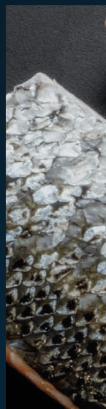




INTERIM REPORT

2023 | 1ST QUARTER





Key figures Q1 2023

- High revenue driven by strong prices and weak NOK exchange rates
- The proposed resource rent tax applicable from 2023 increases uncertainty about the future
- Price inflation for almost all input factors over the last year impacting costs
- Operating profit NOK 989 million (NOK 889 million)
- Salmon and trout harvest volume of 28,602 GWT (32,057 GWT)
- Total salmon and trout harvest volume for 2023 estimated at around 193,500 GWT (including volume in joint venture) (192,600 in 2022)
- Substantial improvement in earnings for VAPS&D segment
- The Board of Directors has recommended a dividend payment of NOK 2.5 per share in 2023 (same as 2022)

	Q1-23	Q1-22	Change	2022	2021
Revenue (NOKm)	6,971	5,524	26%	26,646	23,073
Operational EBITDA (NOKm)	1,337	1,210	10%	4,797	3,856
Operational EBIT (NOKm)	989	889	11%	3,471	2,604
EPS (NOK)*	1.04	1.02	2%	3.59	3.08
Harvest volume (GWT) salmon & trout	28,602	32,057	-11%	174,629	186,635
Catch volume (HOG) whitefish	25,269	25,116	1%	71,726	71,521
ROCE* (%)	16.1	16.2		14.5	12.4
NIBD (NOKm)**	4,302	3,280		4,346	3,297
Equity ratio (%)	57.4	57.2		56.7	56.5

* Before fair value adjustment related to biological assets

** Excluding lease liabilities other than to credit institutions, previously referred to as operating leases.

Lerøy Seafood Group

Lerøy Seafood Group (LSG) is a global seafood corporation and has its head office in Bergen. The Group's almost 6,000 employees process between 350,000 and 400,000 tonnes of seafood every year via our value chain, corresponding to around 5 million meals every day. The Group has a vertically integrated value chain for red fish and whitefish, as well as significant activities using third-party products.



The Group's values – open, honest, responsible and creative – shall underpin everything we do, and we work hard to achieve our goal of creating the world's most efficient and sustainable value chain for seafood. The target for return on capital employed before tax (ROCE) is 18% per annum. The Group has a number of different targets within sustainability, including cutting greenhouse gas emissions by 46% by 2030.

Q1 2023

The seasonal pattern in harvest volume of salmon and trout in Norway has become even more pronounced over the last year. A lower harvest volume led to significantly higher prices at the start of 2023 than in the second half of 2022. Higher krone rates also have a positive impact on prices in NOK. This is helping to increase the Group's margins in Farming, but on a lower harvest volume. The Wild Catch segment had a seasonally strong quarter with a high volume at good prices. VAPS&D posted significantly better earnings in Q1 2023 than in the same period last year.

The Group reported revenue of NOK 6,971 million in the quarter, up 26% on Q1 2022. Operational EBIT¹ in Q1 2023 was NOK 989 million, an increase of 11% compared with the same period last year. Compared with Q1 2022, earnings for the Farming segment increased as a result of higher prices realised, were roughly the same for Wild Catch and significantly higher for VAPS&D.

Net financial items amounted to NOK -95 million in Q1 2023, compared with NOK -45 million in the same period of 2022, driven by higher interest rates and currency effects.

Income from associates and the joint venture, in which Norskott Havbruk/Scottish Sea Farms owns the majority stake, was NOK -13 million in Q1 2023, compared with NOK 103 million in Q1 2022. The corresponding figures before fair value adjustment related to biological assets were NOK -5 million in Q1 2023, compared with NOK 32 million in Q1 2022, reflecting a challenging biological situation for Norskott Havbruk in the second half of 2022.

This gives a figure for earnings per share before fair value adjustment related to biological assets of NOK 1.04 in Q1 2023, compared with NOK 1.02 in Q1 2022. The proposed resource rent tax on aquaculture in Norway has not been included in the estimated tax, as it has not been adopted. The Group's annualised return on capital employed (ROCE) before fair value adjustment related to biological assets was 16.1% in Q1 2023 against 16.2% in Q1 2022.

The Group's earnings in the three main segments are shown below.

	Wild Catch	Farming	VAPS&D	LSG/other	Elim.	Group
Q1 2023						
Revenue (NOKm)	1,079	2,610	6,409	57	-3,183	6,971
Operational EBIT (NOKm)	229	742	96	-79	0	989
Operational EBIT/kg excl. Wild Catch*		26.0	3.4	-2.8		26.6
Q1 2022						
Revenue (NOKm)	1,031	2,247	5,121	44	-2,919	5,524
Operational EBIT (NOKm)	236	633	26	-6	0	889
Operational EBIT/kg excl. Wild Catch*		19.7	0.8	-0.2	0	20.4
** Operational EBIT/kg, excluding EBIT contribution from Wild Catch and settlement costs						

¹ To improve industry comparability, the Group has elected to define operational EBIT as a key figure effective Q1 2023. The bridge between reported EBIT before fair value adjustment of biomass and operational EBIT is shown in note 2. Production fees are not included in operational EBIT.

Wild Catch

The wholly owned subsidiary Lerøy Havfisk carries out the Group's wild catch operations. Lerøy Havfisk has licence rights to harvest just above 10% of the total Norwegian cod quotas in the zone north of 62 degrees latitude, corresponding to around 30% of the total quota allocated to the trawler fleet. Lerøy Havfisk also owns several processing plants, which are mainly leased out to its sister company Lerøy Norway Seafoods (LNWS) on long-term contracts. Lerøy Havfisk's trawler licences stipulate an operational obligation for these plants.

Lerøy Havfisk had 10 trawlers in operation in Q1 2023. The catch volume in Q1 2023 totalled 25,269 tonnes, compared with 25,116 tonnes in Q1 2022. A reduction in the cod quota for 2023 means lower catches of cod, but this has been compensated in volume terms by higher catches of saithe, which is a lower-value species.

Catch volume	Q1-23	Q1-22	2022	2021	Remaining quota 2023	Remaining quota 2022
Cod	7,951	10,023	23,696	26,582	11,710	13,954
Saithe, north	5,671	3,510	12,551	12,022	8,298	9,019
Saithe, south	0	0	317	1,134	3,085	2,593
Haddock	7,318	7,441	10,418	10,878	3,328	2,381
Redfish	1,475	1,223	9,317	9,433		
Shrimp	0	0	8,571	4,147		
Greenland halibut	159	43	1,475	1,334		
Other	64	48	540	553		
Meal, oil, ensilage	2,631	2,827	4,840	5,439		
Total	25,269	25,116	71,726	71,521		

Prices	Q1-23	Q1-22	2023 YTD	2022	2021	2020
Cod	50.6	41.4	50.6	44.6	31.1	34.9
Haddock	24.6	31.4	24.6	31.4	25.3	25.0
Saithe	23.5	21.2	23.5	23.2	17.2	14.7

With the exception of haddock, whitefish prices continue to perform strongly. Compared with Q1 2022, prices rose by 22% for cod, fell by 22% for haddock and rose by 11% for saithe.

The total catch value was marginally higher in Q1 2023 than in Q1 2022. However, total bunkering costs were NOK 24 million higher in Q1 2023 than in Q1 2022. This is because fuel prices have risen by 40%, offset to some extent by a decrease in fuel consumption as a result of slightly fewer operating days and lower fuel consumption per operating day.

LNWS's primary business is processing wild-caught whitefish. The company has use of 12 processing plants and purchasing stations in Norway, five of which are leased from Lerøy Havfisk. Cod is the most important species for LNWS, and a reduction in the quotas in 2022 led to higher prices for the end product. This trend has continued in 2023 with prices for end products not performing as strongly as those for raw materials, resulting in significant pressure on margins in the onshore industry. The Group expects that increased raw material prices will, inevitably, gradually be reflected in the prices for end products.

In total, the segment reported operating profit of NOK 229 million in Q1 2023, compared with NOK 236 million in the same period of 2022. The development in raw material prices is positive for the Wild Catch segment overall, but this positive effect has been counteracted by lower quotas and higher crew and

bunkering costs. It is difficult for the onshore industry to raise the prices for end products in step with the cost development for raw materials.

Wild Catch	Q1-23	Q1-22	2022	2021
Revenue (NOKm)	1,079	1,031	3,117	2,695
Operational EBITDA (NOKm)	284	287	555	544
Operational EBIT (NOKm)	229	236	348	340
Catch volume (HOG) whitefish	25,269	25,116	72,726	71,521

Farming

The Farming segment comprises the Group's three farming regions in Norway: Lerøy Aurora located in Troms and Finnmark, Lerøy Midt located in Nordmøre and Trøndelag and Lerøy Sjøtroll located in Vestland.

Operational EBIT for the Farming segment was NOK 742 million in Q1 2023, compared with NOK 633 million in Q1 2022. The segment harvested 29,000 tonnes during the quarter, down 11% on Q1 2022. 50% of harvest volume in Q 2023 is from Lerøy Sjøtroll which has the highest cost among the Group's three regions.

In Q1 2023, operational EBIT/kg was NOK 23.8 for Lerøy Aurora, NOK 35.7 for Lerøy Midt and NOK 20.8 for Lerøy Sjøtroll. In total, operational EBIT/kg for the segment was up from NOK 19.7 in Q1 2022 to NOK 26.0 in Q1 2023.

	Lerøy Aurora/ North Norway	Lerøy Midt/ Central Norway	Lerøy Sjøtroll/ West Norway	Elim.	Farming
Q1 2023					
Revenue (NOKm)	515	862	1,253	-20	2,610
Operational EBIT (NOKm)	136	309	298	0	742
Harvest volume (GWT)	5,698	8,667	14,237		28,602
Share of harvest volume, trout	0%	0%	26%		13%
NSI salmon (sales price FCA Oslo), NOK/kg					103.7
Operational EBIT/kg	23.8	35.7	20.9		26.0
Q1 2022					
Revenue (NOKm)	368	846	1,056	-22	2,247
Operational EBIT (NOKm)	94	290	248	0	633
Harvest volume (GWT)	4,887	11,767	15,403		32,057
Share of harvest volume, trout	0%	0%	27%		13%
NSI salmon (sales price FCA Oslo), NOK/kg					79.7
EBIT*/kg	19.3	24.7	16.1		19.7

Prices realised — Good demand, and strong seasonal pattern in release from stock for salmon

In 2022 the market for salmon and trout experienced a rebound following the reopening of society, with prices through the year high, volatile and reflecting a strong seasonal pattern. Higher prices led to a reduction in demand in a number of retail markets at the start of 2023, but the overarching strong demand seen in 2022 continues. Prices realised are being further strengthened by a significantly weaker Norwegian krone.

In Q1 2023, Norwegian salmon exports were 10% lower than in Q1 2022, while export prices were 20% higher in EUR and 34% higher in NOK. This shows how the export price in NOK is affected not only by volume and exchange rate movements, but also by a strong underlying market.

The spot price for salmon in Q1 2023, measured according to NSI (sales price FCA Oslo), was NOK 103.7/kg, compared with NOK 72.1/kg in Q4 2022 and NOK 79.7/kg in Q1 2022. This represents a spot price increase of NOK 32/kg compared with Q4 2022 and NOK 24/kg compared with Q1 2022. These prices are testimony to a strong underlying market and a significantly weaker Norwegian krone. Measured in NOK, the spot price increase in Q1 2023 compared with Q1 2022 is 30%, while the equivalent figures for prices in EUR and USD are 18% and 12%. It is worth noting that prices to date in Q2 2023 are higher than in the same period of 2022 measured in NOK, but lower in EUR, which is more important for the European market.

There are a number of factors that influence the Group's prices realised compared with the spot price for whole salmon, including contract share, sizes, quality and harvest date. The contracts are entered into long before the harvest date and will therefore reflect price expectations at the contract date. Year to date, there has been an extremely large price differential between different grades.

Farming's contract share for salmon in the quarter was 18%. The contract price realised was significantly higher than in Q1 2022 but at the same time significantly lower than the spot price in the quarter. For Lerøy Sjøtroll, 26% of the harvest volume in Q1 2023 was trout, and prices realised for whole trout were NOK 5 lower than those for whole salmon.

Costs – Cost inflation on input factors

In line with developments nationally and globally, higher costs for virtually all input factors are manifesting themselves strongly in the Group's costs. This is being exacerbated by the high krone rate. Higher feed costs are the most significant factor, followed by higher bunkering, energy and packaging costs. As expected, release from stock costs in Q1 2023 were significantly higher than in both Q4 and Q1 2022.

Lerøy Aurora's costs have increased significantly on the equivalent period of last year, with higher feed costs far and away the main factor. As in 2022, release from stock costs in the quarter were affected by seasonal pattern, a low harvest volume and high contract share. Sea-based production at Lerøy Aurora is good. A significant year-on-year increase in release from stock costs is expected for full-year 2023 as a result of higher feed prices, although a gradual decrease in release from stock costs is expected in the coming quarter. Lerøy Aurora expects a harvest volume in the region of 47,000 GWT in 2023, compared with 40,000 GWT in 2022.

As discussed in previous interim reports, growth in Lerøy Midt in the second half of 2022 was not satisfactory, and this has affected harvest volume in the quarter. Biological development improved in the first quarter, with Lerøy Midt building biomass. Feed costs are the key driver in release from stock costs in Q1 2023 being significantly higher than in both Q1 and Q4 2022. Slightly higher release from stock costs are expected for the coming quarter in Lerøy Midt. The estimated harvest volume for 2023 is 64,000 GWT.

The challenging biological situation Lerøy Sjøtroll experienced in the second half of 2022 continued at the start of 2023, with lower-than-expected growth. A number of measures have been initiated at all

stages of the production process and are expected to gradually produce results. By way of example, treatment capacity has been substantially changed, which is one of the measures expected to generate an improvement in production performance in 2023 compared with 2022. As expected, release from stock costs in Q1 2023 were higher than in both Q1 and Q4 2022. Costs are expected at a slightly higher level in the coming quarter. The harvest volume in 2023 is expected to be in the region of 64,000 GWT, but this depends on the expected improvement in net growth in the second half of 2023 compared with 2022 being achieved.

Value Added Processing, Sales & Distribution (VAPS&D)

With its fully integrated, cost-efficient value chain for salmon, trout, whitefish and shellfish, Lerøy Seafood Group shall supply products that are best suited to the consumers' preferences. Proximity to key markets and knowledge of the customer's needs are therefore of decisive importance if the Group is to develop demand for its main products. In the course of a calendar year, Lerøy distributes a wide range of seafood products from Norway to more than 80 different markets. In addition, the Group processes and distributes a number of market-specific seafood products in their respective local markets where Lerøy has operations. Lerøy Seafood Group's value chain shall be developed further in order to satisfy and increase the consumers' total demand for seafood.

