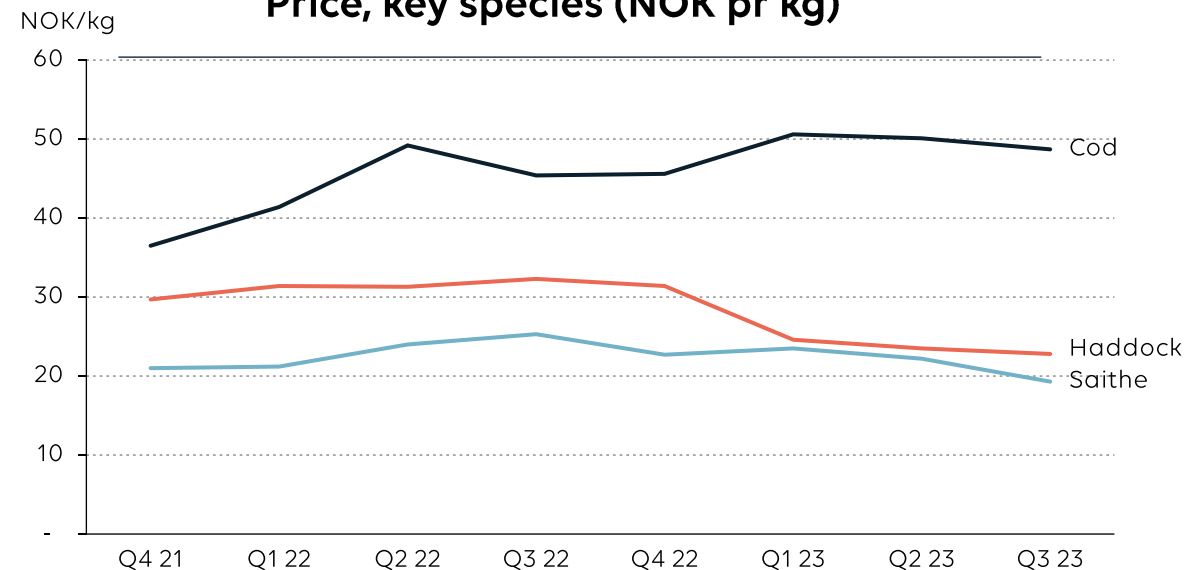
- Lower catch values on lower quotas and weakening prices on key species such as haddock, saithe and shrimps
- 771 catching days in Q3/23 vs 719 in same quarter last year. Catch volume per day 10% lower, and with lower average prices, catch value was down 20% per day y-o-y
- Fuel consumption per day at same level as last year. Fuel prices lower, and fuel cost MNOK 23 lower than same quarter last year

* Equal to reported EBIT

Revenue and Operational EBIT* wild catch



Price, key species (NOK pr kg)



Wild catch quotas and catch volumes (GWT 1,000)

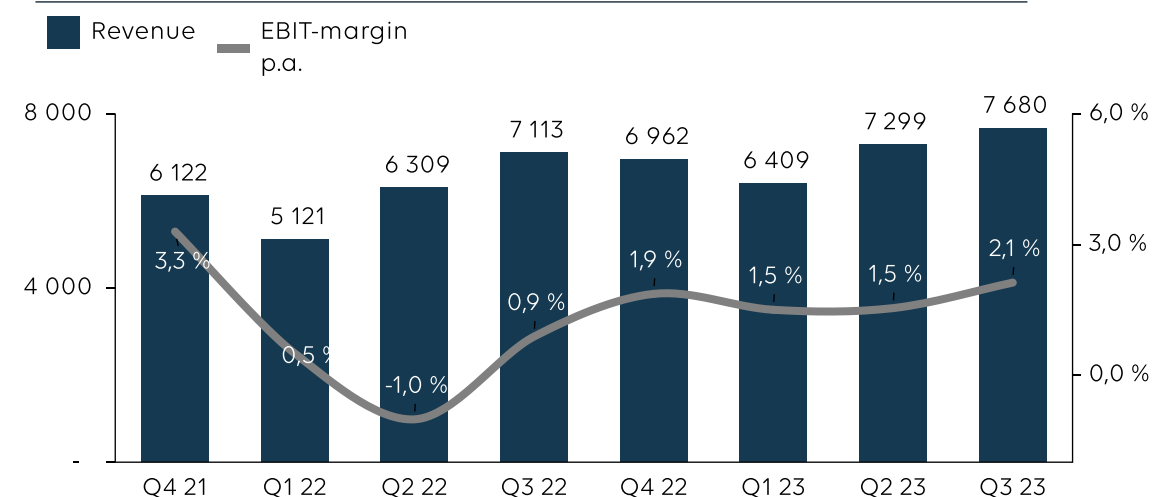
Catch volumes wild catch	Q3-23	Q3-22	YTD 2023	YTD 2022	Remaining quota 2023	Remaining quota 2022
Cod	3,5	4,1	14,5	17,9	5,2	6,1
Saithe	4,5	2,8	12,3	10,2	6,9	7,5
Haddock	0,2	0,2	9,8	9,0	3,0	1,7
Shrimps	4,4	3,1	9,0	9,3		
Other	1,9	4,6	17,9	12,2		
Total	14,4	14,9	63,4	58,6	15,1	15,3



