



SALMONES CAMANCHACA S.A. AND SUBSIDIARIES

Earnings Report on the Consolidated Financial Statements

For the year ended December 31, 2022

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 is 55,000 to 60,000 MT WFE for 2023 and 65,000 to 70,000 MT WFE for 2024, which is aligned with the Company's total Atlantic and Coho salmon production capacity. 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 1,800 employees on average, 60% of whom work in its value-added plant. The main Atlantic salmon sales markets are currently the USA and Mexico.

Highlights for the fourth quarter 2022 (Q4 2022)

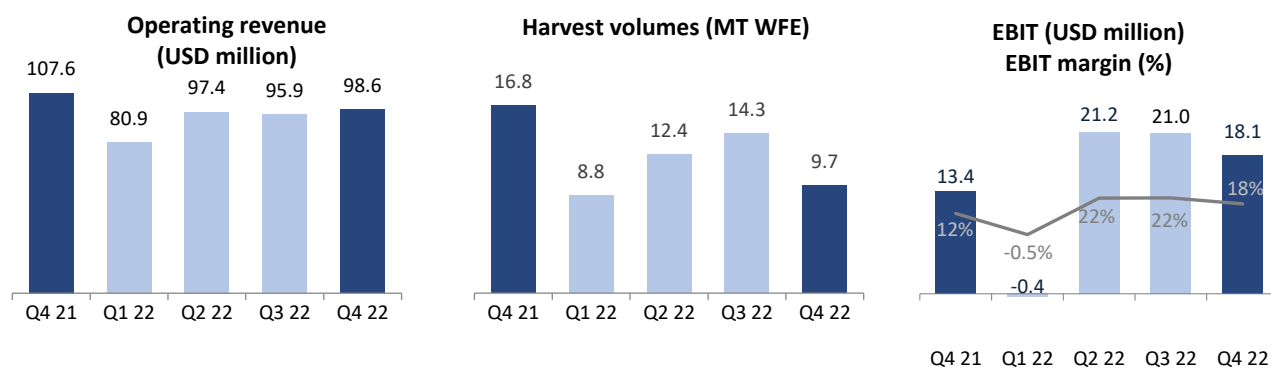
- **A full recovery from the pandemic and algae blooms resulted in an EBITDA for Q4 2022 of USD 22.7 million, which was 29% higher than the USD 17.6 million for Q4 2021.** This improvement was particularly driven by strong salmon prices and a favorable mix of products and markets. Annual EBITDA for 2022 was USD 77.7 million, very similar to EBITDA in the “pre pandemic” years of 2018 and 2019, and considerably higher than the USD 3.2 million in 2021.
- **Atlantic salmon harvest volumes for Q4 2022 were 9,659 MT WFE,** which were 36% lower than for Q4 2021 at 15,002 MT WFE. The lower harvest volumes in this quarter were planned, as harvests were accelerated in the preceding quarter (Q3 2022) due to good production performance, the opportunity to close sales at favorable prices, and to reduce the environmental risks associated with the spring and summer season. Coho salmon harvest volumes were 3,365 MT WFE, which were 83% higher than for Q4 2021.
- **Annual Atlantic salmon harvest volumes for 2022 were 44,540 MT WFE,** which were 11% higher than the previous year and in line with the latest full year estimate. Coho salmon harvest volumes for the year were 4,028 MT WFE, and are expected to be 5,900 MT WFE for the 2022-2023 season, closing in February 2023. This harvest volume compares to 2,504 MT WFE in 2021-2022 season and is in line with the Company's growth plan for Coho salmon, with the ambition to double Coho volumes in the 2022-2023 season and double them again in the 2023-2024 season.
- **Operating revenue was USD 98.6 million for Q4 2022, which was 8% lower than in Q4 2021,** explained by the lower volumes of Atlantic salmon sales in the quarter (-24%), which were offset by higher sales prices (+18%).
- **The quarterly cost of harvested Atlantic salmon (ex-cage live weight) was USD 3.91/kg,** driven by higher feed costs, the cost of environmental risk mitigation measures to counteract HAB and oxygen deficiency risks, and inflationary pressures from other services and consumables. This cost was in line with Q4 2021.
- **Total processing costs including harvesting costs were USD 1.26/kg WFE,** higher than the costs of USD 0.91/kg WFE for Q4 2021, and higher than the target of USD 1/kg WFE. This increase was explained by lower processing volumes, a higher proportion of harvests from remote sites in the Eleventh Region, and inflationary pressures from consumables.
- Consequently, the **Gross Margin for Q4 2022 was USD 23.4 million,** which compares favorably with the USD 18.0 million achieved same quarter last year.
- **EBIT/kg WFE from Atlantic salmon was USD 1.47 for Q4 2022,** which was a USD 0.73, or 98% increase over the USD 0.74 same quarter last year, and was explained by higher salmon prices and a flexible and agile sales strategy that captured favorable market conditions.
- Finally, **net income for Q4 2022 was USD 7.7 million,** which was lower than the Q4 2021 of USD 9.7 million due to a USD 6.5 million higher negative fair value adjustment this quarter.
- **Cash was USD 20.8 million as of December 31, 2022, complemented by a significant reduction in net financial debt, which decreased by USD 47 million in 2022, ending at USD 75 million as of December 31, 2022.** Thus, the Net Debt over EBITDA ratio for the last 12 months was 0.97, well below the limit required by lending contracts with banks of 4.
- Smolt stocking has been completed and normal production parameters are expected. Therefore, **Atlantic salmon harvest volumes for 2023 are expected to be between 44,000 and 46,000 MT WFE, while Coho salmon harvest volumes are expected to be 10,000 to 12,000 MT WFE,** some of which may be harvested in January 2024.

Key Figures

ThUSD	Q4 2022	Q4 2021	Δ%	2022	2021	Δ%
Operating revenue	98,629	107,610	(8.3%)	372,961	293,662	27.0%
EBITDA* before fair value adjustments	22,699	17,600	29.0%	77,676	3,213	2317.9%
EBIT** before fair value adjustments	18,074	13,427	34.6%	59,913	(13,042)	-
EBIT margin %	18.3%	12.5%	585 bp	16.1%	-4.4%	2,051 bp
Net fair value adjustments to biological assets	(7,499)	(977)	667.6%	5,740	6,125	(6.3%)
Net income (loss) for the period	7,673	9,663	(20.6%)	44,704	(9,364)	-
Earnings per share (USD)	0.1034	0.1302	(20.6%)	0.6025	(0.1262)	-
Atlantic salmon						
Harvest volumes (MT WFE)	9,659	15,002	(35.6%)	44,540	40,095	11.1%
Sales volumes (MT WFE)	12,306	16,273	(24.4%)	46,262	46,386	(0.3%)
Atlantic salmon ex-cage harvesting costs (USD/kg live weight)	3.91	3.95	(0.9%)	4.12	4.15	(0.8%)
Atlantic salmon ex-cage harvesting costs (USD/kg WFE)	4.21	4.24	(0.9%)	4.43	4.46	(0.8%)
Processing costs (USD/kg WFE)	1.26	0.91	38.7%	1.12	1.09	2.7%
Price (USD/kg WFE)	7.42	6.27	18.4%	7.48	5.83	28.4%
Price (USD/kg GWE)	8.24	6.96	18.4%	8.31	6.47	28.4%
EBIT/kg WFE (USD)	1.47	0.74	97.7%	1.23	(0.33)	-
Inventories (MT WFE)				4,284	1,330	222.1%
Coho salmon						
Harvest volumes (MT WFE)	3,365	1,842	82.7%	4,028	1,842	118.7%
Sales volumes (MT WFE)	476	510	(6.7%)	2,297	2,277	0.9%
EBIT/kg WFE (USD)	0.31	2.53	(87.8%)	1.42	1.07	32.2%
Inventories (MT WFE)				3,011	4,670	(35.5%)
Financial debt				95,865	154,074	(37.8%)
Net Financial Debt				75,074	121,905	(38.4%)
Equity Ratio				50.4%	42.4%	799 bp
Net Financial Debt / LTM EBITDA				0.97	37.95	(97.5%)

* EBITDA: Gross margin before fair value adjustments + depreciation - administrative expenses - distribution costs

** EBIT: Gross margin before fair value adjustment - administrative expenses - distribution costs



Financial Performance

Fourth quarter 2022 Results

Salmones Camanchaca harvested 9,659 MT WFE of Atlantic salmon in Q4 2022, which was 36% lower than in Q4 2021 when it was 15,002 MT WFE. This decrease is mainly explained by bringing forward harvests in Q3 2022 to take advantage of the favorable market prices, reducing environmental risks in the spring and summer and taking advantage of good average harvest weights. Sales volumes were 12,306 MT WFE, which were 24% lower than the same period in 2021. Coho salmon harvest volumes during Q4 2022 were 3,365 MT WFE, which compares to 1,842 MT WFE in Q4 2021, while sales volumes in Q4 2022 were only 476 MT WFE compared to 510 MT WFE in Q4 2021. The Company expects to harvest 5,900 MT during the 2022-2023 Coho salmon season expected to close in February 2023.

