

Second quarter 2023

Quarterly report





Highlights in the second quarter

- Limited supply of Atlantic salmon, coupled with robust demand, led to another quarter with high salmon prices, and in turn strong quarterly results.
- Operational EBIT for the group was NOK 1,745 million in Q2 2023. Total harvest was 44,300 tonnes. Operational EBIT per kg was NOK 39.4.
- Operational EBIT for Norway¹ was NOK 1,790 million. Harvest volume was 44,300 tonnes and operational EBIT per kg was NOK 40.5.
- The Fish Farming Central Norway segment continued its solid operational performance, partly offset by cost levels being impacted one-off costs.
- Fish Farming Northern Norway reported strong quarterly results with lower cost level.
- Sales and Industry continued its solid operational performance, demonstrated by its efficient management of harvesting and processing facilities and good disposal of volume to the market. The contract share was 25 per cent, with negative contribution.
- As anticipated, Icelandic Salmon harvested limited volume during the second quarter 2023 in order to optimize biological performance.
- SalMar Aker Ocean's Ocean Farm 1 started its third production cycle early May 2023.
- For Scottish Sea Farms, the results were weak, affected by biological challenges.
- SalMar keeps its volume guiding for 2023 in Norway and Iceland unchanged. The volume guidance for 2023 for Scottish Sea Farms is reduced to 27,000 tonnes.
- Resource rent tax in Norway has been included with a material implementation effect.
- Arctic Offshore Farming started production in July and with Ocean Farm 1, two offshore facilities are in operation.
- SalMar is also increasing its smolt capacity with first batch of roe being installed at the new smolt facility, Tjuin, during the summer.
- In August, Goldman Sachs Asset Management completed the acquisition of 72.11 per cent of the shares in Frøy ASA from NTS, SalMar's wholly owned subsidiary, for NOK 4.8 billion in cash consideration.
- Also in August, SalMar further strengthened its balance sheet and financial flexibility by entering its new unsecured credit facilities agreement, totaling NOK 16 billion.
- Board of SalMar propose to cancel 13.1 million treasury shares. Notice to extraordinary general meeting will be sent at a later point of time.
- With these and other recent events, SalMar is well positioned for further sustainable growth. More insight into the company's ambitions and plans will be shared at its Capital Markets Day on 6-7 September.

NOK million	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Operating income	5,895	4,172	12,687	8,855	20,158
Operational EBIT	1,745	883	3,630	2,145	4,465
Production tax	-25	-14	-57	-34	-85
Fair value adjustments & onerous contracts	375	1,592	1,010	1,689	359
Income from investments in associates and joint ventures	-71	119	-44	219	66
Profit before tax from continuing operations	1,766	2,547	4,001	3,934	4,562
Profit for the period from continuing operations	-939	2,013	806	3,116	3,608
EPS – diluted	-6.4	15.6	6.8	24.8	27.6
NIBD incl. leasing liabilities	22,537	6,893	22,537	6,893	20,505
Equity ratio %	34.7 %	51.5 %	34.7 %	51.5 %	38.6 %
Harvested volume (1,000 t _{gw})	44.3	32.4	92.9	77.4	193.7
EBIT/kg (NOK)	39.4	27.3	39.1	27.7	23.1

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



Financial performance

Income statement for the second quarter 2023

In the second quarter 2023, the SalMar Group reported fully consolidated results from NTS, NRS and SalmoNor for the third consecutive quarter. The acquired businesses were fully consolidated from November 2022.

Fish Farming Central Norway reported good operational performance, but results were partly offset by cost levels being impacted by write-down of biomass related to incident at cleaner fish facility. Fish Farming Northern Norway reported strong results following solid operational performance and reduced cost level.

Sales and Industry delivered continued solid operational performance where its operational structure of its harvesting and processing facilities continues to showcase its strength.

Icelandic Salmon delivered a quarter with very limited harvest volume. Results were therefore correspondingly weak.

For SalMar Aker Ocean the third production cycle at its Ocean Farm 1 facility commenced early May 2023.

In the second quarter 2023, the SalMar Group in total harvested 44,300 tonnes of salmon, up from 32,400 tonnes in the second quarter 2022.

The Norskott Havbruk joint venture (Scottish Sea Farms) reported weak results due to biological challenges. The company harvested 6,300 tonnes of salmon in the quarter. By comparison, the company harvested 9,500 tonnes in the corresponding period last year. SalMar owns 50 per cent of Norskott Havbruk.

In the second quarter 2023, the price of salmon (NASDAQ Salmon Index) averaged NOK 107.1 per kg up from NOK 106.2 per kg in the second quarter in 2022.

Operating revenues amounted to NOK 5,895 million in the second quarter 2023, compared with NOK 4,172 million in the second quarter 2022.

SalMar's most important key figure for measuring its performance is operational EBIT, an alternative performance measure, see note 12 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 1,745 million in the quarter, up from NOK 883 million in the corresponding quarter the year before. The increase is due to higher harvest volume and higher achieved salmon prices.

The SalMar Group achieved an operational EBIT per kg of NOK 39.4 in the second quarter 2023, up from NOK 27.3 per kg in the second quarter 2022.

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 negative NOK 25 million in the second quarter 2023. In the same period in 2022 this amounted to negative NOK 14 million.

The change in provisions for onerous contracts was NOK 96 million in the quarter. The fair value adjustment was positive with NOK 412 million and fair value adjustment included in cost of goods sold due to business combination was negative NOK 132 million in the quarter. See Note 4 for further details.

SalMar posted an operating profit of NOK 2,096 million in the second quarter 2023 down from NOK 2,461 million in the same period in 2022.

Income from investments in associates and joint ventures was negative NOK 71 million in the period, compared with NOK 119 million in the corresponding quarter in 2022. See note 8 for further details.

Net interest expenses totalled NOK 279 million in the second quarter 2023, compared with NOK 48 million in the corresponding quarter last year. The increase is due to increased interest bearing debt and higher interest rates.

Other financial items were NOK 20 million in the period, compared with NOK 15 million in the second quarter 2022.

Profit before tax in the second quarter was NOK 1,766 million, compared with NOK 2,547 million in the corresponding quarter last year.

A tax expense of NOK 2,705 million has been recognised for the quarter. This amount includes NOK 2,303 million in estimated implementation effect for resource rent tax in Norway. There is high uncertainty how the new resource rent tax shall be calculated as rules is not finalized. See note 11 for further details.

This results in a net profit for the period from continuing operations of negative NOK 939 million. The profit after tax from discontinued operations was NOK 161 million, resulting in a profit for the period of negative NOK 778 million. The tax expense recognised in the corresponding quarter last year was NOK 533 million, while profit for the period last year totalled NOK 2,013 million.

Currency exchange effects through the quarter resulted in translation differences of NOK 155 million with respect to associates and subsidiaries accounted for in foreign currencies. Change in fair value of financial instruments net after tax was NOK 100 million. This resulted in a total other comprehensive income of NOK 255 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 negative NOK 523 million.



Revenue and results for the first half of 2023

In the first half of 2023, the SalMar Group reported operating revenues of NOK 12,687 million, up from NOK 8,855 million in the corresponding period in 2022.

The harvest volume for the SalMar Group in the first half of the year was 92,900 tonnes, a 20 per cent increase from 77,400 tonnes in the first half of 2022.

The price of salmon (NASDAQ Salmon Index) in the first half of 2023 averaged NOK 106.0 per kg, compared with NOK 92.9 per kg in the same period last year.

Operational EBIT for the first half of 2023 was NOK 3,630 million, up from NOK 2,145 million in the first half of 2022. This corresponds to an operational EBIT per kg of NOK 39.1 in the first half of 2023, compared to NOK 27.7 per kg in the first half of 2022.

