



# Investor Presentation

November 2024



HIGH LINER FOODS

# Disclaimer

Certain statements made in this presentation are forward-looking and are subject to important risks, uncertainties and assumptions concerning future conditions that may ultimately prove to be inaccurate and may differ materially from actual future events or results. Actual results or events may differ materially from those predicted. Certain material factors or assumptions were applied in drawing the conclusions as reflected in the forward-looking information. Additional information about these material factors or assumptions is contained in High Liner Foods' Management's Discussion & Analysis, available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and in the Investor Center section of the High Liner Foods website ([highlinerfoods.com](http://highlinerfoods.com)).


# Presentation Notes

## Presentation Currency

High Liner Foods (“the Company”) reports its earnings and financial statements in USD. The Company’s common shares trade on the TSX and are quoted in CAD and therefore references in this presentation to share price, dividends and market capitalization are in CAD.

## Non-IFRS Measures

Certain non-IFRS financial measures and ratios are used when discussing the Company’s financial performance that do not have a standardized meaning prescribed by IFRS, including “Adjusted EBITDA”, “Adjusted EBITDA as a Percentage of Net Sales”, “Adjusted Net Income”, “Adjusted Diluted Earnings Per Share”, “Net Debt” and “Net Debt to Rolling Twelve-Month Adjusted EBITDA”. Management believes these measures provide useful information to both management and investors in measuring the financial performance and condition of the Company. These measures may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with IFRS. All non-IFRS measures are reconciled to IFRS measures in our MD&A.

A top-down view of a light-colored ceramic plate filled with several skewers of grilled shrimp. The shrimp are golden-brown with visible grill marks and are garnished with fresh green herbs, thin slices of red chili, and shredded yellow cheese. The plate is set on a rustic, weathered wooden table. In the background, a glass of water and a small metal bowl are partially visible.

We Are A North American  
Leader in Branded and  
Value-Added Frozen  
Seafood.

## We Are Well Positioned for Sustainable Value Creation

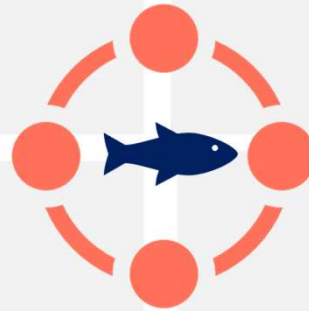
- We deliver branded and value-added frozen seafood solutions across North America
  - We serve a diverse mix of foodservice and retail customers
  - We offer consumers healthy and sustainable protein solutions across various price points
- We lead the industry in sustainability best practices
  - We innovate across channels to drive growth in an under-developed category – aligned with our purpose *to reimagine seafood to nourish life.*
  - We invest strategically to support growth opportunities across the value chain in a dynamic global seafood market



## We Are a Leader in a Growing, Underdeveloped Category

- Diversified business model, portfolio and global supply chain

- Established and respected brands and customer, supplier and distributor relationships



- Proven operator in growing North American Frozen Seafood Market

- Experienced management team and high-performance culture

## We Offer An Attractive Investment Proposition

- ▶ Long-term financial stability
- ▶ Resilience across market cycles
- ▶ Strong balance sheet



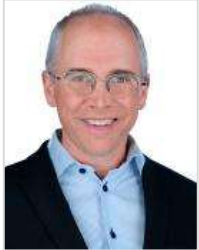
- ▶ Sustainable and growing dividend
- ▶ Active share buy-back program
- ▶ Significant market opportunity in underdeveloped category



Stability, Income & Upside Potential

# We Have Deep Operating & Sector Expertise

## Paul Jewer



**President & Chief Executive Officer**

- Appointed in December 2023
- Previously served as CFO (since February 2014)
- Prior to joining, was CFO of Sobeys Inc.
- Paul is an Honorary Governor of the Board of Governors of Acadia University, a past Chair of the Board of Governors of the Halifax Grammar School, and a member of the Advisory Board of FM Global Canada



## Darryl Bergman



**Chief Financial Officer**

- Joined High Liner Foods in July 2024 as Chief Financial Officer
- Darryl oversees our Finance, Internal Audit, Information Technology and Project Management functions
- Darryl brings more than 25 years of global financial experience, including as CFO of Clearwater Seafoods and Exchange Income Corporation



## Anthony Rasetta



**Chief Commercial Officer**

- Joined High Liner in July 2021
- Prior to joining, held a variety of cross functional leadership roles at Mondelez International
- Through the course of his career, Anthony has launched market innovations across the grocery aisles and is a skilled strategist driven by a passion for consumer brands
- Anthony started his career at Kraft Foods Inc.



