

First Quarter 2024



Quarterly report

2024



Highlights in the first quarter

- Operational EBIT for Norway¹ ended at NOK 1,546 million for the first quarter. Harvest volume was 45,400 tonnes and operational EBIT per kg was NOK 34.1.
- Operational EBIT the Group was NOK 1,512 million for the first quarter. Harvest volume was 52,900 tonnes and operational EBIT per kg was NOK 28.6.
- Jellyfish attack continued to have an adverse effect on SalMar's farming segments in Norway and impacted the result in the first quarter of 2024. Farming Northern Norway, was significantly impacted with low superior share and average harvest weights, impacting both cost and price achievements.
- Sales and Industry continued to showcase its flexible operational set-up, handling volumes affected by biological challenges. The contract share was 39 per cent, with negative contribution.
- Icelandic Salmon reported high cost due to biological challenges in the quarter, affecting results.
- SalMar Aker Ocean harvested from both its two semi-offshore projects during the quarter, according to plan. Both units are on track for the next smolt release in 2024.
- Scottish Sea Farms reported a solid quarter, with improved results and good biological status in all regions.
- During the first quarter, SalMar has realized 100 per cent of the synergy target with NTS, NRS and SalmoNor, representing NOK 844 million in realized synergies. Going forward SalMar is strengthening its cost focus through the launch of a new strategy period optimizing cost base and biological performance in all regions.
- The harvest guidance for Norway remains unchanged at 237,000 tonnes in Norway, 7,000 tonnes from SalMar Aker Ocean, 15,000 tonnes in Iceland and 37,000 tonnes in Scotland (100% basis).

NOK million	Q1 2024	Q1 2023	2023
Operating revenues	6,555	6,792	28,219
Operational EBIT	1,512	1,884	8,088
Production tax	-55	-32	-208
Fair value adjustments & onerous contracts	-320	635	630
Income from investments in associates and joint ventures	67	27	-27
Profit before tax from continuing operations	971	2,235	7,279
Profit for the period from continuing operations	895	1,744	2,746
EPS - Adjusted	6.0	9.4	39.3
NIBD incl. leasing liabilities	14,445	21,054	14,952
Equity ratio %	46%	41 %	43%
Harvested volume (1,000 t _{gw})	52.9	48.5	254.1
EBIT/kg (NOK)	28.6	38.8	31.8

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



Financial performance

Summary

Farming segments in Norway continued to face challenges from jellyfish attacks. The impact of the challenges was particularly severe in Farming Northern Norway, resulting in a quarter with lower average harvest weights and low superior share, and impacting both cost and price achievements.

In Sales and Industry the operational set-up of its facilities continued to show flexibility to handle volume from challenges in farming segments, but due to high spot prices there was a negative contribution from contracts.

Icelandic Salmon faced high costs on harvested volume due to biological challenges, affecting the results.

SalMar Aker Ocean successfully harvested volumes from both semi-offshore projects in the quarter.

In the first quarter 2024, the SalMar Group harvested 52,900 tonnes of salmon in total, up from 48,500 tonnes in the first quarter 2023.

The Norskott Havbruk joint venture (Scottish Sea Farms) reported better results and improved biological status in all regions.

In the first quarter 2024, the price of salmon (NASDAQ Salmon Index) averaged NOK 110.1 per kg up from NOK 104.8 per kg in the first quarter in 2023.

Income statement for the first quarter 2024

Operating revenues amounted to NOK 6,555 million in the first quarter 2024, compared with NOK 6,792 million in the first quarter 2023.

SalMar's most important key performance indicator is operational EBIT, an alternative performance measure, see note 11 for further details. This shows the result of the Group's underlying operations during the period. Specific items not associated with underlying operations are presented on separate lines.

The SalMar Group achieved an operational EBIT of NOK 1,512 million in the quarter, compared to NOK 1,884 million in the corresponding quarter the year before.

The SalMar Group achieved an operational EBIT per kg of NOK 28.6 in the first quarter 2024, down from NOK 38.8 per kg in the first quarter 2023. The decrease is due to lower achieved prices.

From 1 January 2024 the production tax in Norway increased to NOK 0.935 per kg, see note 10 for further details. The production tax in Norway and the resource tax in Iceland amounted to negative NOK 55 million in the first quarter 2024. In the same period in 2023, this amounted to negative NOK 32 million.

The change in provisions for onerous contracts was NOK 248 million in the quarter. The fair value adjustment was negative with NOK 478 million and fair value adjustment included in cost of goods sold due to business combination was negative NOK 90 million in the quarter. See Note 4 for further details.

SalMar posted an operating profit of NOK 1,136 million in the first quarter 2024, compared to NOK 2,487 million in the same period in 2023.

Income from investments in associates and joint ventures was NOK 67 million in the period, compared with NOK 27 million in the corresponding quarter in 2023. See note 8 for further details.

Net interest expenses totalled NOK 239 million in the first quarter 2024, compared with NOK 270 million in the corresponding quarter last year.

Other financial items were NOK 7 million in the period, compared with negative NOK 9 million in the first quarter 2023.

Profit before tax in the first quarter 2024 was NOK 971 million, compared with NOK 2,235 million in the corresponding quarter last year. A tax expense of NOK 76 million has been recognised for the quarter. This amount includes calculated resource rent tax, see note 11 for further details.

The profit after tax from discontinued operations was NOK 0 million, resulting in a profit for the period of NOK 895 million. The tax expense recognised in the corresponding quarter last year was NOK 490 million, while profit for the period last year totalled NOK 1,853 million.

Currency exchange effects through the quarter resulted in translation differences of NOK 137 million with respect to associates and subsidiaries. Change in fair value of financial instruments net after tax was negative NOK 345 million. This resulted in a total other comprehensive income of negative NOK 207 million in the quarter. These are items that may subsequently be reclassified to profit and loss and decrease the period's total comprehensive income to NOK 688 million.

Cash flow

Cash flow from operating activities for the SalMar Group was NOK 1,313 million in the first quarter 2024, compared with NOK 1,485 million in the same period in 2023.

Net cash flow from investing activities in the first quarter totalled NOK -429 million, compared with NOK -581 million in the first quarter last year.

Investments in the value chain in the quarter related to purchase and sale of property, plant and equipment, licenses and other non-current assets was NOK -379 million, cash flow from other investing activities at NOK -50 million.

The Group had a net cash flow from financing activities of NOK -996 million in the first quarter 2024, compared with NOK -2,321 million in the same period last year.

During the quarter the Group's interest-bearing liabilities decreased with NOK 677 million, instalments on lease liabilities and net interest paid totalled NOK -319 million. In the same quarter last year, interest-bearing liabilities decreased with 1,399 million, while instalments on leasing liabilities and net interest paid totalled NOK -325 million.

SalMar had a net change in cash and cash equivalents of NOK -112 million in the first quarter 2024, compared with NOK -1,417 million in the same period in 2023. Adjusted for



NOK -6 million in currency effects, cash holding at the close of the quarter stood at NOK 667 million.

Financial position

At the end of the first quarter 2024, SalMar Group's assets totalled NOK 52,011 million, compared to NOK 53,331 million at the end of the fourth quarter 2023.

