



11 MAY 2023

Q1 2023 Presentation



CEO: FRODE ARNTSEN



CFO: ULRIK STEINVIK



Agenda

Highlights Q1 2023

Operational Update

Financial Update

Strategic Update

Outlook



Highlights Q1 2023

- Strong start in 2023 driven by record high salmon prices
 - Strong results from Central Norway
 - Northern Norway impacted by share of NRS volume in the period
 - Solid operational performance from Sales & Industry
 - Record high harvest volume from Iceland
- 63% of synergies realized from transactions with NTS, NRS and Salmonor
 - 425 of 671 MNOK yearly recurring synergies realized
 - 100% ownership in NTS from January 2023
 - Strategic review of Frøy progressing according to plan
- Norwegian government with updated resource rent tax proposal at 35%
 - SalMar strongly opposes both the proposed tax model and level

Harvest volume (1,000 tons gw)

Group		Norway ¹	
48.5		42.0	
Δ QoQ	Δ YoY	Δ QoQ	Δ YoY
-14.1	+3.5	-14.7	+0.3

Operational EBIT/kg (NOK)

Group		Norway ¹	
38.8		41.1	
Δ QoQ	Δ YoY	Δ QoQ	Δ YoY
+22.8	+10.8	+24.2	+12.3

Operational EBIT (NOKm)

Group		Norway ¹	
1,884		1,725	
Δ QoQ	Δ YoY	Δ QoQ	Δ YoY
+878	+623	+770	+524

Δ QoQ = Q1 2023 vs. Q4 2022

Δ YoY = Q1 2023 vs. Q1 2022

1) Norway = Group results excluding Icelandic Salmon and SalMar Aker Ocean

Year of Culture 2023

– Well underway

- New round of the SalMar School implemented
 - All parts of the value chain and all segments/regions
- Cocreating and ensuring ownership for the road ahead
- Gathered entire new SalMar under one roof this May
- Corporate culture and team building
- One united SalMar



Q1 2023

Operational Update

Farming Central Norway

- Cost slightly lower compared to Q4 22
 - SalmoNor volume accounted for 15%
- Favorable harvest profile in the period
- Started harvesting of spring 2022 and continued with autumn 2021

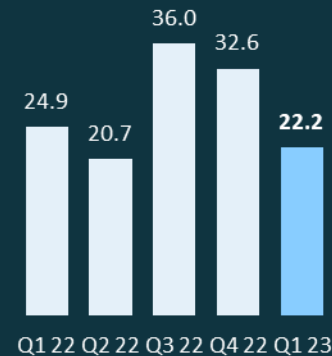
Outlook

- Continue to harvest from spring 2022 and will finish autumn 2021
- Expect higher cost level and volume in Q2 23
- Guidance FY 2023 kept unchanged at 148,000 tonnes

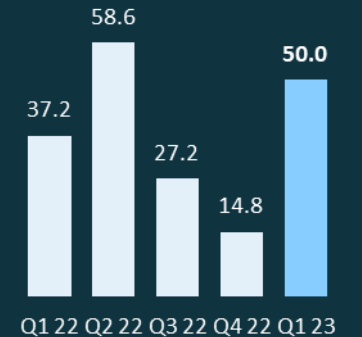
Key Results

	Q1 2023	Q1 2022
Operating income (NOKm)	2,326	1,914
Operational EBIT (NOKm)	1,109	925
Harvest volume (t _{gw})	22.2	24.9
EBIT/kg (NOK)	50.0	37.2

Harvest volume (1,000 tons gw)



EBIT/kg (NOK)



Farming Northern Norway

- Cost increased compared to Q4 22
 - NRS volume accounted for 56% with higher cost base
- Most of volume harvested early in the period
- Autumn 2021 accounted for the volume

