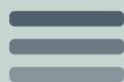


QUARTERLY REPORT

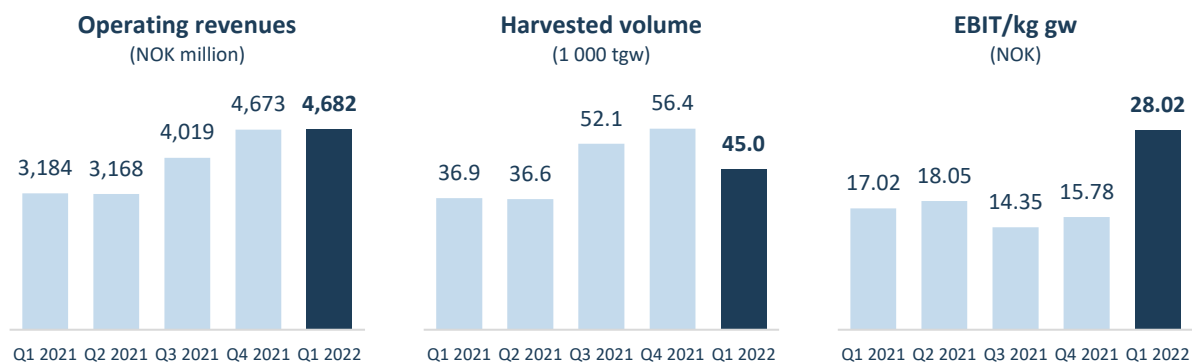
First quarter 2022



HIGHLIGHTS IN THE FIRST QUARTER

- Continued solid operational performance and record high salmon prices has led to strong results
- Total operational EBIT for the first quarter, was NOK 1,262 million (NOK 28.02 per kg)
- Total operational EBIT for Norway¹ for the first quarter was NOK 1,201 million (NOK 28.83 per kg)
- Fish Farming Northern Norway continuing the solid trend with low cost level due to strong biological and operational performance
- Fish Farming Central Norway with positive cost development and continued strong operational performance
- High salmon prices affecting price achievement from contracts within Sales & Industry, but underlying operations improving performance from previous quarters
- Icelandic operations with solid results due to strong price achievement, strong capacity utilization at harvest plant and stable cost level
- SalMar Aker Ocean, which was formally established in 2021, reports as a separate segment from Q1 2022
- SalMar keeps the volume guiding for all regions in 2022 unchanged. The forecast for Norway is 175,000 tonnes, Iceland is 16,000 tonnes, and Scotland is 46,000 tonnes²
- Announced voluntary offer for all outstanding shares in NTS ASA 14th of February 2022. Offer period ended 29th of April 2022 where the offer was accepted for 52.7% of the shares. Closing of transaction expected in once conditions to the offer are met/lifted.
- During the first quarter 2022, 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	Q1 2022	Q1 2021	FY 2021
Operating revenues	4,682	3,184	15,044
Operational EBIT	1,262	627	2,927
Operational EBIT %	26.9%	19.7 %	19.5%
Income from associated companies	100	49	95
Profit before tax	1,388	937	3,387
EPS – diluted	9.17	6.32	22.57
NIBD incl. leasing liabilities	4,829	6,228	5,543
Equity ratio %	57.2 %	50.9 %	55.1 %
Harvested volume (1,000 tgw)	45.0	36.9	182.1
EBIT/kg gw (NOK)	28.02	17.02	16.08



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

² 100% basis. SalMar share is 50%.



FINANCIAL PERFORMANCE

Revenue and results for the first quarter 2022

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

Fish Farming Northern Norway continued the solid trend with continued low cost level due to strong biological and operational performance, resulting in solid results. In Fish Farming Central Norway strong salmon prices and continued continued strong operational and biological performance has given a solid result.

Underlying operations within Sales & Industry improving performance from previous quarters, but high salmon prices affecting price achievement from contracts.

Icelandic Salmon had solid results in the quarter driven by strong price achievement, capacity utilization at harvest plant and stable cost development.

Salmar Aker Ocean which was formally established in 2021 is for the first time presented as a separate reporting segment.

In the first quarter 2022, the SalMar Group harvested 45,000 tonnes of salmon, compared with 56,400 tonnes in the fourth quarter 2021 and 36,900 tonnes in the first quarter 2021.

Norskott Havbruk (Scottish Sea Farms) harvested 7,800 tonnes of salmon in the quarter. By comparison, the company harvested 4,900 tonnes in the fourth quarter 2021 and 5,900 tonnes in the corresponding period last year. SalMar owns 50 per cent of Norskott Havbruk.

In the first quarter 2022, the price of salmon (NASDAQ Salmon Index) averaged NOK 79.52 per kg, up from an average of NOK 60.08 per kg in the fourth quarter and up from NOK 52.78 per kg in the same quarter in 2021.

Operating revenues amounted to NOK 4,682 million in the first quarter 2022, compared with NOK 4,673 million in the fourth quarter and NOK 3,184 million in the first quarter 2021.

The SalMar Group achieved an operational EBIT of NOK 1,262 million in the quarter, up from NOK 890 million in the previous quarter and NOK 627 million in the corresponding quarter last year. The increase is mainly attributable to a higher salmon price in the quarter.

