



# Måsøval AS

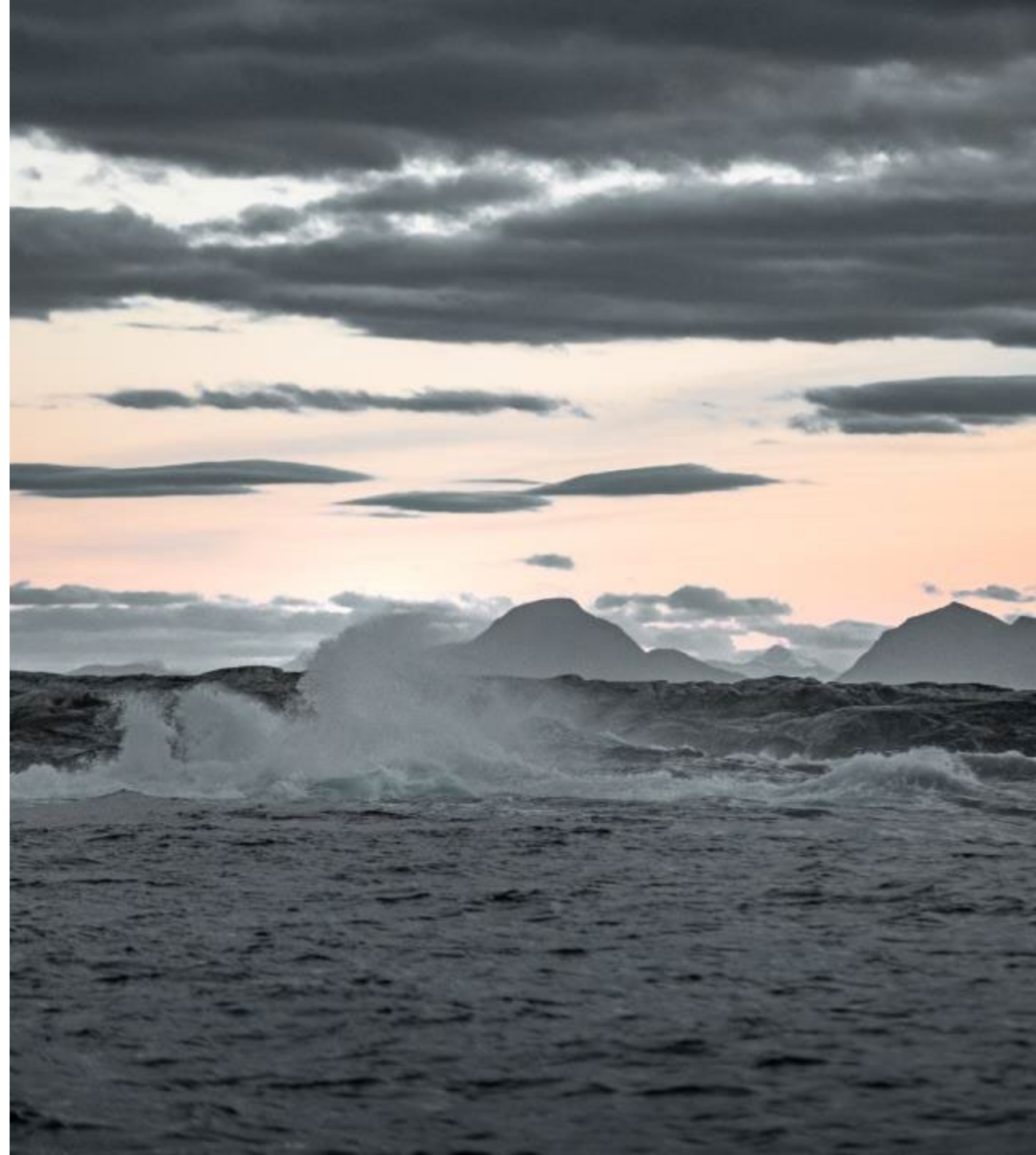
## Q1 2023 presentation

Oslo, May 23rd, 2023

Helge Kvalvik, CEO | Gunnar Aftret, CFO

# Agenda

- 1 Highlights
- 2 Segment information
- 3 Group financials
- 4 Development project
- 5 Outlook and Summary



# Highlights Q1 - 2023

## Financial

- Group turnover MNOK 237 (280)
- Total group operational EBIT MNOK 36 (87)

## Segment farming

- Harvested volumes 1 994 tonnes (3 284)
- Region Mid Op. EBIT/Kg NOK 32,8
- Region West Op. EBIT/Kg NOK 18,1

