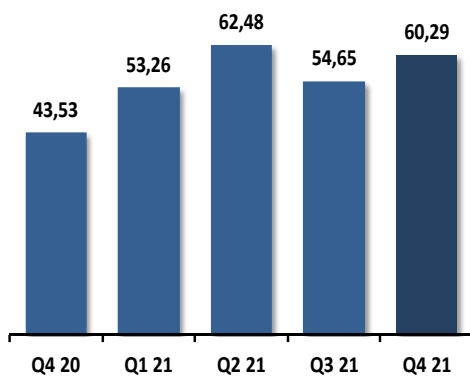


Interim Report

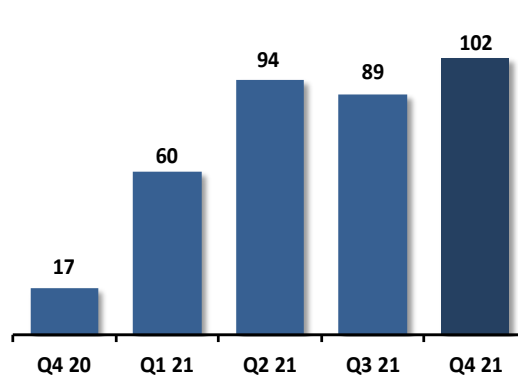
Q4-21



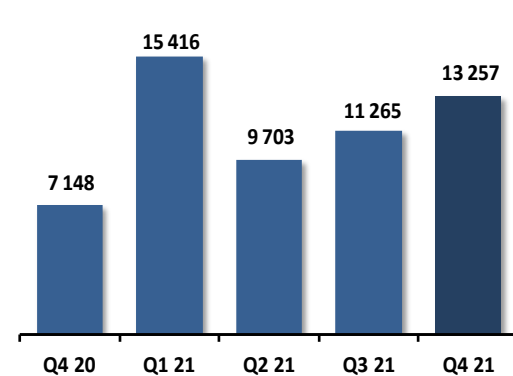
Salmon Price (NASDAQ) (NOK/kg)



Operational EBIT (MNOK)



Harvested volume (HOG)



HIGHLIGHTS Q4 2021

- Operational EBIT of NOK 102 million
 - Farming Norway: Operational EBIT per kg of NOK 9.25
 - Farming Iceland: Operational EBIT per kg of NOK 10.05
- Increased production costs from Q4 20
- Harvested volume was 13 257 tonnes, 85 % increase from Q4 20
- Increasing and strong demand during the quarter resulting in high prices at the end of the quarter
- The production at the new smolt facility is performing well and will ensure the supply of smolts from spring this year
- Arctic Offshore Farming is ready to receive fish, but releasing fish is postponed to August 2022
- NRS achieved the following three ESG ratings from the CDP for 2021; score A- and one of the leading companies for both supplier engagement and handling deforestation risks in our supply chain and score B for handling climate change

NORWAY ROYAL SALMON - KEY FIGURES (NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Operating revenues	1 495 545	1 154 189	5 800 895	5 118 867
Operational EBITDA	141 540	43 482	494 157	346 999
Operational EBIT	101 630	16 997	344 260	246 252
Income from associates	16 165	-45 719	35 356	-1 985
EBIT	2 536	-260 387	472 178	107 609
EBT	-10 731	-271 937	735 245	72 970
EPS (NOK) – before fair value adjustments	1,96	-0,60	12,43	4,27
Net cash flow from operating activities ²⁾	-83 506	-103 993	274 512	384 548
Investments in fixed assets/licenses ²⁾	287 089	326 852	1 115 604	1 511 524
NBD according to covenant			2 288 586	1 294 554
Equity ratio			52,6 %	53,8 %
Volume harvested (HOG)	13 257	7 148	49 640	30 509
Operational EBIT per kg ¹⁾	9,43	5,05	9,55	9,91

¹⁾ Operational EBIT per kg from Farming and Sales (before non-recurring items)¹⁾

FINANCIAL PERFORMANCE

(Figures in brackets = 2020, unless otherwise specified)

For the 2021 reported figures, Arctic Fish Group is consolidated from 1 January 2021. For all corresponding figures for 2020, Arctic Fish Group was accounted as an associated company and not fully consolidated in the 2020 figures.

Revenues and results

Norway Royal Salmon posted operating revenues of NOK 1 495.5 million (NOK 1 154.2 million) in the fourth quarter of 2021, an increase of 29.6 per cent from the corresponding prior-year period. The Group achieved an operational EBIT of NOK 101.6 million (NOK 17.0 million), an increase of NOK 84.6 million compared to corresponding quarter in 2020. The increase in operational EBIT is due to higher salmon prices and increased harvest volumes. A gain on open fixed-price contracts compared to the level of Fish Pool prices of NOK 2.2 million (NOK 49.9 million) was recognised in the quarter. Overhead costs for the quarter amounted to NOK 23.3 million (NOK 19.1 million). This includes start-up costs of Arctic Offshore Farming. The Group recognised a negative fair value adjustment of NOK 110.3 million (negative NOK 231.7 million), an increase of NOK 121.3 million compared to the corresponding quarter in 2020.

The farming business harvested 13 257 tonnes (7 148 tonnes) gutted weight in the quarter, an increase of 85 per cent. Farming and Sales achieved an operational EBIT per kg of NOK 9.43 (NOK 5.05). The increase in operational EBIT per kg is due to higher salmon prices. Total sold volumes in the fourth quarter were 26 809 tonnes (23 244 tonnes).

Financial items and share of profit from associates

Result from associates amounted to NOK 16.2 million (loss NOK 45.7 million) in the fourth quarter. NRS' share of fair value adjustments to the biomass after tax amounted to NOK 11.7 million (negative NOK -26.7 million). Associated Norwegian farming companies harvested 2 120 tonnes, 2 684 tonnes less than in the corresponding period last year. NRS' share of the above figure amounts to 771 tonnes, a decrease of 977 tonnes.

Net financial expenses for the period were NOK 13.3 million (NOK 11.6 million), an increase of NOK 1.7 million. The increase in the recurring finance expenses is explained by a higher NIBD.

Balance sheet

At the end of the reporting period, total assets amounted to NOK 8 442.2 million, an increase of NOK 387.7 million from the prior quarter's end. The change in total assets is attributable to several factors. Deferred tax assets increased by NOK 19.5 million, licenses increased by NOK 2.8 million, property, plant and equipment increased by NOK 251.7 million, non-current financial assets increased by NOK 27.9 million and receivables increased with 127.0 million. Fair value adjustments of the biomass decreased by NOK 96.3 million, and inventories and biomass at cost increased by NOK 70.4 million; hence, the total decrease in inventories and biological assets was NOK 25.9 million. Bank deposits decreased by NOK 15.2 in the quarter.

The Group's net interest-bearing debt increased by NOK 396.5 million, from NOK 2 184.9 million at the end of the previous quarter to NOK 2 581.4 million on 31 December 2021. The increase is attributable to increased working capital of NOK 222.1 million, investments in fixed assets of NOK 272.0 million, investment in associated company of NOK 12.5 million, interest payments of NOK 24.0 million, paid taxes of NOK 2.8 million and implementation of IRFS 16 with leases in Arctic Fish of NOK 4.7 million. A positive operational EBITDA of NOK 141.5



million had the opposite effect. The Group had an unused credit facility of NOK 1 192.4 million at the end of the quarter, and bank deposits of NOK 65.2 million.

On 31 December, the Group's equity totalled NOK 4 443.4 million, an increase of NOK 22.1 million from the end of the previous quarter. The increase is attributable to a total comprehensive income of NOK 24.3 million, while NOK 1.2 million as share option costs and NOK 1.0 million as equity transactions from associated companies had the opposite effect. The equity ratio at the end of the quarter is 52.6 per cent.