The SalMar Group achieved an operational EBIT per kg of NOK 28.02 in the first quarter, up from NOK 15.78 per kg in the fourth quarter last year and NOK 17.02 per kg in the first quarter 2021.

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 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 20 million in the first quarter 2022.

The change in provisions for onerous contracts was negative with NOK 229 million in the quarter and fair value adjustments was positive with NOK 327 million. The fair value adjustment includes the change in fair value of the standing biomass at NOK 359 million and change in unrealised value of Fish Pool at NOK -32 million in the quarter. See Note 4 for further details.

SalMar posted an operating profit of NOK 1,340 million in the first quarter 2022, an increase from 548 million from the previous quarter, and an increase from NOK 911 million from the same period in 2021. Operating profit in the first quarter 2021 included onerous contracts and fair value adjustments totalling NOK 298 million.

Income from investments in associates amounted to NOK 100 million in the period, compared with NOK -8 million in the fourth quarter last year and NOK 49 million in the first 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 96 million in the quarter.

Net interest expenses totalled NOK 53 million in the quarter. This is NOK 5 million more than in the previous quarter and NOK 17 million more than in the first quarter 2021. The increase from 2021 is driven by the successful placement of green bond in April 2021.

Other financial items was NOK 1 million in the first quarter, compared with NOK 2 million in the previous quarter and NOK 13 million in the first quarter 2021.

Profit before tax in the first quarter totalled NOK 1,388 million, compared with NOK 493 million in the fourth quarter 2021 and NOK 937 million in the corresponding quarter last year.

An income tax expense of NOK 285 million has been recognized for the quarter. This gives a net profit for the period of NOK 1,102 million. The income tax expense recognised in the first quarter 2021 came to NOK 199 million, while net profit totalled NOK 739 million.

Currency exchange effects through the quarter resulted in translation differences of NOK -138 million with respect to associates and subsidiaries accounted for in foreign currencies. Change in fair value of financial instruments after tax came to NOK 173 million. This gives a total for other comprehensive income at NOK 35 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 1,137 million.



Cash flow

Cash flow from operating activities for the SalMar Group was NOK 1,381 million in the first quarter 2022, compared with NOK 137 million in the same period in 2021.

Net cash flow from investing activities in the quarter totalled NOK 565 million, compared with NOK 490 million in the first quarter last year.

Investments in the value chain in the quarter relate to the expansion of smolt capacity with NOK 179 million, NOK 174 million invested in Farming, NOK 132 million was invested in in Sales and Industry, NOK 39 million in Iceland, NOK 33 million in SalMar Aker Ocean and NOK 8 million in other investments.

The Group had a net cash flow from financing activities of NOK -679 million in the first quarter 2022, compared with NOK 343 million in the same period last year.

During the quarter the Group's interest-bearing liabilities decreased with NOK 588 million, instalments on lease liabilities and net interest paid totalled NOK 101 million and a capital increase due to payment of the first instalment from Aker into SalMar Aker Ocean amounted to NOK 10 million. In the same quarter last year, interest-bearing liabilities rose by NOK 425 million, while instalments on leasing liabilities and net interest paid totalled NOK 82 million.

SalMar had a net change in cash and cash equivalents of NOK 137 million in the period, compared with NOK -10 million in the same period in 2021. Adjusted for NOK -14 million in currency effects, this increased the Group's total holding of cash and cash equivalents with NOK 123 million in the period. As a result, the Group's overall cash holding at the close of the quarter stood at NOK 1,025 million.

Financial position

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

Non-current assets was NOK 18,436 million, up from NOK 17,841 million at the end of 2021.

Non-current intangible assets totalled NOK 8,496 million at the close of the quarter, down from NOK 8,530 million from 31 December 2021.

The book value of the Group's non-current tangible assets was NOK 7,391 million at the close of the quarter, up from NOK 7,133 million at the end of 2021.

Investments are being 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 877 million, at the same level of NOK 877 million at the end of 2021.

Non-current financial assets increased from NOK 1,300 million at the end of 2021 to NOK 1,672 million at the end of the first quarter 2022. The main reason for the increase is contribution from associated company Norskott Havbruk and positive change in market value of interest rate swaps and currency rate swaps.

At the end of the first quarter 2022, SalMar had current assets totalling NOK 10,681 million, up from NOK 10,244 million at the end of 2021.

On 31 March 2022, the book value of inventory came to NOK 7,898 million, down from NOK 7,928 million at the end of 2021. Trade receivables totalled NOK 1,195 million, up from NOK 935 million three months prior. Other current receivables were NOK 564 million, up from NOK 480 million at the end of 2021.

As of 31 March 2022, the SalMar Group had cash and cash equivalents of NOK 1,025 million, up from NOK 902 million at the end of 2021.

As of 31 March 2022, the Group's total equity amounted to NOK 16,644 million, corresponding to an equity ratio of 57.2 per cent, compared to NOK 15,483 million at the end of 2021 and an equity ratio of 55.1 per cent. For further details, reference is made to the attached separate presentation of movements in equity.

As of 31 March 2022, the SalMar Group had total interest-bearing liabilities of NOK 4,877 million. Of this amount, non-current interest-bearing debts amounted to NOK 4,714 million, while current interest-bearing liabilities was NOK 164 million. By comparison, total interest-bearing liabilities at the end 2021 was NOK 5,478 million. See Note 8 for further details.