## Sales and processing

- Sales of MNOK 229 (276)
- Operational EBIT of 0,4%

## Record high biomass of 15 763 tonnes

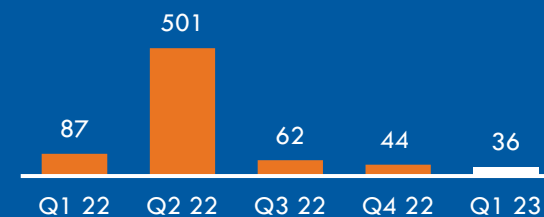
- 3 129 tonnes growth in biomass Q1 2023

## Approval for new site at Heggeset

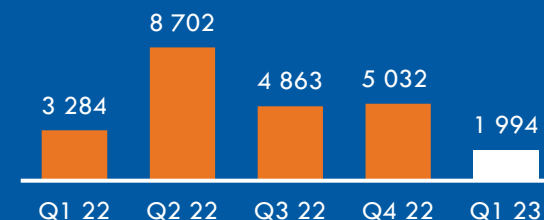
- Approval for site MAB of 2 340 tonnes received February 2023
- Fish put to sea in April 2023



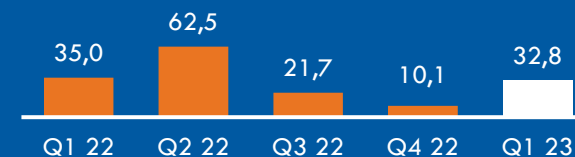
Group Oper. EBIT (MNOK)



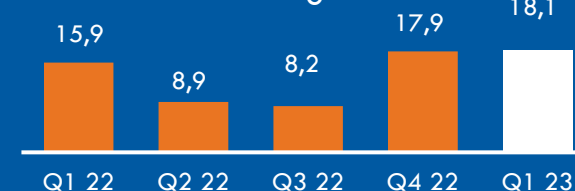
Harvested Volume (GW)



Operational EBIT pr kg (NOK)  
Farming Mid



Operational EBIT pr kg (NOK)  
Farming West





## Segment information

# Farming Mid

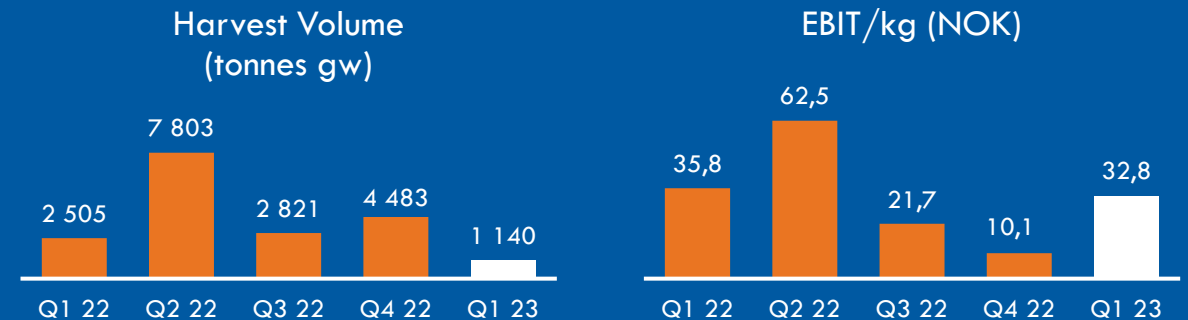
## Biomass build-up, good growth

- Harvested volume of 1 140 tonnes GW (2 505)
- Spring 2022 generation accounted for 89% of harvest and Autumn 2023 generation accounted for 11% in Q1.
- Operational EBIT NOK 32,8 pr kg (35,8)
  - Higher feed costs fully factored in
  - High costs for lice treatment in Spring 2022 gen
- Strong biomass growth
  - Fish put to sea on Frøya Laks' licenses

## Key figures Farming Mid

Consolidated numbers in 1 000 NOK

	Q1 2023	Q1 2022	FY 2022
Total operating revenues	124 527	204 086	1 547 216
Operational EBIT	37 363	89 739	686 749
Operational EBIT - %	30,0%	44,0%	44,4 %
Harvested volume (tonnes GW)	1 140	2 505	17 612
Operational EBIT per kg salmon	32,8	35,8	39,0



# Farming West

## Quarter affected by downgrading

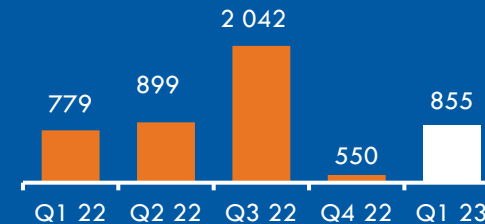
- Harvested volume of 855 tonnes GW
- 2022 generation accounted for 100 % of harvest in Q1
- Higher prices than Q1 2022, but lower than NASDAQ
  - Downgrading from winter ulcers
  - Low weights at one pen at one site
- Operational EBIT NOK 18,1 pr kg
  - Low average weights
  - Increased feed costs fully factored into production costs
- Vartdal integration process fully executed