Extremely high and volatile raw material prices, volatile exchange rates and price increases for other input factors are some of the factors that made downstream activities challenging in 2022 and at the start of 2023. It takes time for the various parties in the different parts of the value chain to adapt to a new price level. As expected, the start of 2023 saw a substantial improvement compared with 2022, which was extremely challenging for VAPS&D.

We are seeing very high prices for salmon in Q2 2023. This is affecting demand, particularly in the main markets in Europe, and could have a negative impact on earnings. Even so, earnings are expected to be significantly higher in 2023 than in 2022.

Operational EBIT reported by the segment was NOK 96 million in Q1 2023, a substantial improvement from NOK 26 million in the same period in 2022.

VAPS&D	Q1-23	Q1-22	2022	2021
Revenue (NOKm)	6,409	5,121	25,504	21,972
EBIT* (NOKm)	96	26	156	630
EBIT* margin	1.5%	0.5%	0.6%	2.9%
Y-o-y revenue growth	25.1%	10.6%	16.1%	16.3%

* Before fair value adjustment related to biological assets

Statement of financial position and statement of cash flows

The Group has a solid financial position and an investment grade rating (BBB+) from Nordic Credit Rating.

Book equity at 31 March 2023 was NOK 22,198 million, equivalent to an equity ratio of 57%. Net interest-bearing debt at 31 March 2023 was NOK 4,302 million. The Group has and shall continue to have significant financial flexibility to allow it to finance further organic growth, carry out strategic acquisitions and sustain the company's dividend policy.

Inflation and the higher level of activity were key drivers of the increase in tied-up working capital seen in 2022. This dynamic continued in Q1 2023, with the Group tying up NOK 618 million. Cash flow from operating activities was NOK 628 million.

Net cash flow from investing activities in Q1 2023 was NOK -349 million. Note that right of use assets are not included in cash flow from investing activities, as they do not generate any initial cash impact. The Group's actual investments, irrespective of type of investment, are disclosed as supplementary items under the statement of cash flows in the financial statements. Total net investments in the Group's own fixed assets, those leased from credit institutions and intangible assets in Q1 2023 amounted to NOK 300 million, compared with NOK 215 million in the same quarter of 2022.

In April 2023 the Group launched its second bond issue, in the form of a green bond loan. The issue was significantly oversubscribed, with total uptake of new bond loans at NOK 1,500 million.

Shareholder information

At 31 March 2023, Lerøy Seafood Group ASA had 23,699 shareholders, compared with 18,904 at 31 March 2022.

The company had 595,773,680 shares outstanding at 31 March 2023. All shares carry the same rights in the company. Austevoll Seafood ASA is the company's largest shareholder and owns 313,942,810 shares. This corresponds to a shareholding of 52.7%. The company's 20 largest shareholders owned 76.3% of the shares in the company at 31 March 2023. Lerøy Seafood Group ASA owns a total of 297,760 (0.05%) treasury shares.

The share price for Lerøy Seafood Group ASA has fluctuated between NOK 47.1 and NOK 60.2 in Q1 2023. The closing price was NOK 55.3 at the start of the quarter and NOK 54.3 at the end of the quarter.

The Board of Directors will recommend to the company's annual general meeting in May 2023 a dividend payment for 2022 of NOK 2.5 per share. The dividend of NOK 2.5 per share for 2021 was paid out in June 2022.

Transactions with related parties

Transactions with related parties take place at market terms according to the arm's length principle and are described in the company's annual report for 2022.

Key risk factors

After many years of investments, the Group is a significant owner of farming licences in Norway and the UK, and of whitefish quotas in Norway. The Group faces political risk linked to decisions by public authorities, including framework conditions for aquaculture and licence terms related to fisheries legislation. Political risk, including a lack of predictability, could impair the industry's competitiveness and capacity for development and value creation. This risk was laid bare on 28 September 2022, when the Norwegian government tabled a proposal to introduce resource rent taxation in the Norwegian aquaculture industry, and with the publication of the parliamentary bill (Prop. 78 LS) March 28th 2023. The proposed tax rate of 35% shall apply on value creation in the sea phase. This will be in addition to the ordinary corporate tax of 22% that already applies, thus an effective tax rate of 57% will apply on the sea phase if the proposal is approved. The proposal is hostile to the industry and entails a considerably higher tax burden for the Group.

As described in the Group's historical reporting, industrial development and employment in capital-intensive activities exposed to global competition, such as fish farming, fisheries and processing, are challenging and require a long-term perspective from businesses and national political leaders. The proposal by the government concerning resource rent taxation, and the process surrounding it, is an example of an extremely unconscionable processes and lack of predictability. Such political behaviour constitutes a significant risk to the industry's opportunities to continue developing and contributing to society.

Lerøy has historically sold 30-50% of its salmon on long-term contracts. The original resource rent taxation proposal made it impossible to enter into long-term contracts. The regulations governing this for 2023 were relaxed slightly just before Christmas last year, but there is a continuing lack of clarity about the regulations for 2024. The Group still considers the uncertainty surrounding long-term contracts to be significant. Further information/commentary on this can be found under "Market and outlook" below.

In 2021, the then government appointed the "Tax Committee", which published its report on 16 December 2022. The proposals included the introduction of resource rent tax on fisheries. Since publication of the report, the Norwegian government has been clear that it does not wish to introduce such a tax. It is worth mentioning that, a short time ago, the same parties now in government were similarly opposed to resource rent tax on aquaculture. It makes sense and is important to point out in this connection that the Group's whitefish activities already pay a resource rent tax in the form of the operational obligations on several facilities. These obligations represent a high degree of processing and a large proportion of full-year jobs in many local communities in the north of Norway. There is no basis for introducing additional taxation.

The Norwegian Ministry of Trade, Industry and Fisheries has submitted four memoranda on key themes in the new quota report, which the government has indicated it will submit to the Norwegian parliament for consultation. Among other things, these concern allocation of structural profit from expired time limits in the structural quota scheme and quota allocation for North East Arctic cod. A new quota report had been expected before Easter 2023, but is now expected later in the year. Final decisions could have negative consequences for the Group's basis of operations and hence for our employees. We fervently hope that the government's public statements can be trusted and that we can therefore expect responsible proposals for measures that will help to safeguard product development, processing and jobs in Lerøy Havfisk and Lerøy Norway Seafoods.

Over many years the Group has amassed significant expertise in the early stages of land-based salmon production, thanks to its investments in RAS facilities and so-called post-smolt facilities. There is a lot

happening in this area, and the Group also has plans for a number of projects for land-based production of fish for consumption. It is unlikely that all the projects will be realised, but given the large number of projects announced, it is probable that, with time, there will be some production of fish for consumption. In the short and medium term, land-based production will not, in our opinion, have any significant impact on the global market for Atlantic salmon, but whether this will be the case in a 10-year perspective is less certain.

On 20 February 2019, the EU competition authorities ("the EU Commission") started an investigation into suspected anti-competitive practices in the salmon market. Lerøy Seafood Group ASA is one of the companies named in the case. It is unclear precisely what form the EU Commission believes any collusion may have taken, when it may have occurred and what negative consequences it may have had. Lerøy Seafood Group ASA is providing the authorities with every assistance in the case. Procedures in this type of case normally continue for several years, and it is as yet too early to say whether the case may lead to sanctions or other negative consequences for the companies involved. As regards the investigation opened by the US Department of Justice (DOJ) into the Norwegian salmon industry in November 2019, Lerøy Seafood Group ASA was informed in January 2023 that the investigation has been closed.

In the wake of the EU Commission's ongoing investigations, several Norwegian-owned aquaculture companies, including companies in the Lerøy Seafood Group, have been sued by customers in the USA and Canada. The Group believes these claims to be groundless, but due to factors such as significant litigation costs in the USA and commercial reasons, the Group chose to settle the two US class actions in 2022. The settlements in no way represent any admission of liability or wrongdoing. Reference is also made to stock exchange notice made on 25 May 2022 and the quarterly report for the second quarter of 2022.

The Group's results are closely linked to developments in the global markets for seafood – particularly the price for Atlantic salmon and trout, but also to an increasing degree the price for whitefish, particularly cod, after the investments in whitefish in 2016. Pricing is determined by where supply and demand are in equilibrium. The growth in demand over recent years has outstripped the growth in supply, resulting in a positive price development, particularly for salmon and trout. The Group's results will continue to be affected by developments in the relationship between supply and demand in the future.

The seafood industry is international, and Norway is an important seafood-exporting nation. Trade barriers have been and will remain a considerable risk factor for the industry. In the last few years we have also seen how a pandemic – including the associated restrictions and fear – can negatively affect demand and value chains. The market for high-quality seafood is global and shows strong underlying growth. Over time, this growth has largely compensated for both political trade barriers and other temporary challenges, providing grounds for an optimistic outlook and our belief that the Group is well positioned to continue its positive long-term development.

The Group's operations will always be exposed to currency fluctuations.

Examples of other risk areas include credit risk, changes in the prices of input factors and market risk. Please see also the Group's annual report for 2022.

Structural conditions

The Group aims to generate lasting value through its activities. For this reason, stringent requirements are imposed on risk management and the ability to plan for the long term in the development of sustainable strategic business processes.

Through organic growth and a series of acquisitions carried out since the stock exchange listing on 3 June 2002, the Group is now one of the world's largest producers of Atlantic salmon and trout. The acquisitions of Havfisk ASA and Norway Seafood Group AS in 2016 made the Group the largest supplier of whitefish in Norway and a major supplier worldwide. In recent years, the Group has also developed and consolidated its position as a central actor in the distribution of seafood in Norway and other major international markets. The Group plays an active role in developing the value chain for seafood, with an increasingly wide global reach. The Group's goal in the medium term is to create the world's most efficient and sustainable value chain for seafood. Dialogue with various authorities based on trust, collaboration with suppliers and strategic customers, and a focus on efficiency in our own value chain allow us to create solutions that are both cost-efficient and innovative for our end customers.

Lerøy Seafood Group invests in the Norwegian whitefish sector from an industrial, eternal perspective. The industrial facilities are based on, and reliant on, raw materials both from the Group's own trawlers and from suppliers in the coastal fleet. The symbiosis between the onshore industry and the coastal fleet is strong and represents a high level of mutual dependency. Appropriate framework conditions, including predictability, are absolutely decisive to allow us to successfully play our part as a responsible industrial organisation. The whitefish sector is subject to seasonal fluctuations and is highly capital-intensive. We firmly believe that we will only be able to build a sustainable industry and create attractive jobs if we have appropriate framework conditions, investment capacity, product development and access to the global market.

In recent years, the Group has made major investments in facilities for smolt production, in order to ensure the Group's global competitiveness in a long-term perspective. These investments demonstrate not only the capital requirements, but also the level of knowledge demanded by advanced food production. To succeed, the Group needs a competent organisation, capital, market access and globally competitive framework conditions.

The Board of Directors believes that the Group's many years of investing in vertical integration, building alliances, developing high-quality products and new markets, quality-assuring its value chain and building its brand will help it to continue to create value going forward. The Group will continue its work to deliver sustainable value creation via strategic business development, operational efficiency improvements, management training and ongoing employee development. This work will generate growth and, based on customer preferences, ensure continuity of supply, quality and cost efficiency, with scope for increased profitability. Improving operational efficiency at all stages of the value chain is an ongoing process aimed at further strengthening the Group's financial and environmental competitiveness both nationally and internationally.

The Group's financial position is very strong, and it is important for the Board that the Group, through its operations, retains the confidence of participants in the various capital markets. This confidence was recently affirmed, and reinforced, when the company was awarded a credit rating and issued bond loans. The strong statement of financial position and current earnings support the Group's clear ambition to remain a leading participant in value-creating structural changes in the seafood industry, both nationally and globally. Lerøy Seafood Group will continue to selectively consider possible opportunities for investments, business combinations and alliances that could strengthen the basis for further profitable growth and sustainable value creation. This includes investment opportunities both upstream and

downstream. In the coming years, the Group will continue its growth strategy, most recently demonstrated by the integration of Seafood Danmark. This requires the Group to continuously develop and improve its performance in all segments throughout the value chain.

Market and outlook

Throughout the difficult situation we experienced in 2020 and 2021 linked to the outbreak of Covid, the Group found its collaboration with public bodies to be mostly positive. This led us to hope, and believe, that we could further develop cooperation based on accountability and knowledge-based facts, focusing on employment and value creation in the decades ahead.

Unfortunately, this is not how things turned out. In their rent resource proposal of 28 September 2022, the Norwegian government and Ministry of Finance reveal a lack of insight into the salmon farming industry's value chain and value creation, and hence of the negative consequences the proposal will have for society. It is important that the government and Storting understand the industry's value chain, including its level of activity and key role in Norway's coastal communities.

The consultative round for the proposal finished on 4 January 2023. Despite more than 400 consultation responses, reportedly running to more than 14,000 pages, evidencing the negative effects and operational challenges induced by the proposal. It is very unfortunate that the law proposal released on March 28th 2023 did not account for these responses.

The government bill betrays a lack of understanding of the industry's complexity and its importance to the nation and coastal communities. This has been thoroughly commented on, including in the Group's consultation response. Industrial developments and employment in capital-intensive activities exposed to global competition, such as fish farming, fisheries and related industry, represent challenges and require predictability. In turn, predictability of this kind requires businesses and, not least, politicians at national level to implement a reasonable long-term business policy. Regrettably, the resource rent proposal is an example of political risk of the kind we have not experienced in recent times in Norway. The proposal contradicts the government's own declaration, which states "The government will execute a predictable and responsible tax policy for business and industry."

The deadline for the recommendation from the Standing Committee on Finance and Economic Affairs is mid-May 2023, with a provisional date of 31 May for the parliamentary reading of the bill.

The proposed tax is to take effect from 1 January 2023. However, the final law proposal is not known to the industry. Consequently, its impact has not been incorporated in the Q1 2023 report. Adoption of the tax would lead to significant changes in the calculation of taxes. The Group has started a comprehensive project to prepare for and ensure compliance with the potentially new tax regime. At present the Group is unable to provide a precise estimate of the effective tax rate payable for its aquaculture activities.

The total quotas for cod and haddock were reduced in 2023. Allocation of the third-country quotas and reallocation from other fleet groups have mitigated the reduction. Compared with 2022, the quotas for cod have been reduced by 15%, while those for haddock are 8% higher because of reallocations. The quotas for saithe north of 62 degrees are 11% higher than 2022, and the quotas for saithe in the North Sea are up 19%. The quotas for other species such as redfish and Greenland halibut are roughly the same as in 2022. Q1 2023 has seen strong catch rates and high volumes, particularly of saithe. Despite

remaining cod quotas being lower at the end of Q1 than in 2022, the remaining catch volume provides a good basis of operations for the remainder of the year.

