



HIGH LINER FOODS

Investor Presentation

November 2022

Reimagining Seafood **TO NOURISH LIFE**



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' Annual Report available on SEDAR (www.sedar.com) and in the Investor Center section of the High Liner Foods website (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.



Company Overview & Strategy

High Liner Foods at a Glance

- A publicly-traded Canadian company, listed on the Toronto Stock Exchange under the symbol 'HLF'
- A leading North American processor and marketer of value-added frozen seafood
- Over 120 years of seafood expertise
- Well-known core brands sold across the United States and Canada, in both the Retail and Foodservice channels



Investment Thesis

Why Seafood?

- Healthy - for people and the environment
- Attractive market demographics
- Under consumed vs. dietary guidelines = opportunity
- Versatile - the original protein alternative

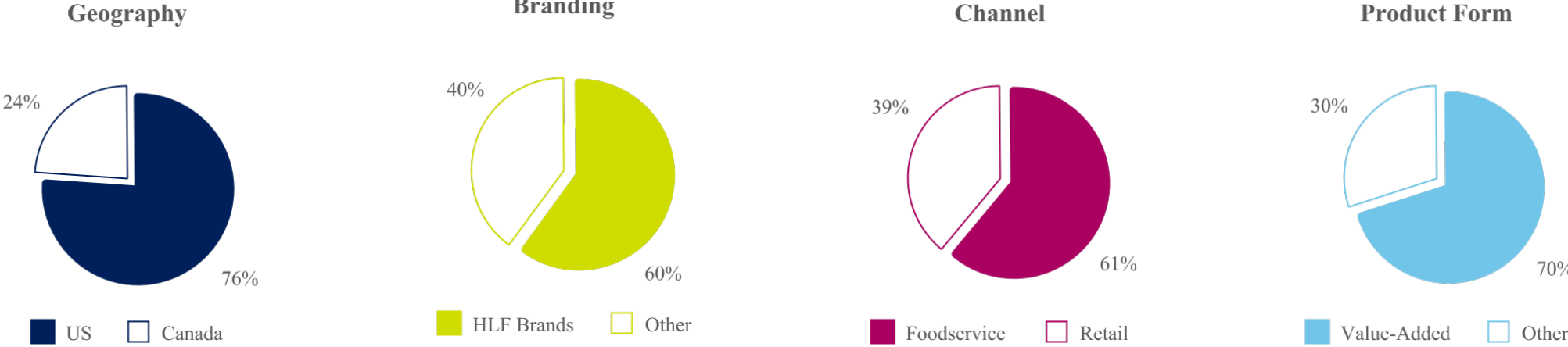
Why High Liner Foods?

- Over 120 years of seafood expertise
- A North American leader in value-added frozen seafood
- Broad market reach and market-leading brands
- Integrated North American operations supported by global seafood procurement expertise
- Diversified product portfolio
- Leader in innovation and sustainability

Why Now?

- Proven ability to deliver strong results while navigating through unprecedented challenges presented by the pandemic and global supply chain environment validating the strength and resilience of our business
- Increased liquidity and financial flexibility to support continued investment in our business to drive our braded, value-added leadership strategy. This is further supported by the October expansion of our Asset Backed Loan facility from \$150M to \$200M
- Well positioned to navigate and capitalize on the current market conditions to drive further revenue growth, profitability and deliver continued year-over-year EBITDA growth

A North American Leader in Value-Added Frozen Seafood with a Diversified Portfolio



Based on 2021 Sales lbs

- #1 frozen seafood manufacturer and #1 frozen value-added seafood manufacturer in Canadian retail market⁽¹⁾
- #1 prepared frozen fish manufacturer and #4 frozen value-added seafood manufacturer in U.S. retail market⁽²⁾
- #1 value-added frozen seafood in foodservice (including private label) in U.S. and Canada⁽³⁾

¹⁾ Canadian market data per Nielsen, based on retail sales (in lbs.) of total frozen fish category for 52-week period ended January 1, 2022.

²⁾ U.S. market data per IRI, based on retail sales (in lbs.) of total frozen seafood category for 52-week period ended January 23, 2022.

³⁾ Management's estimate.

Reimagining Seafood to Nourish Life

- In 2021, the Company refreshed its purpose statement to **“Reimagining Seafood to Nourish Life”**, which more accurately reflects High Liner Foods’ business, its potential for the future and commitment to all its stakeholders.
- As we execute against **our strategy to become the leader in branded value-added seafood in North America**, we will do so grounded in a strong sense of our wider purpose in society and with environmental, social and governance (ESG) issues front of mind.
- As we live our purpose, we will invest in an inclusive, equitable and diverse workplace that creates rewarding career opportunities that help nourish the lives of our dedicated employees, while we continue to focus on their health and safety.
- We will continue to advance our sustainability goals, support our local communities and hold ourselves to the highest standards of governance. Sustainability, responsibility, flexibility and resilience have been hallmarks of High Liner Foods for over 120 years, and we are committed to ensuring these values are reflected in Fiscal 2022 as we strive to become the leader in branded value-added seafood in North America.

Corporate Social Responsibility



2021 SUSTAINABILITY HIGHLIGHTS

98% of seafood responsibly sourced (2020: 96%)	98% of raw material sourced from audited suppliers (2020: 98%)	643,000 lbs of food waste reduction (compared to 2020)
24% decline in safety incidents since 2020 (21 to 16)	36% decline in safety incidents from 2018 baseline (25 to 16)	
30% of Board members are women (2020: 30%)	34.48% of senior managers are women (2020: 28.6%)	\$252,750 in community support in 2021 through donations and products

Please visit our website for the 2021 CSR Report.



