

Lerøy Seafood Group ASA

Full Rating Report

LONG-TERM RATING

BBB+

OUTLOOK

Stable

SHORT-TERM RATING

N2

PRIMARY ANALYST

Geir Kristiansen
+4790784593
geir.kristiansen@nordiccreditrating.com

SECONDARY CONTACTS

Christian Yssen
+4740019900
christian.yssen@nordiccreditrating.comElisabeth Adebäck
+46700442775
elisabeth.adeback@nordiccreditrating.com

RATING RATIONALE

Our 'BBB+' long-term issuer rating on Norway-based Lerøy Seafood Group ASA reflects the company's relatively strong market position in the profitable salmon farming industry. It also reflects the breadth of its operations as a fully integrated seafood producer with significant wildcatch, processing and distribution capabilities. The rating further reflects the company's moderate financial leverage and strong cash flow, which should allow it to maintain a high level of investment, if necessary, to keep up with technological developments and create revenue growth.

The rating is constrained by the seafood sector's historical earnings volatility due to unstable prices as a result of variable supply and the fact that salmon farmers are effectively price takers, particularly in recurring periods of oversupply. It is also constrained by environmental and disease-related challenges, with the industry particularly impacted by high costs for treating sea lice and winter wounds, which require investment in new farming technology. These factors have contributed to volatile EBITDA margins despite strong credit metrics.

STABLE OUTLOOK

The outlook is stable, reflecting our view that moderate supply growth will support global salmon prices over the next three years. We expect average prices above NOK 90 per kg over this period, assuming a stable EUR/NOK currency rate, albeit with marked seasonality. We also expect operational costs to fall in the remainder of 2025 and 2026 due to lower feed costs and disease-related expenses. In addition, we assume that regulatory changes will have no significant negative impact on the company's operations.

POTENTIAL POSITIVE RATING DRIVERS

- More stability in supply leading to reduced price uncertainty.
- Reduced costs and improved margin stability due to reduction of biological problems.

POTENTIAL NEGATIVE RATING DRIVERS

- Lower demand for Norwegian and Atlantic salmon in general.
- Higher financial leverage leading to interest coverage below 10x, or funds from operations (FFO)/net debt below 45% over a protracted period.
- Increased biological problems such as disease and sea lice.

Figure 1. Key credit metrics, 2021–2027e

NOKm	2021	2022	2023	2024	2025e	2026e	2027e
Revenues	23,136	26,652	30,906	31,121	32,681	34,315	36,031
EBITDA	3,791	4,736	4,670	4,349	5,894	6,540	6,871
EBITDA margin (%)	16.4	17.8	15.1	14.0	18.0	19.1	19.1
FFO	3,189	3,923	3,648	2,771	5,274	5,671	5,345
Net debt	4,764	6,017	6,743	10,186	8,908	7,595	6,640
Total assets	34,194	37,062	41,419	42,831	44,346	46,346	48,054
Net debt/EBITDA (x)	1.3	1.3	1.4	2.3	1.5	1.2	1.0
EBITDA/net interest (x)	17.6	16.6	11.0	8.1	11.3	13.9	15.3
FFO/net debt (%)	66.9	65.2	54.1	27.2	59.2	74.7	80.5
FOCF/net debt (%)	54.2	22.0	24.4	-4.8	39.1	46.5	47.8

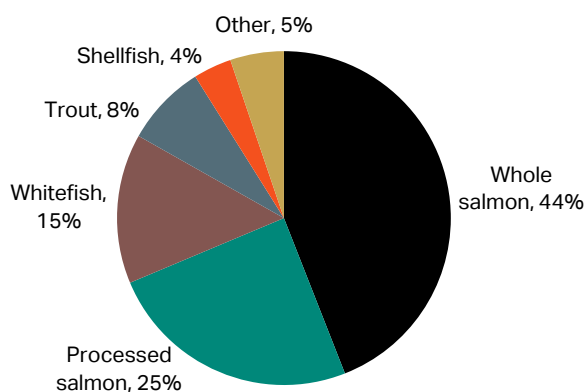
Source: company and NCR. e=estimate. FOCF=free operating cash flow. All metrics adjusted in line with NCR methodology.

ISSUER PROFILE

Lerøy Seafood traces its roots back to 1939 as a seafood wholesaler and exporter. It bought its first wholly owned salmon farming operation in 2003 and has developed into a fully integrated international seafood supplier with three business segments: Farming; Value Added Processing, Sales and Distribution (VAPSD); and Wildcatch. The VAPSD segment is among the largest seafood processors in Europe and generates most of Lerøy Seafood's revenues. The Wildcatch segment comprises Norway's largest fishing company, Lerøy Havfisk (Havfisk), which owns and operates 10 trawlers and 10 processing plants, and whitefish processor and distributor Lerøy Norway Seafood, which takes deliveries from more than 600 fishing vessels. These businesses were acquired in 2016. In addition, Lerøy Seafood owns 50% of UK salmon farmer Scottish Sea Farms Ltd. through a joint venture with SalMar ASA.

