

Second Quarter 2024



Quarterly report

2024



Highlights in the second quarter

- Operational EBIT for Norway¹ was at NOK 1,466 million for the second quarter 2024. Harvest volume was 44,100 tonnes and operational EBIT per kg was NOK 33.2.
- Operational EBIT the Group was NOK 1,393 million for the second quarter. Harvest volume was 44,800 tonnes and operational EBIT per kg was NOK 31.1.
- The Fish Farming segment in Norway showed improved biological performance, but harsh winter conditions and extreme weather earlier in the year continued to negatively impact the superior share and price achievement, particularly for Farming Northern Norway.
- Sales and Industry continued to demonstrate its efficient and flexible operational set-up. The contract share was 46 per cent, which combined with high spot prices resulted in negative contribution.
- Icelandic Salmon reported high cost due to continued biological challenges in the quarter and low harvest volume, affecting results.
- SalMar Aker Ocean successfully transferred smolt for a new production cycle at Ocean Farm 1 in the quarter, with planned harvest in 2025.
- Scottish Sea Farms reported a solid quarter with increased harvest volume, improved weights, and strong biological status in all regions.
- In June, SalMar was named by Time magazine as one of the world's most sustainable companies, demonstrating its commitment to sustainability.
- Salmon Living Lab continues to attract strong interest from various companies in the value chain, NGOs and other stakeholders eager to contribute. Kristine Hartmann, currently Director of Development at SalMar Aker Ocean, was appointed leader of Salmon Living Lab in August 2024.
- The AGM on 6 June 2024 approved the Board's proposed dividend of NOK 35 per share. The shares were quoted ex-dividend as of 7 June 2024.
- In June SalMar RCF and Term Loan became sustainability linked after the inclusion of four ESG KPIs to the loan agreement and in August SalMar published its updated green bond framework.
- The harvest guidance for Norway remains unchanged at 237,000 tonnes, 7,000 tonnes from SalMar Aker Ocean and 37,000 tonnes in Scotland (100% basis). Iceland is decreased to 13,000 tonnes.

NOK million	Q2 2024	Q2 2023	H1 2024	H1 2023	FY 2023
Operating revenues	5,838	5,895	12,393	12,687	28,219
Operational EBIT	1,393	1,745	2,904	3,630	8,088
Production tax	-44	-25	-98	-57	-208
Fair value adjustments & onerous contracts	307	375	-13	1,010	630
Income from investments in associates and joint ventures	37	-71	104	-44	-27
Profit before tax from continuing operations	1,480	1,766	2,451	4,001	7,279
EPS - Adjusted	6.2	8.9	12.2	18.3	39.3
NIBD incl. leasing liabilities	18,646	22,537	18,646	22,537	14,952
Equity ratio %	38.0%	34.7%	38.0%	34.7%	43.3%
Harvested volume (1,000 t _{gw})	44.8	44.3	97.7	92.9	254.1
EBIT/kg (NOK)	31.1	39.4	29.7	39.1	31.8

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



Financial performance

Summary

The Farming segments in Norway had a satisfactory quarter with a positive development in biological status and in cost levels. Harsh winter conditions and extreme weather earlier in the year continued to negatively impact the superior share in the quarter. This had an adverse effect on price achievement, particularly for Farming Northern Norway.

Sales and Industry continued to perform well, driven by efficient management of harvesting and processing facilities. The combination of high contract share and high spot prices however, resulted in a negative contribution from contracts.

Icelandic Salmon faced high costs on harvested volume due to biological challenges and low harvest volume.

SalMar Aker Ocean successfully transferred smolt to its Ocean Farm 1. The next harvest is set for 2025.

In the second quarter 2024, the SalMar Group harvested 44,800 tonnes of salmon in total, up from 44,300 tonnes in the second quarter 2023.

The Norskott Havbruk joint venture (Scottish Sea Farms) delivered another solid quarter, with improved biological status in all regions.

In the second quarter 2024, the price of salmon (NASDAQ Salmon Index) averaged NOK 110.9 per kg, up from NOK 107.1 per kg in the second quarter in 2023.

Income statement for the second quarter 2024

Operating revenues amounted to NOK 5,838 million in the second quarter 2024, compared with NOK 5,895 million in the second quarter 2023.

SalMar's most important key performance indicator is operational EBIT, an alternative performance measure (defined in note 11). 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 1,393 million in the quarter, compared to NOK 1,745 million in the corresponding quarter the year before.

The SalMar Group achieved an operational EBIT per kg of NOK 31.1 in the second quarter 2024, down from NOK 39.4 per kg in the second quarter 2023. The decrease is mainly 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, was negative NOK 44 million in the second quarter 2024.

The change in provisions for onerous contracts was NOK 73 million in the quarter. The fair value adjustment was NOK 234 million in the quarter. See Note 4 for further details.

SalMar posted an operating profit of NOK 1,656 million in the second quarter 2024, compared with NOK 2,096 million in the same period in 2023.

Income from investments in associates and joint ventures was NOK 37 million in the period, compared with NOK -71

million in the corresponding quarter in 2023. See note 8 for further details.

Net interest expenses totalled NOK 239 million in the second quarter 2024, compared with NOK 279 million in the corresponding quarter last year.

Other financial items were NOK 26 million in the period, compared with NOK 20 million in the second quarter 2023.

Profit before tax in the second quarter 2024 was NOK 1,480 million, compared with NOK 1,766 million in the corresponding quarter last year.

A tax expense of NOK 580 million has been recognised for the quarter. This amount includes calculated resource rent tax. The profit after tax was NOK 900 million.

The tax expense recognised in the corresponding quarter last year was NOK 2,705 million. The profit for the period last year totalled NOK -939 million from continuing operations. Comparison with the income tax expense last period is not accurate due to the new resource rent tax in Norway. See note 10 for further details

Currency exchange effects through the quarter resulted in translation differences of NOK -73 million with respect to associates and subsidiaries. Change in fair value of financial instruments net after tax was NOK 107 million. This resulted in a total other comprehensive income of NOK 35 million in the quarter. These are items that may subsequently be reclassified to profit and loss and increase the period's total comprehensive income to NOK 935 million.

Revenue and results for the first half of 2024

In the first half of 2024, the SalMar Group reported operating revenues of NOK 12,393 million, down from NOK 12,687 million in the corresponding period in 2023.

The harvest volume for the SalMar Group in the first half of the year was 97,700 tonnes, a 5 per cent increase from 92,900 tonnes in the first half of 2023.

The price of salmon (NASDAQ Salmon Index) in the first half of 2023 averaged NOK 110.5 per kg, compared with NOK 106.0 per kg in the same period last year.