Financial Review & 2022 Outlook

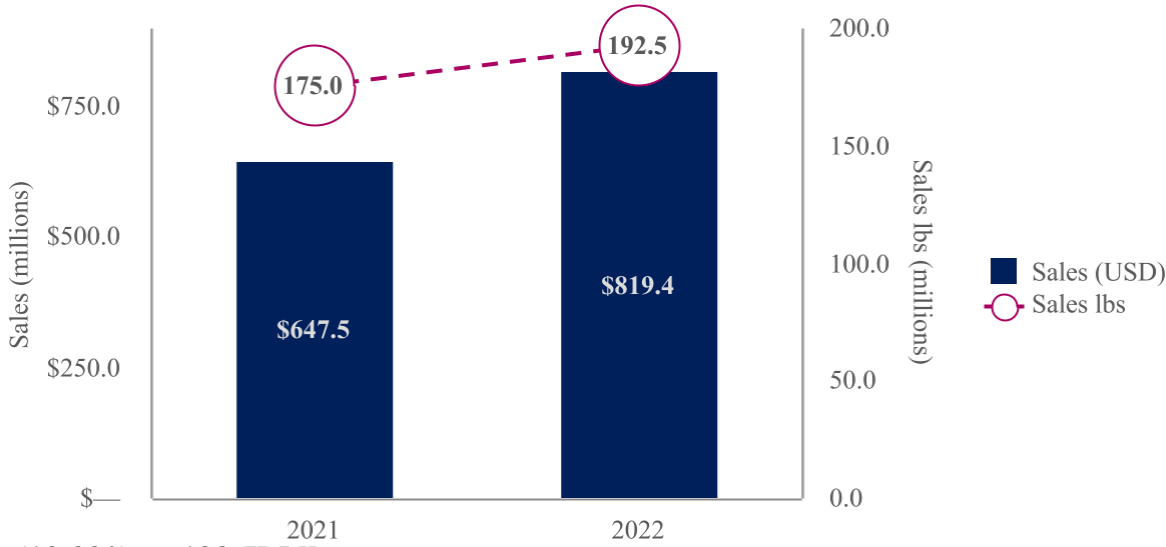
Q3 2022 Performance

- Another strong quarter - marking this **our sixth consecutive quarter** of year over year **sales and adjusted EBITDA growth**. Key highlights include:
 - **Volumes** - Increased by **5.6M lbs**, or **10.2%**, to 60.4 million lbs;
 - **Sales** - Increased by **\$56.9 million**, or **26.6%**, to \$271.2 million;
 - **Gross Profit** - Increased by **\$8.8 million**, or **18.4%**, to \$56.7 million; and
 - **Adjusted EBITDA** - Increase by **\$2.4 million**, or **10.7%**, to \$24.8 million while Adjusted EBITDA as a percentage of sales decreased to 9.1% compared to 10.5%.
- Outstanding growth despite unprecedented inflationary headwinds, slowing category dynamics and continued supply challenges. The Company continued to experience high demand and strong sales in almost all segments and species due to the reliability of our supply and the versatility of our offerings in both product type and price point.
- In October 2022 we further increased our financial capacity and flexibility by expanding our working capital facility from \$150M to \$200M, which will help support the continued growth of our business. Additionally, Moody's upgraded our Term B debt rating validating the significant improvements in our business and financial position over the past few years.
- The leverage ratio was 3.2x at the end of Q3 2022 (3.0x at the end of Fiscal 2021) due to investment in working capital to offset supply chain constraints.

Q4 2022 and 2023 Outlook

- Demand for the Company's products remains strong, despite navigating a hyper-inflationary environment and remnants of the global supply challenges.
- We remain focused on mitigating ongoing supply challenges, ensuring diversification of species, product and procurement and maintaining strong customer and supplier relationships.
- With a strong balance sheet and cash flow, the Company is well equipped to navigate current market conditions and invest in the business. The Company continues to invest in working capital and has increased liquidity to support its branded, value-added leadership strategy through its recent expansion of its Asset Backed Loan facility.
- High Liner Foods expects the Net Debt to Rolling Twelve-Month Adjusted EBITDA ratio to be slightly above the Company's long-term target of 3.0x at the end of Fiscal 2022.
- The Company's capital expenditures of approximately \$25.0 million for Fiscal 2022 is to modernize its asset base, explore automation opportunities and maintain and upgrade facilities to address ESG initiatives.

Q3 2022 YTD Sales Volume and Net Sales



Sales volume increased by 17.5M lbs (10.0%) to 192.5M lbs

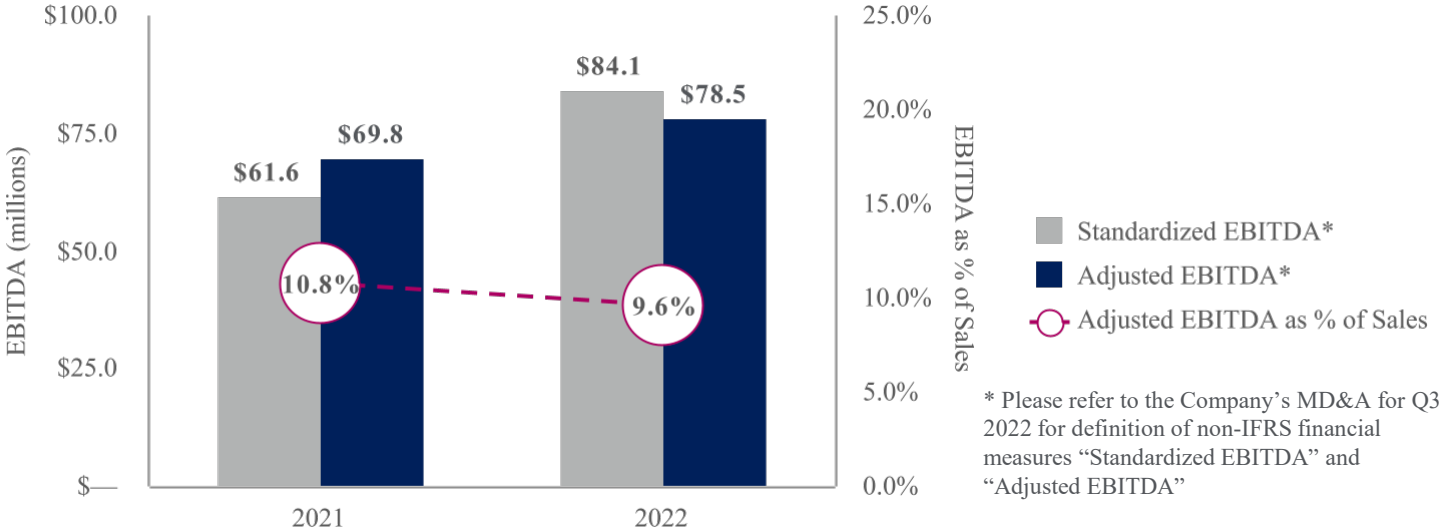
- Foodservice: sales volume was higher as the Company's foodservice customers rebound from COVID-19 in 2022 compared to 2021, as well as from growth in new business and new product sales. We continued to experience increased demand for our products across our non-commercial businesses, as well as higher sales and volumes in both quick service restaurants and casual dining, segments that are growth targets for the Company.
- Retail: sales volume grew due to increased marketing investment, new product and business wins.
- Sales volume was also negatively impacted by global supply chain challenges on raw material supply to North America.

