Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	975 350 940
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	LERØY SEAFOOD GROUP ASA
Forretningsadresse:	Thormøhlens gate 51B 5006 BERGEN

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Henning Beltestad
Dato for fastsettelse av årsregnskapet:	29.04.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 13.08.2025

Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1,3	410 464 000	192 771 000
Sum inntekter		**410 464 000**	**192 771 000**
Kostnader			
Lønnskostnad	11	218 956 000	174 265 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	4	9 117 000	4 223 000
Annen driftskostnad	3,4,11	379 072 000	262 563 000
Sum kostnader		**607 145 000**	**441 051 000**
Driftsresultat		**-196 681 000**	**-248 280 000**
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap	3	2 419 994 000	972 283 000
Inntekt på andre investeringer		-492 000	-1 536 000
Renteinntekt fra foretak i samme konsern	3	42 747 000	25 037 000
Annen renteinntekt	12	86 494 000	35 569 000
Currency exchange gain			10 654 000
Other financial income		69 000	
Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi	9	728 000	577 000
Sum finansinntekter		**2 549 540 000**	**1 042 584 000**
Verdireduksjon andre finansielle instrumenter vurdert til virkelig verdi	5	277 545 000	356 872 000
Annen rentekostnad	12	125 645 000	48 847 000
Currency exchange loss	12	7 607 000	
Other financial cost		6 641 000	8 980 000
Sum finanskostnader		**417 438 000**	**414 699 000**
Netto finans		**2 132 102 000**	**627 885 000**
Ordinært resultat før skattekostnad		**1 935 421 000**	**379 605 000**
Skattekostnad på ordinært resultat	10	384 405 000	58 461 000
Ordinært resultat etter skattekostnad		**1 551 016 000**	**321 144 000**

Resultatregnskap

Beløp i: NOK	Note	2023	2022
Årsresultat		**1 551 016 000**	**321 144 000**
Overføringer og disponeringer			
Ordinært utbytte	2	1 489 434 000	1 489 434 000
Overføringer til/fra annen egenkapital	2	61 582 000	-1 168 290 000
Sum overføringer og disponeringer		**1 551 016 000**	**321 144 000**

Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	4	54 803 000	54 803 000
Sum immaterielle eiendeler		**54 803 000**	**54 803 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	4	1 562 000	1 562 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	4	61 480 000	27 677 000
Sum varige driftsmidler		**63 042 000**	**29 239 000**
Finansielle anleggsmidler			
Investering i datterselskap	5	8 414 656 000	7 948 720 000
Lån til foretak i samme konsern	3	549 105 000	255 601 000
Investeringer i tilknyttet selskap	6	555 455 000	555 455 000
Investeringer i aksjer og andeler	6	5 290 000	9 066 000
Andre fordringer	7	11 176 000	32 356 000
Sum finansielle anleggsmidler		**9 535 682 000**	**8 801 198 000**
Sum anleggsmidler		**9 653 527 000**	**8 885 240 000**
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer	7	22 051 000	27 663 000
Konsernfordringer	3	2 461 910 000	1 177 058 000
Sum fordringer		**2 483 961 000**	**1 204 721 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		2 358 485 000	2 332 383 000
Sum bankinnskudd, kontanter og lignende		**2 358 485 000**	**2 332 383 000**
Sum omløpsmidler		**4 842 446 000**	**3 537 104 000**

Balanse

Beløp i: NOK	Note	2023	2022
SUM EIENDELER		**14 495 973 000**	**12 422 344 000**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital			
Innskutt egenkapital			
Selskapskapital	2	59 577 000	59 577 000
Beholdning av egne aksjer	2	-30 000	-30 000
Overkurs	2	4 778 346 000	4 778 346 000
Annen innskutt egenkapital	2	104 572 000	104 572 000
Sum innskutt egenkapital		**4 942 465 000**	**4 942 465 000**
Opptjent egenkapital			
Annen egenkapital	2	4 177 392 000	4 115 066 000
Sum opptjent egenkapital		**4 177 392 000**	**4 115 066 000**
Sum egenkapital		**9 119 857 000**	**9 057 531 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	10	5 354 000	6 108 000
Sum avsetninger for forpliktelser		**5 354 000**	**6 108 000**
Annen langsiktig gjeld			
Obligasjonslån	8	2 990 486 000	1 493 656 000
Sum annen langsiktig gjeld		**2 990 486 000**	**1 493 656 000**
Sum langsiktig gjeld		**2 995 840 000**	**1 499 764 000**
Kortsiktig gjeld			
Leverandørgjeld	3	67 905 000	77 321 000
Betalbar skatt	10	295 304 000	9 442 000
Skyldige offentlige avgifter		15 149 000	10 812 000
Utbytte	2	1 489 434 000	1 489 434 000
Kortsiktig konserngjeld	3	415 834 000	229 802 000
Annen kortsiktig gjeld	8	96 649 000	48 237 000
Sum kortsiktig gjeld		**2 380 275 000**	**1 865 048 000**

