

QUARTERLY REPORT
Q1 2023

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.

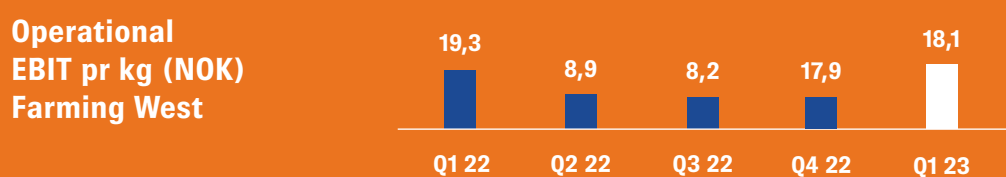
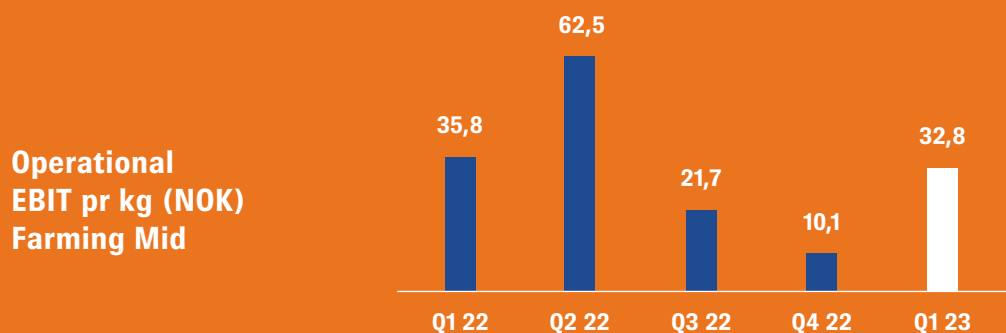
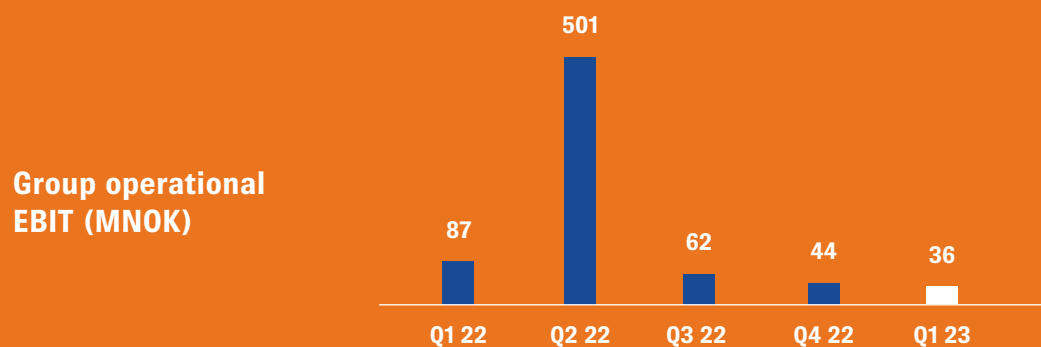
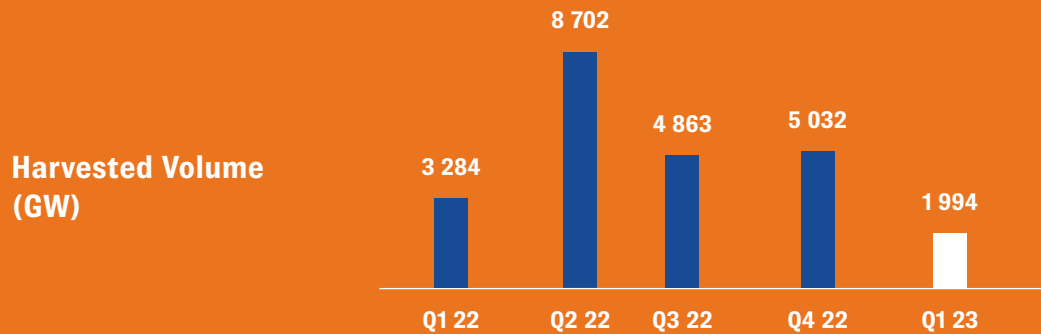
Led by the third generation of the Måsøval family, we now look forward to producing more than 30 000 tonnes of salmon a year, serving 3,1 million people – every single week, year-round.

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

Pioneered by  Måsøval



Introduction and summary Q1



A large fishing vessel is docked at a pier in a fjord. The vessel is white with blue accents and has a yellow buoy in the water nearby. The background features snow-capped mountains and a cloudy sky. The water is dark and rippled.

Highlights Q1 2023



1 994 tonnes

Harvest of 1 994 tonnes vs 3 284 tonnes in Q1 2022.

32,8 kr/kg

Farming Mid reported an operational EBIT of NOK 32,8 pr kg with full effect from increased feed costs and lice treatment on Spring 2022 generation.

18,1 kr/kg

Farming West reported an operational EBIT of NOK 18,1 pr kg with winter ulcers leading to downgrading of the harvested volume.

15 763 tonnes

3 129 tonnes biomass built to a record high biomass of 15 763 tonnes.

36 MNOK

Group Operational EBIT of MNOK 36 (MNOK 87 in Q1 2022).

Heggeset

Måsøval received approval for one new site at Nordmøre – Heggeset – with 2 340 tonnes MAB.