## Key figures Farming West

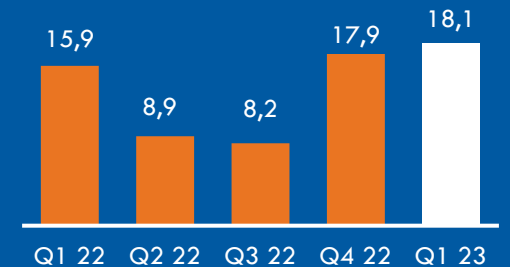
Consolidated numbers in 1 000 NOK

	Q1 2023	Q1 2022	FY 2022
Total operating revenues	65 512	50 150	262 099
Operational EBIT	15 463	15 012	52 200
Operational EBIT - %	23,6%	29,9%	19,9%
Harvested volume (tonnes GW)	855	779	4 268
Operational EBIT per kg salmon	18,1	19,3	12,2

Harvest Volume (tonnes gw)



EBIT/kg (NOK)



# Sales & Processing

## Investments in West, good sales margin

- Sales volume 2 270
  - 100% of sales through Pure Norwegian Seafood AS
  - More than 95% of volume sold in spot market
- Operational EBIT MNOK 1 (0,4%)
  - Good margins from sales operations
  - Vartdal facility partly closed for investments to improve efficiency
  - Harvest of white fish at both facilities

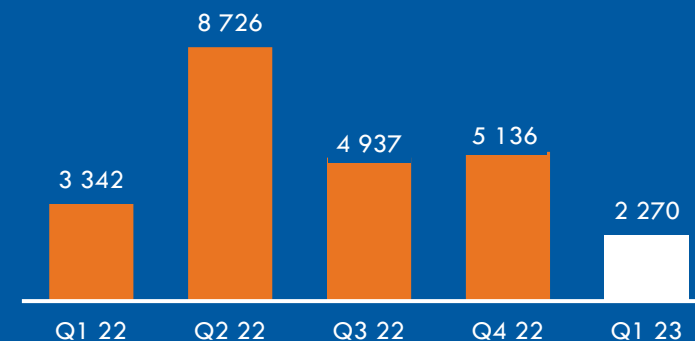


## Key figures Sales&Proc.

Consolidated numbers in 1 000 NOK

	Q1 2023	Q1 2022	FY 2022
Total operating revenues	229 363	275 845	1 948 405
Operational EBIT	843	-155	20 062
Operational EBIT - %	0,4%	-0,1%	1,0 %

Sales Volume (tonnes gw)



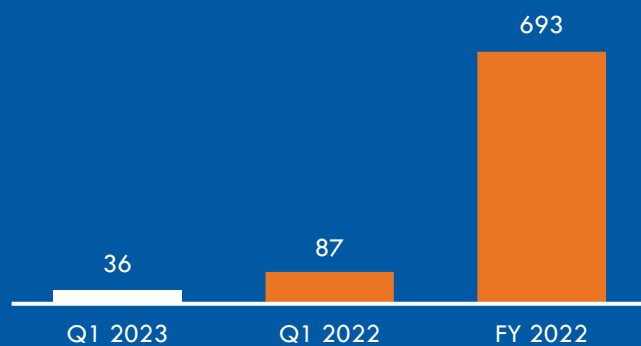
An aerial photograph of a large fishing net spread across the dark ocean at night. The net is illuminated from above, creating a glowing pattern of lines and mesh. The water is dark and textured with small waves. A blue rectangular box is overlaid on the left side of the image, containing the text 'Group financials' in white.