Statement of cash flow

The Group's operating activities generated a negative cash flow of NOK 83.5 million during the quarter, which represents an increase of NOK 20.5 million compared with the corresponding prior-year quarter. The negative cash flow is attributable to increased working capital items of NOK 222.1 million and paid taxes of NOK 2.8 million while an operational EBITDA of NOK 141.5 million had the opposite effect.

Net cash outflows related to investing activities in the fourth quarter amounted to NOK 284.5 million (NOK 350.5 million). Investments in fixed assets of NOK 272.0 million and investment in associated company of NOK 12.5 million had a negative effect on the cash flow.

The cash inflows from financing activities totaled NOK 352.8 million (NOK 469.2 million) in the fourth quarter. The positive cash inflow is attributable to an increased revolving loan facility by NOK 350.0 million and increased overdraft facility of NOK 77.5 million. Paid instalments on non-current debt of 35.3, instalments and interest on the right to use liabilities of NOK 19.9 million and finance costs of NOK 19.4 had the opposite effect.

SEGMENT INFORMATION

The Group is organised into two business areas: Farming and Sales. The performance of the two business areas are monitored with the overall objective of maximising Operational EBIT and margins.

Norway Royal Salmon monitors the overall value creation from operations based on the salmon's source of origin. Consequently, external reporting focuses on measuring the overall profitability of the harvested volume based on source of origin (Operational EBIT/kg). For this reason, the contribution from sales operations in Norway is allocated to Farming Norway.

During the first quarter of 2021, NRS increased its ownership in Arctic Fish to 51.28 per cent and achieved control over the company. Consequently, the Farming business was divided into two geographical segments: Farming Norway and Farming Iceland.

The group owns 53 885 tonnes MAB to produce salmon, divided between 36 085 tonnes MAB for salmon farming in Norway, located in Troms and Finnmark, and 17 800 tonnes MAB for salmon farming in Iceland, located in the Westfjords area. In addition, the group owns 5 300 tonnes MAB for trout farming in Iceland.

FARMING NORWAY

Operational EBIT came in at NOK 95.4 million (NOK 36.1 million), an increase of NOK 59.4 million compared with the same quarter last year. Operational EBIT (ex. contracts) per kg amounted to NOK 9.16 (negative NOK 1.93). Gain on fixed-price contracts of NOK 0.08 per kg (NOK 6.98) resulted in an operational EBIT per kg of NOK 9.25 (NOK 5.05).



INTERIM REPORT

Q4 2021

10 319 tonnes (7 148 tonnes) were harvested in the fourth quarter, an increase of 3 171 tonnes compared with the same quarter last year. The achieved price for the farming operations was NOK 3.32 higher per kg than achieved in the third quarter of 2021 and NOK 14.31 higher per kg than in the corresponding period last year. The size of the harvested fish contributed positively to the price achievement, while the timing of harvest during the quarter and the quality of the fish had negative impact.

Total production cost per kg for harvested fish was NOK 46.57, which is NOK 6.14 higher than in the third quarter of 2021 and NOK 2.88 higher than in the corresponding period last year. The increase in the production cost is due to harvesting from ISA-sites with high harvesting- and wellboat costs. At the end of the quarter, NRS has no fish in ISA-areas.

The biomass in sea decreased with 769 tonnes (3.0 per cent) compared to the previous quarter and decreased by 5 037 tonnes (16.9 per cent) compared to the corresponding quarter in 2020. In the latter part of the quarter, a development of winter wounds on large fish occurred. This affected the price achievement in the quarter and a higher impact is expected in the next quarter. The production cost is expected to slightly decrease in Q1 2022. Production of fish delivered from the new smolt plant and phasing out triploid fish in the next few years are expected to lead to a decrease in the production costs during the next years.

The estimated harvest volume is 35 000 tonnes gutted weight for 2022 and about 50 000 tonnes gutted weight for 2023, a significant increase of 43 per cent. The harvest volume for 2022 has been reduced by 3 500 tonnes from the Q3 21 report. Almost half of the reduction is due to higher harvest volumes in Q4 21 and the rest of the reduction is due to further accelerated harvesting in 2022 and thus reduced production as a result of the development of winter wounds. Number of smolt released to sea for 2021 was only 8.0 million and the estimate for 2022 is 13.0 million.

KEY FIGURES		Q4	Q4	FY	FY
Farming Norway	(NOK '000)	2021	2020	2021	2020
Operating revenues		1 494 405	1 144 439	5 172 881	5 108 577
Operational EBITDA		120 125	61 669	354 335	401 814
Operational EBIT		95 439	36 074	374 781	302 479
Driftsresultat (EBIT)					
Investment in tangible assets/licenses		213 957	326 852	953 686	1 511 524
Volume harvested (tonnes HOG)		10 319	7 148	38 161	30 509
Operational EBIT per kg (ex contracts)		9,16	-1,93	9,56	6,90
Gain (+)/Loss (-) on open fixed price contracts		0,08	6,98	0,26	3,01
Operational EBIT per kg		9,25	5,05	9,82	9,91

The NRS' Sales operations experienced an increase in sales volumes of 3 per cent compared with the corresponding prior-year period. 23 871 tonnes (23 244 tonnes) were sold in the fourth quarter. The NRS' Sales operations had a negative operational EBIT before open fixed price contracts of NOK -2.0 million (positive of NOK 1.0 million), which equates to NOK -0.09 (NOK 0.04) per kg sold volume in the period. 90 per cent of NRS Farming's harvested fish were sold in the spot market in the fourth quarter, while 10 per cent were sold at fixed prices. The fixed price contracts resulted in a gain of NOK 0.9 million (NOK 49.9 million) compared to the level of Fish Pool prices.

The sales volumes to Western Europe and Asia increased by 2 per cent, while volumes to Eastern Europe decreased by 14 per cent in the quarter. The volumes sold in Norway

decreased by 3 per cent in the quarter. In the fourth quarter, Western Europe accounted for 83 per cent of the export volumes, Asia for 10 per cent and Eastern Europe for 6 per cent. Domestic volume amounts to 15 per cent of the total sold volume.

NRS has two major investment projects in progress, a new smolt facility and Arctic Offshore Farming. The investment in a new smolt facility is strategically important for NRS, and the facility is centrally located in relation to the fish farming sites. When the facility is finished in the first quarter of 2022, it will be one of the world's largest and most modern smolt facilities within RAS technology. The facility is designed with potential for further extensions. The smolt facility will ensure the supply of smolts and contribute to increased biological safety, increased quality and bigger smolt, as well as improve the timing of smolt releases into the sea. This will improve the utilisation of the Group's MAB and reduce production costs. NRS started production in the smolt facility in May 2021 and will release this fish into the sea in the spring of 2022 and harvest this fish in the summer of 2023. The production has performed well up to now.

The investment in Arctic Offshore Farming is a strategically important investment, where NRS develops and builds the offshore technology of the future for the aquaculture industry. This technological solution enables aquaculture in significantly more exposed waters and will help to increase the utilisation of sea areas. The site Fellesholmen is per date the most exposed salmon farming site in Norway. We have now gained experience on the harsh winter conditions on the site and lowering the cages to submerged position works well. Both cages are installed on site and are ready for fish. Due to a significant drop in sea temperatures and harsh weather conditions, moving the fish into the cages was postponed. The next generation smolt suitable for release into the offshore cages will be ready from our Dåfjord smolt facility in August 2022 and are expected to be harvested in Q4 2023 and Q1 2024.

