



2021 INTERIM REPORT 2021

2ND QUARTER





Key figures Q2 2021

- Gradual easing of restrictions linked to the COVID-19 pandemic positive for demand for seafood
- Operating profit before fair value adjustment related to biological assets NOK 583 million
- EBIT/kg "all inclusive" excluding whitefish NOK 13.8/kg. Prices realised in the quarter affected by winter wounds
- Growth in Q2 2021 has been good. Estimated harvest volume, including the share from associates, 205,000-210,000 tonnes salmon and trout.
- Earnings from land-based operations for whitefish remain weak but with a significant improvement. Positive quota situation for the trawler fleet for the second half of 2021, with expected catch volume of around 73,000 tonnes whitefish.
- Dividend of NOK 2 per share paid in the quarter.

	Q2-21	Q2-20	Change	YTD 21	YTD 20
Revenue (NOKm)	5,304	4,712	13%	10,229	10,017
EBITDA (NOKm)*	899	606	48%	1,658	1,703
EBIT (NOKm)*	583	322	81%	1,038	1,138
PTP (NOKm)*	580	303	91%	1,035	1,037
EPS (NOK)*	0.74	0.42	75%	1.32	1.33
Dividend paid per share	2.0	1.5		2.0	1.5
Harvest volume (GWT) salmon & trout	36,756	38,896	-6%	78,906	78,273
Catch volume (HOG) whitefish	16,345	19,708	-17%	42,066	44,717
ROCE* (%)	12.1	7.2		10.7	12.0
NIBD (NOKm)**	4,181	3,517		4,181	3,517
Equity ratio (%)	57.3	57.9		57.3	57.9

* Before fair value adjustments related to biological assets

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

Lerøy Seafood Group

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

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

Second quarter

In Q2 2021, Lerøy Seafood Group (LSG) reported revenue of NOK 5,304 million, compared with NOK 4,712 million in the same period in 2020. Operating profit before fair value adjustment related to biological assets was NOK 583 million in Q2 2021, compared with NOK 303 million in Q2 2020. The gradual easing of restrictions linked to the COVID-19 pandemic in a number of key markets means stronger demand and higher prices realised. Higher prices realised, and improved productivity in the whitefish industry, are the key drivers of the improvement in earnings compared with the same period in 2020.

Depreciation in Q2 2021 totalled NOK 316 million, compared with NOK 284 million in Q2 2020. Net financial items amounted to NOK -54 million in Q2 2021, compared with NOK -63 million in the same period in 2020.

The Group realised positive one-time effects of NOK 44 million in the quarter, including NOK 38 million in the VAP, Sales & Distribution segment from the step acquisition of Seafood Danmark A/S.

Income from associates was NOK 60 million in Q2 2021, compared with NOK 18 million in the same period in 2020. The corresponding figures before fair value adjustment related to biological assets were NOK 52 million in Q2 2021 and NOK 44 million in Q2 2020.

The Group's profit before tax and fair value adjustment related to biological assets was NOK 580 million in Q2 2021, compared with NOK 303 million in Q2 2020. Estimated tax expense for the quarter is NOK 264 million, compared with NOK 121 million in the same period of 2020.

This constitutes earnings per share before fair value adjustment related to biological assets of NOK 0.74 in Q2 2021, compared with NOK 0.42 per share in Q2 2020. The Group's annualised return on capital employed (ROCE) before fair value adjustment related to biological assets was 12.1% in Q2 2021 against 7.2% in Q2 2020.

The Group reports revenue of NOK 10,229 million for the first half of 2021, compared with NOK 10,017 million for the first half of 2020. Operating profit before fair value adjustment related to biological assets for the first half of 2021 was NOK 1,038 million, compared with NOK 1,138 million for the first half of 2020. Profit before tax and fair value adjustment related to biological assets for the first half of 2021 was NOK 1,035 million, compared with NOK 1,037 million for the first half of 2020.

The Group reports within three main segments: These are described below and comprise: Wild Catch, Farming, and VAP, Sales & Distribution (VAPS&D).

	Wild Catch	Farming	VAPS&D	LSG/other	Elim.***	Group
Q2 2021						
Revenue (NOKm)	686	2,177	5,122	35	-2,715	5,304
EBIT* (NOKm)	65	388	161	-44	13	583
EBIT*/kg (NOK) excl. Wild Catch**		10.6	4.4	-1.2	0	13.8
Q2 2020				LSG/other	Elim.	Group
Revenue (NOKm)	609	2,096	4,483	36	-2,513	4,712
EBIT* (NOKm)	-5	216	114	-28	26	322
EBIT*/kg (NOK) excl. Wild Catch**		5.5	2.9	-0.7		7.8

* Before fair value adjustments related to biological assets
** EBIT/kg all inclusive, excluding EBIT contribution from "Wild Catch" segment
*** EBIT related to elimination of internal profit on whitefish sold from Wild Catch to VAPS&D

Wild Catch

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

Lerøy Havfisk had 10 trawlers in operation in Q2 2021. The catch volume of 16,345 tonnes in Q2 2021 is lower than the 19,708 tonnes caught in the same period of 2020, but a change in catch composition means the value is higher. Catches of shrimp and haddock have been prioritised in Q2 2021, while catches of redfish are significantly down on the same period in 2020. With a substantial cod quota remaining, Lerøy Havfisk is well positioned for the remainder of the year.

Catch volume	Q2-21	Q2-20	YTD 2021	YTD 2020	Remaining quota 2021	Remaining quota 2020
Cod	3,241	2,299	14,354	14,829	13,884	8,861
Saithe, north	2,870	3,940	6,900	7,542	5,251	2,859
Saithe, south	477	2,278	477	2,278	3,227	2,908
Haddock	2,435	1,046	8,432	6,244	7,048	3,780
Shrimp	5,174	1,972	5,174	2,115		
Redfish	1,521	6,589	3,284	7,673		
Greenland halibut	181	234	353	272		
Other	53	231	146	273		
Meal, oil, ensilage	394	1,119	2,946	3,491		
Total	16,345	19,708	42,066	44,717	29,410	18,408

Prices	Q2-21	Q2-20	YTD 2021	2020	2019	2018
Cod	30.0	33.9	28.8	34.9	34.5	31.2
Haddock	23.8	23.1	24.6	25.0	26.7	23.7
Saithe	15.9	14.1	15.7	14.7	13.7	11.5

As described in the Group's recent interim reports, demand for seafood has been negatively impacted by the restrictions introduced to combat the spread of COVID-19, and this situation continued in Q2 2021. Compared with Q2 2020, prices for cod, which is the most important species, are down 12%, while prices for haddock and saithe have risen 3% and 13% respectively. Current expectations are that

further easing of the COVID-19-related restrictions could result in a positive price development for the remainder of 2021, including for cod.

LNWS's primary business is processing wild-caught whitefish. The company has use of 12 processing plants and purchasing stations in Norway, five of which are leased from Lerøy Havfisk. Processing of whitefish has been extremely challenging for many years – with Q2 2021 no exception – but it is pleasing to note a substantial improvement in underlying operations, which has also led to an improvement in the financial results for Q2 2021 compared with the same period of 2020.

The Group's focus on boosting the competitiveness of the whitefish industry is a long-term process and will continue undiminished, despite what the Group hopes is temporary market-related challenges brought about by the pandemic. Over time, a number of organisational changes have been introduced, which, in combination with significant investments in facilities and in developing the organisations, we consider will deliver sustainable earnings.

In total, the segment contributed EBIT of NOK 65 million in Q2 2021, compared with NOK -5 million in the same period of 2020. Please note that Havfisk has opted to leave a higher share of the cod quota for the second half of the year compared with 2020.

Wild Catch	Q2-21	Q1-20	YTD 2021	YTD 2020
Revenue (NOKm)	686	609	1,553	1,601
EBITDA (NOKm)	115	42	351	360
EBIT (NOKm)	65	-5	250	265
Catch volume (HOG) whitefish	16,345	19,708	42,066	44,717

Farming

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

Operating profit for the Farming segment before fair value adjustment related to biological assets was NOK 388 million in Q2 2021, compared with NOK 216 million in Q2 2020. A total of 37,000 tonnes was harvested during the quarter, compared with 39,000 tonnes in Q2 2020.

In Q2 2021, the EBIT/kg figure was NOK 8.70 for Lerøy Aurora, NOK 13.70 for Lerøy Midt and NOK 8.30 for Lerøy Sjøtroll. In total, EBIT/kg for the segment was up from NOK 5.5 in Q2 2020 to NOK 10.6 in Q2 2021. Compared with the same quarter in 2020, costs per kilo are down, but the improvement in prices realised is the main factor in the higher earnings.

Q2 2021	Lerøy Aurora/ North Norway	Lerøy Midt/ Central Norway	Lerøy Sjøtroll/ West Norway	Elim.	Farming
Revenue (NOKm)	328	908	964	-24	2,177
EBIT (NOKm)	45	205	139	-0	388
Harvest volume (GWT)	5,154	14,980	16,622		36,756
Share of harvest volume, trout	0%	0%	27%		12%
NSI salmon (sales price FCA Oslo), NOK/kg					62.5
EBIT*/kg	8.7	13.7	8.3		10.6

	Lerøy Aurora/ North Norway	Lerøy Midt/ Central Norway	Lerøy Sjøtroll/ West Norway	Elim.	
Q2 2020					Farming
Revenue (NOKm)	250	915	948	-18	2,096
EBIT (NOKm)	23	222	-31	1	216
Harvest volume (GWT)	3,735	15,791	19,370		38,896
Share of harvest volume, trout	0%	0%	35%		18%
NSI salmon (sales price FCA Oslo), NOK/kg					57.9
EBIT*/kg	6.3	14.1	-1.6		5.5
* Before fair value adjustments related to biological assets					

Prices realised – Strong market, but negatively affected by quality downgrades

For much of 2020, the market was substantially impacted by the COVID-19 restrictions. Demand in Q1 2020 was at a historic high, but the restrictions introduced to combat COVID-19 gradually manifested themselves from the last part of the first quarter and for the remainder of the year. Demand improved significantly in Q1 2021, and this trend continued in Q2. The grocery market was the key driver in Q1 2021, and has continued to be so, but it is very pleasing to see demand picking up in the hospitality and catering market too in Q2. If the easing of COVID-19 restrictions is maintained, we expect this positive development to continue in the coming periods.

The average price for salmon in Q2 2021, measured according to NSI (sales price FCA Oslo), was NOK 62.50/kg, compared with NOK 57.90/kg in Q2 2020 and NOK 52.10/kg in Q1 2021. This represents a price increase of NOK 5/kg compared with Q2 2020 and NOK 10/kg compared with Q1 2021.

Norwegian trout exports saw an increase in volume of approx. 20% in 2020. This factor, combined with the COVID-19 restrictions, had a negative impact on pricing on the market throughout 2020. Growth in exports declined in Q4 2020, and this trend has continued in 2021. This has led to much better equilibrium in the trout market, and prices realised in Q2 2021 have improved significantly on the same period in 2020.

The interim report for Q1 2021 explained that the consequences of quality grading, particularly in Lerøy Aurora, would impact the Group's prices realised in Q2 2021. As expected, the price effect resulting from the quality downgrade hit Lerøy Aurora hardest but also had a negative impact on prices realised for Lerøy Midt and Lerøy Sjøtroll. At today's date, a substantial improvement in harvest quality is expected in the coming quarters.

The Farming segment's contract share for salmon in Q2 2021 was 30%, and prices realised for contracts were higher than those on the spot market overall.

