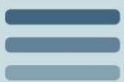


QUARTERLY REPORT

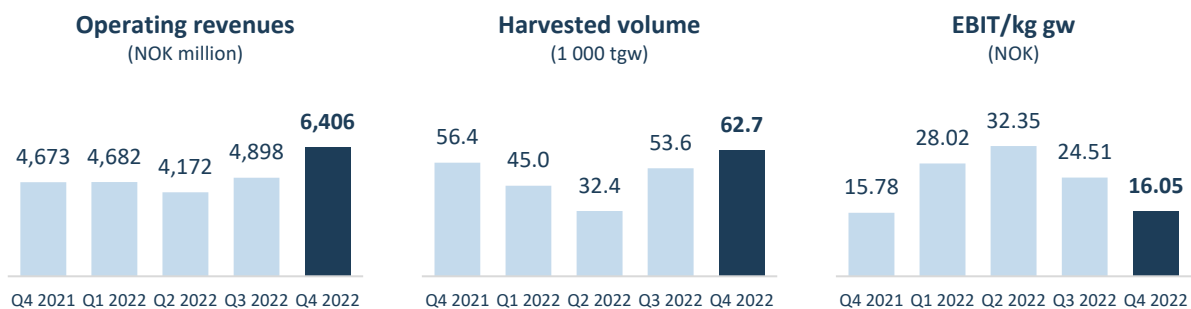
Fourth quarter 2022



HIGHLIGHTS IN THE FOURTH QUARTER

- Fourth quarter 2022 marked the end of an eventful year for SalMar with the completion of strategic milestones that further strengthen the groups position as leading provider of healthy and sustainable salmon.
- The fourth quarter 2022 resulted in a total operational EBIT for the group of NOK 1,006 million. Total harvest was 62,700 tonnes (NOK 16.05 per kg).
- Operational EBIT for Norway¹ was NOK 956 million with a harvest volume of 56,700 tonnes (NOK 16.86 per kg). Biological challenges affecting results in Central Norway, while Northern Norway continued to deliver strong results.
- Sales and Industry recorded solid operational performance, with record high activity levels at its harvesting and processing plants. Price achievements were affected by the biological challenges in Central Norway.
- Continued strong results from Icelandic Salmon with record high harvest volume.
- Weak results from the associated company Scottish Sea Farms due to biological challenges
- Following a series of transactions, SalMar became the majority owner of NTS, and NTS, NRS and SalmoNor were consolidated in the group's financials from November 2022. In January 2023, SalMar resolved to carry out a compulsory acquisition of all remaining shares in NTS, making it the sole owner of the company.
- One-off costs related to the transactions at NOK 120 million affecting results in the fourth quarter.
- The company is performing a strategic review of ownership in Frøy ASA, with strong incoming interest.
- The board of directors has resolved to propose a dividend at the same level as in 2021 of NOK 20.00 per share for the financial year 2022.
- In Norway, the government has proposed resource tax on aquaculture with effect from the tax year 2023. If approved by parliament, the new tax will have major impact on the capacity for innovation and investments in the Norwegian aquaculture industry. SalMar delivered a thorough response in the public consultation process strongly opposing the proposed tax.

NOK million	Q4 2022	Q4 2021	2022	2021
Operating revenues	6,406	4,673	20,158	15,044
Operational EBIT	1,006	890	4,465	2,927
Operational EBIT %	15.7%	19.1%	22.1%	19.5%
Production tax	-28	-22	-85	-72
Fair value adjustments & onerous contracts	-944	-320	359	596
Income from investments in associates and joint ventures	-101	-8	66	95
Profit before tax from continuing operations	-222	493	4,562	3,387
EPS – diluted	-1.30	3.50	27.60	22.57
NIBD incl. leasing liabilities	20,505	5,543	20,505	5,543
Equity ratio %	38.6 %	55.1 %	38.6%	55.1 %
Harvested volume (1,000 t _{gw})	62.7	56.4	193.7	182.1
EBIT/kg gw (NOK)	16.05	15.78	23.05	16.08



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

¹ Results from Norway are group results excluding segments SalMarAker Ocean and Icelandic Salmon. The figure includes one-of costs related to the transactions with NTS, NRS and SalmoNor of NOK 120 million.



FINANCIAL PERFORMANCE

Revenue and results for the fourth quarter 2022

In the fourth quarter 2022, the SalMar Group includes results from NTS, NRS and SalmoNor from November 2022. Frøy is classified as assets held for sale in the balance sheet and as discontinued operations in the P&L.

During the period Fish Farming Central Norway had a weak results due to biological challenges. Fish Farming Northern Norway posted a strong result following continued solid operational and biological performance.

Sales and Industry delivered solid operational performance with record high activity and capacity utilisation at its harvesting and processing facilities.

Icelandic Salmon delivered yet another good result, with record high harvest volumes.

Salmar Aker Ocean, which was formally established in 2021 and previously included in the segment eliminations, is presented as a separate reporting segment effective from 2022. Upgrade of Ocean Farm 1 is progressing according to plan and the upgrade is close to completion.

In the fourth quarter 2022, the SalMar Group harvested 62,700 tonnes of salmon, representing a significant increase from 56,400 tonnes in the fourth quarter 2021. The increase is driven by the inclusion of volumes from NRS and SalmoNor.

Joint venture Norskott Havbruk (Scottish Sea Farms) had a very weak result in the period affected by biological challenges. The company had a harvest volume of 7,300 tonnes of salmon in the quarter. By comparison, the company harvested 4,900 tonnes in the corresponding period last year. SalMar owns 50 per cent of Norskott Havbruk.

In the fourth quarter 2022, the price of salmon (NASDAQ Salmon Index) averaged NOK 73.32 per kg up from NOK 60.08 per kg in the fourth quarter in 2021.

Operating revenues amounted to NOK 6,406 million in the fourth quarter 2022, compared with NOK 4,673 million in the fourth quarter 2021.

SalMar's most important key figure for measuring its performance 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 1,006 million in the quarter, up from NOK 890 million in the corresponding quarter last year. The increase from last year is attributable to higher salmon prices and higher harvest volume.

The SalMar Group achieved an operational EBIT per kg of NOK 16.05 in the fourth quarter, up from NOK 15.78 per kg in the fourth quarter 2021.

A production tax has been payable by the Norwegian operation since 1 January 2021. The production tax in

Norway and the resource tax in Iceland amounted to NOK 28 million in the fourth quarter 2022.

The change in provisions for onerous contracts was positive with NOK 8 million in the quarter, while fair value adjustments was negative with NOK 952 million. The fair value adjustment includes the change in fair value of the standing biomass at NOK -684 million, fair value adjustment due to business combination NOK -283 million and change in unrealised value of Fish Pool at NOK 15 million in the quarter. See Note 4 for further details.

SalMar posted an operating profit of NOK 35 million in the fourth quarter 2022, a decrease from NOK 903 million from the previous quarter and from NOK 548 million from the same period in 2021. Operating profit in the fourth quarter 2021 was reduced by fair value adjustments and onerous contracts totalling NOK 320 million.

Income from investments in associates and joint ventures amounted to negative NOK 101 million in the period, compared with negative NOK 51 million in the third quarter and negative NOK 8 million in the fourth quarter 2021. Most of the contribution derives from Scottish Sea Farms.

Net interest expenses totalled NOK 171 million in the quarter. This is NOK 108 million more than in the previous quarter (NOK 64 million) and NOK 123 million more than in the fourth quarter 2021 (NOK 48 million). The increase is largely attributable to increased interest bearing debt and higher interest rates.

Other financial items was NOK 16 million in the fourth quarter, compared with NOK 62 million in the previous quarter and NOK 2 million in the fourth quarter 2021.

Profit before tax in the fourth quarter totalled negative NOK 222 million, compared with positive NOK 850 million in the third quarter 2022 and positive NOK 493 million in the corresponding quarter last year.

A tax expense of a negative NOK 45 million has been recognised for the quarter. This gives a net profit for the period from continuing operations of negative NOK 177 million. The profit after tax from discontinued operations was NOK 107 million, resulting in a profit for the period of negative NOK 69 million. The tax expense recognised in the fourth quarter 2021 came to NOK 97 million, while profit for the period totalled NOK 396 million.

Currency exchange effects through the quarter resulted in translation differences of NOK 16 million with respect to associates and subsidiaries accounted for in foreign currencies. Change in fair value of financial instruments after tax came to NOK 301 million. This gives a total for other comprehensive income of NOK 316 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 247 million.



Revenue and results for 2022

The SalMar Group generated gross operating revenues of NOK 20,158 million in 2022, up from NOK 15,044 million in 2021.

The consolidated harvest volume for 2022 was 193,700 tonnes. In 2021, the Group had harvested 182,100 tonnes.

In 2022, the price of salmon (NASDAQ Salmon Index) averaged NOK 82.59 per kg, compared with NOK 57.92 per kg in 2021.

Operational EBIT for 2022 totalled NOK 4,465 million, up from NOK 2,972 million in 2021. This gives an operational EBIT per kg of NOK 23.05 for 2022, compared with NOK 16.08 per kg in 2021.

A production tax has been payable by the Norwegian operation since 1 January 2021. Payment of the production tax in Norway and the resource tax in Iceland amounted to NOK 85 million in 2022. In 2021 this amounted to NOK 72 million.