Balanse

Beløp i: NOK	Note	2023	2022
Sum gjeld		**5 376 115 000**	**3 364 812 000**
SUM EGENKAPITAL OG GJELD		**14 495 972 000**	**12 422 343 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	5,25	30 869 712 000	26 645 877 000
Annen driftsinntekt	5	36 473 000	6 380 000
Sum inntekter		**30 906 185 000**	**26 652 257 000**
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer	12	-854 798 000	-2 744 368 000
Endring i beholdning av egentilvirkede anleggsmidler	25	18 159 867 000	16 064 207 000
Lønnskostnad	16,22	4 241 029 000	3 815 833 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		1 483 887 000	1 326 039 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler		108 110 000	
Annen driftskostnad		4 540 717 000	3 907 502 000
Sum kostnader		**27 678 812 000**	**22 369 213 000**
Driftsresultat		**3 227 373 000**	**4 283 044 000**
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap	5,10	-143 308 000	65 675 000
Annen renteinntekt	23	129 774 000	35 812 000
Agio gevinst	23		16 803 000
Inntekt på andre investeringer	23	405 000	358 000
Andre finansinntekter	23	4 726 000	2 665 000
Verdiøkning andre finansielle instrumenter vurdert til virkelig verdi	23	728 000	
Sum finansinntekter		**-7 675 000**	**121 313 000**
Nedskrivning av finansielle eiendeler		35 846 000	
Annen rentekostnad	23	552 650 000	321 627 000
Other financial cost	23	24 403 000	15 780 000
Currency loss	23	6 691 000	
Sum finanskostnader		**619 590 000**	**337 407 000**
Netto finans		**-627 265 000**	**-216 094 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
Ordinært resultat før skattekostnad		**2 600 108 000**	**4 066 950 000**
Skattekostnad på ordinært resultat	17	2 389 557 000	901 829 000
Ordinært resultat etter skattekostnad		**210 551 000**	**3 165 121 000**
Årsresultat		**210 551 000**	**3 165 121 000**
Minoritetsinteresser		-61 948 000	258 341 000
Årsresultat etter minoritetsinteresser		**272 499 000**	**2 906 780 000**

Konsernets balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		5 996 395 000	6 033 549 000
Utsatt skattefordel	17	216 307 000	92 865 000
Goodwill		2 690 656 000	2 516 619 000
Sum immaterielle eiendeler		**8 903 358 000**	**8 643 033 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	8,15	4 251 443 000	4 833 185 000
Skip, rigger, fly og lignende	9,15	1 583 178 000	2 562 885 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	9,15	5 074 818 000	2 955 288 000
Sum varige driftsmidler		**10 909 439 000**	**10 351 358 000**
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	5,10,15	1 366 072 000	1 424 638 000
Investeringer i aksjer og andeler	10,14	13 857 000	16 699 000
Andre fordringer	13	116 350 000	123 314 000
Sum finansielle anleggsmidler		**1 496 279 000**	**1 564 651 000**
Sum anleggsmidler		**21 309 076 000**	**20 559 042 000**
Omløpsmidler			
Varer			
Biologisk eiendeler	11,15	8 424 483 000	7 617 593 000
Andre varer	12,15	2 398 175 000	2 307 897 000
Sum varer		**10 822 658 000**	**9 925 490 000**
Fordringer			
Kundefordringer	13,14,15	2 926 481 000	2 716 977 000
Andre fordringer	13,14,15	2 037 207 000	555 273 000
Sum fordringer		**4 963 688 000**	**3 272 250 000**