The production tax in Norway and the resource tax in Iceland totalled at NOK 57 million in the first half of 2023, compared to NOK 34 million in the first half of 2022.

The change in provisions for onerous contracts was NOK 87 million in the first half of 2023. The fair value adjustment was positive with NOK 1,358 million and fair value adjustment included in cost of goods sold due to business combination was negative NOK 436 million in the first half of 2023. In the first half of 2022 fair value adjustments and onerous contracts totalled NOK 1,689 million.

Operating profit for the first six months of 2023 totalled at NOK 4,583 million. Operating profit for the first six months of 2022 came to NOK 3,800 million.

Income from associates and joint ventures for the first half of 2022 ended at negative NOK 44 million. The negative contribution derives primarily from SalMar's share of the profit from Norskott Havbruk, which was negative NOK 95 million in the year's first six months. In the same period last year, income from associates and joint ventures was NOK 219 million.

Net interest expenses totalled NOK 549 million in the first half of 2023, compared with NOK 101 million in the same period last year. Other financial items totalled NOK 11 million in the period, compared to NOK 16 million in the same period last year.

Profit before tax in the first six months of 2023 totalled NOK 4,001 million, compared with NOK 3,934 million in the same period in 2022.

A tax expense of NOK 3,195 million has been calculated for the first half of 2023. This amount includes NOK 2,303 million in implementation effect for the new resource rent tax in Norway. See note 11 for further information. This brings the profit for the period from continuing operations to NOK 806 million. The profit after tax from discontinued operations was NOK 269 million, resulting in a profit for the period of negative NOK 1,075 million. A tax expense of NOK 819 million was recognised in the first half of 2022, which resulted in a profit for the period of NOK 3,116 million.

Cash flow

Cash flow from operating activities for the SalMar Group was NOK 2,228 million in the second quarter 2023, compared with NOK 1,220 million in the same period in 2022. In the second quarter, NOK -61 million is related to discontinuing operations.

Net cash flow from investing activities in the second quarter totalled NOK -934 million, compared with NOK -736 million in the second quarter last year. Investments in the value chain in the quarter related to purchase and sale of non-current assets totalling NOK -676 million, cash flow from other investing activities at NOK 45 million, and investing activities related to discontinuing operations at NOK -303 million.

The Group had a net cash flow from financing activities of NOK -1,751 million in the second quarter 2023, compared with NOK -452 million in the same period last year.

During the quarter the Group's interest-bearing liabilities increased with NOK 1,288 million, instalments on lease liabilities and net interest paid totalled NOK -100 million. In the same quarter last year, interest-bearing liabilities increased with 2,068 million, while instalments on leasing liabilities and net interest paid totalled NOK -73 million.

SalMar had a net change in cash and cash equivalents of NOK -456 million in the second quarter 2023, compared with NOK 31 million in the same period in 2022. Adjusted for NOK -6 million in currency effects, cash holding at the close of the quarter stood at NOK 1,163 million. Excluding cash and cash equivalents from discontinuing operations at period end, cash available at the end of second quarter 2023 was NOK 784 million.

Financial position

At the end of the second quarter 2023, SalMar Group's assets totalled NOK 63,867 million, up from NOK 62,481 million at the end of the first quarter 2023. Total assets at the end of the second quarter 2023 excluding Frøy equals NOK 51,818 million.

SalMar Group's indirect holding in Frøy is classified as assets held for sale, with a total book value of NOK 12,049 million.

Non-current assets amounted to NOK 34,759 million at the end of second quarter 2023, up from NOK 34,243 million at the end of March 2023.

Non-current intangible assets totalled NOK 18,478 million at the end of the quarter, up from NOK 18,419 million at the end of first quarter 2023.

The book value of the Group's non-current tangible assets was 12,001 million at the close of the quarter, up from NOK 11,538 million at the end of March 2023.

The Group's right-of-use assets totalled NOK 1,509 million, down from NOK 1,573 million at the end of March 2023.

Non-current financial assets increased from NOK 2,713 million at the end of the first quarter to NOK 2,771 million at the end of the second quarter 2023.

At the end of the second quarter 2023, SalMar had current assets totalling NOK 17,059 million, up from NOK 16,425 million at the end of the first quarter 2023.



The book value of inventory stood at NOK 14,217 million at the end of second quarter 2023, up from NOK 13,176 million at the end of the first quarter 2023. Trade receivables totalled NOK 1,415 million, down from NOK 1,676 million at the end of the previous quarter. Other current receivables were NOK 644 million, up from NOK 573 million at the end of the first quarter 2023.

As of 30 June 2023, the SalMar Group had cash and cash equivalents of NOK 784 million, down from NOK 1,000 million at the end of March 2023.

As of 30 June 2023, the Group's total equity amounted to NOK 22,175 million, corresponding to an equity ratio of 35 per cent, compared to NOK 25,401 million at the end of March 2023 and an equity ratio of 41 per cent. For further details, reference is made to the attached separate presentation of movements in equity.

As of end June 2023, the SalMar Group had total interest-bearing liabilities of NOK 21,770 million. Of this amount,

non-current interest-bearing debts amounted to NOK 18,755 million, while current interest-bearing liabilities was NOK 3,014 million. By comparison, total interest-bearing liabilities at the end of March 2023 was NOK 20,445 million. See notes to the financial statements for further details.

The Group's lease liabilities totalled NOK 1,551 million at the close of the second quarter 2023, compared to NOK 1,609 million at the end of the first quarter 2022.

At the end of the second quarter 2023, pension liabilities, deferred tax liability, trade payables and other current liabilities totalled NOK 12,400 million, compared to NOK 9,178 million at the end of the previous quarter.

As of 31 March 2023, the SalMar Group had net interest-bearing debts, including lease liabilities of NOK 22,537 million, compared to NOK 21,054 million at the end of the first quarter 2023.

Operational performance

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

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	Q2 2023	Q2 2022	H1 2023	H1 2022
Operating income	2,852	2,073	5,179	4,034
Operational EBIT	1,108	1,213	2,217	2,138
Operational EBIT %	39 %	59 %	43 %	53 %
Harvested volume (1,000 t _{gw})	28.3	20.7	50.5	45.6
EBIT/kg gw (NOK)	39.1	58.6	43.9	46.9

Fish Farming Central Norway harvested 28,300 tonnes of salmon in the second quarter 2023, compared with 20,700 tonnes in the second quarter 2022.

The segment generated operating income of NOK 2,852 million in the quarter, compared with NOK 2,073 million in the corresponding quarter last year.

Good operational performance in the period but the results are affected by increased cost level compared to the previous quarter, mainly due to lower average weight and write-down of biomass related to incident at cleaner fish facility.

Previous SalmoNor sites accounted for approx. 28 per cent of the harvested volume in the quarter.

EBIT per kg gutted weight was NOK 39.1 in the second quarter 2023, down from NOK 58.6 per kg in the same period last year.

The volume harvested in the quarter originated from fish that were transferred to sea in the autumn of 2021 and spring 2022. Harvesting from the autumn 2021 generation was finished in the period and the segment will continue harvesting from the spring 2022 generation in the third quarter 2023.

There good biological status of the fish in sea and in the third quarter 2023, the segment expects lower cost level and higher volume than in the second quarter 2023.

The volume guidance for 2023 is kept unchanged at 148,000 tonnes.

Fish Farming Northern Norway

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

NOK million	Q2 2023	Q2 2022	H1 2023	H1 2022
Operating income	1,542	917	3,424	2,180
Operational EBIT	858	605	1,694	1,320
Operational EBIT %	56 %	66 %	49 %	61 %
Harvested volume (1,000 t _{gw})	16.0	8.7	35.7	25.5
EBIT/kg gw (NOK)	53.7	69.1	47.4	51.7

Fish Farming Northern Norway harvested 16,000 tonnes in the second quarter 2023, compared with 8,700 tonnes in the second quarter 2022.