Fair value adjustments and onerous contracts increased profits by NOK 232 million and NOK 126 million respectively in 2022. Operating profit for 2022 therefore ended at NOK 4,738 million. Operating profit for 2021 came to NOK 3,451 million, after a positive contribution from fair value adjustments and onerous contracts of NOK 596 million in total.

Income from investments in associates and joint ventures contributed NOK 66 million in 2022. The contribution derives primarily from SalMar's share of the profit from Norskott Havbruk, which amounted to NOK 41 million in 2022. In 2021, associates contributed NOK 94 million.

Net interest expenses totalled NOK 336 million in 2022, compared with NOK 169 million last year. Net other financial items totalled NOK 93 million in 2022. In 2021, the Group reported other financial items of NOK 11 million.

Profit before tax in 2022 therefore totalled NOK 4,562 million, compared with NOK 3,387 million in 2021.

A tax expense of NOK 954 million has been calculated for 2022, which brings the net profit for the period from continuing operations to NOK 3,608 million. The profit after tax from discontinued operations was NOK 107 million, resulting in a profit for the period of NOK 3,715 million.

Currency exchange effects resulted in translation differences of NOK 145 million with respect to associates and subsidiaries accounted for in foreign currencies. Change in fair value of financial instruments after tax came to NOK 169 million. This gives a total for other comprehensive income of NOK 315 million. These are items that may subsequently be reclassified to profit and loss and increase the period's total result to NOK 4,030 million.

Cash flow

Cash flow from operating activities for the SalMar Group was NOK 198 million in the fourth quarter 2022, compared with NOK 716 million in the same period in 2021.

Net cash flow from investing activities in the quarter totalled negative NOK 547 million, compared with negative NOK 854 million in the fourth quarter last year.

Investments in the value chain in the quarter related to non-current assets of NOK -446 million, investments due to

payments on business combinations net of cash at NOK -1,983 million, proceeds from disposal of other financial investments at NOK 1,860 million due to sale of Arctic Fish, cash flow from other investing activities at NOK 103 million and Cash flow from investing activities related to discontinuing operations at NOK -80 million.

The Group had a net cash flow from financing activities of NOK 2,214 million in the fourth quarter 2022, compared with NOK 367 million in the same period last year.

During the quarter the Group's interest-bearing liabilities increased with NOK 6,321 million, instalments on lease liabilities and net interest paid totalled NOK -191 million. In the same quarter last year, interest-bearing liabilities decreased by NOK 159 million, while instalments on leasing liabilities and net interest paid totalled NOK -87 million.

SalMar had a net change in cash and cash equivalents of NOK 1,865 million in the fourth quarter 2022, compared with NOK 229 million in the same period in 2021. Adjusted for NOK 10 million in currency effects and cash and cash equivalents for discontinuing operations at acquisition overall cash holding at the close of the quarter stood at NOK 3,031 million. Excluding cash and cash equivalents from discontinuing operations at period end cash at the close of 2022 stood at NOK 2,713 million.

In 2022, the SalMar Group generated a cash flow from operating activities of NOK 4,223 million, compared with NOK 2,908 million in 2021.

Net cash flow from investing activities totalled NOK -2,637 million in 2022, compared with NOK -2,827 million in 2021. Cash flow from financing activities totalled NOK 168 million in 2022, compared with NOK 602 million in the same period last year.

As a result, the Group's net change in cash and cash equivalents for 2022 was to NOK 1,754 million, compared with NOK 684 million last year.

Financial position

The SalMar Groups financial position as expressed in the balance sheet at the end of 2022 differs significantly from what it was one year before. Most of these changes are attributable to the many significant transactions with NTS, NRS and SalmoNor that took place during the fourth quarter 2022. See notes to the financial statements for further details.

With the announcement of the strategic holding of SalMar Group's indirect holding in Frøy, these assets are classified as assets held for sale at the end of December 2022, equal a total value of NOK 11,472 million.

At the end of 2022, SalMar Group's assets totalled NOK 62,501 million, up from NOK 28,085 million at the end of 2021. Total assets at the end of 2022 excluding Frøy equals NOK 51,029 million.

Non-current assets was NOK 33,555 million at the end of 2022, up from NOK 17,841 million at the end of 2021.

Non-current intangible assets totalled NOK 18,291 million at the end of 2022, up from NOK 8,530 million from at the end of 2021.

The book value of the Group's non-current tangible assets was 11,131 million at the close of the quarter, up from NOK 7,133 million year-end 2021.



The Group's right-of-use assets totalled NOK 1,387 million, up from NOK 877 million at the end of 2021.

Non-current financial assets increased from NOK 1,300 million at the end of 2021 to NOK 2,746 million at the end of 2022.

At the end of 2022, SalMar had current assets totalling NOK 17,474 million, up from NOK 10,244 million at the end of 2021.

The book value of inventory stood at NOK 12,685 million at the end of 2022, up from NOK 7,928 million at the end of 2021. Trade receivables totalled NOK 1,414 million, up from NOK 935 million at the end of 2021. Other current receivables were NOK 663 million, up from NOK 480 million at the end of 2021.

As of 31 December 2022, the SalMar Group had cash and cash equivalents of NOK 2,713 million, up from NOK 902 million at the end of 2021.

As of 31 December 2022, the Group's total equity amounted to NOK 24,155 million, corresponding to an equity ratio of 38.6 per cent, compared to NOK 15,483

million at the end of 2021 and an equity ratio of 55.1 per cent. For further details, reference is made to the attached separate presentation of movements in equity.

As of 31 December 2022, the SalMar Group had total interest-bearing liabilities of NOK 21,792 million. Of this amount, non-current interest-bearing debts amounted to NOK 18,350 million, while current interest-bearing liabilities was NOK 3,442 million. By comparison, total interest-bearing liabilities at the end of 2021 was NOK 5,478 million. See notes to the financial statements for further details.

The Group's leasing liabilities totalled NOK 1,425 million at the close of the fourth quarter 2022, compared to NOK 967 million at the end of 2021.

At the end of 2022, deferred tax liability and other current liabilities totalled NOK 9,516 million, compared to NOK 6,157 million at the end of 2021.

As of 31 December 2022, the SalMar Group had net interest-bearing debts, including lease liabilities of NOK 20,505 million, compared to NOK 5,543 million at the end of 2022.

OPERATIONAL PERFORMANCE

From 2022 SalMar reports its operations in five segments: Fish Farming Central Norway, Fish Farming Northern Norway, Icelandic Salmon, Sales and Industry and SalMar Aker Ocean. From November 2022 the results from NTS, NRS and SalmoNor have been included in respective segments, described under each segment.

Fish Farming Central Norway

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

NOK million	Q4 2022	Q4 2021	2022	2021
Operating income	2,298	2,091	8,872	6,542
Operational EBIT	484	615	3,599	2,118
Operational EBIT %	21 %	29 %	41 %	32 %
Harvested volume (1,000 tgw)	32.6	34.6	114.1	110.7
EBIT/kg gw (NOK)	14.84	17.76	31.53	19.14

Fish Farming Central Norway harvested 32,600 tonnes of salmon in the fourth quarter 2022, compared with 34,600 tonnes in the fourth quarter 2021.

The segment generated operating income of NOK 2,298 million in the quarter, compared with NOK 2,091 million in the corresponding quarter last year.

Biological challenges has affected the results negatively in the period. Early harvest at two sites in the fourth quarter 2022 led to low average harvest weight, resulting in high cost and low price achievement.

The results from SalmoNor were included from November 2022, with a slightly higher cost than SalMar in the period.

EBIT per kg gutted weight was NOK 14.84 in the fourth quarter 2022, down from NOK 17.76 per kg in the same period last year.

The generation of fish that were transferred to sea farms in the autumn of 2021 accounted for the volume harvested in the quarter.

In the first quarter 2023, the segment expects slightly lower cost level and significantly lower volume than in the fourth quarter 2022.

The volume guidance for 2023 is 148,000 tonnes.

Fish Farming Northern Norway

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

NOK million	Q4 2022	Q4 2021	2022	2021
Operating income	1,757	1,022	4,883	3,343
Operational EBIT	777	429	2,526	1,243
Operational EBIT %	44 %	42 %	52 %	37 %
Harvested volume (1,000 tgw)	24.1	17.5	63.4	59.8
EBIT/kg gw (NOK)	32.29	24.48	39.84	20.76

Fish Farming Northern Norway harvested 24,100 tonnes in the fourth quarter 2022, compared with 17,500 tonnes in the same period the year before.

The segment generated operating income of NOK 1,757 million in the quarter, compared with NOK 1,022 million in the fourth quarter 2021.

The segment has throughout 2022 continued the solid trend, and the high salmon prices and solid biological and operational performance has given strong results also in the fourth quarter.

The cost level increased compared to the previous quarter due to cost inflation on feed, but also inclusion of NRS from November 2022, with a higher cost base than SalMar.

Fish Farming Northern Norway achieved NOK 32.29 EBIT per kg gutted weight in fourth quarter 2022, compared to NOK 24.48 in the same period the year before.

The spring 2021 generation accounted for 70 per cent of the volume harvested in the period. The generation continued the solid trend with good performance. The segment will continue harvesting from the spring 2021 generation in the first quarter 2023

The segment expects a higher cost level and lower volume in the first quarter 2023.

