



# Presentation Q2 2021

23 August 2021

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# Agenda

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1. Highlights for the period
2. Segment information
3. Group financials
4. Markets
5. Projects for growth
6. Outlook & Summary

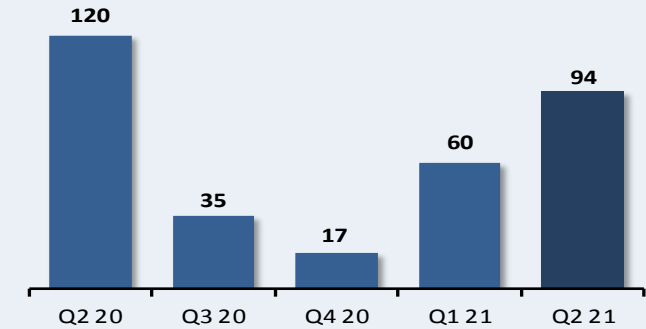


# Highlights in Q2 2021

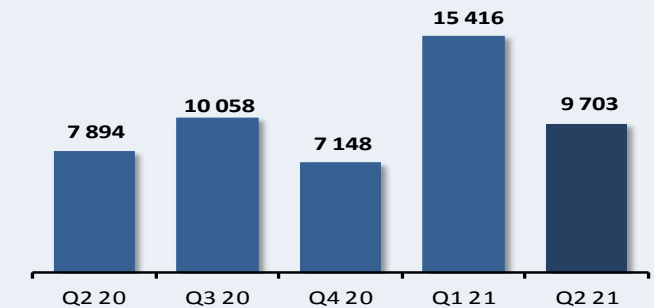


- Operational EBIT of NOK 94 million
  - Farming Norway: Operational EBIT per kg of NOK 12.22
  - Farming Iceland: Operational EBIT per kg of NOK 9.66
- High production cost due to harvesting from ISA sites
- Demand for salmon is now increasing when the markets have started to recover after the easing of Covid-restrictions
- Harvested volume 9 703 tonnes, 23 % increase YoY.  
Farming Iceland with organic growth of 126 %
- The production in the new smolt facility has started during the quarter and will ensure the supply of smolts and enable improved timing of smolt release, utilization of MAB and reduce production costs
- NTS has published a mandatory offer for all shares in NRS. In addition, Salmar ASA intends to launch a voluntary offer

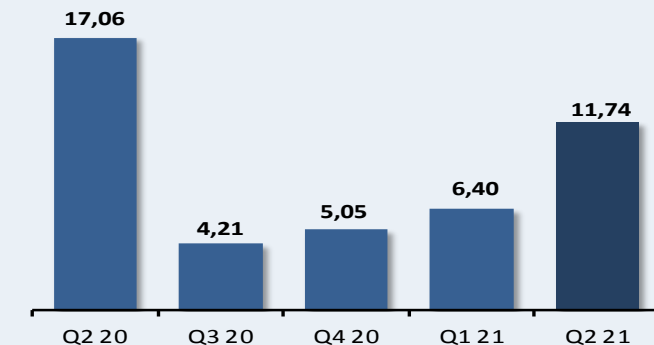
Operational EBIT (MNOK)



Harvested volume (HOG)



Operational EBIT/kg (NOK)



## Segment information



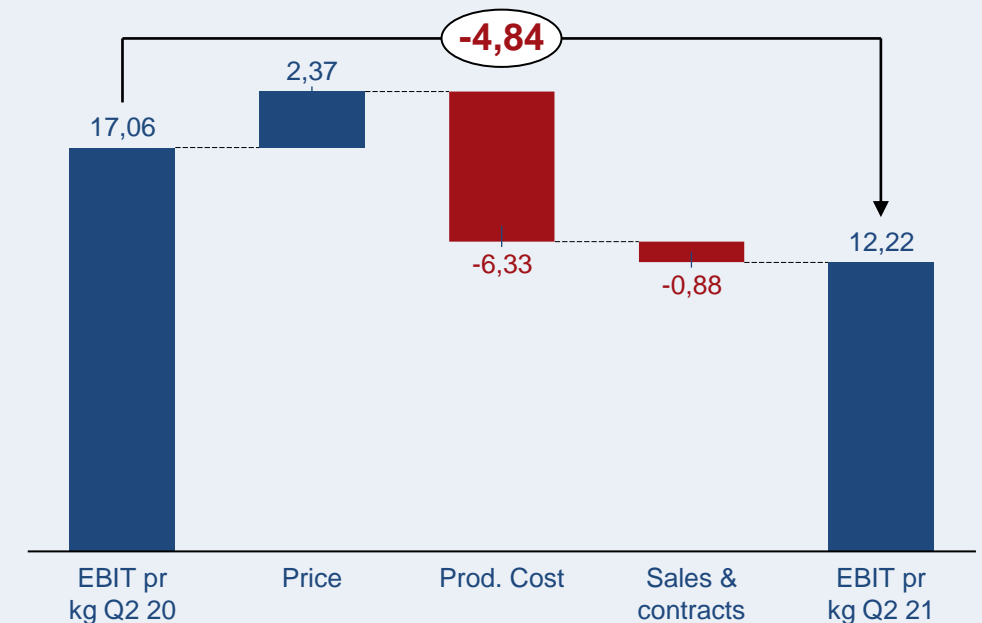
# Farming Norway



- Operational EBIT per kg of NOK 12.22
  - Down NOK 4.84 from Q2 20 but up NOK 5.58 from Q1 21
- Sales price FCA packing station of NOK 58.44
  - Up NOK 2.37 per kg from Q2 20 and up NOK 8.76 from Q1 21
  - NRS harvested some small fish from ISA sites in the quarter, harvested fish had lower quality than normal and timing of harvest during the quarter had negative impact on the price achievement
- Harvested volume 7 879 in line with Q2 20

KEY FIGURES (NOK '000)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Operating revenues	980 042	1 289 333	2 463 864	2 559 220
<b>Operational EBIT *</b>	<b>96 303</b>	<b>134 684</b>	<b>173 504</b>	<b>224 103</b>
<b>Volume harvested (tonnes)</b>	<b>7 879</b>	<b>7 894</b>	<b>19 502</b>	<b>13 303</b>
<b>Operational EBIT per kg</b>	<b>12,22</b>	<b>17,06</b>	<b>8,90</b>	<b>16,85</b>

\* EBIT pre fair value adjustments and non-recurring items incl. allocated margin from sales

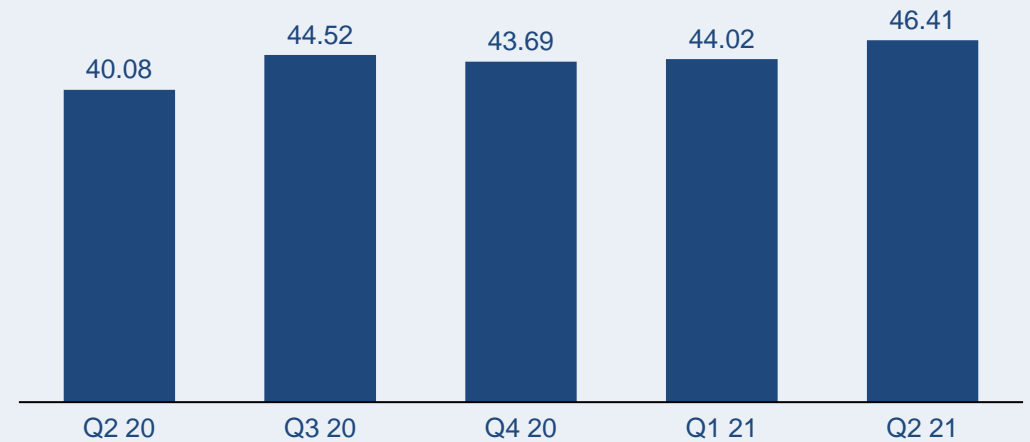


# Farming Norway

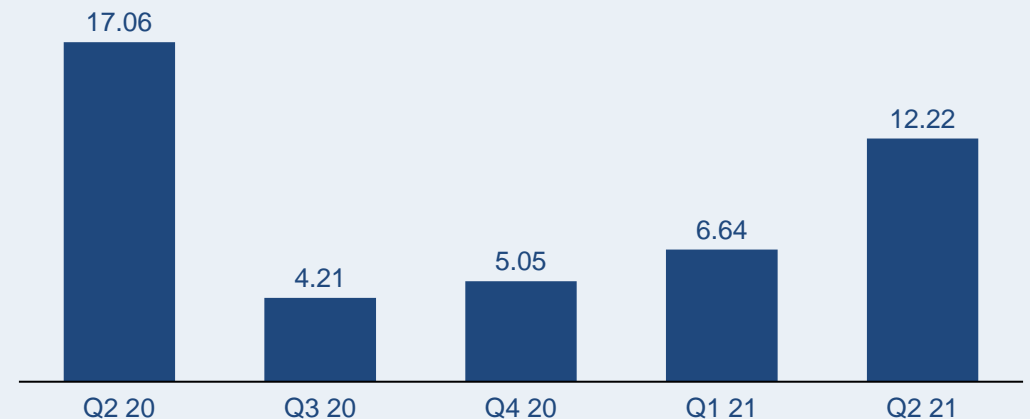


- Production cost of NOK 46.41, up NOK 2.39 from Q1 21
  - The production cost has increased due to harvesting from ISA sites with small fish and high harvesting and wellboat costs and fish from sites with poor performance
  - The production cost is expected to decrease in Q3 21
- Operation
  - Biomass in sea decreased with 2 229 tonnes (-10 %) during the quarter and by 2 276 tonnes (-10 %) from Q2 20
  - The production was somewhat lower than expected in the quarter due to lower biomass
  - NRS has previously reported the fish disease ISA at Korsnes and Kråkeberget sites. The fish in the cages with ISA have been harvested and the fish welfare on the sites are now good. All fish in the production areas for these two sites are subjected to restrictions, thus harvesting- and wellboat costs are expected to be higher than normal until all the fish is harvested

Production Cost



EBIT per kg



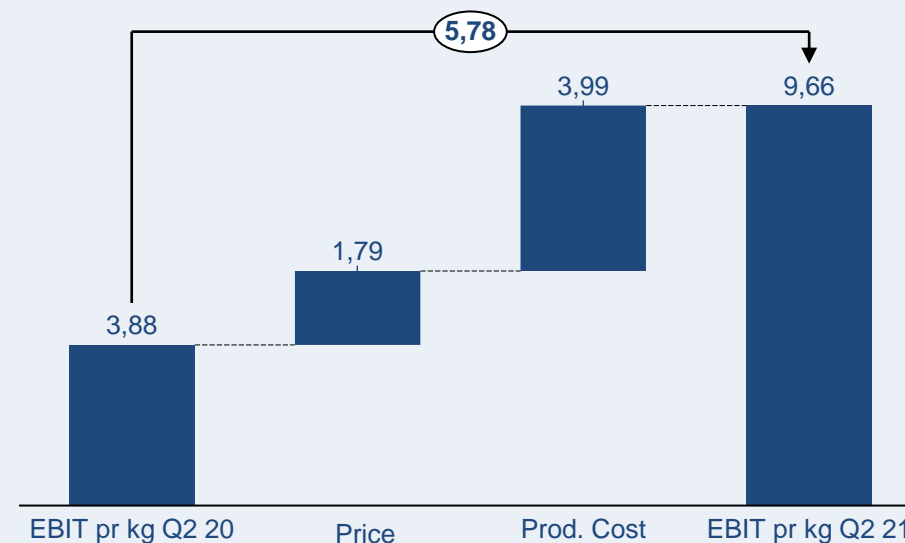
# Farming Iceland



- Operational EBIT per kg of NOK 9.66
  - Up NOK 5.78 from Q2 20 and up NOK 3.99 from Q1 21
- Sales price FCA packing station NOK 54.72
  - Up NOK 1.79 per kg from Q2 20 and up NOK 10.20 from Q1 21
  - The quality of the fish is very good in Iceland and contributed positively to the price achievement, while the timing of the harvest during the quarter had negative impact on the price achievement. Still too high discount compares to Nasdaq due to logistic costs
- Harvested volume up 1 019 tonnes compared to Q2 20
- Extension of the smolt production to a capacity of 5 million smolt of 200 grams yearly has started
- Arctic Fish has substantial growth potential and estimates a harvest volume of approximately 24 000 tonnes in 2025

KEY FIGURES (NOK '000)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Operating revenues	99 798	42 627	268 641	101 498
<b>Operational EBIT *</b>	<b>17 621</b>	<b>3 126</b>	<b>39 142</b>	<b>17 773</b>
<b>Volume harvested (tonnes)</b>	<b>1 824</b>	<b>805</b>	<b>5 617</b>	<b>1 668</b>
<b>Operational EBIT per kg</b>	<b>9,66</b>	<b>3,88</b>	<b>6,97</b>	<b>10,66</b>