Operational EBIT for the first half of 2024 was NOK 2,904 million, down from NOK 3,630 million in the first half of 2023. This corresponds to an operational EBIT per kg of NOK 29.7 in the first half of 2024, compared to NOK 39.1 per kg in the first half of 2023.

The production tax in Norway and the resource tax in Norway and Iceland totalled NOK 98 million in the first half of 2024, compared to NOK 57 million in the first half of 2023.

The change in provisions for onerous contracts was NOK 321 million in the first half of 2024. The fair value adjustment was negative with NOK 334 million. The fair value adjustment includes cost of goods sold due to business combination, which was negative NOK 90 million in the first half of 2024. In the corresponding period last year, fair value adjustments and onerous contracts totalled NOK 1,010 million.



Operating profit for the first six months of 2024 totalled at NOK 2,792 million. Operating profit for the first six months of 2023 came to NOK 4,583 million.

Income from associates and joint ventures for the first half of 2024 ended at NOK 104 million. The contribution derives primarily from SalMar's share of the profit from Norskott Havbruk, which was NOK 94 million in the year's first six months. In the same period last year, income from associates and joint ventures was negative NOK 44 million.

Net interest expenses totalled NOK 479 million in the first half of 2024, compared with NOK 549 million in the same period last year. Other financial items totalled NOK 33 million in the period, compared to NOK 11 million in the same period last year.

Profit before tax in the first six months of 2024 totalled NOK 2,451 million, compared with NOK 4,001 million in the same period in 2023.

A tax expense of NOK 655 million has been calculated for the first half of 2024. See note 10 for further information.

This brings profit for the period from continuing operations to NOK 1,796 million. A tax expense of NOK 3,195 million was recognised in the first half of 2023, which resulted in a profit for the period of NOK 806 million from continuing operations.

Cash flow

Cash flow from operating activities for the SalMar Group was NOK 1,394 million in the second quarter 2024, compared with NOK 2,228 million in the same period in 2023.

Net cash flow from investing activities in the second quarter totalled NOK -624 million, compared with NOK -934 million in the second 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 -632 million, cash flow from other investing activities at NOK -8 million.

The Group had a net cash flow from financing activities of NOK -807 million in the second quarter 2024, compared with NOK -1,751 million in the same period last year. During the period, a dividend of NOK 4,645 million was paid.

During the quarter the Group's interest-bearing liabilities increased with NOK 4,178 million, instalments on lease liabilities and net interest paid totalled NOK -330 million. In the same quarter last year, interest-bearing liabilities increased with 1,288 million, while instalments on leasing liabilities and net interest paid totalled NOK -341 million.

SalMar had a net change in cash and cash equivalents of NOK -37 million in the second quarter 2024, compared with NOK -456 million in the same period in 2023. Adjusted for NOK -3 million in currency effects, cash holding at the close of the quarter stood at NOK 627 million.

Financial position

At the end of the second quarter 2024, SalMar Group's assets totalled NOK 52,867 million, compared to NOK 52,011 million at the end of the first quarter 2024.

Non-current assets amounted to NOK 36,222 million at the end of second quarter 2024, up from NOK 35,934 million at the end of first quarter 2024.

Non-current intangible assets totalled NOK 18,805 million at the end of the quarter, up from NOK 18,728 million at the end of first quarter 2024.

The book value of the Group's non-current tangible assets was NOK 12,689 million at the close of the quarter, up from NOK 12,492 million at the end of March 2024.

The Group's right-of-use assets totalled NOK 1,788 million, down from NOK 1,811 million at the end of March 2024.

Non-current financial assets were NOK 2,940 million, up from NOK 2,904 million at the end of the first quarter 2024.

At the end of the second quarter 2024, SalMar had current assets totalling NOK 16,645 million, up from NOK 16,077 million at the end of the first quarter 2024.

The book value of inventory stood at NOK 14,202 million at the end of second quarter 2024, up from NOK 13,316 million at the end of the first quarter. Trade receivables totalled NOK 1,184 million, down from NOK 1,560 million at the end of the previous quarter. Other current receivables were NOK 631 million, up from NOK 533 million at the end of the first quarter 2024.

As of 30 June 2024, the SalMar Group had cash and cash equivalents of NOK 627 million, down from NOK 667 million at the end of March 2024.

As of 30 June 2024, the Group's total equity amounted to NOK 20,085 million, corresponding to an equity ratio of 38 per cent, compared to NOK 23,787 million at the end of March 2024 and an equity ratio of 46 per cent. For further details, reference is made to the attached separate presentation of movements in equity.

As of end of the second quarter 2024, the SalMar Group had total interest-bearing liabilities of NOK 17,419 million. Of this amount, non-current interest-bearing debts amounted to NOK 15,670 million, while current interest-bearing liabilities was NOK 1,749 million. By comparison, total interest-bearing liabilities at the end of March 2024 was NOK 13,252 million. See notes to the financial statements for further details.

The Group's lease liabilities totalled NOK 1,855 million at the close of the second quarter 2024, compared to NOK 1,859 million at the end of the first quarter 2024.

At the end of the second quarter 2024, deferred tax liability, other non-current liabilities, trade creditors and other current liabilities totalled NOK 13,509 million, compared to NOK 13,113 million at the end of the previous quarter.

As of 30 June 2024, the SalMar Group had net interest-bearing debts, including lease liabilities of NOK 18,646 million, compared to NOK 14,445 million at the end of the first quarter 2024.

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	Q2 2024	Q2 2023	H1 2024	H1 2023
Operating income	2,656	2,852	5,441	5,179
Operational EBIT	1,110	1,108	2,296	2,217
Operational EBIT %	42 %	39%	42%	43%
Harvested volume (1,000 t _{gw})	27.1	28.3	54.9	50.5
EBIT/kg gw (NOK)	41.0	39.1	41.8	43.9

Fish Farming Central Norway harvested 27,100 tonnes of salmon in the second quarter 2024, compared with 28,300 tonnes in the second quarter 2023.

The segment generated operating income of NOK 2,656 million in the quarter, compared with NOK 2,852 million in the corresponding quarter last year.

Good operational performance in the period led to good results and decreased cost level compared to the previous quarter. Price achievement was affected by slightly lower superior share in the beginning of the period.

The EBIT per kg gutted weight was NOK 41.0 in the second quarter 2024, up from NOK 39.1 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.

The overall biological status on the fish in sea is satisfactory despite still some challenges at sea.

In the third quarter 2024, the segment will continue to harvest from the spring 2023 generation and start harvest from autumn 2023 generation.

