

QUARTERLY REPORT
Q4 2022

Made by nature

Pioneered by  Måsøval



Made by nature

Måsøval is a Norwegian fish farming pioneer. Ever since the company was founded in 1973, our dedicated employees have worked in close harmony with nature.

On the coast of central Norway, the Atlantic provides strong currents and high tidal range, ensuring an abundance of fresh, clean seawater. It's here, in one of the most beautiful coastal landscapes in the world, that we make one of the best ingredients in the world – Salmon: Made by nature, pioneered by Måsøval.

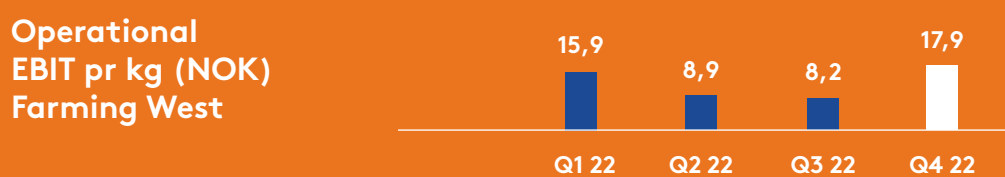
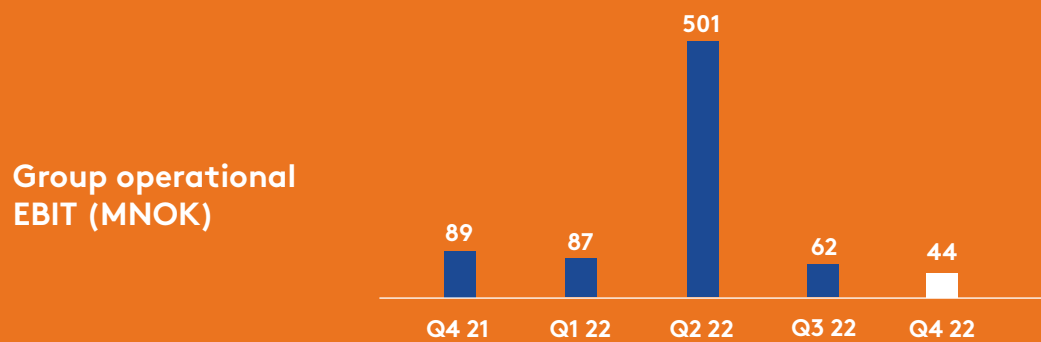
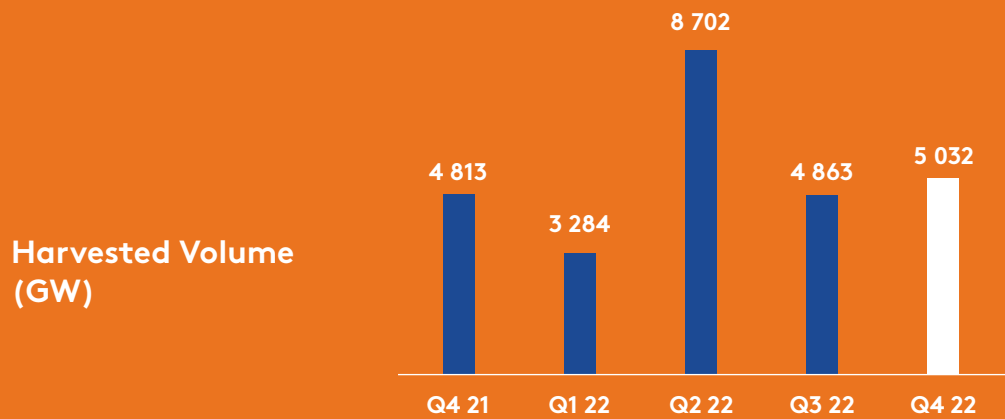
Led by the third generation of the Måsøval family, we now look forward to producing more than 25 000 tonnes of salmon a year, serving 2,6 million people – every single week, year-round.

And even though we've already achieved a lot, we're still hungry for more sustainable growth.

Pioneered by  Måsøval



Introduction and summary Q4





Highlights *Q1 2022*

5 032 tonnes

Harvest of 5 032 tonnes vs 4 813 tonnes in Q4 2021. Q4 affected by challenging biology on generations fully harvested in quarter.

10,1 kr/kg

Farming Mid reported an operational EBIT of NOK 10,1 pr kg after a challenging Autumn 2021 generation. Generation fully harvested in Q4.

17,9 kr/kg

Farming West reported an operational EBIT of NOK 17,9 pr kg.

21 879 tonnes

Total harvest 21 879 tonnes in 2022 versus 16 888 tonnes in 2021.

44 MNOK

Group Operational EBIT of MNOK 44 (MNOK 88 in Q4 2021).

2 433 tonnes MAB

Co-location agreement signed with Frøya Laks in Q4 for 2 433 tonnes MAB. First fish to be harvested in 2024.

Key figures

Q4 2022

2. FINANCIAL PERFORMANCE

(Figures in brackets refer to Q4 2021, unless specified otherwise)

Key figures Group	Q4 2022	Q4 2021	2022	2021
Consolidated numbers in 1 000 NOK				
Sales revenues salmon	376 991	364 690	1 898 525	1 092 277
Other operating revenues	23 336	28 675	93 606	123 060
Operating revenue	400 327	393 365	1 992 132	1 215 337
Harvested volume (tonnes GW)	5 032	4 813	21 879	16 888
Operational EBIT	43 557	88 500	693 444	292 394
EBIT (1)	84 355	33 014	884 514	377 249
Profit before tax	62 804	17 320	802 651	333 250
Net profit or loss for the period	52 264	12 993	626 262	281 280
Operational EBIT/kg	8,7	18,4	31,7	17,3
Operational EBIT %	10,9 %	22,5 %	34,8 %	24,1 %
Equity ratio	40,0 %	32,8 %	40,0 %	32,8 %
Earnings per share (NOK)	0,43	0,10	5,07	2,66

(1) Operational EBIT adjusted for production tax, profit sharing with co-location partners and fair value adjustment Biomass

2.1. REVENUES AND RESULTS

Revenue and results for Q4 2022

The Group achieved operating revenues of MNOK 400 in the last quarter of 2022, an increase compared to MNOK 393 in the same quarter last year. The Group's operational EBIT in Q4 2022 was MNOK 44, down from MNOK 89 compared to the same period last year. The increase in revenues is attributable to a higher harvested volume compared to the corresponding quarter last year. The decrease in EBIT is caused by one-off effects related to biological assets of MNOK 33 and higher prices on feed.

Revenue and results for 2022

The Group achieved operating revenues of MNOK 1 992 in 2022. The increase of 64% in comparison with 2021 is related to significantly higher prices of salmon and volume increases. The Group's operational EBIT for year 2022 was MNOK 693, up 137 % from operational EBIT in 2021.

The Group has harvested 21 879 tonnes gutted weight in total in 2022. This represents an increase in harvested volume of 30 percent compared to 2021.