Results for the Farming segment in Q1 2023 have been impacted by a challenging situation in two of the regions in the second half of 2022. The situation has improved this year, and a number of measures have been initiated that are expected to gradually produce results. At the same time, cost inflation for input factors, now further exacerbated by the weaker krone, will be increasingly evident in 2023. For its consolidated operations, Lerøy Seafood Group currently expects a harvest volume of around 175,000 tonnes in 2023. The Group's share from the joint venture is forecast to be around 18,500 tonnes. LSG's total harvest volume in 2023 is thus expected to be in the region of 193,500 tonnes.

Lerøy works to develop an efficient and sustainable value chain for seafood, providing not only cost-efficient solutions, but also quality, availability, a high level of service, traceability, and competitive climate and environmental solutions. Investments – leading to good, full-year jobs – in downstream entities in recent years, including in a new industrial facility for Lerøy Midt, a new factory in Stamsund and new factories in Spain, the Netherlands and Italy, are expected to make a positive contribution going forward. The political risk for Lerøy's value chain has increased, but the Group has a clear ambition for operating profit in this segment to grow in the years ahead.

At the start of 2023, we are seeing demand for seafood in some market segments being negatively affected by general economic developments, but overall demand for seafood is strong. Historically, demand for seafood products has held up relatively well in economic downturns. The Group's products are healthy and tasty. Production is sustainable from an economic, social and environmental perspective.

Lerøy's Board of Directors and employees hope to see accountability in framework conditions, so that the industry can continue to develop.

Questions and comments may be addressed to the company's CEO, Henning Beltestad, or to the CFO, Sjur S. Malm.

Bergen, 15 May 2023

The Board of Directors of Lerøy Seafood Group ASA

Arne Møgster
Chairman of the Board

Didrik Munch
Board member

Britt Kathrine Drivenes
Board member

Siri Lill Mannes
Board member

Karoline Møgster
Board member

Hans Petter Vestre
Board member
Employee representative

Henning Beltestad
CEO

Lerøy Seafood Group Consolidated

Resultatregnskap / Income Statement

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

	Note	Q1 2023	Q1 2022	2022
Driftsinntekt / Operating revenue	3	6 971 499	5 523 953	26 645 877
Andre gevinster og tap / other gains and losses		3 083	726	6 380
Vareforbruk / Cost of goods sold		-3 565 849	-2 596 228	-14 408 005
Lønnskostnader / Salaries and other personnel costs		-1 121 895	-1 012 270	-3 815 833
Andre driftskostnader / Other operating costs		-954 256	-730 345	-3 627 992
Avskrivning immaterielle eiendeler / Depreciation intangible assets	4	-8 406	-8 293	-33 559
Avskrivning bruksretteieendeler / Depreciation right-of-use assets	4	-135 840	-131 126	-550 056
Avskrivning varige driftsmidler / Depreciation fixed assets	4	-203 224	-181 616	-742 424
Produksjonsavgift / Production fee		-16 017	-12 983	-70 725
Endring i virkelig verdjustering biologiske eiendeler / Change in fair value adj. on biological assets	5	564 744	407 029	1 057 507
Endring i avsetning tapskontrakter / Change in onerous contract provision		-90 586	-191 519	30 659
Kostnader forbundet med søksmål / Litigation costs		0	0	-208 785
Driftsresultat / Operating profit	5	1 443 252	1 067 327	4 283 045
Inntekt fra tilknyttede selskaper og felleskontrollert virksomhet / Income from associated companies and joint ventures	8	-13 370	102 801	65 675
Resultat før finansposter / Earnings before financial items (EBIT)		1 429 882	1 170 129	4 348 720
Netto rentekostnader / Net interest expenses		-93 858	-53 461	-285 814
Netto agio / Net currency effect		2 728	15 984	16 803
Andre finansposter / Other financial items		-4 192	-7 822	-12 757
Resultat før skattekostnad / Profit before tax		1 334 560	1 124 830	4 066 951
Beregnete skatter / Estimated taxation	1	-301 715	-237 764	-901 829
Periodens resultat / Profit for the period		1 032 845	887 066	3 165 122
Henføres til / Attributable to:				
Kontrollerende eierinteresser / Controlling interests		972 139	800 358	2 906 781
Ikke-kontrollerende eierinteresser / Non-controlling interests		60 707	86 709	258 340

Totalresultatoppstilling / Statement of comprehensive income

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

		Q1 2023	Q1 2022	2022
Periodens resultat / Profit for the period		1 032 845	887 066	3 165 122
Andre inntekter og kostnader, etter skatt / Other comprehensive income, net of tax				
Poster som senere kan reklassifiseres til resultatet / Items to be reclassified to profit or loss in subsequent periods				
Omregningsdifferanser m.m på TS / Equity adjustments associates		82 060	-52 477	1 918
Øvrige omregningsdifferanse m.m / Other currency translation differences etc.		99 157	-50 334	62 911
Verdiendring fin.instrumenter (sikring) / Change in FV fin.instruments (hedges)		-32 916	16 600	16 124
Totalresultatposter fra TS / Comprehensive income items from associated companies		467	0	14 562
Poster som ikke senere kan reklassifiseres til resultatet / Items not to be reclassified to profit or loss in subsequent periods:				
Resirkulering av tidligere omregningsdifferanser/ Recycling of previous translation differences		0	0	110
Gevinst/tap på ytelsespensjonsplan / Actuarial gains/loss on defined benefit plans		-836	0	-250
Totalresultat for perioden / comprehensive income for the period		1 180 777	800 855	3 260 497
Totalresultat for perioden henføres til / Comprehensive income for the period is allocated to:				
Kontrollerende eierinteresser / Controlling interests		1 117 217	715 213	3 000 474
Ikke-kontrollerende eierinteresser / Non-controlling interests		63 560	85 643	260 023
Totalresultat for perioden / comprehensive income for the period		1 180 777	800 855	3 260 497

Oppstilling av finansiell stilling / Statement of financial position

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

	<u>31.03.2023</u>	<u>31.03.2022</u>	<u>31.12.2022</u>
Eiendeler / Assets			
Immaterielle eiendeler / Intangible assets	8 703 518	8 560 375	8 643 033
Bruksretteieendeler / Right-of-use assets	2 844 782	2 931 414	2 863 969
Varige driftsmidler / Tangible fixed assets	7 635 854	7 278 721	7 487 389
Finansielle anleggsmidler / Financial non-current assets	1 622 013	1 527 050	1 564 651
Sum anleggsmidler / Total non-current assets	20 806 167	20 297 560	20 559 041
Biologiske eiendeler / Biological assets	8 428 449	6 572 940	7 617 593
Andre varer / Other inventories	2 449 364	1 466 873	2 307 897
Kundefordringer / Account receivables	2 620 626	2 151 073	2 716 977
Andre fordringer / Other receivables	754 433	812 146	555 273
Betalingsmidler / Cash and cash equivalents	3 585 022	3 836 295	3 304 878
Sum omløpsmidler / Total current assets	17 837 894	14 839 328	16 502 618
Sum eiendeler / Total assets	38 644 061	35 136 887	37 061 660
Egenkapital og gjeld / Equity and debt			
Innskutt egenkapital / Paid in equity	4 837 893	4 837 893	4 837 893
Opptjent egenkapital / Earned equity	15 988 034	14 074 112	14 867 868
Ikke-kontrollerende eierinteresser / Non-controlling interests	1 371 696	1 203 166	1 317 932
Sum egenkapital / Total equity	22 197 624	20 115 171	21 023 693
Langsiktig gjeld / Long term debt			
Obligasjonslån / Bond loans	1 493 962	1 492 737	1 493 656
Lån fra kredittinstitusjoner / Loans from credit institutions	3 366 894	3 706 502	3 441 073
Andre langsiktige lån / Other long term loans	21 998	5 973	6 336
Leieforpliktelser ovenfor kredittinstitusjoner / lease liabilities to credit institutions	853 117	949 502	881 201
Leieforpliktelser ovenfor andre / Lease liabilities to others	1 261 059	1 382 362	1 272 906
Avsetninger for andre langsiktige forpliktelser / Other accrued long term liabilities	2 757 364	2 690 128	2 935 389
Sum langsiktig gjeld / Total long term debt	9 754 394	10 227 203	10 030 561
Kortsiktig gjeld / Short term debt			
Kortsiktig del av lån fra kredittinstitusjoner / Short term part of loans from credit institutions	395 269	380 439	395 591
Kortsiktig del av andre langsiktige lån / Short term part of other long term loans	1 506	5 463	1 486
Kortsiktig del av leieforpliktelser ovenfor kredittinstitusjoner / Short term part of lease liabilities to credit institutions	346 706	237 427	332 514
Kortsiktig del av leieforpliktelser ovenfor andre / Short term part of other lease liabilities	274 141	254 988	269 614
Kassekreditt / Overdrafts	1 413 892	313 201	1 064 097
Andre kortsiktige kreditter / Other short term loans	15 114	34 113	40 683
Leverandørgjeld / Account payables	1 931 881	1 622 867	2 076 939
Annen kortsiktig gjeld / Other short-term liabilities	2 313 534	1 946 016	1 826 481
Sum kortsiktig gjeld / Total short term debt	6 692 043	4 794 513	6 007 406
Sum gjeld / Total debt	16 446 437	15 021 716	16 037 967
Sum egenkapital og gjeld / Total equity and debt	38 644 061	35 136 887	37 061 660

Nøkkeltall / Key figures

	Note	Q1 2023	Q1 2022	2022
Slaktet volum laks og ørret (GWT) / Slaughtered volume salmon and trout (GWT)		28 602	32 057	174 629
Andel slaktet volum laks (GWT) fra FKV / Share of slaughtered volume salmon (GWT) from JV		17 968	3 920	17 968
Fangstvolum hvitfisk og reker (tonn) / Catches whitefish and shrimps (tonnes)		25 269	25 116	71 726
Operasjonell EBIT margin / Operational EBIT margin ¹⁾		14,2 %	16,1 %	13,0 %
Driftsmargin / Operating margin ²⁾		20,7 %	19,3 %	16,1 %
Resultat per aksje før verdjusteringer* / Earnings per share before fair value adjustments*		1,04	1,02	3,59
Resultat per aksje / Earnings per share ³⁾		1,63	1,34	4,88
Utvannet resultat per aksje / Diluted earnings per share		1,63	1,34	4,88
ROCE før verdjusteringer* (annualisert) / ROCE before fair value adjustments* (annualised)		16,1 %	16,2 %	14,5 %
ROCE (annualisert) / ROCE (annualised) ⁴⁾		22,1 %	20,3 %	18,1 %
Egenkapitalandel / Equity ratio		57,4 %	57,2 %	56,7 %
Kontantstrøm per aksje / Cash-flow per share ⁵⁾		1,06	0,67	3,82
Utvannet kontantstrøm per aksje / Diluted cash-flow per share		1,06	0,67	3,82
Netto rentebærende gjeld / Net interest bearing debt (NIBD)	2, 6	4 302 146	3 279 989	4 346 083
Utbetalt utbytte per aksje (i kroner) / Paid dividend per share		0,00	0,00	2,50

*) Knyttet til biologiske eiendeler

1) Operasjonell EBIT margin = Operasjonell EBIT / salgsinntekter

2) Driftsmargin = Driftsresultat / salgsinntekter

3) Resultat per aksje = Majoritetens andel resultat / Gjennomsnittlig antall aksjer

4) ROCE = [Res. før skatt+nto fin.poster] / Gj.sn.[nto renteb. gjeld+sum egenkapital]

5) Kontantstrøm fra drift

6) IKE = Ikke kontrollerende eierinteresser

*) Related to biological assets

1) Operational EBIT margin = Operational EBIT / revenues

2) Operating margin = Operating profit / revenues

3) Earnings per share = Majority interests / Average number of shares

4) ROCE = [Pre tax profit + net fin. items] / Average [NIBD + total equity]

5) Cash-flow from operations

6) NCI = Non controlling interests

Oppstilling av kontantstrømmer / Statement of cash flows

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

	<u>Q1 2023</u>	<u>Q1 2022</u>	<u>2022</u>
Kontantstrøm fra drift / Cash flow from operating activities			
Resultat før skatt / Profit before tax	1 334 560	1 124 830	4 066 951
Betalt skatt / Income tax paid	-67 238	-143 184	-527 303
Gevinst ved salg anleggsmidl. / Gain from disposal of non-current assets	-3 083	-633	-6 547
Ordinære avskrivninger / Ordinary depreciation	347 470	321 035	1 326 039
Resultat fra TS og FKV / Profit from associated companies and joint ventures	13 370	-102 801	-65 675
Endring i verdijust. knyttet til biologiske eiendeler / Ch. in FV adj. related to biological assets	-474 158	-215 510	-1 070 166
Endring varelager / Change in inventories	-386 490	-421 003	-1 656 202
Endring kundefordringer / Change in accounts receivable	128 297	23 120	-542 754
Endring leverandører / Change in accounts payable	-145 057	-67 568	386 505
Poster klass. som finansieringsaktiviteter / Items reclassified as financing activities	95 322	45 298	281 473
Andre tidsavgrensninger / Other accruals	-214 624	-163 556	83 072
Netto kontantstrøm fra drift / Net cash flows from operating activities	628 369	400 029	2 275 393
Kontantstrøm fra investeringsaktiviteter / Cash flow from investing activities			
Netto investering i varige driftsmidler etc. / Net investment in fixed assets etc.	-264 871	-191 252	-887 391
Netto investering i immaterielle eiendeler / Net investment in intangible fixed assets	-75	8	-287
Netto inn(+)/ut(-)betaling ved salg/kjøp av aksjer / Net payments for acquisitions of shares	11	10	1 774
Netto utbetaling v/kjøp av konsernselskaper / Net acquisitions of group companies	-91 020	-49 117	-58 892
Betalingsmidler fra virksomhetsoverdragelser / Cash from business combinations	0	0	223
Innbetaling av utbytte fra tilknyttede selskaper / Dividend from associates	0	3 000	6 000
Andre utbytter og renteinntekter mottatt / Other dividend and interests received	3 249	0	36 170
Endring langsiktige fordringer etc. / Change in long-term receivables etc.	3 233	1 316	-5 248
Netto kontantstrøm fra investeringsaktiviteter/Net cash flow from investing activities	-349 473	-236 034	-907 652
Kontantstrøm fra finansieringsaktiviteter / Cash flow from financing activities			
Netto endring i kortsiktige kreditter / Net change in bank overdraft	322 357	-235 076	522 391
Netto endring langsiktig gjeld / Net change in long-term debt	-223 845	-231 120	-914 036
Betalte rentekostnader og netto finanskostnader / Interests and net financial costs paid	-96 432	-55 863	-314 457
Utbetaling av utbytte / Dividend payments	-832	-8 787	-1 559 907
Netto kontantstrøm fra finansieringsaktiviteter / Net cash flow from financing activities	1 247	-530 845	-2 266 009
Netto kontantstrøm for perioden / Net cash flows for the period	280 144	-366 851	-898 268
Betalingsmidler v/periodens begynnelse / Cash and cash equiv. at beginning of period	3 304 878	4 203 146	4 203 146
Betalingsmidler ved periodens slutt / Cash and equivalents at end of period	3 585 021	3 836 295	3 304 878

Anskaffelser av bruksretteiendeler i forbindelse med nye leieavtaler har ingen kontanteffekt, og inngår derfor ikke i kontantstrømanalysen under investerings-aktiviteter. Avgang bruksretteiendeler kan imidlertid ha kontanteffekt. For oversikt over periodens investeringer uavhengig av kontantstrømeffekt vises det til egen oppstilling nedenfor. Leiekostnader, som behandles etter IFRS 16, inngår i kontantstrømanalysen under finansieringsaktiviteter, splittet på netto endring langsiktig gjeld, og betalte rentekostnader.