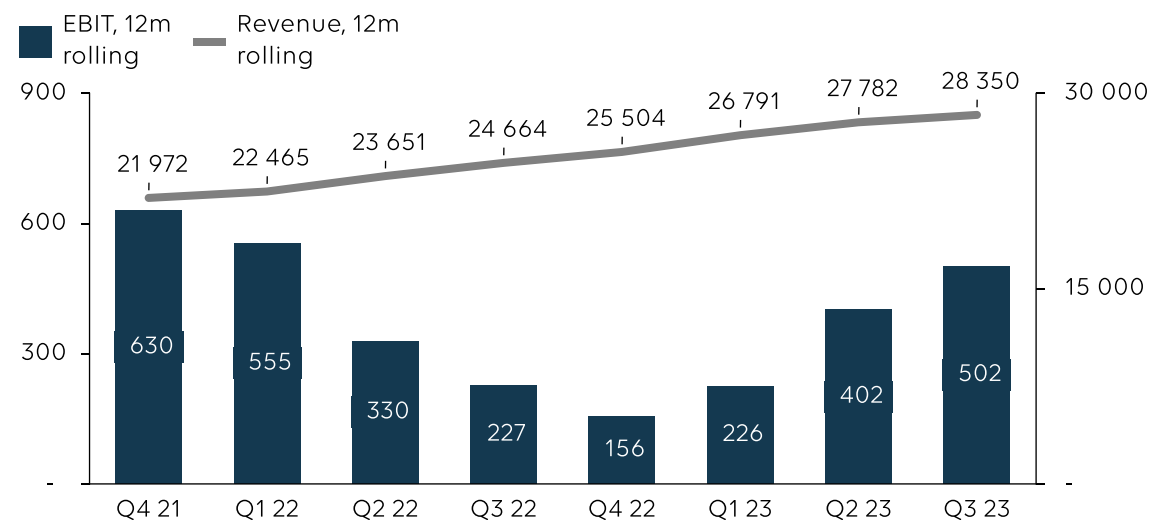
VAP, S&D highlights this quarter

- Significant improvement compared to last year
- Operational EBIT of MNOK 163 in Q3/23 vs MNOK 63 in Q2/22
- As of today, expect profitability in Q4/23 in line or higher than Q4/22
- Significant potential for improvement in some regions

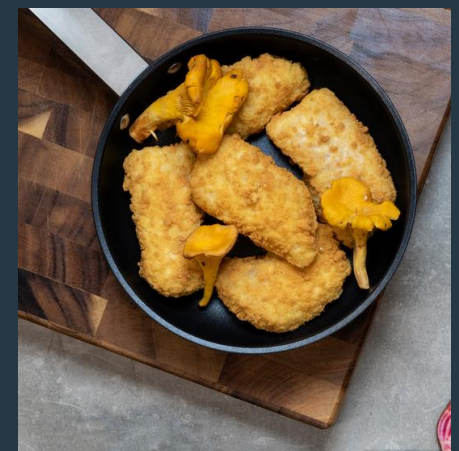
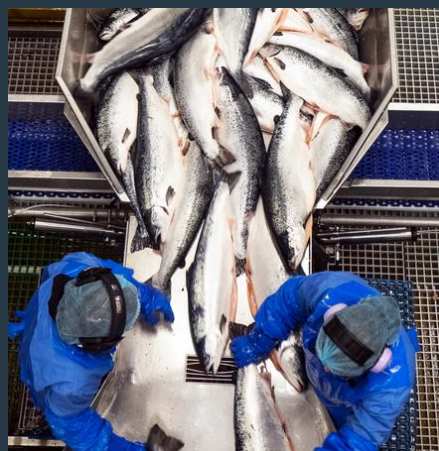
Revenue and Operational EBIT VAP, S&D (NOKm)