The volume guidance for 2023 is 95,000 tonnes.



Sales and Industry

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

NOK million	Q4 2022	Q4 2021	2022	2021
Operating income	6,015	4,375	19,141	14,406
Operational EBIT	-100	-106	-1,286	-152
Operational EBIT %	-1.7 %	-2.4 %	-6.7 %	-1.1 %

Sales and Industry generated gross operating income of NOK 6,015 million in the fourth quarter 2022, compared with NOK 4,375 million in the corresponding period in the year before.

The segment delivered solid operational performance with record high volumes in its facilities which has led to strong capacity utilization. In total it harvested 58,800 tonnes of salmon in the fourth quarter 2022, compared with 36,300 tonnes in the fourth quarter 2021.

The results from SalmoSea and sales in NRS are included from November 2022 and had a negative contribution in the period.

The price achievement in the quarter was negatively affected by the biological challenges in Central Norway due to low average harvest weight.

The fixed price contract share in the fourth quarter 2022 was 33 per cent.

The segment delivered an operational EBIT of NOK -100 million in the period, compared with NOK -106 million in the same period last year.

In the first quarter 2023, SalMar expects lower volumes and activity levels due to seasonal variations.

For the first quarter 2023 the contract rate is expected to be around 25 per cent. And for the full year of 2023, the contract rate is expected to be around 10 per cent. The price level on contracts for 2023 is higher than in 2022. The largest part of the contracted volume was secured before the announcement of the resource tax proposal. Sales and Industry is working to secure more volume, but the uncertainty concerning a new tax has made it difficult to secure new contracts.

Salmar Aker Ocean

SalMar Aker Ocean is a strategic partnership between SalMar (85 per cent ownership) and Aker (15 per cent) that specialise in offshore farming, that is fish farming in exposed and semi-exposed waters. The company aims to create the world's most reliable and intelligent offshore farming operations with the highest requirements for fish welfare and with a zero-emissions value chain ambition.

NOK million	Q4 2022	Q4 2021*	2022	2021
Operating income	32	-	32	-
Operational EBIT	-48	-46	-155	-152
Operational EBIT %	-	-	-	-
Harvested volume (1,000 tgw)	-	-	-	-
EBIT/kg gw (NOK)	-	-	-	-

*Results included in segment eliminations in 2021

Salmon farming in the open ocean is an important element in SalMar's strategy for sustainable growth. SalMar Aker Ocean embodies this strategy.

Salmar Aker Ocean reports as a separate segment effective from 1 January 2022. In 2021 results from SalMar Aker Ocean was included in the segment Eliminations. The figures from 2021 have been restated accordingly for comparison.

In the fourth quarter of 2022, SalMar Aker Ocean had an operational EBIT of NOK -48 million.

The upgrade of Ocean Farm 1 is progressing according to plan and is close to completion. The unit is currently at the Aker Verdal yard. It will be transported to its location at Frohavet early March. The next production cycle is planned to commence in April 2023 with harvest in 2024.

Work continues for design of the new offshore units, Ocean Farm 2 and Smart Fish Farm. However, as a consequence of the proposed resource rent tax ("grunnrenteskatt"), the project timelines has been delayed.

During the quarter a non-binding agreement with Gaia Salmon for delivery of post-smolt for Smart Fish Farm was signed, which will supplement existing agreements with SalMar.



Icelandic Salmon

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

NOK million	Q4 2022	Q4 2021	2022	2021
Operating income	539	357	1,595	919
Operational EBIT	98	37	366	74
Operational EBIT %	18 %	10 %	23 %	8 %
Harvested volume (1,000 t _{gw})	6.0	4.3	16.1	11.5
EBIT/kg gw (NOK)	16.37	8.72	22.67	6.41

Icelandic Salmon harvested a record high volume of 6,000 tonnes in the fourth quarter 2022, compared with 4,300 tonnes in the same period last year.

The business generated operating income of NOK 539 million in the quarter, compared with NOK 357 million in the same period in 2021. The rise in operating revenues related primarily to higher volume harvested and stronger price achievement than in the corresponding quarter last year.

Operational EBIT per kg in the quarter was NOK 16.37, up from NOK 8.72 per kg in the same period last year.

The 2020 and 2021 generation accounted for the harvest volume in the period with continued solid biological performance and stable cost development, yielding good results. The company will continue harvesting from the 2021 generation in Q1 2023.

The segment expects to harvest similar volume in the first quarter 2023, and the cost level is expected to remain stable.

The volume guidance for 2023 is kept unchanged at 16,000 tonnes. A significant increase in volumes is expected in 2024 following the investments in smolt capacity in 2021 and 2022.

Eliminations

Research and development (R&D) costs are included as eliminations in the segments' reported results. Of a total harvested volume of 62,700 tonnes in the fourth quarter 2022, R&D costs accounted for NOK 0.65 per kg.

In the period one-off costs related to the transactions with NTS, NRS and SalmoNor has been recognized amounting to NOK 120 million.

Joint venture

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

NOK million	Q4 2022	Q4 2021	2022	2021
Operating income	693	344	3,188	2,307
Operational EBIT	-128	-29	214	244
Operational EBIT %	-18%	-8%	7%	11%
Fair value adj. biomass	-118	7	31	15
Profit/loss before tax	-273	-27	116	242
SalMar's share after tax	-122	-11	41	94
Harvested volume (1,000 t _{gw})	7.3	4.9	35.9	32.4
EBIT/kg gw (NOK)	-17.46	-5.84	5.96	7.55

Norskott Havbruk harvested 7,300 tonnes in the quarter, compared with 4,900 tonnes harvested in the fourth quarter 2021.

Norskott Havbruk generated operating revenues of NOK 693 million in the fourth quarter 2022, compared with NOK 344 million in the fourth quarter last year. The increase is due to more volume harvested.

EBIT per kg gutted weight came to NOK -17.46 in the period. This is down from NOK -5.84 per kg in the same period last year. The fourth quarter was a very weak quarter for Scottish Sea Farms where biological challenges has negatively affected the results. The results in the fourth quarter 2022 were negatively impacted by issues related to micro-jellyfish and gill health. This has led to low average weight of the the harvested volume resulting in high cost and low price achievement and high mortality cost in the quarter. In addition, results are negatively impacted by the contract level of 59 per cent with prices below spot prices.

SalMar's share of Norskott Havbruk's net profit came to NOK -122 million in the fourth quarter 2022. Lower operating results and negative fair value adjustments contributed to the loss in the quarter.

Due to the biological challenges in the second half of 2022, volume guidance for 2023 is reduced with 6,000 tonnes to 37,000 tonnes.



MARKETS

Supply and biomass

In the fourth quarter 2022, the global supply of Atlantic salmon totalled approximately 793,900 tonnes, a decrease of 2 per cent on the same period in 2021.

At 449,400 tonnes, output in Norway in the quarter was 1 per cent higher than in the same period a year before. In all other regions output decreased 4 per cent in Chile, 3 per cent in UK, 16 per cent in North America, 11 per cent in the Faroe Islands and 5 per cent in other producing countries.

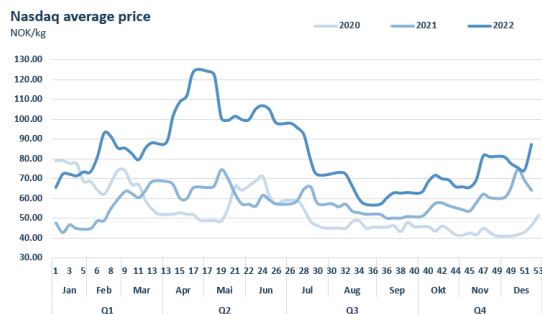
According to figures from Kontali, the standing biomass in Norway at the end of the fourth quarter 2022 is estimated to be 1.3 per cent lower than the end of fourth quarter 2021. At the same time, the standing biomass is estimated to be 8.2 per cent lower in Chile, 6.2 per cent higher in the UK and 5.3 per cent lower in the Faroe Islands.

Prices and foreign exchange rates

Atlantic salmon was traded at NOK 63.04 per kg at the start of the quarter (NASDAQ Salmon Index). At the end of December, Atlantic salmon was traded at a price of NOK 87.27 per kg.

The price of salmon in the period averaged NOK 73.32 per kg, up from NOK 60.08 per kg in the fourth quarter 2021.

NASDAQ Salmon Index NOK/kg



Against the most important trading currencies for salmon the Norwegian krone (NOK) strengthened 0.7 per cent against EUR, 1.1 per cent against the GBP, and 9.2 against the USD through the quarter.

Norwegian exports

Norwegian export of salmon was around 422,000 tonnes (round weight) in the fourth quarter 2022, down 2 per cent from 431,000 tonnes in the same period last year. The value of these exports rose by 20 per cent year-on-year, from NOK 24.4 billion to NOK 29.3 billion.

A substantial secondary processing industry makes Poland the largest single market for Norwegian salmon. In the fourth quarter 2022, around 55,300 tonnes of salmon were exported to this market, same level as the corresponding quarter in 2021.

