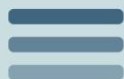


QUARTERLY REPORT

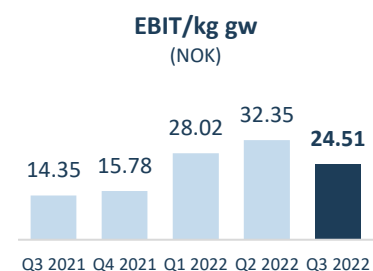
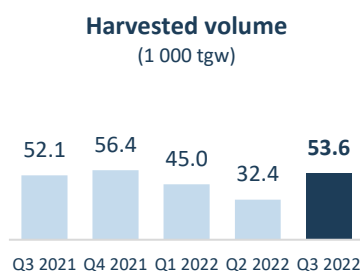
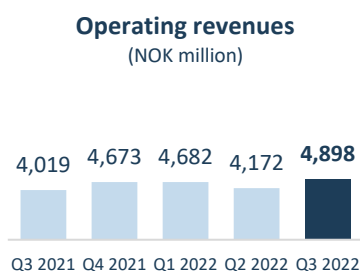
Third quarter 2022



HIGHLIGHTS IN THE THIRD QUARTER

- Continued solid biological and operational performance have led to strong results in the third quarter. Total Group operational EBIT was NOK 1,313 million and total harvest was 53,600 tonnes (NOK 24.51 per kg).
- Total operational EBIT for Norway¹ for the third quarter was NOK 1,309 million with a harvest volume of 49,800 tonnes (NOK 26.29 per kg).
- Fish Farming Central Norway and Northern Norway continued to deliver solid results despite general cost inflation.
- Sales and Industry had high levels of activity at its harvesting and processing plants, and increased its results significantly from the previous quarter.
- The underlying operational performance of the Icelandic operation was stable, but lower spot prices reduced the margins.
- 31st of October 2022 clearance was received from the European Commission for the acquisition of a majority of the shares in NTS ASA, and consequently also the merger between SalMar and Norway Royal Salmon ASA (NRS). As part of the transaction the 51.28 per cent stake in Arctic Fish has been agreed sold for 115 NOK/share, NOK 1.9 billion, subject to EU Commission's approval of the buyer and agreed terms.
- Following completion of the transactions SalMar increases volume guiding in Norway with 5,000 tonnes to 180,000 tonnes for 2022. Volume guidance Iceland is kept unchanged and for Scottish Sea Farms the volume guidance is reduced with 8,000 tonnes.
- In 2023 SalMar expects significant volume growth from 215,000 tonnes up to 281,500 tonnes including its relative share in Scottish Sea Farms.
- The Norwegian government proposed to introduce a resource tax on aquaculture of 40% with effect from the tax year 2023 for volumes above 4-5,000 tonnes MAB. A hearing is underway with feedback due in January 2023. If this proposal is adopted this will have major impact on the capacity for innovation and investments in the Norwegian aquaculture industry
- SalMar announced that Frode Arntsen was appointed new CEO in SalMar from 24 October 2022, and Ulrik Steinvik was appointed new CFO 27 October 2022.

NOK million	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Operating income	4,898	4,019	13,753	10,371	15,044
Operational EBIT	1,313	748	3,458	2,037	2,927
Operational EBIT %	26.8%	18.6 %	25.1 %	19.6 %	19.5 %
Production tax	-23	-21	-58	-49	-72
Fair value adjustments	-592	221	1,185	934	777
Profit/loss from associates	-51	4	168	103	95
Profit/loss before tax	850	912	4,784	2,894	3,387
EPS – diluted	4.74	5.84	29.49	19.12	22.57
NIBD incl. leasing liabilities	6,423	5,943	6,423	5,943	5,543
Equity ratio %	52.5%	53.0 %	52.5 %	53.0 %	55.1 %
Harvested volume (1,000 t _{gw})	53.6	52.1	131.0	125.6	182.1
EBIT/kg gw (NOK)	24.51	14.35	26.40	16.21	16.08



EBIT/kg excl cost related to lawsuits in North-America in Q2 2022

¹ Results from Norway are group results excluding segments SalMarAker Ocean and Icelandic Salmon



FINANCIAL PERFORMANCE

Revenue and results for the third quarter 2022

In the third quarter 2022, the SalMar Group continued its solid trend with strong operational performance and results, despite general cost inflation.

Fish Farming Central Norway continued to perform well, and harvested record high volumes in the third quarter. Fish Farming Norway posted a strong result following continued operational and biological performance. Cost level in both segments increased from the previous quarter mainly due to cost inflation on feed.

Sales and Industry increased its result significantly from the previous quarter, due to improved profitability from contracts and strong capacity utilization at harvesting and processing facilities.

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 third time. Upgrade of Ocean Farm 1 is progressing according to plan.

Icelandic Salmon delivered stable operational performance, but lower spot prices led to lower margins compared to the previous quarter.

In the third quarter 2022, the SalMar Group harvested 53,600 tonnes of salmon, compared with 32,400 tonnes in the second quarter 2022 and 52,100 tonnes in the third quarter 2021.

Norskott Havbruk (Scottish Sea Farms) harvested 11,300 tonnes of salmon in the quarter. By comparison, the company harvested 9,500 tonnes in the second quarter 2022 and 10,100 tonnes in the corresponding period last year. SalMar owns 50 per cent of Norskott Havbruk.

In the third quarter 2022, the price of salmon (NASDAQ Salmon Index) averaged NOK 71.55 per kg, down from an average of NOK 106.17 per kg in the second quarter and up from NOK 55.48 per kg in the same quarter in 2021.

Operating revenues amounted to NOK 4,898 million in the third quarter 2022, compared with NOK 4,172 million in the second quarter 2022 and NOK 4,019 million in the third quarter 2021.

SalMar's most important key figure for measuring its performance is operational EBIT, an alternative performance measure, see note 10 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.

The SalMar Group achieved an operational EBIT of NOK 1,313 million in the quarter, up from NOK 883 million in the previous quarter and NOK 748 million in the corresponding quarter last year. The increase from last year is mainly attributable to higher salmon prices.

The SalMar Group achieved an operational EBIT per kg of NOK 24.51 in the third quarter, down from NOK 27.27 per kg in the second quarter, but up from NOK 14.35 per kg in the third quarter 2021.

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 23 million in the third quarter 2022.

The change in provisions for onerous contracts was positive with NOK 205 million in the quarter, while fair value adjustments was negative with NOK 592 million. The fair value adjustment includes the change in fair value of the standing biomass at NOK 603 million and change in unrealised value of Fish Pool at NOK 11 million in the quarter. See Note 4 for further details.

SalMar posted an operating profit of NOK 903 million in the third quarter 2022, a decrease from NOK 2,461 million from the previous quarter and from NOK 952 million from the same period in 2021. Operating profit in the third quarter 2021 was increased by fair value adjustments totalling NOK 221 million.

Income from investments in associates amounted to negative NOK 51 million in the period, compared with NOK 119 million in the second quarter and NOK 4 million in the third quarter 2021. Most of the contribution from Associates derives Scottish Sea Farms.

Net interest expenses totalled NOK 64 million in the quarter. This is NOK 16 million more than in the previous quarter (NOK 48 million) and NOK 19 million more than in the third quarter 2021 (NOK 45 million). The increase is largely attributable to higher interest rates.

Other financial items was NOK 62 million in the third quarter, compared with NOK 15 million in the previous quarter and NOK 1 million in the third quarter 2021. The increase is due to a gain related to remeasured shares in associated companies after the acquisition of remaining ownershare in Eldistødin Isthor Ehf.

Profit before tax in the third quarter totalled NOK 850 million, compared with NOK 2,547 million in the second quarter 2022 and NOK 912 million in the corresponding quarter last year.

A tax expense of NOK 181 million has been recognized for the quarter. This gives a net profit for the period of NOK 669 million. The tax expense recognised in the third quarter 2021 came to NOK 201 million, while net profit totalled NOK 711 million.

