



Q2 2022

AUGUST 24TH





“

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.

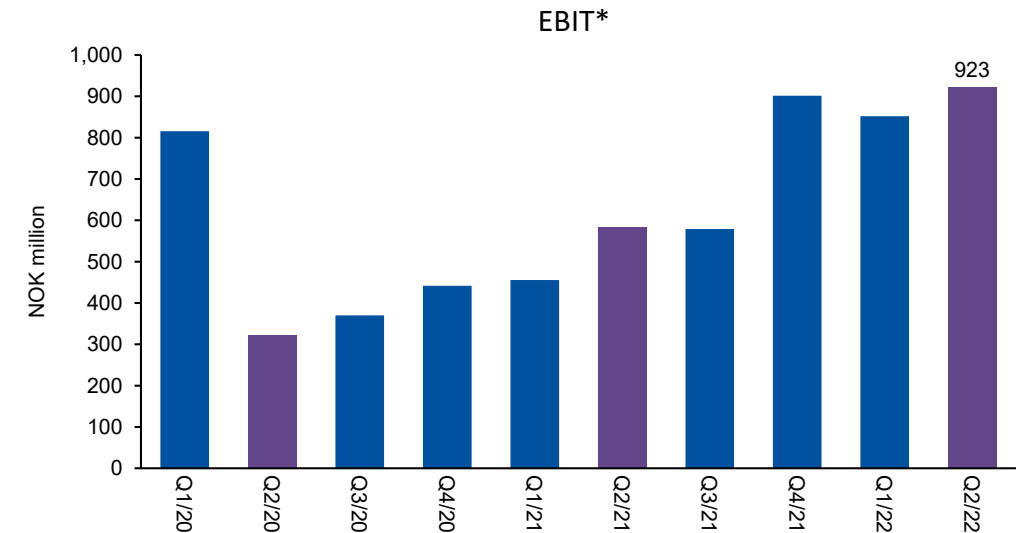
1. Highlights
2. Key Financial Figures
3. Outlook

Agenda

Highlights

Q2 2022 Highlights

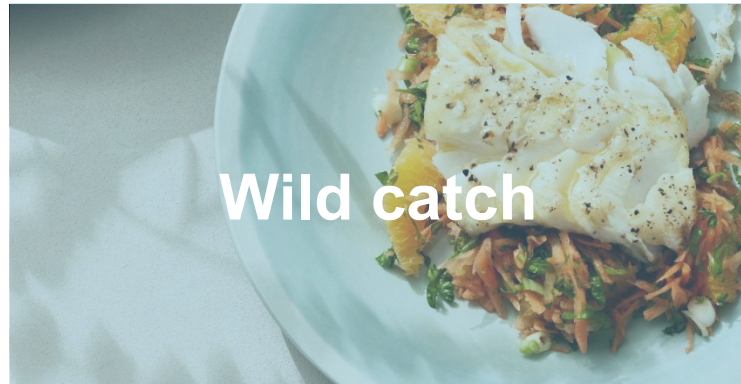
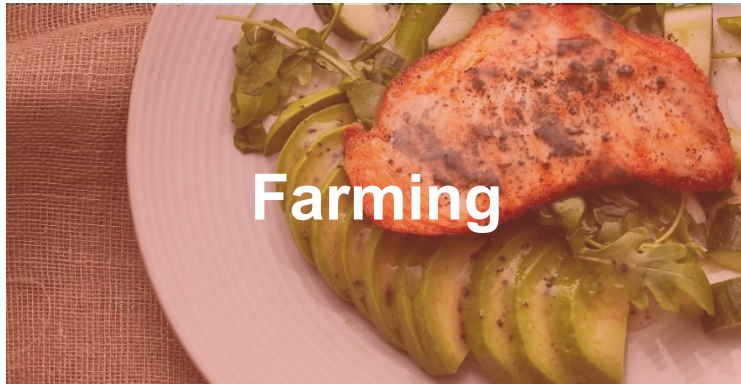
- Record high quarterly revenue
- Extreme price development lifts price realisation and cost. Positive for upstream assets, while temporary challenging for downstream operations
- EBIT excl. FV adj. and settlement costs of NOK 923m (Q2/Q1 NOK 583m)
- Paid NOK 2,5 per share in dividend. NIBD at NOK 4 917m (Q2/21: NOK 4 181m)
- Long term outlook unchanged and positive



	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Harvest volume salmon&trout (GWT)	33 083	36 756	65 140	78 906
Catch volume whitefish (tonnes)	18 649	16 345	43 765	42 066
Revenue (NOKm)	6 567	5 304	12 091	10 229
EBIT** (NOKm)	923	583	1 775	1 038
ROCE **	17,7%	12,1%	16,9%	10,7%

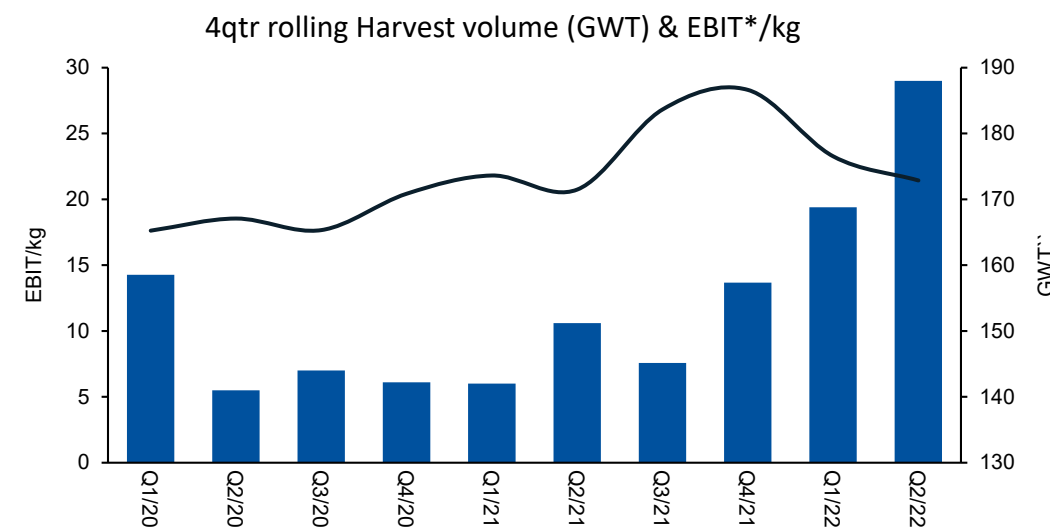
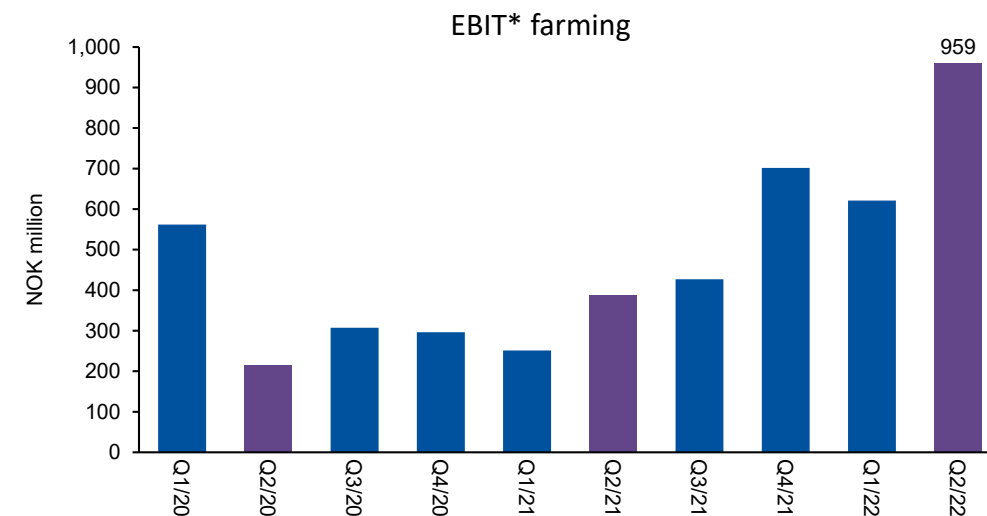
** Before FV adj. and settlement cost

