



# Capital Increase

Roadshow Presentation | December 2021

Global Coordinator and Bookrunner



Oslo Settlement Agent



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# Company representatives



**Ricardo García H.**

Board Vice President



**Manuel Arriagada O.**

General Manager



**Daniel Bortnik V.**

CFO



**Marta Rojo A.**

Finance & IR Manager



**Álvaro Marín K.**

Corporate Controlling & IR  
Dpt. Manager





# Transaction details



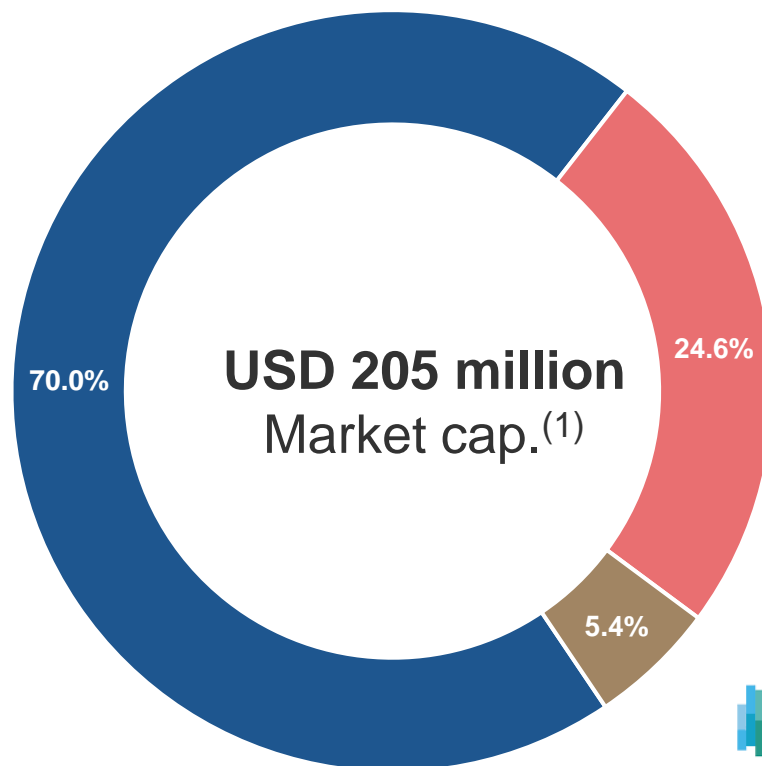
Issuer	Salmones Camanchaca S.A. ("Salmones Camanchaca" or the "Company")		
Listing		Distribution	
Offering size	8,500,000 common shares (0.12878787 rights per existing share)		
Subscription price	CLP 2,350 per share		
Offering composition	100% issuance of primary shares		
Use of proceeds	<ul style="list-style-type: none"> <li>• Support the investment plan for the years 2021 to 2023</li> <li>• Implement a series of technologies to mitigate risks inherent to aquaculture practices</li> <li>• Recover lost biomass related to the incidents of the first half of 2021</li> <li>• Strengthen the financial position</li> </ul>		
Preemptive rights period	November 30 <sup>th</sup> , 2021, to December 29 <sup>th</sup> , 2021		
Global Coordinator and Bookrunner		Oslo Settlement Agent	



# Company ownership

as of September 30<sup>th</sup>, 2021

**Dually listed since 2018**



B O L S A  
**SANTIAGO**

Ticker: SALMOCAM



**OSLO BØRS**

Ticker: SACAM



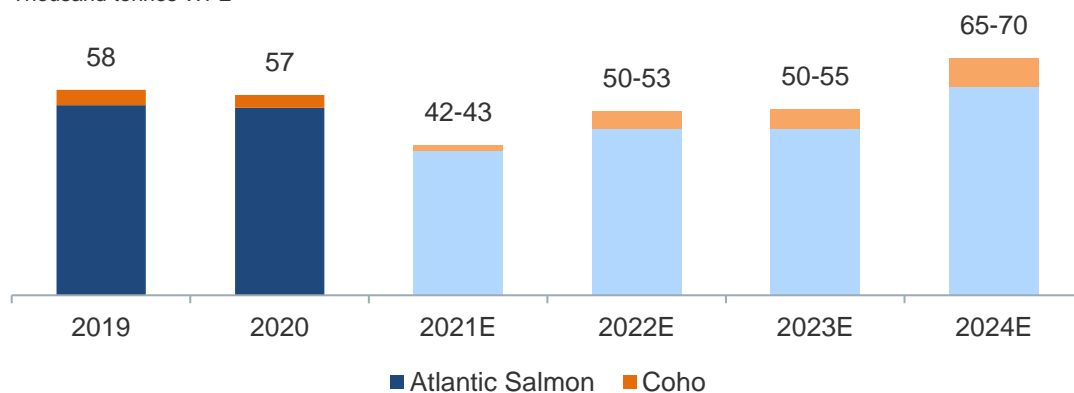
# Salmones Camanchaca at a glance

## About the Company

- Located in the pristine glacial waters of Chilean Patagonia
- Production of Atlantic Salmon and Coho (Pacific Salmon)
- Integrated value chain from genetics to salmon buyers
- Sustainability model operating since 2019, setting high ambition targets

### Harvest volume

Thousand tonnes WFE



## Overview of productive assets

3

Freshwater hatcheries for atlantic salmon

2

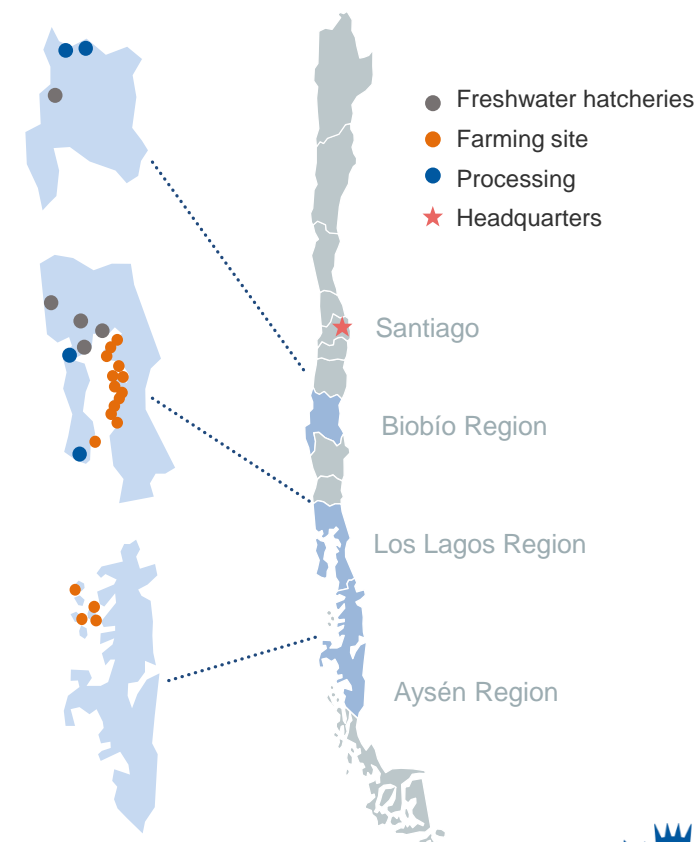
Freshwater hatcheries for coho/trout

74

Farming site licences along two Chilean regions

4

Processing plants



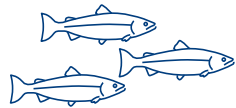
# Integrated value chain supporting long term value creation

## Genetics



- Proprietary 20+ yrs genetics program with own breeding: **Lochy strain**
- Spawning hatchery: **self-supplied with eggs** from selected breeders with **20+ million annual capacity**

## Freshwater



- Among the largest RAS<sup>(1)</sup> facilities in Chile with an **annual capacity of 12 million 140 g smolts**
- Trout and coho hatchery with **2 million smolt annual capacity**

## Seawater



- **74 aquaculture concessions** used for salmonids farming in Los Lagos and Aysén Regions
- Currently 21 in use for salmon farming, 1 for coho and 6 for trout through a joint venture

## Processing



- Primary capacity of **100 thousand fish per day** (Los Lagos)
- Own 1/3 of primary plant (Los Lagos)
- Daily secondary processing capacity of **20 thousand HOG fish** (frozen and fresh) and **50 thousand for pieces and portions**

