



15 FEBRUARY 2024

Q4 2023 Presentation



CEO: FRODE ARNTSEN



CFO: ULRIK STEINVIK



Agenda

Highlights FY & Q4 2023

Operational Update

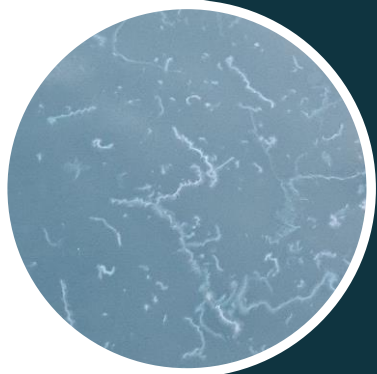
Financial Update

Strategic Update

Outlook



When the going gets tough - the tough get going



ENVIRONMENTAL CHALLENGES

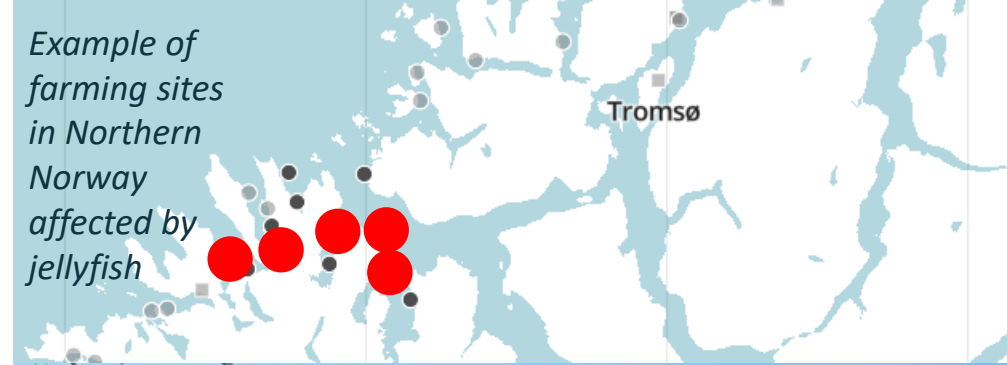
- String jellyfish
- Harsh weather conditions



REGULATORY

- Accusations of breach of EU competition law

Example of
farming sites
in Northern
Norway
affected by
jellyfish



Management
present at
farming site
affected by
string jellyfish

2023 a strong year

Potential in value chain starting to showcase itself

Norway

- Successfully integrated NRS, NTS and Salmonor
- Record high harvest volume in 2023 with further growth potential
- Strong results driven by improved price achievement and continued cost discipline

Icelandic Salmon

- Record high harvest volume
- Challenges at the end of 2023 impacting results

SalMar Aker Ocean

- Two semi-offshore projects in operation with first harvest from Arctic Offshore Farming

Scottish Sea Farms²

- Weak results affected by biological challenges

Financial position

- Significantly strengthened due to strong cash flow and strategic measures
- Board of Directors proposes a dividend of 35.00 NOK per share for the financial year 2023

Harvest volume (1,000 tons gw)

Group

Norway¹

254.1

233.9

Δ YoY
+60.4

Δ YoY
+56.4

Operational EBIT/kg (NOK)

Group

Norway¹

31.8

33.8

Δ YoY
+8.8

Δ YoY
+9.9

Operational EBIT (NOKm)

Group

Norway¹

8,088

7,910

Δ YoY
+3,623

Δ YoY
+3,657

Key financial metrics

NIBD (NOKbn)

Equity ratio

13.1

43%

Δ YoY
-6.0

Δ YoY
+4.6%

Δ YoY = FY 2023 vs. FY 2022

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

2) Scottish Sea Farms – Joint venture, ownership 50%

Highlights Q4 2023

- Continued good results despite challenges
 - Challenges impacting farming segments
 - Operational set-up in Sales & Industry continuing to showcase its strength
 - Iceland with record high harvest volume
 - First harvest from Arctic Offshore Farming
- Strong and robust financial position
 - 13.1 million treasury shares cancelled in December
- Guidance FY 24 reduced in Norway with 20,000 tonnes, other segments kept unchanged

Harvest volume (1,000 tons gw)

Group		Norway ¹	
83.1		73.6	
Δ QoQ +5.0	Δ YoY +20.5	Δ QoQ -0.4	Δ YoY +17.0

Operational EBIT/kg (NOK)

Group		Norway ¹	
26.0		28.8	
Δ QoQ -3.5	Δ YoY +9.9	Δ QoQ -1.9	Δ YoY +11.9

Operational EBIT (NOKm)