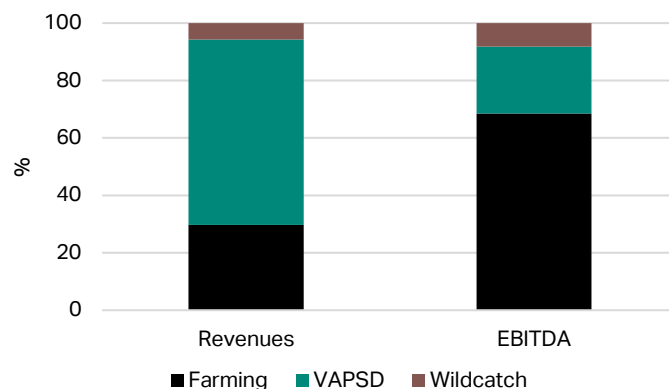
Austevoll Seafood ASA, a pelagic fishery company, became Lerøy Seafood's majority owner in 2008 and currently holds 52.7% of the shares. Some 55.6% of the shares in Austevoll Seafood are owned by Laco AS, an investment company owned by the Møgster family. Both Lerøy Seafood and Austevoll Seafood are listed on the Oslo Stock Exchange.

Figure 2. Operating revenue by product, 2024



Source: company.

Figure 3. Revenue and EBITDA by segment*, 2024



Source: company. *Fair value adjustments and eliminations not included.

BUSINESS RISK ASSESSMENT

Business risk assessment

Lerøy Seafood generates most of its profit from salmon farming, where it is among the world's largest operators. The market for salmon is characterised by increasing demand and limited, albeit volatile, supply growth. Historically, this has led to variable but generally strong margins in the sector. The company is Norway's largest seafood processor and distributor and a major operator in European terms. Seafood processing and distribution is characterised by low but relatively stable margins. The Wildcatch segment is small but generates good margins and provides products for the company's sales platform. Historically, Lerøy Seafood's margins have been close to the industry average.

Volatile prices and costs driven by biological challenges

Operating environment

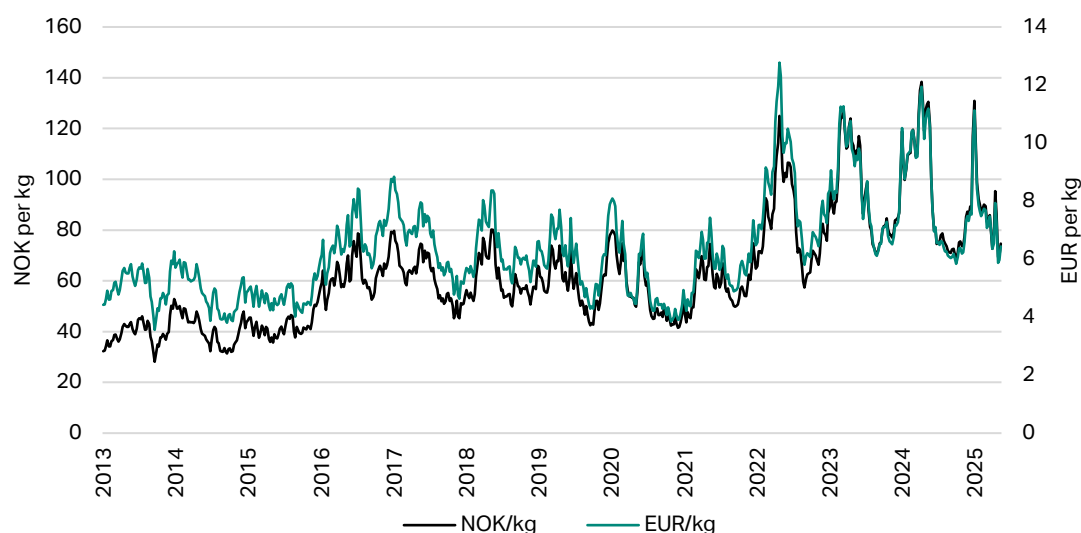
Increased US tariffs have increased uncertainty in the salmon sector as American consumers account for more than 20% of global salmon consumption. While most salmon consumed in the US is imported from Canada and Chile, America is also an important market for Norwegian producers. About 5% of Norwegian salmon by volume and 8% by value is exported to the US, while in 2024 about 6% of Lerøy Seafood's revenues came from the US. The global nature of the salmon market suggests that increased tariffs will lead to rerouting of trade flows, with European exporters redirecting their products to alternative markets and US importers seeking other suppliers. Significant price increases in the US could negatively affect demand and global pricing, though we would expect any such impact to be moderate as salmon demand typically shows low sensitivity to price changes.

In a white paper on aquaculture, the Norwegian government proposed changes in regulations which could have a significant impact on Lerøy Seafood, particularly its operations in western Norway. However, Last week, there was a cross-party agreement in the Storting to postpone extensive changes to the licensing system until thorough impact assessments have been completed.

We expect Norwegian farmed salmon prices to remain flat through 2027, mainly as a result of moderate to low supply growth. Positively, significant improvements in fish health have led to strong supply growth since the beginning of 2025 and we believe that biomass restrictions will lead to modest growth by year-end. However, at the time of writing, we see near-term downside risk to our previous estimates on the basis of a forward price of NOK 78 per kg in the remainder of the year

Supply of wildcatch is mainly dependent on licence rights and quotas. While the wider fishing industry has shown good profitability in recent years, the fish processing industry has struggled with low profitability due to regulatory challenges and seasonality of supply.

Figure 4. Salmon prices Oslo (Fish Pool Index), 2013-May 2025



Lerøy Seafood third-largest global farmer of salmonids

Lerøy Seafood harvested 171,000 tonnes (all weights gutted) of Atlantic salmon and rainbow trout in Norway in 2024. Central Norway produced 40% of volumes, Western Norway 34%, and Northern Norway 26%. Including 50% of Scottish Sea Farms' production (20,000 tonnes), Lerøy Seafood is the largest trout farmer and third-largest farmer of salmon and trout both in Norway and globally. In 2024, harvesting volumes increased by 7% in Norway and 62% in the UK due to biological improvements. The company expects volumes to grow by 14% in Norway in 2025 due to operational and further biological improvements. Lerøy Seafood expects 2025 volumes from the UK operation to decline by 20% year on year due to reduced harvesting.

