



Q3 2022 Results



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Santiago, Chile

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Agenda

- Highlights
- Operational Review
- Markets
- Sustainability
- Financial Review
- Summary





Q3 2022 Highlights

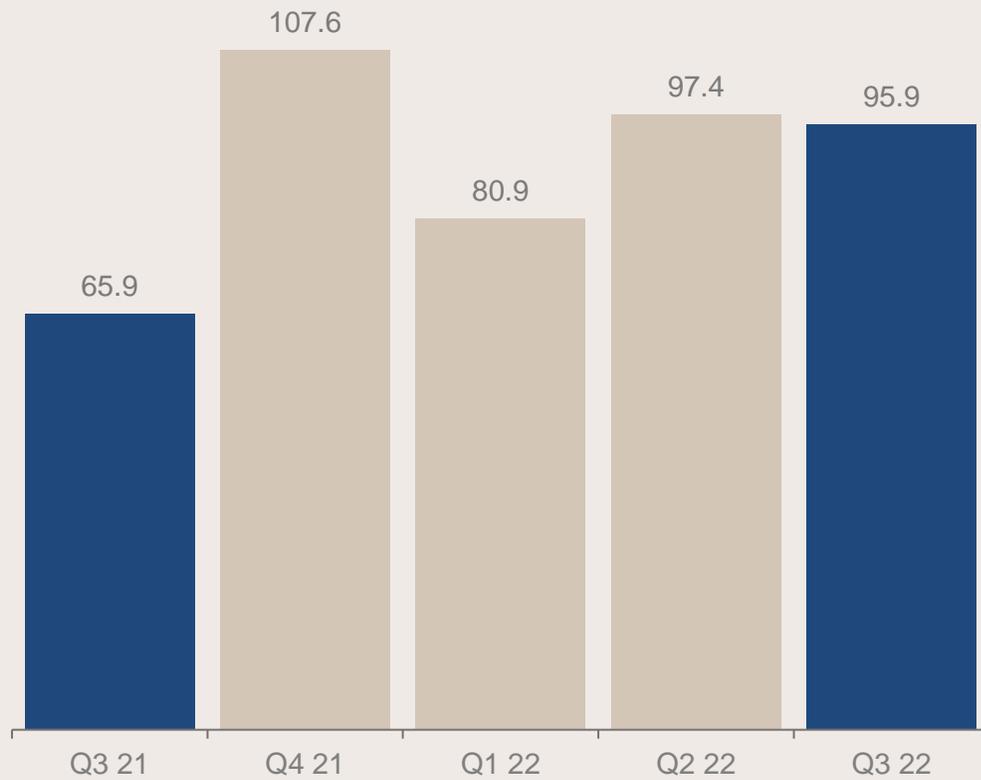
1. Net Earnings recovery continues: in one year, Q3 EBITDA increased from USD 3.6 million to USD 25.6 million.
2. Operating Revenues reached USD 96 million, 46% higher than Q3 2021, driven by 20% increase in Atlantic salmon prices and 24% increase in volume sold.
3. Atlantic harvest LW cost was USD 4.17/kg, but despite being pressed by higher feed costs and inflation, was 1 US cent below Q3 2021.
4. Harvest and processing costs at USD 1.03/kg-WFE, in line with long-term target of USD 1.
5. EBIT/kg-WFE for Atlantic salmon reached USD 1.78, fueled by better salmon price achievement and volume.
6. EBIT/kg-WFE for Coho was USD 1.16 in the 3rd quarter and reached USD 1.71 YTD. Favorable performance and broad market diversification.
7. Full year 2022 total harvest guide is kept at 49-51,000 MT-WFE, 90% of which is Atlantic.



Financial Highlights

Revenues

Million USD



EBITDA and EBIT/kg WFE

Million USD and USD/kg WFE



2022 Harvest: Atlantic guidance kept

- Increased volume in Q3 2022: 50% more than Q3 21 and 7% higher than same-sea-sites (Q3 20)
- Atlantic 2022 harvest guidance kept at 45-46,000 MT WFE
- Atlantic stockings reduction, while Coho's increases: biological risk mitigation strategy
- Company's total stocking in 2022 higher than 2021
- Industry stocking* in Q3 is up 3% YoY

Atlantic harvest and smolt stocking

Thousand MT WFE and million units

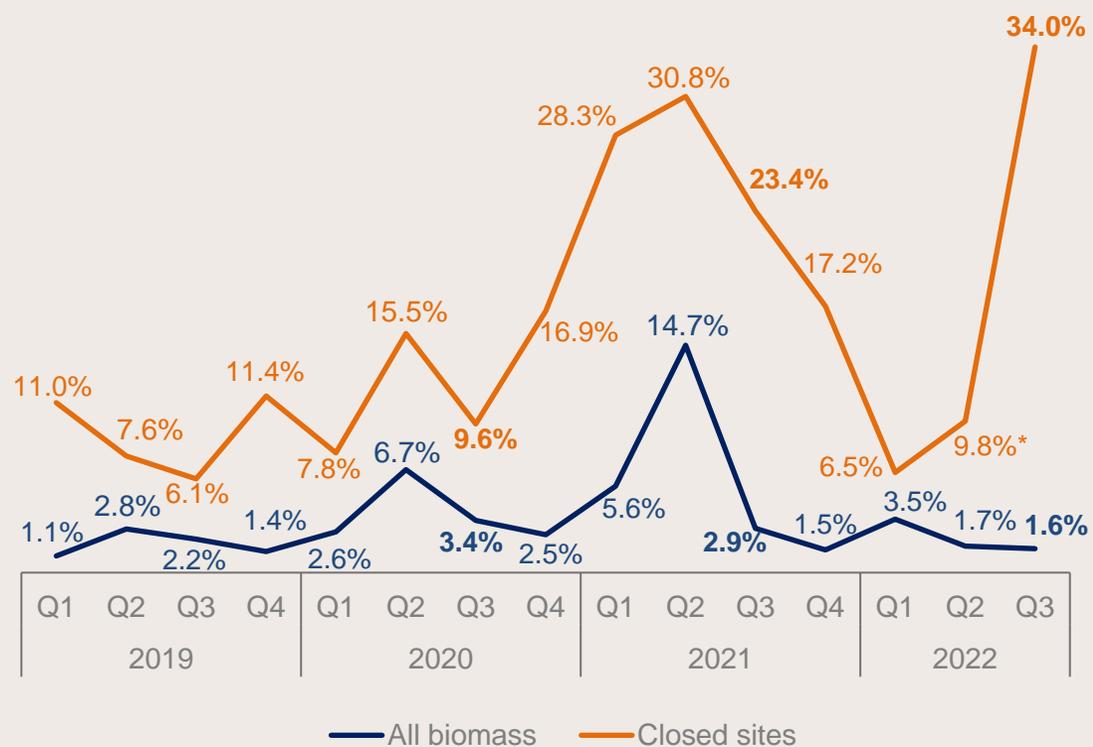




Operational Review

Atlantic salmon biology

Mortality rate (Number of fish %)