## Tom Jansen



**Chief Supply Chain Officer**

- Joined High Liner in September 2023
- Prior to joining, served as SVP, Ontario Division for Atlantic Packaging
- Has also held senior operating roles in a number of organizations including American Iron and Metal, J.D. Irving, Whirlpool Corporation, A.T Kearney, Lafarge, and McKinsey & Company



## Johanne McNally Myers



**Executive Vice President, Human Resources**

- Joined High Liner in April 2019 after providing consulting services to the Company since June 2018, and was promoted to her current role in July 2021
- Over 30 years of Human Resources experience and has held senior leadership roles for iconic Canadian companies such as Tim Hortons Inc. and the Canadian Broadcasting Corporation (CBC)



## James Bishop



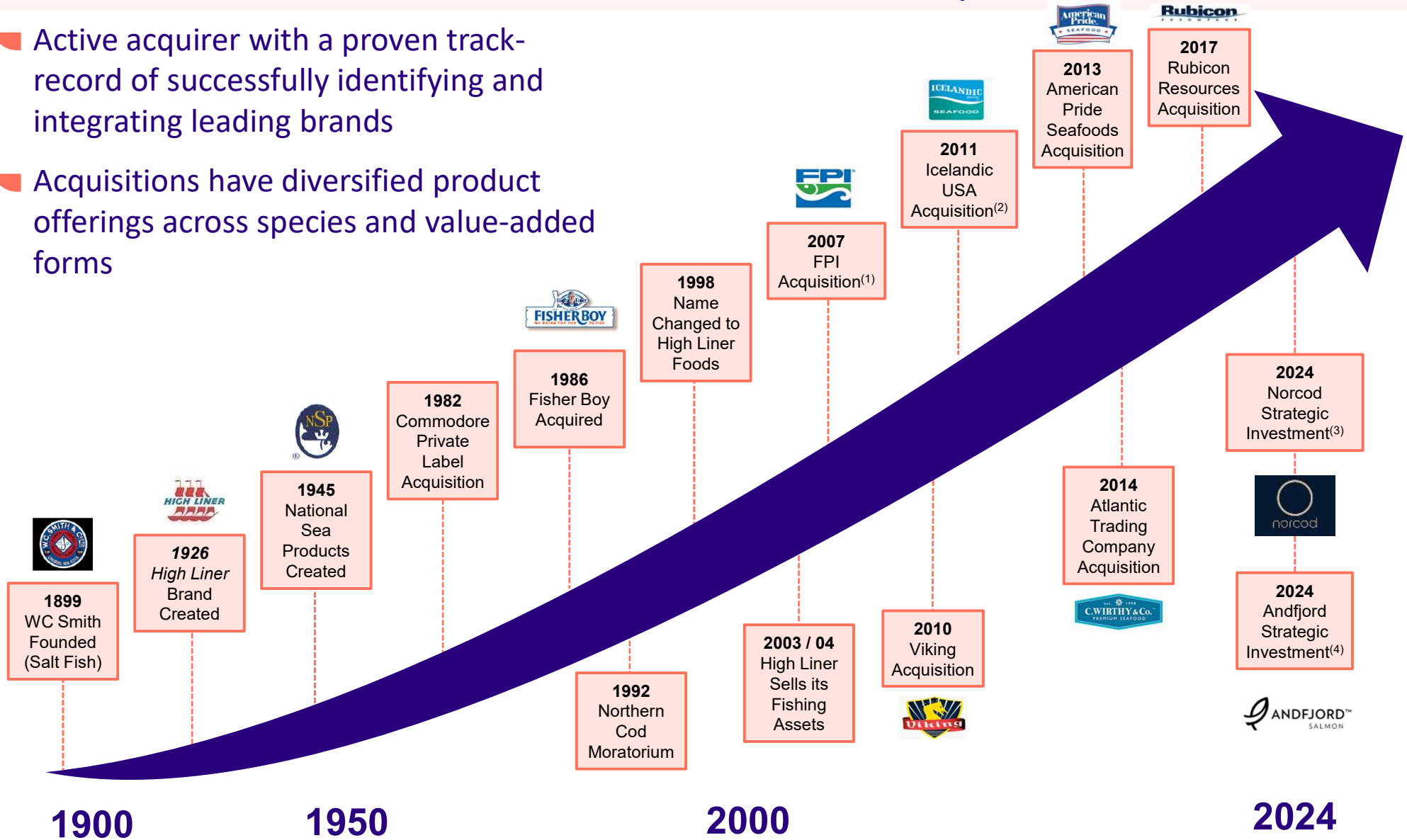
**Executive Vice President, General Counsel & Corporate Secretary**

- Joined High Liner in April 2024
- Previously held progressively senior positions with WildBrain, most recently in the role of EVP, General Counsel
- Began his career as a lawyer with Blake, Cassels & Graydon LLP in Toronto where he practiced corporate, securities and commercial law for clients in a wide variety of business sectors



# We Offer 125 Years of Seafood Expertise

- Active acquirer with a proven track-record of successfully identifying and integrating leading brands
- Acquisitions have diversified product offerings across species and value-added forms



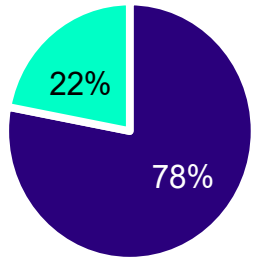
A top-down view of a light-colored ceramic plate filled with several skewers of grilled shrimp. The shrimp are golden-brown with visible grill marks and are garnished with fresh green herbs, thin slices of red chili, and shredded yellow cheese. The plate is set on a rustic, weathered wooden table. In the background, a glass of water and a small metal bowl are partially visible. A large, semi-transparent teal shape overlaps the left side of the image, containing the main text.