The Group's lease liabilities totalled NOK 977 million at the close of the first quarter 2022, compared to NOK 967 million at the end of 2021.

At the end of the first quarter 2022 deferred tax liability and other current liabilities totalled NOK 6,619 million, compared to NOK 6,157 million at the end 2021.

As of 31 March 2022, the SalMar Group had net interest-bearing debts, including lease liabilities of NOK 4,829 million, compared to NOK 5,543 million at the end of 2021.

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	Q1 2022	Q1 2022	FY 2021
Operating revenues	1,914	1,169	6,542
Operational EBIT	925	386	2,118
Operational EBIT %	48 %	33 %	32 %
Harvested volume (1,000 tgw)	24.9	20.8	110.7
EBIT/kg gw (NOK)	37.16	18.54	19.14

Fish Farming Central Norway harvested a volume of 24,900 tonnes of salmon in the first quarter 2022, compared to 20,800 tonnes in the first quarter 2021.

The segment generated operating revenue of NOK 1,914 million in the quarter, compared to NOK 1,169 million in the corresponding period last year. The increase is due to higher salmon prices and higher harvest volume.

The record strong result in first quarter 2022 was driven by the price of salmon, continued strong operational and biological performance and a reduction in cost from the previous quarter.

EBIT per kg gutted weight was NOK 37.16 in the first quarter 2022, up from NOK 18.54 per kg in the same period last year.

The generation of fish that were transferred to sea farms in the autumn of 2020 accounted for 80 per cent of the volume harvested in the quarter. The biological performance of this generation has been stable and the cost level lower than the previous quarter. The segment has started the harvest of spring 2021 with good biological performance.

Moving into the spring, the biological performance of the fish in sea is good. The harvest of autumn 2020 generation will be finished in the second quarter and the segment will continue to harvest from spring 2021 generation.

In the second quarter 2022 the segment expects similar cost level and lower volume.

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	Q1 2022	Q1 2021	FY 2021
Operating revenues	1,262	700	3,343
Operational EBIT	716	195	1,243
Operational EBIT %	57 %	28 %	37 %
Harvested volume (1,000 tgw)	16.8	13.5	59.8
EBIT/kg gw (NOK)	42.65	14.45	20.76

Fish Farming Northern Norway harvested 16,800 in the first quarter 2022, compared with 13,500 tonnes in the same period last year.

The segment generated operating revenue of NOK 1,262 million in the quarter, compared to NOK 700 million in the first quarter 2021. The increase is due to higher salmon prices and higher harvest volume.

The segment continued the solid trend and posted a strong result. This is the third quarter in a row with low cost level, continuing the very positive trend with strong biological and operational performance. The cost level in the first quarter 2022 is the lowest since 2017.

Fish Farming Northern Norway achieved NOK 42.65 EBIT per kg gutted weight in the first quarter 2022, compared to NOK 14.45 in the same period the year before.

The autumn 2020 generation accounted for the whole volume harvested in the period and continued with solid biological and operational performance. The biological performance of this generation has been strong. The segment will continue harvesting the autumn 2020 generation in the second quarter 2022.

The segment expects a gradual ramp up of volume harvested at InnovaNor during 2022, slightly higher cost level and lower volume harvested in the second 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. Further improvement is expected in 2023 due to improved site and zone structure and smolt stocking plans.



Sales and Industry

The Sales and Industry segment sells all 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	Q1 2022	Q1 2021	2021
Operating revenues	4,445	3,032	14,406
Operational EBIT	-372	118	-152
Operational EBIT %	-8.4 %	3.9%	-1.1 %

Sales and Industry generated operating revenue of NOK 4,445 million in the first quarter 2022, compared to NOK 3,032 million in the corresponding period last year.

The segment harvested 35,400 tonnes of salmon in the first quarter 2022, compared with 33,100 tonnes in the first quarter 2021.

The segment delivered an operational EBIT of NOK -372 million in the period, compared to NOK 118 million in the first quarter 2021. Underlying operations improving performance from previous quarters. Record high spot salmon prices gave a negative contribution from contracts. The contract share in the first quarter 2022 was 40 per cent.

The segment had a solid operational performance from its harvesting and processing activities. The volume was slightly lower due to seasonality partly offset by volume harvested at InnovaNor. SalMar expects gradual ramp up of both harvesting and VAP at InnovaNor activity during 2022.

For the second quarter 2022 the contract share is expected to be around 60 per cent. The contract level in the second quarter 2022 is higher than normal due to lower harvest volume. Due to the strong salmon prices a negative contribution from contracts in the second quarter 2022 is expected.

For the full year 2022 the contract share is expected to be around 35 per cent.

Salmar Aker Ocean

SalMar Aker Ocean is a company that specialise in offshore farming. 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	Q1 2022	Q1 2021	FY 2021
Operating income	-	-	-
Operational EBIT	-34	-35	-152
Operational EBIT %	-	-	-
Harvested volume (1,000 tgw)	-	-	-
EBIT/kg gw (NOK)	-	-	-

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 first time as a separate segment. In 2021 results from SalMar Aker Ocean was included in the segment Eliminations, but from 2022 they are included in a separate segment. The figures from 2021 has been restated accordingly for comparison.

