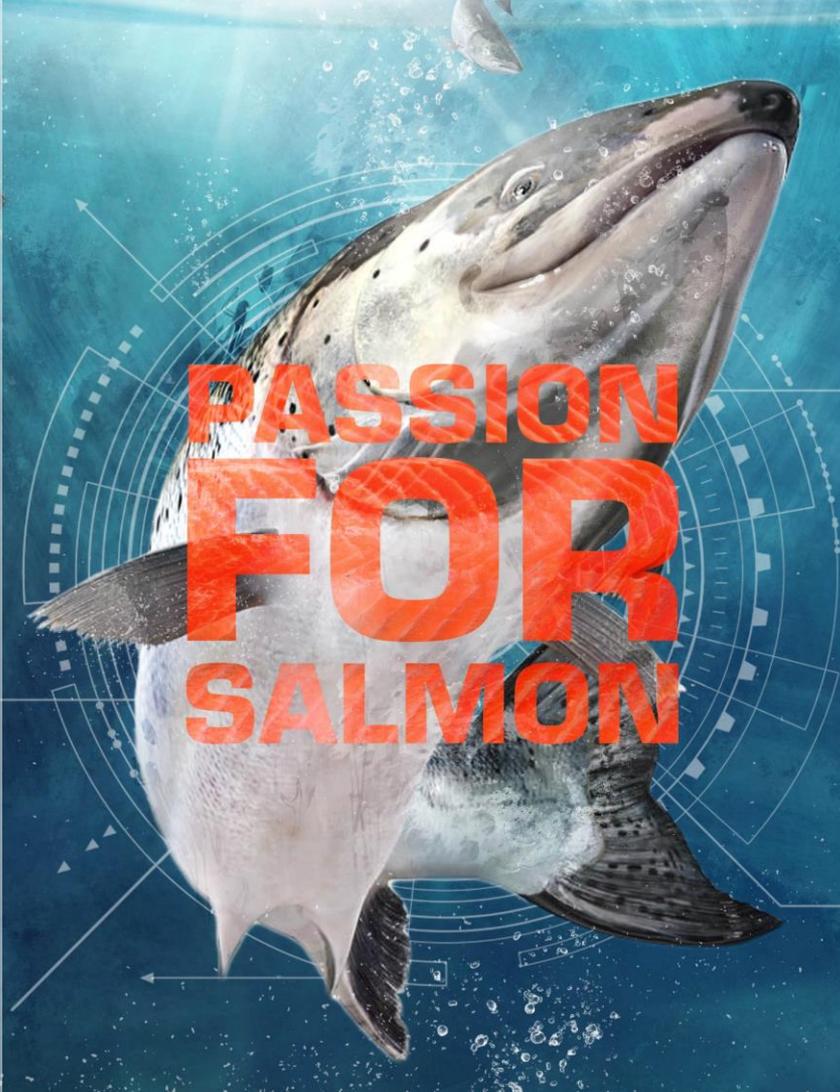




SalMar ASA Q4 2022 Presentation

22 February 2023

CEO Frode Arntsen
CFO Ulrik Steinvik



**PASSION
FOR
SALMON**



Agenda

- Highlights FY 22 and Q4 22
- Operational Update
- Financial Update
- Strategic Update
- Outlook



2022 an eventful year which paves the way forward

Strengthened existing value chain with untapped potential in all regions

Joined forces with
NTS, NRS & SalmoNor



SalMarAkerOcean

NTS

Arnarlax

Scottish
Sea Farms

FRØY

Key Figures Norway

- License capacity: **163,509 MAB tonnes**
- Expected harvest volume 2023: **243,000 tonnes**
- Harvest volume potential: **280,000 tonnes**
- Smolt capacity: **95 million smolt**
- Harvesting capacity: **400,000 tonnes**
- VAP capacity: **150,000 tonnes**

Strengthened existing
value chain



Smolt

- New RAS facility on Senja completed in 2022
- Tjuin to be completed in 2023
- Increasing smolt capacity on Iceland

Coastal Farming

- New sites put into operation
- Construction of second closed net pen



Sales & Industry

- InnovaNor put into operation – Northern Norway's largest harvesting & processing facility
- Strengthening our local processing capacity