Revenue and Op. EBIT VAP, S&D (NOKm), 12m rolling



Sales and processing operations in 14 countries



Agenda

1. Highlights
2. **Key financial highlights**
3. Outlook

Profit and Loss statement

(NOKm)	Q3 2023	Q3 2022	▲%
Revenue and other income	8 001	7 441	8%
Operational EBITDA**	1 008	1 175	-14%
Depreciation & amortisation	377	342	
Operational EBIT**	631	833	-24%
EPS (NOK)*	0,17	0,99	-83%
Salmon and trout harvest volume (GWT)	53 876	56 179	-4%
Operational EBIT** all incl. excl. Wildcatch/kg	12,4	14,3	
Whitefish catch volume (tonnes)	14 433	14 862	-3%
Operational EBIT/kg Wildcatch	-2,6	1,8	
ROCE* (%)	8,7%	14,9%	

Highlights this quarter

- High activity. Earnings much impacted by harvesting two ISA sites in quarter
- EPS impacted by implementation effects of resource tax. Please see note 10 for more details
- EPS YTD 2023 excl. implementation effect of resource tax of NOK 1,91 compared to 2,84 YTD 2022.

*Excluding: Fair value adjustments related to biological assets

**Operational EBIT: Excludes fair value adjustments related to biological assets and production fees (essentially a tax item), in line with market practice. Isolated events not expected to reoccur, such as restructuring costs and litigation costs are also excluded.

