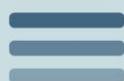


# QUARTERLY REPORT

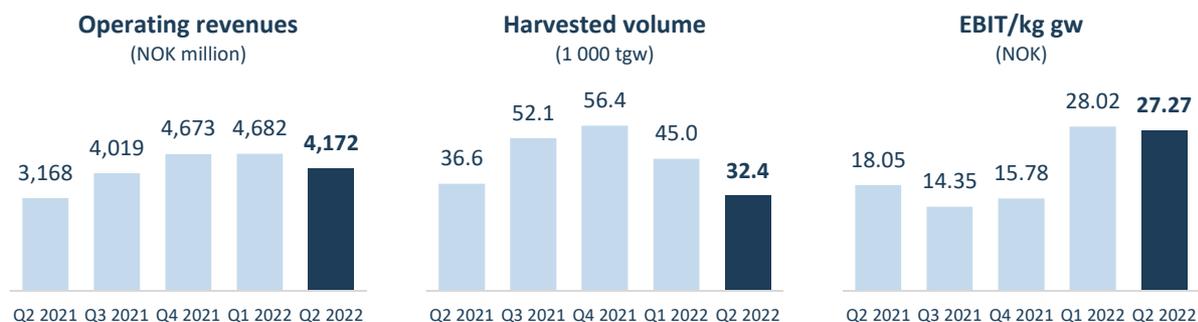
Second quarter 2022



## HIGHLIGHTS IN THE SECOND QUARTER

- Continued solid operational performance and record high salmon prices have led to strong results. Profitability on contracts was impacted by the record high salmon spot prices.
- Total Group operational EBIT<sup>1</sup> for the second quarter was NOK 1,048 million (NOK 32.35 per kg). This excludes costs connected to lawsuits in North-America impacting group results with NOK 164 million.
- Total operational EBIT for Norway<sup>1</sup> for the second quarter was NOK 952 million (NOK 32.34 per kg). Fish Farming Central Norway and Northern Norway delivered record results due to high salmon prices and continued strong operational performance. The underlying operational performance of Sales and Industry was solid, but results were affected by price achievement from contracts.
- Icelandic operations delivered solid results due to strong price achievement and stable cost level.
- SalMar Aker Ocean progressing according to plan.
- SalMar keeps the volume guiding for 2022 unchanged in all regions.
- The voluntary offer to acquire all outstanding shares in NTS ASA (NTS) was accepted for 52.7 per cent of the shares. At the end of May 2022 SalMar announced a merger with Norway Royal Salmon (NRS) which was approved in subsequent EGMs of both companies at the end of June. The Norwegian Competition Authority approved the transactions in mid July 2022. Completion of the voluntary offer for NTS and the merger with NRS is still subject to several conditions. The timing of when these conditions will be met is yet uncertain.
- SalMar announced that Linda L. Aase was appointed new CEO in SalMar from May 2022, and Gunnar Nielsen was appointed new CFO from April 2022.

NOK million	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Operating income	4,172	3,168	8,855	6,353	15,044
Operational EBIT	883	661	2,145	1,289	2,927
Operational EBIT %	21.2%	20.9 %	24.2%	20.3%	19.5%
Production tax	-14	-14	-34	-29	-72
Onerous contracts	142	30	-87	-22	-181
Fair value adjustments	1,450	363	1,776	713	777
Profit/loss from associates/joint ventures	119	50	219	99	95
Profit/loss before tax	2,547	1,044	3,934	1,982	3,387
EPS – diluted	15.58	6.97	24.75	13.30	22.57
NIBD incl. leasing liabilities	6,893	5,406	6,893	5,406	5,543
Equity ratio %	51.5%	53.8 %	51.5%	53.8%	55.1 %
Harvested volume (1,000 tgw)	32.4	36.6	77.4	73.5	182.1
EBIT/kg gw (NOK)	27.27	18.05	27.71	17.54	16.08



<sup>1</sup> Excluding cost connected with lawsuits in North America. Results from Norway are Group results excluding segments SalMarAker Ocean and Icelandic Salmon



## FINANCIAL PERFORMANCE

### Revenue and results for the second quarter 2022

In the second quarter 2022, the SalMar Group continued its strong operational performance. This, combined with record high salmon prices, led to solid results.

Fish Farming Central Norway and Fish Farming Northern Norway continued the solid trend with strong biological and operational performance, resulting in record results.

The underlying operations within Sales and Industry segment was solid, but record high salmon prices affected the profitability on contracts.

Salmar Aker Ocean, which was formally established in 2021 and previously included in the segment eliminations, is presented as a separate reporting segment for the second time.

Icelandic Salmon delivered solid results in the quarter driven by strong price achievement and stable cost development.

In the second quarter 2022, the SalMar Group harvested 32,400 tonnes of salmon, compared with 45,000 tonnes in the first quarter 2022 and 36,600 tonnes in the second quarter 2021.

Norskott Havbruk (Scottish Sea Farms) harvested 9,500 tonnes of salmon in the quarter. By comparison, this company harvested 7,800 tonnes in the first quarter 2022 and 11,400 tonnes in the corresponding period last year. SalMar owns 50 per cent of Norskott Havbruk.

In the second quarter 2022, the price of salmon (NASDAQ Salmon Index) averaged NOK 106.17 per kg, up from an average of NOK 79.52 per kg in the first quarter and up from NOK 63.31 per kg in the same quarter in 2021.

Operating revenues amounted to NOK 4,172 million in the second quarter 2022, compared with NOK 4,682 million in the first quarter and NOK 3,168 million in the second quarter 2021.

The SalMar Group achieved an operational EBIT of NOK 883 million in the quarter, down from NOK 1,262 million in the previous quarter, but up from NOK 661 million in the corresponding quarter last year. In the period costs connected to lawsuits in North America has impacted group results with NOK 164 million, see note 10 for further details. The increase from last year is mainly attributable to higher salmon prices in the quarter.

The SalMar Group achieved an operational EBIT per kg of NOK 27.27 in the second quarter, down from NOK 28.02 per kg in the first quarter, but up from NOK 18.05 per kg in the second quarter 2021. Excluding costs connected from lawsuits in North America Group operational EBIT per kg was NOK 32.35, see note 10 for further details.

Reference is made to the segment section for further details.

SalMar's most important key figure for measuring its performance is operational EBIT, an alternative performance measure, see note 10 and 11 for further details. This shows the result of the Group's underlying

operations during the period. Specific items not associated with underlying operations are presented on separate lines.

A production tax has been payable by the Norwegian operation since 1 January 2021. The production tax in Norway and the resource tax in Iceland reduced profits by NOK 14 million in the second quarter 2022.

The change in provisions for onerous contracts was positive with NOK 142 million in the quarter and fair value adjustments was positive with NOK 1,450 million. The fair value adjustment includes the change in fair value of the standing biomass at NOK 1,374 million and change in unrealised value of Fish Pool at NOK 76 million in the quarter. See Note 4 for further details.

SalMar posted an operating profit of NOK 2,461 million in the second quarter 2022, an increase from NOK 1,340 million from the previous quarter, and an increase from NOK 1,040 million from the same period in 2021. Operating profit in the second quarter 2021 was positively affected by fair value adjustments and onerous contracts totalling NOK 393 million.

Income from investments in associates and joint ventures amounted to NOK 119 million in the period, compared with NOK 100 million in the first quarter and NOK 50 million in the second quarter 2021. The bulk of the contribution from associates derives from SalMar's share of the profit after tax from Norskott Havbruk, which was NOK 122 million in the quarter.

Net interest expenses totalled NOK 48 million in the quarter. This is NOK 5 million less than in the previous quarter and NOK 7 million more than in the second quarter 2021.

Other financial items was NOK 15 million in the second quarter, compared with NOK 1 million in the previous quarter and NOK -5 million in the second quarter 2021.

Profit before tax in the first quarter totalled NOK 2,547 million, compared with NOK 1,388 million in the first quarter and NOK 1,044 million in the corresponding quarter last year.

A tax expense of NOK 533 million has been recognized for the quarter. This gives a net profit for the period of NOK 2,013 million. The tax expense recognised in the second quarter 2021 came to NOK 222 million, while net profit totalled NOK 822 million.

Currency exchange effects through the quarter resulted in translation differences of NOK 251 million with respect to associates, joint ventures and subsidiaries accounted for in foreign currencies. Change in fair value of financial instruments after tax came to NOK -193 million. This gives a total for other comprehensive income at NOK 58 million in the quarter. These are items that may subsequently be reclassified to profit and loss and increased the period's total result to NOK 2,072 million.



### Revenue and results for the first half of 2022

The SalMar Group generated gross operating revenues of NOK 8,855 million in the first six months of 2022, up from NOK 6,353 million in the corresponding period in 2021.

Excluding Norskott Havbruk, the Group harvested 77,400 tonnes in the first half-year, compared with 73,500 tonnes in the same period last year.

The price of salmon (NASDAQ Salmon Index) in the first half of 2022 averaged NOK 92.92 per kg, compared with NOK 58.07 per kg in the same period last year.

Operational EBIT for the first half of 2022 came to NOK 2,145 million, up from NOK 1,289 million in the first six months of 2021. This gives an Operational EBIT per kg of 27.71 NOK, compared with NOK 17.54 per kg for the first half of 2021.

A production tax has been payable by the Norwegian operation since 1 January 2021. Payment of the production tax in Norway and the resource tax in Iceland reduced profits by NOK 34 million in the first half of 2022 compared with NOK 29 million in the same period last year.

Fair value adjustments and onerous contracts increased profits in the first half by NOK 1,689 million. Operating profit for the first six months of 2022 therefore ended at NOK 3,800 million. Operating profit for the first six months of 2021 came to NOK 1,951 million, after a positive contribution from fair value adjustments and onerous contracts of NOK 691 million.

Associates and joint ventures contributed NOK 219 million in the first half of 2022. The contribution derives primarily from SalMar's share of the profit from Norskott Havbruk, which amounted to NOK 219 million in the year's first six months. In the same period last year, associates contributed NOK 99 million.