Key figures

Q1 2023

2. FINANCIAL PERFORMANCE

(Figures in brackets refer to Q1 2022, unless specified otherwise)

Key figures Group	Q1 2023	Q1 2022	2022
Consolidated numbers in 1 000 NOK			
Operating revenue	237 264	280 037	1 992 132
Harvested volume (tonnes GW)	1 994	3 284	21 879
Operational EBIT	35 863	87 386	693 444
EBIT ⁽¹⁾	-12 244	146 766	884 514
Profit before tax	-39 592	128 964	802 651
Net profit or loss for the period	-31 223	100 472	626 262
Operational EBIT/kg	18,0	26,6	31,7
Operational EBIT %	15,1 %	31,2 %	34,8 %
Equity ratio	38,2 %	33,9 %	39,9 %
Earnings per share (NOK) ⁽²⁾	0,02	0,41	3,50

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

(2) Earnings per share excluding Net fair value adjustment Biomass

2.1. REVENUES AND RESULTS

Revenue and results for Q1 2023

The Group achieved operating revenues of MNOK 237 in the first quarter of 2023, a decrease compared to MNOK 280 in the same quarter last year. The Group's operational EBIT in Q1 2023 was MNOK 36, down from MNOK 87 compared to the same period last year. The decrease in revenues is attributable to a lower harvested volume compared to the corresponding quarter last year. The decrease in EBIT is caused by higher prices of feed that is now fully factored into the production costs.

The Group reports a loss after tax of MNOK 31 after Q1. This is caused by a reduction in the fair value adjustment of biomass with MNOK 43 compared to the end of 2022. In addition the Group has incurred extraordinary costs related to restructuring.

2.2. BALANCE SHEET

Balance sheet Q1 2023

At the end of Q1 2023, total assets were MNOK 5 125, an increase in total assets of MNOK 137 from the previous quarter. Total property, plant and equipment increased by MNOK 30 after investments. Further, total current assets increased by MNOK 105, mainly due to an increase in biomass of MNOK 152. Total receivables decreased by MNOK 46 from the end of 2022.

The Group's net interest-bearing debt increased by MNOK 207 compared to the end of 2022 and stands at MNOK 2 005.

At the end of the reporting quarter, the Group's total equity was MNOK 1 957, a decrease of MNOK 32 compared to the end of 2022. Equity ratio at the end of Q1 2023 was 38,2%.

2.3. STATEMENT OF CASH FLOW

Cash flow statement Q1 2023

The Group achieved a cash flow from operating activities of MNOK -132 during Q1 2023 after build-up of biomass. Net cash flow generated by investing activities had a negative impact of MNOK 27 on the cash flow. Net cash generated by financing activities in Q1 2023 was MNOK 158. In Q1 2023 the Group raised new current and non-current borrowings totalling MNOK 259 and spent MNOK 92 on repayment of current and non-current borrowings. This includes rebalancing of the loan portfolio in accordance with the new finance facilities.



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 Q1 2022, unless specified otherwise)

Farming is the Group's largest segment and achieved sales revenues of MNOK 190 of which MNOK 167 is sale of salmon. Prices are up from Q1 2022, but a decrease in harvested volume led to a reduction in sales revenue of MNOK 64. Operational EBIT in Q1 2023 amounted to MNOK 53 (MNOK 105). Operational EBIT per kg harvested salmon was NOK 26,5 (NOK 31,9). The main reason for the increase in production costs is the full effect of increase in feed prices and high costs for lice treatment in region Mid.

Key figures Farming Consolidated numbers in NOK 1000	Q1 2023	Q1 2022	2022
Total operating revenues	190 040	254 235	1 809 315
Operational EBIT	52 827	104 751	738 946
Operational EBIT - %	27,8 %	41,2 %	40,8 %
Harvest volume (tonnes GW)	1 994	3 284	21 879
Operational EBIT per kg salmon	26,5	31,9	33,8

3.1.1. FARMING MID

(Figures in brackets refer to Q1 2022, unless specified otherwise)

Farming Mid is the Group's largest division and achieved sales revenues of MNOK 125 in Q1 2023, of which MNOK 102 is sale of salmon. Prices were significantly higher compared to Q1 2022. Compared to Q1 2022 volume decreased by 1 365 tonnes after a build-up of biomass to record levels. Operational EBIT in Q1 2023 was MNOK 37 (MNOK 90). Operational EBIT per kg harvested salmon was NOK 32,8 (NOK 35,8).

1 140 tonnes of salmon (2 505 tonnes) were harvested in Q1 2023. The sales price per kg in Q1 2023 was NOK 89,9, NOK 12,4 higher than the sales price in Q1 2022. Price achievement was lower than NASDAQ due to timing of harvest and downgrading due to winter ulcers.

Operationally Q1 has been a quarter with good growth but also high levels of lice. 89% of harvest has been from generation Spring 2022 and 11% from generation Autumn 2022.

Key figures Farming Mid Consolidated numbers in NOK 1000	Q1 2023	Q1 2022	2022
Total operating revenues	124 527	204 086	1 547 216
Operational EBIT	37 363	89 739	686 746
Operational EBIT - %	30,0 %	44,0 %	44,4 %
Harvested volume (tonnes GW)	1 140	2 505	17 612
Operational EBIT per kg salmon	32,8	35,8	39,0

3.1.2. FARMING WEST

Farming West achieved sales revenues of MNOK 66 in Q1 2023, of which MNOK 65 is related to the sale of salmon. Operational EBIT amounted to MNOK 15. Operational EBIT per kg harvested salmon was NOK 18,1 (NOK 19,3).

The sales price per kg was NOK 11,6 higher than in Q1 2022, but winter ulcers has led to downgrading during the quarter, albeit at a significantly lower level than in the corresponding quarter in 2022. Costs are influenced by higher feed costs, the early harvest of one pen and continued investments in operational improvements.

855 tonnes were harvested in Q1 2023. 100% of the harvest was from 2022 generation.