Biological indicators (For closed sites)

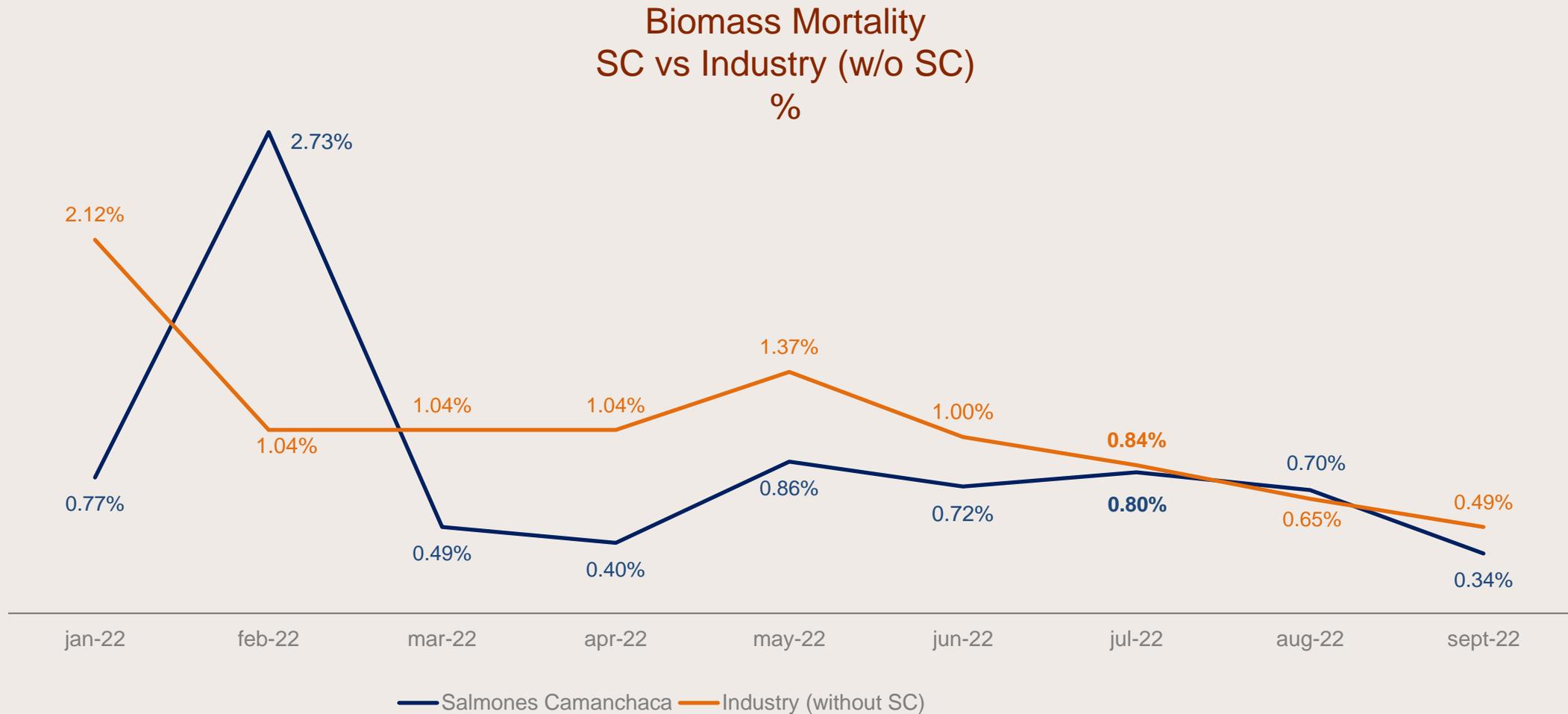
	Q3 2019	Q3 2020	Q3 2021	Q3 2022
FCRb** (live weight)	1.14	1.17	1.27	1.14
Yield (kg WFE/smolt)	4.8	5.1	2.9	2.9
Average harvest weight (kg WFE)	5.1	5.6	3.7	4.7

** FCRb = Biological Feed conversion ratio

- Biological Feed Conversion ratio continued to improve in Q3
- Low levels of biomass mortality (active sites) in Q3 2022: 1.6%, lower than last cycle in the same zones (3.4%)
- KPI's for closed sites represent only one site of 6% of 2022 harvest volume, with high mortality (low oxygen).

