



**Q1 2022**

**MAY 13TH**





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Our goal is to create the world's most efficient and sustainable value chain for seafood. The large, extensive investments we have made over a long period of time are now starting to yield results.

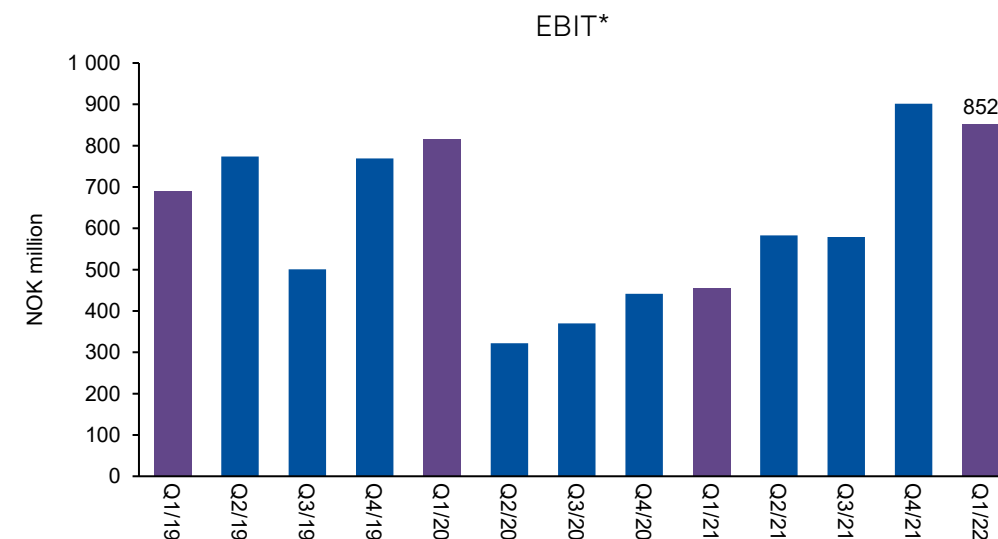
- 1. Highlights**
- 2. Key Financial Figures**
- 3. Outlook**

# Agenda

# Highlights

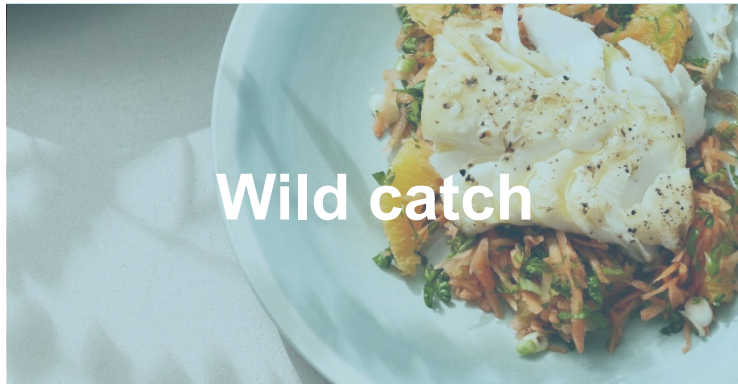
## Q1 2022 Highlights

- Strong price increase in raw materials gives lift in both price realisation and cost
- Temporary negative for downstream operations as it takes time to transfer higher prices to consumers
- EBIT pre FV adj. of NOK 852m (Q1/21: NOK 455m)
- EBIT/kg all incl. excl. WildCatch at NOK 20.0 (incl. 0.4/kg production tax) (Q1/21: NOK 7,4/kg)
- Volume guidance for farming unchanged
- Proposed dividend at NOK 2.5 per share
- NIBD at NOK 3 280m (Q1/21: NOK 3 082m)



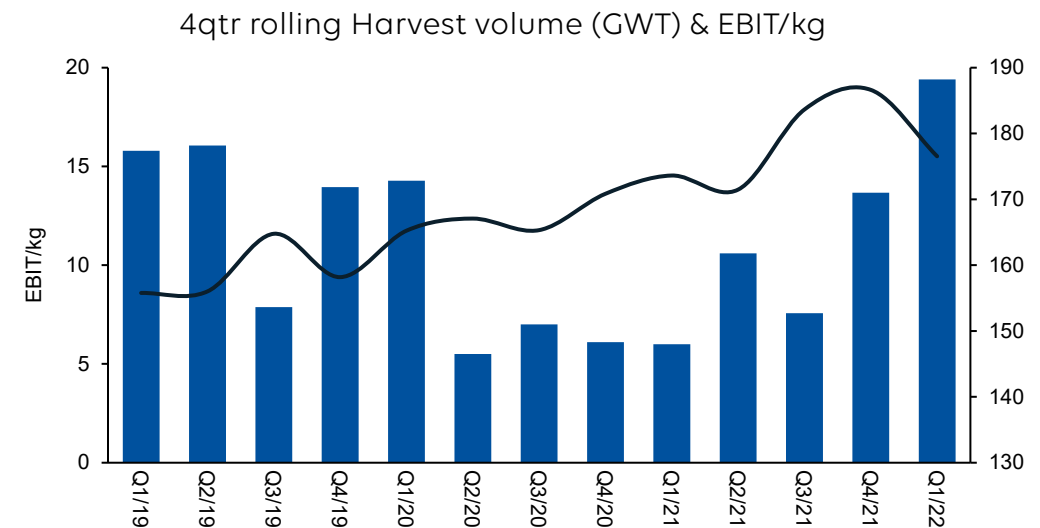
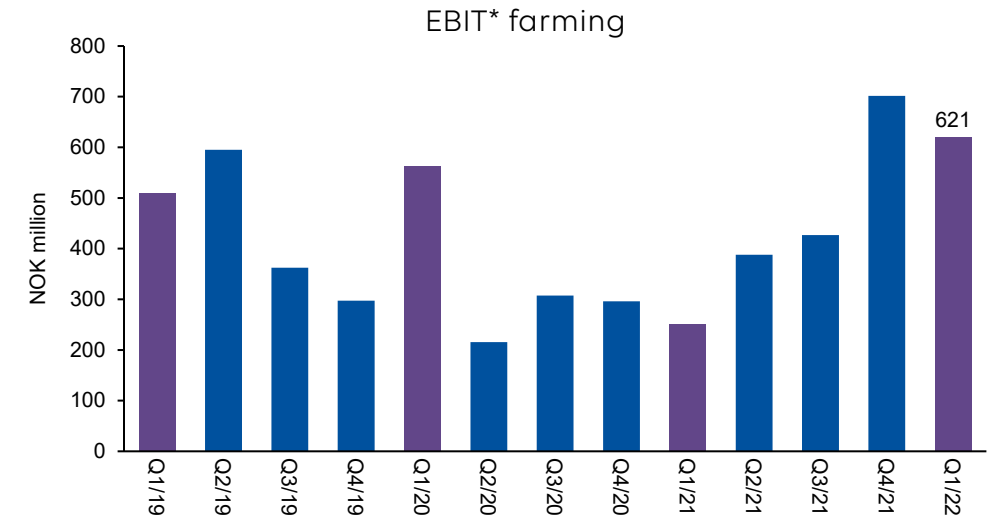
	Q1 2022	Q1 2021	2021	2020
Harvest volume salmon&trout (GWT)	32 057	42 150	186 635	170 849
Catch volume whitefish (tonnes)	25 116	25 721	71 521	68 419
Revenue (NOKm)	5 524	4 925	23 073	19 960
EBIT before FV adj. (NOKm)	852	455	2 519	1 950
ROCE before FV adj.	16,2%	9,5%	12,4%	10,5%