## Sales & Marketing

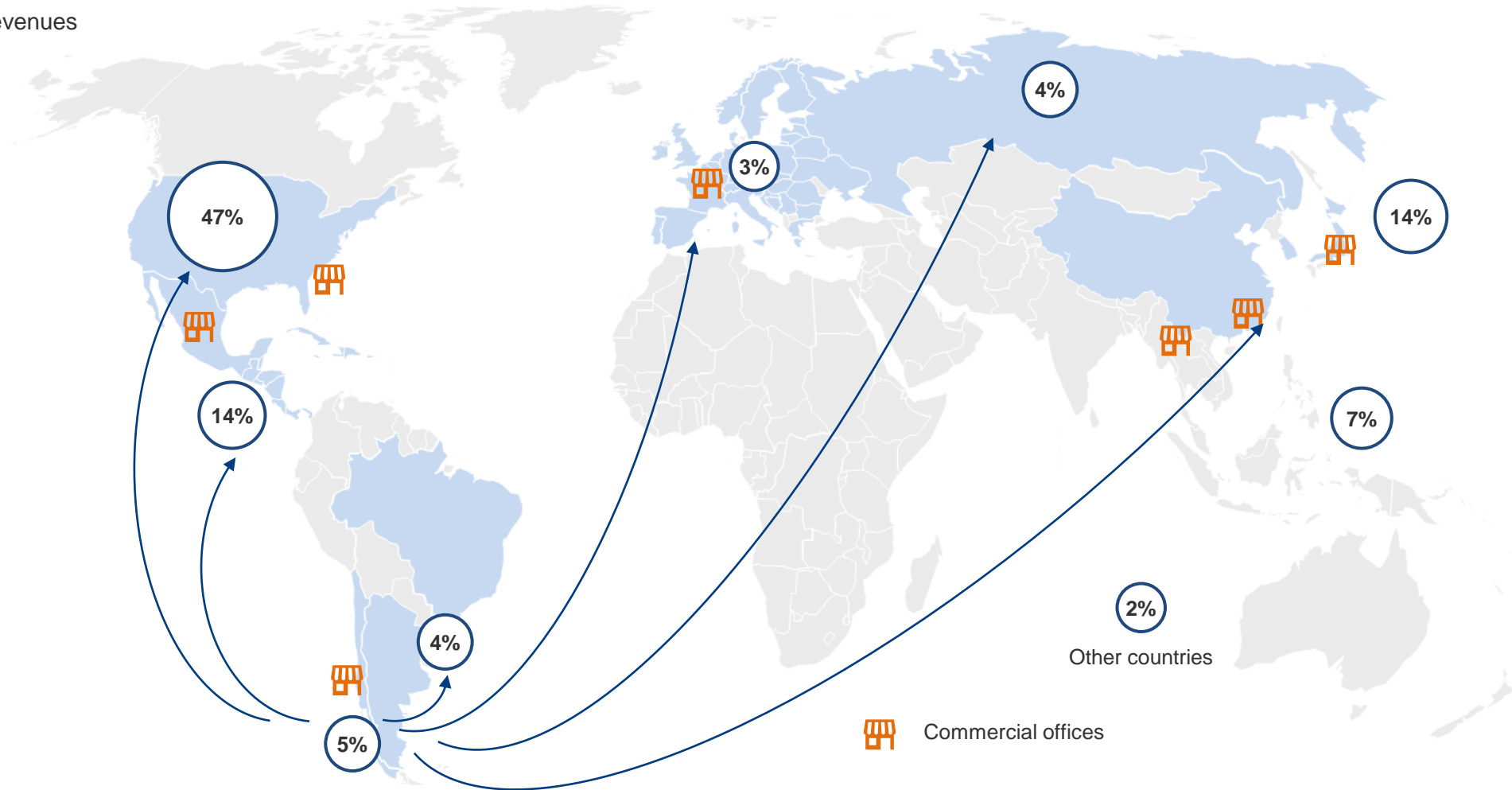


- Sales teams in U.S., Mexico, Europe, Japan, China and Chile with sales to **38 countries**
- Ongoing joint industry-wide efforts to take advantage of growth opportunities in core markets such as the U.S. and Asia



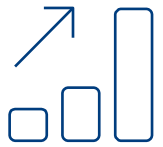
# Serving markets globally with allocation flexibility

Share of sales and commercial offices  
% of 2020 revenues





# Value creation plan...



...has organic  
growth

~70,000 MT by 2025  
improve capacity utilization



... improves cost

Biological control and  
operational efficiency



...develops  
markets

Leverage processing  
capacity and flexibility to  
target core markets



...commits to  
sustainability

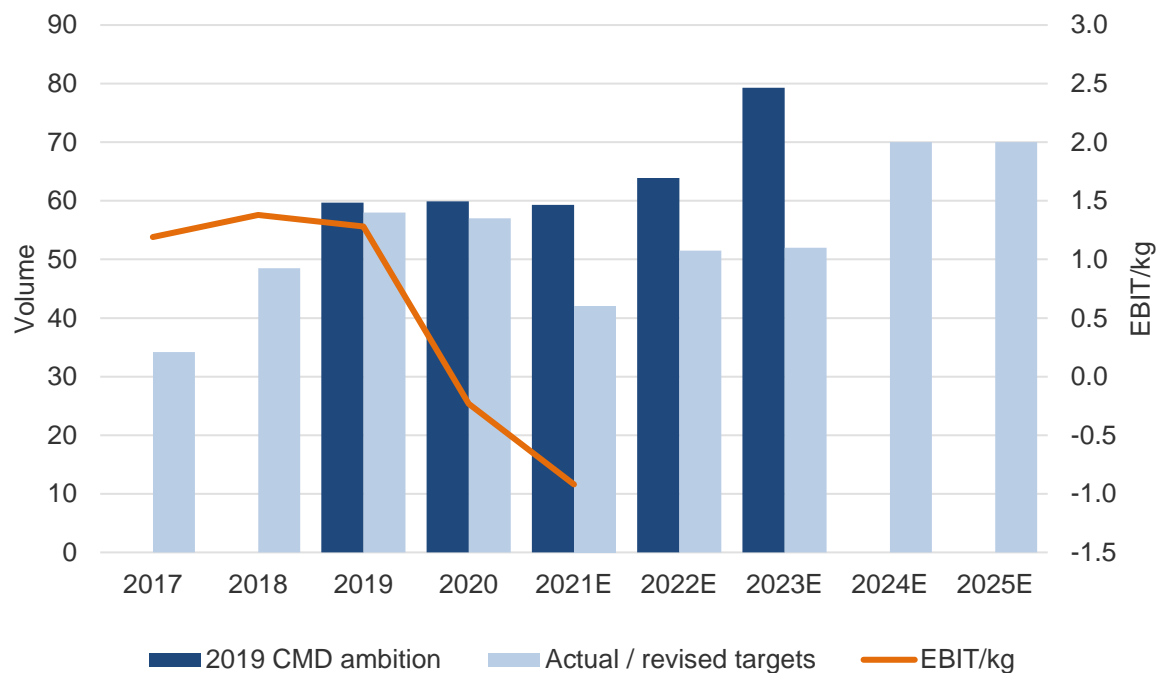
Carbon neutrality; ASC;  
Circularity; FIFO; HR  
Safety



# Covid & Blooms caused a two-year setback

## Volume of all species and EBIT/kg<sup>(1)</sup>

kton WFE



## Covid 19 heavily impacted salmon demand in 2020

- Pandemic caused large price declines between Q2 20 and Q1 21 significantly impacting EBIT/kg
- Islotes mortalities resulted in volume loss of 2,200 ton and USD 3m direct loss
- Total harvest volume affected by severe currents at Islotes's 2 million fish site

## Algae blooms in Los Lagos's fjords impacted biomass in 2021

- Driest/sunniest summer in 70 years causing blooms in Reñihue and Comau
- High mortalities and low average harvest weights
- Higher costs and lower volumes

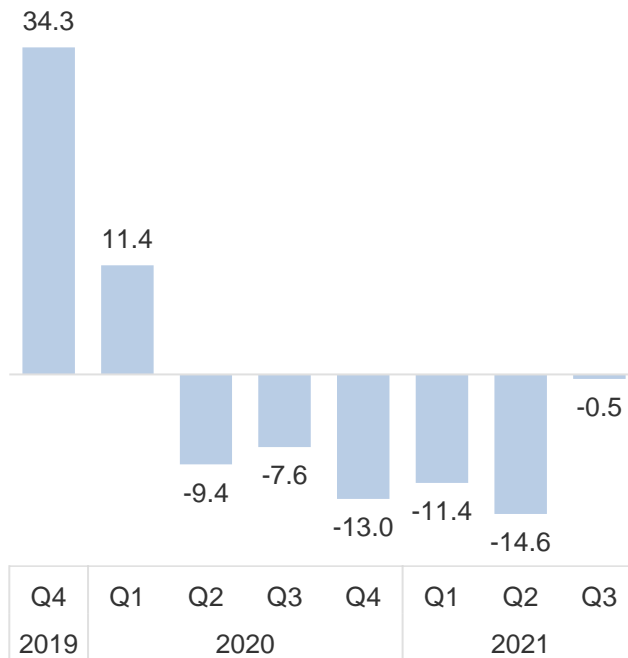
## Long term ambition remains, but delayed ~2 years