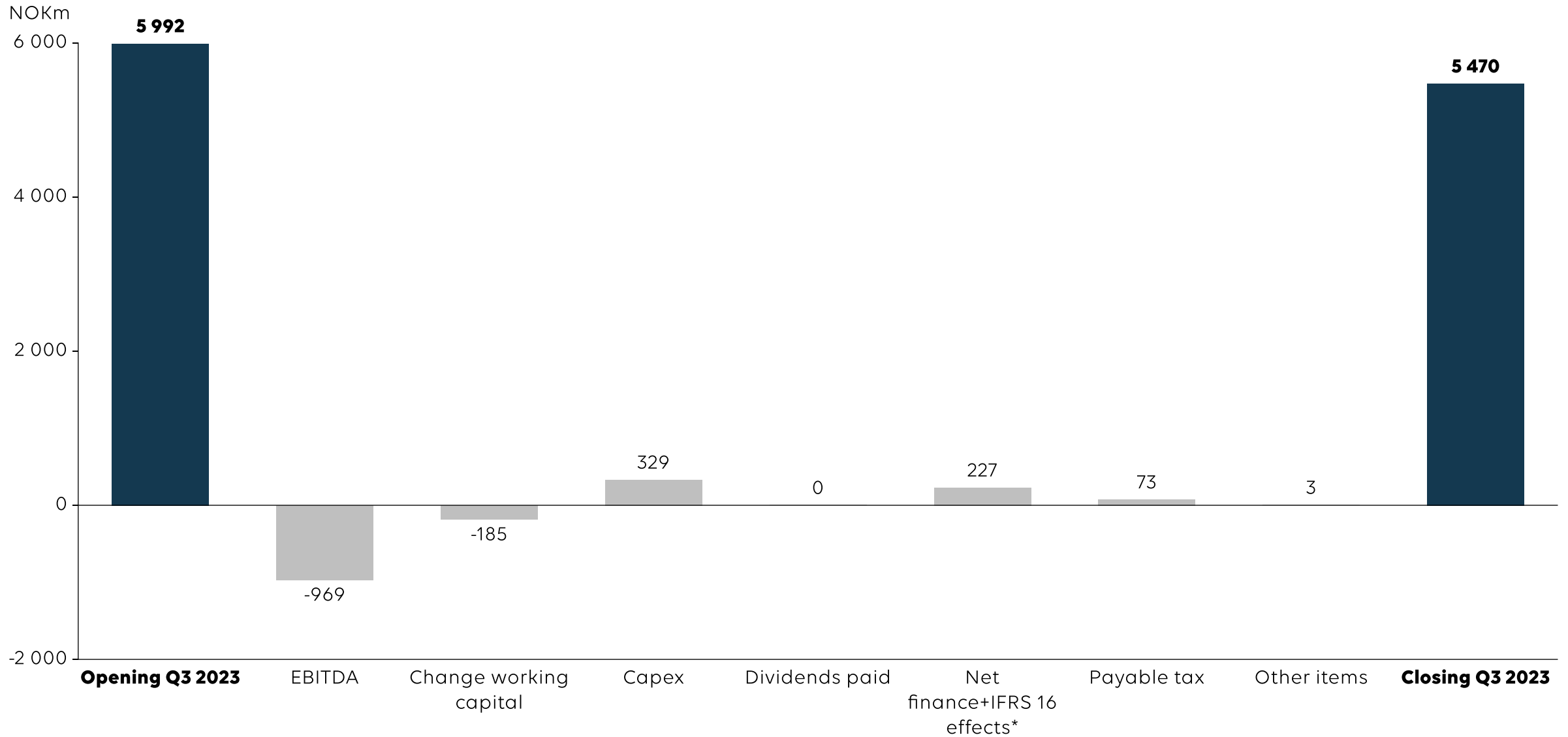
Balance sheet

(NOKm)	30.09.2023	30.09.2022	▲
Intangible assets	8 720	8 706	14
Right-of-use-assets	2 748	2 854	-106
Tangible fixed assets	8 048	7 392	656
Financial non-current assets	1 538	1 677	-139
Total non-current assets	21 054	20 628	426
Biological assets at cost	5 842	5 200	643
Fair value adjustment of biomass	2 354	2 929	-575
Other inventory	2 488	1 846	642
Account receivables	2 972	2 647	325
Other receivables	957	689	268
Cash and cash equivalents	5 170	2 902	2 269
Total current assets	19 784	16 212	3 572
Total assets	40 838	36 840	3 998

Highlights this quarter

- Inflationary trends gives significant lift in working capital items y-o-y
- Strong balance sheet
- Issuer credit rating BBB+
- NIBD of NOK 5,470m
- Equity ratio of 47%, reduced with implementation effect of resource tax

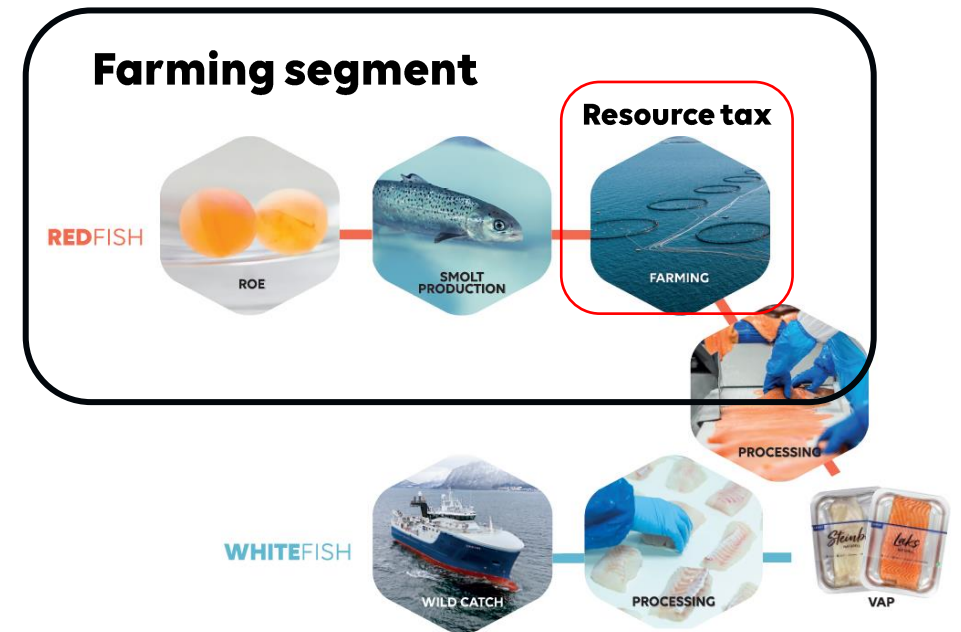
Change in net interest-bearing debt this quarter