# Group financials

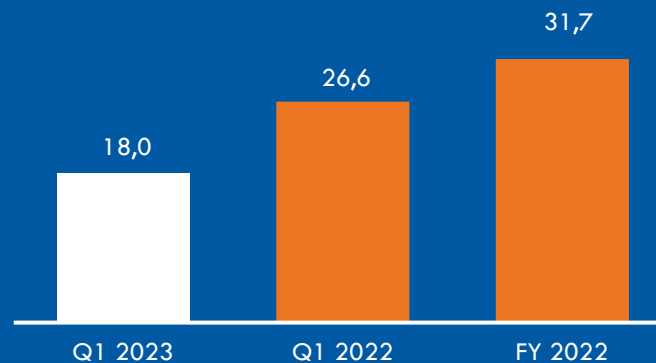


# Key income statement items

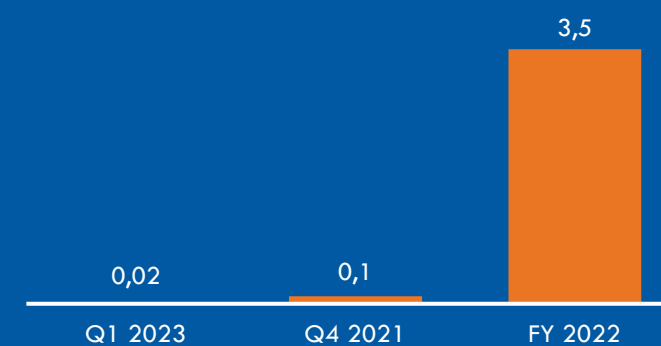
Group operational EBIT



Group operational EBIT pr kg



EPS (earnings/share\*)



\* Earnings per share restated to exclude fair value adjustment of biomass

# Income statement

- Revenue in quarter down from Q1 2022 due to lower volume, but significantly higher prices
- Group operational EBIT declined from same period last year:
  - Higher feed prices
  - Other / Eliminations impacts profits on low volume
- Group operational EBIT of MNOK 36 (87)
- Group EBIT impacted by low volumes – Appr. 8% of estimated 2023 harvest volume in the quarter.

## Key figures Group

Consolidated numbers in 1 000 NOK

	Q1 2023	Q1 2022	FY 2022
Sales revenue salmon	208 745	267 273	1 898 525
Other operating revenues	28 519	12 764	93 606
<b>Sum operating revenues</b>	<b>237 264</b>	<b>280 037</b>	<b>1 992 132</b>
Harvested volume (tonnes GW)	1 994	3 284	21 879
<b>Operational EBIT</b>	<b>35 863</b>	<b>87 386</b>	<b>693 444</b>
<b>EBIT <sup>(1)</sup></b>	<b>-12 244</b>	<b>146 766</b>	<b>884 514</b>
Profit before tax	-39 592	128 964	802 651
Net profit or loss for the period	-31 223	100 472	626 262
Group operational EBIT - %	15,1%	31,2%	34,8 %
Group operational EBIT/kg	18,0	26,6	31,7
Earnings per share (NOK)	0,02	0,41	3,50

<sup>(1)</sup> Operational EBIT adjusted for production tax, profit sharing with co-location partners and fair value adjustment biomass

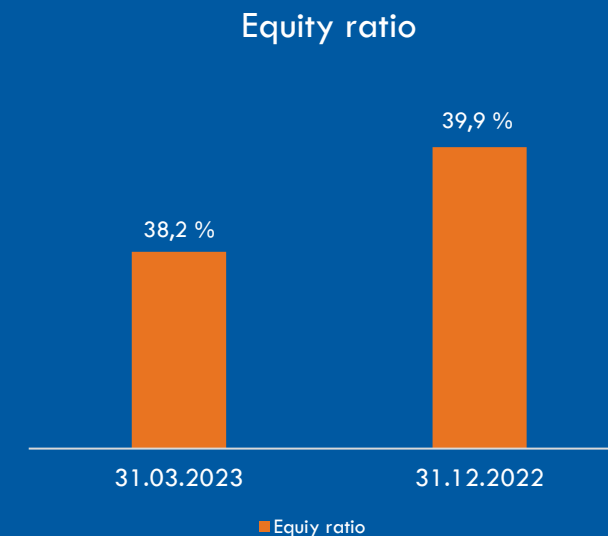
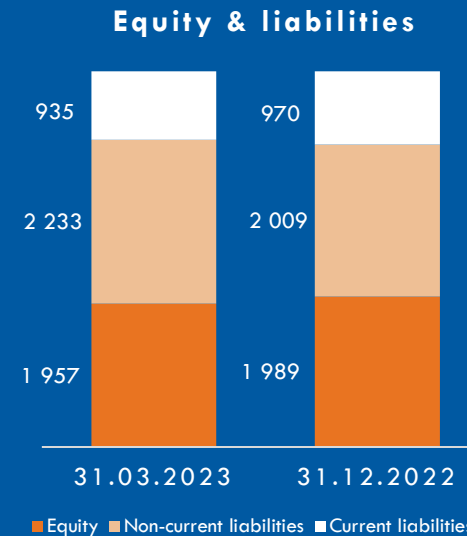
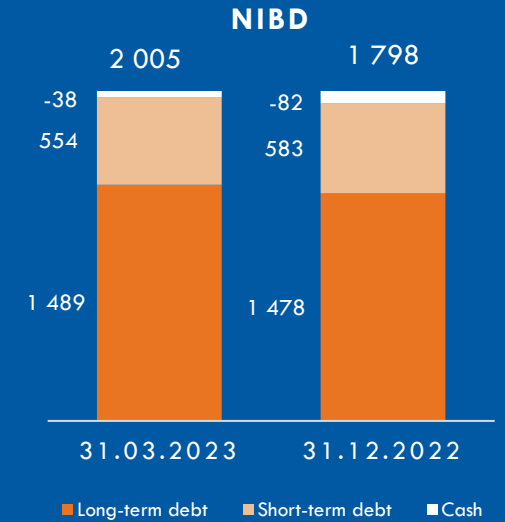
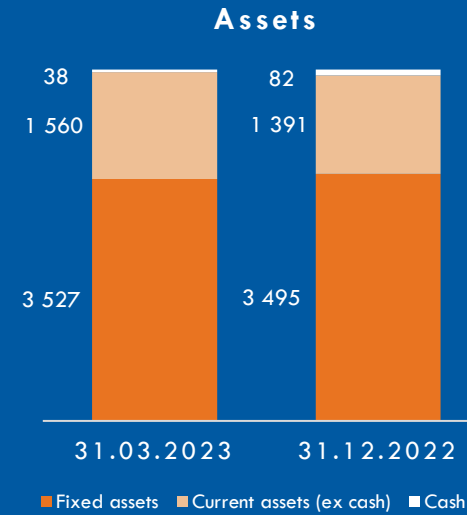
# Group balance sheet items