Net interest expenses totalled NOK 101 million in the first half of 2022, compared with NOK 76 million in the same period last year. Net other financial items totalled NOK 16 million in the period, due to positive foreign exchange effects. In the corresponding period last year, the Group reported other financial items totalling NOK 8 million.

Profit before tax in the first six months of 2022 therefore totalled NOK 3,934 million, compared with NOK 1,982 million in the same period in 2021.

A tax expense of NOK 819 million has been calculated for the first half of 2022, which brings the net profit for the period to NOK 3,116 million. A tax expense of NOK 421 million was recognised in the first half of 2021, which resulted in a net profit of NOK 1,561 million.

### Cash flow

Cash flow from operating activities for the SalMar Group was NOK 1,220 million in the second quarter 2022, compared with NOK 1,107 million in the same period in 2021.

Net cash flow from investing activities in the quarter totalled NOK 736 million, compared with NOK 518 million in the second quarter last year.

Investments in the value chain in the quarter relate to the expansion of smolt and hatchery capacity with NOK 199 million, NOK 171 million invested in production capacity through the traffic light system, NOK 158 million invested in Farming, NOK 32 million in Iceland, NOK 91 million in SalMar Aker Ocean and NOK -22 million in other investments.

The Group had a net cash flow from financing activities of NOK -452 million in the second quarter 2022, compared with NOK -311 million in the same period last year.

During the quarter the Group's interest-bearing liabilities increased with NOK 2,068 million, instalments on lease liabilities and net interest paid totalled NOK 103 million. In the same quarter last year, interest-bearing liabilities decreased by NOK 641 million, while instalments on leasing liabilities and net interest paid totalled NOK 92 million.

In the second quarter of a dividend totalling NOK 2,364 million was paid. Compared with NOK 2,261 million in 2021.

Change in non-controlling interest amounted to NOK -55 million.

SalMar had a net change in cash and cash equivalents of NOK 32 million in the second quarter 2022, compared with NOK 277 million in the same period in 2021. Adjusted for NOK 17 million in currency effects, this increased the Group's total holding of cash and cash equivalents with NOK 48 million in the period. As a result, the Group's overall cash holding at the close of the quarter stood at NOK 1,073 million.

For the first six months of the year, the SalMar Group generated a cash flow from operating activities of NOK 2,600 million, compared with NOK 1,244 million in the first half of 2021. Net cash flow from investing activities totalled NOK -1,300 million in the first-half of 2022, compared with NOK -1,008 million in the same period last year. Cash flow from financing activities totalled NOK -1,131 million in the first six months of 2022, compared with NOK 32 million in the same period last year.

As a result, the Group's net cash flow for the first half of 2022 came to NOK 169 million, compared with NOK 268 million last year.



## Financial position

At the end of second quarter 2022, SalMar Group's balance sheet was NOK 31,678 million, up from NOK 29,117 million at the end of the first quarter and NOK 28,085 million at the end of 2021.

Non-current assets was NOK 19,336 million, up from NOK 18,436 million at the end the first quarter 2022.

Non-current intangible assets totalled NOK 8,777 million at the close of the quarter, up from NOK 8,496 million from the previous quarter.

The book value of the Group's non-current tangible assets was NOK 7,838 million at the close of the quarter, up from NOK 7,391 million in the end of first quarter of 2022.

Investments are being made in accordance with established plans to strengthen the Group's value chain, including the expansion of smolt capacity, increase of production capacity in addition to general maintenance and other investments in capacity in the value chain.

The Group's right-of-use assets totalled NOK 891 million, up from NOK 877 million in the end of previous quarter.

Non-current financial assets increased from NOK 1,672 million at the end of the first quarter 2022 to NOK 1,830 million at the end of the second quarter 2022. The main reason for the increase is contribution from joint venture Norskott Havbruk and positive change in market value of interest rate swaps and currency rate swaps.

At the end of the second quarter 2022, SalMar had current assets totalling NOK 12,342 million, up from NOK 10,681 million at the end of the first quarter 2022.

At the close of the second quarter, the book value of inventory stood at to NOK 9,721 million, up from NOK 7,898 million at the end of the first quarter 2022. Trade receivables totalled NOK 1,049 million, down from NOK 1,195 million three months prior. Other current receivables were NOK 499 million, down from NOK 564 million at the end of the first quarter 2022.

As of 30 June 2022, the SalMar Group had cash and cash equivalents of NOK 1,073 million, up from NOK 1,025 million at the end of first quarter 2022.

As of 30 June 2022, the Group's total equity amounted to 16,314 NOK million, corresponding to an equity ratio of 51.5 per cent, compared to NOK 16,644 million at the end of the first quarter 2022 and an equity ratio of 57.2 per cent. For further details, reference is made to the attached separate presentation of movements in equity.

As of 30 June 2022, the SalMar Group had total interest-bearing liabilities of NOK 6,978 million. Of this amount, non-current interest-bearing liabilities amounted to NOK 6,244 million, while current interest-bearing liabilities was NOK 734 million. By comparison, total interest-bearing liabilities at the end of the first quarter 2022 was NOK 4,877 million. See Note 8 for further details.

The Group's leasing liabilities totalled NOK 989 million at the close of the second quarter 2022, compared to NOK 977 million at the end of first quarter 2022.

At the end of the second quarter 2022, deferred tax liability and other current liabilities totalled 7,398 NOK million, compared to NOK 6,619 million at the end the first quarter 2022.

As of 30 June 2022, the SalMar Group had net interest-bearing debts, including lease liabilities of NOK 6,893 million, compared to NOK 4,829 million at the end of the first quarter 2022.



## OPERATIONAL PERFORMANCE

From 2022 SalMar reports its operations in five segments: Fish Farming Central Norway, Fish Farming Northern Norway, Icelandic Salmon, Sales and Industry and SalMar Aker Ocean.

### Fish Farming Central Norway

Fish farming Central Norway is SalMar's largest segment. It encompasses the Group's operations in the Møre og Romsdal and Trøndelag counties.

NOK million	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating income	2,073	1,342	4,034	2,511
Operational EBIT	1,213	520	2,138	906
Operational EBIT %	59%	39%	53%	36%
Harvested volume (1,000 t <sub>gw</sub> )	20.7	21.0	45.6	41.8
EBIT/kg gw (NOK)	58.64	24.75	46.91	21.66

Fish Farming Central Norway harvested a volume of 20,700 tonnes of salmon in the second quarter 2022, compared with 21,000 tonnes in the second quarter 2021.

The segment generated operating income of NOK 2,073 million in the quarter, compared with NOK 1,342 million in the corresponding period last year. The increase is due to higher salmon prices.

The record strong result in the second quarter 2022 was driven by record high spot prices and continued strong operational and biological performance. The cost level was at the same level as in the first quarter.

EBIT per kg gutted weight was NOK 58.64 in the second quarter 2022, up from NOK 24.75 per kg in the same period last year.

The generation of fish that were transferred to sea farms in the spring of 2021 accounted for 75 per cent of the volume harvested in the quarter. The biological performance of this generation has been good.

Moving into the summer months, the biological performance of the fish in sea is good. The segment will continue to harvest of spring 2021 in the third quarter 2022 and will start harvest of autumn 2021.

In the third quarter 2022 the segment expects slightly higher cost level and higher harvest volume than in the second quarter.

The segment expects to continue its high utilisation of existing MAB production capacity in 2022. The volume guidance for 2022 is unchanged at 117,000 tonnes.

### Fish Farming Northern Norway

Fish Farming Northern Norway encompasses the Group's operations in Troms and Finnmark county.

NOK million	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating income	917	836	2,180	1,536
Operational EBIT	605	347	1,320	542
Operational EBIT %	66%	42%	61%	35%
Harvested volume (1,000 t <sub>gw</sub> )	8.7	13.3	25.5	26.8
EBIT/kg gw (NOK)	69.12	26.02	51.73	20.2

Fish Farming Northern Norway harvested 8,700 tonnes in the second quarter 2022, compared with 13,300 tonnes in the same period last year.

The segment generated operating income of NOK 917 million in the quarter, compared with NOK 836 million in the second quarter 2021. The increase is due to higher salmon prices.

The segment continued the solid trend, and the record high salmon prices and strong biological and operational performance has given record results in the quarter.

Fish Farming Northern Norway achieved NOK 69.12 EBIT per kg gutted weight in second quarter 2022, compared to NOK 26.02 in the same period the year before.

The autumn 2020 generation accounted for the full volume harvested in the period. The generation continued the solid trend with strong biological and operational performance resulting in low cost level. The biological performance of this generation has been good, though slightly higher cost level than in the previous quarter due to change of farming sites. The segment will continue harvesting the autumn 2020 generation in the second quarter 2022 and will start harvest of spring 2021.

The segment expects a slightly higher cost level and a higher volume harvested in the third quarter 2022.

The segment expects continued effective utilisation of the MAB production capacity in 2022 with expected harvest volume of 58,000 tonnes in 2022 kept unchanged.



## Sales and Industry

The Sales and Industry segment sells all the fish the Group harvests in Norway. The harvested volume is sold primarily to markets in Europe, Asia, and America. The harvesting and secondary processing plants are InnovaMar and Vikenco in Central Norway and InnovaNor in Northern Norway.

NOK million	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating income	3,947	3,070	8,392	6,102
Operational EBIT	-781	-136	-1,153	-18
Operational EBIT %	-19.8 %	-4.4 %	-13.7 %	-0.3 %

Sales and Industry generated gross operating income of NOK 3,947 million in the second quarter 2022, compared with NOK 3,070 million in the corresponding period last year.

The segment harvested 34,900 tonnes of salmon in the second quarter 2022, compared with 35,400 tonnes in the second quarter 2021.

The segment delivered an operational EBIT of NOK -781 million in the period, negatively affected by the record high spot salmon prices affecting profitability on contracts, compared with NOK -136 million in the second quarter 2021.