For Lerøy Sjøtroll, 27% of the harvest volume in Q2 2021 was trout. The Group's prices realised for trout in the quarter reflect the improved market equilibrium and were approximately NOK 2/kg lower than for salmon.

Costs – Lower costs expected in the second half of 2021

The Group's release from stock costs in Q2 2021, including the newly introduced production fee of NOK 0.4/kg, are significantly lower than in the same period of last year, but remain high.

At today's date, slightly lower costs per kilo harvested are expected in 2021 compared with 2020, with costs expected to continue to fall in Q3 and Q4 2021.

As previously mentioned, an abnormal rate of winter wounds has affected release from stock costs for

Lerøy Aurora, partly due to low harvest weights. In combination with a low harvest volume, this has negatively affected release from stock costs in Q2 2021. However, production in the sea – and hence growth – has been good in the second quarter, with around 70% of the volume for 2021 expected to be harvested in the second half of the year. The release from stock costs for this volume are expected to be significantly lower than the equivalent figure for fish harvested year to date in 2021. Lerøy Aurora expects a harvest volume in the region of 47,000 GWT in 2021.

Production in Lerøy Midt in Q2 2021 has been satisfactory. The release from stock costs for the quarter are on a par with Q1. At today's date, lower costs are expected in the second half of 2021 than in the first half. The company expects a harvest volume in the region of 70,000 GWT in 2021.

Growth in Lerøy Sjøtroll in Q2 2021 has been good. The company is on schedule to fulfil its expectation of a significant increase in harvest volume from 68,000 tonnes in 2020 to 75,000 tonnes in 2021, with an associated cost reduction in 2021 relative to 2020. Costs in Q2 2021 were lower than in Q2 2020. At today's date, release from stock costs are expected to be slightly lower in the second half of 2021 than in the first half.

VAP, Sales & Distribution (VAPS&D)

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

In 2020, seafood markets were negatively impacted by the COVID-19 pandemic. The impact was seen first in markets in Asia, spreading globally through Q2 2020. The pandemic has affected the pattern of demand. The grocery market now represents a larger volume of consumption, while the hospitality and catering segment in many core markets has practically been closed down for long periods over the last year. The pandemic has also had an impact on logistics, particularly for overseas markets, with a reduction in cargo capacity resulting in increased costs during the period.

Demand for seafood in the grocery market remained strong in Q2 2021, and we have also seen a gradual improvement in the hospitality and catering market as, little by little, COVID-19 restrictions have been lifted.

The seafood group Seafood Danmark A/S was consolidated from 1 April. Seafood Danmark A/S occupies a particularly strong position on the Danish seafood market but also within other international seafood markets. The segment has posted positive one-time effects of NOK 38 million in connection with the consolidation, including valuation of the shares Lerøy already owned. Seafood Danmark has consistently enjoyed a positive development in recent years, contributing to the year-on-year improvement in operating profit.

The segment's development has been impacted positively by improvement measures taken, but also negatively by start-up costs in connection with new plants in Spain and Italy. In total, operating profit before fair value adjustment of biomass reported by the segment amounted to NOK 161 million, up from NOK 114 million in the same period in 2020.

VAPS&D	Q2-21	Q2-20	YTD 2021	YTD 2020
Revenue (NOKm)	5,122	4,483	9,750	9,395
EBIT* (NOKm)	161	114	262	169
EBIT* margin	3.1%	2.5%	2.7%	1.8%
Y-o-y revenue growth	14.2%	-12.1%	3.8%	-2.3%

* Before fair value adjustments related to biological assets

Statement of financial position and cash flows

The Group is financially sound with book equity at the end of Q2 2021 of NOK 18,232 million. This corresponds to an equity ratio of 57%. Net interest-bearing debt at the end of Q2 2021 was NOK 4,181 million. The Group has and shall continue to have significant financial flexibility to allow it to finance further organic growth, carry out strategic acquisitions and sustain the company's dividend policy.

Cash flow from operating activities in the quarter was good, totalling NOK 857 million, and with a positive development in working capital.

Net cash flow from investing activities in Q2 2021 was NOK -422 million, compared with NOK -199 million in Q2 2020. This includes NOK 158 million relating to acquisitions. Please note that right of use assets are not included in the cash flow from investing activities, as these assets do not generate any initial cash impact. The Group's actual investments, irrespective of type of investment, are disclosed as supplementary items under the statement of cash flows in the financial statements. Total investments in own and leased fixed assets from credit institutions and intangible assets amounted to NOK 300 million in Q2 2021, compared with NOK 326 million in the same quarter in 2020. The largest ongoing single investment is the development of the post-smolt facility for Lerøy Midt, expected to be completed around year-end 2021.

The Group paid a dividend of NOK 2 per share in Q2 2021, in total NOK 1,192 million. Cash flow from operating activities in Q2 2021 was NOK -1,174 million.

The Group reports cash flow from operating activities of NOK 1,688 million for the first half of 2021, compared with NOK 1,278 million in the first half of 2020. Cash flow from investing activities for the first half of 2021 was NOK 652 million, compared with NOK 762 million in the first half of 2020. Cash flow from financing activities was NOK -1,576 million as a result of repayment of debt and payment of dividends totalling NOK 1,201 million in Q2 2021.

The Group has a strong financial position that supports its ambition to retain its position as the leading Norwegian seafood corporation, thus remaining one of the leading seafood companies worldwide in the years to come.

Shareholder information

On 30 June 2021, Lerøy Seafood Group ASA had 17,934 shareholders, compared with 12,612 on the same date in 2020. At the start of 2021, the number of shareholders was 15,227.

The company had 595,773,680 shares outstanding at 30 June 2021. All shares carry the same rights in the company. Austevoll Seafood ASA is the company's main shareholder and owns 313,942,810 shares. This corresponds to a shareholding of 52.7%. In total, the company's 20 largest shareholders own 74.3% of the shares in the company at 30 June 2021. LSG owns a total of 297,760 (0.05%) treasury shares.

The share price for Lerøy Seafood Group ASA has fluctuated between NOK 72.26 and NOK 80.26 during Q2 2021. The closing price at the start of the quarter was NOK 73.10 and NOK 75.48 at the end.

A dividend of NOK 2.0 per share was paid in Q2 2021, compared with NOK 1.5 per share in Q2 2020.

Transactions with related parties

Transactions with related parties take place at market terms according to the arm's length principle and are described in the company's annual report for 2020.

Key risk factors

After many years of investments, the Group is a significant owner of farming licences in Norway and the UK, and of wild catch quotas in Norway. The Group faces political risk linked to decisions by public authorities, including framework conditions for fish farming and licence terms related to fisheries legislation. Political risk, including a lack of predictability, will in the long term impair the industry's competitiveness and capacity for development and value creation. Industrial development and employment in capital-intensive activities exposed to global competition, such as fish farming, fisheries and processing, are challenging and require a long-term perspective from businesses and politicians at a national level. With effect from 2021, the industry in Norway is charged a production fee of NOK 0.40 per kilogram harvested salmon/trout in Norway. This is included in operating expenses and will increase the Group's expenses by NOK 75-80 million in 2021. This fee will inhibit competition but will, naturally, not have the same detrimental impact on the Norwegian fish farming industry as a possible "economic rent" would have had. The Group assumes that the taxation debate will now settle down and that, particularly at such a difficult time, more politicians will realise the vital importance of the fish farming industry for employment and settlement along the coast of Norway. There is good reason to highlight the social value inherent in facilitating further development of something so rare as a Norwegian food production industry that is globally competitive.

The Group has accumulated significant expertise in land-based salmon production in the early phase, thanks to its investments in RAS facilities and so-called post-smolt facilities. There is a lot happening in this area, and the Group has plans for a number of projects for land-based production of fish for consumption. It is unlikely that all the projects will be realised, but given the large number of projects in the pipeline, it is probable that some will with time result in some production of fish for consumption. In the short and medium term, this production will not have any significant impact on the global market for Atlantic salmon, but the question of whether this may be the case over a 10-year perspective is more uncertain.

On 20 February 2019, the EU's competition authorities ("the Commission") initiated investigations relating to the suspicion of restrictive practices involving collaboration on the salmon market. The US Department of Justice (DOJ) started an investigation of the Norwegian salmon industry in November 2019. Lerøy Seafood Group ASA is one of the companies to be investigated. In the wake of the European Commission's investigations, companies in Lerøy Seafood Group ASA and a number of other Norwegian-owned aquaculture companies are among those to be sued by customers in the USA and Canada. Please refer to the Group's annual report for more information.

The Group's results are closely linked to developments in the markets for seafood – particularly the price for Atlantic salmon and trout – but also to an increasing degree the price for whitefish, particularly cod, after the investments made in whitefish in 2016. Pricing is determined by where supply and demand

are in equilibrium. The growth in demand in recent years has outstripped the growth in supply, resulting in a positive price development, particularly for salmon and trout. The COVID-19 pandemic has had and continues to have a negative impact on the demand for seafood, but there has been an easing of the COVID-19 restrictions through Q2 2021. The Group's results will continue to be affected by developments in the relationship between supply and demand in the future.

The seafood industry is international, and Norway is an important seafood-exporting nation. Trade barriers have been and will remain a considerable risk factor for the industry. In 2020 and at the start of 2021, we have also observed how pandemics – including restrictions and fear – can negatively affect demand and value chains. However, the market for high-quality seafood is global and has strong underlying growth. Over time, this growth has largely compensated for both political trade barriers and other temporary challenges, providing grounds for an optimistic outlook and our belief that the Group is well positioned to continue its positive long-term development.

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

Examples of other risk areas include credit risk, changes in the prices of input factors and market risk. Please see also the Group's annual report for 2020.

Structural conditions

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

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

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

Our collaboration with public administration in the difficult situation we have experienced in 2020 and the first half of 2021 has been positive, with a major focus on identifying good solutions. We hope this collaboration can develop further, helping to create new jobs and value in the decades to come. We are keen to engage in dialogue, and assume that any future adjustments to framework conditions will be

based on knowledge and insight, so as not to weaken the industrial basis of operations for our industry.

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

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

The Group's financial position is very strong, and it is important for the Board that the Group, through its operations, retains the confidence of participants in the various capital markets. The strong statement of financial position and current earnings support the Group's clear ambition to remain a leading participant in value-creating structural changes in the seafood industry, both nationally and globally. Lerøy Seafood Group will continue to selectively consider possible opportunities for investments, business combinations and alliances that could strengthen the basis for further profitable growth and sustainable value creation. This includes investment opportunities both upstream and downstream. In the coming years, the Group will continue its growth strategy, most recently demonstrated by the integration of Seafood Danmark. This requires the Group to continuously develop and improve its performance in all segments throughout the value chain.

Being listed on the Stock Exchange affords the company a marketplace for its shares, good future access to venture capital as well as the opportunity to use the company's shares as a means of payment in future acquisitions or business combinations.

Market and outlook

Price developments for Atlantic salmon have remained highly volatile at the start of 2021, substantially influenced by the repercussions of the COVID-19 pandemic. It is not possible for the management and Board of Directors to form any precise opinion on the duration or consequences of the pandemic, but developments in 2021 provide grounds for optimism. There are indications that seafood is gaining in popularity with consumers, and we are therefore optimistic with a view to the underlying future trend in demand for seafood, and consequently for the Group's operations and value creation.