Group		Norway ¹	
2,158		2,121	
Δ QoQ -143	Δ YoY +1,152	Δ QoQ -153	Δ YoY +1,165

Δ QoQ = Q4 2023 vs. Q3 2023

Δ YoY = Q4 2023 vs. Q4 2022

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

Q4 2023

Operational Update

Farming Central Norway

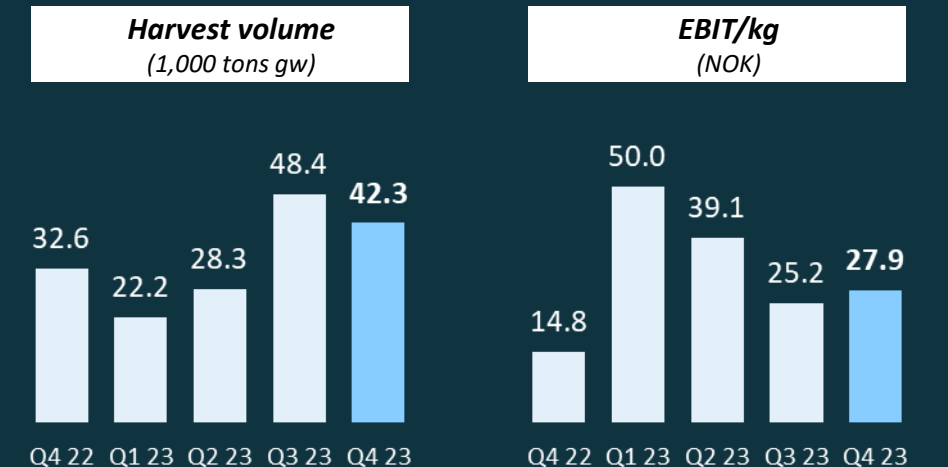
- Harvest volume slightly reduced QoQ
- Continued solid operational performance with reduced cost QoQ
 - SalmoNor volume accounted for 31%
- Finished harvest of spring 2022 and continued harvest of autumn 2022 generation

Outlook

- Continue harvest of autumn 2022 and start of spring 2023 generation
- Still some challenges - overall good biological status
- Expect similar cost level¹ in Q1 24 as in Q4 23
- Expect slightly higher volume² in Q1 24 compared to Q1 23
- Guidance FY 2024 146,000 tonnes

Key Results

	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating income (NOKm)	3,424	2,298	12,419	8,872
Operational EBIT (NOKm)	1,178	484	4,612	3,599
Harvest volume (t _{gw})	42.3	32.6	141.1	114.1
EBIT/kg (NOK)	27.9	14.8	32.7	31.5



1) Change from Q4 2023

2) Change from Q1 2023

Farming Northern Norway

- Challenging quarter due to impact from string jellyfish
 - One-off costs related to incident 4 NOK/kg increasing cost QoQ
 - Harvest of fish with low average weight impacting price achievement
- Continued harvest from spring 2022 and started harvest from autumn 2022 generation
 - NRS volume accounted for 33%
- Solid operational performance from employees handling a challenging situation

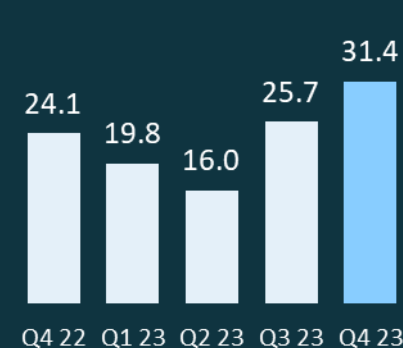
Outlook

- Continue to harvest from spring 2022 and autumn 2022
 - Challenging biological status due to string jellyfish
 - Expect similar cost level¹ in Q1 24 compared to Q4 23
 - Expect slightly lower volume² in Q1 24 compared to Q1 23
-
- Guidance FY 2024 91,000 tonnes, volume affected by challenges

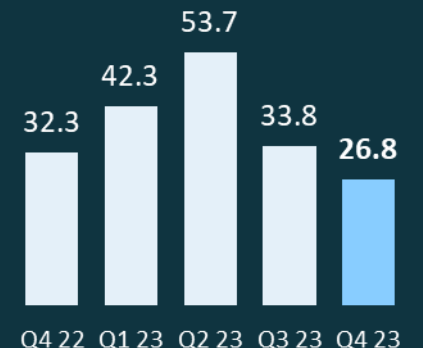
Key Results

	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating income (NOKm)	2,436	1,757	7,894	4,883
Operational EBIT (NOKm)	840	777	3,402	2,526
Harvest volume (t _{gw})	31.4	24.1	92.8	63.4
EBIT/kg (NOK)	26.8	32.3	36.7	39.8

Harvest volume
(1,000 tons gw)



EBIT/kg
(NOK)



Sales & Industry

- Continued solid operational performance
 - Operational set-up showcasing its strength by handling volume from biological challenges
 - Strong capacity utilization of facilities in value chain
 - Continued good price achievement from spot sales
- Contracts¹ with positive contribution

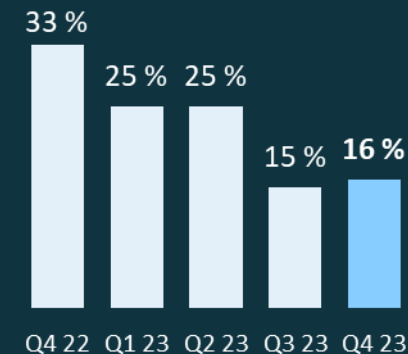
Outlook

- Seasonally lower volume in Q1 24
- Contract share currently around 40% for Q1 24 and 25% for FY 24
 - Price point of contracts increased compared to 2023

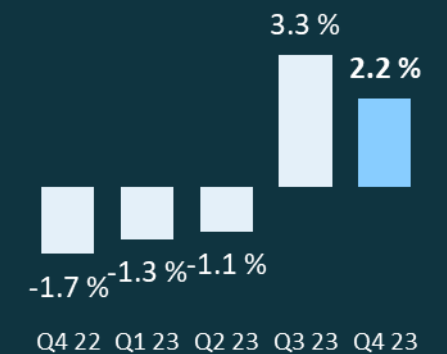
Key Results

	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating income (NOKm)	7,617	6,015	27,094	19,141
Operational EBIT (NOKm)	166	-100	254	-1,286
Operational EBIT-margin (%)	2.2 %	-1.7 %	0.9 %	-6.7 %