The segment generated operating income of NOK 1,542 million in the quarter, compared with NOK 917 million in the second quarter 2022.

The segment has continued its trend with solid biological and operational performance. This, in combination with high salmon prices, gave a solid result in the first quarter.

The cost level decreased compared to the previous quarter. Additionally, the harvest volume from NRS operations comprised a smaller portion of the quarter's total than in the prior quarter, at 15 per cent. This harvest volume holds a higher cost base than that of SalMar.

Fish Farming Northern Norway achieved NOK 53.7 EBIT per kg gutted weight in second quarter 2023, compared to NOK 69.1 in the same period the year before.

The autumn 2021 generation accounted for 90 per cent of the harvest volume in the period. The generation continued the solid trend with good performance. In the quarter, the segment also started harvesting of the spring 2022 generation.

There good biological status of the fish in sea and the segment expects a slightly higher cost level and higher volume in the third quarter 2023.

The volume guidance for 2023 is kept unchanged at 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 and Vikenco in Central Norway, and InnovaNor in Northern Norway.

NOK million	Q2 2023	Q2 2022	H1 2023	H1 2022
Operating income	6,003	3,947	12,242	8,392
Operational EBIT	-67	-781	-148	-1,153
Operational EBIT %	-1.1 %	-19.8 %	-1.2 %	-13.7 %

Sales and Industry generated gross operating income of NOK 6,003 million in the second quarter 2023, compared with NOK 3,947 million in the corresponding period in the year before.

The segment delivered strong operational performance with high flexibility in processing capacity, showcasing its ability to optimise capacity utilisation of raw materials. In total it harvested 42,800 tonnes of salmon in the second quarter 2023, compared with 34,900 tonnes in the second quarter 2022.

The price achievement from spot sales in the quarter was improved from previous quarters, and the fixed price contract share in the first quarter 2023 was 25 per cent.

The segment delivered an operational EBIT of NOK -67 million in the period, compared with NOK -781 million in the same period last year.

In the third quarter 2023, the contract rate is expected to be around 15 per cent. For the full year of 2023, the contract rate is expected to be around 16 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 new proposed tax in Norway still creates uncertainty as a normative price council is proposed for 2024.

In the second half of 2023 it is expected significantly higher volume compared with the volume first half of 2023. With the investments done over the last years in the value chain SalMar has a high capacity to handle the increased volume.

SalMar Aker Ocean

SalMar Aker Ocean is a partnership between SalMar (85 per cent ownership) and Aker (15 per cent) that specialise in offshore farming, defined as 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	Q2 2023	Q2 2022	H1 2023	H1 2022
Operating income	0	-	0	-
Operational EBIT	-10	-39	-55	-73
Operational EBIT %	-	-	-	-
Harvested volume (1,000 tgw)	-	-	-	-
EBIT/kg gw (NOK)	-	-	-	-

In the second quarter of 2023, SalMar Aker Ocean had an operational EBIT of NOK -10 million.

The results in the period is better than in previous quarters as cost is allocated to the biomass after the third production cycle at Ocean Farm 1 commenced early May. Planned harvest is scheduled for early 2024.

There is a large potential for future value creation and volume growth for offshore operations. However, due to the new resource rent tax, the timeline for new units is uncertain.



Icelandic Salmon

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

NOK million	Q2 2023	Q2 2022	H1 2023	H1 2022
Operating income	26	349	791	716
Operational EBIT	-35	135	169	229
Operational EBIT %	-136 %	39 %	21 %	32 %
Harvested volume (1,000 t _{gw})	0.1	3.0	6.7	6.3
EBIT/kg gw (NOK)	-384.6	45.53	25.4	36.2

As anticipated, Icelandic Salmon harvested very low volume in the second quarter 2023 to optimise biological performance.

The business generated operating income of NOK 26 million in the quarter, contrasting with NOK 349 million in the same period in 2022.

Operational EBIT per kg in the quarter was negative NOK 384.6 per kg, in comparison to NOK 45.5 per kg in the same period last year, attributed to the very low harvest volume.

The 2021 generation accounted for the harvest volume in the quarter. The segment expects to increase its harvest volume significantly in the third quarter 2023.

The volume guidance for 2023 is kept unchanged at 16,000 tonnes.

A significant increase in volumes is expected in 2024 following the company's significant investments in additional 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 44,300 tonnes in the second quarter 2023, R&D costs accounted for NOK 1.26 per kg.

Joint venture – Scottish Sea Farms

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

NOK million	Q2 2023	Q2 2022	H1 2023	H1 2022
Operating income	692	884	1,197	1,523
Operational EBIT	-144	190	-135	295
Harvested volume (1,000 t _{gw})	6.3	9.5	11.5	17.3
EBIT/kg gw (NOK)	-22.8	20.0	-11.8	17.0
Fair value adj. biomass	16	139	-5	320
Profit/loss before tax	-191	311	-235	584
SalMar's share after tax	-78	122	-95	219
NIBD (NOKm)	2,647	2,067	2,647	2,067

Scottish Sea Farms harvested 6,300 tonnes in the quarter, compared with 9,500 tonnes harvested in the second quarter 2022.

The company generated operating revenues of NOK 692 million in the second quarter 2023, compared with NOK 884 million in the second quarter last year. The decrease is mainly due to lower volume harvested.

EBIT per kg gutted weight was negative NOK 22.8 in the period, a decline from NOK 20.0 per kg in the corresponding period last year.

SalMar's share of Norskott Havbruk's net profit was NOK -78 million in the second quarter 2023.

The weak results are due to harvest of biologically challenged sites affecting average harvest weight, cost base and price achievement. And in the period incident based mortality accounted for £13.2 million. These sites have been affected by the biological challenges second half 2022 which has persisted in 2023.

In the third quarter there is still biological challenges but one expects improvements in both average weight and cost base of the harvested volume.

Due to the biological challenges the volume guidance for 2023 is reduced from 37,000 tonnes to 27,000 tonnes.



Markets

Supply and biomass

In the second quarter 2023, the global supply of Atlantic salmon totalled approximately 628,100 tonnes, an increase of one per cent on the same period in 2022.

At 313,900 tonnes, output in Norway in the quarter was three per cent higher than in the same period a year before. The output increased with five per cent in UK and seven per cent in Chile, while in other regions output decreased; 14 per cent in Faroe Islands, 16 per cent in North America, and 17 per cent in other producing countries.

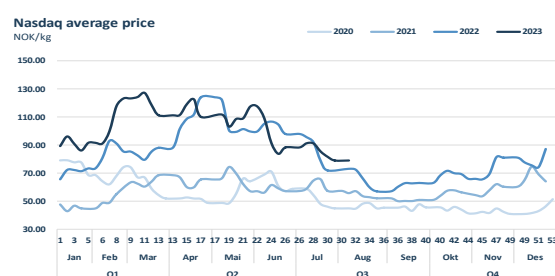
According to figures from Kontali, the standing biomass in Norway at the end of the second quarter 2023 is estimated to be 2.6 per cent higher than the end of second quarter 2022. At the same time, the standing biomass is estimated to be 2.7 per cent lower in Chile, 6 per cent lower in the UK and 12.5 per cent higher in the Faroe Islands.

Prices and foreign exchange rates

NASDAQ Salmon Index was traded at NOK 111.2 per kg at the start of the second quarter 2023. At the end of June, it was traded at a price of NOK 88.2 per kg.

The NASDAQ Salmon Index in the period averaged NOK 107.1 per kg in the second quarter 2023, up from NOK 106.2 per kg in the second quarter 2022.

