

## Salmones Camanchaca – Q4 2020 results

### Highlights:

- Financial performance impacted by weaker demand on pandemic context, prices down 27% y-o-y and sales volume down 35%
- Harvest volumes for the quarter at 15,800 MT, reaching 53,000 for the year, in line with 2019
- Addressing market challenges with value added products, representing over 85% in Q4
- Operational performance impacted by Islotes incident and SRS, with ex cage cost up from previous quarters. Processing cost below long-term goal
- USD 2.3m earnings positive contribution from Trout JV, renewed at 2/3 capacity until 2028, leaving 1/3 for organic growth
- Financial position kept strong with new financing facility of USD 35m

Santiago, Wednesday February 24, 2021. Salmones Camanchaca reports a 22% decrease in the harvest volume in the fourth quarter of 2020 compared to the corresponding period of 2019, reaching a total volume of 15,800 tons WFE during the period. Harvest volume for the full year 2020 ended at 52,980 tons WFE, in line with expectation.

Operating revenue amounted to USD 66 million during the quarter, down 53% from USD 139 million in Q4 2019. The decrease is due to a 35% decrease in sales volume, combined with a 27% drop in prices for Atlantic salmon.

Atlantic salmon live fish (ex-cage) costs were USD 3.43/kg during the quarter, above the company's long-term target of USD 3.00/kg. The higher costs are due to extraordinary mortalities and performance of remaining fish following the unusual Islotes incident in May 2020. Ex-cage cost in the previous quarter was USD 3.06/kg and USD 3.02/kg in the corresponding period in 2019.

Total processing costs was USD 0.95/kg during the quarter, up from USD 0.70/kg in the Q4 2019 but still below long-term target of USD 1.00/kg. The increase is due to lower processed volume, higher proportion of value-added products and increased costs related to pandemic protection measures.

EBITDA for the quarter ended at negative USD 8.8 million, a reduction of USD 46 million from Q4 2019, mainly attributable to lower prices and reduced sales volumes, the later partially due to managed reduction in sale of whole fish.

Operational EBIT before fair value adjustments in Q4 2020 was negative at USD 13 million, compared with positive USD 34 million in Q4 2019.

Commenting on the performance of Salmones Camanchaca, vice chairman Ricardo García, said:

*“In this unique pandemic context, affecting production and markets, Salmones Camanchaca was able to maintain business continuity on both sides, reinforcing its competencies to effectively address challenges of various nature. Our main objectives were protecting our employees’ health and their families, and with them the health of the Company. We did it and with it, became more efficient and flexible to exploit future market opportunities, one of which is a favorable consumer’s new trend: they eat salmon at home, a super simple and superfood protein. That will add several kilos of salmon consumption once restaurants are fully open during this coming northern summer time”*

Due to the pandemic market dynamics, Salmones Camanchacas operational performance continue to suffer, mainly due to lower demand, reduced prices, and more restrictive processing. In addition, Camanchaca’s cost development in the fourth quarter was heavily impacted by SRS mortalities and the Islotes unprecedented incident, resulting in severe biomass losses and biological challenges. This will likely impact first months of 2021.

García added:

“Entering first quarter 2021, the situation remains challenging. However, with extensive vaccination programs ongoing, both in Chile and in our markets, we expect gradually to move back to pre COVID-levels, now boosted by the mentioned trend. Combined with our outlook for a tighter supply, our core market will see higher prices, while our ex-cage cost normalized during the second half of 2021”

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**About Salmones Camanchaca**

Salmones Camanchaca S.A. is a vertically and fully integrated salmon producer with operations in farming, processing, marketing and sale of salmonids and has an estimate harvest of around 55,000 tons WFE of Atlantic salmon for 2021-2022 and expects to reach 70,000 tons WFE of salmonids in 2023. The company is also involved in farming of trout through a joint venture (1/3 share) with an average harvest of 12,000 tons WFE. Salmones Camanchaca has approximately 1,800 employees.

This information is subject to the disclosure requirements pursuant to section 5 -12 of the Norwegian Securities Trading Act.