\* EBIT pre fair value adjustments and non-recurring items

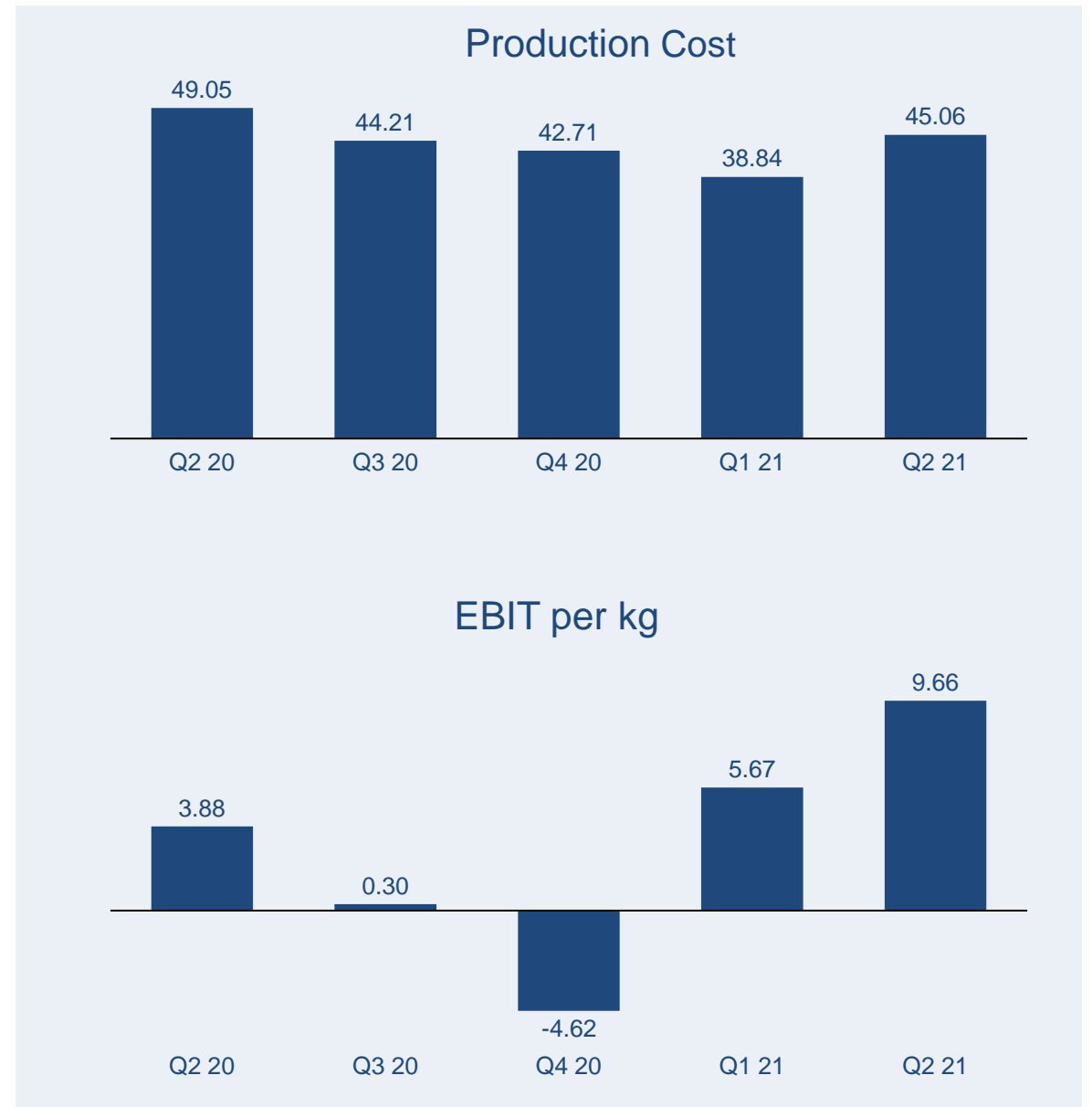




# Farming Iceland



- Production cost of NOK 45.06, up NOK 6.22 from Q1 21
  - The production cost has increased due to start-up of harvest from a new site
  - The production cost at this site is expected to decrease, resulting in lower production cost in the third quarter
  - The harvesting and wellboat costs are still high
  - Still working on the project for investing in a new harvesting plant
- Operation
  - Biomass in sea increased with 619 tonnes (7 %) during the quarter and increased by 1 906 tonnes (26 %) from Q2 20
  - Production so far this year has been better than expected and will increase the estimated harvest volume for 2022



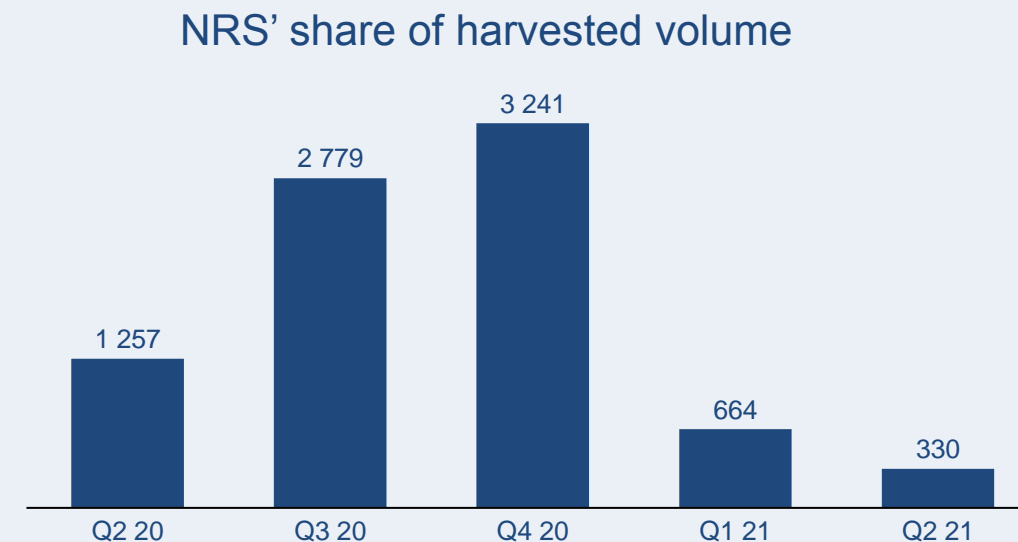
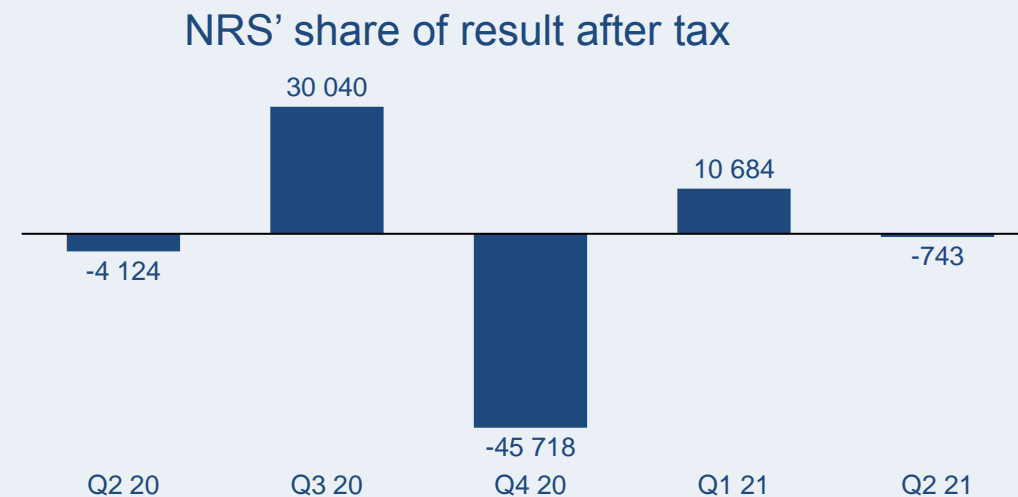
# Associated companies



(NOK 1000)	Q2 2021	Q2 2020
Operational EBIT	12 093	34 313
Fair value adjustment	-4 436	-20 745
EBIT	7 657	13 568
Volume harvested (tonnes)	986	3 127
Operational EBIT per kg *	12,26	5,54
NRS' share of result after tax	-743	-4 124
NRS' share of harvested (tonnes)	330	1 257

\*EBIT pre fair value adjustments

- NRS share of result after tax of MNOK -0.7 (MNOK -4.1)
  - EBIT per kg of NOK 12.26 from farming companies
- Shares in NRS owned by associated companies at the end of Q2 21
  - NRS' share of fair value MNOK 98
  - Not recognised in the group accounts
- Norway Royal Salmon sold its 36.1 % stake in the associated company Måsøval Fishfarm AS during the quarter. The consideration for the shares was MNOK 148. In addition, MNOK 30 is recognized as dividend in the quarter, but is paid in the third quarter



# Group financials

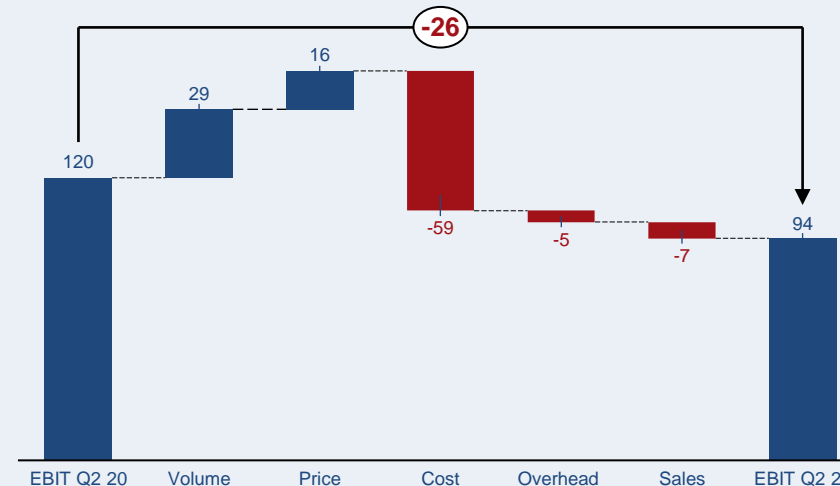


# Profit and Loss



- Operational EBIT of MNOK 94
- Operational EBIT per kg of NOK 11.74
- Increased market prices and production costs vs Q2 20
- Harvested volume of 9 703 tonnes, up 23 % and sold volume of 20 600, equal to Q2 20
- Positive fair value adjustment of MNOK 131 due to higher forward prices
- Positive net financial items of MNOK 106
  - Divested shares in Måsøval Fishfarm AS contributed with a gain of MNOK 133

KEY FIGURES (NOK '000)	Q2 2021	Q2 2020	YTD 2021	YTD 2020
Operating revenues	1 336 832	1 289 333	2 764 629	2 559 247
Operational EBITDA	129 817	145 081	226 424	243 173
<b>Operational EBIT</b>	<b>93 995</b>	<b>119 665</b>	<b>153 934</b>	<b>194 456</b>
Fair value adjustments	131 203	-18 255	240 795	-15 715
Production tax	-4 470	0	-10 036	0
Income from associates	-743	-4 124	9 940	13 694
<b>EBIT</b>	<b>219 985</b>	<b>97 286</b>	<b>394 632</b>	<b>192 435</b>
Net financial items	106 433	20 866	287 321	-19 138
<b>EBT</b>	<b>326 418</b>	<b>118 152</b>	<b>681 953</b>	<b>173 296</b>
EPS (NOK) –pre FV adj.	3,90	2,64	9,24	3,45
Volume harvested (GWT)	9 703	7 894	25 119	13 303
Operational EBIT per kg	11,74	17,06	8,47	16,85





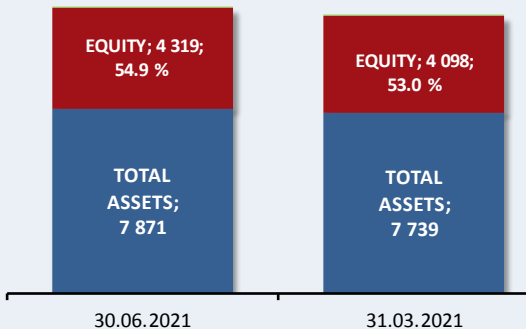
# Financial position



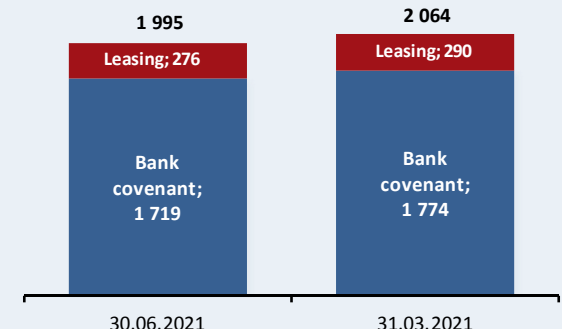
- Solid financial position
  - Equity up MNOK 221 from Q1 21, equals a ratio of 54.9 %
- Biomass pre FV down by MNOK 2 from Q1 21
  - Biomass down by 1 610 tonnes (-5 %) from Q1 21
  - Biomass up by 6 928 tonnes (29 %) from Q2 20
- Significant capex in growth projects