# Our Competitively Positioned Business

# Our Diversified Business Model Offers Resilience and Opportunity

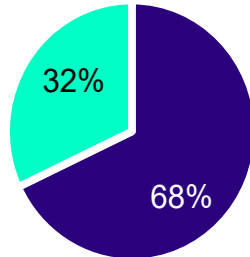
## Geography

■ US ■ Canada



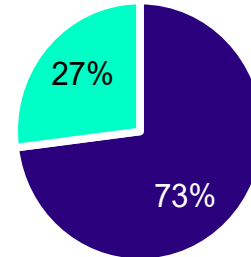
## Channel

■ Foodservice ■ Retail



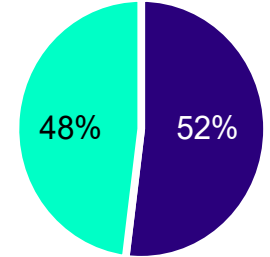
## Product Form

■ Value-Added ■ Other



## Branding

■ HLF Brands ■ Other



## In Large, Growing and Stable North American Market

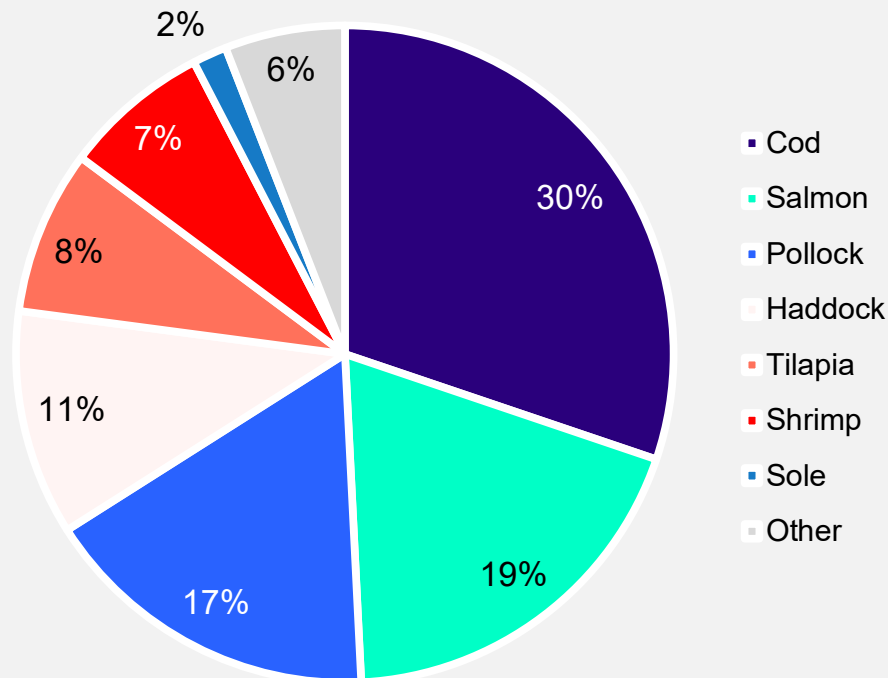
#1 frozen fish manufacturer and #1 frozen value-added seafood manufacturer in Canadian retail market<sup>1</sup>

#1 branded prepared frozen fish manufacturer and #4 branded frozen value-added seafood manufacturer in U.S. retail market<sup>2</sup>

#1 value-added frozen seafood in foodservice (including private label) in U.S.<sup>3</sup>

# Our Diversified Portfolio Provides Flexibility and Supports Growth

Sourcing by Major Species (% of FY2023 \$ Purchases)



- Focused portfolio: 7 major species
- Strategic exposure to key growth species including salmon and shrimp
- Expansion into alternative species, including Southern Blue Whiting

