

Quarterly Report
Q1 2024

Made by nature

Pioneered by  Måsøval

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Made by nature

Måsøval is a Norwegian fish farming pioneer. Ever since the company was founded in 1973, our dedicated employees have worked in close harmony with nature.

On the coast of central Norway, the Atlantic provides strong currents and high tidal rage, ensuring an abundance of fresh, clean seawater. It's here, in one of the most beautiful coastal landscapes in the world, that we make one of the best ingredients in the world - Salmon: Made by nature, pioneered by Måsøval.

Led by the third generation of the Måsøval family, we now look forward to producing more than 30 000 tonnes of salmon a year, serving 3.1 million people - every single week, year-round.

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

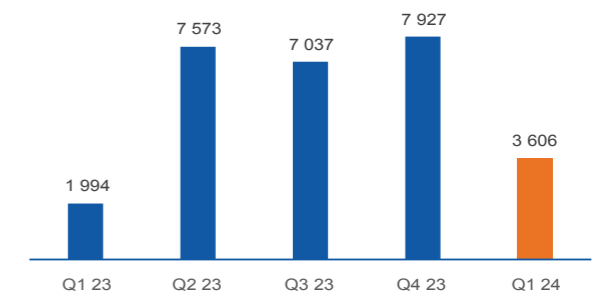
Pioneered by  Måsøval



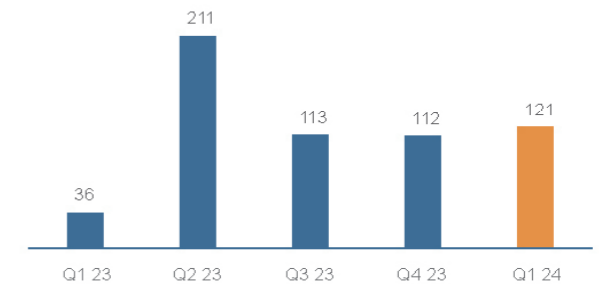
Summary

Q1 2024

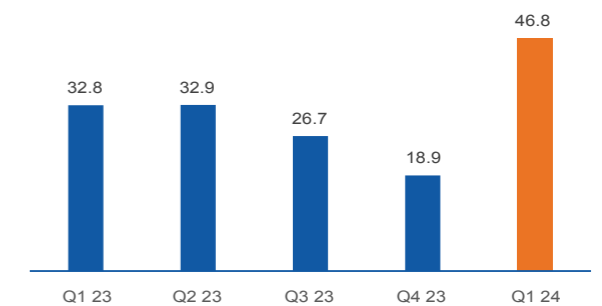
Harvest volume
(Tonnes GW)



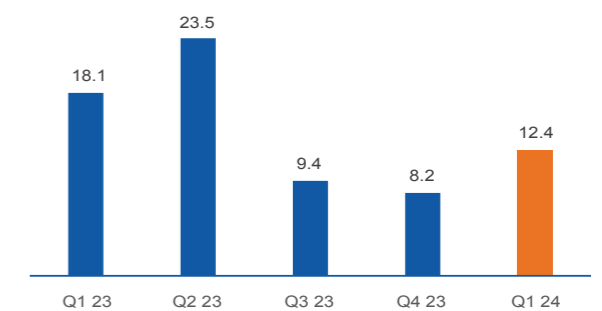
Group operational EBIT
(MNOK)



Operational EBIT pr kg (NOK)
Farming Mid



Operational EBIT pr kg (NOK)
Farming West



Highlights Q1 2024

3 606 tonnes

Harvest of 3 606 tonnes vs 1 994 tonnes in Q1 2023

95.6 NOK/kg

Average sales price of NOK 95.6 pr kg (NOK 83.9 in Q1 23)

MNOK 121

Group operational EBIT of MNOK 121 (MNOK 36 in Q1 2023)

46.8 NOK/kg

Farming Mid reported an operational EBIT of NOK 46.8 pr kg (NOK 32.8 in Q1 23)

12.4 NOK/kg

Farming West reported an operational EBIT of NOK 12.4 pr kg (NOK 18.1 in Q1 23)

Key figures

Q1 2024

2. Financial Performance

(Figures in brackets refer to Q1 2023, unless specified otherwise.)

2.1. Statement of Profit and Loss

Key figures Group	Q1 2024	Q1 2023	2023
<i>Consolidated numbers in 1 000 NOK</i>			
Sales revenues salmon	383 057	208 745	2 279 560
Other operating revenues	19 199	28 519	120 788
Operating revenue	402 256	237 264	2 400 348
Harvested volume (tonnes GW)	3 606	1 994	24 531
Operational EBIT	120 557	35 863	471 429
EBIT (1)	98 676	-12 244	292 743
Profit before tax	54 430	-39 592	164 240
Net profit or loss for the period	29 977	-31 223	-133 396
Operational EBIT/kg	33 .4	18 .0	19 .2
Operational EBIT%	30 .0%	15 .1%	19 .6%
Equity ratio	36 .4%	38 .2%	34 .8%
Earnings per share (NOK) (2)	0 .32	0 .02	1 .45

(1) Op. EBIT adjusted for write-down, production tax, profit sharing co-locations and fair value adjustment biomass

(2) EPS excl. net fair value adjustment biomass and one-off implementation effects of resource rent tax

In the first quarter of 2024 operating revenues amount to MNOK 402, an increase from MNOK 237 same quarter last year. The increase in revenue is attributable to both a higher harvest volume (3 606 tonnes vs 1 994 tonnes) and higher average sales prices (NOK 95.6 pr kg vs NOK 83.9 pr kg).

In Q1 the Group achieved operational EBIT of MNOK 121, up from MNOK 36 Q1 last year.

After net financial expenses of MNOK 44 and net negative fair value adjustment of biomass of MNOK 6 the Group report a profit before tax of MNOK 54. Total tax expenses amount to MNOK 24, of which the estimated resource rent tax amounts to MNOK 12 in Q1 2024.

2.2. Balance Sheet

At the end of Q1 2024, total assets amounted to MNOK 5 011, a decrease of MNOK 149 from the previous quarter. Total property, plant and equipment decreased by MNOK 69. Further, total current assets decreased by MNOK 110, dominated by a decrease in accounts receivables of MNOK 158. Biological assets, on the other hand, increased by MNOK 96 from the end of 2023 reflecting a 1 592 tonnes increase in biomass.

The Group's net interest-bearing debt decreased by MNOK 33 compared to the end of 2023 and amounted to MNOK 1 772 at end of the quarter. The decrease is mainly due to a positive cash flow from operating activities. A total of MNOK 1 365 have been restated from short term to long term debt at the end of Q1 2024 after resolving the breach of covenant in the part owned subsidiary Pure Norwegian Seafood at year end 2023.

At the end of the reporting quarter, the Group's total equity was MNOK 1 824. Equity increased by MNOK 30 compared to the yearend 2023.