NASDAQ Salmon Index NOK/kg



Against the most important trading currencies for salmon the Norwegian krone (NOK) weakened 2.7 per cent against EUR, 5.2 per cent against the GBP, and 2.8 against the USD through the quarter.

Norwegian exports

Norwegian export of salmon was around 298,000 tonnes (round weight) in the second quarter 2023, up 3 per cent from 288,600 tonnes in the same period last year. The value of these exports rose by 18 per cent year-on-year, from NOK 24.9 billion to NOK 29.5 billion.

A substantial secondary processing industry makes Poland the largest single market for Norwegian salmon. In the second quarter 2023, around 36,000 tonnes of salmon in total were exported to this market, a 5 per cent decrease from the corresponding quarter in 2022.

Exports increased by 15 per cent to the USA, 29 per cent to Denmark, 1 per cent to Spain, and 45 per cent to the Vietnam/China/Hong Kong. Exports to France fell by 4 per cent, and fell by 20 per cent to UK, compared to the second quarter 2022.

Shares and shareholders

As of 30 June 2023, SalMar had a total of 145,138,920 shares outstanding, divided between 26,688 shareholders.

The company's largest shareholder, Kverva Industrier AS, owned 41.3 per cent of the shares at the end the quarter. The 20 largest shareholders owned a total of 68.5 per cent of the shares.

As at 31 June 2023, SalMar ASA owned 13,706,246 treasury shares, of which 13,691,960 were owned indirectly through the fully owned subsidiary NTS AS. This corresponds to 9.4 per cent of the total number of shares outstanding as of 30 June 2023.

SalMar's share price fluctuated between NOK 414.9 and NOK 518.0 in the second quarter 2023. The price at the close of the quarter was NOK 432.9 compared with NOK 455.8 at the close of the previous quarter.

A total of 161.1 million shares were traded in the quarter, which corresponds to 11.1 per cent of the total number of shares outstanding. The volume of shares traded daily averaged 259,475.

AGM and dividend

SalMar held its Annual General Meeting (AGM) on 8 June 2023. The AGM voted to pay a dividend of NOK 20 per share. The shares were traded ex. dividend from 9 June 2023.

Cancellation of treasury shares

Board of SalMar propose to cancel 13.1 million treasury shares. Notice to extraordinary general meeting will be sent at a later point of time.

Other matters

New operating structure in place, synergy potential confirmed

Through a series of transactions, NTS, NRS and SalmoNor became part of SalMar from November 2022. The companies merged into SalMar's existing operational structure, and the new operating structure became operational as of 1 January 2023. The estimated total restructuring cost of NOK 103 million remains unchanged.

The combination will allow for yearly recurring cost savings in optimal locations to produce Atlantic salmon, identified to be NOK 671 million per annum. During the second quarter 2023, SalMar has been able to realise NOK 508 million in synergies, representing 76 per cent of the annual target.

Expansion of smolt production capacity

Access to high quality roe and smolt is crucial to secure good performance in salmon farming. In 2022, SalMar completed expansion of its smolt facility on Senja. The first transfer of fish to sea was in April 2023. The new smolt facility under construction in Tjuin in Trøndelag, is expected to transfer the first batch of fish to sea in 2024 and the first roe was installed in facility at the end of June 2023.



SalMar finished the construction of a new closed net pen, which will be put into operation during the autumn 2023. This is the second closed net pen for SalMar, and both are located in southern parts of Central Norway, in Romsdalsfjorden.

Expanding harvesting and processing capacity

Harvesting and VAP activities at InnovaNor, SalMar's recently established harvesting and processing plant in Northern Norway, has continued its ramp up throughout second quarter of 2023. With the facility proving its ability to deliver according to designed capacity.

Currently, a project is underway to expand harvesting capacity at SalMar's facility Vikenco in Rindarøy outside Molde in Central Norway.

Two offshore units in operation

In May the third production cycle started at Ocean Farm 1 and in July the first production cycle started in the development project Arctic Offshore Farming.

Resource rent tax on aquaculture in Norway

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

SalMar remains strongly opposed to this the resource rent tax and has consistently cautioned against it. The tax relies on the incorrect assumption that aquaculture food production is a location-bound resource rent industry that consistently generates extraordinary returns disproportionate to the risk involved. The high tax level and the unfavourable design of the new tax are poised to withdraw a substantial portion of investment capital from the industry. Therefore SalMar will continue its close and fact-based dialogue with authorities and decision-makers to promptly restoring a tax system and tax level that is appropriate for Norwegian aquaculture. And

The second quarter marks the first quarter for the implementation of a resource tax in Norway. Due to high uncertainty about the detailed rules of how the tax shall be calculated SalMar has recognized the material implementation effect in the financial statements for the second quarter while the calculation of the profit in the period is deemed to be too uncertain to quantify. See note 11 for further details.

Events after the reporting date

Completion of the acquisition by Goldman Sachs Asset Management of 72.11% of the shares in Frøy ASA from NTS AS

In August 2023, SalMar announced the completion of the sale of its 72.11 per cent ownership stake in Frøy to Goldman Sachs Asset Management for NOK 76.50 per share. Following completion of a successful strategic review which received strong interest. The total cash

consideration was NOK 4.8 billion for SalMar, which will be booked in the third quarter.

New financing in place

In August, SalMar refinanced its credit facilities with a new NOK 16 billion senior unsecured financing agreement with the intention of making it sustainability linked.

The agreement comprises a 3+1+1 year term loan with a total of NOK 6 billion, a 5+1+1 year rolling credit facility of NOK 10 billion, and a NOK 3 billion in accordion option. The agreement features improved terms compared to previous facilities and includes covenants of an equity ratio above 30 per cent and interest cover exceeding 3.0.

DNB, Danske Bank, Nordea, Rabobank, and SEB are lenders in the agreement.



Outlook

Markets

Global growth in supply for Atlantic salmon is expected to be limited for the full year 2023 or to increase with 0.7 per cent from levels in 2022 according to figures from Kontali Analyse.

In the third quarter 2023, the global volume of salmon harvested is expected to be at the same level compared the third quarter 2022, according to figures compiled by Kontali. Compared with the same period last year the harvested volume in the third quarter is expected to increase with 3 per cent in Norway, 2 per cent in UK, 10 per cent in Faroe Island and 16 per cent in other producing countries. It is expected to decrease with 9 per cent in Chile and 13 per cent in North America.

The Fish Pool forward price as of 18 August 2023 indicates an average salmon price of NOK 72.5 per kg and NOK 71.1 per kg in August and September 2023, respectively. The forward price for the fourth quarter 2023 is NOK 79.9. In 2024 the forward price is currently NOK 92.0 per kg.

Company

SalMar keeps volume guidance for 2023 unchanged at 243,000 tonnes in Norway and 16,000 tonnes in Iceland. In the joint venture Scottish Sea Farms the guidance is reduced to 27,000 tonnes.

In Norway, SalMar expects significantly higher volume and similar cost level in the third quarter 2023 compared to the second quarter 2023. And also higher volume in Iceland.

For the third quarter 2023, the contract rate is expected to be around 15 per cent. For the full year of 2023, it is expected to be 16 per cent.

SalMar's ongoing investment programmes to further develop its already strong platform for growth, is currently on hold due to the uncertainty created in the industry as a consequence of the new resource rent tax. Committed and ongoing investments continue, but new large industrial projects are on hold.

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

SalMar has an optimistic outlook for the future of the aquaculture industry. The company expects the global supply of Atlantic salmon in 2023 to be at the same level as in 2022. The new tax regime in Norway from 2023 will however have a major impact on the capacity for innovation and investments in the Norwegian aquaculture industry.



Statement by the Board of Directors

We declare that, to the best of our knowledge, the half-year financial statements for the period 1 January to 30 June 2023 have been prepared in accordance with IAS 34 – Interim Reporting, and that the information contained therein provides a true and fair view of the Group's assets, liabilities, financial position and overall results.