FARMING ICELAND

(Figures in brackets = 2020. All corresponding figures from 2020 for Farming Iceland are for information purposes. The Arctic Fish Group is consolidated from 1 January 2021.)

Operational EBIT came in at NOK 29.5 million (negative NOK -13.8 million), an increase of NOK 43.3 million compared with the same quarter last year. Operational EBIT per kg amounted to NOK 10.05 (negative NOK -4.62).

2 938 tonnes (2 988 tonnes) were harvested in the fourth quarter, a decrease of 50 tonnes compared with the same quarter last year. The achieved price for the farming operations was NOK 1.53 higher per kg than achieved in the third quarter of 2021 and NOK 18.49 higher per kg than in the corresponding period last year. The quality of the fish is very good in Iceland and the size of the harvested fish contributed positively to the price achievement. Gain on fixed-price contracts in the fourth quarter of NOK 0.44 per kg is included in the operational EBIT.

Total production cost per kg for harvested fish in the fourth quarter of 2021 was NOK 46.54, which is NOK 2.04 higher than in the third quarter of 2021, and NOK 3.82 higher than in the corresponding period last year. Wellboat costs have temporary increased compared with the third quarter. The harvesting costs are still high, but the company is planning to invest in a new harvesting plant in 2022.

The biomass in sea increased by 500 tonnes (4.6 per cent) compared to the previous quarter and increased by 964 tonnes (9.2 per cent) compared to corresponding quarter in 2020.

Arctic Fish has been experiencing severe biological issues in two of its sites in Dyrafjordur. These biological issues and mortalities are thought to have been caused by the following. The highest mortality is related to cages with the highest average weight. Examination on fish shows mortality related to circulation problems, suboptimal gill conditions and Heart and Skeletal Muscle Inflammation (HSMI). HSMI are characterized as endemic in Iceland. Limitations on the harvesting capacity has increased the loss for the company, both as a preventive measurement and to reduce the loss when the situation occurred. Further examinations and analysis are ongoing to secure a sufficient evaluation and conclusions, including implementation of relevant measurement to avoid similar incidents.

The situation is now considered to be stable. All efforts were made to handle this efficiently and minimize losses, which include speeding up harvesting in these two sites. The current assessment of total mortality is about 3.0 thousand tonnes LW and representing an estimated non-recurring cost of NOK 106 million in Q1 2022. Due to this incident the estimated harvest volumes for 2022 is reduced from 13 000 tonnes to 10 100 tonnes. The production cost for Q1 2022 is expected to increase due to the incident in Dyrafjordur.

The estimated harvest volume for 2023 is 13 000 tonnes gutted weight, an increase of 29 per cent from 2022. Number of smolt released to sea for 2021 was 2.7 million and the estimate for 2022 is 3.6 million.

KEY FIGURES		Q4	Q4	FY	FY
Farming Iceland	(NOK '000)	2021	2020 *	2021	2020 *
Operating revenues		166 253	113 814	595 895	339 374
Operational EBITDA		42 465	-2 734	121 128	44 913
Operational EBIT		29 526	-13 800	99 527	4 800
Investment in tangible assets/licenses		68 174	26 319	161 918	97 235
Volume harvested (tonnes HOG)		2 938	2 988	11 479	7 443
Operational EBIT per kg		10,05	-4,62	8,67	0,64

* Figures from 2020 are shown for information purposes and these are not a part of the consolidated figures for 2020.

Arctic Fish is a fish farming company located in the Westfjords, Iceland and was listed on Euronext Growth on the Oslo Stock Exchange in February 2021. The company has an expected production cost below the average for Norwegian fish farming companies. Arctic Fish has substantial growth potential and estimates a harvest volume of approximately 24 000 tonnes in 2025.

SHARES

As of 31 December 2021, Norway Royal Salmon ASA has totally 43 572 191 shares, allocated among 3 114 shareholders, an increase of 410 from the end of the previous quarter. At the end of the quarter, the group had 197 495 treasury shares. The share price decreased from NOK 179.20 at the end of September 2021 to NOK 163.40 at the end of December 2021. 2 937 843 shares were traded during the quarter.

EVENTS IN OR SUBSEQUENT TO THE QUARTER

Combination of SalmoNor and Norway Royal Salmon ASA

On 11 of January 2022 Norway Royal Salmon ASA («NRS») and NRS Farming AS entered into a Share Purchase Agreement to acquire 100% of the shares in SalmoNor from NTS ASA ("NTS") (the "Transaction").

The agreement follows the stock exchange notice released on 30 September 2021, stating that the Board of Directors in NTS has initiated a strategic dialogue on a potential combination of SalmoNor and NRS. NTS' representatives in the Board of Directors in NRS has declared themselves disqualified and have consequently not participated in the evaluation of the Transaction.

SalmoNor is a fully integrated salmon farming company with an attractive license portfolio in production area 7 in Central Norway and with an estimated harvesting volume of 34 750 tonnes in 2022 and 39 000 tonnes in 2023 (HOG). SalmoNor has over time delivered strong operational results and NRS see a significant potential in combining the two companies, creating a fully integrated, large-scale salmon farmer with an attractive license portfolio in top-performing regions. The management of SalmoNor and NRS see a clear strategic rationale in combining best practice from both companies to improve the performance and profitability within smolt, grow-out, development licenses and sales.

Environmental rating

Norway Royal Salmon is committed to nature and wants to be transparent about its actions. In 2021 we participated in CDP's annual disclosure and scoring process for environmental transparency for the third time. While we are only in the beginning of our journey towards a low carbon economy, we are pleased to see that our efforts so far were awarded with the score B for handling climate change and score A- for handling deforestation risks in our supply chain. CDP has rated NRS as one of the leading companies, with score A-, in its Supplier Engagement Rating (SER). The SER provides a rating for how effectively companies are engaging their suppliers on climate change.

Electrification initiatives

NRS has started transition to electrification of the feed barges at our farming locations in Norway. In this connection, the company has applied for and has been granted funds from ENOVA*. Solutions for our feed barges are partly batteries charged by fossil fuel (hybrid) and partly batteries charged with electricity from the onshore power grid. Per 31.12.2021 approx. 89 per cent of the feed barges in Norway has installed batteries and are operating on a hybrid solution. We expect a significant reduction in carbon emissions and at the same time a more cost- efficient power supply.

*Enova SF is owned by the Norwegian Ministry of Climate and Environment and contributes to reduced greenhouse gas emissions, development of energy and climate technology and a strengthened security of supply.

MARKET CONDITIONS

The total value of salmon exported from Norway in the fourth quarter was NOK 24.5 billion, this is the highest export value in a quarter ever and an increase of NOK 6.3 billion compared to the corresponding quarter last year. The increase of 34.4 per cent from the fourth quarter of 2020 was due to exported volume from Norway being 10.0 per cent higher and that prices was higher than in the fourth quarter of 2020. The spot price (NASDAQ) in the fourth quarter of 2021 was NOK 60.29 per kg superior quality salmon (delivered Oslo). This is an increase of 38.5 per cent from the fourth quarter of 2020 and an increase of 10.3 per cent from the third quarter of 2021. The price in NOK was negatively affected by a stronger Norwegian currency in the quarter. In EUR, the prices of Norwegian salmon increased 49,5 per cent to EUR 6.04 per kg from the fourth quarter of 2020. The export price of NOK 62.88 was higher than the spot price and 22.2 per cent higher than in the same period last year.