The Group's production of red fish currently takes place mainly in Norway. Norwegian and global salmon and trout production are experiencing relatively modest growth, which – combined with a weaker Norwegian krone – has resulted in very high prices. This provides an incentive to start production of salmon in new areas and using new, alternative technologies. These incentives have existed for several years now, but with long lead times for developing the industry, sea-based production in Norway has remained dominant. The harvest volume from land-based production of salmon remains insignificant on the end markets. The market share for Norwegian Atlantic salmon may, in the long term, be affected by production of salmon and trout in new regions and locations. Through business development,

investments and a clear operational focus on competitiveness, the Group shall ensure that its value chain stands strong in the face of competition in the years to come. As well as developing existing farming operations, the Group is accumulating knowledge and/or expertise within both land-based and offshore salmon production.

In recent years, Lerøy has made significant investments in several parts of the value chain, including the construction of facilities for smolt/post-smolt capacity in all the Group's regions. Lerøy Sjøtroll's Kjærelva facility has now been completed, producing around 4,000 tonnes of biomass per year. Lerøy Aurora completed the final construction stage of its new smolt facility in Laksefjord in Q4 2020, and the facility is expected to reach full utilisation in 2021. Lerøy Midt can report that the second stage of development of the Belsvik facility is on schedule. It should be complete by the start of 2022, and the facility will produce around 5,000 tonnes of biomass per year. The Group's investments in improved smolt production and post-smolt production, combined with a number of other initiatives, will support the Group's ambition for continued growth in volume and improved competitiveness by means of lower production costs.

The Group's substantial investments in post-smolt facilities have not only increased its annual harvest volume by means of improved exploitation of existing assets, but also provided significant learnings in RAS technology. This is basically the same technology used in full-scale land-based production of salmon. The Group is in negotiations on a possible further development of a new RAS facility in Vestland county. The plans are initially to develop the facility in three stages. The first and second stages will allow further increases in the Group's post-smolt production. The final stage will also provide facilities for post-smolt production, but could be used for salmon production up to harvest size. The newly acquired industrial site, including the links to the Group's farming operations in West Norway, could improve interaction between land and sea. The lessons learned may potentially be exploited to realise land-based projects in other regions in the future. The development will take place in stages, but initial estimates suggest a cost framework of around NOK 1 billion for the first stages. The development is projected to provide an annual increase in production in the sea of 8,000-10,000 GWT. Construction work is scheduled for completion in 2023.

The Group achieved significant improvements in production in the sea in 2020. The harvest volume was up from approx. 158,000 tonnes in 2019 to 171,000 tonnes in 2020. Moreover, standing biomass increased from 111,000 tonnes at year-end 2019 to 119,000 tonnes at year-end 2020. The first months of 2021 were cold, negatively affecting growth conditions, but growth in Q2 has been satisfactory and the Group maintains its forecast of a harvest volume for 2021, including associates, of 205,000-210,000 tonnes. Ongoing investments and additional improvement initiatives will provide further growth in the years to come.

We are convinced that this growth, combined with other improvement measures, will reduce the Group's release from stock costs for salmon and trout in 2021 and going forward.

The previous interim report explained that the consequences of winter wounds would impair prices realised in Q2 2021. This proved to be the case, but a significant improvement is expected in the second half of the year.

The Group has made substantial investments in whitefish in recent years. One new vessel was added to the fleet in 2018 – Nordtind – and another in early 2020 – Kongsfjord. Further improvements to fish quality were important design criteria for Kongsfjord. Consumers' expectations and quality requirements continue to increase, making high quality and competitiveness key factors for success when competing to attract consumers.

The whitefish industry, also including land-based operations, has suffered significantly from the impact of COVID-19 on demand at the start of 2021. It is naturally not possible for the Group to know how long

the restrictions will last, but Lerøy's long-term plans remain the same. The work on and investments in making the factories less seasonally dependent continue, along with structured and meticulous work on making improvements to each unit. We believe that this process will gradually generate results.

The Group's quotas for 2021 are up 17% for cod, 22% for haddock and 16% for saithe north of 62 degrees latitude, and down 43% for saithe south of 62 degrees. In June, ICES (the International Council for the Exploration of the Sea) published its recommendations for the total quotas of cod, haddock and saithe in 2022. These recommendations entail reductions in the cod and haddock quotas of 20% and 23% respectively. For saithe north of 62 degrees latitude, a quota roughly equivalent to 2021 is recommended, while a 24% reduction is recommended in the total quota for the North Sea. The final quotas will be set by the Norwegian authorities in the autumn.

Lerøy works to develop an efficient and sustainable value chain for seafood. This not only provides cost-efficient solutions, but also quality, availability, a high level of service, traceability, and competitive climate-related and environmental solutions. Investments in recent years, e.g. in a new industrial facility for Lerøy Midt, a new factory in Stamsund and new factories in Spain and the Netherlands, now commissioned, will make a positive contribution in the years to come. The management and Board of Directors are confident that Lerøy has a good starting point for continued profitable growth and development of Group operations.

In Q2 2021, the Group increased its shareholding in Seafood Danmark from 33% to 78%, and the company has been consolidated from Q2. This is the result of a long-term relationship between the parties, and Lerøy looks forward to having this company as an integrated part of the Group. Seafood Danmark's collaboration with demanding customers has afforded them a strong position on the Danish seafood market, but the company is also active on other core markets. Thanks to its well-established organisation, Seafood Danmark will strengthen Lerøy's downstream operations. The company has strong local management who have demonstrated solid operations and good earnings over several years. The company reported operating profit of approx. DKK 70 million in 2020.

On 29 June 2021, Scottish Sea Farms Ltd. (SSF), a joint venture between Lerøy Seafood Group ASA and SalMar ASA, entered into an agreement to purchase 100% of the shares in Grieg Seafood Hjaltdland (GSHU) from Grieg Seafood ASA. The debt-free, cash-free purchase price has been set at GBP 164 million.

GSHU is a vertically integrated Scotland-based producer of salmon with operations in Shetland and the Isle of Skye. The company has 21 active sea locations, a smolt facility and a harvesting plant. GSHU harvested approx. 16,000 tonnes (HOG) Atlantic salmon in 2020. SSF is one of the largest producers in Scotland, with operations in the Orkneys and Shetland and on the Scottish mainland. SSF harvested approx. 24,000 tonnes (HOG) Atlantic salmon in 2020. The management of SSF looks forward to getting started on the work required to improve GSHU's biological and operational performance. SSF's organisation sees significant potential for increased earnings through sound operational understanding, improved biological control and realising synergies by integrating the two companies. The acquisition will be financed by new equity from shareholders and external capital. The transaction is expected to be completed by the end of Q4 2021, assuming approval is obtained from the relevant authorities and the standard terms and conditions.

The Group's products are healthy and good. Production is sustainable from a financial, climate and environmental perspective. The management and Board of Directors continue to expect good underlying growth in demand in the years ahead. It is not possible for the management and Board of Directors to estimate how long the COVID-19 pandemic will last, but we are confident in assuming that demand will with time return to historic levels and continue to develop from there.

The Board of Directors underlines that uncertainties related to assessments of future developments

remain higher than normal, but current estimates are that earnings could be negatively impacted by COVID-19 restrictions for some time to come. At the same time, it is noted that the Group's underlying development is good, something that we consider – in the current circumstances – provides a basis for a significant uptick in profitability this year compared with 2020. The Group will harvest around 60% of the volume for 2021 in the second half of the year, and the market development, including price developments for salmon, will of course have a significant impact on earnings. The current forecast is for earnings in Q3 2021 to show a significant improvement on the second quarter.

The Board of Directors and corporate management would like to thank all the Group's employees for their valuable work to date during the COVID-19 pandemic.

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

Bergen, 18 August 2021

The Board of Directors of Lerøy Seafood Group ASA

Helge Singelstad
Chairman of the Board

Arne Møgster
Board member

Britt Kathrine Drivenes
Board member

Siri Lill Mannes
Board member

Didrik Munch
Board member

Karoline Møgster
Board member

Hans Petter Vestre
Board member, employee representative

Henning Beltestad
CEO

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2021 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Group’s assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Bergen, 18 August 2021



Helge Singelstad
Chairman of the Board



Arne Møgster
Board Member



Britt Kathrine Drivenes
Board Member



Karoline Møgster
Board Member



Didrik Munch
Board Member



Siri Lill Mannes
Board Member



Hans Petter Vestre
Employee’s representative



Henning Beltestad
Group CEO

Lerøy Seafood Group Consolidated

Resultatregnskap / Income Statement

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

	Note	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Driftsinntekt / Operating revenue	3	5 304 250	4 711 822	10 229 036	10 017 216	19 959 652
Andre gevinster og tap / other gains and losses		44 422	837	46 517	1 304	6 569
Vareforbruk / Cost of goods sold		2 918 045	2 811 286	5 527 935	5 423 186	11 107 004
Lønnskostnader / Salaries and other personnel costs		783 823	652 779	1 678 731	1 550 854	3 072 129
Andre driftskostnader / Other operating costs		747 694	642 175	1 410 460	1 341 261	2 678 293
Driftsresultat før avskrivninger og verdijusteringer* / EBITDA before fair value adjustments*	2, 3	899 110	606 419	1 658 427	1 703 218	3 108 795
Avskrivninger / Depreciation	4	316 341	284 086	620 226	565 162	1 157 589
Nedskrivninger / Impairment loss	4	-	0	-	0	1 551
Driftsresultat før verdijusteringer* / EBIT before fair value adjustments*	2, 3	582 769	322 333	1 038 201	1 138 056	1 949 655
Verdijusteringer knyttet til biologiske eiendeler / Fair value adjustments related to biological assets	5	685 882	291 499	1 049 057	-237 075	-826 751
Driftsresultat / Operating profit (EBIT)	5	1 268 651	613 832	2 087 258	900 981	1 122 903
Inntekt fra tilknyttede selskaper / Income from associated companies	8	59 526	18 219	115 775	1 460	105 359
Netto finansposter / Net financial items		-54 280	-62 672	-92 707	-156 729	-241 378
Resultat før skatt og verdijusteringer* / Profit before tax and fair value adj.*	2	580 458	303 402	1 035 203	1 037 165	1 869 301
Resultat før skattekostnad / Profit before tax		1 273 898	569 379	2 110 326	745 711	986 883
Beregnete skatter / Estimated taxation		-264 359	-121 200	-437 149	-170 138	-196 674
Periodens resultat / Profit for the period		1 009 539	448 179	1 673 177	575 573	790 209
Henføres til / Attributable to:						
Kontrollerende eierinteresser / Controlling interests		945 463	452 865	1 571 783	578 990	794 335
Ikke-kontrollerende eierinteresser / Non-controlling interests		64 076	-4 686	101 394	-3 417	-4 126