The contract share in the second quarter 2022 was 59 per cent. For the third quarter the contract rate is expected to be around 35 per cent, and around 40 per cent for the whole year.

The segment had a solid operational performance from its harvesting and processing activities. The volume was stable through all facilities compared to the corresponding quarter last year. SalMar expects gradual ramp up of both harvesting and value-added processing (VAP) at InnovaNor activity during 2022.

## Salmar Aker Ocean

SalMar Aker Ocean is a strategic partnership between SalMar (66.6 per cent ownership) and Aker (33.3 per cent) that specialise in ocean farming, that is fish farming in exposed and semi-exposed waters. The company aims to create the world's most reliable and intelligent offshore farming operations with the highest requirements for fish welfare and with a zero-emissions value chain ambition.

NOK million	Q2 2022	Q2 2021*	H1 2022	H1 2021*
Operating income	-	-	-	-
Operational EBIT	-39	-37	-73	-72
Operational EBIT %	-	-	-	-
Harvested volume (1,000 tgw)	-	-	-	-
EBIT/kg gw (NOK)	-	-	-	-

\*Results included in segment eliminations in 2021

The establishment of salmon farming in the open ocean is an important element in SalMar's strategy to secure sustainable growth, and the establishment of SalMar Aker Ocean embodies this strategy.

Salmar Aker Ocean reports for the second time as a separate segment. In 2021 results from SalMar Aker Ocean was included in the segment Eliminations. The figures from 2021 has been restated accordingly for comparison.

In the second quarter for 2022, SalMar Aker Ocean had an operational EBIT of -39 million.

An upgrade of Ocean Farm 1 is progressing according to plan. The unit is currently at Aker Verdal for maintenance upgrades. The next production cycle in Ocean Farm 1 is planned to commence in spring 2023.

The company is committed to new offshore investments as soon as the regulatory framework is in place, and early in May 2022 the company submitted its response to the public hearing note for proposed regulatory framework. In July the Directorate of Fisheries announced impact assessment of specific offshore areas, an important step in having a permanent regime in place for offshore aquaculture. And in August site location for Smart Fish Farm was approved by Norwegian Food Safety Authority in August 2022. These are important milestones to get the regulatory framework in place.

Ongoing processes continues for design of new offshore units, Ocean Farm 2 and the Smart Fish Farm. Where the ambitions is make investment decision for a new semi-offshore unit (Ocean Farm 2) as soon as possible.

In line with its growth ambition, the segment is currently gradually growing its organisation. In February 2022, Roy Reite was appointed CEO. Former CFO and COO in Salmar ASA, Trine Sæther Romuld assumed the role as CFO in Salmar Aker Ocean in April 2022.



## Icelandic Salmon

Icelandic Salmon is Iceland's largest producer and processor of farmed salmon. The company is fully vertically integrated, with its own hatchery, sea farms, harvesting plant and sales force.

NOK million	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating income	349	182	716	360
Operational EBIT	135	28	229	32
Operational EBIT %	39 %	15 %	32 %	9 %
Harvested volume (1,000 t <sub>gw</sub> )	3.0	2.3	6.3	4.8
EBIT/kg gw (NOK)	45.53	12.22	36.19	6.57

Icelandic Salmon harvested 3,000 tonnes of salmon in the second quarter 2022, compared with 2,300 tonnes in the same period last year.

The business generated operating income of NOK 349 million in the quarter, compared with NOK 182 million in the same period in 2021. The rise in operating revenues related primarily to strong price achievement as well as a higher volume harvested than in the corresponding quarter last year.

Operational EBIT per kg in the quarter was NOK 45.53, up from NOK 12.22 per kg in the same period last year.

Icelandic Salmon continued harvesting the 2020 generation with continued stable biological performance that led to a stable cost level in the quarter. Low contract level has been positive for price achievement when spot prices has increased.

The company will continue harvesting from the 2020 generation and expects higher harvest volume and slightly higher cost level in the third quarter 2022 to that achieved in the second quarter.

The volume guidance for 2022 is kept unchanged at 16,000 tonnes.

Further expansion of smolt capacity through acquisition of remaining shares in Eldisstöðin Íspór smolt facility. The purchase of Íspór and the prior expansion initiatives will provide both flexibility in size of smolt and increased number of smolt supporting the company's growth plans.

## Eliminations

Research and development (R&D) costs are included as eliminations in the segments' reported results. Of a total harvested volume of 32,400 tonnes in the second quarter 2022, R&D costs accounted for NOK 1.50 per kg.

During the period, SalMar also recognised cost connected to with lawsuits in North-America amounting to NOK 164 million, see note 10 for further details. As earlier informed, the costs connected with lawsuits in North-America are significant. In the second quarter, the Group has expensed costs incurred and made provisions for expected costs and expenses related to the previously reported lawsuits in North America. The costs and expenses include payments related to settlement, material legal fees as well as other related expenses.

## Joint venture

Norskott Havbruk is recognised as a joint venture, with SalMar's share (50 per cent) of the company's profit/loss after tax (and fair value adjustment of the biomass) being included as financial income. The figures in the table below reflect the company's overall performance

NOK million	Q2 2022	Q2 2021	H1 2022	H1 2021
Operating income	884	793	1,523	1,190
Operational EBIT	190	119	295	193
Operational EBIT %	21.5%	15.0%	19.3%	16.2%
Fair value adj. biomass	139	19	320	67
Profit/loss before tax	311	135	584	251
SalMar's share after tax	122	51	219	97
Harvested volume (1,000 t <sub>gw</sub> )	9.5	11.4	17.3	17.3
EBIT/kg gw (NOK)	20.01	10.46	17.00	11.12

Norskott Havbruk harvested 9,500 tonnes in the quarter, compared with 11,400 tonnes harvested in the second quarter 2021.

Norskott Havbruk generated operating revenues of NOK 884 million in the second quarter 2022, compared with NOK 793 million in the second quarter last year. The increase is due to higher salmon prices.

EBIT per kg gutted weight came to NOK 20.01 in the period. This is up from NOK 10.46 per kg in the same period last year.

Harvest of fish from sites with biological challenges second half of 2021 has led to a high cost base, in addition results are negatively impacted by the contract level of 48 per cent in a period with strong increase in spot prices.

Integration of Grieg Seafood Hjalmland UK Ltd (GSHU) into Norskott Havbruk continues according to plan and synergies are already starting to materialize.

SalMar's share of Norskott Havbruk's net profit came to NOK 122 million in the second quarter 2022. Stronger operating results and positive fair value adjustments contributed to a higher profit than in the same period last year.

A significant increase in the volume harvested is expected in 2022 as a result of the GSHU acquisition. The volume guiding to harvest 46,000 tonnes in 2022 is kept unchanged.



## MARKETS

### Supply and biomass

In the second quarter 2022, the global supply of Atlantic salmon totalled approximately 618,600 tonnes, a decrease of 3 per cent on the same period in 2021.

At 302,700 tonnes, output in Norway in the quarter was 5 per cent lower than in the same period a year before. Output increased with 13 per cent in Chile, decreased with 24 per cent in UK, decreased with 6 per cent in North America, decreased with 20 per cent in the Faroe Islands and increased with 3 per cent in other producing countries.

According to figures from Kontali, the standing biomass in Norway at the end of the second quarter 2022 is estimated to be 0.1 per cent higher than the end of second quarter 2021. At the same time, the standing biomass is estimated to be 0.6 per cent higher in Chile, 5.5 per cent higher in the UK and 2.1 per cent lower in the Faroe Islands.

### Prices and foreign exchange rates

Atlantic salmon was traded at NOK 88.12 per kg at the start of the quarter (NASDAQ Salmon Index). At the end of June, Atlantic salmon was traded at a price of NOK 98.0 per kg.

The price of salmon in the period averaged NOK 106.17 per kg, up from NOK 79.52 per kg in the first quarter 2022.

#### NASDAQ Salmon Index NOK/kg



Against the most important trading currencies for salmon the Norwegian krone (NOK) weakened 6.6 per cent against EUR, 5.0 per cent against the GBP and 13.9 per cent against the USD.

### Norwegian exports

Norwegian export of salmon was around 288,100 tonnes (round weight) in the second quarter 2022, down 6 per cent from 305,300 tonnes in the same period last year. The value of these exports rose by 41 per cent year-on-year, from NOK 17.7 billion to NOK 25.0 billion.

A substantial secondary processing industry makes Poland the largest single market for Norwegian salmon. In the second quarter 2022, around 37,700 tonnes of salmon were exported to this market, 3 per cent less than in the corresponding quarter in 2021.

Exports increased by 3 per cent to the USA, 6 per cent to France and 22 per cent to the UK. Exports to Denmark decreased by 8 per cent, 2 per cent to Spain, while exports to Vietnam/China/Hong Kong fell 18 per cent compared to the first quarter 2021.

## OTHER MATTERS

### Covid-19 and the war in Ukraine

The various public health measures implemented worldwide during the pandemic increased market uncertainty. Throughout the Covid-19 period, SalMar has nevertheless demonstrated that it is well equipped to handle challenging situations. The effective rollout of vaccination programmes worldwide and the outlook for an end to the pandemic means that SalMar takes an optimistic view on the future and reinforces its confidence in the prospects of the aquaculture sector.

The attack on Ukraine early in 2022 shocked the global community. For SalMar it is important to show our solidarity with the people of Ukraine. Together with its employees, SalMar has provided humanitarian assistance through aid organisations. SalMar is also grateful that good partners made it possible to send a truck containing 20 tonnes of salmon – equal to 160,000 meals – for donation and distribution to the suffering people of Ukraine.

SalMar has no assets in Russia, Belarus or Ukraine. SalMar has not had any sales to Russia or Belarus in the past years. Ukraine has however accounted for a marginal proportion of the volume sold. Nevertheless, with the sanctions imposed following the war in Ukraine some volume will need to be reallocated from other salmon farmers which may impact supply into certain markets.