KEY FIGURES (NOK '000)	30.06.2021	31.03.2021	Change QoQ	30.06.2020
Intangible assets	1 649 769	1 640 259	9 511	749 515
Property, plant and equipment	3 500 647	3 278 181	222 466	1 688 150
Non-current financial assets	344 724	395 597	-50 873	811 915
<b>Non-current assets</b>	<b>5 495 140</b>	<b>5 314 037</b>	<b>181 103</b>	<b>3 249 580</b>
Inventory and biological assets	1 785 348	1 675 818	109 530	1 326 604
Receivables	473 144	360 629	112 516	486 274
Bank deposits	117 818	388 279	-270 461	8 663
<b>Current assets</b>	<b>2 376 310</b>	<b>2 424 726</b>	<b>-48 415</b>	<b>1 821 541</b>
<b>TOTAL ASSETS</b>	<b>7 871 451</b>	<b>7 738 763</b>	<b>132 689</b>	<b>5 071 122</b>
<b>Equity</b>	<b>4 319 394</b>	<b>4 098 261</b>	<b>221 133</b>	<b>3 161 372</b>
<b>Interest-bearing debt</b>	<b>2 112 458</b>	<b>2 451 986</b>	<b>-339 527</b>	<b>789 233</b>
Trade payables	689 108	492 708	196 400	614 509
Other current and non-current liabilities	750 489	695 808	54 682	506 007
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7 871 451</b>	<b>7 738 763</b>	<b>132 688</b>	<b>5 071 122</b>

Total assets & Equity (MNOK)



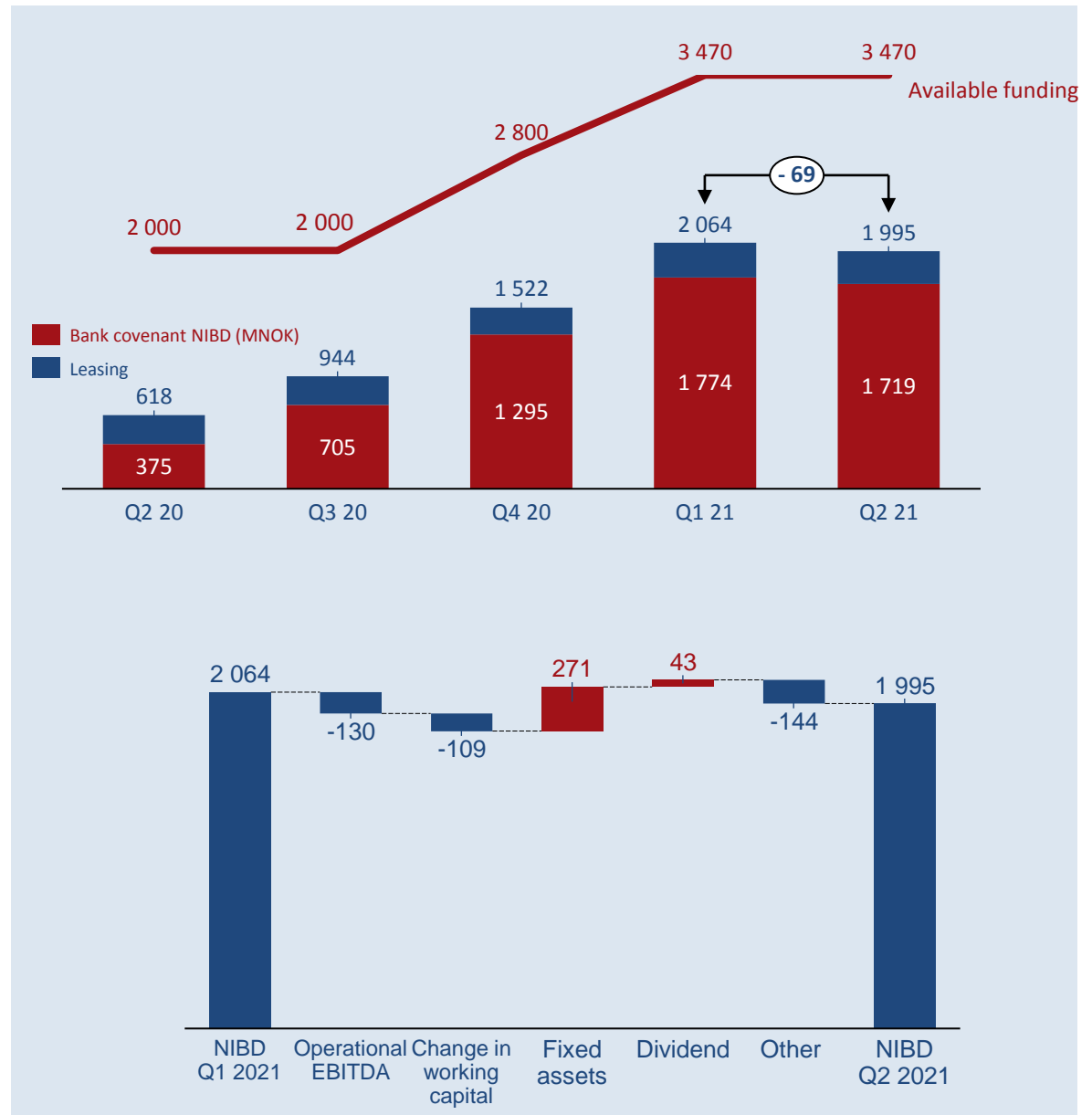
NIBD development (MNOK)



# Cash Flow and NIBD development



- NIBD down by MNOK 69 to MNOK 1 995 in Q2 21
  - NIBD according to covenant (excl IFRS 16) of MNOK 1 719
- Unused credit facility of MNOK 1 633 and bank deposit of MNOK 118
- Total paid capex of MNOK 271
- Cash dividend paid with MNOK 43
- Payment received from sale of shares in Måsøval Fishfarm AS of MNOK 148



# NRS invests in future sustainable growth



## ❑ New Smolt facility

- Reduce biological risk and optimization of production
  - Lower smolt cost
  - Reduce shipping cost
  - Reduce production cost at sea

## ❑ Arctic Offshore Farming

- Support future sustainable growth
  - Future growth requires use of new areas - New areas requires new technology
  - NRS is active in development of technology that support future sustainable growth
  - NRS will be a pioneer in offshore farming

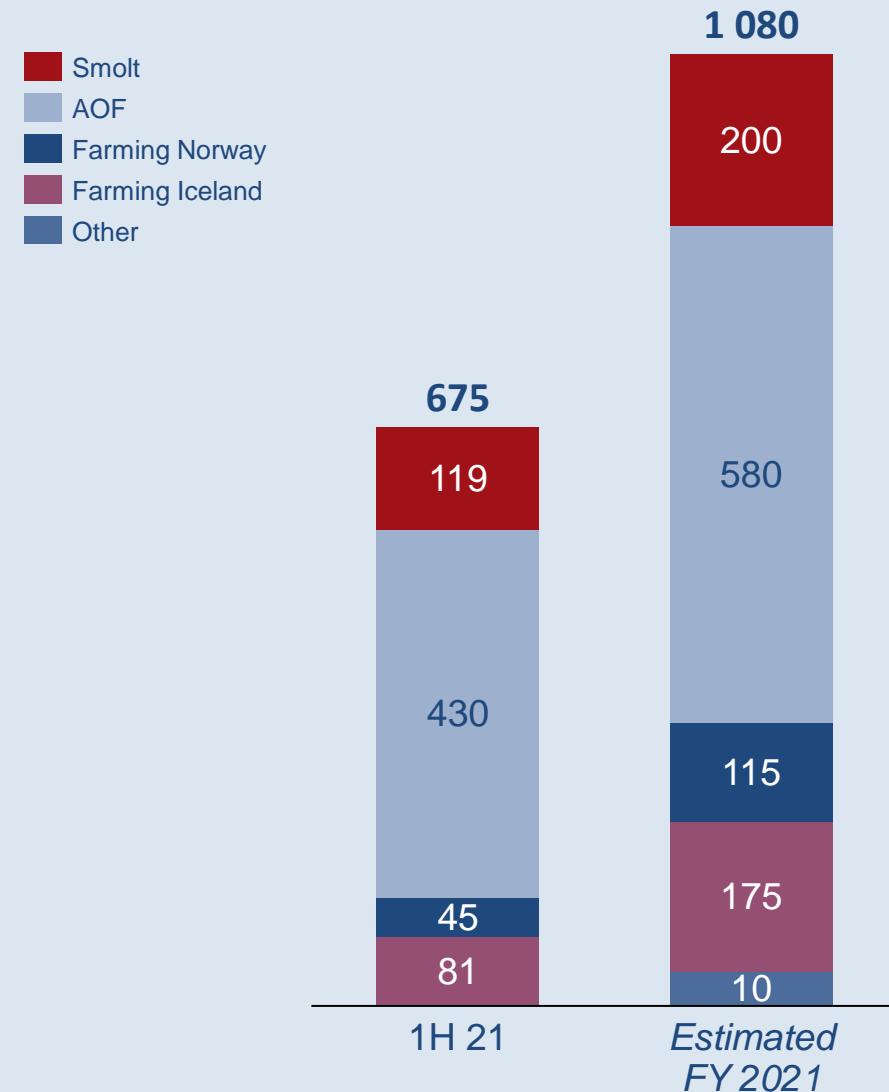
## ❑ Farming Norway - Optimize existing operations

- Farming equipment
- Electrification of the feed barges project
- Maintenance capex approx. MNOK 100 per year
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## ❑ Farming Iceland

- Extension project of the smolt plant
- Processing plant project
- Farming equipment

## ❑ Other - Administration



# Market





# Market outlook



## Harvest volumes

- Harvest volumes up 1 % in Q2 21 compared with Q2 20
- Harvest volumes from Norway as previously expected. The reduction in harvest volumes from Chile were lower than previously expected

## Market

- Prices up 8.2 % in NOK and 18.1 % in EUR in Q2 21 compared with Q2 20
- Consumption of salmon in the world markets increased by 9 % in Q2 21 compared with Q2 20.
- Sold volumes higher than harvested indicating release of frozen inventory in the quarter
- Volumes from Norway to EU increased by 2 %, to Asia by 17 %, to Eastern Europe by 27 % and to North America by 37 %

Harvest volumes	Q2/21	Q2/20	chg.
Norway	319 400	301 600	6 %
Chile	150 100	175 000	-14 %
UK	53 300	45 600	17 %
Canada	38 700	37 900	2 %
Faroe Island	24 000	22 700	6 %
Iceland	8 600	5 800	48 %
Other	33 200	32 310	3 %
	<b>627 300</b>	<b>620 910</b>	<b>1 %</b>

wfe tonnes

Source: Kontali Analyse

Markets	Q2/21	Q2/20	chg.
EU (incl UK)	274 600	269 000	2 %
North America	162 600	132 900	22 %
Eastern Europe	31 100	22 000	41 %
Asia	82 700	82 900	0 %
Other	105 800	96 100	10 %
	<b>656 800</b>	<b>602 900</b>	<b>9 %</b>

wfe tonnes

Source: Kontali Analyse

# Global harvest volumes in 2021



- Expect 3 % growth in global harvest volumes in 2021, up 1 % from Q1 21 reporting
- Expect 4 % negative growth in Q3 and 1 % negative growth in Q4 21
- Negative growth in global harvest volume for the rest of the year provides a basis for optimism about the salmon price

Harvest volumes	Q3/21E	Q3/20	chg.
Norway	376 800	358 300	5 %
Chile	140 900	198 400	-29 %
UK	55 100	54 900	0 %
Canada	33 600	37 700	-11 %
Faroe Island	20 600	17 800	16 %
Iceland	11 800	6 400	84 %
Other	41 600	37 670	10 %
	<b>680 400</b>	<b>711 170</b>	<b>-4 %</b>

Harvest volumes	Q4/21E	Q4/20	chg.
Norway	425 700	405 300	5 %
Chile	166 500	217 700	-24 %
UK	53 100	45 200	17 %
Canada	34 600	34 000	2 %
Faroe Island	29 600	22 800	30 %
Iceland	14 900	10 600	41 %
Other	45 000	40 710	11 %
	<b>769 400</b>	<b>776 310</b>	<b>-1 %</b>