The average sales price of Atlantic salmon was USD 7.42/kg WFE, which was 18% or USD 1.15/kg WFE higher than Q4 2021, caused by strong demand against a backdrop of limited supply. Salmones Camanchaca's flexibility to change product types and markets supported capturing improved prices and market opportunities. Operating revenue was USD 98.6 million, which was 8% lower than in Q4 2021 due to lower sales volumes, although at higher prices.

Atlantic salmon ex-cage live weight costs were USD 3.91/kg for the quarter, in line with Q4 2021, driven by an increase in feed costs, additional environmental risk mitigation measures to counteract oxygen/algae bloom risks, and inflation on services and other consumables. Total processing costs were USD 1.26/kg WFE, which were USD 0.35/kg WFE higher than USD 0.91/kg WFE in Q4 2021, due to lower harvest volumes during the quarter and inflationary pressures on consumables.

Extraordinary mortalities in Q4 2022 were caused by oxygen deficiencies in Atlantic salmon and jaundice in Coho salmon, which caused losses of USD 1.1 million that were expensed during the quarter. This was higher than the losses of USD 0.7 million in Q4 2021.

Expenses on fallowed sites with no biomass, or only the minimum required to avoid the concession lapsing, were USD 2.4 million for the quarter, which were USD 0.7 million lower than in Q4 2021.

Consequently, gross margin was USD 23.4 million, which was 30% higher than in Q4 2021.

Sales and administrative expenses (SAE) increased by 16% compared to Q4 2021 mainly due to inflationary pressures and logistics costs. SAE as a proportion of operating revenue increased from 4.3% to 5.4% due to lower sales volumes. The average US dollar exchange rate and local inflation had a similar quarter increase YoY of around 12%.

EBIT before fair value adjustments for Q4 2022 was USD 18.1 million, an increase of 34.6% over Q4 2021, which was due to better prices for Atlantic salmon sales. Thus, EBIT/kg WFE for Atlantic salmon was USD 1.47 during Q4 2022, a substantial improvement over Q4 2021 when it was USD 0.74. Sales volumes of Coho salmon were low at only 476 MT WFE, due to a better operating performance which delayed harvests to the end of 2022, resulting in an EBIT/kg WFE of USD 0.31, which is not representative of this season's performance.

The net fair value adjustment for Q4 2022 was negative USD 7.5 million, compared to negative USD 1.0 million for Q4 2021. This was explained by the reversal of previously estimated margins for sales during this quarter, and the fall in market prices during the last few months of the year.

Although net financial debt fell by 38.4% to USD 75 million at the end of 2022, financial expenses increased from USD 1.6 million in Q4 2021 to USD 2.0 million in Q4 2022, due to an increase in the reference interest rate for bank loans (Libor).

Other gains/losses were USD 0.2 million, due to the trout joint venture, which recorded USD 0.3 million for the Company share of earnings during the quarter, compared with the loss of USD 0.2 million of Q4 2021. A modest result mainly due to both, higher costs and inventory levels at the end of 2022.

Consequently, the Company reported net income after tax of USD 7.7 million during Q4 2022, which was lower than its net income of USD 9.7 million for Q4 2021. The decrease of USD 2.0 million was mainly attributable to the higher negative fair value adjustment of USD 6,5 million.

Cash Flow in Q4 2022

Net cash flow in Q4 2022 was negative USD 5.9 million compared to positive USD 23.3 million in Q4 2021, which was explained by:

- Positive operating cash flow of USD 1.1 million, compared to negative USD 5.9 million in Q4 2021, which reflects rising sales prices.
- Negative investing cash flow of USD 2.7 million in Q4 2022, compared to negative USD 5.1 million in Q4 2021. These investments are aligned with the Company's risk diversification plan.
- Negative financing cash flow of USD 5.0 million due to the repayment of financial debt from operating cash flow. In Q4 2021, financing cash flow was positive USD 34.8 million from the proceeds of a USD 22.8 million capital increase and drawdowns of USD 12.0 million from long-term credit lines.

Salmones Camanchaca had net cash of USD 21 million as of December 31, 2022 and unused lines of credit of USD 58 million as of that date, which provided the Company with USD 79 million of available liquidity.

Results for 2022

Annual Atlantic salmon harvest volumes were 44,540 MT WFE, which were 11% higher than the 2021 harvest of 40,095 MT WFE, due to algae events and oxygen deficiencies during the previous summer. Coho salmon harvest volumes were 4,028 MT WFE for 2022, which included 663 MT WFE from the final part of the 2021 season that was harvested in early 2022.

Thus, total harvest volumes were 48,568 MT WFE, an increase of 15.8% over harvest volumes in 2021 of 41,937 MT WFE.

Operating revenue for 2022 was USD 373 million, an increase of 27% or USD 79 million over the previous year when it was USD 294 million. Atlantic salmon sales volumes were 46,262 MT WFE, which were in line with 2021 sales volumes. However, average sales prices were USD 7.48/kg WFE, an increase of 28.4% or USD 1.66/kg WFE over 2021.

The costs of Atlantic salmon sales were driven up by increases in feed prices, costs associated with mitigation measures to counteract algae bloom and oxygen deficiency risks, and inflationary pressures on other services and

consumables. There were oxygen deficiency and algae bloom events at four sites during the year, which have all been harvested as of the date of this report, which has increased the cost of harvested products. Thus, ex-cage costs for 2022 were USD 4.12/kg live weight (USD 4.43 /kg WFE), which were at the same level as for 2021, with ex cage costs of USD 4.15/kg live weight.

Extraordinary mortalities and associated expenses due to algae blooms, oxygen deficiencies and sea lion attacks cost USD 6.3 million, which was USD 8.5 million lower than last year when they were USD 14.8 million, which were all directly expensed in the month they occurred.

Atlantic salmon processing costs including harvesting costs were USD 1.12/kg WFE, above the long-term target of USD 1/kg, due to smaller harvest volumes in Q1 and Q4 2022, but similar to the USD 1.09/kg WFE for 2021.

Consequently, the gross margin for the year was USD 78.9 million, an improvement of USD 74.5 million with respect to 2021, due to lower levels of extraordinary mortalities and significantly higher prices.

Administrative expenses for 2022 increased by 8.4% or USD 0.7 million, but decreased from 3.0% to 2.6% as a percentage of operating revenue compared to 2021. Distribution and selling costs increased by USD 0.8 million, due to higher cold storage and freight costs. Thus, the Company's selling and administrative expenses increased in absolute terms but decreased as a percentage of operating revenue from 5.9% in 2021 to 5.1% in 2022.

Operating EBIT before fair value adjustments was positive USD 59.9 million for 2022, which was USD 73 million higher than for 2021 when it was negative USD 13 million.

Atlantic salmon sales for 2022 generated a positive EBIT/kg WFE of USD 1.23, due to higher salmon sales prices, a significant recovery from the negative USD 0.33 generated in 2021. Coho salmon sales for 2022 generated an EBIT/kg WFE of USD 1.42, which was higher than the Atlantic salmon and higher than in 2021 when it was USD 1.07. This improvement was generated by higher prices and well diversified product types and markets.

The net fair value adjustment was positive USD 5.7 million as of December 31, 2022, compared to positive USD 6.1 million as of December 31, 2021. This decrease of USD 0.4 million was caused by positive margin reversals on estimated sales in 2022, partially offset by an improvement in forecasted margins for 2022 given the higher biomass and rising prices towards the end of 2022.

Other gains (losses) reflect a net loss of USD 0.3 million, mainly due to reductions in unused property, plant and equipment, which compares favorably with the net loss of USD 3.9 million for 2021 associated with the biomass insurance deductibles for the algae blooms in 2021. The trout joint venture recorded a positive annual result of USD 0.5 million for the Company, which was an improvement over the net loss of USD 0.2 million for 2021, a modest result mainly due to both, higher costs and inventory levels at the end of 2022.

Accordingly, net income after tax for 2022 was USD 44.7 million, which was a substantial improvement over the net loss of USD 9.4 million for 2021.

Annual cash flow for 2022

Net cash flow for 2022 was negative USD 11.4 million compared to positive USD 23.1 million for 2021, which was explained by:

- Positive operating cash flow of USD 76 million, compared to negative USD 18.9 million in 2021. This improvement was mainly driven by higher salmon prices.
- Negative investing cash flow of USD 28.7 million, higher than the negative USD 14.5 million invested during 2021. This was driven by geographically diversifying farming towards the Aysén region, a higher production plan for Coho species and new technologies for algae and oxygen risks mitigation, which were financed by the capital increase in December 2021.
- Negative financing cash flow of USD 58 million, as the Company voluntarily reduced its borrowing from credit lines, in contrast to 2021 when it was positive USD 57.8 million, from a share issue in Q4 2021 and drawdowns from bank credit lines that year to finance its operating losses.