Net sales increased by \$171.9M (26.5%) to \$819.4M

- Higher sales volumes mentioned above, as well as favorable changes in sales mix and pricing actions implemented to mitigate inflationary increases on input costs.
- Offset by the weaker Canadian dollar in 2022 compared to 2021 which decreased the value of reported USD sales from our CAD-denominated operations by approximately \$5.0 million relative to the conversion impact last year.

Q3 2022 YTD Adjusted EBITDA

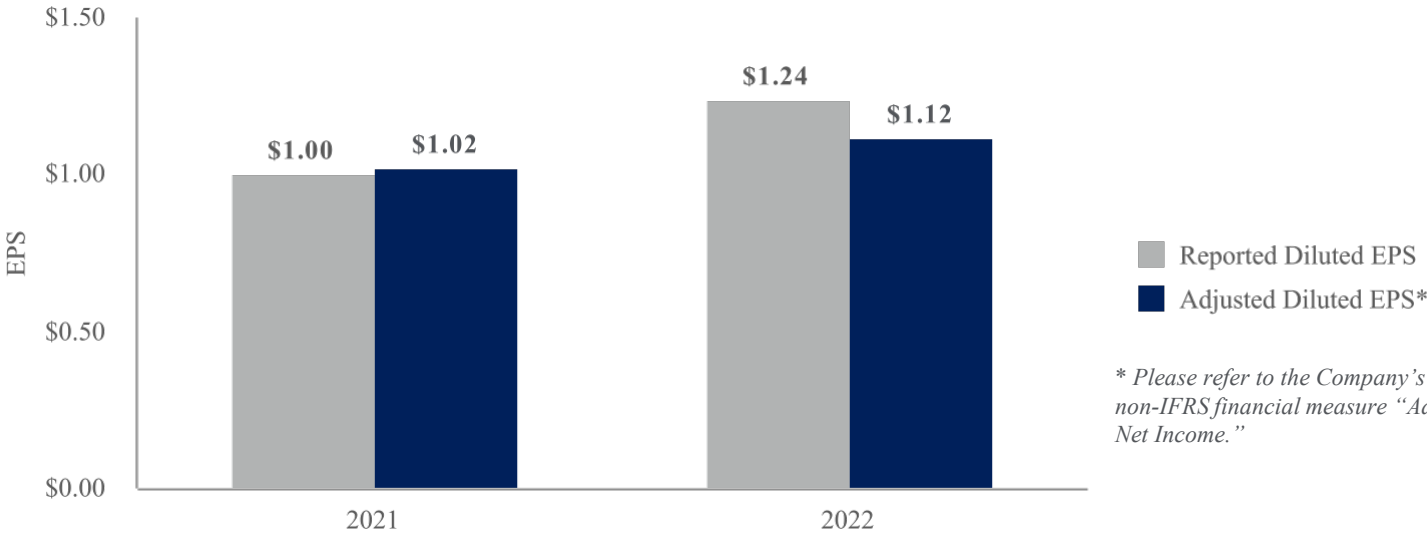
Earnings before Interest, Taxes, Depreciation and Amortization



Adjusted EBITDA increased by \$8.7M (12.5%) to \$78.5M and decreased by 120 basis points as a percentage of sales to 9.6%.

- The increase in adjusted EBITDA is a result of an increase in gross profit, partially offset by an increase in net SG&A expenses and distribution expenses.

Q3 2022 YTD Earnings Per Share (EPS)



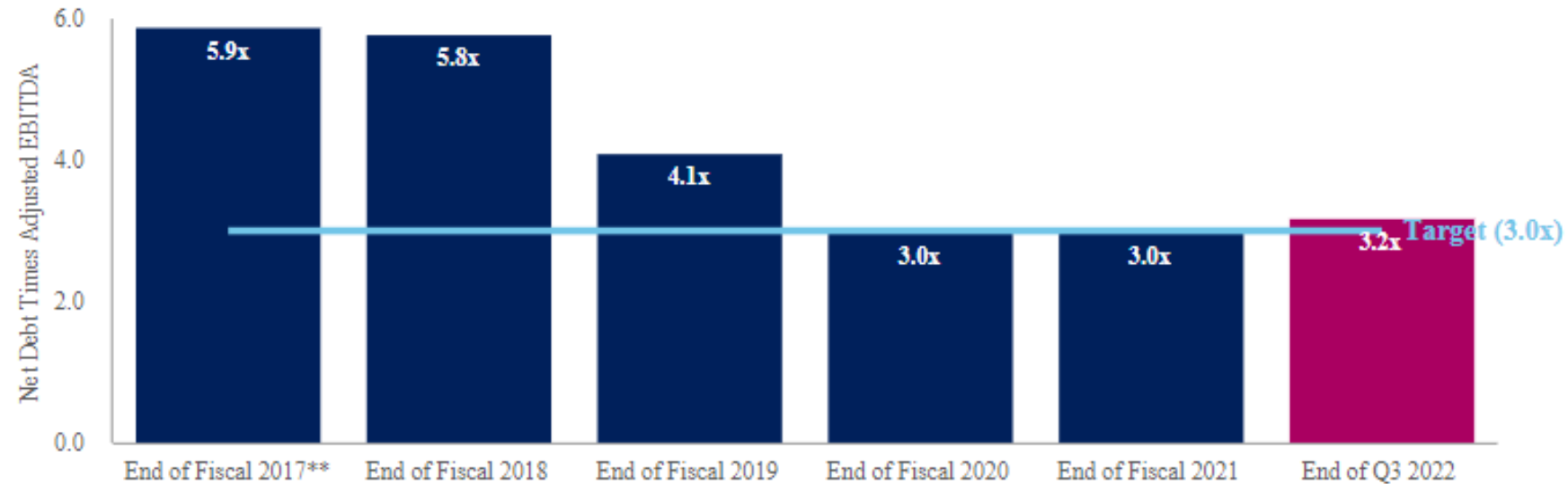
** Please refer to the Company's MD&A for Q3 2022 for definition of non-IFRS financial measure "Adjusted Diluted EPS" and "Adjusted Net Income."*