Konsernets balanse

Beløp i: NOK	Note	2023	2022
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	14,15	4 323 109 000	3 304 878 000
Sum bankinnskudd, kontanter og lignende		**4 323 109 000**	**3 304 878 000**
Sum omløpsmidler		**20 109 455 000**	**16 502 618 000**
SUM EIENDELER		**41 418 531 000**	**37 061 660 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	21	59 577 000	59 577 000
Beholdning av egne aksjer	21	-30 000	-30 000
Overkurs		4 778 346 000	4 778 346 000
Sum innskutt egenkapital	21	**4 837 893 000**	**4 837 893 000**
Opptjent egenkapital			
Annen egenkapital		13 849 240 000	14 870 817 000
Minoritetsinteresser		1 209 412 000	1 314 983 000
Sum opptjent egenkapital		**15 058 652 000**	**16 185 800 000**
Sum egenkapital		**19 896 545 000**	**21 023 693 000**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	16	3 700 000	3 029 000
Utsatt skatt	17	5 008 552 000	2 576 287 000
Andre avsetninger for forpliktelser	8,15	1 168 592 000	1 278 584 000
Sum avsetninger for forpliktelser		**6 180 844 000**	**3 857 900 000**
Annen langsiktig gjeld			
Obligasjonslån	15	2 990 486 000	1 493 656 000
Gjeld til kredittinstitusjoner	8,15	4 803 811 000	4 322 932 000
Sum annen langsiktig gjeld		**7 794 297 000**	**5 816 588 000**
Sum langsiktig gjeld		**13 975 141 000**	**9 674 488 000**

Konsernets balanse

Beløp i: NOK	Note	2023	2022
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	15	2 001 962 000	1 832 885 000
Leverandørgjeld	14	2 556 729 000	2 076 939 000
Betalbar skatt	17	438 403 000	952 991 000
Skyldige offentlige avgifter	15	1 602 862 000	334 934 000
Annen kortsiktig gjeld	15	946 889 000	1 165 730 000
Sum kortsiktig gjeld		**7 546 845 000**	**6 363 479 000**
Sum gjeld		**21 521 986 000**	**16 037 967 000**
SUM EGENKAPITAL OG GJELD		**41 418 531 000**	**37 061 660 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer:	2024 724046

Enheten

Organisasjonsnummer:	975 350 940
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	LERØY SEAFOOD GROUP ASA
Forretningsadresse:	Thormøhlens gate 51 5006 BERGEN

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Henning Beltestad
Dato for fastsettelse av årsregnskapet:	29.04.2024

Grunnlag for avgivelse

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Brønnøysundregistrene, 20.08.2024

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 975 350 940
LERØY SEAFOOD GROUP ASA

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
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Sum inntekter		**410 464 000**	**192 771 000**
Kostnader			
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Finansinntekter og finanskostnader			
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Netto finans		**2 132 102 000**	**627 885 000**
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Årsresultat		**1 551 016 000**	**321 144 000**
Overføringer og disponeringer			
Ordinært utbytte	2	1 489 434 000	1 489 434 000
Overføringer til/fra annen egenkapital	2	61 582 000	-1 168 290 000
Sum overføringer og disponeringer		**1 551 016 000**	**321 144 000**

Organisasjonsnr: 975 350 940
LERØY SEAFOOD GROUP ASA

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter	4	54 803 000	54 803 000
Sum immaterielle eiendeler		**54 803 000**	**54 803 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	4	1 562 000	1 562 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	4	61 480 000	27 677 000
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Finansielle anleggsmidler			
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Omløpsmidler			
Varer			
Fordringer			
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Sum fordringer		**2 483 961 000**	**1 204 721 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		2 358 485 000	2 332 383 000
Sum bankinnskudd, kontanter og lignende		**2 358 485 000**	**2 332 383 000**
Sum omløpsmidler		**4 842 446 000**	**3 537 104 000**
SUM EIENDELER		**14 495 973 000**	**12 422 344 000**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital			
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Overkurs	2	4 778 346 000	4 778 346 000
Annen innskutt egenkapital	2	104 572 000	104 572 000
Sum innskutt egenkapital		**4 942 465 000**	**4 942 465 000**
Opptjent egenkapital			
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Gjeld			
Langsiktig gjeld			
Utsatt skatt	10	5 354 000	6 108 000
Sum avsetninger for forpliktelser		**5 354 000**	**6 108 000**
Annen langsiktig gjeld			
Obligasjonslån	8	2 990 486 000	1 493 656 000
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Organisasjonsnr: 975 350 940
LERØY SEAFOOD GROUP ASA