# Covid & algae blooms impacted earnings & equity

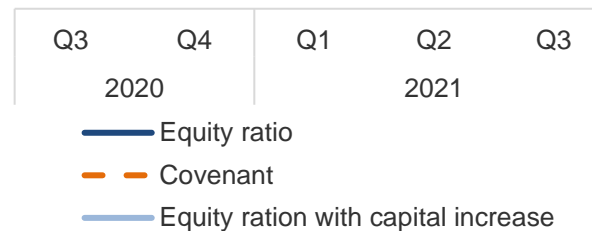
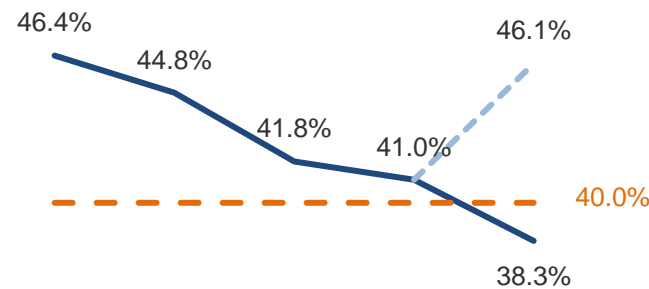
## EBIT before fair value

USD million



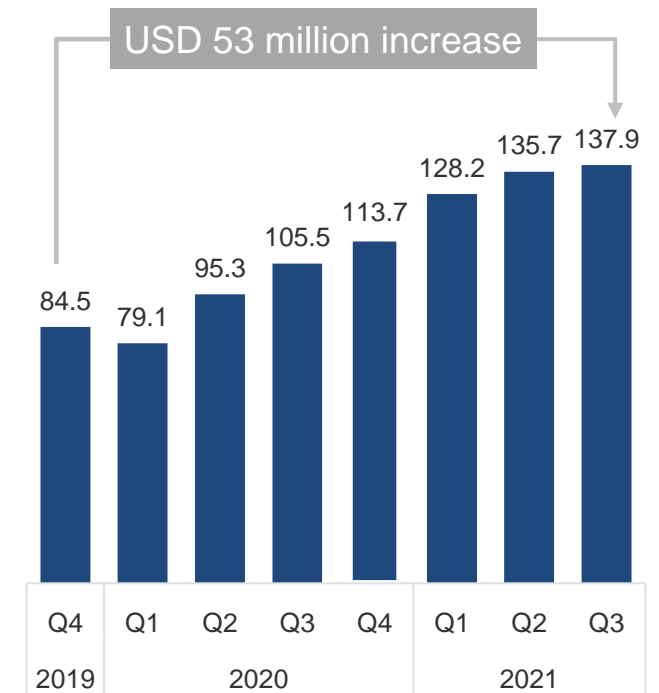
## Equity/total assets

USD million



## Net interest-bearing debt

USD million



# Initiatives to reduce farming risks (oxygen & blooms)

## 1 Diversification of farming sites

- Los Lagos's fjords have more challenging conditions with drier climate
- Fjords present higher risk of algae bloom and lower oxygen levels
- Diversifying operations to Aysen region

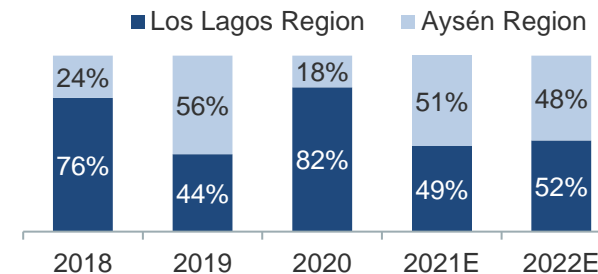
## 2 Use of alternative species

- Coho has shorter cycle and harvested before summer

## 3 Use of new technologies and devises

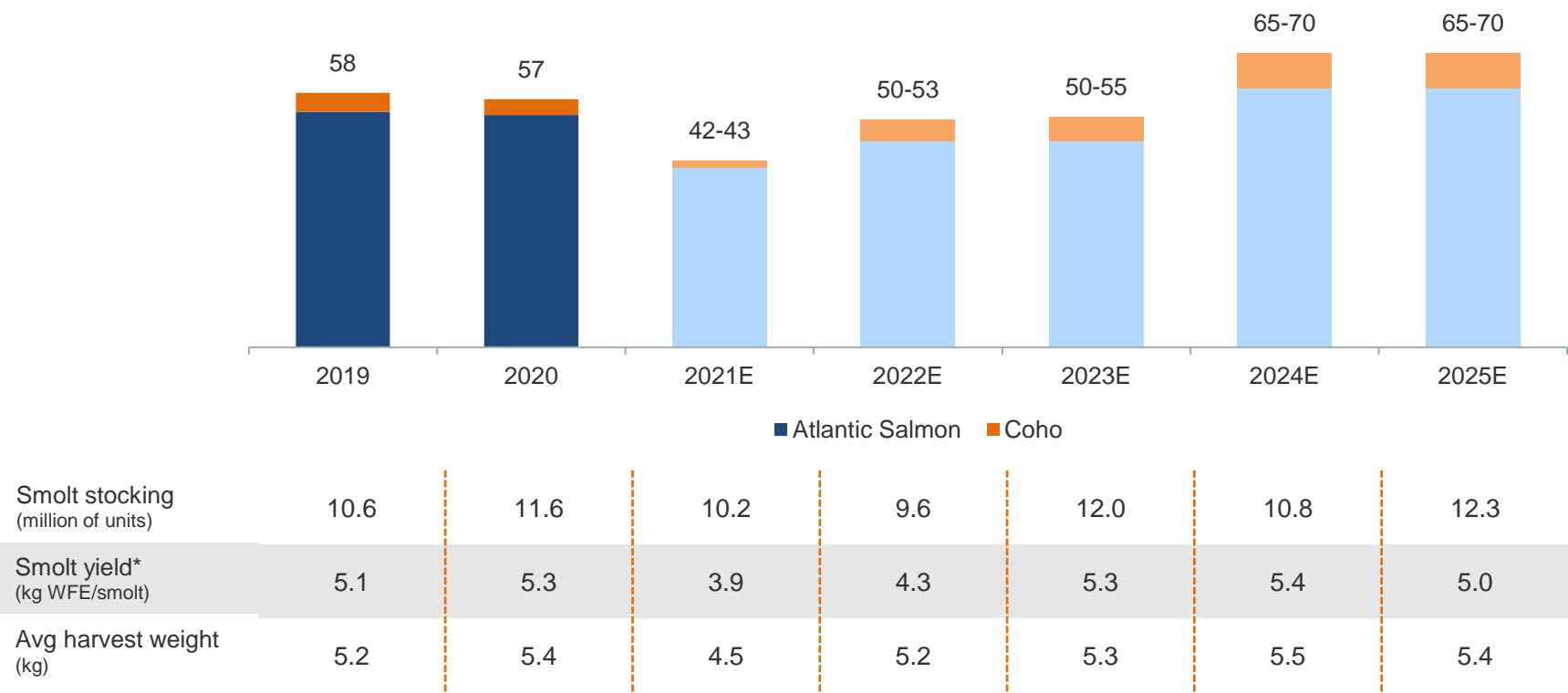
- New wellboat will transport faster in case of need
- Oxygen surgency system
- Bubble curtains
- Backup sites

Atlantic smolt stocking per Region



# Growth ambition plan unchanged

## Harvest volume MT WFE



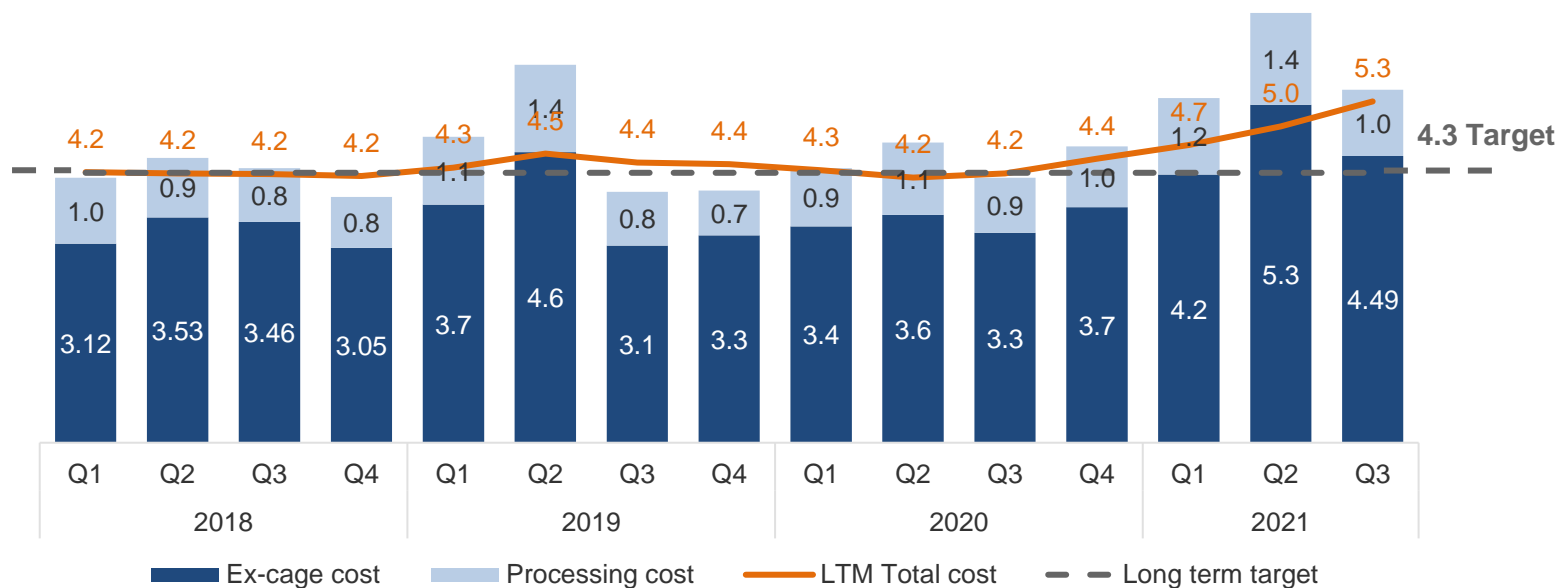
- Available capacity allows for higher smolt stocking
- Increase harvest weight through improved fish health and welfare
- Increase biosecurity, therefore reducing mortality