Totalresultatoppstilling / Statement of comprehensive income

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

	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Periodens resultat / Profit for the period	1 009 539	448 179	1 673 177	575 573	790 209
Andre inntekter og kostnader, etter skatt / Other comprehensive income, net of tax					
Poster som senere kan reklassifiseres til resultatet / Items to be reclassified to profit or loss in subsequent periods					
Omregningsdifferanser m.m på TS / Equity adjustments associates	198	-53 125	3 999	30 951	9 583
Øvrige omregningsdifferanse m.m / Other currency translation differences etc.	12 743	-53 659	-31 697	81 037	35 088
Verdiendring fin.instrumenter (sikring) / Change in FV fin.instruments (hedges)	13 352	1 771	44 554	-64 164	-34 429
Totalresultatposter fra TS / Comprehensive income items from associated companies	2 969	305	-888	-3 631	-4 947
Poster som ikke senere kan reklassifiseres til resultatet / Items not to be reclassified to profit or loss in subsequent periods:					
Resirkulering av tidligere omregningsdifferanser/ Recycling of previous translation differences	-7 173	-45	-7 173	-5	-5
Gevinst/tap på ytelsespensjonsplan / Actuarial gains/loss on defined benefit plans	-81	0	-32	0	0
Totalresultat for perioden / comprehensive income for the period	1 031 547	343 426	1 681 940	619 762	795 499
Totalresultat for perioden henføres til / Comprehensive income for the period is allocated to:					
Kontrollerende eierinteresser / Controlling interests	967 470	348 112	1 580 546	623 178	799 625
Ikke-kontrollerende eierinteresser / Non-controlling interests	64 076	-4 686	101 394	-3 417	-4 126
Totalresultat for perioden / comprehensive income for the period	1 031 547	343 426	1 681 940	619 762	795 499

*) Alternativt resultatmål. Se note 2 for definisjon og avstemming / Alternative performance measure. See note 2 for definition and reconciliation

Oppstilling av finansiell stilling / Statement of financial position

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

	Note	30.06.2021	30.06.2020	31.12.2020
Eiendeler / Assets				
Immaterielle eiendeler / Intangible assets	4	8 608 785	8 223 566	8 325 390
Bruksretteeiendeler / Right-of-use assets	4	2 602 307	2 325 694	2 429 037
Varige driftsmidler / Tangible fixed assets	4	7 179 396	6 706 629	6 797 080
Finansielle anleggsmidler / Financial non-current assets	4	1 132 898	1 050 007	1 150 668
Sum anleggsmidler / Total non-current assets		19 523 386	18 305 896	18 702 174
Biologiske eiendeler / Biological assets	5	5 799 059	5 016 027	4 913 512
Andre varer / Other inventories		1 318 389	1 294 010	1 094 571
Kundefordringer / Account receivables		2 112 668	1 791 214	1 867 505
Andre fordringer / Other receivables		662 718	653 899	618 928
Betalingsmidler / Cash and cash equivalents		2 426 935	3 072 950	2 966 409
Sum omløpsmidler / Total current assets		12 319 769	11 828 100	11 460 924
Sum eiendeler / Total assets		31 843 155	30 133 996	30 163 099
Egenkapital og gjeld / Equity and debt				
Innskutt egenkapital / Paid in equity	7	4 837 893	4 837 893	4 837 893
Opptjent egenkapital / Earned equity		12 308 753	11 742 704	11 919 158
Ikke-kontrollerende eierinteresser / Non-controlling interests		1 085 793	878 138	875 718
Sum egenkapital / Total equity		18 232 439	17 458 735	17 632 769
Langsiktig gjeld / Long term debt				
Lån fra kredittinstitusjoner / Loans from credit institutions		4 126 726	4 159 419	3 992 432
Andre langsiktige lån / Other long term loans		1 061	1 453	1 246
Leieforpliktelser ovenfor kredittinstitusjoner / lease liabilities to credit institutions		987 798	883 041	1 041 812
Leieforpliktelser ovenfor andre / Other lease liabilities		1 040 750	944 914	858 164
Avsetninger for andre langsiktige forpliktelser / Other accrued long term liabilities		2 670 279	2 582 260	2 368 116
Sum langsiktig gjeld / Total long term debt		8 826 613	8 571 087	8 261 770
Kortsiktig gjeld / Short term debt				
Kortsiktig del av lån fra kredittinstitusjoner / Short term part of loans from credit institutions		375 422	454 576	396 610
Kortsiktig del av andre langsiktige lån / Short term part of other long term loans		1 515	1 527	1 519
Kortsiktig del av leieforpliktelser ovenfor kredittinstitusjoner / Short term part of lease liabilities to credit institutions		238 062	221 080	238 437
Kortsiktig del av leieforpliktelser ovenfor andre / Short term part of other lease liabilities		250 453	192 314	200 571
Kassekreditt / Overdrafts		567 871	848 752	767 619
Andre kortsiktige kreditter / Other short term loans		309 711	19 667	47 501
Leverandørgjeld / Account payables		1 623 061	1 180 350	1 194 471
Annen kortsiktig gjeld / Other short-term liabilities		1 418 008	1 185 907	1 421 831
Sum kortsiktig gjeld / Total short term		4 784 103	4 104 173	4 268 560
Sum gjeld / total debt		13 610 716	12 675 260	12 530 330
Sum egenkapital og gjeld / Total equity and liabilities		31 843 155	30 133 996	30 163 099

Nøkkeltall / Key figures

	Note	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Høstet volum laks og ørret (GWT) / Harvest volume salmon and trout (GWT)		36 756	38 896	78 906	78 273	170 849
Fangstvolum hvitfisk og reker (tonn) / Catches whitefish and shrimps (tonnes)		16 345	19 708	42 066	44 717	68 419
Resultatmargin før verdijusteringer* / Profit margin before fair value adjustments*		10,9 %	6,4 %	10,1 %	10,4 %	9,4 %
Resultatmargin / Profit margin ¹⁾		24,0 %	12,1 %	20,6 %	7,4 %	4,9 %
Driftsmargin før verdijusteringer* / Operating margin before fair value adjustments*		11,0 %	6,8 %	10,1 %	11,4 %	9,8 %
Driftsmargin / Operating margin ²⁾		23,9 %	13,0 %	20,4 %	9,0 %	5,6 %
Resultat per aksje før verdijusteringer* / Earnings per share before fair value adjustments*		0,74	0,42	1,32	1,33	2,46
Resultat per aksje / Earnings per share ³⁾		1,59	0,76	2,64	0,97	1,33
Utvannet resultat per aksje / Diluted earnings per share		1,59	0,76	2,64	0,97	1,33
ROCE før verdijusteringer* (annualisert) / ROCE before fair value adjustments* (annualised)		12,1 %	7,2 %	10,7 %	12,0 %	10,5 %
ROCE (annualisert) / ROCE (annualised) ⁴⁾		24,3 %	12,1 %	20,2 %	8,7 %	5,9 %
Egenkapitalandel / Equity ratio		57,3 %	57,9 %	57,3 %	57,9 %	58,5 %
Kontantstrøm per aksje / Cash-flow per share ⁵⁾		1,44	1,41	2,84	2,15	3,97
Utvannet kontantstrøm per aksje / Diluted cash-flow per share		1,44	1,41	2,84	2,15	3,97
Netto rentebærende gjeld / Net interest bearing debt (NIBD)	2, 6	4 181 230	3 516 565	4 181 230	3 516 565	3 520 768
Utbetalt utbytte per aksje (i kroner) / Paid dividend per share		2,00	1,50	2,00	1,50	1,50

*) Knyttet til biologiske eiendeler

1) Resultatmargin = Resultat før skatt / salgsinntekter

2) Driftsmargin = Driftsresultat / salgsinntekter

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

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

5) Kontantstrøm fra drift

6) IKE = Ikke kontrollerende eierinteresser

*) Related to biological assets

1) Profit margin = Profit before tax / revenues

2) Operating margin = Operating profit / revenues

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

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

5) Cash-flow from operations

6) NCI = Non controlling interests

Oppstilling av kontantstrømmer / Statement of cash flows

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

	<u>Q2 2021</u>	<u>Q2 2020</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>2020</u>
Kontantstrøm fra drift / Cash flow from operating activities					
Resultat før skatt / Profit before tax	1 273 898	569 379	2 110 326	745 711	986 883
Betalt skatt / Income tax paid	-110 325	-45 298	-224 105	-261 207	-455 890
Gevinst ved salg anleggsmidl. / Gain from disposal of non-current assets	-44 422	-837	-46 517	-1 304	-6 570
Ordinære avskrivninger / Ordinary depreciation	316 343	284 086	620 228	565 162	1 157 590
Nedskrivninger anleggsmidler / Impairment loss non-current assets	0	0	0	0	1 551
Resultat tilknyttede selskaper / Profit from associated companies	-59 526	-18 219	-115 775	-1 460	-105 358
Endring i verdjusteringer knyttet til biologiske eiendeler / Ch. in FV adj. related to biological assets	-687 459	-290 742	-1 049 057	237 075	826 751
Endring varelager / Change in inventories	-34 293	224 648	104 577	32 530	-255 243
Endring kundefordringer / Change in accounts receivable	-23 844	547 108	-14 768	453 134	376 843
Endring leverandører / Change in accounts payable	305 352	-124 925	320 543	-373 721	-359 600
Poster klass. som finansieringsaktiviteter / Items reclassified as financing activities	54 280	62 672	92 707	156 729	241 378
Andre tidsavgrensninger / Other accruals	-133 003	-370 808	-109 860	-274 727	-41 484
Netto kontantstrøm fra drift / Net cash flows from operating activities	857 001	837 063	1 688 299	1 277 923	2 366 851
Kontantstrøm fra investeringsaktiviteter / Cash flow from investing activities					
Netto investering i varige driftsmidler etc. / Net investment in fixed assets etc.	-291 949	-205 698	-482 540	-733 201	-1 183 729
Innbetaling ifm avgang bruksretteiendeler / Proceeds received from disposal of ROU assets	12 186	2 004	12 186	4 117	1 260
Netto investering i immaterielle eiendeler / Net investment in intangible fixed assets	4 082	-5 089	3 005	-48 618	-182 787
Netto inn(+)/ut(-)betaling ved salg/kjøp av aksjer / Net payments for acquisitions of shares	-2 380	3	-2 250	-11	-27 086
Netto utbetaling v/kjøp av konsernselskaper / Net acquisitions of group companies	-157 722	0	-199 390	0	-1 516
Betalingsmidler fra virksomhetsoverdragelser / Cash from business combinations	0	0	2 948	0	0
Innbetaling av utbytte fra tilknyttede selskaper / Dividend from associates	13 514	24 440	13 514	24 440	28 752
Renteinntekter mottatt / Interests received	0	2 477	0	8 756	25 550
Endring langsiktige fordringer etc. / Change in long-term receivables etc.	590	-17 151	747	-17 177	-14 656
Netto kontantstrøm fra investeringsaktiviteter/Net cash flow from investing activities	-421 679	-199 014	-651 780	-761 693	-1 354 213
Kontantstrøm fra finansieringsaktiviteter / Cash flow from financing activities					
Netto endring i kortsiktige kreditter / Net change in bank overdraft	317 069	350 299	-63 877	283 293	229 994
Netto endring langsiktig gjeld / Net change in long-term debt	-235 319	193 398	-206 080	320 505	-128 494
Betalte rentekostnader og netto finanskostnader / Interests and net financial costs paid	-54 837	-80 267	-104 866	-153 797	-254 449
Utbetaling av utbytte / Dividend payments	-1 201 171	-919 547	-1 201 171	-924 332	-924 332
Netto kontantstrøm fra finansieringsaktiviteter / Net cash flow from financing activities	-1 174 258	-456 117	-1 575 994	-474 332	-1 077 281
Netto kontantstrøm for perioden / Net cash flows for the period	-738 936	181 932	-539 475	41 898	-64 643
Betalingsmidler v/periodens begynnelse / Cash and cash equiv. at beginning of period	3 165 871	2 891 017	2 966 409	3 031 052	3 031 052
Betalingsmidler ved periodens slutt / Cash and equivalents at end of period	2 426 935	3 072 950	2 426 935	3 072 950	2 966 409