Adjusted Diluted EPS increased by \$0.10 (9.8%) to \$1.12

- Adjusted Net Income increased by \$3.7M (10.3%) to \$39.4M reflecting an increase Net Income.

Debt Leverage Ratio

Net Debt to Rolling Twelve-Month Adjusted EBITDA*

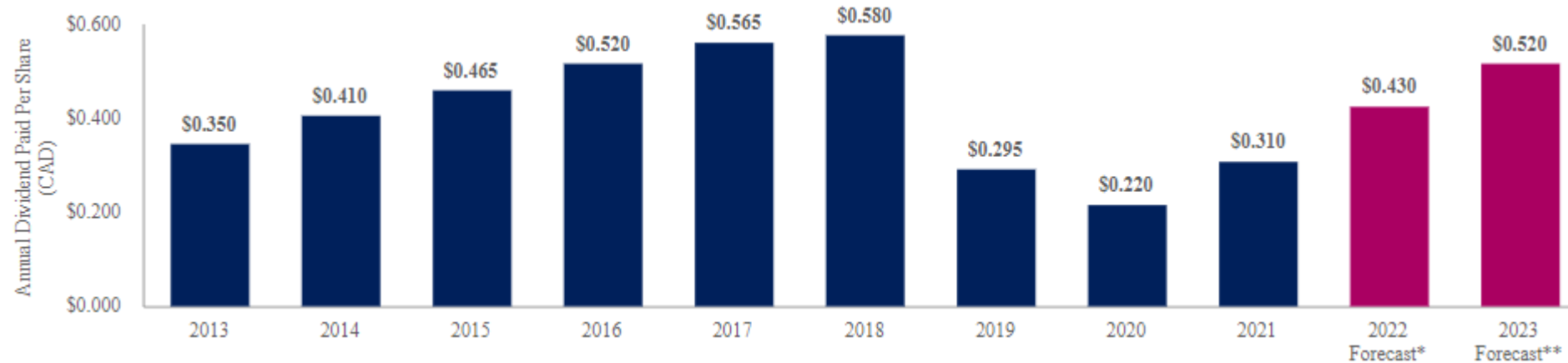


*Please refer to the Company's MD&A for Q3 2022 for the definition of non-IFRS financial measures "Net Debt" and "Adjusted EBITDA"

**Does not include the trailing 12-Month Adjusted EBITDA for Rubicon purchased May 30, 2017

In the absence of any major acquisitions or unplanned capital expenditures in 2022, we expect this ratio to be slightly above the Company's long-term target of 3.0x at the end of Fiscal 2022.

Dividend History



* Reflects Q1/Q2/Q3 dividend of CAD\$0.10 per share and Q4 dividend of CAD\$0.13 per share

** Based on the assumption that Q1/Q2/Q3/Q4 dividend will be CAD\$0.13 per share, which is subject to change

On November 9, 2022, the Board approved a quarterly dividend of CAD\$0.13 per common share, a 30% or \$0.03 increase from the CAD\$0.10 per share dividend paid during the third quarter of 2022, reflecting the Board's recognition of the Company's continued strong performance and confidence in the Company's operations.

Appendix #1:

Miscellaneous Company Information



High Liner Foods



Canadian public company since the 1960s, TSX-listed in 1971

Current price	CAD\$14.13*
Shares outstanding	~33.2M
Market capitalization	~CAD\$468.8M
52-week range	CAD\$ <u>10.77</u> - <u>\$15.36</u> *
Insider Holding %***	39%
Annual dividend	CAD\$0.43 per share**
Current yield	3.0%