Exports increased by 30 per cent to the USA, 3 per cent to Denmark and 7 per cent to the Vietnam/China/Hong Kong. Exports to France fell by 7 per cent, fell by 7 per cent to Spain, and fell by 6 per cent to UK, compared to the fourth quarter 2021.

OTHER MATTERS

The war in Ukraine

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

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

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

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

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

Expansion of smolt production capacity

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

The expansion of the Senja smolt facility is now completed, the first roe has been introduced in the facility in the late summer of 2022 and will become smolt ready for transfer to sea in 2023. Construction of a new smolt facility in Tjuin in Trøndelag County, which was decided in May 2021, is progressing according to plan. First roe is planned to be introduced in the facility the summer 2023 with first smolt delivery in 2024.

SalMar has also constructed a closed net pen. The second production cycle at the installation was completed in the summer 2022. In addition in 2022 SalMar joined a second project for construction of new type of closed net pen which will start its first production cycle the summer 2023.



Expanding harvesting and processing capacity

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

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

Currently a project is underway to expand harvesting capacity at our facility Vikenco in Rindarøy outside Molde in Central Norway.

New CEO and CFO in SalMar

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

Frode Arntsen has been with SalMar since 2017. Prior to his role as CEO he was the COO for Sales and Industry. He has worked in the seafood industry since 2000, and has previously held several management positions in a wide range of seafood companies.

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

Proposal for resource tax on aquaculture in Norway

In September 2022, the Norwegian government proposed the introduction of a resource rent tax on aquaculture production in Norway. The proposal that has been circulated for consultation would result in a threefold increase in the corporation tax on seafood production – up from 22 per cent to 62 per cent. This will have a major impact on the capacity for innovation and investments in the Norwegian aquaculture industry. As a leading and responsible industry player, SalMar has submitted a detailed response as part of the public consultations.

In light of the proposal SalMar considers it would be imprudent to make any new investment decisions and has put all new projects on hold.

The uncertainty surrounding the framework conditions for Norwegian aquaculture indicates the need for heightened caution with respect to investments and the signing of new contracts. The market for fixed-price contracts has ceased to work properly since the government has introduced uncertainty around how the tax will be calculated. This is having a particularly severe impact on Norwegian secondary processing, which has the highest employment rate in the supply chain.

For Norwegian fish farmers, it is highly desirable that a cross-party majority in the Norwegian parliament (Storting) can contribute to a moderate, competitive and sustainable

tax regime for Norwegian aquaculture, which can remain predictable irrespective of changing governments.

3rd of January 2023, SalMar submitted its response to the public consultation process on the resource tax. The response, which is available on the government's website, clearly and strongly opposes the proposed tax. The basis for the tax proposal is based on the assumption that the salmon production industry generates excessive returns compared to the risk involved, but this is not accurate. And SalMar strongly emphasized that the proposal should be permanently set aside.

The public consultation process ended 4th of January 2023 and there was over 400 responses in the process. The vast majority of the responses were negative.

Withdrawn purchase of increased license capacity at fixed price

During the traffic light auction, SalMar bought its relative share available for a fixed price for the capacity adjustment, equal to 1,223 MAB tonnes for a total consideration of NOK 244.6 million. Due to the proposal for resource tax on aquaculture in Norway, SalMar has cancelled this purchase. The consideration was derecognized in October 2022.

Successful completion of merger with NRS and tender offer for shares in NTS

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

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

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

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

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



The voluntary offer for NTS and merger with NRS was completed in November 2022. At the end of November SalMar announced the mandatory offer for remaining shares in NTS, and at the end of the offer period SalMar had received acceptances for the offer for approx. 40.2% of the shares and votes in the company. Thereby SalMar became the owner of approx. 92.9% of the total outstanding shares and votes in NTS.

Consequently, SalMar announced that a compulsory acquisition will be made for the remaining outstanding shares in NTS in accordance with applicable legislations, which was completed early January 2023.

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

Approval of divestment of shares in Arctic Fish

In December 2022, the EU Commission approved Mowi ASA as the purchaser of SalMar ASA's shares in Arctic Fish Holding AS, and the transaction was completed. Mowi acquired the shares in Arctic Fish at a price of NOK 115 per share.

Exploring strategic alternatives for Frøy

SalMar has announced a strategic review of its indirect holding in Frøy ASA with the aim of maximizing value for its shareholders.

As of 13 January 2023, NTS AS, a subsidiary fully owned by SalMar held 62,269,112 shares in Frøy, accounting for approximately 72.11 per cent of Frøy's shares and votes.

The strategic review is expected to be completed within 2023. A sale of the shareholding is a possible outcome based on incoming interest from relevant investors. And Frøy is classified as held for sale and discontinued operations in the financial statements to SalMar at the end of 2022.

SHARES AND SHAREHOLDERS

As of 31 December 2022, SalMar had a total of 145,138,920 shares outstanding, divided between 24,539 shareholders.

The company's largest shareholder, Kverva Industrier AS, owned 41.3 per cent of the shares at the end 2022. The 20 largest shareholders owned a total of 69.1 per cent of the shares.

As at 31 December 2022 SalMar ASA owned 13,706,246 treasury shares, of which 13,691,960 were owned indirectly through the 92.93% owned subsidiary NTS AS. This corresponds to 9.4 per cent of the total number of shares outstanding as of 31 December 2022.

SalMar's share price fluctuated between NOK 402.4 and NOK 312.0 in the fourth quarter 2022. The price at the close of the quarter was NOK 384.8 compared with NOK 367.2 at the close of the previous quarter.

A total of 31.2 million shares were traded in the quarter, which corresponds to 21.5 per cent of the total number of shares outstanding. The volume of shares traded daily averaged 488,000.

EVENTS AFTER THE REPORTING DATE

Compulsory acquisition of remaining shares in NTS ASA not owned by SalMar

In January 2023, SalMar announced that the Board of Directors of SalMar had resolved to carry out a compulsory acquisition of all remaining shares in NTS that is not yet owned by SalMar. Consequently and from 3 January 2023, SalMar assumed ownership of all shares in NTS, and the last day of trading in NTS shares was 3 January 2023.

The offered redemption price under the compulsory acquisition was NOK 75.48184 per share. The offered redemption price corresponds to SalMar's offer price in the completed mandatory offer to acquire all shares in NTS.

For further details on the compulsory acquisition, see separate stock exchange notice from 3 January 2023.

Department of Justice closed its investigation

In January 2023 SalMar was informed by the Antitrust Division of the Department of Justice in the USA that they no longer have an open investigation into SalMar. SalMar has all along been adamant that the price collusion allegations have clearly lacked merit and are entirely unsubstantiated.

OUTLOOK

Markets

Growth in supply for Atlantic salmon is expected to be low in 2023 or to increase with 2.3 per cent from levels in 2022 according to figures from Kontali Analyse.

Compared with the same period last year, the global volume of salmon harvested is expected to decrease with 3 per cent in the first quarter 2023, according to figures compiled by Kontali. The harvested volume in the first quarter is expected to decrease with 2 per cent in Norway, 5 per cent in Chile, 11 per cent in North America and 12 per cent in other markets. It is expected to increase with 18 per cent in UK and 6 per cent in Faroe Islands.

The Fish Pool forward price as of 20 February 2023 indicates an average salmon price of NOK 97.0 per kg and NOK 95.5 per kg in February and March 2023, respectively. The forward price for the second quarter 2023 is NOK 98.27 per kg and for second half 2023 the forward price is NOK 81.30 per kg.

Company

Following completion of the transactions with NRS, SalmoNor and NTS, SalMar expects significant volume growth in 2023. The volume guidance for 2023 in Norway and Iceland is kept unchanged at 259,000 tonnes in total. For UK the volume guidance is reduced with 6,000 tonnes to 37,000 tonnes.

SalMar expects significantly lower volume and similar cost level in the first quarter 2023 compared to the fourth quarter 2022.



For the first quarter 2023 the contract rate is expected to be around 25 per cent, and 10 per cent for the full year 2023.

SalMar's ongoing investment programmes to further develop its already strong platform for growth, is currently on hold until details on the new tax scheme has been confirmed. Ongoing projects are continuing, but new projects has been put on hold. In 2023 SalMar expect to invest around NOK 1.6 billion in its Norwegian operations. In 2023 the maintenance investments are higher than in a normal year following completion of the acquisitions. Construction of new smolt facility in Central Norway and upgrade of harvest capacity at Vikenco make up the largest single investments in 2023. NOK 0.3 billion is expected to be invested in Iceland, where investments in increased farming capacity constitutes the largest proportion to unlock the untapped potential within existing licenses. In SalMar Aker Ocean one expects to invest NOK 0.2 billion for the upgrade of Ocean Farm 1 and finalizing design of new units.

SalMar has strong strategic and operational focus with dedicated employees and a corporate culture set for growth. Untapped potential for further sustainable growth

within existing licenses in all regions. Not for growth's sake, but because salmon is a sustainable marine protein that Norway and the rest of the world needs.

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

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

In 2022, SalMar has demonstrated its capacity to adapt to changing market and regulatory conditions, delivering strong results and successfully completing large transactions, while maintaining a sound financial position with a strong liquidity reserve. And it is important for SalMar to provide its more than 24,000 shareholders a competitive return on invested capital. On this basis, SalMar's board of directors is recommending that a dividend at the same level as in 2021 of NOK 20.00 per share is paid for the 2022 financial year.