Market position

Figure 5. Norway's largest salmon farmers, 2023

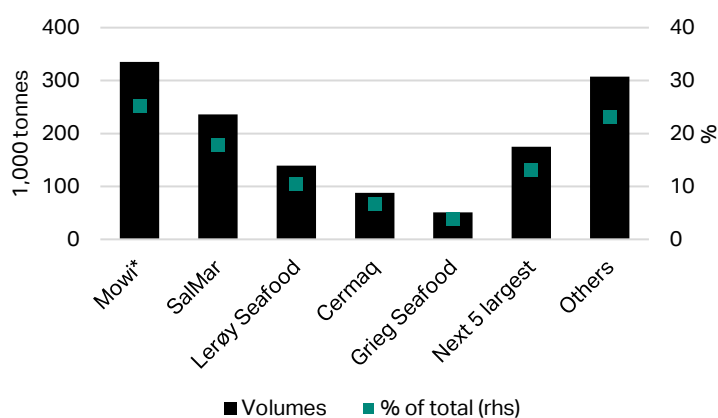
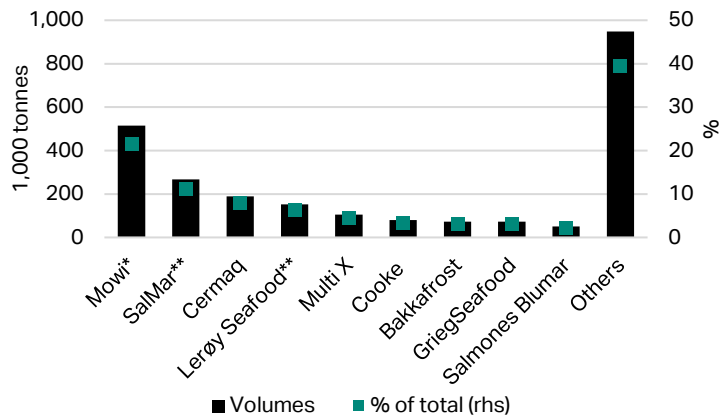


Figure 6. Largest global salmon farmers, 2023



Lerøy Seafood is the leading distributor of seafood in Norway and supplies major markets across Europe. About 70% of volumes handled by the VAPSD segment come from the company's own farming and fishing operations. The European and global seafood processing industry is extremely fragmented. The EU alone has about 3,500 seafood processors with total annual turnover of about EUR 35bn.

We believe that biomass restrictions imposed by licences and the large investments needed to scale up production represent major barriers to entry to salmon farming. We expect increased investments to satisfy legal requirements and improve salmon welfare (in particular, the problem of sea lice) to trigger further consolidation in the sector. In our opinion, Lerøy Seafood will maintain a favourable market position and we believe the company is well placed to participate in any consolidation of the industry. We also believe that this makes growth through acquisitions a more attractive option.

Havfisk has licence rights to harvest about 9% of total Norwegian cod quotas in the zone north of 62 degrees latitude, corresponding to around 30% of the total quota allocated to the national trawler fleet. The total catch in 2024 was 65,000 tonnes, down from 76,000 tonnes in 2022. The 2024 harvest was negatively impacted by a 34% reduction in the cod quota and a 43% reduction in the haddock quota. Havfisk's cod quota for 2025 is down by a further 32%, of which 7pp is due to reallocation of the quota to the coastal fleet from the trawler fleet.

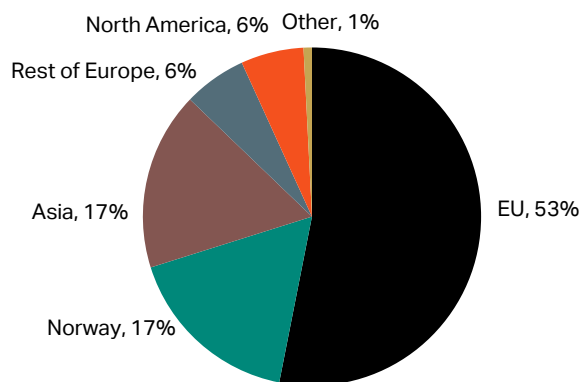
Product diversity greater than peer group average

Size and diversification

Lerøy Seafood has greater product diversity than most of its peers, which reduces the negative impact of Norway's recently introduced aquaculture resource rent tax on the company in comparison with competitors with a greater focus on salmon farming. However, its profitability is dependent on salmon prices internationally, particularly in Europe. The company generates more than half of its revenues in Europe but exports a significant amount of production to Asia and North America.