Acquisitions of right-of-use assets from new lease agreements have no cash flow effect, and will therefore not be included in the cash flow from investing activities. But disposals of right-of-use assets may have a cash flow effect. For an overview of the investments during the period, regardless of cash flow effect, see separate table below. Lease expenses are presented according to IFRS 16, and are included in cash flow from financing activities, split on net change in LT debt, and interests paid.

	<u>Q1 2023</u>	<u>Q1 2022</u>	<u>2022</u>
Investering i perioden/ Investment during the period			
Netto kontantstrøm fra varige driftsmidler / Net cash flow from fixed assets	264 871	191 252	887 391
Netto inv. i bruksretteiendeler fra kredittinst. */ Investment in ROU from credit instst., net *	35 013	23 756	227 947
Sum investering i varige driftsmidler og bruksretteiendeler / Total FA and RoU assets	299 884	215 008	1 115 338
Netto tilgang immaterielle eiendeler / Addition intangibles, net	75	-8	287
Samlet investering / Total investment	299 959	214 999	1 115 626

* Bruksretteiendeler anskaffet gjennom nye leasingavtaler med kredittinstitusjoner (tidligere benevnt som finansielt leasede driftsmidler). Bruksretteiendeler anskaffet gjennom leieavtaler med andre er ikke inkludert.

* Right-of-use-assets acquired through new leases with credit institutions (previously referred to as financial leased assets). RoU assets acquired through new rental agreements are not included.

Oppstilling av endringer i egenkapital / Statement of changes in equity

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

	Innskutt egenkapital / Paid in capital	Annen egenkapital / Other equity	Sum KE* / Total CI*	Sum IKE** / Total NCI**	Sum egenkapital / Total equity
2023					
Egenkapital per 1.1.2023 / Equity at 1.1.2023	4 837 893	14 870 816	19 708 709	1 314 984	21 023 693
Periodens resultat per 31.03.2023 / Net income as of 31.03.2023		972 139	972 139	60 707	1 032 845
Omregningsdifferanser i perioden / Currency conversion differences		178 363	178 363	2 853	181 216
Verdiendring fin.instrumenter (sikring) / Change in fair value fin.instruments (hedges)		-32 916	-32 916		-32 916
Gevinst/tap knyttet til ytelsespensjonsplan / Actuarial gain/loss on defined benefit plans		-836	-836		-836
Totalresultatposter fra TS / OCI from associated companies		467	467		467
Totalresultat per 31.03.2023 / Comprehensive income as of 31.03.2023	0	1 117 217	1 117 217	63 560	1 180 777
Utbytte / Dividends		0	0	-846	-846
Endring i IKE** / Changes in NCI**		2	2	-6 002	-6 000
Sum øvrige endringer i egenkapital / Total other changes in equity	0	2	2	-6 848	-6 846
Egenkapital per 31.03.2023 / Equity at 31.03.2023	4 837 893	15 988 034	20 825 928	1 371 696	22 197 624

	Innskutt egenkapital / Paid in capital	Annen egenkapital / Other equity	Sum KE* / Total CI*	Sum IKE** / Total NCI**	Sum egenkapital / Total equity
2022					
Egenkapital per 1.1.2022 / Equity at 1.1.2022	4 837 893	13 359 033	18 196 926	1 126 177	19 323 103
Periodens resultat per 31.12.2022 / Net income as of 31.12.2022		2 906 781	2 906 781	258 340	3 165 121
Omregningsdifferanser i perioden / Currency conversion differences		63 257	63 257	1 683	64 940
Verdiendring fin.instrumenter (sikring) / Change in fair value fin.instruments (hedges)		16 124	16 124		16 124
Gevinst/tap knyttet til ytelsespensjonsplan / Actuarial gain/loss on defined benefit plans		-250	-250		-250
Totalresultatposter fra TS / OCI from associated companies		14 562	14 562		14 562
Totalresultat per 31.12.2022 / Comprehensive income as of 31.12.2022	0	3 000 474	3 000 474	260 023	3 260 497
Utbytte / Dividends		-1 489 434	-1 489 434	-71 217	-1 560 651
Utbytte på egne aksjer / Dividend on own shares		744	744	0	744
Sum øvrige endringer i egenkapital / Total other changes in equity	0	-1 488 691	-1 488 691	-71 216	-1 559 907
Egenkapital per 31.12.2022 / Equity at 31.12.2022	4 837 893	14 870 816	19 708 709	1 314 984	21 023 693

* Kontrollerende eierinteresser / Controlling interests

** Ikke-kontrollerende eierinteresser / Non-controlling interests

Noter / Notes

Note 1: Regnskapsprinsipper / Accounting Principles

Denne rapporten er utarbeidet i henhold til standard for delårsrapportering (IAS 34). Alle tall utover årsregnskapstall fra forrige år er ureviderte. Denne delårsrapporten inneholder ikke all nødvendig informasjon som er påkrevd av International Financial Reporting Standards (IFRS) i årsregnskapet og bør derfor leses i sammenheng med konsernets årsregnskap for 2022.

This report is prepared according to standard for interim financial reporting (IAS 34). All figures are unaudited, except year end figures (last year). 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 2020.

Den 28. september 2022 foreslo den norske regjeringen å innføre grunnrenteskatt på produksjon av laks og ørret. Skatten legges på oppdrett av fisk i sjø, samt tilhørende sjøaktiviteter. Den foreslåtte skatteprosenten er 35%, og kommer i tillegg til den ordinære selskapskatten på 22%, tilsammen 57%. Den foreslåtte skatten er innført med virkning fra og med 1. januar 2023, til tross for at høringsperioden da ennå ikke var over, og heller ikke vedtatt av Stortinget. På grunn av denne ekstreme usikkerheten har det ikke blitt foretatt noen justeringer i skatteberegningene som påvirker resultatoppstillingen eller balansen per Q1 2023.

On 28th of September 2022, the Norwegian government proposed to implement a resource rent tax on farming of salmon and trout. The tax is applicable on the farming and farming related activity in sea. The proposed resource rent tax rate is 35 %, on top of the regular tax rate of 22%, totaling 57 %. The proposed tax has been made effective from 1st of January 2023, despite of the fact that the period of public hearing was not completed and the tax is not approved by the Norwegian Parliament. As a result of this extreme uncertainty, there has been no adjustments made on the Group's tax estimates recognised in the statement of financial position and income statement as of Q1 2023.

Note 2: Alternative resultatmål / Alternative performance measures (APMs)

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

Lerøy Seafood Group sitt regnskap er avlagt i samsvar med internasjonale standarder for finansiell rapportering (IFRS) og fortolkninger fastsatt av International Accounting Standards Board (IASB) og vedtatt av EU. I tillegg har styret og ledelsen valgt å presentere noen alternative resultatmål for å øke forståelsen av konsernets utvikling, og det er styret og ledelsen sin oppfatning at dette er resultatmål som etterspørres og brukes av investorer, analytikere, kredittinstitusjoner og andre interessenter. De alternative resultatmålene er utledet fra resultatmål definert i IFRS. Tallene er definert nedenfor og kalkulert på en konsistent måte, og presenteres i tillegg til øvrige resultatmål, i tråd med Guidelines on Alternative Performance Measures fra European Securities and Markets Authority (ESMA).

Lerøy Seafood Group's accounts are submitted in accordance with international standards for financial reporting (IFRS) and interpretations established by the International Accounting Standards Board (IASB) and adopted by the EU. In addition, the Board and management have chosen to present certain alternative performance measures (APMs) to make the Group's developments simpler to understand. The Board and management are of the opinion that these performance measures are in demand and utilised by investors, analysts, credit institutions and other stakeholders. The alternative performance measures are derived from the performance measures defined in IFRS. The figures are defined below. They are consistently calculated and presented in addition to other performance measures, in line with the Guidelines on Alternative Performance Measures from the European Securities and Markets Authority (ESMA).

OPERASJONELL EBIT OG OPERASJONELL EBITDA / OPERATIONAL EBIT AND OPERATIONAL EBITDA

Operasjonell EBIT og operasjonell EBITDA er to alternative resultatmål som benyttes av konsernet, og som er vanlige å benytte innenfor havbruk. For å møte ledelsens, investorers og analytikernes informasjonsbehov med henblikk på prestasjon og sammenlignbarhet i bransjen, har de to nevnte alternative resultatmålene nå blitt implementert i konsernet. De erstatter de tidligere benyttede alternative resultatmålene driftsresultat før verdjusteringer og driftsresultat før avskrivninger og verdjusteringer.

I operasjonell EBIT og operasjonell EBITDA er enkelte poster ekskludert. Den vesentligste av disse postene er **virkelig verdjustering på biologiske eiendeler**. Grunnen til at denne posten er ekskludert er fordi den ikke har noe å gjøre med konsernets operasjonelle prestasjon. Endringen i virkelig verdi kommer fra endringer i fremtidspriser (forward prices) for laks, offentliggjort av Fishpool. En annen post som er ekskludert er **avsetning tapskontrakter**. Denne posten er indirekte relatert til biologiske eiendeler, siden tapet beregnes med basis i den økte verdien på fisk i sjø som følge av virkelig verdjustering. I tillegg er produksjonsavgiften, som ble innført i 2021, på slaktet volum av laks og ørret, ekskludert. Dette begrunnes med at produksjonsavgiften er skatterelatert. Den ble innført som et alternativ til grunnrenteskatt. Videre er isolerte hendelser, som ikke forventes å inntreffe igjen, slik som forlikskostnader, ekskludert. Denne type kostnader anses som ikke relevant for den nåværende operasjonelle aktiviteten, og dermed ikke relevant for dem som skal analysere resultat fra operasjonell drift i perioden. Avslutningsvis er også urealisert internfortjeneste knyttet til varer på lager ekskludert. Tilbakemeldingene fra investorer og analytikere har vært at denne periodiseringsposten har vært forvirrende når operasjonelt resultat for perioden skal evalueres. Siden denne posten likevel er ubetydelig for periodens resultat, har den blitt ekskludert fra de to alternative resultatmålelene.

Operational EBIT and operational EBITDA are 2 APMs utilised by the Group, which are commonly used in the farming industry. In order to meet management's, investor's and analyst's need of information in terms of performance and comparability between peers, these APMs have now been adopted by the group. They replace the previously used APMs EBIT before fair value adjustments and EBITDA before fair value adjustments.

In operational EBIT and operational EBITDA some items are excluded. The main item excluded is **fair value adjustment on biological assets**. The reason for exclusion is because this adjustment has nothing to do with the Group's operational performance. The change in fair value arises from changes in forward prices on salmon at Fishpool. Another item to be excluded is **onerous contract provision**. This item is indirectly related to biological assets, since loss on onerous contracts is calculated based on the increased value on fish in sea from the fair value adjustment. In addition the **production fee**, implemented from 2021, on slaughtered volume of salmon and trout, has also been excluded. This is explained with the fact that the production fee is tax related. It was adopted as an alternative to ground rent tax. Further on, isolated events not expected to reoccur, such as **litigation costs**, are excluded. This type of cost is not considered relevant for the current operation, and thus not relevant when analyzing the current operation. Finally, change in **unrealized internal margin** on stock, has been excluded. Feedback from investors and analysts have been that this item is perceived as confusing when evaluating the operational performance of the period. Since it is a non-significant part of the result of the period, it has been excluded from the APMs.

Avstemming operasjonell EBIT og EBITDA mot driftsresultat i resultatoppstillingen Reconciliation of operational EBIT and EBITDA with operating profit in the income statement

	Q1 2023	Q1 2022	2022
Driftsinntekt / Operating revenue	6 971 499	5 523 953	26 645 877
Andre gevinster og tap / other gains and losses	3 083	726	6 380
Vareforbruk / Cost of goods sold	-3 565 849	-2 596 228	-14 408 005
Lønnskostnader / Salaries and other personnel costs	-1 121 895	-1 012 270	-3 815 833
Andre driftskostnader / Other operating costs	-954 256	-730 345	-3 627 992
Endring i urealisert intergevinst / change in unrealized internal margin	4 167	23 967	-3 322
Operasjonell EBITDA / Operational EBITDA	1 336 749	1 209 803	4 797 106
Avskrivning og amortisering / Depreciation and amortization	-347 470	-321 035	-1 326 039
Operasjonell EBIT / Operational EBIT	989 278	888 768	3 471 067
Endring i urealisert intergevinst / change in unrealized internal margin	-4 167	-23 967	3 322
Produksjonsavgift / production fee	-16 017	-12 983	-70 725
Endring i virkelig verdjustering biologiske eiendeler / Change in fair value adj. on biological assets	564 744	407 029	1 057 507
Endring i avsetning tapskontrakter / Change in onerous contract provision	-90 586	-191 519	30 659
Kostnader forbundet med søksmål / Litigation costs	0	0	-208 785
Driftsresultat / Operating profit	1 443 252	1 067 327	4 283 045
Ikke operasjonell andel av resultat fra FKV / non-operational share of result from JV			
Inntekt fra TS / Income from AC	-13 370	102 801	65 675
Resultat før øvrige finansposter / Earnings before other financial items (EBIT)	1 429 882	1 170 129	4 348 720

Avstemming mellom ny APM, operasjonell EBIT, og tidligere benyttet APM, driftsresultat før verdijusteringer
Reconciliation between new APM, operational EBIT, and previously used APM, EBIT before fair value adjustments

	<u>Q1 2023</u>	<u>Q1 2022</u>	<u>2022</u>
Operasjonell EBIT / Operational EBIT	989 278	888 768	3 471 067
Driftsresultat før verdijusteringer / EBIT before fair value adjustments	969 094	851 817	3 194 879
Forskjell / difference	20 184	36 950	276 188
Forskjell / Difference:			
Endring i urealisert intergevinst / change in unrealized internal margin	4 167	23 967	-3 322
Produksjonsavgift / production fee	16 017	12 983	70 725
Kostnader forbundet med søksmål / Litigation costs	0	0	208 785
Sum / Total	20 184	36 950	276 188

NETTO RENTEBÆRENDE GJELD (NIBD) / NET INTEREST BEARING DEBT (NIBD)

NIBD er et alternativt resultatmål som benyttes av konsernet. Tallet forteller hvor mye kapital konsernet sysselsetter, og er et viktig nøkkeltall for interessenter som har som formål å yte konsernet finansiering, og for interessenter som ønsker å verdsette selskapet. Derfor definerer konsernet NIBD som rentebærende forpliktelser, både kortsiktige og langsiktige, til personer eller institusjoner der hovedformålet er å yte finansiering og/eller kreditt, fratrukket rentebærende kontanter eller kontantekvivalenter. Dette innebærer at langsiktige rentebærende fordringer (eiendel) og andre leieforpliktelser utover leasinggjeld til kredittinstitusjoner (gjeld) ikke inngår. Sistnevnte komponent omfatter mesteparten av de nye leieforpliktelsene som ble balanseført i forbindelse med implementeringen av IFRS 16. Netto rentebærende gjeld er forklart nærmere i egen note om NIBD (note 6).