2.3. Statement of Cash Flow

Operating activities yielded a positive cash flow of MNOK 77 for the Group in Q1 2024. Accounts receivables reduced by MNOK 158 resulting in a positive cash flow effect after seasonal high sales at the end of 2023. While the build-up of biomass had a negative effect on operational cash flow amounting to MNOK 124 before fair value adjustments.

Investing activities had a negative cash flow effect amounting to MNOK 26.

Financial activities had a negative effect on cash flow with an effect amounting to MNOK 50. Repayment of borrowings, leases and interest amounted to MNOK 95. Repayments was partly balanced by a net change in overdraft facilities amounting to MNOK 45.

2.4. Financial Position

In Q1 2024 the equity ratio increased due to total assets decreasing MNOK 149 and a net profit of MNOK 30. The equity ratio ended the quarter at 36.4%, up from 34.8% last quarter.

After reclassification to short term liabilities at year end 2023 based on a breach of loan covenants in the part owned subsidiary Pure Norwegian Seafood the Groups bank financing is again classified as a long-term liability end of Q1 2024. The Group also have large unused bank financing facilities.

3. Operational Performance

The Group's management monitors and allocates resources to the Group's business activities as two operating segments, i.e. Farming and Sales & Processing. In addition, Farming is measured on Farming Mid and Farming West as two divisions. Overhead, related HQ costs, depreciation related to surplus values from acquisitions and intra-segment transactions are reported as Other/Eliminations. See note 5 to the consolidated financial statement for further details.

3.1. Farming

(Figures in brackets refer to Q1 2023, unless specified otherwise.)

Key figures Farming			
<i>Consolidated numbers in 1 000 NOK</i>			
	Q1 2024	Q1 2023	2023
Total operating revenues	366 165	190 040	2 189 016
Operational EBIT	164 174	52 827	554 531
Operational EBIT -%	44.8%	27.8%	25.3%
Harvested volume (tonnes GW)	3 606	1 994	24 531
Operational EBIT per kg salmon	45.5	26.5	22.6

Farming is the Group's largest segment and achieved sales revenues of MNOK 366 of which MNOK 345 is sale of salmon. Increased harvested volume and higher average sales price than in Q1 2023 led to an increase in sales revenue of MNOK 176. Operational EBIT in Q1 2024 amounted to MNOK 164 (MNOK 53). Operational EBIT per kg harvested salmon was NOK 45.5 (NOK 26.5).

During Q1 the Group built biomass in order to reach full MAB utilisation, in a period with low sea temperatures. Harvesting was moderate while biological performance during the quarter was strong. The group ended the quarter with a biomass of 13 457 tonnes of which 7 705 tonnes had an average weight exceeding 4 kg indicating a high harvest volume potential for Q2.

Jelly fish had a negative effect on price achievement in the quarter but no material impact on mortality. Harvesting decision in Måsøval is guided by fish welfare and thus the fish with most ulcers was harvested first. This resulted in low superior share during Q1. The jelly fish have affected the entire industry resulting in larger price differential between superior grade and production grad this year.

As a consequence of good biological performance fish and a tight cost focus, released from stock cost at a lower level. We see continuing low costs into Q2 harvesting primarily at same sites as Q1.

3.1.1. Farming Mid

Key figures Farming Mid			
<i>Consolidated numbers in 1 000 NOK</i>			
	Q1 2024	Q1 2023	2023
Total operating revenues	354 743	124 527	1 548 274
Operational EBIT	162 463	37 363	432 454
Operational EBIT%	45.8%	30.0%	27.9%
Harvested volume (tonnes GW)	3 468	1 140	16 886
Operational EBIT per kg salmon	46.8	32.8	25.6

Farming Mid is the Group's largest division and achieved sales revenues of MNOK 355 in Q1 2024, of which MNOK 334 is sale of salmon. Farming Mid's average sales price was NOK 6.3/kg higher in comparison with Q1 2023 and harvested volume increased by 2 329 tonnes. Operational EBIT in Q1 2024 was MNOK 162 (MNOK 37). Operational EBIT per kg harvested salmon was NOK 46.8 (NOK 32.8).

3 468 tonnes of salmon (1 140 tonnes) were harvested in Q1 2024. 100% of harvested volume was from generation Spring 2023.

Operationally Q1 was a quarter with strong sea production and a moderate harvesting volume, resulting in building biomass during the quarter.

3.1.2. Farming West

Key figures Farming West			
<i>Consolidated numbers in 1 000 NOK</i>			
	Q1 2024	Q1 2023	2023
Total operating revenues	11 421	65 512	640 724
Operational EBIT	1 711	15 463	122 077
Operational EBIT%	15.0%	23.6%	19.1%
Harvested volume (tonnes GW)	138	854	7 645
Operational EBIT per kg salmon	12.4	18.1	16.0

Farming West achieved sales revenues of MNOK 11 in Q1 2024, all the revenue is related to the sale of salmon. Farming West's average sales price was NOK 5.0/kg higher in comparison with Q1 2023. Compared to Q1 2023 harvested volume decreased by 716 tonnes. Operational EBIT amounted to MNOK 2 (MNOK 15). Operational EBIT per kg harvested salmon was NOK 12.4 (NOK 18.1).

138 tonnes of salmon (854 tonnes) were harvested in Q1 2024. 100% of the harvest was from 2023 generations. The fish was harvested early in the quarter from the same site as in Q4 2023 and was thus harvested due to fish health considerations. Harvesting on low average weight impact cost and price achievement. The remaining fish at the site have experienced stable fish health situation and good appetite.

Operationally Q1 was a quarter with strong sea production, combined with low harvesting volume which resulted in building biomass during the quarter also for Farming West.

3.2. Sales & Processing

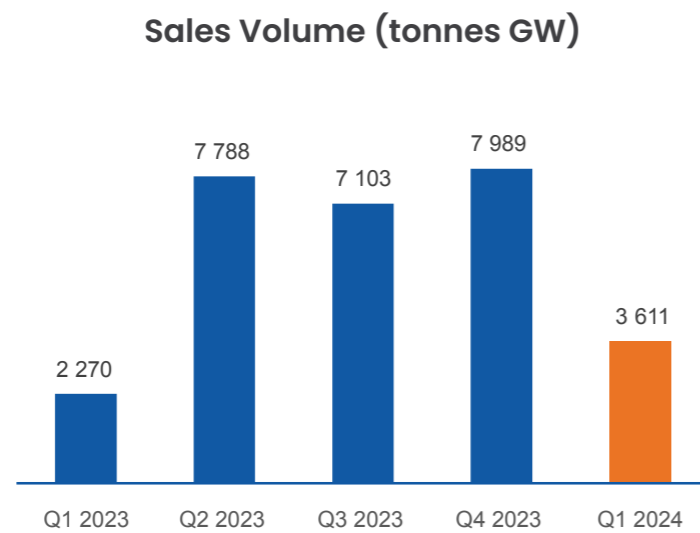
Key figures	Q1 2024	Q1 2023	2023
<i>Consolidated numbers in 1 000 NOK</i>			
Total operating revenues	401 223	229 363	2 377 349
Operational EBIT *)	-23 979	843	11 839
Operational EBIT%	-6.0%	0.4%	0.5%

*) Including a one-off effect in Q1 2024 due to a loss of MNOK 15 regarding a sale of the harvesting facility Western Seaproducts

The Sales & Processing segment achieved sales revenues of MNOK 401 in Q1 2024, vs. MNOK 229 in Q1 2023.