Currency exchange effects through the quarter resulted in translation differences of NOK 17 million with respect to associates and subsidiaries accounted for in foreign currencies. Change in fair value of financial instruments after tax came to NOK -112 million. This gives a total for other comprehensive loss of NOK -95 million in the quarter. These are items that may subsequently be reclassified to profit and loss and decrease the period's total result to NOK 575 million.



Revenue and results for the first nine months 2022

The SalMar Group generated gross operating revenues of NOK 13,753 million in the first nine months of 2022, up from NOK 10,371 million in the same period in 2021.

The harvest volume for the first nine months of 2022 was 131,000 tonnes. In the same period last year, the Group had harvested 125,600 tonnes.

In the first nine months of 2021, the price of salmon (NASDAQ Salmon Index) averaged NOK 85.71 per kg, compared with NOK 57.20 per kg in the same period last year.

Operational EBIT for the first nine months of 2022 totalled NOK 3,458 million, up from NOK 2,037 million in 2021. This gives an Operational EBIT per kg of NOK 26.40 for the first nine months of 2022, compared with NOK 16.21 per kg in the same period in 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 58 million in the first nine months of 2022.

Fair value adjustments and onerous contracts increased profits by NOK 1,185 million and NOK 118 million respectively in the year to 30 September. Operating profit for the first nine months of the year therefore ended at NOK 4,703 million. Operating profit for the first nine months of 2021 came to NOK 2,903 million, after a positive contribution from fair value adjustments and onerous contracts of NOK 916 million in total.

Associates contributed NOK 168 million in the first nine months of 2022. The contribution derives primarily from SalMar's share of the profit from Norskott Havbruk, which amounted to NOK 164 million in the year's first nine months. In the same period last year, associates contributed NOK 103 million.

Net interest expenses totalled NOK 165 million in the first nine months of 2022, compared with NOK 121 million in the same period last year. Net other financial items totalled NOK 78 million in the period. In the corresponding period last year, the Group reported other financial items totalling NOK 8 million.

Profit before tax in the first nine months of 2022 therefore totalled NOK 4,784 million, compared with NOK 2,894 million in the same period in 2021.

A tax expense of NOK 999 million has been calculated for the first nine months of 2022, which brings the net profit for the period to NOK 3,785 million.

Cash flow

Cash flow from operating activities for the SalMar Group was NOK 1,424 million in the third quarter 2022, compared with NOK 948 million in the same period in 2021.

Net cash flow from investing activities in the quarter totalled NOK 790 million, compared with NOK 964 million in the third quarter last year.

Investments in the value chain in the quarter relate to investments within farming in Norway of NOK 289 million, expansion of smolt and hatchery capacity of NOK 188 million, NOK 30 million within Sales & Industry, NOK 151 million in Iceland, NOK 98 million in SalMar Aker Ocean and NOK 4 million in other investments. See note 12 for details of withdrawn license capacity.

The Group had a net cash flow from financing activities of NOK -914 million in the third quarter 2022, compared with NOK 204 million in the same period last year.

During the quarter the Group's interest-bearing liabilities decreased with NOK 782 million, instalments on lease liabilities and net interest paid totalled NOK -110 million. In the same quarter last year, interest-bearing liabilities increased by NOK 292 million, while instalments on leasing liabilities and net interest paid totalled NOK -88 million. In the third quarter 2022, a dividend of NOK 22 million was paid.

SalMar had a net change in cash and cash equivalents of NOK -280 million in the third quarter 2022, compared with NOK 188 million in the same period in 2021. Adjusted for NOK -6 million in currency effects, this decreased the Group's total holding of cash and cash equivalents with NOK 286 million in the period. As a result, the Group's overall cash holding at the close of the quarter stood at NOK 787 million.

For the first nine months of the year, the SalMar Group generated a cash flow from operating activities of NOK 4,025 million, compared with NOK 2,192 million in the first half of 2021. Net cash flow from investing activities totalled NOK -2,091 million for the first nine months of the year, compared with NOK -1,972 million in the same period last year. Cash flow from financing activities totalled NOK -2,045 million in the first nine months of 2022, compared with NOK 235 million in the same period last year.

As a result, the Group's net cash flow for the first nine months of 2022 was to NOK -112 million, compared with NOK 455 million last year.



Financial position

At the end of third quarter 2022, SalMar Group's balance sheet totalled NOK 32,176 million, up from NOK 31,678 million at the end of the second quarter and NOK 28,085 million at the end of 2021.

Non-current assets was NOK 20,047 million, up from NOK 19,336 million at the end the second quarter 2022.

Non-current intangible assets totalled NOK 9,133 million at the close of the quarter, up from NOK 8,777 million from the previous quarter.

The book value of the Group's non-current tangible assets was NOK 8,373 million at the close of the quarter, up from NOK 7,838 million in the end of second quarter 2022.

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

The Group's right-of-use assets totalled NOK 856 million, down from NOK 891 million in the end of previous quarter.

Non-current financial assets decreased from NOK 1,830 million at the end of the second quarter 2022 to NOK 1,685 million at the end of the third quarter 2022. The main reason for the decrease is a negative contribution from associated company Scottish Sea Farms.

At the end of the third quarter 2022, SalMar had current assets totalling NOK 12,129 million, down from NOK 12,342 million at the end of the second quarter 2022.

At the close of the third quarter, the book value of inventory stood at to NOK 9,749 million, up from NOK 9,721 million at the end of the second quarter 2022. Trade receivables totalled NOK 1,073 million, up from NOK 1,049 million three months prior. Other current receivables were NOK 520 million, up from NOK 499 million at the end of second quarter 2022.

As of 30 September 2022, the SalMar Group had cash and cash equivalents of NOK 787 million, down from NOK 1,073 million at the end of second quarter 2022.

As of 30 September 2022, the Group's total equity amounted to NOK 16,881 million, corresponding to an equity ratio of 52.5 per cent, compared to NOK 16,314 million at the end of the second quarter 2022 and an equity ratio of 51.5 per cent. For further details, reference is made to the attached separate presentation of movements in equity.

As of 30 September 2022, the SalMar Group had total interest-bearing liabilities of NOK 6,253 million. Of this amount, non-current interest-bearing debts amounted to NOK 5,722 million, while current interest-bearing liabilities was NOK 532 million. By comparison, total interest-bearing liabilities at the end of the second quarter 2022 was NOK 6,978 million. See Note 8 for further details

The Group's leasing liabilities totalled NOK 957 million at the close of the third quarter 2022, compared to NOK 989 million at the end of second quarter 2022.

At the end of the third quarter 2022, deferred tax liability and other current liabilities totalled NOK 8,085 million, compared to NOK 7,398 million at the end the second quarter 2022.

As of 30 September 2022, the SalMar Group had net interest-bearing debts, including lease liabilities of NOK 6,423 million, compared to NOK 6,893 million at the end of the second 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	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Operating income	2,540	1,940	6,574	4,451
Operational EBIT	977	597	3,115	1,503
Operational EBIT %	38 %	31 %	47 %	34 %
Harvested volume (1,000 tgw)	36.0	34.2	81.5	76.0
EBIT/kg gw (NOK)	27.17	17.46	38.20	19.77

Fish Farming Central Norway harvested 36,000 tonnes of salmon in the third quarter 2022, compared with 34,200 tonnes in the third quarter 2021.

The segment generated operating income of NOK 2,540 million in the quarter, compared with NOK 1,940 million in the corresponding period last year. The strong result in the third quarter 2022 was driven by record high volume, high spot prices and continued strong operational performance. The cost level increased compared to the previous quarter due to cost inflation on feed.

EBIT per kg gutted weight was NOK 27.17 in the third quarter 2022, up from NOK 17.46 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 80 per cent of the volume harvested in the quarter. The segment also started harvesting from the the autumn 2021 generation in the quarter.

During the first autumn months, the status of the biomass has been more challenging than in previous periods and there has been lower growth than expected in the period.

In the fourth quarter 2022 the segment expects higher cost level than in the third quarter.

With the inclusion of volume from SalmoNor from November the volume guidance for 2022 is increased with 1,000 tonnes to 118,000 tonnes.