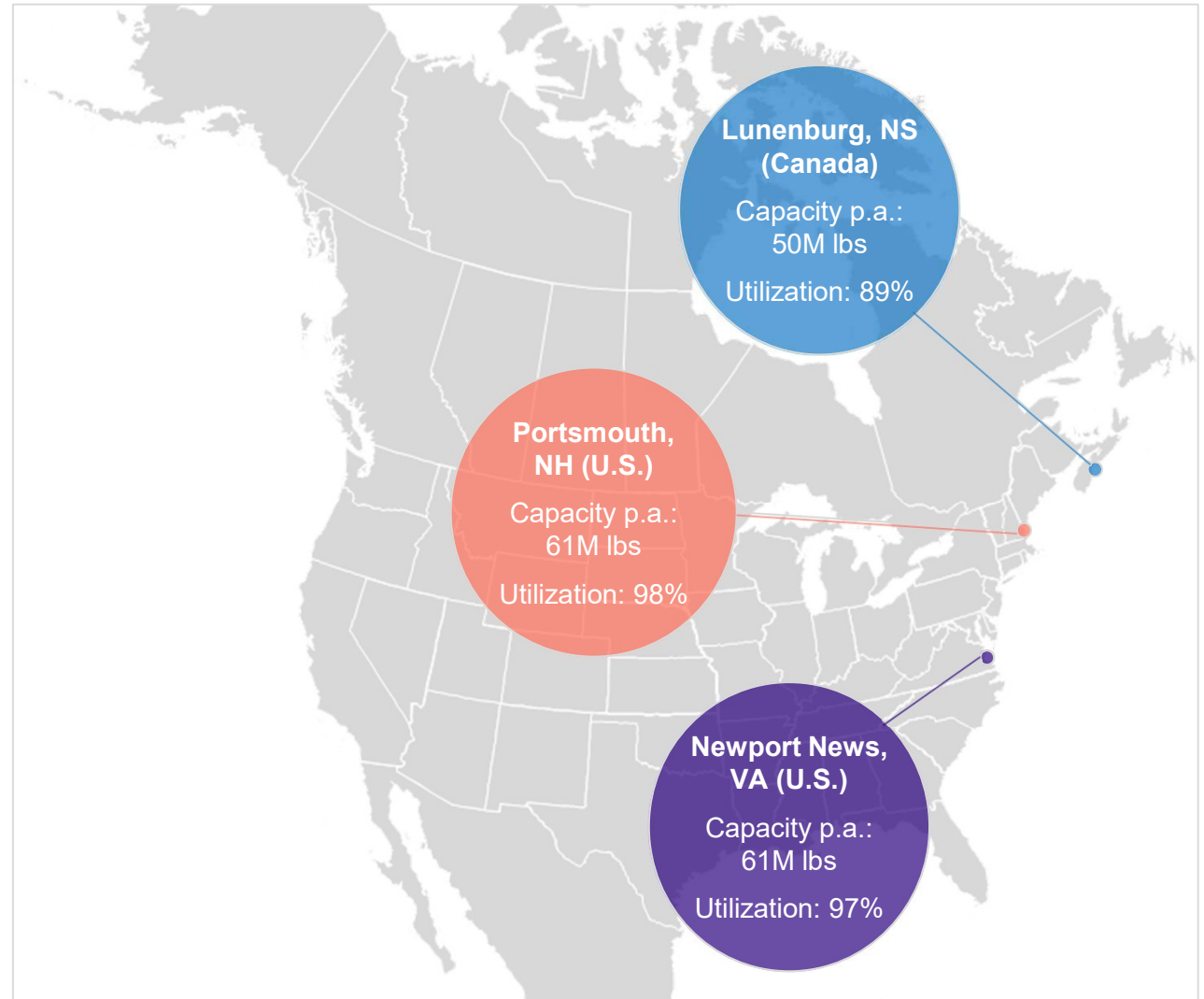


# Our North American Manufacturing Facilities Support Agile Operations and Growth

## Production and Distribution Capabilities

- Manufacturing presence on both sides of the border
- All plants support foodservice and retail
- Easy to pivot to adapt to market conditions and demand
- Ongoing focus on plant optimization
- Optionality to increase capacity to support growth

## Three Value-Added Seafood Manufacturing Facilities<sup>(1)</sup>



# We Are Competitively Positioned in North American Foodservice

Foodservice (68% of FY2023 Sales)<sup>(1)</sup>

## Foodservice At a Glance

- Diversified portfolio of branded and value-added solutions for operators
- Established relationship with leading national distributors, including both branded and private label offerings
- Stable base of non-commercial customers (hospitality, long-term care, education)
- Focus on growing our presence in QSR and casual dining with a focus on innovation and high growth species such as salmon and shrimp
- Contract manufacturing business supports plant optimization

## Key Brands



- A core Canadian foodservice brand offering quality, value-added products made from block-formed fish fillets or minced fish



- Long-standing premium brand of shrimp in Canada with full product portfolio of Black Tiger and White shrimp



- Icelandic Seafood is the foodservice industry's leading brand of best-in-class frozen fillets and value-added solutions, sourced from pristine waters near Iceland and other fishing grounds worldwide



- The FPI Brand leads the foodservice industry with innovative, trailblazing seafood in a variety of on-trend coatings and flavor profiles

## Representative Products



# We Are Competitively Positioned in North American Retail

Retail (32% of FY2023 Sales)

## North American Retail At a Glance

- Diversified portfolio ranging from premium to value offerings choice across price points
- Established presence with national retailers and growing presence in club and value channels, including both branded and private label offerings
- Premium brands like Sea Cuisine and C. Wirthly offer restaurant quality products using the finest seafood and recipes inspired by global cuisines
- Driving distribution growth through product innovation

## Key Brands

Mainstream to Value Price Point



- High Liner is a market leader in Canadian frozen fish and one of the most recognized food brands in Canada



- Fisher Boy offers seafood family favorites like fish sticks and fillets at a great value



- Catch of the Day provides affordable, great-tasting seafood with a variety of innovative options

Premium



- Specializes in offering premium Atlantic salmon



- Sea Cuisine offers restaurant quality products using the finest seafood and recipes inspired by global cuisines

## Representative Products



# We Have a Track Record of Successful Innovation

## *Reimagining seafood on the menu and at home*

We are innovating to **support category growth** – drawing more customers and consumers to the category by **showcasing new value-added seafood solutions and differentiating our brands**