# Less issues and higher volumes to decrease cost level

## Atlantic salmon ex-cage and processing cost USD/kg WFE



## Key drivers

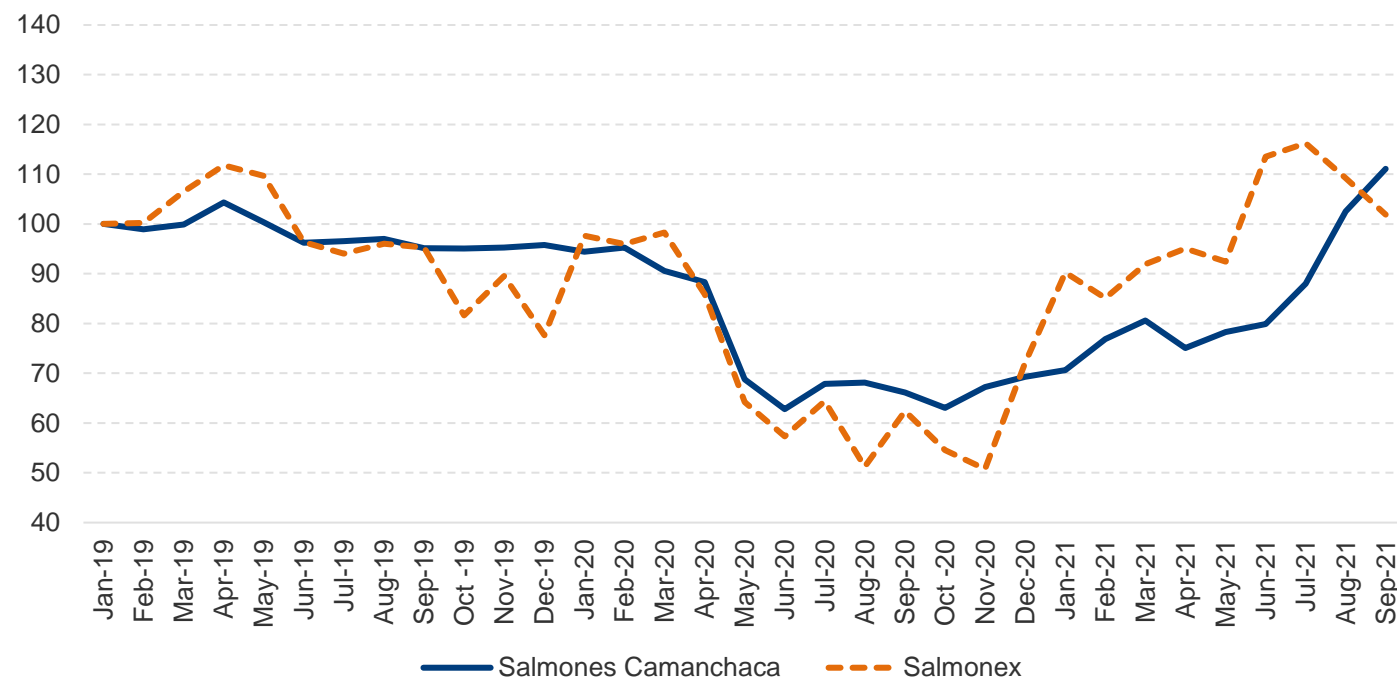
- Long term target for ex-cage and processing cost of USD 4.3/kg wfe
- Lower mortality
- More feeding days
- Higher average harvest weight
- Higher harvest volume



# Market approach leveraging operational flexibility

## Return on Raw Material (RRM)

Salmones Camanchaca vs Salmonex, January 2019 = Base 100



### State of the art processing plants

- Ambitious investment program already completed
- Operational flexibility - adaptive to market conditions and drives demand

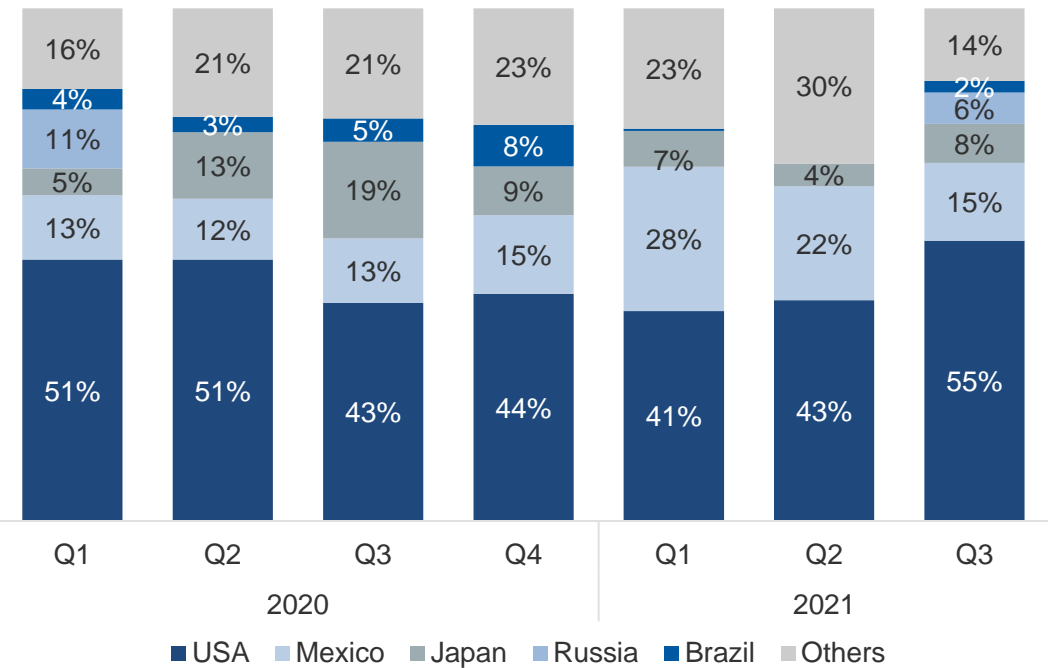
### Positioning Chilean salmon as a preferred premium product

- Ensure sustainable processes and biosecurity
- Obtain premium price to the market with value added products
- Reduce antibiotics use (from 471g/t in 2020 to 245 g/t in 2025from)