The segment expects similar cost level in the third quarter 2024 compared to the second quarter 2024. The harvest volume is expected to be lower compared to volume harvested in third 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	Q2 2024	Q2 2023	H1 2024	H1 2023
Operating income	1,447	1,542	2,902	3,424
Operational EBIT	508	858	984	1,694
Operational EBIT %	35%	56%	34%	49%
Harvested volume (1,000 t _{gw})	17.0	16.0	34.6	35.7
EBIT/kg gw (NOK)	29.9	53.7	28.5	47.4

Fish Farming Northern Norway harvested 17,000 tonnes in the second quarter 2024, compared with 16,000 tonnes in the second quarter 2023.

The segment generated operating income of NOK 1,447 million in the second quarter 2024, compared with NOK 1,542 million in the second quarter 2023.

The second quarter results continued to be negatively impacted by winter wounds and events earlier in the winter, reducing share of superior volume and affecting price achievement.

Fish Farming Northern Norway achieved NOK 29.9 EBIT per kg gutted weight in second quarter 2024, compared to NOK 53.7 in the same period the year before.

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

The biological situation in Northern Norway improved during the period, with key biological metrics on a positive trajectory.

The segment expects higher cost level in the third quarter 2024, compared the level in second quarter 2024. Due to slightly lower harvest volume and harvest from sites that have been affected by ISA.

The harvest volume is expected lower compared to the harvest volume in the third 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	Q2 2024	Q2 2023	H1 2024	H1 2023
Operating income	5,860	6,003	12,309	12,242
Operational EBIT	-90	-67	-127	-148
Operational EBIT %	-1.5 %	-1.1 %	-1.0 %	-1.2 %

Sales and Industry generated gross operating income of NOK 5,860 million in the second quarter 2024, compared with NOK 6,003 million in the corresponding period in the year before.

The segment continued to deliver solid operational performance with high flexibility in processing capacity. In total the segment harvested 46,800 tonnes of salmon in the second quarter 2024, compared with 42,800 tonnes in the second quarter 2023.

The fixed price contract shares in first quarter 2024 was 46 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 -90 million in the period, compared with NOK -67 million in the same period last year.

In the third quarter 2024, the contract rate is expected to be around 35 per cent. For the full year of 2024, the contract rate is expected to be around 35 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	Q2 2024	Q2 2023	H1 2024	H1 2023
Operating income	0	0	427	0
Operational EBIT	-30	-10	-58	-55
Harvested volume (1,000 tgw)			4.8	
EBIT/kg gw (NOK)			-12.2	

In the second quarter of 2024, SalMar Aker Ocean reported an operational EBIT of NOK -30 million, compared to NOK -10 million in the corresponding period the year before.

No harvest volume in the period as both Arctic Offshore Farming and Ocean Farm 1 finished harvest in the first quarter.

SalMar Aker Ocean successfully transferred smolt to its Ocean Farm 1 in the second quarter where the next harvest is set for 2025.

For its second semi-offshore units, Arctic Offshore Farming, the salmon will be transferred to sea during the third quarter.

The volume guidance for 2024 is kept unchanged at 7,000 tonnes where the remaining volume will be harvested in the third quarter.

Strong biological performance from last quarter's production cycles and smolt transfer at Ocean Farm 1 give confidence in future potential. And ongoing work for international expansion is progressing according to plan.



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	Q2 2024	Q2 2023	H1 2024	H1 2023
Operating income	113	26	427	791
Operational EBIT	-43	-35	-49	169
Operational EBIT %	-38%	-136%	-12%	21%
Harvested volume (1,000 t _{gw})	0.7	0.1	3.5	6.7
EBIT/kg gw (NOK)	-61.6	-384.6	-14.3	25.4

Icelandic Salmon harvested 700 tonnes in second quarter 2024, up from the same quarter last year, but still a low overall harvest volume.

The operating income was NOK 113 million in the second quarter, up from NOK 26 million in the same period in 2023.

Operational EBIT per kg in the quarter was NOK -61.6 per kg, due to low harvest volumes and biological challenges. A one-off cost related to the challenges of EUR 3.9 million or NOK ~63 per kg has affected the result in the period.

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

The cost level in the third quarter is expected to continue to be high and Icelandic Salmon expects lower harvest volumes in the third quarter 2024 compared to the third quarter 2023.

Volume guidance for 2024 reduced with 2,000 tons to 13,000 tonnes.

In the third quarter, Arnarlax ehf, a wholly owned subsidiary of Icelandic Salmon AS, received the final confirmation of the additional licenses of 10,000 tonnes of MAB sterile salmon and three new farming sites in Ísafjarðardjúp.

Eliminations

Research and development (R&D) costs are included as eliminations in the segments' reported results. Of a total harvested volume of 44,800 tonnes in the second quarter 2024, R&D costs accounted for NOK 0.9 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	Q2 2024	Q2 2023	H1 2024	H1 2023
Operating income	1,414	692	2,262	1,197
Operational EBIT	234	-144	372	-135
Harvested volume (1,000 t _{gw})	12.2	6.3	19.5	11.5
EBIT/kg gw (NOK)	19.1	-22.8	19.0	-11.8
Fair value adj. biomass	27	16	37	-5
Profit/loss before tax	201	-191	294	-235
SalMar's share after tax	61	-78	94	-95
NIBD (NOKm)	2,614	2,647	2,614	2,647

Scottish Sea Farms harvested 12,200 tonnes in the second quarter 2024, compared with 6,300 tonnes harvested in the second quarter 2023.

The company had operating revenues of NOK 1,414 million in the second quarter 2024, compared with NOK 692 million in the corresponding quarter last year.

EBIT per kg gutted weight was NOK 19.1 in the period, an increase from NOK -22.8 per kg in the corresponding period last year.

SalMar's share of Norskott Havbruk's net profit was NOK 61 million in the second quarter 2024.

Scottish Sea Farm continued its positive trajectory seen last quarter with increased harvest volumes, good harvest weights, and improved biological conditions in all regions. The company expects reports of good biological situation in all regions.

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



Markets

Supply and biomass

In the second quarter 2024, the global supply of Atlantic salmon totalled approximately 625,000 tonnes, a decrease of 1 per cent on the same period in 2023.

At 309,800 tonnes, output in Norway in the quarter was 2 per cent less than in the same period a year before. The output decreased with 12 per cent in Chile. The output increased with 20 per cent in UK, 17 per cent in North America, 6 per cent in the Faroe Islands and 20 per cent in other regions.

According to figures from Kontali, the standing biomass in Norway at the end of the second quarter 2024 is estimated to be 1 per cent higher than the end of second quarter 2023. The standing biomass is estimated to be 3 per cent higher in Chile, 6 per cent higher in the UK, and 3 per cent higher in the Faroe Islands.

Prices and foreign exchange rates

NASDAQ Salmon Index was traded at NOK 135.3 0 per kg at the start of the second quarter 2024. At the end of the quarter, it was traded at a price of NOK 73.1 per kg.