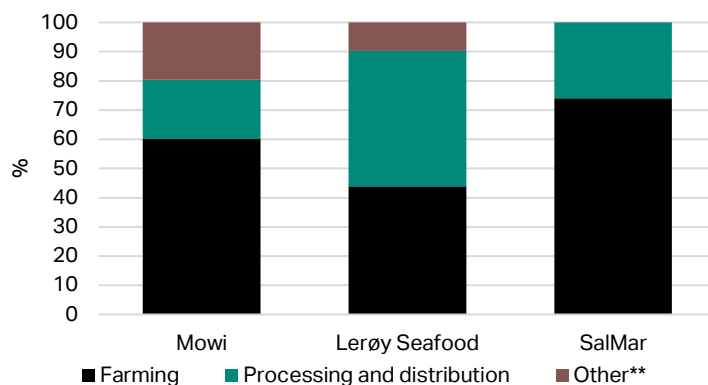
Lerøy Seafood is a fully integrated producer, and a significant proportion of its production and catch is processed at its own processing plants. Secondary processing (filleting, portioning, slicing, marinating, and coating) adds less value to the bottom line than farming due to the fragmented and competitive nature of the international processing industry but increases flexibility in production and offers some protection against low prices. Moreover, it reduces the company's environmental footprint by lowering the volumes transported to end-customers. The broad and fragmented client base of retailers, secondary processors, and buyers in the hotel, restaurant and catering industries means that individual customers generally act as price takers.

Figure 7. Revenues by geographic market, 2024



Source: company.

Figure 8. Large Norwegian salmon farmers, breakdown of revenues*, 2024



Source: NCR and company. *Eliminations subtracted from processing and distribution revenues. **Other: Mowi: Feed, Lerøy Seafood: Wildcatch.

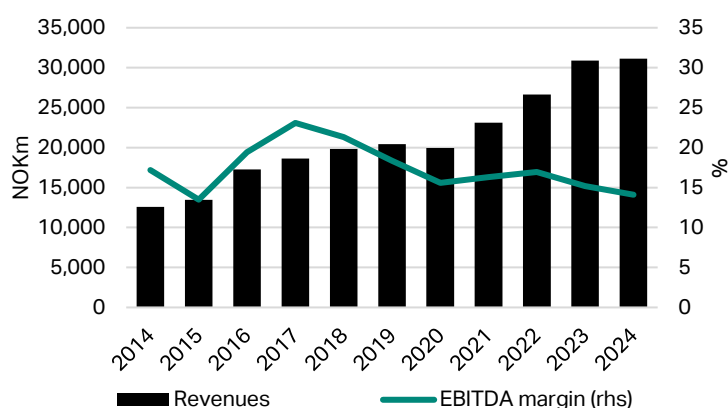
Raw material prices lower and fish health improves

Operating efficiency

Industry operating costs per kg of harvested salmon increased by an average of about 9% annually over the decade ended 2024. Feed accounts for more than 40% of operating costs, which have increased significantly in recent years. However, prices for feed ingredients (fishmeal, fish oil, vegetable meal and vegetable oil) have decreased by about 30% since 2023 and we expect this to contribute to lower operating costs in 2025 and 2026. Fish health and biological costs (11% of total costs) also drive costs, which most likely have peaked, not least due to lower sea lice levels. Accordingly, we believe that cost of goods sold will fall in 2025 and 2026, after two challenging years. In addition, the company hopes to reduce costs significantly by end-2025 through an initiative branded the "Lerøy Way", which aims to improve processes and salmon quality.

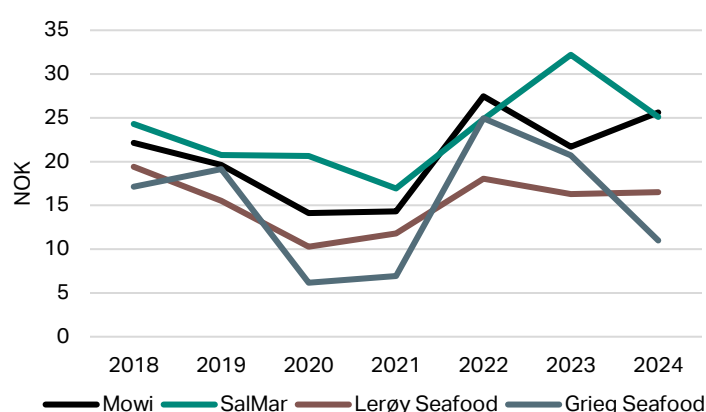
In 2023 and 2024, Lerøy Seafood's margins were negatively affected by biological costs. However, Norwegian salmon health is currently strong, partly due to a new vaccine against bacteria causing winter wounds and more effective protection against sea lice. Lerøy Seafood has been investing in shielding technology and expects that 50% of harvested fish in 2025 will be from submersible pens. This technology has reduced the need for lice treatment by 85%. In addition, Lerøy Seafood is increasing rainbow trout production in western Norway, while reducing Atlantic salmon production as trout have proven more resilient to sea lice (due to farming in brackish water). Negatively, due to a ban on exports to Russia, trout prices have been generally lower than salmon prices in recent years, albeit more stable.

Figure 9. Revenues and EBITDA margins, 2014–2024



Source: company.

Figure 10. Norwegian salmon farmers' EBIT/kg*, 2018-2024



Source: Mowi, NCR. *Operational EBIT Norwegian operations.

Historically, the VAPSD segment's margins have been low but stable, and it has generated more predictable cash flow than the more volatile Farming segment. The VAPSD segment has been cutting unprofitable business lines and implementing best practices. In 2024, operating EBIT rose by 38% year on year to NOK 0.9bn, and the company is targeting NOK 1.25bn in 2025.

The Wildcatch segment reported an EBIT margin of 4.9% in 2024, down from 8.5% in 2023. Since fishermen's remuneration is linked to the value of the catch, labour costs in this segment are highly volatile. The whitefish processing activities constrain margins, but these operations are difficult to streamline since fishing licences are conditional on the fishing company having operations on land.