In the first quarter for 2022, SalMar Aker Ocean had an operational EBIT of -34 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.

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.

Eliminations

Research and development (R&D) costs are included as eliminations in the segments' reported results. Of a total harvested volume of 45,000 tonnes in the first quarter 2022, R&D costs accounted for NOK 0.71 per kg. During the period, SalMar also recognised legal expenses relating to litigation concerning alleged price-fixing, which have affected the financial result. In 2021 results from SalMar Aker Ocean was included in the segment eliminations, but from 2022 they are reported as a separate segment. The comparison figures from 2021 has been restated accordingly.



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	Q1 2022	Q1 2022	2021
Operating revenues	368	178	919
Operational EBIT	94	4	74
Operational EBIT %	26 %	2 %	8 %
Harvested volume (1,000 t _{gw})	3.4	2.5	11.5
EBIT/kg gw (NOK)	27.98	1.48	6.41

Icelandic Salmon harvested 3,400 tonnes of salmon in the first quarter 2022, compared to 2,500 tonnes in the same period last year.

The business generated operating revenues of NOK 368 million in the quarter, compared to NOK 178 million in the same period in 2021. The rise in operating revenues related primarily to improved price achievement as well as a higher volume harvested than in the corresponding quarter last year.

Operational EBIT per kg came to NOK 27.98, up from NOK 1.48 per kg in the same period last year.

Icelandic Salmon continued harvesting the 2020 generation with continued good biological performance with stable biological performance and has led to a stable cost level. Low contract level has been positive for price achievement when spot prices has increased. In addition, large volumes through the harvest plant has led to strong capacity utilization.

The company will continue harvesting from the 2020 generation and expects harvest volume and cost level in the second quarter 2022 will be similar to that achieved in the first quarter.

The volume guiding to harvest 16,000 tonnes in 2022 is kept unchanged.

Associates

Norskott Havbruk is recognised as an associate, 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	Q1 2022	Q1 2021	FY 2021
Operating revenues	639	396	2,307
Operational EBIT	105	74	244
Operational EBIT %	16.4 %	18.6 %	10.6%
Fair value adj. biomass	182	47	15
Profit before tax	274	116	242
SalMar's share after tax	96	46	94
Harvested volume (1,000 t _{gw})	7.8	5.9	32,4
EBIT/kg gw (NOK)	13.35	12.39	7.55

Norskott Havbruk harvested 7,800 tonnes in the quarter, compared to 5,900 tonnes harvested in the first quarter 2021.

Norskott Havbruk generated operating revenues of NOK 639 million in the first quarter 2022, compared to NOK 396 million in the first quarter last year. The increase is due to higher volume and higher salmon prices.

EBIT per kg gutted weight came to NOK 13.35 in the period. This is up from NOK 12.39 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 52% in a period with strong increase in spot prices.

Integration of Grieg Seafood Hjaltdland 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 96 million in the first 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 first quarter 2022, the global supply of Atlantic salmon totalled approximately 662,200 tonnes, a decrease of 6 per cent on the same period in 2021.

At 339,400 tonnes, output in Norway in the quarter was 4 per cent lower than in the same period a year before. Output fell by 11 per cent in Chile, 22 per cent in UK and 4 per cent in North America. Output increased with 3 per cent in the Faroe Islands and 14 per cent in other producing countries.

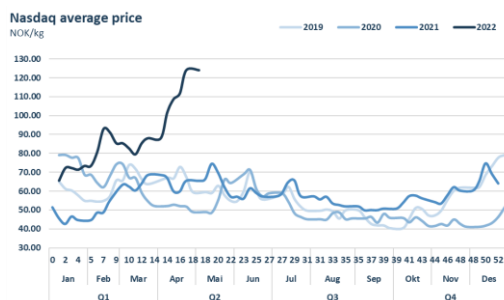
According to figures from Kontali, the standing biomass in Norway at the end of the first quarter 2022 is estimated to be 0.9 per cent lower than the end of first quarter 2021. At the same time, the standing biomass is estimated to be 0.6 per cent higher in Chile, 9.6 per cent lower in the UK and 17.1 per cent lower in the Faroe Islands.

Prices and foreign exchange rates

Atlantic salmon was traded at NOK 64.12 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 88.12 per kg.

The price of salmon in the period averaged NOK 79.52 per kg, up from NOK 52.78 per kg in the first quarter 2021.

NASDAQ Salmon Index NOK/kg



Against the most important trading currencies for salmon the Norwegian krone (NOK) strengthened 2.8 per cent against EUR, 3.4 per cent against GBP and 0.8 per cent against the USD through the quarter.

Norwegian exports

Norwegian export of salmon was around 326,000 tonnes (round weight) in the first quarter 2022, down 4 per cent from 341,000 tonnes in the same period last year. The value of these exports rose by 32 per cent year-on-year, from NOK 17.5 billion to NOK 23.0 billion.

A substantial secondary processing industry makes Poland the largest single market for Norwegian salmon. In the first quarter 2022, around 40,700 tonnes of salmon were exported to this market, 27 per cent less than in the corresponding quarter in 2021.