Lerøy Seafood Group ASA



Q2 2022 Farming highlights

- Price realisation significantly impacted by contract positions entered into in 2021. Contract share for salmon in quarter of 46%
- Biomass growth as expected in Q2 2022, but somewhat lower growth than expected so far in Q3 2022. Guidance for 2022 slightly reduced
- Cost increase y-o-y due to low volume and inflationary trends. Excluding inflation, clear operational improvements across farming units
- EBIT/kg in farming in Q2/22 of NOK 29.0 compared to NOK 10.6 in Q2/21



*Before FV adj.

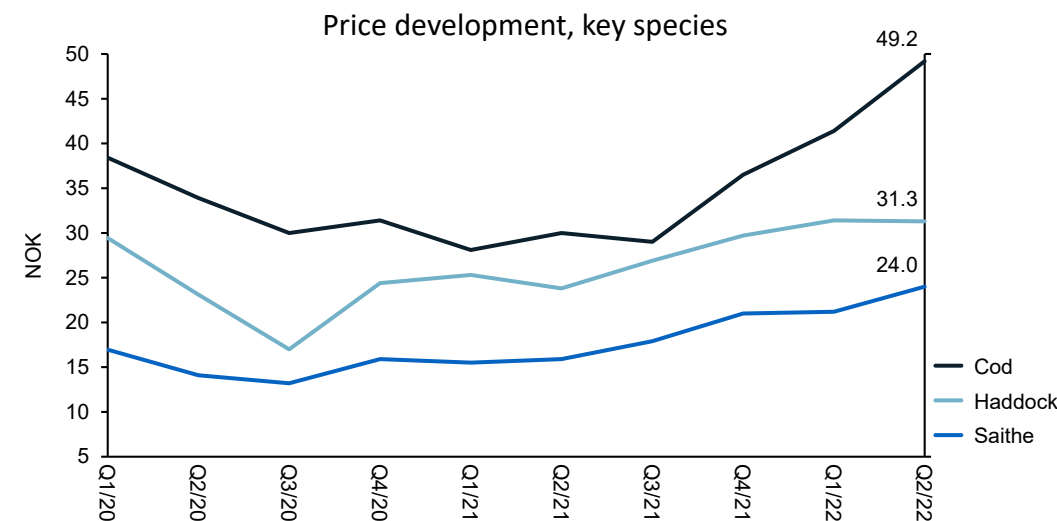
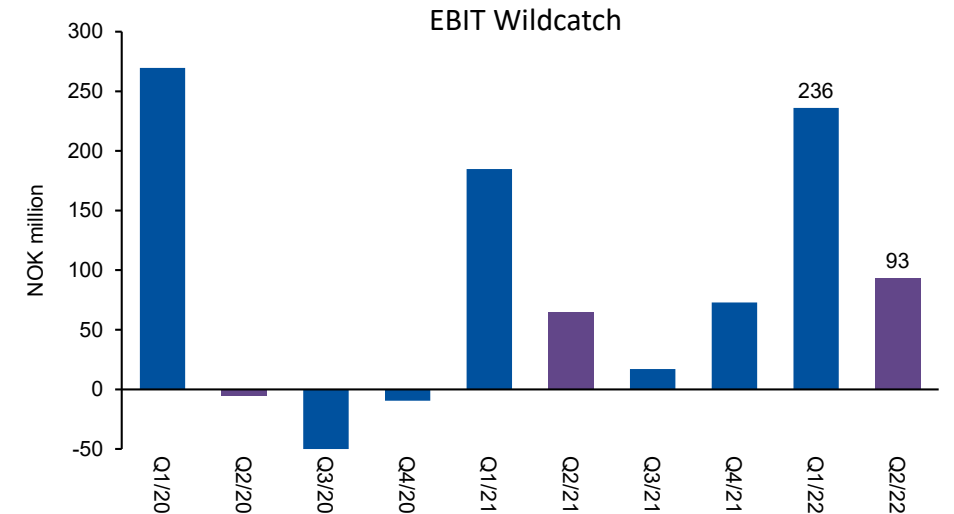
Farming volumes

	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	~68 000
Lerøy Sjøtroll	68 000	54 000	58 800	60 600	68 000	70 000	~72 000
Total Norway	150 200	157 800	162 000	158 200	170 900	~186 600	~180 000
Norskott Havbruk (UK)*	14 000	15 500	13 700	12 900	12 000	~16 200	~23 000
Total	164 200	173 300	175 800	171 100	182 900	~202 800	~203 000

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

Q2 2022 Wildcatch highlights

- Record profitability for first half year. EBIT Q2/22 of NOK 93m compared to NOK 65 m in Q2/21
- Strong price development, positive for profitability on catching, while a challenge for the processing activity.
- Efficient operation in the trawling fleet, and gradually more signs of operational improvements for the land based industry
- Significant increase in fuel costs, up NOK 60m compared to Q2/21