NIBD is an APM utilised by the Group. The figure shows how much capital the Group employs and is an important key figure for stakeholders who are planning to grant financing to the Group and for stakeholders who want to value the company. The Group therefore defines NIBD as interest-bearing commitments, both short-term and long-term, to persons or institutions with the main purpose of providing financing and/or credit, minus interest-bearing cash or cash equivalents. This implies that long-term interest-bearing receivables (assets) and other lease commitments with the exception of leasing debt to credit institutions (liability) are not included. The latter component comprises most of the new lease commitments carried in connection with implementation of IFRS 16. Net interest bearing debt is explained in more detail in a separate note on NIBD (note 6).

Note 3: Informasjon om segmenter og inntekter / Segment and Revenue Information

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

Konsernet har følgende tre driftssegmenter: (1) Villfangst, (2) Havbruk, (3) VAP, salg og distribusjon. Hvitfisk-bearbeidingen på fabrikkene i Nord Norge, som er en forutsetning for trål-konsesjonene, er inkludert i segmentet *Villfangst*. Segmentet *Havbruk* er delt inn i 3 regioner. Lerøy Aurora AS og Lerøy Aurora 2 AS representerer region Nord. Lerøy Midt AS og Lerøy Midt 2 AS representerer region Midt. De 9 selskapene Lerøy Vest AS, Lerøy Vest 2 AS, Lerøy Vest Kraft AS, Sjøtroll Havbruk AS, Sjøtroll Havbruk 2 AS, Lerøy Sjøtroll Kjærelva AS, Lerøy Årskog AS, Norsk Oppdrettservice AS og Lerøy Ocean Harvest AS utgjør tilsammen region Vest, hvorav de 5 førstnevnte selskapene betegnes som "Lerøy Sjøtroll". Segmentet *VAP, salg og distribusjon* består av de øvrige selskapene, med unntak av Lerøy Seafood Group ASA og Preline Fishfarming System AS, som ikke er allokert til noe segment, og som er vist i egen kolonne. Konsernelimineringer mellom segmentene er vist under eliminerings. Resultateffekten under eliminerings gjelder eliminert internfortjeneste på varer, solgt mellom konsernselskaper nedover i verdikjeden med henblikk på videresalg til sluttkunde, og som fremdeles befinner seg på lager på balansedagen. Internfortjenesten som det elimineres for gjelder fangst (hovedsakelig hvitfisk) fra Havfisk. I tillegg blir konsernets inntekter allokert på geografisk område og produkt. Inntekt per geografisk område blir fordelt etter den enkelte kundes lokalisering.

Nøkkeltallet *driftsresultat/kg før verdjusteringer, eksklusiv Villfangst*, består av konsernets samlede driftsresultat/kg fratrukket driftsresultat/kg i segmentet Villfangst og Elimineringer (som knytter seg til internfortjenesten i på lager fra villfangst).

The group has the following three operating segments: (1) Wildcatch, (2) Farming, (3) VAP, sales and distribution. The white fish VAP is included in the *Wildcatch* segment, due to the commitments related to the onshore plants in North Norway, following Havfisk's wild catch licenses (trawling licences). The segment *Farming* is split into 3 regions. Lerøy Aurora AS and Lerøy Aurora 2 AS represent the northern region. Lerøy Midt AS and Lerøy Midt 2 AS represent the central region. The 9 companies Lerøy Vest AS, Lerøy Vest 2 AS, Lerøy Vest Kraft AS, Sjøtroll Havbruk AS, Sjøtroll Havbruk 2 AS, Lerøy Sjøtroll Kjærelva AS, Lerøy Årskog AS, Norsk Oppdrettservice AS and Lerøy Ocean Harvest AS represent the western region, where the first 5 companies are referred to as "Lerøy Sjøtroll". The segment *VAP, sales and distribution* consists of the remaining entities, with exception of Lerøy Seafood Group ASA and Preline Fishfarming System AS, which are not allocated to any segment, and presented in a separate column. Group eliminations between segments are presented separately as eliminations. The profit and loss effect under eliminations relates to eliminated internal profit on products, sold from one group company to another following the value chain down to the customer, which are still on stock at the balance date. The eliminated internal profit relates to wild catch (white fish mostly) from Havfisk. The Group's revenue is also split on geographic area and product. The split of revenue per geographic area is based on the customers localization.

The key figure *EBIT/kg before fair value adjustments, exclusive Wildcatch* is calculated as total group EBIT/kg before fair value adjustments minus EBIT/kg from Wildcatch segment and Eliminations (which relates to internal profit on stock from Wildcatch)

Geografisk fordeling / Geographic market	Q1 2023	%	Q1 2022	%	2022	%
EU	3 551 072	50,9	2 865 532	51,9	14 517 993	54,5
Norge / Norway	1 498 646	21,5	1 103 635	20,0	4 525 572	17,0
Asia / Asia Pacific	1 063 268	15,3	993 118	18,0	4 543 804	17,1
USA & Canada	316 076	4,5	262 434	4,8	1 307 861	4,9
Resten av Europa/Rest of Europe	491 056	7,0	252 269	4,6	1 536 227	5,8
Andre / Others	51 382	0,7	46 966	0,9	214 421	0,8
Sum omsetning / Total revenues	6 971 499	100,0	5 523 953	100,0	26 645 877	100,0

Produktområde / Product areas	Q1 2023	%	Q1 2022	%	2022	%
Hel laks / Whole salmon	2 830 381	40,6	1 823 874	33,0	10 756 195	40,4
Bearbeidet laks / Processed salmon	1 499 999	21,5	1 473 954	26,7	7 103 589	26,7
Hvitfisk / Whitefish	1 464 818	21,0	1 378 587	25,0	4 533 898	17,0
Ørret / Salmontrout	569 321	8,2	370 849	6,7	2 011 780	7,6
Skalldyr / Shellfish	254 516	3,7	176 908	3,2	1 073 468	4,0
Pelagisk / Pelagic fish	15 882	0,2	14 464	0,3	107 909	0,4
Annet / Others	336 581	4,8	285 316	5,2	1 059 040	4,0
Sum omsetning / Total revenues	6 971 499	100,0	5 523 953	100,0	26 645 877	100,0

	Villfangst / Wildcatch	Havbruk / Farming	VAP, salg og distribusjon / VAP, sales and distribution	LSG ASA, Preline, uallokert / LSG ASA, Preline, unallocated	Eliminering / elimination	Konsern / Group
Driftssegmenter / Operating segments						
Q1 2023						
Ekstern omsetning / external revenues	514 825	75 921	6 380 754	0	0	6 971 499
Intern omsetning / intra-group revenues	563 799	2 534 243	27 822	57 126	-3 182 991	0
Omsetning / Sales	1 078 624	2 610 164	6 408 576	57 126	-3 182 991	6 971 499
Operasjonell EBITDA / Operational EBITDA	284 456	981 093	145 546	-74 346	0	1 336 749
Operasjonell EBIT / Operational EBIT	229 382	742 355	96 310	-78 768	0	989 278
Operasjonell EBIT margin / Operational EBIT margin	21,3 %	27,8 %	1,5 %			14,2 %
Endring i urealisert intergevinst / change in unrealized internal margin	0	0	0	0	-4 167	-4 167
Produksjonsavgift / production fee	0	-16 017	0	0	0	-16 017
Verdijusteringer biologiske eiendeler / Fair value adjustments biological assets	0	564 744	0	0	0	564 744
Avsetning tapskontrakter / Onerous contract provision	0	-90 586	0	0	0	-90 586
Kostnader forbundet med søksmål / Litigation costs	0	0	0	0	0	0
Driftsresultat / Operating profit	229 382	1 200 496	96 310	-78 768	-4 167	1 443 252
Driftsmargin / Operating margin	21,3 %	46,0 %	1,5 %			20,7 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	25 269					25 269
Slaktet volum (GWT) laks og ørret / Slaughtered volume salmon and trout (GWT)		28 602				28 602
Operasjonell EBIT alle segment /kg slaktet laks og ørret / Operational EBIT all segments /kg slaughtered salmon and trout	8,0	26,0	3,4	-2,8	0,0	34,6
Operasjonell EBIT i Villfangst segmentet / fangstvolum i kg / Operational EBIT in Wildcatch segment / catch volume in kg	9,1					9,1
Operasjonell EBIT eksklusiv villfangst/kg slaktet laks og ørret / Operational EBIT exclusive wild catch/kg slaughtered salmon and trout		26,0	3,4	-2,8		26,6
Q1 2022						
Ekstern omsetning / external revenues	382 911	58 946	5 082 096	0	0	5 523 953
Intern omsetning / intra-group revenues	648 243	2 188 225	38 663	43 760	-2 918 890	0
Omsetning / Sales	1 031 153	2 247 171	5 120 759	43 760	-2 918 890	5 523 953
Operasjonell EBITDA / Operational EBITDA	287 424	858 069	67 463	-3 152	0	1 209 803
Operasjonell EBIT / Operational EBIT	236 273	632 665	26 278	-6 448	0	888 768
Operasjonell EBIT margin / Operational EBIT margin	22,9 %	27,6 %	0,5 %			16,1 %
Endring i urealisert intergevinst / change in unrealized internal margin	0	1 333	0	0	-25 300	-23 967
Produksjonsavgift / production fee	0	-12 983	0	0	0	-12 983
Verdijusteringer biologiske eiendeler / Fair value adjustments biological assets	0	407 029	0	0	0	407 029
Avsetning tapskontrakter / Onerous contract provision	0	-191 519	0	0	0	-191 519
Kostnader forbundet med søksmål / Litigation costs	0	0	0	0	0	0
Driftsresultat / Operating profit	236 273	836 524	26 278	-6 448	-25 300	1 067 327
Driftsmargin / Operating margin	22,9 %	37,2 %	0,5 %			19,3 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	25 116					25 116
Slaktet volum (GWT) laks og ørret / Slaughtered volume salmon and trout (GWT)		32 057				32 057
Operasjonell EBIT alle segment /kg slaktet laks og ørret / Operational EBIT all segments /kg slaughtered salmon and trout	7,4	19,7	0,8	-0,2	0,0	27,7
Operasjonell EBIT i Villfangst segmentet / fangstvolum i kg / Operational EBIT in Wildcatch segment / catch volume in kg	9,4					9,4
Operasjonell EBIT eksklusiv villfangst/kg slaktet laks og ørret / Operational EBIT exclusive wild catch/kg slaughtered salmon and trout		19,7	0,8	-0,2		20,4

Driftssegmenter / Operating segments	Villfangst / Wildcatch	Havbruk / Farming	VAP, salg og distribusjon / VAP, sales and distribution	LSG ASA, Preline, uallokert / LSG ASA, Preline, unallocated	Eliminering / elimination	Konsern / Group
2022						
Ekstern omsetning / external revenues	1 135 078	247 973	25 262 326	500	0	26 645 877
Intern omsetning / intra-group revenues	1 981 425	12 196 140	241 263	192 271	-14 611 100	0
Omsetning / Sales	3 116 503	12 444 113	25 503 590	192 771	-14 611 100	26 645 877
Operasjonell EBITDA / Operational EBITDA	555 206	4 143 548	540 105	-441 753	0	4 797 106
Operasjonell EBIT / Operational EBIT	347 667	3 213 008	364 312	-453 920	0	3 471 067
Operasjonell EBIT margin / Operational EBIT margin	11,2 %	25,3 %	0,6 %			13,0 %
Endring i urealisert intergevinst / change in unrealized internal margin	0	2 833	0	0	489	3 322
Produksjonsavgift / production fee	0	-70 725	0	0	0	-70 725
Verdijusteringer biologiske eiendeler / Fair value adjustments biological assets	0	1 057 507	0	0	0	1 057 507
Avsetning tapskontrakter / Onerous contract provision	0	30 659	0	0	0	30 659
Kostnader forbundet med søksmål / Litigation costs	0	0	-208 785	0	0	-208 785
Driftsresultat / Operating profit	347 667	4 233 282	155 527	-453 920	489	4 283 045
Driftsmargin / Operating margin	11,2 %	34,0 %	0,6 %			16,1 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	71 726					71 726
Slaktet volum (GWT) laks og ørret / Slaughtered volume salmon and trout (GWT)		174 629				174 629
Operasjonell EBIT alle segment /kg slaktet laks og ørret / Operational EBIT all segments /kg slaughtered salmon and trout	2,0	18,4	2,1	-2,6	0,0	19,9
Operasjonell EBIT i Villfangst segmentet / fangstvolum i kg / Operational EBIT in Wildcatch segment / catch volume in kg	4,8					4,8
Operasjonell EBIT eksklusiv villfangst/kg slaktet laks og ørret / Operational EBIT exclusive wild catch/kg slaughtered salmon and trout		18,4	2,1	-2,6		17,9

Driftssegmenter i Havbruk / Operating segments in Farming	Region Nord / Northern region	Region Midt / Central region	Region Vest / Western region	Elim.	Havbruk / Farming
Q1 2023					
Sum omsetning / Total revenues	515 272	861 640	1 253 317	-20 066	2 610 164
Operasjonell EBITDA / Operational EBITDA	197 622	397 357	386 114	0	981 093
Operasjonell EBIT / Operational EBIT	135 627	309 123	297 605	0	742 355
Slaktet volum (GWT) laks og ørret / Slaughtered volume salmon and trout (GWT)	5 698	8 667	14 237	0	28 602
Operasjonell EBIT/kg / Operational EBIT/kg	23,8	35,7	20,9		26,0
Q1 2022					
Sum omsetning / Total revenues	367 735	845 547	1 055 972	-22 083	2 247 171
Operasjonell EBITDA / Operational EBITDA	157 898	370 604	329 567	0	858 069
Operasjonell EBIT / Operational EBIT	94 246	290 498	247 921	0	632 665
Slaktet volum (GWT) laks og ørret / Slaughtered volume salmon and trout (GWT)	4 887	11 767	15 403	0	32 057
Operasjonell EBIT/kg / Operational EBIT/kg	19,3	24,7	16,1		19,7
2022					
Sum omsetning / Total revenues	2 798 208	5 018 367	4 693 151	-65 612	12 444 113
Operasjonell EBITDA / Operational EBITDA	1 012 830	1 817 869	1 312 848	0	4 143 547
Operasjonell EBIT / Operational EBIT	756 393	1 501 929	954 686	0	3 213 008
Slaktet volum (GWT) laks og ørret / Slaughtered volume salmon and trout (GWT)	40 109	68 793	65 727	0	174 629
Operasjonell EBIT/kg / Operational EBIT/kg	18,9	21,8	14,5		18,4

Note 4: Anleggsmidler / Non Current Assets

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

Endringene i anleggsmidler er spesifisert for hver balansenlinje. Gruppen immaterielle eiendeler består av konsesjoner, rettigheter, goodwill og utsatt skatt fordel. Avskrivninger og periodens investeringer er spesifisert nederst.