The NASDAQ Salmon Index in the period averaged NOK 110.9 per kg in the second quarter 2024, up from NOK 107.1 per kg in the second quarter 2023.

NASDAQ Salmon Index NOK/kg



Against the most important trading currencies for salmon the Norwegian krone (NOK) strengthened when comparing the end of Q2 2024 versus Q1 2024. It strengthened with 2.4 per cent against EUR, 1.1 per cent against the GBP, and 1.4 against the USD.

Norwegian exports

Norwegian export of salmon was around 292,700 tonnes (round weight) in the second quarter 2024, down 2 per cent from 297,700 tonnes in the same period last year. The value of these exports decreased by 4 per cent year-on-year, from NOK 29.2 billion to NOK 28.1 billion.

A substantial secondary processing industry makes Poland the largest single market for Norwegian salmon. In the second quarter 2024, around 37,500 tonnes of salmon in total were exported to this market, a 4 per cent increase from the corresponding quarter in 2023.

Compared to the second quarter 2023 exports decreased by 15 per cent to Denmark and decreased by 10 per cent to France. The export increased with 4 per cent to Netherlands and 3 per cent to Spain.

Shares and shareholders

As of 30 June 2024, SalMar had a total of 132,038,920 shares outstanding, divided between 21,236 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 66.6 per cent of the shares.

As of 30 June 2024, SalMar ASA owned 278,854 treasury shares. This corresponds to 0.2 per cent of the total number of shares outstanding.

SalMar's share price fluctuated between NOK 561.0 and NOK 701.5 in the second quarter 2024. The price at the close of the quarter was NOK 562.0 compared with NOK 715.4 at the close of the previous quarter. A total of 10.8 million shares were traded in the quarter, which corresponds to 8.2 per cent of the total number of shares outstanding. The volume of shares traded daily averaged 172,831.

The annual general meeting was held on 6 June 2024. All resolutions were adopted in accordance with the recommendations of the board and nomination committee. The AGM approved the Board's proposed dividend of NOK 35.00 per share, with shares quoted ex-dividend on 7 June 2024.

Other matters

Strengthening cost focus in the value chain

After a strategic period of focus on realising synergies from the integration of NTS, NRS and SalmoNor into SalMar, SalMar has successfully achieved its annual recurring cost savings.

At the start of 2024, SalMar started a new strategic period to further strengthen its cost focus in operations. Salmon farming is about attention to detail, and the goal of this strategic period is to optimize the cost base and biological performance in all regions, targeting elements where SalMar can make the most impact.

Launch of Salmon Living Lab

In March 2024, SalMar launched Salmon Living Lab, an ambitious innovation and R&D initiative together with Cargill, a global food corporation and aquaculture feed supplier. 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 a large number of companies in the value chain, NGOs and other stakeholder groups, which are eager to contribute.

Kristine Hartmann, currently the Development Director in Salmar Aker Ocean, was appointed leader of Salmon Living Lab in August 2024.

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 September 2023, SalMar Aker Ocean's Smart Fish Farm was granted site approval for one open ocean unit, approximately 50 nautical miles west of Frøya in Central Norway. Due to regulatory uncertainty SalMar Aker Ocean decided to halt further work on offshore aquaculture in Norway. The company will continue to fully focus on growth at semi-offshore locations 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. The new tax applied retroactively from January 1, 2023 and is reflected in SalMar's financial statements.

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 has withdrawn 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.

Icelandic Salmon granted 10,000 tons MAB in additional licenses

In June 2024, Arnarlax, fully owned by Icelandic Salmon, was awarded licenses for a total of 10,000 tonnes MAB of sterile salmon, across three new sites in Ísafjarðardjúp.

With the new licenses, the company's total capacity increases to 33,700 tonnes, divided into 23,700 tonnes of fertile salmon in Arnarfjörður, Patreksfjörður and Tálknafjörður, and 10,000 tonnes of sterile salmon in Ísafjarðardjúp.

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 provided a comprehensive response in June 2024.

Acquired MAB capacity at traffic light auction

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.

SalMar holds production licenses in the green regions PO10-13 and in the yellow regions PO5-PO7. In line with the framework, SalMar purchased its relative share of allowed growth relating to existing licenses at fixed price of NOK 170,000 per ton, totaling 753 tonnes.

An auction for the remaining available volume was held 24-25 June, where SalMar acquired 2,274 tonnes at a price of NOK 633 million. The consideration was paid in July.

SalMar named one of the world's most sustainable companies

In June 2024, SalMar was recognised by TIME magazine as one of the world's 500 most sustainable companies.



Updated financing to support financial flexibility for further sustainable growth

In the second quarter 2024, SalMar finalized its terms for its sustainability-linked long-term credit facilities, incorporating four ESG KPIs into its NOK 10 billion revolving credit facility and the NOK 6 billion term loan. The KPIs focus on survival rate, biological feed conversion ratio, share of local secondary processing, and GHG emissions.

In June 2024, SalMar issued a NOK 650 million commercial paper of NOK 650 million, rated BBB+ by Nordic Credit Rating, with a 5.40% p.a. coupon and a term from 24 June to 13 September 2024. On 12 June, SalMar extended the paper by NOK 230 million, bringing the total amount to NOK 880 million.

In August 2024, SalMar published its updated green bond framework. S&P Global Ratings has provided a second party opinion confirming the Framework's alignment with the International Capital Market Association's (ICMA) Green Bond Principles. The Framework has received a "medium green" shading under S&P Global Ratings' updated "Shades of Green" methodology. The Framework and second party opinion are available on SalMar's website.

Events after the reporting date

Acquisition of the remaining ownership in Refsnes Laks AS

In July 2024, SalMar acquired the remaining ownership of 45% in Refsnes Laks AS. Refsnes Laks is operating in production area 6 in Central Norway.

Increased ownership in Øylaks MTB AS

In August 2024, SalMar increased its ownership in Øylaks MTB AS by 2 per cent, bringing its total stake to 51 per cent with settlement in treasury shares. Øylaks is operating in production area 5 in Central Norway.

Purchase of MAB at traffic light auction

An auction for the remaining available volume in the traffic light system was held 24-25 June, where SalMar acquired 2,274 tonnes at a price of NOK 633 million. The MAB capacity became available and paid in July 2024.

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 1.2 per cent from levels in 2023.

In the third quarter 2024, the global volume of salmon harvested is expected to be 5.2 per cent higher than the level in than the third quarter 2023, according to Kontali.

Compared with the same period last year, the harvested volume in the third quarter 2024 is expected to increase with 8.0 per cent in Norway. The harvest volume is expected to decrease by 2.4 per cent in Chile and 11.1 per cent in North America. Harvest volume is expected to increase with 10.2 per cent in UK, 6.9 per cent in the Faroe Islands and 22.2 per cent in other regions.