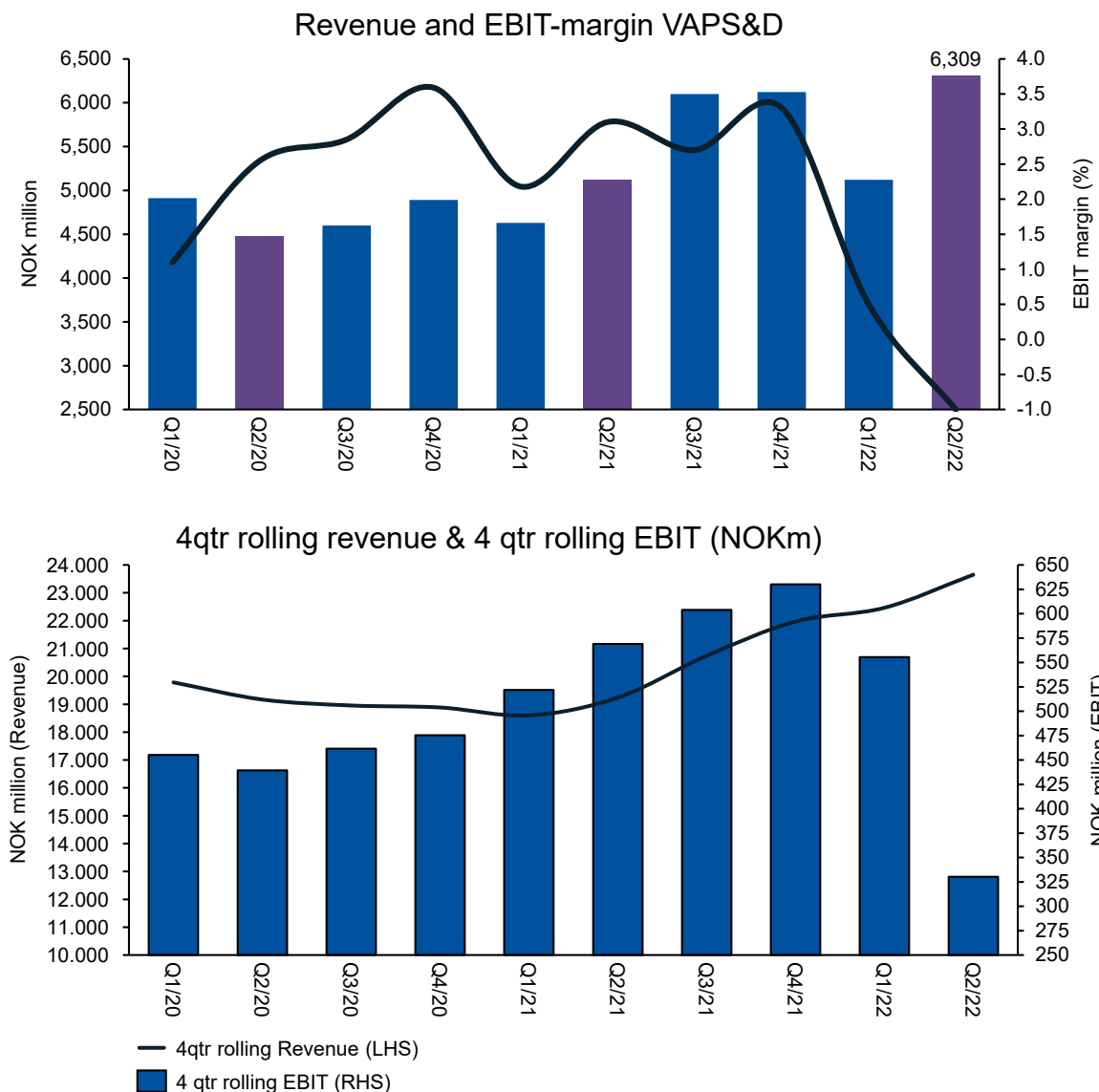


Catch volumes Wild Catch

	Catch volume Q2/22	Catch volume Q2/21	YTD 2022	YTD 2021	Remaining quota 2022	Remaining quota 2021
Cod	3 833	3 241	13 855	14 354	10 122	13 884
Saithe	3 896	3 347	7 406	7 377	8 827	8 478
Haddock	1 330	2 435	8 771	8 432	1 051	7 048
Shrimps	6 197	5 174	6 197	5 174		
Other	3 394	2 149	7 535	6 729		
Total	18 649	16 345	43 765	42 066		

Q2 2022 VAPS&D highlights

- Extreme price development on all input factors take time to transfer through the value chain. Challenging to grow volume in startup facilities
- Significant negative impact on earnings short term, while the long-term outlook is not changed
- Our vertical integrated value chain, and being a reliable supplier, has strengthened our long- term position in the market
- Spotprice for salmon increase from NOK 62,5/kg in Q2/21 to NOK 105,4/kg in Q2/22
- EBIT in Q2/22 of NOK -64m compared to NOK 161m in Q2/21



Significant network of processing facilities

- Global reach and sales to more than 70 countries
- A significant industrial activity within trading, processing, sales and distribution of fish (including white species)
- It takes time to adjust prices through the value chain



● Distribution facilities

Key financial figures

Key financial figures – Q2 2022

<i>(NOKm)</i>	Q2 2022	Q2 2021	▲ %
Revenue	6 567	5 304	24 %
Other gains and losses	0	44	
EBITDA*	1 244	899	38 %
Depreciation & amortisation	322	316	
EBIT*	923	583	58 %
Income from associates*	70	52	
Net finance	-90	-54	
Pre-tax profit*	903	580	56 %
EPS (NOK)*	1,11	0,74	50 %
<i>Salmon and trout harvest volume (GWT)</i>	33 083	36 756	-10 %
<i>EBIT* all incl. excl. Wildcatch/kg</i>	24,9	16,5	10 %
<i>Whitefish catch volume (tonnes)</i>	18 649	16 345	14 %
<i>EBIT/kg Wildcatch</i>	5,0	4,0	
<i>ROCE* (%)</i>	17,7	12,1	

* Before FV adj and NOK 211 million in settlement costs

Balance sheet

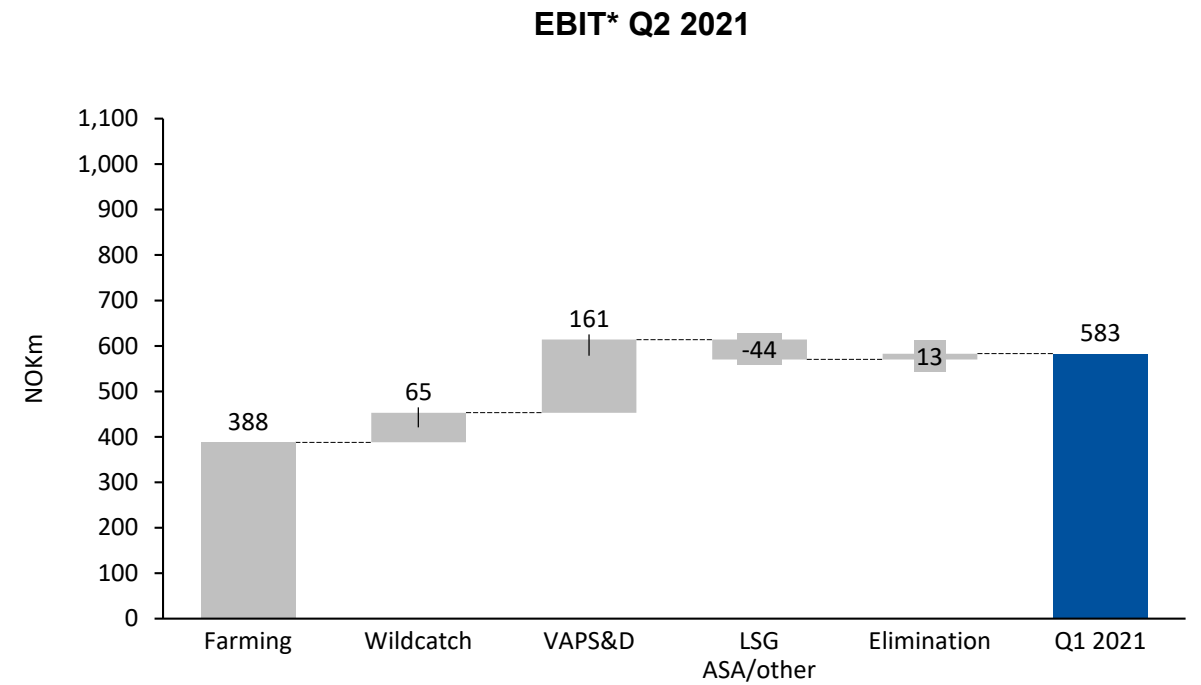
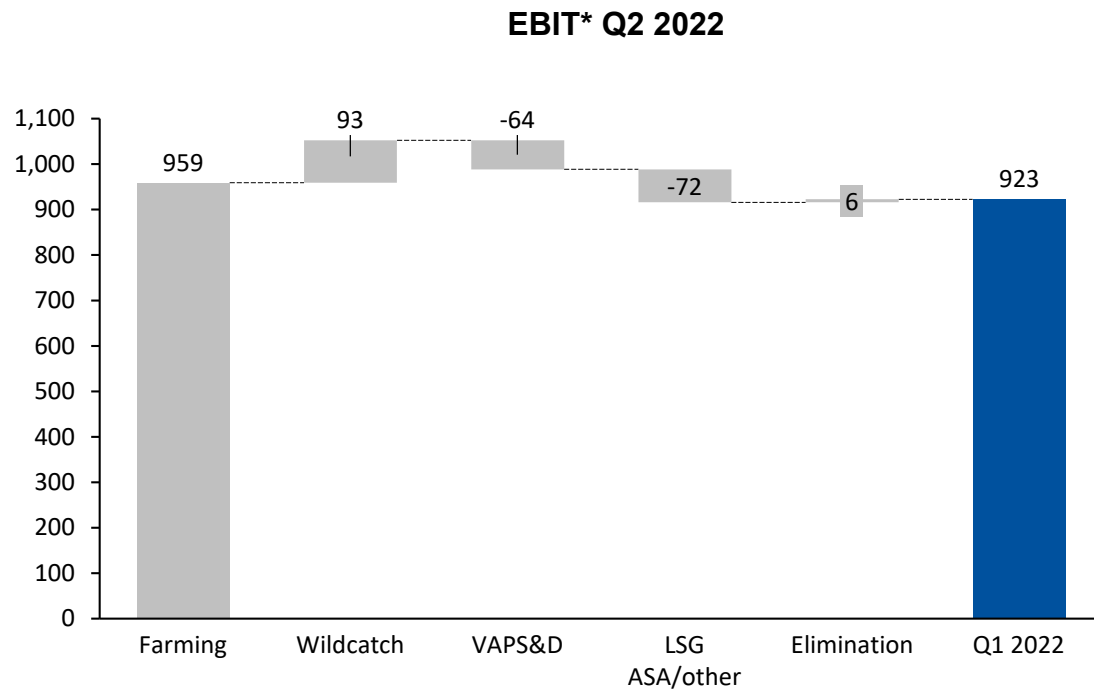
<i>(NOKm)</i>	30.06.2022	30.06.2021	▲%
Intangible assets	8 710	8 609	
Right-of-use-assets	2 843	2 602	
Tangible fixed assets	7 379	7 179	
Financial non-current assets	1 738	1 133	
<i>Total non-current assets</i>	<i>20 670</i>	<i>19 523</i>	
Biological assets at cost	5 044	4 423	
Fair value adjustment of biomass	3 200	1 376	
Other inventory	1 472	1 318	
Account receivables	2 536	2 113	
Other receivables	781	663	
Cash and cash equivalents	2 975	2 427	
<i>Total current assets</i>	<i>16 008</i>	<i>12 320</i>	
Total assets	36 679	31 843	
Equity	20 161	18 232	
<i>Equity ratio</i>	<i>55,0 %</i>	<i>57,3 %</i>	
NIBD	4 917		