Changes in non-current assets are specified for each balance sheet item. Intangibles consists of licences, permits, goodwill and deferred tax assets. Depreciation and investments are specified at the bottom.

Immaterielle eiendeler / Intangibles	Q1 2023	Q1 2022	2022
IB konsesjoner, rettigheter og goodwill / OB licences, permits and goodwill	8 550 168	8 553 522	8 553 522
IB utsatt skatt fordel / OB deferred tax asset	92 865	40 847	40 847
IB immaterielle eiendeler / OB intangibles	8 643 033	8 594 368	8 594 368

Endringer / Changes

Virksomhetssammenslutninger / business combinations	60 909	0	6 409
Tilganger / Additions	75	-8	287
Avganger / Disposals	0	0	0
Avskrivninger / Depreciations	-8 406	-8 293	-33 559
Omregningsdifferanser / Currency translation differences	38 403	-16 267	23 508
Endringer i utsatt skatt fordel / Change in deferred tax asset	-30 496	-9 426	52 018
Sum endringer i balanseført verdi / Total changes in NBV	60 485	-33 994	48 664

Konsesjoner, rettigheter og goodwill / Licences, permits and goodwill	8 641 148	8 528 953	8 550 168
Utsatt skatt fordel / Deferred tax asset	62 370	31 421	92 865
UB immaterielle eiendeler / CB intangibles	8 703 518	8 560 374	8 643 033
Gevinst (+) / tap (-) ved avgang / Gain (+) / loss (-) from disposal	0	0	0

Bruksretteiendeler (BR) / Right-of-use assets (ROU)

	Q1 2023	Q1 2022	2022
Inngående balanse - BR fra kredittinstitusjoner / OB - ROU assets from credit inst.	1 376 703	1 365 929	1 365 929
Inngående balanse - BR fra andre / OB - ROU assets from others	1 487 266	1 294 714	1 294 714
Inngående balanse bruksretteiendeler / Opening balance ROU assets	2 863 969	2 660 643	2 660 643

Endringer / Changes

Virksomhetssammenslutninger / business combinations	0	0	0
Tilganger / Additions	103 854	450 746	799 622
Avganger / Disposals	-7 747	-41 476	-56 233
Avskrivninger / Depreciations	-135 840	-131 126	-550 056
Omregningsdifferanser / Currency translation differences	20 548	-7 373	9 993
Utgående balanse / Closing balance	2 844 782	2 931 414	2 863 969

Balanseført verdi BR fra kredittinstitusjoner / Carried value ROU from credit institutions	1 368 545	1 327 163	1 376 703
Balanseført verdi BR fra andre / Carried value ROU from others	1 476 237	1 604 251	1 487 266
Utgående balanse / Closing balance	2 844 782	2 931 414	2 863 969

Oppsummering netto tilganger / Summary net addition

Netto tilgang BR fra kredittinstitusjoner / Addition ROU from credit institutions, net	34 971	23 756	227 798
Netto tilgang BR fra andre / Addition ROU from others, net	61 136	385 514	515 591
Sum / total	96 106	409 270	743 389
Gevinst (+) / tap (-) ved avgang kredittinst. / Gain (+) / loss (-) from disposal credit inst.	-43	0	-149
Gevinst (+) / tap (-) ved avgang andre / Gain (+) / loss (-) from disposal others	131	393	999

Varige driftsmidler / Fixed assets

	Q1 2023	Q1 2022	2022
Inngående balanse / Opening balance	7 487 389	7 297 480	7 297 480
Virksomhetssammenslutninger / business combinations	21 587	0	5 768
Tilganger / Additions	275 624	193 844	911 400
Avganger / Disposals	-7 758	-2 353	-18 312
Avskrivninger / Depreciations	-203 224	-181 616	-742 424
Omregningsdifferanser / Currency translation differences	62 236	-28 635	33 477
Utgående balanse / Closing balance	7 635 854	7 278 720	7 487 389
Gevinst (+) / tap (-) ved avgang / Gain (+) / loss (-) from disposal	2 995	239	5 697

Finansielle anleggsmidler / Financial non-current assets	Q1 2023	Q1 2022	2022
IB TS og FKV / OB AC and JV	1 424 638	1 348 072	1 348 072
<u>IB Øvrige finansielle anleggsmidler / OB other financial non-current assets</u>	<u>140 013</u>	<u>109 002</u>	<u>109 002</u>
IB finansielle anleggsmidler / OB financial non-current assets	1 564 651	1 457 073	1 457 073

Endringer / Changes

TS og FKV - Tilgang / AC and JV - addition	15	0	716
TS og FKV - Øvrig avgang / AC and JV - other disposal	0	0	-306
TS og FKV - Resultatandeler / AC and JV - share of this year's profit	-13 370	102 801	65 675
TS og FKV - Mottatte utbytter / AC and JV - dividends received	0	-3 000	-6 000
TS og FKV - Omregningsdifferanser / AC and JV - translation differences	82 065	-52 477	1 920
TS og FKV - Endringer over OCI / AC and JV - OCI items	467	0	14 562
<u>Endringer i øvrige finansielle anleggsmidler / Change in other financial non-current assets</u>	<u>-11 814</u>	<u>22 652</u>	<u>31 011</u>
Sum endringer i balanseført verdi / total changes in NBV	57 362	69 976	107 578

UB TS og FKV / CB AC and JV	1 493 815	1 395 396	1 424 638
<u>UB Øvrige finansielle anleggsmidler / CB other financial non-current assets</u>	<u>128 199</u>	<u>131 654</u>	<u>140 013</u>
UB finansielle anleggsmidler / CB financial non-current assets	1 622 013	1 527 050	1 564 651

Avskrivninger / Depreciations

	Q1 2023	Q1 2022	2022
Avskrivninger på varige driftsmidler / Depreciation on fixed assets	203 224	181 616	742 424
Avskrivninger på bruksretteiendeler / Depreciation on right-of-use assets	135 840	131 126	550 056
Avskrivninger på immaterielle eiendeler / Depreciation on intangibles	8 406	8 293	33 559
<u>Sum / Total</u>	<u>347 470</u>	<u>321 035</u>	<u>1 326 039</u>

Nedskrivninger / Impairment losses

	Q1 2023	Q1 2022	2022
Nedskrivninger på varige driftsmidler / Impairment loss on fixed assets	0	0	0
<u>Sum / Total</u>	<u>0</u>	<u>0</u>	<u>0</u>

Investeringer i perioden */ investments during the period *

	Q1 2023	Q1 2022	2022
Netto investeringer i varige driftsmidler / Investment in fixed assets, net	264 871	191 251	887 391
<u>Netto investeringer i bruksretteiendeler fra kredittinst. / Investment in ROU from credit inst., net</u>	<u>35 013</u>	<u>23 756</u>	<u>227 947</u>
Sum investering i varige driftsmidler og bruksretteiendeler / Total FA and RoU assets	299 884	215 007	1 115 338
<u>Netto tilgang immaterielle eiendeler / Additon intangibles, net</u>	<u>75</u>	<u>-8</u>	<u>287</u>
Samlet investering / Total investment	299 959	214 999	1 115 626

* Investeringer i immaterielle eiendeler (konsesjoner og rettigheter), bruksretteiendeler fra kredittinstitusjoner og varige driftsmidler. Finansielle investeringer er ikke inkludert. Konsernet skiller mellom bruksretteiendeler anskaffet gjennom leieavtaler med kredittinstitusjoner og bruksretteiendeler anskaffet gjennom leieavtale med andre. Kun eiendeler som inngår i den førstnevnte gruppen blir ansett som en investering. Det samme skillet gjelder for de tilhørende leieforpliktelsene i forhold til netto rentebærende gjeld. Se note om alternative resultatmål for nærmere beskrivelse.

* Investments in intangibles (licences and permits), right-of-use assets from credit institutions and fixed assets. Financial investments are not included. The Group segregates between right-of-use assets acquired through leases with credit institutions and right-of-use assets acquired through leases with others. Only assets included in the first category are considered as an investment. The same segregation is implemented for the corresponding leasing liabilities, in respect of NIBD. See note on APMs for further details.

Note 5: Biologiske eiendeler / Biological Assets

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

Konsernet innregner og måler biologiske eiendeler til virkelig verdi i henhold til IAS 41. For laks og ørret, herunder stamfisk, benyttes det en nåverdimodell for å beregne virkelig verdi. For rogn, yngel, smolt og rensefisk legges det til grunn at historisk kost er beste estimat på virkelig verdi.

Verdien på fisk i sjø beregnes som en funksjon av forventet biomasse på uttakstidspunkt multiplisert med forventet salgspris. For fisk som ikke er slakteklar gjøres det et fradrag for forventede gjenstående kostnader for å oppdrette fisken videre til slakteklar vekt. Kontantstrømmen diskonteres månedlig med en diskonteringsrate. Diskonteringsraten består av tre hovedkomponenter: (1) risiko for hendelser som påvirker kontantstrømmen, (2) hypotetisk konsesjonsleie og (3) tidsverdien av penger.

Når det gjelder forventet biomasse (volum) er denne basert på faktisk antall individ i sjøen på balansedagen, justert for forventet dødelighet frem til slaktetidspunkt og multiplisert med forventet slaktevekt per individ på slaktetidspunktet. Måleenheten er det enkelte individ. Men av praktiske hensyn utføres beregningen på lokalitetsnivå. Levende vekt på fisk i sjø regnes om til sløyd vekt for å få samme måleenhet som prisene settes i.

I forhold til pris tas det utgangspunkt i forwardpriser fra Fishpool. Forwardprisen for den måneden som fisken forventes slaktet i benyttes i beregningen av forventet kontantstrøm. Prisen oppgitt hos Fishpool justert for eksporttilllegg og clearingkostnad, utgjør referanseprisen. Denne prisen justeres deretter for forventet slaktekostnad (brønnbåt, slakt og pakking i kasse) og transport til Oslo. I tillegg justeres det for eventuelle forventede størrelsesforskjeller samt kvalitetsforskjeller. Justeringene i forhold til referanseprisen gjøres på lokalitetsnivå. Med mindre lokalitetsspesifikke forhold tilsier det, benyttes det felles regionale parametere.

Prinsippet om høyeste og beste bruk iht IFRS 13 ligger til grunn både for verdsettelse og klassifisering. Faktisk markedspris per kilo kan variere i forhold til vekten på fisken. I verdiberegningen er optimal slaktevekt, dvs den vekten som fisken skal slaktes på, definert som den levende vekten som gir en slaktet vekt på 4 kilo. Dette tilsvarer 4,7 kilo levende vekt for laks og 4,8 kilo levende vekt for ørret. Optimal slaktevekt kan imidlertid fremskyndes dersom lokalitetsspesifikke forhold tilsier det (biologiske utfordringer etc). I forhold til verdsettelse, vil kun fisk som har oppnådd en optimal slaktevekt klassifiseres som slakteklar fisk.

Konsernet inngår kontrakter knyttet til fremtidig levering av laks og ørret. Siden biologiske eiendeler er regnskapsført til virkelig verdi, vil verdjusteringen av de biologiske eiendelene være inkludert i de forventede utgiftene ved å oppfylle kontrakten. Dette medfører at konsernet vil kunne ha tapsbringende kontrakter etter IAS 37 selv om kontraktsprisen for fysiske leveringskontrakter ligger høyere enn selve produksjonskostnaden for produktene. I så fall gjøres en avsetning for den beregnede negative verdien. Avsetningen er i regnskapet klassifisert som annen kortsiktig gjeld.

Resultatført verdjustering i perioden, knyttet til biologiske eiendeler, omfatter: (1) Endring i verdjustering på biologiske eiendeler, (2) endring i verdi (forpliktelse) på tapskontrakter og (3) endring i urealisert gevinst/tap på finansielle salg- og kjøpskontrakter (derivater) for fisk på Fish Pool. Fish Pool kontraktene er behandlet som finansielle instrumenter i balansen, hvor urealisert gevinst er klassifisert som andre kortsiktige fordringer og urealisert tap er klassifisert som annen kortsiktig gjeld.

The group recognises and measures biological assets at fair value (FV) according to IAS 41. For salmon and trout, including parent fish, a present value model is applied to estimate fair value. For roe, fry, smolt and cleaner fish, historical cost provides the best estimate of fair value.

The fair value of fish in the sea is estimated as a function of the estimated biomass at the time of harvest, multiplied by the estimated sales price at the same time. For fish not ready for harvest, a deduction is made to cover estimated residual costs to grow the fish to harvest weight. The cash flow is discounted monthly by a discount rate. The discount rate comprises three main components: (1) the risk of incidents that have an effect on cash flow, (2) hypothetical licence lease and (3) the time value of money.

Estimated biomass (volume) is based on the actual number of individuals in the sea on the balance sheet date, adjusted to cover projected mortality up to harvest time and multiplied by the estimated harvest weight per individual at harvest time. The measurement unit is the individual fish. However, for practical reasons, these estimates are carried out individually per locality. The live weight of fish in the sea is translated to gutted weight in order to arrive at the same measurement unit as for pricing.