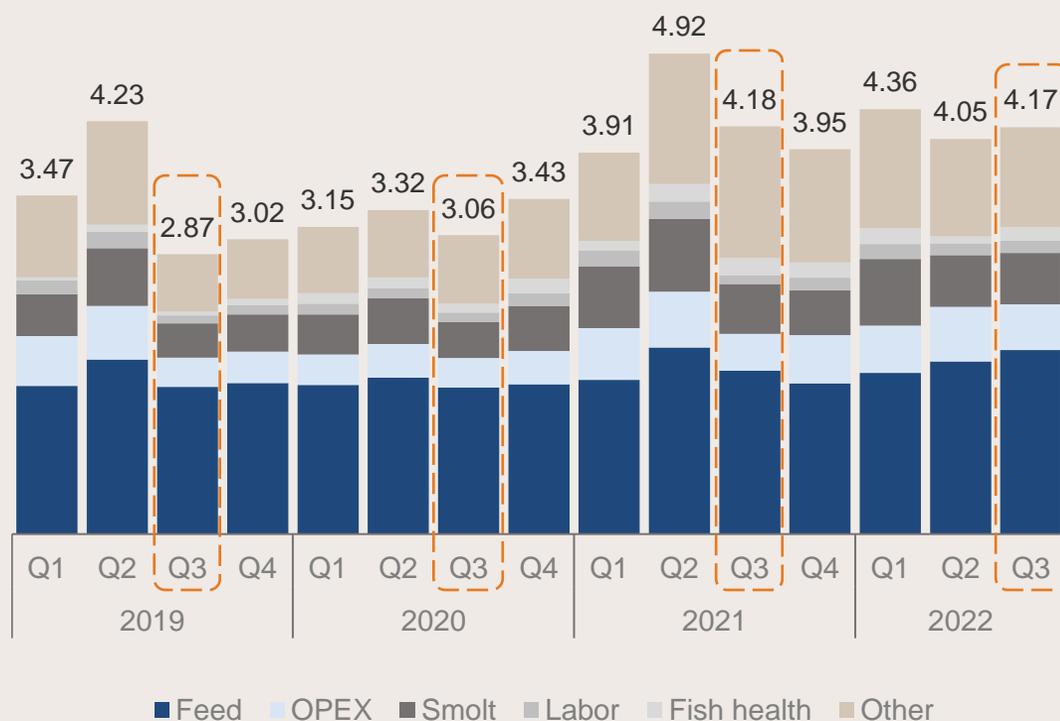


Atlantic salmon biology



Live weight cost

Atlantic salmon LW ex-cage cost
(USD/kg)



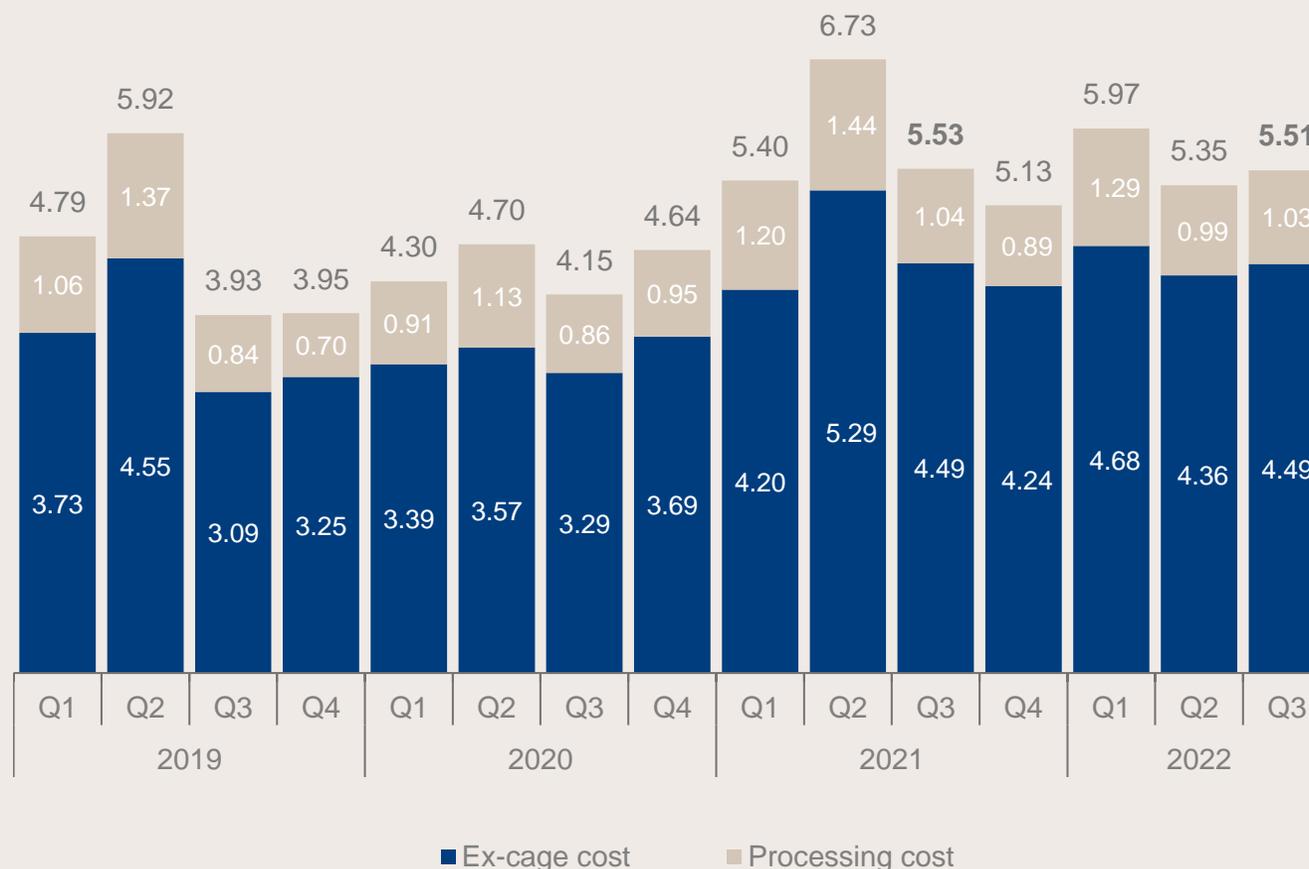
- Q3 2022 live weight cost at USD 4.17/kg, similar to Q3 2021 despite feed cost
- Farming cost \$1.1/Kg higher than same sites' one cycle ago (pre pandemic, pre war).
- Farming cost trended upward due to inflationary pressures on operational costs, feed and other-than-feed : 50/50



Finished product cost

- Total cost at USD 5.51/Kg WFE, in line with previous year but \$1.4/Kg higher than same sites' one cycle ago (2020)
- Processing cost at USD 1.03/Kg WFE, in line with long-term target (\$1/Kg) and Q3 2021, but higher than two years ago due to lower harvest volume.
- Overall cost inflationary pressures in LTM
 - Chilean inflation: 13.7%
 - Chilean currency depreciation: 18.3%
 - Chilean currency costs: around 1/3 of total finished product's cost.