Financial position

Assets

The Company's total assets decreased by 0.8% during 2022 to USD 423 million.

The decrease in current assets of USD 9.2 million was mainly due to a reduction in receivables of USD 21.4 million, which includes collecting a USD 10 million insurance indemnity for the 2021 algae bloom, recovering current tax assets of USD 10.9 million in 2022, and a cash reduction of USD 11.4 million explained in the cash flow section above.

Biological assets increased by USD 20.5 million, which was consistent with the biomass recovery under the smolt stocking and salmon harvesting plan. Finished product inventories increased by USD 18.2 million, which reflects an increase of 800 MT and the strategy of bringing forward harvests in Q3 2022 to capture the higher prices expected towards the end of 2022 and during Q1 2023 as a result of falling Chilean supply expectations.

Non-current assets increased by USD 6 million or 4.5%, mainly driven by increases in property, plant and equipment of USD 5.1 million associated with the investment plan described above, net of depreciation for the period.

Liabilities and equity

The Company's total liabilities decreased by USD 35.6 million or 14.5%, compared to December 2021 to reach USD 210 million as of December 2022. Current liabilities decreased by USD 18.1 million to USD 94.4 million, mainly due to a reduction in current financial debt associated with voluntary credit line repayments of USD 23.2 million. Non-current liabilities decreased by USD 17.5 million to USD 115 million, similarly due to the reduction in long-term financial debt of USD 35.0 million, offset by an increase in deferred taxes of USD 16.1 million.

Consequently, net financial debt decreased by USD 47 million to USD 75 million during 2022, compared to USD 122 million as of December 2021.

The Company's equity increased by USD 32.4 million during 2022 to reach USD 213 million as of December 31, 2022. This increase was explained by net income earned during the year, less the 30% minimum legal dividend provision of USD 12.2 million. As a result, the equity to total assets ratio rose to 50%, up from 42% as of December 31, 2021.

Operating Performance

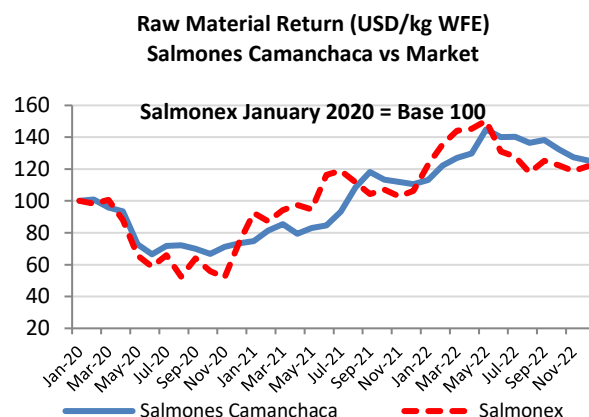
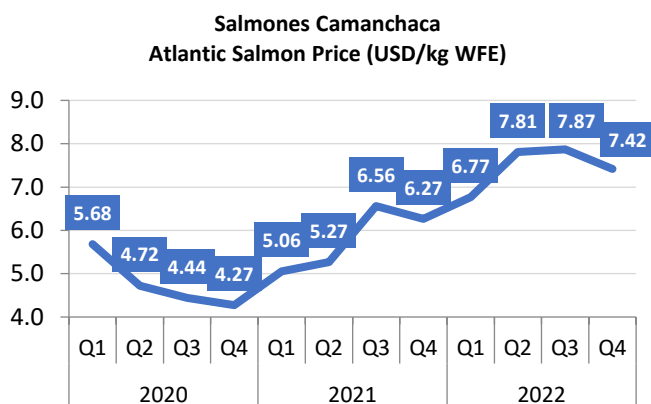
Salmones Camanchaca's performance is mainly driven by three key factors:

1. **The price of Atlantic salmon**, which is sensitive to Norwegian and Chilean supply conditions and North American demand.
2. **Practices and performance of growing-out at sea and its environmental-sanitary conditions**, which affect fish survival, feed conversion ratios, growth rates and the medicines required to improve fish health, as these determine most of the ex-cage costs.
3. **The cost of feed**, which represents approximately half of the live weight unit cost at harvest.

I. Product Prices

The average price of Atlantic salmon sold by Salmones Camanchaca during Q4 2022 was USD 7.42/kg WFE, which was 18.4% or USD 1.15 higher than in Q4 2021. This increase was explained by higher demand and lower worldwide supply, which led to record prices during the fourth quarter. The Company also benefited from available finished products, so it could capture these favorable prices in the target markets. As mentioned before, the Company's capacity to quickly change the product types to search for more profitable markets, contribute to this higher price achievement.

Salmones Camanchaca achieved greater price stability by adding further value within the Company's products and associating sales with medium-term commercial agreements that reduce volatility. The raw material return (RMR) from Atlantic salmon products lagged behind the Salmonex market benchmark during the first half of the year when there were significant price increases. This situation changed in June 2022 and since then Salmones Camanchaca has achieved a better RMR than this benchmark, reaching an average of +USD 0.6/kg WFE during Q4 2022 compared to Salmonex. This positive result was driven by diversifying its products and markets during the quarter with these higher prices reflected in various formats.



Raw Material Return is the final product price less distribution and specific secondary processing costs. It is a price measurement before selecting the final destination for harvested fish and provides a homogeneous aggregate indicator for the Company's products.

The market Index or "Salmonex" is based on the price of fresh fillet trim D exported by Chilean firms, net of Salmones Camanchaca's processing and distribution costs, in order to eliminate cost differences and isolate marketing differences.

Harvest Volumes

Atlantic salmon		Q4 2022	Q4 2021	Δ	Δ %	2022	2021	Δ	Δ %
Harvest volumes	MT WFE	9,659	15,002	-5,343	-35.6%	44,540	40,095	4,445	11.1%
Production volumes	MT WFE	9,710	15,602	-5,892	-37.8%	45,880	42,964	2,916	6.8%
Sales	MT WFE	12,306	16,273	-3,968	-24.4%	46,262	46,386	-124	-0.3%
Sales	ThUSD	91,280	101,956	-10,677	-10.5%	346,134	270,237	75,898	28.1%
Average sales price	USD/kg WFE	7.42	6.27	1.15	18.4%	7.48	5.83	1.66	28.4%

Coho salmon		Q4 2022	Q4 2021	Δ	Δ %	2022	2021	Δ	Δ %
Harvest volumes	MT WFE	3,365	1,842	1,523	82.7%	4,028	1,842	2,186	118.7%
Sales	MT WFE	476	510	-34	-6.7%	2,297	2,277	20	0.9%
Sales	ThUSD	3,277	2,921	356	12.2%	14,684	10,541	4,144	39.3%
Average sales price	USD/kg WFE	6.88	5.72	1.16	20.2%	6.39	4.63	1.76	38.1%

Salmones Camanchaca harvested 44,540 MT WFE of Atlantic salmon during 2022, with an average harvest weight of 4.83 kg WFE (open cycle), which was 11% higher than the harvest for 2021. Additionally, 1,506 MT WFE of raw material was purchased from other producers during Q1 2022, which was processed at the Company's plants, resulting in total production of 45,880 MT WFE. Coho salmon harvest volumes added another 4,028 MT WFE during 2022.

Atlantic and Coho salmon sales volumes were 12,782 MT WFE during Q4 2022, which were 23.8% less than for Q4 2021, but sales were USD 94.6 million, which were only 9.8% lower than for Q4 2021. Sales for 2022 were 48,559 MT WFE, which was in line with 2021 and comprised 95% Atlantic salmon products and 5% Coho salmon products. They generated sales of USD 360.8 million, an increase of 28.5% over 2021.

Operating revenue

The Company's marketing and sales strategy is to diversify, to change the target markets for its products and adapt these to meet the requirements of its markets. The objective is to focus on the markets and formats that offer the best return on its raw materials over the medium term, while preserving stable relationships with customers in these markets.