Pricing is based on the Fishpool forward prices. The forward price for the month in which the fish is expected to be harvested is applied in order to estimate cash flow. The price stipulated by Fishpool is adjusted to take into account export costs and clearing costs, and represents the reference price. This price is then adjusted to account for estimated harvesting cost (well boat, slaughter and boxing) and transport to Oslo. Adjustments are also made for any projected differences in size and quality. The adjustments to the reference price are made individually per locality. Joint regional parameters are applied, unless factors specific to an individual locality require otherwise.

Valuation and classification are based on the principle of highest and best use according to IFRS 13. The actual market price per kilo may vary in relation to fish weight. When estimating fair value, the optimal harvest weight – or the weight when the fish is ready for harvest – is defined as the live weight that results in a gutted weight of 4 kg. This corresponds to a live weight of 4.7 kg for salmon and 4.8 kg for trout. The optimal harvest weight may, however, be lowered slightly if required by factors at an individual locality (biological challenges etc.). When it comes to valuation, only fish that have achieved an optimal harvest weight are classified as ready for harvest.

The Group enters into contracts related to future deliveries of salmon and trout. As biological assets are recognised at fair value, the fair value adjustment of the biological assets will be included in the estimated expenses required to fulfil the contract. This implies that the Group may experience loss-making (onerous) contracts according to IAS 37 even if the contract price for physical delivery contracts is higher than the actual production cost for the products. In such a scenario, a provision is made for the estimated negative value. The provision is classified in the financial statements as other short-term debt.

The fair value adjustment recognised in the income statement for the period related to biological assets comprises (1) Change in fair value adjustment of biological assets, (2) change in fair value (provision) of loss-making contracts and (3) change in unrealised gain/loss of financial sale and purchase contracts (derivatives) for fish in Fishpool. The Fishpool contracts are treated as financial instruments on the balance sheet, where unrealised gain is classified as other short-term receivables and unrealised loss as other short-term debt.

VERDIJUSTERINGER KNYTTET TIL BIOLOGISKE EIENDELER/ FAIR VALUE ADJUSTMENTS RELATED TO BIOLOGICAL ASSETS

Verdijustering i perioden over resultat / FV adjustments over profit and loss	Q1 2023	Q1 2022	2022
Endring i verdijustering på biologiske eiendeler / Change FV adj. of biological assets	564 744	407 029	1 057 507
Endring i verdi (forpliktelse) på tapskontrakter / Change in FV of onerous contracts	-90 586	-191 519	30 659
Endring i verdi på fishpoolkontrakter / Change in FV of fishpool contracts	0	0	0
Sum verdijusteringer over resultat / Total FV adjustments over profit and loss	474 158	215 510	1 088 166

Verdijustering i perioden over utvidet resultat / Fair value adjustments over OCI

Endring i verdi på fishpoolkontrakter * / Change in FV of fishpool contracts *	0	-1 836	-1 649
Sum verdijusteringer over utvidet resultat / Total FV adjustments over OCI	0	-1 836	-1 649

* Inkludert i verdiendring på finansielle instrumenter (sikring) i totalresultatoppstillingen. Beløpet er etter skatt

* Included in change in FV financial instruments (hedges) in statement of comprehensive income. Amount is after tax.

BALANSEPOSTER KNYTTET TIL BIOLOGISKE EIENDELER/ BALANCE SHEET ITEMS RELATED TO BIOLOGICAL ASSETS

(Positive beløp er eiendeler og negative beløp er forpliktelser / positive amounts are assets and negative amounts are liabilities)

Biologiske eiendeler / Biological assets	31.03.2023	31.03.2022	31.12.2022
Selvkost på fisk i sjø / Cost on stock for fish in sea	4 832 564	4 282 054	4 632 941
Selvkost på rogn, yngel, smolt og renseskjold / Cost on stock for fry, brood, smolt and cleaning fish	522 996	433 219	476 507
Sum selvkost på biologiske eiendeler * / Total cost on stock for biological assets *	5 355 560	4 715 273	5 109 448
Verdijustering på fisk i sjø / FV adj. of fish in sea	3 072 889	1 857 667	2 508 145
Verdijustering rogn, yngel, smolt og renseskjold / FV adj. of fry, brood, smolt and cleaning fish	0	0	0
Sum verdijusteringer på biologiske eiendeler / Total FV adj. of biological assets	3 072 889	1 857 667	2 508 145
Benyttet månedlig diskonteringsrate / Monthly discount rate applied	4,0 %	4,0 %	4,0 %
Justert verdi på fisk i sjø / FV of fish in sea	7 905 454	6 139 721	7 141 086
Justert verdi på rogn, yngel, smolt og renseskjold / FV of fry, brood, smolt and cleaning fish	522 996	433 219	476 507
Bokført verdi på biologiske eiendeler / Carrying amount of biological assets	8 428 449	6 572 940	7 617 593
Tapsbringende kontrakter (forpliktelse) / Onerous contracts (liability)			
Bokført verdi på tapskontrakter / Carrying amount of onerous contracts	-104 186	-235 778	-13 600
Fish Pool kontrakter / Fish Pool contracts			
Bokført verdi på Fish Pool kontrakter / Carrying amount of Fish Pool contracts	0	0	0

* Selvkost er etter fradrag for kostnadsført dødelighet

* Cost on stock is historic costs after expensed mortality

SLAKTET VOLUM / SLAUGHTERED VOLUME:

Volum i slaktet vekt (GWT) / Volume in gutted weight (GWT)	Q1 2023	Q1 2022	2022
Laks / salmon	24 914	27 912	151 942
Ørret / trout	3 687	4 145	22 687
Sum / Total	28 602	32 057	174 629

BEHOLDNING / VOLUME:

Beholdning av fisk i sjø (LWT) / Volume of fish in sea (LWT)	Q1 2023	Q1 2022	2022
Beholdning ved periodens begynnelse / Volume at beginning of period	97 923	107 242	107 242
Netto tilvekst i perioden / Net growth during the period	28 253	33 664	194 366
Slaktet volum i perioden / Slaughtered volume during the period	-33 360	-37 390	-203 685
Beholdning ved periodens slutt (LWT) / Volume at end of period (LWT)	92 816	103 516	97 923

Spesifikasjon av fisk i sjø (LWT) / Specification of fish in sea (LWT)

	31.03.2023	31.03.2022	31.12.2022
Laks / salmon	81 030	90 146	85 391
Ørret / trout	11 786	13 370	12 532
Sum / total	92 816	103 516	97 923
Herav laks > 4,7 kg (levende vekt) * / Salmon > 4,7 kg (live weight) *	3 796	5 724	384
Herav ørret > 4,8 kg (levende vekt) * / Trout > 4,8 kg (live weight) *	299	2 052	0

* Definert som modne biologiske eiendeler / Defined as mature biological assets

Omregning til levende vekt:

Slaktet volum og netto tilvekst i oppstillingen ovenfor er beregnet med utgangspunkt i slaktet vekt (GWT), og med omregning til levende vekt (LWT). Ved omregning er det lagt til grunn et sløyesvinn på 14 % for laks og 16 % for ørret. Oppstillingen inkluderer både laks og ørret.

Recalculation to life weight:

Both slaughtered volume and net growth in the table above are based on a recalculation from gutted weight (GWT) to life weight (LWT). In the recalculation a loss of 14% is used for salmon and 16 % for trout. The table includes both salmon and trout.

LWT = Levende vekt målt i tonn / Live weight tonnes

GWT = Slaktet vekt målt i tonn / Gutted weight tonnes

Note 6: Netto rentebærende gjeld (NIBD) / Net interest bearing debt (NIBD)

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

Netto rentebærende gjeld (NIBD) / Net-interest-bearing debt (NIBD)

NIBD er et alternativt resultatmål som benyttes av konsernet. Tallet forteller hvor mye kapital konsernet sysselsetter, og er et viktig nøkkeltall for interessenter som har som formål å yte konsernet finansiering, og for interessenter som ønsker å verdsette selskapet. Derfor definerer konsernet NIBD som rentebærende forpliktelser, både kortsiktige og langsiktige, til personer eller institusjoner der hovedformålet er å yte finansiering og/eller kreditt, fratrukket rentebærende kontanter eller kontantekvivalenter. Dette innebærer at langsiktige rentebærende fordringer (eiendel) og andre leieforpliktelser utover leasinggjeld til kredittinstitusjoner (gjeld) ikke inngår. Sistnevnte komponent omfatter mesteparten av de nye leieforpliktelsene som ble balanseført i forbindelse med implementeringen av IFRS 16.

NIBD is an APM utilised by the Group. The figure shows how much capital the Group employs and is an important key figure for stakeholders who are planning to grant financing to the Group and for stakeholders who want to value the company. The Group therefore defines NIBD as interest-bearing commitments, both short-term and long-term, to persons or institutions with the main purpose of providing financing and/or credit, minus interest-bearing cash or cash equivalents. This implies that long-term interest-bearing receivables (assets) and other lease commitments with the exception of leasing debt to credit institutions (liability) are not included. The latter component comprises most of the new lease commitments carried in connection with implementation of IFRS 16.

Ulike definisjoner av NIBD / Different definitions of NIBD

Siden NIBD er et alternativt resultatmål, som ikke har en offisiell definisjon forankret i IFRS, eksisterer det i dag ulike definisjoner og varianter av dette tallet hos ulike rapporterende selskap. Lerøy Seafood Group har i sin definisjon valgt en tilnærming som skiller på om leieforpliktelsen knytter seg til finansieringsformål eller ikke. Denne tilnærmingen gir en NIBD, som etter implementeringen av IFRS 16 den 1. januar 2019, er fullt ut sammenlignbar med NIBD beregnet før implementeringstidspunktet. Dette har sikret at ingen nøkkeltall som inkluderer NIBD i beregningen, har blitt vesentlig påvirket av implementeringen. Definisjonen sikrer i tillegg konsistens mellom oppgitte tall på konsernets investeringer og tilhørende endringer i NIBD, som er svært viktig. I konsernets kommunikasjon ut til kapitalmarkedet om hvor mye penger som er brukt til investeringer, er *bruksretteiendeler fra leasingavtaler med kredittinstitusjoner* inkludert, mens *bruksretteiendeler fra leieavtaler med andre* ikke er inkludert. På implementeringstidspunktet for IFRS 16 bestod konsernets finansielle leasingavtaler hovedsakelig av avtaler med kredittinstitusjoner spesialisert på lånefinansiering gjennom leasing, hvor finansiering var formålet med avtalen. Felles for disse avtalene var at leieperioden omfattet det vesentligste av leieobjektets økonomiske levetid. Leieforpliktelsene knyttet til disse avtalene er klassifisert som *leieforpliktelser ovenfor kredittinstitusjoner*. Operasjonelle avtaler er etter implementering av IFRS 16 balanseført som *leieavtaler med andre enn kredittinstitusjoner*. På implementerings-tidspunktet bestod disse avtalene hovedsakelig av leieavtaler på brønnbåter og bygg, hvor finansiering ikke var et formål, og hvor leieperioden var vesentlig kortere enn den økonomiske levetiden på leieobjektet. Derfor er skillet mellom leieavtaler med kredittforetak og leieavtaler med andre etablert, og innarbeidet i konsernets definisjon av NIBD.

Since NIBD is an APM, with no common definition from IFRS, different definitions and versions of this APM exist today in the reporting from the companies. Lerøy Seafood Group has in its definition chosen an approach that distinct between lease liabilities derived from a financing purpose and those who are not. This approach gives a NIBD, that after the implementation of IFRS 16 the 1st of January 2019, is fully comparable with the NIBD calculated before the date of implementation. This ensures that no key figures that includes NIBD in the calculation, have been significantly impacted from the implementation. The definition does also ensure consistence between reported investments and reported changes in NIBD, which is very important. In the Group's communication to the capital market about how much cash spent on investments, is *Right-of-use assets from leases with credit institutions* included, while *Right-of-use assets from leases with others* are not. On the implementation date of IFRS 16 the Group's financial leases were basically only leases with credit institutions that had financial funding through leases as core business, and where financial funding also were the Group's intention with lease. Common for these agreements was that the contract length included most of the economic lifetime for the leased asset. The lease liabilities from these agreements are identified as *lease liabilities with credit institutions*. From the date of implementation of IFRS 16, operational leases, now are recognised in the balance sheet, are identified as *lease liabilities with others*. On date of implementation these agreements consisted basically only of well-boat rentals and building rentals, where financing were not the purpose, and where the contract length was significantly shorter than the economic lifetime of the asset. Thus, the distinction between leases from credit institutions and leases with others were established and included in the Group's definition of NIBD.

Komponenter som inngår i NIBD / Components included in NIBD

	31.03.2023	31.03.2022	31.12.2022
Obligasjonslån / Bond loans	1 493 962	1 492 737	1 493 656
+ Lån fra kredittinstitusjoner / Loans from credit institutions	3 762 163	4 086 941	3 836 664
+ Leieforpliktelser ovenfor kredittinstitusjoner / Lease liabilities to credit institutions *	1 199 822	1 186 929	1 213 715
+ Andre langsiktige lån / Other long term loans	2 213	2 363	2 145
+ Kassekreditt / Overdrafts	1 413 892	313 201	1 064 097
+ Andre kortsiktige kreditter / Other short term loans	15 114	34 113	40 683
- Betalingsmidler / Cash and cash equivalents	-3 585 022	-3 836 295	-3 304 878
= Netto rentebærende gjeld (NIBD) / Net interest bearing debt (NIBD)	4 302 146	3 279 988	4 346 083

* Leieforpliktelser blir behandlet ulikt mellom selskaper / Lease liabilities are recognised differently among companies

Leieforpliktelser består av / Lease liabilities consists of

	31.03.2023	31.03.2022	31.12.2022
Leieforpliktelser ovenfor kredittinstitusjoner / lease liabilities to credit institutions	Included in NIBD	1 199 822	1 186 929
Leieforpliktelser ovenfor andre / lease liabilities to others	Not included in NIBD	1 535 200	1 637 350
Samlede leieforpliktelser / Total lease liabilities		2 735 022	2 824 279

Tre ulike definisjoner av NIBD / Three different definitions of NIBD

	31.03.2023	31.03.2022	31.12.2022
1. NIBD ekskludert alle leieforpliktelser / NIBD excluding all leasing liabilities	3 102 324	2 093 060	3 132 368
2. NIBD inkl. leieforpliktelser til kredittinstitusjoner / NIBD incl. leasing liabilities with credit inst.	Definition used by LSG	4 302 146	3 279 988
3. NIBD inkl. alle leieforpliktelser / NIBD including all leasing liabilities	5 837 346	4 917 338	5 888 603

Oppgitt størrelse på NIBD er avhengig av om leieforpliktelsene er inkludert, delvis inkludert eller ikke inkludert. Per idag er det ingen ensartet praksis blant selskaper som rapporterer til børs med henblikk på hvordan NIBD beregnes.