Ukraine is a large supplier of certain agriculture products, and the war creates increased uncertainty and inflationary pressure on raw material for certain ingredients in fish feed. SalMar is well equipped to handle this situation as the company has a strong partnership with its feed suppliers. Furthermore, the Group is one of the most efficient salmon producers with a low feed conversion ratio and best results on key fish welfare indicators. The war is not likely to negatively affect the salmon's position as a favoured protein source for people.

Air space restrictions over Russia has reduced the air freight capacity to the Asian markets creating logistical challenges. In addition, the recent increase in energy prices may indirectly impact other cost elements in SalMar's value chain such as transportation and packaging.

The past few years have been challenging and characterised by great uncertainty not only for the aquaculture sector but for the global community. With the war in Ukraine uncertainty is likely to remain a constant for a long time. Through the collective efforts and hard work of the entire organisation, SalMar has proved its resilience and ability to navigate in uncertain times and adapt to changing market conditions.

The company has strong financial flexibility, good local secondary processing capacity and, not least, a corporate culture of working even harder when the going gets tough.

### Expansion of smolt production capacity

Access to high quality roe and smolt of the right size and quality is crucial to secure good performance in salmon farming. The SalMar Group currently has projects underway to expand capacity and safeguard quality at several of its smolt facilities.



The expansion of the Senja smolt facility is now close to completion, the first roe has been put in place in the facility which will become smolt ready for transfer to sea in 2023.

Construction of a new smolt facility in Tjuin in Trøndelag County, which was decided in May 2021, is progressing according to plan. First smolt delivery is expected in 2024.

SalMar has also constructed a closed net pen. The second production cycle at the installation was completed in the summer of 2022.

### **Expansion of harvesting and processing capacity**

SalMar's new harvesting and processing plant in Northern Norway, InnovaNor, became operational in the fourth quarter 2021. Harvesting and VAP activities at InnovaNor is being gradually ramped up during 2022.

InnovaNor was an important strategic and industrial investment for SalMar as it is an important element for further improvement of operational and biological performance in the whole value chain. It has strengthened the SalMar's position in Northern Norway and paves the way for further increased value creation and employment in the region.

### **New CEO and CFO in SalMar**

On 1 March 2022, SalMar announced that Linda Litlekalsøy Aase would become new CEO in SalMar, succeeding Gustav Witzøe, who at the same time stated he would be willing to be nominated to a seat at the company's Board of Directors. Linda L. Aase took up the position in May 2022 and Gustav Witzøe took up the position as Chairman of the board in June 2022.

Linda L. Aase came from the position of Executive Vice President and responsible for the business area Electrification, maintenance and modifications in Aker Solutions. She has over 20 years of industrial experience and she was a board member of SalMar ASA from June 2020 until she became CEO.

Gunnar Nielsen was appointed to the position of CFO at SalMar ASA, with effect from 1 April 2022. Gunnar Nielsen has served in several senior executive positions in the seafood, banking, industrial and auditing sectors. In addition, Nielsen has extensive experience of board and financial management, reporting and communication in listed companies, most recently as CFO of Bakkafrøst.

SalMar ASA's previous CFO, Trine Sæther Romuld, has assumed the new position as CFO of SalMar AkerOcean.

### **Voluntary offer for all outstanding shares in NTS ASA and merger between SalMar ASA and Norway Royal Salmon ASA**

On 14 February 2022, SalMar announced the launch of a voluntary combined cash and share offer to acquire all outstanding shares in NTS ASA (NTS).

NTS, with its subsidiaries SalmoNor AS, Norway Royal Salmon ASA and Frøy ASA have a long track-record in salmon farming, both in Central and Northern Norway as well as the Western fjords of Iceland. It is expected that a combination with SalMar will realize significant synergies

through a more efficient utilization of the common resources.

The combination will strengthen the competence base and production capacity of the companies, and be a catalyst for further sustainable growth in the local communities where the companies operate.

On 14 March 2022 an extraordinary general meeting in SalMar approved the issuance of new SalMar shares that will be used as part of the consideration to NTS shareholders who accepted the voluntary offer.

The terms and conditions for the offer were set out in an offer document dated 17 March 2022. The offer period expired 29 April 2022 at which time SalMar had received acceptances for the offer for a total of approx. 52.69% of the shares in NTS.

After the payment of dividend in SalMar in June 2022, the cash consideration in the offer was increased to NOK 26.86482 and the share consideration remained unchanged at 0.143241 shares in SalMar per NTS share.

On 30 May 2022, SalMar ASA and Norway Royal Salmon ASA (NRS) announced that the parties had entered into a merger plan whereby the two entities will merge, with SalMar as the acquiring company in the merger. Prior to completion of the merger NRS will complete an acquisition of SalmoNor AS (SalmoNor) from NTS.

The agreed exchange ratio in the merger between SalMar and NRS is 0.303933 shares in SalMar per share in NRS and a cash consideration of NOK 52.84 per NRS share.

The rationale behind the merger is to increase value creation in the regions where the companies operate and enable the realization of synergies between the companies.

Completion of the merger between SalMar and NRS is, among other things, conditional on all conditions for the completion of SalMar's voluntary tender offer for the shares in NTS being met or waived, or the offer for NTS having been completed.

On 30 June, extraordinary general meetings of SalMar and NRS were held, which approved the merger.

On 15 July 2022, the Norwegian Competition Authority approved SalMar's voluntary offer for NTS, and thereby also the merger between SalMar and Norway Royal Salmon.

While approval from the Norwegian Competition Authority Approval has been granted, the completion of the voluntary offer and the merger remains subject to further approvals from competition authorities, including the European Commission, and several other conditions. The timing of when these conditions will be met is yet uncertain

For further details see separate stock exchange notice, the offer document and the merger plan.



## Lawsuits in North America

On 25 May 2022, SalMar made a public announcement related to the previously disclosed class-action complaints in the US against SalMar ASA and five other producers and/or sellers of Norwegian salmon, over claims concerning anti-competitive behavior.

SalMar and the other defendants in the US class-auction announced that despite considering the complaints to be entirely unsubstantiated, all defendants have, following a mandatory mediation procedure, accepted a settlement offer from the direct purchaser plaintiffs. The total settlement amount for all defendants is USD 85 million.

All Defendants expressly reject the allegations regarding anti-competitive behavior and strongly believe that the antitrust claims lack merit. Given that the costs of litigation in the US are substantial, coupled with the timeline for any litigation and required engagement of extensive internal resources, SalMar has nonetheless agreed to a settlement for pure commercial purposes. The settlement does not involve any admission of liability or wrongdoing.

As earlier informed, the costs connected with lawsuits in North-America are significant. In the second quarter, the Group has expensed costs incurred and made provisions for costs and expenses related to the previously reported lawsuits in North America. The costs and expenses include payments related to settlement, material legal fees as well as other related expenses.

## Traffic-light system

In 2017, the Norwegian government launched a system to regulate the aquaculture sector's growth and safeguard environmental sustainability and foreseeability. In this so-called "traffic-light system", the country is divided into 13 production regions, which are assessed and accorded a green, yellow or red designation. Expansion is permitted in green regions, producers in yellow regions must wait, while production must be halted or reduced in red regions. Conditions are assessed every two years.

On 7 June 2022, the colour on these 13 different salmon producing regions were adjusted. Eight regions were marked green, three were amber and two regions were given a red light.

SalMar has existing production licences in the green regions PO6 and PO10-13 and in the amber region PO7 and PO5. In line with the current framework, SalMar purchased its relative share of allowed growth relating to existing licences at fixed price, which totalled 855 tonnes, at NOK 200,000 per tonne. The total cost came to NOK 171 million.

An auction for the remaining available volume is scheduled to be held on 27<sup>th</sup> of September 2022.

## SHARES AND SHAREHOLDERS

As of 30 June 2022, SalMar had a total of 117,799,999 shares outstanding, divided between 13,366 shareholders.

The company's major shareholder, Kverva Industrier AS, owns 50.88 per cent of the shares. The 20 largest shareholders own a total of 69.15 per cent of the shares. SalMar ASA is the 120th largest shareholder with 102,361

shares, corresponding to 0.1 per cent of the total number of shares outstanding as of 30 June 2022.

SalMar's share price fluctuated between NOK 656.00 and NOK 779.50 in the second quarter 2022. The price at the close of the quarter was NOK 692.50 compared with NOK 698.40 at the close of the previous quarter.

A total of 14.5 million shares were traded in the quarter, which corresponds to 12.3 per cent of the total number of shares outstanding. The volume of shares traded daily averaged 246,000.

## AGM, EGM and dividend

SalMar held its Annual General Meeting (AGM) on 8 June 2022. The AGM voted to pay a dividend of NOK 20 per share. The shares were traded ex. dividend from 9 June, with payment taking place on 22 June 2021.

On 30 June 2022 an extraordinary general meeting (EGM) was held which approved the merger between SalMar ASA and Norway Royal Salmon ASA.

## EVENTS AFTER THE REPORTING DATE

### Increase of smolt capacity on Iceland

With effect from 17 August 2022, the Group acquired 50% of the shares in the smolt facility Eldisstöðin Isthor Ehf on Iceland. See note 12 for further details.

### Approval from The Norwegian Competition Authority

The Norwegian Competition Authority approved SalMar's voluntary offer to acquire all shares in NTS, and thereby also the merger between SalMar and NRS.

For more information, see separate stock exchange announcement sent on 15 July 2022.

### Greenhouse gas targets approved

1st July 2022, SalMar has had its greenhouse gas targets approved by Science Based Targets initiative, to verify its ambitious targets for reduction of greenhouse gases. It has committed to reducing the groups greenhouse gases by 42% from 2020 to 2030. This includes both scope 1 and scope 2 emission, which primarily concern its own operations, but also scope 3, which concern the whole value chain around SalMar

## OUTLOOK

### Markets

Growth in supply for Atlantic salmon is expected to be at the same level or -1.4 per cent in 2022 as in 2021 according to figures from Kontali Analyse.