2.2. BALANCE SHEET

Balance sheet after Q4 2022

At the end of Q4 2022, total assets were MNOK 4 968, an increase in total assets of MNOK 15 from the previous quarter. Total property, plant and equipment increased by MNOK 46 after investments of MNOK 90 and depreciations of MNOK 44. Further, total current assets decreased by MNOK 11, mainly due to a decrease in receivables of MNOK 70. Cash and cash equivalents decreased by MNOK 38. Biomass increased by MNOK 107 from the end of Q3 2022.

The Group's net interest-bearing debt increased by MNOK 95 compared to the end of Q3 2022 and stands at MNOK 1 798.

At the end of the reporting quarter, the Group's total equity was MNOK 1 989, an increase of MNOK 53 compared to the end of Q3 2022. Equity ratio at the end of Q4 2022 was 40,0%.

Balance sheet changes in 2022

Total assets increased by MNOK 438 in 2022. The increase is mainly caused by a net increase in non-current assets of MNOK 55 and an increase in biological assets of MNOK 460 as the Group increased the utilisation of its licenses both at sea and land.

Net interest-bearing debt decreased by MNOK 124 after investments in biomass and non-current assets. The equity ratio increased from 32,8% to 40% after net profits of MNOK 626 and dividend payments of MNOK 123.

2.3. STATEMENT OF CASH FLOW

Cash flow statement Q4 2022

The Group achieved a cash flow from operating activities of MNOK -2 during Q4 2022. Net cash flow generated by investing had a negative impact of MNOK 75 on the cash flow. Net cash generated by financing activities in Q4 2022 was MNOK 40. In Q4 2022 the Group raised new current and non-current borrowings totalling MNOK 70 and spent MNOK 59 on repayment of current and non-current borrowings. Further, the net increase of the Group's overdraft facility amounted to MNOK 28 in Q4 2022.

Cash flow 2022

The Group achieved a cash flow from operating activities of MNOK 527 after strong profits. Biomass increased by MNOK 472 leading to a higher utilisation of the Group's MAB.

Investments generated a negative cash flow of MNOK 211 after investments to improve operations and increase capacity to handle acquired MAB in 2021.

Financing activities generated a negative cash flow of MNOK 355. The Group repaid borrowings with MNOK 553, increased borrowings totalling MNOK 174, made dividend payments of MNOK 123 and increased the overdraft facility with MNOK 146.



3. OPERATIONAL PERFORMANCE

The Group's management monitors and allocates resources to the Group's business activities as two operating segments, i.e. Farming and Sales & Processing. In addition, Farming is measured on Farming Mid and Farming West as two divisions. Overhead, related HQ costs, depreciation related to surplus values from acquisitions and intra-segment transactions are reported as Other/Eliminations. See note 2 to the consolidated financial statement for further details.

3.1. FARMING

(Figures in brackets refer to Q4 2021, unless specified otherwise)

Farming is the Group's largest segment and achieved sales revenues of MNOK 355 of which MNOK 339 is sale of salmon. Both prices and harvested volume are up from Q4 2021, which led to an increase in sales revenue. Operational EBIT in Q4 2022 amounted to MNOK 55, after one-off effects of MNOK 33 related to biological assets (MNOK 104). Operational EBIT per kg harvested salmon was NOK 11 (NOK 21,6).

Key figures Farming Consolidated numbers in NOK 1000	Q4 2022	Q4 2021	2022	2021
Total operating revenues	354 522	308 577	1 809 315	1 059 527
Operational EBIT	55 172	103 908	738 946	320 560
Operational EBIT - %	15,6 %	33,7 %	40,8 %	30,3 %
Harvest volume (tonnes GW)	5 032	4 813	21 879	16 888
Operational EBIT per kg salmon	11,0	21,6	33,8	19,0

3.1.1. FARMING MID

(Figures in brackets refer to Q4 2021, unless specified otherwise)

Farming Mid is the Group's largest division and achieved sales revenues of MNOK 319 in Q4 2022, of which MNOK 306 is sale of salmon. Prices are up from Q4 2021. Compared to Q4 2021 volume decreased by 330 tonnes. Operational EBIT in Q4 2022 was MNOK 45 (MNOK 104). Operational EBIT per kg harvested salmon was NOK 10,1 (14,6 excl. one-off effects) versus NOK 21,6 in Q4 2021.

4 483 tonnes of salmon (4 813 tonnes) were harvested in Q4 2022.

Operationally Q4 has been a challenging quarter with high levels of lice and prevalence of pancreatic disease (PD). 100% of harvest has been from generation Autumn 2021 which is now fully harvested.

Key figures Farming Mid Consolidated numbers in NOK 1000	Q4 2022	Q4 2021	2022	2021
Total operating revenues	319 316	308 577	1 547 216	1 059 527
Operational EBIT	45 336	103 908	686 746	320 560
Operational EBIT - %	14,2 %	33,7 %	44,4 %	30,3 %
Harvested volume (tonnes GW)	4 483	4 813	17 612	16 888
Operational EBIT per kg salmon	10,1	21,6	39,0	19,0

3.1.2. FARMING WEST

Farming West achieved sales revenues of MNOK 35 in Q4 2022, of which MNOK 34 is related to the sale of salmon. Operational EBIT amounted to MNOK 10. Operational EBIT per kg harvested salmon was NOK 17,9 (NOK 26,8 excl. one-off effects related to biological assets).

550 tonnes were harvested in Q4 2022. 100% of the harvest was from generation spring 2022.

Key figures Farming Mid Consolidated numbers in NOK 1000	Q4 2022	Q4 2021	2022	2021
Total operating revenues	35 205	-	262 099	-
Operational EBIT	9 835	-	52 200	-
Operational EBIT - %	27,9 %	-	19,9 %	-
Harvested volume (tonnes GW)	550	-	4 268	-
Operational EBIT per kg salmon	17,9	-	12,2	-

3.2. SALES & PROCESSING

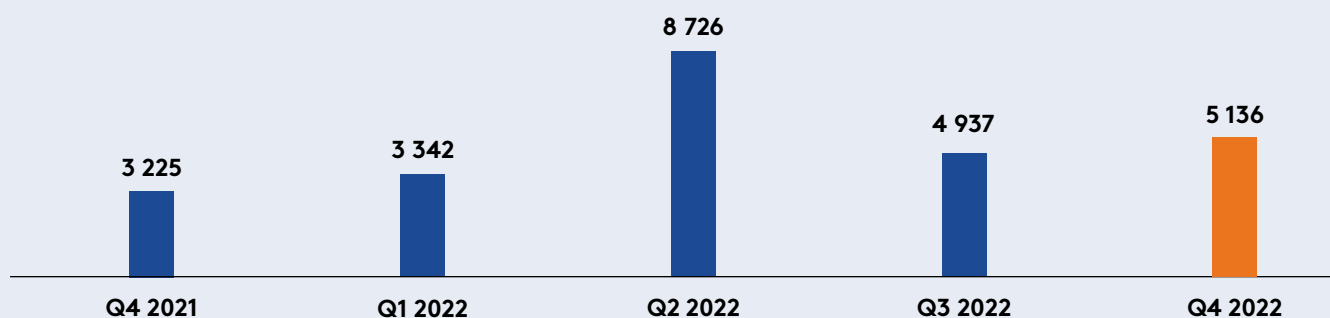
The Sales & Processing segment achieved sales revenues of MNOK 402 in Q4 2022, vs. MNOK 231 in Q4 2021, an increase of 74%. Operational EBIT was MNOK 1 vs. MNOK 4 in Q4 2021.

