



Måsøval AS

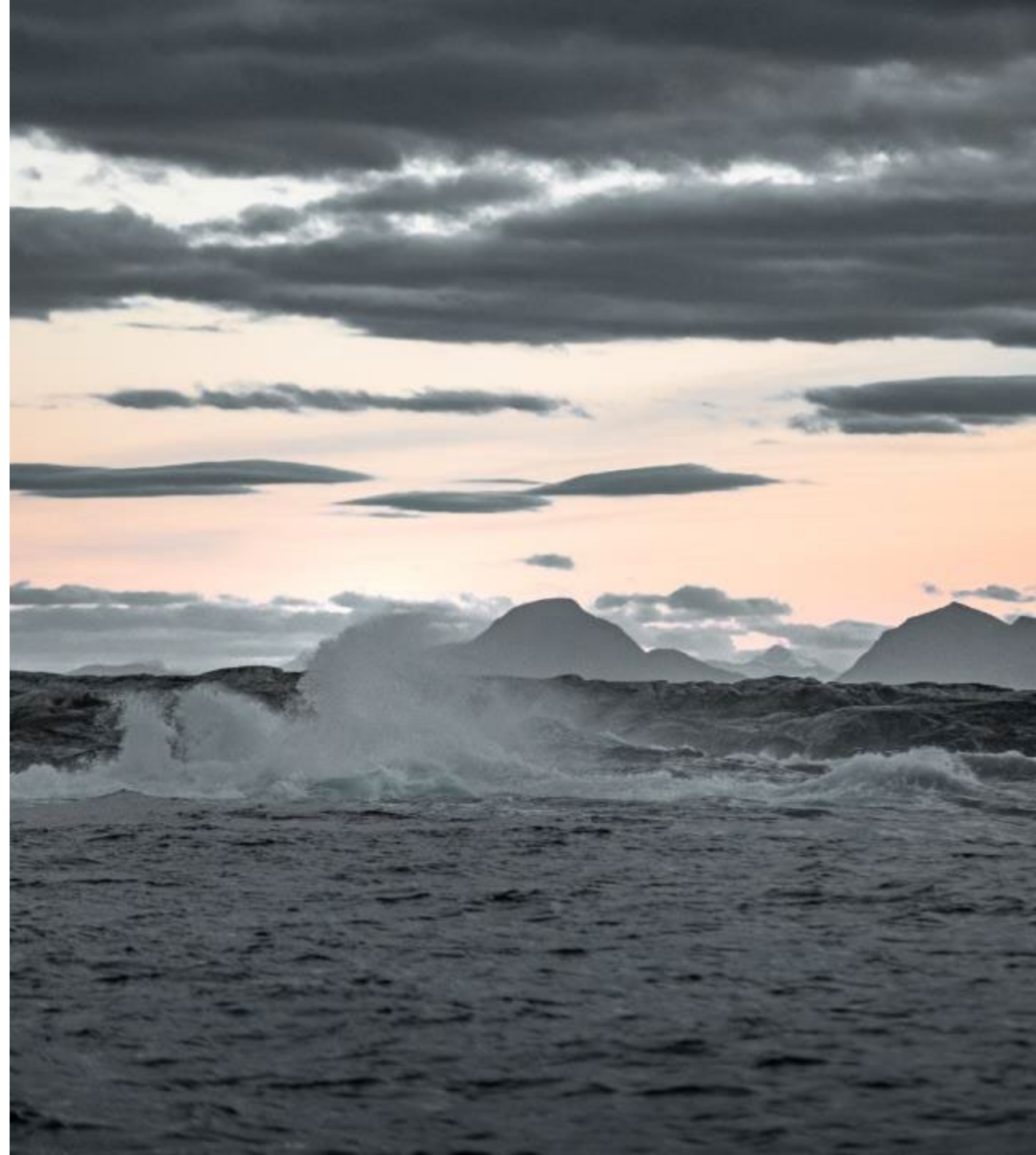
Q2 2023 presentation

Oslo, August 29th, 2023

Helge Kvalvik, CEO | Gunnar Aftret, CFO

Agenda

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



Highlights Q2 – 2023

Financial

- Group turnover MNOK 805 (934)
- Total group operational EBIT MNOK 211 (501)