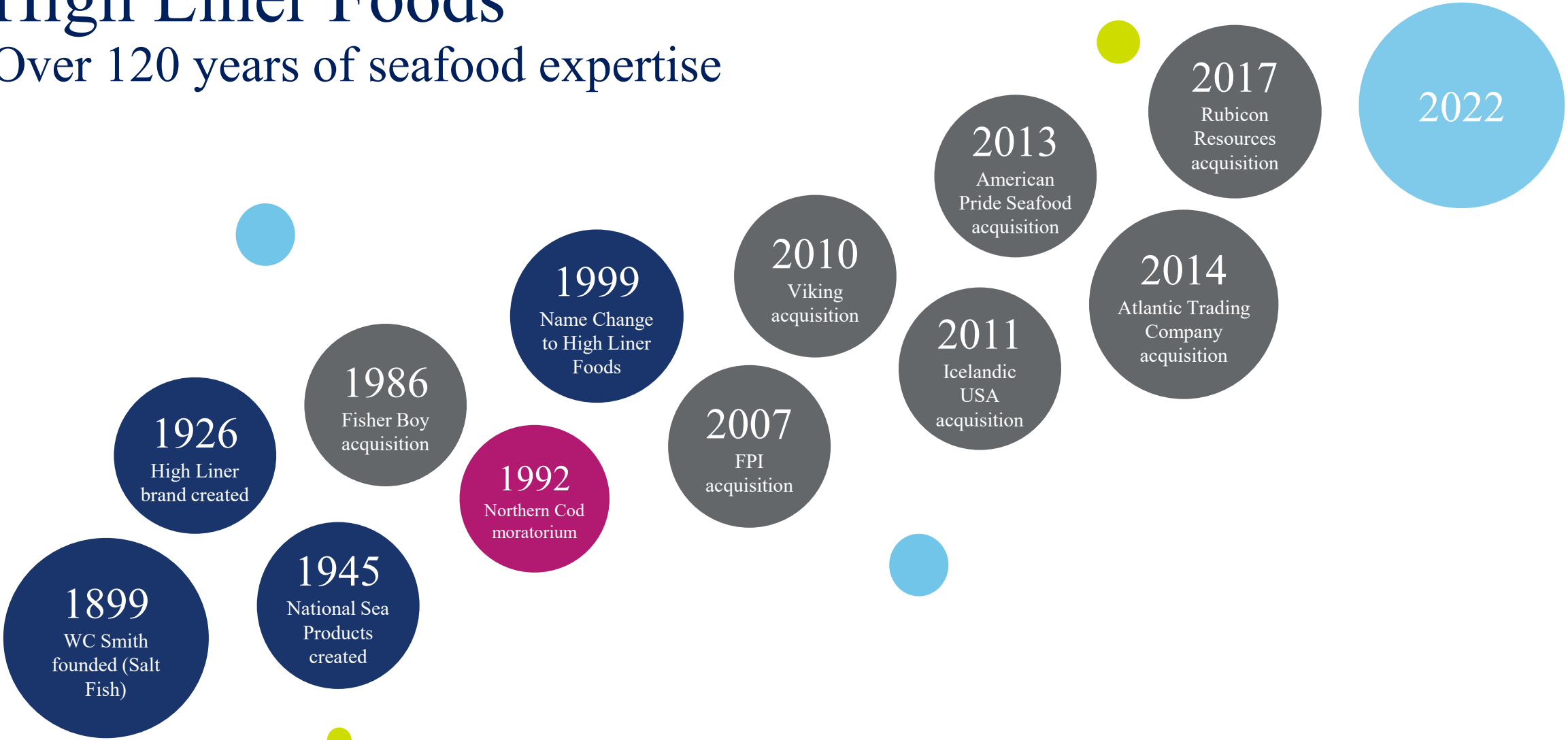
* Source TSX, as of December 2, 2022

** Effective November 2021 (CAD\$0.10 per share per quarter through to Q3, Q4 CAD\$0.13)

*** Float calculated based on the shareholder list as at September 30, 2022

High Liner Foods

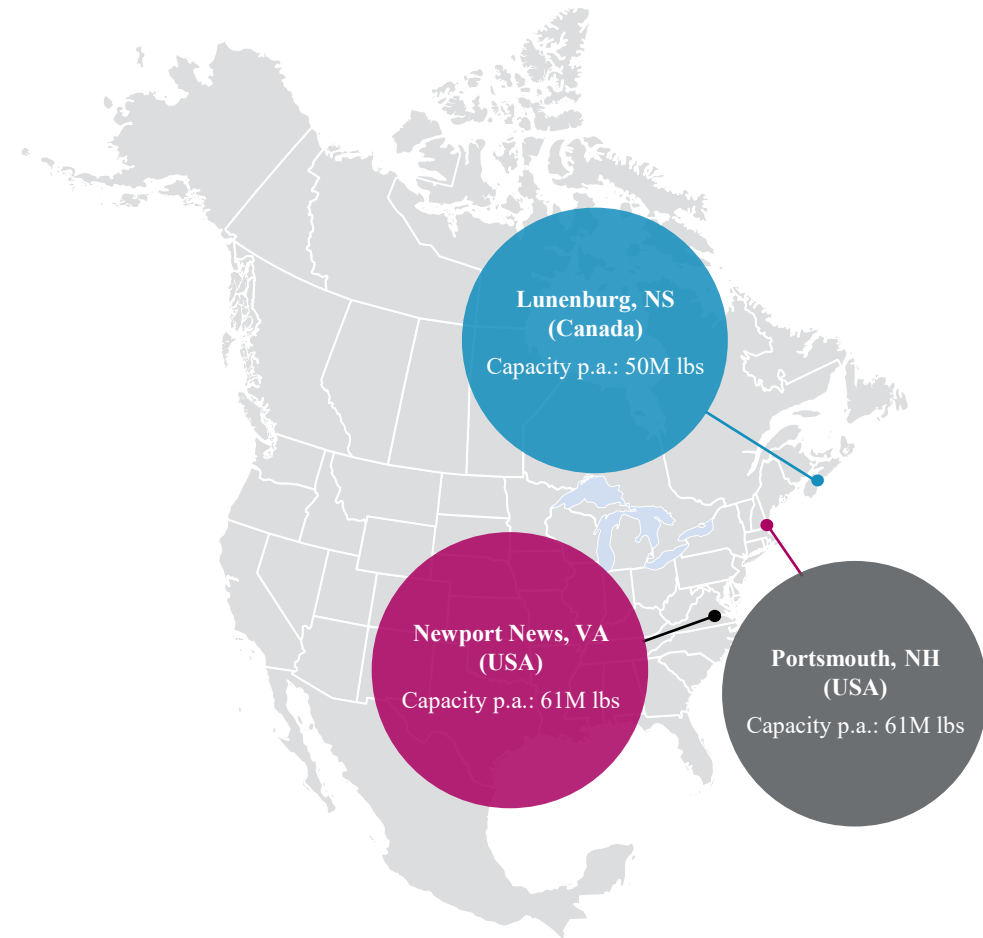
Over 120 years of seafood expertise



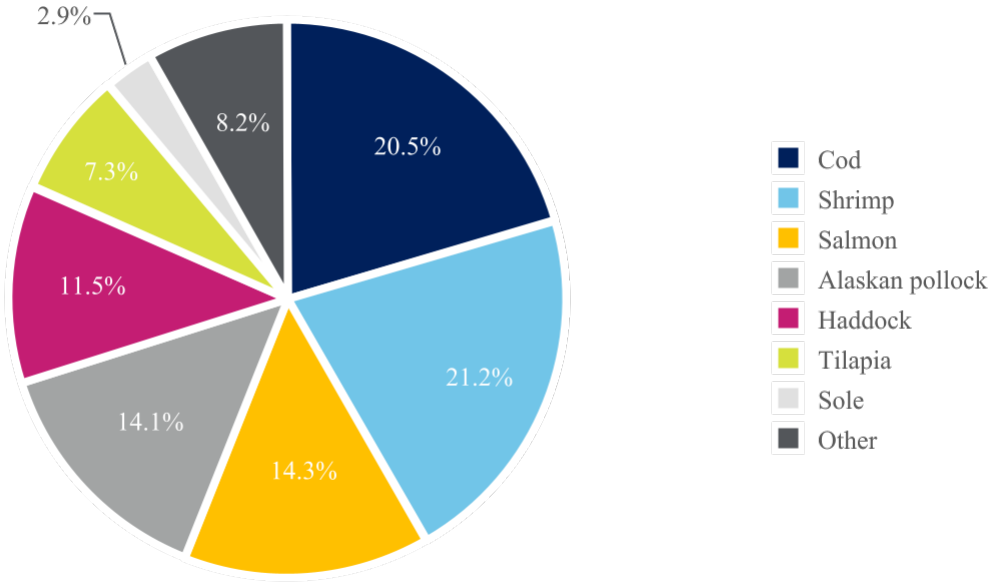
Flexible, Integrated Operations

Three value-added seafood manufacturing facilities in North America

- Increased demand for value-added products increases plant efficiency
- Current manufacturing footprint: aggregate production capacity of ~172M LBS based on current shift patterns
- Aggregate capacity could be increased to ~250M lbs by implementing a change in shift patterns and additional capital investment
- Ideal capacity ~ 85% to 90% to allow for seasonal demand surge
- Utilize a combination of Company-owned and third party-managed cold storage facilities



Species Diversity



Based on 2021 Purchases (in USD)

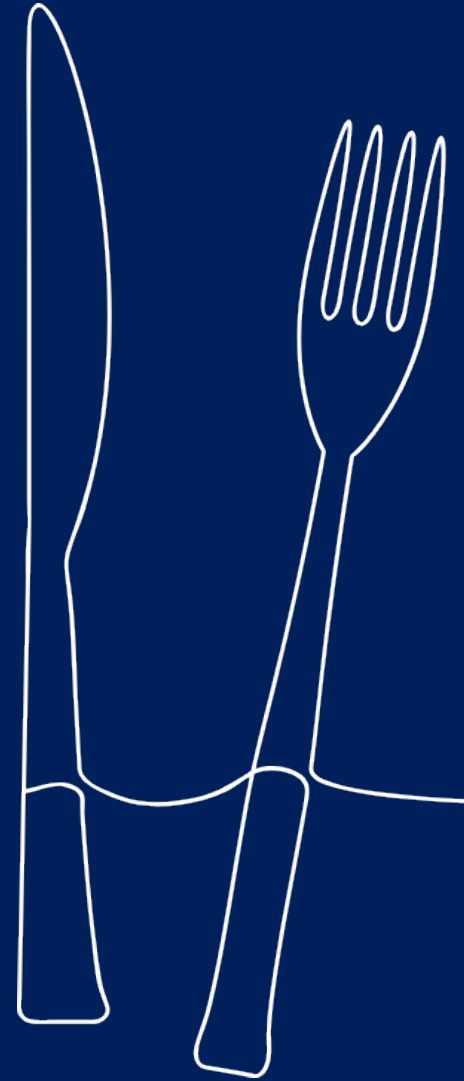