Key figures Farming West Consolidated numbers in NOK 1000	Q1 2023	Q1 2023	2022
Total operating revenues	65 512	50 150	262 099
Operational EBIT	15 463	15 012	52 200
Operational EBIT - %	23,6 %	29,9%	19,9 %
Harvested volume (tonnes GW)	854	779	4 268
Operational EBIT per kg salmon	18,1	19,3	12,2

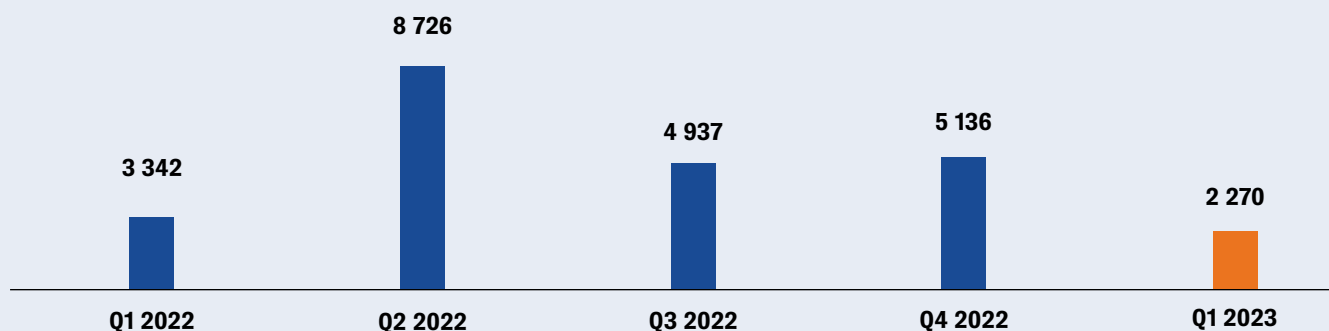
3.2. SALES & PROCESSING

The Sales & Processing segment achieved sales revenues of MNOK 229 in Q1 2023, vs. MNOK 276 in Q1 2022. Operational EBIT was MNOK 1 vs. MNOK 0 in Q1 2022.

Results were negatively influenced by low harvest at both facilities. Operations at our facility in Vartdal were partly closed during the quarter as investments into automation was carried out. 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	Q1 2023	Q1 2022	2022
Total operating revenues	229 363	275 845	1 948 405
Operational EBIT	843	-155	20 062
Operational EBIT - %	0,4 %	-0,1 %	1,0 %

SALES VOLUME (TONNES GW)

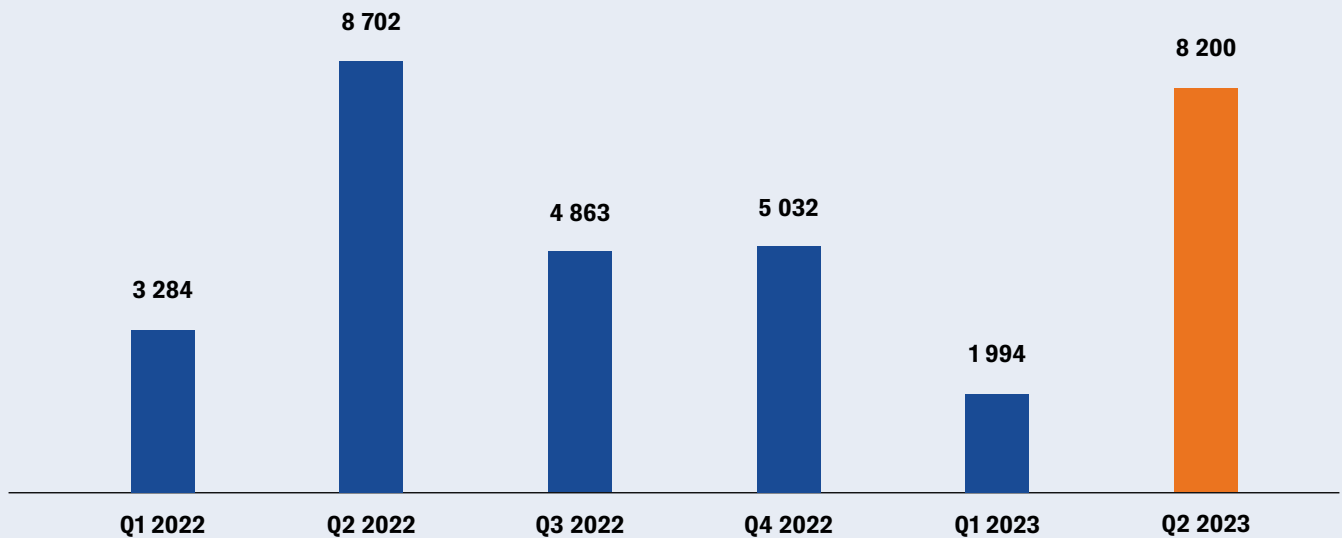


4. OUTLOOK

4.1. FARMING OUTLOOK

The Group maintains its guiding of 24 300 tonnes in 2023, with 8 200 tonnes expected in Q2 2023.

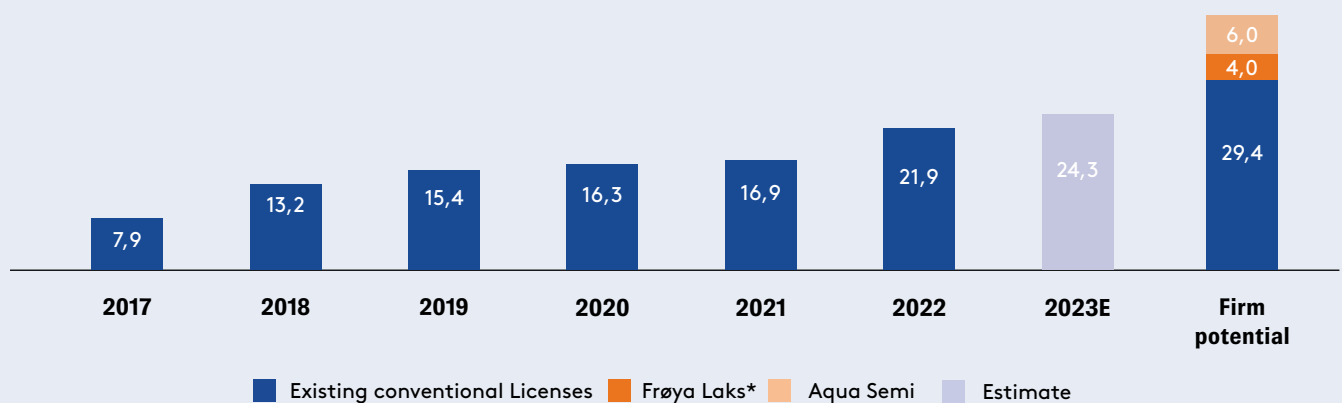
HARVEST VOLUME (TONNES GW)



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

Costs for Q2 are expected to be flat/down compared to Q1 2023.