Non-current assets amounted to NOK 35,934 million at the end of first quarter 2024, up from NOK 35,533 million at the end of fourth quarter 2023.

Non-current intangible assets totalled NOK 18,728 million at the end of the quarter, up from NOK 18,685 million at the end of fourth quarter 2023.

The book value of the Group's non-current tangible assets was NOK 12,492 million at the close of the quarter, up from NOK 12,371 million at the end of December 2023.

The Group's right-of-use assets totalled NOK 1,811 million, up from NOK 1,798 million at the end of December 2023.

Non-current financial assets was NOK 2,904 million, up from NOK 2,679 million at the end of the fourth quarter 2023.

At the end of the first quarter 2024, SalMar had current assets totalling NOK 16,077 million, down from NOK 17,798 million at the end of the fourth quarter 2023.

The book value of inventory stood at NOK 13,316 million at the end of first quarter 2024, down from NOK 14,494 million at the end of the fourth quarter. Trade receivables totalled NOK 1,560 million, up from NOK 1,457 million at the end of the previous quarter. Other current receivables

were NOK 533 million, down from NOK 1,061 million at the end of the fourth quarter 2023.

As of 31 March 2024, the SalMar Group had cash and cash equivalents of NOK 667 million, up from NOK 785 million at the end of December 2023.

As of 31 March 2024, the Group's total equity amounted to NOK 23,787 million, corresponding to an equity ratio of 46 per cent, compared to NOK 23,079 million at the end of December 2023 and an equity ratio of 43 per cent. For further details, reference is made to the attached separate presentation of movements in equity.

As of end of the first quarter 2024, the SalMar Group had total interest-bearing liabilities of NOK 13,252 million. Of this amount, non-current interest-bearing debts amounted to NOK 12,482 million, while current interest-bearing liabilities was NOK 770 million. By comparison, total interest-bearing liabilities at the end of December 2023 was NOK 13,892 million. See notes to the financial statements for further details.

The Group's lease liabilities totalled NOK 1,859 million at the close of the first quarter 2024, compared to NOK 1,845 million at the end of the fourth quarter 2023.

At the end of the first quarter 2024, pension liabilities, deferred tax liability, trade creditors and other current liabilities totalled NOK 13,113 million, compared to NOK 14,515 million at the end of the previous quarter.

As of 31 March 2024, the SalMar Group had net interest-bearing debts, including lease liabilities of NOK 14,445 million, compared to NOK 14,952 million at the end of the fourth quarter 2023.

Operational performance

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, production area 5-7.

NOK million	Q1 2024	Q1 2023	2023
Operating income	2,786	2,326	12,452
Operational EBIT	1,186	1,109	4,612
Operational EBIT %	43 %	48%	37%
Harvested volume (1,000 t _{gw})	27.8	22.2	141.1
EBIT/kg gw (NOK)	42.6	50.0	32.7

Fish Farming Central Norway harvested 27,800 tonnes of salmon in the first quarter 2024, compared with 22,200 tonnes in the first quarter 2023.

The segment generated operating income of NOK 2,786 million in the quarter, compared with NOK 2,326 million in the corresponding quarter last year.

At the beginning of the quarter, the segment experienced extreme weather conditions affecting sites in the segment. A one-off cost related to the extreme weather events, affecting the result with NOK ~1.5 per kg, was booked in the quarter.

The EBIT per kg gutted weight was NOK 42.6 in the first quarter 2024, down from NOK 50.0 per kg in the same period last year.

The volume harvested in the quarter originated from fish that were transferred to sea in the autumn 2022 and spring 2023.

Despite still some challenges, the overall biological status on the fish in sea is good. In the second quarter 2024, the segment will continue to harvest from the spring 2023 generation and finish autumn 2022 generation.

The segment expects slightly lower cost level in the second quarter 2024 compared to the first quarter 2024. The harvest volume is expected to be lower compared to volume harvested in second quarter 2023.

The volume guidance for 2024 is kept unchanged at 146,000 tonnes.

Fish Farming Northern Norway

Fish Farming Northern Norway encompasses the Group's operations in Troms and Finnmark county, production area 10-13.

NOK million	Q1 2024	Q1 2023	2023
Operating income	1,455	1,883	8,427
Operational EBIT	476	837	3,402
Operational EBIT %	33 %	44 %	40 %
Harvested volume (1,000 t _{gw})	17.5	19.8	92.8
EBIT/kg gw (NOK)	27.1	42.3	36.7

Fish Farming Northern Norway harvested 17,500 tonnes in the first quarter 2024, compared with 19,800 tonnes in the first quarter 2023.

The segment generated operating income of NOK 1,455 million in the first quarter 2024, compared with NOK 1,883 million in the first quarter 2023.

The results in the period were negatively affected by environmental challenges related to string jellyfish. The jellyfish attack impacted the average harvest weight and share of superior volume, which impacted both cost and price achievement in the quarter. One-off costs related to the incidents was NOK 3 per kg.

Fish Farming Northern Norway achieved NOK 27.1 EBIT per kg gutted weight in first quarter 2024, compared to NOK 42.3 in the same period the year before.

In the period harvest volume came from the spring 2022 and autumn 2022 generation.

The biological situation is still challenging, but improved since Q1 2024.

The segment expects similar cost level in the second quarter 2024, compared the level in first quarter 2024. The harvest volume is expected slightly higher compared to the harvest volume in the second quarter 2023.

The volume guidance for 2024 is kept unchanged at 91,000 tonnes.



Sales and Industry

The Sales and Industry segment sells all fish that 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 2024	Q1 2023	2023
Operating income	6,449	6,239	27,094
Operational EBIT	-37	-81	254
Operational EBIT %	-0.6%	-1.3%	0.9%

Sales and Industry generated gross operating income of NOK 6,449 million in the first quarter 2024, compared with NOK 6,239 million in the corresponding period in the year before.

Due to seasonal lower volumes there was reduced capacity utilization of the facilities. The segment continued to showcase its flexible operational set-up being able to handle volumes from challenges at the farming sites, even though peak VAP capacity was not large enough to ensure optimal allocation of salmon.

In total the segment harvested 48,800 tonnes of salmon in the first quarter 2024, compared with 45,900 tonnes in the first quarter 2023.

The fixed price contract shares in first quarter 2024 was 39 per cent, with negative contribution due to high spot prices. The segment reported continued good price achievement from spot sales.

The segment delivered an operational EBIT of NOK -37 million in the period, compared with NOK -81 million in the same period last year.

In the second quarter 2024, the contract rate is expected to be around 48 per cent. For the full year of 2024, the contract rate is expected to be around 30 per cent.

SalMar Aker Ocean

SalMar Aker Ocean is a partnership between SalMar (85 per cent ownership) and Aker (15 per cent) that specialise in offshore farming. The company has two semi-offshore units in operation, Ocean Farm 1 in Central Norway and Arctic Offshore Farming in Northern Norway.