Segment farming

- Harvested volumes 7 573 tonnes (8 702)
- Region Mid Op. EBIT/Kg NOK 32,9
- Region West Op. EBIT/Kg NOK 23,5

Sales and processing

- Sales of MNOK 797 (916)
- Operational EBIT of 1,6%

Production and sales

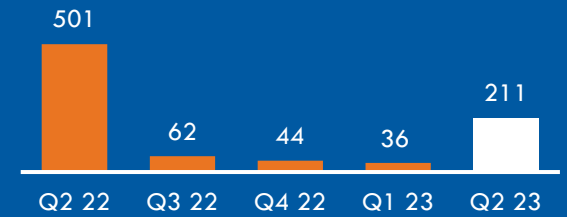
- Challenging biology for generation Spring 22 nearing end of production
- Positive start on harvest for Fall 22 and good production on Spring 23 gen
- Invested into improved de-licing equipment
- Implementing new vaccine against winter ulcers from Spring 24 generation
- Price achievement affected by harvest profile and biological situation

Heggeset

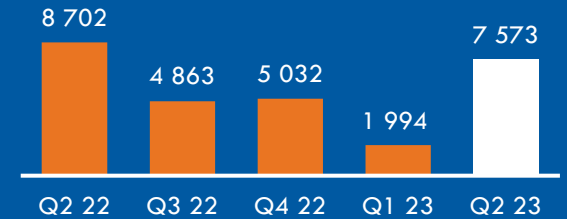
- Sea site Heggeset operational 6 weeks after approval



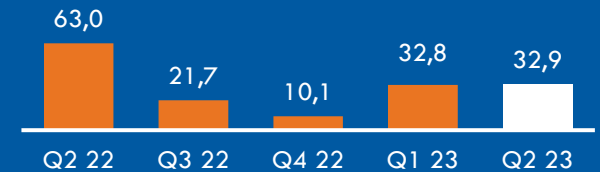
Group Oper. EBIT (MNOK)



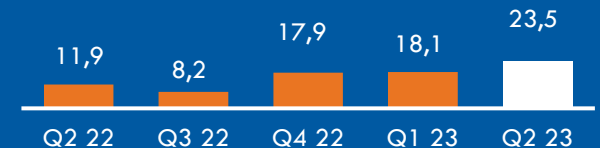
Harvested Volume (GWT)



Operational EBIT pr kg (NOK)
Farming Mid



Operational EBIT pr kg (NOK)
Farming West





Segment information

Farming Mid

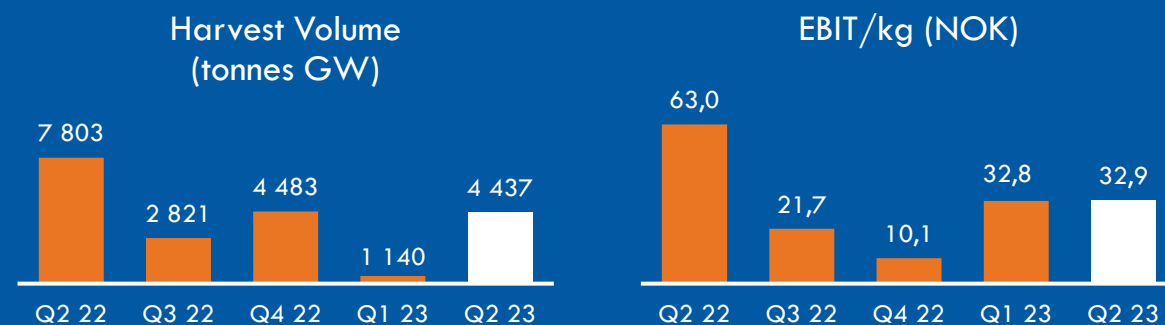
Good growth, challenging biology Spring 22 gen

- Harvested volume of 4 437 tonnes GW (7 803)
- Spring 2022 generation accounted for 62% of harvest and Autumn 2022 generation accounted for 38% in Q2.
- Operational EBIT NOK 32,9 pr kg (63,0)
 - Higher feed costs fully factored in
 - High costs due to sea lice treatment on Spring 2022 gen and accumulated mortality figures
- Strong biomass growth
- Smolt put to sea on Frøya Laks' licenses