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

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

	<u>Q2 2021</u>	<u>Q2 2020</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>2020</u>
Investering i perioden/ Investment during the period					
Netto kontantstrøm fra varige driftsmidler / Net cash flow from fixed assets	291 949	205 698	482 540	733 201	1 183 729
Netto inv. i bruksretteiendeler fra kredittinst. */ Investment in ROU from credit inst., net *	11 799	115 644	66 236	169 591	466 680
Sum investering i varige driftsmidler og bruksretteiendeler / Total FA and RoU assets	303 748	321 342	548 776	902 792	1 650 409
Netto tilgang immaterielle eiendeler / Additon intangibles, net	-4 082	5 089	-3 005	48 618	182 787
Samlet investering / Total investment	299 666	326 431	545 771	951 410	1 833 196

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

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

Oppstilling av endringer i egenkapital / Statement of changes in equity

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

	Innskutt egenkapital / Paid in capital	Annen egenkapital / Other equity	Sum KE* / Total CI*	Sum IKE** / Total NCI**	Sum egenkapital / Total equity
2021					
Egenkapital per 1.1.2021 / Equity at 1.1.2021	4 837 893	11 919 158	16 757 051	875 718	17 632 769
Periodens resultat per første halvår 2021 / Net income as of H1 2021		1 571 783	1 571 783	101 394	1 673 177
Omregningsdifferanser i perioden / Currency conversion differences		-34 871	-34 871		-34 871
Verdiendring fin.instrumenter (sikring) / Change in fair value fin.instruments (hedges)		44 554	44 554		44 554
Gevinst/tap knyttet til ytelsespensjonsplan / Actuarial gain/loss on defined benefit plans		-32	-32		-32
Totalresultatposter fra TS / OCI from associated companies		-888	-888		-888
Totalresultat per første halvår 2021 / Comprehensive income as of H1 2021	0	1 580 546	1 580 546	101 394	1 681 940
Utbytte / Dividends		-1 191 547	-1 191 547	-10 220	-1 201 767
Utbytte på egne aksjer / Dividend on own shares		596	596		596
Virksomhetssamenslutninger/Business combinations			0	118 901	118 901
Sum øvrige endringer i egenkapital / Total other changes in equity	0	-1 190 951	-1 190 951	108 681	-1 082 270
Egenkapital per 30.06.2021 / Equity at 30.06.2021	4 837 893	12 308 753	17 146 646	1 085 793	18 232 439

	Innskutt egenkapital / Paid in capital	Annen egenkapital / Other equity	Sum KE* / Total CI*	Sum IKE** / Total NCI**	Sum egenkapital / Total equity
2020					
Egenkapital per 1.1.2020 / Equity at 1.1.2020	4 837 893	12 012 739	16 850 632	912 673	17 763 305
Periodens resultat 2020 / Net income 2020		794 335	794 335	-4 126	790 209
Omregningsdifferanser i perioden / Currency conversion differences		44 666	44 666		44 666
Verdiendring fin.instrumenter (sikring) / Change in fair value fin.instruments (hedges)		-34 429	-34 429		-34 429
Totalresultatposter fra TS / OCI from associated companies		-4 947	-4 947		-4 947
Totalresultat 2020 / Comprehensive income 2020	0	799 625	799 625	-4 126	795 499
Utbytte / Dividends		-893 661	-893 661	-31 118	-924 779
Utbytte på egne aksjer / Dividend on own shares		447	447		447
Endring i IKE** / Changes in NCI**		7	7	-1 711	-1 704
Sum øvrige endringer i egenkapital / Total other changes in equity	0	-893 207	-893 207	-32 829	-926 036
Egenkapital per 31.12.2020 / Equity at 31.12.2020	4 837 893	11 919 158	16 757 051	875 718	17 632 769

* Kontrollerende eierinteresser / Controlling interests

** Ikke-kontrollerende eierinteresser / Non-controlling interests

Noter / Notes

Note 1: Regnskapsprinsipper / Accounting Principles

Denne rapporten er utarbeidet i henhold til standard for delårsrapportering (IAS 34). Alle tall utover årsregnskapstall fra forrige år er ureviderte. Denne delårsrapporten inneholder ikke all nødvendig informasjon som er påkrevd av International Financial Reporting Standards (IFRS) i årsregnskapet og bør derfor leses i sammenheng med konsernets årsregnskap for 2020.

This report is prepared according to standard for interim financial reporting (IAS 34). All figures are unaudited, except year end figures (last year). The interim condensed consolidated financial statements do not include all the information and disclosures required by International Financial Reporting Standards (IFRS) in the annual financial statements and should be read in conjunction with the Group's Annual Financial Statements 2020.

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

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

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

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

Driftsresultat før verdjusteringer / EBIT before fair value adjustments

Driftsresultat før verdjusteringer er et alternativt resultatmål som benyttes av konsernet. I henhold til IFRS skal biologiske eiendeler (fisk i sjø) vurderes til virkelig verdi i balansen (IAS 41). Beregningen av virkelig verdi omfatter ulike forutsetninger om fremtiden, herunder prisutvikling. Endringer i markedets prisforventninger kan derfor gi svært store endringer i balanseført verdi. Siden denne verdiendringen inngår i driftsresultat (EBIT) slik det er definert i IFRS, vil ikke denne tallstørrelsen alene kunne gi et tilstrekkelig bilde av konsernets prestasjon i perioden. Det samme gjelder to andre balanseposter knyttet til biologiske eiendeler, tapskontrakter (IAS 37) og finansielle Fish Pool kontrakter (IFRS 9). Konsernet har derfor valgt å presentere driftsresultatet slik det ville sett ut før resultatføring av de ovennevnte virkelig-verdjusteringene, som et alternativt resultatmål. Gjennom å vise (1) EBIT før verdjusteringer, (2) verdjusteringer i perioden og (3) EBIT etter verdjusteringer, vil regnskapsbrukeren enkelt kunne se hvor mye av driftsresultatet som består av endringer i virkelig verdi (verdjusteringer), og derigjennom sammenligne prestasjon på tvers av selskaper i samme bransje. I noten om biologiske eiendeler er det beskrevet nærmere hvordan verdjusteringen beregnes, og størrelsen på de ulike komponentene. Følgende komponenter inngår:

EBIT before fair value adjustments is an APM utilised by the Group. Pursuant to IFRS, biological assets (fish in the sea) shall be measured at fair value in the statement of financial position (IAS 41). Estimates of fair value require various assumptions about the future, including price developments. Changes in the market's price expectations may therefore result in major changes in carried value. As this change in value is included in the operating profit or loss (EBIT) as defined in IFRS, this figure alone is not sufficient to illustrate the Group's performance during the period. The same applies to other items on the statement of financial position related to biological assets, onerous contracts (IFRS 37) and financial fish-pool contracts (IFRS 9). The Group has therefore elected to present operating profit as it would be presented before recognition of the above-mentioned fair value adjustments, as an alternative performance measure. By presenting (1) EBIT before fair value adjustments, (2) fair value adjustments in the period and (3) EBIT after fair value adjustments, the user of the financial statements will easily be able to identify how much of the operating profit comprises changes in fair value (fair value adjustments) and thereby compare performance with other companies in the same industry. The note on biological assets contains a detailed description of how fair value adjustment is calculated and the figures for each component. The following components are included:

	<u>Q2 2021</u>	<u>Q2 2020</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>2020</u>
Driftsresultat / Operating profit (EBIT)	1 268 651	613 832	2 087 258	900 981	1 122 903
- Virkelig verdjusteringer / Fair value adjustments	-685 882	-291 499	-1 049 057	237 075	826 751
= Driftsresultat før verdjusteringer / EBIT before fair value adjustments	582 769	322 333	1 038 201	1 138 056	1 949 655

Verdjusteringer består av / Fair value adjustments consists of:

1. Endring verdjustering på beholdning av fisk i sjø / Change in fair value adjustment on fish in sea
2. Endring verdjustering på beholdning av smolt, yngel og rensefisk * / Change in fair value adjustment on roe, fry and cleaning fish *
3. Endring verdjustering på tapskontrakter (knyttet til salg av laks og ørret) / Change in fair value adjustment on onerous contracts (salmon and trout)
4. Endring verdjustering på finansielle kontrakter på laks (ikke sikring) / Change in fair value adjustment on financial contracts on salmon (not hedges)

* For denne gruppen er det lagt til grunn at historisk kost er beste estimat på virkelig verdi. Se note 5 for ytterligere detaljer.

Driftsresultat før avskrivninger og verdjusteringer / EBITDA before fair value adjustments

Driftsresultat før avskrivninger og verdjusteringer er et alternativt resultatmål. Det er beregnet på samme måte som for "Driftsresultat før verdjusteringer" (ovenfor).

EBITDA before fair value adjustments is an APM. Calculation is identical as the calculation of "EBIT before fair value adjustments" (above).

Resultat før skatt og verdjusteringer / Profit before tax and fair value adjustments

Resultat før skatt og verdjusteringer er et alternativt resultatmål som benyttes av konsernet. I henhold til IFRS skal biologiske eiendeler vurderes til virkelig verdi i balansen (IAS 41). Det alternative resultatmålet viser hvordan resultatet før skatt ville sett ut dersom IAS 41 ikke hadde vært anvendt. Dette innebærer at foretatte verdjusteringer på fisk i sjø reverseres. Reverseringen omfatter konsernets egen verdjustering samt verdjusteringer som inngår i resultatandeler fra tilknyttede selskaper (TS) ført etter egenkapitalmetoden, som også anvender IAS 41. Følgende poster inngår:

Profit before tax and fair value adjustments is an APM utilised by the Group. Pursuant to IFRS, biological assets (fish in the sea) shall be measured at fair value in the statement of financial position (IAS 41). The APM demonstrates how the result would have been if IAS 41 not had been applied. This implies that the FV adjustment on fish in sea are reversed (eliminated). This includes both the group's own FV adjustment and also the FV adjustments included in the income from associated companies (AC) also applying IAS 41, following the equity method. The components included are:

	<u>Q2 2021</u>	<u>Q2 2020</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>2020</u>
Resultat før skatt / Profit before tax	1 273 898	569 379	2 110 326	745 711	986 883
- Virkelig verdjusteringer / Fair value adjustments	-685 882	-291 499	-1 049 057	237 075	826 751
- Virkelig verdjust. inkl. i resultatandeler fra TS */ Fair value adj. incl. in income from AC*	-7 558	25 523	-26 066	54 379	55 666
= Resultat før skatt og verdjusteringer / Profit before tax and fair value adjustments	580 458	303 402	1 035 203	1 037 165	1 869 301

* Se note 8 for detaljer / see note 8 for details

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

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

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

	30.06.2021	30.06.2020	31.12.2020
Lån fra kredittinstitusjoner * / Loans from credit institutions *	4 502 147	4 613 995	4 389 042
+ Leieforpliktelser ovenfor kredittinstitusjoner * / Lease liabilities to credit institutions *	1 225 860	1 104 121	1 280 249
+ Andre langsiktige lån * / Other long term loans *	2 575	2 980	2 765
+ Kassekreditt / Overdrafts	567 871	848 752	767 619
+ Andre kortsiktige kreditter / Other short term loans	309 711	19 667	47 501
- Betalingsmidler / Cash and cash equivalents	-2 426 935	-3 072 950	-2 966 409
= Netto rentebærende gjeld (NIBD) ** / Net interest bearing debt (NIBD) **	4 181 230	3 516 565	3 520 768