**Retail** – premium innovations offer restaurant quality seafood at home and convenient, healthy protein source

**Foodservice** – value-added innovations offer operators menu efficiency, flexibility and healthy sources of protein aligned with consumer trends





### Value-Added Innovations

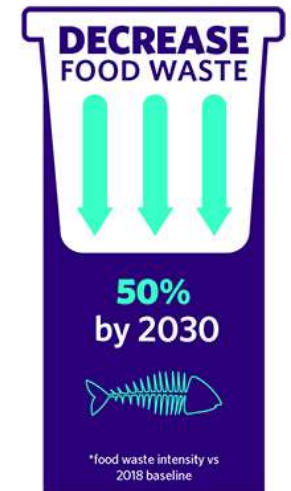


# We Are Committed to Sustainable Seafood & Sustainable Business

- Seafood is a healthy and sustainable source of protein
- Our seafood is responsibly sourced, with 96% **certified as responsibly sourced** seafood – wild and farmed, aligned with industry certifications including **Global Seafood Sustainability Initiative (GSSI), Global Seafood Alliance and others**
- Industry leader driving continuous improvement and best practices**
- Working to reduce food waste and GHG emissions across our business**

## Sustainability and Efficiency

	 Farmed Salmon	 Chicken	 Pork	 Beef
<b>Carbon Footprint</b> Kg CO <sub>2</sub> / Kg edible meat	5.1 kg	8.4 kg	12.2 kg	39.0 kg
<b>Edible Yield</b>	73%	74%	73%	57%
<b>Protein Retention</b>	28%	37%	21%	13%
<b>Feed Conversion Ratio</b>	1.3	1.9	3.9	8.0





# Our Market Opportunity & Growth Strategy



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## Category Poised for Growth



Fragmented industry ripe for consolidation

### Favourable Macro Trends

- Population growth
- Demand for sustainable protein sources
- Increasing attention on health and wellness within mainstream demographic demonstrate our compelling value proposition

**Seafood** is underdeveloped in both foodservice and retail vis a vis other proteins

**Seafood** consumption is lower in North America than in many parts of the world

# Multiple Levers for Growth

## Organic Growth Strategy

### Concentrate on the Core - *win with winners*

- Deepen and expand core business
- Grow category in partnership with customers
- Scale under-developed customers and channels
- Demonstrate our compelling value proposition

**Optimize and Diversify Portfolio** – Continued focus on high growth species & continued diversification, profitable mix.

**Launch Innovations** – Showcase “new and different” innovations, emphasis on value and premium offerings and high growth species, to drive continued differentiation of our brands.

## Strategic Investments



## Disciplined M&A Across Value Chain

**Patient, opportunistic investor in a dynamic global seafood market**





# Our Robust Balance Sheet & Focus on Value Creation



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## Solid Q3 2024 Performance

### Q3 2024:

- Adjusted EBITDA growth, as well as sequential improvement to sales and volume
- Challenging market conditions impacted volume offset by strong execution
- Encouraging early signs of top line improvement, secured expanded distribution
- Optimistic Outlook - confident that HLF will deliver Year Over Year Adjusted EBITDA Growth for 2024 and continue to successfully navigate market conditions

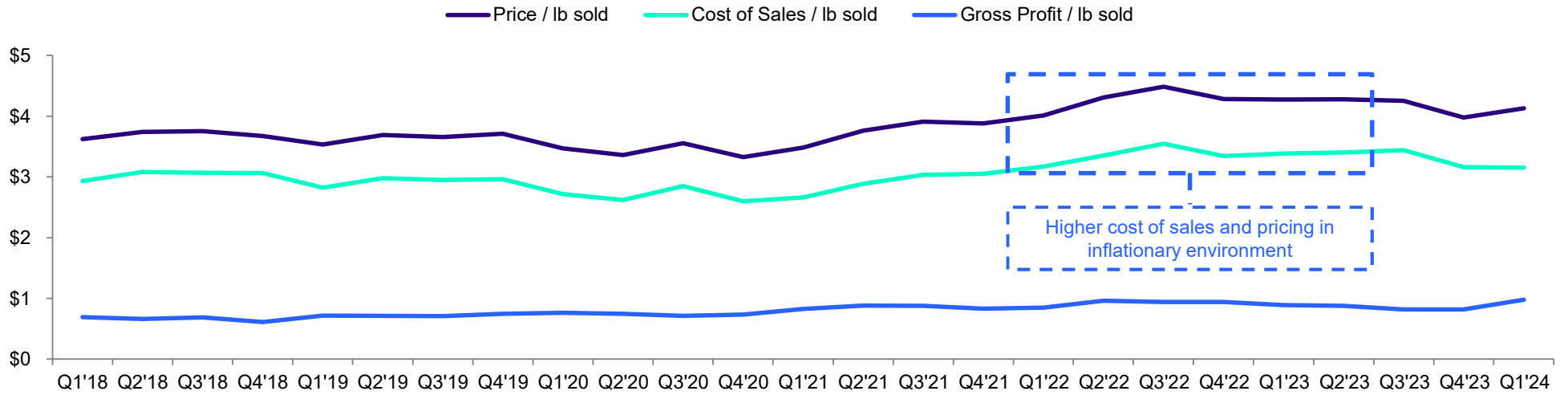
### Key Highlights\*

- Adjusted EBITDA increased by \$1.5 million (7.5%) to \$21.5 million
- Sales decreased by \$30.8 million (11.9%) to \$228.9 million
- Gross profit as a percentage of sales increased to 21.1% compared to 19.1%
- Volume decreased by 4.2 million pounds (6.9%) to 56.8 million pounds