Atlantic Finished Product Cost (USD/kg WFE)



Farming Sustainably

Sustainability indicators (closed sites)

	Q3 2019	Q3 2020	Q3 2021	Q3 2022
FIFO Ratio	0.46	0.66	0.63	0.44
Length of cycle/Fallow period [months]	17/7	18/6	17/7	16/8
# Escapes	0	0	0	0
# of antibiotic treatments	3.0	1.5	3.4	4.7
Antibiotic usage (g/tMT)	968.7	319.9	826.1	939.9
Antiparasitic usage (g/MT)	6.5	2.7	14.7	0

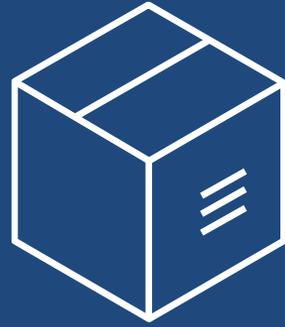
Comparative vs Industry indicators - Salar (closed sites Jan-Sep 2022)

Variable	Industry average	SC
Mortality (%)	15.0%	13.5%
FCRe acum	1.33	1.31
SGR	0.71	0.78

Source: Aquabench (September 2022) – Closed sites

- Fish in Fish Out-ratio well below 1:1 and large improvement YoY in Q3 2022.
- Increase of antibiotic usage (g/MT) due to only one site closed in Q3 2022, affected by blooms and low oxygen levels
- Biomass's growth rate higher than industry
- Mortality lower than industry

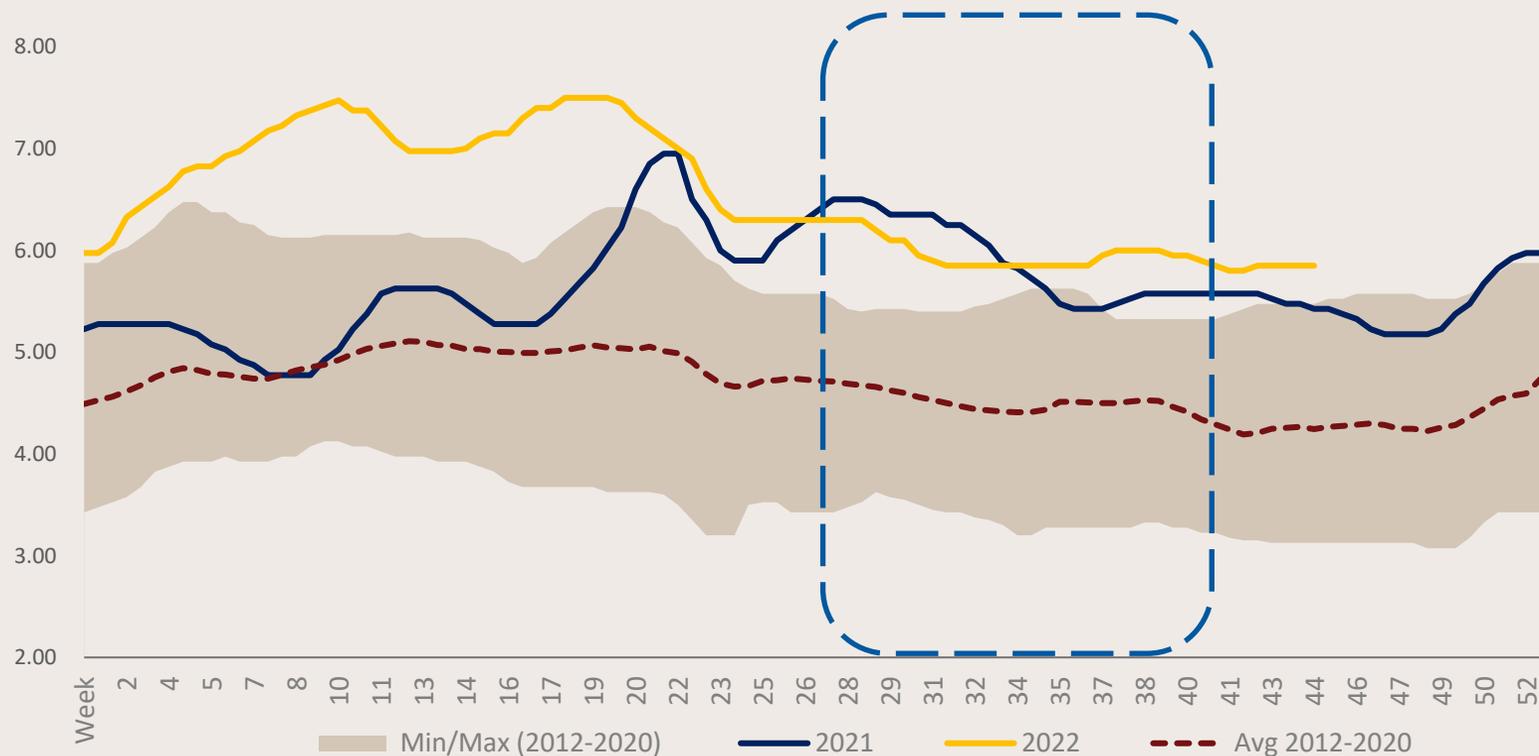




Markets

Salmon Price: historical highs

UB Miami 3-4 Mid Trim D
(USD per LB)