KONSERNRESULTATREGNSKAP

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Årsresultat		**210 551 000**	**3 165 121 000**
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Organisasjonsnr: 975 350 940
LERØY SEAFOOD GROUP ASA

KONSERNBALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		5 996 395 000	6 033 549 000
Utsatt skattefordel	17	216 307 000	92 865 000
Goodwill		2 690 656 000	2 516 619 000
Sum immaterielle eiendeler		**8 903 358 000**	**8 643 033 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	8,15	4 251 443 000	4 833 185 000
Skip, rigger, fly og lignende	9,15	1 583 178 000	2 562 885 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	9,15	5 074 818 000	2 955 288 000
Sum varige driftsmidler		**10 909 439 000**	**10 351 358 000**
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	5,10,15	1 366 072 000	1 424 638 000
Investeringer i aksjer og andeler	10,14	13 857 000	16 699 000
Andre fordringer	13	116 350 000	123 314 000
Sum finansielle anleggsmidler		**1 496 279 000**	**1 564 651 000**
Sum anleggsmidler		**21 309 076 000**	**20 559 042 000**
Omløpsmidler			
Varer			
Biologisk eiendeler	11,15	8 424 483 000	7 617 593 000
Andre varer	12,15	2 398 175 000	2 307 897 000
Sum varer		**10 822 658 000**	**9 925 490 000**
Fordringer			
Kundefordringer	13,14,15	2 926 481 000	2 716 977 000
Andre fordringer	13,14,15	2 037 207 000	555 273 000
Sum fordringer		**4 963 688 000**	**3 272 250 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	14,15	4 323 109 000	3 304 878 000
Sum bankinnskudd, kontanter og lignende		**4 323 109 000**	**3 304 878 000**

Sum omløpsmidler		**20 109 455 000**	**16 502 618 000**
SUM EIENDELER		**41 418 531 000**	**37 061 660 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	21	59 577 000	59 577 000
Beholdning av egne aksjer	21	-30 000	-30 000
Overkurs		4 778 346 000	4 778 346 000
Sum innskutt egenkapital	**21**	**4 837 893 000**	**4 837 893 000**
Opptjent egenkapital			
Annen egenkapital		13 849 240 000	14 870 817 000
Minoritetsinteresser		1 209 412 000	1 314 983 000
Sum opptjent egenkapital		**15 058 652 000**	**16 185 800 000**
Sum egenkapital		**19 896 545 000**	**21 023 693 000**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	16	3 700 000	3 029 000
Utsatt skatt	17	5 008 552 000	2 576 287 000
Andre avsetninger for forpliktelser	8,15	1 168 592 000	1 278 584 000
Sum avsetninger for forpliktelser		**6 180 844 000**	**3 857 900 000**
Annen langsiktig gjeld			
Obligasjonslån	15	2 990 486 000	1 493 656 000
Gjeld til kredittinstitusjoner	8,15	4 803 811 000	4 322 932 000
Sum annen langsiktig gjeld		**7 794 297 000**	**5 816 588 000**
Sum langsiktig gjeld		**13 975 141 000**	**9 674 488 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	15	2 001 962 000	1 832 885 000
Leverandørgjeld	14	2 556 729 000	2 076 939 000
Betalbar skatt	17	438 403 000	952 991 000
Skyldige offentlige avgifter	15	1 602 862 000	334 934 000
Annen kortsiktig gjeld	15	946 889 000	1 165 730 000
Sum kortsiktig gjeld		**7 546 845 000**	**6 363 479 000**
Sum gjeld		**21 521 986 000**	**16 037 967 000**
SUM EGENKAPITAL OG GJELD		**41 418 531 000**	**37 061 660 000**

Organisasjonsnr: 975 350 940
LERØY SEAFOOD GROUP ASA

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
11

Antall årsverk i regnskapsåret
155.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

Organisasjonsnr: 975 350 940
LERØY SEAFOOD GROUP ASA

NOTEOPPLYSNINGER - KONSERN

- alle poster oppgitt i hele tall

Note
22

Antall årsverk i regnskapsåret
5203.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
08.12.2022	03.11.2022	Kjetil Solbø Zahl
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon
Org.nr 974761076	Vår referanse 2022/5903401	Postadresse Postboks 9200 Grønland 0134 OSLO

U.off. offl. § 13, sktfvl. § 3-1, sktbl. § 3-2

Advokatfirmaet Pricewaterhousecoopers AS
Postboks 3984, Sandviken
5835 Bergen

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for Lerøy Seafood Group ASA, org.nr. 975 350 940

Vi viser til mottatt søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for Lerøy Seafood Group AS (org.nr. 975 350 940).