Fish Farming Northern Norway

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

NOK million	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Operating income	946	785	3,126	2,320
Operational EBIT	428	272	1,749	813
Operational EBIT %	45 %	35 %	56 %	35 %
Harvested volume (1,000 tgw)	13.8	15.5	39.3	42.3
EBIT/kg gw (NOK)	31.04	17.53	44.47	19.22

Fish Farming Northern Norway harvested 13,800 tonnes in the third quarter 2022, compared with 15,500 tonnes in the same period last year.

The segment generated operating income of NOK 946 million in the quarter, compared with NOK 785 million in the third quarter 2021. The increase is due to higher salmon prices than last year. The cost level increased compared to the previous quarter due to cost inflation on feed.

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

Fish Farming Northern Norway achieved NOK 31.04 EBIT per kg gutted weight in third quarter 2022, compared to NOK 17.53 in the same period the year before.

The autumn 2020 generation accounted for 40 per cent of the volume harvested in the period. The generation continued the solid trend with good performance.

Harvesting of the spring 2021 generation started in the period, and it will continue harvesting the spring 2021 generation in the fourth quarter 2022.

With the inclusion of volume from Norway Royal Salmon from November the volume guidance for 2022 is increased with 4,000 tonnes to 62,000 tonnes.



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	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Operating income	4,734	3,929	13,126	10,031
Operational EBIT	-34	-28	-1,186	-46
Operational EBIT %	-1 %	-1 %	-9 %	0 %

Sales and Industry generated gross operating income of NOK 4,734 million in the third quarter 2022, compared with NOK 3,929 million in the corresponding period last year.

The segment harvested 51,600 tonnes of salmon in the third quarter 2022, compared with 41,100 tonnes in the third quarter 2021.

The segment delivered an operational EBIT of NOK -34 million in the period, compared with NOK -28 million in the third quarter of 2021. This is however a significant improvement from the NOK -781 million in the second quarter 2022. The improvement is driven by improved spot price achievement and increased profitability on fixed price contracts and strong capacity utilization.

The contract share in the third quarter 2022 was 34 per cent. For the fourth quarter the contract rate is expected to be around 35 per cent.

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

Salmar Aker Ocean

SalMar Aker Ocean is a joint venture between SalMar (85 per cent ownership) and Aker (15 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	Q3 2022	Q3 2021*	YTD 2022	YTD 2021
Operating income	-	-	-	-
Operational EBIT	-34	-34	-107	-107
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 third 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 third quarter of 2022, SalMar Aker Ocean had an operational EBIT of -34 million.

The upgrade of Ocean Farm 1 is progressing according to plan. The unit is currently at the Aker Verdal yard. 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 a sustainable regulatory framework is in place. In early 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. In August 2022, site location for Smart Fish Farm was approved by Norwegian Food Safety Authority. And 8th of November 2022 the Government announced new rules for establishments of offshore aquaculture. These are important milestones to get the regulatory framework in place.

Work continues for design of the new offshore units, Ocean Farm 2 and Smart Fish Farm, and the strong strategic partnership with Aker is working well. Work towards a final investment decision of a new semi-offshore unit, is progressing, final investment decision postponed from 2022 to 2023.



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	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Operating income	340	202	1,056	562
Operational EBIT	39	5	268	37
Operational EBIT %	11 %	2 %	25 %	7 %
Harvested volume (1,000 t _{gw})	3.8	2.4	10.1	7.3
EBIT/kg gw (NOK)	10.16	2.02	26.42	5.06

Icelandic Salmon harvested 3,800 tonnes of salmon in the third quarter 2022, compared with 2,400 tonnes in the same period last year.

The business generated operating income of NOK 340 million in the quarter, compared with NOK 202 million in the same period in 2021. The rise in operating revenues related primarily to stronger 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 10.16, up from NOK 2.02 per kg in the same period last year.

Icelandic Salmon continued harvesting the 2020 generation in the third quarter. Continued stable biological performance, but reevaluation of biological stock had an impact of operational EBIT by ~5 NOK/kg.

The company will continue harvesting from the 2020 generation and will start harvest of 2021 generation in Q4 2022.

The volume guidance for 2022 is kept unchanged at 16,000 tonnes and the company expect the same level in 2023.

Expect a significant increase in 2024 following the investments in smolt capacity in 2021/22.

Eliminations

Research and development (R&D) costs are included as eliminations in the segments' reported results. Of a total harvested volume of 53,600 tonnes in the third quarter 2022, R&D costs accounted for NOK 0.82 per kg.

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	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Operating income	972	773	2,495	1,963
Operational EBIT	47	80	342	273
Operational EBIT %	4.9 %	10.4 %	13.7 %	13.9 %
Fair value adj. biomass	-172	-58	149	8
Profit/loss before tax	-145	17	439	269
SalMar's share after tax	-55	7	164	104
Harvested volume (1,000 t _{gw})	11.3	10.1	28.6	27.4
EBIT/kg gw (NOK)	4.20	7.93	11.95	9.94

Norskott Havbruk harvested 11,300 tonnes in the quarter, compared with 10,100 tonnes harvested in the third quarter 2021.

Norskott Havbruk generated operating revenues of NOK 972 million in the third quarter 2022, compared with NOK 773 million in the third quarter last year. The increase is due to higher salmon prices and higher volume.

EBIT per kg gutted weight came to NOK 4.20 in the period. This is down from NOK 7.93 per kg in the same period last year. Results in Q3 2022 negatively impacted by environmental issues related to micro-jellyfish and gill health. This has led to a high cost base and low average weight of harvested fish. In addition, results are negatively impacted by the contract level of 44 per cent.

SalMar's share of Norskott Havbruk's net profit came to NOK -55 million in the third quarter 2022. Lower operating results and negative fair value adjustments contributed to a loss in the quarter.

Due to the biological challenges experience in 2022, volume guidance for 2022 is reduced with 8,000 tonnes to 38,000 tonnes. In 2023 the company expects to harvest 43,000 tonnes.



MARKETS

Supply and biomass

In the third quarter 2022, the global supply of Atlantic salmon totalled approximately 789,000 tonnes, an increase of 6 per cent on the same period in 2021.

At 419,600 tonnes, output in Norway in the quarter was 2 per cent higher than in the same period a year before. Output increased with 26 per cent in Chile, decreased with 2 per cent in UK and decreased with 4 per cent in North America. Output increased with 9 per cent in the Faroe Islands and decreased with 5 per cent in other producing countries.

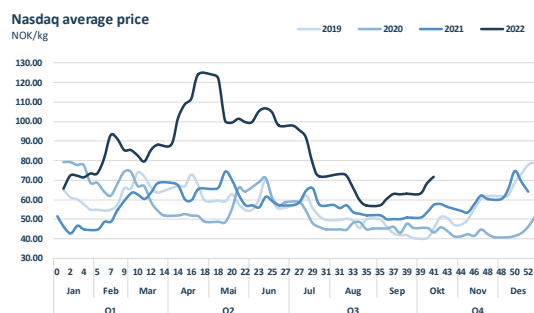
According to figures from Kontali, the standing biomass in Norway at the end of the third quarter 2022 is estimated to be 0.1 per cent lower than the end of third quarter 2021. At the same time, the standing biomass is estimated to be 9.4 per cent lower in Chile, 9.1 per cent higher in the UK and 12.4 per cent lower in the Faroe Islands.

Prices and foreign exchange rates

Atlantic salmon was traded at NOK 98.0 per kg at the start of the quarter (NASDAQ Salmon Index). At the end of March, Atlantic salmon was traded at a price of NOK 63.04 per kg.

The price of salmon in the period averaged NOK 71.55 per kg, down from NOK 106.17 per kg in the second quarter 2022.

NASDAQ Salmon Index NOK/kg



Against the most important trading currencies for salmon the Norwegian krone (NOK) weakened 2.3 per cent against EUR and 9.0 per cent against the USD, and strengthened against the GBP by 0.6 per cent through the quarter.