* Både langsiktig og kortsiktig del / Both long-term and short-term portion

** Se note 6 for oversikt over periodens bevegelser i NIBD / See note 6 for an overview of changes in NIBD during the period

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

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

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

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

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

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

Geografisk fordeling / Geographic market	Q2 2021	%	Q2 2020	%
EU	2 963 290	55,9	2 534 847	53,8
Norge / Norway	935 006	17,6	954 511	20,3
Asia / Asia Pacific	856 768	16,2	804 392	17,1
USA & Canada	266 427	5,0	181 744	3,9
Resten av Europa/Rest of Europe	262 541	4,9	195 158	4,1
Andre / Others	20 218	0,4	41 171	0,9
Sum omsetning / Total revenues	5 304 251	100,0	4 711 822	100,0

	YTD 2021	%	YTD 2020	%	2020	%
EU	5 468 972	53,5	5 251 272	52,4	10 227 787	51,2
Norge / Norway	1 969 889	19,3	2 088 628	20,9	3 996 937	20,0
Asia / Asia Pacific	1 619 935	15,8	1 755 596	17,5	3 322 732	16,6
USA & Canada	530 006	5,2	429 918	4,3	851 006	4,3
Resten av Europa/Rest of Europe	588 559	5,8	408 457	4,1	1 396 749	7,0
Andre / Others	51 676	0,5	83 345	0,8	164 441	0,8
Sum omsetning / Total revenues	10 229 036	100,0	10 017 216	100,0	19 959 652	100,0

Produktområde / Product areas	Q2 2021	%	Q2 2020	%
Hel laks / Whole salmon	1 795 495	33,9	1 787 277	37,9
Bearbeidet laks / Processed salmon	1 583 504	29,9	1 265 275	26,9
Hvitfisk / Whitefish	1 092 027	20,6	811 678	17,2
Ørret / Salmontrout	349 179	6,6	382 475	8,1
Skalldyr / Shellfish	184 934	3,5	209 448	4,4
Pelagisk / Pelagic fish	24 947	0,5	21 457	0,5
Annet / Others	274 165	5,2	234 213	5,0
Sum omsetning / Total revenues	5 304 251	100,0	4 711 822	100,0

	YTD 2021	%	YTD 2020	%	2020	%
Hel laks / Whole salmon	3 706 751	36,2	3 815 760	38,1	7 626 623	38,2
Bearbeidet laks / Processed salmon	2 915 393	28,5	2 461 180	24,6	5 028 634	25,2
Hvitfisk / Whitefish	2 015 833	19,7	1 933 107	19,3	3 364 016	16,9
Ørret / Salmontrout	632 048	6,2	869 869	8,7	1 894 768	9,5
Skalldyr / Shellfish	367 373	3,6	385 971	3,9	867 367	4,3
Pelagisk / Pelagic fish	36 362	0,4	34 662	0,3	83 354	0,4
Annet / Others	555 277	5,4	516 668	5,2	1 094 892	5,5
Sum omsetning / Total revenues	10 229 036	100,0	10 017 216	100,0	19 959 652	100,0

Driftssegmenter / Operating segments	Villfangst / Wildcatch	Havbruk / Farming	VAP, salg og distribusjon / VAP, sales and distribution	LSG ASA / other	Eliminering / elimination	Konsern / Group
Q2 2021						
Ekstern omsetning / external revenues	209 258	59 711	5 035 280	0	0	5 304 250
Intern omsetning / intra-group revenues	476 786	2 116 891	86 722	34 620	-2 715 020	0
Omsetning / Sales	686 045	2 176 603	5 122 002	34 620	-2 715 020	5 304 250
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	115 336	608 803	203 697	-41 225	12 500	899 110
EBIT før verdjusteringer * / EBIT before fair value adjustments *	64 803	388 049	161 161	-43 744	12 500	582 769
Driftsresultat (EBIT) / Operating profit (EBIT)	64 803	1 073 917	161 175	-43 744	12 500	1 268 651
Driftsmargin før verdjusteringer * / Operating margin before fair value adjustments	9,4 %	17,8 %	3,1 %			11,0 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	16 345					16 345
Produsert volum (GWT) laks og ørret / Harvest volume salmon and trout (GWT)		36 756				36 756
EBIT */kg produsert volum laks og ørret / EBIT */kg harvested salmon and trout	1,8	10,6	4,4	-1,2	0,3	15,9
EBIT** villfangst / fangstvolum i kg / EBIT** in Wildcatch / catch volume in kg	4,0				0,8	4,7
EBIT* øvrige segm. /kg laks og ørret / EBIT* other segments /kg salmon & trout		10,6	4,4	-1,2	0,0	13,8
* Verdjusteringer knyttet til biologiske eiendeler / Fair value adjustments related to biological assets						
** Hensyntatt lagerendring og tilhørende eliminering av interfortjeneste / Including effect from changes in stock and corresponding elimination for internal profit.						
Q2 2020						
Ekstern omsetning / external revenues	263 713	50 864	4 397 245	0	0	4 711 822
Intern omsetning / intra-group revenues	345 767	2 044 729	85 950	36 202	-2 512 648	0
Omsetning / Sales	609 480	2 095 593	4 483 195	36 202	-2 512 648	4 711 822
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	42 240	414 109	149 976	-25 506	25 600	606 419
EBIT før verdjusteringer * / EBIT before fair value adjustments *	-5 073	215 635	114 115	-27 944	25 600	322 333
Driftsresultat (EBIT) / Operating profit (EBIT)	-5 073	507 134	114 115	-27 944	25 600	613 832
Driftsmargin før verdjusteringer * / Operating margin before fair value adjustments	-0,8 %	10,3 %	2,5 %			6,8 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	19 708					19 708
Produsert volum (GWT) laks og ørret / Harvest volume salmon and trout (GWT)		38 896				38 896
EBIT */kg produsert volum laks og ørret / EBIT */kg harvested salmon and trout	-0,1	5,5	2,9	-0,7	0,7	8,3
EBIT** villfangst / fangstvolum i kg / EBIT** in Wildcatch / catch volume in kg	-0,3				1,3	1,0
EBIT* øvrige segm. /kg laks og ørret / EBIT* other segments /kg salmon & trout		5,5	2,9	-0,7	0,0	7,8
* Verdjusteringer knyttet til biologiske eiendeler / Fair value adjustments related to biological assets						
** Hensyntatt lagerendring og tilhørende eliminering av interfortjeneste / Including effect from changes in stock and corresponding elimination for internal profit.						
YTD 2021						
Ekstern omsetning / external revenues	437 458	181 450	9 610 127	0	0	10 229 036
Intern omsetning / intra-group revenues	1 115 535	4 214 847	140 270	68 311	-5 538 964	0
Omsetning / Sales	1 552 994	4 396 298	9 750 397	68 311	-5 538 964	10 229 036
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	350 519	1 074 812	340 816	-77 420	-30 300	1 658 427
EBIT før verdjusteringer * / EBIT before fair value adjustments *	249 621	639 279	262 045	-82 444	-30 300	1 038 201
Driftsresultat (EBIT) / Operating profit (EBIT)	249 621	1 689 899	260 482	-82 444	-30 300	2 087 258
Driftsmargin før verdjusteringer * / Operating margin before fair value adjustments	16,1 %	14,5 %	2,7 %			10,1 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	42 066					42 066
Produsert volum (GWT) laks og ørret / Harvest volume salmon and trout (GWT)		78 906				78 906
EBIT */kg produsert volum laks og ørret / EBIT */kg harvested salmon and trout	3,2	8,1	3,3	-1,0	-0,4	13,2
EBIT** villfangst / fangstvolum i kg / EBIT** in Wildcatch / catch volume in kg	5,9				-0,7	5,2
EBIT* øvrige segm. /kg laks og ørret / EBIT* other segments /kg salmon & trout		8,1	3,3	-1,0	0,0	10,4
* Verdjusteringer knyttet til biologiske eiendeler / Fair value adjustments related to biological assets						
** Hensyntatt lagerendring og tilhørende eliminering av interfortjeneste / Including effect from changes in stock and corresponding elimination for internal profit.						
YTD 2020						
Ekstern omsetning / external revenues	604 816	167 248	9 245 151	0	0	10 017 216
Intern omsetning / intra-group revenues	996 301	4 318 215	150 055	72 515	-5 537 086	0
Omsetning / Sales	1 601 117	4 485 463	9 395 206	72 515	-5 537 086	10 017 216
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	360 153	1 170 695	240 156	-53 903	-13 883	1 703 218
EBIT før verdjusteringer * / EBIT before fair value adjustments *	264 531	777 661	168 521	-58 774	-13 883	1 138 056
Driftsresultat (EBIT) / Operating profit (EBIT)	264 531	540 586	168 521	-58 774	-13 883	900 981
Driftsmargin før verdjusteringer * / Operating margin before fair value adjustments	16,5 %	17,3 %	1,8 %			11,4 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	44 717					44 717
Produsert volum (GWT) laks og ørret / Harvest volume salmon and trout (GWT)		78 273				78 273
EBIT */kg produsert volum laks og ørret / EBIT */kg harvested salmon and trout	3,4	9,9	2,2	-0,8	-0,2	14,5
EBIT** villfangst / fangstvolum i kg / EBIT** in Wildcatch / catch volume in kg	5,9				-0,2	5,7
EBIT* øvrige segm. /kg laks og ørret / EBIT* other segments /kg salmon & trout		9,9	2,2	-0,8	-0,1	11,3
* Verdjusteringer knyttet til biologiske eiendeler / Fair value adjustments related to biological assets						
** Hensyntatt lagerendring og tilhørende eliminering av interfortjeneste / Including effect from changes in stock and corresponding elimination for internal profit.						

Driftssegmenter / Operating segments	Villfangst / Wildcatch	Havbruk / Farming	VAP, salg og distribusjon / VAP, sales and distribution	LSG ASA / other	Eliminering / elimination	Konsern / Group
2020						
Ekstern omsetning / external revenues	981 991	356 643	18 621 003	15	0	19 959 652
Intern omsetning / intra-group revenues	1 592 066	8 732 491	265 216	128 161	-10 717 934	0
Omsetning / Sales	2 574 057	9 089 134	18 886 219	128 176	-10 717 934	19 959 652
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	398 248	2 189 049	623 942	-105 063	2 618	3 108 795
EBIT før verdjusteringer * / EBIT before fair value adjustments *	204 978	1 381 485	475 470	-114 896	2 618	1 949 655
Driftsresultat (EBIT) / Operating profit (EBIT)	204 978	554 734	475 470	-114 896	2 618	1 122 903
Driftsmargin før verdjusteringer * / Operating margin before fair value adjustments	8,0 %	15,2 %	2,5 %			9,8 %
Fangstvolum (HOG) i tonn / Catch volume (HOG) in tonnes	68 419					68 419
Produsert volum (GWT) laks og ørret / Harvest volume salmon and trout (GWT)		170 849				170 849
EBIT */kg produsert volum laks og ørret / EBIT */kg harvested salmon and trout	1,2	8,1	2,8	-0,7	0,0	11,4
EBIT** villfangst / fangstvolum i kg / EBIT** in Wildcatch / catch volume in kg	3,0				0,1	3,1
		8,1	2,8	-0,7	0,0	10,2

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

** Hensyntatt lagerendring og tilhørende eliminering av interfortjeneste / Including effect from changes in stock and corresponding elimination for internal profit.