Key figures Farming Mid

Consolidated numbers in 1 000 NOK

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Total operating revenues	444 471	815 799	569 268	1 019 885	1 547 216
Operational EBIT	145 966	491 554	183 330	581 292	686 746
Operational EBIT - %	32,8%	60,3%	32,2%	57,0%	44,4 %
Harvested volume (tonnes GW)	4 437	7 803	5 577	10 308	17 612
Operational EBIT per kg salmon	32,9	63,0	32,9	56,4	39,0



Farming West

Reduced downgrading, high costs

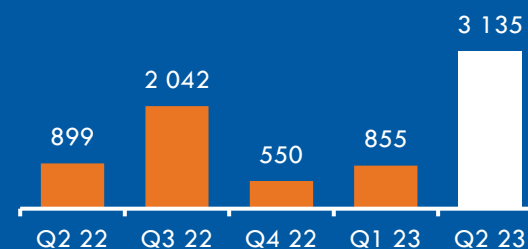
- Harvested volume of 3 135 tonnes GW (899)
- 2022 generation accounted for 100 % of harvest in Q2
- Significantly higher prices than Q2 2022
 - Higher superior levels
- Operational EBIT NOK 23,5 pr kg (11,9)
 - Increased feed costs fully factored into production costs
- Operational improvements in Vartdal and increased Superior share

Key figures Farming West

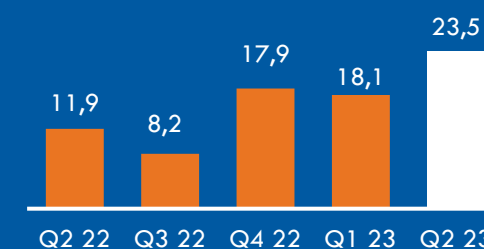
Consolidated numbers in 1 000 NOK

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Total operating revenues	291 883	55 738	357 396	105 888	262 099
Operational EBIT	73 576	10 658	89 040	25 670	52 200
Operational EBIT - %	25,2%	19,1%	24,9%	24,2%	19,9%
Harvested volume (tonnes GW)	3 135	899	3 990	1 678	4 268
Operational EBIT per kg salmon	23,5	11,9	22,3	15,3	12,2

Harvest Volume (tonnes GW)



EBIT/kg (NOK)



Sales & Processing

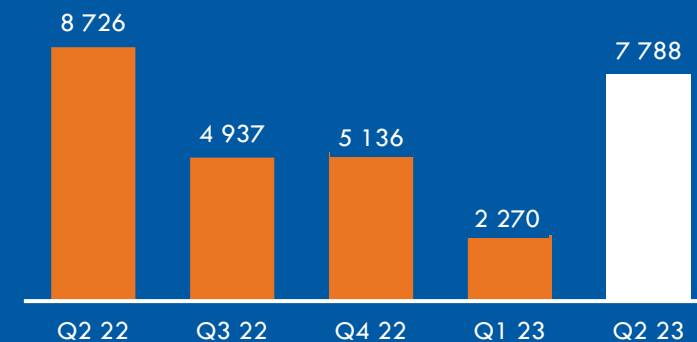
Good sales margin

- Sales volume 7 788
 - 100% of sales through Pure Norwegian Seafood AS
 - More than 95% of volume sold in spot market
- Operational EBIT MNOK 13 (1,6%)
 - Good margins from sales operations
 - Harvest of white fish at both facilities



Key figures Sales&Processing	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Consolidated numbers in 1 000 NOK					
Total operating revenues	797 360	915 750	1 026 723	1 191 596	1 948 405
Operational EBIT	12 532	15 777	13 375	15 622	20 062
Operational EBIT - %	1,6%	1,7%	1,3%	1,3%	1,0 %

Sales Volume (tonnes GW)