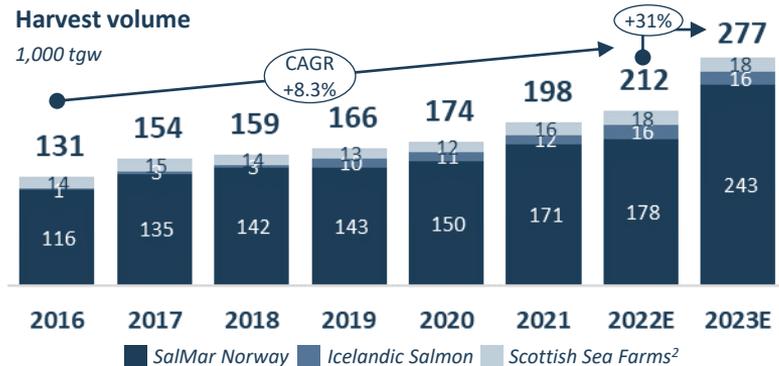
Offshore Farming

- SalMar Aker Ocean continuing design for new offshore units
- Upgrade of OF1 to be completed in 2023



Hard work over time has led to strong results in 2022

Significant potential for improvements across the value chain



Farming Norway¹

- Record high harvest volume in 2022
- Continued strong results

Sales & Industry

- Substantial increase in volume driven by completion of InnovaNor
- Record high volume sent for VAP
- Margins affected by prices on contract portfolio

Icelandic Salmon

- Results in 2022 showcasing potential on Iceland

SalMar Aker Ocean

- Continuing processes to establish a regulatory framework to realize potential offshore

Scottish Sea Farms²

- Results affected by biological challenges

	EBIT/kg	FY 2022	FY 2021	Δ YoY
	Farming Norway ¹	34.5	19.7	+14.8
	Icelandic Salmon	22.7	6.4	+16.3
	Group	23.1	16.1	+7.0
	Scottish Sea Farms ²	6.0	7.6	-1.6
	Group – EBIT (MNOK)	4,465	2,927	+1,538 (+53%)

1) Farming Central Norway & Northern Norway

2) Scottish Sea Farms – Associated company through Norskott Havbruk, ownership 50%. Harvest volume in graph depicts SalMar share.

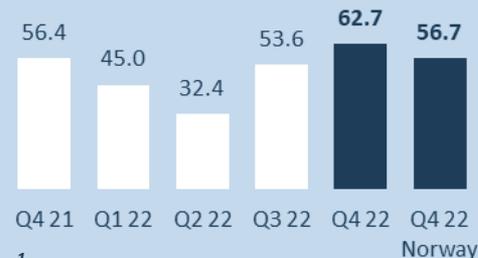
Highlights Q4 2022

Transactions with NTS, NRS and SalmoNor completed
Biological challenges affecting results in Central Norway

- Total group operational EBIT 1,006 MNOK with Norway 956 MNOK
 - Biological challenges in Central Norway
 - Northern Norway with continued strong results
 - Sales & Industry with record high activity level
 - Continued good results from Icelandic Salmon
 - Includes one-off costs related to the transactions of 120 MNOK
- Weak results from Scottish Sea Farms due to biological challenges
- Transactions with NTS, NRS and SalmoNor completed
 - Inclusion of results from NTS, NRS and SalmoNor from November 2022
 - Exploring strategic alternatives for Frøy
- Proposed dividend for 2022 of NOK 20.00 per share

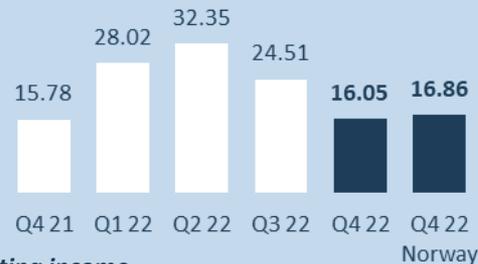
Harvest volume

(1,000 tons gw)



EBIT/kg¹

(NOK)



Operating income

(NOKm)



1) Excluding costs connected with lawsuits in North-America at 164 MNOK in Q2 2022

OPERATIONAL UPDATE



Farming Central Norway

Biological challenges affecting results

- Low average weight of harvested fish
 - Resulting in high cost and low price achievement
- Volumes from SalmoNor with slightly higher cost base
- Autumn 2021 generation accounted for the harvest volume