The Board of Directors and CEO of SalMar ASA
Frøya, 21 February 2023

Gustav Witzøe
Chair

Arnhild Holstad
Director

Simon Søbstad
Director (employee-elected)

Margrethe Hauge
Director

Morten Loktu
Director

Frode Arntsen
CEO

Leif Inge Nordhammer
Director

Tone Ingebrigtsen
Director (employee-elected)



INCOME STATEMENT

<i>NOK million</i>	Q4 2022	Q4 2021	FY 2022	FY 2021
Total operating revenues	6,406	4,673	20,158	15,044
Cost of goods sold	3,626	2,392	9,599	7,328
Fair value adjustment included in cost of goods sold due to business combination	-283	-	-283	-
Salary and personnel expenses	616	441	1,894	1,540
Other operating expenses	1,098	735	3,446	2,443
EBITDA	1,349	1,105	5,502	3,734
Depreciation and write-downs	343	215	1,038	807
Operational EBIT	1,006	890	4,465	2,927
Production tax	-28	-22	-85	-72
Onerous contracts	8	-163	126	-181
Fair value adjustment	-669	-158	516	777
Fair value adjustment included in cost of goods sold due to business combination	-283	-	-283	-
Operating profit	35	548	4,738	3,451
Income from investments in associates and joint ventures	-101	-8	66	95
Net interest expenses	-171	-48	-336	-169
Other financial items	16	2	93	11
Profit before tax	-222	493	4,562	3,387
Income tax expense	-45	97	954	719
Profit for the period from continuing operations	-177	396	3,608	2,668
Profit after tax for the period from discontinued operations	107	-	107	-
Profit for the period	-69	396	3,715	2,668
Other comprehensive income:				
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>				
Change in translation diff. associates and joint ventures	5	8	21	14
Change in translation diff. subsidiaries	10	-33	124	-97
Change in fair value of financial instruments, net after tax	301	29	169	-75
Total other comprehensive income	316	4	315	-158
Total comprehensive income	247	400	4,030	2,510
<i>Profit for the period attributable to:</i>				
Non-controlling interests	95	-17	404	51
Shareholders in SalMar ASA	-164	413	3,312	2,617
<i>Comprehensive income for the period attributable to:</i>				
Non-controlling interests	169	-35	478	6
Shareholders in SalMar ASA	78	435	3,552	2,504
Earnings per share	-1.30	3.51	27.64	22.61
Earnings per share - diluted	-1.30	3.50	27.60	22.57



BALANCE SHEET – GROUP

<i>NOK million</i>	31.12.2022	30.09.2022	31.12.2021	30.09.2021
ASSETS				
Non-current intangible assets	18,291	9,133	8,530	8,534
Non-current tangible assets	11,131	8,373	7,133	6,762
Right-of-use assets	1,387	856	877	891
Non-current financial assets	2,746	1,685	1,300	1,000
Total non-current assets	33,555	20,047	17,841	17,187
Inventory	12,685	9,749	7,928	8,089
Trade receivables	1,414	1,073	935	912
Other current receivables	663	520	480	398
Cash and cash equivalents	2,713	787	902	670
Total current assets	17,474	12,129	10,244	10,069
Assets held for sale	11,472	-	-	-
TOTAL ASSETS	62,501	32,176	28,085	27,255
EQUITY AND LIABILITIES				
Paid-in equity	12,567	3,477	3,426	3,423
Retained earnings	6,790	10,869	9,804	8,966
Non-controlling interests	4,798	2,535	2,253	2,066
Total equity	24,155	16,881	15,483	14,456
Deferred tax liability	1,946	2,556	2,259	2,337
Non-current interest-bearing liabilities	18,350	5,722	4,907	5,006
Non-current lease liabilities	1,152	715	751	784
Total non-current liabilities	21,448	8,992	7,916	8,127
Current interest-bearing liabilities	3,442	532	571	632
Current lease liabilities	273	242	216	191
Other current liabilities	7,571	5,529	3,898	3,850
Total current liabilities	11,286	6,303	4,686	4,673
Liabilities directly associated with the assets held for sale	5,612	-	-	-
TOTAL EQUITY AND LIABILITIES	62,501	32,176	28,085	27,255
Net interest-bearing debt (NIBD)	19,079	5,466	4,576	4,968
NIBD incl. lease liabilities	20,505	6,423	5,543	5,943
Equity share	38.6 %	52.5 %	55.1 %	53.0 %



CASH FLOW

<i>NOK million</i>	Q4 2022	Q4 2021	FY 2022	FY 2021
Profit before taxes from continuing operations	-222	493	4,562	3,387
Profit before taxes from discontinuing operations	91	-	91	-
Profit before taxes	-130	493	4,654	3,387
Tax paid in the period	-507	-514	-552	-549
Depreciation, amortisation and write-downs	343	215	1,038	807
Income from associated companies and joint ventures	101	8	-66	-95
Gain related to remeasured shares in associated companies	-1	-	-91	-
Onerous contracts	-8	163	-126	181
Fair value adjustments	952	158	-232	-777
Change in working capital	-748	131	-806	-259
Other changes	181	62	390	213
Cash-flow from operating activities related to discontinuing operations	16	-	16	-
Net cash flow from operating activities	198	716	4,223	2,908
Cash-flow from purchase and sale of PPE, licenses and other intangible assets	-446	-559	-2,453	-2,217
Payments on business combinations, net of cash	-1,983	-	-1,983	-327
Payments related to capital contribution associated company	-	-306	-	-308
Proceeds from disposal of other financial investments	1,860	-	1,860	-
Cash-flow from other investing activities	103	10	19	25
Cash-flow from investing activities related to discontinuing operations	-80	-	-80	-
Net cash flow from investing activities	-547	-854	-2,637	-2,827
Change in interest-bearing liabilities	6,321	-159	7,019	-82
Payment of instalments on lease liabilities	-68	-54	-229	-198
Payment of interest on lease liabilities	-20	-15	-65	-57
Net interest paid financing activities	-103	-19	-211	-94
Dividend	-20	-10	-2,405	-2,271
Net proceeds from capital contribution	-	639	11	3,321
Change in non-controlling interests	-3,819	-	-3,873	-
Other changes	-	-16	-	-16
Cash-flow from financing activities related to discontinuing operations	-78	-	-78	-
Net cash flow from financing activities	2,214	367	168	602
Net change in cash and cash equivalents	1,865	229	1,754	684
Currency translation of cash and cash equivalents	10	3	7	-6
Cash and cash equivalents as at the start of the period	787	670	902	223
Cash and cash equivalents discontinuing operations at acquisition	369	-	369	-
Cash and cash equivalents as at period end	3,031	902	3,031	902
Of which cash and cash equivalents in discontinuing operations at period end	319	-	319	-
Cash and cash equivalents excluding discontinuing operations at period end	2,713	902	2,713	902



CHANGES IN EQUITY

2022	Share capital	Treasury shares	Share premium	Other paid-in equity	Other equity	Foreign currency translation differences	Cash flow hedges	Hedge of net investments	Cost of hedging reserve	Attributable to shareholders of the parent	Non-controlling interests	Total equity
As of 1 January 2022	29	0	3,102	295	9,658	93	58	6	-10	13,230	2,253	15,483
Profit for the year					3,312					3,312	404	3,715
Other comprehensive income												
Translation differences in associates and joint ventures							21			21	0	21
Translation differences in subsidiaries							63			63	61	124
Other comprehensive income, net after tax							143	-41	54	156	13	169
Other comprehensive income	0	0	0	0	0	84	143	-41	54	241	74	315
Total comprehensive income	0	0	0	0	3,312	84	143	-41	54	3,552	478	4,030
Transactions with shareholders												
Share-based payment, expensed				53						53	1	54
Borrowed treasury shares		0	-12							-12	0	-12
Issue of share capital	7		9,092							9,099	0	9,099
Contribution of equity					7					7	4	11
Dividend					-2,354					-2,354	-51	-2,405
Acquisition of non-controlling interests										0	6,268	6,268
Treasury shares in subsidiaries					-4,194					-4,194	-319	-4,513
Change in non-controlling interests					-40					-40	-3,833	-3,873
Other changes					5		10			15	-2	13
Total transactions with shareholders	7	0	9,080	53	-6,576	0	10	0	0	2,574	2,067	4,642
At 31 December 2022	36	0	12,182	348	6,394	177	211	-35	44	19,357	4,798	24,155