The Group realised a loss of MNOK 15 due to the sale of the harvesting facility Western Seaproducts AS in Vartdal. Handling the special circumstances in the subsidiary Pure Norwegian Seafood generated extraordinary costs to recall sold products, legal assistance and internal investigations in the quarter. In total this led to a negative operational EBIT for the segment of MNOK 24.0 in Q1 2024.

Spot exposure in the quarter was high – in line with the Group’s strategy.



4. Outlook

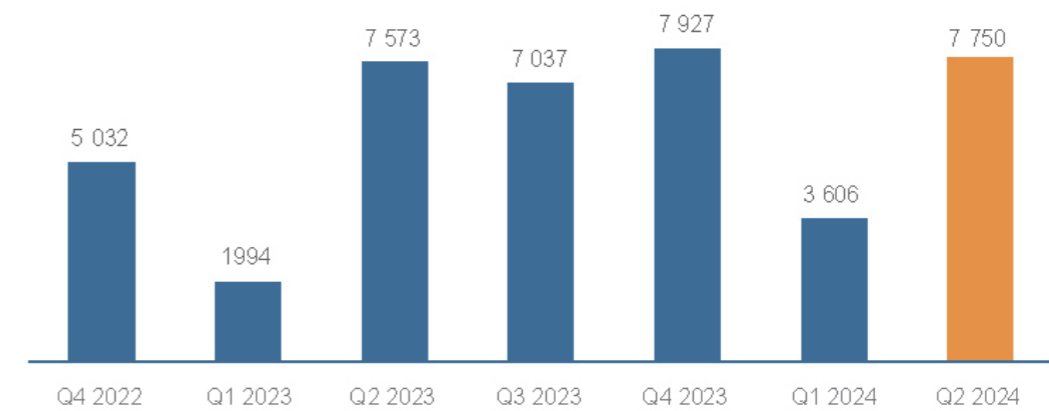
4.1. Farming Outlook

Full year Harvest volume is estimated at 27.000– 28.000 GWT for the Group, this figure includes an estimated 5–10% of the total volume harvested on the Frøya Laks co-location agreement. Around 75–80% of the annual harvest volume is expected to be harvested in region mid.

In Q2 the Group expect to harvest 7.500 – 8.000 GWT, this figure includes harvesting on the Frøya Laks co-location agreement. Around 75% of the volume is expected to be harvested in region mid.

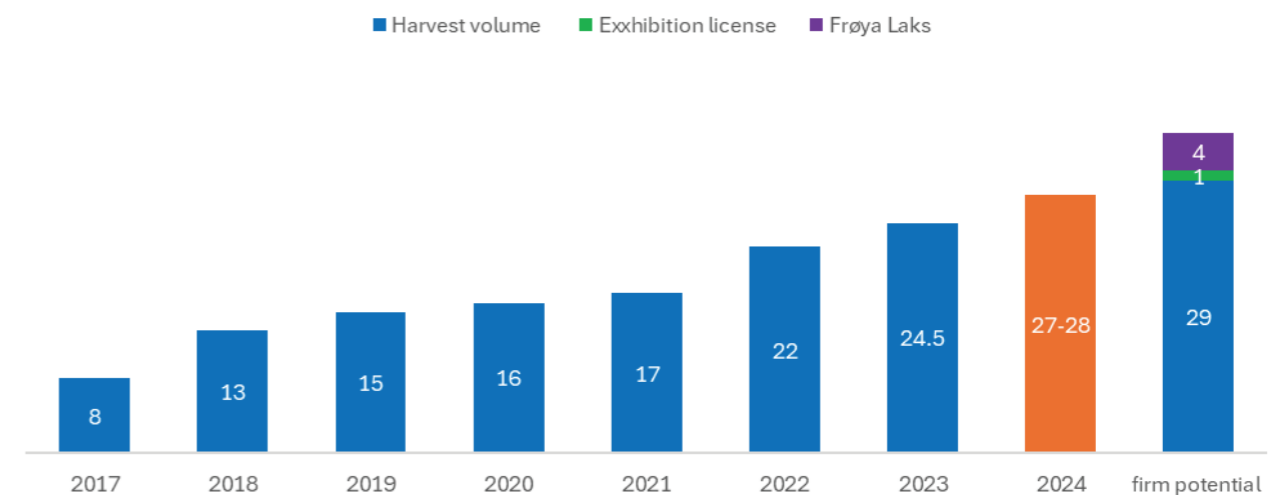
Cost is expected to rise marginally from a very low level in Q1.

Harvest Volume (tonnes GW)



Fully utilized Måsøval has a potential to produce around 29.000 GWT on the current license portfolio. In addition, the Exhibition license have a potential of 5–600 GWT and the co-location agreement with Frøya Laks adds a volume of 4000 GWT when fully utilized.