- Expect significantly lower volume and slightly lower cost level in Q1 2023
- Expect to harvest 148,000 tonnes in 2023

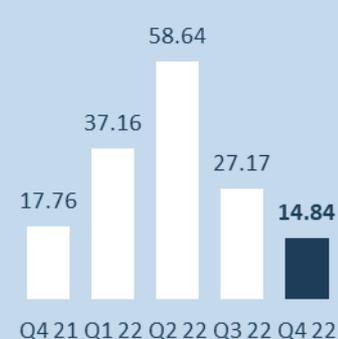
KEY RESULTS

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income (NOKm)	2,298	2,091	8,872	6,542
Operational EBIT (NOKm)	484	615	3,599	2,118
Operational EBIT %	21 %	29 %	41 %	32 %
Harvest volume (tgw)	32.6	34.6	114.1	110.7
EBIT/kg	14.84	17.76	31.53	19.14

Harvest volume
(1,000 tons gw)



EBIT/kg
(NOK)



Farming Northern Norway

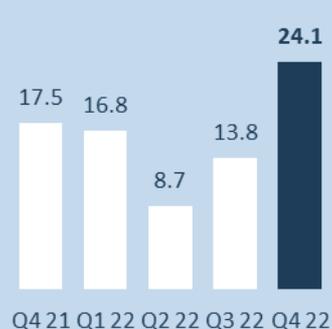
Continuing the trend with solid performance

- Volumes from NRS with higher cost base than SalMar
- Spring 2021 accounted for 70% of the volume in the period
 - Started harvesting of autumn 2021
- Expect higher cost level and lower volume in Q1 2023
- Expect to harvest 95,000 tonnes in 2023

KEY RESULTS

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income (NOKm)	1,757	1,022	4,883	3,343
Operational EBIT (NOKm)	777	429	2,526	1,243
Operational EBIT %	44 %	42 %	52 %	37 %
Harvest volume (t _{gw})	24.1	17.5	63.4	59.8
EBIT/kg	32.29	24.48	39.84	20.76

Harvest volume
(1,000 tons gw)



EBIT/kg
(NOK)



Sales & Industry

Solid operational performance and strong capacity utilization

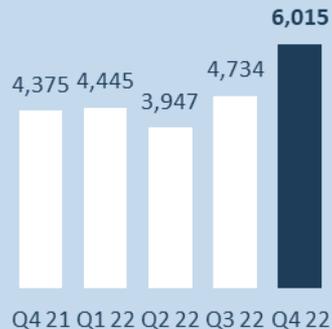
- Record high volumes through our facilities
- Price achievement affected by challenges in Central Norway
- Results from SalmoSea and sales in NRS with negative contribution
- Contract share at 33% in Q4 2022

- Contract share currently around 25% for Q1 2023 and 10% for FY 2023
 - Higher price point on contracts YoY and working to secure more volume
- Expect low volumes through harvesting and processing facilities in Q1 2023 due to seasonality

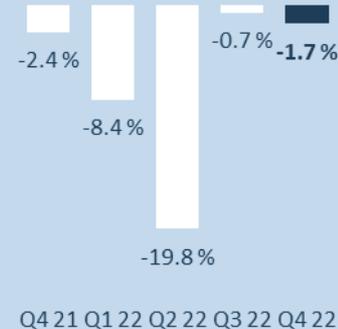
KEY RESULTS

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income (NOKm)	6,015	4,375	19,141	14,406
Operational EBIT (NOKm)	-100	-106	-1,286	-152
Operational EBIT %	-1.7 %	-2.4 %	-6.7 %	-1.1 %

Operating income
(NOKm)



EBIT-margin
(%)



Icelandic Salmon

Record high harvest volume

- 2020 and 2021 generation accounted for the harvest volume in the period
 - Good results and stable cost development
- 2022 showcasing the potential on Iceland
 - Investing for future growth in 2023
 - Untapped potential within existing licenses
- Expect similar volume and cost level in Q1 2023
- Volume guidance for 2023 kept unchanged at 16,000 tonnes
 - Expect significant increase in 2024

KEY RESULTS

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income (NOKm)	539	357	1,595	919
Operational EBIT (NOKm)	98	37	366	74
Operational EBIT %	18 %	10 %	23 %	8 %
Harvested volume (t _{gw})	6.0	4.3	16.1	11.5
EBIT/kg	16.37	8.72	22.67	6.41