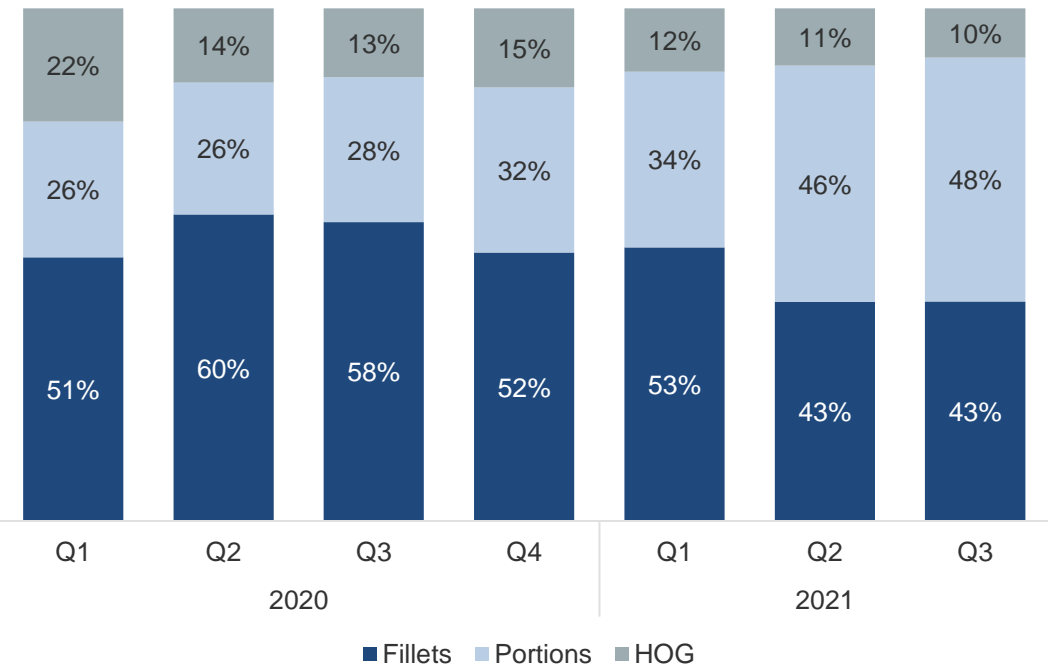


# Market our product where and how is best valued

Atlantic sales distribution by market  
% based on ton WFE



Atlantic sales distribution by product  
% based on ton WFE



# Advocacy to investment in value creation

USD million	2017	2018	2019	2020	2021E	2022E	2023E
<b>Capex</b>							
Expansion of RAS hatchery	3.2	3.6	0.3	-	-	-	-
New Atlantic Farming Sites	3.5	15.1	3.8	1.9	6.6	6.4	3.5
Pacific salmon (coho)	-	2.7	11.4	0.1	1.1	2.8	7.8
Primary Process Expansion	1.4	1.8	3.4	0.9	0.2	2.3	1.0
Capacity & efficiency of VA plant	1.5	4.0	5.4	5.0	1.0	0.7	1.1
Maintenance & other regular investments	4.7	5.0	15.8	11.4	13.5	19.2	19.8
Regulatory requirements	1.7	0.8	2.8	3.3	3.1	3.3	5.4
<b>Total capex</b>	<b>16.0</b>	<b>33.0</b>	<b>43.0</b>	<b>22.7</b>	<b>25.4</b>	<b>34.8</b>	<b>38.6</b>
<b>Working capital</b>	<b>121</b>	<b>129</b>	<b>174</b>	<b>142</b>	<b>203</b>	<b>204</b>	<b>228</b>

**Over USD 130 million invested since IPO**

- **Capex**
  - Emphasis in growth & processing capacity and efficiency
  - Farming sites diversification to Aysen
  - Processing capacity for Coho
- **Biomass/working capital**
  - Rebuild biomass lost in 2021



# Sustainability Model: 5 Pillars

## Healthy and Nutritious food



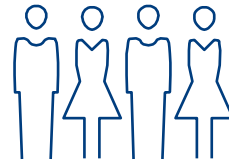
Premium quality, healthy, nutritious, sustainable and responsible with fish welfare

## Healthy Ecosystems



Maintain the structure and function of the aquatic and terrestrial ecosystems in which we operate

## Prosperous communities



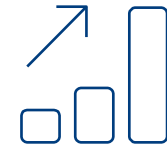
Operations integrated in harmony with the territory and its inhabitants

## Meaningful jobs



Teams that are committed and conscious of their impact

## Profitable and responsible business



Resilient and profitable business, committed with the creation of value for all stakeholders