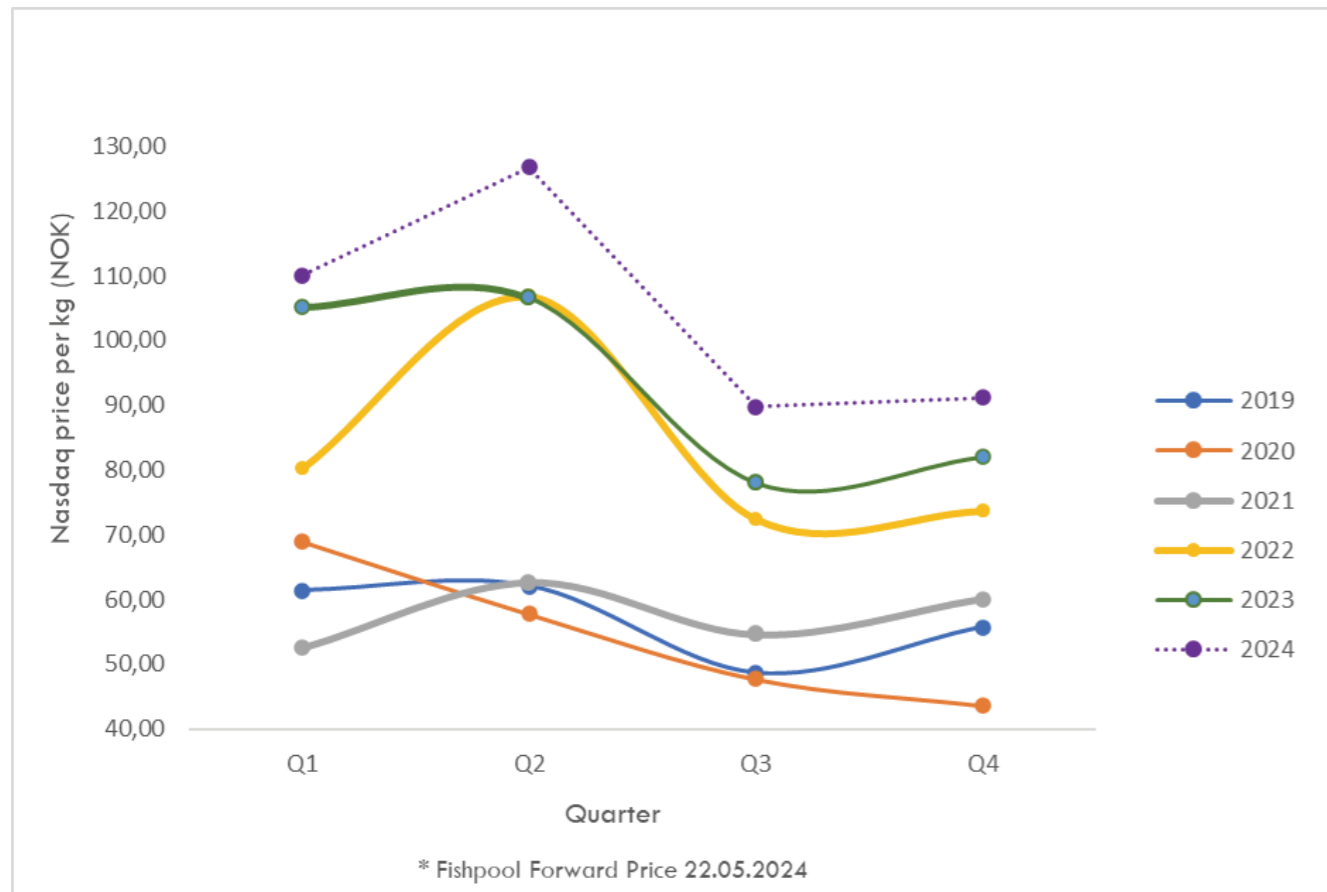
Harvest Volume 1 000 GWT



4.2. Price (NASDAQ)

The average salmon price for superior grade salmon is expected to rise in Q2 2024 compared to Q2 2023. During the quarter fish pool prices for the remaining quarter in 2024 have risen. Fish Pool prices for Q2 2024 are currently trading at NOK 122 and the average price for 2024 is NOK 100.

NASDAQ average price (NOK/kg)



5. Other Matters

5.1. Lawsuit Against the State

Måsøval AS filed a lawsuit against the State, claiming compensation of MNOK 29.8 for the losses the company incurred after the facility Kattholmen was misdiagnosed with PD SAV3 in August 2019. The case went to trial in November 2023.

On 23 December 2023, a judgement was rendered in the case, which was served to the parties on 29 December 2023. The court's conclusion is that the State, represented by the Ministry of Trade, Industry, and Fisheries, is ordered to pay Måsøval MNOK 12.8 in compensation for loss of earnings and incurred expenses as a result of the misdiagnosis, plus accrued interest and delay interest. Costs incurred from the trial have been booked, while no compensation have been accrued as income because of the verdict.

The State appealed the verdict on 2 February 2024 and Måsøval submitted an independent appeal in the case 5 February 2024. The case will go before the Court of Appeal in June 2024.

5.2. Demerger and Triangular Merger Process

A condition for completion of the Internal Reorganization is that the Company receives a binding advance tax ruling ("BFU") from the tax authorities confirming that the Internal Reorganization can be completed with tax continuity. The Company has received a BFU where the tax authorities conclude that the outlined deduction of assets acquired in 2023 means that the Internal Reorganization cannot be carried out with tax continuity. The deduction has limited value for the Company, and therefore the Company has requested a new binding advance ruling from the tax authorities. Subject to such confirmation from the tax authorities, the Internal Reorganization will then be implemented.

5.3. Complaint Regarding Exhibition License Accepted

Måsøval Lisens AS, a wholly-owned subsidiary of Måsøval AS, filed a complaint on 2 March 2020 to the Ministry of Trade, Industry and Fisheries, against the Directorate of Fisheries rejection on 11 February 2020, of their application for an exhibition license. On 23 February 2024, the Ministry has informed Måsøval Lisens AS that the complaint has been accepted and that a permission can be given for an exhibition license of 780 tonnes MAB for a period of 10 years from the issuance of the permit document. The Directorate of Fisheries will supplement the Ministry's decision by formulating appropriate conditions in light of the Ministry's assessments and conclusions. It will take time before an exhibition license can potentially be applied, and there will be uncertainty regarding whether it can be used depending on the final conditions from the Fisheries Directorate and other sector authorities, and whether Måsøval Lisens AS can fulfil those.

5.4. Western Seaproducts AS

Western Seaproducts AS, a fully owned subsidiary of the group, was sold to Ode ASA in February. A seller credit was issued to the buyer with a maturity of 5 years. The buyer has committed not to harvest any salmon at the processing plant.

6. Events after the balance sheet day

6.1. New harvesting facility

In January Mowi ASA accepted the bid from Måsøval AS to acquire the harvesting facility at Ulvan in Hitra Municipality. The process is now finalized and Måsøval has signed the final contract and has taken over the harvesting facility in May. Måsøval's intention with the acquisition is to continue the harvesting operations and develop the facility to increase the harvesting capacity within the Group. Planned start up is end of 3rd quarter 2024.

6.2 Increased wellboat capacity

The Group entered into a time charter agreement with Njord Kya AS for the wellboat "MS Njord Kya" which is currently under construction and is expected to be operational by the end of 2024. Term of the charter party is for 3 years with options of 2 x 2 years.

Måsøval is thus increasing the wellboat capacity within the group to meet the company's production targets, as well as to ensure that the best solutions are available in respect of fish welfare and quality.

Måsøval looks forward to putting the new wellboat into operation. The vessel ensures additional capacity and with new technical features that are important for Måsøval such as combination sealice treatments with freshwater and Thermolicer continuously and without bottlenecks, in addition with sorting that can be done efficiently and gently in a vacuum.