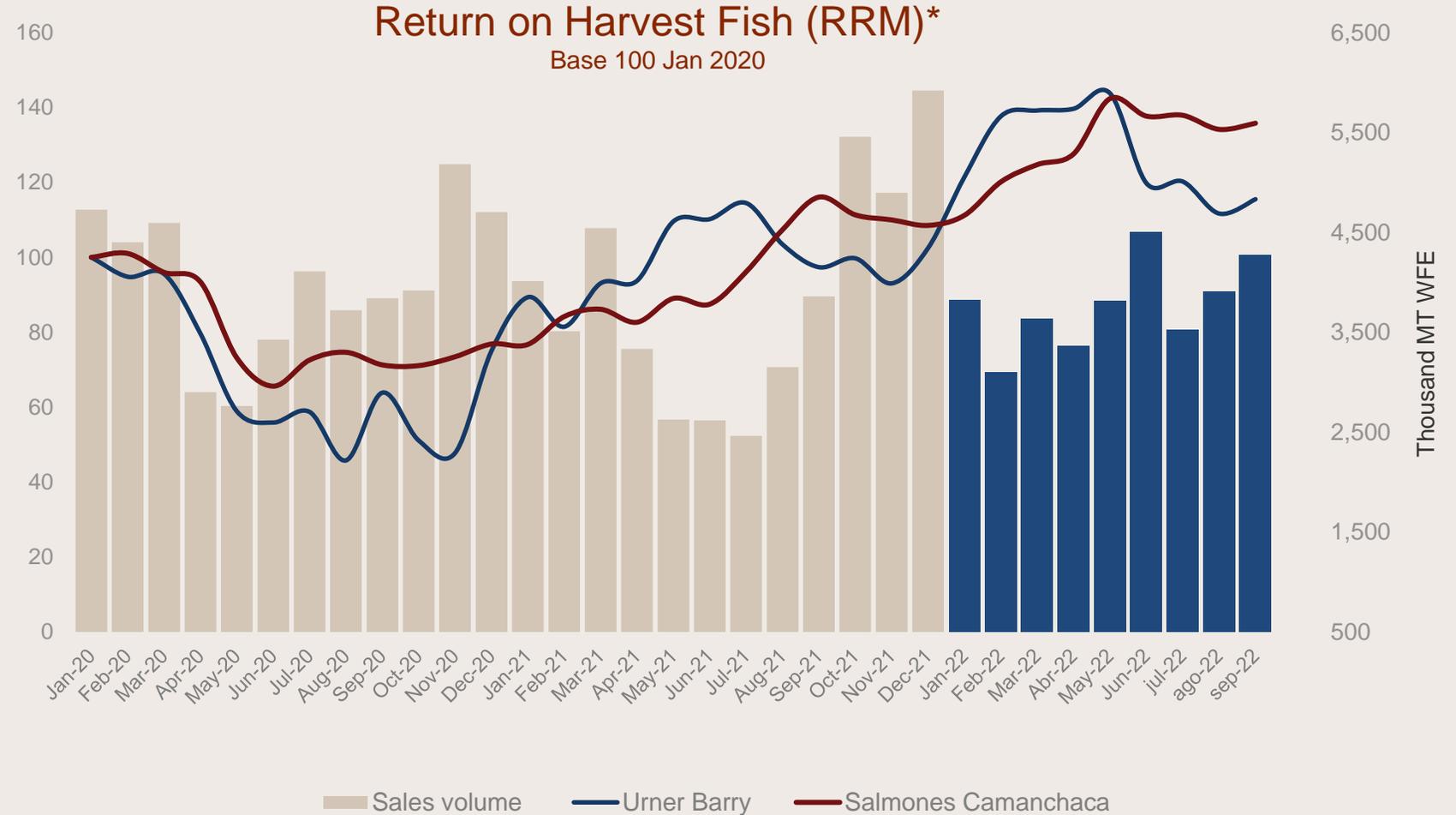


- Price in 2022: highest level driven by strong global demand and limited supply.
- Price moderated in Q3 due to seasonality and higher world production during the quarter.
- Tight Chilean supply for Q4 2022 (-10%) and Q1 2023 (-6%).

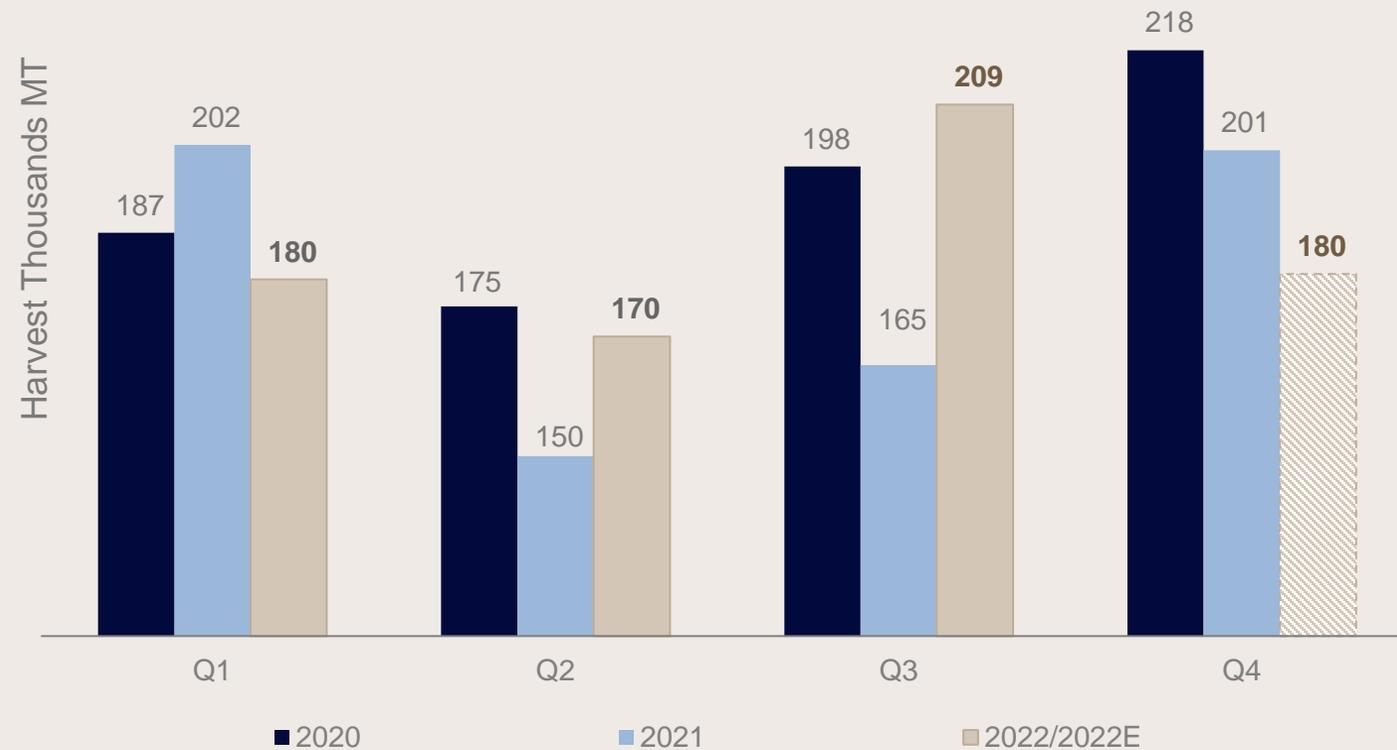


Price achievement

- Higher fish's return in Q3 22 vs market benchmark: USD +1/Kg
- Flexibility in our processing and market mix have optimized fish's return
- Company's value-added strategy generates more stable prices
- Sales programs are reset at higher prices