The Fish Pool forward price as of 14 August 2024 indicates an average salmon price of NOK 73.5 per kg and NOK 78.0 per kg in August and September 2024, respectively. The forward price for the second half of 2024 is NOK 80.8 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, and 37,000 tonnes in Scotland (100% basis). Iceland is reduced to 13,000 tonnes.

In the farming segments in Norway, the cost level in the third quarter 2024 is expected to be slightly higher compared to the second quarter 2024. Compared to the third quarter 2023, SalMar expects the volume in Norway to be at a lower level and higher in Iceland.

For the third quarter 2024, the contract rate is expected to be around 35 per cent in Norway. For the full year of 2024, it is expected to be around 35 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, Iceland² 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.

² Before utilization of new licenses in Ísafjarðardjúp



Statement by the Board of Directors

We declare that, to the best of our knowledge, the half-year financial statements for the period 1 January to 30 June 2024 have been prepared in accordance with IAS 34 – Interim Reporting, and that the information contained therein provides a true and fair view of the Group's assets, liabilities, financial position and overall results.

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

The Board of Directors and CEO of SalMar ASA
Frøya, 19 August 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 Kindlihagen
Director (employee-elected)



Profit or Loss

NOK million	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Total operating revenues	5,838	5,895	12,393	12,687	28,219
Cost of goods sold	2,425	2,367	5,595	5,568	12,880
Fair value adjustment included in cost of goods sold due to business combination	0	-132	-90	-436	-723
Salary and personnel expenses	692	596	1,358	1,221	2,454
Other operating expenses	918	976	1,808	2,018	4,067
EBITDA	1,803	2,088	3,721	4,316	9,540
Depreciation and write-downs	410	343	817	686	1,452
Operational EBIT	1,393	1,745	2,904	3,630	8,088
Production tax	-44	-25	-98	-57	-208
Onerous contracts	73	96	321	87	-237
Fair value adjustment	234	412	-244	1,358	1,590
Fair value adjustment included in cost of goods sold due to business combination	-	-132	-90	-436	-723
Operating profit	1,656	2,096	2,793	4,583	8,509
Income from investments in associates and joint ventures	37	-71	104	-44	-27
Net interest expenses	-239	-279	-479	-549	-1,172
Other financial items	26	20	33	11	-30
Profit before tax	1,480	1,766	2,451	4,001	7,279
Income tax expense	580	2,705	655	3,195	4,534
Profit for the period from continuing operations	900	-939	1,796	806	2,746
Profit after tax for the period from discontinued operations	-	161	-	269	657
Profit for the period	900	-778	1,796	1,075	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	-6	61	41	146	93
Translation differences in group companies	-66	94	24	287	164
Change in fair value of financial instruments, net after tax	107	100	-237	-128	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	-	-	-	-	1
Total other comprehensive income	35	255	-173	304	467
Total comprehensive income	935	-523	1,623	1,379	3,869
<i>Profit for the period attributable to:</i>					
Non-controlling interests	42	66	116	185	199
Shareholders in SalMar ASA	858	-844	1,680	890	3,203
<i>Comprehensive income for the period attributable to:</i>					
Non-controlling interests	19	114	89	294	321
Shareholders in SalMar ASA	916	-637	1,534	1,085	3,547
Earnings per share	6.5	-6.4	12.7	6.8	24.4
Earnings per share - diluted	6.5	-6.4	12.7	6.8	24.3



Balance Sheet

<i>NOK million</i>	30.06.24	31.03.24	31.12.23	30.06.23
ASSETS				
Non-current intangible assets	18,805	18,728	18,685	18,478
Non-current tangible assets	12,689	12,492	12,371	12,001
Right-of-use assets	1,788	1,811	1,798	1,509
Non-current financial assets	2,940	2,904	2,679	2,771
Total non-current assets	36,222	35,934	35,533	34,759
Inventory	14,202	13,316	14,494	14,217
Trade receivables	1,184	1,560	1,457	1,415
Other current receivables	631	533	1,061	644
Cash and cash equivalents	627	667	785	784
Total current assets	16,645	16,077	17,798	17,059
Assets held for sale	-	-	-	12,049
TOTAL ASSETS	52,867	52,011	53,331	63,867
EQUITY AND LIABILITIES				
Paid-in equity	10,090	10,070	10,050	12,583
Retained earnings	6,762	10,469	9,851	4,949
Non-controlling interests	3,233	3,248	3,178	4,643
Total equity	20,085	23,787	23,079	22,175
Deferred tax liability	6,448	6,313	6,725	7,022
Non-current interest-bearing liabilities	15,670	12,482	12,211	18,755
Non-current lease liabilities	1,442	1,489	1,502	1,270
Other non-current liabilities	36	58	21	10
Total non-current liabilities	23,596	20,342	20,458	27,058
Current interest-bearing liabilities	1,749	770	1,681	3,014
Short-term lease liabilities	413	371	344	281
Trade creditors	3,232	2,643	3,966	3,315
Other current liabilities	3,793	4,099	3,803	2,052
Total current liabilities	9,187	7,883	9,794	8,663
Liabilities directly associated with the assets held for sale	-	-	-	5,971
TOTAL EQUITY AND LIABILITIES	52,867	52,011	53,331	63,867
Net interest-bearing debt (NIBD)	16,791	12,585	13,107	20,986
NIBD incl. lease liabilities	18,646	14,445	14,952	22,537
Equity share	38 %	46 %	43 %	35 %