Harvest Volume (GW)



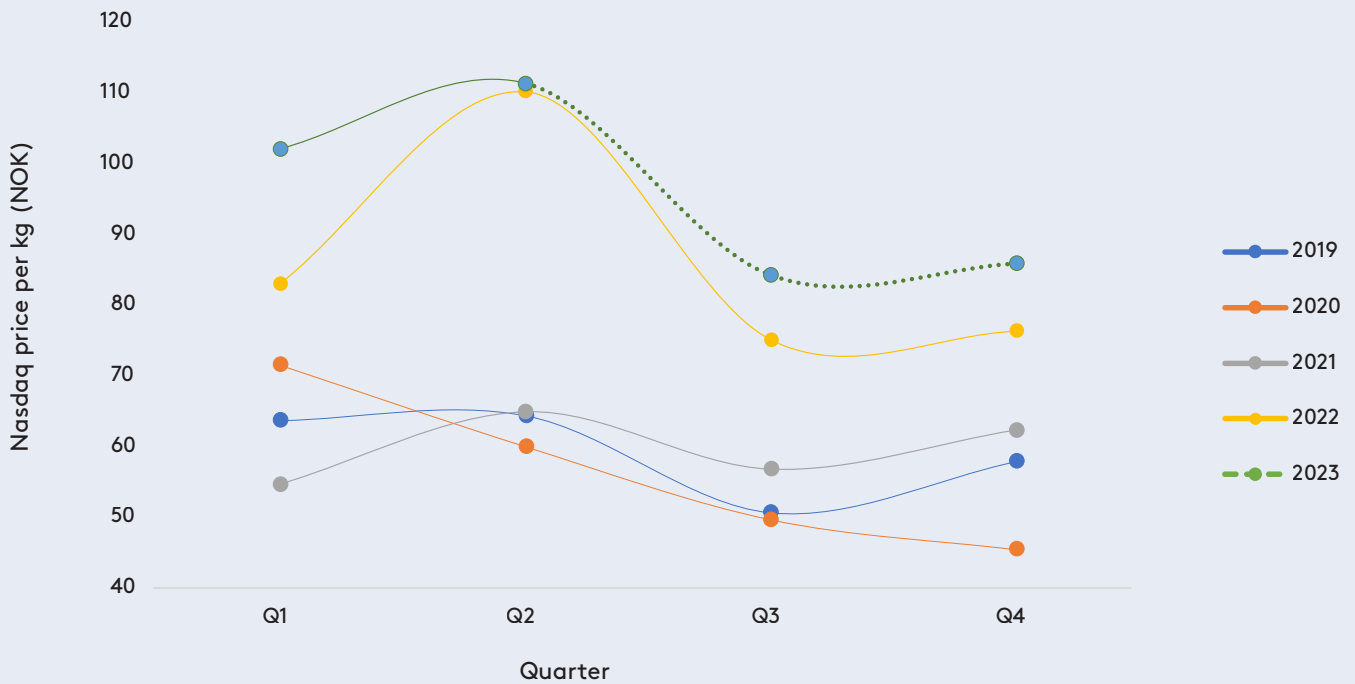
*) Result on Frøya Laks licenses will be accounted as a net income and will not be included in turnover and harvest volume.

4.2. PRICE (NASDAQ)

The sales price per kg in Q1 2023 was NOK 104,4, NOK 23,8 higher than the sales price in Q1 2022.

The average salmon price is expected to remain strong for Q2 2023 and whole 2023. Fishpool forward price for Q2 2023 is NOK 109,7 and the average forward price for the last three quarters of 2023 is NOK 95,3.

NASDAQ average price



* Fishpool Forward Price 12.05.2023

5. OTHER MATTERS

5.1. RESOURCE TAX

On September 28th 2023 the Norwegian government proposed to introduce a resource tax on production of salmon in Norway of 40% from January 1st 2023. This has since been amended to 35%. 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 Q1.

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

5.3. CO-LOCATION AGREEMENT WITH FRØYA LAKS AS

As previously informed, Måsøval has entered into a co-location agreement with Frøya Laks to operate their licenses of 2 433 tonnes MAB. First harvest is expected in 2024, and fish is already put to sea on their licences.

5.4. RESTRUCTURING OF THE GROUP

Måsøval has an ongoing process to restructure the Group after the acquisitions made in 2021.