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

The Board of Directors and CEO of SalMar ASA
Frøya, 23 August 2023

Gustav Witzøe
Chair

Arnhold Holstad
Director

Hans Stølan
Director (employee-elected)

Margrethe Hauge
Director

Morten Loktu
Director

Frode Arntsen
CEO

Leif Inge Nordhammer
Director

Ingvild Kindlihaugen
Director (employee-elected)



Profit or Loss

NOK million	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Total operating revenues	5,895	4,172	12,687	8,855	20,158
Cost of goods sold	2,367	1,704	5,568	3,754	9,599
Fair value adjustment included in cost of goods sold due to business combination	-132	-	-436	-	-283
Salary and personnel expenses	596	445	1,221	864	1,894
Other operating expenses	976	910	2,018	1,634	3,446
EBITDA	2,088	1,113	4,316	2,603	5,502
Depreciation and write-downs	343	230	686	458	1,038
Operational EBIT	1,745	883	3,630	2,145	4,465
Production tax	-25	-14	-57	-34	-85
Onerous contracts	96	142	87	-87	126
Fair value adjustment	412	1,450	1,358	1,776	516
Fair value adjustment included in cost of goods sold due to business combination	-132	-	-436	-	-283
Operating profit	2,096	2,461	4,583	3,800	4,738
Income from investments in associates and joint ventures	-71	119	-44	219	66
Net interest expenses	-279	-48	-549	-101	-336
Other financial items	20	15	11	16	93
Profit before tax	1,766	2,547	4,001	3,934	4,562
Income tax expense	2,705	533	3,195	819	954
Profit for the period from continuing operations	-939	2,013	806	3,116	3,608
Profit after tax for the period from discontinued operations	161		269		107
Profit for the period	-778	2,013	1,075	3,116	3,715
Other comprehensive income:					
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>					
Translation differences in associates and joint ventures	61	85	146	32	21
Translation differences in group companies	94	166	287	81	124
Change in fair value of financial instruments, net after tax	100	-193	-128	-20	169
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>					
Remeasurement gain on defined benefit plans, net after tax					3
Total other comprehensive income	255	58	304	93	317
Total comprehensive income	-523	2,072	1,379	3,208	4,033
<i>Profit for the period attributable to:</i>					
Non-controlling interests	66	177	185	198	404
Shareholders in SalMar ASA	-844	1,837	890	2,917	3,312
<i>Comprehensive income for the period attributable to:</i>					
Non-controlling interests	114	203	294	207	478
Shareholders in SalMar ASA	-637	1,869	1,085	3,001	3,555
Earnings per share	-6.4	15.6	6.8	24.8	27.6
Earnings per share - diluted	-6.4	15.6	6.8	24.8	27.6



Balance Sheet

NOK million	30.06.23	31.03.23	31.12.22	30.06.22
ASSETS				
Non-current intangible assets	18,478	18,419	18,291	8,777
Non-current tangible assets	12,001	11,538	11,131	7,838
Right-of-use assets	1,509	1,573	1,387	891
Non-current financial assets	2,771	2,713	2,746	1,830
Total non-current assets	34,759	34,243	33,555	19,336
Inventory	14,217	13,176	12,685	9,721
Trade receivables	1,415	1,676	1,414	1,049
Other current receivables	644	573	663	499
Cash and cash equivalents	784	1,000	2,713	1,073
Total current assets	17,059	16,425	17,474	12,342
Assets held for sale	12,049	11,813	11,472	-
TOTAL ASSETS	63,867	62,481	62,501	31,678
EQUITY AND LIABILITIES				
Paid-in equity	12,583	12,581	12,559	3,463
Retained earnings	4,949	8,205	6,797	10,397
Non-controlling interests	4,643	4,615	4,799	2,454
Total equity	22,175	25,401	24,155	16,314
Pension liabilities	10	9	18	-
Deferred tax liability	7,022	2,314	1,928	2,659
Non-current interest-bearing liabilities	18,755	17,526	18,350	6,244
Non-current lease liabilities	1,270	1,320	1,152	773
Total non-current liabilities	27,058	21,169	21,448	9,675
Current interest-bearing liabilities	3,014	2,918	3,442	734
Short-term lease liabilities	281	289	273	216
Trade creditors	3,315	2,548	3,338	2,341
Other current liabilities	2,052	4,307	4,233	2,398
Total current liabilities	8,663	10,063	11,286	5,689
Liabilities directly associated with the assets held for sale	5,971	5,849	5,612	-
TOTAL EQUITY AND LIABILITIES	63,867	62,481	62,501	31,678
Net interest-bearing debt (NIBD)	20,986	19,445	19,079	5,905
NIBD incl. lease liabilities	22,537	21,054	20,505	6,893
Equity share	34.7 %	40.7 %	38.6 %	51.5 %



Statement of Cash Flow

NOK million	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Profit before tax	1,766	2,547	4,001	3,934	4,562
Profit before taxes from discontinuing operations	167	-	295	-	91
Profit before taxes	1,934	2,547	4,297	3,934	4,654
Tax paid in the period	-12	-6	118	-41	-552
Depreciation, amortisation and write-downs	343	230	686	458	1,038
Income from associated companies and joint ventures	71	-119	44	-219	-66
Gain related to remeasured shares in associated companies	-	-	-	-	-91
Onerous contracts	-96	-142	87	87	-126
Fair value adjustments	-279	-1,450	923	-1,776	-232
Change in working capital	61	97	773	27	-806
Other changes	268	63	544	130	390
Cash-flow from operating activities related to discontinuing operations	-61	-	45	-	16
Net cash flow from operating activities	2,228	1,220	3,714	2,600	4,223
Cash-flow from purchase and sale of PPE, licenses and other intangible assets	-676	-762	1,291	-1,320	-2,453
Payments on business combinations, net of cash	-	-	-	-	-1,983
Proceeds from disposal of other financial investments	45	-	45	-	1,860
Cash-flow from other investing activities	0	26	35	20	19
Cash-flow from investing activities related to discontinuing operations	-303	-	-303	-	-80
Net cash flow from investing activities	-934	-736	1,515	-1,300	-2,637
Change in interest-bearing liabilities	1,288	2,068	111	1,480	7,019
Payment of instalments on lease liabilities	-77	-58	160	-109	-229
Payment of interest on lease liabilities	-23	-15	47	-30	-65
Net interest paid financing activities	-240	-30	459	-65	-211
Dividend	-2,694	-2,364	2,694	-2,364	-2,405
Net proceeds from capital contribution	-	1	-	11	11
Change in non-controlling interests	-0	-55	671	-55	-3,873
Cash-flow from financing activities related to discontinuing operations	-3	-	71	-	-78
Net cash flow from financing activities	-1,751	-452	4,071	-1,131	168
Net change in cash and cash equivalents	-456	31	1,872	169	1,754
Currency translation of cash and cash equivalents	-6	17	4	3	7
Cash and cash equivalents as at the start of the period	1,000	1,025	2,713	902	902
Cash and cash equivalents discontinuing operations at acquisition	625	-	319	-	369
Cash and cash equivalents as at period end	1,163	1,073	1,163	1,073	3,031
Of which cash and cash equivalents in discontinuing operations at period end	379	-	379	-	319
Cash and cash equivalents excluding discontinuing operations at period end	784	1,073	784	1,073	2,713