# Lerøy Seafood Group ASA



## Q1 2022 Farming highlights

- Low harvest volumes, with almost 50% from Lerøy Sjøtroll
- Spot prices well above last year
  - NSI Q1/22 NOK 79.7 vs NOK 52.1 in Q1/21 (+53%)
  - Up NOK 20/kg q-o-q, and up NOK 28/kg y-o-y
- Contract share for salmon 43%, price realisation on contracts well below realised prices for spot
- Share of downgrades reduced from Q1/21, but significant discount to spot price
- EBIT/kg in farming in Q1/22 of NOK 19.4 compared to NOK 6.0 in Q1/21



## Farming volumes

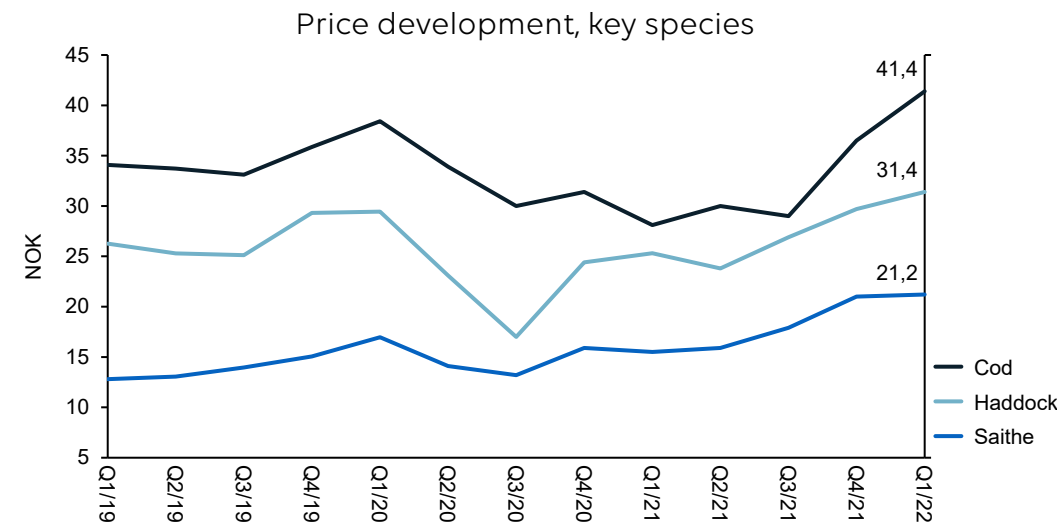
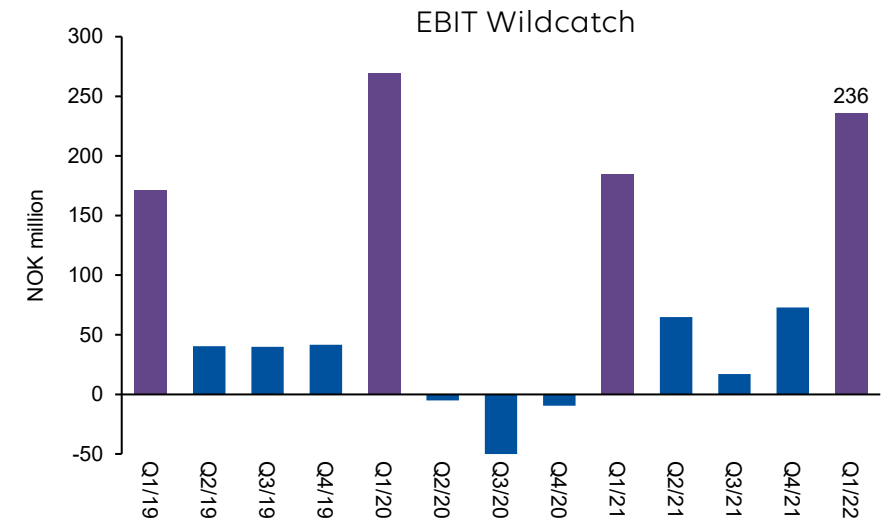
	2016 GWT	2017 GWT	2018 GWT	2019 GWT	2020 GWT	2021 GWT	2022E GWT
Lerøy Aurora AS	30 000	39 200	36 800	32 800	35 000	44 000	~40 000
Lerøy Midt AS	52 200	64 500	66 500	64 800	67 900	72 600	~71 000
Lerøy Sjøtroll	68 000	54 000	58 800	60 600	68 000	70 000	~74 000
<b>Total Norway</b>	<b>150 200</b>	<b>157 800</b>	<b>162 000</b>	<b>158 200</b>	<b>170 900</b>	<b>~186 600</b>	<b>~185 000</b>
Norskott Havbruk (UK)*	14 000	15 500	13 700	12 900	12 000	~16 200	~23 000
<b>Total</b>	<b>164 200</b>	<b>173 300</b>	<b>175 800</b>	<b>171 100</b>	<b>182 900</b>	<b>~202 800</b>	<b>~208 000</b>

\*) LSG's share, not consolidated. Volume for 2022E includes acquisition of Grieg Seafood Hjalmland UK



## Q1 2022 Wildcatch highlights

- Strong price development, due strong demand and lower quotas
- High prices positive for profitability on catching-, but a challenge for the processing activity
- Significant increase in fuel cost., up NOK 27m y-o-y
- EBIT Q1/22 of NOK 236m compared to NOK 185 m in Q1/21



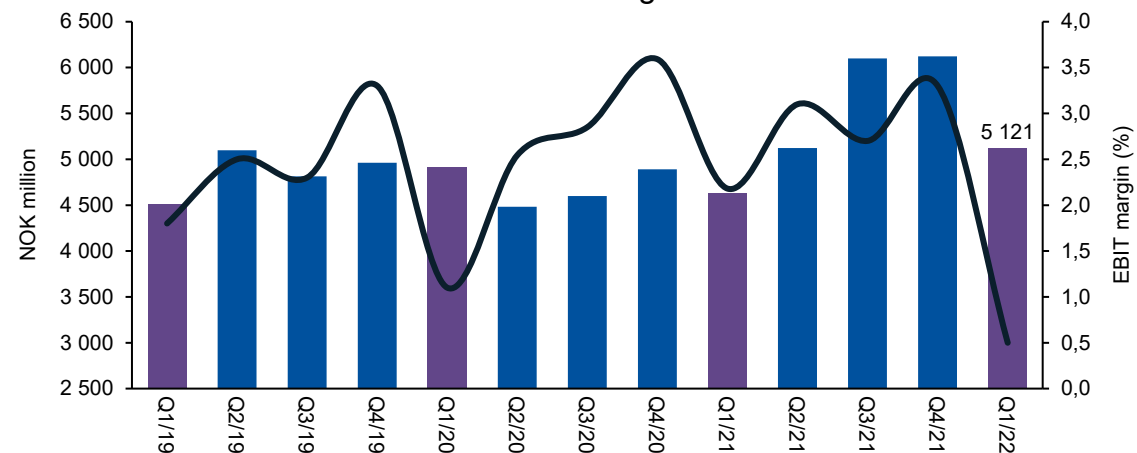
## Catch volumes Wild Catch

	Catch volume Q1/22	Catch volume Q1/21	2021	2020	Remaining quota 2022	Remaining quota 2021
Cod	10 023	11 113	26 582	23 594	13 954	16 600
Saithe	3 510	4 030	13 156	14 547	11 612	11 084
Haddock	7 441	5 998	10 878	7 402	2 381	6 247
Shrimps	0	0	9 433	6 348		
Other	4 141	4 581	11 473	16 527		
<b>Total</b>	<b>25 116</b>	25 721	<b>71 521</b>	68 418		