The price increase in the spot market was again driven by a moderate increase in global supply together with increased demand as Covid-19 restrictions continue to be eased in many countries. Harvested volumes from Norway increased by 10 per cent from the corresponding prior-year period. Harvested volumes from Chile decreased by 7 per cent, while the volumes from other countries increased by 5 per cent. This resulted in an increase in global harvesting volumes of 4 per cent. For Q1 2022, Kontali Analyse expects a harvesting volume 9 per cent lower than in Q1 2021.

With higher salmon prices and moderate supply growth, sold volumes increased by 3 per cent in the quarter compared with the same period last year. This is lower than the increase in global harvest volume and indicates an increase in frozen inventory. Asia, US, and EU were the markets that grew the most.

Harvest volume (tonnes wfe)	Q4/21	yr/yr	Q1/22 E	yr/yr
Norway	445 400	10 %	345 900	-2 %
Chile	201 900	-7 %	162 800	-20 %
UK	39 500	-13 %	41 300	-14 %
Canada	31 700	-7 %	29 600	-8 %
Faroe Islands	33 800	48 %	18 200	-19 %
Australia	26 300	0 %	18 400	2 %
USA	4 900	7 %	2 900	-6 %
Iceland	11 300	7 %	11 600	-9 %
Others	14 100	38 %	11 800	-2 %
	808 900	4 %	642 500	-9 %

Source: Kontali Analyse

Sold volumes (tonnes wfe)	Q4/21	yr/yr	Q1/22 E	yr/yr
EU (incl UK)	358 900	4 %	279 100	-7 %
USA	154 300	4 %	134 000	-14 %
Eastern Europe ex. Russia	19 000	-3 %	15 600	-1 %
Russia	29 600	-8 %	21 700	-19 %
Asia ex. Japan	69 100	15 %	64 900	6 %
Japan	20 800	-2 %	16 200	-12 %
Others	125 800	-4 %	134 900	13 %
	777 500	3 %	666 400	-5 %

Source: Kontali Analyse



INTERIM REPORT

Q4 2021

Despite higher salmon prices, global import volumes to the EU+UK increased by 4 per cent in the quarter compared to the fourth quarter of 2020; 88 per cent of the volume comes from Norway. The shift in demand from food service towards the retail segment caused by Covid-19 is still visible in the markets. This can be seen in the increase in the import volumes of Holland (13 %) and Poland (3 %) in the fourth quarter. These markets produce processed products for the retail segments. Poland is now by far the largest market for Norwegian salmon. However, markets that have traditionally large food service segments, like France (increase of 22 percent) and Spain (increase of 10 per cent), continued to grow significantly in the fourth quarter. This indicates that these segments are starting to recover from the effects of Covid-19 restrictions.

The global demand for salmon in Asia continues to grow and increased by 11 per cent compared to the fourth quarter of 2020. Import volumes from Norway increased by 16 per cent. Norway's market share was 75 per cent in fourth quarter. Chile's export to this region decreased by 3 per cent. The increase in import volumes is strongly connected to the easing of Covid 19 restrictions.

The total export of salmon to Eastern Europe decreased in the fourth quarter. Global import volumes decreased by 6 per cent but import volumes from Norway increased by 17 per cent. Volumes to Russia from other producer nations decreased by 15 per cent in the fourth quarter. Norway had a market share of 35 per cent in Eastern Europe.

The demand for salmon in North America increased in the fourth quarter. In total, imports to North America increased by 4 per cent, while volume from Norway increased by 21 per cent.

Q4/2021	Tonnes (wfe)	yr/yr	MNOK	yr/yr
Norway to EU:				
Poland	65 754	3 %	3 255	23 %
France	44 790	22 %	2 489	45 %
Denmark	37 315	-8 %	1 971	26 %
UK	22 497	1 %	1 253	15 %
Spain	28 436	10 %	1 600	30 %
Holland	28 436	13 %	1 709	47 %
Others in EU	88 704	7 %	4 776	28 %
Total Norway to EU	315 932	6 %	17 054	30 %
Others to EU	42 968	-13 %		
EU total	358 900	4 %		

Source: Norwegian Seafood Council

Q4/2021	Tonnes (wfe)	yr/yr	MNOK	yr/yr
Norway to Asia				
South East Asia	14 578	16 %	1 083	86 %
Japan	15 648	17 %	914	26 %
Middle East	15 458	25 %	973	60 %
China (incl. Hong Kong)	9 509	14 %	684	80 %
South-Korea	11 643	8 %	768	37 %
Others in Asia	227	19 %	15	53 %
Total Norway to Asia	67 063	16 %	4 436	55 %
Others to Asia	22 837	-3 %		
Asia Total	89 900	11 %		

Source: Norwegian Seafood Council

Q4/2021	Tonnes (wfe)	yr/yr	MNOK	yr/yr
Norway to Eastern Europe				
Ukraine	10 303	31 %	547	78 %
Turkey	1 894	21 %	94	48 %
Belarus	1 283	-53 %	69	-38 %
Kazakhstan	2 447	55 %	134	71 %
Others in Eastern Europe	1 023	25 %	63	65 %
Norway to Eastern Europe	16 950	17 %	907	51 %
Other to Eastern Europe	31 650	-15 %		
Eastern Europe Total	48 600	-6 %		

Source: Norwegian Seafood Council

Q4/2021	Tonnes (wfe)	yr/yr	MNOK	yr/yr
Norway to North America				
USA	22 476	18 %	1 642	27 %
Canada	1 528	127 %	129	147 %
Total Norway to North Ame	24 004	21 %	1 771	32 %
Others to North America	130 296	2 %		
North America Total	154 300	4 %		

Source: Norwegian Seafood Council

OUTLOOK

Harvested volume for the quarter was 13 257 tonnes, which is 1 657 tonnes up compared to the estimated volume in the last quarterly report. Estimated harvest volume for 2022 is 45 100 tonnes gutted weight, a decrease of 9 per cent compared with the volume for 2021. Estimated harvest volume for 2023 is 63 000 tonnes gutted weight, an increase of 40 per cent compared with the volume for 2022. 3 600 tonnes are hedged (24 per cent) for the first quarter of 2022 and 13 700 tonnes (30 per cent) is hedged for the whole year 2022. The prices on the hedging contracts are almost flat through 2022. With high expected spot prices in the first half of the year, the hedging contracts will result in a loss compared to the level of the spot price in the first half of 2022. The production cost for Q1 2022 is expected to slightly decrease for Farming Norway and to increase for Farming Iceland. Number of smolt released to sea for 2021 was 10.7 million and estimate for 2022 is 16.6 million.

In the first quarter of 2022 Kontali Analyse expects global harvest volumes to decrease by 9 per cent compared with the first quarter of 2021. For 2022 Kontali Analyse expects no growth in global harvest volume from 2021, which is very low seen in a historical context. The growth in 2022 from Norway is expected to be 1 per cent while Chile is not expected to have any growth in harvest volumes compared to 2021.