Harvest volume
(1,000 tons gw)



EBIT/kg
(NOK)



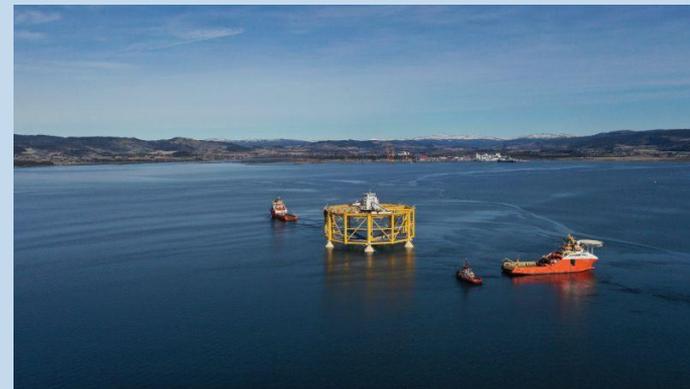
SalMar Aker Ocean

Upgrade of Ocean Farm 1 close to completion

- Ocean Farm 1 to be transported back to Frohavet in early March
 - Unit currently at Aker Solutions yard Aker Verdal
 - Next production cycle planned to commence in April 2023 with harvest in 2024
- Ongoing processes continuing for design of Ocean Farm 2 and Smart Fish Farm
 - Timelines have been delayed as a consequence of the proposed resource rent tax (“grunnrenteskatt”).

KEY RESULTS

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income (NOKm)	32	-	32	-
Operational EBIT (NOKm)	-48	-46	-155	-152
Operational EBIT %	-	-	-	-
Harvested volume (tgv)	-	-	-	-
EBIT/kg	-	-	-	-



Ocean Farm 1 approaching Aker Verdal – April 2022

*) Results included in segment eliminations in 2021

Scottish Sea Farms¹

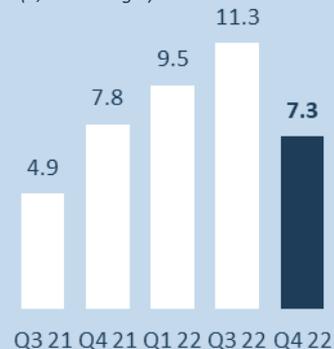
Results affected by biological challenges

- Results negatively impacted by issues related to micro-jellyfish and gill health
 - Low average weight of harvested fish
- Results impacted negatively by contract level
 - 59% of volume sold on contract
- Volume guidance for 2023 reduced with 6,000 tonnes to 37,000 tonnes

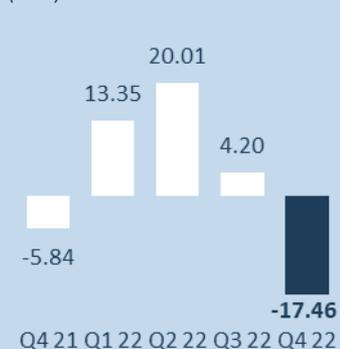
KEY RESULTS

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating income (NOKm)	693	344	3,188	2,307
Operational EBIT (NOKm)	-128	-29	214	244
Operational EBIT %	-18.4 %	-8.3 %	6.7 %	10.6 %
Value adjustments biomass	-118	7	31	15
Profit before tax	-273	-27	166	242
SalMar's share after tax	-122	-11	41	94
Harvest volume (tgw)	7.3	4.9	35.9	32.4
EBIT/kg	-17.46	-5.84	5.96	7.55

Harvest volume
(1,000 tons gw)



EBIT/kg
(NOK)



1) Associated company Scottish Sea Farms LTD through Norskott Havbruk, ownership 50%

FINANCIAL UPDATE



Operational EBIT deviation analysis (qoq)

Norway*

EBIT per kg (NOK)



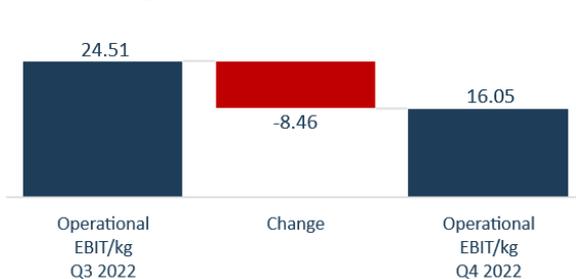
Δ QoQ
-9.43
NOK per kg



- Net sales price stable QoQ
- Higher cost in value chain driven by challenges in Central Norway
- One-off costs related to the transactions 120 MNOK / 2.12 NOK/kg