NOK million	Q1 2024	Q1 2023	2023
Operating income	428	0	173
Operational EBIT	-28	-45	-53
Harvested volume (1,000 tgw)	4.8	0	2.3
EBIT/kg gw (NOK)	-5.9	-	-23.2

In the first quarter of 2024, SalMar Aker Ocean reported revenues of NOK 428 million and an operational EBIT of NOK -28 million.

The segment had two semi-offshore projects in operation in the quarter, as Arctic Offshore Farm was made part of SalMar Aker Ocean from the fourth quarter 2023.

The company harvested out remaining volume the Arctic Offshore Farming project in January. Due to impact from string jellyfish price achievement was affected negatively.

Ocean Farm 1 was harvested in March with good biological performance, but low capacity utilization affects the cost per kg.

Note that EBIT per kg is lower for the semi-offshore projects compared to traditional farming due to higher depreciation. EBITDA-farming per kg was 19.3 in the period.

The volume guidance for 2024 is kept unchanged at 7,000 tonnes. New smolt is expected to be transferred to both units in 2024 and be harvested in 2025.

Strong biological performance from the completed production cycles from both units give confidence for further potential.



Icelandic Salmon

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

NOK million	Q1 2024	Q1 2023	2023
Operating income	314	765	1,871
Operational EBIT	-6	204	230
Operational EBIT %	-2%	27%	12 %
Harvested volume (1,000 t _{gw})	2.8	6.6	17.9
EBIT/kg gw (NOK)	-2.3	31.0	12.8

Icelandic Salmon harvested 2,800 tonnes in the first quarter 2024.

The business generated operating income of NOK 314 million in the first quarter, down from NOK 765 million in the same period in 2023.

Operational EBIT per kg in the quarter was NOK -2.3 per kg, in comparison to NOK 31.0 per kg in the same period last year. The result is negatively affected by biological challenges. A one-off cost related to the challenges of EUR 3.6 million or NOK ~15 per kg has affected the result in the period.

The 2022 generation accounted for the harvest volume in the quarter.

Icelandic Salmon expects higher harvest volumes in the second quarter 2024 compared to volume in the second quarter 2023. The cost level in the second quarter is expected to continue to be high.

Volume guidance for 2024 is kept unchanged at 15,000 tonnes.

In the second quarter, Arnarlax ehf, a wholly owned subsidiary of Icelandic Salmon AS, is expected to receive the final confirmation of the additional licenses with 10,000 tonnes of MAB sterile salmon.

Eliminations

Research and development (R&D) costs are included as eliminations in the segments' reported results. Of a total harvested volume of 52,900 tonnes in the first quarter 2024, R&D costs accounted for NOK 0.6 per kg.

Joint venture – Scottish Sea Farms

Norskott Havbruk (Scottish Sea Farms) is accounted for 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 performance on a hundred percent basis.

NOK million	Q1 2024	Q1 2023	2023
Operating income	848	506	2,561
Operational EBIT	138	9	-304
Harvested volume (1,000 t _{gw})	7.3	5.2	24.9
EBIT/kg gw (NOK)	18.9	1.7	-12.2
Fair value adj. biomass	10	-22	16
Profit/loss before tax	93	-43	-482
SalMar's share after tax	33	-17	-168
NIBD (NOKm)	3,015	2,392	2,803

Scottish Sea Farms harvested 7,300 tonnes in the first quarter 2024, compared with 5,200 tonnes harvested in the first quarter 2023.

The company generated operating revenues of NOK 848 million in the first quarter 2024, compared with NOK 506 million in the corresponding quarter last year. 45 per cent of the volume was sold on contracts with negative contribution.

EBIT per kg gutted weight was NOK 18.9 in the period, an increase from NOK 1.7 per kg in the corresponding period last year.

SalMar's share of Norskott Havbruk's net profit was NOK 33 million in the first quarter 2024.

After the several challenging quarters the results improved significantly, due to improved biological conditions in all regions. The company expects continued good biological situation going forward with lower costs in the second quarter 2024.

Volume guidance for 2024 is kept unchanged at 37,000 tonnes.



Markets

Supply and biomass

In the first quarter 2024, the global supply of Atlantic salmon totalled approximately 595,800 tonnes, a decrease of 5 per cent on the same period in 2023.

At 300,900 tonnes, output in Norway in the quarter was 5 per cent less than in the same period a year before. The output decreased with 16 per cent in Chile, while it was stable in UK. The output increased with 43 per cent in North America, 23 per cent in the Faroe Islands and 4 per cent in other regions.

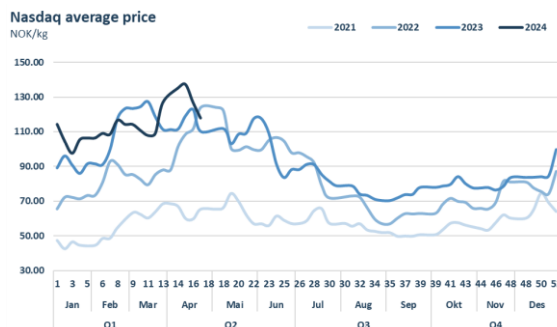
According to figures from Kontali, the standing biomass in Norway at the end of the first quarter 2024 is estimated to be 2 per cent lower than the end of first quarter 2023. The standing biomass is estimated to be 3 per cent lower in Chile, 10 per cent higher in the UK, and 5 per cent higher in the Faroe Islands.

Prices and foreign exchange rates

NASDAQ Salmon Index was traded at NOK 114.3 0 per kg at the start of the first quarter 2024. At the end of the quarter, it was traded at a price of NOK 126.9 per kg.

The NASDAQ Salmon Index in the period averaged NOK 110.1 per kg in the first quarter 2024, up from NOK 104.8 per kg in the first quarter 2023.

NASDAQ Salmon Index NOK/kg



Against the most important trading currencies for salmon the Norwegian krone (NOK) weakened 3.9 per cent against EUR, 5.3 per cent against the GBP, and 6.2 against the USD through the quarter.

Norwegian exports

Norwegian export of salmon was around 285,200 tonnes (round weight) in the first quarter 2024, down 5 per cent from 300,600 tonnes in the same period last year. The value of these exports decreased by 3 per cent year-on-year, from NOK 28.3 billion to NOK 27.6 billion.

A substantial secondary processing industry makes Poland the largest single market for Norwegian salmon. In the first quarter 2024, around 38,500 tonnes of salmon in total were exported to this market, a 3 per cent increase from the corresponding quarter in 2023.

Compared to the first quarter 2023 exports increased by 8 per cent to Denmark. The export fell with 11 per cent to France, 23 per cent to USA and 4 per cent to Netherland.

Shares and shareholders

As of 31 March 2024, SalMar had a total of 132,038,920 shares outstanding, divided between 21,560 shareholders.

The company's largest shareholder, Kverva Industrier AS, owned 45.4 per cent of the shares at the end the quarter. The 20 largest shareholders owned a total of 65.7 per cent of the shares.

As of 31 March 2024, SalMar ASA owned 278,854 treasury shares. This corresponds to 0.2 per cent of the total number of shares outstanding as of 31 March 2024.