Chilean industry Atlantic estimates



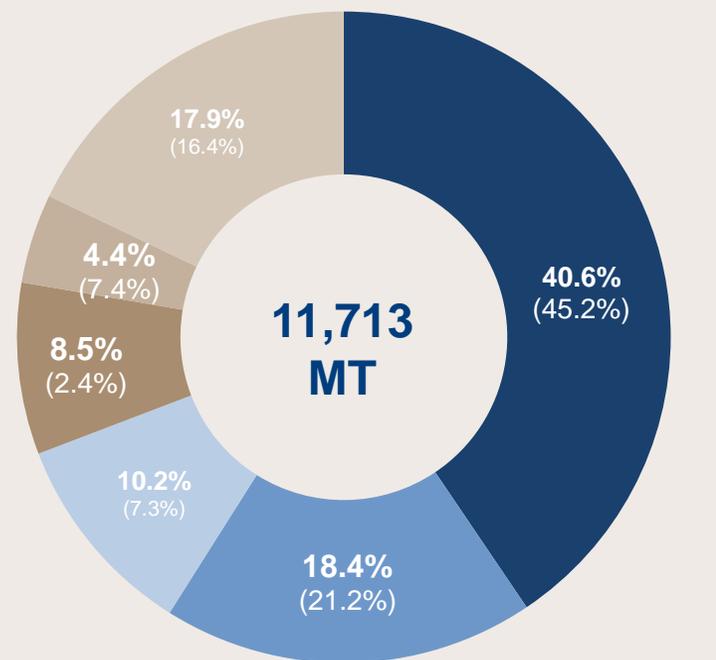
- Industry harvest volume for Q3 2022: 209k MT, 44k higher than Q3 2021
- Year 2022E: 3% annual production growth
- Year 2023E: -2% annual drop



Atlantic's sales & value added strategy

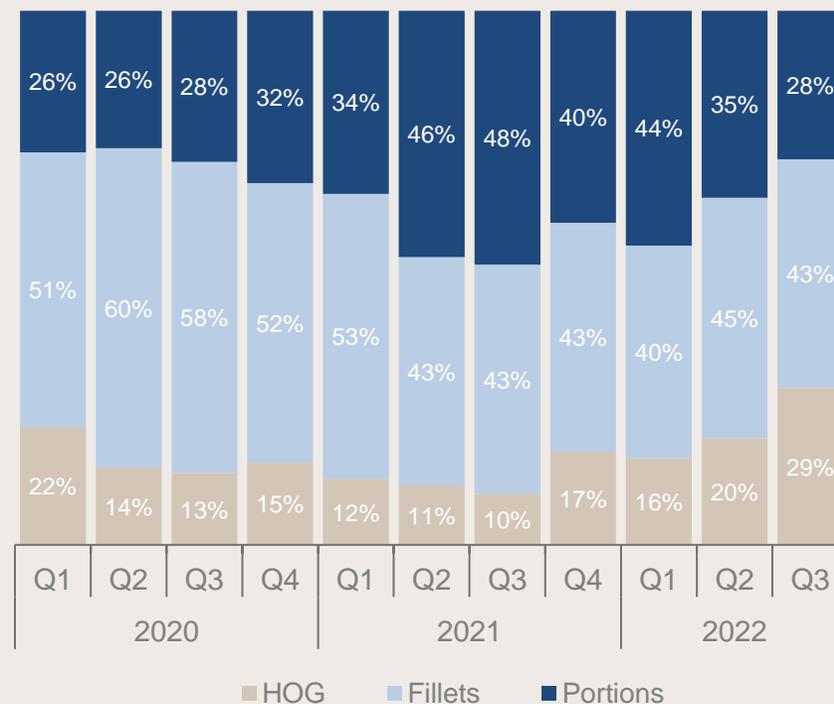
(% of Q3 2022 Sales volume WFE)

Q3 2022
(Q3 2021)



■ United States ■ Mexico ■ Chile ■ Eurasia ■ Japan ■ Others

Distribution
by product type



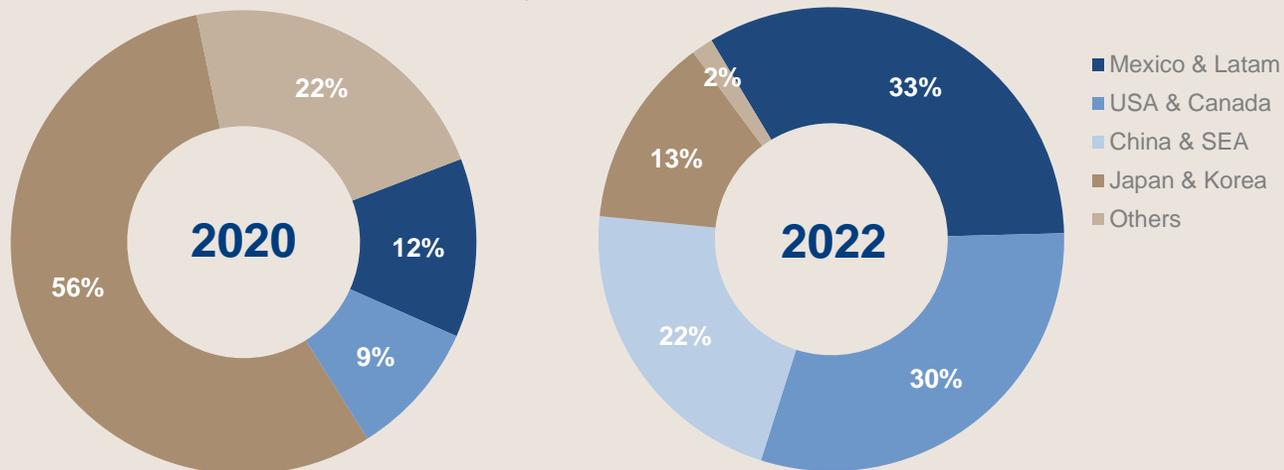
- USA, largest market at ~40% of our sales this quarter
- 2nd largest market: Mexico with owned distribution
- Value-added sales at ~70%
- Processing flexibility to optimized raw material returns: Eurasia's case.