Results were negatively influenced by low harvest at Pure Norwegian Seafood's facility at Averøy. Operations at our facility in Vartdal improved significantly with increased harvest of cod and salmon. The gross margin in the sales division was strong. Contract share is still low – in line with the Group's strategy.

Key figures Consolidated numbers in NOK 1000	Q4 2022	Q4 2021	2022	2021*
Total operating revenues	402 041	231 010	1 948 405	565 095
Operational EBIT	811	3 582	20 062	12 858
Operational EBIT - %	0,2 %	1,6 %	1,0 %	2,3 %

*2021 refer to the result of segment Sales & Processing as if the Group owned a majority of Pure Norwegian Seafood AS in 2021.

SALES VOLUME (TONNES GW)

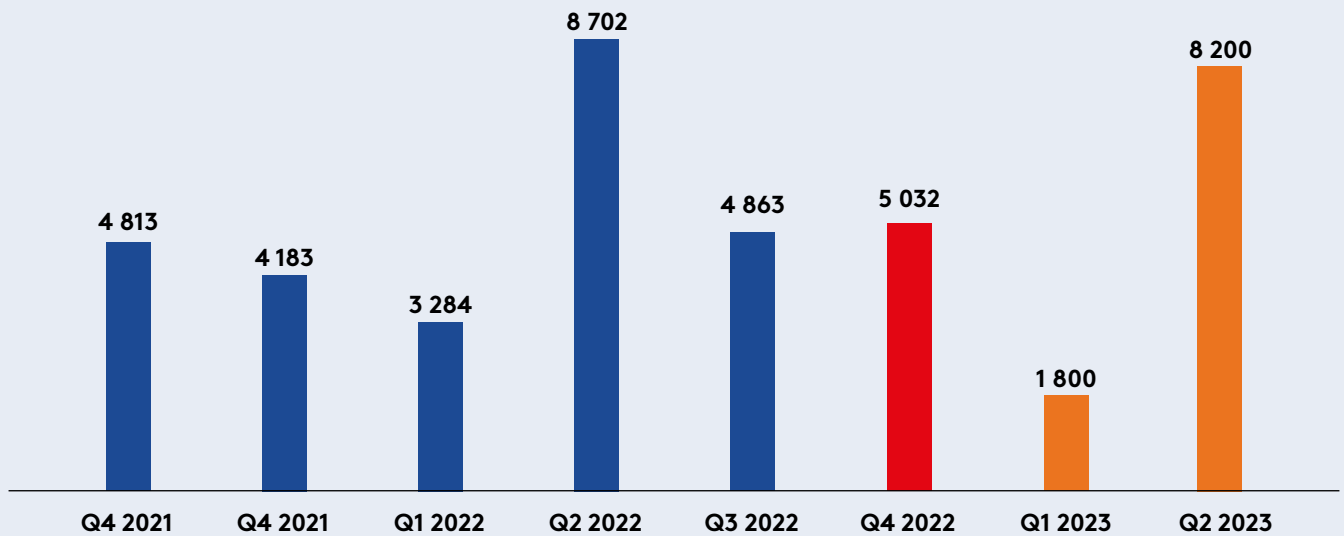


4. OUTLOOK

4.1. FARMING OUTLOOK

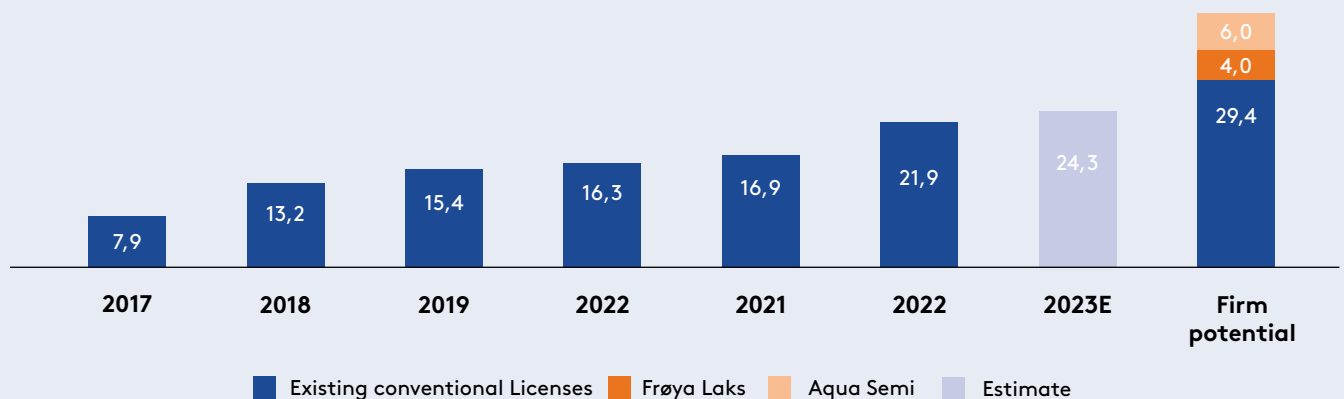
The Group expects to harvest a total of 24 300 tonnes in 2023, a 10% increase on 2022.

SALES VOLUME (TONNES GW)



With the new co-location agreement with Frøya Laks AS, the potential in Måsøvals license portfolio is in excess of 39 000 tonnes.