Change in NIBD

	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
EBITDA before fair value adjustment on biological assets	1 034	899	2 207	1 658	3 778
Paid tax	-142	-110	-285	-224	-387
Change in working capital	-444	114	-1 073	302	414
Other (Net gain from sales of NCA)	1	-46	0	-48	-64
NIBD impact from operating activities	448	857	848	1 688	3 740
New intangibles, fixed assets and right of use assets (from credit institutions), net	-376	-300	-591	-546	-1 182
Dividends and interests received	4	14	7	14	45
Business combinations, net change (-)	0	-338	-49	-391	-399
Other changes in non-current assets	-2	11	0	10	-308
NIBD impact from investing activities	-374	-613	-634	-913	-1 844
Dividends distributed	-1 551	-1 201	-1 560	-1 201	-1 202
Installments paid on lease liabilities with other than credit institutions	-64	-79	-134	-143	-260
Interests and other financial expenses	-74	-55	-130	-105	-238
NIBD impact from financing activities	-1 689	-1 335	-1 824	-1 449	-1 700
Other changes (currency conversion, unrealized agio etc)	-22	-8	-11	14	28
NIBD impact from other changes (incl.currency effects)	-22	-8	-11	14	28
Total change in NIBD	-1 637	-1 099	-1 620	-660	223
NIBD at beginning	3 280	3 082	3 297	3 521	3 521
Change in NIBD	1 637	1 099	1 620	660	-223
NIBD at end	4 917	4 181	4 917	4 181	3 297



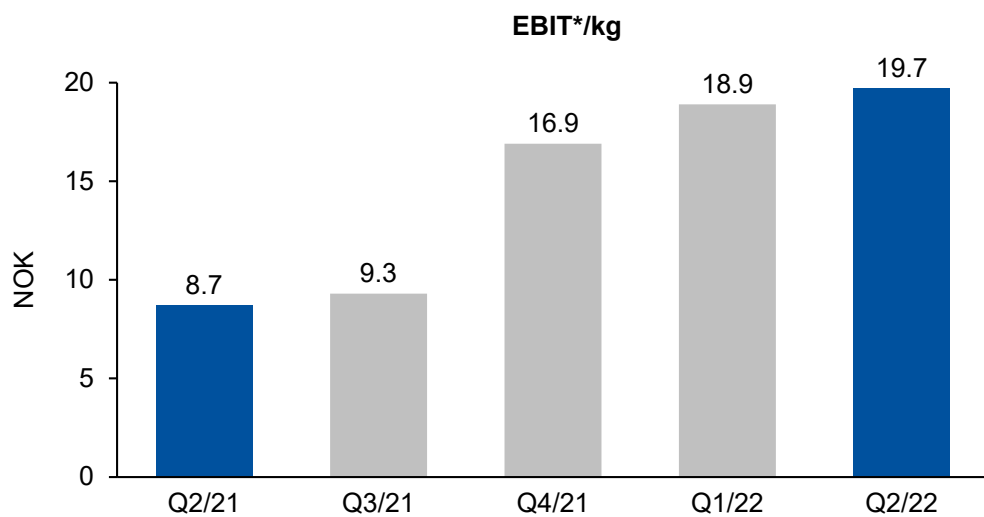
EBIT per segment



* Before biomass adjustment and settlement costs

Lerøy Aurora

	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Revenue (NOKm)	351	328	718	813
EBIT* (NOKm)	87	45	179	60
Harvested volume (GWT)	4 422	5 154	9 309	14 150
EBIT/kg* (NOK)	19.7	8.7	19.3	4.2



* Before biomass adjustment

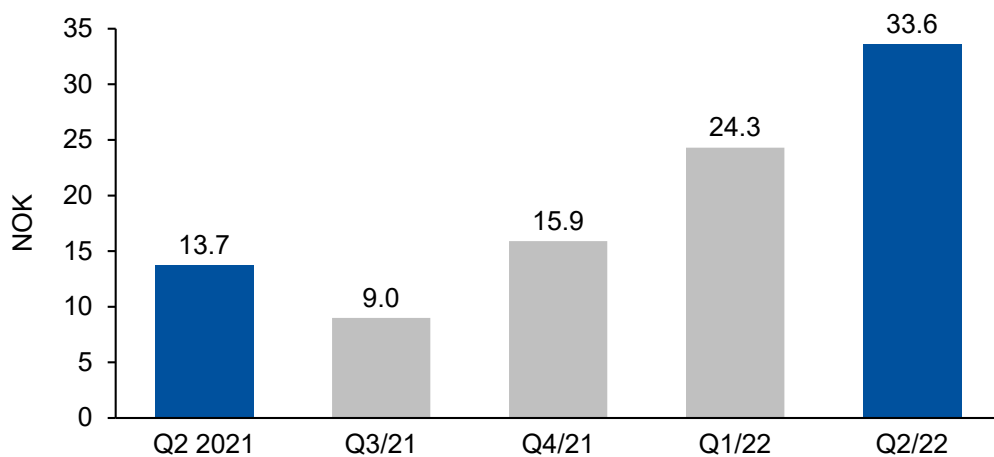
Improvement in quality, positive outlook

- Significant y-o-y improvement in harvest quality
- Healthy growth so far in 2022, and on track to see significant growth in harvest volumes in 2023
- Low harvest volume gives high contract share and higher harvest cost due to low utilisation
- As expected increase in cost y-o-y and q-o-q. Despite inflationary trends expect lower cost in H2 2022.