Contract share¹
(%)



EBIT-margin
(%)



1) Physical and financial fixed price contracts

Icelandic Salmon

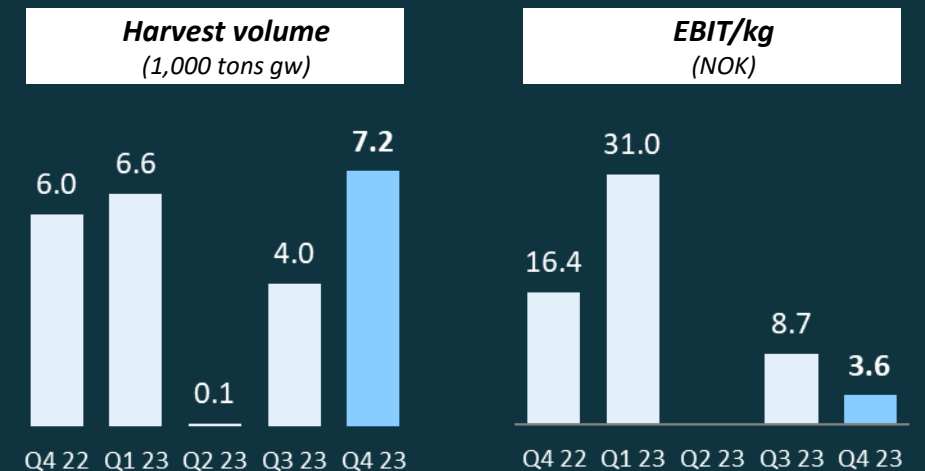
- Record high harvest volume
- Results affected by biological challenges
 - One-off costs of 5.2 MEUR / ~8 NOK/kg included in the period

Outlook

- Expect high cost level in Q1 24
- Expect lower volume¹ in Q1 24 compared to Q1 23
- Guidance FY 2024 kept unchanged at 15,000 tonnes
- Proposed new regulatory framework on Iceland presented by ministry of fisheries
 - Proposal not approved, expected in H1 2024

Key Results

	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating income (NOKm)	605	539	1,871	1,595
Operational EBIT (NOKm)	26	98	230	366
Harvest volume (t _{gw})	7.2	6.0	17.9	16.1
EBIT/kg (NOK)	3.6	16.4	12.8	22.7



SalMar Aker Ocean

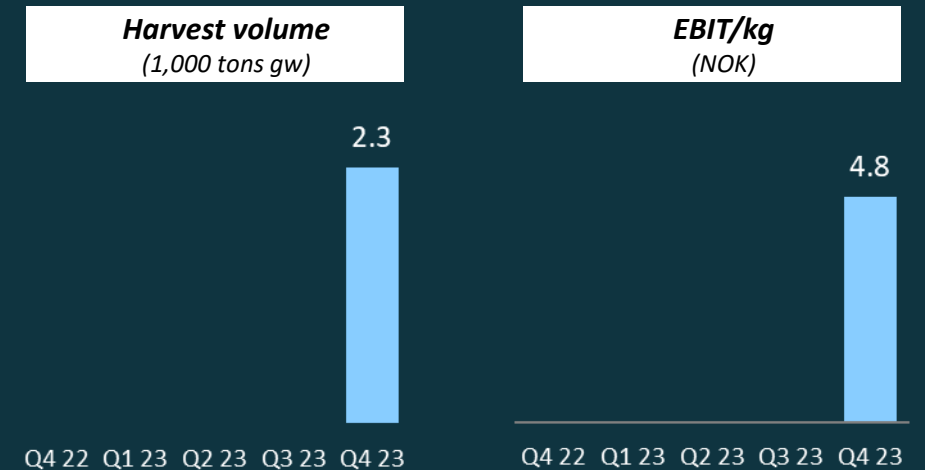
- Two semi-offshore projects in operation
 - Arctic Offshore Farming a part of SalMar Aker Ocean
- First harvest from Arctic Offshore Farming in December 2023
 - Harvest completed in January 2024
 - EBIT/kg lower than traditional farming due to higher depreciation

Outlook

- Expect similar volume in Q1 24 as in Q4 23
- Guidance FY 2024 kept unchanged at 7,000 tonnes

Key Results

	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating income (NOKm)	173	32	173	32
Operational EBIT (NOKm)	11	-48	-53	-155
Harvest volume (t _{gw})	2.3	-	2.3	-
EBIT/kg (NOK)	4.8	-	-23.2	-



Scottish Sea Farms¹

- Low harvest volume
- Previously mentioned biological challenges affecting average harvest size, cost and price achievement
- 87% of volume sold on contracts

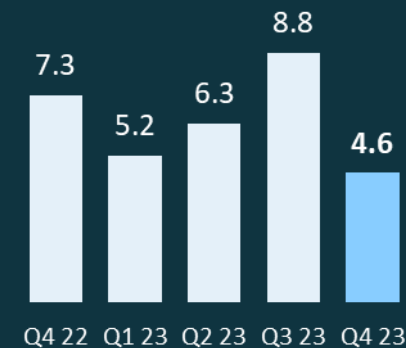
Outlook

- Improved biological situation for generations to be harvested in 2024
- Guidance FY 2024 kept unchanged at 37,000 tonnes