Norwegian exports

Norwegian export of salmon was around 406,000 tonnes (round weight) in the third quarter 2022, up 1 per cent from 401,000 tonnes in the same period last year. The value of these exports rose by 28 per cent year-on-year, from NOK 21.5 billion to NOK 27.6 billion.

A substantial secondary processing industry makes Poland the largest single market for Norwegian salmon. In the third quarter 2022, around 68,900 tonnes of salmon were exported to this market, 5 per cent more than in the corresponding quarter in 2021.

Exports increased by 24 per cent to the USA, 2 per cent to France and 10 per cent to the Vietnam/China/Hong Kong. Exports to Spain decreased by 8 per cent, 3 per cent to Denmark, and fell by 3 per cent to UK, compared to the third 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 at several of its smolt facilities.

The expansion of the Senja smolt facility is now close to completion, the first roe has been introduced in the facility and 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 2022. In addition in 2022 SalMar joined a second project for construction of new type of closed net pen.

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 has been 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 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 30 September 2022, Gunnar Nielsen handed in his resignation as Salmar's CFO and SalMar promptly initiated the process of recruiting his replacement. On 24 October 2022, SalMar announced that Linda Litlekalsøy would step down as the CEO of SalMar. The Board of Directors appointed Frode Arntsen as the new CEO.

Frode Arntsen has been with SalMar since 2017, most recently as COO for Sales and Industry. He has worked in the seafood industry since 2000, and has previously held several management positions in a wide range of seafood companies.

On 27 October, SalMar announced that Ulrik Steinvik was appointed as the company's new CFO. Ulrik Steinvik has been in SalMar since 2006 and has held several leading positions in the executive management where he has been Director of Business Improvement the latest years.

Acquisition of Eldisstødin Isthor Ehf on Iceland

On 17 August 2022, the Group acquired 50% of the shares in the smolt facility Eldisstødin Isthor Ehf on Iceland.

The transaction has been approved by the Icelandic Competition Authorities. Prior to the transaction, Arnarlax Ehf owned 50% of the shares in Eldisstødin Isthor Ehf. SalMar ASA owns 51,02% of the shares in Icelandic Salmon AS, which owns 100% of the shares in Arnarlax Ehf.

The aim of the acquisition is to increase the flexibility in size and number of smolt on Iceland, supporting the company's growth plans. See note 5 for more details on the acquisition.

Proposal for resource tax on aquaculture in Norway

On 28 September 2022, the Norwegian government proposed the introduction of a resource rent tax on aquaculture production in Norway. The proposal that has been circulated for consultation would result in a threefold increase in the corporation tax on seafood production – up from 22 per cent to 62 per cent. No other country has introduced a tax of this nature and at this level on its food production. The objective is to collect over 40 per cent of all future revenue streams from Norwegian fish farmers. The proposal has various features that will intensify its distorting and harmful effects. Both the level and the design of the new tax will contribute to investments in Norwegian aquaculture being diverted to other countries, and other business sectors. This will have a major impact on the capacity for innovation and investments in the green industrial transition up and down the Norwegian coast. The tax will mean a large reduction of considerable investment capital that could have been used for innovation and industrial development not only in the aquaculture sector itself, but also in associated and other industries.

The proposal came as a surprise, since the ruling coalition parties were part of a broad parliamentary majority which, two years ago, agreed to shelve the "resource rent tax". Instead, the model chosen to increase the aquaculture sector's contribution was based on the consideration paid at auction for new capacity growth and a production tax to cover the lease of publicly owned areas of the sea. Furthermore, in its autumn 2021 policy platform, the government promised "a predictable and responsible tax policy for businesses". The disappointing U-turn was announced without the broad involvement and consensus-building that has been a tradition with regard to major changes in the tax system in Norway, and without waiting for the outcome of the government-appointed tax and aquaculture commissions that are due to publish their recommendations soon. The concern prompted by the irregular nature of the process is reinforced by the fact that the government wishes the new tax to be introduced from 1 January 2023 – with retroactive effect.

In light of the proposal that is currently being consulted on, SalMar considers it would be imprudent to make any new investment decisions. After the proposal was announced, SalMar exercised its right to cancel its purchase of capacity growth at a fixed price. For the same reason, SalMar declined to participate in the Ministry of Trade, Industry and Fisheries' traffic-light auction in October. The uncertainty surrounding the framework conditions for Norwegian aquaculture indicates the need for heightened caution with respect to investments and the signing of new contracts. The market for fixed-price contracts has ceased to work properly since the government announced that the tax will be calculated on the basis of the "Nasdaq (spot) price". This is having a particularly severe impact on Norwegian secondary processing, which has the highest employment rate in the supply chain. And the risk for layoffs within secondary processing is present since these usually serve markets where contracts are more important. For Norwegian fish farmers, it is highly desirable that a cross-party majority in the Norwegian parliament (Storting) can contribute to a moderate, competitive and sustainable tax regime for Norwegian aquaculture, which can remain predictable irrespective of changing governments.



Withdrawn purchase of increased license capacity at fixed price

During the traffic light auction, SalMar bought its relative share available for a fixed price for the capacity adjustment, equal to 1,223 MAB tonnes for a total consideration of NOK 244.6 million. Due to the proposal for resource tax on aquaculture in Norway, SalMar announced on 30 September 2022 that it chose to withdraw this purchase.

The proposal for resource tax on aquaculture in Norway has introduced uncertainty which means that the company did not find it justifiable to pay the aforementioned remuneration.

The consideration will be derecognized in October 2022, see note 12 for further details.

SHARES AND SHAREHOLDERS

As of 30 September 2022, SalMar had a total of 117,799,999 shares outstanding, divided between 15,483 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 70.86 per cent of the shares. SalMar ASA is the 116th largest shareholder with 102,361 shares, corresponding to 0.1 per cent of the total number of shares outstanding as of 30 September 2022.

SalMar's share price fluctuated between NOK 709.5 and NOK 367.2 in the third quarter 2022. The price at the close of the quarter was NOK 367.2 compared with NOK 692.5 at the close of the previous quarter.

A total of 9.9 million shares were traded in the quarter, which corresponds to 8.4 per cent of the total number of shares outstanding. The volume of shares traded daily averaged 150,000.

EVENTS AFTER THE REPORTING DATE

Completion of merger with NRS and tender offer for shares in NTS

On 31 October, the European Commission cleared the merger between SalMar and NRS and voluntary offer for shares in NTS.

Despite an uncertain situation for SalMar, NTS and NRS caused by the new tax system proposed by Government, the strategic and operational rationale for proceeding with the transaction remains, with strong backing from both owners, employees and the local communities where the companies operate.

The combination will strengthen the activities in the regions where we operate. These are the core regions in an industry in which Norway is the world leader. The position has been won through creativity, effort and passion over decades, from employees, management and shareholders. SalMar, NTS, NRS and SalmoNor are great companies, and will continue this work together. We believe, in spite of a tax proposal creating uncertainty in this industry, that striving for continued sustainability, operational excellence,

and efficient use of resources remains the best path to protect jobs and value creation in this rurally based production.

SalMar considered the need for a revision of the offer terms, given the major adverse setback for the industry experienced by the government's tax proposals. This would have put the combination as such in jeopardy. While the industry will have to scale back and reduce planned investments going forward, the need to seek efficiency and economies of scale has become even greater.

SalMar will pursue ambitious synergy targets and expects the transaction to increase shareholder value going forward. The entire industry will have to reassess its growth strategies and structures, and SalMar welcomes the increased resource base and operational leverage the transaction entails.

Following completion of the voluntary offer for NTS a cash offer will be made for the remaining outstanding shares in NTS in accordance with applicable legislations.

For further details see separate stock exchange notices, voluntary offer document and merger plan.

Undertaking to divest shares in Arctic Fish

In connection with the clearance from the European Commission, SalMar committed to divest shares representing approx. 51.28% shares in Arctic Fish Holding AS (Arctic Fish), shares that were held by NRS.