FINANCIAL RISK ASSESSMENT

Financial risk assessment

Our financial risk assessment reflects Lerøy Seafood's strong balance sheet and cash generation. However, we view the company's risk appetite as greater than warranted by its credit metrics. In addition, we consider the company's volatile EBITDA margins and recent history of paying dividends above policy targets as a further risk factor. We consider Lerøy Seafood to have adequate policy headroom but believe the company will have to undertake high levels of investment to keep up with technological developments and generate revenue growth.

Ratio analysis

Strong balance sheet and cash flows

Lerøy Seafood has undertaken heavy investments in farming technology as well as smolt and processing capacity but still has strong credit metrics in absolute terms even though they are only average in the context of its peer group. The company's strategy is to build capital during economic upturns to make value-creating transactions in downcycles. In addition to about NOK 1bn in maintenance and smaller upgrades, Lerøy Seafood plans to invest NOK 550m in sea lice shielding technology by end-2025. The company is also planning to invest NOK 175m in post smolt projects and NOK 150m in wildcatch projects.

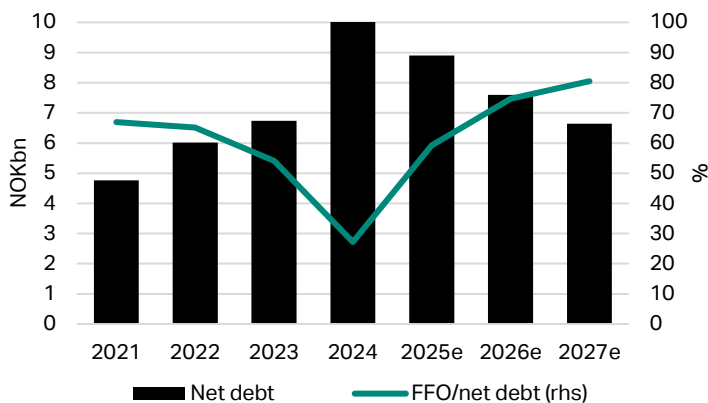
Because Norway's resource rent tax is based on EBITDA levels, we attribute more weight to credit metrics based on FFO, which is negatively affected by the increased tax level.

Figure 11. Key base-case forecast assumptions and credit metrics, 2025e–2027e

NOKm	2025e	2026e	2027e
Revenue growth (%)	5.0	5.0	5.0
EBITDA margin (%)	18.0	19.1	19.1
Average interest rate (%)	5.5	5.3	5.3
Capital spending (NOKm)	2,000	1,500	1,500
Dividend payment (NOKm)	1,537	1,537	1,537
Net debt/EBITDA (x)	1.5	1.2	1.0
EBITDA/net interest (x)	11.3	13.9	15.3
FFO/net debt (%)	59.2	74.7	80.5
FOCF/net debt (%)	39.1	46.5	47.8

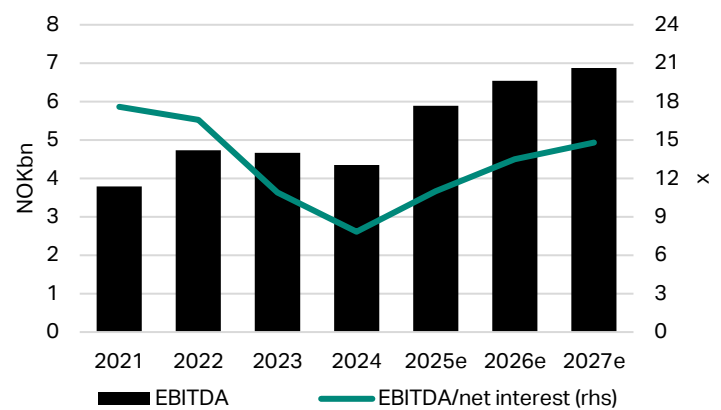
Source: company and NCR. e=estimate. All metrics adjusted in line with NCR methodology.

Figure 12. Net debt and FFO/net debt 2021–2027e



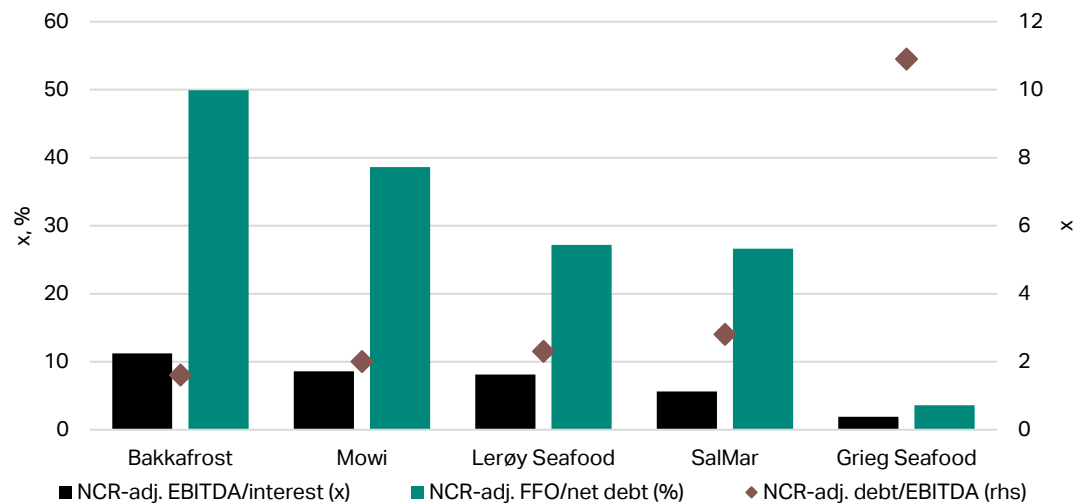
Source: company and NCR. e=estimate.