SalMar's share price fluctuated between NOK 564.4 and NOK 715.4 in the first quarter 2024. The price at the close of the quarter was NOK 715.4 compared with NOK 569.2 at the close of the previous quarter.

A total of 10.0 million shares were traded in the quarter, which corresponds to 7.6 per cent of the total number of shares outstanding. The volume of shares traded daily averaged 162,000.

Due to strong results in 2023 and the strong financial position the board of directors has resolved to propose a cash dividend of NOK 35.00 per share for the financial year 2023. Proposed cash dividend to be approved at annual general meeting 6th of June 2024.

Other matters

Strengthening cost focus in the value chain

Through a series of transactions, NTS, NRS and SalmoNor became part of SalMar from November 2022. The companies merged into SalMar's existing operational structure, and the new operating structure became operational as of 1 January 2023. The combination has allowed for significant cost savings where NOK 844 million in yearly recurring cost savings has been realized.

Going forward SalMar is strengthening its cost focus with launch of a new strategy period. Salmon farming is all about the details and the goal of the strategy period is to optimize the cost base and biological performance in all regions, where focus is on the elements SalMar can impact.

Launch of Salmon Living Lab

In March 2024, SalMar launched Salmon Living Lab, an ambitious innovation and R&D initiative together with Cargill. With the initiative, the parties aim to motivate and mobilise a broad industry initiative to finding and developing more sustainable solutions for salmon farming, on the terms of the salmon. Salmon Living Lab will serve as an innovation centre dedicated to improving the biology across the entire salmon farming value chain. Initial investments in Salmon Living Lab are estimated at NOK 500 million.

The initiative has received significant interest from various companies in the value chain, NGOs and other stakeholder group eager to contribute. For more information, see www.salmonlivinglab.no



Expansion of smolt production capacity

The new smolt facility in Tjuin in Trøndelag, came into operation in 2023 and the first batch of fish to sea was delivered in the second quarter 2024.

In 2023, SalMar completed the construction of its second closed net pen, Marine Donut, in Central Norway, Romsdalsfjorden. This is SalMar's second closed net pen in the region. First production started in second quarter 2024.

Expanding harvesting and processing capacity

The Vikenco project is on track and will expand harvesting capacity and VAP capacity at SalMar's facility Vikenco in Rindarøy outside Molde in Central Norway.

The expansion project at InnovaMar, InnovaMar 2.0 at Frøya, aimed at doubling capacity and generating significant local ripple effects, is currently postponed due to uncertainty regarding the resource rent tax and offshore farming regulations.

New offshore units on hold in Norway

In end September 2023, site approval for one open ocean unit was granted to SalMar Aker Ocean's Smart Fish Farm, approximately 50 nautical miles west of Frøya in Central Norway. Due to regulatory uncertainty SalMar Aker Ocean decided that further work on offshore aquaculture in Norway is currently on hold. The company will continue to fully focus on growth semi-offshore and utilize the capacity of its existing two semi-offshore units for the production of sustainable Norwegian salmon. It will also continue to explore opportunities outside of Norway.

Resource rent tax on aquaculture in Norway

On 31 May 2023, with a narrow majority, the Norwegian Parliament voted for implementing an additional resource tax on aquaculture in Norway, with a tax rate of 25 per cent. This is in addition to the regular corporate tax and means that the marginal tax rate on aquaculture will increase by over 100 per cent, from 22 per cent to 47 per cent. The new tax applied retroactively from January 1, 2023.

SalMar remains strongly opposed to this the resource rent tax and has consistently cautioned against it. The tax relies on the incorrect assumption that aquaculture food production is a location-bound resource rent industry that consistently generates extraordinary returns disproportionate to the risk involved.

The high tax level and the unfavourable design of the new tax are poised to withdraw a substantial portion of investment capital from the industry. Therefore, SalMar will continue its close and fact-based dialogue with authorities and decision-makers to promptly restoring a tax system and tax level that is appropriate for Norwegian aquaculture. SalMar is open to legal steps in due course.

Changes in the regulatory framework for aquaculture in Iceland

In December 2023, a bill was presented by the Icelandic government which could lead to changes in the regulatory framework for the country's aquaculture sector.

The aim of the proposed changes is to increase the value of Iceland's aquaculture sector, while do it in a sustainable way. The proposal has not yet been approved in law by Parliament.

Statement of Objections from the European Commission

25 January 2024, the European Commission sent a Statement of Objections to SalMar and other Norwegian salmon producers for potential breach of EU competition rules. For SalMar, the case commenced upon the Commission's inspection at Scottish Sea Farms Ltd. on 19 February 2019. SalMar has cooperated with the Commission throughout the entire case.

The Commission's preliminary assessment suggest a potential breach of EU competition law in the period 2011-2019, related to spot sales of fresh, whole salmon to EU from Norway. However, the Commission has not concluded in the case, and the issuance of the Statement of Objections does not determine the outcome of the investigation. SalMar strongly disagrees with the Commission's preliminary assessment and will provide a comprehensive response.

Traffic-light system

Norway has a "traffic-light system" which regulates aquaculture growth, while also ensuring environmental sustainability and predictability. The system divides the country into 13 production regions, where each region receives a green, yellow, or red designation indicating expansion permissions. Green regions allow growth in production, yellow regions can keep stable production, while red regions must halt production or reduce it. The assessment is done every second year.

On 6 March 2024, the new assessment of the regions was announced. Among the 13 different regions, six regions were designated green, five yellow, and two red.

SalMar holds production licenses in the green regions PO10-13 and in the yellow regions PO5-PO7. In line with the framework, SalMar purchased in April 2024 its relative share of allowed growth relating to existing licenses at fixed price of NOK 170,000 per ton, totaling 748 tonnes.

An auction for the remaining available volume is expected but the final date is yet not set.

Events after the reporting date

No significant events occurred after the reporting date.

Outlook

In 2024 it is expected limited global growth in supply for Atlantic salmon. According to figures from Kontali Analyse the global supply is expected to increase with 0.9 per cent from levels in 2023.

In the second quarter 2024, the global volume of salmon harvested is expected to be 0.7 per cent higher than the level in than the second quarter 2023, according to Kontali.

Compared with the same period last year, the harvested volume in the second quarter 2024 is expected to decrease with 0.7 per cent in Norway, 5.3 per cent in Chile and 8.6



per cent in North America. Harvest volume is expected to increase with 4.3 per cent in UK, 29 per cent in the Faroe Islands and 35.7 per cent in other regions.

The Fish Pool forward price as of 6 May 2024 indicates an average salmon price of NOK 120.5 per kg and NOK 110.9 per kg in May and June 2024, respectively. The forward price for the second half of 2024 is NOK 90.0 per kg.

Harvest guidance 2024 and beyond

The volume guidance remains unchanged at 237,000 tonnes in Norway, 7,000 tonnes from SalMar Aker Ocean, 15,000 tonnes in Iceland and 37,000 tonnes in Scotland (100% basis).

In the farming segments in Norway, the cost level in the second quarter 2024 is expected to be slightly lower than in the corresponding quarter last year, compared to the first quarter 2024. Compared to the second quarter 2023, SalMar expects the volume in Norway to be slightly lower level and higher in Iceland.