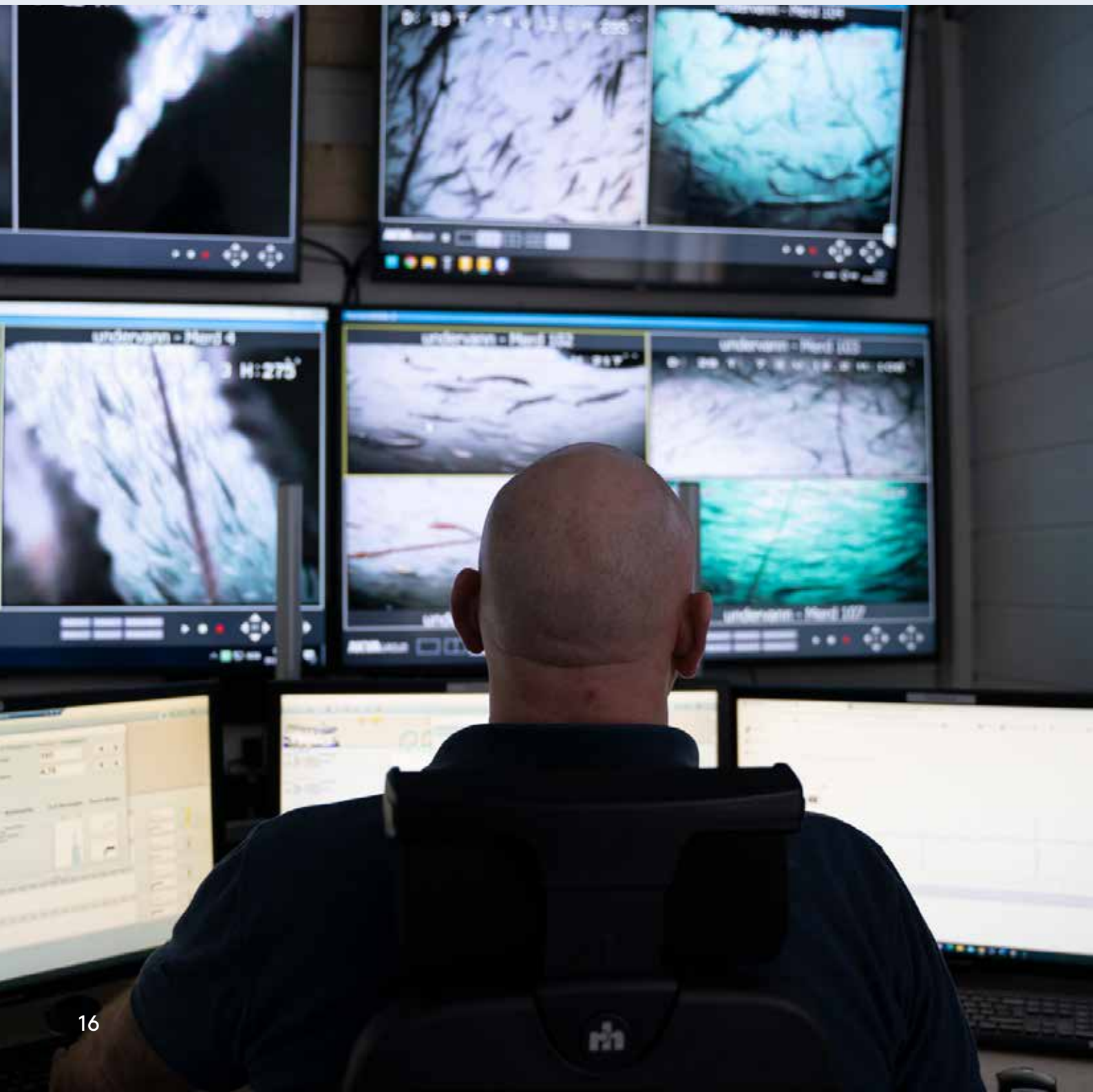
5.5. SITES

Sites are a key strategic assets and in Q1, Måsøval received approval for a new site at Nordmøre – Heggeset – with 2 340 tonnes MAB.

6. MATTERS AFTER THE BALANCE SHEET DATE

Måsøval has received a notification that we need to open up the Laksåvika waterways for anadrome fish, i.e. salmon and trout within three years. This may necessitate some investments into a purification plant or a rebuild to RAS technology, albeit with a higher potential production. Even with no investment in Laksåvika, Måsøval has adequate access to smolt through own production and external agreements to handle both current production and planned growth. In 2022 Måsøval initiated a strategic process define the future smolt and postsmolt structure for the Group. This will be finalised in 2023 and will take into account the additional demands.

No other significant changes have occurred after March 31st 2023.



7. CONSOLIDATED FINANCIAL STATEMENTS

7.1. CONSOLIDATED STATEMENT OF PROFIT AND LOSS

<i>(All amounts in NOK 1000)</i>	Note	Q1 2023	Q1 2022	2022
Operating revenues - sale of salmon	3, 6	208 745	267 273	1 898 525
Other operating income	3, 6	28 519	12 764	93 606
Total operating revenues	2	237 264	280 037	1 992 132
Cost of goods sold		38 119	64 759	749 679
Salaries and other personell costs		61 317	48 836	196 794
Depreciation and amortisation expense	2, 7	47 610	39 152	166 166
Other operating expenses	6	54 356	39 904	186 049
Total operating expenses	2	201 401	192 651	1 298 687
Operational EBIT*	2	35 863	87 386	693 444
Production tax		-2 233	-1 330	-8 861
Profit sharing with co-location partners		-2 760	-2 608	-46 219
Net fair value adjustment - Biological assets	5	-43 113	63 318	246 150
EBIT		-12 244	146 766	884 514
Financial income		3 909	1 988	9 963
Financial expenses		31 257	19 790	91 826
Net finance income and expense		-27 348	-17 802	-81 863
Profit before income tax		-39 592	128 963	802 651
Tax expense		-8 369	28 492	176 389
Net profit for the period		-31 223	100 472	626 262
<i>Attributable to</i>				
Equity holders of the parent company		-31 267	99 317	620 959
Non-controlling interests		44	1 155	5 303
Total allocations		-31 223	100 473	626 262
Earnings per share (basic and diluted) *		0,02	0,41	3,50

* Earnings per share excludes Net fair value adjustment - Biological assets

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

<i>(All amounts in NOK 1000)</i>	Note	Q1 2023	Q1 2022	2022
Net profit		-31 223	100 472	626 262
<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		-31 223	100 472	626 262
		-31 223	100 472	626 262
Total comprehensive income attributable to:				
Owners of the parent		-31 267	99 317	620 959
Non-controlling interests		44	1 155	5 303
Total comprehensive income for the year		-31 223	100 473	626 262
Earnings per share (basic and diluted) *		0,02	0,41	3,50