Statement of Changes in Equity

2023	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	Non-controlling interests	Total equity
As of 1 January 2023	36	-3	12,182	344	6,400	177	211	-35	44	19,356	4,799	24,155
Profit for the year					890					890	185	1,075
Other comprehensive income												
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>												
Translation differences in associates and joint ventures						146				146	0	146
Translation differences in group companies						148				148	139	287
Change in fair value of financial instruments, net after tax							10	-90	-18	-98	-30	-128
Other comprehensive income	0	0	0	0	0	294	10	-90	-18	196	108	304
Total comprehensive income	0	0	0	0	890	294	10	-90	-18	1,085	294	1,379
Transactions with shareholders												
Share-based payment, expensed				24						24	1	25
Change in non-controlling interests					12					12	-684	-671
Treasury shares in subsidiaries					-319					-319	319	0
Dividend					-2,629					-2,629	-84	-2,712
Other changes					3					3	-2	0
Total transactions with shareholders	0	0	0	24	-2,933	0	0	0	0	-2,909	-450	-3,359
At 30 June 2023	36	-3	12,182	368	4,357	471	220	-124	26	17,533	4,643	22,175

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	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	403	3,715
Other comprehensive income												
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>												
Translation differences in associates and joint ventures						21				21		21
Translation differences in group companies						63				63	61	124
Change in fair value of financial instruments, net after tax							143	-41	54	156	13	169
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>												
Remeasurement gain on defined benefit plans, net after tax					3					3		3
Other comprehensive income	0	0	0	0	3	84	143	-41	54	243	74	317
Total comprehensive income	0	0	0	0	3,315	84	143	-41	54	3,555	477	4,033
Transactions with shareholders												
Share-based payment, expensed				52	2					53	1	54
Share-based payment, tax effect				-3						-3		-3
Share-based payment, release		0			0					0		0
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
Transaction costs related to equity in group companies			0		0					0		0
Dividend					-2,354					-2,354	-51	-2,405
Acquisition of non-controlling interests										0	6,268	6,268
Treasury shares in subsidiaries		-3			-4,191					-4,194	-319	-4,513
Change in non-controlling interests					-40					-40	-3,833	-3,873
Reclassifications and other changes			0	0	4		10			14	-1	13
Total transactions with shareholders	7	-3	9,080	49	-6,572	0	10	0	0	2,570	2,069	4,639
At 31 December 2021	36	-3	12,182	344	6,400	177	211	-35	44	19,356	4,799	24,155



Segments

NOK million	Farming Central Norway	Farming Northern	Sales and Industry	Icelandic Salmon	SalMar Aker Ocean	Eliminations	Group
Q2 2023							
Total operating revenues (NOK mill.)	2,852	1,542	6,003	26	-0	-4,527	5,895
Operational EBIT (NOK mill.)	1,108	858	-67	-35	-10	-108	1,745
Operational EBIT %	39 %	56 %	-1 %	-136 %			30 %
Volume harvested (tonnes)	28.3	16.0		0.1	-		44.3
EBIT/ kg gw (NOK)	39.1	53.7		(384.6)			39.4
Q2 2022							
Total operating revenues (NOK mill.)	2,073	917	3,947	349	-	-3,114	4,172
Operational EBIT (NOK mill.)	1,213	605	-781	135	-39	-249	883
Operational EBIT %	59 %	66 %	-20 %	39 %			21 %
Volume harvested (tonnes)	20.7	8.7		3.0	-		32.4
EBIT/ kg gw (NOK)	58.6	69.1		45.5			27.3
YTD 2023							
Total operating revenues (NOK mill.)	5,179	3,424	12,242	791	-0	-8,948	12,687
Operational EBIT (NOK mill.)	2,217	1,694	-148	169	-55	-247	3,630
Operational EBIT %	43 %	49 %	-1 %	21 %			29 %
Volume harvested (tonnes)	50.5	35.7		6.7	-		92.9
EBIT/ kg gw (NOK)	43.9	47.4		25.4			39.1
YTD 2022							
Total operating revenues (NOK mill.)	4,034	2,180	8,392	716	-	-6,467	8,855
Operational EBIT (NOK mill.)	2,138	1,320	-1,153	229	-73	-317	2,145
Operational EBIT %	53 %	61 %	-14 %	32 %			24 %
Volume harvested (tonnes)	45.6	25.5		6.3	-		77.4
EBIT/ kg gw (NOK)	46.9	51.7		36.2			27.7
FY 2022							
Operating revenue (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 %	41 %	52 %	-7 %	23 %			22 %
Harvested volume (1,000 tgw)	114.1	63.4		16.1			193.7
EBIT/ kg gw (NOK)	31.5	39.8		22.7			23.1



Key Figures

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
No. of shares (diluted) - end of period (mill.)	131.576	117.864	131.573	117.861	119.979
Earnings per share (NOK)	- 6.4	15.6	6.8	24.8	27.6
Earnings per share - diluted (NOK)	- 6.4	15.6	6.8	24.8	27.6
EBITDA %	35 %	27 %	34 %	29 %	27 %
Operational EBIT %	30 %	21 %	29 %	24 %	22 %
EBIT %	36 %	59 %	36 %	43 %	24 %
Profit before tax %	30 %	61 %	32 %	44 %	23 %
Cash flow per share - diluted (NOK)	16.2	10.3	25.7	22.1	35.2
Net interest bearing debt (NOK mill.)	20,986	5,905	20,986	5,905	19,079
NIBD incl. leasing liabilities (NOK mill.)	22,537	6,893	22,537	6,893	20,505
Equity ratio %	35 %	51 %	35 %	51 %	39 %

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.

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 AS	13,691,960	9.43 %
FOLKETRYGDFONDET	5,056,670	3.48 %
State Street Bank and Trust Comp	2,484,029	1.71 %
CACEIS Bank	1,728,387	1.19 %
NILS WILLIKSEN AS	1,584,717	1.09 %
HASPRO AS	1,480,830	1.02 %
TERBOLI INVEST AS	1,425,394	0.98 %
LIN AS	1,337,685	0.92 %
JPMorgan Chase Bank, N.A., London	1,313,921	0.91 %
State Street Bank and Trust Comp	1,199,335	0.83 %
State Street Bank and Trust Comp	1,029,966	0.71 %
VERDIPAPIRFONDET ALFRED BERG GAMBA	975,226	0.67 %
JPMorgan Chase Bank, N.A., London	953,823	0.66 %
CLEARSTREAM BANKING S.A.	951,410	0.66 %
FRØY KAPITAL AS	951,315	0.66 %
CACEIS Bank	894,525	0.62 %
JPMorgan Chase Bank, N.A., London	848,607	0.58 %
CACEIS Bank	833,924	0.57 %
ANDVARI AS	810,468	0.56 %
Top 20	99,456,668	68.53 %
Others	45,682,252	31.47 %
Total	145,138,920	100.00 %

As at 30 June 2023 SalMar ASA owned 13,706,246 treasury shares.

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

Carrying amount of inventory	30.06.2023	31.03.2023	31.12.2022	30.06.2022
Raw materials	416	356	427	238
Biological assets	13,294	12,428	11,755	9,169
Finished goods	507	391	503	314
Total value of biological assets and other inventory	14,217	13,176	12,685	9,721
Carrying amount of biological assets	30.06.2023	31.03.2023	31.12.2022	30.06.2022
Roe, fry, smolt and cleaner fish at cost	646	857	551	329
Biological assets held at sea farms at cost	7,809	7,016	7,295	4,458
Total carrying amount of biological assets before fair value adjustments	8,455	7,873	7,847	4,787
Fair value adjustment of biological assets	4,840	4,555	3,908	4,382
Total carrying amount of biological assets	13,294	12,428	11,755	9,169

Raw materials is mainly comprised of feed for smolt and fish at sea farms. In addition, raw materials are used in connection with processing and packaging. Stocks of biological assets relate to SalMars fish farming operations on land and at sea, and comprise roe, fry, smolt, cleaner fish and fish at sea farms. Finished goods comprise whole fish (fresh and frozen), as well as processed salmon products.