7. Consolidated Financial Statements

7.1. Income statement

<i>(All amounts in NOK 1000)</i>	Note	Q1 2024	Q1 2023	2023
Operating revenues – sale of salmon	3,6	383 057	208 745	2 279 560
Other operating income	3,6	19 199	28 519	120 788
Total operating revenues		402 256	237 264	2 400 348
Cost of goods sold		72 738	38 119	1 165 918
Salaries and other personnel costs		68 967	61 317	242 882
Depreciation and amortisation expense	7	49 461	47 610	194 773
Other operating expenses	6	90 533	54 356	325 346
Total operating expenses		281 699	201 401	1 928 918
Operational EBIT		120 557	35 863	471 429
Write-down		-	-	-43 955
Production tax	8	-3 372	-2 233	-18 824
Profit sharing with co-location partners		-11 764	-2 760	-24 627
Net fair value adjustment – Biological asset	5	-6 745	-43 113	-91 281
EBIT		98 676	-12 244	292 743
Financial income		3 851	3 909	25 543
Financial expenses		48 097	31 257	154 046
Net finance income and expense		-44 246	-27 348	-128 503
Profit before income tax		54 430	-39 592	164 240
Tax expense	8	24 454	-8 369	297 636
Net profit for the period		29 977	-31 223	-133 396
<i>Attributable to</i>				
Equity holders of the parent company		33 994	-31 267	-135 901
Non-controlling interests		-4 017	44	2 505
Total allocations		29 977	-31 223	-133 396
Earnings per share (basic and diluted)*		0.32	0.02	1.45

* Earnings per share excludes Net fair value adjustment – biological assets

7.2. Consolidated Statement of Other Comprehensive Income

<i>(All amounts in NOK 1000)</i>	Note	Q1 2024	Q1 2023	2023
Net profit		29 977	-31 223	-133 396
<i>Items which will not be reclassified to profit and loss</i>				
Net gain/(loss) on equity instruments designated at fair value through other comprehensive income		-	-	-
Other comprehensive income		-	-	-
Total comprehensive income for the year		29 977	-31 223	-133 396
Total comprehensive income attributable to:				
Owners of the parent		33 994	-31 267	-135 901
Non-controlling interests		-4 017	44	2 505
Total comprehensive income for the year		29 977	-31 223	-133 396
Earnings per share (basic and diluted)*		0.32	0.02	-0.53

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

7.3. Statement of Financial Position

<i>(All amounts in NOK 1000)</i>	Note	31.03.2024	31.03.2023	31.12.2023
ASSETS				
<i>Intangible assets</i>				
Licenses	7	2 068 767	2 068 767	2 068 766
Goodwill	7	428 390	428 390	428 390
Total intangible assets		2 497 157	2 497 157	2 497 156
<i>Property, plant and equipment</i>				
Property, plant and equipment	7	437 237	470 018	463 896
Right-to-use assets	7	479 160	557 211	521 803
Total property, plant and equipment		916 397	1 027 228	985 698
<i>Non-current financial assets</i>				
Investments in other equity instruments		5	5	5
Other non-current receivables		30 368	2 970	262
Total non-current financial assets		30 373	2 975	267
Total non-current assets		3 443 927	3 527 359	3 483 122
<i>Inventories</i>				
Feed inventory	5	32 919	28 216	23 159
Finished goods	5	25 675	3 787	25 470
Biological assets	5	1 188 921	1 311 642	1 093 324
Total inventories		1 247 515	1 343 645	1 141 952
<i>Receivables</i>				
Accounts receivables		269 908	179 447	427 760
Other current receivables		38 787	36 565	97 808
Total Receivables		308 695	216 012	525 569
Cash and cash equivalents		10 798	37 770	9 568
Total current assets		1 567 009	1 597 427	1 677 089
Total assets		5 010 935	5 124 786	5 160 211

7.3. Statement of Financial Position (cont.)

(All amounts in NOK 1000)	Note	31.03.2024	31.03.2023	31.12.2023
EQUITY				
Share capital	4	30 627	30 627	30 627
Other equity		1 759 141	1 890 650	1 725 147
Total equity attributable to owners of the parent company		1 789 768	1 921 277	1 755 774
Non-controlling interests		34 485	36 041	38 502
Total equity		1 824 253	1 957 318	1 794 276
LIABILITIES				
<i>Non-current liabilities</i>				
Deferred tax	8	823 899	525 072	795 629
Liabilities to financial institutions	9	1 211 561	1 370 158	-
Long-term leasing liabilities		277 730	337 481	294 937
Total non-current liabilities		2 313 191	2 232 711	1 090 566
<i>Current liabilities</i>				
Liabilities to financial institutions	9	305 763	409 006	1 502 618
Short-term leasing liabilities		120 846	145 392	150 196
Account payables		276 658	223 126	355 244
Income tax payable	8	63 300	115 088	113 071
Other current liabilities		106 924	42 145	154 241
Total current liabilities		873 492	934 757	2 275 369
Total liabilities		3 186 683	3 167 468	3 365 935
Total equity and liabilities		5 010 935	5 124 786	5 160 211

TRONDHEIM, 22 May 2024



Lars Måsøval, Chair of the board



Kari Skeidsvoll Moe, Director



Roger Granheim, Director



Ola Loe, Director



Nina Santi, Director



Helge Kvalvik, CEO

7.4. Statement of Cash Flows

(All amounts in NOK 1000)	Note	Q1 2024	Q1 2023	2023
Profit before income tax		54 431	-39 592	164 240
Tax paid		-44 693	-14 252	-51 234
Gain on disposal of property, plant and equipment		-	-	-2 780
Ordinary depreciation	7	49 462	47 610	194 773
Impairments	7	-	-	43 955
Interest paid on borrowings		16 737	21 206	89 496
Calculated interest costs, leasing		5 482	4 148	19 607
Fair value adjustments - biological assets	5	6 745	45 703	91 281
Net change in inventories	5	-124 494	-113 907	-35 653
Net change in account receivables		157 825	-83 223	-253 675
Net change in account payables		-78 586	1 570	133 687
Net change in other current receivables/liabilities		34 217	-1 613	53 247
Net cash from operating activities		77 152	-132 350	446 944
Proceeds from disposal of property, plant and equipment		-	-	2 976
Payments for property, plant and equipment	7	-26 399	-26 769	-103 314
Net cash from investing activities		-26 399	-26 769	-100 338
Proceeds from non-current and current borrowings		-	259 000	419 925
Repayment of non-current and current borrowings		-31 224	-44 375	-327 009
Payment of interest expenses on borrowings		-22 749	-25 129	-109 803
Repayment of principal portion of lease liabilities		-40 656	-22 417	-138 759
Net change in overdraft facility		45 106	-8 663	-158 611
Payments of dividends		-	-	-61 254
Net cash from financing activities		-49 523	158 416	-375 511
Net change in cash and cash equivalents		1 231	-703	-28 905
Cash and cash equivalents at the beginning of the period		9 568	38 473	38 473
Cash and cash equivalents at the end of the period		10 798	37 770	9 568

7.5. Statement of Changes in Equity

2024	Share capital	Other equity	Equity – Owners of parent company	Non-controlling interests	Total Equity
<i>(All amounts in NOK 1000)</i>					
31 December 2023	30 627	1 725 147	1 755 774	38 502	1 794 276
Loss from continuing operations YTD	-	33 994	33 994	-4 017	29 977
31 March 2024	30 627	1 759 141	1 789 768	34 485	1 824 253

2023	Share capital	Other equity	Equity – Owners of parent company	Non-controlling interests	Total Equity
<i>(All amounts in NOK 1000)</i>					
31 December 2022	30 627	1 922 347	1 952 974	35 997	1 988 971
Loss from continuing operations Q1 2023	-	-31 267	-31 267	44	-31 223
Other	-	-430	-430	-	-430
31 March 2023	30 627	1 890 650	1 921 277	36 041	1 957 318
Loss from continuing operations Q2–Q4 2023	-	-104 364	-104 634	2 461	-102 173
Dividends	-	-61 254	-61 254	-	-61 254
Other	-	385	385	-	385
31 December 2023	30 627	1 725 147	1 755 774	38 502	1 794 276

7.6. Notes to Consolidated Financial Statement

Note 1: Basis for Preparation

These consolidated financial statements have been prepared in accordance with the International Accounting Standard 34 Interim Financial Reporting (IAS 34).