# Sustainable farming: ambition targets

## ASC

majority of production  
certified by 2021

## Carbon neutral

by 2025

## 50% reduction

in the use of antibiotics  
by 2025

## Communities

Be an increasingly  
valuable member of  
our communities

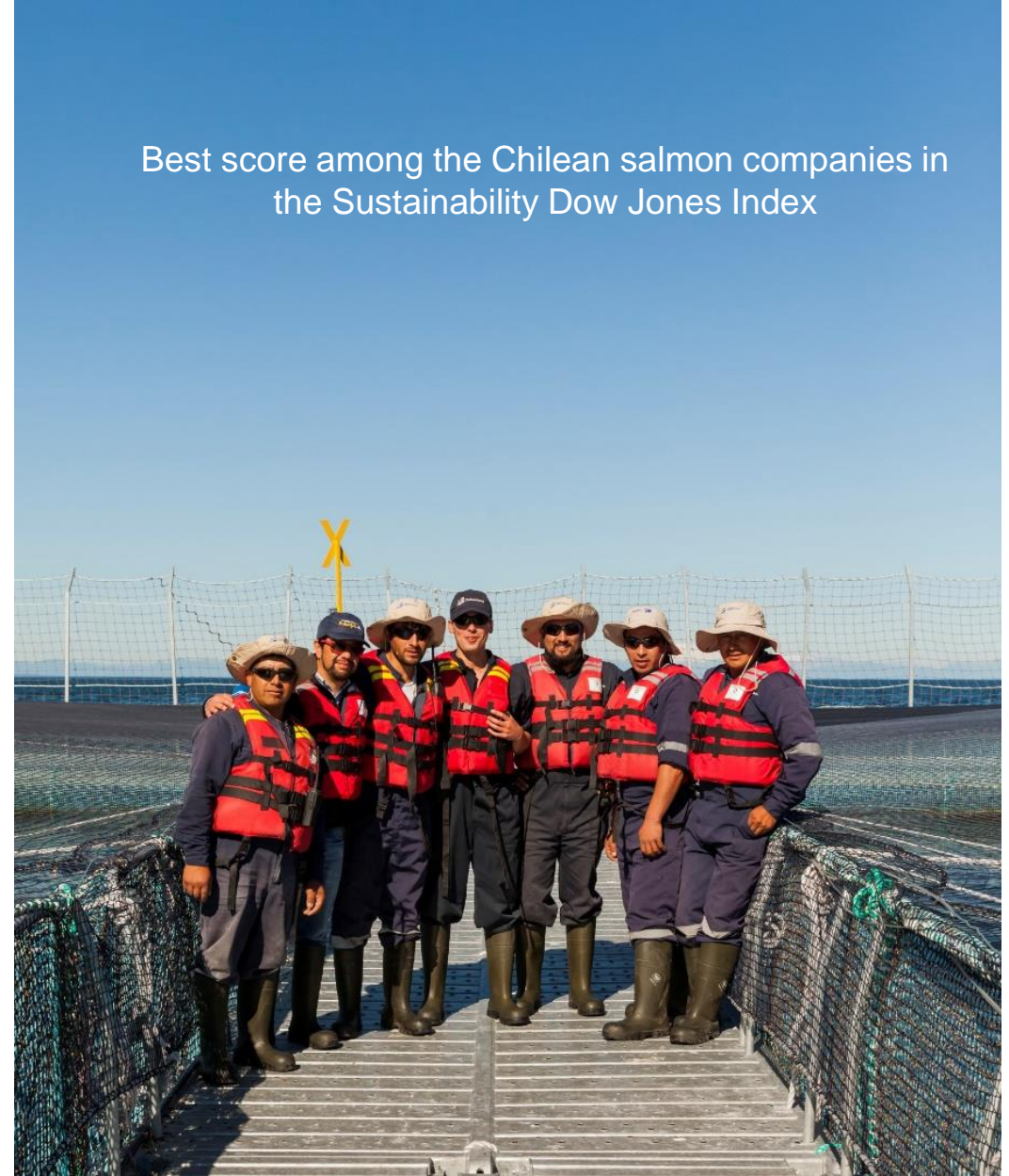


# Sustainability at the financing

## 1<sup>st</sup> SLL in Chilean industry

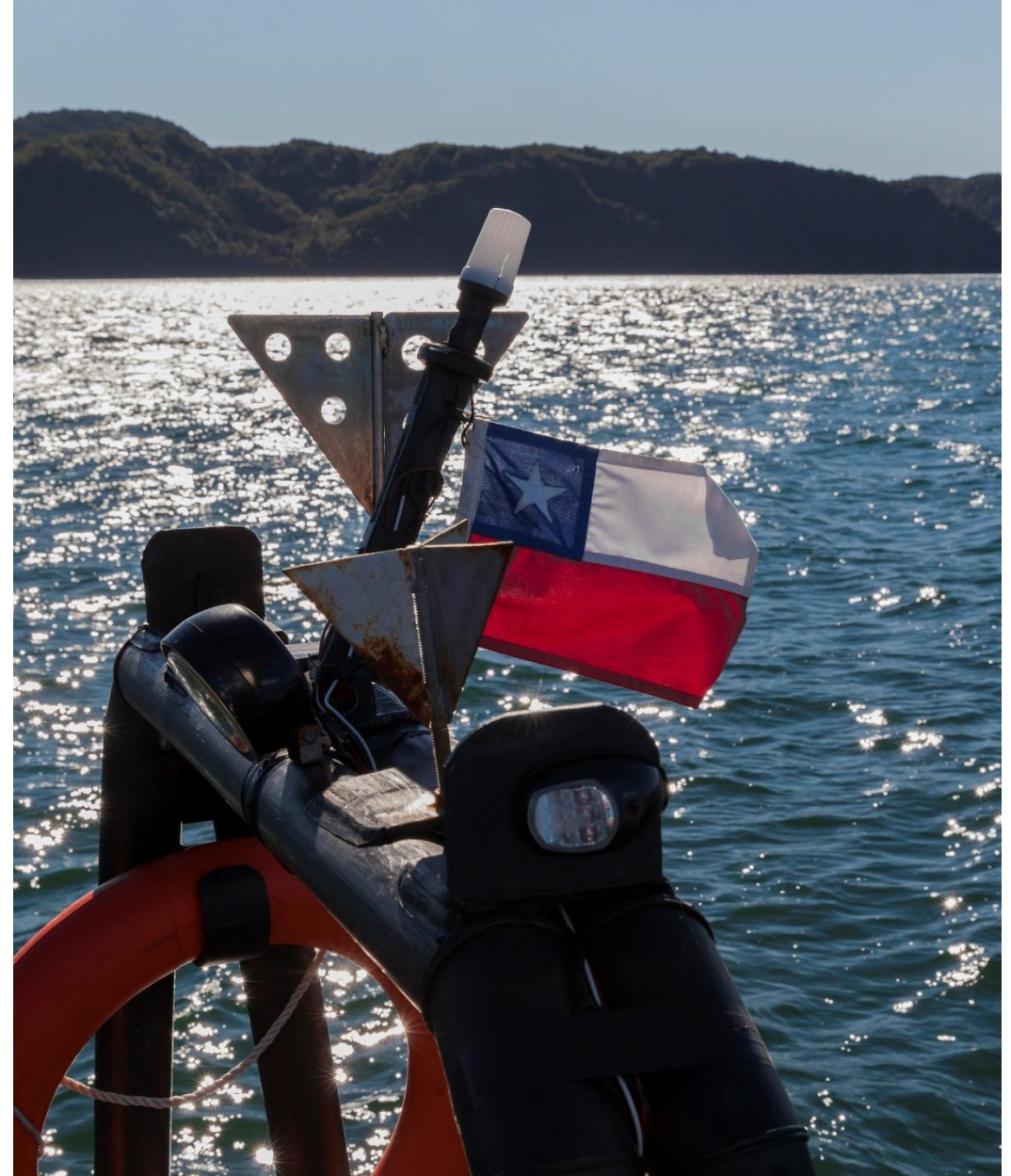
- New RCF\* agreement of USD 135 million replaced existing credit lines
- 5-year term with 3-year grace period and 80% bullet
- Improves liquidity for the next 5 years
- Sustainability Linked Loan (SLL) with margin linked to defined sustainability targets, including:
  - Gradual reduction of greenhouse gases
  - Larger fraction of ASC certified biomass
  - Reduce FIFO ratio; lower marine ingredients
  - Circular economy: larger fraction solid waste recycled
  - Healthier workers with lower accidents

Best score among the Chilean salmon companies in the Sustainability Dow Jones Index



# Key investment highlights

- 1 Fully integrated value chain utilizing high flexibility in market and product allocation
- 2 Restructuring operations to secure profitable growth
- 3 Cost improvement through higher volume and biological risk mitigation
- 4 Delivering on sustainability commitment
- 5 Support from major shareholder(s), ensuring the necessary funding for the investment plan



# Appendix

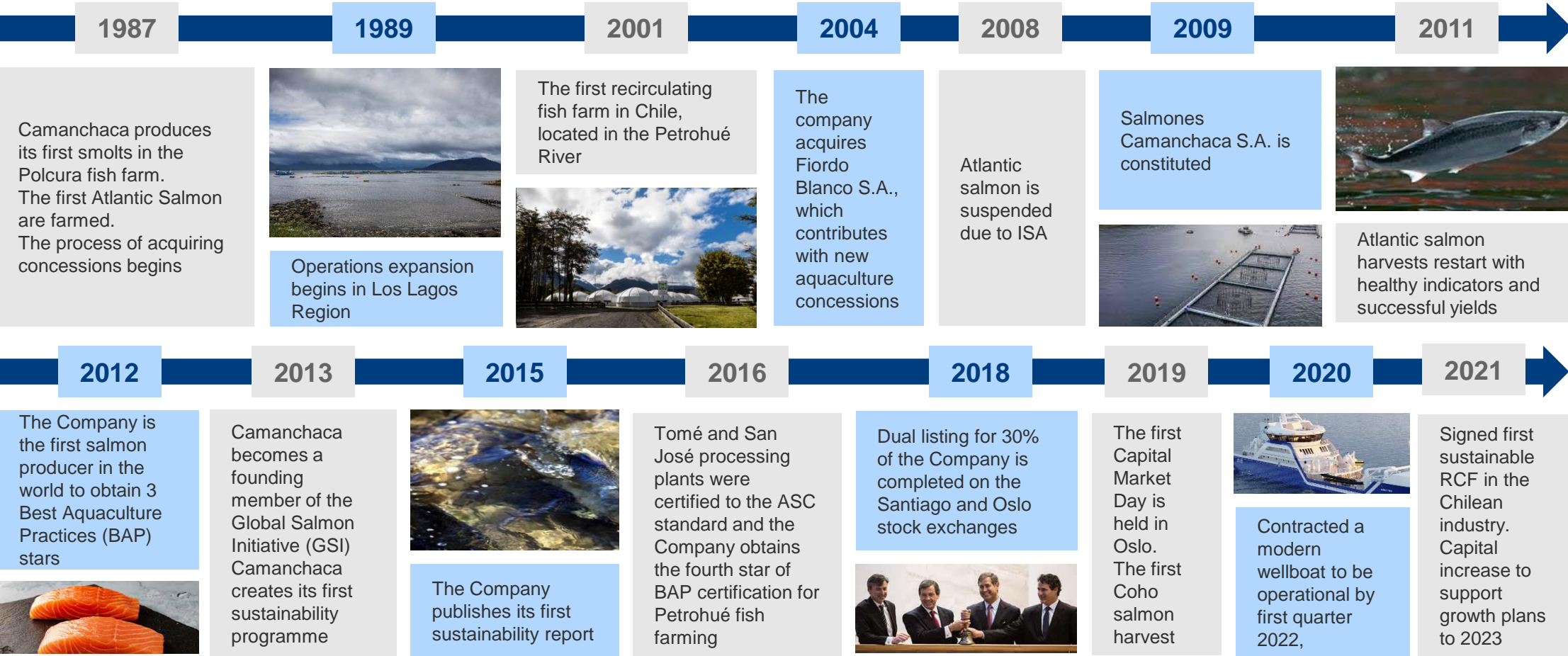
# Key financial targets

	Subject	Ambitions and targets
Dividend	Competitive long-term shareholder returns	50% of net distributable profit (40% for 2020 dividend for 2019 earnings)
Capital structure and funding	Net debt/EBITDA	< 1.5x
	Equity/Total assets	> 40%
Harvest volume	Atlantic and coho salmon	~ 70,000 tons WFE by 2025 (58,000 tons WFE in 2019)
Cost development	Finished products cost (Farming, processing and packing)	FY: ~ USD 4.3/kg wfe