Harvest volumes	2021E	2020	chg.
Norway	1 476 500	1 369 100	8 %
Chile	660 000	778 400	-15 %
UK	208 700	178 300	17 %
Canada	139 000	136 800	2 %
Faroe Island	96 700	80 600	20 %
Iceland	48 000	31 200	54 %
Other	151 900	137 290	11 %
	<b>2 780 800</b>	<b>2 711 690</b>	<b>3 %</b>

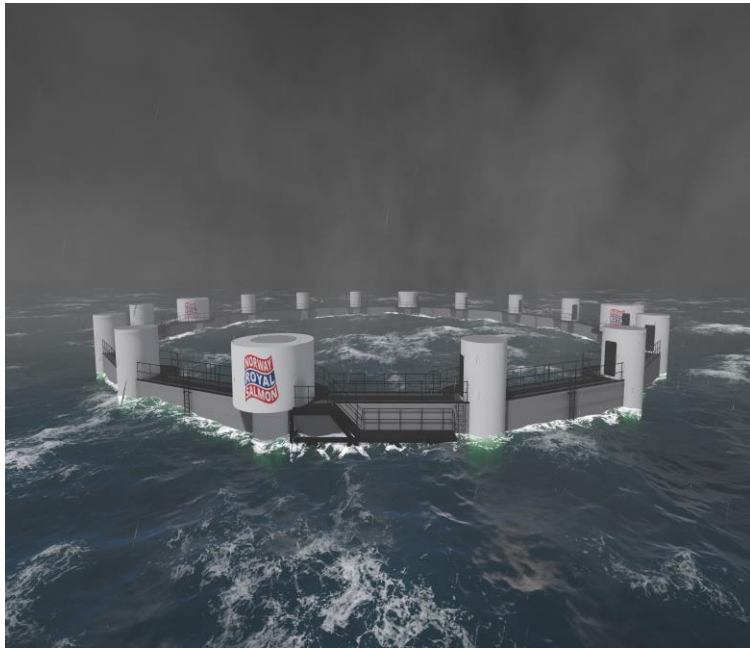
*w/e tonnes*

*Source: Kontali Analyse*

# Projects for growth



# Growth projects



Arctic Offshore



Smolt facility



Arctic Fish



# In process with new smolt facility



- Strategically important for NRS
  - The smolt facility will ensure the supply of smolts and contribute to increase the biological safety, quality and size of our smolt
  - Will improve timing of smolt release, utilization of MAB and reduce production costs
- Strategically located in short distance to our farming sites
- Among the world's largest and most modern smolt facilities
  - Production capacity of 3 400 tonnes
  - Licenses to produce up to 10 million numbers of up to 400 grams smolt yearly, but now totally limited to 2 400 tonnes
- Started production in May 2021 and will deliver big size smolt in the spring of 2022

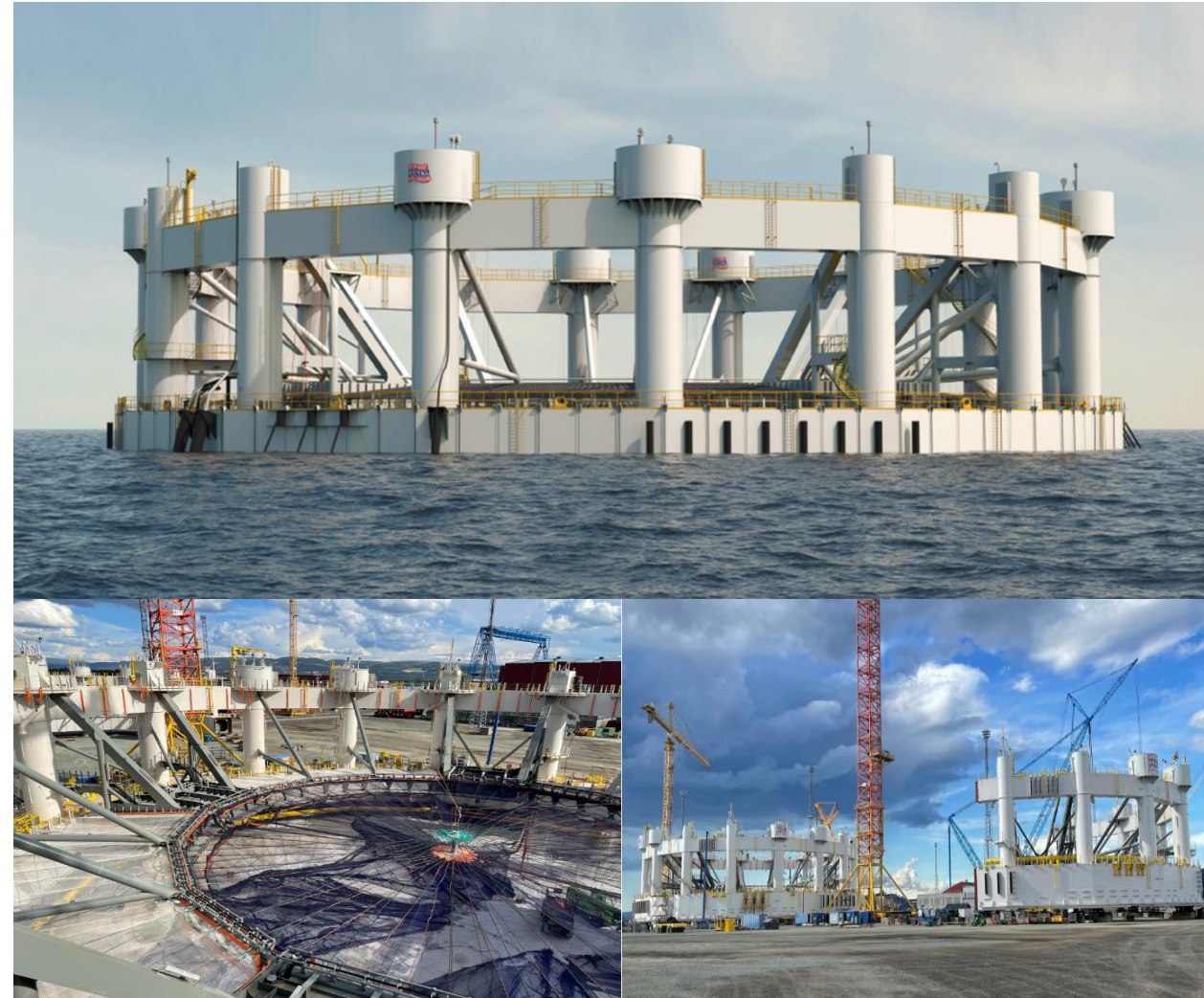




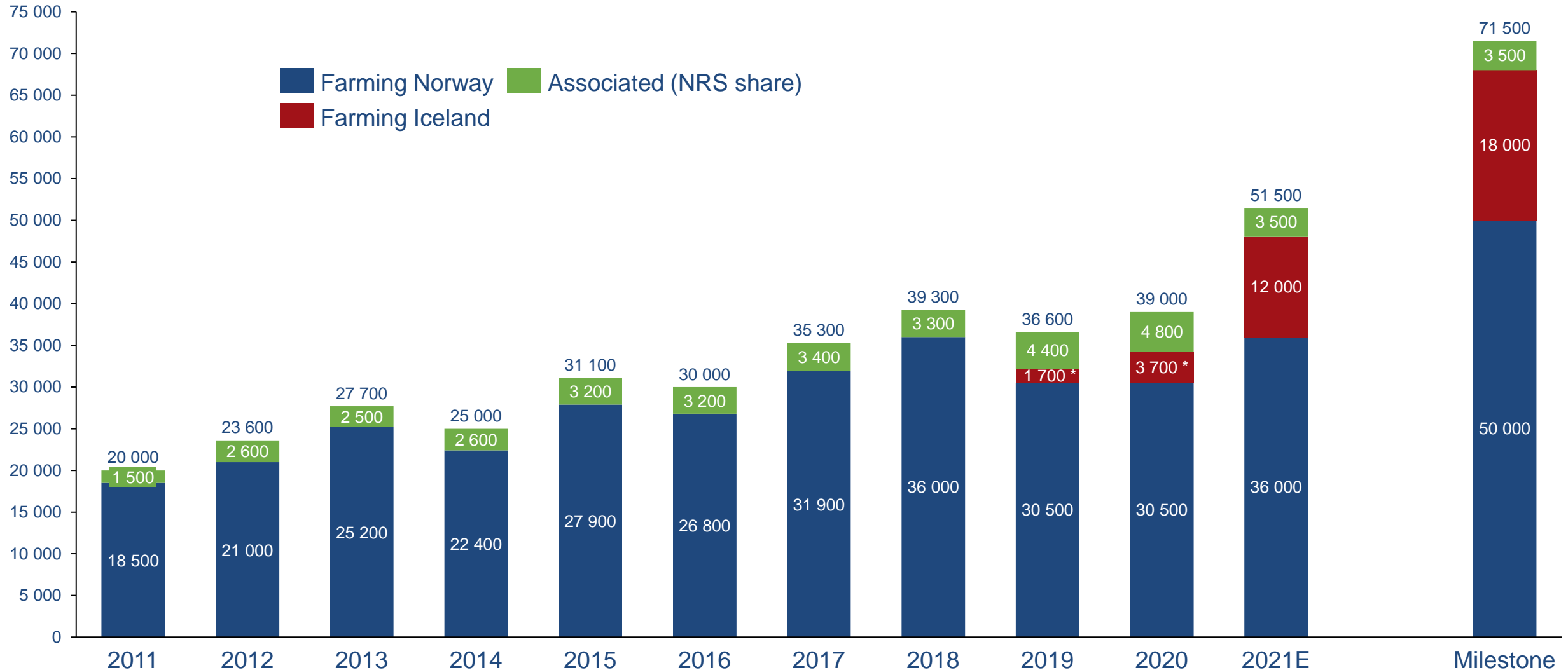
# Development licenses – Arctic Offshore Farming



- Arctic Offshore Farming - the offshore technology for the future aquaculture industry
- NRS has been granted development licenses of 5 990 tonnes in MAB
- Provide significantly increased area utilization of Norwegian sea waters when more exposed areas can be used and will have a small environmental footprint
- The first fish is expected to be released at the site in September/October 2021 and be harvested in first half of 2022



# Norway Royal Salmon - growth potential on existing licences



\* Harvested volumes from Iceland in 2019 and 2020 represents 50% of total volumes when Arctic Fish was an associated company.

## Outlook & Summary





# Harvesting estimates 2021

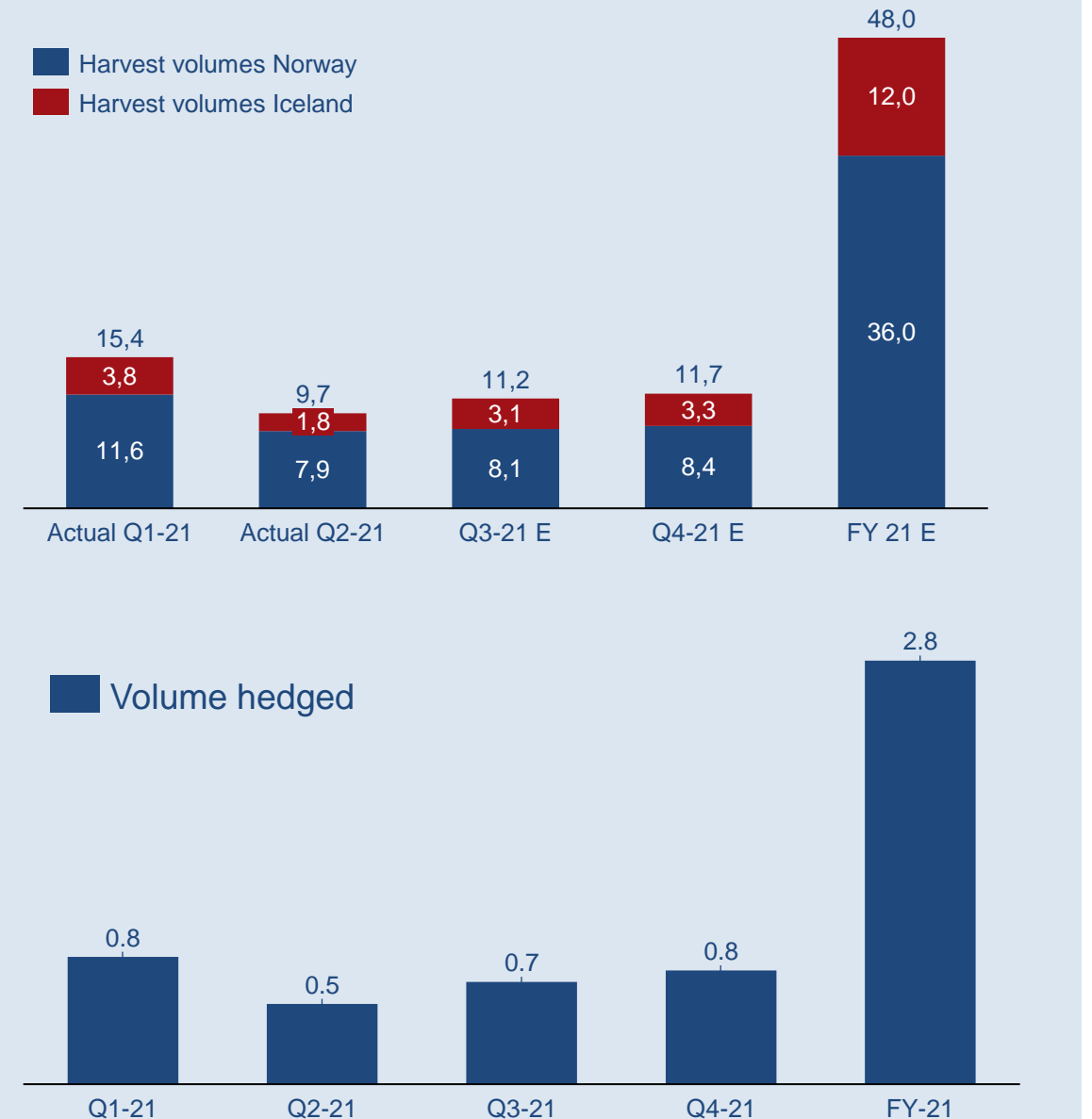


## Harvest volumes

- Q2 21: 9 703 tonnes (+23 % YoY)
  - Norway: 7 879 tonnes, in line with Q2 20
  - Iceland: 1 824 tonnes, up 126 % yoy
- Estimated harvest volume of 48 000 tonnes for 2021
  - Norway: 36 000 tonnes, up 18 % yoy
    - Decreased by 4 000 tonnes since the Q1 21 report due to accelerated harvesting caused by ISA
  - Iceland: 12 000 tonnes, up 61 % yoy