Group*

EBIT per kg (NOK)



Δ QoQ
-8.46
NOK per kg



- Icelandic operations with improved margins QoQ

Group profit and loss

NOK million	Q4 2022	Q4 2021	Δ%	FY 2022	FY 2021	Δ%
Total operating revenues	6,406	4,673	37 %	20,158	15,044	34 %
EBITDA	1,349	1,105	22 %	5,502	3,734	47 %
Depreciations and write-downs	343	215		1,038	807	
Operational EBIT	1,006	890	13 %	4,465	2,927	53 %
Production tax	-28	-22		-85	-72	
Onerous contracts	8	0		126	-181	
Fair value adjustment*	-952	-320		232	777	
Operating profit (EBIT)	35	548	-94 %	4,738	3,451	37 %
Income from investments in associates	-101	-8		66	95	
Net financial items	-156	-46		-243	-159	
<i>Net interest expenses</i>	-171	-48		-336	-169	
<i>Other financial items</i>	16	2		93	11	
Profit before tax	-222	493	-145 %	4,562	3,387	35 %
Income tax expense	-45	97		954	719	
Profit for the period from continuing operations	-177	396	-145 %	3,608	2,668	35 %
Profit after tax for the period from discontinued operations	107			107		
Profit for the period	-69	396	-117 %	3,715	2,668	39 %
Other comprehensive income	316	4		315	-158	
Total comprehensive income	247	400		4,030	2,510	
Earnings per share (NOK)	-1.30	3.51		27.64	22.61	
Harvested volume (t _{gw})	62.7	56.4	11 %	193.7	182.1	6 %
EBIT per kg (NOK)	16.05	15.78	2 %	23.05	16.08	43 %
Nasdaq spot price (average)	73.32	60.08	22 %	82.59	57.92	43 %

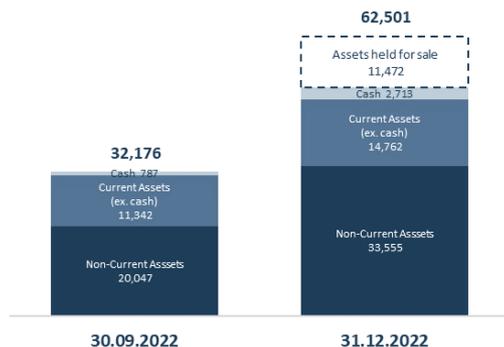
FY 2022 vs. FY 2021

- Results from acquired companies included from November 2022
- Frøy classified as assets held for sale, profit after tax recognized in the P&L
- Revenue and operational EBIT increased following higher volume and salmon prices
- Onerous contracts positive due to improved prices on contract portfolio and fair value adjustments positive due to higher forward prices in calculation
- Income from associates reduced due to weak results from Scottish Sea Farms
- Net interest expenses increased due to higher interest-bearing debt and interest rates
- Strong results for the full year 2022