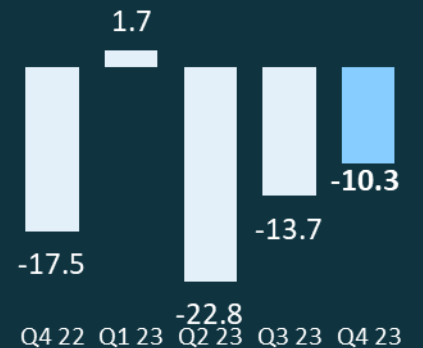
Key Results

	Q4 2023	Q4 2022	FY 2023	FY 2022
Operating income (NOKm)	497	693	2,561	3,188
Operational EBIT (NOKm)	-47	-128	-304	214
Harvest volume (t _{gw})	4.6	7.3	24.9	35.9
EBIT/kg (NOK)	-10.3	-17.5	-12.2	6.0
Fair value adjustments (NOKm)	-5	-118	16	31
Profit after tax (NOKm)	-101	-245	-482	83
NIBD (NOKm)	2,803	2,037	2,803	2,037

Harvest volume
(1,000 tons gw)



EBIT/kg
(NOK)



Q4 2023

Financial Update



Group Profit & Loss

- Decrease in operational EBIT QoQ driven by higher cost in value chain in Norway
 - Impacted by challenges in Northern Norway

Comments related to FY 2023

- Strong financial results in 2023 driven by increased volume, higher prices and continued strong operational focus
- Fair value adjustments* positive due to higher estimated prices in calculation
- Income from associates & JV affected by weak results from Scottish Sea Farms
- Resource rent tax 2023 included
- Frøy sold in August 2023
- Adjusted EPS** increased due strong financial results in 2023

Group operational EBIT - QoQ



Group P&L

NOK million	Q4 2023	Q3 2023	Δ%	FY 2023	FY 2022	Δ%
Operating revenues	8,019	7,512	7 %	28,219	20,158	40 %
EBITDA	2,571	2,653	-3 %	9,540	5,502	73 %
Operational EBIT	2,158	2,300	-6 %	8,088	4,465	81 %
Production tax	-78	-73		-208	-85	
Fair value adjustments*	-804	424		630	359	
Income from associates & JV	35	-18		-27	66	
Net financial items	-336	-329		-1,203	-243	
Profit before tax	974	2,304		7,279	4,562	
Tax	-285	1,623		4,534	954	
Profit for the period from continuing operations	1,259	681		2,746	3,608	
Profit after tax for the period from discontinued operations	2	385		657		
Profit for the period	1,261	1,066		3,402	3,715	
EPS – adjusted** (NOK/share)	13.8	6.4		33.5	25.3	
Harvest volume (tgv)	83.1	78.1	6 %	254.1	193.7	31 %
EBIT per kg (NOK/kg)	26.0	29.5	-12 %	31.8	23.1	38 %

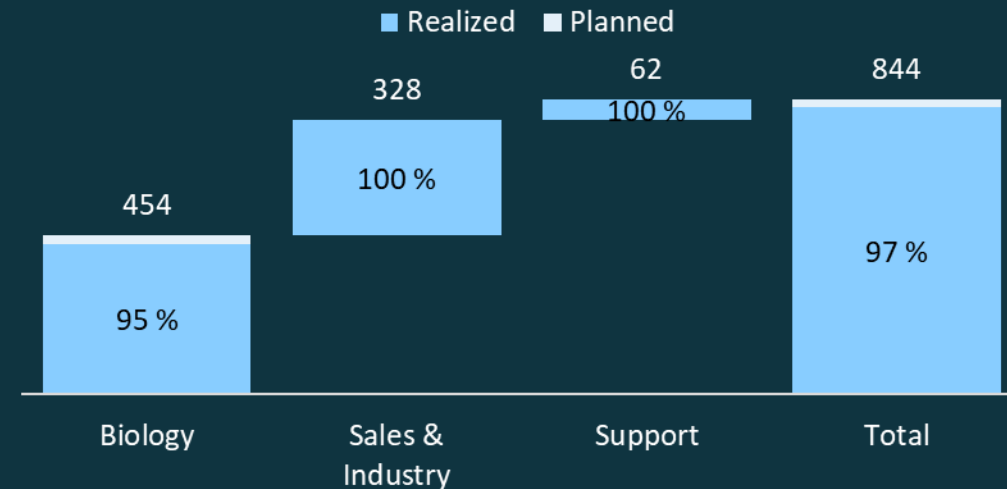
*) Includes onerous contracts and fair value adjustments

**) Adjusted for fair value adjustments and implementation effect resource rent tax, see notes in financial report for details