Trondheim, 22 February 2022

Helge Gåsø
Chair

Trude Olafsen
Vice chair

Grete Rekkebo Brovold

Lillian Bondø

Karl-Johan Bakken

Roald Dolmen

Ingri Marie Sivertsen

Klaus Hatlebrekke
Interim CEO



Consolidated financial statements

CONSOLIDATED INCOME STATEMENT
COMPREHENSIVE INCOME STATEMENT
STATEMENT OF FINANCIAL POSITION
STATEMENT OF EQUITY
STATEMENT OF CASH FLOW

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- 8 Bank covenants and financing
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ALTERNATIVE PERFORMANCE MEASURES



INTERIM REPORT

Q4 2021

CONSOLIDATED INCOME STATEMENT

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Operating revenues	1 495 545	1 154 189	5 800 895	5 118 867
Cost of goods sold	1 189 444	1 003 899	4 683 289	4 393 881
Salaries	62 484	48 444	242 616	166 995
Depreciation	39 909	26 485	149 897	100 747
Other operating costs	102 076	58 363	380 833	210 992
Operational EBIT	101 630	16 997	344 260	246 252
Fair value adjustments	-110 344	-231 665	111 668	-136 657
Production fees	-4 916	0	-19 106	0
Income from associates	16 165	-45 719	35 356	-1 985
EBIT	2 536	-260 387	472 178	107 609
Gain/loss on financial assets	0	0	307 528	-8 165
Other net financial items	-13 268	-11 550	-44 460	-26 474
Earnings before tax (EBT)	-10 731	-271 937	735 245	72 970
Taxes	37 397	62 148	-41 836	1 717
Net profit	26 666	-209 789	693 410	74 687
Profit attributable to:				
Parent company shareholders	2 239	-203 972	617 362	80 113
Minority interests	24 427	-5 817	76 047	-5 426
Earnings per share (NOK)	0,05	-4,74	14,30	1,86
Earnings per share - diluted	0,05	-4,74	14,30	1,86

COMPREHENSIVE INCOME STATEMENT

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net profit	26 666	-209 789	693 410	74 687
Items to be reclassified to profit or loss:				
Translation differences and OCI posts from associated companies	0	-14 788	-17 486	14 436
Cash Flow hedges (net of tax)	-913	29 950	-13 276	15 098
Items not to be reclassified to profit or loss:		0		
Actuarial gains on defined benefit plans (net of tax)	-1 462	4 018	-1 462	4 018
Total comprehensive income	24 291	-190 610	661 186	108 239
Total comprehensive income attributable to:				
Parent company shareholders	-136	-184 793	585 139	113 666
Non-controlling interests	24 427	-5 817	76 047	-5 426

STATEMENT OF FINANCIAL POSITION

(NOK '000)	31.12.2021	30.09.2021	31.12.2020
Intangible assets	1 673 199	1 650 942	948 616
Property, plant and equipment	3 872 863	3 621 206	2 351 759
Non-current financial assets	434 139	406 234	772 759
Non-current assets	5 980 201	5 678 382	4 073 134
Inventory and biological assets	1 925 085	1 951 024	1 386 281
Receivables	471 760	344 773	316 541
Bank deposits	65 188	80 365	38 753
Current assets	2 462 033	2 376 163	1 741 575
TOTAL ASSETS	8 442 234	8 054 545	5 814 710
Share capital	43 375	43 375	42 919
Other equity	3 629 466	3 631 794	3 048 177
Non-controlling interests	770 509	746 082	39 596
Equity	4 443 350	4 421 251	3 130 692
Pensions	24 817	23 703	23 703
Deferred tax	555 392	574 120	365 569
Provisions	580 209	597 823	389 272
Long-term interest-bearing debt	2 264 895	1 910 733	1 378 514
Short-term interest-bearing debt	381 733	354 558	226 819
Trade payables	660 870	632 848	617 937
Tax payable	140	0	3 752
Other current liabilities	111 038	137 332	67 723
Current liabilities	1 153 780	1 124 738	916 231
TOTAL EQUITY AND LIABILITIES	8 442 234	8 054 545	5 814 710

STATEMENT OF EQUITY

31.12.2021 (NOK '000)	Equity allocated to parent company shareholders			Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Retained earnings			
Equity at 01.01.2021	43 572	-653	3 048 177	3 091 095	39 596	3 130 692
Total comprehensive income	0	0	585 139	585 139	76 047	661 186
Transactions with shareholders						
Dividend	0	453	-43 374	-42 921	0	-42 921
Share based payment	0	0	776	776	0	776
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	-10 711	-10 711	154 865	144 154
Equity transactions associated companies	0	0	50 505	50 505	0	50 505
Total transactions with shareholders	0	456	-3 849	-3 394	654 865	651 472
Equity at 31.12.2021	43 572	-197	3 629 467	3 672 841	770 509	4 443 350

31.12.2020 (NOK '000)	Equity allocated to parent company shareholders			Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Retained earnings			
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



INTERIM REPORT

Q4 2021

Statement of cash flow

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Operational EBIT	101 630	16 997	344 260	246 252
Adjusted for:				
Taxes paid	-2 803	0	-36 659	-38 379
Depreciation	39 910	26 485	149 897	100 747
Share based payment	-184	858	776	3 100
Pension costs with no cash effect	0	0	0	1 216
Change in inventories/biological assets	-70 393	-109 778	33 994	-183 548
Change in account receivables and accounts payables	-90 786	39 066	-238 796	245 005
Change in other current assets and liabilities	-60 880	-77 621	21 040	10 154
Net cash flow from operating activities	-83 506	-103 993	274 512	384 548
Cash flow from investing activities				
Payments for purchase of fixed assets and licenses (MAB)	-272 015	-365 715	-1 003 710	-1 416 544
Investment in associated company	-12 500	0	-12 500	0
Proceeds from realisation of current financial assets (TRS)	0	0	0	44 689
Proceeds from investments in non-current financial assets	0	8 844	35 172	17 625
Proceeds from sale of non-current financial assets	0	0	147 768	2 644
Net of cash acquired from Arctic Fish	0	0	79 171	0
Change in loans to associates and others	0	6 366	45 000	-98 935
Net cash flow from investing activities	-284 515	-350 505	-709 099	-1 450 521
Cash flow from financing activities				
Receipts from new non-current debt	350 000	600 000	650 000	1 200 000
Non-current debt repayment	-35 294	0	-62 849	0
Instalments on right to use liabilities	-15 317	-14 016	-57 931	-53 489
Interest payments for right to use liabilities	-4 612	-1 205	-11 504	-6 788
Net change in bank overdraft	77 466	-105 309	-89 903	178 308
Total proceeds from transactions with treasury shares	0	0	-1 042	-239 308
Share issue	0	0	144 130	0
Net interest payments	-19 398	-10 299	-66 958	-20 139
Dividend payment	0	0	-42 922	-106 173
Net cash flow from financing activities	352 845	469 171	461 022	952 411
Net increase in bank deposits	-15 177	14 673	26 435	-113 563
Bank deposits - opening balance	80 365	24 080	38 753	152 317
Bank deposits - closing balance	65 188	38 753	65 188	38 753



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: Accounting principles

These condensed, consolidated interim financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRSs) and such interpretations as are determined by the EU and published by the International Accounting Standards Board, including the interim reporting standard (IAS 34). The interim financial statements do not include all the information required of an annual financial report and must therefore be read in conjunction with the consolidated financial statements for the 2020 financial year.

The condensed consolidated interim financial statements have not been audited. As a result of rounding differences, numbers or percentages may not add up to the total.

The consolidated financial statements for the Group for the year 2020 are available upon request from the company's head office at Ferjemannsveien 10, Trondheim or at www.norwayroyalsalmon.com.

The Group's accounting policies adopted and applied in this interim report are consistent with those applied in the Group's 2020 Annual Report as published on the Oslo Stock Exchange on 26 April 2021. No new standards under IFRS have been adopted by the Group in 2021.



INTERIM REPORT

Q4 2021

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: Operating segments

Operating segments are identified based on the reporting used by Group management to assess performance and profitability at a strategic level. The Group management is defined as the chief operating decision-makers. The Group's business areas are divided into the Sales and Fish farming. The Sales segment includes the purchase and sale of salmon. The fish farming business includes salmon farming and harvesting activities. The farming business in Norway is located in Troms and Finnmark and the farming business in Iceland is located in the Westfjords area. All transactions between the segments are made at arm length prices. Group management review monthly reports in connection with the segments. Performance is evaluated based on operating results (EBIT) per segment.