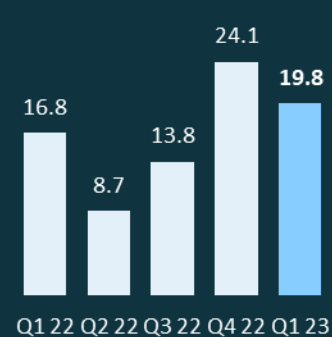
Outlook

- Continue to harvest from autumn 2021 and start harvest of spring 2022
- Expect lower cost level and volume in Q2 23
- Guidance FY 2023 kept unchanged at 95,000 tonnes

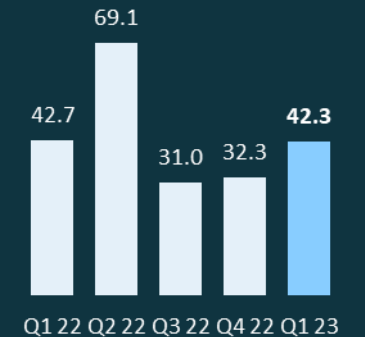
Key Results

	Q1 2023	Q1 2022
Operating income (NOKm)	1,883	1,262
Operational EBIT (NOKm)	837	716
Harvest volume (t _{gw})	19.8	16.8
EBIT/kg (NOK)	42.3	42.7

Harvest volume (1,000 tons gw)



EBIT/kg (NOK)



Sales & Industry

- Solid operational performance
 - Operational set-up showcasing its strength
 - Improved price achievement from spot sales
- Contracts¹ with negative contribution
- Sale of sales office in NRS and closure of SalmoSea
 - Results excluded from Q2 23

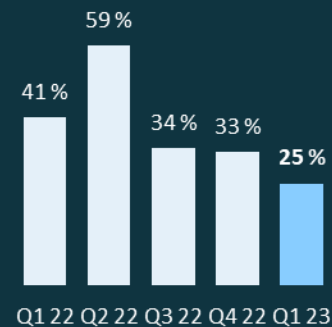
Outlook

- Contract share currently around 25% for Q2 23 and 12% for FY 2023

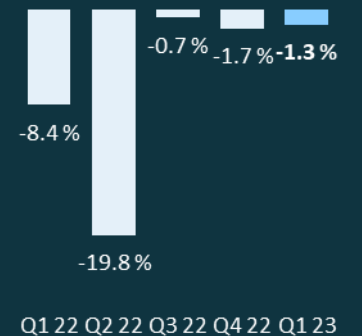
Key Results

	Q1 2023	Q1 2022
Operating income (NOKm)	6,239	4,445
Operational EBIT (NOKm)	-81	-372
Operational EBIT- margin (%)	-1.3 %	-8.4 %

Contract share¹ (%)



EBIT-margin (%)



1) Physical and financial fixed price contracts

Icelandic Salmon

- All time high quarterly harvest volume
- 2021 generation accounted for the volume
 - Increase in cost compared to Q4 22
 - Biological challenges with one-off effect on 1.8 MEUR
- Strong market prices and good price achievement

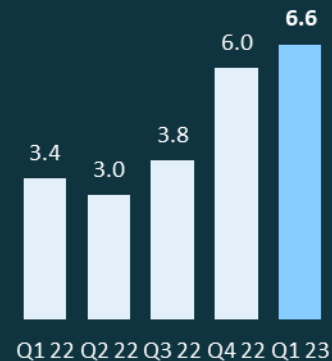
Outlook

- Very low harvest volume in Q2 23 to optimize biological performance
- Guidance FY 2023 kept unchanged at 16,000 tonnes

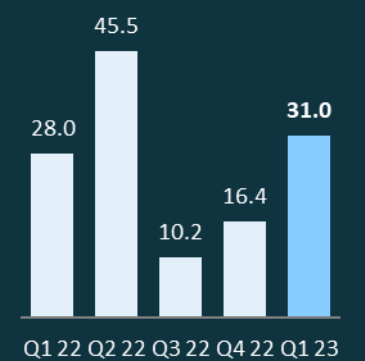
Key Results

	Q1 2023	Q1 2022
Operating income (NOKm)	765	368
Operational EBIT (NOKm)	204	94
Harvest volume (t _{gw})	6.6	3.4
EBIT/kg (NOK)	31.0	28.0