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

SEGMENTS

NOK million	Farming Central Norway	Farming Northern Norway	Sales and Industry	Icelandic Salmon	SalMar Aker Ocean	Eliminations	Group
Q4 2022							
Total operating revenues (NOK mill.)	2,298	1,757	6,015	539	32	-4,236	6,406
Operational EBIT (NOK mill.)	484	777	-100	98	-48	-205	1,006
Operational EBIT %	21.0 %	44.2 %	-1.7 %	18.3 %			15.7 %
Volume harvested (tonnes)	32.6	24.1		6.0			62.7
EBIT/ kg gw (NOK)	14.84	32.29		16.37			16.05
Q4 2021							
Total operating revenues (NOK mill.)	2,091	1,022	4,375	357	-	-3,172	4,673
Operational EBIT (NOK mill.)	615	429	-106	37	-46	-39	890
Operational EBIT %	29.4 %	42.0 %	-2.4 %	10.4 %		1.2 %	19.1 %
Volume harvested (tonnes)	34.6	17.5		4.3			56.4
EBIT/ kg gw (NOK)	17.76	24.48		8.72			15.78
FY 2022							
Total operating revenues (NOK mill.)	8,872	4,883	19,141	1,595	32	-14,366	20,158
Operational EBIT (NOK mill.)	3,599	2,526	-1,286	366	-155	-585	4,465
Operational EBIT %	40.6 %	51.7 %	-6.7 %	22.9 %			22.1 %
Volume harvested (tonnes)	114.1	63.4		16.1			193.7
EBIT/ kg gw (NOK)	31.53	39.84		22.67			23.05
FY 2021							
Total operating revenues (NOK mill.)	6,542	3,343	14,406	919	-	-10,166	15,044
Operational EBIT (NOK mill.)	2,118	1,243	-152	74	-152	-204	2,927
Operational EBIT %	32.4 %	37.2 %	-1.1 %	8.1 %			19.5 %
Volume harvested (tonnes)	110.7	59.8		11.5			182.1
EBIT/ kg gw (NOK)	19.14	20.76		6.41			16.08



KEY FIGURES – GROUP

	Q4 2022	Q4 2021	FY 2022	FY 2021
No. of shares (diluted) - end of period (mill.)	126.141	117.813	119.979	115.922
Earnings per share (NOK)	- 1.30	3.51	27.64	22.61
Earnings per share - diluted (NOK)	- 1.30	3.50	27.60	22.57
EBITDA %	21.1 %	23.7 %	27.3 %	24.8 %
Operational EBIT %	15.7 %	19.1 %	22.1 %	19.5 %
EBIT %	0.5 %	11.7 %	23.5 %	22.9 %
Profit before tax %	-3.5 %	10.6 %	22.6 %	22.5 %
Cash flow per share - diluted (NOK)	1.57	6.08	35.20	25.09
Net interest bearing debt (NOK mill.)	19,079	4,576	19,079	4,576
NIBD incl. leasing liabilities (NOK mill.)	20,505	5,543	20,505	5,543
Equity ratio %	38.6 %	55.1 %	38.6 %	55.1 %

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

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

Earnings before tax % = Earnings before tax / operating revenue

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

Equity ratio = Equity / total assets



NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Accounting policies

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

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

This interim report has not been subject to external audit.

Note 2 - The company's 20 largest shareholders

Shareholder	Shares	%
KVERVA INDUSTRIER AS	59,904,476	41.27 %
NTS ASA	13,691,960	9.43 %
FOLKETRYGDFONDET	5,674,496	3.91 %
State Street Bank and Trust Comp	2,433,406	1.68 %
NILS WILLIKSEN AS	1,744,647	1.20 %
CACEIS Bank	1,728,387	1.19 %
HASPRO AS	1,705,830	1.18 %
TERBOLI INVEST AS	1,425,394	0.98 %
JPMorgan Chase Bank, N.A., London	1,399,473	0.96 %
LIN AS	1,337,685	0.92 %
State Street Bank and Trust Comp	1,115,890	0.77 %
CLEARSTREAM BANKING S.A.	1,070,182	0.74 %
JPMorgan Chase Bank, N.A., London	1,006,058	0.69 %
State Street Bank and Trust Comp	983,887	0.68 %
CACEIS Bank	946,056	0.65 %
RODO INVEST AS	855,413	0.59 %
CACEIS Bank	834,124	0.57 %
ANDVARI AS	810,468	0.56 %
SIX SIS AG	804,465	0.55 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	750,226	0.52 %
Top 20	100,222,523	69.05 %
Others	44,916,397	30.95 %
Total	145,138,920	100.00 %

As at 31 December 2022 SalMar ASA owned 13,706,246 treasury shares, of which 13,691,960 were owned indirectly through the 92.93% owned subsidiary NTS AS.

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

Carrying amount of inventory	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Raw materials	427	292	223	191
Biological assets	11,755	9,132	7,281	7,398
Finished goods	503	325	424	500
Total value of biological assets and other inventory	12,685	9,749	7,928	8,089
Carrying amount of biological assets	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Roe, fry, smolt and cleaner fish at cost	551	373	285	215
Biological assets held at sea farms at cost	7,295	4,979	4,350	4,404
Total cost price of biological assets before fair value adjustments	7,847	5,352	4,635	4,619
Fair value adjustment of biological assets	3,908	3,781	2,646	2,779
Total carrying amount of biological assets	11,755	9,132	7,281	7,398

Raw materials is mainly comprise 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 both in freshwater and seawater, and comprise roe, fry, smolt, cleaner fish and fish at sea farms. Finished goods comprise whole fish (fresh and frozen), as well as processed salmon products.

Change in the carrying amount of the biological assets:	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Biological assets - opening balance	9,132	9,169	7,398	5,989
Increase from business combination at fair value	3,254	-	-	187
Increase due to production	3,173	2,709	1,914	4,520
Decrease due to sale/ harvesting	-2,798	-2,160	-1,886	-4,275
Decrease due to incident-based mortality	-42	-	-	-21
Fair value adjustment on opening balance (reversed)	-4,877	-4,382	-2,779	-1,767
Fair value adjustment on closing balance (new)	3,908	3,781	2,646	2,779
Currency translation differences	4	16	-11	-14
Biological assets - closing balance	11,755	9,132	7,281	7,398

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

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

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

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

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

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

Expected harvesting period:	31.12.2022	Expected harvesting period:	30.09.2022	Expected harvesting period:	31.12.2021	Expected harvesting period:	30.09.2021
Q1-2023	91.75	Q3-2022	76.60	Q1-2022	68.67	Q4-2021	60.50
Q2-2023	95.55	Q4-2022	87.90	Q2-2022	68.23	Q1-2022	64.80
Q3-2023	76.48	Q1-2023	94.02	Q3-2022	56.43	Q2-2022	66.00
Q4-2023	78.22	Q2-2023	78.30	Q4-2022	62.27	Q3-2022	56.28
1st half 2024	85.91	Q3-2023	79.80	1st half 2023	65.25	Q4-2022	62.02
2nd half 2024	75.00	Q4-2023	80.25	2nd half 2023	55.75	Q1-2023	63.00
Discount factor Norway	6 %		6 %		5 %		6 %
Discount factor Iceland	5 %		5 %		4 %		4 %

Note 4 - Fair value adjustments

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

	Q4 2022	Q4 2021	FY 2022	FY 2021
Change in fair value of the biological assets	-684	-132	446	835
Change in fair value adjustment due to business combination - included in cost of goods sold	-283	0	-283	0
Change in unrealised value of Fish Pool contracts	15	-26	70	-14
Change in the unrealised value of forward currency contracts	0	0	0	-44
Total fair value adjustments	-952	-158	232	777



Note 5 - Business combinations

Business combinations in 2022

Acquisition and merger of NTS and NRS

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

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

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

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

In connection with the clearance by the European Commission, SalMar undertook a commitment to divest the shares in Arctic Fish Holding AS, assumed by SalMar at the time of completion of the merger. SalMar undertook, with some exceptions, not to exercise any influence or control over Arctic Fish in the period from completion of the merger until a disposal was completed. The shares represented approximately 51.28 per cent of the shares and votes in Arctic Fish. The sales transaction of the shares was completed on 29 December 2022, with a total contribution net of cost amounted to NOK 1 860 million.

The merger with NRS was completed on 7 November 2022. The shareholders of NRS received a merger consideration consisting of a cash consideration of NOK 3 104 million, and a total share consideration of NOK 5 884 million. The share consideration consisting of 17,851,550 shares valued at a share price of NOK 329,60 which represents the share price at the time of completion of the merger.

In accordance with the merger plan, NRS completed immediately prior to the merger the agreed acquisition of SalmoNor from NTS, with settlement in cash and NRS shares. Total cash consideration in the transaction was NOK 1 713 million.

Of the total consideration under the merger NOK 2 380 million of the merger cash consideration was paid to NTS, in addition NTS received 13,691,960 of the total 17,851,550 consideration shares. Further, the cash consideration of NOK 1 713 million was paid from NRS to NTS in connection with the acquisition of 100 per cent of the shares in SalmoNor. The total cash consideration to NTS is as such NOK 4 093 million. In addition, NTS will own 13,697,303 SalMar shares. The SalMar shares owned by NTS were valued to NOK 4 513 million at the time of the merger. The shares are treated as treasury shares in the SalMar group, where NOK 2 378 million reduces the equity attributable to shareholders in SalMar, and NOK 2 135 reduces the non-controlling interest at the date of acquisition.

The voluntary offer was completed 10 November 2022. The total cash consideration payable in the transaction was NOK 1 807 million, and total share consideration amounts to NOK 3 215 million. The share consideration consisted of total of 9,487,371 new SalMar shares valued at a share price of NOK 338,87 which represent volume-weighted average price the last 3 trading days before 31 October 2022.