*) Including fair value adjustments included in cost of goods sold

Group balance sheet

Assets



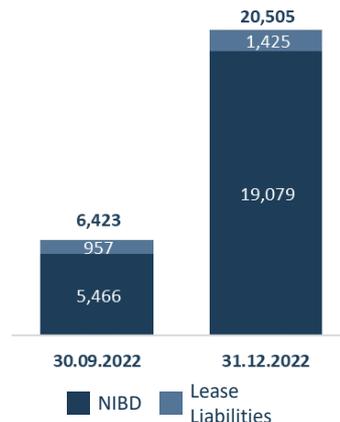
Equity ratio



Equity & liabilities



NIBD incl. lease liabilities

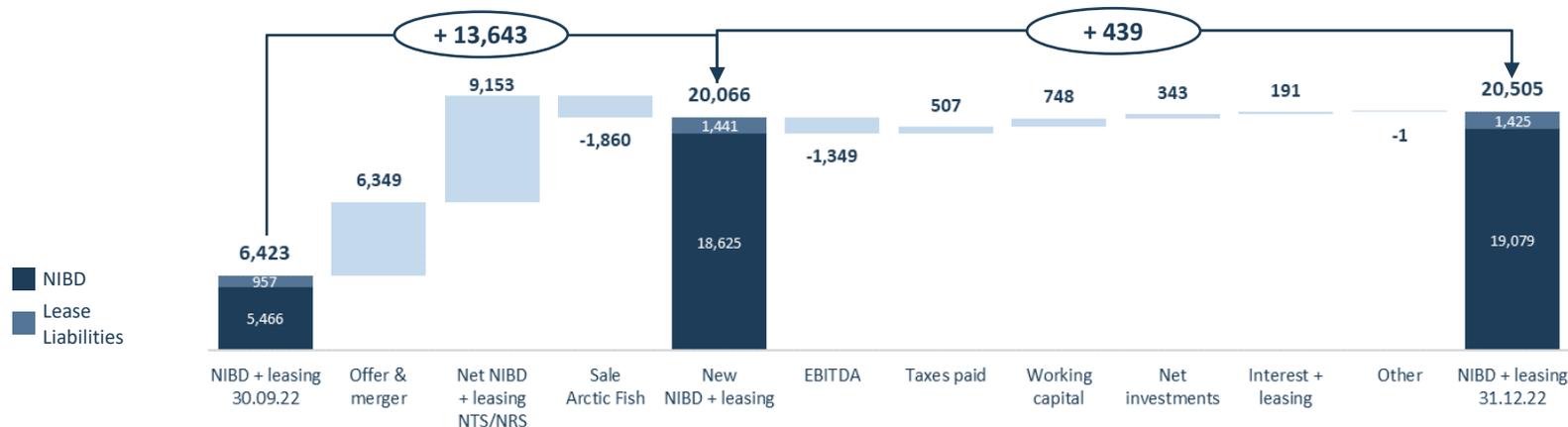


- Significant changes to the balance sheet following completion of the transactions
- Frøy classified as assets held for sale
- Total assets ex. Frøy increased with NOK 18.9 billion to NOK 51 billion
- Net Interest-bearing debt (NIBD) including lease liabilities increased with NOK 14.1 billion
 - NIBD including lease liabilities at NOK 20.5 billion
 - NIBD at NOK 19.1 billion
- Equity ratio at 39% and NIBD incl. lease/EBITDA at 3.7
 - NIBD/EBITDA at 3.5
- Unused liquidity reserve at NOK 7 billion in SalMar ASA at the end of 2022

*) all figures in NOK million

Movement in net interest-bearing debt

Significant movements following completion of the transactions with NTS, NRS and SalmoNor



Acquisitions + NOK 13.6 billion

- Voluntary offer NTS and merger NRS completed in November (NOK 2.5 billion net to others)
- Mandatory offer NTS completed in December with 40.2% acceptance rate (NOK 3.8 billion)
 - Squeeze out completed in January 2023 (NOK 0.7 billion)
- Sale Arctic Fish completed in December (NOK -1.9 billion)
- Net NIBD + leasing NTS/NRS included from November 2022

Changes during Q4 2022 + NOK 0.4 billion

- Taxes paid at NOK 0.5 billion NOK
- Build up of biomass increases working capital +0.7 billion NOK
- Net investments at NOK 0.3 billion
 - Investments in smolt capacity at Tjuin, largest single investment
 - Increased production capacity purchased at fixed price in traffic light round withdrawn in Q4 2022, NOK -244 million