For the second quarter 2024, the contract rate is expected to be around 48 per cent in Norway. For the full year of 2024, it is expected to be around 30 per cent.

SalMar has identified substantial untapped organic growth potential within existing value chain, which will not require

large investment. Despite challenges at the end of 2023 and in the beginning of 2024, the volume potential is unchanged.

The volume potential in Norway is estimated at 300,000 tonnes, SalMar Aker 13,000 tonnes, Iceland 26,000 tonnes and Scottish Sea Farms 45,000 tonnes (100% basis). Overall, this implies a total volume projection for the SalMar group of 362,000 tonnes, including relative share from Scottish Sea Farms.

Overall ambitions

SalMar has a positive view on the future of the aquaculture industry. The company expects the global supply growth of Atlantic salmon in 2024 to be limited.

SalMar is committed to grow sustainably and create value for society and its shareholders. Where, how soon and how much depends on regulatory framework conditions.

SalMar has strong strategic and operational focus with dedicated employees and a corporate culture set for growth. The company has 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.

The Board of Directors and CEO of SalMar ASA Frøya, 13 May 2024

Gustav Witzøe
Chair

Arnhild Holstad
Director

Hans Stølan
Director (employee-elected)

Margrethe Hauge
Director

Morten Loktu
Director

Frode Arntsen
CEO

Leif Inge Nordhammer
Director

Ingvild Kindlihaugen
Director (employee-elected)



Profit or Loss

<i>NOK million</i>	Q1 2024	Q1 2023	FY 2023
Total operating revenues	6,555	6,792	28,219
Cost of goods sold	3,170	3,201	12,880
Fair value adjustment included in cost of goods sold due to business combination	-90	-303	-723
Salary and personnel expenses	666	625	2,454
Other operating expenses	890	1,042	4,067
EBITDA	1,919	2,227	9,540
Depreciation and write-downs	407	343	1,452
Operational EBIT	1,512	1,884	8,088
Production tax	-55	-32	-208
Onerous contracts	248	-9	-237
Fair value adjustment	-478	947	1,590
Fair value adjustment included in cost of goods sold due to business combination	-90	-303	-723
Operating profit	1,136	2,487	8,509
Income from investments in associates and joint ventures	67	27	-27
Net interest expenses	-239	-270	-1,172
Other financial items	7	-9	-30
Profit before tax	971	2,235	7,279
Income tax expense	76	490	4,534
Profit for the period from continuing operations	895	1,744	2,746
Profit after tax for the period from discontinued operations	0	108	657
Profit for the period	895	1,853	3,402
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Translation differences in associates and joint ventures	47	85	93
Translation differences in group companies	90	193	164
Change in fair value of financial instruments, net after tax	-345	-228	209
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement gain on defined benefit plans, net after tax	0	0	1
Total other comprehensive income	-207	50	467
Total comprehensive income	688	1,902	3,869
<i>Profit for the period attributable to:</i>			
Non-controlling interests	74	119	199
Shareholders in SalMar ASA	821	1,734	3,203
<i>Comprehensive income for the period attributable to:</i>			
Non-controlling interests	70	180	321
Shareholders in SalMar ASA	618	1,722	3,547
Earnings per share	6.2	13.2	24.4
Earnings per share - diluted	6.2	13.2	24.3



Balance Sheet

<i>NOK million</i>	31.03.24	31.03.23	31.12.23
ASSETS			
Non-current intangible assets	18,728	18,419	18,685
Non-current tangible assets	12,492	11,538	12,371
Right-of-use assets	1,811	1,573	1,798
Non-current financial assets	2,904	2,713	2,679
Total non-current assets	35,934	34,243	35,533
Inventory	13,316	13,176	14,494
Trade receivables	1,560	1,676	1,457
Other current receivables	533	573	1,061
Cash and cash equivalents	667	1,000	785
Total current assets	16,077	16,425	17,798
Assets held for sale	-	11,813	-
TOTAL ASSETS	52,011	62,481	53,331
EQUITY AND LIABILITIES			
Paid-in equity	10,070	12,581	10,050
Retained earnings	10,469	8,205	9,851
Non-controlling interests	3,248	4,615	3,178
Total equity	23,787	25,401	23,079
Deferred tax liability	6,313	2,314	6,725
Non-current interest-bearing debts	12,482	17,526	12,211
Long-term lease liabilities	1,489	1,320	1,502
Other non-current liabilities	58	9	21
Total non-current liabilities	20,342	21,169	20,458
Current interest-bearing liabilities	770	2,918	1,681
Short-term lease liabilities	371	289	344
Trade creditors	2,643	2,548	3,966
Other current liabilities	4,099	4,307	3,803
Total current liabilities	7,883	10,063	9,794
Liabilities directly associated with the assets held for sale	-	5,849	-
TOTAL EQUITY AND LIABILITIES	52,011	62,481	53,331
Net interest-bearing debt (NIBD)	12,585	19,445	13,107
NIBD incl. lease liabilities	14,445	21,054	14,952
Equity share	46 %	41 %	43 %



Statement of Cash Flow

<i>NOK million</i>	Q1 2024	Q1 2023	FY 2023
Profit before tax	971	2,235	7,279
Profit before taxes from discontinuing operations	-	128	685
Profit before taxes	971	2,363	7,964
Tax paid in the period	-70	-106	-608
Depreciation, amortisation and write-downs	407	343	1,452
Income from associated companies and joint ventures	-67	-27	27
Onerous contracts	-248	9	237
Fair value adjustments	568	-644	-867
Change in working capital	-534	-834	-170
Other changes	285	276	1,150
Gain on disposal discontinuing operations	-	-	-365
Cash-flow from operating activities related to discontinuing operations	-	106	155
Net cash flow from operating activities	1,313	1,485	8,975
Cash-flow from purchase and sale of PPE, licenses and other intangible assets	-379	-615	-2,348
Proceeds from disposal of group companies, net of cash	-	-	4,454
Proceeds from disposal of other financial investments	-	-	45
Cash-flow from other investing activities	-50	35	37
Cash-flow from investing activities related to discontinuing operations	-	-1	-412
Net cash flow from investing activities	-429	-581	1,775
Change in interest-bearing liabilities	-677	-1,399	-7,947
Payment of instalments on lease liabilities	-97	-83	-321
Payment of interest on lease liabilities	-31	-23	-102
Net interest paid financing activities	-190	-218	-1,145
Dividend	-	-	-2,748
Change in non-controlling interests	-	-671	-755
Cash-flow from financing activities related to discontinuing operations	-	74	29
Net cash flow from financing activities	-996	-2,321	-12,989
Net change in cash and cash equivalents	-112	-1,417	-2,239
Currency translation of cash and cash equivalents	-6	10	-7
Cash and cash equivalents as at the start of the period	785	2,713	2,713
Cash and cash equivalents discontinuing operations at start of the period	-	319	319
Cash and cash equivalents as at period end	667	1,625	785
Of which cash and cash equivalents in discontinuing operations at period end	-	625	-
Cash and cash equivalents excluding discontinuing operations at period end	667	1,000	785