Figure 13. EBITDA and EBITDA to net interest, 2021–2027e



Source: company and NCR. e=estimate.

Figure 14. Peer group adjusted credit metrics, 2024



Source: companies.

Technological advances in salmon farming could create need for larger investments

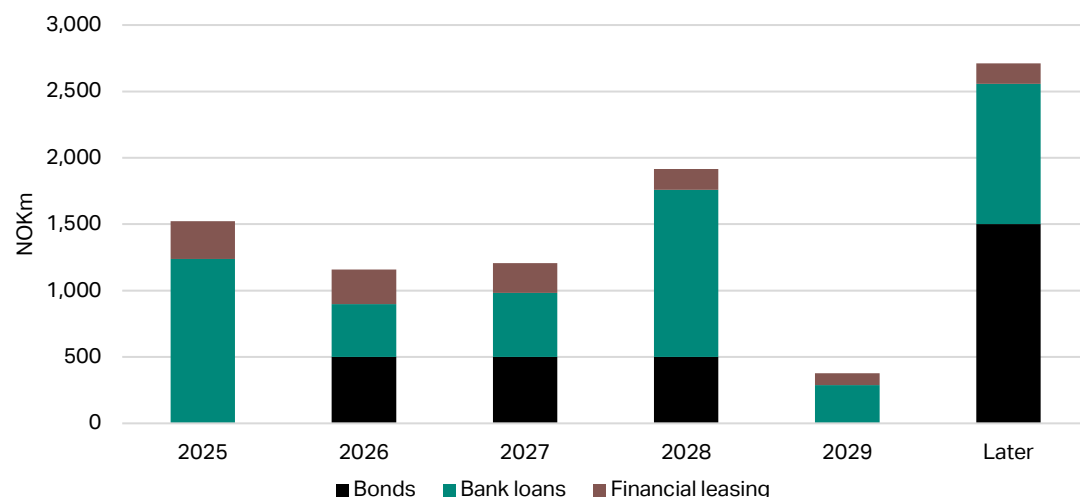
We view Lerøy Seafood's risk appetite as greater than warranted by its current financial ratios. The company has a history of volatile credit metrics, largely due to price fluctuations but also due to the unpredictable cost base of its farming operations. We view its recent history of paying dividends well in excess of policy targets as an additional risk factor.

Lerøy Seafood issued a total of NOK 3bn in green bonds in 2021 and 2023, with tenors of five to 10 years, materially extending its debt maturity profile. The company has a minimum equity ratio requirement of 30% in its financial policy and bank covenants; the current level is 52%.

Risk appetite

We note that Lerøy Seafood's financial policy allows for increased financial gearing. We believe that the company, in line with the wider sector, will need to make substantial investments to counter biological challenges and keep up with advances in farming methods and technologies. However, unlike its peers, the company has not utilised supply chain financing. The median dividend payout ratio has been 52% over the past 10 years, which is more aggressive than its dividend policy of 30-40% of net profits over time. We believe that the company's owners will continue to require high dividend payments.

Figure 15. Debt maturity profile, as of 31 Dec. 2024



Lerøy Seafood has a history of acquisitions during periods of weak market conditions. The last significant transaction by the Farming segment was in 2013, when it acquired Villa Organic AS. Lerøy Seafood's largest acquisition to date was in 2016 when Havfisk and Norway Seafood were bought for NOK 3.2bn. In addition, the company has made several bolt-on acquisitions.

In 2024, 75% of Lerøy Seafood's operating revenues were denominated in foreign currencies, the largest being the euro (43%) and the US dollar (21%). Contractual sales are hedged and sales revenues adjusted for the effect from currency forward contracts. About 6% of interest-bearing debt is denominated in foreign currencies, primarily the Danish krone (which is pegged to the euro). We do not see currency risk as a significant factor in the short term, although changes in the EUR/NOK exchange rate in particular have a direct impact on revenues.

ADJUSTMENT FACTORS

Adjustment factors

Adjustment factors are assessed as neutral and have no effect on our standalone credit assessment.

Liquidity

Liquidity

Our 12-month liquidity analysis is based on a stressed scenario in which the company cannot access the capital markets or extend bank loans, and therefore has to rely on internal or committed external funding sources to cover its liquidity needs. We typically expect a company with an investment grade rating ('BBB-' or above) to cover its liquidity needs, with limited need for external funding over the coming 12 months.

We assess Lerøy Seafood's liquidity position as adequate. The company has a liquidity surplus of NOK 6bn, representing 2.7x uses, over the 12 months ending 31 Mar. 2026. In addition, it has good access to available credit facilities.

Figure 16. Liquidity analysis (stressed scenario) 1 Apr. 2025–31 Mar. 2026

Liquidity, next 12 months	Amount NOKm
Unrestricted cash and cash equivalents (100%)	2,303
Proceeds from borrowings	0
Adjusted FFO (75%)	4,000
Change in working capital	200
Unutilised credit facilities	3,000
Total sources	9,503
Repayment of borrowings	-1,500
Dividends	-1,536
Committed capital spending	-500
Total uses	-3,536
Sources/uses (x)	2.7
Sources-uses (NOKm)	5,967

Source: company and NCR.