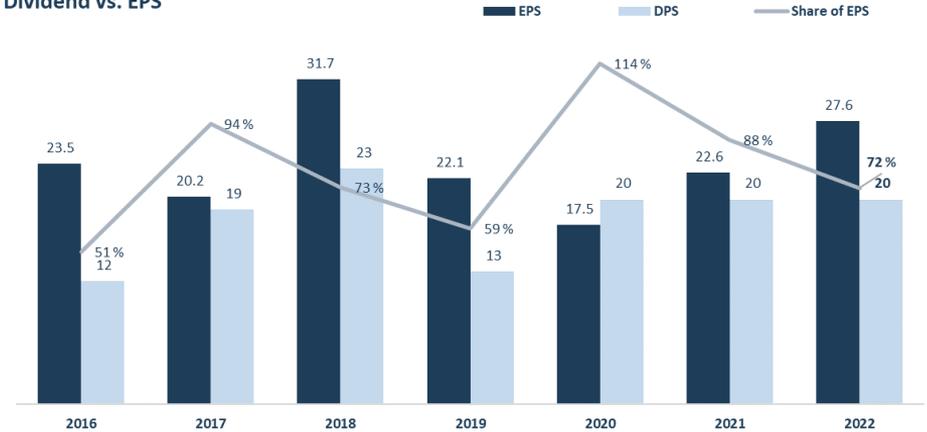
*) all figures in NOK million

Unchanged dividend for the financial year 2022

Proposed cash dividend of NOK 20.00 per share

- Results in 2022 shows that SalMar has delivered strong financial results
- Important for SalMar to provide its more than 24,000 shareholders a competitive return on invested capital
- Proposed cash dividend to be approved at AGM 8th of June 2023

Dividend vs. EPS



Proposed new tax from 2023 in Norway

Outcome still highly uncertain

- Public consultation process on proposal ended 4th of January 2023
 - More than 400 responses in the process
 - Vast majority of responses negative
- SalMar issued a thorough response
 - Proposal based on incorrect assumptions and should be permanently set aside
- Major impact on the capacity for innovation and investments in the Norwegian aquaculture industry
 - Several projects on hold - estimated to NOK 5-7 billion in SalMar
 - E.g. new offshore units, new harvesting and processing facility on Frøya, expansion of smolt capacity



Finalizing already sanctioned projects in 2023

Expect to invest NOK 2.1 billion in 2023

Higher maintenance investments than in a normal year due to acquisition

- Expect to invest NOK 1,6 billion in Norway in 2023
 - Maintenance investments NOK 0,9 billion (~3,7 NOK/kg)
 - Capacity investments NOK 0,7 billion
 - Construction of new smolt facility in Central Norway and upgrade of harvest capacity at Vikenco largest single investments
- Expect to invest NOK 0,3 billion in Icelandic Salmon in 2023
 - Largest investments in increased seawater farming capacity
 - Unlocking untapped potential within existing licenses
- Expect to invest NOK 0,2 billion in SalMar Aker Ocean in 2023
 - Upgrade of Ocean Farm 1 and design of new units

Investments Norway 2023
NOK billion



New smolt facility in Central Norway, Tjuin

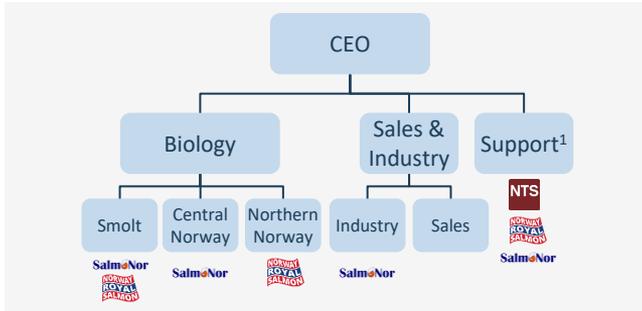
STRATEGIC UPDATE



Transactions with NTS, NRS and SalmoNor completed

Operational structure in place and optimization of operations ongoing

New operating structure in Norway



- NTS, NRS and SalmoNor merged into existing SalMar operational structure
- Structure operational from 1st of January 2023
- Sales office in NRS sold in February 2023

Integration in two waves

 **Wave 1:**
Integration of companies in new structure 

Completed year end 2022

- New companies is attached to existing group structure
- New reporting lines and leadership structure established

 **Wave 2:**
Optimization of operations in new structure 

Ongoing in 2023

- Optimization of operations
- Enhance efficiency of all units

1) Includes support functions: HR, Quality/HSE, finance, accounting, IT, strategy, etc.

Culture vital to succeed with the integration

In SalMar, we work with both our heart and mind

2023 the cultural year in SalMar

- Take care of, develop and enhance the SalMar-culture
- Identify and bring with us the best from all companies
- Create something even better together

Ambitions and targets set

- Summit for top leaders held early February
- Strong enthusiasm for the way forward
- All of the organization to be involved in 2023



CULTURAL TENANTS



WHAT WE DO TODAY WE DO BETTER THAN
YESTERDAY



WE CARE!