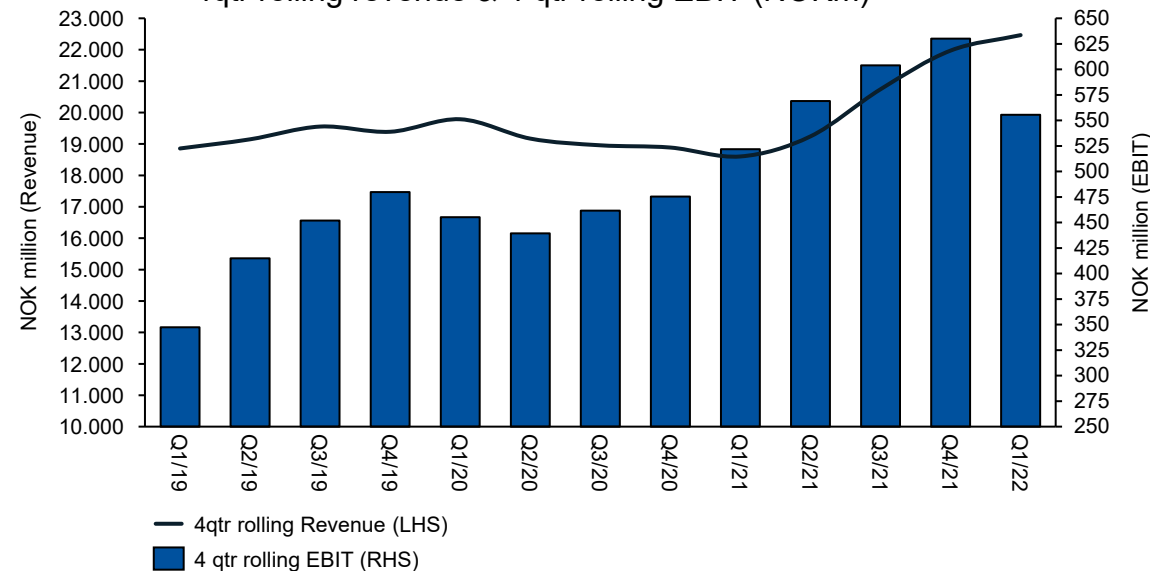
## Q1 2022 VAPS&D highlights

- "Extreme" development in salmon prices brings pressure on margins as it takes time to transfer prices to consumers
- Position in market as a reliable supplier has strengthened
- Start-up cost related to several operations
- EBIT in Q1/22 of NOK 26m compared to NOK 101m in Q1/21

Revenue and EBIT-margin VAPS&D



4qtr rolling revenue & 4 qtr rolling EBIT (NOKm)



# Key financial figures

## Key financial figures – Q1 2022

<i>(NOKm)</i>	Q1 2022	Q1 2021	▲%
Revenue	5 524	4 925	12 %
Other gains and losses	1	2	
EBITDA	1 173	759	54 %
Depreciation & amortisation	321	304	
<b>EBIT*</b>	<b>852</b>	<b>455</b>	<b>87 %</b>
Income from associates*	32	38	
Net finance	-45	-38	
<b>Pre-tax profit*</b>	<b>838</b>	<b>455</b>	<b>84 %</b>
EPS (NOK)*	1,02	0,58	75 %
<i>Salmon and trout harvest volume (GWT)</i>	32 057	42 150	-24 %
<i>EBIT* all incl. excl. Wildcatch/kg</i>	20,0	7,4	
<i>Whitefish catch volume (tonnes)</i>	25 116	25 721	-2 %
<i>EBIT/kg Wildcatch</i>	8,4	5,5	
<i>ROCE* (%)</i>	16,2 %	9,5 %	