Exports increased by 16 per cent to the USA, 8 per cent to France, 2 per cent to Spain and 20 per cent to the UK. Exports to Vietnam/China/Hong Kong decreased by 1 per cent, while exports to Denmark fell 9 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 – to be donated and distributed 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, which was decided in 2019 is scheduled for completion in 2022 with first smolt delivery expected 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 first production cycle at the installation was completed in the summer of 2021. A second production cycle has now commenced, and the project continues to be evaluated.

Expansion of harvesting and processing capacity

SalMar's new harvesting and processing plant in Northern Norway, InnovaNor, became operational in the fourth quarter 2021. During 2022 both harvesting and VAP activity at InnovaNor will gradually ramp up.

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 comes 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 has been a board member of SalMar ASA since June 2020.

Linda L. Aase took up the position in May 2022.

Gunnar Nielsen has been 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. Last through the role as CFO of Bakkafrøst.

SalMar ASA's previous CFO, Trine Sæther Romuld, has transferred to the new position as CFO of SalMar Aker Ocean.

Voluntary offer for all outstanding shares in NTS ASA

On 14th of February 2022 SalMar announced the launch of a voluntary combined cash and share offer to acquire all outstanding shares in NTS ASA for a consideration of 0.143241 share in SalMar plus NOK 24 in cash per share. The offer valued the equity capital of the Company at approximately NOK 15.1 billion at the time the offer was announced, and was subsequently recommended by the board of 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.

14th of March 2022 an extraordinary general meeting in SalMar approved the issuance of new SalMar shares as consideration to accepting NTS shareholders.

The terms and conditions for the offer are set out in an offer document dated 17th of March 2022. The offer period expired at 16:30 (CEST) 29 April 2022 and SalMar has received acceptances for the offer for a total of 66,235,009 shares, equivalent to approx. 52.69% of the shares and votes in NTS.

Completion of the offer is subject to, among other issues, regulatory approvals and a satisfactory confirmatory due diligence. For further details see separate stock exchange notice and the offer document.

SalMar is satisfied with the acceptance rate, which will make NTS a subsidiary of SalMar upon a completion of the offer. Assuming the voluntary offer is completed, SalMar will meet its offer obligations by making a cash offer for the remaining shares in NTS in accordance with applicable legislation.

Shares and shareholders

As of 31 March 2022, SalMar had a total of 117,799,999 shares outstanding, divided between 12,901 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 71.25 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 31 March 2022.

SalMar's share price fluctuated between NOK 571.20 and NOK 708.80 in the first quarter 2022. The price at the close of the quarter was NOK 698.40 compared with NOK 608.00 at the close of the previous quarter. This corresponds to an increase in value of 14.9 per cent during the first quarter.

A total of 10.4 million shares were traded in the quarter, which corresponds to 12,25 per cent of the total number of shares outstanding. The volume of shares traded daily averaged 162,000.



EVENTS AFTER THE REPORTING DATE

Final result of SalMars voluntary offer for all outstanding shares in NTS ASA

Reference is made to the offer document dated 17 March 2022 for the voluntary tender offer from SalMar ASA for all outstanding shares in NTS ASA. The offer was recommended by the board of directors of the Company on 25 March 2022.

The offer period of the Offer expired at 16:30 (CEST) 29 April 2022 and SalMar received acceptances for a total of 66,235,009 shares, equivalent to approx. 52.69% of the shares and votes in NTS.

Completion of the offer is subject to, among other issues, regulatory approvals and a satisfactory confirmatory due diligence. For further details see separate stock exchange notice and the offer document.

SalMar is satisfied with the acceptance rate in the offer, which will make NTS a subsidiary of SalMar upon a completion of the offer. Assuming the voluntary offer is completed, SalMar will meet its offer obligations by making a cash offer for the remaining shares in NTS in accordance with applicable legislation.

OUTLOOK

Markets

Growth in supply for Atlantic salmon is expected to be at the same level 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 decrease by 7 per cent in the second quarter 2022, according to figures compiled by Kontali. The harvested volume is expected to decrease by 5 per cent in Norway, 1 per cent in Chile, 20 per cent in UK, 16 per cent in North America, 31 per cent in Faroe Islands and 1 per cent in other markets.

The Fish Pool forward price as of 9 May 2022 indicates an average salmon price of NOK 111.90 per kg and NOK 93.00 per kg in May and June 2022 respectively. The forward price for Q2 2022 is NOK 105.86 per kg and for second half 2022 the forward price is NOK 75.50 per kg. In 2023 the forward price is currently at NOK 75.00 per kg.

Company

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

SalMar expects lower harvest volume and similar cost level in the second quarter of 2022.

For the second quarter 2022 the contract share is expected to be around 60 per cent, the contract level in the second quarter of 2022 is higher than normal due to lower harvest volume. Due to the strong salmon prices one expects negative contribution from contracts in the second quarter of 2022. For the full year 2022 contract share is around 35 per cent.

SalMar is maintaining its ongoing investment programmes to further develop its already strong platform for growth. The construction of the smolt facilities Senja 2 and Tjuin make up the largest individual investments.

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 customers around 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.