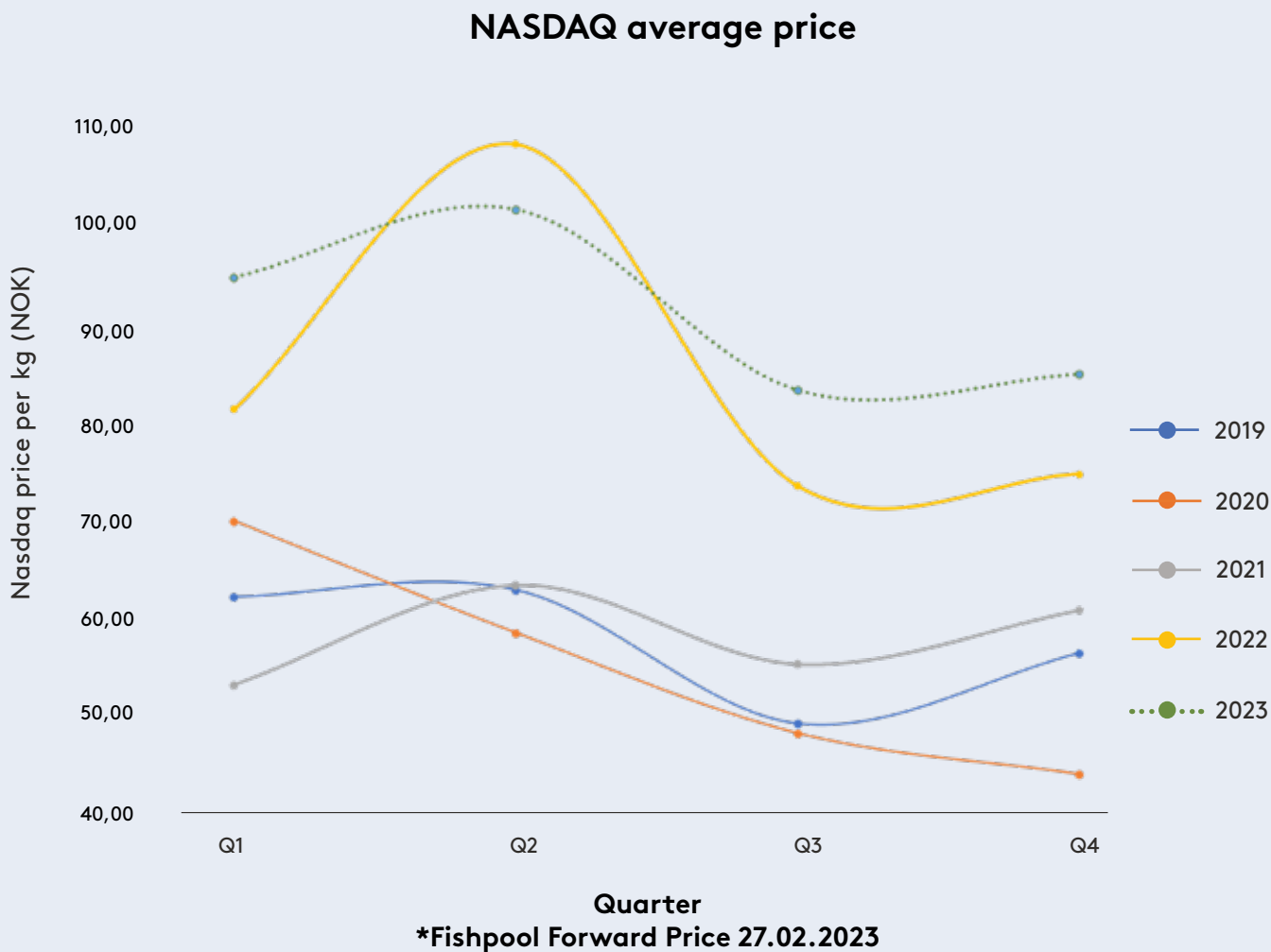
Harvest Volume (GW)



4.2. PRICE (NASDAQ)

The average salmon price in Q4 increased by NOK 1.2 compared to Q3 2022. However, the average salmon price per kg was significantly higher in this quarter (NOK 73.7 per kg) compared to Q4 2021 (NOK 60 per kg).

The average salmon price is expected to remain strong for the Q1 2023 and whole 2023. Fishpool forward price for Q1 2023 is NOK 93.4 and the average forward price in 2023 is NOK 89.9.



5. OTHER MATTERS

5.1. RESOURCE TAX

On September 28th 2022 the Norwegian government proposed to introduce a resource tax on production of salmon in Norway of 40% from January 1st 2023. The resource tax is proposed to apply to the production of salmon at sea and not the entire production cycle. The proposal is expected to be passed in Parliament before summer 2023.

Måsøval sees this as a special tax on aquaculture companies that today create value and employment in many small coastal societies in Norway. This will have significant negative repercussions for our suppliers and the coastal societies where we operate our business. We believe that this tax is ill-conceived and detrimental not only to the aquaculture business in Norway, but also to the future tax base for Norway.

Måsøval has already cancelled or put on hold investments for approximately NOK 1,5 billion.

5.2. AQUA SEMI

In 2019 Måsøval received 4 development licenses to develop the concept Aqua Semi. Aqua Semi is designed to open up new areas for salmon farming, reduce lice and disease contagion, improve fish health and lower operational costs. The projects development phase was finalised during Q4.

The project is stopped due to uncertainties about the future taxation of aquaculture.

5.3. CO-LOCATION AGREEMENT WITH FRØYA LAKS AS

Måsøval has entered into a co-location agreement with Frøya Laks to operate their licenses of 2 433 tonnes MAB. The first smolt will put to sea in 2023 and the first harvest is expected in 2024.

5.4. RESTRUCTURING OF THE GROUP

Måsøval has initiated a process to restructure the Group after the acquisitions made in 2021.

5.5. REFINANCING

In Q4, Måsøval refinanced its long-term bank debt and increased the facility by MNOK 450. This has strengthened the Groups financial flexibility and ability to act on strategic opportunities.

6. EVENTS AFTER THE BALANCE SHEET DAY

Helge Kvalvik started as CEO January 1st 2023.

The Board of Directors proposes a dividend of 0,5 NOK/share.

No other significant changes have occurred after December 31st 2022.

7. CONSOLIDATED FINANCIAL STATEMENTS

7.1. STATEMENT OF COMPREHENSIVE INCOME

<i>(All amounts in NOK 1000)</i>	Note	Q4 2022	Q4 2021	2022	2021
Operating revenues - sale of salmon	3,6	376 991	364 690	1 898 525	1 092 277
Other operating income	3,6	23 336	28 675	93 606	123 060
Total operating revenues		400 327	393 365	1 992 132	1 215 337
Cost of goods sold		210 806	179 685	749 679	573 367
Salaries and other personell costs		46 281	41 642	196 794	140 722
Depreciation and amortisation expense	7	44 609	34 871	166 166	105 140
Other operating expenses	6	55 074	48 668	186 049	103 714
Total operating expenses		356 770	304 865	1 298 687	922 943
Operational EBIT*		43 557	88 500	693 444	292 394
Production tax		- 2 037	- 1 925	- 8 861	- 6 755
Profit sharing with co-location partners		- 8 377	- 8 702	- 46 219	- 20 654
Biological assets - Net fair value adjustment	5	51 212	- 44 858	246 150	112 264
EBIT		84 355	33 014	884 514	377 249
Financial income		1 069	2 899	9 963	5 728
Financial expenses		22 620	18 593	91 826	49 727
Net finance income and expense		- 21 551	- 15 694	- 81 863	- 43 999
Profit before income tax		62 804	17 320	802 651	333 250
Tax expense		10 540	4 327	176 389	51 970
Net profit for the period		52 264	12 993	626 262	281 280
<i>Attributable to</i>					
Equity holders of the parent company		52 883	11 162	620 959	276 721
Non-controlling interests		- 619	1 831	5 303	4 559
Total allocations		52 264	12 993	626 262	281 280
Earnings per share (basic and diluted)		0,43	0,10	5,07	2,66
<i>Group operational EBIT per kg</i>		8,7	18,4	31,7	17,3
HARVEST GW		5 032	4 813	21 879	16 888