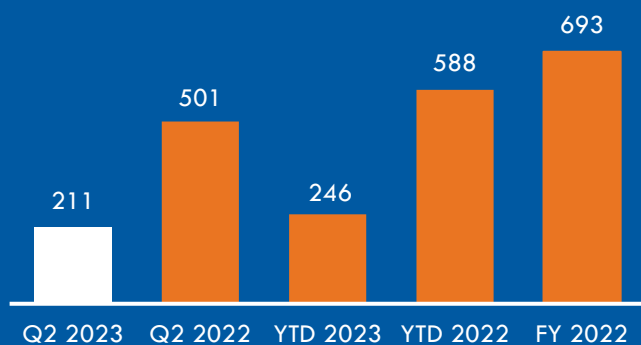


An aerial, high-angle photograph of a large fishing net, likely a purse seine, deployed in the dark ocean at night. The net is illuminated from above, creating a bright, glowing arc that curves across the lower right portion of the frame. The water's surface is dark and textured with small waves. A solid blue rectangular box is overlaid on the left side of the image, containing the text 'Group financials' in white.

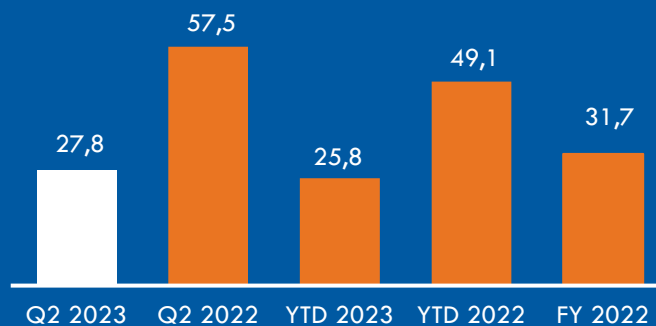
Group financials

Key income statement items

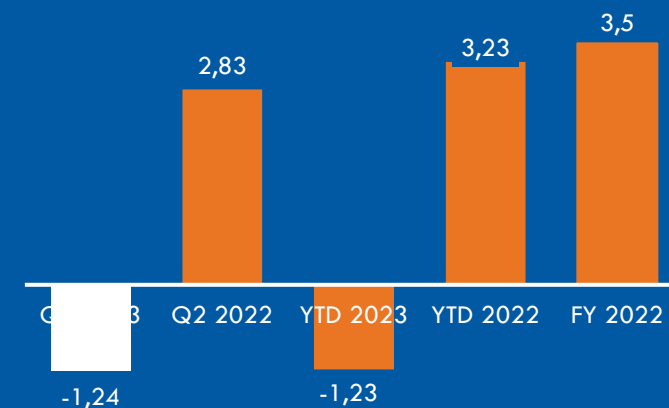
Group operational EBIT



Group operational EBIT pr kg



EPS (earnings/share*)



- Earnings per share restated to exclude fair value adjustment of biomass
- Earnings per share ex one-offs: Q2: 1,02 YTD 2023: 1,04

Income statement

- Revenue in quarter down from Q2 2022 due to lower volume, downgrading and somewhat lower achieved prices
- Group operational EBIT declined from same period last year:
 - Higher production costs on biomass Spring 22 generation earlier in production cycle
 - Costs following development for aquaculture companies in region Mid and West
 - Third party revenue for service division is reduced Y-O-Y
- Group operational EBIT of MNOK 211 (501)
- EBIT affected by a write-down of MNOK 45 for Aqua Semi due to resource rent tax
- Resource rent tax of MNOK 243 on fair value adjustment of biomass per 1.1.2023 affects tax cost in quarter
- Underlying EPS of NOK 1,02 in quarter excluding one-off effects
- Resource rent tax for 2023 to be calculated when detailed regulation is published by the Ministry of Finance

Key figures Group	Q2	Q2	YTD 2023	YTD	FY 2022
Consolidated numbers in 1 000 NOK	2023	2022		2022	
Sales revenue salmon	770 417	900 300	979 162	1 167 573	1 898 525
Other operating revenues	34 164	33 892	62 683	46 656	93 606
Sum operating revenues	804 581	934 192	1 041 845	1 214 229	1 992 132
Harvested volume (tonnes GW)	7 573	8 702	9 567	11 986	21 879
Operational EBIT	210 502	500 548	246 365	587 934	693 444
EBIT ⁽¹⁾	189 561	572 971	177 318	719 737	884 514
Profit before tax	151 344	558 877	111 752	687 841	802 651
Net profit or loss for the period	-123 314	436 151	-154 537	536 623	626 262
Group operational EBIT - %	26,2%	53,6%	23,6%	48,4%	34,8 %
Group operational EBIT/kg	27,8	57,5	25,8	49,1	31,7
Earnings per share (NOK)	-1,24	2,83	-1,23	3,23	3,50