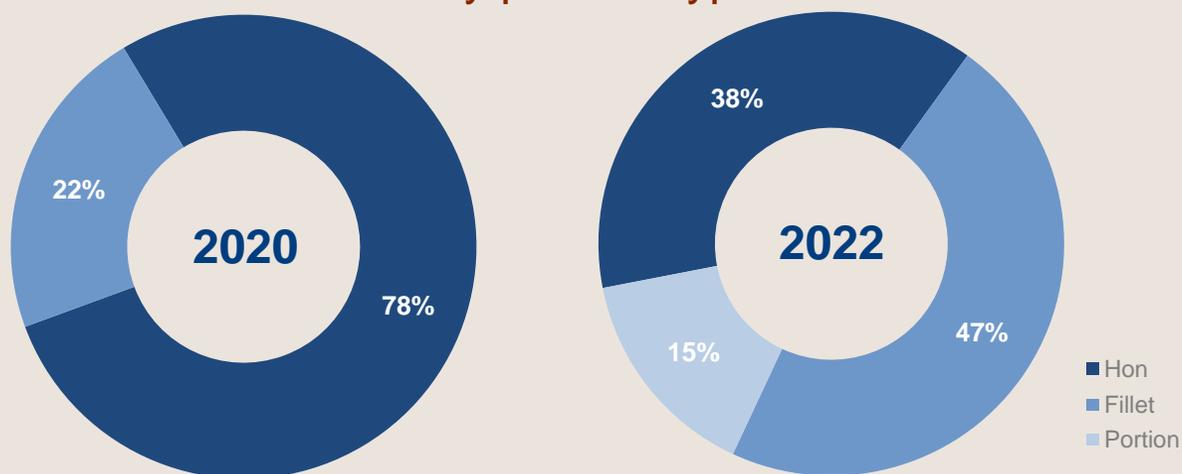
Coho format & market diversification

(% of 2022 Sales volume WFE – As of September 2022)

Sales by market



Sales by product type



- Sales volume: 1,821 MT WFE in 1st nine months of 2022.
- Market diversification: Japan's share was only 13%, while HON was 38%
- Value added strategy > 60% of sales targeting traditional Company's Western markets

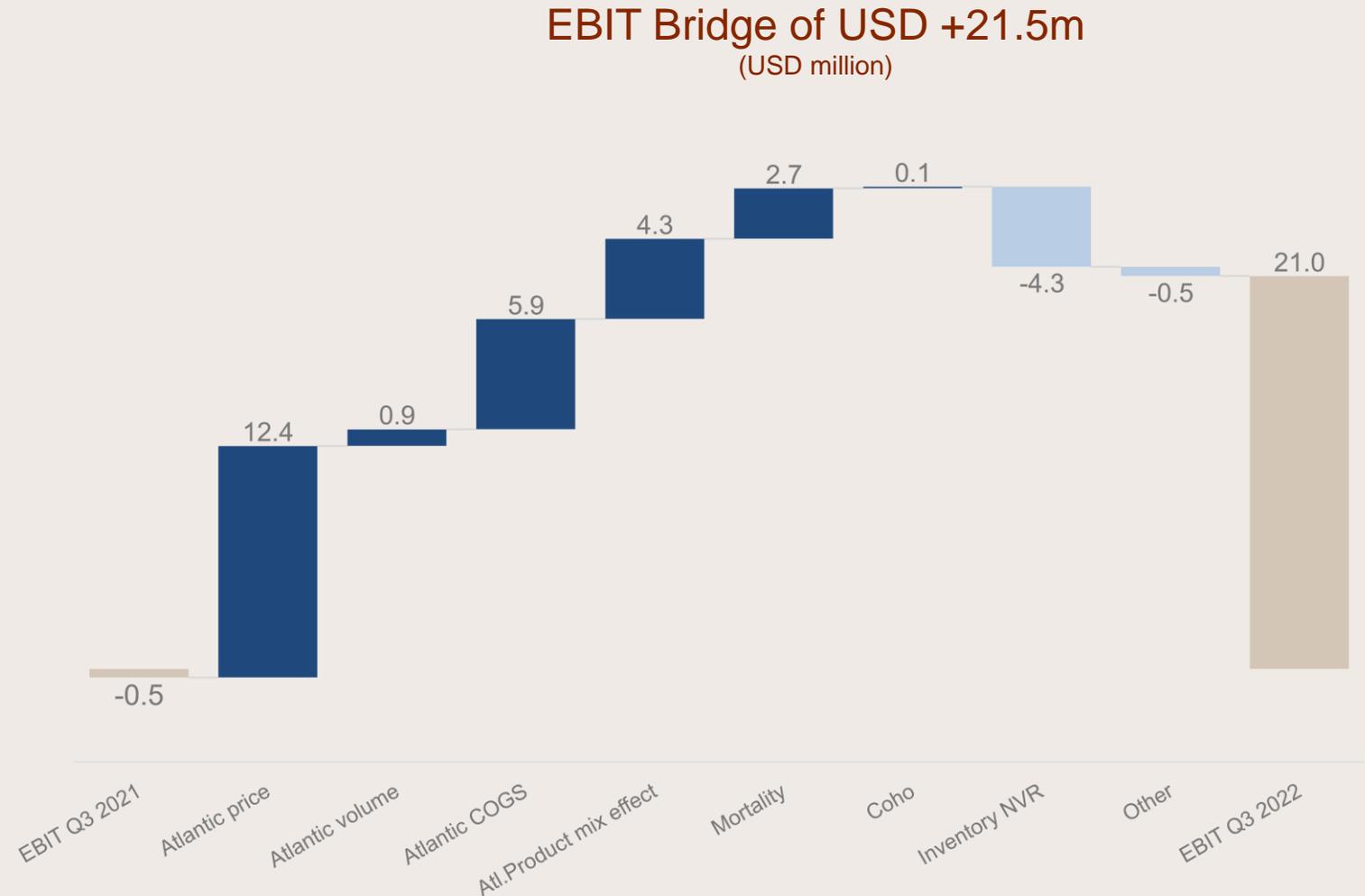




Financial review

EBIT: USD 21.5 million 12 month improvement

- Revenues increase driven by:
 - Higher market prices
 - Higher sales volumes
 - Product and market mix optimizing harvested fish's return
- COGS in Atlantic decreased from 2021, extraordinary fish mortality cost reduced by 2.7m to USD 1.0m in Q3 2022.