Statement of Changes in Equity

2024	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 2024	33	0	10,017	0	9,110	349	467	-88	14	19,901	3,178	23,079
Profit for the year					821					821	74	895
Other comprehensive income												
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>												
Translation differences in associates						47				47		47
Translation differences in subsidiaries						48				48	42	90
Change in fair value of financial instruments, net after tax							-264	-34	-1	-298	-46	-345
Other comprehensive income	0	0	0	0	0	95	-264	-34	-1	-203	-4	-207
Total comprehensive income	0	0	0	0	821	95	-264	-34	-1	618	70	688
Transactions with shareholders												
Share-based payment, expensed				21						21	0	21
Other changes					0					0	0	0
Total transactions with shareholders	0	0	0	21	0	0	0	0	0	21	0	21
At 31 March 2024	33	0	10,017	21	9,931	444	203	-122	13	20,540	3,248	23,787
2023												
As of 1 January 2023	36	-3	12,182	344	6,400	177	211	-35	44	19,356	4,799	24,155
Profit for the year				-2,163	-392	5,758				3,203	199	3,402
Other comprehensive income												
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>												
Translation differences in associates and joint ventures							93			93	0	93
Translation differences in group companies							79			79	85	164
Change in fair value of financial instruments, net after tax								256	-53	-31	172	209
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>												
Remeasurement gain on defined benefit plans					1					1		1
Tax related to gain on defined benefit plans					0					0		0
Other comprehensive income	0	0	0	0	1	172	256	-53	-31	345	122	467
Total comprehensive income	0	0	-2,163	-392	5,759	172	256	-53	-31	3,548	321	3,869
Transactions with shareholders												
Share-based payment, expensed				44	3					47	1	48
Share-based payment, tax effect				1	3					3	0	3
Share-based payment, release		0		0						0	0	0
Return of borrowed treasury shares		0	-5		16					12	0	12
Change in non-controlling interests					-239					-239	-516	-755
Divestment of non-controlling interests										0	-1,737	-1,737
Acquisition of interests with settlement in treasury shares		0		4	113					117	130	247
Treasury shares in subsidiaries		0			-319					-319	319	0
Share capital reduction	-3	3								0	0	0
Dividend					-2,629					-2,629	-137	-2,766
Reclassifications and other changes		0	2	0	3					6	-2	3
Total transactions with shareholders	-3	3	-2	49	-3,049	0	0	0	0	-3,003	-1,942	-4,945
At 31 December 2023	33	0	10,017	0	9,110	349	467	-88	14	19,901	3,178	23,079

Segments

NOK million	Farming Central Norway	Farming Northern	Sales and Industry	Icelandic Salmon	SalMar Aker Ocean	Eliminations	Group
Q1 2024							
Operating revenues (NOK million)	2,786	1,455	6,449	314	428	-4,877	6,555
Operational EBIT (NOK million)	1,186	476	-37	-6	-28	-79	1,512
Operational EBIT-margin (%)	43 %	33 %	-0.6 %	-2 %	-7 %		23 %
Harvest volume (1,000 tons gw)	27.8	17.5		2.8	4.8		52.893
EBIT/kg (NOK)	42.6	27.1		-2.3	-5.9		28.6
Q1 2023							
Total operating revenues (NOK million)	2,326	1,883	6,239	765	0	-4,421	6,792
Operational EBIT (NOK million)	1,109	837	-81	204	-45	-139	1,884
Operational EBIT-margin (%)	48 %	44 %	-1.3 %	27 %			28 %
Harvest volume (1,000 tons gw)	22.2	19.8		6.6			48.542
EBIT/kg (NOK)	50.0	42.3		31.0			38.8
FY 2023							
Total operating revenues (NOK million)	12,452	8,427	27,094	1,871	173	-21,799	28,219
Operational EBIT (NOK million)	4,612	3,402	254	230	-53	-358	8,088
Operational EBIT-margin (%)	37 %	40 %	0.9 %	12 %	-30 %		29 %
Harvest volume (1,000 tons gw)	141.1	92.8		17.9	2.3		254.1
EBIT/kg (NOK)	32.7	36.7		12.8	-23.2		31.8



Key Figures

	Q1 2024	Q1 2023	FY 2023
No. of shares (diluted) - end of period (mill.)	131.930	131.509	131.633
Earnings per share (NOK)	6.2	13.2	24.4
Earnings per share - diluted (NOK)	6.2	13.2	24.3
Adjusted earnings per share (NOK)	6.0	9.4	39.3
EBITDA %	29 %	33 %	34 %
Operational EBIT %	23 %	28 %	29 %
EBIT %	17 %	37 %	30 %
Profit before tax %	15 %	33 %	26 %
Cash flow per share - diluted (NOK)	10.0	11.3	68.2
Net interest bearing debt (NOK mill.)	12,585	19,445	13,107
NIBD incl. leasing liabilities (NOK mill.)	14,445	21,054	14,952
Equity ratio %	46 %	41 %	43 %



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.

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	45.39 %
FOLKetrygdfondet	6,946,852	5.29 %
State Street Bank and Trust Comp	2,048,613	1.55 %
TERBOLI INVEST AS	1,425,394	1.08 %
JPMorgan Chase Bank, N.A., London	1,347,116	1.02 %
LIN AS	1,337,685	1.01 %
State Street Bank and Trust Comp	1,336,637	1.01 %
HASPRO AS	1,171,542	0.89 %
State Street Bank and Trust Comp	1,087,600	0.82 %
CACEIS Bank	1,055,877	0.80 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	1,055,228	0.80 %
PARETO AKSJE NORGE VERDIPAPIRFOND	1,021,594	0.77 %
State Street Bank and Trust Comp	998,992	0.76 %
NILS WILLIKSEN AS	915,144	0.69 %
CACEIS Bank	914,824	0.69 %
CLEARSTREAM BANKING S.A	877,079	0.66 %
JPMorgan Chase Bank, N.A., London	853,986	0.65 %
JPMorgan Chase Bank, N.A., London	817,193	0.62 %
ANDVARI AS	810,468	0.61 %
VERDIPAPIRFONDET KLP AKSJE NORGE IN	808,682	0.61 %
Top 20	86,764,980	65.71 %
Others	45,273,940	34.29 %
Total	132,038,920	100.00 %

As at 31 March 2024 SalMar ASA owned 278 854 treasury shares.