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

<i>(All amounts in NOK 1000)</i>	Note	Q4 2022	Q4 2021	2022	2021
Net profit		52 264	12 993	626 262	281 280
<i>Items which will not be reclassified to profit and loss</i>					
Net gain/(loss) on equity instruments designated at fair value through other comprehensive income		-	-	-	-
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		52 264	12 993	626 262	281 280
		52 264	12 993	626 262	281 280
Total comprehensive income attributable to:					
Owners of the parent		52 883	11 162	620 959	276 721
Non-controlling interests		-619	1 831	5 303	4 559
Total comprehensive income for the year		52 264	12 993	626 262	281 280
Earnings per share (basic and diluted)		0,43	0,10	5,07	2,66



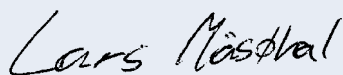
7.2. STATEMENT OF FINANCIAL POSITION

<i>(All amounts in NOK 1000)</i>	NOTE	31.12.2022	30.09.2022	31.12.2021
ASSETS				
<i>Intangible assets</i>				
Licenses	7	2 068 766	2 085 567	2 068 766
Goodwill	7	428 390	428 460	438 963
Total intangible assets		2 497 156	2 514 026	2 507 729
Property, plant and equipment	7	467 918	454 208	453 839
Right-to-use assets	7	529 366	496 827	473 841
Total property, plant and equipment		997 283	951 036	927 680
<i>Non-current financial assets</i>				
Investments in other equity instruments		5	5	544
Other non-current receivables		416	3 666	3 752
Total non-current financial assets		421	3 671	4 296
Total non-current assets		3 494 860	3 468 732	3 439 705
<i>Inventories</i>				
Feed inventory	5	23 987	33 046	20 049
Finished goods	5	13 661	15 173	6 089
Biological assets	5	1 159 932	1 053 320	699 558
Total inventories		1 197 580	1 101 538	725 696
<i>Receivables</i>				
Accounts receivables		173 771	212 787	193 566
Other current receivables		19 810	50 026	49 829
Total Receivables		193 581	262 813	243 395
Cash and cash equivalents		82 359	120 132	121 252
Total current assets		1 473 520	1 484 483	1 090 343
Total assets		4 968 380	4 953 215	4 530 047

<i>(All amounts in NOK 1000)</i>	NOTE	31.12.2022	30.09.2022	31.12.2021
Share capital	4	30 627	30 627	30 627
Share premium reserve	4	872 432	872 432	872 432
Total paid-in equity		903 059	903 059	903 059
Retained earnings		1 049 915	995 840	551 923
Total equity attributable to owners of the parent company		1 952 974	1 898 899	1 454 982
Non-controlling interests		35 997	36 616	30 694
Total equity		1 988 971	1 935 515	1 485 676
Non-current liabilities				
Deferred tax		531 180	566 861	487 157
Liabilities to financial institutions		1 149 789	1 180 373	1 560 312
Long-term leasing liabilities		328 138	286 139	301 632
Total non-current liabilities		2 009 107	2 033 373	2 349 102
<i>Short-term liabilities</i>				
Liabilities to financial institutions		462 410	434 745	314 781
Short-term leasing liabilities		130 808	127 042	103 701
Account payables		221 557	204 823	175 795
Income tax payable*		131 901	27 081	32 882
Other current liabilities		23 626	190 638	68 110
Total current liabilities		970 301	984 328	695 269
Total liabilities		2 979 408	3 017 700	3 044 371
Total equity and liabilities		4 968 380	4 953 215	4 530 047

* Deferred tax and income tax payable are estimated at 31.12.2022

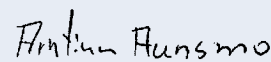
TRONDHEIM, 27 FEBRUARY 2023



Lars Måsøval, Chair of the board



Kari Skeidsvoll Moe, Director



Arnfinn Aunsmo, Director



Ola Loe, Director



Nina Santi, Director



Helge Kvalvik, CEO

7.3. STATEMENT OF CASH FLOWS

(All amounts in NOK 1000)	Note	Q4 2022	Q4 2021	2022	2021
Profit before income tax		62 804	17 320	802 651	333 250
Tax paid		- 27 743	10 302	- 33 544	- 13 218
Gain on disposal of property, plant and equipment		-	6 130	-	6 130
Gain on sale of shares		-	-	- 1 039	-
Ordinary depreciation	7	44 608	35 243	166 166	105 512
Calculated interest costs		2 737	2 252	9 143	2 185
(Increase)/decrease in inventories	5	- 96 042	60 697	- 471 884	- 156 624
(Increase)/decrease in trade receivables		39 016	6 848	19 795	64 469
Increase/(decrease) in trade payables		16 734	3 996	45 762	- 82 700
(Increase)/decrease in other current receivables/liabilities		- 43 995	- 137 027	- 10 042	24 100
Net cash (outflow)/inflow from operating activities		- 1 881	5 760	527 008	283 103
Proceeds from disposal of property, plant and equipment		-	7 002	-	7 002
Payments for property, plant and equipment	7	- 90 974	- 22 941	- 211 474	- 90 527
Payments for intangible assets	7	15 570	-	- 1 230	-
Payments to other loan receivables		-	- 3 752	-	- 3 752
Proceeds from disposal of other assets		-	8 484	1 578	9 087
Net payment for shares in subsidiaries		-	- 1 143 358	-	- 1 402 657
Payments for shares, obligations, group contributions		-	- 11 703	-	- 11 703
Net cash (outflow)/inflow from investing activities		- 75 404	- 1 166 268	- 211 126	- 1 492 549
Proceeds from non-current and current borrowings		69 857	770 368	174 357	1 200 000
Repayment of non-current and current borrowings		- 43 615	129 241	- 484 933	- 86 778
Repayment of principal portion of lease liabilities		- 15 558	- 26 443	- 67 837	- 59 972
Net change in overdraft facility		27 599	- 63 326	146 445	- 18 002
Proceeds of equity		1 230	378 359	- 298	636 802
Acquisition of minorities		-	-	-	- 212 702
Payments of dividends and group contributions		-	-	- 122 508	- 150 126
Net cash (outflow)/inflow from financing activities		39 512	1 188 199	- 354 775	1 309 222
Net (decrease)/increase in cash and cash equivalents		- 37 773	27 692	- 38 893	99 776
Cash and cash equivalents at the beginning of the period		120 132	93 560	121 252	21 476
Cash and cash equivalents at the end of the period		82 359	121 252	82 359	121 252