⁽¹⁾Operational EBIT adjusted for production tax, profit sharing with co-location partners, fair value adjustment biomass and write-down of investment in Aqua Semi

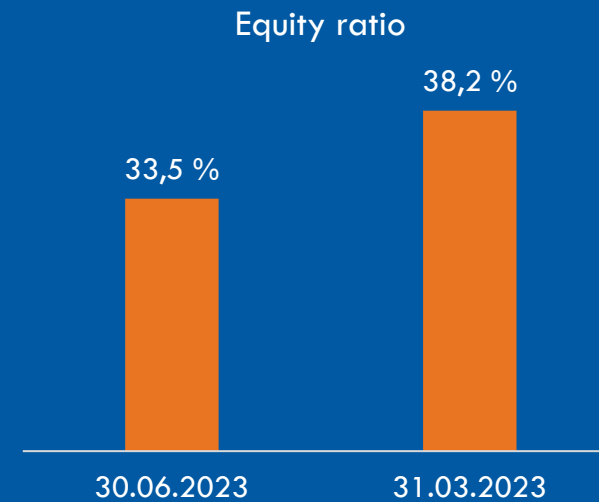
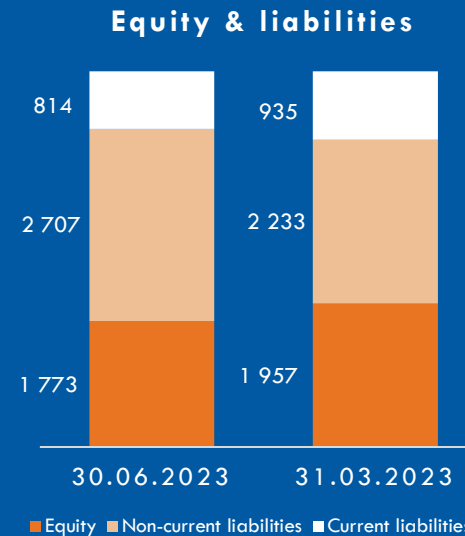
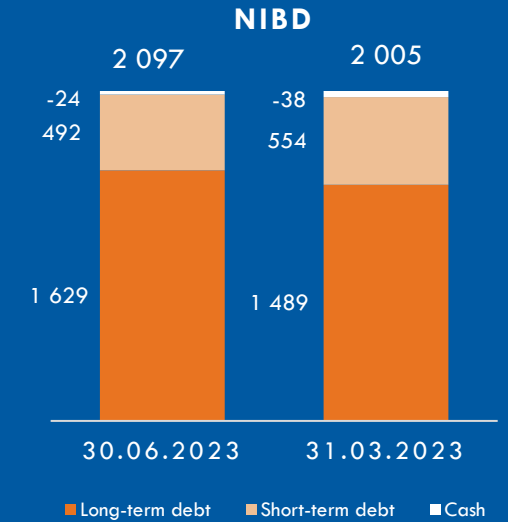
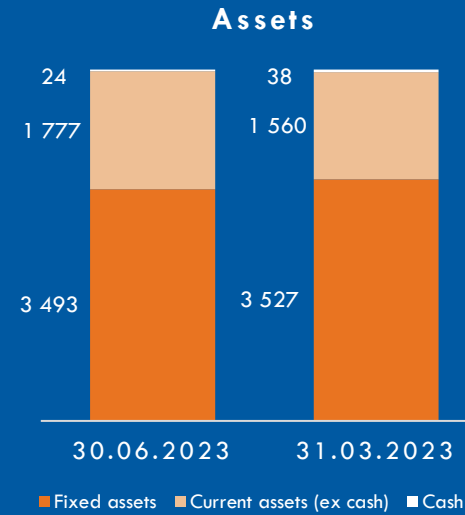
Group balance sheet items