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

	31.03.2024	31.03.2023	31.12.2023
Carrying amount of inventory			
Raw materials	367	356	434
Biological assets	12,184	12,428	13,265
Finished goods	765	391	796
Total value of biological assets and other inventory	13,316	13,176	14,494
Carrying amount of biological assets	31.03.2024	31.03.2023	31.12.2023
Roe, fry, smolt and cleaner fish at cost	953	857	616
Biological assets held at sea farms at cost	7,026	7,016	7,888
Total carrying amount of biological assets before fair value adjustments	7,979	7,873	8,504
Fair value adjustment of biological assets	4,205	4,555	4,761
Total carrying amount of biological assets	12,184	12,428	13,265

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:	Q1 2024	Q1 2023	FY 2023
Biological assets - opening balance	13,265	11,755	11,755
Increase due to production	2,452	2,350	13,863
Decrease due to sale/ harvesting	-2,864	-2,380	-13,007
Decrease due to incident-based mortality	-135	-	-251
Decrease due to sale of group companies	-	-	-9
Fair value adjustment on opening balance (reversed)	-4,761	-3,908	-3,908
Fair value adjustment from business combination due to fish not sold on opening balance	90	813	813
Fair value adjustment from business combination due to fish not sold on closing balance	-	-510	-90
Fair value adjustment from business combination included in cost of goods sold in the period	-90	-303	-723
Fair value adjustment on closing balance (new)	4,205	4,555	4,761
Currency translation differences	22	56	60
Biological assets - closing balance	12,184	12,428	13,265

The accounting for live fish is regulated by IAS 41 Agriculture and biological assets are 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. In the absence of price quotations on Fish Pool, forward prices for 2025 have been calculated on the basis of price expectations obtained from industry analysts.

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. Historic cost is deemed to be the best estimate of fair value for these assets, due to little biological conversion.

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

	Expected harvesting period:	31.03.2024	Expected harvesting period:	31.03.2023	Expected harvesting period:	31.12.2023
	Q2-2024	113.85	Q2-2023	106.07	Q1-2024	107.95
	Q3-2024	85.40	Q3-2023	82.77	Q2-2024	113.45
	Q4-2024	87.20	Q4-2023	84.02	Q3-2024	83.70
	Q1-2025	101.63	Q1-2024	91.92	Q4-2024	86.12
	Q2-2025	102.22	Q2-2024	95.25	1st half 2025	101.11
	2nd half 2025	78.56	2nd half 2024	79.42	2nd half 2025	74.60
Discount factor Norway		6.0 %		7.0 %		6.5 %
Discount factor Iceland		4.5 %		5.0 %		5.0 %

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 2024	Q1 2023	FY 2023
Change in the fair value of the biological assets	-467	947	1,571
Change in fair value adjustment due to business combination - included in cost of goods sold	-90	-303	-723
Change in unrealised value of Fish Pool contracts	-11	-0	19
Total fair value adjustments	-568	644	867



Note 5 - Business combinations

Business combinations in 2024

No business combinations have been completed in 2024.

Business combinations in 2023

With the exception of a business combination in Frøy AS, there was no acquisitions in the group in 2023. Please see note 6, Discontinued operations for more information about Frøy.

Note 6 - Discontinued operations

Through the acquisition of NTS in 2022, Frøy AS became a subsidiary of the SalMar group. SalMar owned 100 per cent of the shares in NTS, which owned 72,11 per cent of the shares in Frøy AS.

On 14 August 2023, it was announced that a transaction between NTS AS, Falcon Bidco AS, a company indirectly wholly owned by infrastructure funds managed by Goldman Sachs Asset Management, and Frøy AS was completed. Falcon Bidco AS acquired NTS' entire ownership stake in Frøy, and a cash consideration of NOK 76,50 per share was paid in the transaction, with proceeds from the sale amounting to NOK 4,764 million.

Following the decision made by the SalMar board in December 2022 to explore the strategic alternatives, Frøy AS was classified as a disposal group held for sale and as a discontinued operation from the completion of the voluntary offer of all outstanding shares in NTS AS with effect from 1 November 2022, until the completion of the transaction 14 August 2023.

The cash consideration from the sale of Frøy AS amounted to NOK 4,764 million. Cash in Frøy at the time of the transaction amounted to NOK 365 million. Total proceeds from the sale of Frøy AS net of cash amounted to NOK 4,400 million.

	Q1 2023	01.01.2023- 14.08.2023
Profit for the period from discontinued operations	108	291
Profit for the period from discontinued operations, gain from sale	0	365
Total profit from discontinued operations	108	657

The major classes of assets and liabilities of Frøy AS as held for sale are as follows:

	31.03.2023
ASSETS	
Non-current tangible assets	10,284
Right-of-use assets	521
Non-current financial assets	112
Total non-current assets	10,917
Inventory	13
Trade receivables	206
Other current receivables	52
Cash and cash equivalents	625
Total current assets	897
TOTAL ASSETS	11,813
LIABILITIES	
Deferred tax liability	939
Non-current interest-bearing liabilities	3,720
Non-current lease liabilities	323
Total non-current liabilities	4,982
Current interest-bearing liabilities	491
Current lease liabilities	101
Other current liabilities	275
Total current liabilities	867
TOTAL LIABILITIES	5,849

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

	Norskott Havbruk	Hellesund Fiskeoppdrett	Wilsgård Fiskeoppdrett	Others	Total
Carrying amount at 1 January 2024	1,076	464	651	226	2,417
Income from associated companies	33	-2	22	14	67
Items recognised in other comprehensive income	45	-	-	2	47
Dividend received	-	-	-	-2	-2
Carrying amount at 31 March 2024	1,155	461	674	241	2,530

**Note 8 - Interest-bearing debts**

	31.03.2024	31.03.2023	31.12.2023
Non-current interest-bearing debt			
Non-current interest bearing debt	12,942	19,390	12,669
Next year's instalment on non-current interest bearing debts	-459	-1,864	-458
Total	12,482	17,526	12,211
Lease liabilities	1,859	1,609	1,845
Next year's instalment on lease liabilities	-371	-289	-344
Total	1,489	1,320	1,502
Total carrying amount	13,971	18,846	13,713
Current interest bearing debt			
Debts to credit institutions	310	1,054	1,223
Next year's instalment on debts to credit institutions	459	1,864	458
Current interest bearing liabilities ex. lease liabilities	770	2,918	1,681
Next year's instalment on lease liabilities	371	289	344
Total carrying amount	1,140	3,207	2,024
Total interest-bearing debts	15,112	22,054	15,737
Cash and cash equivalents	667	1,000	785
Lease liabilities	1,859	1,609	1,845
Net interest-bearing debts (NIBD)	12,585	19,445	13,107

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

	NOK	EUR	JPY	USD	GBP	Other	Total
Non-current debts	12,455	487	0	0	0	0	12,942
Lease liabilities	1,816	0	0	0	0	44	1,859
Current debts to credit institutions	230	-36	69	-6	92	-38	310
Total interest-bearing liabilities	14,501	451	69	-6	92	6	15,112
Cash and cash equivalents	476	12	117	34	0	27	667
Lease liabilities	1,816	0	0	0	0	44	1,859
Net interest-bearing debts (NIBD)	12,209	439	-49	-40	92	-65	12,585

Financing activities - change in liabilities:

	31.12.2023	Not cash-generating effects				31.03.2024
		Cash flow from financing activities	Currency effects	Change in next year's instalments on long-term debt	Other effects	
Non-current debts	12,211	248	18	-2	7	12,482
Current debts to credit institutions	1,681	-925	0	2	12	770
Total debts to credit institutions	13,892	-677	18	0	20	13,252
Non-current and current lease liabilities	1,845	-97	0	0	111	1,859
Total interest-bearing debts	15,737	-774	17	0	131	15,112

SalMar ASA has entered into fixed rate interest swap contracts with a total principal of NOK 2,250 million. 750 million has a duration of 7 years and started 22 April 2022, 750 million has a duration of 10 years and started during the first quarter of 2024 (effective from 22 January 2024) and 750 million has a duration of 7 years and will start 22 January 2025. The interest swap contracts are established with the purpose to reduce the interest rate risk related to long-term loan.