Environmental, social and governance factors

ESG factors

The main environmental, social and governance (ESG) issues that could affect our credit rating on Lerøy Seafood are factors that could contribute to loss of revenue, increased operational costs, increased capital spending, loss of value of assets, decreased access to funding, or loss of operating rights. In this context, the main credit risks are fish health and emissions and their potential impact on the social perception of fish farming and fish as a sustainable source of protein. Increasing capital spending to comply with changing regulations could further strain liquidity. However, we see Lerøy Seafood's liquidity position as solid and expect that the company could easily adapt to changing regulations. Salmon is a relatively environmentally friendly protein source with a significantly smaller footprint than that of beef, at 5.1 kg carbon equivalent per kilo of edible product compared with 39 kg.

Fish farming is not yet incorporated into the EU Taxonomy. However, since 2023, Lerøy Seafood has reported in accordance with the EU Taxonomy's formal requirements.

The EU has accused Lerøy Seafood and five other Norwegian salmon farmers of exchanging sensitive information to reduce market uncertainty about spot sales. The companies deny any such collusion. An investigation is ongoing, and an appeal could take about five years. A penalty of up to 10% of revenues is possible, but is likely to be significantly lower, if any, on the basis of comparable cases. We believe that the risk is sufficiently accounted for in our financial risk assessment. A similar investigation, initiated by US antitrust regulators, was closed in January 2023, with Lerøy Seafood paying a settlement of NOK 209m.

Figure 17. ESG considerations

Issue	Risk	Mitigating efforts	Results
Fish health	Loss of revenue through early harvesting or mortality. Increased costs due to treatment. Reduced revenue potential due to lower volume growth. Diseases could affect consumer perception of salmon as a healthy protein source.	Investments in sea lice shielding technology. Medical treatments such as baths and through feed. Vaccination. Targets zero antibiotics but emphasises fish welfare in compliance with legislation. Target survival rate of 94.5% at sea.	0.22 adult female lice per fish in 2024, compared with 0.18 in 2023. 219 kg antibiotics in 2024 compared with zero for the three previous years. Survival rates of 94.4% (91.5%) at sea were recorded in 2024.
Corporate governance	Potentially substantial penalties if, for example, found guilty in anti-competitive practices.	Code of conduct and guidelines on corporate social responsibility.	Ongoing EU investigation. NOK 209m in settlement costs in US anti-competitive case in 2022.
Escapes	Loss of revenues and increased costs. Escapes impact the environment and negatively affect wild salmon. Could result in restrictions on open cages.	Continuous work on quality of pens. Close cooperation with local fishermen to catch escaped fish. Targets zero escapes.	13,478 escapes in 2024 (15,030), mostly in an incident related to treatment.
CO ₂ emissions	Any increase in related regulation and taxation could reduce operating efficiency and access to funding. Regulatory requirements could increase capital spending significantly.	Increased focus on renewable energy such as battery/hydrogen power for service boats. Climate target (approved by the UN-led Science Based Targets initiative) aims to reduce emissions by 46% in the 2019-2030 period.	CO ₂ emissions were down by 4.7% in 2024. 91% of CO ₂ emissions in 2024 were Scope 3 emissions.
Fish feed ingredients	Use of both unsustainable plant-based ingredients and marine products could attract regulatory scrutiny and negatively affect consumer perceptions.	Aims to use suppliers with sustainability certification. Developing feed with low-carbon ingredients, utilising residual raw materials, and exploring new technologies to reduce Scope 3 emissions.	More than 90% of marine ingredients were certified in 2023 (95%), supported by own production through waste from wildcatch. 100% traceability was achieved. 70% of feed ingredients are plant based. In total, about 50% of raw materials are certified.

Source: company. See [ESG factors in corporate ratings](#).

OWNERSHIP ANALYSIS

Ownership

Lerøy Seafood's majority owner is Austevoll Seafood, a pelagic fishery company controlled by the Møgster family. Austevoll Seafood is an industrial owner which provides raw material for the fish feed industry, has expertise in fisheries, and owns a small salmon farming operation in western Norway. However, most of the holding company's pretax profit is generated by dividends from Lerøy Seafood.

We are not certain that Austevoll Seafood would contribute capital if Lerøy Seafood were to face an event of financial distress. Austevoll Seafood did not contribute to a NOK 2.2bn share issue to fund the acquisition of Havfisk and Norwegian Seafood Group in 2016, preferring to reduce its ownership stake to the current level of 52.7% from 62.6% previously.

Figure 18. Ownership structure, 31 Mar. 2025

Owner	Share of votes and capital (%)
Austevoll Seafood ASA	52.7
Folketrygdfondet	5.0
Ferd AS	2.3
Pareto Asset Management	2.2
Bank of New York Mellon	1.9
Top 5 owners	64.1
Other	35.9

Source: company.

ISSUE RATINGS

Lerøy Seafood is financed primarily through senior unsecured bonds, credit facilities and equity. We expect gross secured debt/EBITDA to remain below 2x over our forecast period (1.6x as of 31 Dec. 2024). Accordingly, we rate the company's long-term senior unsecured obligations 'BBB+', at the same level as the long-term issuer rating, reflecting the flat debtor hierarchy.

SHORT-TERM RATING

Lerøy Seafood's ratio of committed funding sources to uses is 2.7x according to our liquidity analysis. When this ratio is above 2x, we typically assign the higher of two possible short-term ratings, in this case 'N2', to reflect the company's liquidity profile relative to the 'BBB+' long-term issuer rating.