Working capital increase in quarter

- Still high levels of biomass
- Significantly higher receivables after high harvest in June

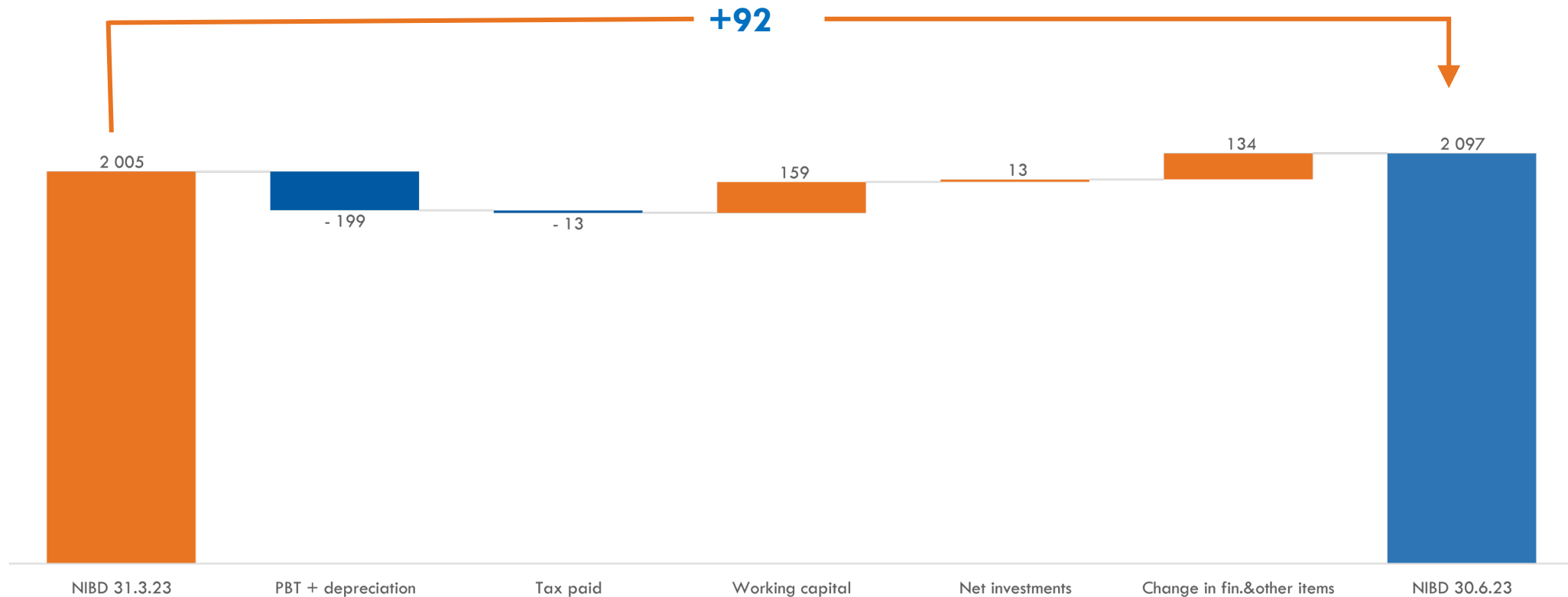
Financial position

- NIBD increased with MNOK 92
- Liquidity: MNOK 376
- Equity ratio: 33,5% (one-off effects of MNOK 288)



Changes in NIBD

- Working capital increase of MNOK 159 mainly caused by increase in receivables
- Net investments of MNOK 13



* PBT excludes interest expenses that is included in financial items



Development project

Aqua Semi update

Project status

- Engineering completed and approved by DNV
- Licenses still valid
- Project can be restarted until 2027

Due to current resource rent tax regime the project is cancelled in its current form.





Outlook and summary

New resource rent tax on salmon farming in Norway

- Resource rent tax on salmon farming 2023
 - Extra resource tax 25% and total tax rate of 47%
 - Exclusive for farming at sea
- Important details of tax regime still unknown
- One-off effect of MNOK 243 on fair value adjustment of biomass per 1.1.2023
- Måsøval has not included tax costs for 1H 2023 due to missing detailed regulations
- Direct reason for the cancellation of Aqua Semi
 - No investment deduction in resource rent tax for investments and full resource rent tax on future profits
- 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.