SalMar entered into an agreement with Mowi ASA (Mowi) whereby Mowi acquired these shares for a price of NOK 115 per share. This agreement is subject to approval by the European Commission of Mowi as buyer of the shares and of the agreed terms of sale, and certain other customary closing conditions.

OUTLOOK

Markets

Growth in supply for Atlantic salmon is expected to be at the same level in 2022 or -0.1 as in 2021 according to figures from Kontali Analyse. In 2023 the volume is expected to increase with 1.4 per cent.

Compared with the same period last year, the global volume of salmon harvested is expected to increase by 1 per cent in the fourth quarter 2022, according to figures compiled by Kontali. The harvested volume in the fourth quarter is expected to increase with 7 per cent in Norway, decrease with 10 per cent in Chile, increase with 27 per cent in UK, decrease with 10 per cent in North America and Faroe Islands and decrease with 9 per cent in other markets.

The Fish Pool forward price as of 7th of October 2022 indicates an average salmon price of NOK 72.50 per kg and NOK 79.00 per kg in November and December 2022 respectively. The forward price for Q4 2022 is NOK 73.92 per kg and for first half 2023 the forward price is NOK 95.45 per kg. In 2023 the forward price is currently at NOK 89.50 per kg.



Company

Following completion of the transactions with NRS, SalmoNor and NTS SalMar increases its volume guidance for 2022 in Norway with 5,000 tonnes to 180,000 tonnes. For Iceland, the volume guidance is kept unchanged. For UK the volume guidance is reduced with 8,000 tonnes to 38,000 tonnes.

SalMar expects higher cost level in the fourth quarter of 2022.

For the fourth quarter 2022 the contract share is expected to be around 35 per cent.

SalMar's ongoing investment programmes to further develop its already strong platform for growth, is currently on hold until details on the new tax scheme has been confirmed. Ongoing projects are continuing, but new projects has been put on hold.

In 2023 SalMar expects significant volume growth following completion of the transactions with NRS, SalmoNor and NTS. SalMar expects to harvest 243,000 tonnes in Norway with flexibility to optimize biological performance based on

increased license capacity. SalMar expects 16,000 tonnes in Iceland and 43,000 tonnes in the joint venture in UK, Scottish Sea Farms.

SalMar has strong strategic and operational focus with dedicated employees and a corporate culture set for growth. Untapped potential for further sustainable growth within existing licenses in all regions. Not for growth's sake, but because salmon is a sustainable marine protein that Norway and the rest of the world needs.

SalMar is also leading and pioneering the way offshore through its ownership and role in SalMar Aker Ocean.

SalMar and expects the global supply in 2022 to be at the same level as in 2021, and low volume growth globally in 2023.

The proposed new tax regime in Norway from 2023 will have a major impact on the capacity for innovation and investments in the Norwegian aquaculture industry. This strengthens the need to seek efficiency and economies of scale.

The Board of Directors and CEO of SalMar ASA
Frøya, 9 November 2022

Gustav Witzøe
Chair

Margrethe Hauge
Director

Leif Inge Nordhammer
Director

Arnhild Holstad
Director

Morten Loktu
Director

Tone Ingebrigtsen
Director (employee-elected)

Simon Søbstad
Director (employee-elected)

Frode Arntsen
CEO



INCOME STATEMENT

<i>NOK million</i>	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Total operating revenues	4,898	4,019	13,753	10,371	15,044
Cost of goods sold	2,219	2,107	5,973	4,936	7,328
Salary and personnel expenses	414	358	1,278	1,099	1,540
Other operating expenses	715	607	2,349	1,707	2,443
EBITDA	1,550	947	4,153	2,628	3,734
Depreciation and write-downs	237	199	695	592	807
Operational EBIT	1,313	748	3,458	2,037	2,927
Production tax	-23	-21	-58	-49	-72
Onerous contracts	205	4	118	-18	-181
Fair value adjustment	-592	221	1,185	934	777
Operating profit	903	952	4,703	2,903	3,451
Income from investments in associates and joint ventures	-51	4	168	103	95
Net interest expenses	-64	-45	-165	-121	-169
Other financial items	62	1	78	8	11
Profit before tax	850	912	4,784	2,894	3,387
Income tax expense	181	201	999	622	719
Profit for the period	669	711	3,785	2,272	2,668
Other comprehensive income:					
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>					
Change in translation diff. associates and joint ventures	-16	-4	16	6	14
Change in translation diff. subsidiaries	33	-4	114	-64	-97
Change in fair value of financial instruments, net after tax	-112	-25	-132	-103	-75
Total other comprehensive income	-95	-33	-2	-162	-158
Total comprehensive income	575	678	3,783	2,110	2,510
<i>Profit for the period attributable to:</i>					
Non-controlling interests	110	23	309	68	51
Shareholders in SalMar ASA	559	688	3,476	2,204	2,617
<i>Comprehensive income for the period attributable to:</i>					
Non-controlling interests	102	22	309	41	6
Shareholders in SalMar ASA	473	657	3,474	2,069	2,504
Earnings per share	4.75	5.85	29.53	19.15	22.61
Earnings per share - diluted	4.74	5.84	29.49	19.12	22.57



BALANCE SHEET – GROUP

<i>NOK million</i>	30.09.2022	30.06.2022	31.12.2021	30.09.2021
ASSETS				
Non-current intangible assets	9,133	8,777	8,530	8,534
Non-current tangible assets	8,373	7,838	7,133	6,762
Right-of-use assets	856	891	877	891
Non-current financial assets	1,685	1,830	1,300	1,000
Total non-current assets	20,047	19,336	17,841	17,187
Inventory	9,749	9,721	7,928	8,089
Trade receivables	1,073	1,049	935	912
Other current receivables	520	499	480	398
Cash and cash equivalents	787	1,073	902	670
Total current assets	12,129	12,342	10,244	10,069
TOTAL ASSETS	32,176	31,678	28,085	27,255
EQUITY AND LIABILITIES				
Paid-in equity	3,477	3,463	3,426	3,423
Retained earnings	10,869	10,397	9,804	8,966
Non-controlling interests	2,535	2,454	2,253	2,066
Total equity	16,881	16,314	15,483	14,456
Deferred tax liability	2,556	2,659	2,259	2,337
Non-current interest-bearing liabilities	5,722	6,244	4,907	5,006
Non-current lease liabilities	715	773	751	784
Total non-current liabilities	8,992	9,675	7,916	8,127
Current interest-bearing liabilities	532	734	571	632
Current lease liabilities	242	216	216	191
Other current liabilities	5,529	4,739	3,898	3,850
Total current liabilities	6,303	5,689	4,686	4,673
TOTAL EQUITY AND LIABILITIES	32,176	31,678	28,085	27,255
Net interest-bearing debt (NIBD)	5,466	5,905	4,576	4,968
NIBD incl. lease liabilities	6,423	6,893	5,543	5,943
Equity share	52.5 %	51.5 %	55.1 %	53.0 %



CASH FLOW

<i>NOK million</i>	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Profit before tax	850	912	4,784	2,894	3,387
Tax paid in the period	-4	-12	-45	-35	-549
Depreciation, amortisation and write-downs	237	199	695	592	807
Income from associated companies and joint ventures	51	-4	-168	-103	-95
Gain related to remeasured shares in associated companies	-89	-	-89	-	-
Onerous contracts	-205	-4	-118	18	181
Fair value adjustments	592	-221	-1,185	-934	-777
Change in working capital	-85	29	-58	-390	-259
Other changes	79	49	209	151	213
Net cash flow from operating activities	1,424	948	4,025	2,192	2,908
Net cash flow from investing activities	-790	-964	-2,091	-1,972	-2,827
Change in interest-bearing liabilities	-782	292	698	77	-82
Payment of instalments on lease liabilities	-53	-51	-161	-145	-198
Payment of interest on lease liabilities	-15	-14	-45	-43	-57
Net interest paid financing activities	-43	-23	-108	-75	-94
Dividend	-22	-	-2,386	-2,261	-2,271
Net proceeds from capital contribution	-	-	11	2,682	3,321
Change in non-controlling interests	-	-	-55	-	-
Other changes	-	-	-	-	-16
Net cash flow from financing activities	-914	204	-2,045	235	602
Net change in cash and cash equivalents	-280	188	-112	455	684
Currency translation of cash and cash equivalents	-6	-1	-3	-8	-6
Cash and cash equivalents as at the start of the period	1,073	484	902	223	223
Cash and cash equivalents as at period end	787	670	787	670	902