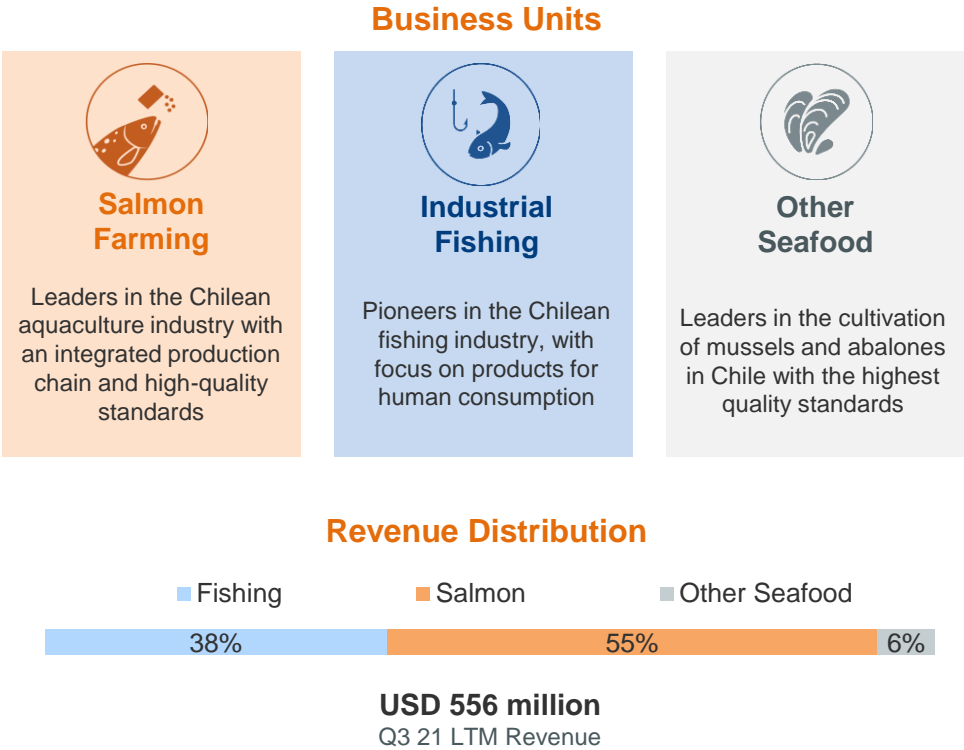


# Historical background



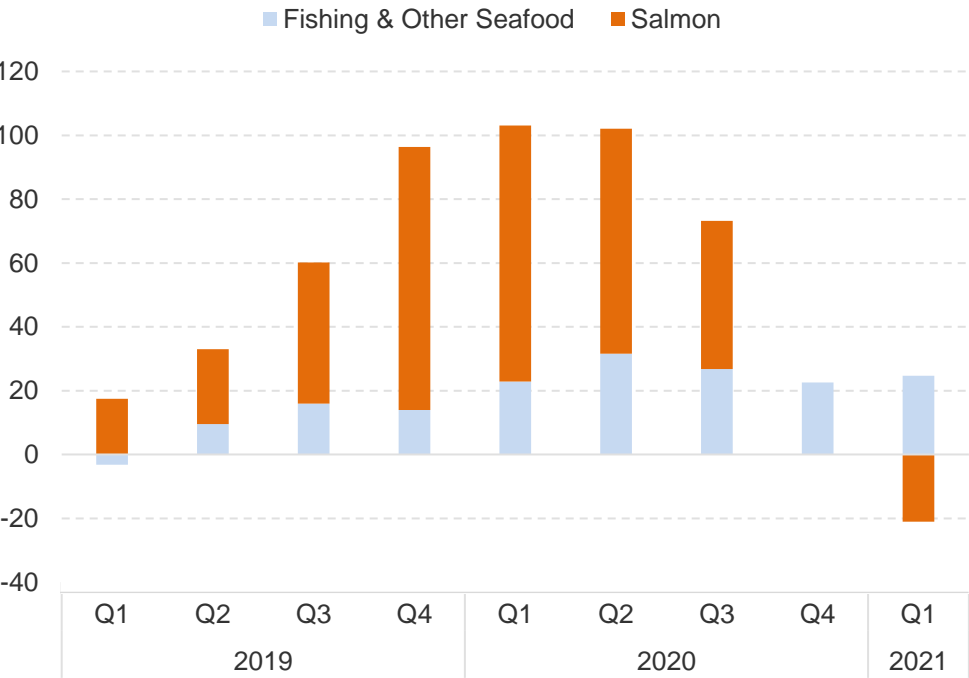
# Proven long-term commitment of controlling shareholder

## Camanchaca Group at a Glance



## Camanchaca's LTM Consolidated EBITDA

USD million



# Key figures

USD million	2018	2019	2020	YTD Sept-20	YTD Sept-21
Operating revenue	329.4	339.0	255.4	189.5	186.1
EBITDA operational before fair value	80.5	80.5	-3.2	5.6	-14.4
EBIT operational before fair value	69.2	67.5	-18.6	-5.6	-26.5
EBIT margin	21.0%	19.9%	(7.3%)	(3.0%)	(14.2%)
Net profit (loss) for the period	49.2	42.4	-31.6	-24.1	-19.0
Earnings per share (USD)	0.746	0.642	-0.479	-0.365	-0.288
Financial debt	50.2	98.4	122.8	113.1	146.7
Net income before interest bearing debt ("NIBD")	37.1	84.5	113.7	105.5	137.9
Equity/Assets ratio (%)	54.0	50.0	44.8	46.4	38.3
NIBD/EBITDA LTM	0.5	1.1	-	2.5	-
<b>Atlantic salmon</b>					
Harvests (ton WFE)	48,496	53,731	52,982	37,181	25,093
Sales volume (ton WFE)	50,032	52,907	48,289	34,485	30,112
% Sales of filets & portions	61.0%	70.9%	83.4%	82.9%	88.8%
Ex-cage cost (USD/kg live weight)	3.1	3.2	3.3	3.2	4.3
Ex-cage cost (USD/kg WFE)	3.3	3.5	3.5	3.4	4.6
Process cost (USD/kg WFE)	0.9	0.9	1.0	1.0	1.2
Price (USD/kg WFE)	6.1	6.0	4.8	5.0	5.6
EBIT/kg WFE (USD)	1.4	1.3	-0.2	-0.0	-0.9
<b>Coho</b>					
Harvests (ton WFE)	-	4,302	3,614	795	-
Sales volume (ton WFE)	-	2,504	3,591	2,499	1,766
EBIT/kg WFE (USD)	-	-0.3	-2.0	-1.8	0.7



# Salmones Camanchaca's balance sheet

USD millions	2016	2017	2018	2019	2020
Cash and equivalents	1.6	0.8	13.1	13.9	9.0
Trade and other accounts receivable, current	43.2	53.8	52.5	78.5	51.1
Inventories	23.3	38.2	23.0	32.9	47.0
Biological assets	78.2	104.7	131.7	142.6	113.8
Other current assets	6.7	8.7	13.5	13.4	21.5
<b>Total current assets</b>	<b>153.1</b>	<b>206.1</b>	<b>233.8</b>	<b>281.3</b>	<b>242.3</b>
Property, plant and equipment	69.0	73.6	92.3	111.9	115.6
Other non-current assets	8.8	18.9	13.5	14.6	17.1
<b>Total non-current assets</b>	<b>77.8</b>	<b>92.6</b>	<b>105.8</b>	<b>126.5</b>	<b>132.7</b>
<b>Total assets</b>	<b>230.9</b>	<b>298.7</b>	<b>339.6</b>	<b>407.7</b>	<b>375.1</b>
Other financial liabilities, current	10.6	0.4	0.2	8.4	43.0
Trade and other accounts payable, current	61.0	75.9	77.9	79.6	69.9
Other current liabilities	0.7	2.8	14.2	8.5	7.5
<b>Total current liabilities</b>	<b>72.2</b>	<b>79.2</b>	<b>92.4</b>	<b>96.5</b>	<b>120.4</b>
Other financial liabilities, non-current	99.9	100.0	50.0	90.0	79.7
Other non-current liabilities	40.5	16.1	13.4	17.5	6.9
<b>Total non-current liabilities</b>	<b>140.4</b>	<b>116.1</b>	<b>63.4</b>	<b>107.5</b>	<b>86.6</b>
<b>Total liabilities</b>	<b>212.6</b>	<b>195.4</b>	<b>155.8</b>	<b>204.0</b>	<b>207.0</b>
Issued capital	34.8	73.4	91.8	91.8	91.8
Share issuance premiums	0.0	0.0	27.5	27.5	27.5
Retained earnings (loss)	-16.7	6.4	41.3	61.5	25.7
Other reserves	0.1	23.6	23.1	22.8	23.0
<b>Total net equity</b>	<b>18.2</b>	<b>103.3</b>	<b>183.8</b>	<b>203.7</b>	<b>168.0</b>
<b>Total liabilities and equity</b>	<b>230.9</b>	<b>298.7</b>	<b>339.6</b>	<b>407.7</b>	<b>375.1</b>

sept-20	sept-21
7.6	8.8
52.2	53.4
32.5	38.2
131.4	130.0
21.9	27.0
<b>245.5</b>	<b>257.5</b>
114.6	113.1
17.3	16.8
<b>131.9</b>	<b>129.8</b>
<b>377.4</b>	<b>387.3</b>
23.1	66.8
70.8	84.6
8.0	7.4
<b>101.9</b>	<b>158.8</b>
90.0	80.0
10.3	0.1
<b>100.3</b>	<b>80.0</b>
<b>202.2</b>	<b>238.9</b>
91.8	91.8
27.5	27.5
33.3	6.7
22.6	22.5
<b>175.1</b>	<b>148.5</b>
<b>377.4</b>	<b>387.3</b>