*Includes instalments on lease liabilities to others than credit institutions (IFRS 16)

Resource tax proposal

- Adopted by the Norwegian Storting 31 May 2023
- Increase tax rate in the "sea phase" by 25%
- Efficient tax rate dependent on share of profit and investments in the "sea phase". Not possible to make comments on fixed future tax rate in the Farming segment.
- Implementation effect around NOK 1,7bn. Best estimate resource- and production tax on running earnings YTD around NOK 300m



Agenda

1. Highlights
2. Key financial highlights
- 3. Outlook**



Atlantic Salmon - Supply

in tons WFE

Year	2018		2019		2020		2021		2022		2023		2024	
Region	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change
Europe	1 505 100	0,7 %	1 650 500	9,7 %	1 675 900	1,5 %	1 895 500	13,1 %	1 839 100	-3,0 %	1 806 700	-1,8 %	1 927 500	6,7 %
Norway	1 253 400	3,8 %	1 333 400	6,4 %	1 370 000	2,7 %	1 533 400	11,9 %	1 517 100	-1,1 %	1 505 600	-0,8 %	1 581 700	5,1 %
United Kingdom	152 100	-14,2 %	190 500	25,2 %	178 300	-6,4 %	199 200	11,7 %	160 800	-19,3 %	161 600	0,5 %	177 600	9,9 %
Faroe Islands	71 700	-10,7 %	86 600	20,8 %	80 600	-6,9 %	105 500	30,9 %	99 600	-5,6 %	89 500	-10,1 %	105 700	18,1 %
Iceland	13 600	17,2 %	24 500	80,1 %	31 200	27,3 %	41 500	33,0 %	42 900	3,4 %	35 000	-18,4 %	46 000	31,4 %
Ireland	14 300	-15,9 %	15 500	8,4 %	15 800	1,9 %	15 900	0,6 %	18 700	17,6 %	15 000	-19,8 %	16 500	10,0 %
Americas	898 000	12,3 %	927 600	3,3 %	1 036 460	11,7 %	1 000 400	-3,5 %	1 021 900	2,1 %	1 020 400	-0,1 %	1 044 200	2,3 %
Chile	660 100	17,0 %	690 300	4,6 %	778 500	12,8 %	718 300	-7,7 %	753 300	4,9 %	763 300	1,3 %	770 500	0,9 %
Canada	146 000	6,6 %	137 500	-5,8 %	136 800	-0,5 %	142 000	3,8 %	131 500	-7,4 %	119 000	-9,5 %	125 000	5,0 %
Australia	62 300	-1,3 %	60 900	-2,2 %	82 800	36,0 %	87 800	6,0 %	88 500	0,8 %	90 000	1,7 %	91 200	1,3 %
Others	10 600	-20,3 %	18 100	70,8 %	18 360	1,4 %	33 300	81,4 %	29 100	-12,6 %	29 200	0,3 %	40 500	38,7 %
USA	19 000	-12,4 %	20 800	9,5 %	20 000	-3,8 %	19 000	-5,0 %	19 500	2,6 %	18 900	-3,1 %	17 000	-10,1 %
Totalt	2 403 100	4,8 %	2 578 100	7,3 %	2 712 360	5,2 %	2 895 900	6,8 %	2 861 000	-1,2 %	2 827 100	-1,2 %	2 971 700	5,1 %