Financial covenants

The most important financial covenants for the long-term financing of SalMar ASA are, respectively, a solvency requirement, which stipulates that the Group's recognised equity ratio shall exceed 30 %, and a profitability requirement, which stipulates that the Group's interest coverage rate (EBITDA/net financial expenses) shall not fall below 3.0.

The green bond has a financial covenant requiring an equity ratio of 30 % in the agreement period.

The financing schemes of Amrarfax Ehf and SalMar Aker Ocean are independent from SalMar ASA. Both SalMar ASA, Amrarfax Ehf and SalMar Aker Ocean were in compliance with all the financial covenants as of 31 March 2024.

Note 9 - Interest and other financial items

	Q1 2024	Q1 2023	FY 2023
Interest			
Interest income	6,981	17,641	51,087
Interest expenses, ex. interest on lease liabilities	-214,724	-264,473	-1,121,072
Interest expenses relating to lease liabilities	-31,464	-23,212	-102,177
Net interest expenses	-239,206	-270,044	-1,172,162
Other financial items			
Dividends and gain on investment in other companies	0	144	26,640
Other financial income	1,559	312	3,097
Other exchange differences	7,341	5,587	-10,231
Change in fair value of derivatives	0	-6,990	-6,990
Other financial expenses	-1,824	-7,863	-42,962
Net other financial items	7,075	-8,810	-30,445

Note 10 - Tax

On 31 May 2023, the Norwegian Parliament approved an additional resource rent tax on aquaculture in Norway with a tax rate of 25%. The resource rent tax is in addition to the regular corporate tax on 22%, gives a total tax rate on aquaculture of 47%. The new tax applied retroactively from 1 January 2023.

The effect of the tax proposal is not recognized in the financial statement in Q1 2023, as the tax proposal was not adopted by the Norwegian parliament and the tax rates was not yet enacted by the end of March 2023.

	Q1 2024	Q1 2023	FY 2023
Regular corporate tax expense - calculated with nominal tax rate	206	490	1,618
Resource rent tax (payable and deferred tax)	-130	0	837
Resource rent tax - implementation effect (deferred tax)	0	0	2,080
Income tax expense	76	490	4,534

The production tax implemented on the Norwegian aquaculture activity with effect from 01 January 2021 is directly deductible in the payable resource rent tax with effect from 1 January 2023.

The total resource rent tax related to the profit in the period is therefore the total of production tax related to the Norwegian aquaculture activity and resource rent tax calculated in the period. The production tax on the Norwegian activity increased from NOK 0,56 per kg to NOK 0,90 per kg with effect from 1 July 2023. For 2024 the production tax has been on NOK 0.935 per kg.

The total effect of the resource rent tax including production tax is shown below:

	Q1 2024	Q1 2023	FY 2023
Production tax recognised in the period	55	32	208
Resource tax related to activity on Iceland	8	9	25
Production tax related to activity in Norway	46	23	183
Resource rent tax (payable and deferred tax)	-130	0	837
Total resource rent tax in comprehensive income	-84	23	1,020
Resource rent tax - implementation effect (deferred tax)	0	0	2,080
Total resource rent tax including production tax	-84	23	3,100



Note 11 - Alternative performance measures (APM)

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 2024	Q1 2023	FY 2023
Operating profit	1,136	2,487	8,509
Production tax	55	32	208
Onerous contracts	-	9	237
<i>Fair value adjustment:</i>			
Change in the fair value of the biological assets	467	947	1,571
Change in the fair value adjustment included in cost of goods sold due to business combination	90	303	723
Change in unrealised value of Fish Pool contracts	11	0	19
Operational EBIT	1,512	1,884	8,088

EBITDA

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

	Q1 2024	Q1 2023	FY 2023
Operational EBIT	1,512	1,884	8,088
Depreciation and write-downs	407	343	1,452
EBITDA	1,919	2,227	9,540

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 Aker Ocean	SalMar Group
	Central Norway	Northern Norway			
Q1 2024					
Operational EBIT (NOK mill.)	1,186	476	-6	-28	1,512
Volume harvested (tonnes)	27.8	17.5	2.8	4.8	52.9
EBIT/kg gw (NOK)	42.64	27.14	-2.26	-5.87	28.58
Q1 2023					
Operational EBIT (NOK mill.)	1,109	837	204	-45	1,884
Volume harvested (tonnes)	22.2	19.8	6.6	0.0	48.5
EBIT/kg gw (NOK)	49.97	42.30	31.03		38.82
FY 2023					
Operational EBIT (NOK mill.)	4,612	3,402	230	-53	8,088
Volume harvested (tonnes)	141.1	92.8	17.9	2.3	254.1
EBIT/kg gw (NOK)	32.68	36.67	12.85	-23.19	31.83

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.

	31.03.2024	31.03.2023	31.12.2023
Non-current interest-bearing debts	12,482	17,526	12,211
Current interest-bearing liabilities	770	2,918	1,681
Cash and cash equivalents	-667	-1,000	-785
Net interest-bearing debt (NIBD)	12,585	19,445	13,107
Lease liabilities	1,859	1,609	1,845
NIBD incl. lease liabilities	14,445	21,054	14,952

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 2024	Q1 2023	FY 2023
Cash flow from operating activities	1,313	1,485	8,975
Average no. of shares outstanding (diluted) in the period (1,000 shares)	131,930	131,509	131,633
Diluted cash flow per share (NOK)	9.95	11.29	68.19

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.

Adjusted earnings per share

The Group uses adjusted earnings per share to reflect earnings excluding implementation effect resource rent tax and net fair value adjustments. The key figure is arrived at by dividing the profit for the period adjusted for onerous contracts, fair value adjustments and changes in deferred taxes by the average number of shares outstanding (diluted) in the period.

	Q1 2024	Q1 2023	FY 2023
Profit for the period attributable to shareholders in SalMar ASA	821	1,734	3,203
Onerous contracts (**)	-248	9	237
Fair value adjustment (**)	478	-947	-1,590
Fair value adjustment included in cost of goods sold due to business combination (**)	90	303	723
Calculated tax effect of adjustments (***)	-354	140	520
Resource rent tax - implementation effect (deferred tax) (**)	0	0	2,080
Adjusted profit for the period attributable to shareholders in SalMar ASA (**)	787	1,239	5,173
Average no. of shares outstanding (diluted) in the period (1,000 shares)	131.93	131.51	131.63
Adjusted earnings per share	5.97	9.42	39.30

(**) The adjustments made to the profit for the period attributable to shareholders in SalMar ASA in the table above, are inclusive of non-controlling interest.

(***) Calculated tax rate 22% for Onerous contracts, Fair value adjustment and Fair value adjustment included in cost of goods sold due to business combination and calculated change in deferred resource rent tax with 25% on fair value adjustment.