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

From the time of completion of the offer, SalMar achieved control over NTS. Upon completion of the offer, NRS was merged into SalMar and SalMar has assumed all assets, rights and obligations in NRS. For accounting purposes, the transactions has been treated as a business combination and the companies will be consolidated into the SalMar group with effect from 1 November 2022. Shares in SalMar owned by NTS has been, as mentioned above, treated as treasury shares in the SalMar Group. The Group has elected to measure the non-controlling interests in the acquiree at fair value. Acquisition-related costs of NOK 82,2 million have been recognised as other operating expenses in the income statement.

The starting point for the transactions was the voluntary offer made for all outstanding shares in NTS on 17 March 2022, as well as the subsequent decision to merge SalMar and NRS. The merger was conditional on the offer being completed and this has been the starting point for valuation assessments of assets and liabilities resolutions associated with the offer and the merger. For technical reasons, the transactions were completed sequentially with some days in between. For accounting purposes, the total consideration for the offer and the merger will be the basis for the purchase price allocation.

The fair values of the identifiable assets and liabilities of NTS Group and NRS Group as at the date of acquisition and merger are as follows. The purchase price allocation is not considered to be final.

Acquisition's effect on the balance sheet:	Fair value recognised on acquisition		
Assets			
Licenses			7,266
Property, plant & equipment			12,485
Right-of-use assets			1,059
Biological assets and other inventory			3,489
Investment in associates			1,146
Investment in SalMar shares (treasury shares)			4,513
Other financial investments			2,026
Trade receivables and other current receivables			824
Cash and cash equivalents			3,297
Total identifiable assets at fair value			36,104
Liabilities			
Deferred tax liabilities			2,210
Interest-bearing liabilities			14,199
Trade payables			1,086
Other current liabilities			417
Total identifiable liabilities at fair value			17,912
Total identifiable net assets at fair value			18,193
Non-controlling interest measured at fair value			-6,268
Goodwill			2,085
Total consideration			14,010
Purchase consideration	Acquisition NTS	Merger NRS	Total
Shares issued	3,215	5,884	9,099
Cash consideration	1,807	3,104	4,911
Total consideration	5,022	8,987	14,010

The goodwill of NOK 2 085 million comprises both of the value of expected synergies arising from the acquisition which is not separately recognised with NOK 1 296 million, and technical goodwill of NOK 789 million recognised due to deferred tax on the excess value identified for licenses computed with statutory tax rate in Norway of 22%. Goodwill is allocated to the segments Farming Central Norway and Farming Northern Norway. Goodwill is not deductible for income tax purposes.



Eldisstaðin Isthor Ehf (Isthor)

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

The Groups holdings prior to the acquisition date, are remeasured at fair value at time control is obtained. The fair value of the equity interest is NOK 107,2 millions, and a gain of NOK 90,8 millions is recognised as other financial items in the profit or loss in the period.

After the transaction the Group owns 100% of the shares in Isthor. The purpose of the transaction is to increase the flexibility in size of smolt and increased number of smolt supporting the company's growth plans. For accounting purposes, the transaction will be treated as a business combination with effect from the acquisition date. No material external transaction costs were incurred in the connection with the acquisition.

As part of the acquisition agreement, the Group repaid to the former owners a liability amounting to NOK 43,4 millions. The repayment has been completed in the period.

The fair values of the identifiable assets and liabilities of Isthor as at the date of acquisition are as follows:

	Fair value recognised on acquisition
Acquisition's effect on the balance sheet :	
Property, plant & equipment	197
Current assets	1
Deferred tax	-12
Non-current liabilities	-49
Other current liabilities	-14
Net identifiable assets and liabilities	122
Goodwill	156
Fair value of intercompany long-term liability	-64
Fair value of the investment at the time of acquisition	-107
Cash consideration	107

Business combinations in 2021

Nekton Havbruk AS

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

	Fair value recognised on acquisition
Acquisition's effect on the balance sheet:	
Intangible assets	120
Property, plant & equipment	14
Inventory and biological assets	52
Current assets	95
Deferred tax assets/liabilities	1
Non-current liabilities	-2
Current liabilities	-162
Net identifiable assets and liabilities	119
Goodwill	38
Non-controlling interests	-77
Cash consideration	80

Refsnes Laks AS

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

	Fair value recognised on acquisition
Acquisition's effect on the balance sheet:	
Intangible assets	1,250
Property, plant & equipment	112
Other non-current assets	11
Inventory and biological assets	188
Other current assets	345
Deferred tax assets/liabilities	-307
Non-current liabilities	-345
Current liabilities	-63
Net identifiable assets and liabilities	1,191
Goodwill	287
Non-controlling interests	-813
Cash consideration	665

Note 6 - Changes in non-controlling interests

Changes in non-controlling interests 2022

NTS

On 22 November 2022 SalMar announced that the settlement of the voluntary offer, where SalMar became a 52.69 per cent owner of NTS, triggered an obligation to make a mandatory offer for all the remaining shares in NTS. With effect from 29 December 2022, the mandatory offer was completed. SalMar acquired additional 40,24 per cent of the shares, and owns after completion of the offer 92,93 per cent of the shares in NTS. The total consideration for the remaining shares was NOK 3 836 millions. For accounting purposes, the effect of the transaction is recognised directly to equity in the period. As a consequence of the transactions, the non-controlling interest related to treasury shares owned by NTS was reduced by NOK 1 816 millions and the equity attributable to shareholders in SalMar will be reduced accordingly.

Mariculture AS

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

Changes in non-controlling interests 2021

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



Note 7 - Discontinued operations

Through the acquisition of NTS, Frøy ASA became a subsidiary of the SalMar group. SalMar owns 100 per cent of the shares in NTS, which owns 72,11 per cent of the shares in Frøy ASA. On 13 January 2023, SalMar announced that, based on incoming interest regarding Frøy ASA, the group has decided to explore strategic alternatives in Frøy with the aim of maximizing value for its shareholders. The strategic review is expected to be concluded within 2023.

The Board consider the subsidiary to meet the criteria to be classified as discontinuing operations on 31 December 2022.

At 31 December 2022 Frøy is classified as discontinued operations in accordance with IFRS 5 Non-current assets held for sale and discontinued operations. The results of Frøy ASA for the period from the acquisition are presented below:

	01.11.2022-31.12.2022
Total operating revenues	379
Cost of goods sold	86
Salary and personnel expenses	111
Other operating expenses	71
EBITDA	111
Depreciation and write-downs	0
Operating profit	111
Income from investments in associates and joint ventures	1
Net interest expenses	-15
Other financial items	-6
Profit from discontinued operation before tax	91
Income tax expense from the ordinary activities for the period	-16
Profit for the period from discontinued operations	107
Other comprehensive income:	
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>	
Change in fair value of financial instruments, net after tax	-5
Total comprehensive income from discontinued operations	102
Profit for the period from discontinued operations attributable to equity holders of Salmar ASA	67
Earnings per share	
Diluted profit for the period from discontinued operations	0.53
Profit for the period from discontinued operations	0.53

The major classes of assets and liabilities of Frøy ASA as held for sale as at year end 2022 are as follows:

	31.12.2022
ASSETS	
Non-current tangible assets	10,201
Right-of-use assets	489
Non-current financial assets	120
Total non-current assets	10,811
Inventory	15
Trade receivables	257
Other current receivables	71
Cash and cash equivalents	319
Total current assets	661
TOTAL ASSETS	11,472
LIABILITIES	
Deferred tax liability	919
Non-current interest-bearing liabilities	3,608
Non-current lease liabilities	314
Total non-current liabilities	4,842
Current interest-bearing liabilities	515
Current lease liabilities	91
Other current liabilities	165
Total current liabilities	771
TOTAL LIABILITIES	5,612

Note 8 - Financial assets – investments where the equity method is applied

	Norskott Havbruk	Others	Total
Carrying amount at 1 January 2022	1,095	80	1,174
Additions through business combinations	0	1,121	1,121
Income from associates and joint ventures	41	25	66
Gain related to remeasured shares in associated companies	0	91	91
Disposal of shares in associated companies	0	-106	-106
Items recognised in other comprehensive income	17	2	18
Dividend received	0	-3	-3
Other	0	9	9
Carrying amount at 31 December 2022	1,153	1,219	2,372

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

Through the merger between SalMar ASA and NRS ASA 7. November 2022, SalMar Group became owner of Wilsgård Fiskeoppdrett AS with a ownership of 37,5%, Hellesund Fiskeoppdrett AS with a ownership of 33,5% and Nordnorsk Smolt AS with a ownership of 50%. With reference to the acquisition of 52,69% of the shares in NTS ASA at 10. November SalMar Group became owner of Skamik AS with a ownership of 24,88%, Flatanger Settefisk with a ownership of 41%, Sikkerhetssenteret Rørvik AS with a ownership of 21,26% and Oppdretternes Miljøservice AS with a ownership of 25%.