THE JOB IS NOT DONE UNTIL THE PERSON
YOU ARE DOING IT FOR IS SATISFIED



FOCUS ON THE SOLUTION



THE JOB WE DO TODAY IS VITAL TO THE
SUCCESS OF US ALL



SUSTAINABILITY IN EVERYTHING
WE DO

Strong synergy potential confirmed

Identified 671 MNOK in yearly recurring cost savings

Estimates validated and confirmed after closing of the transactions

- Yearly recurring cost savings achieved through:
 - Improved operational set-up
 - Increased efficiency
 - Scale advantages

Additionally, unutilized potential in existing licenses materializing from 2024

- Volume potential 280,000 tonnes
- Improvement in MAB utilization in 2023
- Biological improvements realized in line with production cycle

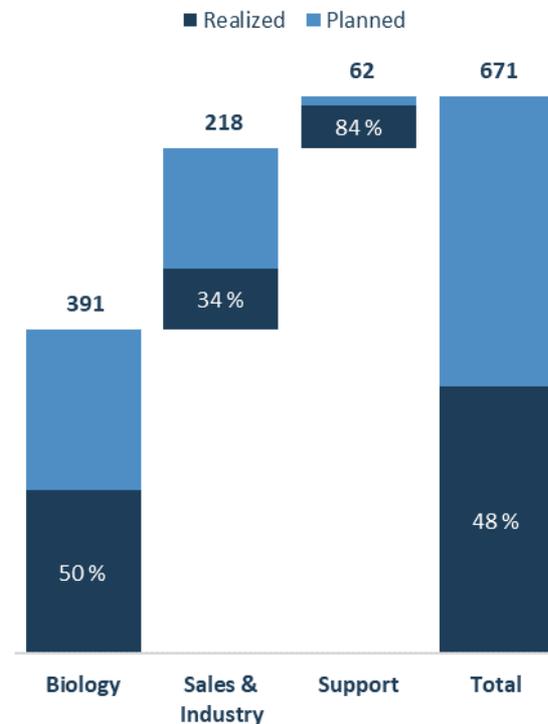
Estimated total restructuring cost NOK 103 million

Realization of synergies will be reported throughout 2023

- Quarterly reporting of realized and planned synergies

Yearly recurring cost savings

NOK million



Strategic review of ownership in Frøy ASA

Strong incoming interest

- Frøy is a leading integrated provider of aqua services to the aquaculture industry
- Through NTS, SalMar currently holds 72.11% of the shares and votes in Frøy
- Exploring strategic alternatives in Frøy with the aim of maximizing value for current shareholders
- A sale of the shareholding is a possible outcome based on incoming interest from relevant investors
 - Frøy classified as asset held for sale
- The strategic review is expected to be concluded within 2023
- DNB Markets and Advokatfirmaet BAHR AS engaged as financial and legal advisors



OUTLOOK





Outlook

- Transactions with NTS, NRS and SalmoNor completed
 - Dedicated employees and strong corporate culture
 - New operational structure in place
 - Strong synergy potential confirmed
- Strong incoming interest for strategic review of Frøy
- SalMar with significant volume growth in 2023
 - Untapped potential for growth in all regions
 - Volume guidance unchanged at 259,000 tonnes in Norway and Iceland
 - Volume guidance reduced to 37,000 tonnes in Scottish Sea Farms¹
- Expect significantly lower volume and similar cost level in Q1 2023
 - Contract share for Q1 2023 around 25% and FY 2023 10%
- Expect low volume growth globally in 2023
- Proposed new tax regime in Norway from 2023
 - Outcome still highly uncertain

1) SalMar share is 50%

Capital Markets Day 2023

Wednesday 6th and Thursday 7th of September 2023 in Northern Norway

- Visit to our state-of-the-art facilities across the entire value chain
 - Senja 1&2 smolt facility, conventional farming site and InnovaNor our new harvesting & processing facility
- Executive management will give insights into the strategic ambitions going forward both coastal and offshore
- More information and link for registration will be sent at a later notice

Smolt



Coastal Farming



Harvesting & Processing



Offshore Farming





THANK YOU FOR YOUR ATTENTION

Financial Calendar:

Annual Report 2022 – 28 April 2023

Q1 2023 presentation – 11 May 2023

Annual General Meeting – 8 June 2023

Q2 2023 presentation – 24 August 2023

Q3 2023 presentation – 9 November 2023

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www.salmar.no

PASSION FOR SALMON



SALMAR
Passion for Salmon

Forward looking statements

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