- In 2021, the Company purchased approximately 157M lbs of seafood with an approximate value of \$449.6M, reflecting approximately 24 species from 23 different countries.
- Major species (6) accounted for ~78% of the total dollar purchases.

ESG at High Liner Foods

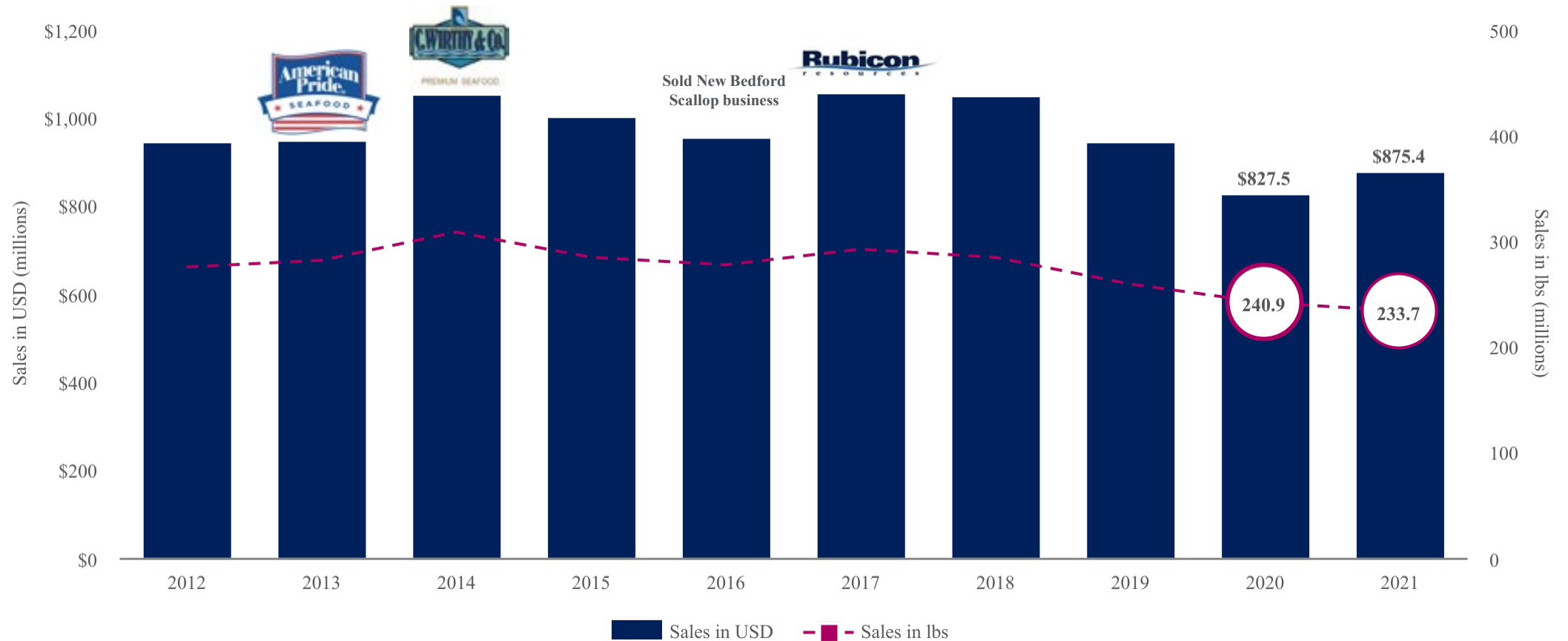
- High Liner Foods began our responsible sourcing journey over a decade ago and has made steady gains since that time, working toward a goal of delivering products that are 100% responsibly sourced. In 2021, High Liner Foods took its next step in the ESG journey and completed a comprehensive engagement program to better understand the environmental, social and governance needs and priorities of its stakeholders and how stakeholder needs intersect with the Company's refreshed purpose of Reimagining Seafood to Nourish Life.
- In conversation with our stakeholders, and supported by supplemental survey data, we heard loudly and clearly that the issues High Liner Foods' stakeholders care most about are high standards of responsible sourcing where we have a long legacy of leadership, environmental stewardship and corporate governance. These priorities align well with existing programs at High Liner Foods.
- Responsible sourcing
 - > We have a long legacy of leadership in the responsible sourcing, transparency and traceability of our seafood
 - > In 2021, 98% of seafood was responsibly sourced (2020: 96%)
 - > Committed to sourcing all our seafood from "certified sustainable or responsible" fisheries and aquaculture
 - > Recognized as a global leader in driving best practice improvements in wild fisheries and aquaculture
- Environmental stewardship
 - > In 2022, the Company continues to advance its food waste reduction efforts as it works toward its goal of 50% less food waste by 2030 (compared to 2018).
 - > The Company developed a 2022 work plan focused on refining its greenhouse gas emissions inventories, with the goal of identifying opportunities and setting targets for emissions reduction efforts.
- Corporate governance
 - > Three committees of the Board provide oversight to ensure management is implementing the Company's ESG framework responsibly, environmental practices are rigorously monitored for both compliance and effectiveness, and the health and safety of employees is protected and prioritized.