\* Before biomass adjustment

## Balance sheet

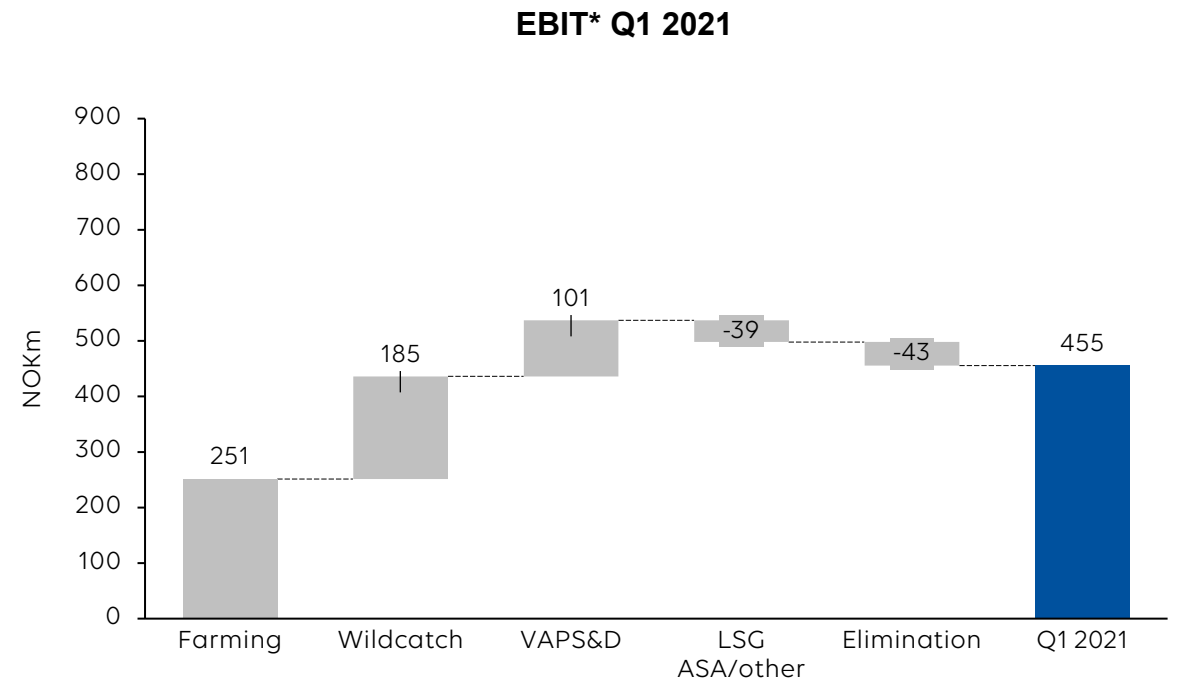
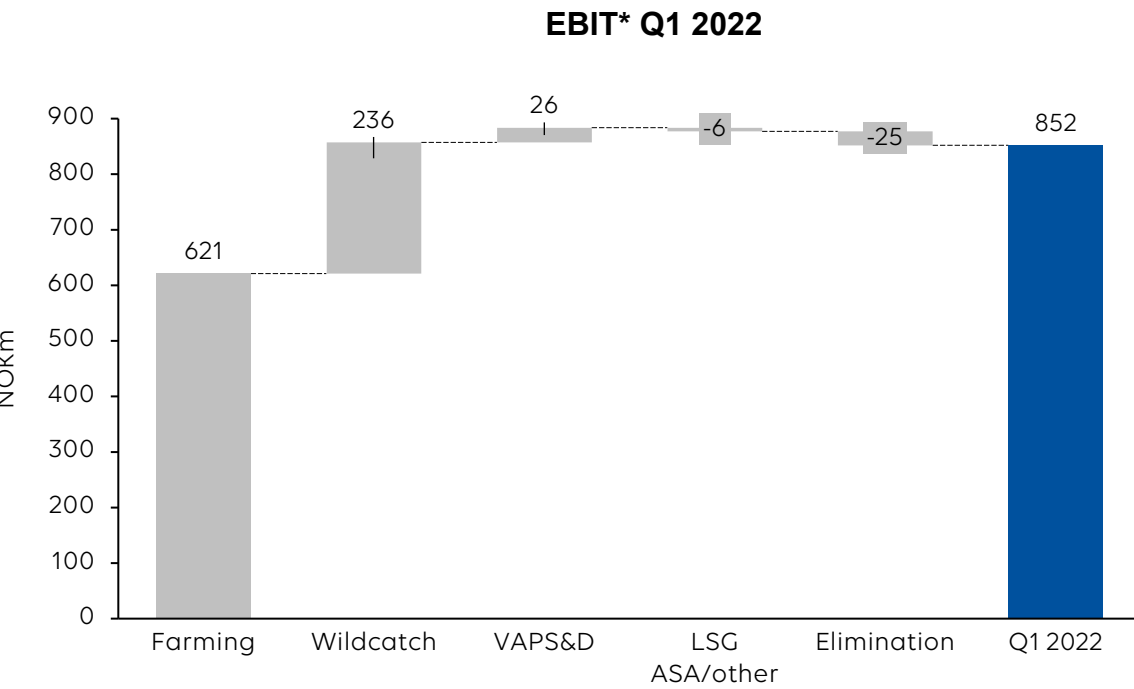
<i>(NOKm)</i>	31.03.2022	31.03.2021	▲%
Intangible assets	8 560	8 326	
Right-of-use-assets	2 931	2 706	
Tangible fixed assets	7 279	6 844	
Financial non-current assets	1 527	1 203	
<i>Total non-current assets</i>	<i>20 298</i>	<i>19 080</i>	
Biological assets at cost	4 715	4 366	
Fair value adjustment of biomass	1 858	688	
Other inventory	1 467	1 185	
Account receivables	2 151	1 863	
Other receivables	812	651	
Cash and cash equivalents	3 836	3 166	
<i>Total current assets</i>	<i>14 839</i>	<i>11 918</i>	
<b>Total assets</b>	<b>35 137</b>	<b>30 998</b>	
<i>Equity</i>	<b>20 115</b>	<b>18 291</b>	
<i>Equity ratio</i>	<i>57,2 %</i>	<i>59,0 %</i>	
<i>NIBD</i>	<b>3 280</b>	<b>3 082</b>	

## Change in NIBD

	Q1 2022	Q1 2021	FY 2021
EBITDA before fair value adjustment on biological assets	1 173	759	3 778
Paid tax	-143	-114	-387
Change in working capital	-629	188	414
Other (Net gain from sales of NCA)	-1	-2	-64
<b>NIBD impact from operating activities</b>	<b>400</b>	<b>831</b>	<b>3 740</b>
New intangibles, fixed assets and right of use assets (from credit institutions), net	-215	-246	-1 182
Dividends and interests received	3	0	45
Business combinations, net change (-)	-49	-53	-399
Other changes in non-current assets	1	-1	-308
<b>NIBD impact from investing activities</b>	<b>-260</b>	<b>-300</b>	<b>-1 844</b>
Dividends distributed	-9	0	-1 202
Installments paid on lease liabilities with other than credit institutions	-70	-65	-260
Interests and other financial expenses	-56	-50	-238
<b>NIBD impact from financing activities</b>	<b>-135</b>	<b>-115</b>	<b>-1 700</b>
<b>NIBD impact from other changes (incl.currency effects)</b>	<b>12</b>	<b>22</b>	<b>28</b>
<b>Total change in NIBD</b>	<b>17</b>	<b>438</b>	<b>223</b>
NIBD at beginning	3 297	3 521	3 521
Change in NIBD	-17	-438	-223
<b>NIBD at end</b>	<b>3 280</b>	<b>3 082</b>	<b>3 297</b>



## EBIT per segment

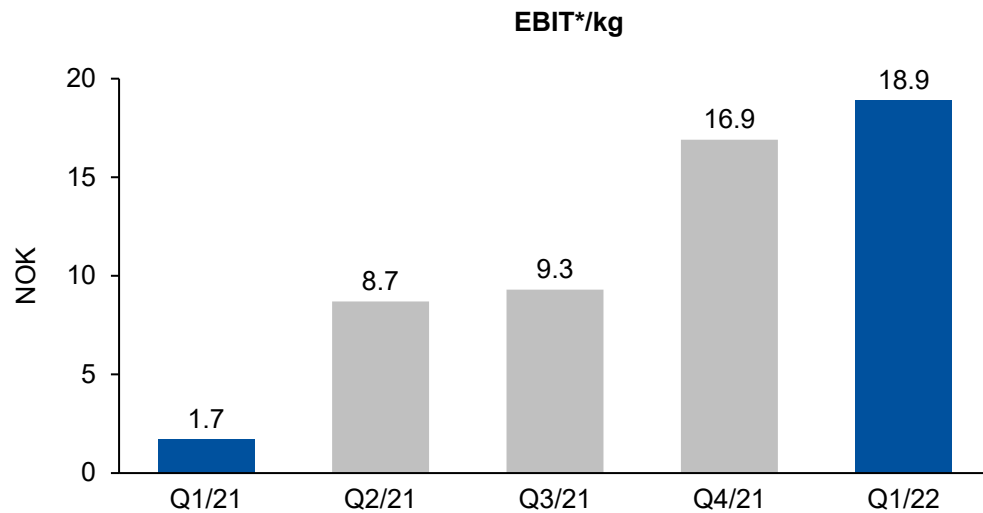


\* Before biomass adjustment



## Lerøy Aurora

	Q1 2022	Q1 2021	2021	2020
Revenue (NOKm)	368	485	2 541	1 977
EBIT* (NOKm)	92	15	445	434
Harvested volume (GWT)	4 887	8 996	43 963	34 986
EBIT/kg* (NOK)	18.9	1.7	10.1	12.4