## Working capital increase in quarter

- Increase in biomass to record high levels

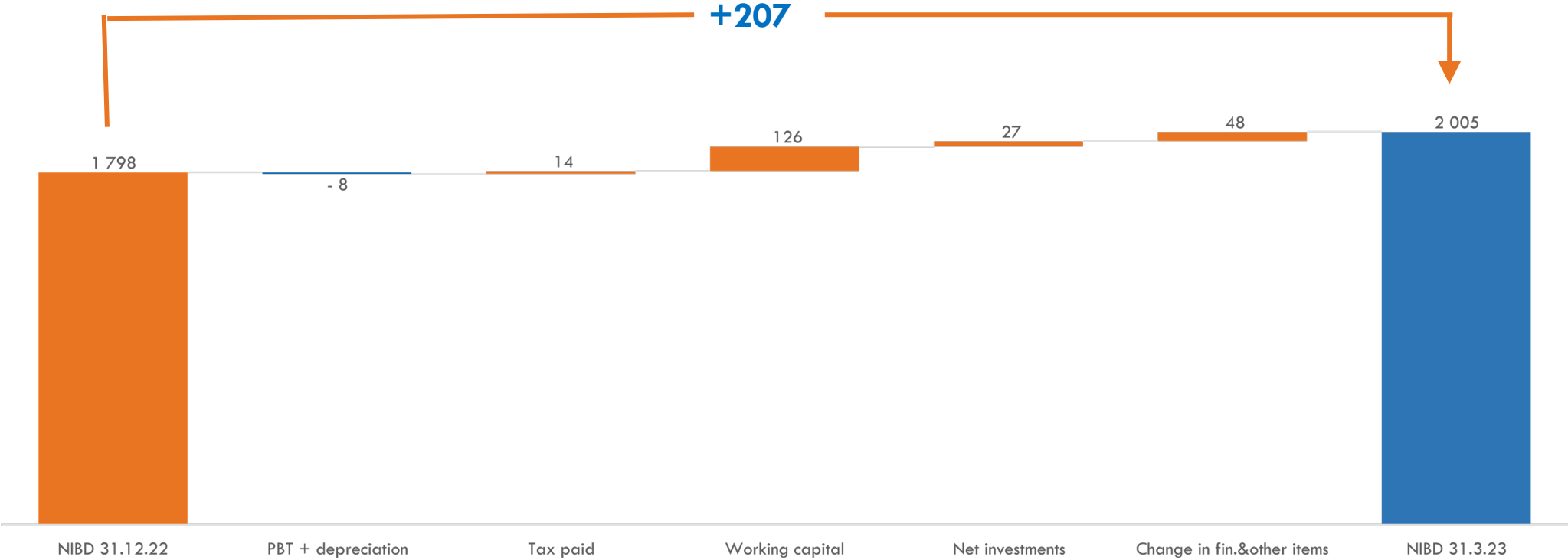
## Financial position

- NIBD increased with MNOK 207
- Liquidity: MNOK 464
- Equity ratio: 38,2%



# Changes in NIBD

- Working capital increase of MNOK 126 mainly caused by increase in biomass
- Net investments of MNOK 27