(NOK '000)	Sales		Farming Norway		Farming Iceland		Eliminations / other		TOTAL	
	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020	Q4 2021	Q4 2020
Total sales revenues	1 329 304	1 144 439	577 065	297 466	166 253		-13	9 749	2 072 609	1 451 654
Internal sales revenues	0	0	577 064	297 466	0		0	0	577 064	297 466
External sales revenues	1 329 304	1 144 439	0	0	166 253		-13	9 749	1 495 545	1 154 189
Operating costs	1 330 393	1 093 578	480 524	312 253	136 727		-553 729	-268 639	1 393 914	1 137 192
Operational EBIT	-1 089	50 862	96 528	-14 788	29 526		-23 335	-19 077	101 630	16 997
Fair value adjustments	-13 472	-30 574	-82 931	-201 091	-13 940		0	0	-110 344	-231 665
Production tax	0	0	-4 126	0	-789		0	0	-4 916	0
Income from associates	0	0	0	0	0		16 165	-45 719	16 165	-45 719
EBIT	-14 561	20 288	9 471	-215 879	14 797		-7 170	-64 796	2 536	-260 387
EBT	-15 873	15 210	-12 826	-212 214	8 984		8 984	-74 933	-10 731	-271 937
Volume harvested (HOG)			10 319	7 148	2 938				13 257	7 148
Operational EBIT per kg			9,35	-2,07	10,05				9,51	-2,07
Volume sold	23 871	23 244							23 871	23 244
Operational EBIT per kg	-0,05	2,19							-0,05	2,19
- of w hich gain on fixed-price contracts per kg.	0,04	2,15							0,04	2,15

(NOK '000)	Sales		Farming		Farming Iceland		Eliminations / other		TOTAL	
	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020	FY 2021	FY 2020
Total sales revenues	5 172 881	5 108 577	2 053 595	1 529 368	595 895		32 119	10 290	7 854 491	6 648 235
Internal sales revenues	0	0	2 053 595	1 529 368	0		0	0	2 053 595	1 529 368
External sales revenues	5 172 881	5 108 577	0	0	595 895		32 119	10 290	5 800 895	5 118 867
Operating costs	5 156 644	5 021 284	1 695 052	1 314 182	496 368		-1 891 428	-1 462 850	5 456 635	4 872 615
Operational EBIT	16 237	87 293	343 280	215 186	99 527		-114 784	-56 227	344 260	246 252
Fair value adjustments	15 576	-27 605	50 517	-109 052	45 574		0	0	111 668	-136 657
Production tax	0	0	-15 263	0	-3 843		0	0	-19 106	0
Income from associates	0	0	0	0	0		35 356	-1 985	35 356	-1 985
EBIT	31 814	59 688	393 797	106 134	141 258		-94 692	-58 213	472 178	107 609
EBT	27 363	54 111	325 812	80 171	143 839		238 232	-61 312	735 245	72 970
Volume harvested (HOG)			38 161	30 509	11 479				49 640	30 509
Operational EBIT per kg			9,00	7,05	8,67				8,92	7,05
Volume sold	84 891	88 904							84 891	88 904
Operational EBIT per kg	0,19	0,98							0,19	0,98
- of w hich gain / -loss on fixed-price contracts per kg.	0,12	1,03							0,12	1,03

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: Biomass

In accordance with IAS 41, the biomass is recognised at fair value. The fair value is calculated in accordance with IFRS 13. For salmon, a present value model is applied to estimate fair value. For roe and smolt, historical cost provides the best estimate for fair value. Adjustments to the fair value of the biomass are presented on a separate line in the income statement. The technical model for calculating fair value is a present value model. Present value is calculated for the biomass on each site/project by estimating the future sales value less remaining production costs discounted to the present value at the balance sheet date.

The fair value of fish in the sea is calculated in the present value model as a function of the expected biomass at the time of harvest multiplied by the expected sales price. For fish that are not harvestable, estimated remaining costs to breed the fish to its harvestable weight are deducted. Cash flows are discounted monthly using a discount factor. The discount factor consists of three main components: 1) risk for events that affect cash flow, 2) hypothetical license and site rent and 3) the time value of money. The discount factor for Norway is 5.0 % and 4.0 % for Iceland. The discount factor for Iceland was increased from 2.0 % to 4.0 % in the second quarter. The increase is based on increased expectations of profitability in the industry and impact on the hypothetical license- and site rent. Expected biomass (volume) is based on the estimated number of individuals in the sea, adjusted for expected mortality until harvesting and multiplied by the expected harvest weight per individual at the time of harvest. The measuring unit is the individual fish, but for practical reasons the calculation is made at site level. Live weight of fish in the sea is translated into gutted weight to get the same measurement unit as the prices are set in.

The price is calculated based on forward prices from Fish Pool. The forward price for the period in which the fish are expected to be harvested, is used in the calculation of expected cash flow. The price quoted by Fish Pool adjusted for the export cost is the reference price. This price is further adjusted for expected harvest costs (well boat, harvest and packing), transport to Oslo and the governmental production tax. Adjustments for expected size differences and quality differences are also made. The adjustment in relation to the reference price is done at site level.

Book value of inventory:

(NOK '000)	31.12.2021	30.09.2021	31.12.2020
Raw materials	82 219	59 393	36 372
Biological assets freshwater	69 290	45 063	0
Biological assets fish in sea	1 716 491	1 782 133	1 282 006
Finished goods	57 085	64 436	67 903
Total inventory	1 925 085	1 951 024	1 386 281

Specification of the biological assets fish in sea:

(NOK '000)	31.12.2021	30.09.2021	31.12.2020
Biological assets at cost	1 503 988	1 473 297	1 172 790
Fair value adjustments of the biomass	212 503	308 836	109 216
Book value biological assets fish in sea	1 716 491	1 782 133	1 282 006

Specification of biological assets fish in sea

(tonnes)	Q4 2021	Q4 2020	FY 2021	FY 2020
Opening balance biological assets	36 537	26 391	29 861	26 033
Increase due to Arctic Fish consolidation	0	0	10 513	0
Increase due to fish put in the sea	337	297	1 715	1 342
Increase due to production in the period	15 727	12 260	55 189	41 309
Reduction due to mortality in the period	-1 080	-858	-3 430	-2 843
Reduction due to harvesting in the period	-15 254	-8 229	-57 239	-35 980
Non-recurring events and other	0	0	-341	0
Closing balance biological assets fish in sea	36 268	29 861	36 268	29 861
Biological assets fish in sea Norway	24 823	29 861	24 823	29 861
Biological assets fish in sea Iceland	11 444	0	11 444	0

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: Biomass, continued

Specification of changes in book value of biological assets fish in sea:

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Opening balance biological assets	1 782 132	1 382 488	1 281 994	1 231 662
Increase due Arctic Fish consolidation		0	375 987	0
Increase due to production in the period	541 748	377 661	1 846 646	1 322 815
Non-recurring events and other at cost	-5 673	0	-26 144	0
Reduction due to harvesting in the period	-505 921	-277 053	-1 859 161	-1 163 419
Fair value adjustments of the biological assets	-96 333	-201 091	96 631	-109 052
Closing balance biological assets fish in sea	1 715 953	1 282 006	1 715 953	1 282 006
Closing balance biological assets fish in sea Norway	1 232 302	1 282 006	1 232 302	1 282 006
Closing balance biological assets fish in sea Iceland	483 651	0	483 651	0

Fair value adj. of biological assets in the consolidated income statement

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Fair value adjustments of the biological assets	29 721	-186 303	-361 440	-324 238
Fair value adjustments of the harvested fish	126 054	-14 788	458 071	215 186
Total FV adj. of biological assets in the cons. income statement	-96 333	-201 091	96 631	-109 052

NOTE 3: Biomass cont.