\* Before biomass adjustment

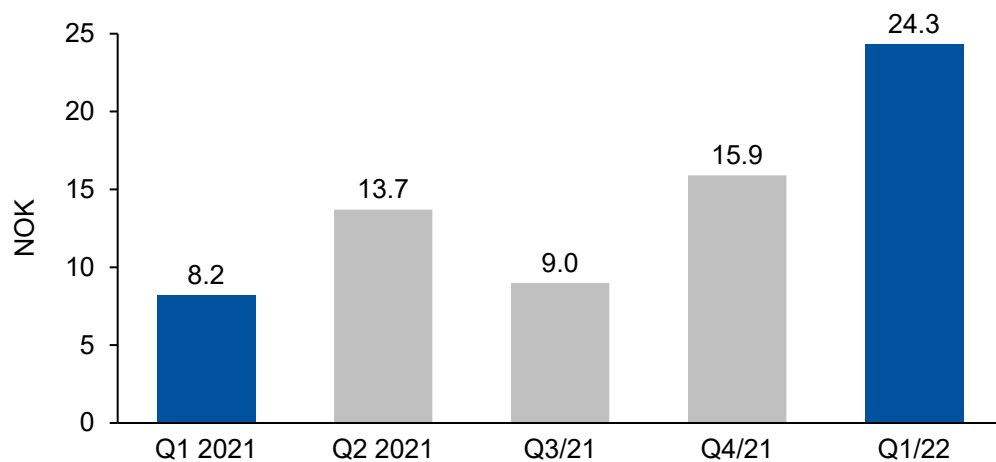
### Improvement in quality, positive outlook

- Low harvest volume gives high contract share and price realisation well below spot prices, as well as high harvesting cost due to low utilisation
- Winter wounds has been a significant challenge recent two years, and vastly improved in 2022
- Despite low volume, feed cost in quarter up NOK 2kg y-o-y, cost marginally down y-o-y.
- Expect higher feed cost for coming quarter, but that cost level in Q1 is best estimate for the year 2022
- Expect harvest volume in 2022 of 40.000 GWT. Low volume first half 2022, which will also impact costs in first half 2022

# LerøY Midt

	Q1 2022	Q1 2021	2021	2020
Revenue (NOKm)	846	872	4 141	3 734
EBIT* (NOKm)	286	134	838	788
Harvested volume (GWT)	11 767	16 462	72 623	67 906
EBIT/kg* (NOK)	24.3	8.2	11.5	11.6

## EBIT\*/kg



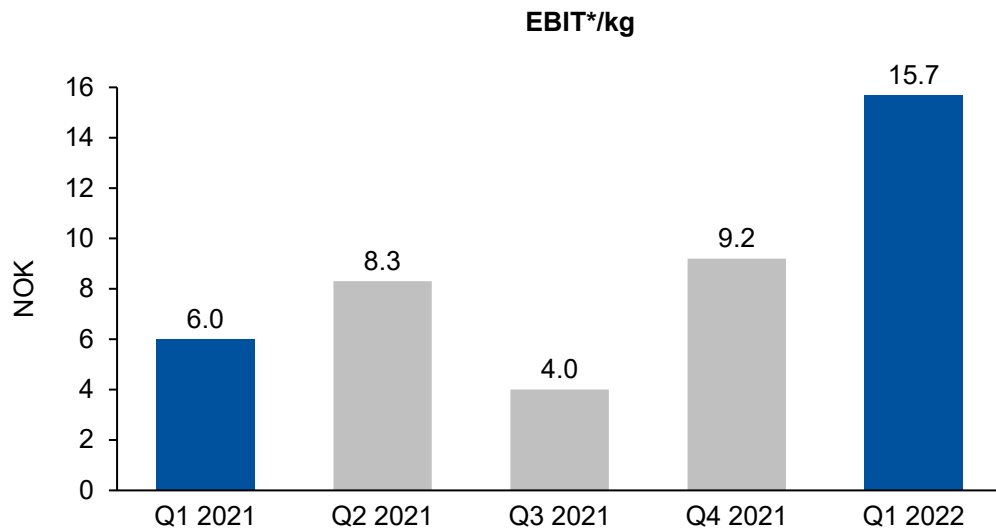
\* Before biomass adjustment

## Good cost performance

- Harvesting from well-performing sites, however low volumes give higher harvesting cost, and thus marginal cost increase q-o-q
- Feedcost inflation will gradually increase cost in coming quarters
- Expected harvest volume in 2022 of 71,000 GWT in 2021.

# Lerøy Sjøtroll

	Q1 2022	Q1 2021	2021	2020
Revenue (NOKm)	1 056	888	3 913	3 454
EBIT* (NOKm)	242	100	484	159
Harvested volume (GWT)	15 403	16 692	70 049	67 957
EBIT/kg* (NOK)	15.7	6.0	6.9	2.3



\* Before biomass adjustment

## Improvement initiatives are yielding results

- Improvement initiatives continue, and are gradually showing positive results
- Cost increase q-o-q and y-o-y
- While feed cost per harvested kilo will increase in quarters to come, operational improvements have the potential eliminate overall cost increase
- Expected harvest volume of 74,000 GWT in 2022

## Wildcatch (Lerøy Havfisk/LNWS)

	Q1 2022	Q1 2021	2021	2020
Revenue (NOKm)	1 031	867	2 695	2 574
EBITDA (NOKm)	287	235	544	398
EBIT (NOKm)	236	185	340	205

<b>Havfisk, catch volume</b>	Q1 2021	Q1 2020	2021	2020
Cod	10 023	11 113	26 582	23 594
Saithe	3 510	4 030	13 156	14 547
Haddock	7 441	5 998	10 878	7 402
Shrimps	0	0	9433	6348
Other	4 141	4 581	11473	16527
<b>Total</b>	<b>25 116</b>	<b>25 721</b>	<b>71 521</b>	<b>68 419</b>

<b>Havfisk, prices</b>	Q1 2022	Q1 2021	2021	2020
Cod	41.4	28.4	31.1	34.9
Haddock	31.4	25.3	25.3	25.0
Saithe	21.2	15.5	17.2	14.7

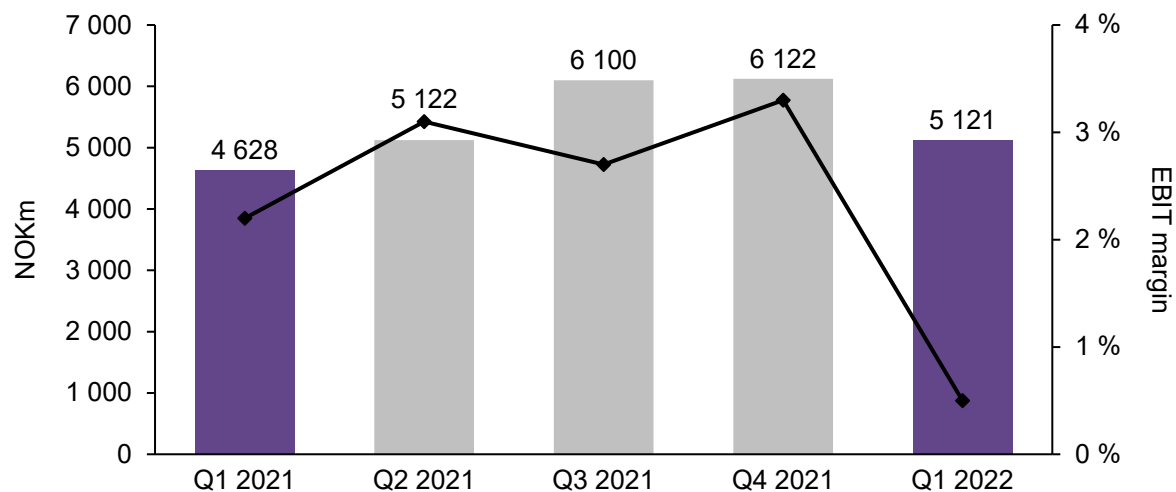
### Significant improvement in profitability