\* PBT excludes interest expenses that is included in financial items



Development project

# Aqua Semi update

## Engineering completed

- MSA (Main Scantling approval) received from DNV

## Project status

- Project is on hold due to proposed tax regime
- Licenses still valid
- Project can be restarted until 2027

**Final decision on project to be concluded after tax regime clarified and prices negotiated**





# Outlook and summary

# New resource tax on salmon farming in Norway

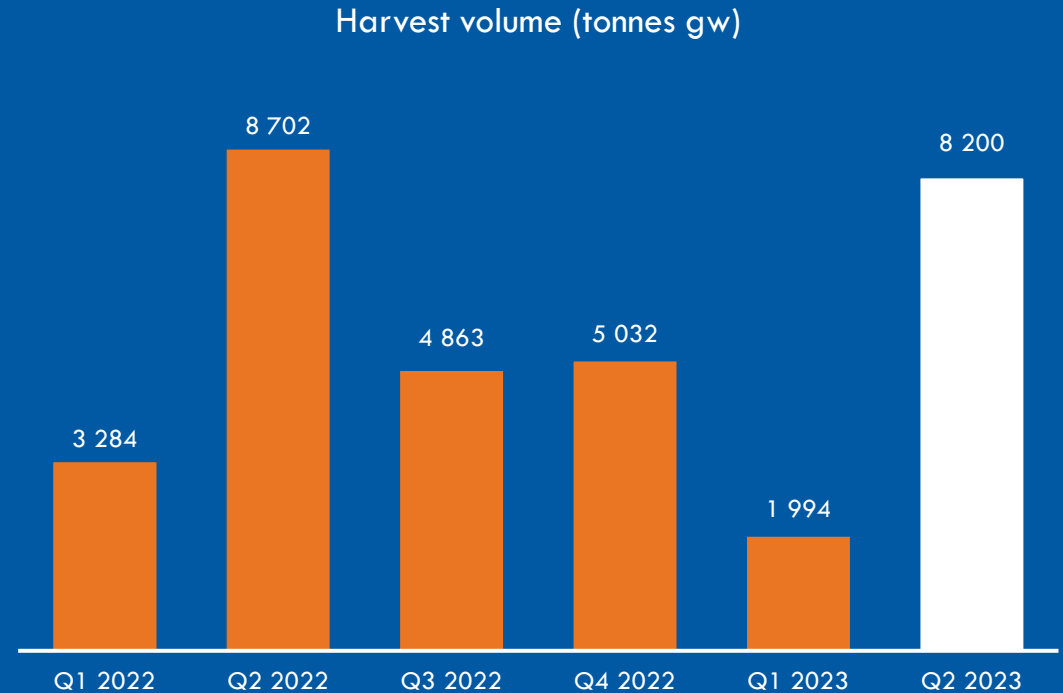
- Proposed resource tax on salmon farming September 28<sup>th</sup> 2023
  - Extra resource tax 35% and total tax rate of 57%
  - Exclusive for farming at sea
- Final proposal originally planned for May 16<sup>th</sup> now postponed.
- Måsøval believes that the proposed tax is detrimental to employment and value creation in the coastal societies that host aquaculture operations in Norway.
- Måsøval has invested significantly, also in creating new employment opportunities, to build an integrated value chain and expand our operations in all production phases. The proposal is particularly negative for companies like Måsøval with a high growth rate and significant investments.
- After the proposal the Group has cancelled or put on hold investments for appr. BNOK 1,5. Måsøval is more conservative in its approach to investments and will wait for a decision from the parliament before making further strategic investments.





# Segment Farming – Outlook

- Q2 2023 8 200 tonnes
- 2023 24 300 tonnes
- Costs in Q2 are expected to be flat/down