Driftssegmenter i Havbruk / Operating segments in Farming	Region Nord / Northern region	Region Midt / Central region	Region Vest / Western region	Elim.	Havbruk / Farming
Q2 2021					
Sum omsetning / Total revenues	328 248	908 322	963 710	-23 678	2 176 603
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	106 079	280 495	222 721	-492	608 803
Driftsresultat før verdjusteringer * / EBIT before fair value adjustments *	44 682	205 345	138 514	-492	388 049
Produsert volum laks og ørret, sløyd vekt i tonn / Harvest volume salmon and trout	5 154	14 980	16 622	0	36 756
Driftsresultat/kg før verdjusteringer * / EBIT/kg before fair value adjustments *	8,7	13,7	8,3	0,0	10,6
Q2 2020					
Sum omsetning / Total revenues	250 300	915 450	948 313	-18 471	2 095 593
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	68 484	303 235	41 875	515	414 109
Driftsresultat før verdjusteringer * / EBIT before fair value adjustments *	23 347	222 370	-30 596	515	215 635
Produsert volum laks og ørret, sløyd vekt i tonn / Harvest volume salmon and trout	3 735	15 791	19 370	0	38 896
Driftsresultat/kg før verdjusteringer * / EBIT/kg before fair value adjustments *	6,3	14,1	-1,6	0,0	5,5
YTD 2021					
Sum omsetning / Total revenues	812 868	1 780 796	1 851 684	-49 050	4 396 298
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	180 113	489 112	403 898	1 689	1 074 812
Driftsresultat før verdjusteringer * / EBIT before fair value adjustments *	59 539	339 594	238 457	1 689	639 279
Produsert volum laks og ørret, sløyd vekt i tonn / Harvest volume salmon and trout	14 150	31 442	33 314	0	78 906
Driftsresultat/kg før verdjusteringer * / EBIT/kg before fair value adjustments *	4,2	10,8	7,2	0,0	8,1
YTD 2020					
Sum omsetning / Total revenues	776 199	1 842 698	1 915 733	-49 167	4 485 463
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	254 144	649 406	266 041	1 104	1 170 695
Driftsresultat før verdjusteringer * / EBIT before fair value adjustments *	165 167	488 598	122 792	1 104	777 661
Produsert volum laks og ørret, sløyd vekt i tonn / Harvest volume salmon and trout	12 269	30 292	35 712	0	78 273
Driftsresultat/kg før verdjusteringer * / EBIT/kg before fair value adjustments *	13,5	16,1	3,4	0,0	9,9
2020					
Sum omsetning / Total revenues	1 976 727	3 733 897	3 453 711	-75 201	9 089 134
EBITDA før verdjusteringer * / EBITDA before fair value adjustments *	616 985	1 109 846	462 421	-204	2 189 049
Driftsresultat før verdjusteringer * / EBIT before fair value adjustments *	434 077	788 330	159 281	-204	1 381 485
Produsert volum laks og ørret, sløyd vekt i tonn / Harvest volume salmon and trout	34 986	67 906	67 957	0	170 849
Driftsresultat/kg før verdjusteringer * / EBIT/kg before fair value adjustments *	12,4	11,6	2,3	0,0	8,1

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

Note 4: Anleggsmidler / Non Current Assets

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

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

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

Immaterielle eiendeler / Intangibles	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
IB konsesjoner, rettigheter og goodwill / OB licences, permits and goodwill	8 308 690	8 215 154	8 307 280	8 150 610	8 150 610
IB utsatt skatt fordel / OB deferred tax asset	17 634	7 431	18 110	2 932	2 932
IB immaterielle eiendeler / OB intangibles	8 326 324	8 222 585	8 325 390	8 153 542	8 153 542
<i>Endringer / Changes</i>					
Virksomhetssammenslutninger / business combinations	282 275	0	299 874	0	0
Tilgang / Additions	1 107	5 089	2 184	48 618	182 787
Avgang / Disposals	-5 189	0	-5 189	0	0
Avskrivninger / Depreciations	-8 309	-7 975	-16 504	-15 939	-31 920
Nedskrivninger / Impairment loss	0	0	0	0	-1 551
Omregningsdifferanser / Currency translation differences	2 455	-12 195	-6 616	16 785	7 355
Endringer i utsatt skatt fordel / Change in deferred tax asset	10 122	16 061	9 646	20 560	15 178
Sum endringer i balanseført verdi / Total changes in NBV	282 461	981	283 395	70 024	171 849
Konsesjoner, rettigheter og goodwill / Licences, permits and goodwill	8 581 029	8 200 074	8 581 029	8 200 074	8 307 280
Utsatt skatt fordel / Deferred tax asset	27 756	23 492	27 756	23 492	18 110
UB immaterielle eiendeler / CB intangibles	8 608 785	8 223 566	8 608 785	8 223 566	8 325 390
Gevinst (+) / tap (-) ved avgang / Gain (+) / loss (-) from disposal	0	0	0	0	0

Bruksretteiendeler (BR) / Right-of-use assets (ROU)	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Inngående balanse - BR fra kredittinstitusjoner / OB - ROU assets from credit inst.	1 375 120	1 146 119	1 384 901	1 135 561	1 135 561
Inngående balanse - BR fra andre / OB - ROU assets from others	1 331 049	1 178 176	1 044 136	1 242 541	1 242 541
Inngående balanse bruksretteiendeler / Opening balance ROU assets	2 706 169	2 324 295	2 429 037	2 378 102	2 378 102
Virksomhetssammenslutninger / business combinations	1 522	0	1 522	0	0
Tilgang / Additions	32 709	117 794	443 673	172 134	506 315
Avgang / Disposals	-11 612	-2 002	-11 612	-4 117	-1 318
Avskrivninger / Depreciations	-129 623	-111 837	-254 364	-226 361	-458 202
Omregningsdifferanser / Currency translation differences	3 143	-2 556	-5 948	5 936	4 141
Utgående balanse / Closing balance	2 602 307	2 325 694	2 602 307	2 325 694	2 429 037
Balanseført verdi BR fra kredittinstitusjoner / Carried value ROU from credit institutions	1 375 120	1 200 721	1 375 120	1 200 721	1 384 901
Balanseført verdi BR fra andre / Carried value ROU from others	1 227 187	1 124 973	1 227 187	1 124 973	1 044 136
Utgående balanse / Closing balance	2 602 307	2 325 694	2 602 307	2 325 694	2 429 037
<i>Oppsummering netto tilgang / Summary net addition</i>					
Netto tilgang BR fra kredittinstitusjoner / Addition ROU from credit institutions, net	12 373	115 644	66 810	169 591	466 623
Netto tilgang BR fra andre / Addition ROU from others, net	8 724	148	365 251	-1 574	38 373
Sum / total	21 097	115 792	432 061	168 017	504 997
Gevinst (+) / tap (-) ved avgang / Gain (+) / loss (-) from disposal	574	0	574	0	-57

Varige driftsmidler / Fixed assets	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Inngående balanse * / Opening balance *	6 844 172	6 697 223	6 797 080	6 230 105	6 230 105
Virksomhetssammenslutninger / business combinations	204 129	0	263 439	0	0
Tilgang / Additions	300 316	209 287	492 871	737 462	1 194 622
Avgang / Disposals	-1 913	-2 753	-3 564	-2 957	-4 267
Avskrivninger / Depreciations	-178 409	-164 275	-349 358	-322 863	-667 466
Omregningsdifferanser / Currency translation differences	11 100	-32 853	-21 073	64 882	44 086
Utgående balanse / Closing balance	7 179 396	6 706 629	7 179 396	6 706 629	6 797 080
Gevinst (+) / tap (-) ved avgang / Gain (+) / loss (-) from disposal	6 454	836	6 767	1 304	6 626

Finansielle anleggsmidler / Financial non-current assets	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
IB tilknyttede selskaper / OB associated companies	1 107 689	1 013 398	1 055 463	950 017	950 017
IB Øvrige finansielle anleggsmidler / OB other financial non-current assets	95 415	78 503	95 205	85 059	85 059
IB finansielle anleggsmidler / OB financial non-current assets	1 203 104	1 091 901	1 150 668	1 035 076	1 035 076

Endringer / Changes

Tilknyttede selskaper - tilgang / Associated companies - addition	2 250	0	2 250	0	25 000
Tilknyttede selskaper - avgang / Associated companies - disposal	-61	0	-61	0	0
Tilknyttede selskaper - fra TS til DS / Associated companies - from AC to subsidiary	-125 350	0	-129 317	0	0
Tilknyttede selskaper - resultatandeler / Associated companies - share of this year's profit	59 526	18 219	115 775	1 460	105 359
Tilknyttede selskaper - utbytter mottatt / Associated companies - dividend distributed	-13 514	-24 440	-13 514	-24 440	-29 548
Tilknyttede selskaper - omregningsdifferanser / Associated companies - translation difference	198	-53 124	3 999	30 951	9 483
Tilknyttede selskaper - endringer over OCI / Associated companies - OCI items	2 970	304	-886	-3 631	-4 848
Endringer i øvrige finansielle anleggsmidler / Change in other financial non-current assets	3 774	17 147	3 984	10 591	10 146
Sum endringer i balanseført verdi / total changes in NBV	-70 206	-41 894	-17 770	14 931	115 592

UB tilknyttede selskaper / CB associated companies	1 033 709	954 357	1 033 709	954 357	1 055 463
UB Øvrige finansielle anleggsmidler / CB other financial non-current assets	99 189	95 650	99 189	95 650	95 205
UB finansielle anleggsmidler / CB financial non-current assets	1 132 898	1 050 007	1 132 898	1 050 007	1 150 668

Avskrivninger / Depreciation	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Avskrivninger på varige driftsmidler / Depreciation on fixed assets	178 409	164 275	349 358	322 863	667 466
Avskrivninger på bruksretteiendeler / Depreciation on right-of-use assets	129 623	111 837	254 364	226 361	458 202
Avskrivninger på immaterielle eiendeler / Depreciation on intangibles	8 309	7 975	16 504	15 939	31 920
Sum / Total	316 341	284 086	620 226	565 162	1 157 589

Investeringer i perioden */ investments during the period *	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Netto investeringer i varige driftsmidler / Investment in fixed assets, net	291 949	205 698	482 540	733 201	1 183 729
Netto investeringer i bruksretteiendeler fra kredittinst. / Investment in ROU from credit inst.,	11 799	115 644	66 236	169 591	466 680
Sum investering i varige driftsmidler og bruksretteiendeler / Total FA and RoU assets	303 748	321 342	548 776	902 792	1 650 409
Netto tilgang immaterielle eiendeler / Addition intangibles, net	-4 082	5 089	-3 005	48 618	182 787
Samlet investering / Total investment	299 666	326 431	545 771	951 410	1 833 196

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

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

Note 5: Biologiske eiendeler / Biological Assets

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Verdijustering i perioden over resultat / FV adjustments over profit and loss	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Endring i verdijustering på biologiske eiendeler / Change FV adj. of biological assets	688 308	291 582	1 056 788	-263 509	-853 236
Endring i verdi (forpliktelse) på tapskontrakter / Change in FV of onerous contracts	-2 439	-83	-6 169	26 434	26 485
Endring i verdi på fishpoolkontrakter / Change in FV of fishpool contracts	14	0	-1 563	0	0
Sum verdijusteringer over resultat / Total FV adjustments over profit and loss	685 882	291 499	1 049 057	-237 075	-826 751

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

Endring i verdi på fishpoolkontrakter * / Change in FV of fishpool contracts *	1 505	-290	4 240	-4 241	-3 183
Sum verdijusteringer over utvidet resultat / Total FV adjustments over OCI	1 505	-290	4 240	-4 241	-3 183