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
Fra søknaden siteres utdrag:

> *[…] Selskapets arbeidsspråk er en blanding av norsk og engelsk, men bruken av engelsk er høy og statdig stigende […]*
>
> *[…] Selskapet har fått dispensasjon fra kravet om å gi opplysninger på norsk fra Oslo Børs i henhold til vphl. § 5-13 første og tredje ledd, jf. forskrift om innsendelse av flaggemeldinger mv § 3. […]*
>
> *[...] Lerøy Seafood Group ASA er som nevnt et verdensledende sjømatselskap, og har følgelig et stort internasjonalt fokus. Selskapet henvender seg i stor grad til både utenlandske kunder, investorer, samarbeidspartnere og leverandører. Selskapets hovedmarked er EU, og hele 80 % av kundemassen deres er utenlandske. [...]*
>
> *[…] I tillegg til flertallet av kundene deres, er engelsk språk nødvendig for omlag 25 % av eierandelen, som ligger på utenlandske hender. Selskapet opererer internasjonalt, og deres største kunder stiller høye krav til regnskapene, som leses grundig. Regnskapene er også av interesse for utenlandske myndigheter, og selskapet blir jevnlig bedt om å sende engelsk regnskap til utenlandske skattemyndigheter og revisorer. […]*
>
> *[…] Lerøy Seafood Group ASA har også etablert en helintegrert verdikjede hvor en stor andel av aktiviteten/salget mot kundene er utført i utlandet, og hvor engelsk språk er dominerende. […]*
>
> *[…] Selv om konsernet som helhet bidrar til utvikling av lokalsamfunn, er det Lerøy Seafood Group ASA sin oppfatning at selskapet ikke kan karakteriseres som en hjørnesteinsbedrift. Det er konsernets øvrige datterselskap som representerer den lokale tilknytningen, og disse vil fortsette å rapportere på norsk. […]*

Skattekontorets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at 80 % av kundemassen er utenlandsk og virksomheten har en sterk internasjonal karakter, bruken av engelsk som arbeidsspråk i konsernet er økende, selskapet har fått dispensasjon fra kravet om å gi opplysninger på norsk fra Oslo Børs, datterselskap som representerer den lokale tilknytningen vil fortsatt rapportere på norsk og en vesentlig del av selskapets eiere er profesjonelle parter som behersker engelsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Camilla Reinertsen
Underdirektør
Innsats, storbedrift
Skatteetaten

Kjetil Solbø Zahl

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

The Board's report

Board of Directors

Chair of the Board

Arne Møgster (1975)

was elected to the Board at the Annual General Meeting on 26 May 2009. He holds a Master of Science (MSc) in International Shipping and a Bachelor's degree in Business and Administration.

Arne Møgster is the CEO of Austevoll Seafoood AS, and serves on the boards of several companies in the Austevoll Seafood Group. Prior to joining Austevoll Seafood ASA in 2006, Arne gained extensive experience working within fishing, shipbuilding and the offshore supply market. He was the Managing Director of Norskan AS for three years, with one year based in Brazil.

Through more than a decade of working both as a CEO and a board member for listed companies, Arne has acquired extensive knowledge of a broad range of subjects, including ESG.

Austevoll Seafood is the majority owner of Lerøy Seafood Group. The majority shareholder of Austevoll Seafood is Laco AS. Arne Møgster is a shareholder in Laco AS, and indirectly holds shares in Lerøy Seafood Group ASA. There are some transactions between companies in the Austevoll Seafood Group and Lerøy. These transactions take place according to the arm's length principle and are described in the company's annual report.

Board member

Britt Kathrine Drivenes (1963)

was elected to the Board at the Annual General Meeting on 20 May 2008. She holds a Bachelor of Business Administration from the Norwegian School of Management (BI) and a Master of Business Administration in Strategic Management from the Norwegian School of Economics (NHH). She is CFO of Austevoll Seafood ASA and also serves on the boards of several companies in the Austevoll Seafood Group. She has also been part of the Board in Norwegian Seafood Research Fund, FHF – since 2019. FHF's goal is to create added value to the Seafood industry through industrybased research and development.