Reported NIBD is dependent on whether the lease liabilities are included, partially included or not included. As of today it is no common practice among companies that reports to the Stock Exchange regarding how to calculate NIBD.

NIBD effekt fra driftsaktiviteter / NIBD effect from operational activities	Q1 2023	Q1 2022	2022
EBITDA før verdjusteringer / EBITDA before fair value adjustments	-1 316 565	-1 172 853	-4 520 918
Betalt skatt / Income tax paid	67 238	143 184	527 303
Endring i arbeidskapital / Change in working capital	617 874	629 007	1 711 676
Andre endringer / other changes	3 083	633	6 546
Endring i NIBD fra driftsaktiviteter / Change in NIBD from operational activities	-628 369	-400 029	-2 275 393
NIBD effekt fra investeringsaktiviteter / NIBD effect from investment activities			
Nye konsesj., BR-eiendeler og varige driftsmidl., netto / New licences, ROU-assets and FA, net	a) 299 959	214 999	1 115 626
Mottatte utbytter og renteinntekter / Dividends and interests received	-3 249	-3 000	-42 170
Virksomhetssammenslutninger / business combinations	98 855	49 117	58 669
Andre endringer knyttet til anleggsmidler / Other changes in non current assets	-3 244	-1 326	3 474
Endring i NIBD fra investeringsaktiviteter / Change in NIBD from investment activities	b) 392 320	259 790	1 135 599
NIBD effekt fra finansieringsaktiviteter / NIBD effect from financing activities			
Utbetaling av utbytte / Dividend payments	832	8 787	1 559 907
Avdrag ikke rentebærende gjeld / Installments non-interest bearing debt	c) 72 819	69 863	299 400
Betalte rentekostnader og netto finanskostnader / Interests and net financial costs paid	96 432	55 863	314 457
Endring i NIBD fra finansieringsaktiviteter / Change in NIBD from financing activities	170 083	134 513	2 173 764
Andre NIBD effekter / Other NIBD effects			
Andre endringer (omregn.diff., urealisert agio) / Other changes (currency conversion, agio)	1 070 625	-11 772	14 626
Andre endringer i NIBD / Other changes in NIBD	1 070 625	-11 772	14 626
NIBD ved periodens begynnelse / NIBD at period start	3 297 486	3 297 486	3 297 486
Sum endringer i NIBD / Total changes in NIBD	1 004 659	-17 498	1 048 597
NIBD ved periodens slutt / NIBD at balance sheet date	4 302 146	3 279 989	4 346 083

a) Nye konsesjoner, BR-eiendeler og varige driftsmidler / New licences, ROU assets and FA, net

Denne gruppen viser konsernets samlede nettoinvestering i ikke-finansielle anleggsmidler, som inkluderer (1) konsesjoner og rettigheter, (2) bruksrett-eiendeler finansiert gjennom kredittinstitusjoner (tidligere benevnt finansielt leasede driftsmidler) og (3) varige driftsmidler

This group summarizes the investments in capital expenditure which includes (1) licences and permits, (2) right-of-use assets financed through credit institutions (previously referred to as financial leased assets) and (3) fixed assets.

b) Sum endringer fra investeringsaktiviteter / Total changes from investing activities

Samlet NIBD-effekt fra investeringsaktiviteter avviker fra kontantstrømmen fra investeringsaktiviteter med et beløp som tilsvarer tilgang bruksrett-eiendeler finansiert gjennom kredittinstitusjoner. Dette forklares ved at anskaffelse av leasede eiendeler ikke utløser noen innledende kontanteffekt. Men NIBD, som definert ovenfor, vil derimot øke med et beløp lik den nye leieforpliktelsen.

The total change in NIBD from investment activities deviates from the total cash flow from investing activities with an amount corresponding to new right-of-use assets financed through credit institutions. This is explained with the fact that acquisition of assets through lease agreements have no initial cash effect. But NIBD, as defined above, will increase with an amount corresponding to the new lease liability.

c) Avdrag leasinggjeld til andre / Installments leasing debt to others

Ifølge IFRS 16 skal samtlige leieforpliktelser balanseføres. LSG splitter leieforpliktelsene i to grupper; (1) Leieforpliktelser ovenfor kredittinstitusjoner og (2) leieforpliktelser ovenfor andre, hvor kun den første gruppen inngår i NIBD. Siden kun førstnevnte gruppe inngår i NIBD, vil et avdrag på leieforpliktelser i den andre gruppen representere en kontantreduksjon uten tilsvarende reduksjon av rentebærende gjeld. Derfor vil NIBD bli påvirket.

According to IFRS 16 all leasing or rental agreements should be recognized in the statement of financial position. LSG splits the lease liabilities into two categories; (1) Leases with credit institutions and (2) leases with others, where only the first category is included in NIBD. As only leasing debt in the first category is included in NIBD, an installment on leasing debt in the second category represents a cash reduction without an equal reduction in interest bearing debt. Thus the result is a change in NIBD.

Note 7: Aksjekapital og aksjonærinformasjon / Share capital and shareholder information

(Alle beløp i NOK 1,00 / All amounts in NOK 1.00)

	Antall aksjer / No. of shares	Eierandel / Ownership
Oversikt over 20 største aksjonærer per 31.03.2023 / Overview of the 20 largest shareholders at 31.03.2023:		
AUSTEVOLL SEAFOOD ASA	313 942 810	52,7 %
FOLKETRYGDFONDET	31 595 252	5,3 %
UBS AG	21 033 772	3,5 %
State Street Bank and Trust Comp	18 092 387	3,0 %
JPMorgan Chase Bank, N.A., London	15 429 393	2,6 %
FERD AS	13 502 548	2,3 %
The Bank of New York Mellon SA/NV	12 260 845	2,1 %
J.P. Morgan SE	10 364 562	1,7 %
PARETO AKSJE NORGE VERDIPAPIRFOND	8 566 309	1,4 %
BNP Paribas	8 525 659	1,4 %
The Bank of New York Mellon	8 490 259	1,4 %
CLEARSTREAM BANKING S.A.	5 031 779	0,8 %
SIX SIS AG	4 520 580	0,8 %
DANSKE INVEST NORSKE INSTIT. II.	4 425 261	0,7 %
VERDIPAPIRFOND ODIN NORGE	4 263 903	0,7 %
Skandinaviska Enskilda Banken AB	4 132 900	0,7 %
The Northern Trust Comp, London Br	3 841 259	0,6 %
VERDIPAPIRFONDET STOREBRAND NORGE	3 702 018	0,6 %
Citibank, N.A.	3 273 121	0,5 %
UBS Switzerland AG	2 859 870	0,5 %
Sum 20 største aksjeeiere / total 20 largest shareholders	497 854 487	83,6 %
Andre / others	97 919 193	16,4 %
Totalt / total	595 773 680	100,0 %

Hvis navn på aksjonær vises mer enn en gang, skyldes dette at det gjelder ulike fond / If name on shareholder is presented more than once, it is because of different investment fund

Konsernet eier på balansedagen 297 760 egne aksjer av en total beholdning på 595 773 680 aksjer. Andel egne aksjer tilsvarer 0,05 %. Kostpris på egne aksjer er splittet i to komponenter, hvor pålydende verdi på egne aksjer inngår i "innskutt egenkapital" (NOK -29 776), og betalt vederlag utover pålydende verdi på egne aksjer (NOK -2 389 226) inngår i "annen egenkapital". Gjennomsnittlig kostpris på egne aksjer utgjør NOK 8,12 per aksje.

The Group owns 297 760 own shares of a total number of 595 773 680 shares. The portion of own shares is 0.05 %. The purchase price paid for own shares is split into two different categories, where face value of own shares is included in "paid in capital" (NOK -29 776), and purchase price exceeding face value of own shares (NOK -2 389 226) is included in "other equity". Average purchase price of own shares is NOK 8.12.

Note 8: Inntekt fra tilknyttede selskaper (TS) og felleskontrollert virksomhet (FKV) / Income from associated companies (AC) and joint ventures (JV)

(Alle beløp i NOK 1.000 / All amounts in NOK 1,000)

Inntekt fra TS og FKV / Income from AC and JV:	Q1 2023	Q1 2022	2022
Norskott Havbruk AS konsern (50%)	-16 653	96 294	41 492
Seistar Holdning AS konsern (50%)	2 406	5 150	20 731
Andre / Others	877	1 357	3 452
Inntekt fra TS og FKV / Income from AC and JV	-13 370	102 801	65 675
Verdijustering * / Fair value adjustment *	-8 456	70 877	11 982
Inntekt fra TS og FKV før verdijustering* / Income from AC and JV before FV adj.*	-4 914	31 924	53 693

* Verdijusteringer knyttet til biologiske eiendeler / Fair value adjustments related to biological assets

Verdijustering knyttet til biologiske eiendeler i tilknyttede selskaper / FV adjustments related to biological assets in associates

Linjen verdijusteringer knyttet til biologiske eiendeler viser konsernets andel av virkelig verdijustering etter skatt for biologiske eiendeler (fisk i sjø), som er inkludert i inntekt fra tilknyttede selskaper. Verdijusteringer knyttet til biologiske eiendeler i tilknyttede selskaper trekkes ut ved beregning av det alternative resultatmålet og nøkkeltallet ROCE før verdijusteringer. Justeringen gjelder Norskott Havbruk AS konsern.

The item fair value adjustments related to biological assets shows the group's portion of the fair value adjustment after tax on biological assets (fish in sea), which is included in the income from associates. Fair value adjustments related to biological assets in associates are excluded in the calculation of the APM and key figure ROCE before fair value adjustments. The adjustment relates to Norskott Havbruk AS Group.

Note 9: Virksomhetssammenslutninger og utløsning av IKE / Business combinations and redemption of NCI

(Alle beløp i NOK 1,00 / All amounts in NOK 1.00)

Utløsning av ikke kontrollerende eierinteresser (IKE) / Redemption of non-controlling interests (NCI)

Ikke kontrollerende eierinteresser i Lerøy Nord AS er utløst med virkning fra og med 01.01.2023. Eierandelen er dermed økt fra 51% til 100%. Utløsningssummen betalt til ikke kontrollerende eierinteresser var NOK 6 millioner. Beløpet fremkommer som en reduksjon i egenkapital.

Non-controlling interests in Lerøy Nord AS has been redeemed with effect from 01.01.2023. The shareholding is therefore increased from 51% to 100%. The consideration paid to non-controlling interests was NOK 6 million. The amount is presented as a reduction in equity.

Virksomhetssammenslutninger / Business combinations

Konsernet har gjennom det danske datterselskapet Lerøy Seafood Denmark A/S ervervet 100% av aksjene i Mondo Mar Marine Foods ApS. Selskapet er lokalisert i Høstholm i Danmark, og driver med bearbeiding av hvitfisk. Selskapet er konsolidert inn med virkning fra 01.01.2023.

The Group has acquired 100% of the shares in Mondo Mar Marine Foods ApS through the Danish subsidiary Lerøy Seafood Denmark A/S. The company is located in Høstholm in Denmark, and has processing of white fish as main activity. The company has been consolidated with effect from 01.01.2023.

Virkelig verdi av samlet overført vederlag / Fair value of total consideration	DKK	Curr.rate	NOK
Betalt vederlag på kjøpstidspunkt / Consideration paid on acquisition date	59 916	1,419	85 020
Langsiktig selgerkreditt / Long term credit	10 000	1,419	14 190
Samlet vederlag / total consideration	69 916		99 210

Foreløpig oppkjøpsanalyse / Preliminary PPA	Identifiserte verdier / identified values		Oppkjøpsbalanse / Acquisition balance		
	DKK	DKK	DKK	Curr.rate	NOK
Anleggsmidler / Non current assets	15 213	42 924	58 137	1,419	82 496
Omløpsmidler / Current assets	25 925		25 925	1,419	36 788
Sum eiendeler / Total assets	41 138	42 924	84 062		119 284
Egenkapital / Equity	26 992	42 924	69 916	1,419	99 210
Langsiktig gjeld / Non current debt	448		448	1,419	635
Kortsiktig gjeld / Current debt	13 698		13 698	1,419	19 438
Sum egenkapital og gjeld / Total equity and debt	41 138	42 924	84 062		119 284

Note 10: Hendelser etter balansedagen / Events after balance sheet date

Grønne obligasjonslån

Den 19. april 2023 plasserte Lerøy Seafood Group tre nye senior usikrede grønne obligasjonslån på til sammen 1,5 milliarder kroner. De tre lånene er på 500 millioner kroner hver med en løpetid på henholdsvis fem, syv og ti år. Renten på femårslånet er på tremåneders Nibor pluss 1,5 prosentpoeng, mens syvårslånet har fastrente på 5,10 prosent og tiårslånet har en fastrente på 5,315 prosent.

Green bond issues

The 19th of April 2023 Lerøy Seafood Group ASA completed 3 new senior unsecured green bond issues. The three bonds, each of NOK 500 million, has tenors of 5, 7 and 10 years, respectively. The bonds have coupons of 3m NIBOR + 1.50% p.a for the 5 year tranche, fixed rate of 5.10% p.a for the 7 year tranche and a fixed rate of 5.315% p.a for the 10 year tranche.

Virksomhetssammenslutninger

Den 3. april 2023 kjøpte Lerøy Seafood Group ASA samtlige aksjer i Austevoll Laksepakkeri AS. Selskapet driver med primærprosesser av laks og ørret, og holder til på Austevoll i Norge. Selskapet ble kjøpt av konsernets morselskap Austevoll Seafood ASA, som er en nærstående part. Transaksjonen er gjennomført på armlengdes avstand, der vederlaget på NOK 25 millioner er basert på innhentet ekstern takst. Selskapet vil bli konsolidert inn med virkning fra og med andre kvartal 2023.

Business combinations

The 3rd of April 2023 Lerøy Seafood Group ASA acquired 100% of the shares in Austevoll Laksepakkeri AS. The company's main activity is primary processing of salmon and trout, and it is located in Austevoll in Norway. The company was acquired from the parent company of the Group, Austevoll Seafood ASA, which is a related party. The transaction has been carried out according to arm length principle, where the consideration paid, NOK 25 million, has been based on external valuations. The company will be consolidated with effect from 2. quarter 2023.

Note 11: Finansiell kalender / Financial Calendar

Presentasjon av resultat 2. kvartal 2023 / Report Q2 2023	23.08.2023
Presentasjon av resultat 3. kvartal 2023 / Report Q3 2023	15.11.2023
Presentasjon av foreløpig resultat for år 2023 / Preliminary results for the year 2023	21.02.2024
Ordinær generalforsamling / Ordinary General Meeting	23.05.2023

Selskapet forbeholder seg retten til å komme med endringer underveis / Dates are given with reservations in case of changes.