*\*Key financial results reported in U.S. dollars ("USD"), for the thirteen weeks ended September 28, 2024, or the third quarter of 2024. Unless otherwise noted, all comparisons are relative to the third quarter of 2023*

# We Have Demonstrated Ability to Protect Margins During Volatile Markets

## Price, Cost of Sales and Gross Profit per Pound Sold



# We Have Strong Free Cash Flow

Free Cash Flow and Cash Conversion



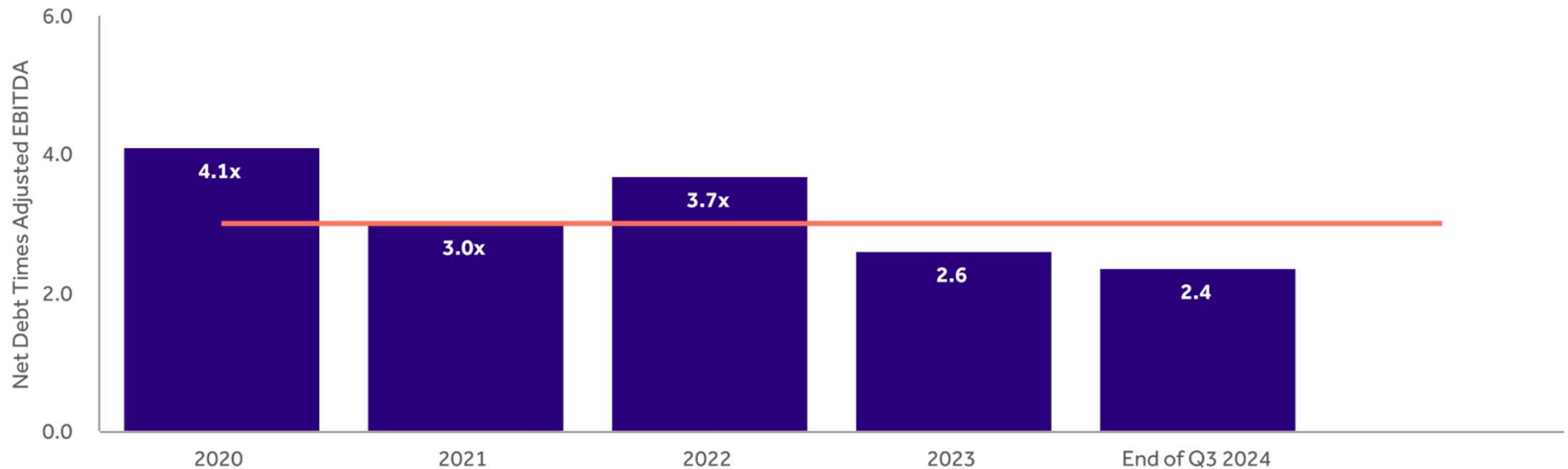
Note: Financials presented per public filings.

1. Free Cash Flow defined as Adjusted EBITDA less CapEx. Free Cash Flow Conversion defined as Free Cash Flow / Adjusted EBITDA.