Britt Kathrine Drivenes has extensive experience from the fishing industry as well as financing, accounting and ESG. She is the board`s designated resource related to ESG. She has previously served as as board member in an IT company, and has knowledge within IT and cybersecurity. She owns shares indirectly in Lerøy Seafood Group ASA as a shareholder in Austevoll Seafood ASA.

Board member

Didrik Munch (1956)

was elected to the Board at the Annual General Meeting on 23 May 2012. He has a law degree from the University of Bergen. Didrik qualified as a police officer at the Norwegian Police University College in Oslo and held a number of positions within the Norwegian police force (1977–1986). From 1986 to 1997, he worked in finance, primarily in the DnB bank system, where he eventually joined corporate management as Director for the DnB Corporate Customer division. From 1997 to 2008, Didrik was CEO of Bergens Tidende AS. He was CEO of Schibsted Norge AS (formerly Media Norge AS) from 2008 to 2018 and is currently self-employed. Didrik Munch has served on the boards of a number of companies, both as chair and an ordinary member. He is currently Board Chair of Storebrand ASA, Solstrand Fjordhotell Holding AS and NWT Media AS, and serves on the boards of Grieg Maritime Group AS, SH Holding AS and Jonstadveien 6 AS.

Didrik Munch currently chairs the Audit Committee of Lerøy Seafood Group ASA. He also has comprehensive knowledge within the field of ESG through his extensive experience from the managements and boards of some of Norway's largest companies.

Didrik Munch is an independent director. As at 31 December 2022, he owned no shares in the company.

Board member
Karoline Møgster (1980)

was elected to the Board at the Annual General Meeting on 23 May 2017. She has a law degree from the University of Bergen (Cand.juris.). She also has a Master of Arts in Accounting and Auditing (MRR) from the Norwegian School of Economics (NHH). She has previously worked as a lawyer with Advokatfirmaet Thommessen AS and is now employed as a lawyer in Møgster Management AS in the Laco Group.

Karoline has extensive experience within Corporate Governance and corporate law as well as accounting and financing.

Karoline serves on the board of Laco AS and has board experience from other listed companies. She is also a board member for Fiskebåt Sør. Laco is the ultimate parent company of Lerøy Seafood Group. There are some transactions between companies in the Austevoll Seafood Group and Lerøy. These transactions take place according to the arm's length principle and are described in the company's annual report. Karoline Møgster indirectly owns shares in Lerøy Seafood Group ASA as a shareholder of Laco AS.

Board member
Siri Lill Mannes (1970)

was elected to the Board at the Annual General Meeting on 23 May 2018. Siri Lill has over 20 years experience from television. As a tv-reporter and news anchor for Norway´s TV2, she covered a range of major events around the world.

Siri Lill holds a Master´s degree in History from the University of Bergen and has also completed studies in Russian and political science. She regularly moderates national and international conferences on topics like cybersecurity, energy, defence, finance and foreign affairs.

Since 2015, she has been moderator for the annual Security Conference by the Norwegian National Security Authority (NSM). In 2017, Siri Lill completed the Senior Executive Course at the Norwegian Defence Security College (Sjefskurset, Forsvarets høgskole).

She is Director of SpeakLab, a communication company based in Bergen. She has served on the board of TV2 and Foto Knudsen, and is currently Board director of JW Eides Stiftelse.

Siri is an independent director. As at 31 December 2022, she owned no shares in the company.

Board member
Hans Petter Vestre (1966)

was elected as an employee representative to the Board at the Annual General Meeting on 24 April 1995. Hans Petter Vestre is a graduate of the Norwegian College of Fishery, University of Tromsø. He started as a sales manager at Hallvard Lerøy AS in 1992, and is currently a team leader at Lerøy Seafood AS.

Hans Petter is a member of the board of Bergen CK (Cycle club), and has received training within both ESG and IT security as an employee at Lerøy.

As at 31 December 2022, Hans Petter Vestre owned 1 200 shares in the company.

Board member
Are Dragesund (1975)

is an investment professional and co-head of Ferd Capital at Ferd AS, one of Norway's largest family-owned investment companies. Prior to joining Ferd in 2015, Are worked at The Norwegian Ministry of Finance, Cardo Partners and The Boston Consulting Group. He is a Norwegian national and graduated from the Norwegian School of Economics (NHH) in 2000. From his career as management consultant and investment professional, Are has extensive experience from the consumer goods and maritime industries. His core competencies are within strategy, finance, M&A and capital markets.