Lerøy Midt

	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Revenue (NOKm)	1 210	908	2 055	1 781
EBIT* (NOKm)	474	205	760	340
Harvested volume (GWT)	14 131	14 980	25 898	31 442
EBIT/kg* (NOK)	33.6	13.7	29.4	10.8

EBIT*/kg



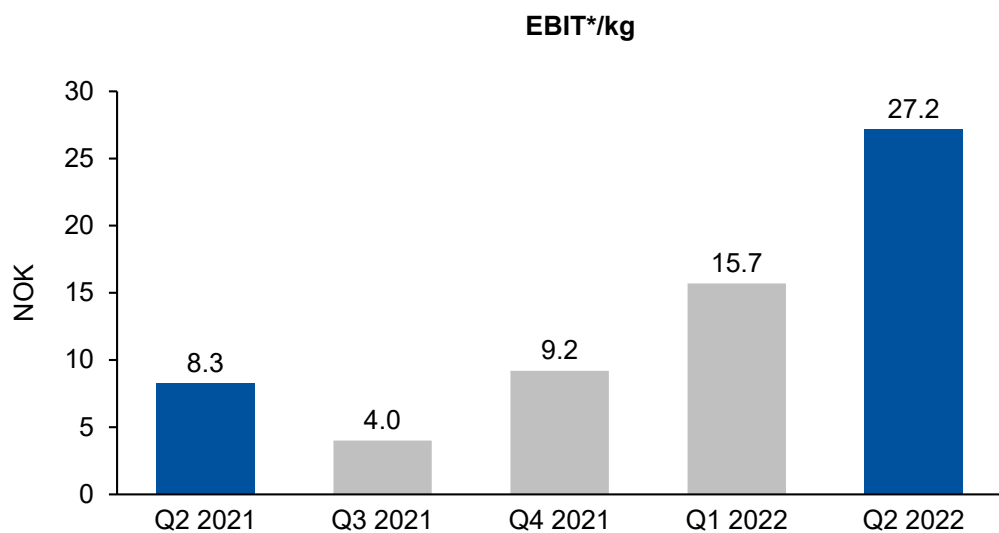
* Before biomass adjustment

Steady performance

- Steady performance
- As expected q-o-q and y-o-y cost increase driven by inflationary trends. Best indication today is for a flat cost level in H2 2022 compared to Q2 2022
- Delayed start-up at new smolt facility in Belsvik, due to need of some rebuilds. Increase in harvest volume due to this facility is delayed by around half a year
- Strong growth in Q2 2022, with slower growth in start of Q3 2022. Expected harvest volume in 2022 around 68,000 GWT

Lerøy Sjøtroll

	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Revenue (NOKm)	1 194	964	2 250	1 852
EBIT* (NOKm)	395	139	637	238
Harvested volume (GWT)	14 530	16 622	29 933	33 314
EBIT/kg* (NOK)	27.2	8.3	21.3	7.2



* Before biomass adjustment

Improvement initiatives gradually yielding results

- Improvement initiatives gradually yielding results in both growth and cost level. Adjusted for inflationary cost elements a significant underlying improvement in cost position
- Potential for further improvements which gradually are expected to materialise
- Reduction of 2 641 tonn MAB in connection “traffic light system”, which impacts harvest potential and yields need for further efficiency gains. Followingly decided to move from two to one harvesting site
- Expected harvest volume of 72,000 GWT in 2022

Wildcatch (Lerøy Havfisk/LNWS)

	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Revenue (NOKm)	868	686	1 899	1 553
EBITDA (NOKm)	145	115	433	351
EBIT (NOKm)	93	65	330	250

Havfisk, catch volume	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Cod	3 833	3 241	13 855	14 354
Saithe	3 896	3 347	7 406	7 377
Haddock	1 330	2 435	8 771	8 432
Shrimps	6 197	5 174	6 197	5 174
Other	3 394	2 149	7 535	6 729
Total	18 649	16 345	43 765	42 066

Havfisk, prices	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Cod	49.2	30.0	43.7	28.8
Haddock	31.3	23.8	31.4	24.6
Saithe	24.0	15.9	22.6	15.7

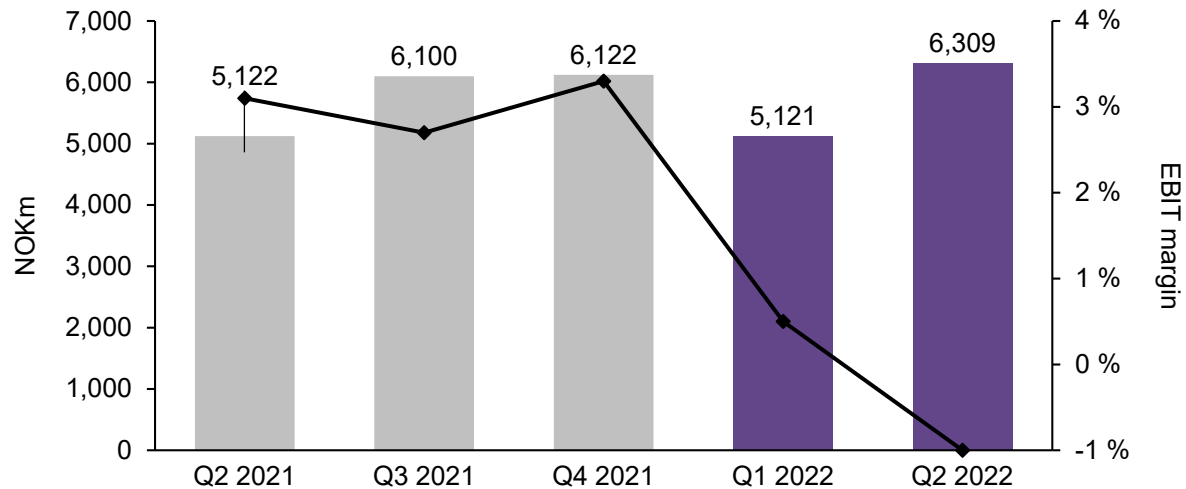
Strong profitability YTD

- High catch efficiency and high prices is the core drivers for record profitability in first half of 2022
- However, profitability significantly impacted by high fuel cost, which was up NOK 60m in Q2/22 compared to Q2/21
- Higher prices a challenge for the land based industry, where profitability is under pressure. However, clear signs of underlying operational improvements in this part of the value chain

VAPS&D – VAP, Sales and Distribution

	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Revenue (NOKm)	6 309	5 122	11 429	9 750
EBIT (NOKm)	-64	161	-38	262
EBIT margin	-1.0%	3.1%	-0.3%	2.7%

Revenue and EBIT margin (line graph)