METHODOLOGIES USED

- (i) [Corporate Rating Methodology](#), 8 May 2023.
- (ii) [Rating Principles](#), 14 Feb. 2024.
- (iii) [Group and Government Support Rating Methodology](#), 14 Feb. 2024.

RELEVANT RESEARCH

- (i) [Norwegian farmed salmon prices likely to remain buoyant](#), 7 Feb. 2025.
- (ii) [Norway salmon farms face sharp tax hike](#), 29 Mar. 2023.

Figure 19. NCR's adjustments to credit metrics, 2021–2027e

NOKm	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	3,778	4,521	4,652	4,328	5,883	6,520	6,846
Non-recurring items		209*	15	16			
Dividends from JVs	14	6	3	6	11	20	25
NCR-adj. EBITDA	3,791	4,736	4,670	4,349	5,894	6,540	6,871
Net interest	-134	-179	-306	-377	-360	-309	-288
Financial costs from leasing	-82	-106	-117	-160	-160	-160	-160
NCR-adj. net interest	-215	-286	-423	-537	-520	-469	-448
NCR-adj. EBITDA	3,791	4,736	4,670	4,349	5,894	6,540	6,871
NCR-adj. net interest	-215	-286	-423	-537	-520	-469	-448
Tax paid	-387	-527	-599	-1,041	-100	-400	-1,077
NCR-adj. FFO	3,189	3,923	3,648	2,771	5,274	5,671	5,345
Changes in working capital	412	-1,711	-723	-1,598	213	-641	-673
Capital spending	-1,019	-887	-1,279	-1,665	-2,000	-1,500	-1,500
NCR-adj. FOCF	2,583	1,324	1,646	-491	3,487	3,530	3,173
Cash	4,203	3,305	4,323	3,325	4,603	5,916	6,871
Restricted cash	-137	-125	-125	-125	-125	-125	-125
NCR-adj. cash and equivalents	4,066	3,180	4,198	3,200	4,478	5,791	6,746
Gross debt	5,911	6,437	8,342	9,823	9,823	9,823	9,823
Leasing liabilities	2,916	2,756	2,599	3,563	3,563	3,563	3,563
Retirement benefit obligations	3	3					
NCR-adj. total debt	8,831	9,197	10,941	13,386	13,386	13,386	13,386
NCR-adj. cash and equivalents	-4,066	-3,180	-4,198	-3,200	-4,478	-5,791	-6,746
NCR-adj. net debt	4,764	6,017	6,743	10,186	8,908	7,595	6,640

Source: company and NCR. *See Environmental, social and governance factors. e-estimate. JVs-joint ventures.

Figure 20. Lerøy Seafood key financial data, 2021–2024

NOKm	FY	FY	FY	FY
Period-end	31 Dec. 2021	31 Dec. 2022	31 Dec. 2023	31 Dec. 2024
INCOME STATEMENT				
Revenue	23,136	26,652	30,906	31,121
EBITDA	3,778	4,521	4,652	4,328
EBIT	3,604	4,283	3,227	2,964
Net interest expense	-134	-179	-306	-377
Pre-tax profit	3,532	4,067	2,600	2,554
Net profit	2,781	3,165	211	2,693
BALANCE SHEET				
Property, plant and equipment	7,297	7,487	8,196	8,942
Intangible assets and goodwill	8,554	8,550	8,687	8,872
Other non-current assets	4,159	4,521	4,426	5,372
Total non-current assets	20,010	20,559	21,309	23,186
Cash and equivalents	4,203	3,305	4,323	3,325
Other current assets	9,981	13,198	15,786	16,320
Total assets	34,194	37,062	41,419	42,831
Total equity	19,323	21,024	19,897	21,167
Gross debt	5,911	6,437	8,342	9,823
Other liabilities	8,960	9,601	13,156	11,841
Total equity and other liabilities	34,194	37,062	41,395	42,831
CASH FLOW STATEMENT				
Pre-tax profit	3,532	4,067	2,600	2,554
Cash flow before changes in working capital	3,328	3,987	4,060	3,642
Changes in working capital	412	-1,711	-723	-1,598
Operating cash flow	3,740	2,275	3,337	2,044
Capital expenditure	-1,019	-887	-1,279	-1,665
Other investing activities	-422	-20	50	26
Cash from investing activities	-1,440	-908	-1,229	-1,638
Dividends	-1,202	-1,560	-1,529	-1,537
Share repurchases	-	-	-	-
Other financing activities	139	-706	439	133
Cash from financing activities	-1,063	-2,266	-1,090	-1,404
Cash and equivalents beginning of year	2,966	4,203	3,305	4,323
Cash flow for year	1,237	-898	1,018	-998
Cash and equivalents at end of year	4,203	3,305	4,323	3,325

Source: company. FY–full year.

Figure 21. Lerøy Seafood rating scorecard

Subfactors	Impact	Score
Operating environment	20.0%	bb
Market position	10.0%	bbb
Size and diversification	10.0%	a-
Operating efficiency	10.0%	bbb
Business risk assessment	50.0%	bbb-
Ratio analysis		a+
Risk appetite		bbb+
Financial risk assessment	50.0%	a-
Indicative credit assessment		bbb+
Liquidity		Adequate
ESG		Adequate
Peer calibration		Neutral
Stand-alone credit assessment		bbb+
Support analysis		Neutral
Issuer rating		BBB+
Outlook		Stable
Short-term rating		N2

Figure 22. Capital structure ratings

Seniority	Rating
Senior unsecured	BBB+

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