Groups of biological assets fish in sea, status as of 31.12.2021	Number of fish (1000)	Biomass (tonnes)	Costs	Fair value adjustments	Book value
Smaller than 1 kg	8 256	2 084	177 509	31 214	208 723
1-4 kg	8 060	17 908	763 646	38 695	802 341
Larger than 4 kg	3 502	16 276	562 295	142 594	704 890
Biological assets	19 818	36 268	1 503 450	212 503	1 715 953

Groups of biological assets fish in sea, status as of 30.09.2021	Number of fish (1000)	Biomass (tonnes)	Costs	Fair value adjustments	Book value
Smaller than 1 kg	6 593	3 832	267 260	62 016	329 276
1-4 kg	8 221	23 146	884 061	166 082	1 050 143
Larger than 4 kg	2 163	9 559	321 976	80 738	402 714
Biological assets	16 977	36 537	1 473 297	308 836	1 782 133

Groups of biological assets fish in sea, status as of 31.12.2020	Number of fish (1000)	Biomass (tonnes)	Costs	Fair value adjustments	Book value
Smaller than 1 kg	5 794	3 385	236 187	60 956	297 143
1-4 kg	7 675	20 155	756 759	31 724	788 483
Larger than 4 kg	1 006	6 320	179 845	16 535	196 380
Biological assets	14 475	29 861	1 172 790	109 216	1 282 006

Fish Pool forward prices used in the calculation of the fair value of the biomass

31.12.2021	NOK/kg	30.09.2021	NOK/kg	31.12.2020	NOK/kg	31.12.2020	NOK/kg
Q1 22	68,67	Q4 21	60,50	Q1 21	50,33	Q1 21	50,33
Q2 22	68,23	Q1 22	64,80	Q2 21	58,90	Q2 21	58,90
Q3 22	56,43	Q2 22	66,00	Q3 21	53,67	Q3 21	53,67
Q4 22	62,27	Q3 + Q4 22	59,15	Q4 21	55,83	Q4 21	55,83
Q1 + Q2 22	68,45	Q1 + Q2 23	63,25	Q1 + Q2 22	54,62	Q1 + Q2 22	54,62

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: Non-recurring events

Costs related to the non-recurring events that cause mortality are expensed in the income statement in the period it occurs. Such costs are included in the operational result. Non-recurring events that cause mortality is defined as incidents of not normal nature that have a significant economic impact. A specific assessment is made of every incident that has caused increased mortality.

Non-recurring event 1)	Q4 2021			Q4 2020		
	Cost	Fair value adjustments	Fair value	Cost	Fair value adjustments	Fair value
	0	0	0	0	0	0
Biological assets	0	0	0	0	0	0

1) Non-recurring events are not allocated to the segments.

Non-recurring event 1)	FY 2021			FY 2020		
	Cost	Fair value adjustments	Fair value	Cost	Fair value adjustments	Fair value
Culling of fish due to winter wounds	-16 257	0	-16 257	0	0	0
Culling of smolt	-17 382	0	-17 382	0	0	0
Biological assets	-33 639	0	-33 639	0	0	0

NOTE 5: Fair value adjustments

Fair value adjustments which are a part of the Group's EBIT, are presented on a separate line in order to give a better understanding of the Group's operating profit from goods sold. The item consists of:

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Change in fair value adjustments of the biomass	-96 333	-201 091	96 630	-109 052
Change in provision for onerous sales contracts	-4 687	1 401	-13 956	3 860
Change in unrealised gains/losses on financial Fish Pool contracts	-9 323	-31 975	28 994	-31 466
Total fair value adjustments	-110 344	-231 665	111 668	-136 657

The fair value adjustments has the following effect in the balance sheet:

(NOK '000)	31.12.2021	30.09.2021	31.12.2020
Fair value adjustments biomass (inventory and biological assets)	212 503	308 836	109 216
Provision for onerous sales contracts (other current liabilities)	-13 956	-9 269	0
Fair value of financial Fish Pool contracts (other receivables/other current liabilities)	-2 472	6 852	-31 466
Net fair value adjustments in the balance sheet	196 075	306 419	77 750

NOTE 6: Related parties

The Group conducts transactions on normal terms with associates and suppliers who are also Norway Royal Salmon shareholders. This applies to the purchases of harvested fish and smolts. Purchase of smolt and fish are made on market terms. The Group purchase harvesting services from one of the Group's associates. Harvesting services are purchased at market terms.

All services and goods are purchased at arm length prices. The table below shows figures from continued operations. The Board is not aware of any changes or transactions in Q4 21 associated with related parties that have in any significant way affected the Group's financial position and profit for the period.

Goods and services purchased:

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Associates - products purchased	102 625	126 159	195 925	475 239
Associates - services purchased	8 062	4 605	67 610	25 661
Companies controlled by large shareholder - products purchased	43 852	228 286	440 825	618 361
Companies controlled by large shareholder - services purchased	14 260	13 353	36 028	46 837
Total goods and services purchased from related parties	168 799	372 403	740 387	1 166 098

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: Investments in associates

(NOK '000)	Shareholding	Book value 01.10.2021	Share of profit/loss in the period after tax	Other changes	Book value 31.12.2021	Share of volume harvested - tonnes HOG 31.12.2021 ¹⁾
Wilsgård Fiskeoppdrett AS	37,50 %	175 302	12 248	-541	187 009	571
Hellesund Fiskeoppdrett AS	33,50 %	187 575	5 883	-432	193 026	201
Nordnorsk Smolt AS ²⁾	50,00 %	36 734	-1 966	12 500	47 268	0
Other		48	0	0	48	0
Total associates Q4 2021		399 658	16 165	11 527	427 353	771
Total associates Q4 2020		666 860	-45 719	100 715	721 855	3 241

¹⁾ The harvested volume comprises NRS' share of the harvested volume of associates

²⁾ Other changes regarding Nordnorsk Smolt AS relates to a capital increase during the fourth quarter 2021.

The Group's associated companies together own nine fish farming licenses in Norway

The consolidated financial statements include the Group's share of results from associates according to the equity method. The equity method is regarded as consolidation method. When associates own shares in Norway Royal Salmon ASA, they are treated as treasury shares in the consolidated financial statements. The fair value of the shares owned by the associates in Norway Royal Salmon ASA has therefore not been recognised in the consolidated financial statements.

Associates that own shares in NRS as of 31 December 2021:

	NRS' shareholding in associate	Number of shares	Fair value ¹⁾	NRS' share of fair value
Hellesund Fiskeoppdrett AS	33,50 %	1 051 076	171 746	57 535
Total		1 051 076	171 746	57 535

¹⁾ Fair value is calculated as the closing price of <https://live.euronext.com/en/markets/oslo> on the balance sheet date for the Norway Royal Salmon share multiplied by the number of shares.

NOTE 8: Bank covenants and financing

The Group's main borrowing covenants are one requiring an equity ratio of at least 30 per cent, adjusted for IFRS 16 effects, and another requiring that the short-term credit facility shall not exceed 75 per cent of the carrying value of inventory and accounts receivables. At the end of Q4 2021 the Group is in compliance with the terms of its loan agreements. Please refer to a specification shown in the alternative performance measures for the NIBD composition.