# We Have Manageable Leverage Profile

## Debt Leverage Ratio

Net Debt\* to Trailing 12-Month Adjusted EBITDA\*

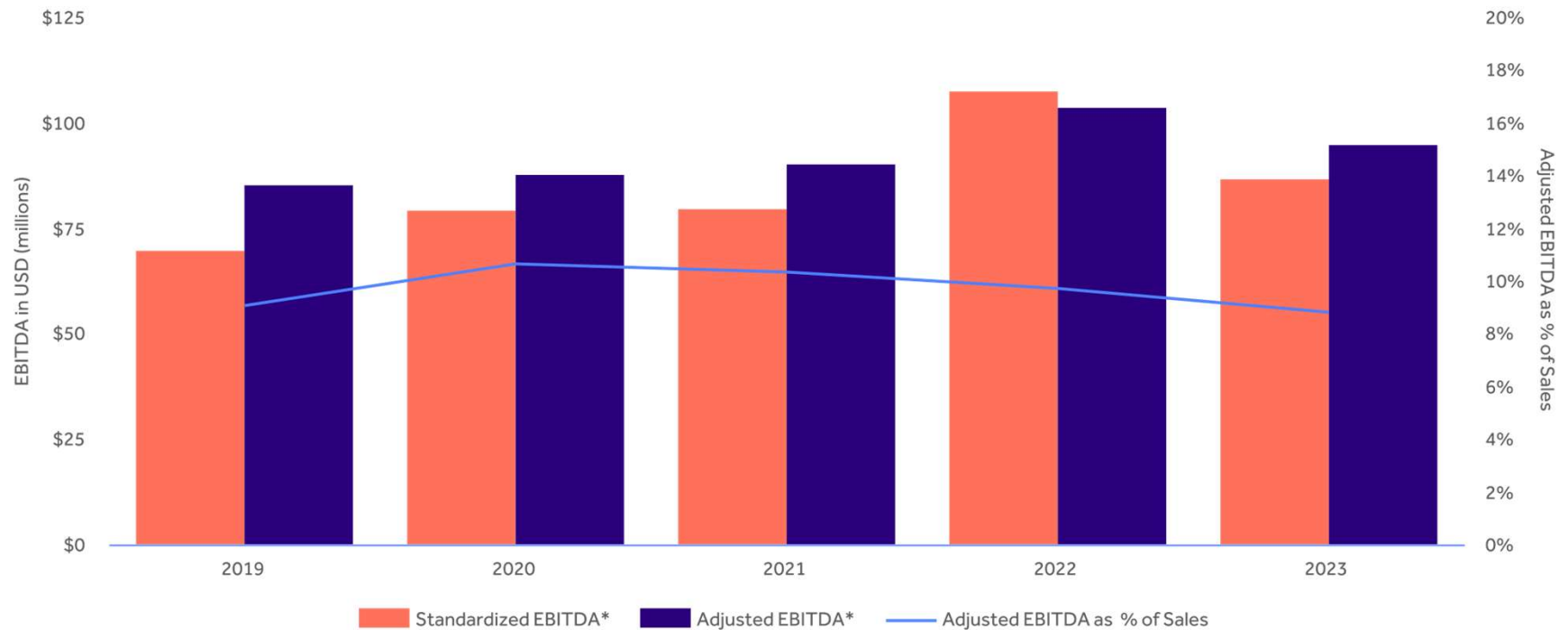


\*Please refer to the Company's MD&A for Q3 2024 for the definition of non-IFRS financial measures "Net Debt" and "Adjusted EBITDA"

- Net Debt\* to Rolling Twelve-Month Adjusted EBITDA\* was 2.4x at the end of Q3 2024 and 2.6x at the end of Fiscal 2023 compared to 3.7x at the end of Fiscal 2022. In the latter half of Fiscal 2022, this ratio rose due to increased investment in working capital and inflation in raw materials. By the second half of 2023, the Company had reverted to normal working capital levels.
- In the absence of any major acquisitions or unplanned capital expenditures in 2024, we expect this ratio to remain lower than the Company's long-term target of 3.0x at the end of Fiscal 2024.

# 5 Year EBITDA History

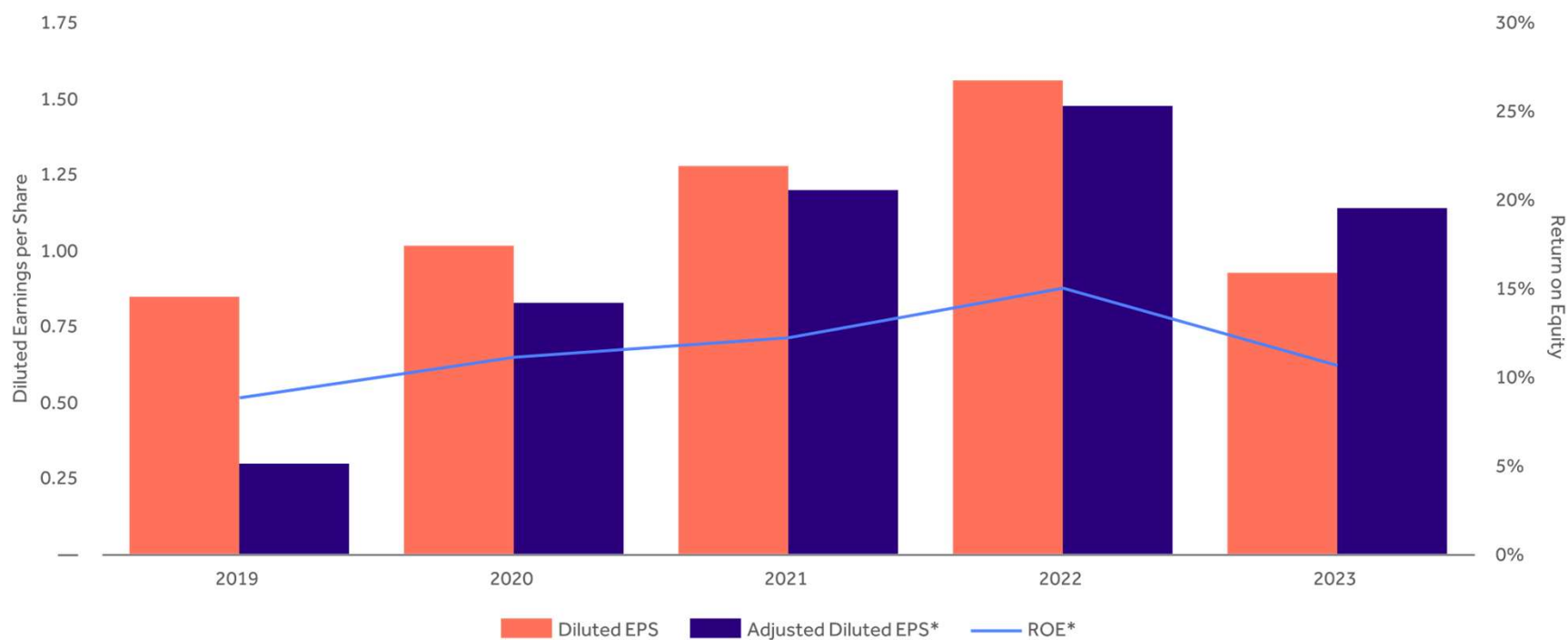
Earnings before Interest, Taxes, Depreciation & Amortization