Compared with the same period last year, the global volume of salmon harvested is expected to increase by 0.5 per cent in the third quarter 2022, according to figures compiled by Kontali. The harvested volume in the third quarter is expected to decrease with 1 per cent in Norway,



increase with 4 per cent in Chile, increase with 8 per cent in UK, decrease with 6 per cent in North America, increase with 1 per cent in Faroe Islands and decrease with 3 per cent in other markets.

The Fish Pool forward price as of 23 August 2022 indicates an average salmon price of NOK 67.00 per kg and NOK 69.00 per kg in August and September 2022 respectively. The forward price for Q4 2022 is NOK 74.30. In 2023 the forward price is currently at NOK 78.50 per kg.

## Company

SalMar keeps the volume guidance for 2022 unchanged in all regions. Norway at 175,000 tonnes, Iceland at 16,000 tonnes and Scotland at 46,000 tonnes.

SalMar expects higher harvest volume and slightly higher cost level in the third quarter of 2022.

For the third quarter 2022 the contract share is expected to be around 35 per cent, and for the full year 2022 contract share is around 40 per cent.

SalMar is maintaining its ongoing investment programmes to further develop its already strong platform for growth.

SalMar has strong operational and financial flexibility and is well equipped to build an even more robust platform for further sustainable growth. Not for growth's sake, but because salmon is a sustainable marine protein that Norway and the rest of the world needs.

The company continues with both a strong strategic and operational focus with dedicated employees and strong corporate culture set for growth. SalMar is also leading and pioneering the way offshore through its ownership and role in SalMar Aker Ocean.

SalMar has an optimistic outlook for the future of the aquaculture industry, and expects the global supply in 2022 to be at the same level as in 2021.

## STATEMENT BY THE BOARD OF DIRECTORS

We declare that, to the best of our knowledge, the half-year financial statements for the period 1 January to 30 June 2022 have been prepared in accordance with IAS 34 – Interim Reporting, and that the information contained therein provides a true and fair view of the Group's assets, liabilities, financial position and overall results.

We further declare that, to the best of our knowledge, the half-year report provides a true and fair view of important events that have taken place during the accounting period and their impact on the half-year financial statements, as well as the most important risks and uncertainties facing the business in the forthcoming accounting period.

The Board of Directors and CEO of SalMar ASA  
Frøya, 25 August 2022

Gustav Witzøe  
Chair

Arnhold Holstad  
Director

Simon Søbstad  
Director (employee-elected)

Margrethe Hauge  
Director

Morten Loktu  
Director

Linda L. Aase  
CEO

Leif Inge Nordhammer  
Director

Tone Ingebrigtsen  
Director (employee-elected)



## INCOME STATEMENT

<i>NOK million</i>	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
<b>Total operating revenues</b>	<b>4,172</b>	<b>3,168</b>	<b>8,855</b>	<b>6,353</b>	<b>15,044</b>
Cost of goods sold	1,704	1,344	3,754	2,829	7,328
Salary and personnel expenses	445	381	864	741	1,540
Other operating expenses	910	581	1,634	1,101	2,443
<b>EBITDA</b>	<b>1,113</b>	<b>861</b>	<b>2,603</b>	<b>1,682</b>	<b>3,734</b>
Depreciation and write-downs	230	200	458	393	807
<b>Operational EBIT</b>	<b>883</b>	<b>661</b>	<b>2,145</b>	<b>1,289</b>	<b>2,927</b>
Production tax	-14	-14	-34	-29	-72
Onerous contracts	142	30	-87	-22	-181
Fair value adjustment	1,450	363	1,776	713	777
<b>Operating profit</b>	<b>2,461</b>	<b>1,040</b>	<b>3,800</b>	<b>1,951</b>	<b>3,451</b>
Income from investments in associates and joint ventures	119	50	219	99	95
Net interest expenses	-48	-41	-101	-76	-169
Other financial items	15	-5	16	8	11
<b>Profit before tax</b>	<b>2,547</b>	<b>1,044</b>	<b>3,934</b>	<b>1,982</b>	<b>3,387</b>
Income tax expense	533	222	819	421	719
<b>Profit for the period</b>	<b>2,013</b>	<b>822</b>	<b>3,116</b>	<b>1,561</b>	<b>2,668</b>
<b>Other comprehensive income:</b>					
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>					
Change in translation diff. associates and joint ventures	85	9	32	9	14
Change in translation diff. subsidiaries	166	34	81	-60	-97
Change in fair value of financial instruments, net after tax	-193	-71	-20	-79	-75
<b>Total other comprehensive income</b>	<b>58</b>	<b>-29</b>	<b>93</b>	<b>-129</b>	<b>-158</b>
<b>Total comprehensive income</b>	<b>2,072</b>	<b>793</b>	<b>3,208</b>	<b>1,431</b>	<b>2,510</b>
<i>Profit for the period attributable to:</i>					
Non-controlling interests	177	22	198	45	51
Shareholders in SalMar ASA	1,837	800	2,917	1,516	2,617
<i>Comprehensive income for the period attributable to:</i>					
Non-controlling interests	203	38	207	19	6
Shareholders in SalMar ASA	1,869	755	3,001	1,412	2,504
Earnings per share	15.61	6.98	24.79	13.32	22.61
Earnings per share - diluted	15.58	6.97	24.75	13.30	22.57



## BALANCE SHEET – GROUP

NOK million	30.06.2022	31.03.2022	31.12.2021	30.06.2021
<b>ASSETS</b>				
Non-current intangible assets	8,777	8,496	8,530	6,831
Non-current tangible assets	7,838	7,391	7,133	6,203
Right-of-use assets	891	877	877	894
Non-current financial assets	1,830	1,672	1,300	986
<b>Total non-current assets</b>	<b>19,336</b>	<b>18,436</b>	<b>17,841</b>	<b>14,913</b>
Inventory	9,721	7,898	7,928	7,416
Trade receivables	1,049	1,195	935	746
Other current receivables	499	564	480	354
Cash and cash equivalents	1,073	1,025	902	484
<b>Total current assets</b>	<b>12,342</b>	<b>10,681</b>	<b>10,244</b>	<b>8,999</b>
<b>TOTAL ASSETS</b>	<b>31,678</b>	<b>29,117</b>	<b>28,085</b>	<b>23,913</b>
<b>EQUITY AND LIABILITIES</b>				
Paid-in equity	3,463	3,449	3,426	3,409
Retained earnings	10,397	10,942	9,804	8,310
Non-controlling interests	2,454	2,252	2,253	1,155
<b>Total equity</b>	<b>16,314</b>	<b>16,644</b>	<b>15,483</b>	<b>12,874</b>
Deferred tax liability	2,659	2,298	2,259	1,992
Non-current interest-bearing liabilities	6,244	4,714	4,907	4,709
Non-current lease liabilities	773	780	751	793
<b>Total non-current liabilities</b>	<b>9,675</b>	<b>7,792</b>	<b>7,916</b>	<b>7,494</b>
Current interest-bearing liabilities	734	164	571	190
Current lease liabilities	216	197	216	198
Other current liabilities	4,739	4,321	3,898	3,156
<b>Total current liabilities</b>	<b>5,689</b>	<b>4,681</b>	<b>4,686</b>	<b>3,544</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31,678</b>	<b>29,117</b>	<b>28,085</b>	<b>23,913</b>
<b>Net interest-bearing debt (NIBD)</b>	<b>5,905</b>	<b>3,853</b>	<b>4,576</b>	<b>4,415</b>
<b>NIBD incl. lease liabilities</b>	<b>6,893</b>	<b>4,829</b>	<b>5,543</b>	<b>5,406</b>
<b>Equity share</b>	<b>51.5 %</b>	<b>57.2 %</b>	<b>55.1 %</b>	<b>53.8 %</b>



## CASH FLOW

<i>NOK million</i>	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
Profit before tax	2,547	1,044	3,934	1,982	3,387
Tax paid in the period	-6	-7	-41	-23	-549
Depreciation, amortisation and write-downs	230	200	458	393	807
Income from associated companies	-119	-50	-219	-99	-95
Onerous contracts	-142	-30	87	22	181
Fair value adjustments	-1,450	-363	-1,776	-713	-777
Change in working capital	97	256	27	-419	-259
Other changes	63	57	130	102	213
<b>Net cash flow from operating activities</b>	<b>1,220</b>	<b>1,107</b>	<b>2,600</b>	<b>1,244</b>	<b>2,908</b>
<b>Net cash flow from investing activities</b>	<b>-736</b>	<b>-518</b>	<b>-1,300</b>	<b>-1,008</b>	<b>-2,827</b>
Change in interest-bearing liabilities	2,068	-641	1,480	-215	-82
Payment of instalments on lease liabilities	-58	-49	-109	-94	-198
Payment of interest on lease liabilities	-15	-14	-30	-29	-57
Net interest paid financing activities	-30	-28	-65	-52	-94
Dividend	-2,364	-2,261	-2,364	-2,261	-2,271
Net proceeds from capital contribution	1	2,682	11	2,682	3,321
Change in non-controlling interests	-55	-	-55	-	-
Other changes	-	-	-	-	-16
<b>Net cash flow from financing activities</b>	<b>-452</b>	<b>-311</b>	<b>-1,131</b>	<b>32</b>	<b>602</b>
<b>Net change in cash and cash equivalents</b>	<b>32</b>	<b>277</b>	<b>169</b>	<b>268</b>	<b>684</b>
Currency translation of cash and cash equivalents	17	1	3	-7	-6
Cash and cash equivalents as at the start of the period	1,025	206	902	223	223
<b>Cash and cash equivalents as at period end</b>	<b>1,073</b>	<b>484</b>	<b>1,073</b>	<b>484</b>	<b>902</b>