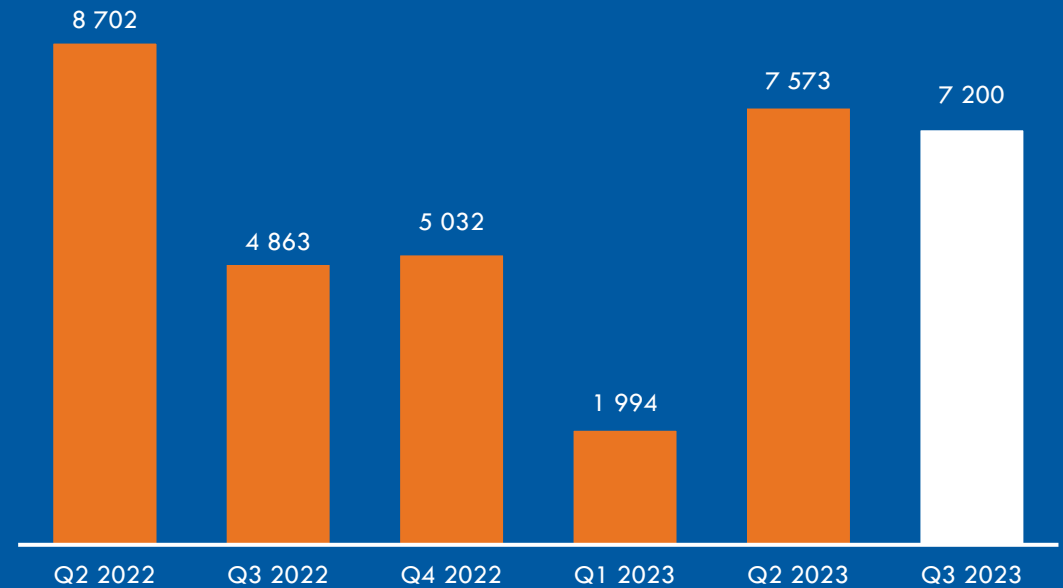


Segment Farming – Outlook

- Q3 2023 7 200 tonnes
- 2023 24 300 tonnes
- Costs in Q3 are expected to be flat/down



Harvest volume (tonnes GW)