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					3,476					3,476	309	3,785
Other comprehensive income												
Translation differences in associates and joint ventures						16				16	0	16
Translation differences in subsidiaries						56				56	58	114
Other comprehensive income, net after tax							-64	-46	36	-74	-57	-131
Other comprehensive income	0	0	0	0	0	72	-64	-46	36	-2	0	-2
Total comprehensive income	0	0	0	0	3,476	72	-64	-46	36	3,474	309	3,783
Transactions with shareholders												
Share-based payment, expensed				43						43	1	44
Contribution of equity				7						7	4	11
Dividend					-2,354					-2,354	-32	-2,386
Change in non-controlling interests					-55					-55	0	-55
Other changes					0					0	0	0
Total transactions with shareholders	0	0	0	50	-2,408	0	0	0	0	-2,358	-27	-2,385
At 30 September 2022	29	0	3,102	345	10,726	165	-7	-41	26	14,346	2,535	16,881

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
Other comprehensive income												
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
Transactions with shareholders												
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

<i>NOK million</i>	Farming Central Norway	Farming Northern Norway	Sales and Industry	Icelandic Salmon	SalMar Aker Ocean	Eliminations	Group
Q3 2022							
Total operating revenues (NOK mill.)	2,540.1	946.2	4,734.2	340.2	-	-3,662.9	4,897.8
Operational EBIT (NOK mill.)	977.5	428.2	-33.5	38.7	-34.3	-63.5	1,313.0
Operational EBIT %	38.5 %	45.3 %	-0.7 %	11.4 %			26.8 %
Volume harvested (tonnes)	36.0	13.8		3.8	-		53.6
EBIT/ kg gw (NOK)	27.17	31.04		10.16			24.51
Q3 2021							
Total operating revenues (NOK mill.)	1,940.3	784.6	3,928.9	201.9	-	-2,837.2	4,018.5
Operational EBIT (NOK mill.)	597.3	271.7	-27.7	4.9	-34.2	-64.1	747.8
Operational EBIT %	30.8 %	34.6 %	-0.7 %	2.4 %			18.6 %
Volume harvested (tonnes)	34.2	15.5		2.4	-		52.1
EBIT/ kg gw (NOK)	17.46	17.53		2.02			14.35
YTD 2022							
Total operating revenues (NOK mill.)	6,574.2	3,125.8	13,126.0	1,056.3	-	-10,129.8	13,752.6
Operational EBIT (NOK mill.)	3,115.2	1,748.5	-1,186.0	267.6	-106.9	-380.2	3,458.2
Operational EBIT %	47.4 %	55.9 %	-9.0 %	25.3 %			25.1 %
Volume harvested (tonnes)	81.5	39.3		10.1	-		131.0
EBIT/ kg gw (NOK)	38.20	44.47		26.42			26.40
YTD 2021							
Total operating revenues (NOK mill.)	4,451.4	2,320.3	10,031.0	562.3	-	-6,994.0	10,371.0
Operational EBIT (NOK mill.)	1,503.3	813.5	-46.0	36.7	-106.5	-164.5	2,036.5
Operational EBIT %	33.8 %	35.1 %	-0.5 %	6.5 %			19.6 %
Volume harvested (tonnes)	76.0	42.3		7.3	-		125.6
EBIT/ kg gw (NOK)	19.77	19.22		5.06			16.21
FY 2021							
Operating revenue (NOK mill.)	6,541.9	3,342.6	14,406.4	918.8	-	-10,165.9	15,043.9
Operational EBIT (NOK mill.)	2,118.5	1,242.5	-152.1	74.0	-152.1	-203.8	2,927.0
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

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
No. of shares (diluted) - end of period (mill.)	117.878	117.768	117.881	115.272	115.922
Earnings per share (NOK)	4.75	5.85	29.53	19.15	22.61
Earnings per share - diluted (NOK)	4.74	5.84	29.49	19.12	22.57
EBITDA %	31.6 %	23.6 %	30.2 %	25.3 %	24.8 %
Operational EBIT %	26.8 %	18.6 %	25.1 %	19.6 %	19.5 %
EBIT %	18.4 %	23.7 %	34.2 %	28.0 %	22.9 %
Profit before tax %	17.3 %	22.7 %	34.8 %	27.9 %	22.5 %
Cash flow per share - diluted (NOK)	12.08	8.05	34.14	19.02	25.09
Net interest bearing debt (NOK mill.)	5,466	4,968	5,466	4,968	4,576
NIBD incl. leasing liabilities (NOK mill.)	6,423	5,943	6,423	5,943	5,543
Equity ratio %	52.5 %	53.0 %	52.5 %	53.0 %	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, 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	5,570,157	4.73 %
State Street Bank and Trust Comp	2,068,178	1.76 %
State Street Bank and Trust Comp	1,872,479	1.59 %
CACEIS Bank	1,728,387	1.47 %
LIN AS	1,337,685	1.14 %
BNP Paribas Securities Services	1,248,916	1.06 %
JPMorgan Chase Bank, N.A., London	1,074,985	0.91 %
JPMorgan Chase Bank, N.A., London	1,050,544	0.89 %
CLEARSTREAM BANKING S.A.	971,208	0.82 %
State Street Bank and Trust Comp	838,077	0.71 %
CACEIS Bank	834,163	0.71 %
CACEIS Bank	743,503	0.63 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	688,759	0.58 %
SIX SIS AG	673,639	0.57 %
State Street Bank and Trust Comp	616,613	0.52 %
The Northern Trust Comp, London Br	579,695	0.49 %
CACEIS Bank	564,523	0.48 %
Euroclear Bank S.A./N.V.	544,592	0.46 %
PARETO AKSJJE NORGE VERDIPAPIRFOND	531,978	0.45 %
Top 20	83,472,557	70.86 %
Others	34,327,442	29.14 %
Total	117,799,999	100.00 %

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

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

Carrying amount of inventory	30.09.2022	30.06.2022	31.12.2021	30.09.2021
Raw materials	292	238	223	191
Biological assets	9,132	9,169	7,281	7,398
Finished goods	325	314	424	500
Total value of biological assets and other inventory	9,749	9,721	7,928	8,089

Carrying amount of biological assets	30.09.2022	30.06.2022	31.12.2021	30.09.2021
Roe, fry, smolt and cleaner fish at cost	373	329	285	215
Biological assets held at sea farms at cost	4,979	4,458	4,350	4,404
Total carrying amount of biological assets before fair value adjustments	5,352	4,787	4,635	4,619
Fair value adjustment of biological assets	3,781	4,382	2,646	2,779
Total carrying amount of biological assets	9,132	9,169	7,281	7,398

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.