7.4. STATEMENT OF EQUITY

2022	Share capital	Share premium	Retained earnings	Equity - Owners of parent company	Non-controlling interests	Total Equity
<i>(All amounts in NOK 1000)</i>						
31 December 2021	30 627	872 432	551 923	1 454 982	30 694	1 485 676
Profit from continuing operations	-	-	620 959	620 959	5 303	626 262
Dividends	-	-	- 122 508	- 122 508	-	- 122 508
Cost of equity increase*	-	-	- 459	- 459	-	- 459
31 December 2022	30 627	872 432	1 049 915	1 952 974	35 997	1 988 971
*) Related to the equity increase in December 2021						
2021	Share capital	Share premium	Retained earnings	Equity - Owners of parent company	Non-controlling interests	Total Equity
<i>(All amounts in NOK 1000)</i>						
31 December 2020	24 700	-	597 603	622 303	40 836	663 139
Profit from continuing operations	-	-	276 721	276 721	4 559	281 280
Other comprehensive Income	-	-	-	-	-	-
Total comprehensive Income for the year	-	-	276 721	276 721	4 559	281 280
Emission/floatation costs	-	-	-	-	-	-
Capital increase	5 927	872 432	-	878 359	-	878 359
Aquisition of subsidiaries	-	-	-	-	25 753	25 753
Accusition of minorities	-	-	- 207 551	- 207 551	- 5 178	- 212 729
Dividends	-	-	-	-	- 35 276	- 35 276
Group contribution	-	-	- 114 850	- 114 850	-	- 114 850
Contributions by and distributions to owners	5 927	872 432	- 322 401	555 958	- 14 701	541 257
31 December 2021	30 627	872 432	551 923	1 454 982	30 694	1 485 676





NOTES

NOTE 1: BASIS FOR PREPARATION

These consolidated financial statements have been prepared in accordance with the International Accounting Standard 34 Interim Financial Reporting (IAS 34).

The Group accounting policies adopted and applied in this interim report are consistent with those applied in the Group's restated 2021 Annual Report prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by The European Union. A full description of all material accounting policies used in the most recent annual consolidated financial statements is given in the Group's restated 2021 annual report, which is available at www.masoval.no.

The tax expense in the quarterly report is based on a simplified calculation based on the expected effective tax rate. Due to uncertainties related to the proposed resource tax the final tax rate is subject to changes in conjunction with the filing of the tax returns for 2022.

The interim condensed consolidated financial statements do not include all the information and disclosures required by International Financial Reporting Standards (IFRS) in the annual financial statements and should be read in conjunction with the Group's restated Annual Financial Statements for 2021.

New standards effective from 1 January 2022 have had no material effect on the interim report.

NOTE 2: BUSINESS SEGMENTS

The management monitors and allocates resources to the Group's business activities as two operating segments, Farming and Sales & Processing. In addition Farming is also measured on geographical locations as Farming Mid and Farming West. The Farming segments includes the purchase of salmon roe, farming on land and sea, related service activities and the sale of salmon to exporters. The Sales and Processing segment includes harvesting activities and the sale of salmon and other species of fish in Norway and for export. Farming sites are located on Frøya, Hitra, Kristiansund, Aukra and Vartdal.

No operating segments have been aggregated to form the above reportable operating segments.

The remaining of the Group's activities is shown in the "other/eliminations" column. The Group's administration cost and other shared cost are not allocated to segments. Information about unallocated items included in this column is given in a footnote to the tables below. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

The segments are measured on various criteria, of which financial results are one of these. For the farming segment, fish health is also an important measurement criterion.

Information regarding the Group's reportable segments is presented below.

Q4 2022

<i>(All amounts in NOK 1000)</i>	Farming Mid	Farming West	Farming	Sales & processing	Other / elimina- tions*)	Måsøval Group
Internal operating revenue - sale of goods and services	305 761	33 705	339 465	-	-339 465	-
External operating revenue - sale of goods and services	-	-	-	376 991	-	376 991
Other operating revenues	13 555	1 501	15 056	25 050	-16 771	23 336
Total operating revenues	319 316	35 205	354 522	402 041	-356 236	400 327
Operating expenses	245 176	20 444	265 619	397 783	-351 242	312 161
Depreciation and amortization	28 804	4 926	33 730	3 447	7 431	44 609
Operational EBIT	45 336	9 835	55 172	811	-12 426	43 557
Operational EBIT-%	14,2 %	27,9 %	15,6 %	0,2 %		10,9 %
Volume harvested/sold	4 483	550	5 032	5 136		
Sales price per kg salmon	68,2	61,3	67,5	73,4		
Operational EBIT per kg salmon	10,1	17,9	11,0	0,2		

Q4 2021

<i>(All amounts in NOK 1000)</i>	Farming Mid	Farming West	Farming	Sales & processing	Other / elimina- tions*)	Måsøval Group
Internal operating revenue - sale of goods and services	139 115	-	139 115	-	-139 115	-
External operating revenue - sale of goods and services	145 611	-	145 611	219 080	-	364 691
Other operating revenues	23 852	-	23 852	11 930	-7 107	28 675
Total operating revenues	308 577	-	308 577	231 010	-146 222	393 365
Operating expenses	174 377	-	174 377	225 298	-129 679	269 996
Depreciation and amortization	30 292	-	30 292	2 130	2 448	34 870
Operational EBIT	103 908	-	103 908	3 582	-18 991	88 499
Operational EBIT-%	33,7 %		33,7 %	1,6 %		22,5 %
Volume harvested/sold	4 813		4 813	3 226		
Sales price per kg salmon	59,2		59,2	67,9		
Operational EBIT per kg salmon	21,6		21,6	1,1		

*) Depreciation and amortization in "Other/eliminations" is almost exclusively related to surplus values from acquisitions.



YTD 2022

<i>(All amounts in NOK 1000)</i>	Farming Mid	Farming West	Farming	Sales & processing	Other/ elimina- tions*)	Måsøval Group
Internal operating revenue - sale of goods and services	1 476 270	248 300	1 724 570	-	-1 724 571	-0
External operating revenue - sale of goods and services	-	11 734	11 734	1 886 792	-	1 898 526
Other operating revenues	70 946	2 065	73 011	61 613	-41 017	93 606
Total operating revenues	1 547 216	262 099	1 809 315	1 948 405	-1 765 588	1 992 132
Operating expenses	748 595	194 749	943 344	1 918 188	-1 729 011	1 132 522
Depreciation and amortization	111 875	15 150	127 024	10 154	28 987	166 165
Operational EBIT	686 746	52 200	738 946	20 062	-65 563	693 445
EBIT-%	44,4 %	19,9 %	40,8 %	1,0 %		34,8 %
Volume harvested/sold	17 612	4 268	21 879	22 141		
Sales price per kg salmon	83,8	60,9	79,4	85,2		
Operational EBIT per kg salmon	39,0	12,2	33,8	0,9		

YTD 2021

	Farming Mid	Farming West	Farming	Sales & processing	Other/ elimina- tions*)	Måsøval Group
Internal operating revenue - sale of goods and services	268 170	-	268 170	-	- 268 170	-
External operating revenue - sale of goods and services	686 538	-	686 538	405 739		1 092 277
Other operating revenues	104 820	-	104 820	32 685	- 14 445	123 060
Total operating revenues	1 059 527	-	1 059 527	438 424	- 282 615	1 215 336
Operating expenses	643 182	-	643 182	421 408	- 246 787	817 803
Depreciation and amortization	95 785	-	95 785	3 806	5 549	105 140
Operational EBIT	320 560	-	320 560	13 210	- 41 377	292 393
EBIT-%	30,3 %		30,3 %	3,0 %		24,1 %
Volume harvested/sold	16 888		16 888	6 807		
Sales price per kg salmon	56,5		56,5	59,6		
Operational EBIT per kg salmon	19,0		19,0	1,9		

*) Depreciation and amortization in "Other/eliminations" is almost exclusively related to surplus values from acquisitions.