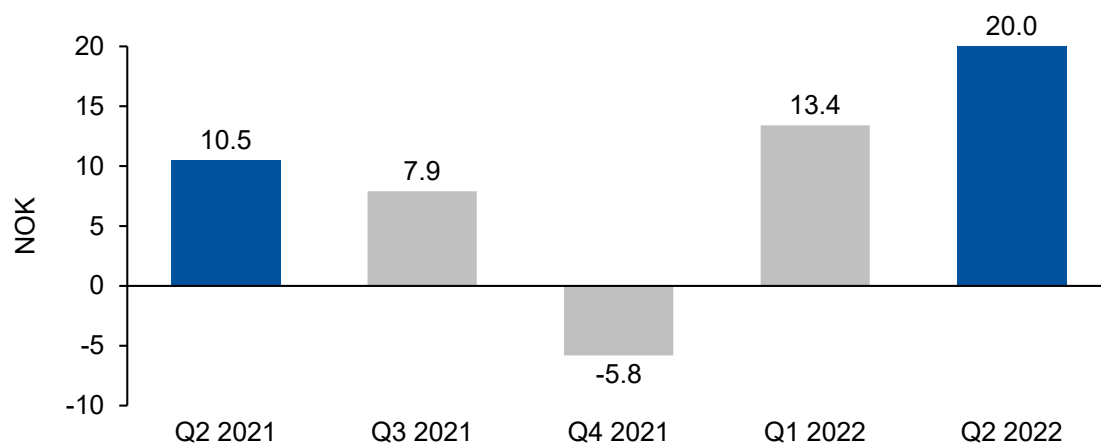
Extreme price development gives pressure on profitability

- 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)

	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Revenue (NOKm)	884	793	1 523	1 190
EBIT* (NOKm)	190	119	295	193
Harvested volume (GWT)	9 489	11 378	17 329	17 321
EBIT/kg* (NOK)	20.0	10.5	17.0	11.1
NIBD	2 067	941		

EBIT*/kg



* Before biomass adjustment

** Figures based on 100% basis

Starting to realise synergies from acquisition

- High cost base harvesting from sites with biological challenges in Q3 and Q4 2021
- Contract share of 48%, with contract price realisation well below spot price realisation
- Integration of Grieg Seafood Hjaltland UK continues
- Harvest guidance for 2022 at 46,000 GWT

Outlook



Atlantic Salmon - Supply

in tons WFE

Year	2017		2018		2019		2020		2021		2022		2023	
Region	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change
Europe	1 493 900	4.5 %	1 505 100	0.7 %	1 650 500	9.7 %	1 675 000	1.5 %	1 894 200	13.1 %	1 860 600	-1.8 %	1 962 900	5.5 %
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 %	1 511 600	-1.3 %	1 603 600	6.1 %
United Kingdom	177 200	12.6 %	152 100	-14.2 %	190 500	25.2 %	178 300	-6.4 %	199 200	11.7 %	190 600	-4.3 %	200 700	5.3 %
Faroe Islands	80 300	3.9 %	71 700	-10.7 %	86 600	20.8 %	80 600	-6.9 %	105 500	30.9 %	100 900	-4.4 %	102 800	1.9 %
Iceland	11 600	43.2 %	13 600	17.2 %	24 500	80.1 %	31 200	27.3 %	41 500	33.0 %	41 000	-1.2 %	39 500	-3.7 %
Ireland	17 000	7.6 %	14 300	-15.9 %	15 500	8.4 %	15 800	1.9 %	15 900	0.6 %	16 500	3.8 %	16 300	-1.2 %
Americas	799 000	9.2 %	897 700	12.4 %	927 600	3.3 %	1 036 590	11.7 %	1 000 400	-3.5 %	994 300	-0.6 %	1 018 600	2.4 %
Chile	564 200	11.9 %	660 100	17.0 %	690 300	4.6 %	778 500	12.8 %	718 300	-7.7 %	715 700	-0.4 %	725 500	1.4 %
Canada	137 000	-6.2 %	146 000	6.6 %	137 500	-5.8 %	136 800	-0.5 %	142 000	3.8 %	137 000	-3.5 %	137 000	0.0 %
Australia	63 100	27.2 %	62 300	-1.3 %	60 900	-2.2 %	82 800	36.0 %	87 800	6.0 %	90 500	3.1 %	91 700	1.3 %
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 %	45 900	38.3 %
USA	21 700	-3.6 %	19 000	-12.4 %	20 800	9.5 %	20 000	-3.8 %	19 000	-5.0 %	17 900	-5.8 %	18 500	3.4 %
Total	2 292 900	6.1 %	2 402 800	4.8 %	2 578 100	7.3 %	2 711 590	5.2 %	2 894 600	6.7 %	2 854 900	-1.4 %	2 981 500	4.4 %

Figures as per:
19.08.2022

Source: Kontali



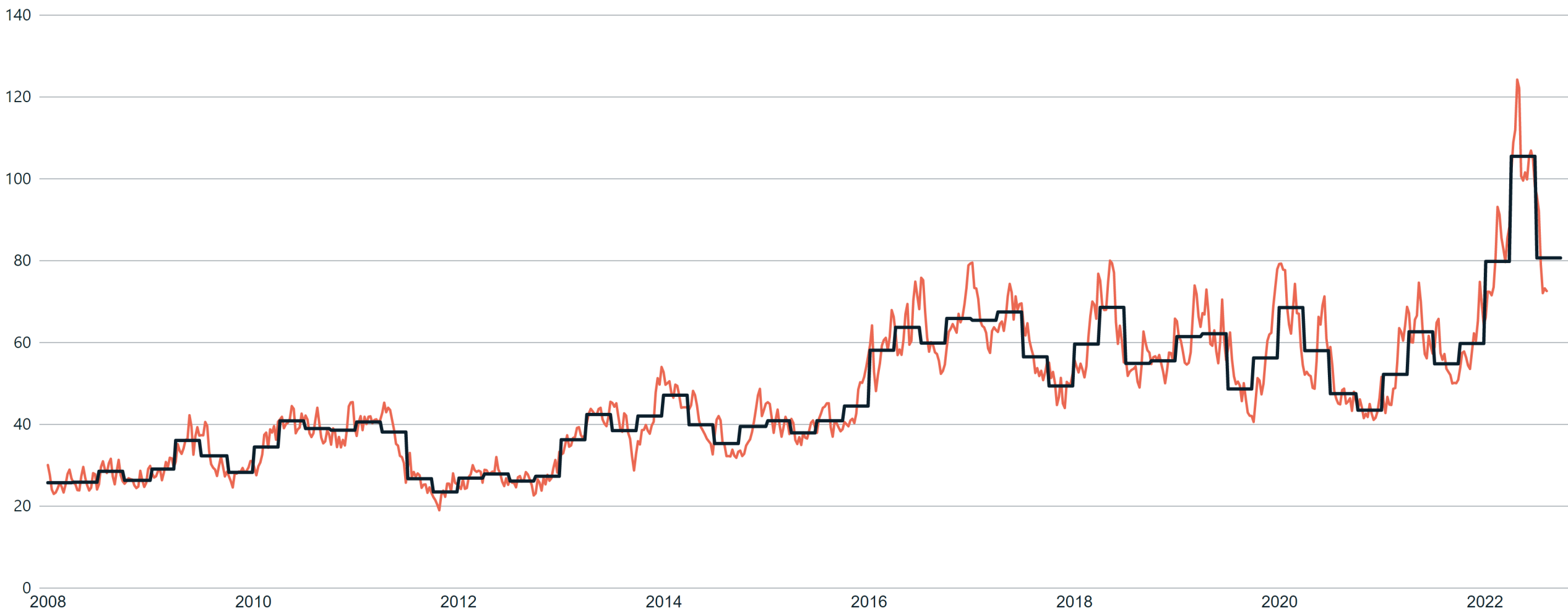
Spot Prices, Fresh Atlantic Salmon

- Cross Section, FCA Oslo, Superior Quality

as of week 32-2022

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	105
Q3	28	32	39	27	26	38	35	41	60	56	55	49	47	55	81
Q4	26	28	38	23	27	42	39	44	66	49	55	56	43	60	
Total	27	31	38	32	27	41	40	41	62	59	59	57	53	57	88