Statement of Cash Flow

NOK million	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Profit before tax	1,480	1,766	2,451	4,001	7,279
Profit before taxes from discontinuing operations	-	167	-	295	685
Profit before taxes	1,480	1,934	2,451	4,297	7,964
Tax paid in the period	-14	-12	-84	-118	-608
Depreciation, amortisation and write-downs	410	343	817	686	1,452
Income from associated companies and joint ventures	-37	71	-104	44	27
Onerous contracts	-73	-96	-321	-87	237
Fair value adjustments	-234	-279	334	-923	-867
Change in working capital	-379	61	-913	-773	-170
Other changes	242	268	527	544	1,150
Gain on disposal discontinuing operations	-	-	-	-	-365
Cash-flow from operating activities related to discontinuing operations	-	-61	-	45	155
Net cash flow from operating activities	1,394	2,228	2,707	3,714	8,975
Cash-flow from purchase and sale of PPE, licenses and other intangible assets	-632	-676	-1,010	-1,291	-2,348
Proceeds from disposal of group companies, net of cash	-	45	-	45	4,454
Proceeds from disposal of other financial investments	-	-	-	-	45
Cash-flow from other investing activities	8	-	-43	35	37
Cash-flow from investing activities related to discontinuing operations	-	-303	-	-303	-412
Net cash flow from investing activities	-624	-934	-1,053	-1,515	1,775
Change in interest-bearing liabilities	4,178	1,288	3,501	-111	-7,947
Payment of instalments on lease liabilities	-101	-77	-198	-160	-321
Payment of interest on lease liabilities	-29	-23	-60	-47	-102
Net interest paid financing activities	-200	-240	-390	-459	-1,145
Dividend	-4,645	-2,694	-4,645	-2,694	-2,748
Change in non-controlling interests	-	-	-	-671	-755
Other changes	-10	-	-10	-	-
Cash-flow from financing activities related to discontinuing operations	-	-3	-	71	29
Net cash flow from financing activities	-807	-1,751	-1,803	-4,071	-12,989
Net change in cash and cash equivalents	-37	-456	149	-1,872	-2,239
Currency translation of cash and cash equivalents	-3	-6	-9	4	-7
Cash and cash equivalents as at the start of the period	667	1,000	785	2,713	2,713
Cash and cash equivalents discontinuing operations at start of the period	-	625	-	319	319
Cash and cash equivalents as at period end	627	1,163	627	1,163	785
Of which cash and cash equivalents in discontinuing operations at period end	-	379	-	379	-
Cash and cash equivalents excluding discontinuing operations at period end	627	784	627	784	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					1,680					1,680	116	1,796
Other comprehensive income												
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>												
Translation differences in associates						41				41		41
Translation differences in subsidiaries						8				8	16	24
Change in fair value of financial instruments, net after tax							-179	-15	0	-194	-43	-237
Other comprehensive income	0	0	0	0	0	49	-179	-15	0	-146	-27	-173
Total comprehensive income	0	0	0	0	1,680	49	-179	-15	0	1,534	89	1,623
Transactions with shareholders												
Share-based payment, expensed				40						40	0	40
Transaction costs related acquisition of non-controlling interests					-10					-10		-10
Dividend					-4,612					-4,612	-34	-4,645
Other changes					-2					-2	-0.5	-2
Total transactions with shareholders	0	0	0	40	-4,623	0	0	0	0	-4,584	-34	-4,617
At 30 June 2024	33	0	10,017	40	6,166	398	288	-103	13	16,852	3,233	20,085
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	37	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
Q2 2024							
Operating income (NOK mill.)	2,656	1,447	5,860	113	-0	-4,238	5,838
Operational EBIT (NOK mill.)	1,110	508	-90	-43	-30	-63	1,393
Operational EBIT %	42 %	35 %	-2 %	-38 %			24 %
Harvested volume (1,000 t _{gw})	27.1	17.0		0.7			44.8
EBIT/ kg gw (NOK)	41.0	29.9		(61.6)			31.1
Q2 2023							
Operating income (NOK mill.)	2,852	1,542	6,003	26	-0	-4,527	5,895
Operational EBIT (NOK mill.)	1,108	858	-67	-35	-10	-108	1,745
Operational EBIT %	39 %	56 %	-1 %	-136 %			30 %
Harvested volume (1,000 t _{gw})	28.3	16.0		0.1			44.3
EBIT/ kg gw (NOK)	39.1	53.7	-	384.6			39.4
YTD 2024							
Operating income (NOK mill.)	5,441	2,902	12,309	427	427	-9,115	12,393
Operational EBIT (NOK mill.)	2,296	984	-127	-49	-58	-142	2,904
Operational EBIT %	42 %	34 %	-1 %	-12 %	-14 %		23 %
Harvested volume (1,000 t _{gw})	54.9	34.6		3.5	4.8		97.7
EBIT/ kg gw (NOK)	41.8	28.5		(14.3)	-12.2		29.7
YTD 2023							
Operating income (NOK mill.)	5,179	3,424	12,242	791	-0	-8,948	12,687
Operational EBIT (NOK mill.)	2,217	1,694	-148	169	-55	-247	3,630
Operational EBIT %	43 %	49 %	-1 %	21 %			29 %
Harvested volume (1,000 t _{gw})	50.5	35.7		6.7			92.9
EBIT/ kg gw (NOK)	43.9	47.4		25.4			39.1
FY 2023							
Operating income (NOK mill.)	12,419	7,894	27,094	1,871	173	-21,233	28,219
Operational EBIT (NOK million)	4,612	3,402	254	230	-53	-358	8,088
Operational EBIT-margin (%)	37 %	43 %	0.9 %	12 %	-30 %		29 %
Harvested volume (1,000 t _{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

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
No. of shares (diluted) - end of period (mill.)	131.98	131.58	131.98	131.57	131.63
Earnings per share (NOK)	6.5	6.4	12.7	6.8	24.4
Earnings per share - diluted (NOK)	6.5	6.4	12.7	6.8	24.3
Adjusted earnings per share (NOK)	6.2	8.9	12.2	18.3	39.3
EBITDA %	31 %	35 %	30 %	34 %	34 %
Operational EBIT %	24 %	30 %	23 %	29 %	29 %
EBIT %	28 %	36 %	23 %	36 %	30 %
Profit before tax %	25 %	30 %	20 %	32 %	26 %
Cash flow per share - diluted (NOK)	10.6	16.9	20.5	28.2	68.2
Net interest bearing debt (NOK mill.)	16,791	20,986	16,791	20,986	13,107
NIBD incl. leasing liabilities (NOK mill.)	18,646	22,537	18,646	22,537	14,952
Equity ratio %	38 %	35 %	38 %	35 %	43 %

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

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

Adjusted earnings per share - see note for definition

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.

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	7,670,113	5.81 %
State Street Bank and Trust Comp	2,206,339	1.67 %
TERBOLI INVEST AS	1,425,394	1.08 %
JPMorgan Chase Bank, N.A., London	1,366,669	1.04 %
LIN AS	1,337,685	1.01 %
State Street Bank and Trust Comp	1,272,607	0.96 %
HASPRO AS	1,171,542	0.89 %
PARETO AKSJE NORGE VERDIPAPIRFOND	1,162,757	0.88 %
State Street Bank and Trust Comp	1,076,965	0.82 %
CACEIS Bank	1,059,662	0.80 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	1,055,226	0.80 %
State Street Bank and Trust Comp	1,020,501	0.77 %
JPMorgan Chase Bank, N.A., London	934,513	0.71 %
NILS WILLIKSEN AS	915,144	0.69 %
JPMorgan Chase Bank, N.A., London	886,217	0.67 %
CLEARSTREAM BANKING S.A.	879,736	0.67 %
CACEIS Bank	868,904	0.66 %
VERDIPAPIRFONDET KLP AKSJENORGE IN	845,772	0.64 %
ANDVARI AS	810,468	0.61 %
Top 20	87,900,690	66.57 %
Others	44,138,230	33.43 %
Total	132,038,920	100.00 %

As at 30 June 2024 SalMar ASA owned 278 854 treasury shares.