Change in the carrying amount of the biological assets:	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Biological assets - opening balance	9,169	6,738	7,281	5,989	5,989
Increase from business combination	-	187	-	187	187
Increase due to production	2,709	1,974	5,474	4,520	6,433
Decrease due to sale/ harvesting	-2,160	-1,763	-4,778	-4,275	-6,161
Decrease due to incident-based mortality	-	-	-20	-21	-21
Fair value adjustment on opening balance (reversed)	-4,382	-2,516	-2,646	-1,767	-1,767
Fair value adjustment on closing balance (new)	3,781	2,779	3,781	2,779	2,646
Currency translation differences	16	-1	40	-14	-25
Biological assets - closing balance	9,132	7,398	9,132	7,398	7,281

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):

Expected harvesting period:	30.09.2022	Expected harvesting period:	30.06.2022	Expected harvesting period:	31.12.2021	Expected harvesting period:	30.09.2021
Q4-2022	76.60	Q3-2022	81.90	Q1-2022	68.67	Q4-2021	60.50
Q1-2023	87.90	Q4-2022	78.90	Q2-2022	68.23	Q1-2022	64.80
Q2-2023	94.02	Q1-2023	85.70	Q3-2022	56.43	Q2-2022	66.00
Q3-2023	78.30	Q2-2023	86.10	Q4-2022	62.27	Q3-2022	56.28
Q4-2023	79.80	Q3-2023	72.83	1st half 2023	65.25	Q4-2022	62.02
Q1-2024	80.25	Q4-2023	75.37	2nd half 2023	55.75	Q1-2023	63.00
Discount factor Norway	6 %		7 %		5 %		6 %
Discount factor Iceland	5 %		5 %		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:

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Change in the fair value of the biological assets	-	603	216	1,130	967
Change in unrealised value of Fish Pool contracts	11	5	55	11	14
Change in the unrealised value of forward currency contracts	-	-	-	44	44
Total fair value adjustments	-	592	221	1,185	777



Note 5 - Business combinations

Business combinations in 2022

Eldisstædin Isthor Ehf (Isthor)

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

The Groups holdings prior to the acquisition date, are remeasured at fair value at time control is obtained. The fair value of the equity interest is NOK 105.6 millions, and a gain of NOK 89.5 millions is recognised as other financial items in the profit or loss in the period.

After the transaction the Group owns 100% of the shares in Isthor. 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. For accounting purposes, the transaction will be treated as a business combination with effect from the acquisition date. No material external transaction costs were incurred in the connection with the acquisition.

The fair value allocation of assets and liabilities recognised as a result of the acquisition has only been provisionally determined. At the end of the reporting period, the necessary market valuations, which mainly relates to the market valuation of the property, plants and equipment's, has not been finalised and they have therefore only been provisionally determined.

As part of the acquisition agreement, the Group will repay to the former owners a liability amounting to NOK 42,8 millions. The repayment has been completed in the period.

	Carrying amount	Adjustment to fair value	Fair value
Acquisition's effect on the balance sheet:			
Property, plant & equipment	164	-	164
Current assets	1	-	1
Deferred tax	-5	-	-5
Non-current liabilities	-117	-	-117
Other current liabilities	-7	-	-7
Net identifiable assets and liabilities	35	-	35
Goodwill			177
Fair value of the investment at the time of acquisition			-106
Cash consideration			106

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
Acquisition's effect on the balance sheet:			
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
Net identifiable assets and liabilities	57	62	119
Goodwill			38
Non-controlling interests			-77
Cash consideration			80

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
Acquisition's effect on the balance sheet (NOK 1,000):			
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
Net identifiable assets and liabilities	237	953	1,191
Goodwill			287
Non-controlling interests			-813
Cash consideration			665

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	164	4	168
Gain related to remeasured shares in associated companies	0	89	89
Disposal of shares in associated companies	0	-106	-106
Items recognised in other comprehensive income	11	6	17
Dividend received	0	-3	-3
Carrying amount at 30 September 2022	1,269	71	1,340

Until August 17, 2022, SalMar Group held an equity interest in Eldisstöðin Isthor Ehf through SalMars 51,02% ownership in Icelandic Salmon AS. Prior to the acquisition date Amarfax Ehf owns 50% of the shares in Eldisstöðin Isthor. Amarfax Ehf is 100% owned by Icelandic Salmon AS. August 17, 2022 SalMar Group obtained control over the company by increasing the ownership in the company from 50% till 100%. At the time of obtaining control the equity interest was remeasured with a gain recognised in the profit or loss, and the use of equity method was discontinued. Eldisstöðin Isthor is consolidated in SalMar Group from the date of control. See further information in note 5.

Note 8 - Interest-bearing liabilities

	30.09.2022	30.06.2022	31.12.2021	30.09.2021
Non-current interest-bearing liabilities				
Non-current interest bearing liabilities	5,885	6,407	5,069	5,177
Next year's instalment on non-current interest bearing liabilities	-163	-163	-162	-170
Total	5,721	6,244	4,907	5,006
Lease liabilities				
Lease liabilities	957	989	967	975
Next year's instalment on lease liabilities	-242	-216	-216	-191
Total	715	773	751	784
Total carrying amount	6,436	7,017	5,657	5,790
Current interest bearing liabilities				
Current interest-bearing liabilities	368	571	409	462
Next year's instalment on non-current interest bearing liabilities	163	163	162	170
Total	532	734	571	632
Next year's instalment on lease liabilities	242	216	216	191
Total carrying amount	774	950	788	823
Total interest-bearing liabilities	7,210	7,967	6,445	6,613
Cash and cash equivalents	787	1,073	902	670
Lease liabilities	957	989	967	975
Net interest-bearing debts (NIBD)	5,466	5,905	4,576	4,968

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	5,394	491	0	0	0	0	5,885
Lease liabilities	936	8	0	0	0	12	957
Current interest-bearing liabilities	381	3	-24	9	-1	1	368
Total interest-bearing liabilities	6,711	502	-24	9	-1	13	7,210
Cash and cash equivalents	731	-7	26	-7	1	44	787
Lease liabilities	936	8	0	0	0	12	957
Net interest-bearing debts (NIBD)	5,044	501	-50	16	-3	-43	5,466

Financing activities - change in liabilities:

	31.12.2021	Cash flow from financing activities	Not cash-generating effects				30.09.2022
			Change subsidiaries	Currency effects	Change in next year's instalments on long-term liabilities	Other effects	
Non-current interest-bearing liabilities	4,907	782	4	24	-1	7	5,722
Current interest bearing liabilities	571	-41	0	0	1	0	532
Total liabilities to credit institutions	5,478	741	4	24	0	7	6,253
Non-current and current lease liabilities	967	-161	0	4	0	147	957
Total interest-bearing liabilities	6,445	579	4	27	0	154	7,211

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

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Gain related to remeasured shares in associated companies	89	-	89	-	-
Interest income	7	5	13	8	15
Interest expenses, ex. interest on lease liabilities	-56	-35	-133	-86	-127
Interest expenses relating to lease liabilities	-15	-14	-45	-43	-57
Net exchange differences	-26	4	-9	17	21
Net other financial items	-1	-4	-3	-8	-11
Net interest and other financial items	-2	-44	-87	-113	-159

Note 10 - Industry lawsuits in North-America

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 in Q2 was 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, operational EBIT and EBIT/kg gw (NOK) is shown in the table below both including and excluding the cost related to the lawsuits in periods affected.

SalMar Group	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Operational EBIT (NOK mill.) including cost related to lawsuits in North-America	1,313	748	3,458	2,037	2,927
Cost related to lawsuits in North-America	-	-	164	-	-
Operational EBIT (NOK mill.) excluding cost related to lawsuits in North-America	1,313	748	3,623	2,037	2,927
EBIT/ kg gw (NOK) - including cost related to lawsuits in North-America	24.51	14.35	26.40	16.21	16.08
EBIT/ kg gw (NOK) - excluding cost related to lawsuits in North-America	24.51	14.35	27.65	16.21	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 information. 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

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

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Operating profit	903	952	4,703	2,903	3,451
Production tax	23	21	58	49	72
Onerous contracts	-205	-4	-118	18	181
<i>Fair value adjustment:</i>					
Change in the fair value of the biological assets	603	-216	-1,130	-967	-835
Change in unrealised value of Fish Pool contracts	-11	-5	-55	-11	14
Change in the unrealised value of forward currency contracts	-	-	-	44	44
Operational EBIT	1,313	748	3,458	2,037	2,927

EBITDA

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

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Operational EBIT	1,313	748	3,458	2,037	2,927
Depreciation and write-downs	237	199	695	592	807
EBITDA	1,550	947	4,153	2,628	3,734

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.