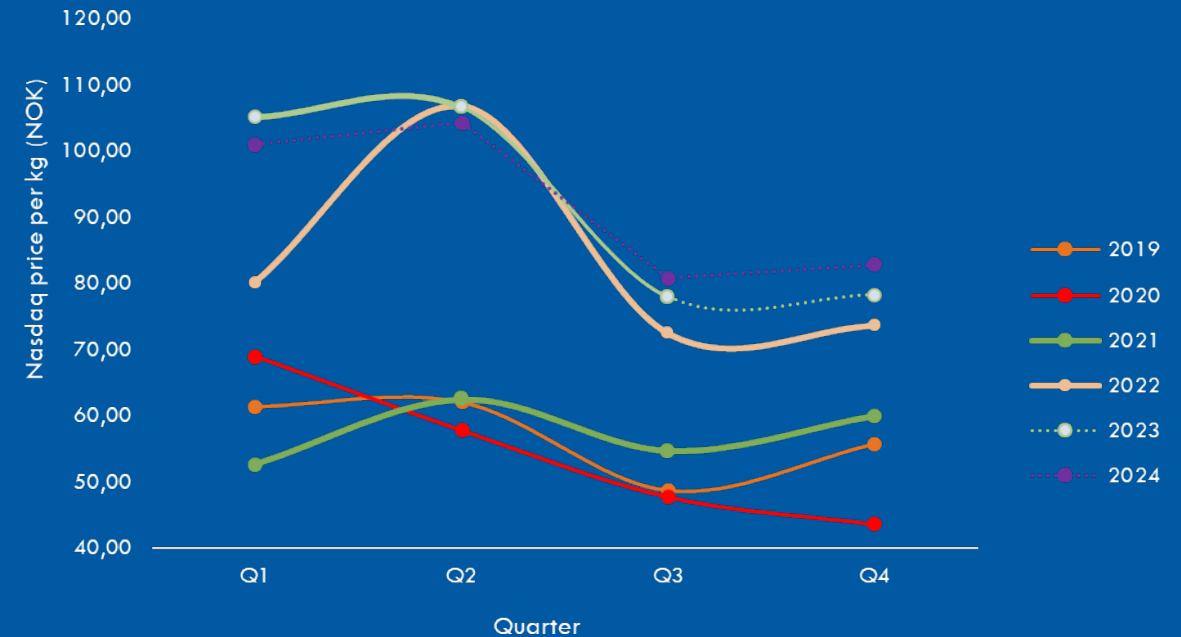


Market outlook

- Analysts expect lower prices in Q3 on higher harvest volumes
- Prices are expected to remain relatively strong in 2023 as underlying demand remains bouyant

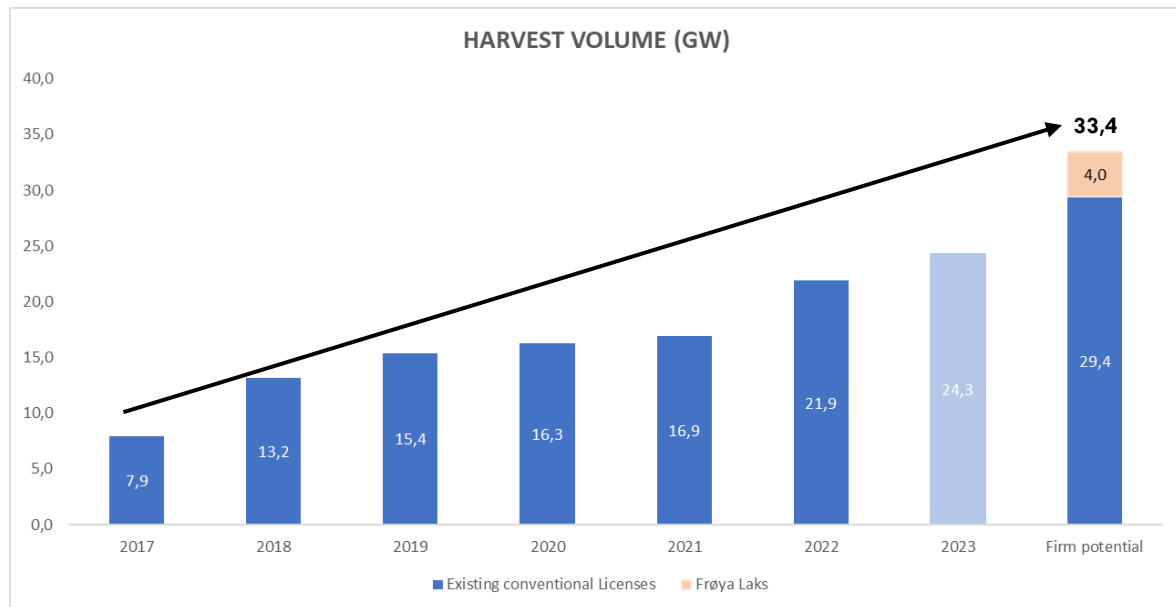


NASDAQ average price



* Fishpool Forward Price 28.08.2023

Growth potential



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




Summary

- **Operational EBIT MNOK 211**
 - Higher feed costs fully factored in
 - Lice costs in region Mid and low harvest weights in region West
 - Higher costs pressuring EBIT/kg in quarter
 - Harvest profile, harvest weights and downgrading led to lower achieved prices
- **Quality**
 - Higher downgrading of fish in region Mid y-o-y, but improvements through quarter
 - Significant improvements in region West
- **Sales and processing**
 - Good margins in sales division
- **Outlook**
 - Still strong outlook for prices. Improvements in superior share expected to continue
 - Costs expected to be flat/down from Q2
 - Maintain guiding of 7 200 tonnes in Q3 and 24 300 tonnes for 2023





Made by nature

Pioneered by  Måsøval