As a former board member of IT security specialist firm Mnemonic AS, Are has a good command of IT security. In addition to Lerøy Seafood Group ASA, Are currently serves on the boards of Nilfisk A/S, Mestergruppen AS and Brav AS. He has previously served on the board of Norkart AS.

Are is an independent director. As at 31 December 2022, Are Dragesund owned no shares in the company.

The Board's report

Lerøy Seafood Group currently has a fully vertically integrated value chain within both redfish and whitefish. It is the leading Norwegian seafood company and therefore one of the world's leading seafood corporations. The Group has a clear ambition to further develop this position in the years to come.

The Group compiles its financial reporting in accordance with the International Financial Reporting Standards (IFRS® Accounting Standards).

In 2023, the Group's revenue surpassed NOK 30 billion for the first time in its history, with an increase of 16% from 2022 to a total of NOK 30.9 billion. The Group's operational EBIT of NOK 3 335 million in 2023 was slightly lower than the corresponding figure of NOK 3 471 million in 2022.

The Wild Catch segment was impacted by a 15% reduction in the cod fishing quota. Its operational EBIT therefore decreased from NOK 348 million in 2022 to NOK 278 million in 2023.

The Farming segment saw both higher prices and costs, but overall lower margins. Together with a reduction in the harvested volume, this resulted in a reduction in operational EBIT from NOK 3 213 million in 2022 to NOK 2 607 million in 2023.

In the VAPS&D segment, there was significant improvement in operational earnings and operational EBIT increased from NOK 156 million in 2022 to NOK 643 million in 2023. This may be attributed to the value chain for seafood gradually adjusting to the higher price level and an improvement in the Group's capacity utilisation.

Overall, this led to an operational EBIT for the Group of NOK 3 335 million in 2023, compared with NOK 3 471 million in 2022. The connection between operational EBIT and the reported EBIT under IFRS Accounting Standards may be seen in Note 5. The biggest adjustment items in the operational EBIT are related to fair value adjustment of the biomass and the Norwegian production tax on the salmon and trout aquaculture sector. EBIT according to IFRS Accounting Standards in 2023 came to NOK 3 227 million, compared to NOK 4 283 million in 2022.

Associated companies represent a substantial value for the Group and include 50% ownership in the UK aquaculture company Scottish Sea Farms/Norskott Havbruk, as well as Seistar, a well boat company. Before a fair value adjustment related to biological assets, associates made an operating loss of NOK 150 million, compared with a profit of NOK 54 million in 2022. The decrease was driven by challenging biological conditions in the Group's associate, Norskott Havbruk AS, which is the second-largest aquaculture company in the UK. Norskott Havbruk's operations are expected to improve in 2024.

The Group's net financial items for 2023 totalled NOK -484 million, compared with NOK -282 million in 2022.

On 31 May 2023, the Norwegian parliament (the Storting) voted to introduce a resource rent tax, to be levied at the rate of 25% on earnings from the sea-phase production of salmon and trout. This new legislation was implemented retroactively from 1 January 2023. The resource rent tax comes on top of ordinary corporation tax of 22%, giving a total tax rate of 47% for the activity concerned. The resource rent tax expense for 2023 comprises both an implementation effect (non-recurring effect) and the resource rent tax for the period. The total tax on the activities liable for resource rent tax, including the separate production tax, totalled NOK 2,0 billion, which of NOK 1.7 billion is a non-recurring implementation effect. For further details, please see Note 17.

Earnings per share, before a fair value adjustment related to biological assets, and before the implementation of the resource rent tax, came to NOK 2.91 in 2023, compared with NOK 3.59 per share in 2022. At the Annual General Meeting (AGM) in May 2024, the Board of Directors will recommend a dividend payment of NOK 2.50 per share for 2023, same level as the dividend payment per share for 2022.

The Board's dividend recommendation reflects the Group's robust statement of financial position, satisfactory financing and positive outlook.

In 2023, the return on the Group's capital employed, before a fair value adjustment related to biological assets, totalled 12.6%, compared with 14.5% in 2022.

The Group is financially sound, with a book equity of NOK 19 897 million, equivalent to an equity ratio of 48.0%. In 2023, the cash flow from operating activities totalled NOK 3 337 million, compared with NOK 2 275 million in 2022. With rising prices, particularly driven by the weakening of the Norwegian krone (NOK), the Group has built significant working capital in recent years. Net interest-bearing debt increased to NOK 5 209 million at the close of 2023, up from NOK 4 346 million at year-end 2022.