The Group accounting policies adopted and applied in this interim report are consistent with those applied in the Group's 2023 Annual Report prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by The European Union. A full description of all material accounting policies used in the most recent annual consolidated financial statements is given in the Group's 2023 Annual report, which is available at www.masoval.no.

The tax expense in the quarterly report is based on a simplified calculation based on the expected effective tax rates.

The interim condensed consolidated financial statements do not include all the information and disclosures required by International Financial Reporting Standards (IFRS) in the annual financial statements and should be read in conjunction with the Group's Annual Financial Statements for 2023.

New standards effective from 1 January 2024 have had no material effect on the interim report.

Note 2: Business Segments

The management monitors and allocates resources to the Group's business activities as two operating segments, Farming and Sales & Processing. In addition Farming is also measured on geographical locations as Farming Mid and Farming West. The Farming segment includes the purchase of salmon eggs, farming on land and sea, related service activities and the sale of salmon to exporters. The Sales and Processing segment includes harvesting activities and the sale of salmon and other species of fish in Norway and for export. Farming sites are located on Frøya, Smøla, Hustavika, Averøy, Kristiansund, Aukra, Ulstein, Ørsta and Volda.

No operating segments have been aggregated to form the above reportable operating segments.

The remaining of the Group's activities are shown in the "Other/eliminations" column. The Group's administration cost and other shared cost are not allocated to segments. Information about unallocated items included in this column is given in a footnote to the tables below. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

The segments are measured on various criteria, of which financial results are one of these.

Information regarding the Group's reportable segments is presented below.

(1000 NOK)	Q1 2024					Måsøval Group
	Farming Mid	Farming West	Farming	Sales & processing	Other / eliminations*)	
Internal operating revenue - sale of goods and services	333 669	11 184	344 853	-	-344 853	-
External operating revenue - sale of goods and services	-	-	-	383 057	-	383 057
Other operating revenues	21 074	237	21 312	18 167	-20 279	19 199
Total operating revenues	354 743	11 421	366 165	401 223	-365 132	402 256
Operating expenses	155 862	4 484	160 347	422 149	-350 258	232 238
Depreciation and amortization	36 418	5 226	41 644	3 053	4 765	49 461
Operational EBIT	162 463	1 711	164 174	-23 979	-19 639	120 557
Operational EBIT-%	45.8%	15.0%	44.8%	-6.0%		30.0%
Volume harvested/sold	3 468	138	3 606	3 611		
Sales price per kg salmon	96.2	81.0	95.6	106.1		
Operational EBIT per kg salmon	46.8	12.4	45.5	-6.6		

*) In total, MNOK 14,9 in administration costs with a cash effect are charged under "Other/eliminations" in Q1 2024. Impairments, depreciation and amortization in "Other/eliminations" is almost exclusively related to administrative systems and surplus values from acquisitions.

(1000 NOK)	Q1 2023					Måsøval Group
	Farming Mid	Farming West	Farming	Sales & processing	Other / eliminations*)	
Internal operating revenue - sale of goods and services	102 386	64 917	167 303	-	-167 303	-
External operating revenue - sale of goods and services	-	-	-	208 745	-	208 745
Other operating revenues	22 141	595	22 736	20 618	-14 835	28 519
Total operating revenues	124 527	65 512	190 040	229 363	-182 139	237 264
Operating expenses	53 404	46 155	99 559	225 140	-170 908	153 791
Depreciation and amortization	33 760	3 894	37 654	3 380	6 576	47 610
Operational EBIT	37 363	15 463	52 827	843	-17 807	35 862
Operational EBIT-%	30.0%	23.6%	27.8%	0.4%		15.1%
Volume harvested/sold	1 140	854	1 994	2 270		
Sales price per kg salmon	89.9	76.0	83.9	92.0		
Operational EBIT per kg salmon	32.8	18.1	26.5	0.4		

*) In total, MNOK 11,2 in administration costs with a cash effect are charged under "Other/eliminations" in Q1 2024. Impairments, depreciation and amortization in "Other/eliminations" is almost exclusively related to administrative systems and surplus values from acquisitions.

(1000 NOK)	2023					Måsøval Group
	Farming Mid	Farming West	Farming	Sales & processing	Other / eliminations*)	
Internal operating revenue - sale of goods and services	1 435 827	628 424	2 064 251	-	-2 064 252	-0
External operating revenue - sale of goods and services		5 795	5 795	2 273 765	-	2 279 560
Other operating revenues	112 447	6 522	118 970	103 584	-101 766	120 788
Total operating revenues	1 548 274	640 742	2 189 016	2 377 349	-2 166 017	2 400 348
Operating expenses	974 696	508 522	1 483 218	2 351 858	-2 100 931	1 734 145
Depreciation and amortization	141 124	10 143	151 267	13 652	29 854	194 773
Operational EBIT	432 454	122 077	554 531	11 839	-94 940	471 430
Operational EBIT-%	27.9%	19.1%	25.3%	0.5%		19.6%
Volume harvested/sold	16 886	7 645	24 530	25 150		
Sales price per kg salmon	85.0	83.0	84.4	90.4		
Operational EBIT per kg salmon	25.6	16.0	22.6	0.5		

*) In total, MNOK 65,1 in administration costs with a cash effect are charged under "Other/eliminations" in Q1 2024. Impairments, depreciation and amortization in "Other/eliminations" is almost exclusively related to administrative systems and surplus values from acquisitions.

Note 3: Operating Revenue

Group revenues by geographic market:	Q1 2024	%	Q1 2023	%	2023	%
Norway	133 553	33%	129 376	55%	761 738	32%
Europe, without Norway	233 991	58%	100 338	42%	1 528 092	64%
Asia	28 095	7%	7 385	3%	88 074	4%
Other countries	6 617	2%	165	0%	22 444	1%
Total revenues	402 256		237 264		2 400 348	

Group revenues by product and services	Q1 2024	%	Q1 2023	%	2023	%
Sale revenue salmon	383 057	95%	208 745	88%	2 279 560	95%
Other revenue	19 199	5%	28 519	12%	120 788	5%
Total revenues	402 256		237 264		2 400 348	

Operating revenues

Operating revenues consist of revenue from sale of salmon either on spot rates or from fixed price contracts. Sales are recognized in the income statement when the fish has been harvested and packed in boxes and picked up by the carrier (ex works).

Other revenue

Other revenue consist of income from harvesting activities, sale of smolt and sale of services related to fish farming activities.