Sales by market segment as of December 2022

Product	USA	Europe	Eurasia	Asia, except Japan	Japan	Mexico	LATAM except Chile/Mexico	Chile	Others	TOTAL
	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD
Atlantic salmon	135,279	10,400	34,974	19,660	15,367	69,734	30,166	29,246	1,308	346,134
Coho salmon	4,647	217	0	2,795	1,156	5,112	155	603	0	14,684
Others	(0)	0	0	0	0	0	0	12,142	0	12,142
TOTAL	139,926	10,618	34,974	22,454	16,523	74,845	30,320	41,991	1,308	372,961
<i>Distribution %</i>	<i>37.5%</i>	<i>2.8%</i>	<i>9.4%</i>	<i>6.0%</i>	<i>4.4%</i>	<i>20.1%</i>	<i>8.1%</i>	<i>11.3%</i>	<i>0.4%</i>	<i>100.0%</i>

Sales by market segment as of December 2021

Product	USA	Europe	Eurasia	Asia, except Japan	Japan	Mexico	LATAM except Chile/Mexico	Chile	Others	TOTAL
	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD	ThUSD
Atlantic salmon	121,298	5,432	13,772	16,594	19,001	54,868	18,416	19,463	1,392	270,237
Coho salmon	2,220	226	0	1,954	3,412	2,594	0	136	0	10,541
Others	0	0	0	0	0	0	0	12,884	0	12,884
TOTAL	123,518	5,658	13,772	18,547	22,413	57,462	18,416	32,484	1,392	293,662
<i>Distribution %</i>	<i>42.1%</i>	<i>1.9%</i>	<i>4.7%</i>	<i>6.3%</i>	<i>7.6%</i>	<i>19.6%</i>	<i>6.3%</i>	<i>11.1%</i>	<i>0.5%</i>	<i>100.0%</i>

The Company defines its value-added products as those that process whole salmon, which represented 78.5% of Atlantic salmon sales for 2022, lower than 86.6% in 2021. The remaining sales are head-on gutted whole salmon principally for the South American, Eurasian and Chinese markets in fresh and frozen formats.

The USA is its main market and its share of total sales was slightly lower this year at 38% compared to 42% in 2021. Latin America excluding Chile's share increased from 25.9% to 28.2%, mainly influenced by Mexico and Brazil.

The Company's other businesses, such as processing services for third parties, leasing farming sites and sales of smolts and byproducts, resulted in sales of USD 12.1 million and operating margins of USD 7.3 million for 2022.

Other businesses

Salmones Camanchaca was leasing six sea farming concessions in estuaries for trout farming as of December 2022. These leases are the Company's contribution to a trout joint venture. The concessions have a mandatory fallow period in the first quarter of odd-numbered years when harvest volumes are smaller. The joint venture harvested 6,424 MT WFE in Q4 2022, which was 5,198 MT WFE more than for the same period last year. The joint venture sold 1,503 MT WFE in the quarter, which was 3% higher than Q4 2021, and at 37% higher prices. However, processing costs rose by 17% compared to Q4 2021 and as a result Salmones Camanchaca's one third interest was net income of USD 0.3 million for the quarter, which compares with a net loss of USD 0.3 million in Q4 2021. This result is presented within Other gains (losses). Salmones Camanchaca's interest in the joint venture for 2022 was net income of USD 0.5 million, compared to a net loss of USD 0.2 million in 2021.

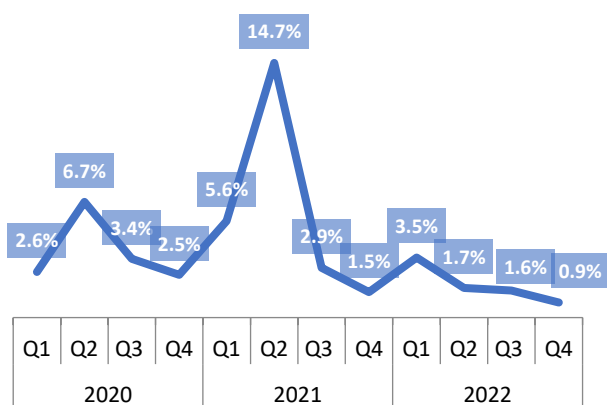
We estimate that the joint venture's annual harvest volumes will fall to between 8,000 and 9,000 MT in 2023, due to renewing its contract with fewer concessions until 2028. However, Salmones Camanchaca may terminate the agreement prematurely if the joint venture does not meet specific EBIT/kg margin targets for 2023-2024.

Consequently, the two concessions no longer used by the joint venture that can farm approximately 3 million fish may be used by Salmenes Camanchaca's to farm the species it prefers from 2023 onwards. This will achieve the growth described in its medium-term business plan. For 2023, these concessions will be used for Coho production.

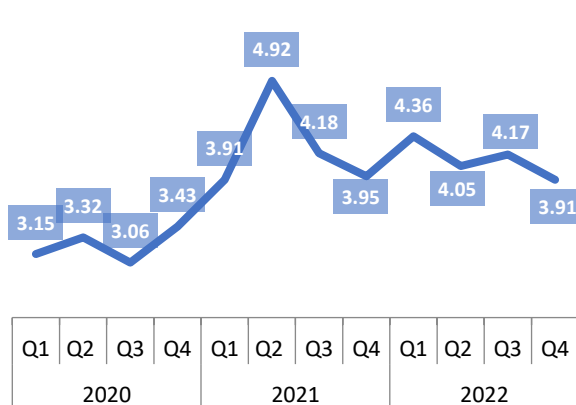
II. Sanitary and Productive Conditions

Atlantic salmon marine biomass mortality in Q4 2022 performed well at 0.9%, compared to 1.5% in Q4 2021 and 2.5% in Q4 2020, during the same cycle at comparative sites.

Atlantic salmon mortality* (%)



Atlantic salmon ex-cage live weight cost (USD/kg)



* Total quarterly mortality (number of fish) including both closed and open sites. Includes closed sites affected by the HAB.

The Atlantic salmon ex-cage cost was USD 4.21/kg WFE for Q4 2022, equivalent to USD 3.91/kg live weight. This was in line with Q4 2021, and 14% higher than in Q4 2020 at similar sites during the previous cycle. This cost was influenced by higher salmon feed prices, which have risen by 32% compared to Q4 2021, and the costs associated with mitigation measures to counteract algae bloom and oxygen deficiency risks.

The seasonally adjusted trends over the last 12 months and the previous cycle in the main production and sanitary variables for closed cycle Atlantic salmon are as follows with improvements as (+) and deteriorations as (-).

Atlantic salmon	Biological Indicators					Sustainability Indicators				
	FCRb (Live weight)	Productivity kg WFE/smolt	Average harvest weight kg WFE	Antibiotic use Gr/MT	Antiparasitic treatments Gr/MT	Number of antibiotic treatments	Medicinal treatments (baths)	Number of escapes	Cycle duration / Fallow periods	FIFO Ratio
2018	1.17	4.83	5.32	531.2	6.4	2.7	6.4	0	17/7	0.60
2019	1.19	4.70	5.12	521.5	10.9	1.7	10.8	0	16/8	0.56
2020	1.17	4.91	5.43	506.9	10.1	2.2	10.1	37,150	17/7	0.57
2021	1.14	3.17	4.33	703.1	7.82	2.7	7.77	0	16/8	0.63
2022	1.09	4.34	4.85	491.9	5.60	2.5	5.50	0	15/9	0.47
22/21	+	+	+	+	+	+	+	=	+	+
22/20	+	-	-	+	+	-	+	+	+	+

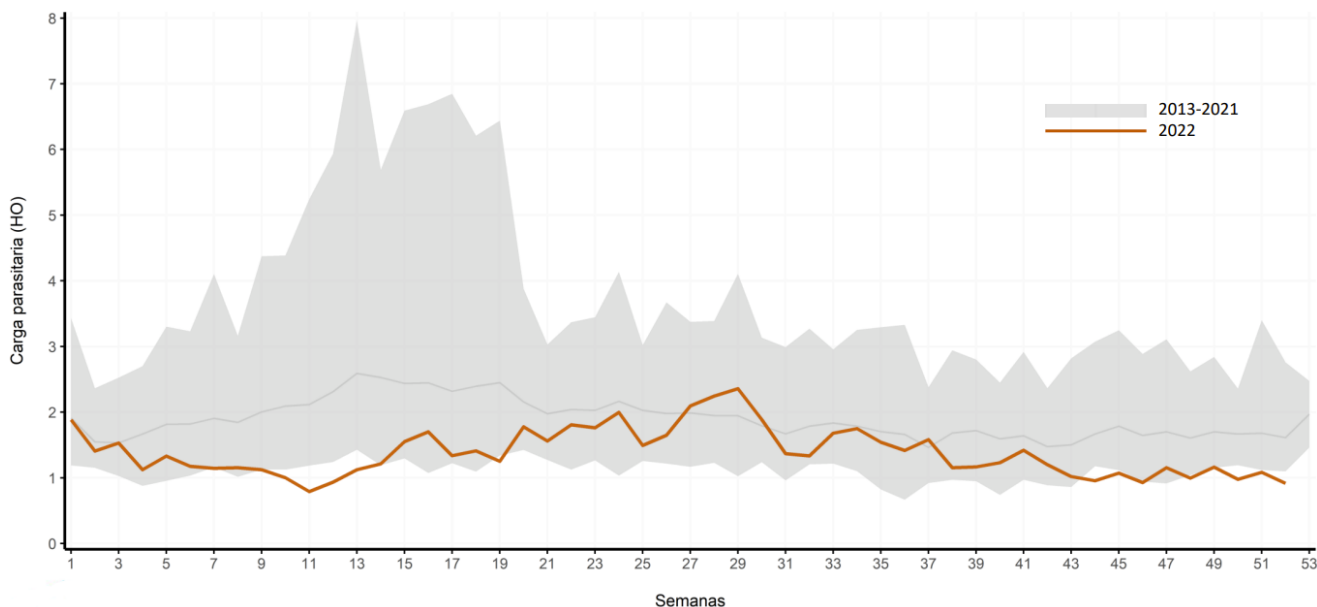
All these variables improved with respect to 2021. The biological conversion ratio continued to improve and reached 1.09 for 2022, its lowest ever. As did the FIFO indicator, which was lower than its long-term target. Smolt productivity is measured as biomass harvested/number of smolts stocked and it improved to 4.34 kg WFE/smolt in 2022, which was 37% higher than in 2021, but 12% lower than in 2020. Average closed-cycle harvest weight was 4.85 kg WFE, which was 12% higher than in 2021, but 11% lower than the previous cycle in 2020.