Figures as per:
10.11.2023

Source: Kontali



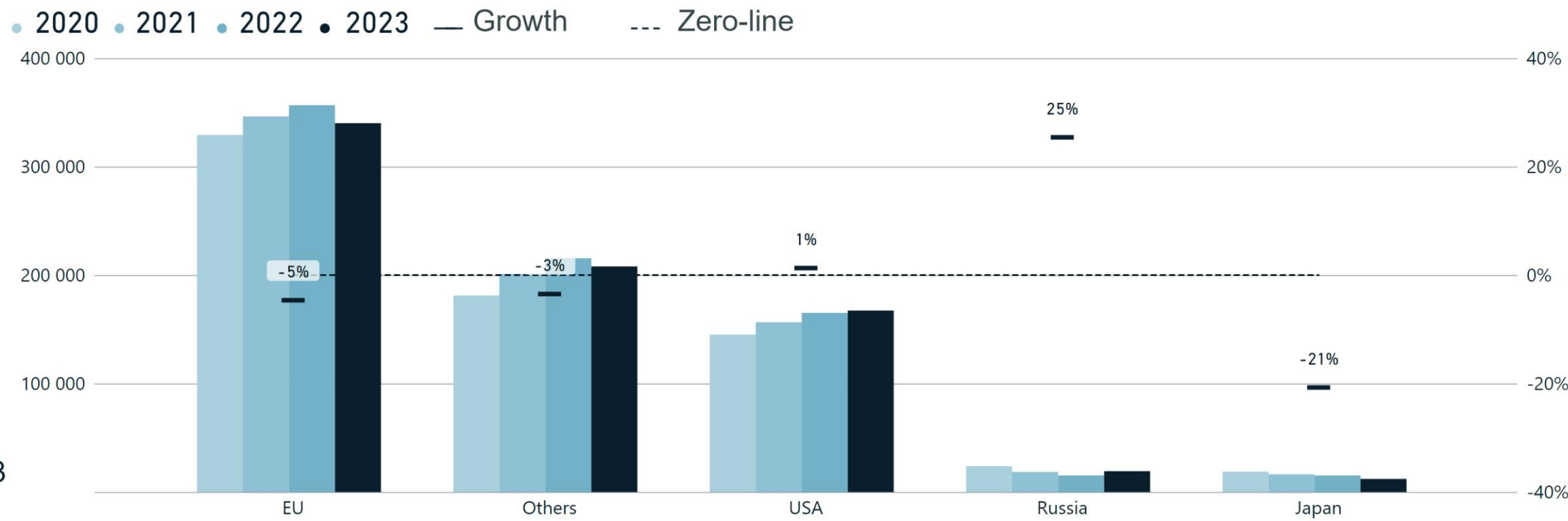
NOK/KG (NSI 3-6):

79.73 11.69% (71.39)

Atlantic Salmon Consumption

Q3

Market	2020	2021	2022	2023	Growth	Growth %
EU	329 198	346 279	356 674	340 112	-16 562	-4,6 %
Others	181 245	201 077	215 535	208 006	-7 529	-3,5 %
USA	145 098	156 549	165 181	167 318	2 137	1,3 %
Russia	23 824	18 494	15 318	19 208	3 890	25,4 %
Japan	18 747	16 339	15 253	12 091	-3 162	-20,7 %
Total	698 111	738 739	767 960	746 735	-21 225	-2,8 %