Note 4: Share Capital and Shareholders

As at 31 March 2024, the parent company's share capital comprised:

	No.	Face value	Share capital
Ordinary shares	122 508 455	0.25	30 627
Total	122 508 455	0.25	30 627

Shareholders:

The company's 20 largest shareholders as at 31 March 2024 were:

Shareholder	No. of shares	Shareholding (%)
Måsøval Eiendom AS	85 727 553	69.98%
Verdipapirfond Odin Norge	10 252 827	8.37%
Frøy Kapital AS	6 017 036	4.91%
J.P. Morgan SE	2 099 608	1.71%
Henden Nygård Holding AS	1 800 057	1.47%
ABBA Holding AS	1 677 176	1.37%
Morgan Stanley & Co. Int. Plc.	1 652 643	1.35%
Verdipapirfondet Nordea Norge Verdi	1 346 200	1.10%
Vicama AS	1 000 000	0.82%
J.P. Morgan SE	925 405	0.76%
GH Holding AS	816 620	0.67%
Verdipapirfondet Holberg Triton	749 300	0.61%
Patric Invest AS	611 252	0.50%
Yttervåg AS	380 036	0.31%
Jaras Invest AS	290 000	0.24%
Amarillo AS	261 000	0.21%
Småge Eiendom AS	241 387	0.20%
Storø Invest AS	227 964	0.19%
DnB Bank ASA	225 593	0.18%
Verdipapirfondet Nordea Avkastning	223 000	0.18%
Others	5 983 798	4.88%
Total	122 508 455	100.00%

Note 5: Biological Assets and Other Inventories

Book value of biological assets and inventory	31.03.2024	31.03.2023	31.12.2023
Feed inventory	32 919	28 216	23 159
Finished goods	25 675	3 787	25 470
Total other inventory	58 594	32 003	48 629
Biological assets	1 188 921	1 311 642	1 093 324
Total biological assets and other inventory	1 247 515	1 343 645	1 141 952

Fair value

Fair value adjustments are part of the Group's EBIT, but changes in fair value are presented on a separate line to provide better understanding of the Group's profit/loss on cost of goods sold. The item comprises:

Book value of biological assets recognised at fair value	31.03.2024	31.03.2023	31.12.2023
Biological assets held at sea farms at cost	715 944	774 503	636 274
Fair value adjustment of biological assets	358 054	412 967	364 800
Total biological assets held at sea by fair value	1 073 999	1 187 470	1 001 074
Eggs and smolt at cost	114 922	124 172	92 250
Total biological assets	1 188 921	1 311 642	1 093 324

Change in the book value of biological assets held at sea farm carried at fair value	Q1 2024	Q1 2023	2023
Opening balance biological assets at sea	1 001 074	1 075 935	1 075 934
Increase resulting from production/purchase	344 796	280 138	1 505 524
Reduction resulting from sale/harvesting	-265 124	-125 489	-1 489 104
Net fair value adjustment total biomass*)	-6 746	-43 114	-91 281
Closing balance biological assets at sea	1 073 999	1 187 470	1 001 074

*) Gross fair value is shown in the balance sheet. The co-location partner's share of fair value is recorded as accrued liability under other current liabilities.

Biological assets held at sea farms 31.03.2024	Biomass (tonnes)	Count	Cost	Fair value adjustment	Carrying amount
< 1 kg	831	1 970 835	122 805	66 468	189 272
1 - 4 kg	4 922	3 058 219	307 800	21 005	328 805
> 4 kg	7 705	1 652 128	285 339	270 582	555 921
Biological assets held at sea farms	13 457	6 681 182	715 944	358 054	1 073 999
Smolt and post-smolt at cost	-	-	114 922	-	114 922
Biological assets total	13 457		830 867	358 054	1 188 921

Biological assets held at sea farms 31.03.2023	Biomass (tonnes)	Count	Cost	Fair value adjustment	Carrying amount
< 1 kg	637	1 421 417	82 189	53 823	136 012
1 - 4 kg	12 668	4 606 727	579 567	303 461	883 028
> 4 kg	2 458	592 510	112 746	55 683	168 429
Biological assets held at sea farms	15 763	6 620 654	774 503	412 967	1 187 470
Smolt and post-smolt at cost	-	-	124 172	-	124 172
Biological assets total	15 763		898 675	412 967	1 311 642

Biological assets held at sea farms 31.12.2023	Biomass (tonnes)	Count	Cost	Fair value adjustment	Carrying amount
< 1 kg	2 905	4 165 373	282 239	-593	281 646
1 - 4 kg	7 095	2 115 981	306 976	282 928	589 904
> 4 kg	1 865	371 409	47 059	82 465	129 524
Biological assets held at sea farms	11 865	6 652 763	636 274	364 800	1 001 074
Smolt and post-smolt at cost	-	-	92 250	-	92 250
Biological assets total	11 865		728 524	364 800	1 093 324

The fair value calculation is based on following forward prices:

Expected harvesting period:	Forward price 31.03.2024	Expected harvesting period:	Forward price 31.03.2023	Expected harvesting period:	Forward price 31.12.2023
Q2-2024	106.27	Q2-2023	106.56	Q1-2024	106.27
Q3-2024	111.77	Q3-2023	83.27	Q2-2024	111.77
Q4-2024	82.02	Q4-2023	84.52	Q3-2024	82.02
Q1-2025	84.43	Q1-2024	92.42	Q4-2024	84.43
Q2-2025	99.50	Q2-2024	95.75	Q1-2025	95.87

Discount rate

The discount rate for 2023 and 2024 was 5% per month, which reflects the biomass capital cost, risk and synthetic licence fees and site rental charges.

Note 6: Transactions with Related Parties

The group had the following transactions with related parties. All transactions are carried out on market terms at arm's length.

Goods and services sold (1000 NOK)	Q1 2024	Q1 2023	2023
Fiskeldi Austfjarða	7 594	6 700	28 410
Måsøval Eiendom AS	564	173	1 102
Flamek Eiendom AS	18	117	468
Sørskaget Holding AS	18	231	918
Sørskaget Bolig AS	18	34	133

Goods and services purchased (1000 NOK)	Q1 2024	Q1 2023	2023
Fiskeldi Austfjarða	-	224	224
Måsøval Eiendom AS	321	238	1 577
Flamek Eiendom AS	874	1 081	3 099
Sørskaget Holding AS	873	388	2 028

Receivables (1000 NOK)	31.03.2024	31.03.2023	31.12.2023
Fiskeldi Austfjarða	18 688	25 107	21 094
Måsøval Eiendom AS	7 070	6 565	6 767
Flamek Eiendom AS	322	314	49
Sørskaget Holding AS	8	-	183
Sørskaget Bolig AS	162	55	180

Liabilities (1000 NOK)	31.03.2024	31.03.2023	31.12.2023
Fiskeldi Austfjarða	273	273	273
Måsøval Eiendom AS	107	-	102
Flamek Eiendom AS	291	274	274
Sørskaget Holding AS	291	-	385

Note 7: Intangible Assets and Property, Plant and Equipment

<i>(1000 NOK)</i>	Right-to-use assets	Property, plant and equipment	Goodwill	Licenses	Total
Net book value at 31.12.2023	522 627	463 071	428 390	2 068 767	3 482 855
Additions	41 542	26 399	-	-	67 941
Disposals *)	-56 349	-31 432	-	-	-87 781
Depreciation and amortization	-28 660	-20 801	-	-	-49 461
Net book value at 31.03.2024	479 160	437 237	428 390	2 068 767	3 413 554

*) Disposals related to "Right-to-use assets" apply to buyouts upon expiry of leasing agreements. A lease buyout entails an addition of "Property, plant and equipment".