* Earnings per share excludes Net fair value adjustment - Biological assets

7.2. STATEMENT OF FINANCIAL POSITION

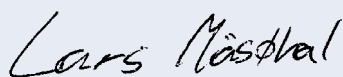
<i>(All amounts in NOK 1000)</i>	NOTE	31.03.2023	31.03.2022	31.12.2022
ASSETS				
<i>Intangible assets</i>				
Licenses	7	2 068 766	2 068 766	2 068 766
Goodwill	7	428 390	428 460	428 390
Total intangible assets		2 497 156	2 497 226	2 497 156
<i>Property, plant and equipment</i>				
Property, plant and equipment	7	470 018	448 629	467 918
Right-to-use assets	7	557 211	497 644	529 366
Total property, plant and equipment		1 027 228	946 272	997 284
<i>Non-current financial assets</i>				
Investments in other equity instruments		5	5	5
Other non-current receivables		2 970	3 701	416
Total non-current financial assets		2 975	3 706	421
Total non-current assets		3 527 359	3 447 203	3 494 861
<i>Inventories</i>				
Feed inventory	5	28 216	18 933	23 987
Finished goods	5	3 787	7 081	13 661
Biological assets	5	1 311 642	864 447	1 159 932
Total inventories		1 343 645	890 461	1 197 580
<i>Receivables</i>				
Accounts receivables		179 447	178 033	173 771
Other current receivables		36 565	40 863	82 229
Total Receivables		216 012	218 896	256 000
Cash and cash equivalents		37 770	127 759	38 473
Total current assets		1 597 427	1 237 116	1 492 053
Total assets		5 124 786	4 684 320	4 986 915

(All amounts in NOK 1000)

	NOTE	31.03.2023	31.03.2022	31.12.2022
EQUITY AND LIABILITIES				
<i>Equity</i>				
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		1 018 218	652 478	1 049 915
Total equity attributable to owners of the parent company		1 921 277	1 555 537	1 952 974
Non-controlling interests		36 041	31 850	35 997
Total equity		1 957 318	1 587 387	1 988 971
<i>Non-current liabilities</i>				
Deferred tax*		525 072	516 450	564 448
Liabilities to financial institutions		1 370 158	1 529 646	1 150 827
Long-term leasing liabilities		337 481	299 076	328 138
Total non-current liabilities		2 232 711	2 345 172	2 043 413
<i>Current liabilities</i>				
Liabilities to financial institutions		409 006	392 058	417 486
Short-term leasing liabilities		145 392	123 172	130 808
Account payables		223 126	139 254	221 557
Income tax payable*		115 088	31 467	98 633
Other current liabilities		42 145	65 810	86 047
Total current liabilities		934 757	751 762	954 530
Total liabilities		3 167 468	3 096 933	2 997 943
Total equity and liabilities		5 124 786	4 684 320	4 986 915

* Deferred tax and income tax payable are estimated at 31.03.2023 and is based on a 22% corporate tax rate.

TRONDHEIM, 22 MAY 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	Q1 2023	Q1 2022	2022
Profit before income tax		39 592	128 963	802 651
Tax paid		14 252	1 415	33 544
Gain on sales of shares		-	-1 039	-1 039
Ordinary depreciation	7	47 610	39 152	166 166
Interest paid on borrowings		21 206	13 747	69 662
Calculated interest costs, leasing		4 148	3 096	9 143
Fair Value adjustments - biological assets	5	45 703	-63 318	-246 150
(Increase)/decrease in inventories	5	-113 907	-101 446	-225 734
(Increase)/decrease in account receivables		-83 223	15 533	19 795
Increase/(decrease) in account payables		1 570	-36 541	45 762
(Increase)/decrease in other current receivables/liabilities		-1 613	10 517	121 775
Net cash (outflow)/inflow from operating activities		-132 350	7 249	728 486
Payments for property, plant and equipment	7	-26 769	-3 107	-202 097
Payments for intangible assets	7	-	-	-1 230
Proceeds from disposal of other assets		-	1 578	1 578
Net cash (outflow)/inflow from investing activities		-26 769	-1 528	-201 748
Proceeds from non-current and current borrowings		259 000	-	26 844
Repayment of non-current and current borrowings		-44 375	-44 134	-436 183
Payment of interest expenses on borrowings		-25 129	-14 890	-69 662
Repayment of principal portion of lease liabilities		-22 417	-16 958	-110 268
Net change in overdraft facility		-8 663	77 998	102 559
Proceeds of equity		-	-1 230	-298
Payments of dividends and group contributions		-	-	-122 508
Net cash (outflow)/inflow from financing activities		158 416	786	-609 517
Net (decrease)/increase in cash and cash equivalents		-703	6 507	-82 779
Cash and cash equivalents at the beginning of the period		38 473	121 252	121 252
Cash and cash equivalents at the end of the period		37 770	127 759	38 473

7.4. STATEMENT OF EQUITY

2023	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 2022	30 627	872 432	1 049 915	1 952 974	35 997	1 988 971
Profit from continuing operations	-	-	-31 697	-31 697	44	-31 653
Dividends	-	-	-	-	-	-
Cost of equity increase	-	-	-	-	-	-
31 March 2023	30 627	872 432	1 018 218	1 921 277	36 041	1 957 318
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 Q1 2022	-	-	99 317	99 317	1 155	100 473
Cost of equity increase*	-	-	1 240	1 240	-	1 240
31 March 2022	30 627	872 432	652 480	1 555 539	31 849	1 587 389
Profit from continuing operations Q2-Q4 2022	-	-	521 642	521 642	4 148	525 789
Dividends	-	-	-122 508	-122 508	-	-122 508
Cost of equity increase*	-	-	-1 699	-1 699	-	-1 699
31 December 2022	30 627	872 432	1 049 915	1 952 974	35 997	1 988 971

* Related to the capital increase in December 2021





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 2022 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 2022 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. The proposed resource tax is not implemented in the tax calculations.

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 Annual Financial Statements for 2022.

New standards effective from 1 January 2023 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 segment includes the purchase of salmon eggs, 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.