## Volume hedged

- 9 % of Norwegian volume for Q3-Q4 21 hedged



# Summary

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- Lower production costs are expected for the third quarter from a high production cost in the second quarter
- Demand for salmon is now increasing when the markets have started to return to normal after the pandemic
- Negative growth in global harvest volume for the rest of the year provides a positive view on the salmon price
- Estimated harvest volume of 48 000 tonnes for 2021
- The investment projects for a new smolt facility and Arctic Offshore Farming are nearing completion. The production in the new smolt facility has started during the quarter and will ensure the supply of smolts and enable improved timing of smolt release, utilization of MAB and reduce production costs
- Organic growth throughout utilization of MAB, new smolt facility, Arctic Offshore Farming and Arctic Fish





THANK YOU FOR  
YOUR ATTENTION !

[www.norwayroyalsalmon.no](http://www.norwayroyalsalmon.no)

Upcoming events:  
Q3 2021 9 November 2021



## Appendix: Segment information

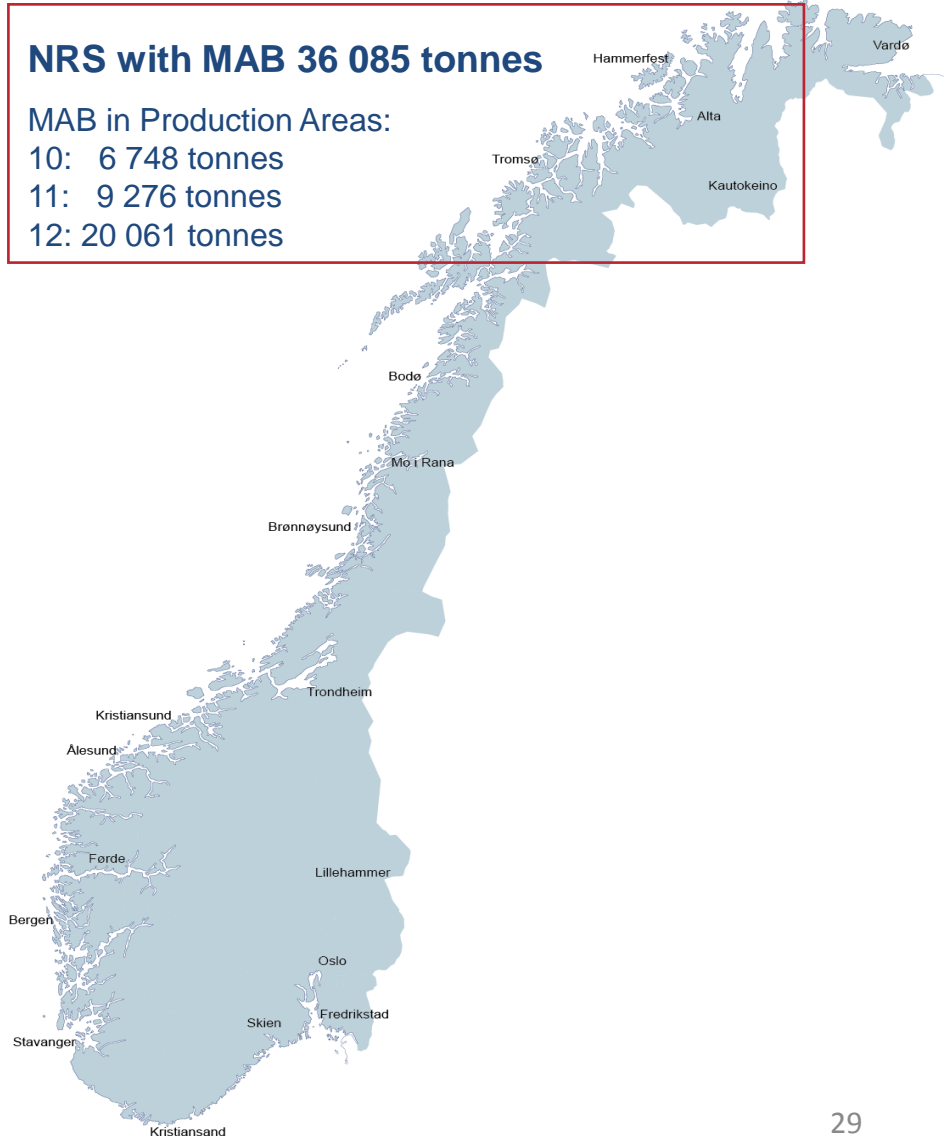


# Farming Norway



**“Northern Norway is the world's best arena for developing a sustainable aquaculture industry”**

- Farming Norway only farm salmon in Troms and Finnmark
- Continued large organic growth potential
  - 50 000 tonnes of annual harvest volume as target from owned licenses today
- Good environmental conditions for salmon farming in the Region
  - Both for traditional farming and offshore farming
- Substantial investments for organic growth through hatchery and offshore farming
- Expects Farming Norway to have low production costs
- Farming Norway allowed to produce diploid salmon on green licenses after an agreement with Ministry of Trade and Industry
- Farming Norway is granted an interregional MAB between all 3 production areas, which give potential for good MAB utilization

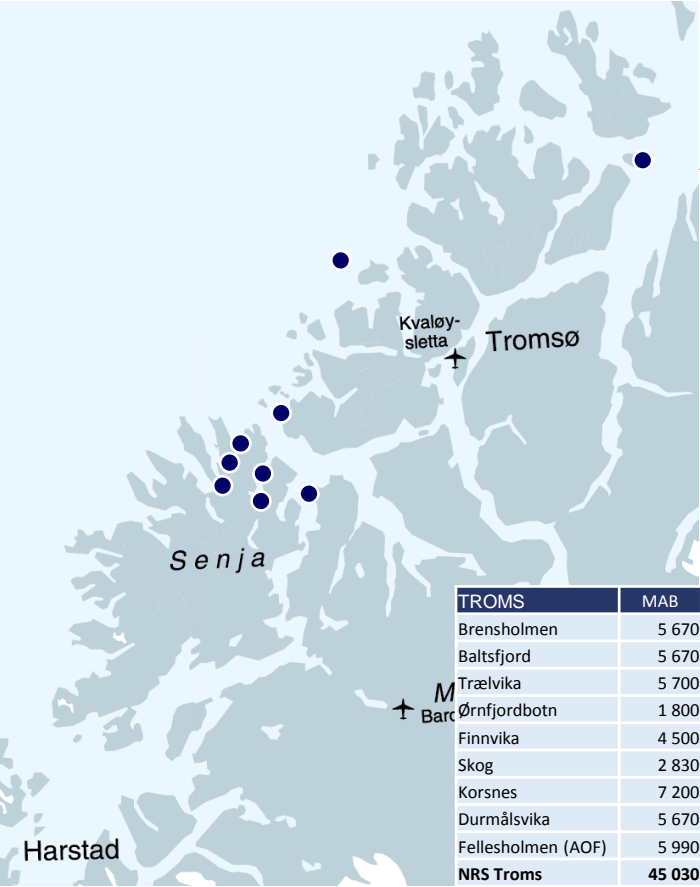




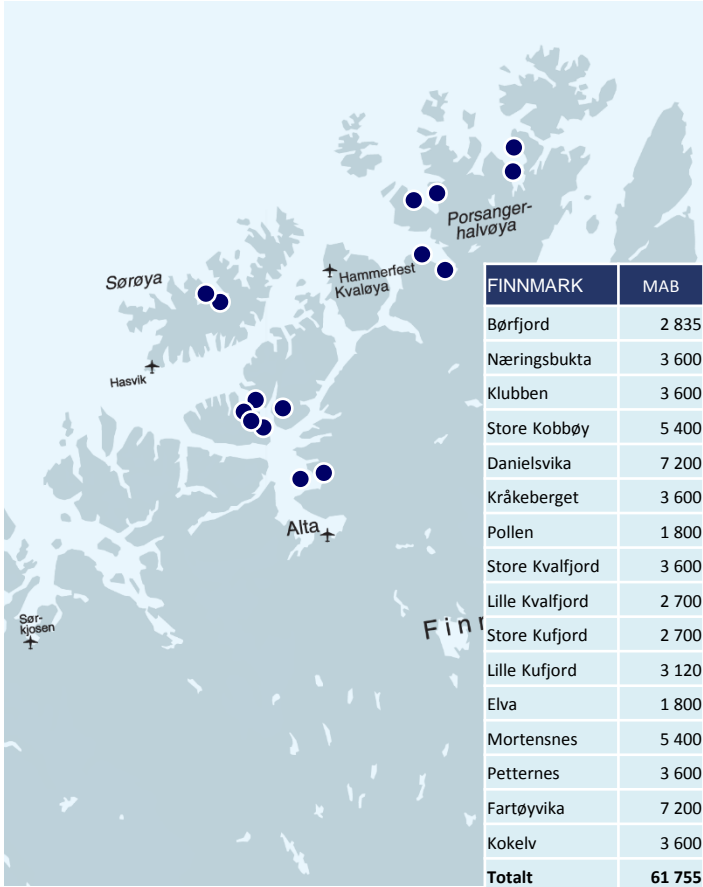
# Farming Norway – site map



Troms: MAB of 16 024 tonnes



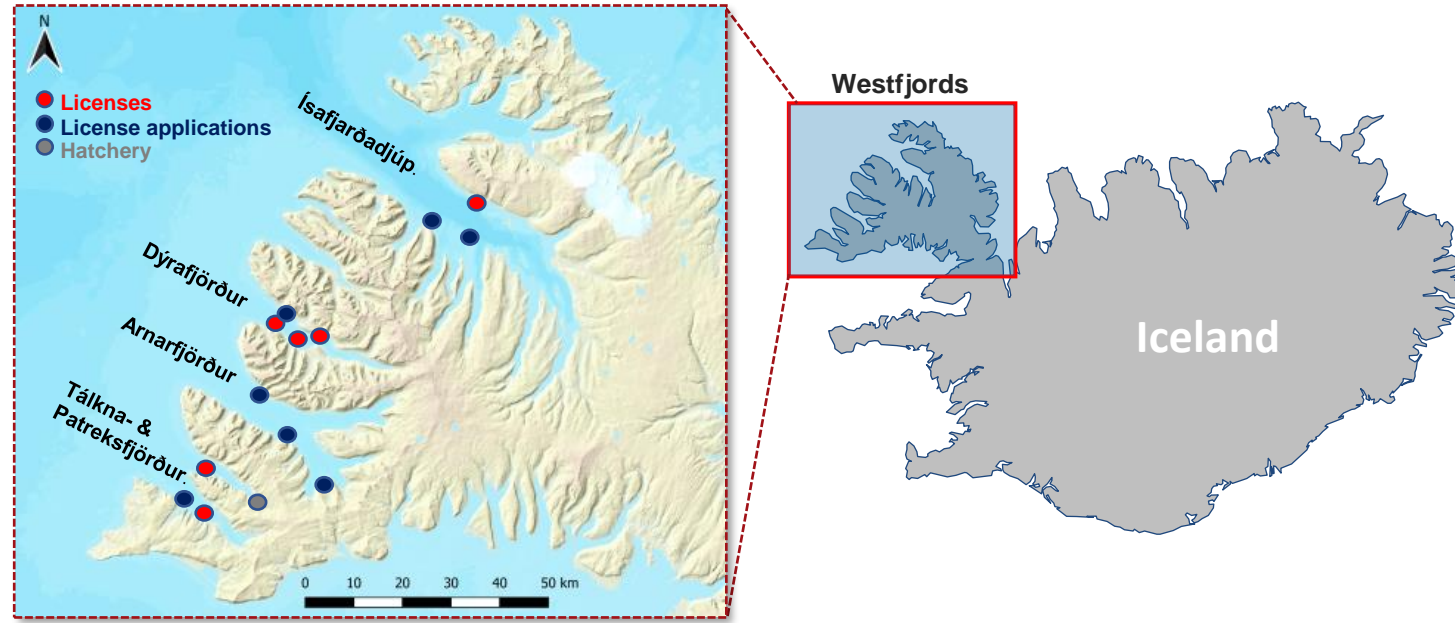
Finnmark: MAB of 20 061 tonnes



## Appendix: Projects for growth



# Arctic Fish – overview



- NRS has a 51.3% ownership in Arctic Fish
- State-of-the art hatchery with proximity to the farming sites
  - With current capacity of 3.5 million smolt yearly
  - Extension project to 5 million smolt of 200 grams yearly started
- Operation in Westfjords with good farming conditions and big potential for growth