Harvest volume (1,000 tons gw)



EBIT/kg (NOK)

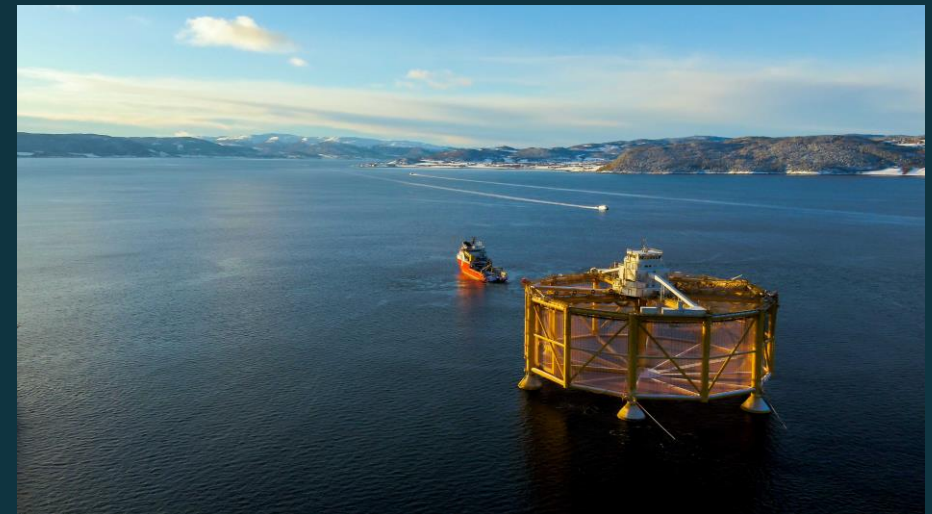


SalMar Aker Ocean

- Third production cycle at Ocean Farm 1 commenced early May 2023
 - Unit transported to Frohavet in March 2023
 - Expect harvest early 2024
- Large potential for future value creation and volume growth
 - Timelines delayed as a consequence of the proposed resource rent tax

Key Results

	Q1 2023	Q1 2022
Operating income (NOKm)	0	-
Operational EBIT (NOKm)	-45	-34
Harvest volume (tgv)	-	-
EBIT/kg (NOK)	-	-



Transport of Ocean Farm 1 back to Frohavet in March 2023

Scottish Sea Farms¹

- Low harvest volumes
- High cost base
 - Affected by challenges in Q3 and Q4 22
- 61% of volume sold on contracts
 - Prices below spot market prices

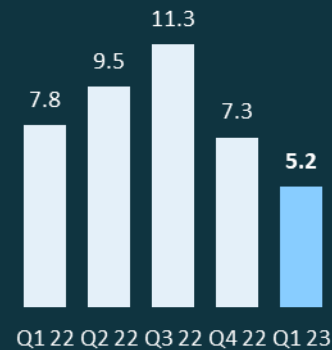
Outlook

- Still challenging biological status
- Guidance FY 2023 kept unchanged at 37,000 tonnes

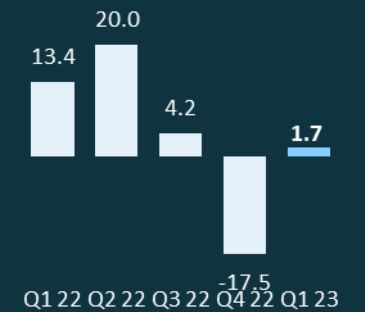
Key Results

	Q1 2023	Q1 2022
Operating income (NOKm)	506	639
Operational EBIT (NOKm)	9	105
Harvest volume (t _{gw})	5.2	7.8
EBIT/kg (NOK)	1.7	13.4
Fair value adjustments (NOKm)	-22	182
Profit after tax (NOKm)	-33	193
NIBD (NOKm)	2,391	2,099

Harvest volume (1,000 tons gw)



EBIT/kg (NOK)