NOTE 3: OPERATING REVENUE

Group revenues by geographic market:	Q4 2022	%	Q4 2021	%
Norway	161 087	40 %	197 114	50 %
Europe, without Norway	214 561	54 %	170 248	43 %
Asia	21 395	5 %	23 518	6 %
Other countries	3 283	1 %	2 485	1 %
Total revenues	400 327		393 365	

	2022	%	2021	%
Norway	837 339	42 %	865 207	71 %
Europe, without Norway	1 069 949	54 %	299 373	25 %
Asia	66 136	3 %	46 594	4 %
Other countries	18 708	1 %	4 163	0 %
Total revenues	1 992 132		1 215 337	

Group revenues by product and services	Q4 2022	%	Q4 2021	%
Sale revenue salmon	376 991	94 %	364 690	93 %
Other revenue	23 336	6 %	28 675	7 %
Total revenues	400 327		393 365	

	2022	%	2021	%
Sale revenue salmon	1 898 525	95 %	1 092 277	90 %
Other revenue	93 606	5 %	123 060	10 %
Total revenues	1 992 132		1 215 337	

Operating revenues

Operating revenues consist of revenue from sale of salmon either on spot rates or from fixed price contracts. Sales are recognized in the income statement when the fish has been harvested and packed in boxes and picked up by the carrier (ex works).

Other revenue

Other revenue consist of income from harvesting activities, sale of smolt and sale of services related to fish farm activities.

NOTE 4: SHARE CAPITAL AND SHAREHOLDERS

As at 31 December 2022, the parent company's share capital comprised:

	No.	Face value	Share capital
Ordinary shares	122 508 455	0,25	30 627
Total	122 508 455	0,25	30 627

Shareholders:

The company's 20 largest shareholders as at 31 December 2022 were:

Shareholder	No. of shares	Shareholding (%)
Måsøval Eiendom AS	85 727 553	69,98 %
Verdipapirfond Odin Norge	9 907 218	8,09 %
Vartdal Invest AS	4 761 904	3,89 %
J.P. Morgan Bank Luxemburg S.A.	3 722 715	3,04 %
Henden Nygård Holding AS	1 800 057	1,47 %
ABBA Holding AS	1 677 176	1,37 %
Morgan Stanley & Co. Int. Plc.	1 652 062	1,35 %
J.P.Morgan bank Luxemburg S.A.	1 273 821	1,04 %
Vicama AS	1 000 000	0,82 %
Gåsø Næringsutvikling AS	955 132	0,78 %
Hausta Investor AS	875 933	0,71 %
Songa Capital AS	652 199	0,53 %
Patric Invest AS	611 252	0,50 %
Yttervåg AS	608 000	0,50 %
GH Holding AS	466 620	0,38 %
Verdipapirfondet Holberg Triton	395 000	0,32 %
Sniptind Invest AS	341 912	0,28 %
DNB Bank ASA	282 665	0,23 %
BNP Paribas	245 000	0,20 %
Småge Eiendom AS	241 387	0,20 %
Others	5 310 849	4,34%
Total	122 508 455	100,00%

NOTE 5: BIOLOGICAL ASSETS AND OTHER INVENTORIES

Book value of biological assets and inventory	31.12.2022	30.09.2022	31.12.2021
Feed inventory	23 987	33 046	20 049
Finished goods	13 661	15 173	6 089
Total other inventory	37 648	48 219	26 138
Biological assets	1 159 932	1 053 320	699 558
Total biological assets and other inventory	1 197 580	1 101 538	725 696

Fair value

Fair value adjustments are part of the Group's EBIT, but changes in fair value are presented on a separate line to provide better understanding of the Group's profit/loss on cost of goods sold. The item comprises:

Book value of biological assets recognised at fair value	31.12.2022	30.09.2022	31.12.2021
Biological assets held at sea farms at cost	619 854	577 442	413 634
Fair value adjustment of biological assets	456 081	404 868	209 931
Total biological assets held at sea by fair value	1 075 934	982 310	623 565
Smolt and postsmolt at cost	83 998	71 009	75 993
Total biological assets	1 159 932	1 053 320	699 558

Change in the book value of biological assets held at sea farm carried at fair value	Q4 2022	Q4 2021	2022	2021
Opening balance biological assets at sea	982 310	586 390	623 565	374 607
Increase from acquisitions	-	105 706	-	105 706
Increase resulting from production/purchase	299 499	146 623	1 091 908	651 160
Reduction resulting from sale/harvesting	-257 088	-170 295	-885 689	-620 173
Reduction resulting from incident-based mortality	-	-	-	-
Net fair value adjustment	51 212	-44 858	246 150	112 264
Closing balance biological assets at sea	1 075 934	623 565	1 075 934	623 565

Incident-based mortality

In the event of incidents exceeding three per cent mortality in a period based on a single incident, or if the mortality exceeds five per cent over several periods based on one and the same incident, an assessment is made as to whether there is a basis for write-down. The assessment relates to the number of fish and is carried out at site level. Incident-based mortality is recognised under cost of goods sold in the consolidated statement of comprehensive income.

The assessment relates to the number of fish and is carried out at site level.