Synergy realization progressing according to plan

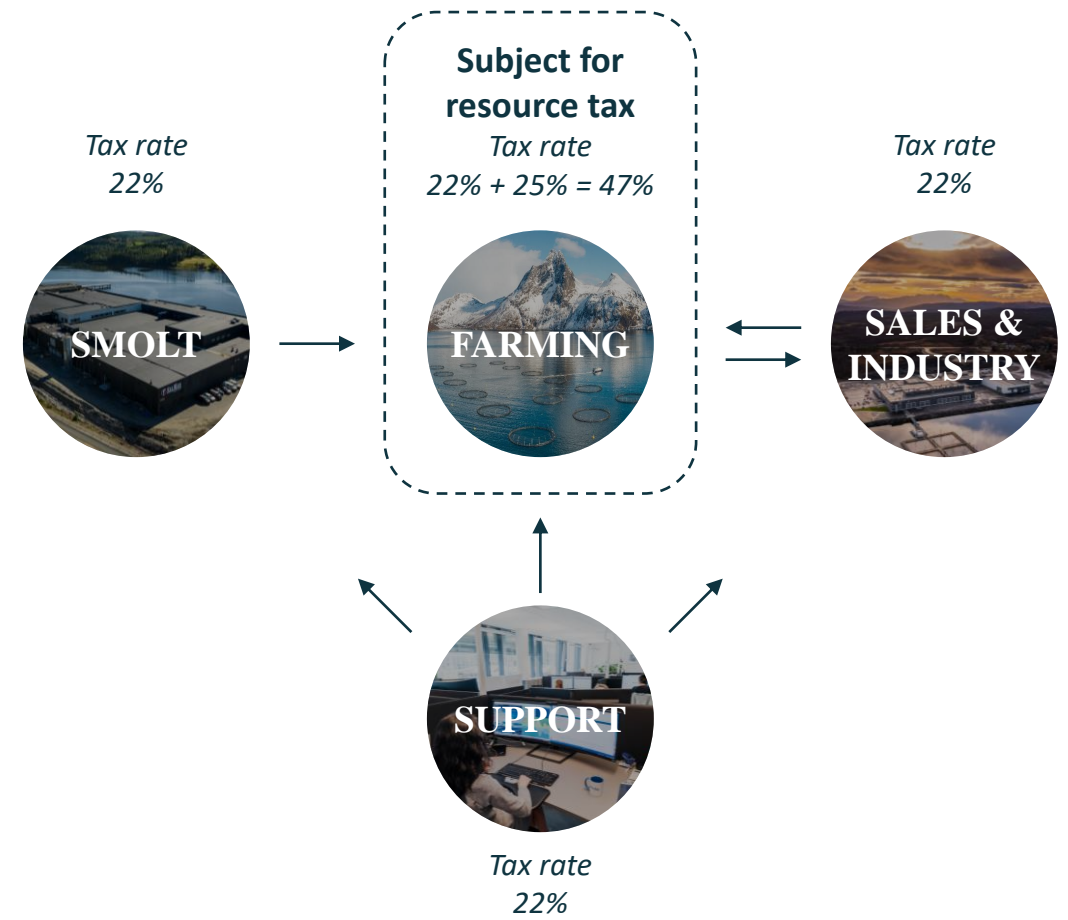
- 97% of synergies with NTS, NRS and SalmoNor realized at the end of 2023
 - Realized 821 of 844 MNOK in yearly recurring cost savings
- Yearly recurring cost savings achieved through:
 - Improved operational set-up
 - Increased efficiency
 - Scale advantages

Synergy realization as of Q4 2023



Taxes

- Resource rent tax included in the financial statement for FY 2023
 - Only commercial licenses a part of the resource rent tax
 - Consideration paid in previous traffic light auctions deductible, NOK 245 million per year
- Total taxes NOK 4.5 billion
 - Corporate tax NOK 1.6 billion
 - Resource rent tax NOK 0.8 billion
 - Implementation effect resource rent tax NOK 2.1 billion
- Still uncertainty related to resource rent tax
 - Calculated amount based on best estimate

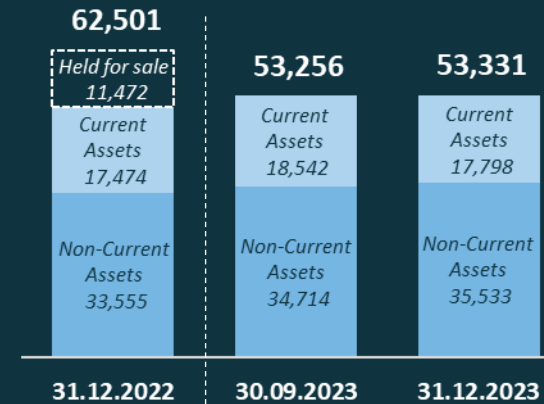


→ *Internal products & services*

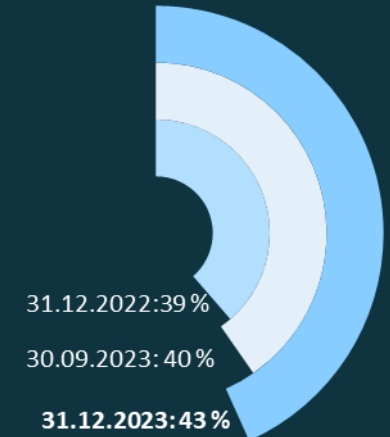
Group Balance Sheet

- Financial position significantly strengthened during 2023
 - Sale of Frøy & strong cash flow from operations
 - New financing agreement
 - 13.1 million treasury shares cancelled
- Ongoing investments in the value chain progressing according to plan
- Lower standing biomass QoQ and similar YoY
- Equity ratio increased to 43%
- Net interest-bearing debt (NIBD) including lease liabilities decreased to NOK 14.9 billion
 - NIBD incl. lease/EBITDA at 1.6
 - NIBD/EBITDA at 1.4
- Available liquidity - NOK 8.9 billion