## CHANGES IN EQUITY

2022	Share capital	Treasury shares	Share premium	Other paid-in equity	Other equity	Foreign currency translation differences	Cash flow hedges	Hedge of net investments	Cost of hedging reserve	Attributable to shareholders of the parent	Non-controlling interests	Total equity
As of 1 January 2022	29	0	3,102	295	9,658	93	58	6	-10	13,230	2,253	15,483
Profit for the year					2,917					2,917	198	3,116
<b>Other comprehensive income</b>												
Translation differences in associates and joint ventures						31				31	0.4	32
Translation differences in subsidiaries						39				39	42	81
Other comprehensive income, net after tax							26	-26	14	14	-34	-20
Other comprehensive income	0	0	0	0	0	70	26	-26	14	84	9	93
Total comprehensive income	0	0	0	0	2,917	70	26	-26	14	3,001	207	3,208
<b>Transactions with shareholders</b>												
Share-based payment, expensed				29						29	0	29
Contribution of equity				7						7	4	11
Dividend					-2,354					-2,354	-10	-2,364
Change in non-controlling interests					-55					-55	0	-55
Other changes					0					0	0	0
Total transactions with shareholders	0	0	0	36	-2,408	0	0	0	0	-2,372	-6	-2,378
At 30 June 2022	29	0	3,102	331	10,167	163	83	-20	4	13,860	2,454	16,314

2021	Share capital	Treasury shares	Share premium	Other paid-in equity	Other equity	Foreign currency translation differences	Cash flow hedges	Hedge of net investments	Cost of hedging reserve	Attributable to shareholders of the parent	Non-controlling interests	Total equity
As of 1 January 2021	28	0	415	248	8,901	130	136	-8	0	9,851	1,136	10,987
Profit for the year					2,617					2,617	51	2,668
<b>Other comprehensive income</b>												
Translation differences in associates and joint ventures						14				14		14
Translation differences in subsidiaries						-52				-52	-46	-97
Other comprehensive income, net after tax							-78	14	-10	-75		-75
Other comprehensive income	0	0	0	0	0	-38	-78	14	-10	-112	-46	-158
Total comprehensive income	0	0	0	0	2,617	-38	-78	14	-10	2,504	6	2,510
<b>Transactions with shareholders</b>												
Share-based payment, expensed				54						54	1	56
Share-based payment, tax effect					1					1		1
Share-based payment, release			0	-7						-7	-9	-16
Dividend					-2,261					-2,261	-10	-2,271
Contribution of equity	1		2,708							2,709	639	3,348
Transaction costs related to capital contribution, net of tax				-21						-21		-21
Change in non-controlling interests					400					400	-400	0
Acquisition of non-controlling interests										0	890	890
Other changes					1					1	0	0
Total transactions with shareholders	1	0	2,687	47	-1,860	0	0	0	0	875	1,111	1,986
At 31 December 2021	29	0	3,102	295	9,658	93	58	6	-10	13,230	2,253	15,483

## SEGMENTS

NOK million	Farming Central Norway	Farming Northern Norway	Sales and Industry	Icelandic Salmon	SalMar Aker Ocean	Eliminations	Group
<b>Q2 2022</b>							
Total operating revenues (NOK mill.)	2,073	917	3,947	349	-	-3,114	4,172
Operational EBIT (NOK mill.)	1,213	605	-781	135	-39	-249	883
Operational EBIT %	58.5 %	65.9 %	-19.8 %	38.6 %			21.2 %
Volume harvested (tonnes)	20.7	8.7		3.0			32.4
EBIT/ kg gw (NOK)	58.64	69.12		45.53			27.27
<b>Q2 2021</b>							
Total operating revenues (NOK mill.)	1,342	836	3,070	182	-	-2,262	3,168
Operational EBIT (NOK mill.)	520	347	-136	28	-37	-60	661
Operational EBIT %	38.7 %	41.5 %	-4.4 %	15.4 %			20.9 %
Volume harvested (tonnes)	21.0	13.3		2.3			36.6
EBIT/ kg gw (NOK)	24.75	26.02		12.22			18.05
<b>YTD 2022</b>							
Total operating revenues (NOK mill.)	4,034	2,180	8,392	716	-	-6,467	8,855
Operational EBIT (NOK mill.)	2,138	1,320	-1,153	229	-73	-317	2,145
Operational EBIT %	53.0 %	60.6 %	-13.7 %	32.0 %			24.2 %
Volume harvested (tonnes)	45.6	25.5		6.3			77.4
EBIT/ kg gw (NOK)	46.91	51.73		36.19			27.71
<b>YTD 2021</b>							
Total operating revenues (NOK mill.)	2,511	1,536	6,102	360	-	-4,157	6,353
Operational EBIT (NOK mill.)	906	542	-18	32	-72	-100	1,289
Operational EBIT %	36.1 %	35.3 %	-0.3 %	8.8 %			20.3 %
Volume harvested (tonnes)	41.8	26.8		4.8			73.5
EBIT/ kg gw (NOK)	21.66	20.20		6.57			17.54
<b>FY 2021</b>							
Operating revenue (NOK mill.)	6,542	3,343	14,406	919	-	-10,166	15,044
Operational EBIT (NOK mill.)	2,118	1,243	-152	74	-152	-204	2,927
Operational EBIT %	32.4 %	37.2 %	-1.1 %	8.1 %			19.5 %
Harvested volume (1,000 tgw)	110.7	59.8		11.5			182.1
EBIT/ kg gw (NOK)	19.14	20.76		6.41			16.08



## KEY FIGURES – GROUP

	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
No. of shares (diluted) - end of period (mill.)	117.864	114.751	117.861	113.998	115.922
Earnings per share (NOK)	15.61	6.98	24.79	13.32	22.61
Earnings per share - diluted (NOK)	15.58	6.97	24.75	13.30	22.57
EBITDA %	26.7 %	27.2 %	29.4 %	26.5 %	24.8 %
Operational EBIT %	21.2 %	20.9 %	24.2 %	20.3 %	19.5 %
EBIT %	59.0 %	32.8 %	42.9 %	30.7 %	22.9 %
Profit before tax %	61.0 %	33.0 %	44.4 %	31.2 %	22.5 %
Cash flow per share - diluted (NOK)	10.35	9.65	22.06	10.91	25.09
Net interest bearing debt (NOK mill.)	5,905	4,415	5,905	4,415	4,576
NIBD incl. leasing liabilities (NOK mill.)	6,893	5,406	6,893	5,406	5,543
Equity ratio %	51.5 %	53.8 %	51.5 %	53.8 %	55.1 %

Earnings per share = Earnings after tax / average number of shares

Earnings per share - diluted = Earnings after tax / average number of shares - diluted

Earnings before tax % = Earnings before tax / operating revenue

Cash flow per share - diluted = Cash flow from operating activities / average no. of shares - diluted

Equity ratio = Equity / total assets



## NOTES TO THE FINANCIAL STATEMENTS

### Note 1 - Accounting policies

This report has been prepared in accordance with International Financial Reporting Standards (IFRS), including the standard for interim reporting (IAS 34). The report does not include all information required in a complete annual report and should therefore be read in conjunction with the Group's recent annual report. Please refer to the Group's latest IFRS year-end financial statements, which are published on the Group's website, [www.salmar.no](http://www.salmar.no), for a complete description of the accounting policies.

Operating segments are reported in a manner consistent with internal reporting to the chief operating decision-maker. With effect from January 1, 2022, SalMar Aker Ocean is reported as a separate segment in the SalMar Group. Comparative figures for 2021 have been restated accordingly in the segment reporting. From Q1 2022 segments in SalMar Group comprise of the following: Farming Central Norway, Farming Northern Norway, Sales and Industry, Icelandic Salmon and SalMar Aker Ocean.

This interim report has not been subject to external audit.

### Note 2 - The company's 20 largest shareholders

Shareholder	Shares	%
KVERVA INDUSTRIER AS	59,934,476	50.88 %
FOLKETRYGDFONDET	6,128,424	5.20 %
State Street Bank and Trust Comp	1,486,377	1.26 %
CAISSE DE DEPOT ET PLACEMENT DU QU	1,363,411	1.16 %
VARENNE VALEUR	1,341,106	1.14 %
LIN AS	1,337,685	1.14 %
BNP Paribas Securities Services	1,056,323	0.90 %
JPMorgan Chase Bank, N.A., London	1,000,125	0.85 %
CLEARSTREAM BANKING S.A.	944,620	0.80 %
AMUNDI SMART FACTORY	833,924	0.71 %
State Street Bank and Trust Comp	819,741	0.70 %
SIX SIS AG	752,921	0.64 %
VANGUARD TOTAL INT STOCK IND FUND	708,298	0.60 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	688,759	0.58 %
JPMorgan Chase Bank, N.A., London	567,557	0.48 %
VPF DNB AM NORSKE AKSJER	554,668	0.47 %
AMUNDI VALEURS DURABLES	534,264	0.45 %
PARETO AKSJER NORGE VERDIPAPIRFOND	502,428	0.43 %
Brown Brothers Harriman (Lux.) SCA	500,152	0.42 %
PREMIER MITON EUR OPPORTUNITIES	406,812	0.35 %
<b>Top 20</b>	<b>81,462,071</b>	<b>69.15 %</b>
Others	36,337,928	30.85 %
<b>Total</b>	<b>117,799,999</b>	<b>100.00 %</b>

As at 30 June 2022 SalMar ASA owned 102,361 treasury shares.


**Note 3 - Biological assets and other inventories**

	30.06.2022	31.03.2022	31.12.2021	30.06.2021
<b>Carrying amount of inventory</b>				
Raw materials	238	207	223	179
Biological assets	9,169	7,303	7,281	6,738
Finished goods	314	388	424	499
<b>Total value of biological assets and other inventory</b>	<b>9,721</b>	<b>7,898</b>	<b>7,928</b>	<b>7,416</b>
<b>Carrying amount of biological assets</b>				
Roe, fry, smolt and cleaner fish at cost	329	348	285	288
Biological assets held at sea farms at cost	4,458	3,953	4,350	3,934
Total carrying amount of biological assets before fair value adjustments	4,787	4,301	4,635	4,222
Fair value adjustment of biological assets	4,382	3,002	2,646	2,516
<b>Total carrying amount of biological assets</b>	<b>9,169</b>	<b>7,303</b>	<b>7,281</b>	<b>6,738</b>

Raw materials is mainly comprised of feed for smolt and fish at sea farms. In addition, raw materials are used in connection with processing and packaging. Stocks of biological assets relate to SalMars fish farming operations on land and at sea, and comprise roe, fry, smolt, cleaner fish and fish at sea farms. Finished goods comprise whole fish (fresh and frozen), as well as processed salmon products.