¹) Joint venture Scottish Sea Farms LTD through Norscott Havbruk, ownership 50%

Q1 2023

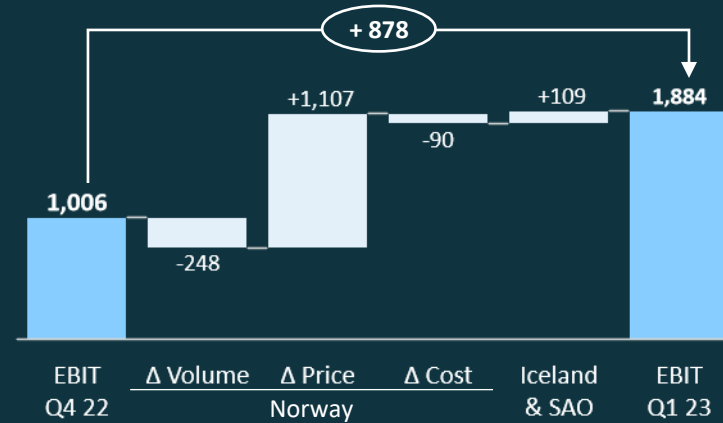
Financial Update



Group Profit & Loss

- Record high salmon prices increasing revenue and operational EBIT
 - Despite lower harvest volume QoQ
- One-off costs related to transaction and restructuring of NOK 60 million in Q1 23
- Fair value adjustments* positive due to higher forward prices in calculation
- Income from associates & JV increased
- Net financial items increased due to higher interest-bearing debt and interest rates

Group operational EBIT - QoQ



Group P&L

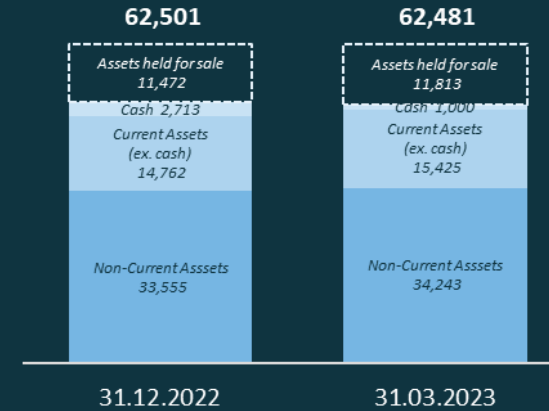
NOK million	Q1 2023	Q4 2022	Δ %
Operating revenues	6,792	6,406	+6 %
EBITDA	2,227	1,349	+65 %
Operational EBIT	1,884	1,006	+87 %
Production tax	-32	-28	
Fair value adjustments*	635	-944	
Income from associates & JV	27	-101	
Net financial items	-279	-156	
Profit before tax	2,235	-222	
Profit for the period from continuing operations	1,744	-177	
Profit after tax for the period from discontinued operations	108	107	
Profit for the period	1,853	-69	
Earnings per share (NOK/share)	13.2	-1.3	
Harvest volume (tgv)	48.5	62.7	-23 %
EBIT per kg (NOK/kg)	38.8	16.1	+142 %

*) Includes onerous contracts and fair value adjustments

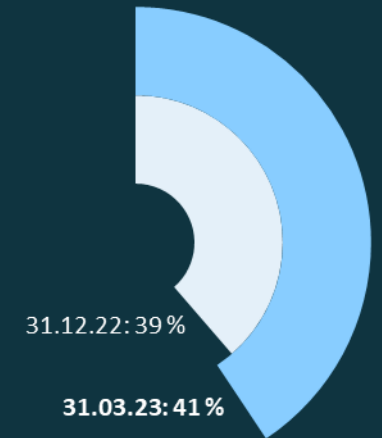
Group Balance Sheet

- Frøy classified as assets held for sale
- Ongoing investments in the value chain progressing according to plan
- Lower standing biomass QoQ and higher YoY
- Equity ratio increased to 41%
- Net Interest-bearing debt (NIBD) including lease liabilities increased with NOK 549 million
 - NIBD incl. lease/EBITDA at 3.4
 - NIBD/EBITDA at 3.1
- Unused liquidity reserve at NOK 8 billion in SalMar ASA at the end of Q1 23