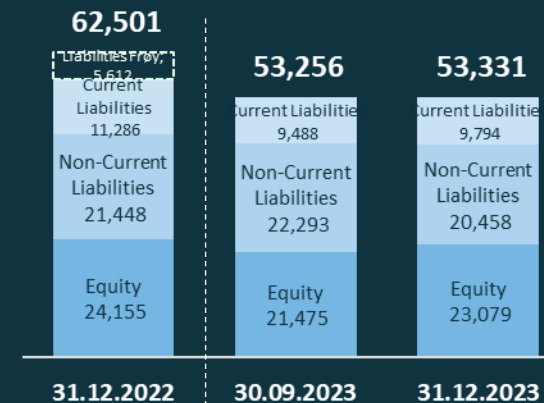
Assets



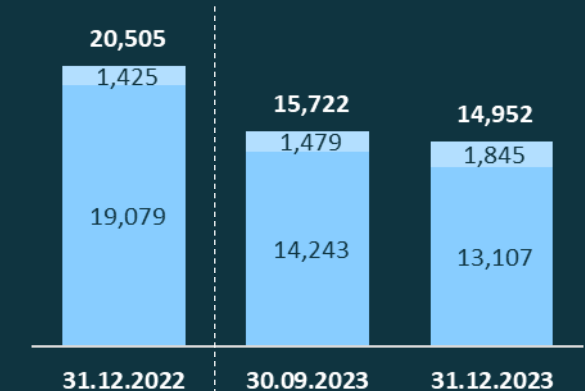
Equity ratio



Equity & liabilities



NIBD incl. lease liabilities

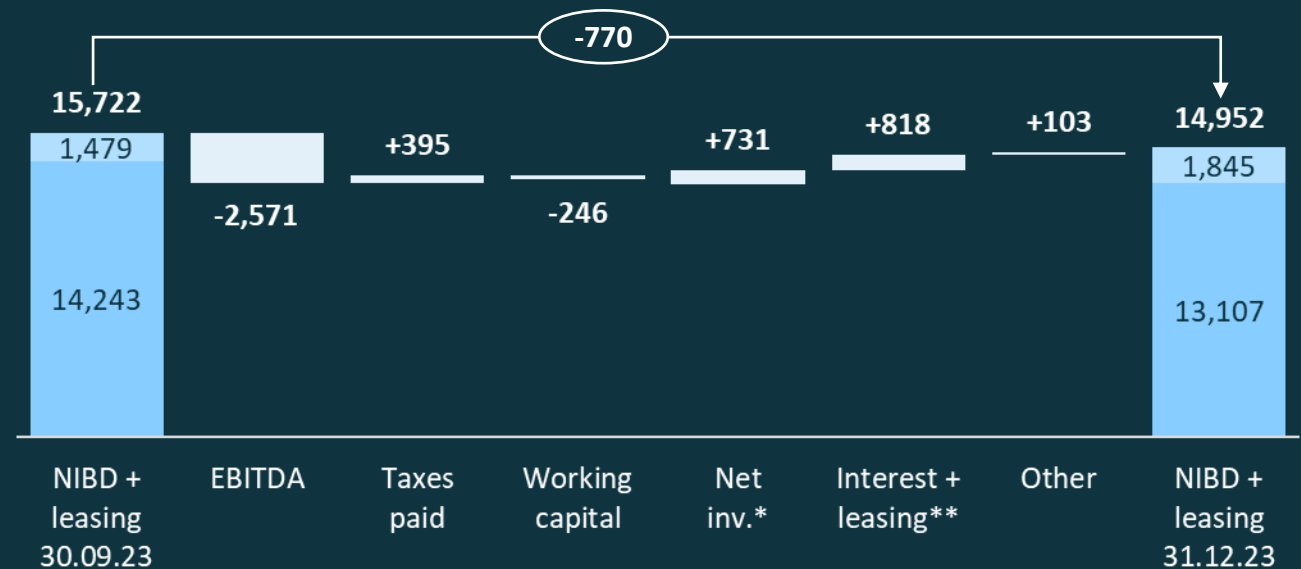


■ NIBD ■ Lease Liabilities

Net interest bearing debt

- Strong cash flow from operations
- Net investments at NOK 731 million
 - Farming NOK 377 million
 - Smolt NOK 114 million
 - Sales & Industry NOK 101 million
 - Icelandic Salmon NOK 76 million
 - SalMar Aker Ocean NOK -37 million
 - Increased ownership Iceland NOK 84 million
- IFRS 16 leasing debt increased related to leasing contracts of vessels
 - Due to Frøy not part of Group