	Q1 2023					
	Farming Mid	Farming West	Farming	Sales & processing	Other / eliminations*)	Måsøval Group
<i>(All amounts in NOK 1000)</i>						
Internal operating revenue - sale of goods and services	102 386	64 917	167 303	-	-167 303	-
External operating revenue - sale of goods and services	-	-	-	208 745	-	208 745
Other operating revenues	22 141	595	22 736	20 618	-14 835	28 519
Total operating revenues	124 527	65 512	190 040	229 363	-182 139	237 264
Operating expenses	53 404	46 155	99 559	225 140	-170 908	153 791
Depreciation and amortization	33 760	3 894	37 654	3 380	6 576	47 610
Operational EBIT	37 363	15 463	52 827	843	-17 807	35 862
Operational EBIT-%	30,0 %	23,6 %	27,8 %	0,4 %		15,1 %
Volume harvested/sold	1 140	854	1 994	2 270		
Sales price per kg salmon	89,9	76,0	83,9	92,0		
Operational EBIT per kg salmon	32,8	18,1	26,5	0,4		

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

Q1 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	193 980	50 108	244 088	-	-238 221	5 867
External operating revenue - sale of goods and services	-	-	-	261 406	-	261 406
Other operating revenues	10 106	42	10 148	14 439	-11 823	12 764
Total operating revenues	204 086	50 150	254 235	275 845	-250 044	280 037
Operating expenses	88 341	31 830	120 171	273 862	-240 536	153 497
Depreciation and amortization	26 006	3 308	29 314	2 138	7 701	39 153
Operational EBIT	89 739	15 012	104 751	-155	-17 210	87 386
Operational EBIT-%	44,0 %	29,9 %	41,2 %	-0,1 %		31,2 %
Volume harvested/sold	2 505	779	3 284	3 342		
Sales price per kg salmon	77,4	64,3	74,3	78,2		
Operational EBIT per kg salmon	35,8	19,3	31,9	-0,0		

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

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
Operational 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		

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



NOTE 3: OPERATING REVENUE

Group revenues by geographic market:	Q1 2023	%	Q1 2022	%	2022	%
Norway*	129 376	55%	106 550	38%	837 339	42 %
Europe, without Norway	100 338	42%	161 068	58%	1 069 949	54 %
Asia	7 385	3%	9 953	4%	66 136	3 %
Other countries	165	0%	2 466	1%	18 708	1 %
Total revenues	237 264		280 037		1 992 132	

* Sales are mostly to Norwegian exporters of salmon

Group revenues by product and services	Q1 2023	%	Q1 2022	%	2022	%
Sale revenue salmon	208 745	88%	267 273	95%	1 898 525	95%
Other revenue	28 519	12%	12 764	5%	93 606	5%
Total revenues	237 264		280 037		1 992 132	

Operating revenues

Operating revenues consist of revenue from sale of salmon either on spot rates or from fixed price contracts. Sales are recognised 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 external sale of services related to fish farming activities.

NOTE 4: SHARE CAPITAL AND SHAREHOLDERS

As at 31 March 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 March 2023 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.	2 924 684	2,39%
Henden Nygård Holding AS	1 800 057	1,47%
ABBA Holding AS	1 677 176	1,37%
Morgan Stanley & Co. Int. Plc.	1 657 278	1,35%
J.P.Morgan bank Luxemburg S.A.	1 275 405	1,04%
Frøy Kapital AS	1 255 132	1,02%
Vicama AS	1 000 000	0,82%
Hausta Investor AS	875 933	0,71%
GH Holding AS	616 620	0,50%
Patric Invest AS	611 252	0,50%
Verdipapirfondet Holberg Triton	460 000	0,38%
Songa Capital AS	452 199	0,37%
Yttervåg AS	380 036	0,31%
Sniptind Invest AS	341 912	0,28%
BNP Paribas	325 000	0,27%
Småge Eiendom AS	241 387	0,20%
DNB Bank ASA	233 897	0,19%
Others	5 983 812	4,88%
Total	122 508 455	100,00%

NOTE 5: BIOLOGICAL ASSETS AND OTHER INVENTORIES

Book value of biological assets and inventory	31.03.2023	31.03.2022	31.03.2021
Feed inventory	28 216	18 933	23 987
Finished goods	3 787	7 081	13 661
Total other inventory	32 003	26 014	37 648
Biological assets	1 311 642	864 447	1 159 932
Total biological assets and other inventory	1 343 645	890 461	1 197 580

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	31.03.2023	31.03.2022	31.12.2022
Biological assets held at sea farms at cost	774 503	508 102	619 854
Fair value adjustment of biological assets	412 967	273 249	456 081
Total biological assets held at sea by fair value	1 187 470	781 351	1 075 935
Smolt and postsmolt at cost	124 172	83 096	83 998
Total biological assets	1 311 642	864 447	1 159 933

Change in the book value of biological assets held at sea farm carried at fair value	Q1 2023	Q1 2022	2022
Opening balance biological assets at sea	1 075 935	623 565	623 565
Increase resulting from production/purchase	280 138	221 005	1 091 908
Reduction resulting from sale/harvesting	-125 489	-126 538	-885 689
Reduction resulting from incident-based mortality	-	-	-
Net fair value adjustment	-43 114	63 319	246 150
Closing balance biological assets at sea	1 187 470	781 351	1 075 934

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.





Biological assets held at sea farms 31.03.2023	Biomass (tonnes)	Cost	Fair value adjustment	Carrying amount
< 1 kg	637	82 189	53 823	136 012
1 - 4 kg	12 668	579 567	303 461	883 028
> 4 kg	2 458	112 746	55 683	168 430
Biological assets held at sea farms	15 763	774 503	412 967	1 187 470
Eggs, fry and smolt at cost	-	124 172	-	124 172
Biological assets total	15 763	898 675	412 967	1 311 642

Biological assets held at sea farms 31.03.2022	Biomass (tonnes)	Cost	Fair value adjustment	Carrying amount
< 1 kg	498	67 173	20 772	87 945
1 - 4 kg	9 839	357 861	171 590	529 450
> 4 kg	3 041	83 068	80 888	163 956
Biological assets held at sea farms	13 377	508 102	273 249	781 351
Smolt and postsmolt	-	83 096	-	83 096
Biological assets total	13 377	591 198	273 249	864 447