PURE:
NORWEGIAN SEAFOOD AS



Biological assets held at sea farms 31.12.2022	Biomass (tonnes)	Cost	Fair value adjustment	Carrying amount
< 1 kg	106	20 949	14 336	35 285
1 - 4 kg	12 529	624 067	416 582	1 040 649
> 4 kg	-	-	-	-
Biological assets held at sea farms	12 634	645 016	430 918	1 075 934
Eggs, fry and smolt at cost	-	83 998	-	83 998
Biological assets total	12 634	729 014	430 918	1 159 932

Biological assets held at sea farms 30.09.2022	Biomass (tonnes)	Cost	Fair value adjustment	Carrying amount
< 1 kg	1 323	101 713	163 882	265 595
1 - 4 kg	5 189	296 673	186 671	483 344
> 4 kg	4 814	179 056	54 316	233 372
Biological assets held at sea farms	11 326	577 442	404 868	982 310
Smolt and postsmolt	-	71 009	-	71 009
Biological assets total	11 326	648 451	404 868	1 053 320

Biological assets held at sea farms 31.12.2021	Biomass (tonnes)	Cost	Fair value adjustment	Carrying amount
< 1 kg	2 027	119 688	14 017	133 705
1 - 4 kg	9 457	293 946	195 913	489 860
> 4 kg	-	-	-	-
Biological assets held at sea farms	11 483	413 634	209 931	623 565
Smolt and postsmolt	-	75 993	-	75 993
Biological assets total	11 483	489 627	209 931	699 558

The fair value calculation is based on following forward prices:

Expected harvest- ing period:	Forward price 31.12.2022	Expected harvest- ing period:	Forward price 30.09.2022	Expected harvest- ing period:	Forward price 31.12.2021
Q1-2023	91,75	Q4-2022	75,17	Q1-2022	68,70
Q2-2023	95,55	Q1-2023	85,73	Q2-2022	68,20
Q3-2023	76,48	Q2-2023	91,75	Q3-2022	56,40
Q4-2023	78,22	Q3-2023	76,00	Q4-2022	62,30
Q1-2024	84,33	Q4-2023	77,50	Q1+Q2 -2023	65,25

Discount rate

The discount rate for 2021 and 2022 was 5 % per month, which reflects the biomass capital cost, risk and synthetic licence fees and site rental charges.

NOTE 6: TRANSACTIONS WITH RELATED PARTIES

The group had the following transactions with related parties. All transactions are carried out on market terms at arm's length.

Transactions with related parties YTD 2022	Sales	Purchase	Receivables	Liabilities
Laxar Fiskeldi	30 252	-	18 463	-
Måsøval Eiendom AS	839	1 078	6 657	112
Flamek Eiendom AS	443	2 419	360	259
Sørskaget Holding AS	966	1 674	171	183
Sørskaget Bolig AS	127	-	66	-

NOTE 7: INTANGIBLE ASSETS AND PROPERTY PLANT AND EQUIPMENT

(All amounts in NOK 1000)	Property, plant and equipment*)	Goodwill	Licenses	Total
Net book value at 31.12.2021	927 680	438 963	2 068 766	3 435 409
Additions	235 769	-	-	235 769
Pro&contra settlement Vartdal Group	-	- 10 574	-	- 10 574
Depreciation and amortization	- 166 166	-	-	- 166 166
Net book value at 31.12.2022	997 284	428 389	2 068 766	3 494 439

*) Including Right-to-use assets

The Norwegian government's proposal to introduce a resource tax on salmon production in Norway entails uncertainty about the value of the company's licences and goodwill. The Group has carried out an impairment test at the time of publication of this quarterly report based on our best estimates. The Group will continuously assess the valuation of these assets.

The Group's farming operations are managed as a joint unit across PA5 and PA6 and the impairment testing is based on a common cash-generating unit.



ALTERNATIVE PERFORMANCE MEASURES

The Group presents its financial statements in accordance with International Financial Reporting Standards (IFRS). In addition, management has established alternative performance measures (APMs) to provide useful and relevant information to users of the financial statements. These APMs have been established to provide greater understanding of the Group's underlying performance, and do not replace the consolidated financial statements prepared in accordance with IFRS. The performance parameters have been reviewed and approved by the Group's management and Board of directors. Alternative performance measures may be defined and used in other ways by other companies. The Group applies the following APMs:

Net interest-bearing debt

Net interest-bearing debt is defined as the net of long-term debt, short-term debt, bank deposits and interest-bearing receivables. The measure is useful and necessary information to investors and other users of the financial statements to assess the net of the interest-bearing external capital used to finance the group. The measure is used to calculate return on capital employed and highlights the Group's ability to increase the debt. The capitalised value of operational lease agreements according to IFRS 16 is not included in the interest-bearing debt.

<i>(All amounts in NOK 1000)</i>	31.12.2022	30.09.2022	31.12.2021
Non-current liabilities to financial institutions	1 477 927	1 466 512	1 861 944
Current liabilities to financial institutions	593 217	561 787	418 482
Liabilities related to operational lease agreements	-190 718	-204 908	-236 906
Cash and cash equivalents	-82 359	-120 132	-121 252
Net interest-bearing debt	1 798 068	1 703 258	1 922 268

Equity ratio

Equity ratio is calculated by dividing total equity including minorities by the total assets and it is expressed as a percentage. The measure is useful to the users of financial statements in terms of understanding how much of a company's assets are funded by equity and borrowings.

<i>(All amounts in NOK 1000)</i>	31.12.2022	30.09.2022	31.12.2021
Equity	1 988 971	1 935 515	1 485 676
Total assets	4 968 380	4 953 215	4 530 047
Equity ratio	40,0 %	39,1 %	32,8 %

Operational EBIT per kg salmon

Operational EBIT per kg is defined as a central performance measure for the Group. The measure is used to evaluate the profitability of sold goods and the operations of the Group. The performance measure is useful to users of the financial statements to evaluate the profitability of sold goods and the production. The measure is calculated for each segment before unallocated costs and non-recurring events, fair value adjustments, income from associated companies, financial expenses and taxes. The measure is expressed per kg harvested volume.

Operational EBIT

Operational EBIT is defined as the difference between operating revenues and operating expenses. Operating expenses excludes production tax, profit sharing with co-location partners and change in fair value of biological assets.

Farming

<i>(All amounts in NOK 1000)</i>	Q4 22	Q4 21	2022	2021
Operating revenue	354 522	308 577	1 809 315	1 059 527
Operating expenses	299 350	204 669	1 070 369	738 967
Operating EBIT	55 172	103 908	738 946	320 560
Volume harvested	5 032	4 813	21 879	16 888
Operational EBIT per kg salmon	11,0	21,6	33,8	19,0

Farming mid

<i>(All amounts in NOK 1000)</i>	Q4 22	Q4 21	2022	2021
Operating revenue	319 316	308 577	1 547 216	1 059 527
Operating expenses	273 980	204 669	860 470	738 967
Operating EBIT	45 336	103 908	686 746	320 560
Volume harvested	4 483	4 813	17 612	16 888
Operational EBIT per kg salmon	10,1	21,6	39,0	19,0

Farming west

<i>(All amounts in NOK 1000)</i>	Q4 22	Q4 21	2022	2021
Operating revenue	35 205	-	262 099	-
Operating expenses	25 370	-	209 899	-
Operating EBIT	9 835	-	52 200	-
Volume harvested	550	-	4 268	-
Operational EBIT per kg salmon	17,9	-	12,2	-

Sales & processing

<i>(All amounts in NOK 1000)</i>	Q4 22	Q4 21	2022	2021
Operating revenue	402 041	231 010	1 948 405	438 424
Operating expenses	401 230	227 428	1 928 342	425 214
Operating EBIT	811	3 582	20 062	13 210
Volume sold	5 136	3 226	22 141	6 807
Operational EBIT per kg salmon	0,2	1,1	0,9	1,9

Made by nature

Pioneered by  Måsøval