Change in NIBD incl. leasing - QoQ



All figures in NOK million

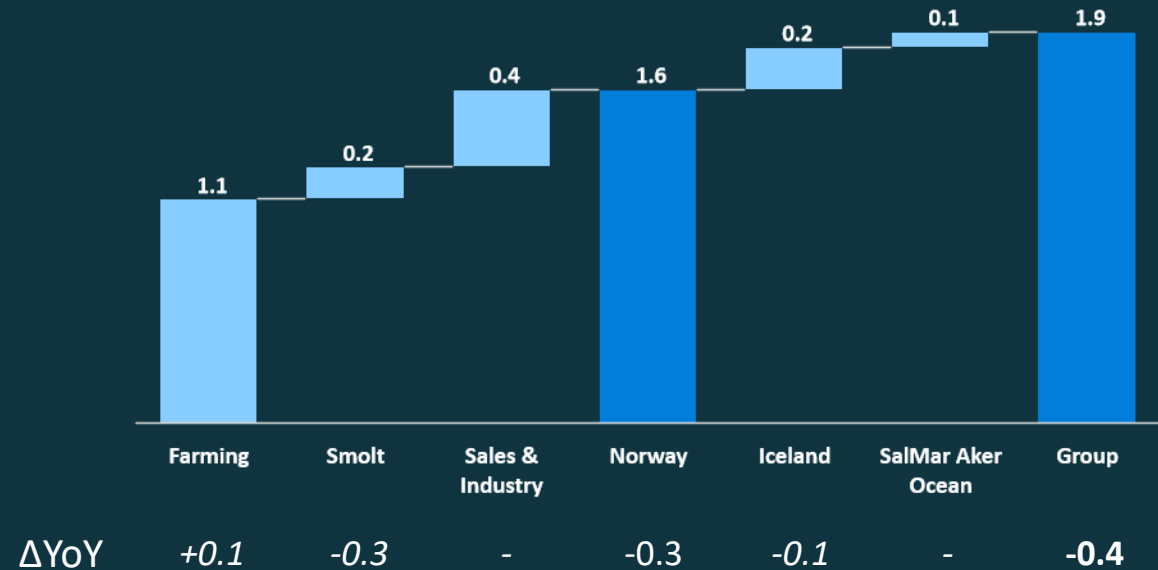
* Includes acquisition of increased ownership in Icelandic Salmon

** includes addition of leasing contracts related to vessels

Expect to invest NOK 1.9 billion in 2024

- Expect to invest NOK 1,6 billion in Norway
 - Maintenance investments NOK 0,7 billion (~2,8 NOK/kg)
 - Capacity investments NOK 0,9 billion
 - Finalizing construction of Tjuin and upgrade of Dåfjord
 - Expansion of Vikenco largest single investment
 - Farming investments to reduce cost
- Expect to invest NOK 0,2 billion in Icelandic Salmon
 - Unlocking potential within existing licenses
 - Increased seawater capacity largest investment
- Expect to invest NOK 0,1 billion in SalMar Aker Ocean
 - Maintenance capex
 - Minor upgrades of Arctic Offshore Farming

Investments 2024



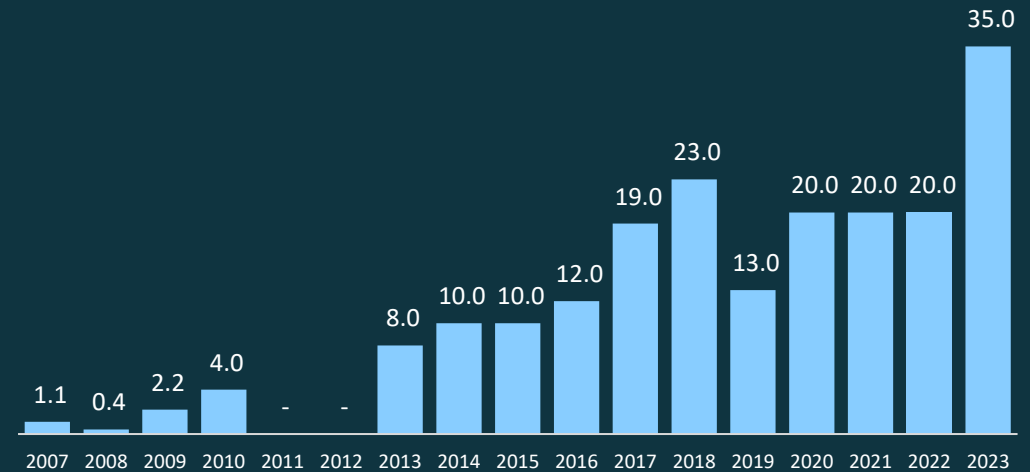
Expansion of Vikenco largest single investment in 2024

All figures in NOK billion

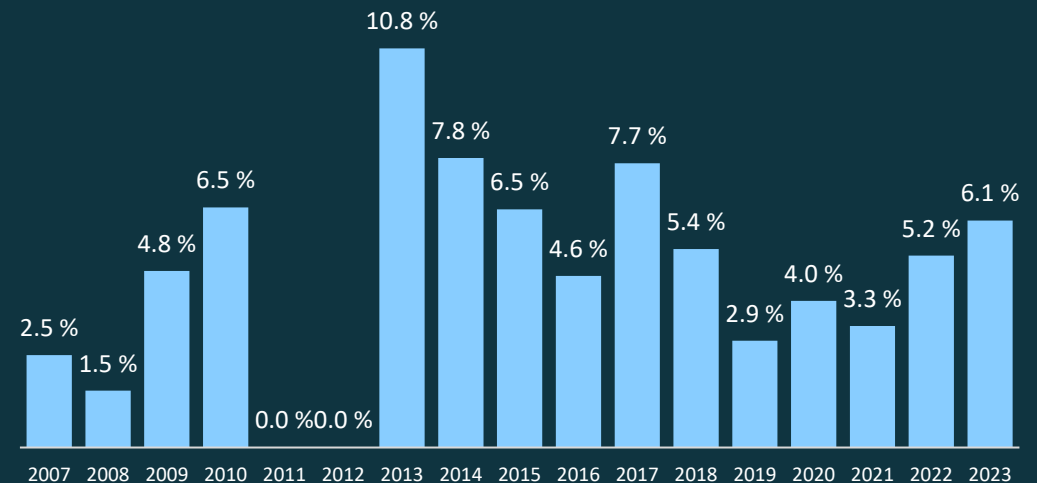
Dividend for the financial year 2023

- Board of Directors propose a cash dividend of NOK 35.00 per share
- Results in 2023 shows that SalMar has delivered strong financial results and has a robust financial position
- Important for SalMar to provide its 23,000 shareholders a competitive return on invested capital
- Proposed cash dividend to be approved at AGM 6th of June 2024