Weekly Price NSI FCA Oslo — Quarterly Price NSI FCA Oslo

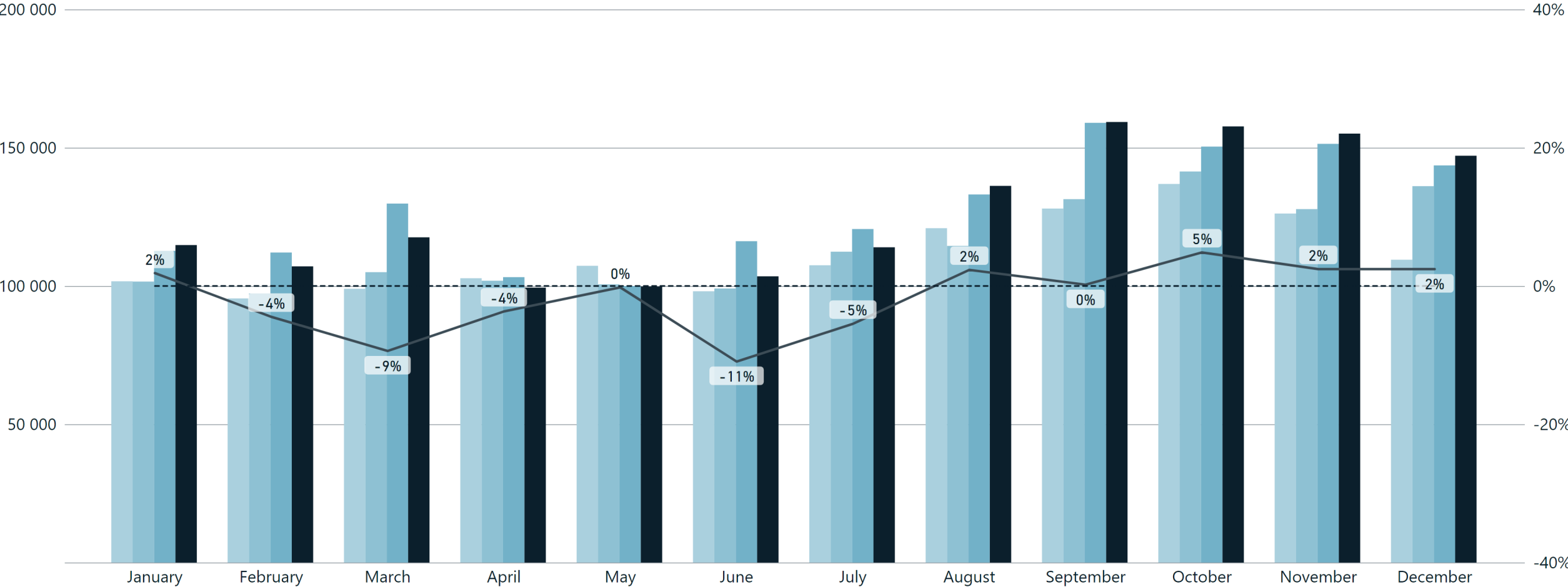




Tons YTD July:
756,200
Change from Last Year
-4.8%

Atlantic Salmon - Harvest Volumes Norway

in tons WFE



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

19.08.2022

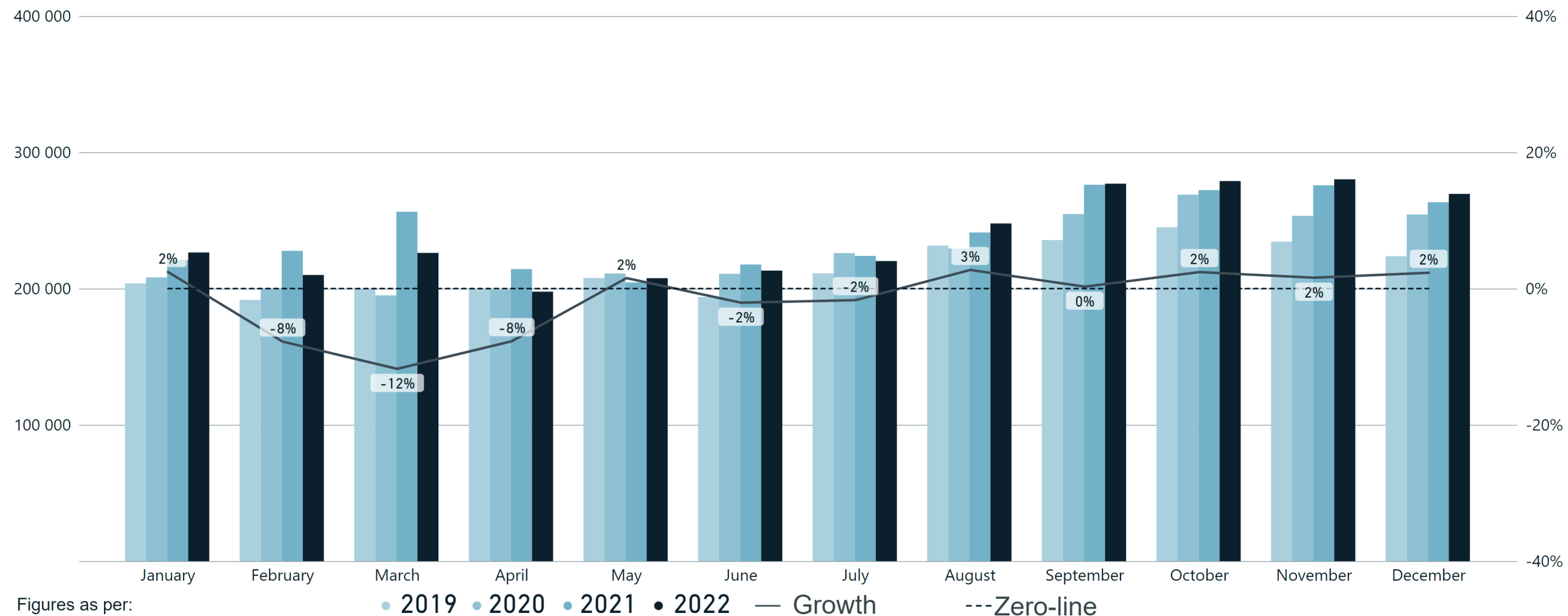
Source: Kontali



Tons YTD July:
1,501,500
Change from Last Year
-4.1%

Atlantic Salmon - Harvest Volumes WW

in tons WFE



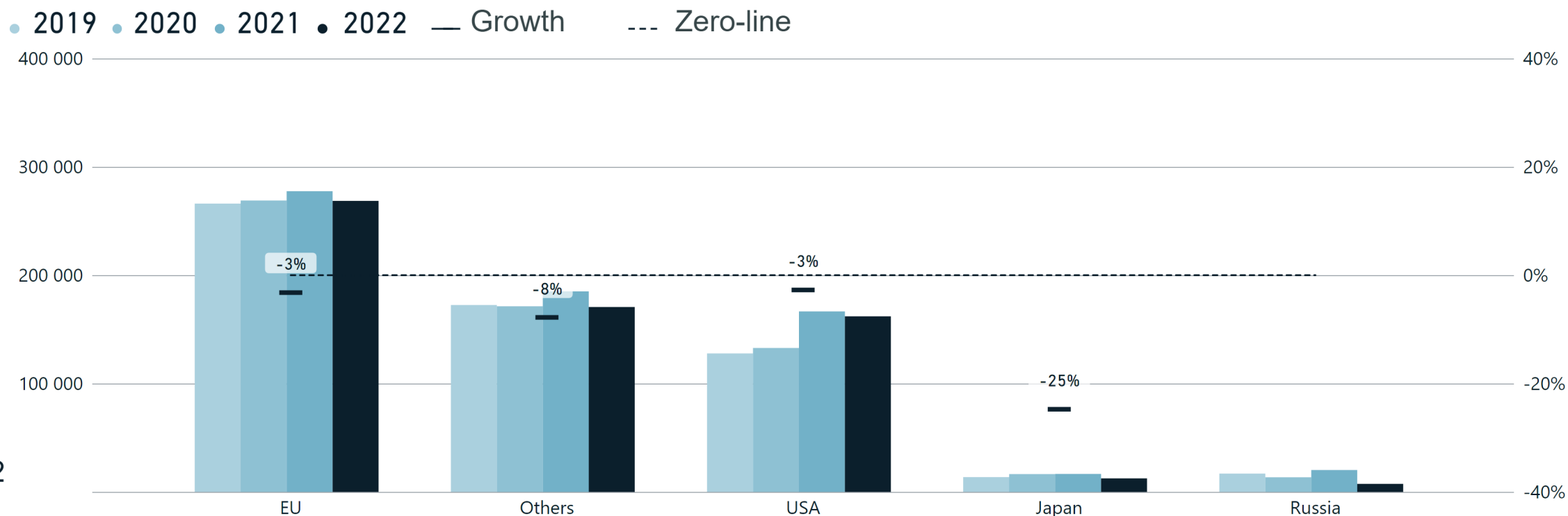
Figures as per:
19.08.2022
Source: Kontali

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

Atlantic Salmon Consumption

Q2

Market	2019	2020	2021	2022	Growth	Growth %
EU	266 100	268 950	277 535	268 607	-8,928	-3.2 %
Others	172 505	171 337	185 075	170 657	-14,418	-7.8 %
USA	127 813	132 855	166 594	162 060	-4,534	-2.7 %
Japan	13 675	16 458	16 600	12 492	-4,108	-24.7 %
Russia	16 906	13 504	20 209	7 425	-12,784	-63.3 %