Change in the carrying amount of the biological assets:	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Biological assets - opening balance	12,428	7,303	11,755	7,281	9,132
Increase from business combination	-	-	-	-	3,254
Increase due to production	3,281	1,536	5,631	2,765	3,173
Decrease due to sale/ harvesting	-2,665	-1,096	-5,045	-2,618	-2,798
Decrease due to incident-based mortality	-69	-	-69	-20	-42
Fair value adjustment on opening balance (reversed)	-4,555	-3,002	-3,908	-2,646	-3,781
Fair value adjustment from business combination due to fish not sold on opening balance	510	-	813	-	-
Fair value adjustment from business combination due to fish not sold on closing balance	-378	-	-378	-	-813
Fair value adjustment from business combination included in cost of goods sold in the period	-132	-	-436	-	-283
Fair value adjustment on closing balance (new)	4,840	4,382	4,840	4,382	3,908
Currency translation differences	34	45	91	24	4
Biological assets - closing balance	13,294	9,169	13,294	9,169	11,755

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

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

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

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

Roe, fry, smolt and cleaner fish are recognised at historic cost. Historic cost is deemed to be the best estimate of fair value for these assets, due to little biological conversion.

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

Expected harvesting period:	30.06.2023	Expected harvesting period:	31.03.2023	Expected harvesting period:	31.12.2022	Expected harvesting period:	30.06.2022
Q3-2023	80.67	Q2-2023	106.57	Q1-2023	91.75	Q3-2022	81.90
Q4-2023	82.00	Q3-2023	83.27	Q2-2023	95.55	Q4-2022	78.90
Q1-2024	99.43	Q4-2023	84.52	Q3-2023	76.48	Q1-2023	85.70
Q2-2024	102.37	Q1-2024	92.42	Q4-2023	78.22	Q2-2023	86.10
Q3-2024	83.80	Q2-2024	95.75	1st half 2024	85.91	Q3-2023	72.83
Q4-2024	86.00	2nd half 2024	79.92	2nd half 2024	75.00	Q4-2023	75.37
Discount factor Norway	7 %		7 %		6 %		7 %
Discount factor Iceland	5 %		5 %		5 %		5 %

Note 4 - Fair value adjustments

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

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Change in the fair value of the biological assets	413	1,374	1,360	1,732	446
Change in fair value adjustment due to business combination - included in cost of goods sold	-132	-	-436	-	-283
Change in unrealised value of Fish Pool contracts	-2	76	-2	44	70
Total fair value adjustments	279	1,450	923	1,776	232



Note 5 - Business combinations

Business combinations in 2023

There has been a business combination in Frøy ASA in Q2 2023. Please see note 7, Discontinued operations for more information.

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 had several overlapping industrial activities in all the areas where 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 owned 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 had 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 assumed all assets, rights and obligations in NRS. For accounting purposes, the transactions has been treated as a business combination and the companies are consolidated into the SalMar group with effect from 1 November 2022. Shares in SalMar owned by NTS are, as mentioned above, treated as treasury shares in the SalMar Group. The Group elected to measure the non-controlling interests in the acquiree at fair value. Acquisition-related costs of NOK 82.2 million are recognised as other operating expenses in the income statement in 2022.

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 was the starting point for valuation assessments of assets and liabilities resolutions associated with the offer and the merger. For technical reasons, the transactions was completed sequentially with some days in between. For accounting purposes, the total consideration for the offer and the merger was 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. No changes has been made in the purchase price allocation in Q2 2023. The purchase price allocation is not considered to be final.

Acquisition's effect on the balance sheet:	Fair value recognised on		
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.

Eldisstødin 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 was 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 Arnarfax Ehf, which owns the shares in Isthor.

The Groups holdings prior to the acquisition date, was remeasured at fair value at time control was obtained. The fair value of the equity interest was NOK 107.2 millions, and a gain of NOK 90.8 millions was recognised as other financial items in the profit or loss in 2022.

After the transaction the Group owns 100% of the shares in Isthor. The purpose of the transaction was to increase the flexibility in size of smolt and increased number of smolt supporting the company's growth plans. For accounting purposes, the transaction are 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 fair values of the identifiable assets and liabilities of Isthor as at the date of acquisition are as follows:

Acquisition's effect on the balance sheet :	Fair value recognised on acquisition
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



Note 6 - Changes in non-controlling interests

Changes in non-controlling interests 2023

NTS

Following the completion of the mandatory offer for to acquire all shares in NTS in December 2022, SalMar owned 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 has reduce the equity attributable to shareholders in SalMar accordingly. After the compulsory acquisition, the remaining non-controlling shareholders have made a formal complaint about the redemption sum.

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 after completion of the offer SalMar owned 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 was recognised directly to equity. 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 was reduced accordingly.

Mariculture AS

With effect from 19 April 2022, SalMar Group 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.

Note 7 - Discontinued operations

Through the acquisition of NTS in 2022, 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 decided to explore strategic alternatives in Frøy with the aim of maximizing value for its shareholders. Following the decision made by the SalMar board in December 2022 to explore the strategic alternatives, Frøy ASA is classified as a disposal group held for sale and as a discontinued operation from the completion of the voluntary offer of all outstanding shares in NTS ASA with effect from 1 November 2022.

On 5 June 2023, it was announced that NTS AS, Falcon Bidco AS, a company indirectly wholly owned by infrastructure funds managed by Goldman Sachs Asset Management, and Frøy ASA has entered into an agreement where Falcon Bidco AS will acquire NTS' entire ownership stake in Frøy. Following the completion, the buyer will make an unconditional mandatory cash offer to acquire all other shares in Frøy. A cash consideration of NOK 76,50 will be paid per share in the transaction between Falcon Bidco AS and NTS AS.

All regulatory approvals required for the consummation of the share sale was confirmed on 20 July 2023, and the transaction was completed on 14 August 2023, see note 13 Subsequent event for more information.

Closing of the transaction where Frøy ASA acquired 100% of the shares of Marinus Aquaservice AS took place beginning of April and Marinus is included in Frøy ASA's consolidated accounts from 01.04.2023.

	Q2 2023	YTD 2023	01.11.2022- 31.12.2022
Total operating revenues	518	1,038	379
Cost of goods sold	102	209	86
Salary and personnel expenses	172	342	111
Other operating expenses	72	194	71
EBITDA	172	293	111
Operating profit	172	293	111
Income from investments in associates and joint ventures	0	7	1
Net interest expenses	-28	-49	-15
Other financial items	24	45	-6
Profit from discontinued operation before tax	167	295	91
Income tax expense from the ordinary activities for the period and corrections in income tax for previous year	6	26	-16
Profit for the period from discontinued operations	161	269	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	8	7	-5
Total comprehensive income from discontinued operations	169	276	102
Profit for the period from discontinued operations attributable to equity holders of Salmar ASA	116	194	66
Earnings per share			
Diluted profit for the period from discontinued operations	0.88	1.48	0.52
Profit for the period from discontinued operations	0.88	1.48	0.52

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

	30.06.2023	30.03.2023	31.12.2022
ASSETS			
Non-current tangible assets	10,698	10,284	10,201
Right-of-use assets	514	521	489
Non-current financial assets	140	112	120
Total non-current assets	11,352	10,917	10,811
Inventory	13	13	15
Trade receivables	240	206	257
Other current receivables	64	52	71
Cash and cash equivalents	380	625	319
Total current assets	697	897	661
TOTAL ASSETS	12,049	11,813	11,472
LIABILITIES			
Deferred tax liability	948	939	919
Non-current interest-bearing liabilities	3,809	3,720	3,608
Non-current lease liabilities	326	323	314
Total non-current liabilities	5,083	4,982	4,842
Current interest-bearing liabilities	532	491	515
Current lease liabilities	105	101	91
Other current liabilities	251	275	165
Total current liabilities	888	867	771
TOTAL LIABILITIES	5,971	5,849	5,612