Antibiotic use fell by 30% in 2022 compared to 2021, due to improved environmental conditions and the antibiotics reduction plan.

The number of antibiotic treatments, the average harvest weight and smolt productivity were the only indicators that deteriorated in 2022 in comparison with the previous cycle in 2020.

As of the date of this report, Salmones Camanchaca had one farming site classified as a sea lice High Propagation Site (HPS), where more than 3 incubating females on average have been spotted.

Figure 1: Weekly abundance comparison for breeding females



Source: Aquabench

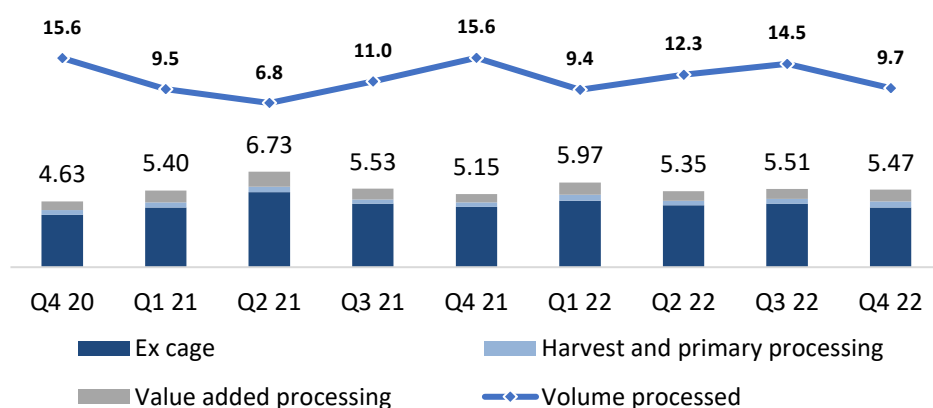
Accordingly, Atlantic salmon costs in Q4 2022 were as follows.

Costs (USD/kg WFE)	Q4 2020	Q4 2021	Q4 2022
Ex cage (WFE)	3.69	4.24	4.21
Harvest and primary processing (WFE)	0.34	0.33	0.42
Value-added processing (WFE)	0.60	0.58	0.84
Processing cost (WFE)	0.95	0.91	1.26
Total cost of finished product (WFE)	4.64	5.15	5.47

Primary and secondary processing costs totaled USD 1.26/kg WFE, which was higher than these costs of USD 0.91/kg WFE for Q4 2021, mainly due to lower processed volumes and costs affected by inflation.

Consequently, the total cost of finished products was USD 5.47/kg WFE, which was USD 0.31 higher than Q4 2021 and USD 0.83 higher than the previous cycle in Q4 2020.

Total cost of Atlantic salmon finished products (USD/kg WFE) and processed volume (MT WFE) by quarter

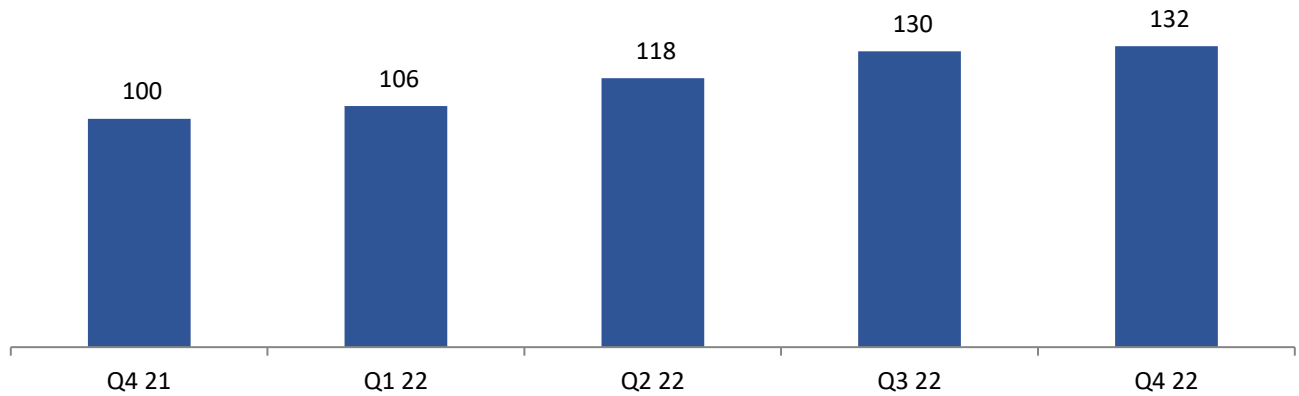


* Q3 2021 and Q1 2022 include raw materials purchased from third parties.

III. Feed Costs

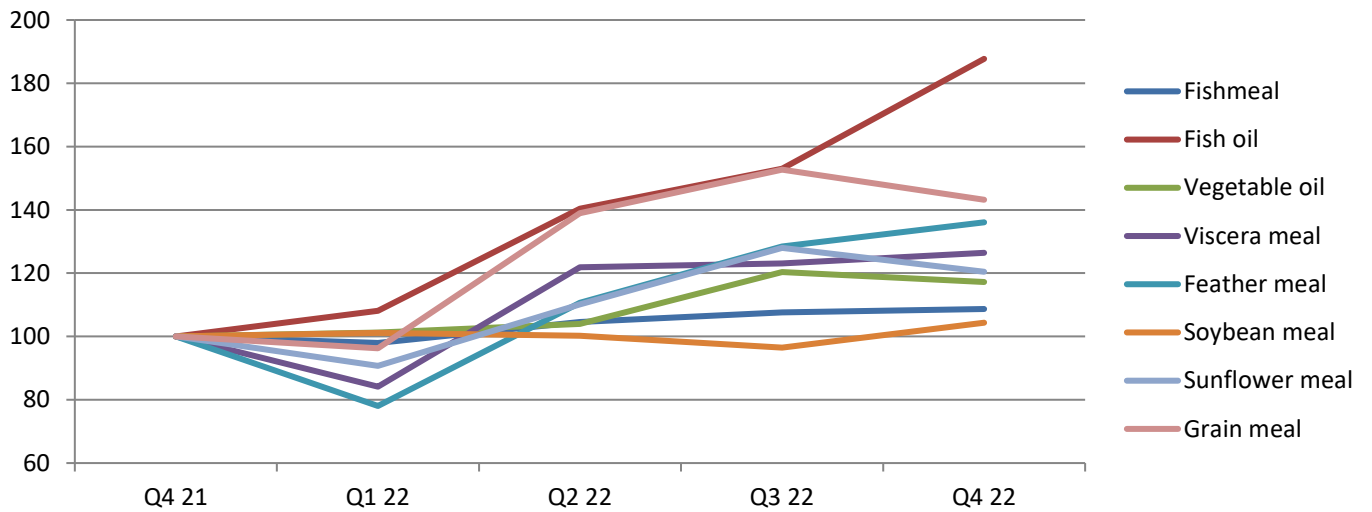
The price of feed for fish weighing more than 2.5 kg, which represents approximately 40% of the Company's total feed cost, increased by 32% during the quarter compared to Q4 2021, mainly due to price increases for the oils in their diet. These costs have been subject to upward pressure from global conditions, the Russian invasion of Ukraine and rising inflation, although there were some signs of moderation at the close of this report. These increases have a delayed impact on the Company's performance, as fish must be harvested and sold before being taken to the net income statement.

Fish feed prices for the marine growing-out stage (Salmones Camanchaca) USD/kg
 Base 100 Q4 2021



Source: Internal data, Salmones Camanchaca price including pigment. Excludes medicated feed, feed additives and supplements

Price of main ingredients USD/MT (Base 100: Q4 2021)



Source: Internal data, Salmones Camanchaca

Subsequent Events

No subsequent events occurred after December 31, 2022, that materially affect Salmones Camanchaca's business or its financial results.