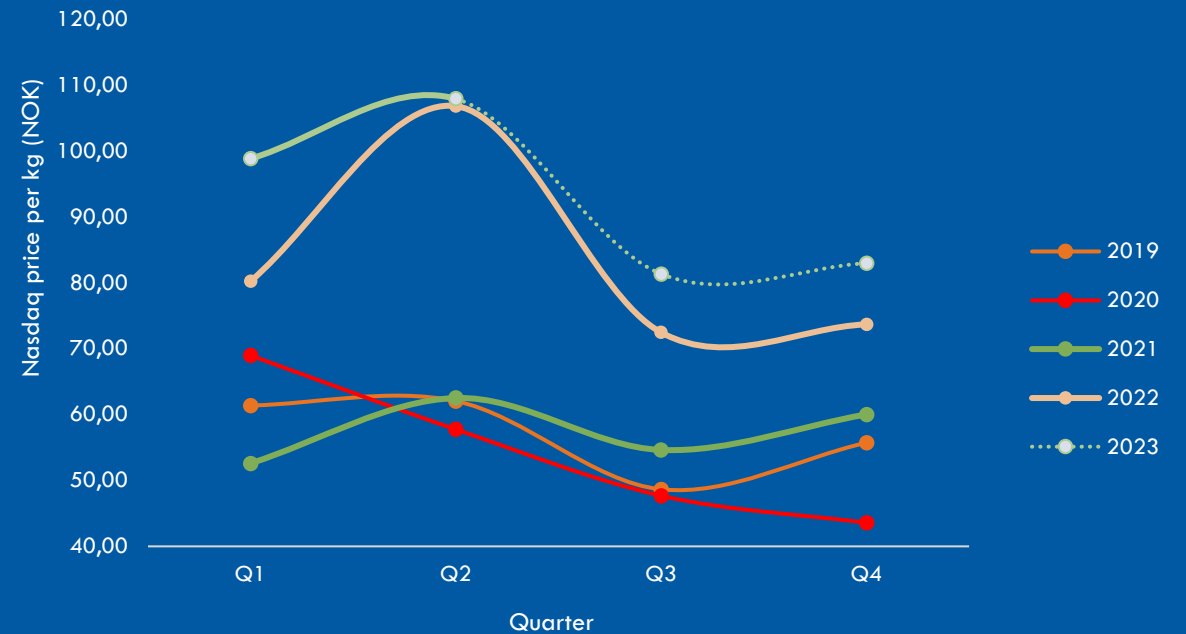


# Market outlook

- Analysts expect limited supply growth and high prices in Q2
- Prices are expected to remain strong in 2023