\*Please refer to the Company’s MD&A for Fiscal 2023 for definition of non-IFRS measures “Standardized EBITDA” and “Adjusted EBITDA”

## 5 Year EPS and ROE\* History

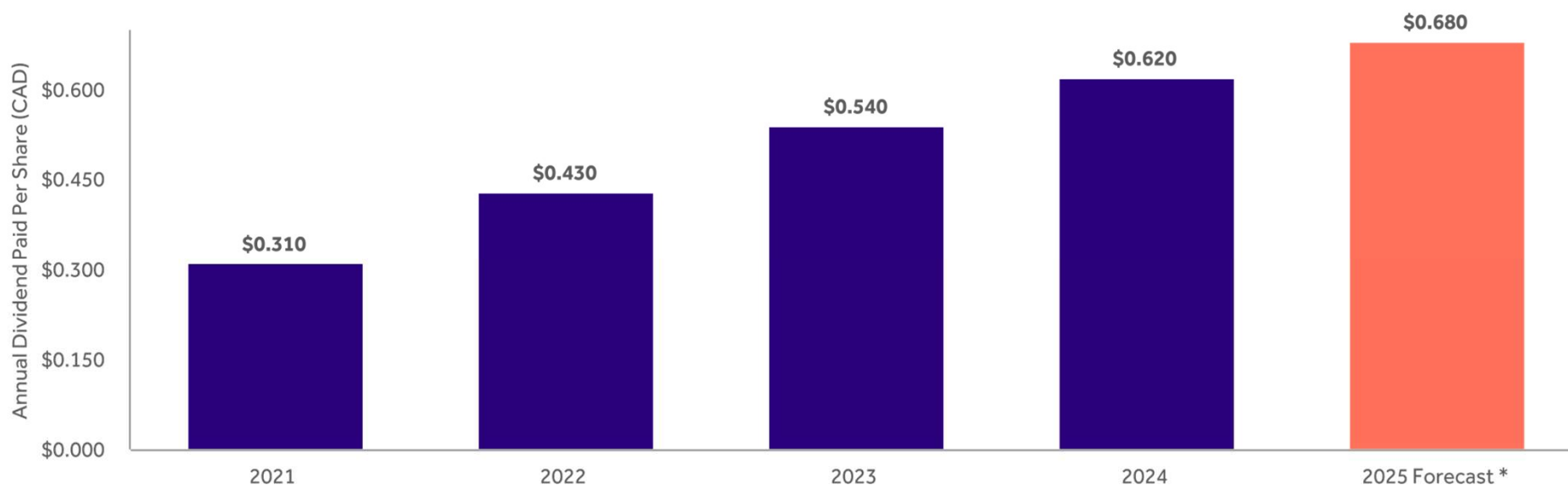
Earnings per Share (EPS) and Return on Equity (ROE)



\*Please refer to the Company's MD&A for Fiscal 2023 for definition of non-IFRS measures "Adjusted Diluted EPS" and "Return on Equity"

## Our Track Record of Returning Capital to Shareholders

Dividend History



*\*On November 8, 2024, the Board approved a quarterly dividend of CAD\$0.17 per common share.*

Our growing and sustainable dividend is part of our disciplined approach to capital investment to fuel organic growth, M&A and return of capital to shareholders.

## HLF = An Attractive Investment Proposition

- Diversified business model, portfolio and global supply chain
- Competitively positioned in large stable North American Frozen Seafood Market
- Established and respected brands and relationships
- Experienced management team with proven track record
- Long-term financial stability
- Resilience across market cycles
- Stable and growing dividend
- Strong balance sheet
- Significant market opportunity

Stability, Income & Upside Potential

A top-down photograph of a light-colored ceramic plate filled with several skewers of grilled shrimp. The shrimp are golden-brown with visible grill marks and are garnished with fresh green herbs, thin slices of red chili, and shredded yellow cheese. The plate is set on a rustic, weathered wooden table. In the background, a glass of water and a small metal bowl are partially visible. A white semi-circular graphic element is overlaid on the left side of the image, containing the main text.

# An Attractive Investment Proposition

# Thank You!

The Company's news release, MD&A and Financial Statements can be found in the Investor Center section of the High Liner Foods website. Please visit [www.highlinerfoods.com](http://www.highlinerfoods.com) for more details.