- Higher price realisation give higher catch values and a lift in profitability compared to last year
- Fuel consumption basically unchanged, but fuel cost up NOK 27m y-o-y in Q1/22
- Higher prices a challenge for the land based industry, where profitability is under pressure

## VAPS&D – VAP, Sales and Distribution

	Q1 2022	Q1 2021	2021	2020
Revenue (NOKm)	5 121	4 628	21 972	18 886
EBIT (NOKm)	26	101	630	475
EBIT margin	0.5%	2.2%	2.9%	2.5%

Revenue and EBIT margin (line graph)

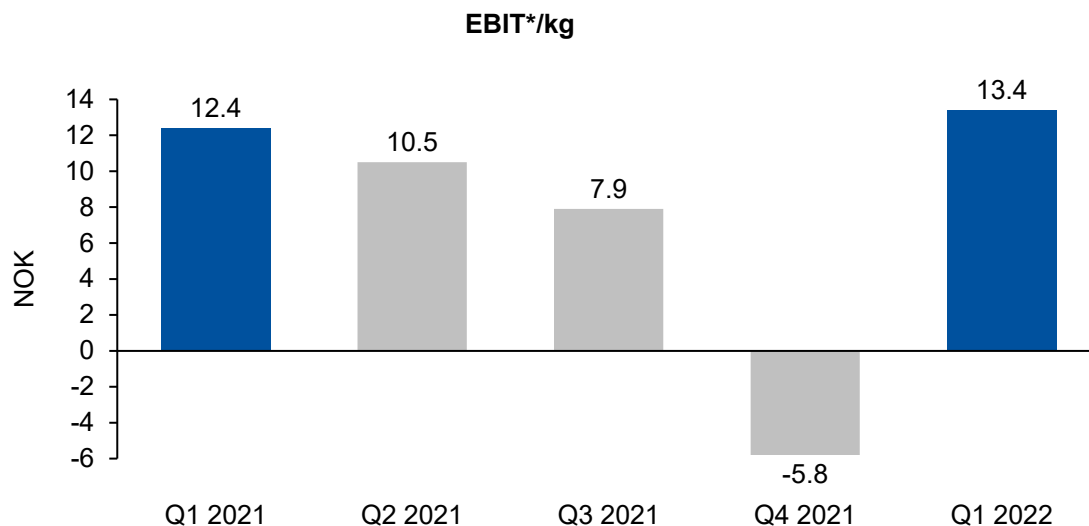


### Extreme price development gives pressure on profitability

- Price development on seafood and transportation cost significantly stronger than expected, bringing pressure on profitability
- It will take time to transfer prices to consumers, and margin pressure also in coming quarter
- Relative competitive position strengthened as competitors struggle to supply their customers
- Long term trends for the seafood industry remains very positive, and with several new factories started in recent years significant potential in this segment in years to come

## Norskott Havbruk (associate, 50% owned by Lerøy Seafood Group)

	Q1 2022	Q1 2021	2021	2020
Revenue (NOKm)	639	396	2 307	1 699
EBIT* (NOKm)	105	74	244	308
Harvested volume (GWT)	7 840	5 944	32 350	23 968
EBIT/kg* (NOK)	13.4	12.4	7.6	12.9
NIBD	2 099	1 091	2 234	1 079



\* Before biomass adjustment  
 \*\* Figures based on 100% basis

### Starting to realise synergies from acquisition

- Harvest volume up 32% y-o-y. High cost base harvesting from sites with biological challenges in Q3 and Q4 2021
- Contract share of 52%, with contract price realisation well below spot price realisation
- Integration of Grieg Seafood Hjaltland UK, integrating IT, Financial and HR systems. Cost savings of GBP 4m delivered so far.
- Harvest guidance for 2022 at 46,000 GWT

# Outlook



# Atlantic Salmon - Supply

in tons WFE

Year	2017		2018		2019		2020		2021		2022	
Region	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change
<b>Europe</b>	<b>1 493 900</b>	<b>4.5 %</b>	<b>1 505 100</b>	<b>0.7 %</b>	<b>1 650 500</b>	<b>9.7 %</b>	<b>1 675 000</b>	<b>1.5 %</b>	<b>1 894 200</b>	<b>13.1 %</b>	<b>1 873 000</b>	<b>-1.1 %</b>
Norway	1 207 800	3.1 %	1 253 400	3.8 %	1 333 400	6.4 %	1 369 100	2.7 %	1 532 100	11.9 %	1 525 900	-0.4 %
United Kingdom	177 200	12.6 %	152 100	-14.2 %	190 500	25.2 %	178 300	-6.4 %	199 200	11.7 %	190 800	-4.2 %
Faroe Islands	80 300	3.9 %	71 700	-10.7 %	86 600	20.8 %	80 600	-6.9 %	105 500	30.9 %	96 200	-8.8 %
Iceland	11 600	43.2 %	13 600	17.2 %	24 500	80.1 %	31 200	27.3 %	41 500	33.0 %	44 500	7.2 %
Ireland	17 000	7.6 %	14 300	-15.9 %	15 500	8.4 %	15 800	1.9 %	15 900	0.6 %	15 600	-1.9 %
<b>Americas</b>	<b>799 000</b>	<b>9.2 %</b>	<b>897 700</b>	<b>12.4 %</b>	<b>927 600</b>	<b>3.3 %</b>	<b>1 036 590</b>	<b>11.7 %</b>	<b>1 000 400</b>	<b>-3.5 %</b>	<b>985 800</b>	<b>-1.5 %</b>
Chile	564 200	11.9 %	660 100	17.0 %	690 300	4.6 %	778 500	12.8 %	718 300	-7.7 %	715 900	-0.3 %
Canada	137 000	-6.2 %	146 000	6.6 %	137 500	-5.8 %	136 800	-0.5 %	142 000	3.8 %	129 000	-9.2 %
Australia	63 100	27.2 %	62 300	-1.3 %	60 900	-2.2 %	82 800	36.0 %	87 800	6.0 %	91 200	3.9 %
Others	13 000	44.4 %	10 300	-20.8 %	18 100	75.7 %	18 490	2.2 %	33 300	80.1 %	33 200	-0.3 %
USA	21 700	-3.6 %	19 000	-12.4 %	20 800	9.5 %	20 000	-3.8 %	19 000	-5.0 %	16 500	-13.2 %
<b>Total</b>	<b>2 292 900</b>	<b>6.1 %</b>	<b>2 402 800</b>	<b>4.8 %</b>	<b>2 578 100</b>	<b>7.3 %</b>	<b>2 711 590</b>	<b>5.2 %</b>	<b>2 894 600</b>	<b>6.7 %</b>	<b>2 858 800</b>	<b>-1.2 %</b>