Disposals in Q1 2024 is mainly related to sale of the subsidiary Western Seaproducts.

Note 8: Tax

The Norwegian government have implemented a resource rent tax on salmon farming in sea with a tax rate of 25%. The resource rent tax only applies to farming of salmon at sea on commercial licences and not the entire production cycle.

The implementation effect of the resource rent tax constitutes a deferred tax on the Group's biomass of MNOK 242. This effect was treated as a tax charge in Q2 2023. In the Q3 2023, Måsøval implemented the full effect of accumulated resource rent tax expense so far in 2023.

There is still some uncertainty regarding the rules and details still unresolved by the government regarding reporting of resource rent taxable income. Resource rent tax for Q1 2024 is thereby estimated based on our best understanding of adopted rules.

The production fee in the periode is directly deductible in the payable resource rent tax for the same periode. Below we show the total tax expense including the production fee and then we show a reconciliation against the income statement. The production fee is specified on a separate line in the statement of profit and loss.

Estimated tax cost for the period is classified as "Deferred Tax" in the Balance Sheet.

Tax expenses	Q1 2024	Q1 2023	2023
Estimated Corporate tax for the period	11 920	-8 369	38 648
Estimated resource tax for the period (payable and deferred) *)	15 906	2 233	35 259
Implementation effect as of 1.1.2023	-	-	242 552
Total tax expenses including Production Fee	27 825	-6 136	316 459
Production Fee	-3 372	-2 233	-18 824
Income tax cost	24 454	-8 369	297 635

*) Including Production Fee

Alternative Performance Measures

The Group presents its financial statements in accordance with International Financial Reporting Standards (IFRS). In addition, management has established alternative performance measures (APMs) to provide useful and relevant information to users of the financial statements. These APMs have been established to provide greater understanding of the Group's underlying performance, and do not replace the consolidated financial statements prepared in accordance with IFRS. The performance parameters have been reviewed and approved by the Group's management and Board of directors. Alternative performance measures may be defined and used in other ways by other companies. The Group applies the following APMs:

Net interest-bearing debt

Net interest-bearing debt is defined as the net of long-term debt, short-term debt, bank deposits and interest-bearing receivables. The measure is useful and necessary information to investors and other users of the financial statements to assess the net of the interest-bearing external capital used to finance the group. The measure is used to calculate return on capital employed and highlights the Group's ability to increase the debt. The capitalised value of operational lease agreements according to IFRS 16 is not included in the interest-bearing debt.

(1000 NOK)	31.03.2024	31.03.2023	31.12.2023
Non-current liabilities to financial institutions	1 489 292	1 707 639	294 937
Current liabilities to financial institutions	426 609	554 398	1 652 814
Liabilities related to operational lease agreements	-132 991	-219 070	-132 991
Cash and cash equivalents	-10 798	-37 770	-9 568
Net interest-bearing debt - Group	1 772 112	2 005 197	1 805 192
Net interest-bearing debt - Pure Norwegian Seafood (PNS)	-36 048	-48 965	-49 669
Net interest bearing debt - Group excluding PNS	1 736 064	1 956 232	1 755 523

Operational EBITDA

For the purpose of financial covenants, operational EBITDA is calculated excluding PNS and the interest effect of operational leases. Operational EBITDA is calculated as operational EBIT less depreciations and calculated interest expenses on operating leases.

(1000 NOK)	Q1 2024	Q1 2023	2023
Operational EBIT - Group	120 557	35 863	471 429
Operational EBIT - Pure Norwegian Seafood	4 808	-2 173	-16 779
Operational EBIT - Group, excluding PNS	125 365	33 690	454 650
Depreciation and amortisation expense, excluded PNS	45 388	45 053	180 214
Interest expenses on operating leases	-708	-1 969	-6 908
EBITDA - Group excluding PNS	170 045	76 774	627 956

Financial expenses excluding Pure Norwegian Seafood

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

(1000 NOK)	Q1 2024	Q1 2023	2023
Financial expenses - Group	48 097	31 257	154 046
Financial expenses - PNS	-7 159	-1 079	-5 075
Financial expenses - Group, excluding PNS	40 938	30 178	148 971

Equity ratio

Equity ratio is calculated by dividing total equity including minorities by the total assets and it is expressed as a percentage. The measure is useful to the users of financial statements in terms of understanding how much of a company's assets are funded by equity and borrowings.

(1000 NOK)	31.03.2024	31.03.2023	31.12.2023
Equity	1 824 253	1 957 318	1 794 276
Total assets	5 010 935	5 124 786	5 160 211
Equity ratio	36.4%	38.2%	34.8%

Operational EBIT per kg salmon

Operational EBIT per kg is defined as a central performance measure for the Group. The measure is used to evaluate the profitability of sold goods and the operations of the Group. The performance measure is useful to users of the financial statements to evaluate the profitability of sold goods and the production. The measure is calculated for each segment before unallocated costs and non-recurring events, fair value adjustments, income from associated companies, financial expenses and taxes. The measure is expressed per kg harvested volume.

Operational EBIT

Operational EBIT is defined as the difference between operating revenues and operating expenses. Operating expenses excludes production tax, profit sharing with co-location partners and change in fair value of biological assets

Farming

(1000 NOK)	Q1 2024	Q1 2023	2023
Operating revenue	366 165	190 040	2 189 016
Operating expenses	201 990	137 213	1 634 485
Operational EBIT	164 174	52 827	554 531
Volume harvested	3 606	1 994	24 531
Operational EBIT per kg salmon	45.5	26.5	22.6

Farming Mid

(1000 NOK)	Q1 2024	Q1 2023	2023
Operating revenue	354 743	124 527	1 548 274
Operating expenses	192 280	87 164	1 115 820
Operational EBIT	162 463	37 363	432 454
Volume harvested	3 468	1 140	16 886
Operational EBIT per kg salmon	46.8	32.8	25.6

Farming West

(1000 NOK)	Q1 2024	Q1 2023	2023
Operating revenue	11 421	65 512	640 742
Operating expenses	9 710	50 049	518 665
Operational EBIT	1 711	15 463	122 077
Volume harvested	138	854	7 645
Operational EBIT per kg salmon	12.4	18.1	16.0

Sales & processing

(1000 NOK)	Q1 2024	Q1 2023	2023
Operating revenue	401 223	229 363	2 377 349
Operating expenses	425 202	228 520	2 365 510
Operational EBIT	-23 979	843	11 839
Volume sold	3 611	2 270	25 150
Operational EBIT per kg salmon	-6.6	0.4	0.5



Måsøval

Made by nature