Company's Outlook

COVID-19 status

Salmones Camanchaca remains attentive to this public health risk. It continues to mitigate the risks to human health within its facilities by safeguarding its employees and protecting the Company's operational continuity. Operations were not interrupted for public health reasons. The global container shipping situation has returned to normal, except for logistical cost pressures on exports.

The Russian invasion of Ukraine

The geopolitical situation in Eastern Europe changed on February 24, 2022 when Russia invaded Ukraine. This war has forced several countries to apply sanctions to the aggressor that have restricted trade and the payment chain. However, these limitations are not affecting the medicines and food trades, so the Company expects to sell food to Russia where possible, without involving expressly sanctioned counterparties and without violating any laws. This situation is also affecting raw material markets, including vegetable feed and energy costs, which principally puts pressure on farmed salmon costs.

Historically, the Russian market has not been significant for Salmones Camanchaca and has represented less than 10% of sales. The duration and impact of these events is difficult to forecast, and the Company is paying special attention to this situation and optimizing its production and commercial decisions accordingly.

Industry forecasts

As of the date of this report, the world supply of Atlantic salmon may grow by 2% in 2023 compared to 2022, according to forecasts from Kontali. It also forecast a 1% contraction in annual production for Chile, compared to 2022, but composed of a contraction in the first three quarters of the year (-6%, -1% and -5% respectively) and growth in the fourth quarter of 8%.

Salmones Camanchaca estimates its 2023 harvest volumes based on the fish currently in the sea, and expects a harvest between 44,000 and 46,000 MT WFE for Atlantic salmon and 10,000 to 12,000 MT for Coho salmon for the 2023 season, including about 2,000 MT to be harvested in January 2024. Therefore, the total harvest volume is estimated to be between 54,000 and 58,000 MT WFE for both species.

Main Risks and Uncertainties

External variables might materially impact the Company's annual performance. The main variable affecting revenue is the price of Atlantic salmon, while the main variable affecting costs is the sanitary and environmental status of farming sites and fish feed prices.

Salmon farming is exposed to various risks that Salmenes Camanchaca manages using a risk matrix that guides the Company in order to: i) review and update the critical risk inventory and generate a map that helps manage risks; ii) assess these risks on the basis of impact and probability parameters that indicate priorities; iii) implement an internal control plan based on the risk map that focuses resources on the most vulnerable areas; iv) generate strategies to reduce their probability and impact, including insurance wherever this is feasible and financially attractive. These risk maps guide management to continuously mitigate each risk and establish the corresponding responsibilities, as well as review the frequency and severity of internal controls to validate the effectiveness of its mitigating measures.

a. Phytosanitary Risks

The Company is exposed to the risk that disease or parasites can affect the biomass, increase mortality or reduce growth, and thereby affect costs, production volumes and sales. Examples of these risks are increases in parasitic concentrations, outbreaks of SRS or ISA in 2008-2009. Salmenes Camanchaca has adopted standards to reduce these risks and comply with the requirements of the authority, such as fallow periods, fish density in cages, monitoring and reporting the biomass and its biological condition, vaccinations against ISA and SRS, smolt production in closed hatcheries, harvests in wellboats, coordinated anti-parasite baths, net cleaning, and supplemental oxygen for fish farms.

The risks associated with increased concentrations of parasites can result in early harvests, under certain circumstances, with consequent lower harvest weights that may limit their usability. The Company rigorously applies anti-parasitic treatments and diversifies its treatment options to mitigate these risks.

b. Natural Risks

The Company is exposed to natural hazards that may affect its business, such as pronounced oxygen deficiency events or harmful algae blooms, such as those seen in the Reñihue and Comau fjords between the end of Q4 2020 and the beginning of Q2 2021. It is also exposed to volcanic eruptions such as the Calbuco volcano in 2015, storm surges, tsunamis, earthquakes, natural predators, water pollution and other factors that can threaten the biomass and production infrastructure, such as the severe currents produced by heavy rains in May 2020 that affected the Punta Islotes site. Furthermore, it is exposed to external risks that affect people working in aquaculture, such as highly contagious diseases that limit normal production, intermediate or final logistic chains that can limit production and sales, such those imposed by the COVID-19 pandemic.

The Company is constantly monitoring these variables and seeking the best available sites, the latest risk prevention technologies and tools available in Chile, developing contingency plans, and negotiating appropriate insurance coverage for these risks, where available.

c. Fire Risks

Salmenes Camanchaca's industrial facilities, including its hatcheries and processing plants, are exposed to the risk of fires caused internally, for example working with heat, handling flammable products, short circuits, etc. or caused by nature, for example earthquakes, volcanic eruptions, tsunamis or adjacent forest fires. Salmenes Camanchaca has introduced preventive measures to protect itself from these risks, which include teams of experts at each location, updated maintenance plans for equipment and facilities that keep incandescent sources of heat near its

plants under control, a water network with water storage tanks where the risk is greater, among other measures. The Company's insurance policies cover these risks, together with additional coverage for damages due to stoppages at the locations where it is possible.

The value-added plant operated by Salmones Camanchaca in Tomé, Bio Bio region, was exposed to an imminent fire during the first few days of February 2023, due to multiple catastrophic fires in the Maule, Bio Bio and Araucanía regions. No-one was harmed, there was no damage to the plant and it is currently operating normally, due to the preventive measures taken by the Company. These included its significant investment in 2022 in water networks certified as complying with NFPA (National Fire Protection Association) standards, together with a proper response from the risk managers.

d. Product Sale Price Risks

The Company exports its products to numerous markets and evaluates the prices it obtains using a broad commercial network. The Company adjusts the speed of its sales in accordance with production and market conditions, which are constantly in flux. However, it does not accumulate inventory in order to gain from sale price fluctuations in the future.

Prices are highly dependent on supplies from Norway and Chile and on fluctuations in exchange rates used by the Company's major trading partners, which affects demand in these markets. Demand may also fall for external reasons, such as in the restaurant and hotel segment in 2020 due to the COVID-19 pandemic. Salmones Camanchaca has sought to safeguard against this risk through diversifying its commercial network and flexing its range of products to enable its raw material to be sent to any market.

The Company complies with production standards and protocols applied by the country with the strictest requirements in the world, in order to take advantage of all available commercial opportunities. However, there is a risk that occasionally some markets may be limited as a result of tariff, para-tariff, war or sanitary measures, such as limited access to the Russian or Chinese markets. Should this occur, the Company believes that it is sufficiently diversified across various markets to divert trade elsewhere, although this may result in price decreases in the short-term depending on market conditions.

e. Purchase Price Risks

The Company is exposed to changes in the price of salmon feed, which represents about half the cultivation cost. Salmones Camanchaca ensures its diets achieve a balance between feed cost and nutritional quality at each fish development stage. The Company aims to produce a final product that contains the same amount of Omega 3 as wild salmon, as well as keeping the marine sourced feed compared to farmed fish (the fish in-fish out ratio) to less than 1:1. The Company has feed contracts with prices adjusted quarterly, on an ingredient cost plus defined margin basis. During the last few years, the prices of the main consumables used in production have remained stable, but raw material prices and global inflation began to rise during the second half of 2021.

f. Regulatory Risks

Aquaculture is strictly regulated by laws and regulations, so significant changes could have an impact on the Company's results. These regulations are mainly established by the General Law on Fisheries and Aquaculture, and its associated regulations that assign concessions, manage the biomass and set preventive sanitary standards. The Company is constantly monitoring changes in regulations in order to anticipate and mitigate any potential impact.

The regulations governing salmon farming densities were changed with effect from Q4 2016, and a smolt stocking reduction program was introduced (SRP) as an alternative to the general density regime. This program requires stocking and farming densities to be reduced when sanitary performance has fallen, or when smolt stockings are expected to grow in the area. The PRS mechanism gives producers the choice between replacing a reduction in

density, when appropriate, with a smolt stocking plan that restricts growth with respect to the prior cycle, maintaining densities at maximum permitted levels.

Since the Company's policy has been to use its assets to provide services to third parties/producers, it has routinely leased out several farming sites. Regulations attribute the history of concession use to the concession owner, enabling the Company to increase its smolt stocking and harvesting as it recovers farming sites leased to third parties, without affecting optimum density or smolt stocking in these areas. Therefore, as leased concession contracts expire, the Company expects Atlantic salmon harvests to grow to potentially 55,000 to 60,000 MT WFE at its own farming sites, plus another 15,000 to 20,000 MT WFE of other species.