Figures as per:  
06.05.2022

Source: Kontali





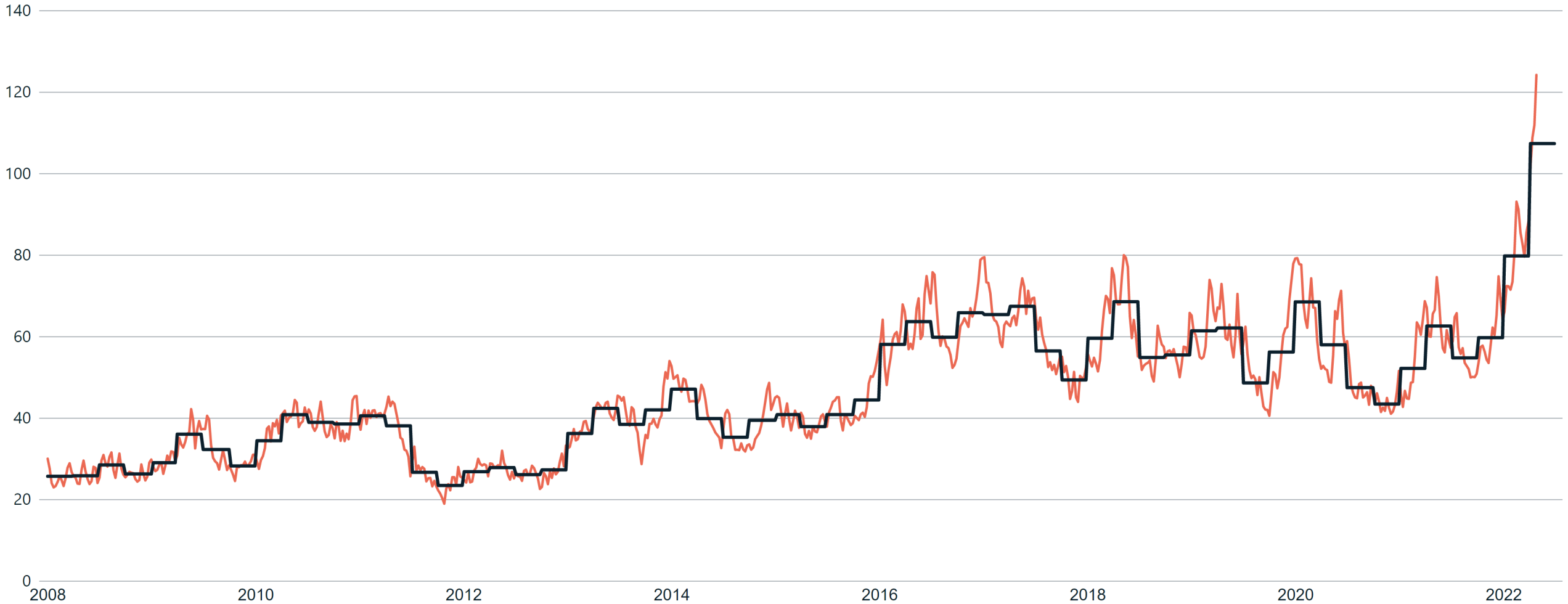
# Spot Prices, Fresh Atlantic Salmon

## - Cross Section, FCA Oslo, Superior Quality

### as of week 17-2022

Quarter	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Q1	26	29	34	40	27	36	47	41	58	65	60	61	68	52	80
Q2	26	36	41	38	28	42	40	38	64	67	68	62	58	63	107
Q3	28	32	39	27	26	38	35	41	60	56	55	49	47	55	
Q4	26	28	38	23	27	42	39	44	66	49	55	56	43	60	
<b>Total</b>	<b>27</b>	<b>31</b>	<b>38</b>	<b>32</b>	<b>27</b>	<b>41</b>	<b>40</b>	<b>41</b>	<b>62</b>	<b>59</b>	<b>59</b>	<b>57</b>	<b>53</b>	<b>57</b>	<b>85</b>