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	598 904	441 745	1 040 649
> 4 kg	-	-	-	-
Biological assets held at sea farms	12 634	619 853	456 081	1 075 934
Smolt and postsmolt	-	83 998	-	83 998
Biological assets total	12 634	703 851	456 081	1 159 932

The fair value calculation is based on following forward prices:

Expected harvest- ing period:	Forward price 31.03.2023	Expected harvest- ing period:	Forward price 31.03.2022	Expected harvest- ing period:	Forward price 31.12.2022
Q2-2023	106,56	Q2-2022	81,50	Q1-2023	91,75
Q3-2023	83,27	Q3-2022	62,26	Q2-2023	95,55
Q4-2023	84,52	Q4-2022	66,53	Q3-2023	76,48
Q1-2024	92,42	Q1-2023	69,25	Q4-2023	78,22
Q2-2024	95,75	Q2-2023	60,25	Q1-2024	84,33

Discount rate

The discount rate for 2022 and 2023 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 Q1 2023	Sales	Purchase	Receivables	Liabilities
Laxar Fiskeldi	6 700	273	18 456	-
Måsøval Eiendom AS	173	238	-	112
Flamek Eiendom AS	117	1 081	-	259
Sørskaget Holding AS	231	570	-	183
Sørskaget Bolig AS	33	-	55	-

Transactions with related parties Q1 2022	Sales	Purchase	Receivables	Liabilities
Laxar Fiskeldi	7 416	-	26 720	-
Måsøval Eiendom AS	161	270	67	-
Flamek Eiendom AS	111	450	138	563
Sørskaget Holding AS	205	379	86	158
Sørskaget Bolig AS	32	-	13	-

Transactions with related parties 31.12.2022	Sales	Purchase	Receivables	Liabilities
Laxar Fiskeldi	30 252	-	18 407	50
Måsøval Eiendom AS	839	1 078	92	-
Flamek Eiendom AS	443	2 419	46	-
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)	Right-to-use assets	Property, plant and equipment	Goodwill	Licenses	Total
Net book value at 31.12.2022	529 366	467 918	428 390	2 068 766	3 494 440
Additions	58 620	18 934	-	-	77 554
Depreciation and amortization	-30 776	-16 834	-	-	-47 610
Net book value at 31.03.2023	557 210	470 018	428 390	2 068 766	3 524 384

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 the annual statement of 2022. No significant negative effects is observed after these impairment test. 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>	31.03.2023	31.03.2022	31.12.2022
Non-current liabilities to financial institutions	1 707 639	1 828 722	1 478 965
Current liabilities to financial institutions	554 398	515 231	548 293
Liabilities related to operational lease agreements	-219 070	-233 808	-190 718
Cash and cash equivalents	-37 770	-127 759	-38 473
Net interest-bearing debt - Group	2 005 197	1 982 386	1 798 068
Net interest-bearing debt - Pure Norwegian Seafood (PNS)	-48 965	8 830	-62 203
Net interest-bearing debt - Group excluding PNS	1 956 232	1 991 216	1 735 865

Operational EBITDA

Operational EBITDA is calculated as operational EBIT less depreciations and calculated interest expenses on operating leases.

<i>(All amounts in NOK 1000)</i>	31.03.2023	31.03.2022	31.12.2022
Operational EBIT - Group	35 863	87 386	693 444
Operational EBIT - Pure Norwegian Seafood	-2 173	-605	-22 626
Operational EBIT - Group, excluding PNS	33 690	86 781	670 818
Depreciation and amortisation expense, excluded PNS	45 053	37 915	159 669
Rental costs operating leases	-24 386	-16 958	-67 837
Interest expenses on operating leases	-1 969	-1 728	-6 352
EBITDA - Group excluding PNS	52 388	106 010	756 298

Financial expenses excluding Pure Norwegian Seafood

The Group's external financing is divided in two parts. Pure Norwegian Seafood has its own financing and is not included in the Group's main financing. The loan requirements related to the Group's main financing are therefore linked to figures excluding PNS.

<i>(All amounts in NOK 1000)</i>	31.03.2023	31.03.2022	31.12.2022
Financial expenses - Group	31 257	19 790	91 826
Financial expenses - PNS	- 1 079	2 085	- 3 058
Financial expenses - Group, excluding PNS	30 178	21 875	88 768

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>	31.03.2023	31.03.2022	31.12.2022
Equity	1 957 318	1 587 387	1 988 971
Total assets	5 124 786	4 684 320	4 986 915
Equity ratio	38,2 %	33,9 %	39,9 %

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>	Q1 2023	Q1 2022	2022
Operating revenue	190 040	254 235	1 809 315
Operating expenses	137 213	149 484	1 070 369
Operating EBIT	52 827	104 751	738 946
Volume harvested	1 994	3 284	21 879
Operational EBIT per kg salmon	26,5	31,9	33,8

Farming mid

<i>(All amounts in NOK 1000)</i>	Q1 2023	Q1 2022	2022
Operating revenue	124 527	204 086	1 547 216
Operating expenses	87 164	114 347	860 470
Operating EBIT	37 363	89 739	686 746
Volume harvested	1 140	2 505	17 612
Operational EBIT per kg salmon	32,8	35,8	39,0

Farming west

<i>(All amounts in NOK 1000)</i>	Q1 2023	Q1 2022	2022
Operating revenue	65 512	50 150	262 099
Operating expenses	50 049	35 138	209 899
Operating EBIT	15 463	15 012	52 200
Volume harvested	854	779	4 268
Operational EBIT per kg salmon	18,1	19,3	12,2

Sales & processing

(All amounts in NOK 1000)

	Q1 2023	Q1 2022	2022
Operating revenue	229 363	275 845	1 948 405
Operating expenses	228 520	276 001	1 928 342
Operating EBIT	843	-155	20 062
Volume sold	2 270	3 342	22 141
Operational EBIT per kg salmon	0,4	-0,0	0,9



Made by nature

Pioneered by  Måsøval