Most of the concessions held by Salmenes Camanchaca for farming fish are of indefinite duration. However, in order to retain the concession, the current regulation requires a minimum amount of use to avoid their expiry. This has led the Company to operate some of its sites under risk of expiration at minimum capacity, which results in unproductive expenditure and generates a contradiction between the regulations requiring concessions to be used and regulations that restrict smolt stocking growth to retain favorable sanitary conditions.

Examples of these risks are limitations on smolt stocking due to anaerobic marine conditions in the concessions, the obligatory use of concessions to avoid them lapsing, and changes in anchoring requirements, all of which can materially impact costs.

The financial statements could be affected by changes in economic policies, specific regulations and other standards introduced by authorities.

g. Social and Political Risks

Specific social conditions and/or political situations, such as riots, violence or protests, can generate temporary operational and logistical interruptions that affect the continuity of processing plants, primary and/or secondary logistics at export ports, access to specific public services, such as customs or health authorities, availability of labor or security of onshore facilities when faced with strikes or protests. These situations can affect and delay harvests and export shipments. For example, the social unrest during the second half of 2019.

The Company continuously monitors these situations to ensure that its staff, facilities and products are safe, and regularly evaluates mitigating measures, including whether insurance policies are cost-effective.

h. Liquidity Risks

Liquidity risk is the risk of potential mismatches between the funds needed for investments in assets, operating expenses, finance costs, repayment of debt as it matures and dividend payments, and funding sources such as product sales revenue, collections from customers, disposal of financial investments and access to financing.

Salmenes Camanchaca conservatively and prudently manages this risk by preparing cash flow forecasts that meet the expected conditions and maintain sufficient liquidity with access to third-party financing facilities, while carefully ensuring that it complies with all its financial obligations. Accordingly, it restructured its debt in 2013, 2017, 2020 and 2021.

i. Interest Rate Risks

The Company is exposed to interest rate risk since its long-term financing includes a variable interest rate component, which is adjusted every six months and aligned with market conditions. The Company evaluates its hedging options but has not used them during recent years. Exposure to this risk has increased as a result of increased rates and increased borrowing, although borrowing has been reduced in 2022.

j. Foreign Exchange Risks

A substantial proportion of Salmenes Camanchaca's revenue arises from contracts and commercial agreements in US dollars. However, given the diversity and importance of markets other than the North American market, which have historically represented close to 50% of total exports, any devaluation of the US dollar against these markets' currencies and/or the Chilean Peso, could have an impact on market demand and consequently on prices, which would affect the financial performance of the Company.

Corporate policy is to agree income, cost and expenses in US dollars whenever possible. The Company does not habitually hedge against local currency appreciation to cover Chilean peso expenses paid from export proceeds.

The Company borrows from financial institutions in U.S. dollars.

k. Credit Risks

1. Surplus cash investment risk

The Company has a highly conservative policy for investing its cash surpluses. This policy covers the quality of both financial institutions and their financial products. Its policy has been to reduce the use of credit when it has cash surpluses.

2. Sales Risks

The Company has credit insurance policies covering most sales that do not require immediate payment. The remaining sales are backed by letters of credit, advance payments, or are sales to customers with a long history of good payment performance.

Operational stoppages at ports or by customs or other facilities, as well as protests, marches or road blockages, may delay shipments of our products to the markets where they are sold. Therefore, the Company maintains surplus liquidity to cover these circumstances.

l. Business Continuity Risks

The Company operates an ERP platform called SAP version HANA, which produces the financial statements and is fed by specific peripheral systems, such as Mercatus, BUK, Innova, etc. These databases contain cloud security systems and protocols, firewalls, continual monitoring systems, the latest antivirus software that prevents and detects attacks in a timely manner, and other security measures. The Company continually tests this security by conducting Ethical Hacking and Ethical Phishing to identify any vulnerabilities. However, despite these precautions, the Company is subject to attacks that may affect its data security leading to the potential risk of operational interruption, which could have financial consequences.

m. Products for Human Consumption Risks

Salmenes Camanchaca operates its farming, harvesting, processing and logistics processes to high quality standards that exceed regulatory requirements, to ensure that its entire value chain guarantees that its products for human consumption are safe.

However, accidental or unintentional contamination, such as an interruption in the cold chain, or malicious sabotage, which is not promptly detected by our quality protocols, could potentially cause health problems for some consumers, resulting in liability claims and associated costs.

Financial Statements

Net Income Statement

Consolidated (ThUSD)	Q4 2022	Q4 2021	2022	2021
Operating revenue	98,629	107,610	372,961	293,662
Cost of sales	(75,222)	(89,582)	(294,101)	(289,294)
Gross margin	23,407	18,028	78,860	4,368
Administrative expenses	(2,574)	(2,330)	(9,573)	(8,828)
Distribution costs	(2,759)	(2,271)	(9,374)	(8,582)
Sales and administrative expenses	(5,333)	(4,601)	(18,947)	(17,410)
EBIT* before fair value adjustments	18,074	13,427	59,913	(13,042)
EBITDA** before fair value adjustments	22,699	17,600	77,676	3,213
Net fair value adjustments to biological assets	(7,499)	(977)	5,740	6,125
EBIT after fair value	10,575	12,450	65,653	(6,917)
EBITDA after fair value adjustments	15,200	16,623	83,416	9,338
Finance costs	(1,989)	(1,623)	(6,890)	(4,816)
Share of net income of equity method associates	814	663	1,728	1,388
Exchange differences	70	(397)	(122)	(1,383)
Other gains (losses)	166	(493)	(290)	(3,886)
Financial income	103	2,658	394	2,658
Total non-operating expenses	(836)	808	(5,180)	(6,039)
Net income (loss) before taxes	9,739	13,258	60,473	(12,956)
Income tax (expense) income	(2,066)	(3,595)	(15,769)	3,592
Net income (loss) for the period attributable to owners of the parent company	7,673	9,663	44,704	(9,364)

* EBIT: Gross margin before fair value adjustment - administrative expenses - distribution costs

** EBITDA: Gross margin before fair value adjustments + depreciation - administrative expenses - distribution costs

Statement of Financial Position

ThUSD	12/31/2022	12/31/2021
Cash and cash equivalents	20,791	32,169
Other financial assets, current	54	12
Other non-financial assets, current	9,240	13,526
Trade and other receivables, current	14,684	29,305
Related party receivables, current	43,374	50,119
Inventories	57,985	39,745
Biological assets, current	136,071	115,561
Tax assets, current	1,777	12,702
Total current assets	283,976	293,139
Other financial assets, non-current	27	27
Other non-financial assets, non-current	112	112
Recoverable rights, non-current	4,978	2,507
Equity method investments	2,854	4,061
Intangible assets other than goodwill	6,972	6,972
Property, plant, and equipment	121,592	116,506
Long-term deferred taxes	2,065	2,462
Total non-current assets	138,600	132,647
Total assets	422,576	425,786
Other financial liabilities, current	909	24,118
Operating lease liabilities, current	370	179
Trade and other payables, current	71,872	75,956
Related party payables, current	9,971	3,262
Employee benefit provisions, current	1,740	1,489
Other provisions, current	9,541	7,546
Total current liabilities	94,403	112,550
Other financial liabilities, non-current	94,956	129,956
Operating lease liabilities, non-current	405	7
Deferred tax liabilities	18,658	2,602
Employee benefit provisions, non-current	945	32
Total non-current liabilities	115,121	132,597
Total Liabilities	209,524	245,147
Share capital	139,814	139,810
Share premium	2,286	2,284
Retained earnings	48,889	16,340
Other reserves	22,063	22,205
Total equity	213,052	180,639
Total equity and liabilities	422,576	425,786

Statement of Cash Flows

ThUSD	Q4 2022	Q4 2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Proceeds				
Proceeds from selling goods and providing services	96,936	87,474	457,585	304,134
Payments				
Payments to suppliers for goods and services	(87,257)	(83,693)	(348,981)	(292,794)
Payments to and on behalf of employees	(7,874)	(7,748)	(28,971)	(27,680)
Dividends received	1,881	0	2,789	1,435
Interest paid	(2,609)	(1,968)	(6,456)	(3,980)
Interest received	14	0	36	0
Income taxes refunded (paid)	0	0	(2)	(38)
Net cash flow from (used by) operating activities	1,091	(5,935)	76,000	(18,923)
CASH FLOW FROM (USED BY) INVESTING ACTIVITIES				
Proceeds from sales of property, plant and equipment	(55)	255	141	334
Purchases of property, plant and equipment	(2,653)	(5,317)	(28,801)	(14,870)
Net cash flow from (used by) investing activities	(2,708)	(5,062)	(28,660)	(14,536)
CASH FLOW FROM (USED BY) FINANCING ACTIVITIES				
Proceeds from issuing shares	0	22,769	6	22,769
Proceeds from loans	0	12,000	0	39,000
Loan repayments	(5,000)	0	(58,000)	(4,000)
Net cash flow from (used by) financing activities	(5,000)	34,769	(57,994)	57,769
Effects of exchange rate changes on cash and cash equivalents	696	(435)	(724)	(1,179)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,921)	23,337	(11,378)	23,131
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	26,712	8,832	32,169	9,038
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	20,791	32,169	20,791	32,169