Weekly Price NSI FCA Oslo — Quarterly Price NSI FCA Oslo

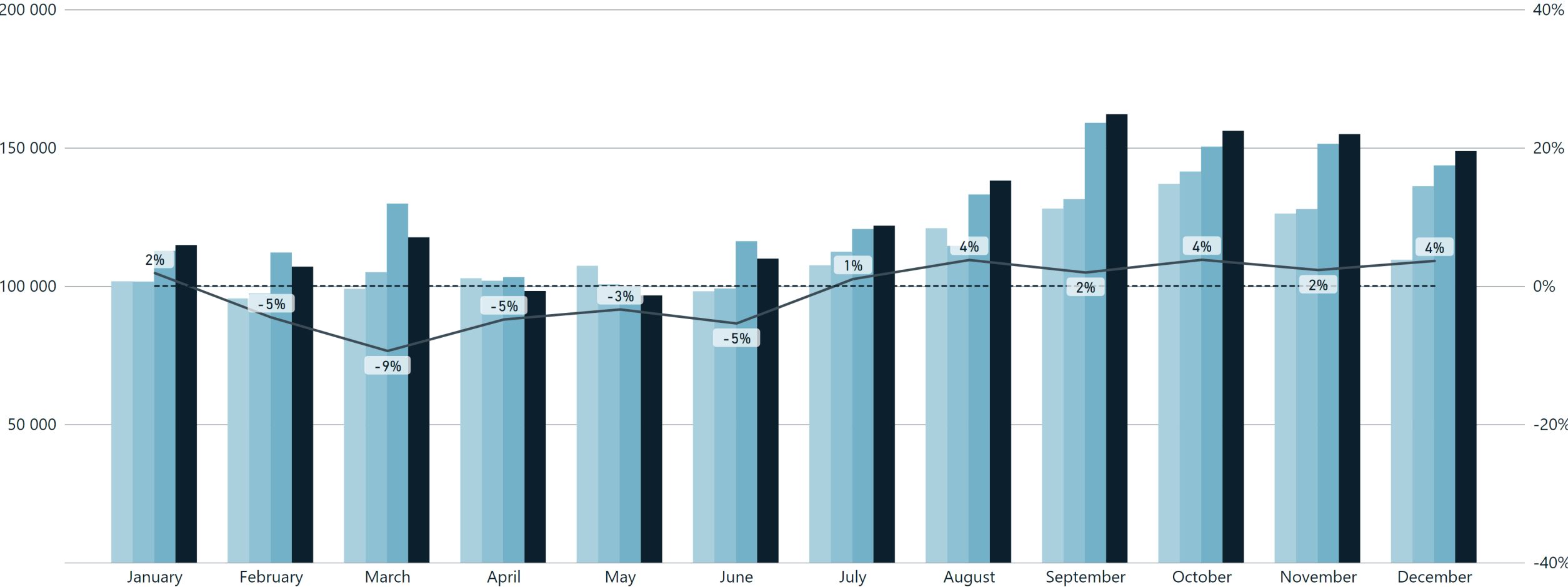




Tons YTD April:  
**437,600**  
 Change from Last Year  
**-4.4%**

# Atlantic Salmon - Harvest Volumes Norway

in tons WFE



Figures as per: 2019 2020 2021 2022 — Growth --Zero-line

06.05.2022

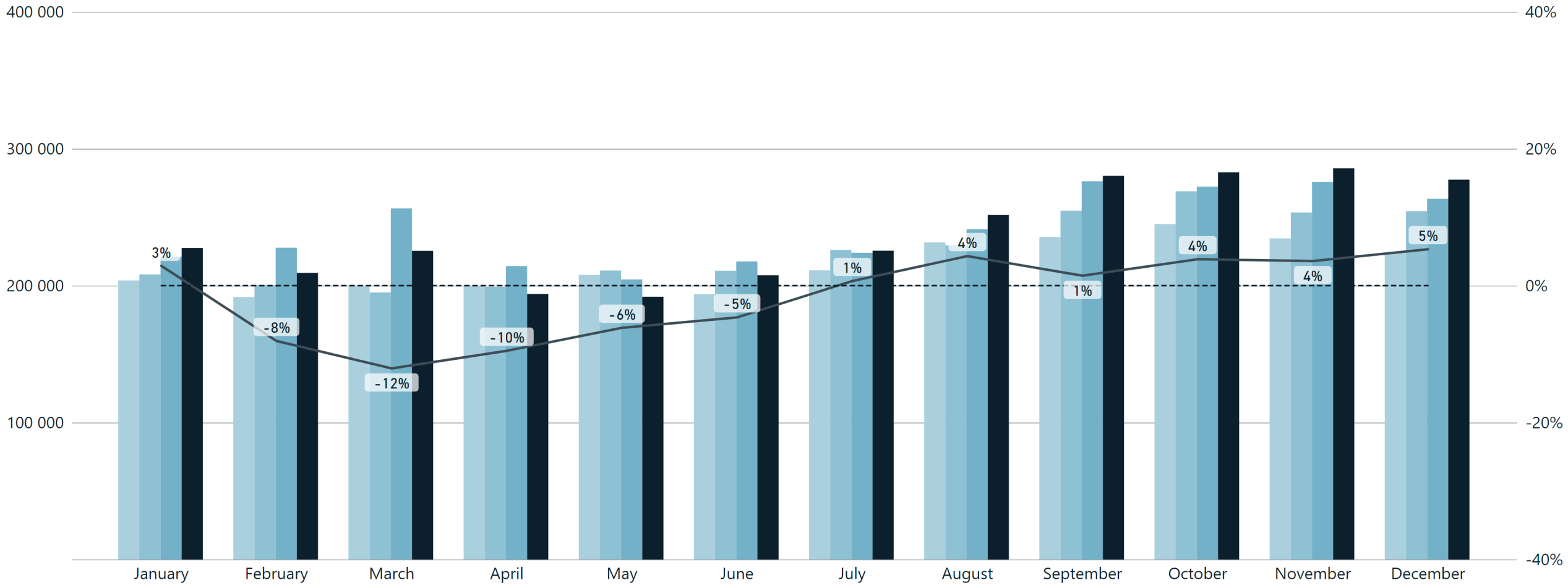
Source: Kontali



Tons YTD April:  
**856,100**  
Change from Last Year  
**-6.9%**

# Atlantic Salmon - Harvest Volumes WW

in tons WFE



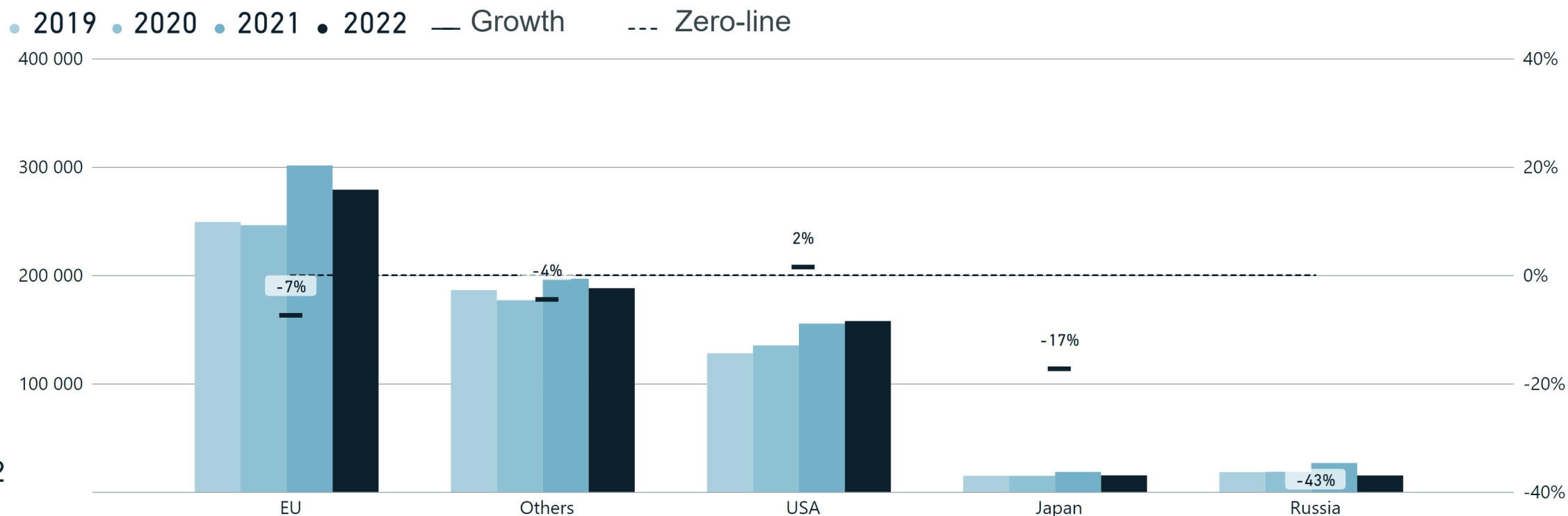
Figures as per:  
**06.05.2022**  
Source: Kontali

• 2019 • 2020 • 2021 • 2022 — Growth ---Zero-line

# Atlantic Salmon Consumption

Q1

Market	2019	2020	2021	2022	Growth	Growth %
EU	249 120	246 159	301 229	278 956	-22,273	-7.4 %
Others	186 280	176 892	196 811	188 032	-8,778	-4.5 %
USA	128 001	135 217	155 352	157 708	2,356	1.5 %
Japan	14 829	14 816	18 459	15 272	-3,187	-17.3 %
Russia	18 294	18 567	26 692	15 184	-11,508	-43.1 %
<b>Total</b>	<b>596 523</b>	<b>591 650</b>	<b>698 543</b>	<b>655 152</b>	<b>-43,391</b>	<b>-6.2 %</b>


 Figures as per:  
 06.05.2022

Source: Kontali

## Outlook 2022

- Extreme price development, positive for farming and catching activity while a temporary challenge for downstream activity
- Length of current inflationary trends will impact cost development
- Contract share for salmon in Q2/22 ~40-45%
- Farming
  - Expected harvest volume 2022 incl. associates around 208,000GWT
- Wild Catch
  - Quotas for Cod -18%, Haddock -20%, Saithe North of 62 degrees +3%
- VAPS&D
  - Temporary margin pressure from extreme spot price development, but competitive position strengthened
- Capital markets day planned 22th of September 2022





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Our goal is to create the world's most efficient and sustainable value chain for seafood. The large, extensive investments we have made over a long period of time are now starting to yield results.

LERØY

The Norwegian  
Seafood Pioneer

SINCE 1899

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