The Arctic Fish Group has an independent financing scheme with its own covenants.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 9: Shareholders

Ownership structure – the 20 largest shareholders as at 31.12.2021:

Shareholder	Antall	Eierandel
NTS ASA	29 688 820	68,14 %
BROWN BROTHERS HARRIMAN & CO.	1 169 013	2,68 %
HELLESUND FISKEOPPDRETT AS	1 051 076	2,41 %
HAVBRUKSINVEST AS	700 775	1,61 %
THE NORTHERN TRUST COMP, LONDON BR	632 514	1,45 %
STATE STREET BANK AND TRUST COMP	624 192	1,43 %
MORGAN STANLEY & CO. INT. PLC.	615 914	1,41 %
RBC INVESTOR SERVICES TRUST	573 575	1,32 %
BNP PARIBAS SECURITIES SERVICES	457 856	1,05 %
JPMORGAN CHASE BANK, N.A., LONDON	388 466	0,89 %
THE BANK OF NEW YORK MELLON	363 087	0,83 %
JPMORGAN CHASE BANK, N.A., LONDON	266 980	0,61 %
THE BANK OF NEW YORK MELLON	218 631	0,50 %
J.P. MORGAN BANK LUXEMBOURG S.A.	215 934	0,50 %
EUROCLEAR BANK S.A./N.V.	208 990	0,48 %
NORWAY ROYAL SALMON ASA	197 495	0,45 %
FORTE NORGE	190 000	0,44 %
RBC INVESTOR SERVICES TRUST	186 895	0,43 %
NYHAMN AS	171 000	0,39 %
STATE STREET BANK AND TRUST COMP	140 108	0,32 %
Total 20 largest shareholders	38 061 321	87,35 %
Total other shareholders	5 510 870	12,65 %
Total no. of shares	43 572 191	100,00 %
NORWAY ROYAL SALMON ASA (Treasury shares)	197 495	0,45 %
Total no. of outstanding shares	43 374 696	

Alternative performance measures

The consolidated financial statements of Norway Royal Salmon ASA are prepared in accordance with the International Financial Reporting Standards (IFRS). In addition, the management prepares alternative performance measures to provide useful and relevant information to the users of the financial statements. Alternative performance measures are designed to increase the understanding of the underlying operational performance and are not a substitute for the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS). The performance measures are regularly reviewed by the Board. The alternative performance measures can be defined and used differently by other companies.

Net Interest-bearing debt

Net interest-bearing debt is defined as the net of long-term debt, short-term debt and bank deposits. The measure is useful and necessary information to investors and other users of the financial statements to assess the net of the interest-bearing external capital used to finance the group. The measure is used to calculate the return on capital employed and highlights the Group's ability to take on more debt.

(NOK '000)	31.12.2021	30.09.2021	31.12.2020
Reported long-term interest-bearing debt	2 264 895	1 910 733	1 378 514
Reported short-term interest-bearing debt	381 733	354 558	226 819
Interest-bearing long-term receivables	0	0	-45 000
Reported bank deposits	-65 188	-80 365	-38 753
Total net interest bearing debt	2 581 439	2 184 925	1 521 580
Lease liabilities (IFRS 16 effects)	-292 854	-298 260	-227 026
NBD according to bank covenant	2 288 586	1 886 665	1 294 554

Equity ratio

The equity ratio is defined as equity divided by total assets. The measure is expressed as a percentage. The measure is relevant to users of the financial statements to see how much of the assets are financed with equity. The measure also indicate something about the solvency of the group.

(NOK '000)	31.12.2021	30.09.2021	31.12.2020
Reported equity	4 443 350	4 421 251	3 130 692
Reported total assets	8 442 234	8 054 545	5 814 710
Equity ratio	52,6 %	54,9 %	53,8 %

Operational EBIT per kg

Operational EBIT per kg is defined as a central performance measure for Norway Royal Salmon ASA. The measure is used to evaluate the profitability of sold goods and the operations of the Group. The measure is calculated before unallocated costs and extraordinary events, fair value adjustments, income from associated companies, financial expenses and taxes. The measure is expressed per kg harvested volume.

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Operational EBIT	101 630	16 997	344 260	246 252
Unallocated expenses	23 335	19 077	96 409	56 227
Non-recurring events (note 4)	0	0	33 639	0
Operational EBIT	124 965	36 074	474 308	302 479
Harvested volume (tonnes)	13 257	7 148	49 640	30 509
Operation EBIT per kg	9,43	5,05	9,55	9,91

Alternative performance measures (cont.)

Operational EBIT per kg (Segment)

Operational EBIT per kg is defined as a central performance measure for Norway Royal Salmon ASA. The measure is used to evaluate the profitability of sold goods and the operations of the segments. The measure is calculated before extraordinary events, fair value adjustments, income from associated companies, financial expenses and taxes. The measure is expressed per kg harvested volume. The measure is shown both before and after loss on open fixed-price contracts.

Operational EBIT per kg FARMING NORWAY (NOK '000)

	Q4 2021	Q4 2020	FY 2021	FY 2020
Operational EBIT (segment, note 2)	96 528	-14 788	358 544	215 186
Share of operational EBIT Sales allocated excl. Contracts	-1 965	989	6 297	-4 631
Operational EBIT excl. Contracts	94 563	-13 799	364 840	210 555
Loss(-) / Gain(+) on open fixed-price contracts	876	49 873	9 941	91 924
Operational EBIT	95 439	36 074	374 781	302 479
Harvested volume (tonnes)	10 319	7 148	38 161	30 509
Operational EBIT per kg excl. Contracts	9,16	(1,93)	9,56	6,90
Operational EBIT per kg	9,25	5,05	9,82	9,91

Operational EBIT per kg FARMING ICELAND (NOK '000)

	Q4 2021	FY 2021
Operational EBIT (segment, note 2)	29 526	99 527
Share of operational EBIT Sales	0	0
Operational EBIT excl. Contracts	29 526	99 527
Loss(-) / Gain(+) on open fixed-price contracts	0	0
Operational EBIT	29 526	99 527
Harvested volume	2 938	11 479
Operational EBIT per kg excl. Contracts	10,05	8,67
Operational EBIT per kg	10,05	8,67

Production cost per kg (per segment)

Production cost per kg is defined as a central performance measure for Norway Royal Salmon ASA. The performance measure is used to evaluate the profitability of sold goods per segment. The measure is expressed per kg harvested volume (tonnes HOG)

Production cost per kg FARMING NORWAY (NOK '000)

	Q4 2021	Q4 2020	FY 2021	FY 2020
Production cost (segment, note 2)	480 524	312 253	1 695 052	1 314 182
Harvested volume (tonnes)	10 319	7 148	38 161	30 509
Production cost per kg Farming Norway	46,57	43,68	44,42	43,08

Production cost per kg FARMING ICELAND (NOK '000)

	Q4 2021	FY 2021
Production cost (segment, note 2)	136 727	496 368
Harvested volume (tonnes)	2 938	11 479
Production cost per kg Farming Iceland	46,54	43,24

Fair value-adjusted earnings per share

Earnings per share before fair value adjustments is defined as the period's result adjusted for fair value adjustments after tax. The performance measure is expressed per share and is useful for the users of Norway Royal Salmon ASA's financial information. The performance measure is used as raw data in analyses like P/E.

(NOK '000)	Q4 2021	Q4 2020	FY 2021	FY 2020
Majority share of net result for the period	2 239	-203 972	617 362	80 113
Majority share of fair value adjustments of biomass after tax	71 628	154 566	-69 000	79 876
Fair value of sales contracts and Fish Pool contracts after tax (in its entirety, the majority share)	10 928	23 434	-11 730	23 847
Majority share of fair value-adjusted result for the period	84 796	-25 972	536 632	183 836
Weighted average number of ordinary shares outstanding	43 178 067	43 076 909	43 111 804	43 076 909
Fair value-adjusted earnings per share	1,96	(0,60)	12,45	4,27