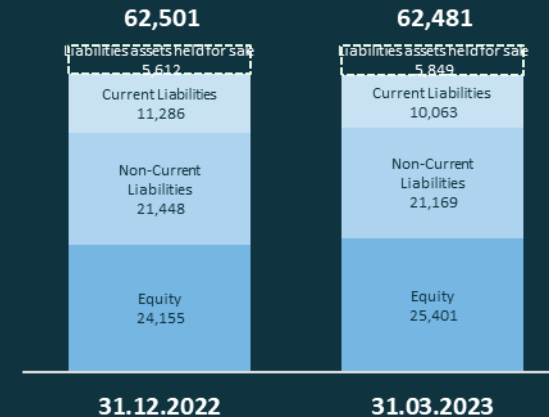
Assets



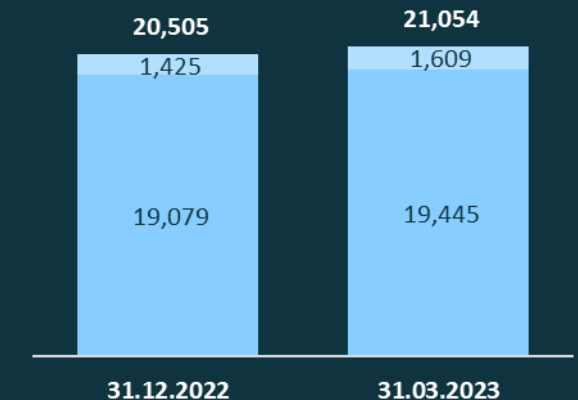
Equity ratio



Equity & liabilities



NIBD incl. lease liabilities



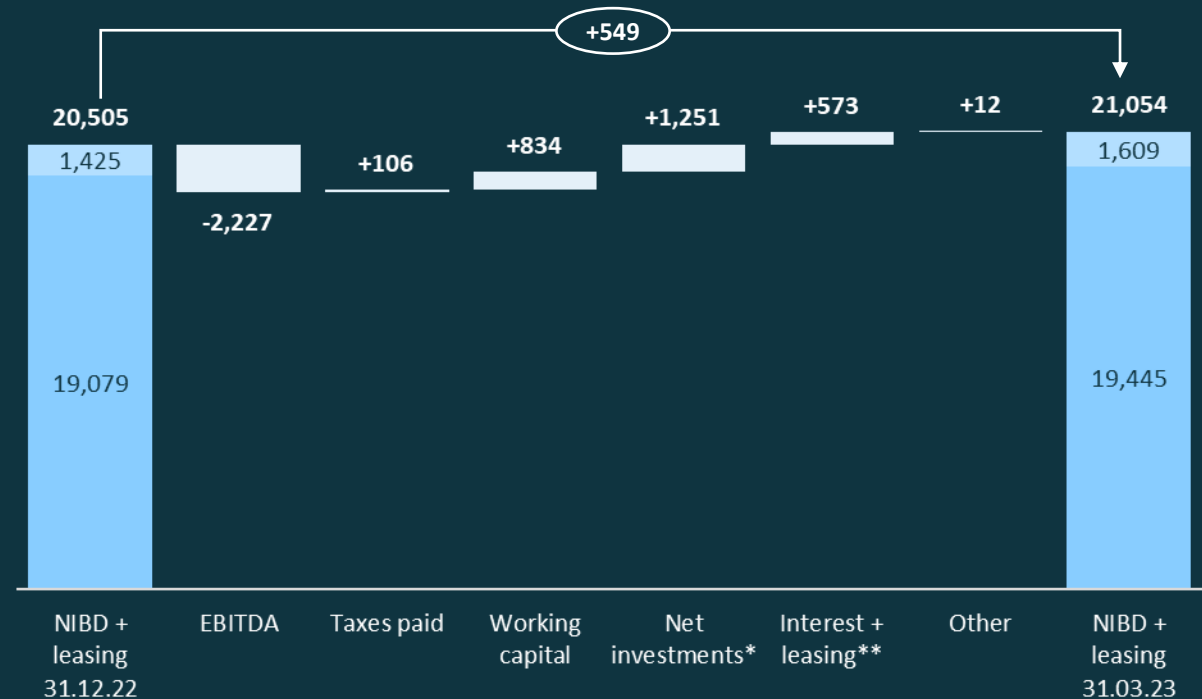
■ NIBD ■ Lease Liabilities

All figures in NOK million

Net interest bearing debt

- Working capital impacted by reduction of trade payables
- Net investments at NOK 1,251 million
 - Compulsory acquisition NTS NOK 671 million
 - Smolt NOK 178 million
 - Farming NOK 171 million
 - Sales & Industry NOK 71 million
 - Icelandic Salmon NOK 99 million
 - SalMar Aker Ocean NOK 95 million
- New leasing agreement for battery hybrid wellboat