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

Carrying amount of inventory	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Raw materials	429	367	434	416
Biological assets	13,111	12,184	13,265	13,294
Finished goods	662	765	796	507
Total value of biological assets and other inventory	14,202	13,316	14,494	14,217

Carrying amount of biological assets	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Roe, fry, smolt and cleaner fish at cost	789	953	616	646
Biological assets held at sea farms at cost	7,858	7,026	7,888	7,809
Total carrying amount of biological assets before fair value adjustments	8,647	7,979	8,504	8,455
Fair value adjustment of biological assets	4,464	4,205	4,761	4,840
Total carrying amount of biological assets	13,111	12,184	13,265	13,294

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:	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Biological assets - opening balance	12,184	12,428	13,265	11,755	11,755
Increase due to production	3,461	3,281	5,913	5,631	13,863
Decrease due to sale/ harvesting	-2,760	-2,665	-5,624	-5,045	-13,007
Decrease due to incident-based mortality	-20	-69	-155	-69	-251
Decrease due to sale of group companies	0	0	0	0	-9
Fair value adjustment on opening balance (reversed)	-4,205	-4,555	-4,761	-3,908	-3,908
Fair value adjustment from business combination due to fish not sold on opening balance	0	510	90	813	813
Fair value adjustment from business combination due to fish not sold on closing balance	0	-378	0	-378	-90
Fair value adjustment from business combination included in cost of goods sold in the period	0	-132	-90	-436	-723
Fair value adjustment on closing balance (new)	4,464	4,840	4,464	4,840	4,761
Currency translation differences	-14	34	8	91	60
Biological assets - closing balance	13,111	13,294	13,111	13,294	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:	30.06.2024	Expected harvesting period:	31.03.2024	Expected harvesting period:	31.12.2023	Expected harvesting period:	30.06.2023
Q3-2024	80.55	Q2-2024	113.85	Q1-2024	107.95	Q3-2023	80.17
Q4-2024	84.05	Q3-2024	85.40	Q2-2024	113.45	Q4-2023	81.50
Q1-2025	104.61	Q4-2024	87.20	Q3-2024	83.70	Q1-2024	98.93
Q2-2025	104.89	Q1-2025	101.63	Q4-2024	86.12	Q2-2024	101.87
Q3-2025	75.70	Q2-2025	102.22	1st half 2025	101.11	Q3-2024	83.30
Q4-2025	79.73	2nd half 2025	78.56	2nd half 2025	74.60	Q4-2024	85.50
Discount factor Norway	6.0 %		6.0 %		6.5 %		7.0 %
Discount factor Iceland	4.5 %		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:

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Change in the fair value of the biological assets	261	413	-206	1,360	1,571
Change in fair value adjustment due to business combination - included in cost of goods sold	-	-132	-90	-436	-723
Change in unrealised value of Fish Pool contracts	-27	-2	-38	-2	19
Total fair value adjustments	234	279	-334	923	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.

	Q2 2023	YTD 2023	01.01.2023- 14.08.2023
Profit for the period from discontinued operations	161	269	291
Profit for the period from discontinued operations, gain from sale	0	0	365
Total profit from discontinued operations	161	269	657

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

ASSETS	30.06.2023
Non-current tangible assets	10,698
Right-of-use assets	514
Non-current financial assets	140
Total non-current assets	11,352
Inventory	13
Trade receivables	240
Other current receivables	64
Cash and cash equivalents	380
Total current assets	697
TOTAL ASSETS	12,049
LIABILITIES	
Deferred tax liability	948
Non-current interest-bearing liabilities	3,809
Non-current lease liabilities	326
Total non-current liabilities	5,083
Current interest-bearing liabilities	532
Current lease liabilities	105
Other current liabilities	251
Total current liabilities	888
TOTAL LIABILITIES	5,971

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	227	2,418
Income from associates and joint ventures	94	5	-13	18	104
Items recognised in other comprehensive income	40	0	0	1	41
Dividend	0	0	0	-8	-8
Carrying amount at 30 June 2024	1,210	468	638	238	2,554

**Note 8 - Interest-bearing liabilities**

	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Non-current interest-bearing liabilities:				
Non-current interest bearing liabilities	16,129	12,942	12,669	21,439
Next year's instalment on non-current interest bearing liabilities	-460	-459	-458	-2,684
Total	15,670	12,482	12,211	18,755
Lease liabilities	1,855	1,859	1,845	1,551
Next year's instalment on lease liabilities	-413	-371	-344	-281
Total	1,442	1,489	1,502	1,270
Total carrying amount	17,112	13,971	13,713	20,026
Current interest bearing liabilities:				
Debts to credit institutions	1,289	310	1,223	330
Next year's instalment on debts to credit institutions	460	459	458	2,684
Current interest bearing liabilities ex. lease liabilities	1,749	770	1,681	3,014
Next year's instalment on lease liabilities	413	371	344	281
Total carrying amount	2,162	1,140	2,024	3,295
Total interest-bearing liabilities	19,274	15,112	15,737	23,321
Cash and cash equivalents	627	667	785	784
Lease liabilities	1,855	1,859	1,845	1,551
Net interest-bearing debts (NIBD)	16,791	12,585	13,107	20,986

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

	NOK	EUR	JPY	USD	GBP	Other	Total
Non-current debts	15,524	606	0	0	0	0	16,129
Lease liabilities	1,805	0	0	0	0	50	1,855
Current debts to credit institutions	1,139	99	1	-53	119	-16	1,289
Total interest-bearing liabilities	18,468	704	1	-53	119	33	19,274
Cash and cash equivalents	477	16	18	78	0	38	627
Lease liabilities	1,805	0	0	0	0	50	1,855
Net interest-bearing debts (NIBD)	16,186	688	-16	-130	119	-55	16,791

Financing activities - change in liabilities:

	31.12.2023	Cash flow from financing activities	Non cash-generating effects			30.06.2024
			Currency effects	Change in next year's instalments on long-term liabilities	Other effects	
Non-current debts	12,211	3,437	8	-2	15	15,670
Current debts to credit institutions	1,681	64	0	2	3	1,749
Total debts to credit institutions	13,892	3,501	8	0	19	17,419
Non-current and current lease liabilities	1,845	-198	0	0	208	1,855
Total interest-bearing liabilities	15,737	3,303	8	0	226	19,274

In addition to the existing bank facilities consisting of NOK 10,000 million as revolving credit facilities and NOK 6,000 million as a term loan, SalMar issued a new commercial paper of NOK 880 million on 14 June 2024 with a maturity date of 13 September 2024 and a coupon of 5.12% p.a.