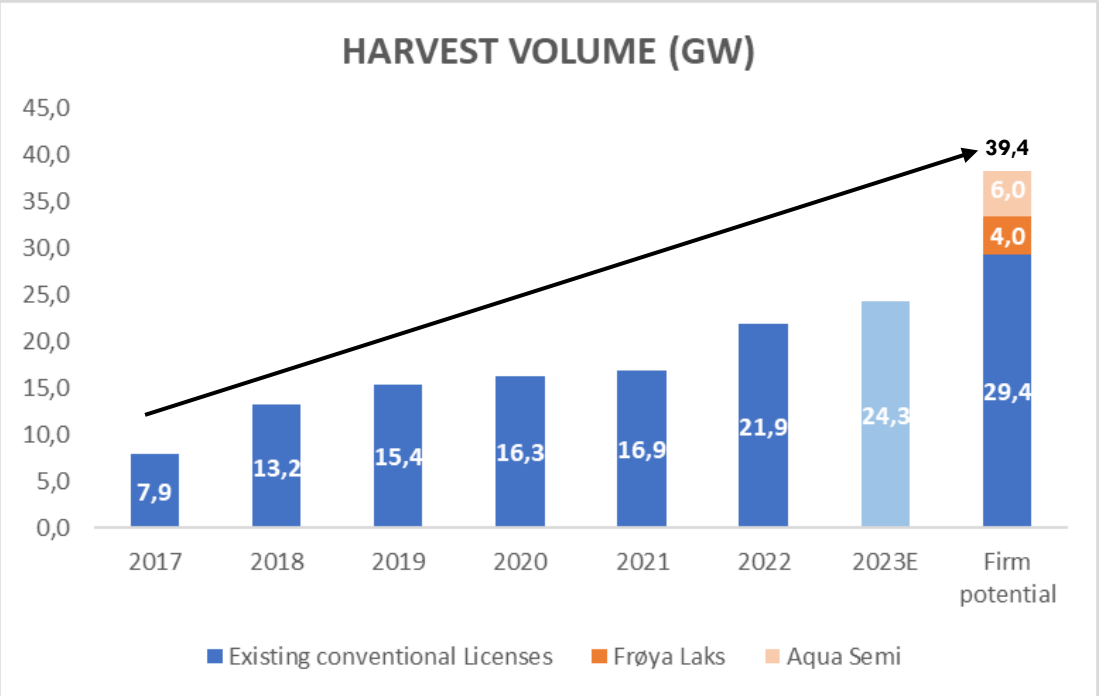


NASDAQ average price



\* Fishpool Forward Price 22.05.2023

# Growth potential

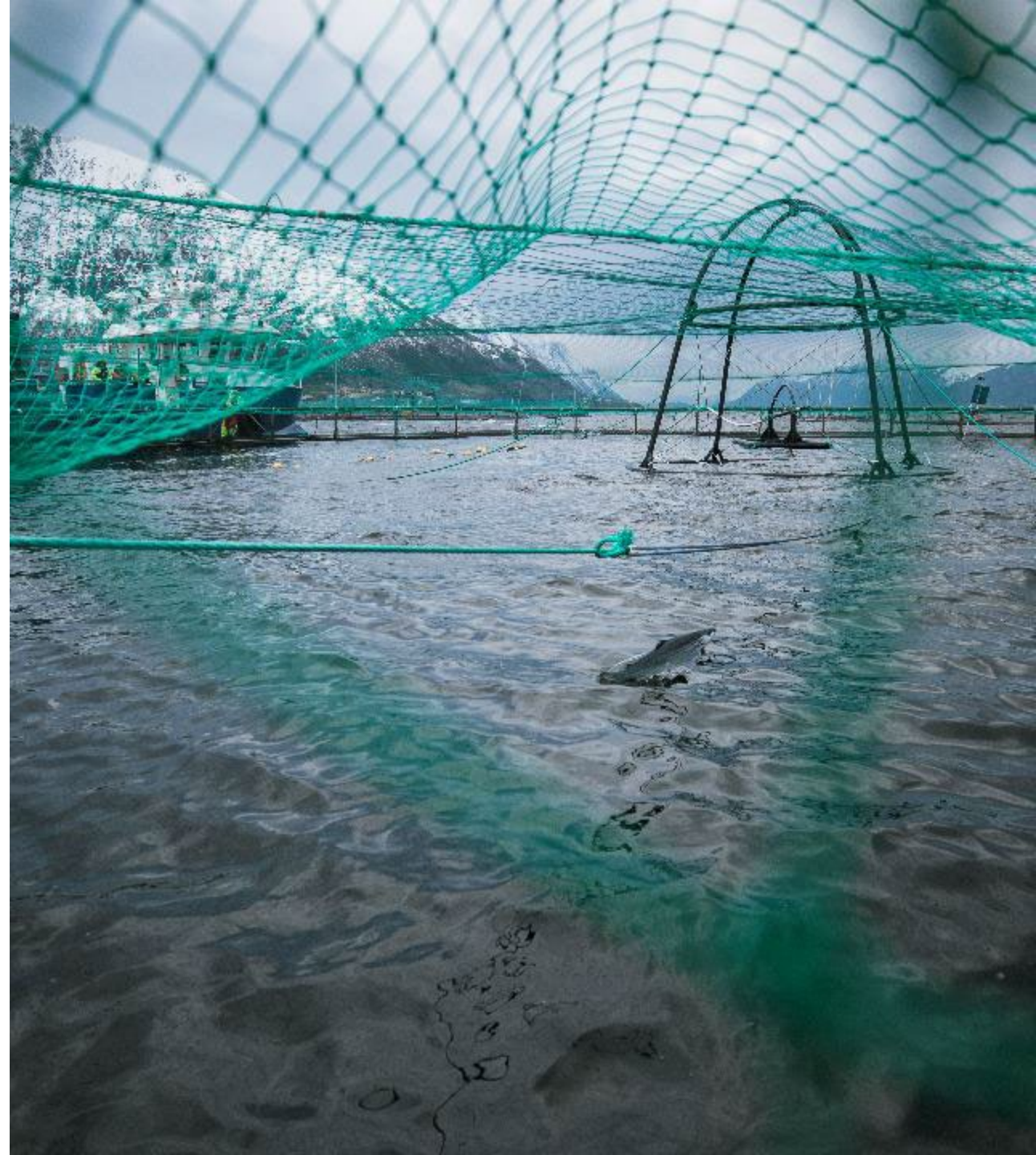


\* Frøya Laks licenses will be accounted for as net income and not in gross turnover and harvest volume




# Summary

- **3 129 tonnes growth in biomass**
  - Bringing biomass to a record high of 15 763 tonnes
- **Operational EBIT MNOK 36**
  - Higher feed costs fully factored in
  - Lice costs in region Mid and low harvest weights in region West
  - Low harvested volume in quarter
  - Low prices pressuring EBIT/kg in quarter
- **Downgrading**
  - Downgrading of fish and low weights lead to low prices achieved
- **Sales and processing**
  - Investments in automation in West
  - Good margins in sales division
- **Outlook**
  - Still strong outlook for prices
  - Costs expected to be flat/down from Q1
  - Maintain guiding of 8 200 tonnes in Q2 and 24 300 tonnes for 2023





*Made by nature*

Pioneered by  Måsøval