Dividend (NOK/share)



Dividend Yield (%)*



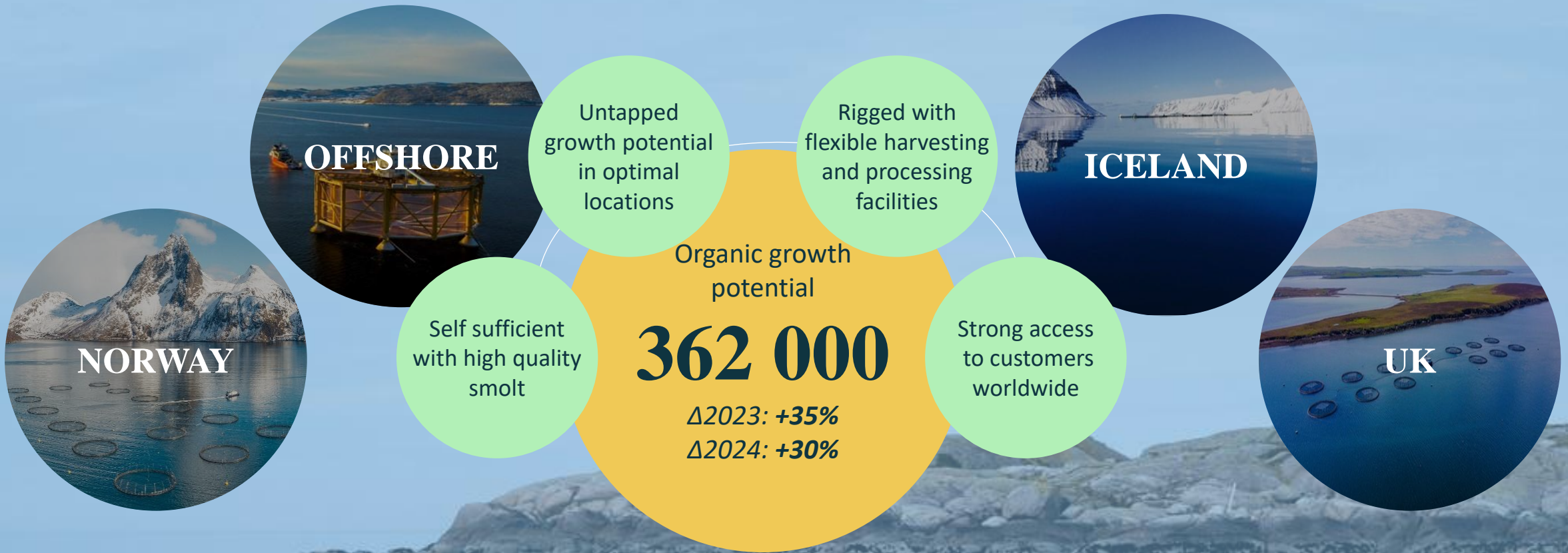
* DPS vs. share price year end

A group of people, likely workers or researchers, are shown in profile, looking towards the right. They are wearing safety gear, including high-visibility jackets and helmets. The person in the foreground is wearing a bright yellow-green jacket with "AGUAYTA" and "VAN LIEGOUARD" visible on the sleeve. They are standing on a structure made of green netting, which is part of a salmon farming operation. The background shows a body of water and a cloudy sky.

Q4 2023

Strategic Update

Volume potential unchanged despite challenges at the end of 2023



always on the terms of the salmon

Investing for further growth and improvement to unlock potential



Q4 2023

Outlook

Outlook

- Expect limited global supply growth in 2024
 - Continued good demand for sustainable proteins
- Volume guidance FY 2024 reduced due to environmental challenges in Norway
- SalMar well equipped for further sustainable growth
 - Dedicated employees and strong corporate culture
 - Strong growth potential in optimal locations
 - Robust value chain with unutilized potential
- Board of Directors proposes dividend of 35.00 NOK/share for 2023

Guiding

	Q1 2024			FY 2024	
	Δ Cost QoQ ¹	Δ Volume YoY ²	Contract share ³	Volume	Contract share ³
Norway	Same level	Same level	~40%	237,000	~25%
Central Norway	Same level	Slightly higher		146,000	
Northern Norway	Same level	Slightly lower		91,000	
SalMar Aker Ocean		Higher		7,000	
Icelandic Salmon		Lower		15,000	
Scottish Sea Farms⁴				37,000	

1) Change from Q4 2023

2) Change from Q1 2023

3) Physical and financial fixed price contracts

4) Joint venture Scottish Sea Farms LTD through Norskott Havbruk, ownership 50%, figure depicts 100% share

Thank you for your attention

Passion for Salmon

For more information, please visit www.salmar.no

FINANCIAL CALENDAR:

Annual Report 2023 – 19 April 2024

Q1 2024 presentation – 14 May 2024 – *Oslo*

Annual General Meeting – 6 June 2024

Q2 2024 presentation – 20 August 2024 – *Trondheim*

Q3 2024 presentation – 12 November 2024 – *Oslo*



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Forward looking statements

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