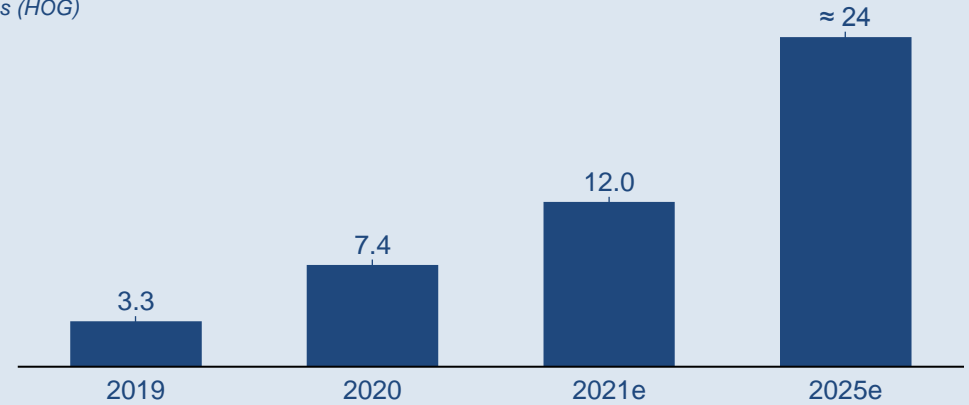
# Arctic Fish – solid cost performance



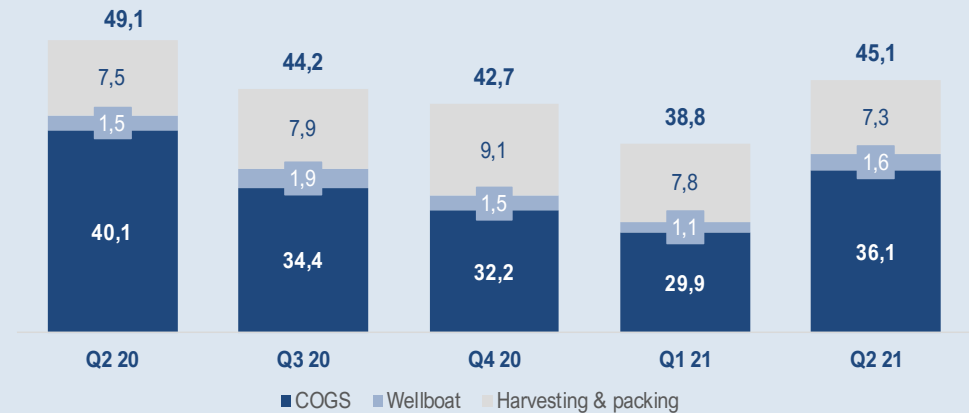
- Harvesting estimates
  - 12 000 tonnes in 2021
  - ≈ 24 000 tonnes in 2025
- Arctic Fish has a solid cost performance, supporting NRS' view of the long-term potential in Arctic Fish
- Further potential for improvements in smolt size, operational efficiency and packing costs

## Harvested volume – historical and expected

kTonnes (HOG)



## Historical production cost development

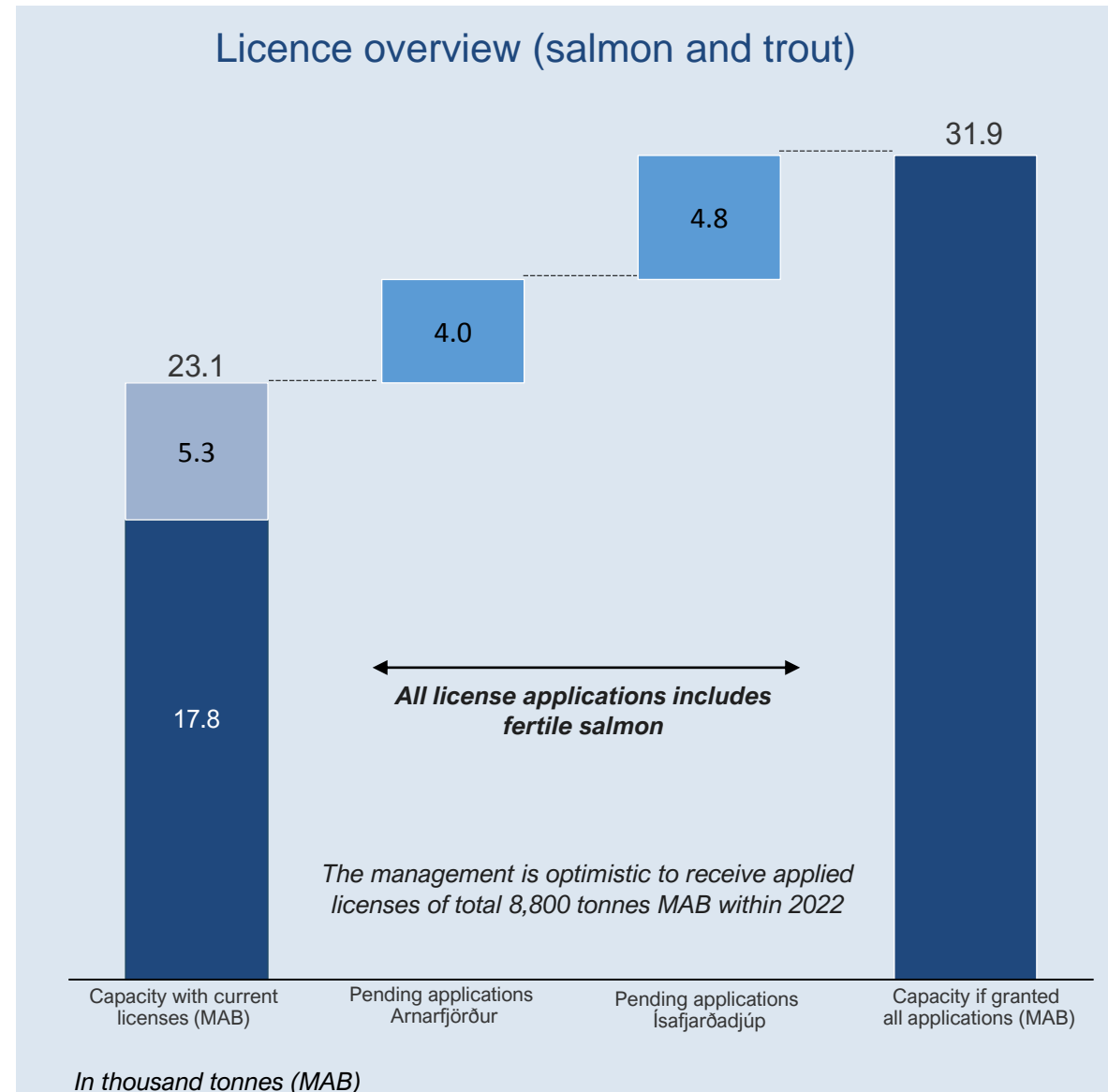




# Arctic Fish – significant growth potential



- Arctic Fish has 23 100 tonnes in MAB
  - Existing trout licenses of 5 300 tonnes in process to be converted to salmon licenses during 2021
- Expect to receive licenses of 4 000 tonnes in MAB within autumn 2021
- In multiple pending application processes
  - 4 000 tonnes application in Arnarfjörður is expected to be issued within end of 2021
  - 4 800 tonnes application in Ísafjarðadjúp
- Optimistic about receiving all applied licenses of total 8 800 tonnes MAB within 2022



# In process with new smolt facility



- Strategically important for NRS
  - The smolt facility will ensure the supply of smolts and contribute to increase the biological safety, quality and size of our smolt
  - Will improve timing of smolt release, utilization of MAB and reduce production costs
- Strategically located in short distance to our farming sites
- Among the world's largest and most modern smolt facilities
  - Production capacity of 3 400 tonnes
  - Licenses to produce up to 10 million numbers of up to 400 grams smolt yearly, but now totally limited to 2 400 tonnes
- Started production in May 2021 and will deliver big size smolt in the spring of 2022

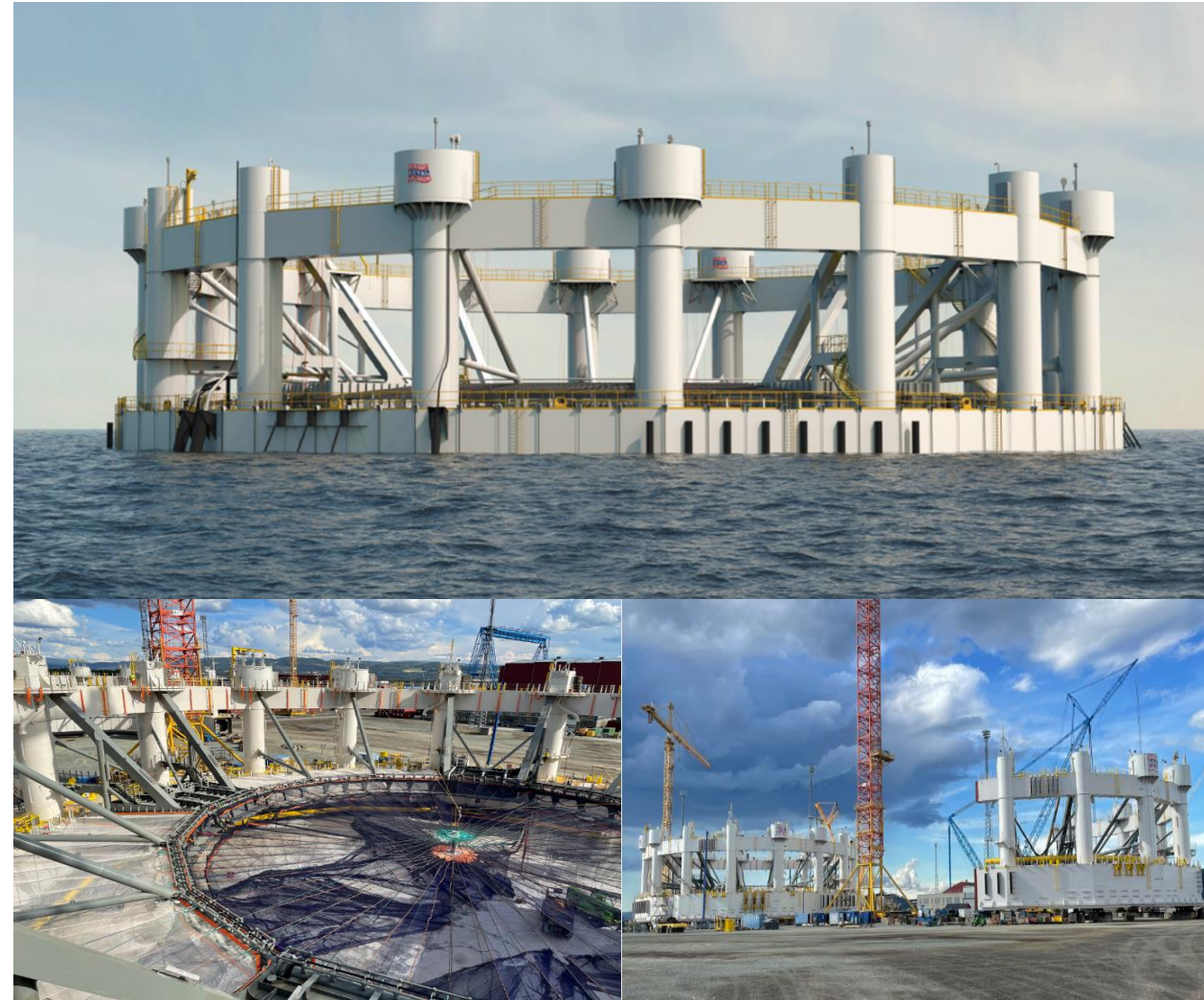




# Development licenses – Arctic Offshore Farming



- Arctic Offshore Farming - the offshore technology for the future aquaculture industry
- NRS has been granted development licenses of 5 990 tonnes in MAB
- Provide significantly increased area utilization of Norwegian sea waters when more exposed areas can be used and will have a small environmental footprint
- The first fish is expected to be released at the site in September/October 2021 and be harvested in first half of 2022