- Dividend for 2022 @20 NOK/share to be approved at AGM 8 June 2023

Change in NIBD incl. leasing - QoQ



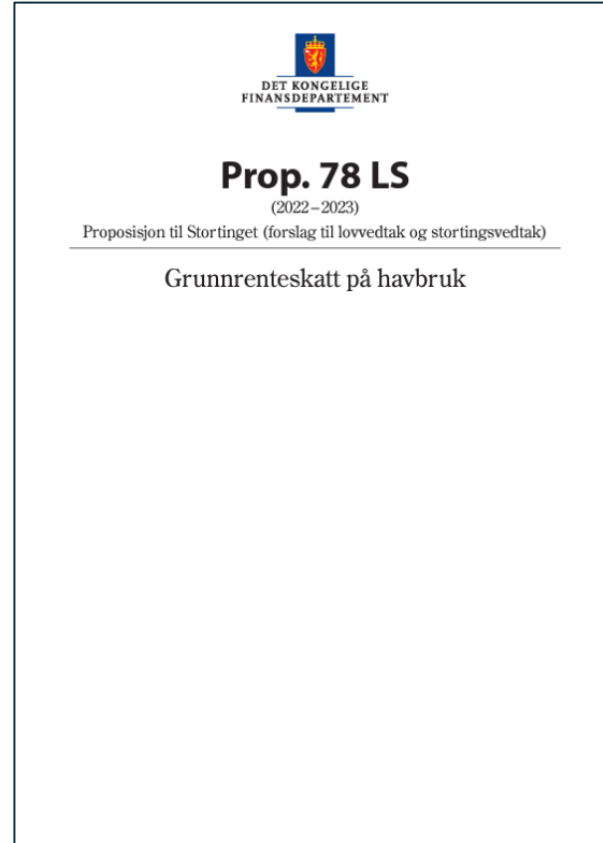
All figures in NOK million

*) Includes compulsory acquisition of non-controlling interest in NTS

***) Includes new leasing agreement for battery hybrid wellboat

Proposed new tax from 2023 in Norway

- 28 March 2023 Norwegian Government updated its proposal with a tax rate at 35%
- Expected verdict in the Norwegian Parliament before the summer 2023
- SalMar strongly opposes both the proposed tax model and level
 - Major impact on the capacity for innovation and investments in the Norwegian aquaculture industry