Q3 Profit & Loss:

- EBIT improved USD 21.5 million
- Total Revenues up 46% to USD 95.9 million
- Non-operational: USD1 million lower due to:
 - Higher interest rate on financial debt, and higher margin linked to past financial performance.
 - Lower extraordinary mortalities lowering non-insured incidents/deductibles (USD 2 million in 2021)
 - Marginal result from Trout JV (USD 0,2m in 2022 and 2021)

Condensed profit and loss statement (Thousand USD)

Profit & Loss (Th USD)	Q3 2022	Q3 2021	Δ 22 vs 21
Total Revenues	95.940	65.883	30.057
SG&A	-4.574	-4.001	-573
EBITDA	25.558	3.639	21.920
Depreciation and amortization	4.531	4.101	430
EBIT	21.027	-462	21.489
Fair value adjustments	5.111	6.285	-1.174
EBIT after fair value	26.138	5.823	20.315
Non operational items	-888	150	-1.038
Profit before tax	25.250	5.973	19.277
Estimated taxation	-6.701	-1.401	-5.300
Net profit for the period	18.549	4.572	13.977



Nine month key figures: back to normal

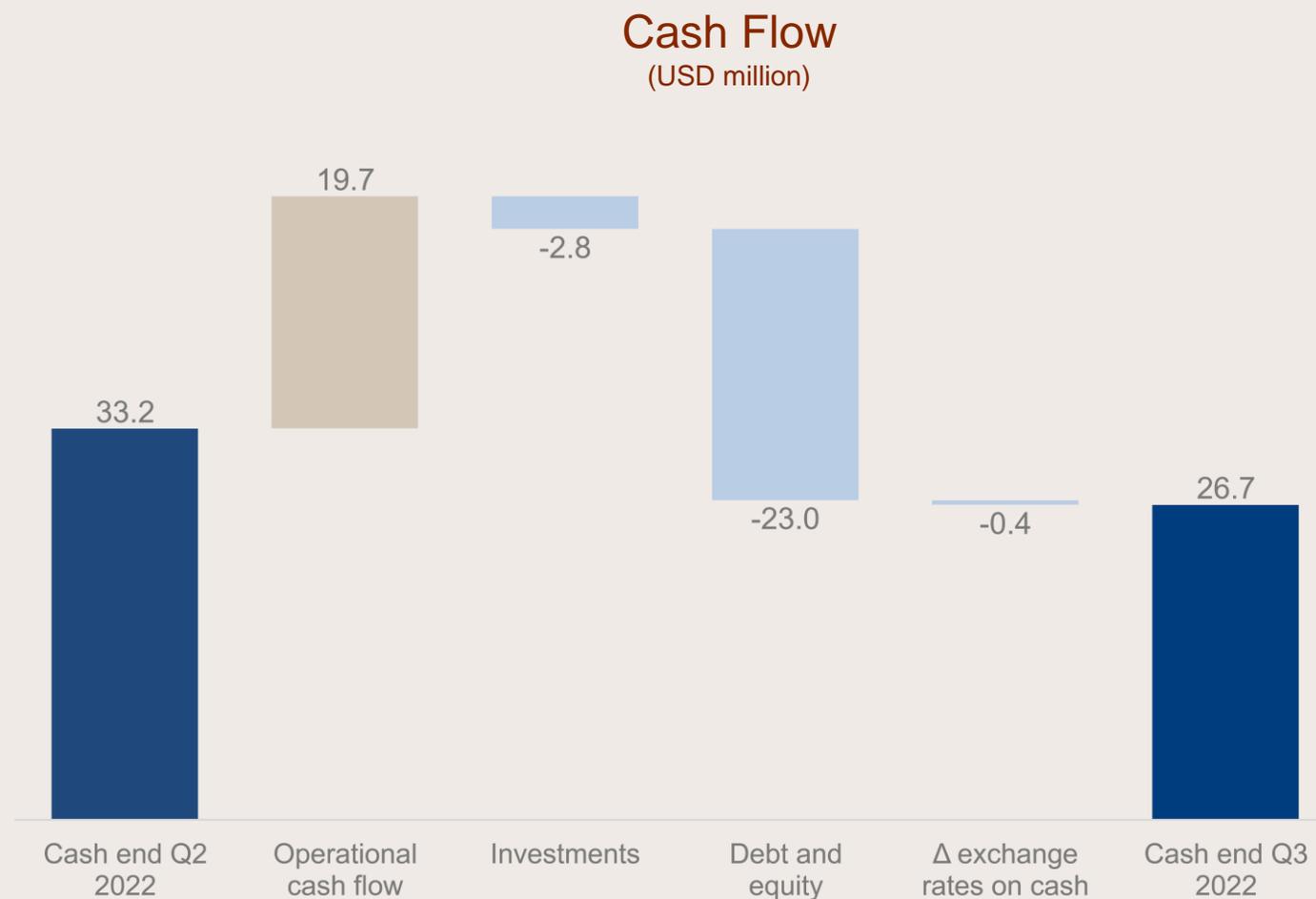
Key financial figures of 9m 2022 vs average 2018-2019

TH USD	9m 2022	9m 2018-2019
Operating revenue	274,332	217,807
EBITDA Operational before fair value	54,977	49,083
EBIT Operational before fair value	41,839	40,040
Atlantic Salmon		
Sales volume (ton WFE)	33,956	32,938
EBIT/Kg WFE (USD)	1.14	1.18



Strong Cash Flow in Q3 2022

- USD 19.7 million positive operating cash flow (prices and volume)
- Main use was reduction of credit facilities by USD 23m
- Use of cash flow for investments at USD 2.8 million as Company deploys mitigating farming risk plans (geographies and species)



- _____
- _____
- _____
- _____

Summary

Q3 22 Summary

1. The 3rd quarter 2022 marks the turnaround of two difficult years due to pandemic and algae's situation. YTD Ebit/kg is in line with 2018-2019 average.
2. Prices remain at higher than historical level, covering cost pressures from feed and services
3. Good biological and productive performance with normal mortality and sales volume recovered
4. Good biological performance continues in Q3, and should go into coming quarter as climate normalized for 2022
5. Coho's positive contribution: EBIT/Kg USD 1.16, and favorable formats and markets diversification.
6. Total harvest 2022 is estimated at 49-51,000 MT.
7. Stocking plans for 2023-24 remains consistent with 65-70,000 MT WFE total harvest.





Q&A