	Farming		Icelandic Salmon	SalMar Group
	Central Norway	Northern Norway		
Q3 2022				
Operational EBIT (NOK mill.)	977	428	39	1,313
Volume harvested (tonnes)	36.0	13.8	3.8	53.6
EBIT/kg gw (NOK)	27.17	31.04	10.16	24.51
Q3 2021				
Operational EBIT (NOK mill.)	597	272	5	748
Volume harvested (tonnes)	34.2	15.5	2.4	52.1
EBIT/kg gw (NOK)	17.46	17.53	2.02	14.35
YTD 2022				
Operational EBIT (NOK mill.)	3,115	1,749	268	3,458
Volume harvested (tonnes)	81.5	39.3	10.1	131.0
EBIT/kg gw (NOK)	38.20	44.47	26.42	26.40
YTD 2021				
Operational EBIT (NOK mill.)	1,503	813	37	2,037
Volume harvested (tonnes)	76.0	42.3	7.3	125.6
EBIT/kg gw (NOK)	19.77	19.22	5.06	16.21
FY 2021				
Operational EBIT (NOK mill.)	2,118	1,243	74	2,927
Volume harvested (tonnes)	110.7	59.8	11.5	182.1
EBIT/kg gw (NOK)	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.

	30.09.2022	30.06.2022	31.12.2021	30.09.2021
Non-current interest-bearing liabilities	5,722	6,244	4,907	5,006
Current interest-bearing liabilities	532	734	571	632
Cash and cash equivalents	-787	-1,073	-902	-670
Net interest-bearing debt (NIBD)	5,466	5,905	4,576	4,968
Lease liabilities	957	989	967	975
NIBD incl. lease liabilities	6,423	6,893	5,543	5,943

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.

	Q3 2022	Q3 2021	YTD 2022	YTD 2021	FY 2021
Cash flow from operating activities	1,424	948	4,025	2,192	2,908
Average no. of shares outstanding (diluted) in the period (1,000 shares)	117,878	117,768	117,881	115,272	115,922
Diluted cash flow per share (NOK)	12.08	8.05	34.14	19.02	25.09

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 - Resource tax proposal

On 28 September 2022, the Norwegian Government presented a comprehensive tax increase for aquaculture through a proposal for a resource rent tax on the Norwegian aquaculture industry at 40 per cent with a consultation deadline of 3 January 2023. The final legislative proposal will come after the consultation, and is intended to apply from and including 2023. If the proposal is adopted as presented, then this will entail a significant reduction in the group's future free cash flow. When the final legislative proposal is available, the company will assess whether this will affect the company's values in the balance sheet.

At 30 September 2022 SalMar announced that they withdrew the purchase of increased license capacity at fixed price in the traffic light system. Total 1.223 MAB for a total consideration of NOK 244.6 millions was withdrawn. SalMar's terminating of the purchase of the capacity is a consequence of the Government's announcement of the resource tax proposal. Withdrawal of allocated capacity takes place with effect from 25 October 2022. The carrying amount of the licences will be derecognised from the balance with effect from that date.



Note 13 - Events Occurring After the Reporting Period

Voluntary Offer to all outstanding shares in NTS ASA and merger between SalMar ASA and Norway Royal Salmon ASA

On 17 March 2022, SalMar ASA made a voluntary tender offer to acquire all outstanding shares in NTS ASA (the "Offer"). The acceptance period for the Offer was from 18 March to 29 April 2022. The Offer was conditional on amongst other things approval by the competition authorities in both Norway and the EU. At the end of the acceptance period, 52.69 per cent of NTS ASA's shareholders, corresponding to 66,235,009 shares in NTS, had accepted the Offer.

The rationale behind the Offer is to increase value creation in the regions where the companies operate and enable the realization of synergies between the companies. The companies have several overlapping industrial activities in all the areas in which they operate, and the transactions will contribute to a more efficient utilization of their resources. This will enable improved utilization of MAB and site portfolios, improved utilization of smolt, harvesting, and processing facilities.

In parallel with the Offer, a merger plan between SalMar ASA and Norway Royal Salmon ("NRS") with SalMar as the surviving entity (the "Merger") was entered into. The merger plan was approved by both companies' general meetings on 30 June 2022. The Merger was, among other things, conditional on that all conditions for the completion of the Offer for had been met or waived.

The transactions were approved by the Norwegian Competition Authority on 15 July 2022. The European Commission granted its final approval on 31 October 2022.

In connection with the clearance by the European Commission, SalMar has undertaken a commitment to divest the 16,346,824 shares in Arctic Fish Holding AS ("Arctic Fish"), assumed by SalMar at the time of completion of the Merger. The shares represent approximately 51.28 per cent of the shares and votes in Arctic Fish. SalMar has entered into an agreement with Mowi ASA ("Mowi"), whereby Mowi will acquire these shares at a price of NOK 115 per share, subject to approval by the European Commission of Mowi as buyer of the shares, the agreed terms of sale, and certain other customary closing conditions. SalMar has, with some exceptions, undertaken not to exercise any influence or control over Arctic Fish in the period until a disposal is completed.

The Merger with NRS was completed on 7 November 2022. The shareholders of NRS received merger consideration consisted of 0.303933 shares in SalMar and NOK 52.84 in cash for each share in NRS. Total cash consideration in the Merger amounts to NOK 3,104 million, and total share consideration amounts to 17,851,550 shares.

In accordance with the merger plan, NRS completed immediately prior to the Merger the agreed acquisition of SalmoNor from NTS, with settlement in cash and NRS shares. Total cash consideration in the transaction was NOK 1.713 million.

Of the total consideration under the Merger NOK 2,380 million of the merger cash consideration will be payable to NTS, in addition NTS will receive 13,691,960 of the total 17,851,550 consideration shares. Further, the cash consideration of NOK 1.713 million is payable from NRS to NTS in connection with the acquisition of 100% of the shares in SalmoNor AS. The total cash consideration to NTS is as such NOK 4.093 million. In addition, NTS will own 13,697,303 SalMar shares.

The Offer will be completed around 10 November 2022. The consideration consists of NOK 26.86482 in cash and 0.143241 newly issued shares in SalMar for every share in NTS. In addition, for the loss of liquidity NTS shareholders have had as a result of having accepted the Offer until settlement takes place, an interest calculated on the cash portion of the consideration corresponding to 3 month NIBOR + 1.35 per cent from 15 June 2022 until the date of settlement of the Offer is payable to NTS shareholders. The total cash consideration payable in respect of the transaction including interest for liquidity loss is NOK 1,808 million. SalMar will in addition issue a total of 9,487,371 new shares as consideration in the Offer.

Following completion of the voluntary offer transaction, SalMar will own 66,235,009 shares in NTS, corresponding to a shareholding of 52.69 per cent. SalMar owned no shares in the company prior to the transaction. After completion of the Merger and the Offer, NTS owns 13,691,960 shares in SalMar, equivalent to a shareholding of approximately 9.4 per cent. Following completion of the Merger and settlement of the Offer, SalMar will have a registered share capital of NOK 36,284,730 divided into 145,138,920 shares each with a par value NOK 0.25.

After completion of the Offer, SalMar will have control over and be able to exercise its shareholder rights in NTS from the time of completion of the Offer. Upon completion of the Merger, NRS was merged into SalMar and SalMar has assumed all assets, rights and obligations in NRS. For accounting purposes, the transaction will be treated as a business combination and the companies will be consolidated into the SalMar group and shares in SalMar owned by NTS will be treated as treasury shares in the SalMar group.

The starting point for the transactions was the Offer made for all outstanding shares in NTS on 17 March 2022, as well as the subsequent decision to merge SalMar and NRS. The Merger was conditional on the Offer being completed and this has been the starting point for valuation assessments of assets and liabilities resolutions associated with the Offer and the Merger. For technical reasons, the transactions were completed sequentially with some days in between. For accounting purposes, the total consideration for the Offer and the Merger will be the basis for the purchase price allocation. Due to the short time from the completion of the transactions to the publication of the financial statement for Q3, it has not been possible to prepare a preliminary PPA. A preliminary PPA will be ready in connection with the presentation of the Q4 2022 financial statements. The transaction costs related to the Offer and the Merger are estimated to total NOK 50 million. Parts of the cost will be allocated to the acquisition and parts to the issue of shares in SalMar. A final allocation of costs will be completed in the fourth quarter 2022.