Figures as per:
10.11.2023
Source: Kontali

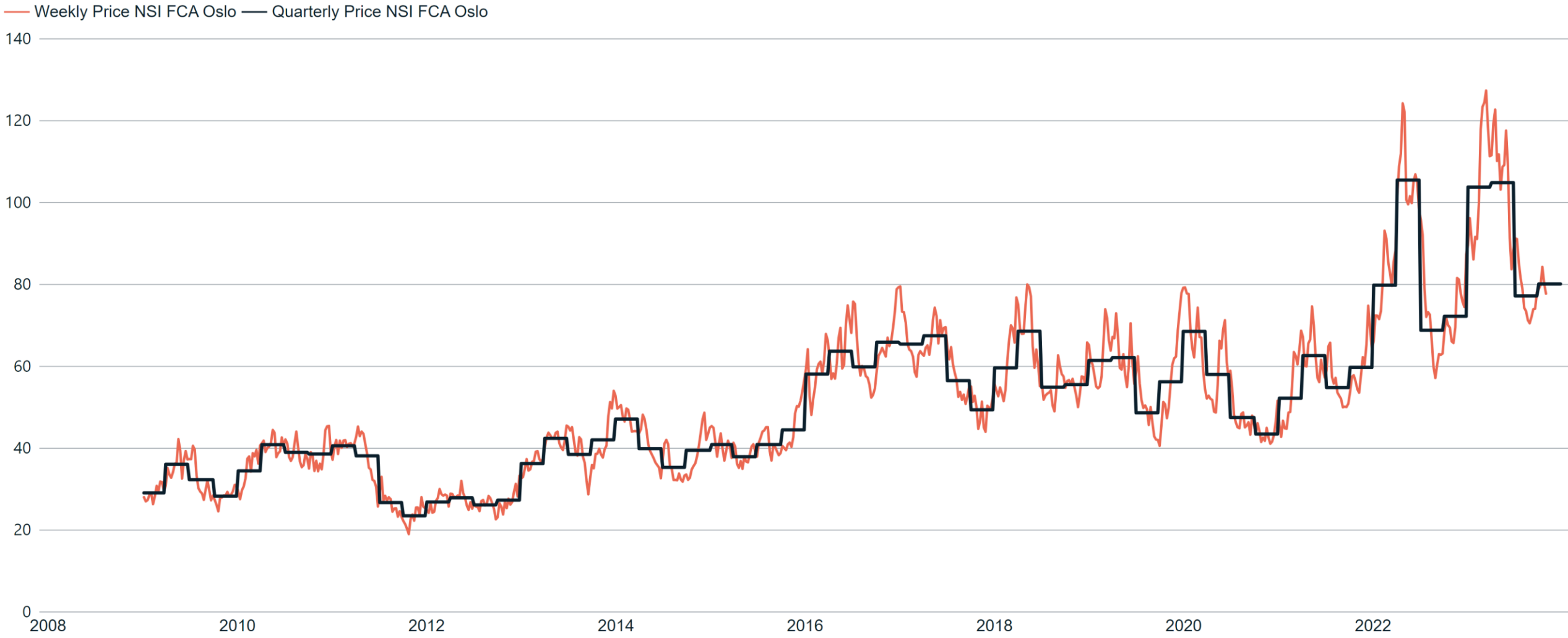


Spot Prices, Fresh Atlantic Salmon

- Cross Section, FCA Oslo, Superior Quality

as of week 44-2023

Q1	29	34	40	27	36	47	41	58	65	60	61	68	52	80	104
Q2	36	41	38	28	42	40	38	64	67	68	62	58	63	105	105
Q3	32	39	27	26	38	35	41	60	56	55	49	47	55	69	77
Q4	28	38	23	27	42	39	44	66	49	55	56	43	60	72	80
Total	31	38	32	27	41	40	41	62	59	59	57	53	57	79	89





Outlook

Farming

- Challenging biology late Q3/23 and early Q4/23
- Significant measures implemented particularly within:
 - Smolt quality: Improved genetic selection, improving procedures at hatchery, lower temperatures in early stages
 - New farming technology
 - Process improvement/Implementing LerøyWay

Wild Catch

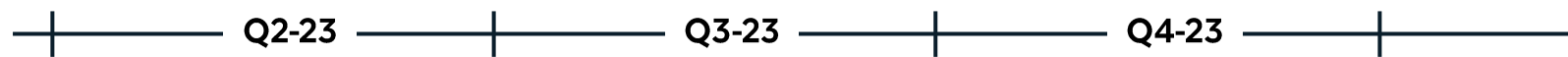
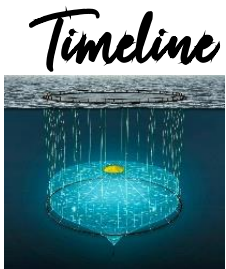
- Weaker development in prices, will impact profitability also in Q4/23
- Quotas for 2024
 - Cod down 20%
 - Haddock down 17%
- Improved profitability over time, realising the potential of value chain
- New facility in Båtsfjord completed in January 2024

VAP, S&D

- Increased demand for integrated, sustainable, value chain
- Improved market share in some key markets, utilising the potential of our value chain
- Expect profitability in Q4/23 in-line or higher than Q4/22
- Large variation in profitability in different unit, and clear potential for growth in profitability in 2024

20% of our salmon stock to be protected by Q1 2024

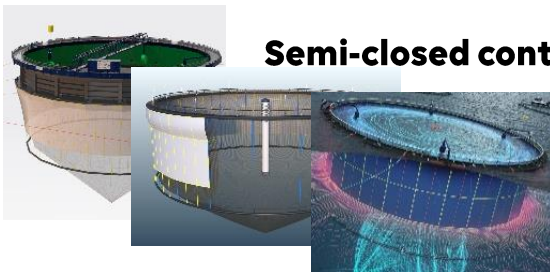
Deployed at selected sites in our regions with higher lice concentration