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

	Norskott Havbruk	Hellesund Fiskeoppdrett	Witsgård Fiskeoppdrett	Others	Total
Carrying amount at 1 January 2023	1,153	433	572	213	2,372
Income from associates and joint ventures	-95	20	26	5	44
Items recognised in other comprehensive income	142	-	-	3	146
Dividend	-	-10	-	-8	18
Carrying amount at 30 June 2023	1,201	443	598	213	2,455

Note 9 - Interest-bearing liabilities

	30.06.2023	31.03.2023	31.12.2022	30.06.2022
Non-current interest-bearing liabilities:				
Non-current interest bearing liabilities	21,439	19,390	21,297	6,407
Next year's instalment on non-current interest bearing liabilities	-2,684	-1,864	-2,947	-163
Total	18,755	17,526	18,350	6,244
Lease liabilities	1,551	1,609	1,425	989
Next year's instalment on lease liabilities	-281	-289	-273	-216
Total	1,270	1,320	1,152	773
Total carrying amount	20,026	18,846	19,502	7,017
Current interest bearing liabilities:				
Debts to credit institutions	330	1,054	495	571
Next year's instalment on debts to credit institutions	2,684	1,864	2,947	163
Current interest bearing liabilities ex. lease liabilities	3,014	2,918	3,442	734
Next year's instalment on lease liabilities	281	289	273	216
Total carrying amount	3,295	3,207	3,715	950
Total interest-bearing liabilities	23,321	22,054	23,217	7,967
Cash and cash equivalents	784	1,000	2,713	1,073
Lease liabilities	1,551	1,609	1,425	989
Net interest-bearing debts (NIBD)	20,986	19,445	19,079	5,905

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

	NOK	EUR	JPY	USD	GBP	Other	Total
Non-current debts	21,001	438	0	0	0	0	21,439
Lease liabilities	1,506	0	0	0	0	45	1,551
Current debts to credit institutions	476	26	42	-217	6	-2	330
Total interest-bearing liabilities	22,983	464	42	-217	6	43	23,321
Cash and cash equivalents	647	4	27	45	1	60	784
Lease liabilities	1,506	0	0	0	0	45	1,551
Net interest-bearing debts (NIBD)	20,830	460	15	-262	5	-62	20,986

Financing activities - change in liabilities:

	31.12.2022	Cash flow from financing activities	Currency effects	Not cash-generating effects Change in next year's instalments on long-term liabilities	Other effects	30.06.2023
Non-current debts	18,350	57	52	263	33	18,755
Current debts to credit institutions	3,442	-168	4	-263	0	3,014
Total debts to credit institutions	21,792	-111	56	0	33	21,770
Non-current and current lease liabilities	1,425	-160	4	0	281	1,551
Total interest-bearing liabilities	23,218	-272	60	0	315	23,321

Arnarlax Ehf, the groups subsidiary in Iceland, holds a loan facility that mature in June 2024. The loan of NOK 438,3 millions is classified as current debts to credit institutions as of 30 June 2023.

At end of June 2023, the Group signed an engagement letter concerning a new three year loan agreement, with option of two year extension. The final refinancing agreement will be in place during Q3-2023.

Note 10 - Interest and other financial items

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Gain related to remeasured shares in associated companies					91
Interest income	8	4	25	6	28
Interest expenses, ex. interest on lease liabilities	263	37	527	77	300
Interest expenses relating to lease liabilities	23	15	47	30	65
Net exchange differences	10	16	9	17	0
Net other financial items	10	1	2	1	2
Net interest and other financial items	259	33	538	85	243

Note 11 - Tax

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

There is still high uncertainty regarding final details of how the tax shall be calculated, as the details has yet to be clarified from the authorities. Given that the regulations are not sufficiently clarified, the assessment is that it is too early to give an estimate on the proposed resource tax for the profit in the period as the estimate uncertainty is deemed to high.

In the financial statements as of 30 June 2023 the implementation effect related to deferred resource rent tax is included. This implementation effect is due to fair value of biological assets as of 31 December 2022 and is considered to be more material compared to the effect for the profit in the period. The implementation effect is included in the income tax expense in Q2 2023.

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Income tax expense - calculated with nominal tax rate	402	533	893	819	954
Resource rent tax deferred - implementation effect	2,303	-	2,303	-	-
Income tax expense	2,705	533	3,195	819	954



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

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

Operational EBIT

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

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Operating profit	2,096	2,461	4,583	3,800	4,738
Production tax	25	14	57	34	85
Onerous contracts	-96	-142	-87	87	-126
<i>Fair value adjustment:</i>					
Change in the fair value of the biological assets	-413	-1,374	-1,360	-1,732	-446
Change in the fair value adjustment included in cost of goods sold due to business combination	132	-	436	-	283
Change in unrealised value of Fish Pool contracts	2	-76.0	2	-44	-70
Operational EBIT	1,745	883	3,630	2,145	4,465

EBITDA

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

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Operational EBIT	1,745	883	3,630	2,145	4,465
Depreciation and write-downs	343	230	686	458	1,038
EBITDA	2,088	1,113	4,316	2,603	5,502

EBIT/kg gw

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

	Farming Central Norway	Farming Northern Norway	Icelandic Salmon	SalMar Group
Q2 2023				
Operational EBIT (NOK mill.)	1,108	858	-35	1,745
Volume harvested (tonnes)	28.3	16.0	0.1	44.3
EBIT/kg gw (NOK)	39.14	53.74	-384.56	39.35
Q2 2022				
Operational EBIT (NOK mill.)	1,213	605	135	883
Volume harvested (tonnes)	20.7	8.7	3.0	32.4
EBIT/kg gw (NOK)	58.64	69.12	45.53	27.27
YTD 2023				
Operational EBIT (NOK mill.)	2,217	1,694	169	3,630
Volume harvested (tonnes)	50.5	35.7	6.7	92.9
EBIT/kg gw (NOK)	43.90	47.41	25.37	39.08
YTD 2022				
Operational EBIT (NOK mill.)	2,138	1,320	229	2,145
Volume harvested (tonnes)	45.6	25.5	6.3	77.4
EBIT/kg gw (NOK)	46.91	51.73	36.19	27.71
FY 2022				
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

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

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

	30.06.2023	31.03.2023	31.12.2022	30.06.2022
Non-current interest-bearing liabilities	18,755	17,526	18,350	6,244
Current interest-bearing liabilities	3,014	2,918	3,442	734
Cash and cash equivalents	-784	-1,000	-2,713	-1,073
Net interest-bearing debt (NIBD)	20,986	19,445	19,079	5,905
Lease liabilities	1,551	1,609	1,425	989
NIBD incl. lease liabilities	22,537	21,054	20,505	6,893

Cash flow per share - diluted

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

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	FY 2022
Cash flow from operating activities	2,228	1,220	3,714	2,600	4,223
Average no. of shares outstanding (diluted) in the period (1,000 shares)	131,576	117,864	131,573	117,861	119,979
Diluted cash flow per share (NOK)	16.94	10.35	28.23	22.06	35.20

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 - Subsequent event

The transaction between NTS AS, Falcon Bidco AS and Frøy ASA was completed on 14 August 2023, with proceeds from the sale amounting to NOK 4,764 million. SalMar expects to book a gain on investment in Frøy of approximately NOK 300 million following the completion of the transaction, based on the result from discontinued operation per June 2023. The gain will be included in the result from discontinued operation in third quarter 2023. The effect on equity is estimated to be of approximately negative NOK 1,400 million, taken the gain on investment and the derecognition of non-controlling interest into account.