Total	597 000	603 104	666 013	621 240	-44,773	-6.7 %



Figures as per:
19.08.2022

Source: Kontali

Outlook 2022

- Farming
 - Expected harvest volume 2022 incl. associates around 203,000GWT and growth from this level in 2023
 - Contract share for salmon in Q3/22 around 35%
 - Expect lower cost H2/22 vs H1/22

- Wild Catch
 - Quotas for 2023. Expectations for 20% reduction in quota for Cod and Haddock. Saithe North of 62 degrees +15%, and Saithe South of 19%. Final decision in Q4/22

- VAPS&D
 - Margins will gradually improve. Long term position strengthened



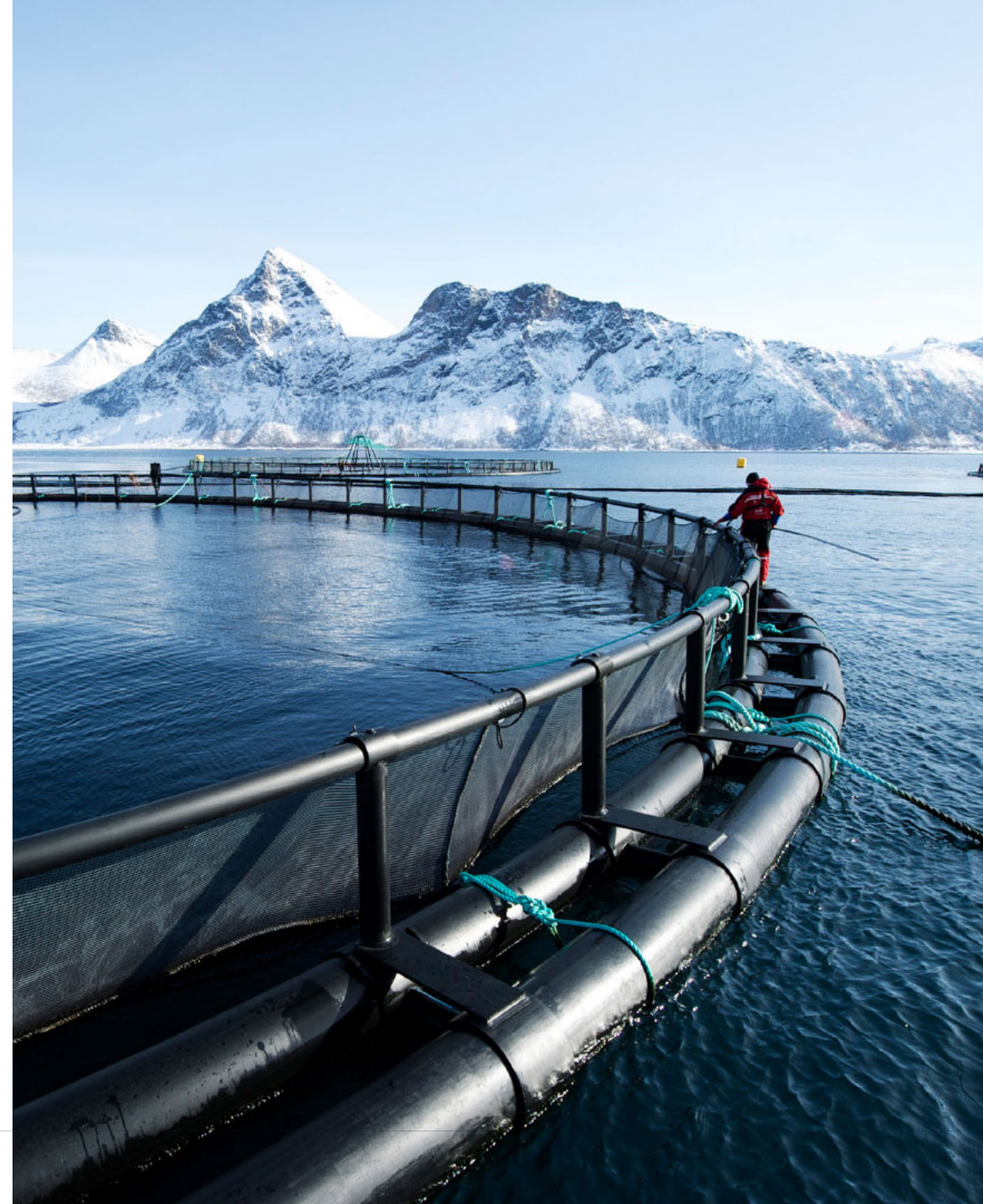
CAPITAL MARKETS DAY 2022

**22-23 SEPTEMBER
HITRA, NORWAY**

Some seats left.

Click here to register:

<https://www.leroyseafood.com/en/investor/capital-markets-day-2022/>





“

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

CONTACT – Henning Beltestad, hb@leroy.no

CONTACT – Sjur Malm, sjur.malm@leroy.no