The Board of Directors and CEO of SalMar ASA
Frøya, 12 May 2022

Leif Inge Nordhammer
Chair

Margrethe Hauge
Vice-Chair

Magnus Dybvad
Board member

Tone Ingebrigtsen
Employee representative

Simon Søbstad
Employee representative

Linda L. Aase
CEO



INCOME STATEMENT

NOK million	Q1 2022	Q1 2021	FY 2021
Total operating revenues	4,682	3,184	15,044
Cost of goods sold	2,049	1,485	7,328
Salary and personnel expenses	419	359	1,540
Other operating expenses	724	519	2,443
EBITDA	1,490	820	3,734
Depreciation and write-downs	229	193	807
Operational EBIT	1,262	627	2,927
Production tax	-20	-14	-72
Onerous contracts	-229	-52	-181
Fair value adjustment	327	351	777
Operating profit	1,340	911	3,451
Income from investments in associates	100	49	95
Net interest expenses	-53	-36	-169
Other financial items	1	13	11
Profit before tax	1,388	937	3,387
Income tax expense	285	199	719
Profit for the period	1,102	739	2,668
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Change in translation diff. associates	-53	1	14
Change in translation diff. subsidiaries	-86	-94	-97
Change in fair value of financial instruments, net after tax	173	-7	-75
Total other comprehensive income	35	-101	-158
Total comprehensive income	1,137	638	2,510
<i>Profit for the period attributable to:</i>			
Non-controlling interests	21	23	51
Shareholders in SalMar ASA	1,081	716	2,617
<i>Comprehensive income for the period attributable to:</i>			
Non-controlling interests	-4	-19	6
Shareholders in SalMar ASA	1,141	657	2,504
Earnings per share	9.18	6.33	22.61
Earnings per share - diluted	9.17	6.32	22.57



BALANCE SHEET – GROUP

<i>NOK million</i>	31.03.2022	31.03.2021	31.12.2021
ASSETS			
Non-current intangible assets	8,496	6,777	8,530
Non-current tangible assets	7,391	5,837	7,133
Right-of-use assets	877	813	877
Non-current financial assets	1,672	934	1,300
Total non-current assets	18,436	14,362	17,841
Inventory	7,898	6,922	7,928
Trade receivables	1,195	758	935
Other current receivables	564	633	480
Cash and cash equivalents	1,025	206	902
Total current assets	10,681	8,519	10,244
TOTAL ASSETS	29,117	22,881	28,085
EQUITY AND LIABILITIES			
Paid-in equity	3,449	707	3,426
Retained earnings	10,942	9,816	9,804
Non-controlling interests	2,252	1,117	2,253
Total equity	16,644	11,640	15,483
Deferred tax liability	2,298	1,896	2,259
Non-current interest-bearing debts	4,714	4,339	4,907
Long-term lease liabilities	780	728	751
Total non-current liabilities	7,792	6,964	7,916
Current interest-bearing liabilities	164	1,191	571
Short-term lease liabilities	197	175	216
Other current liabilities	4,321	2,911	3,898
Total current liabilities	4,681	4,277	4,686
TOTAL EQUITY AND LIABILITIES	29,117	22,881	28,085
Net interest-bearing debt (NIBD)	3,853	5,325	4,576
NIBD incl. lease liabilities	4,829	6,228	5,543
Equity share	57.2 %	50.9 %	55.1 %



CASH FLOW

<i>NOK million</i>	Q1 2022	Q1 2021	FY 2021
Profit before tax	1,388	937	3,387
Tax paid in the period	-35	-16	-549
Depreciation, amortisation and write-downs	229	193	807
Income from associated companies	-100	-49	-95
Onerous contracts	229	52	181
Fair value adjustments	-327	-351	-777
Change in working capital	-70	-675	-259
Other changes	67	45	213
Net cash flow from operating activities	1,381	137	2,908
Net cash flow from investing activities	-565	-490	-2,827
Change in interest-bearing liabilities	-588	425	-82
Payment of instalments on lease liabilities	-51	-45	-198
Payment of interest on lease liabilities	-15	-14	-57
Net interest paid financing activities	-35	-23	-94
Dividend	-	-	-2,271
Net proceeds from capital contribution	10	-	3,321
Other changes	-	-	-16
Net cash flow from financing activities	-679	343	602
Net change in cash and cash equivalents	137	-10	684
Currency translation of cash and cash equivalents	-14	-8	-6
Cash and cash equivalents as at the start of the period	902	223	223
Cash and cash equivalents as at period end	1,025	206	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					1,081					1,081	21	1,102
Other comprehensive income												
Translation differences in associates						-53				-53		-53
Translation differences in subsidiaries						-51				-51	-35	-86
Other comprehensive income, net after tax							143	22	0	164	9	173
Other comprehensive income	0	0	0	0	0	-104	143	22	0	60	-26	35
Total comprehensive income	0	0	0	0	1,081	-104	143	22	0	1,141	-4	1,137
Transactions with shareholders												
Share-based payment, expensed				14						14	0	14
Contribution of equity				9						9	2	10
Other changes					-3					-3	2	0
Total transactions with shareholders	0	0	0	23	-3	0	0	0	0	20	4	24
At 31 March 2022	29	0	3,102	318	10,736	-11	200	28	-10	14,391	2,253	16,644