## Appendix: Group financials





# Group income statement



## CONSOLIDATED INCOME STATEMENT

(NOK '000)	Q2 2021	Q2 2020	YTD 2021	YTD 2020	FY 2020
<b>Operating revenues</b>	<b>1 336 832</b>	<b>1 289 333</b>	<b>2 764 629</b>	<b>2 559 247</b>	<b>5 118 867</b>
Cost of goods sold	1 060 543	1 051 408	2 254 926	2 134 032	4 393 881
Salaries	54 018	37 189	112 353	77 627	166 995
Depreciation	35 821	25 416	72 490	48 717	100 747
Other operating costs	92 455	55 654	170 926	104 415	210 992
<b>Operational EBIT</b>	<b>93 995</b>	<b>119 665</b>	<b>153 934</b>	<b>194 456</b>	<b>246 252</b>
Fair value adjustments	131 203	-18 255	240 795	-15 715	-136 657
Production tax	-4 470	0	-10 036	0	0
Income from associates	-743	-4 124	9 940	13 694	-1 985
<b>EBIT</b>	<b>219 985</b>	<b>97 286</b>	<b>394 632</b>	<b>192 435</b>	<b>107 609</b>
Gain/loss on financial assets	132 850	26 693	307 608	-7 925	-8 165
Other net financial items	-26 418	-5 827	-20 287	-11 213	-26 474
<b>Earnings before tax (EBT)</b>	<b>326 418</b>	<b>118 152</b>	<b>681 953</b>	<b>173 296</b>	<b>72 970</b>
Taxes	-50 691	-20 365	-71 307	-36 197	1 717
<b>Net profit/loss</b>	<b>275 726</b>	<b>97 787</b>	<b>610 646</b>	<b>137 100</b>	<b>74 687</b>
<b>Profit attributable to:</b>					
Parent company shareholders	256 348	97 524	559 809	136 210	80 113
Minority interests	19 378	262	50 837	890	-5 426
Earnings per share (NOK)	5,96	2,25	13,03	3,15	1,86
Earnings per share - diluted	5,96	2,25	13,03	3,15	1,86

## COMPREHENSIVE INCOME STATEMENT

(NOK '000)	Q2 2021	Q2 2020	YTD 2021	FY 2020	FY 2020
<b>Net profit/loss</b>	<b>275 726</b>	<b>97 787</b>	<b>610 646</b>	<b>137 100</b>	<b>74 687</b>
Items to be reclassified to profit or loss:					
Translation differences and OCI posts from associated companies	0	-14 152	-17 486	24 239	14 436
Cash Flow hedges (net of tax)	-12 661	35 279	-5 203	-12 522	15 098
Items not to be reclassified to profit or loss:					
Actuarial gains on defined benefit plans (net of tax)	0	0	0	0	4 018
<b>Total comprehensive income</b>	<b>263 065</b>	<b>118 913</b>	<b>587 958</b>	<b>148 817</b>	<b>108 239</b>
<b>Total comprehensive income attributable to:</b>					
Parent company shareholders	243 688	118 650	537 121	147 927	113 666
Non-controlling interests	19 378	262	50 837	890	-5 426

# Statement of Financial Position



## STATEMENT OF FINANCIAL POSITION

(NOK '000)	30.06.2021	31.03.2021	30.06.2020	31.12.2020
Intangible assets	1 649 769	1 640 259	749 515	948 616
Property, plant and equipment	3 500 647	3 278 181	1 688 150	2 351 759
Non-current financial assets	344 724	395 597	811 915	772 759
<b>Non-current assets</b>	<b>5 495 140</b>	<b>5 314 037</b>	<b>3 249 580</b>	<b>4 073 134</b>
Inventory and biological assets	1 785 348	1 675 818	1 326 604	1 386 281
Receivables	473 144	360 629	486 274	316 541
Bank deposits	117 818	388 279	8 663	38 753
<b>Current assets</b>	<b>2 376 310</b>	<b>2 424 726</b>	<b>1 821 541</b>	<b>1 741 575</b>
<b>TOTAL ASSETS</b>	<b>7 871 451</b>	<b>7 738 763</b>	<b>5 071 122</b>	<b>5 814 710</b>
Share capital	42 375	42 923	42 919	42 919
Other equity	3 531 720	3 329 418	3 072 541	3 048 177
Non-controlling interests	745 299	725 921	45 912	39 596
<b>Equity</b>	<b>4 319 394</b>	<b>4 098 261</b>	<b>3 161 372</b>	<b>3 130 692</b>
Pensions	23 703	23 703	27 638	23 703
Deferred tax	568 213	521 093	398 308	365 569
<b>Provisions</b>	<b>591 917</b>	<b>544 797</b>	<b>425 946</b>	<b>389 272</b>
<b>Long-term interest-bearing debt</b>	<b>1 942 610</b>	<b>1 949 274</b>	<b>494 185</b>	<b>1 378 514</b>
Short-term interest-bearing debt	169 848	502 712	295 049	226 819
Trade payables	689 108	492 708	614 509	617 937
Tax payable	0	0	0	3 752
Other current liabilities	158 572	151 011	80 061	67 723
<b>Current liabilities</b>	<b>1 017 529</b>	<b>1 146 431</b>	<b>989 619</b>	<b>916 231</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7 871 451</b>	<b>7 738 763</b>	<b>5 071 122</b>	<b>5 814 710</b>

# Group cash flow statement



## Statement of cash flow

(NOK '000)	Q2 2021	Q2 2020	YTD 2021	YTD 2020	FY 2020
<b>Operational EBIT</b>	<b>93 995</b>	<b>119 665</b>	<b>153 934</b>	<b>194 456</b>	<b>246 252</b>
Adjusted for:					
Taxes paid	0	0	-33 856	-38 379	-38 379
Depreciation	35 822	25 416	72 490	48 717	100 747
Share based payment	360	899	720	-4 590	3 100
Pension costs with no cash effect	0	0	0	0	1 216
Change in inventories/biological assets	56 574	-28 177	294 606	-34 032	-183 548
Change in account receivables and accounts payables	121 107	121 779	-163 661	-5 018	245 005
Change in other current assets and liabilities	-68 371	-56 545	73 315	53 750	10 154
<b>Net cash flow from operating activities</b>	<b>239 487</b>	<b>183 037</b>	<b>397 547</b>	<b>214 904</b>	<b>384 548</b>
<b>Cash flow from investing activities</b>					
Payments for purchase of fixed assets and licenses (MAB)	-271 433	-256 800	-575 793	-500 101	-1 416 544
Proceeds from realisation of current financial assets (TRS)	0	34 038	0	44 689	44 689
Proceeds from investments in non-current financial assets	5 030	4 372	5 030	7 015	17 625
Proceeds from sale of non-current financial assets	147 768	0	147 768	0	2 644
Net of cash aquired from Arctic Fish	0	0	79 171	0	0
Change in loans to associates and others	0	-27 765	45 000	-99 461	-98 935
<b>Net cash flow from investing activities</b>	<b>-118 635</b>	<b>-246 155</b>	<b>-298 824</b>	<b>-547 858</b>	<b>-1 450 521</b>
<b>Cash flow from financing activities</b>					
Receipts from new non-current debt	0	300 000	300 000	320 587	1 200 000
Non-current debt repayment	0	0	-7 723	0	0
Down payments on right to use liabilities	-14 197	-13 251	-28 544	-26 711	-53 489
Interest payments for right to use liabilities	-1 140	-2 271	-2 415	-4 159	-6 788
Net change in bank overdraft	-321 333	72 944	-353 429	246 497	178 308
Total proceeds from transactions with treasury shares	0	-127 193	-1 042	-127 160	-239 308
Share issue	0	0	144 130	0	0
Net interest payments	-11 721	-3 556	-27 715	-6 518	-20 139
Dividend payment	-42 922	-213 236	-42 922	-213 236	-106 173
<b>Net cash flow from financing activities</b>	<b>-391 313</b>	<b>13 436</b>	<b>-19 659</b>	<b>189 299</b>	<b>952 411</b>
Net increase in bank deposits	-270 461	-49 681	79 065	-143 655	-113 563
Bank deposits - opening balance	388 279	58 344	38 753	152 317	152 317
<b>Bank deposits - closing balance</b>	<b>117 818</b>	<b>8 663</b>	<b>117 818</b>	<b>8 663</b>	<b>38 753</b>

# Statement of Equity



## STATEMENT OF EQUITY

30.06.2021	Equity allocated to parent company shareholders				Non-controlling interests	
(NOK '000)	Share capital	Treasury shares	Retained earnings	Total		Total equity
Equity at 01.01.2021	43 572	-653	3 048 177	3 091 095	39 596	3 130 692
Total comprehensive income	0	0	537 121	537 121	50 837	587 958
Transactions with shareholders						
Dividend	0	453	-43 375	-42 922	0	-42 922
Share based payment	0	0	1 360	1 360	0	1 360
Net purchase and sale of treasury shares	0	3	-1 045	-1 042	0	-1 042
Non-controlling interests at acquisition	0	0	0	0	500 000	500 000
Share issue	0	0	-10 736	-10 736	154 865	144 130
Equity transactions associated companies	0	0	-783	-783	0	-783
Total transactions with shareholders	0	456	-54 578	-54 122	654 865	600 744
Equity at 30.06.2021	43 572	-198	3 530 720	3 574 094	745 299	4 319 394

30.06.2020	Equity allocated to parent company shareholders				Non-controlling interests	
(NOK '000)	Share capital	Treasury shares	Retained earnings	Total		Total equity
Equity at 01.01.2020	43 572	-141	3 267 659	3 311 091	45 949	3 357 040
Total comprehensive income	0	0	147 927	147 927	890	148 817
Transactions with shareholders						
Dividend	0	-545	-212 754	-213 299	-927	-214 226
Share based payment	0	0	1 833	1 833	0	1 833
Net purchase and sale of treasury shares	0	32	-132 987	-132 954	0	-132 954
Other equity transactions in the group	0	0	-64	-64	0	-64
Equity transactions associated companies	0	0	927	927	0	927
Total transactions with shareholders	0	-513	-343 045	-343 558	-927	-344 484
Equity at 30.06.2020	43 572	-653	3 072 541	3 115 460	45 912	3 161 372

31.12.2020	Equity allocated to parent company shareholders				Non-controlling interests	
(NOK '000)	Share capital	Treasury shares	Retained earnings	Total		Total equity
Equity at 01.01.2020	43 572	-141	3 267 658	3 311 089	45 949	3 357 038
Total comprehensive income	0	0	113 666	113 666	-5 425	108 240
Transactions with shareholders						
Dividend	0	449	-106 173	-105 724	-927	-106 651
Share based payment	0	0	3 100	3 100	0	3 100
Other equity transactions in the group	0	0	9 234	9 234	0	9 234
Net purchase and sale of treasury shares	0	-962	-239 308	-240 270	0	-240 270
Total transactions with shareholders	0	-513	-333 147	-333 660	-927	-334 587
Equity at 31.12.2020	43 572	-653	3 048 177	3 091 095	39 596	3 130 692