**Note 9 - Interest-bearing liabilities**

	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Non-current interest-bearing liabilities				
Non-current interest bearing liabilities	21,297	5,885	5,069	5,177
Next year's instalment on non-current interest bearing liabilities	-2,947	-163	-162	-170
Total	18,350	5,722	4,907	5,006
Lease liabilities				
Lease liabilities	1,425	957	967	975
Next year's instalment on lease liabilities	-273	-242	-216	-191
Total	1,152	715	751	784
Total carrying amount	19,502	6,437	5,657	5,790
Current interest bearing liabilities				
Bank overdraft	495	368	409	462
Next year's instalment on non-current interest bearing liabilities	2,947	163	162	170
Current interest bearing liabilities ex. lease liabilities	3,442	532	571	632
Next year's instalment on lease liabilities	273	242	216	191
Total carrying amount	3,715	774	788	823
Total interest-bearing liabilities	23,217	7,210	6,445	6,613
Cash and cash equivalents	2,713	787	902	670
Lease liabilities	1,425	957	967	975
Net interest-bearing debts (NIBD)	19,079	5,466	4,576	4,968

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

	NOK	EUR	JPY	USD	GBP	Other	Total
Non-current interest bearing liabilities	17,805	545	0	0	0	0	18,350
Lease liabilities	1,380	8	0	0	0	38	1,425
Current interest-bearing liabilities	3,176	111	3	79	40	33	3,442
Total interest-bearing liabilities	22,361	664	3	79	40	71	23,217
Cash and cash equivalents	2,764	-81	-54	60	6	17	2,713
Lease liabilities	1,380	8	0	0	0	38	1,425
Net interest-bearing debts (NIBD)	18,217	737	56	19	34	16	19,079

Financing activities - change in liabilities:

	31.12.2021	Cash flow from financing activities	Changes through business combinations	Not cash-generating effects			31.12.2022
				Currency effects	Change in next year's instalments on long-term liabilities	Other effects	
Non-current interest-bearing liabilities	4,907	7,192	9,009	28	-2,785	0	18,350
Current interest bearing liabilities	571	-128	212	2	2,785	0	3,442
Total liabilities to credit institutions	5,478	7,064	9,220	30	0	0	21,792
Non-current and current lease liabilities	967	-229	484	4	0	199	1,425
Total interest-bearing liabilities	6,445	6,835	9,705	34	0	199	23,218

Further details on interest-bearing liabilities:

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

With effect from 29 October 2022, SalMar ASA entered into term loan and guarantee facilities of NOK 11,500 million to finance the transactions with NTS, NRS and SalmoNor. At the same time the sustainability linked credit facility in SalMar ASA was increased with NOK 3,000 million. These facilities both have a duration of 18 months with an option of extension with 6 months.

From the time of acquisition of NTS and the merger with NRS (see further descriptions in note 5), new loan facilities was included in the group. The material loan facilities included from the time of acquisition and merger are listed below:

NTS, a 92.93 per cent owned company of SalMar, has a syndicated loan facility with net carrying amount at 31 December 2022 of NOK 1,084 million. The loan matures April 2023. The loan is included in current interest-bearing liabilities at 31 December 2022.

SalmoNor, a 100 per cent owned company of SalMar, has a syndicated loan facility with net carrying amount at 31 December 2022 of NOK 1,547 million. The loan matures October 2023. The loan is included in current interest-bearing liabilities at 31 December 2022.

Osan Settefisk, a 66 per cent owned company of SalmoNor, has a term loan with net carrying amount at 31 December 2022 of NOK 445 million, which matures in March 2024.

At 31 December 2022 SalMar (through the merged company NRS) has credit facilities to banks in Norway of a total NOK 2,800 million. NOK 1,000 million is a revolving loan facility (RCF) that is instalment-free, expires 17 March 2025. The carrying amount of the RCF at 31 December is NOK 650 million. NOK 1,200 million is a sustainability term loan that has an 8.5 year instalment profile with the first instalment paid in Q4 21 and a duration until 31.12.2025. The carrying amount of the sustainability term loan at 31 December is NOK 1,024 million of which NOK 142 million is classified as current interest-bearing liabilities. In addition a multi-currency overdraft facility of NOK 600 million. The carrying amount at 31 December was NOK 436 million. The credit facilities covers NRS Farming and Arctic Offshore Farming, both 100 per cent owned companies of SalMar, and Nor Seafood, a 82.49 per cent owned company of SalMar.

Note 10 - Interest and other financial items

	Q4 2022	Q4 2021	FY 2022	FY 2021
Gain related to remeasured shares in associated companies	0	0	91	0
Interest income	15	7	28	15
Interest expenses, ex. interest on lease liabilities	-167	-41	-300	-127
Interest expenses relating to lease liabilities	-20	-15	-65	-57
Net exchange differences	9	6	0	21
Net other financial items	6	-3	2	-11
Net interest and other financial items	-156	-46	-243	-159

Note 11 - Industry lawsuits in North-America

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

SalMar Group	Q4 2022	Q4 2021	FY 2022	FY 2021
Operational EBIT (NOK mill.) including cost related to lawsuits in North-America	1,006	890	4,465	2,927
Cost related to lawsuits in North-America	-	-	164	-
Operational EBIT (NOK mill.) excluding cost related to lawsuits in North-America	1,006	890	4,629	2,927
EBIT/ kg gw (NOK) - including cost related to lawsuits in North-America	16.06	15.78	23.05	16.08
EBIT/ kg gw (NOK) - excluding cost related to lawsuits in North-America	16.06	15.78	23.90	16.08

In January 2023 SalMar was informed by the Antitrust Division of the Department of Justice in the USA that they no longer have an open investigation into SalMar. SalMar has all along been adamant that the price collusion allegations have clearly lacked merit and are entirely unsubstantiated.



Note 12 - Alternative performance measures

The SalMar Group prepares its financial statements in accordance with international accounting standards (IFRS). In addition, management has established alternative performance parameters to provide useful information. The APMs are deduced from the performance measures defined in IFRS. The figures are defined below and calculated in a consistent manner. They are presented in addition to other performance measures, in

Operational EBIT

Operational EBIT is an APM used by the Group. The relationship between Operational EBIT and operating profit/loss is presented in the table below. The difference between Operational EBIT and operating

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operating profit	35	548	4,738	3,451
Production tax	28	22	85	72
Onerous contracts	-8	163	-126	181
<i>Fair value adjustment:</i>				
Change in the fair value of the biological assets	967	132	-163	-835
Change in unrealised value of Fish Pool contracts	-15	26	-70	14
Change in the unrealised value of forward currency contracts	0	0	0	44
Operational EBIT	1,006	890	4,465	2,927

EBITDA

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

	Q4 2022	Q4 2021	FY 2022	FY 2021
Operational EBIT	1,006	890	4,465	2,927
Depreciation and write-downs	343	215	1,038	807
EBITDA	1,349	1,105	5,502	3,734

EBIT/kg gw

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

Q4 2022	Farming		Icelandic	SalMar Group
	Central Norway	Northern Norway	Salmon	
Operational EBIT (NOK mill.)	484	777	98	1,006
Volume harvested (tonnes)	32.6	24.1	6.0	62.7
EBIT/kg gw (NOK)	14.84	32.29	16.37	16.05
Q4 2021	Farming		Icelandic	SalMar Group
	Central Norway	Northern Norway	Salmon	
Operational EBIT (NOK mill.)	615	429	37	890
Volume harvested (tonnes)	34.6	17.5	4.3	56.4
EBIT/kg gw (NOK)	17.76	24.48	8.72	15.78
FY 2022	Farming		Icelandic	SalMar Group
	Central Norway	Northern Norway	Salmon	
Operational EBIT (NOK mill.)	3,599	2,526	366	4,465
Volume harvested (tonnes)	114.1	63.4	16.1	193.7
EBIT/kg gw (NOK)	31.53	39.84	22.67	23.05
FY 2021	Farming		Icelandic	SalMar Group
	Central Norway	Northern Norway	Salmon	
Operational EBIT (NOK mill.)	2,118	1,243	74	2,927
Volume harvested (tonnes)	110.7	59.8	11.5	182.1
EBIT/kg gw (NOK)	19.14	20.76	6.41	16.08

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

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

	31.12.2022	30.09.2022	31.12.2021	30.09.2021
Non-current interest-bearing liabilities	18,350	5,722	4,907	5,006
Current interest-bearing liabilities	3,442	532	571	632
Cash and cash equivalents	-2,713	-787	-902	-670
Net interest-bearing debt (NIBD)	19,079	5,466	4,576	4,968
Lease liabilities	1,425	957	967	975
NIBD incl. lease liabilities	20,505	6,423	5,543	5,943

Cash flow per share - diluted

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

	Q4 2022	Q4 2021	FY 2022	FY 2021
Cash flow from operating activities	198	716	4,223	2,908
Average no. of shares outstanding (diluted) in the period (1,000 shares)	126,141	117,813	119,979	115,922
Diluted cash flow per share (NOK)	1.57	6.08	35.20	25.09

NIBD incl. lease liabilities / EBITDA

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

Note 13 - Events Occurring After the Reporting Period

Compulsory acquisition of all remaining shares in NTS

Following the completion of the mandatory offer for to acquire all shares in NTS, SalMar owns 92.93 per cent of the shares in the company. On 3 January 2023 SalMar publicly announced that they resolved to carry out a compulsory acquisition of all remaining shares in the company not owned by SalMar and with effect from 3 January 2023, SalMar became 100 per cent owner of all shares in NTS. The total consideration for the remaining shares was NOK 674.3 millions. For accounting purposes, the effect of the transaction is recognised directly to equity in the period. As a consequence of the transaction the non-controlling interest related to treasury shares owned by NTS amounting to NOK 319.2 millions will reduce the equity attributable to shareholders in SalMar accordingly.