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						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

NOK million	Farming Central Norway	Farming Northern Norway	Sales and Industry	Icelandic Salmon	SalMar Aker Ocean	Eliminations	Group
Q1 2022							
Total operating revenues (NOK mill.)	1,914.4	1,262.3	4,444.7	367.7	-	-3,306.7	4,682.4
Operational EBIT (NOK mill.)	924.6	715.5	-371.5	94.3	-33.6	-67.6	1,261.7
Operational EBIT %	48.3 %	56.7 %	-8.4 %	25.6 %			26.9 %
Volume harvested (tonnes)	24.9	16.8		3.4			45.0
EBIT/ kg gw (NOK)	37.16	42.65		27.98			28.02
Q1 2021							
Total operating revenues (NOK mill.)	1,168.9	700.0	3,032.5	178.0	-	-1,895.1	3,184.2
Operational EBIT (NOK mill.)	386.1	194.8	118.2	3.8	-35.0	-40.5	627.4
Operational EBIT %	33.0 %	27.8 %	3.9 %	2.1 %			19.7 %
Volume harvested (tonnes)	20.8	13.5		2.5			36.9
EBIT/ kg gw (NOK)	18.54	14.45		1.48			17.02
FY 2021							
Total operating revenues (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 %
Volume harvested (tonnes)	110.7	59.8		11.5			182.1
EBIT/ kg gw (NOK)	19.14	20.76		6.41			16.08



KEY FIGURES – GROUP

	Q1 2022	Q1 2021	FY 2021
No. of shares (diluted) - end of period (mill.)	117.828	113.208	115.922
Earnings per share (NOK)	9.18	6.33	22.61
Earnings per share - diluted (NOK)	9.17	6.32	22.57
EBITDA %	31.8 %	25.8 %	24.8 %
Operational EBIT %	26.9 %	19.7 %	19.5 %
EBIT %	28.6 %	28.6 %	22.9 %
Profit before tax %	29.6 %	29.4 %	22.5 %
Cash flow per share - diluted (NOK)	11.72	1.21	25.09
Net interest bearing debt (NOK mill.)	3,853	5,325	4,576
NIBD incl. leasing liabilities (NOK mill.)	4,829	6,228	5,543
Equity ratio %	57.2 %	50.9 %	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	6,607,741	5.61 %
CACEIS Bank	1,768,609	1.50 %
State Street Bank and Trust Comp	1,588,023	1.35 %
State Street Bank and Trust Comp	1,449,956	1.23 %
BNP Paribas Securities Services	1,313,696	1.12 %
LIN AS	1,299,685	1.10 %
JPMorgan Chase Bank, N.A., London	1,059,977	0.90 %
JPMorgan Chase Bank, N.A., London	1,010,088	0.86 %
The Northern Trust Comp, London Br	980,751	0.83 %
CLEARSTREAM BANKING S.A.	929,608	0.79 %
SIX SIS AG	839,855	0.71 %
CACEIS Bank	831,790	0.71 %
State Street Bank and Trust Comp	736,039	0.62 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	688,759	0.58 %
VPF DNB AM NORSKE AKSJER	599,075	0.51 %
Euroclear Bank S.A./N.V.	598,751	0.51 %
VERDIPAPIRFONDET KLP AKSJENORGE IN	595,476	0.51 %
VERDIPAPIRFONDET DNB NORGE	553,494	0.47 %
CACEIS Bank	547,239	0.46 %
Top 20	83,933,088	71.25 %
Others	33,866,911	28.75 %
Total	117,799,999	100.00 %

As at 31 March 2022 SalMar ASA owned 102,361 treasury shares.

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

	31.03.2022	31.03.2021	31.12.2021
Carrying amount of inventory			
Raw materials	207	150	223
Biological assets	7,303	6,280	7,281
Finished goods	388	491	424
Total value of biological assets and other inventory	7,898	6,922	7,928
Carrying amount of biological assets	31.03.2022	31.03.2021	31.12.2021
Roe, fry, smolt and cleaner fish at cost	348	338	285
Biological assets held at sea farms at cost	3,953	3,796	4,350
Total carrying amount of biological assets before fair value adjustments	4,301	4,134	4,635
Fair value adjustment of biological assets	3,002	2,146	2,646
Total carrying amount of biological assets	7,303	6,280	7,281

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:	31.03.2022	31.03.2021	31.12.2021
Biological assets - opening balance	7,281	5,989	5,989
Increase from business combination	-	-	187
Increase due to production	1,229	1,183	6,434
Decrease due to sale/ harvesting	-1,522	-1,241	-6,161
Decrease due to incident-based mortality	-20	-10	-21
Fair value adjustment on opening balance (reversed)	-2,646	-1,767	-1,767
Fair value adjustment on closing balance (new)	3,002	2,146	2,646
Currency translation differences	-21	-20	-25
Biological assets - closing balance	7,303	6,280	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:	31.03.2022	Expected harvesting period:	31.03.2021	Expected harvesting period:	31.12.2021
	Q2-2022	81.50	Q2-2021	62.20	Q1-2022	68.67
	Q3-2022	62.27	Q3-2021	53.08	Q2-2022	68.23
	Q4-2022	66.53	Q4-2021	56.32	Q3-2022	56.43
	Q1-2023	70.05	Q1-2022	61.05	Q4-2022	62.27
	Q2-2023	68.45	Q2-2022	63.55	1st half 2023	65.25
	2nd half 2023	60.25	2nd half 2022	54.17	2nd half 2023	55.75
Discount factor Norway		5 %		6 %		5 %
Discount factor Iceland		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:

	Q1 2022	Q1 2021	FY 2021
Change in the fair value of the biological assets	359	383	835
Change in unrealised value of Fish Pool contracts	-32	12	-14
Change in the unrealised value of forward currency contracts	-	-44	-44
Total fair value adjustments	327	351	777



Note 5 - Business combinations

Business combinations in 2022

No business combinations have been completed in 2022.