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 Arnarlex Ehf and SalMar Aker Ocean are independent from SalMar ASA. Both SalMar ASA, Arnarlex Ehf and SalMar Aker Ocean were in compliance with all the financial covenants as of 30 June 2024.

Note 9 - Interest and other financial items

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Interest					
Interest income	9	8	16	25	51
Interest expenses, ex. interest on lease liabilities	-220	-263	-435	-527	-1,121
Interest expenses relating to lease liabilities	-29	-23	-60	-47	-102
Net interest expenses	-239	-279	-479	-549	-1,172
Other financial items					
Dividends and gain on investment in other companies	8	7	8	7	27
Other financial income	19	-1	20	-1	3
Other exchange differences	1	10	9	16	-10
Change in fair value of derivatives	0	0	0	-7	-7
Other financial expenses	-2	5	-4	-3	-43
Net other financial items	26	20	33	11	-30

Note 10 - Income tax, resource rent tax and production 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.

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Regular corporate tax expense - calculated with nominal tax rate	255	402	461	893	1,618
Resource rent tax (payable and deferred tax)	324	0	194	0	837
Resource rent tax - implementation effect (deferred tax)	0	2,303	0	2,303	2,080
Income tax expense	580	2,705	655	3,195	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:

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Production tax recognised in the period	44	25	98	57	208
Resource tax related to activity on Iceland	2	-0	10	9	25
Production tax related to activity in Norway	42	25	88	48	183
Resource rent tax (payable and deferred tax)	324	0	194	0	837
Total resource rent tax in comprehensive income	366	25	282	48	1,020
Resource rent tax - implementation effect (deferred tax)	0	2,303	0	2,303	2,080
Total resource rent tax including production tax	366	2,328	282	2,351	3,100

**Note 11 - Alternative performance measures**

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

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

Operational EBIT

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

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Operating profit	1,656	2,096	2,793	4,583	8,509
Production tax	44	25	98	57	208
Onerous contracts	-73	-96	-321	-87	237
<i>Fair value adjustment:</i>					
Change in the fair value of the biological assets	-261	-413	206	-1,360	-1,571
Change in the fair value adjustment included in cost of goods sold due to business combination	-	132	90	436	723
Change in unrealised value of Fish Pool contracts	27	2	38	2	-19
Operational EBIT	1,393	1,745	2,904	3,630	8,088

EBITDA

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

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Operational EBIT	1,393	1,745	2,904	3,630	8,088
Depreciation and write-downs	410	343	817	686	1,452
EBITDA	1,803	2,088	3,721	4,316	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.

Q2 2024	Farming		Icelandic Salmon	SalMar Aker Ocean	SalMar Group
	Central Norway	Northern Norway			
Operational EBIT (NOK mill.)	1,110	508	-43	-30	1,393
Volume harvested (tonnes)	27.1	17.0	0.7	0.0	44.8
EBIT/kg gw (NOK)	40.97	29.86	-61.56		31.07
Q2 2023	Farming		Icelandic Salmon	SalMar Aker Ocean	SalMar Group
	Central Norway	Northern Norway			
Operational EBIT (NOK mill.)	1,108	858	-35	-10	1,745
Volume harvested (tonnes)	28.3	16.0	0.1	0.0	44.3
EBIT/kg gw (NOK)	39.14	53.74	-384.56		39.35
YTD 2024	Farming		Icelandic Salmon	SalMar Aker Ocean	SalMar Group
	Central Norway	Northern Norway			
Operational EBIT (NOK mill.)	2,296	984	-49	-58	2,904
Volume harvested (tonnes)	54.9	34.6	3.5	4.8	97.7
EBIT/kg gw (NOK)	41.82	28.48	-14.26	-12.24	29.72
YTD 2023	Farming		Icelandic Salmon	SalMar Aker Ocean	SalMar Group
	Central Norway	Northern Norway			
Operational EBIT (NOK mill.)	2,217	1,694	169	-55	3,630
Volume harvested (tonnes)	50.5	35.7	6.7	0.0	92.9
EBIT/kg gw (NOK)	43.90	47.41	25.37		39.08
FY 2023	Farming		Icelandic Salmon	SalMar Aker Ocean	SalMar Group
	Central Norway	Northern Norway			
Operational EBIT (NOK mill.)	4,612	3,402	230	-53	8,088
Volume harvested (tonnes)	141.1	92.8	17.9	2.3	254
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.

	30.06.2024	31.03.2024	31.12.2023	30.06.2023
Non-current interest-bearing liabilities	15,670	12,482	12,211	7,022
Current interest-bearing liabilities	1,749	770	1,681	3,014
Cash and cash equivalents	-627	-667	-785	-784
Net interest-bearing debt (NIBD)	16,791	12,585	13,107	9,253
Lease liabilities	1,855	1,859	1,845	19,036
NIBD incl. lease liabilities	18,646	14,445	14,952	28,289

Cash flow per share - diluted

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

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Cash flow from operating activities	1,394	2,228	2,707	3,714	8,975
Average no. of shares outstanding (diluted) in the period (1,000 shares)	131,977	131,576	131,977	131,573	131,633
Diluted cash flow per share (NOK)	10.57	16.94	20.51	28.23	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.

	Q2 2024	Q2 2023	YTD 2024	YTD 2023	FY 2023
Profit for the period attributable to shareholders in SalMar ASA	858	-844	1,680	890	3,203
Onerous contracts **)	-73	-96	-321	-87	237
Fair value adjustment **)	-234	-412	244	-1,358	-1,590
Fair value adjustment included in cost of goods sold due to business combination **)	0	132	90	436	723
Calculated tax effect of adjustments ***)	273	83	-82	222	520
Resource rent tax - implementation effect (deferred tax) **)	0	2,303	0	2,303	2,080
Adjusted profit for the period attributable to shareholders in SalMar ASA **)	824	1,166	1,611	2,405	5,173
Average no. of shares outstanding (diluted) in the period (1,000 shares)	131.98	131.58	131.98	131.57	131.63
Adjusted earnings per share	6.24	8.86	12.21	18.28	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. For 2023 the calculated change in deferred resource rent tax on fair value adjustment has been added.



Note 12 - Subsequent event

In July 2024, SalMar acquired the remaining 45 per cent of Refsnes Laks AS and in August 2024, SalMar increased its ownership in Øylaks MTB AS by 2 per cent, bringing its total stake to 51 per cent. Through shareholders agreement, SalMar already has established control over both Refsnes Laks AS and Øylaks MTB AS. As a consequence, for accounting purposes the effect of both transactions will be recognised directly to equity in Q3 2024.