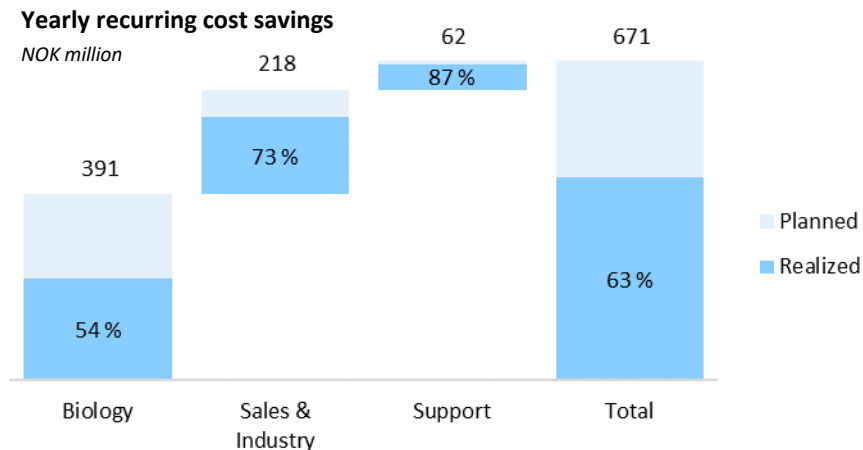


Synergy realization and strategic review of Frøy

Progressing according to plan

63% of synergies with NTS, NRS and SalmoNor realized

- Realized 425 of 671 MNOK in yearly recurring cost savings
 - Estimated total restructuring cost NOK 103 million unchanged
- Yearly recurring cost savings achieved through:
 - Improved operational set-up
 - Increased efficiency
 - Scale advantages
- Unutilized potential in licenses materializing from 2024



Exploring strategic alternatives in Frøy with the aim of maximizing value for shareholders

- SalMar holds 72.11% of the shares and votes in Frøy
- Received strong interest from several parties in engaging in a transaction
- A sale of the shareholding is a possible outcome
- Process expected to be concluded within 2023





Q1 2023

Strategic Update

Sustainability in everything we do

A key cultural tenet in SalMar

Fish

We work systematically to create an environment in which the salmon thrives and remains healthy

Survival rate
95%

People & Society

We believe in creating local value and safe workplaces and support the local communities where we operate

H.factor
3.0

Environment & Technology

We minimize our footprint with measures and routines throughout the entire value chain

Scope 1+2+3
-22%
GHG reduction since 2020

GHG target aligned with
1.5°C
scenario

For more details please see annual report for 2022



Global food supply - our shared responsibility

Strong demand for sustainable food



Harvest volume 2023¹

277,500

tonnes



2,000
million meals



100%

of Norway's population
supplied with salmon
for 365 days

Salmon
one of the most
sustainable
animal proteins

1) Including relative share, 50%, from Scottish Sea Farms



Robust value chain equipped for further sustainable growth

Strong growth potential and dedicated employees with a *Passion for Salmon*



Q1 2023

Outlook

Outlook

- SalMar well equipped for further sustainable growth
 - Strong growth potential in optimal locations
 - Robust value chain with unutilized potential
 - Dedicated employees and strong corporate culture
- Synergy realization with NTS, NRS and SalmoNor and strategic review of Frøy progressing according to plan
- Limited supply growth in 2023
- Proposed new tax in Norway from 2023

Guiding

		Q2 2023		FY 2023	
	Cost Level ¹	Harvest Volume ¹	Contract share ²	Harvest Volume	Contract share ²
Norway	Same level	Slightly higher	~25%	243,000	~12%
Central Norway	Higher	Higher		148,000	
Northern Norway	Lower	Lower		95,000	
Icelandic Salmon		Significantly lower		16,000	
Scottish Sea Farms³				37,000	

