

Salmones Camanchaca – Q3 2022 results

Highlights:

- Harvest volume of Atlantic salmon at 14,326 MT WFE, up 51% from Q3 2021
- Market reached record levels during the quarter, with prices on Atlantic salmon up 20% year-over-year. Combined with higher sales volumes, operating revenue increased 46% to USD 95.9 million
- The cost of harvested Atlantic salmon (ex-cage live weight) was USD 4.17/kg (USD 4.18/kg in Q3 2021). Processing costs at USD 1.03/kg WFE, slightly above long-term target of USD 1/kg WFE, and in line with USD 1.04/kg WFE of Q3 2021. Costs pressured by higher feed prices and overall inflationary pressure
- Continued earnings recovery with Q3 EBITDA increased from USD 3.6 million to USD 25.6 million, driven by better prices, higher sales volumes and a product and market mix that optimized raw material returns and captured sales opportunities
- Cash balances as of September 30, 2022, were USD 26.7 million. Net interest-bearing debt was USD 75 million, down USD 62.9 million from 12 months earlier
- Estimated harvest volumes of Atlantic Salmon for 2022 remains at 45-46,000 MT, with similar volume expected in 2023. Harvest volume for the 2022 Coho season is estimated at 6,000 MT, and 10,000 MT in 2023

Santiago, 16 November 2022: The average price of Atlantic salmon sold by Salmones Camanchaca during Q3 2022 was USD 7.87/kg WFE, which was 20% or USD 1.31/kg higher than in Q3 2021. This increase was explained by higher global demand and lower supply during 2022. Prices made records during the period, but growth moderated somewhat throughout in the quarter due seasonal higher production.

The higher sales volume from Salmones Camanchaca also helped capturing these high prices on the spot market. The greater price stability achieved by Salmones Camanchaca is explained by the Company's value-added strategy associated with medium-term commercial agreements that attenuate sharp drops and escalations. During the quarter opportunities were captured to optimize the product/market mix that were provided by the company's production and commercial capabilities.

Ex-cage costs for the quarter were similar to costs a year ago at USD 4.17/kg live weight. This year they were pressured by an increase in feed costs and inflation affecting services and other supplies. Whereas in 2021 they were affected by algae blooms. Meanwhile, processing costs including harvesting costs were USD 1.03/kg WFE, slightly above the long-term target of USD 1/kg WFE, and 1 cent below Q3 2021. Processing costs were pressured by more sites harvested from the XI region and using third party processing plants for frozen products.

The company experienced extraordinary mortalities during the period, mainly caused by sea lion attacks and algae blooms. However, financial impact was limited to USD 1.0 million, significantly lower than the

USD 3.7 million impact in Q3 2021. Expenses on fallow sites with no biomass, or only the minimum required to avoid the concession lapsing, were USD 2.9 million for the quarter.

EBIT before fair value adjustments for Q3 2022 increased by USD 21.5 million compared to Q3 2021 and totaled USD 21 million. The increase was explained by higher prices and sales volumes. Thus, EBIT/kg WFE for Atlantic salmon ended at USD 1.78/kg WFE during the quarter, a substantial improvement over the negative figure for Q3 2021. Sales of Coho salmon during the quarter resulted in an EBIT/kg WFE of USD 1.16.

Biological performance continues to improve with the biological conversion ratio reaching 1.12 for the last 12 months, its lowest ever and as of the date of this report, Salmones Camanchaca had no farming sites classified as sea lice High Propagation Sites (HPS).

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

"After two complex years, with a pandemic and a period of great drought and sunnier summer in Patagonia, today we once again register results consistent with the capabilities of Salmones Camanchaca, not very different from those achieved in 2018-2019. Perhaps what is extraordinary about this 2022 is that the limitations of world supply and the strength of demand have allowed salmon prices to cover the significant cost pressures that we have experienced due to inflation on supplies and services. Salmones Camanchaca continues to deploy its strategy of adjusting production and commercial plans to better adapt to the effects of possible climate change, incorporating all risk mitigation practices and technologies, and developing main markets to come up with better solutions for our customers. These initiatives will mature in 2023, which will allow us to take a step forward in the use of our capabilities in 2024-2025".

Salmones Camanchaca will present the quarterly results on Thursday, 17 November 2022 at 13:00 Central European Time (CET).

The presentation will be held on-line by Vice Chairman Ricardo García and CEO Manuel Arriagada.

To join the webcast, use the following link:

<https://ubiqq.com/camanchaca/live>

The presentation and subsequent Q&A session will be held in English. It will be possible to ask questions online.

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About Salmones Camanchaca

Salmones Camanchaca S.A. is a vertically integrated salmon producer engaged in breeding, egg production, recirculating hatcheries for Atlantic salmon and pass-through or lake hatcheries for Coho salmon and trout, fish farming sites in estuary, fjord and oceanic waters used mainly for Atlantic salmon,

primary and secondary processing, and marketing and sales of Atlantic and Coho salmon through five sales offices in its main markets.

The production target for both 2022 and 2023 is in the range of 50-60,000 MT WFE. The total production capacity for both Atlantic and Coho salmon is 65-70,000 MT WFE, which the Company expects to reach within three years. Salmones Camanchaca participates in trout farming through a one third share of a joint venture, which uses Salmones Camanchaca farming sites in coastal-estuarine waters, and currently plans to harvest an average of 9,000 MT WFE per year until 2028.

Salmones Camanchaca has 1,900 employees on average, 60% of whom work in its value-added plant. The main Atlantic salmon sales markets are currently the USA, Mexico and Latin America.

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act. This stock exchange release was published by Fernanda Peñailillo, IR, Salmones Camanchaca on 16 November 2022 at 21:00 CET.