# Salmones Camanchaca's income statement

USD million	2016	2017	2018	2019	2020	Sept-20	Sept-21
Revenue from ordinary activities	222.3	197.0	329.4	339.0	255.4	189.5	186.1
Cost of sales	-185.2	-144.9	-239.6	-253.5	-255.1	-181.4	-199.7
<b>Pre fair value gross margin</b>	<b>37.1</b>	<b>52.1</b>	<b>89.8</b>	<b>85.5</b>	<b>0.2</b>	<b>8.1</b>	<b>-13.7</b>
Fair value adjustment to biological assets	63.6	54.4	2.3	0.3	-19.0	-20.9	7.1
Fair value adjustment to harvest and sales	-38.7	-49.1	0.0	0.0	0.0	0.0	0.0
<b>Gross margin</b>	<b>65.3</b>	<b>63.5</b>	<b>92.2</b>	<b>85.8</b>	<b>-18.8</b>	<b>-12.9</b>	<b>-6.6</b>
Administrative expenses	-9.2	-10.8	-12.1	-9.8	-9.0	-6.7	-6.5
Distribution costs	-6.7	-5.7	-8.6	-8.2	-9.9	-7.0	-6.3
<b>EBIT before FV</b>	<b>24.4</b>	<b>41.8</b>	<b>71.5</b>	<b>69.2</b>	<b>-37.6</b>	<b>-26.5</b>	<b>-19.4</b>
Finance costs	-3.6	-4.2	-6.4	-4.7	-4.0	-3.1	-3.2
Equity in income (loss) of associates accounted for by the equity method	0.1	0.5	1.6	1.6	1.9	1.1	0.7
Currency exchange difference	-0.4	-0.5	-1.9	-0.7	-0.5	-0.6	-1.0
Other gains (losses)	-6.8	6.1	2.1	-6.7	-3.5	-4.2	-3.4
Financial income	0.1	0.1	0.0	0.0	0.0	0.0	0.0
<b>Income (loss) before taxes</b>	<b>35.6</b>	<b>43.5</b>	<b>68.7</b>	<b>58.8</b>	<b>-41.9</b>	<b>-32.3</b>	<b>-25.5</b>
Tax	-8.3	-11.2	-17.8	-14.9	12.1	9.3	7.2
<b>Income (loss) from continuing operations</b>	<b>27.3</b>	<b>32.3</b>	<b>50.9</b>	<b>44.0</b>	<b>-29.8</b>	<b>-23.0</b>	<b>-18.3</b>
Profit attributable to controllers	27.2	31.7	49.2	42.4	-31.6	-24.1	-19.0
<b>Profit (loss)</b>	<b>27.2</b>	<b>31.7</b>	<b>49.2</b>	<b>42.4</b>	<b>-31.6</b>	<b>-24.1</b>	<b>-19.0</b>





# Board of Directors



**Jorge Fernández G.**  
**Chairman**  
Business Administration  
Universidad de Chile



**Ricardo García H.**  
**Vice Chairman**  
Business Administration  
Univ. Católica de Chile



**Francisco Cifuentes**  
**Board member**  
Lawyer  
Univ. Católica de Chile



**Tore Valderhaug**  
**Board member**  
Norwegian State  
Authorized Public  
Accountant



**Felipe Sandoval P.**  
**Board member**  
Engineer  
Universidad de Chile



**Rodrigo Errázuriz**  
**Independent Board Member**  
Engineer  
Univ. Católica de Chile



**Joaquín Villarino**  
**Independent Board Member**  
Lawyer  
Univ. Católica de Chile



# Salmones Camanchaca's management team



**Manuel Arriagada O.**  
General Manager



**Pablo Albistur G.**  
Farming Manager



**Jorge Vergara G.**  
Processing Manager



**Marta Rojo A.**  
Finance & IR Manager



**Alfredo Tello G.**  
Technical & Sustain. Manager



**Daniel Silva T.**  
Commercial Manager



**J. C. Ferrer E.**  
Corporate Sales & Marketing anager



**Daniel Bortnik V.**  
Corporate CFO



**Pablo Hernández N.**  
Human Resources Manager



**Rafael Le Bert R.**  
Corporate Legal Manager




**Marcelo Aguilera C.**  
Audit and Internal Control Manager



# Unique equity in Chile with dual listing in Oslo

## Listed salmon farming companies in Chile

	Dic-2018	Sept-2021	Change
Listed companies	6	3 <sup>(1)</sup>	-50%
Float-adjusted market. cap	USD 1,839 million	USD 482 million	-74%
Combined LTM harvests	389 kton WFE	211 kton WFE	-46%
Dual listed			

## Advantages of dual listing in Santiago and Oslo Børs

- Oslo Børs is the central marketplace for listing and trading financial instruments in Norway
- Grants an efficient access to a complete seafood cluster
- Analyst coverage is among the highest to peers with 5.3 analysts per listed small/mid-cap company<sup>(2)</sup>
- Market has remained dynamic with 8 listing of seafood companies alone in the past year

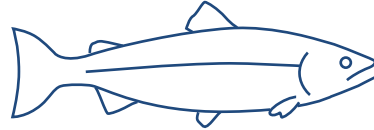


# There is a growing need for sustainably farmed seafood

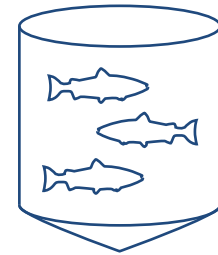
In 10 years ...



**+1 billion**  
more people




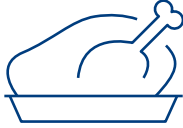


**+37 million tons**  
seafood needed annually



**Supplied by aquaculture**  
0% growth from wild catch



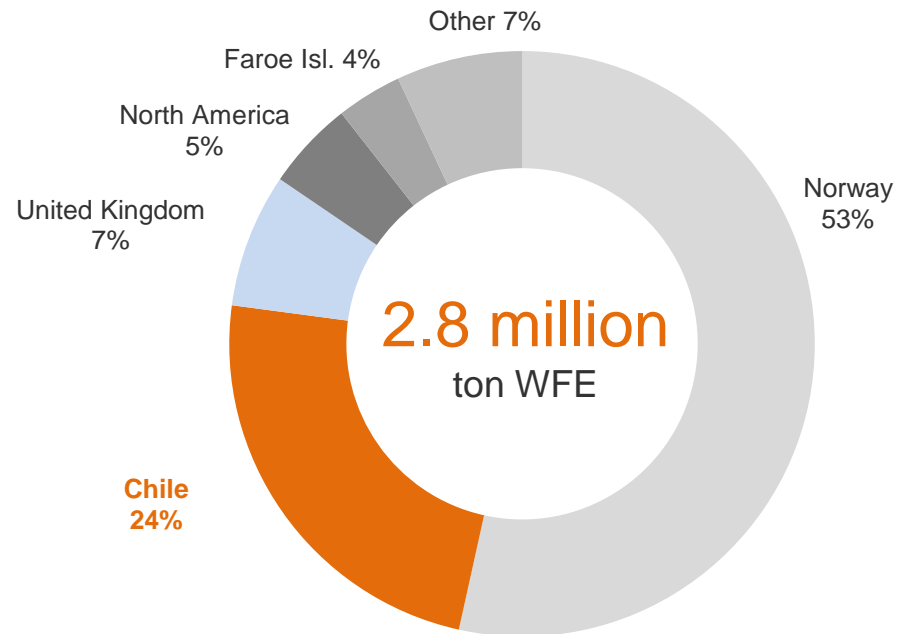
# Salmon will be an important part of the solution

				
Carbon footprint (g CO <sub>2</sub> /40g edible meat)	0.60	0.88	1.30	5.92
Feed conversion ratio	1.2	2.0	3.5	8.0
Water consumption (litres/kg)	2,000	4,300	6,000	15,400

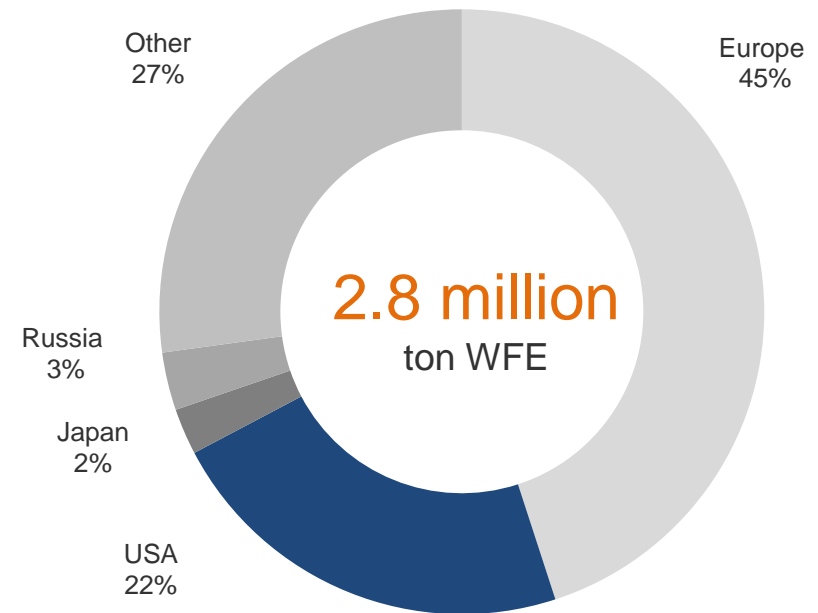


# Chile is the world's second largest farmed salmon provider...

World annual production by country  
% by harvest weight



World annual demand by country  
% by consumption weight



# ...serving demand across the globe

## Chilean salmon export destination

% in terms of USD sales





# Continued growth expected

## Chilean salmonid harvest volumes kton WFE