Appendix #2:

Historical Financial Performance

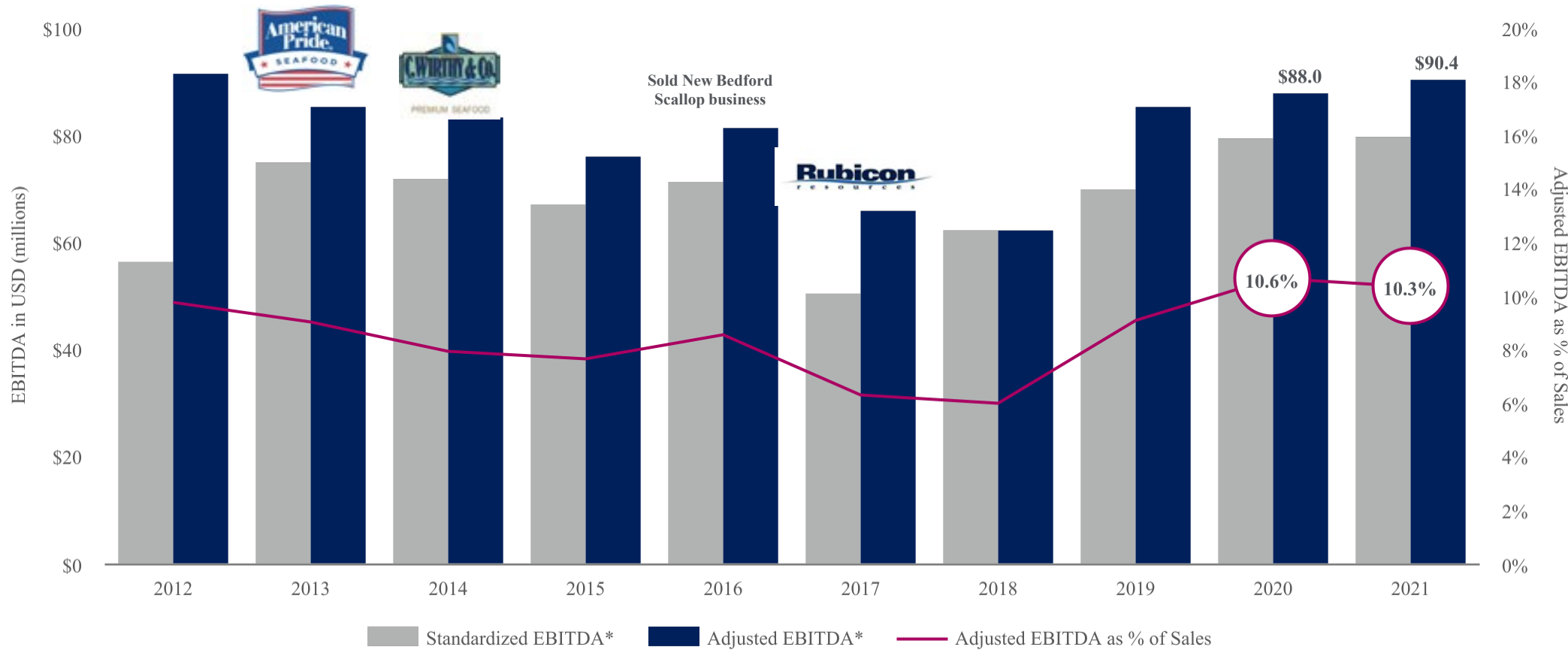


10 Year Sales History - Volume and USD



10 Year EBITDA History

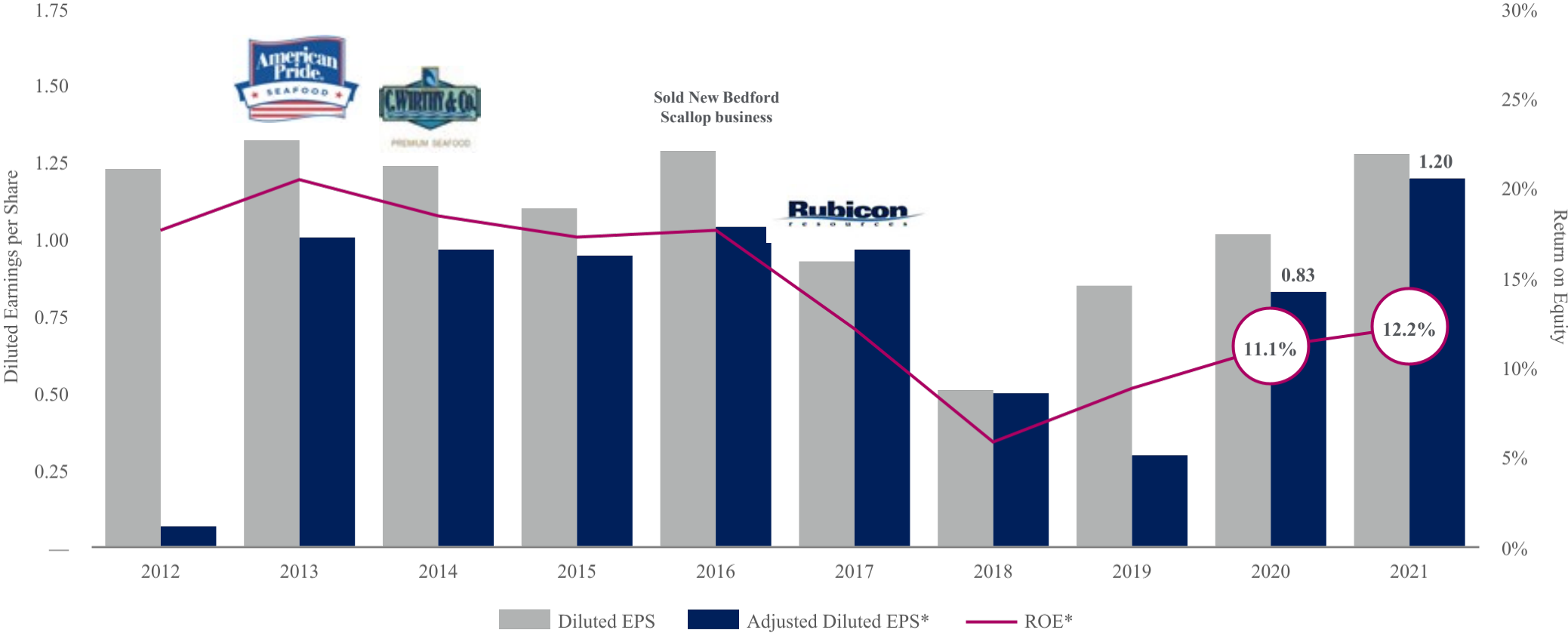
Earnings before Interest, Taxes, Depreciation & Amortization



*Please refer to the Company’s MD&A for Fiscal 2021 for definition of non-IFRS measures “Standardized EBITDA” and “Adjusted EBITDA”

10 Year EPS and ROE* History

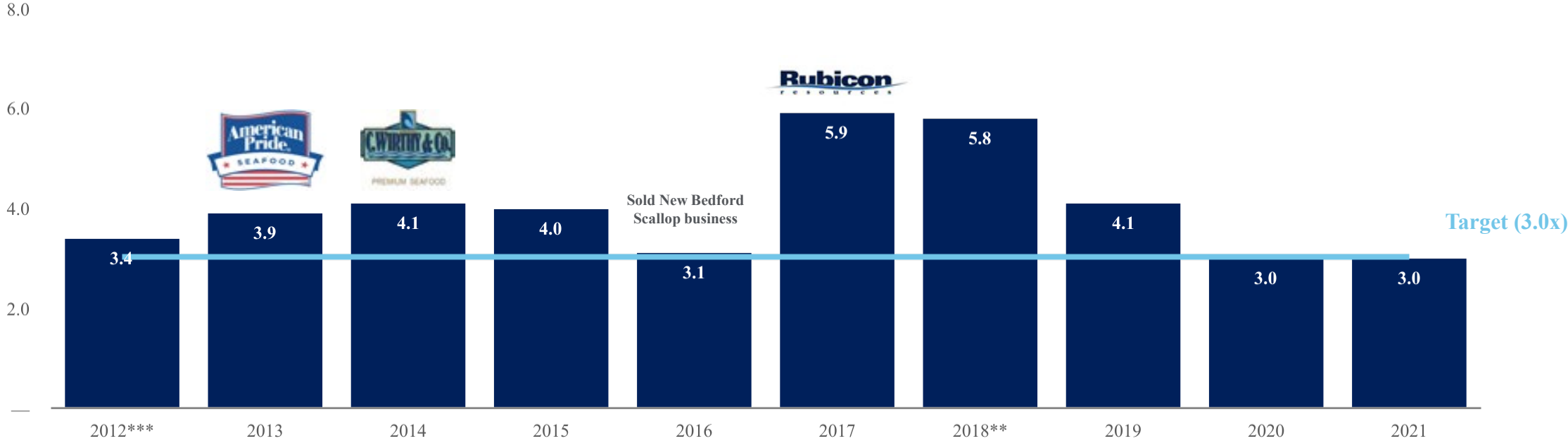
Earnings per Share (EPS) and Return on Equity (ROE)



*Please refer to the Company’s MD&A for Fiscal 2021 for definition of non-IFRS measures “Adjusted Diluted EPS” and “Return on Equity”

10 Year Debt Leverage Ratio

Net Debt to Rolling Twelve-Month Adjusted EBITDA*



*Please refer to the Company’s MD&A for Fiscal 2021 for definition of non-IFRS measures “Adjusted EBITDA” and “Net Debt”.
 **Does not include rolling twelve-month Adjusted EBITDA for Rubicon Resources, LLC (purchased May 30, 2017)
 ***Pro forma Icelandic acquisition

In the absence of any major acquisitions or unplanned capital expenditures in 2022, we expect this ratio to be slightly above the Company’s long-term target of 3.0x at the end of Fiscal 2022.

Thank you

Reimagining
seafood to
nourish life.