Statement of Changes in Equity

ThUSD	Share capital	Share premium	Foreign currency translation reserve	Actuarial gains and losses on defined benefit plans reserve	Other reserves	Total other reserves	Retained earnings (accumulated losses)	Total equity
Opening balance as of January 1, 2021	91,786	27,539	-529		23,515	22,986	25,704	168,015
Capitalized share premium	27,539	-27,539						
Capital increase	20,485	2,284						22,769
Changes in equity								
Comprehensive income								
Net income for the period							-9,364	-9,364
Other comprehensive income			-781			-781		-781
Closing balance as of December 31, 2021	139,810	2,284	-1,310		23,515	22,205	16,340	180,639
Opening balance as of January 1, 2022	139,810	2,284	-1,310		23,515	22,205	16,340	180,639
Capital increase	4	2						6
Changes in equity								
Dividends							-12,155	-12,155
Comprehensive income								
Net income for the period							44,704	44,704
Other comprehensive income			-145	3		-142		-142
Closing balance as of December 31, 2022	139,814	2,286	-1,455	3	23,515	22,063	48,889	213,052

Additional Information

Analysis of Key Financial Indicators

This section compares the Company's key financial indicators based on its consolidated financial statements as of December 31, 2022, compared to December 31, 2021.

	12/31/2022	12/31/2021
Liquidity Indicators		
1) Current Liquidity	3.01	2.60
2) Acid Ratio	0.95	1.22
3) Working Capital (USD million)	189,6	180.6
Debt Indicators		
4) Net debt ratio	0.89	1.18
5) Current Liabilities / Total Liabilities	0.45	0.46
6) Non-Current Liabilities / Total Liabilities	0.55	0.54
Profitability Indicators		
	(Last 12 months)	(Last 12 months)
7) Return on Equity	20.98%	-5.18%
8) Return on Assets	18.66%	1.03%

Notes:

1) Current Liquidity: Current Assets / Current Liabilities

2) Acid Ratio: Current Assets Net of Inventory and Biological Assets / Current Liabilities

3) Working Capital: Current Assets - Current Liabilities

4) Net Debt Ratio: Total Liabilities - Available Cash / Total Equity

7) Return on Equity: Net income (loss) attributable to owners of the parent company / Total equity

8) Return on Assets: Gross margin before fair value adjustment / Total assets

The current liquidity ratio increased by 15%, mainly due to a smaller decrease in current assets (-3.1%) compared to the decrease in liabilities (-16.1%). These changes have already been explained in the financial position analysis. Consequently, working capital increased by 5.0% or USD 9.0 million.

The acid ratio decreased by 22.2% compared to year-end 2021 mainly due to the decrease in current assets net of inventory and biological assets of USD 47.9 million. These changes have already been explained in the financial position analysis.

The net debt ratio decreased to 0.89 from 1.18 as of December 2021, mainly due to a decrease in liabilities net of cash of USD 24.2 million or 9.9%. Furthermore, equity increased by USD 32.4 million or 17.9%. These changes have already been explained in the financial position analysis. The ratio of long-term liabilities increased slightly to 0.55 from 0.54 due to renegotiating the syndicated loan during the last quarter of 2021 and the subsequent repayments. These changes have already been explained in the financial position analysis.

Return on equity was 21% as of December 2022, mainly due to good financial performance for the year.

Cumulative Indicators

	12/31/2022	12/31/2021
a. Atlantic salmon sites harvested during the period	13	11
b. Atlantic salmon harvested during the period (MT WFE) / Site	3,426	3,645
c. Atlantic Salmon farming density (kg/m3)	8.6	8.5
d. Atlantic Salmon group survival rate in sea water at harvest	84%	72%
e. Coho salmon sites harvested during the period	3	1
f. Coho salmon harvested during the period (MT WFE) / Site	1,343	1,841
g. Coho Salmon farming density (kg/m3)	5.76	6.02
h. Coho Salmon group survival rate in sea water at harvest	91%	93%
i. Operational EBIT before fair value adjustments (USD million)	59.9	-13.0
j. Atlantic salmon EBIT/kg WFE	1.23	-0.33
k. Coho salmon EBIT/kg WFE	1.42	1.07

Notes:

a and e. Atlantic and Coho salmon sites harvested during the period

b and f. Harvest volumes during the period (MT WFE) / Number of harvested sites, expressed in MT WFE / Site.

c and g. Average farming density, expressed in kg per cubic meter for sites harvested during the corresponding period.

d and h. Survival rate for harvested fish groups compared to smolt stocking. A harvest group is fish of a similar origin and strain.

i. Gross margin before fair value adjustment - administrative expenses - distribution costs for the salmon farming division

j and k. (Gross margin before fair value adjustment - administrative expenses - distribution costs) / kg WFE of own Atlantic/Coho salmon sold

Biomass Fair Value

For the year ended December 31, 2022 (ThUSD)

	Gain (loss) on fair value of biological assets		Cost of biological assets harvested and sold	
	As of 12-31-2022	As of 12-31-2021	As of 12-31-2022	As of 12-31-2021
Salmonids	57,130	1,285	-51,390	4,840

The net effect of the fair value adjustment of the salmon biomass is reflected in two accounts:

- “Gain (loss) on fair value of biological assets” records the estimated gain or loss for the period from valuing the biomass of live and harvested fish at the end of each month that will be sold in future periods. It can be positive or negative based on changes in the biomass, its cost, the quality of concessions and the market price. A gain of USD 57.1 million was recorded for the fair value adjustment of the live and harvested biomass as of December 31, 2022, compared to a gain of USD 1.3 million as of the same date last year.
- “Cost of biological assets harvested and sold” records the realized gain or loss on the live biomass, and the biomass harvested in current and prior periods that was sold in the current period. This account reverses the estimated gain or loss for the current and prior periods and the result of the transaction is recorded in operating revenue and cost of sales. The net effect on the biomass sold as of December 31, 2022 was a negative margin of USD 51.4 million, after reversing the positive margin forecast in prior periods, in contrast to a positive margin of USD 4.8 million as of December 31, 2021.

The net effect of the fair value adjustments on the salmon biomass as of December 31, 2022 was positive USD 5.7 million, as opposed to USD 6.1 million as of December 31, 2021.

Differences between the market and book values of principal assets

Biological assets include the following.

Biological assets include groups of breeders, eggs, smolts and fish at marine grow-out sites. They are evaluated at initial recognition and through-out their growth.

Live fish inventories at all their freshwater stages, which are breeders, eggs, fry and smolts. These are valued at accumulated cost as of the reporting date.

The fair value valuation criteria for fish at marine grow-out sites includes the value of the concession as a component of the farming risk, in accordance with the definition in IAS 41. Therefore, a valuation model has been adopted that calculates the Fair Value Adjustment (FVA) by applying a risk factor to the expected biomass margin at each marine grow-out site.

The estimated fair value of fish biomass is based on the volume of fish biomass, average biomass weights, cumulative biomass costs for each site, estimated remaining costs and estimated sales prices.

Volume of fish biomass

The volume of fish biomass is an estimate based on the number of smolts in the sea, an estimate of their growth, identified mortality in the period, average weights, and other factors. Uncertainty with respect to the volume of biomass is normally lower in the absence of bulk mortality events during the cycle, or if the fish catch acute diseases.

The biomass is the weight when it is calculated for each farming site. The target harvest weight depends on each site.

Cumulative Costs

Cumulative costs for farming sites at the date of the fair value calculation are obtained from the Company's accounts.

Remaining Costs

Estimated remaining costs are based on the forecast direct and indirect costs that will affect the biomass at each site through to final harvest.

This estimate is refined at each calculation, and uncertainty reduces as the harvest approaches.

Operating revenue

Operating revenue is calculated using several sales prices forecast by the Company for each month based on future price information from public sources, adjusted to historical price behavior from the main destination market for our fish. This is reduced by the costs of harvesting, processing, packaging, distribution and sale.

A fair value adjustment is applied to all fish at marine grow-out sites, under the current model. Changes in the fair value of biological assets are recorded in the statement of net income for the period. All biological assets are classified as current biological assets, as they form part of the normal farming cycle that concludes with harvesting the fish.

The gain or loss on the sale of these assets may vary in comparison to their calculated fair value at the reporting date.

The Company uses the following method.

Stage	Asset	Valuation
Fresh water	Eggs, fry, smolts and breeders	Direct and indirect cumulative costs at their various stages.
Sea water	Salmon	Fair value includes prices, costs and volumes that are estimated by the Company.