<b>Change in the carrying amount of the biological assets:</b>	<b>Q2 2022</b>	<b>Q2 2021</b>	<b>YTD 2022</b>	<b>YTD 2021</b>	<b>FY 2021</b>
Biological assets - opening balance	7,303	6,280	7,281	5,989	5,989
Increase from business combination	-	-	-	-	187
Increase due to production	1,536	1,362	2,765	2,545	6,433
Decrease due to sale/ harvesting	-1,096	-1,271	-2,618	-2,512	-6,161
Decrease due to incident-based mortality	-	-12	-20	-21	-21
Fair value adjustment on opening balance (reversed)	-3,002	-2,146	-2,646	-1,767	-1,767
Fair value adjustment on closing balance (new)	4,382	2,516	4,382	2,516	2,646
Currency translation differences	45	8	24	-12	-25
<b>Biological assets - closing balance</b>	<b>9,169</b>	<b>6,738</b>	<b>9,169</b>	<b>6,738</b>	<b>7,281</b>

The accounting for live fish is regulated by IAS 41 Agriculture and biological assets must be recognised at fair value in accordance with IFRS 13.

The company's stocks of live fish held at sea farms are, in accordance with IAS 41, recognised at fair value. Present value is calculated on the basis of estimated revenues less production costs remaining until the fish is harvestable at the individual site. A fish is harvestable when it has reached the estimated weight required for harvesting specified in the company's budgets and plans. The estimated value is discounted to present value on the reporting date.

Estimated future revenues are calculated on the basis of Fish Pool forward prices on the balance sheet date. A quarterly price average is calculated, since the fish are harvested over several periods. Forward prices are adjusted for export supplements, shipping, sales and harvesting costs. An adjustment is also made for expected variations in fish quality.

The monthly discount factor reflects the time value of money, the risk in biological production and a hypothetical licence fees and site rental cost. The discount factor is based on expectations on profitability in the industry which impact the hypothetical license fee and can vary in different areas.

Roe, fry, smolt and cleaner fish are recognised at historic cost, since this is considered the best estimate of fair value.

The calculation is based on following forward prices (NOK):

	30.06.2022	Expected harvesting period:	31.03.2022	Expected harvesting period:	31.12.2021	Expected harvesting period:	30.06.2021
Expected harvesting period:							
Q3-2022	81.90	Q2-2022	81.50	Q1-2022	68.67	Q3-2021	55.83
Q4-2022	78.90	Q3-2022	62.27	Q2-2022	68.23	Q4-2021	60.97
Q1-2023	85.70	Q4-2022	66.53	Q3-2022	56.43	Q1-2022	63.65
Q2-2023	86.10	Q1-2023	70.05	Q4-2022	62.27	Q2-2022	65.15
Q3-2023	72.83	Q2-2023	68.54	1st half 2023	65.25	Q3-2022	54.60
Q4-2023	75.37	2nd half 2023	60.25	2nd half 2023	55.75	Q4-2022	58.60
Discount factor Norway	7 %		5 %		5 %		6 %
Discount factor Iceland	5 %		4 %		4 %		4 %

**Note 4 - Fair value adjustments**

Fair value adjustments are part of the Group's operating profit. Changes in fair value are presented on a separate line to provide a better understanding of the Group's profit and loss with respect to goods sold. The line Fair Value Adjustments comprises:

	<b>Q2 2022</b>	<b>Q2 2021</b>	<b>YTD 2022</b>	<b>YTD 2021</b>	<b>FY 2021</b>
Change in the fair value of the biological assets	1,374	368.5	1,732.4	751.7	835
Change in unrealised value of Fish Pool contracts	76	-6.0	43.8	5.8	-14
Change in the unrealised value of forward currency contracts	-	-	-	-44.2	-44
<b>Total fair value adjustments</b>	<b>1,450</b>	<b>363</b>	<b>1,776</b>	<b>713</b>	<b>777</b>



#### Note 5 - Business combinations

##### Business combinations in 2021

###### Nekton Havbruk AS

With effect from 1 July 2021, the Group agreed to acquire 51 per cent of the shares in Nekton Havbruk AS. The purpose of the transaction is to expand the Group's production of harvestable fish. For accounting purposes, the transaction will be treated as a business combination, with the non-controlling interest assessed at fair value. No material external transaction costs were incurred in connection with the acquisition. Assets and liabilities recognised as a result of the acquisition are as follows:

	Carrying amount	Adjustment to fair value	Fair value
<b>Acquisition's effect on the balance sheet:</b>			
Intangible assets	11	109	120
Property, plant & equipment	16	-2	14
Inventory and biological assets	75	-23	52
Current assets	95	0	95
Deferred tax assets/liabilities	19	-17	1
Non-current liabilities	-2	0	-2
Current liabilities	-157	-5	-162
<b>Net identifiable assets and liabilities</b>	<b>57</b>	<b>62</b>	<b>119</b>
Goodwill			38
Non-controlling interests			-77
<b>Cash consideration</b>			<b>80</b>

###### Refsnes Laks AS

With effect from 25 August 2021 the Group agreed to acquire 45% of the shares in Refsnes Laks AS through a combination of share purchase and private placement. The transaction has been approved by the Norwegian Competition Authorities. The purpose of the transaction is to expand the Group's production of harvestable fish. Through shareholder agreements, SalMar has established control and the company are consolidated into the SalMar Group from the time of acquisition, which is defined as the Competition Authority's time for approval of the transaction. For accounting purposes, the transaction will be treated as a business combination, with the non-controlling interest assessed at fair value. Assets and liabilities recognised as a result of the acquisition are as follows:

	Carrying amount	Adjustment to fair value	Fair value
<b>Acquisition's effect on the balance sheet (NOK 1,000):</b>			
Intangible assets	26	1,224	1,250
Property, plant & equipment	112	0	112
Other non-current assets	11	0	11
Inventory and biological assets	188	0	188
Other current assets	345	0	345
Deferred tax assets/liabilities	-38	-269	-307
Non-current liabilities	-345	0	-345
Current liabilities	-62	-2	-63
<b>Net identifiable assets and liabilities</b>	<b>237</b>	<b>953</b>	<b>1,191</b>
Goodwill			287
Non-controlling interests			-813
<b>Cash consideration</b>			<b>665</b>

#### Note 6 - Changes in non-controlling interests

##### Changes in non-controlling interests 2022

With effect from 19 April 2022, SalMar Group has acquired 49% of the shares in Mariculture AS. Mariculture AS is a subsidiary of SalMar Aker Ocean AS, which is owned 85.0 per cent of SalMar Group. After the transaction SalMar Aker Ocean AS owns 100.0 per cent of the shares in Mariculture AS. For accounting purposes, the effect of the transaction is recognised directly to equity in the period.

##### Changes in non-controlling interests 2021

With effect from 15 November 2021, Aker ASA entered into a strategic partnership with SalMar establishing SalMar Aker Ocean AS. As a part of the transaction a share issue was carried out in SalMar Aker Ocean, where Aker ASA contributed a net capital increase of 639.1 million. The transaction led to a reduction in SalMar's holding of shares in the company from 100.0 per cent to 85.0 per cent. The reduction is recognised as a change in non-controlling interests, and the NOK 400.2 million effect is recognised directly in equity in 2021.

#### Note 7 - Financial assets – investments where the equity method is applied

	Norskott Havbruk	Others	Total
Carrying amount at 1 January 2022	1,095	80	1,174
Income from associates and joint ventures	219	0	219
Items recognised in other comprehensive income	27	4	32
Other changes	-	1	1
<b>Carrying amount at 30 June 2022</b>	<b>1,341</b>	<b>85</b>	<b>1,426</b>



**Note 8 - Interest-bearing liabilities**

	30.06.2022	31.03.2022	31.12.2021	30.06.2021
<b>Non-current interest-bearing liabilities</b>				
Non-current interest bearing liabilities	6,407	4,875	5,069	4,877
Next year's instalment on non-current interest bearing liabilities	-163	-161	-162	-168
<b>Total</b>	<b>6,244</b>	<b>4,714</b>	<b>4,907</b>	<b>4,709</b>
<b>Lease liabilities</b>				
Lease liabilities	989	977	967	991
Next year's instalment on lease liabilities	-216	-197	-216	-198
<b>Total</b>	<b>773</b>	<b>780</b>	<b>751</b>	<b>793</b>
<b>Total carrying amount</b>	<b>7,017</b>	<b>5,494</b>	<b>5,657</b>	<b>5,502</b>
<b>Current interest bearing liabilities</b>				
Current interest-bearing liabilities	571	2	409	22
Next year's instalment on non-current interest bearing liabilities	163	161	162	168
<b>Total</b>	<b>734</b>	<b>164</b>	<b>571</b>	<b>190</b>
Next year's instalment on lease liabilities	216	197	216	198
<b>Total carrying amount</b>	<b>950</b>	<b>360</b>	<b>788</b>	<b>388</b>
<b>Total interest-bearing liabilities</b>	<b>7,967</b>	<b>5,854</b>	<b>6,445</b>	<b>5,890</b>
Cash and cash equivalents	1,073	1,025	902	484
Lease liabilities	989	977	967	991
<b>Net interest-bearing debts (NIBD)</b>	<b>5,905</b>	<b>3,853</b>	<b>4,576</b>	<b>4,415</b>