1) Change from Q1 2023

2) Physical and financial fixed price contracts

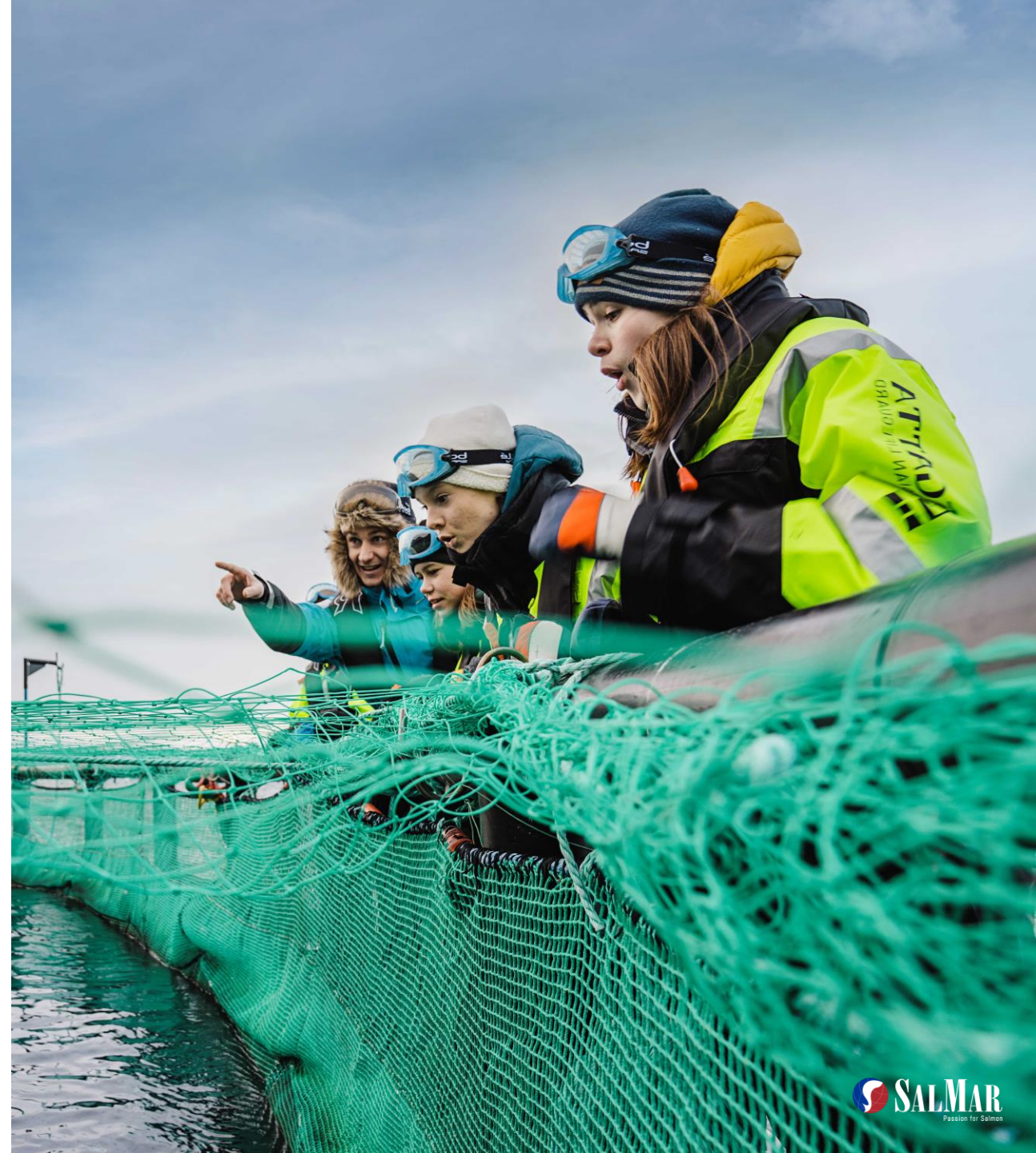
3) Joint venture Scottish Sea Farms LTD through Norskott Havbruk, ownership 50%

Capital Markets Day 2023

6-7 September 2023

Tromsø & Senja, Northern Norway

- Day 1: Company presentations and dinner
- Day 2: Visit to our facilities across the value chain
 - Senja 1/2 – smolt facility
 - Farming site & remote feeding center
 - InnovaNor – harvesting & processing facility
- Link for registration and more information available from our website



Thank you for your attention

Passion for Salmon

For more information, please visit www.salmar.no

FINANCIAL CALENDAR:

Annual General Meeting – 8 June 2023

Q2 2023 presentation – 24 August 2023 – *Trondheim @ AquaNor*

Capital Markets Day – 6-7 September 2023 – *Tromsø & Senja*

Q3 2023 presentation – 9 November 2023 – *Oslo*



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Forward looking statements

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