# Quarterly historical information



QUARTERLY HISTORICAL INFORMATION (NOK thousand, NOK per kg)	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019 <sup>1</sup>	Q3 2019 <sup>1</sup>	Q2 2019 <sup>1</sup>	Q1 2019 <sup>1</sup>	Q4 2018 <sup>1</sup>	Q3 2018 <sup>1</sup>	Q2 2018 <sup>1</sup>	Q1 2018 <sup>1</sup>	Q4 2017	Q3 2017	Q2 2017	Q1 2017
<b>Volumes harvested (ktonnes, HOG)</b>																		
Farming Norway	7 879	11 623	7 148	10 058	7 894	5 409	9 070	7 513	5 830	8 096	13 783	2 478	8 773	10 935	9 052	10 454	5 231	7 181
Farming Iceland	1 824	3 793																
<b>Total</b>	<b>9 703</b>	<b>15 416</b>	<b>7 148</b>	<b>10 058</b>	<b>7 894</b>	<b>5 409</b>	<b>9 070</b>	<b>7 513</b>	<b>5 830</b>	<b>8 096</b>	<b>13 783</b>	<b>2 478</b>	<b>8 773</b>	<b>10 935</b>	<b>9 052</b>	<b>10 454</b>	<b>5 231</b>	<b>7 181</b>
<b>Operational EBIT</b>																		
Farming Norway	96 303	77 201	36 074	42 302	134 684	89 420	151 554	135 002	139 659	181 509	244 344	54 779	213 976	205 375	140 411	201 644	157 838	205 375
Farming Iceland	17 621	21 521																
<b>Total</b>	<b>113 924</b>	<b>98 722</b>	<b>36 074</b>	<b>42 302</b>	<b>134 684</b>	<b>89 420</b>	<b>151 554</b>	<b>135 002</b>	<b>139 659</b>	<b>181 509</b>	<b>244 344</b>	<b>54 779</b>	<b>213 976</b>	<b>205 375</b>	<b>140 411</b>	<b>201 644</b>	<b>157 838</b>	<b>205 375</b>
<b>Operational EBIT per kg</b>																		
Farming Norway	12,22	6,64	5,05	4,21	17,06	16,53	16,71	17,97	23,95	25,51	20,20	22,10	24,39	18,78	15,51	19,29	29,68	27,28
Farming Iceland	9,66	5,67																
<b>Total</b>	<b>11,74</b>	<b>6,40</b>	<b>5,05</b>	<b>4,21</b>	<b>17,06</b>	<b>16,53</b>	<b>16,71</b>	<b>17,97</b>	<b>23,95</b>	<b>22,42</b>	<b>17,73</b>	<b>22,10</b>	<b>24,39</b>	<b>18,78</b>	<b>15,51</b>	<b>19,29</b>	<b>30,17</b>	<b>28,60</b>
<b>Volumes sold (ktonnes)</b>	<b>21 213</b>	<b>25 256</b>	<b>23 244</b>	<b>27 110</b>	<b>20 650</b>	<b>17 900</b>	<b>24 726</b>	<b>24 736</b>	<b>17 579</b>	<b>22 838</b>	<b>27 785</b>	<b>14 945</b>	<b>17 150</b>	<b>22 540</b>	<b>22 471</b>	<b>22 296</b>	<b>17 318</b>	<b>15 714</b>
<b>NRS GROUP</b>																		
<b>Operational EBITDA</b>	<b>129 817</b>	<b>96 607</b>	<b>43 482</b>	<b>60 344</b>	<b>145 081</b>	<b>98 092</b>	<b>158 983</b>	<b>153 351</b>	<b>140 112</b>	<b>188 451</b>	<b>255 865</b>	<b>58 265</b>	<b>202 969</b>	<b>213 925</b>	<b>119 104</b>	<b>213 137</b>	<b>155 231</b>	<b>222 451</b>
<b>Operational EBIT</b>	<b>93 995</b>	<b>59 938</b>	<b>16 997</b>	<b>34 799</b>	<b>119 665</b>	<b>74 791</b>	<b>136 358</b>	<b>131 436</b>	<b>115 812</b>	<b>164 318</b>	<b>232 436</b>	<b>35 459</b>	<b>181 087</b>	<b>192 744</b>	<b>94 636</b>	<b>192 425</b>	<b>135 566</b>	<b>205 234</b>
<b>NIBD according to bank covenant</b>	<b>1 718 932</b>	<b>1 773 948</b>	<b>1 521 580</b>	<b>704 700</b>	<b>374 902</b>	<b>26 725</b>	<b>-215 787</b>	<b>674 677</b>	<b>402 623</b>	<b>33 770</b>	<b>167 741</b>	<b>233 974</b>	<b>150 719</b>	<b>193 585</b>	<b>366 241</b>	<b>257 583</b>	<b>346 008</b>	<b>179 933</b>
<b>Equity ratio</b>	<b>54,9 %</b>	<b>53,0 %</b>	<b>53,8 %</b>	<b>58,0 %</b>	<b>62,3 %</b>	<b>71,5 %</b>	<b>71,7 %</b>	<b>50,3 %</b>	<b>53,2 %</b>	<b>59,6 %</b>	<b>56,7 %</b>	<b>54,5 %</b>	<b>52,1 %</b>	<b>55,0 %</b>	<b>48,0 %</b>	<b>47,4 %</b>	<b>45,4 %</b>	<b>53,3 %</b>

<sup>1)</sup> The NRS Group historical figures for 2018 and 2019 includes the earlier discontinued Region South and will vary from the reported figures 2018 and 2019

# Accumulated historical information



HISTORICAL INFORMATION (NOK thousand, NOK per kg)	YTD 2021	FY 2020	FY <sup>1)</sup> 2019	FY <sup>1)</sup> 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
<b>Volumes harvested (ktonnes, HOG)</b>											
Farming Norway	19 502	30 509	30 509	35 970	31 918	26 819	27 903	22 356	25 191	21 162	18 781
Farming Iceland	5 617										
<b>Total</b>	<b>25 119</b>	<b>30 509</b>	<b>30 509</b>	<b>35 970</b>	<b>31 918</b>	<b>26 819</b>	<b>27 903</b>	<b>22 357</b>	<b>25 191</b>	<b>21 162</b>	<b>18 781</b>
<b>Operational EBIT</b>											
Farming Norway	173 504	302 479	607 724	718 473	705 268	725 759	269 043	223 144	280 125	47 548	64 756
Farming Iceland	39 142										
<b>Total</b>	<b>212 646</b>	<b>302 479</b>	<b>607 724</b>	<b>718 473</b>	<b>705 268</b>	<b>725 759</b>	<b>269 043</b>	<b>223 144</b>	<b>280 125</b>	<b>47 548</b>	<b>64 756</b>
<b>Operational EBIT per kg</b>											
Farming Norway	8,90	9,91	19,92	19,97	22,10	27,06	9,64	9,98	11,12	2,25	3,45
Farming Iceland	6,97										
<b>Total</b>	<b>8,47</b>	<b>9,91</b>	<b>19,92</b>	<b>19,97</b>	<b>22,10</b>	<b>27,06</b>	<b>9,64</b>	<b>9,98</b>	<b>11,12</b>	<b>2,25</b>	<b>3,45</b>
<b>Volumes sold (ktonnes)</b>	<b>46 469</b>	<b>88 904</b>	<b>89 879</b>	<b>82 420</b>	<b>77 799</b>	<b>66 808</b>	<b>69 971</b>	<b>59 110</b>	<b>62 141</b>	<b>57 673</b>	<b>50 428</b>
<b>NRS GROUP</b>											
<b>Operational EBITDA</b>	<b>226 424</b>	<b>346 999</b>	<b>640 897</b>	<b>731 024</b>	<b>709 923</b>	<b>701 676</b>	<b>255 591</b>	<b>199 475</b>	<b>289 729</b>	<b>60 785</b>	<b>73 300</b>
<b>Operational EBIT</b>	<b>153 934</b>	<b>246 252</b>	<b>547 925</b>	<b>641 726</b>	<b>627 861</b>	<b>640 613</b>	<b>201 894</b>	<b>158 064</b>	<b>256 002</b>	<b>30 336</b>	<b>47 257</b>
<b>NIBD according to bank covenant</b>	<b>1 718 932</b>	<b>1 521 580</b>	<b>-215 787</b>	<b>167 741</b>	<b>366 241</b>	<b>80 743</b>	<b>298 662</b>	<b>481 125</b>	<b>453 883</b>	<b>566 075</b>	<b>531 734</b>
<b>Equity ratio</b>	<b>54,9%</b>	<b>53,8%</b>	<b>71,7%</b>	<b>56,7%</b>	<b>48,0%</b>	<b>55,1%</b>	<b>41,3%</b>	<b>39,0%</b>	<b>42,4%</b>	<b>36,3%</b>	<b>36,3%</b>

<sup>1)</sup> The NRS Group historical figures for 2018 and 2019 includes the earlier discontinued Region South and will vary from the reported figures 2018 and 2019

# Financing



## Long term debt

(NOK '000)	30.06.2021	31.03.2021	30.06.2020	31.12.2020
Long-term debt to financial institutions	1 721 242	1 714 847	300 000	1 200 000
Long-term finance lease	221 368	234 427	194 185	178 514
Long-term receivables	0	0	-162 931	-45 000
<b>Total long-term interest bearing debt</b>	<b>1 942 610</b>	<b>1 949 274</b>	<b>331 254</b>	<b>1 333 514</b>

## Short term debt

(NOK '000)	30.06.2021	31.03.2021	30.06.2020	31.12.2020
Short-term debt to financial institutions	115 508	447 380	246 497	178 307
First year's instalment long-term debt	54 340	55 332	48 552	48 512
<b>Total short-term interest bearing debt</b>	<b>169 848</b>	<b>502 712</b>	<b>295 049</b>	<b>226 819</b>
Cash and cash equivalents <sup>1)</sup>	-117 818	-388 279	-8 663	-38 753
<b>Net interest bearing debt</b>	<b>1 994 641</b>	<b>2 063 706</b>	<b>617 639</b>	<b>1 521 580</b>

## Unused credit Facility

(NOK '000)	30.06.2021	31.03.2021	30.06.2020	31.12.2020
Unused long-term credit facility	1 118 758	825 153	1 100 000	1 000 000
Unused short-term credit facility	514 492	482 620	353 503	421 693
<b>Total unused credit facility</b>	<b>1 633 250</b>	<b>1 307 773</b>	<b>1 453 503</b>	<b>1 421 693</b>

## NIBD normalization

NIBD (NOK '000)	30.06.2021	31.03.2021	30.06.2020	31.12.2020
Long-term debt to financial institutions	1 721 242	1 714 847	300 000	1 200 000
Total leasing liabilities	275 708	289 759	242 737	227 026
Short-term debt to financial institutions	115 508	447 380	246 497	178 307
Cash and loans to associates	-117 818	-388 279	-171 594	-83 753
<b>NIBD</b>	<b>1 994 641</b>	<b>2 063 707</b>	<b>617 639</b>	<b>1 521 580</b>
Lease liabilities (IFRS 16 effects)	275 708	289 759	242 737	227 026
<b>NIBD according to bank covenant</b>	<b>1 718 932</b>	<b>1 773 948</b>	<b>374 902</b>	<b>1 294 554</b>

# Group credit facilities from banks of MNOK 3 470

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- Revolving credit facility of MNOK 1 000
  - Duration: 5 years with an annual credit rating for further 5 years
- Term loan with sustainability KPI's of MNOK 1 200
  - The instalment profile is over 8.5 years
  - Duration: Expires 31 December 2025
- Overdraft facility of MNOK 600
  - Duration: 1 year with annual renewal
- Covenants
  - Equity ratio at least 30 % adjusted for IFRS 16 impacts
  - Drawn amount of the overdraft facility of MNOK 600 shall not exceed 75 per cent of the carrying value of inventory and accounts receivables
- Arctic Fish Group has an independent financing with total credit facilities of MNOK 670 with own covenants



# Shareholders



Ownership structure – the 20 largest shareholders as at 30.06.2021:

Shareholder	Antall	Eierandel
NTS ASA	7 141 094	16,39 %
MIDT-NORSK HAVBRUK AS	6 299 635	14,46 %
EGIL KRISTOFFERSEN & SØNNER AS	4 577 453	10,51 %
NORWAY FRESH AS	4 496 708	10,32 %
HELLESUND FISKEOPPDRETT AS	1 701 076	3,90 %
GÅSØ NÆRINGSUTVIKLING AS	1 624 607	3,73 %
STATE STREET BANK AND TRUST COMP	1 522 989	3,50 %
NYHAMN AS	1 492 680	3,43 %
THE NORTHERN TRUST COMP, LONDON BR	1 397 663	3,21 %
HAVBRUKSINVEST AS	1 050 775	2,41 %
RBC INVESTOR SERVICES TRUST	863 108	1,98 %
BROWN BROTHERS HARRIMAN & CO.	762 706	1,75 %
STATE STREET BANK AND TRUST COMP	437 387	1,00 %
THE BANK OF NEW YORK MELLON SA/NV	343 856	0,79 %
JPMORGAN CHASE BANK, N.A., LONDON	315 284	0,72 %
JPMORGAN CHASE BANK, N.A., LONDON	308 352	0,71 %
THE BANK OF NEW YORK MELLON	304 477	0,70 %
MP PENSJON PK	293 589	0,67 %
CLEARSTREAM BANKING S.A.	261 504	0,60 %
LOVUNDLAKS AS	255 354	0,59 %
<b>Total 20 largest shareholders</b>	<b>35 450 297</b>	<b>81,36 %</b>
Total other shareholders	8 121 894	18,64 %
<b>Total no. of shares</b>	<b>43 572 191</b>	<b>100,00 %</b>
NORWAY ROYAL SALMON ASA (Treasury shares)	197 495	0,45 %
<b>Total no. of outstanding shares</b>	<b>43 374 696</b>	



COMMITTED  
BY NAME