* Inkludert i verdiendring på finansielle instrumenter (sikring) i totalresultatoppstillingen

* Included in change in FV financial instruments (hedges) in statement of comprehensive income

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

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

Biologiske eiendeler / Biological assets	30.06.2021	30.06.2020	31.12.2020
Selvkost på fisk i sjø / Cost on stock for fish in sea	4 088 829	3 828 311	4 231 901
Selvkost på rogn, yngel, smolt og rensesk / Cost on stock for fry, brood, smolt and cleaning fish	333 895	278 444	362 065
Sum selvkost på biologiske eiendeler * / Total cost on stock for biological assets *	4 422 725	4 106 755	4 593 966
Verdijustering på fisk i sjø / FV adj. of fish in sea	1 376 334	909 272	319 546
Verdijustering rogn, yngel, smolt og rensesk / FV adj. of fry, brood, smolt and cleaning fish	0	0	0
Sum verdijusteringer på biologiske eiendeler / Total FV adj. of biological assets	1 376 334	909 272	319 546
Benyttet månedlig diskonteringsrate / Monthly discount rate applied	5 %	5 %	5 %
Justert verdi på fisk i sjø / FV of fish in sea	5 465 164	4 737 583	4 551 447
Justert verdi på rogn, yngel, smolt og rensesk / FV of fry, brood, smolt and cleaning fish	333 895	278 444	362 065
Bokført verdi på biologiske eiendeler / Carrying amount of biological assets	5 799 059	5 016 027	4 913 512

Tapsbringende kontrakter (forpliktelse) / Onerous contracts (liability)

Bokført verdi på tapskontrakter / Carrying amount of onerous contracts	-6 201	-82	-32
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Fish Pool kontrakter / Fish Pool contracts

Bokført verdi på Fish Pool kontrakter / Carrying amount of Fish Pool contracts	395	-3 404	-2 939
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* Selvkost er etter fradrag for kostnadsført dødelighet

* Cost on stock is historic costs after expensed mortality

HØSTET VOLUM / HARVESTED VOLUME:

Volum i slaktet vekt (GWT)/ Volume in gutted weight (GWT)	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Laks / salmon	32 274	32 024	70 217	64 995	142 841
Ørret / trout	4 482	6 871	8 689	13 277	28 007
Samlet høstet volum / total harvested volume	36 756	38 896	78 906	78 273	170 849

BEHOLDNING / VOLUME:

Beholdning av fisk i sjø (LWT)/ Volume of fish in sea (LWT)	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Beholdning ved periodens begynnelse / Volume at beginning of period	103 978	100 339	119 407	111 263	111 263
Netto tilvekst i perioden/ Net growth during the period	47 334	41 951	81 033	77 905	210 396
Høstet volum i perioden / Harvested volume during the period	-42 864	-46 304	-91 992	-93 182	-202 252
Beholdning ved periodens slutt (LWT) / Volume at end of period (LWT)	108 448	95 986	108 448	95 986	119 407

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

	30.06.2021	30.06.2020	31.12.2020
Laks / salmon	91 780	81 012	105 745
Ørret / trout	16 668	14 974	13 662
Sum / total	108 448	95 986	119 407
Herav laks > 4,7 kg (levende vekt) * / Salmon > 4,7 kg (live weight) *	3 386	16 711	7 802
Herav ørret > 4,8 kg (levende vekt) * / Trout > 4,8 kg (live weight) *	4 019	1 889	0

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

Omregning til levende vekt:

Høstet volum og netto tilvekst i oppstillingen ovenfor er beregnet med utgangspunkt i slaktet vekt (GWT), og med omregning til levende vekt (LWT). Ved omregning er det lagt til grunn et sløysesvinn på 14 % for laks og 16 % for ørret. Sløysesvinn på laks er fra og med fjerde kvartal 2020 redusert fra 16 % til 14 %. Oppstillingen inkluderer laks og ørret.

Recalculation to life weight:

Both harvested volume and net growth in the table above are based on a recalculation from gutted weight (GWT) to life weight (LWT). In the recalculation a loss of 14% is used for salmon and 16% for trout. The loss from life weight to gutted weight for salmon has been reduced from 16% to 14%, starting from Q4. The table includes salmon and trout.

LWT = Levende vekt målt i tonn / Live weight tonnes

GWT = Slaktet vekt målt i tonn / Gutted weight tonnes

Note 6: Endringer i NIBD / Changes in NIBD

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

	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
NIBD effekt fra driftsaktiviteter / NIBD effect from operational activities					
EBITDA før verdjusteringer / EBITDA before fair value adjustments	-899 110	-606 419	-1 658 427	-1 703 218	-3 108 795
Betalt skatt / Income tax paid	110 325	45 298	224 105	261 207	455 890
Endring i arbeidskapital / Change in working capital	-114 173	-276 023	-302 030	162 784	279 484
Andre endringer / other changes	45 958	81	48 053	1 304	6 570
Endring i NIBD fra driftsaktiviteter / Change in NIBD from operational activities	-857 001	-837 063	-1 688 299	-1 277 923	-2 366 851
NIBD effekt fra investeringsaktiviteter / NIBD effect from investment activities					
Nye konsesj., BR-eiendeler og varige driftsmidl., netto / New licences, ROU-assets and FA, net	a) 299 666	326 431	545 771	951 410	1 833 196
Mottatte utbytter og renteinntekter / Dividends and interests received	-13 514	-26 917	-13 514	-33 196	-54 302
Virksomhetssammenslutninger / business combinations	338 289	0	391 242	0	1 516
Andre endringer knyttet til anleggsmidler / Other changes in non current assets	-11 049	15 144	-10 164	13 071	40 483
Endring i NIBD fra investeringsaktiviteter / Change in NIBD from investment activities	b) 613 391	314 658	913 335	931 284	1 820 893
NIBD effekt fra finansieringsaktiviteter / NIBD effect from financing activities					
Utbetaling av utbytte / Dividend payments	1 201 171	919 547	1 201 171	924 332	924 332
Avdrag leasinggjeld til andre / Installments leasing debt to others	c) 78 605	51 845	143 272	105 679	221 066
Netto innbetaling av egenkapital / Net equity contributions	0	0	0	0	0
Betalte rentekostnader og netto finanskostnader / Interests and net financial costs paid	54 837	80 267	104 866	153 797	254 449
Endring i NIBD fra finansieringsaktiviteter / Change in NIBD from financing activities	1 334 613	1 051 659	1 449 309	1 183 808	1 399 847
Andre NIBD effekter / Other NIBD effects					
Andre endringer (omregn.diff., urealisert agio) / Other changes (currency conversion, agio)	7 844	-15 596	-13 882	37 964	25 448
Andre endringer i NIBD / Other changes in NIBD	7 844	-15 596	-13 882	37 964	25 448
NIBD ved periodens begynnelse / NIBD at period start	3 082 384	3 002 907	3 520 768	2 641 431	2 641 431
Sum endringer i NIBD / Total changes in NIBD	1 098 846	513 657	660 462	875 134	879 337
NIBD ved periodens slutt / NIBD at balance sheet date	d) 4 181 230	3 516 565	4 181 230	3 516 565	3 520 768

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

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

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

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

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

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

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

Ifølge IFRS 16 skal samtlige leieforpliktelser balanseføres. LSG er av den oppfatning at kun leieavtaler med et finansielt formål skal inkluderes i det alternative resultatmålet NIBD. Derfor har LSG splittet leieforpliktelsene i to grupper; (1) Leieforpliktelser ovenfor kredittinstitusjoner og (2) leieforpliktelser ovenfor andre, hvor kun den første gruppen inngår i NIBD. Siden kun førstnevnte gruppe inngår i NIBD, vil et avdrag på leieforpliktelser i den andre gruppen representere en kontantreduksjon uten tilsvarende reduksjon av rentebærende gjeld. Derfor vil NIBD bli påvirket.

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

d) NIBD definisjon / NIBD definition

NIBD er et alternativt resultatmål (APM). Se note om alternative resultatmål for detaljer.

NIBD is an alternative performance measure (APM). See note about APMs for details.

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

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

Oversikt over 20 største aksjonærer per 30.06.2021 / Overview of the 20 largest shareholders at 30.06.2021:	Antall aksjer / No. of shares	Eierandel / Ownership
AUSTEVOLL SEAFOOD ASA	313 942 810	52,69 %
FOLKETRYGDFONDET	31 816 654	5,34 %
UBS AG	10 164 268	1,71 %
State Street Bank and Trust Comp	9 219 167	1,55 %
PARETO AKSJE NORGE VERDIPAPIRFOND	7 298 409	1,23 %
Banque Degroof Petercam Lux. SA	6 948 901	1,17 %
FERD AS	6 811 248	1,14 %
The Bank of New York Mellon SA/NV	5 808 512	0,97 %
State Street Bank and Trust Comp	5 755 092	0,97 %
BNP PARIBAS SECURITIES SERVICES	5 478 087	0,92 %
JPMorgan Chase Bank, N.A., London	4 566 693	0,77 %
VERDIPAPIRFOND ODIN NORGE	4 263 903	0,72 %
JPMorgan Chase Bank, N.A., London	4 224 199	0,71 %
DANSKE INVEST NORSKE INSTIT. II.	4 199 511	0,70 %
SIX SIS AG	3 970 809	0,67 %
J.P. Morgan Bank Luxembourg S.A.	3 900 000	0,65 %
J.P. Morgan Bank Luxembourg S.A.	3 879 734	0,65 %
State Street Bank and Trust Comp	3 620 538	0,61 %
The Bank of New York Mellon	3 620 433	0,61 %
J.P. Morgan Bank Luxembourg S.A.	3 390 111	0,57 %
Sum 20 største aksjeeiere / total 20 largest shareholders	442 879 079	74,34 %
Andre / others	152 894 601	25,66 %
Totalt / total	595 773 680	100,00 %

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

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

Note 8: Inntekt fra tilknyttede selskaper / Income From Associates

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

Tilknyttede selskaper / Associates	Q2 2021	Q2 2020	YTD 2021	YTD 2020	2020
Norskott Havbruk AS konsern (50%)	51 182	7 505	97 092	-19 099	48 986
Seistar Holdning AS konsern (50%)	9 711	5 000	9 711	10 000	18 980
Seafood Danmark A/S konsern (33%) **	-1 446	4 646	5 992	8 915	31 662
Andre / Others	81	1 068	2 981	1 643	5 730
Inntekt fra tilknyttede selskaper / Income from associates	59 527	18 219	115 776	1 459	105 359
Verdijustering * / Fair value adjustment *	7 558	-25 523	26 066	-54 379	-55 666
Inntekt fra tilknyttede selskaper før verdijustering* / Income from associates before FV adj.*	51 969	43 742	89 710	55 838	161 025

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

** Seafood Danmark A/S gikk over fra å være et TS til DS den 01.04.2021. Resultatandelen i Q2 2021 er estimatavvik fra tidligere perioder

** Seafood Danmark A/S became a subsidiary 01.04.2021. Negative profit in Q2 2021 is an estimation deviation from previous periods.

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

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

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

Note 9: Finansiell kalender / Financial Calendar

Presentasjon av resultat 3. kvartal 2021	11.11.2021	Report Q3 2021	11.11.2021
Presentasjon av foreløpig resultat for år 2021	17.02.2022	Preliminary results for the year 2021	17.02.2022