Submerged cages



51 units
5 sites
7.5 mill. fish



Semi-closed containments

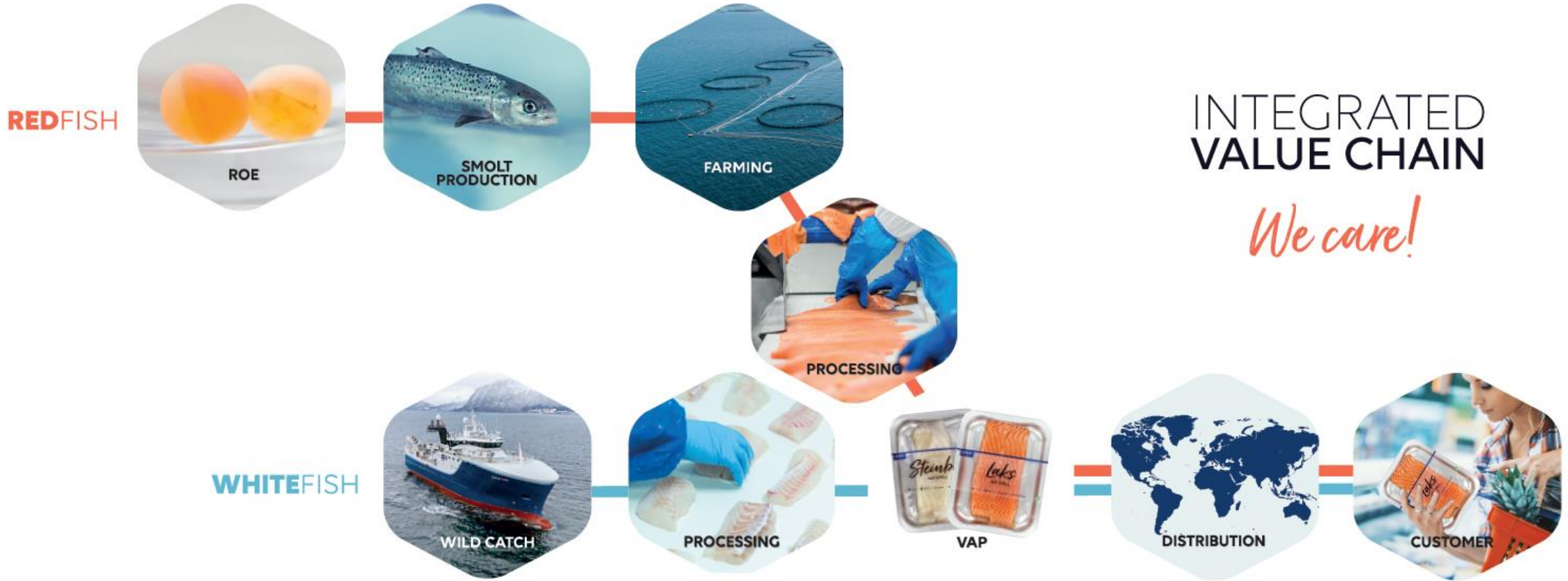
Building of steel cages at a Norwegian yard



13 units
4 sites
2.5 mill. fish

LS Lerøy Sjøtroll
LM Lerøy Midt

Creating the world's most efficient and sustainable value chain for seafood



Q & A

Disclaimer

This presentation has been produced by Lerøy Seafood Group ASA (the "Company") exclusively for information purposes. It must be read in conjunction with the recent financial information and the disclosures therein. By attending this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the businesses of the Company. The presentation does not constitute an invitation or offer to acquire, purchase or subscribe for securities of any kind.

The presentation may contain projections and forward-looking statements relating to the Company. The words "believe", "expect", "could", "may", "anticipate", "intend" and "plan" and similar expressions identify forward-looking statements. All statements other than statements of historical facts included in the Presentation are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance, achievements and value to be materially different from any future results, performance, achievements or values expressed or implied by such forward-looking statements. No warranty or representation is given by the Company or any of its advisers as to the reasonableness of these assumptions. Further, certain forward-looking statements are based upon assumptions of future events that may not prove to be accurate. Nothing in this presentation is, or should be construed as, a profit forecast.

The Company disclaims any continuing accuracy of the information provided in this presentation after today.

The Norwegian
Seafood Pioneer