**Breakdown of net interest-bearing liabilities by currency (all figures are in NOK):**

	NOK	EUR	JPY	USD	GBP	Other	Total
Non-current interest bearing liabilities	5,997	410	0	0	0	0	6,407
Lease liabilities	942	9	0	0	0	38	989
Current interest-bearing liabilities	633	-38	-25	8	-2	-5	571
<b>Total interest-bearing liabilities</b>	<b>7,572</b>	<b>381</b>	<b>-25</b>	<b>8</b>	<b>-2</b>	<b>33</b>	<b>7,967</b>
Cash and cash equivalents	768	64	29	119	40	52	1,073
Lease liabilities	942	9	0	0	0	38	989
<b>Net interest-bearing debts (NIBD)</b>	<b>5,862</b>	<b>308</b>	<b>-55</b>	<b>-111</b>	<b>-42</b>	<b>-57</b>	<b>5,905</b>

**Financing activities - change in liabilities:**

	31.12.2021	Cash flow from financing activities	Not cash-generating effects				30.06.2022
			Change subsidiaries	Currency effects	Change in next year's instalments on long-term liabilities	Other effects	
Non-current interest-bearing liabilities	4,907	1,318	0	15	-1	5	6,244
Current interest bearing liabilities	571	162	0	0	1	0	734
Total liabilities to credit institutions	5,478	1,480	0	15	0	5	6,978
Non-current and current lease liabilities	967	-109	0	3	0	127	989
<b>Total interest-bearing liabilities</b>	<b>6,445</b>	<b>1,371</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>132</b>	<b>7,967</b>

**Further details on interest-bearing liabilities:**

With effect from 4 February 2022, SalMar ASA entered into fixed rate interest swap contracts with a total principal of NOK 2,250 million. 750 million has a duration of 7 years starting 22 April 2022, 750 million has a duration of 7 years starting 22 January 2025, and 750 million has a duration of 10 years starting 22 January 2024. The interest swap contracts are established with the purpose to reduce the interest rate risk related to long-term loan.

**Note 9 - Interest and other financial items**

	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
Interest income	4	2	6	4	15
Interest expenses, ex. interest on lease liabilities	-37	-28	-77	-52	-127
Interest expenses relating to lease liabilities	-15	-14	-30	-29	-57
Net exchange differences	16	-2	17	13	21
Net other financial items	-1	-3	-1	-5	-11
<b>Net interest and other financial items</b>	<b>-33</b>	<b>-46</b>	<b>-85</b>	<b>-69</b>	<b>-159</b>

**Note 10 - Industry lawsuits in North-America**

As earlier informed, the costs connected with lawsuits in North-America are significant. In the second quarter, the Group has expensed costs incurred and made provisions for costs and expenses related to the previously reported lawsuits in North America. The costs and expenses include payments related to settlement, material legal fees as well as other related expenses, estimated to a total amount of NOK 164 million.

The total cost of NOK 164 million is included in other operation expenses in the income statement and impact the groups operational EBIT negatively in Q2 2022 with the same amount. In the groups segment reporting the expensed cost is included in Eliminations. The cost related to the lawsuits in North-America is a non-recurring item. For a better understanding of the groups underlying operation in the period, operational EBIT and EBIT/kg gw (NOK) is shown in the table below both including and excluding the cost related to the lawsuits.

SalMar Group	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
Operational EBIT (NOK mill.) including cost related to lawsuits in North-America	883	-	2,145	-	-
Cost related to lawsuits in North-America	164	-	164	-	-
Operational EBIT (NOK mill.) excluding cost related to lawsuits in North-America	1,048	661	2,310	1,289	2,927
EBIT/ kg gw (NOK) - including cost related to lawsuits in North-America	27.27	-	27.71	-	-
EBIT/ kg gw (NOK) - excluding cost related to lawsuits in North-America	32.35	18.05	29.83	17.54	16.08



**Note 11 - Alternative performance measures**

The SalMar Group prepares its financial statements in accordance with international accounting standards (IFRS). In addition, management has established alternative performance parameters to provide useful and relevant information to users of its financial statements. Alternative performance parameters have been established to provide greater understanding of the company's underlying performance, and do not replace the consolidated financial statements prepared in accordance with international accounting standards (IFRS). The performance parameters have been reviewed and approved by the Group's management and Board of Directors. Alternative performance parameters may be defined and used in other ways by other companies.

The APMs are deduced from the performance measures defined in IFRS. The figures are defined below and calculated in a consistent manner. They are presented in addition to other performance measures, in keeping with the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA).

**Operational EBIT**

Operational EBIT is an APM used by the Group. The relationship between Operational EBIT and operating profit/loss is presented in the table below. The difference between Operational EBIT and operating profit/loss relates to provisions for production tax and onerous contracts, and items which are classified in the financial statements on the line for fair value adjustments. These items are market value and fair value assessments linked to assumptions about the future. Operational EBIT shows the underlying operation and the results of transactions undertaken in the period.

	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
<b>Operating profit</b>	2,461	1,040	3,800	1,951	3,451
Production tax	14	14	34	29	72
Onerous contracts	-142	-30	87	22	181
<i>Fair value adjustment:</i>					
Change in the fair value of the biological assets	-1,374	-369	-1,732	-752	-835
Change in unrealised value of Fish Pool contracts	-76	6	-44	-6	14
Change in the unrealised value of forward currency contracts	-	-	-	44	44
<b>Operational EBIT</b>	<b>883</b>	<b>661</b>	<b>2,145</b>	<b>1,289</b>	<b>2,927</b>

**EBITDA**

EBITDA is another alternative performance measure used by the Group. EBITDA is operational EBIT plus depreciation, write-downs and amortization.

	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
Operational EBIT	883	661	2,145	1,289	2,927
Depreciation and write-downs	230	200	458	393	807
<b>EBITDA</b>	<b>1,113</b>	<b>861</b>	<b>2,603</b>	<b>1,682</b>	<b>3,734</b>

**EBIT/kg gw**

EBIT per kg gutted weight is defined as a key performance parameter for SalMar. The performance parameter is used to assess the profitability of the goods sold and the Group's operations. The performance parameter is expressed per kg of harvested volume.

	Q2 2022		Q2 2021		Icelandic Salmon	SalMar Group
	Farming Central Norway	Farming Northern Norway	Farming Central Norway	Farming Northern Norway		
Operational EBIT (NOK mill.)	1,213	605	520	347	135	883
Volume harvested (tonnes)	20.7	8.7	21.0	13.3	3.0	32.4
EBIT/kg gw (NOK)	58.64	69.12	24.75	26.02	45.53	27.27
	YTD 2022		YTD 2021			
Operational EBIT (NOK mill.)	2,138	1,320	2,118	1,243	229	2,145
Volume harvested (tonnes)	45.6	25.5	41.8	26.8	6.3	77.4
EBIT/kg gw (NOK)	46.91	51.73	21.66	20.20	36.19	27.71
	YTD 2021		FY 2021			
Operational EBIT (NOK mill.)	906	542	2,118	1,243	74	2,927
Volume harvested (tonnes)	41.8	26.8	110.7	59.8	11.5	182.1
EBIT/kg gw (NOK)	21.66	20.20	19.14	20.76	6.41	16.08

**Net interest-bearing debt (NIBD) and net interest-bearing debt including lease liabilities**

Net interest-bearing debt is an alternative performance measure used by the Group. The performance measure is used to express the Group's working capital, and is an important performance measure for investors and other users, because it shows net borrowed capital used to finance the Group. Net interest-bearing debt is defined as long-term and short-term debt to credit institutions, less cash & cash equivalents. Leasing liabilities under IFRS 16 are not included in the calculation of net interest-bearing debt. To highlight total interest bearing debt including leasing liabilities, this is presented as a separate measure.

	30.06.2022	31.03.2022	31.12.2021	30.06.2021
Non-current interest-bearing liabilities	6,244	4,714	4,907	4,709
Current interest-bearing liabilities	734	164	571	190
Cash and cash equivalents	-1,073	-1,025	-902	-484
<b>Net interest-bearing debt (NIBD)</b>	<b>5,905</b>	<b>3,853</b>	<b>4,576</b>	<b>4,415</b>
Lease liabilities	989	977	967	991
<b>NIBD incl. lease liabilities</b>	<b>6,893</b>	<b>4,829</b>	<b>5,543</b>	<b>5,406</b>

**Cash flow per share - diluted**

The Group uses diluted cash flow per share to highlight the cash flow from period's operating activities per share outstanding (diluted). The key figure is arrived at by dividing the cash flow from operating activities by the average number of shares outstanding (diluted) in the period.

	Q2 2022	Q2 2021	YTD 2022	YTD 2021	FY 2021
Cash flow from operating activities	1,220	1,107	2,600	1,244	2,908
Average no. of shares outstanding (diluted) in the period (1,000 shares)	117,864	114,751	117,861	113,998	115,922
<b>Diluted cash flow per share (NOK)</b>	<b>10.35</b>	<b>9.65</b>	<b>22.06</b>	<b>10.91</b>	<b>25.09</b>

**NIBD incl. lease liabilities / EBITDA**

NIBD incl. lease liabilities / EBITDA is an APM used by the Group to measure leverage. The figure is arrived at by dividing NIBD incl. lease liabilities at the end of the period with EBITDA for the last 12 months.

**Note 12 - Subsequent events**

With effect from 17 August 2022, the Group acquired 50% of the shares in the smolt facility Eldisstøðin Isthor Ehf on Iceland. The transaction has been approved by the Icelandic Competition Authorities. Prior to the transaction, Arnarfax Ehf owned 50% of the shares in Eldisstøðin Isthor Ehf. SalMar ASA owns 51,02% of the shares in Icelandic Salmon AS, which owns 100% of the shares in Arnarfax Ehf.

The investment in Eldisstøðin Isthor was accounted for using the equity method prior to the acquisition date. At the time of achieving control, previously held shares will be remeasured at fair value. The fair value of the acquisition is approximately NOK 105 millions. The remeasurement will result in a fair value gain of approximately NOK 90 millions. The effect will be included in the profit or loss in Q3 2022.

The purpose of the transaction is to increase the flexibility in size of smolt and increased number of smolt supporting the company's growth plans.

After the transaction the Group owns 100% of the shares in Eldisstøðin Isthor. For accounting purposes, the transaction will be treated as a business combination with effect from the acquisition date. A complete purchase price allocation will be included in the financial statement for Q3 2022.