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 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 the period.

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 associated companies	96	3	100
Items recognised in other comprehensive income	-52	-0	-53
Other changes	-	-1	-1
Carrying amount at 31 March 2022	1,139	82	1,221

**Note 8 - Interest-bearing debts**

	31.03.2022	31.03.2021	31.12.2021
Non-current interest-bearing debt			
Non-current interest bearing debt	4,875	4,713	5,069
Next year's instalment on non-current interest bearing debts	-161	-374	-162
Total	4,714	4,339	4,907
Lease liabilities	977	903	967
Next year's instalment on lease liabilities	-197	-175	-216
Total	780	728	751
Total carrying amount	5,494	5,068	5,657
Current interest bearing debt			
Debts to credit institutions	2	818	409
Next year's instalment on debts to credit institutions	161	374	162
Total	164	1,191	571
Next year's instalment on lease liabilities	197	175	216
Total carrying amount	360	1,366	788
Total interest-bearing debts	5,854	6,434	6,445
Cash and cash equivalents	1,025	206	902
Lease liabilities	977	903	967
Net interest-bearing debts (NIBD)	3,853	5,325	4,576

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

	NOK	EUR	JPY	USD	GBP	Other	Total
Non-current debts	4,461	415	0	0	0	0	4,875
Lease liabilities	932	9	0	0	0	36	977
Current debts to credit institutions	0	2	0	0	0	0	2
Total interest-bearing liabilities	5,392	426	0	0	0	36	5,854
Cash and cash equivalents	807	2	22	163	-2	32	1,025
Lease liabilities	932	9	0	0	0	36	977
Net interest-bearing debts (NIBD)	3,654	415	-22	-163	2	-32	3,853

Financing activities - change in liabilities:

	31.12.2021	Cash flow from financing activities	Not cash-generating effects				31.03.2022
			Change subsidiaries	Currency effects	Change in next year's instalments on long-term debt	Other effects	
Non-current debts	4,907	-181	0	-15	1	2	4,714
Current debts to credit institutions	571	-407	0	0	-1	0	164
Total debts to credit institutions	5,478	-588	0	-15	0	2	4,877
Non-current and current lease liabilities	967	-51	0	-1	0	61	977
Total interest-bearing debts	6,445	-639	0	-16	0	64	5,854

Further details on interest-bearing debt:

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

	Q1 2022	Q1 2021	FY 2021
Interest income	2	2	15
Interest expenses, ex. interest on lease liabilities	-40	-23	-127
Interest expenses relating to lease liabilities	-15	-14	-57
Net exchange differences	2	15	21
Net other financial items	-1	-3	-11
Net interest and other financial items	-52	-23	-159



Note 10 - 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.

	Q1 2022	Q1 2021	FY 2021
Operating profit	1,340	911	3,451
Production tax	20	14	72
Onerous contracts	229	52	181
<i>Fair value adjustment:</i>			
Change in the fair value of the biological assets	-359	-383	-835
Change in unrealised value of Fish Pool contracts	32	-12	14
Change in the unrealised value of forward currency contracts	-	44	44
Operational EBIT	1,262	627	2,927

EBITDA

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

	Q1 2022	Q1 2021	FY 2021
Operational EBIT	1,262	627	2,927
Depreciation and write-downs	229	193	807
EBITDA	1,490	820	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		
Q1 2022				
Operational EBIT (NOK mill.)	925	716	94	1,262
Volume harvested (tonnes)	24.9	16.8	3.4	45.0
EBIT/kg gw (NOK)	37.16	42.65	27.98	28.02
Q1 2021				
Operational EBIT (NOK mill.)	386	195	4	627
Volume harvested (tonnes)	20.8	13.5	2.5	36.9
EBIT/kg gw (NOK)	18.54	14.45	1.48	17.02
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.

	31.03.2022	31.03.2021	31.12.2021
Non-current interest-bearing debts	4,714	4,339	4,907
Current interest-bearing liabilities	164	1,191	571
Cash and cash equivalents	-1,025	-206	-902
Net interest-bearing debt (NIBD)	3,853	5,325	4,576
Lease liabilities	977	903	967
NIBD incl. lease liabilities	4,829	6,228	5,543

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.

	Q1 2022	Q1 2021	FY 2021
Cash flow from operating activities	1,381	137	2,908
Average no. of shares outstanding (diluted) in the period (1,000 shares)	117,828	113,208	115,922
Diluted cash flow per share (NOK)	11.72	1.21	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.