Net cash flow from investing activities for 2023 totalled NOK -1 229 million, compared with NOK -908 million in 2022. Please note that investments in right-of-use assets are not included in the cash flow from investing activities, as these investments do not generate any initial cash impact. The total investments in own assets, fixed assets leased from credit institutions and intangible assets totalled NOK 1 460 million in 2023, compared with NOK 1 116 million in 2022.

In 2023, the Group paid dividends of NOK 1 529 million, of which NOK 1 489 million were from the parent company to the shareholders of Lerøy Seafood Group ASA. This corresponds to the level in 2022.

The Group is rated investment grade, with a BBB+ rating. In April 2023, Lerøy issued new green bonds, this is further described in Note 15.

The Group's statement of financial position totalled NOK 41 419 million at 31 December 2023, compared with NOK 37 062 million at 31 December 2022. Over the past twenty years, the Group has based its growth on several factors, including financial flexibility.

The Board of Directors is of the opinion that such financial flexibility is important to enable the Group to generate further profitable, organic growth, carry out strategic acquisitions, establish alliances, and continue the company's dividend policy. This satisfactory financial position supports the Group's ambition to be the leading Norwegian seafood company and one of the world's leading seafood corporations in the future.

The Wild Catch segment

The wholly owned subsidiaries Lerøy Havfisk and Lerøy Norway Seafoods perform the Group's wild catch operations. Lerøy Havfisk has licences to fish just over 10% of the total Norwegian cod quota in the zone north of 62 degrees latitude, corresponding to around 30% of the total quota allocated to the trawler fleet. Lerøy Havfisk's trawler licences have operational obligations linked to land-based processing plants. These processing plants are mainly leased out to its sister company Lerøy Norway Seafoods on long-term contracts. Lerøy Norway Seafoods' primary business is processing wild-caught whitefish. Of its 10 processing plants and purchasing stations, five are leased from Lerøy Havfisk. Lerøy Norway Seafoods has made significant investments in recent years both to make its operations more efficient and to expand the product range.

In 2023, Lerøy Havfisk had a catch volume of 75 893 tonnes, an increase of 4 167 tonnes compared with 2022. Compared with the year before, however, the company caught a smaller quantity of cod, shrimp and halibut, but a higher quantity of haddock, saithe and redfish, in 2023. Cod is the highest value and most important species for Lerøy Havfisk, and the cod quota for our fleet was down about 15% in 2023 compared with 2022. The average price for cod, redfish and halibut was higher in 2023 than in previous years. However, the market for haddock was challenging in 2023, with lower prices than the year before.

For several years, processing whitefish in Norway has been extremely challenging. Onshore processing facilities made another loss in 2023. As a result of the market dynamics of increasing prices and lower quotas, this loss was higher than in 2022, despite continued signs of improvement in operational KPIs such as yield..

The lower cod quota is a challenge, but the Group's focus on improving the competitiveness of the whitefish industry is a long-term project and continues undiminished. For 2023 as a whole, the segment contributed an operating profit of NOK 278 million, compared with NOK 348 million in 2022.

The Farming segment

The Farming segment is divided into three regions: North Norway, with Lerøy Aurora in Troms and Finnmark; Central Norway, with Lerøy Midt in Nordmøre and Trøndelag; and West Norway, with Lerøy Sjøtroll in Vestland.

2023 was a challenging year for the Group's farming operations, and the Farming segment did not reach it operational targets, such as a harvest volume of 175 000 gutted weight tonnes (GWT) of salmon and trout. The segment harvested about 160 000 GWT of salmon and trout in 2023, well below the 175 000 GWT harvested in 2022, and well below what Lerøy believes its capacity to be. In recent years, a number of initiatives have been launched, including targeted efforts to improve roe and smolt quality as well as implementing new technologies in the sea phase of the farming process. These efforts are described in more detail in the strategy section of this annual report. A common factor is that the long production cycles for salmon means it takes time to see changes reflected in the operations' results. Gradually, in 2024 and into 2025, the Group expected to see significant improvements in biological results, which is the core driver for financial results.

Challenging biological conditions were the core driver for the reduction in harvested volume. For price achievement, the weakening NOK was a significant contributor to a higher price realisation for both salmon and trout. The spot price for salmon increased from NOK 79 per kilo in 2022 to NOK 88 per kilo in 2023, with substantially higher prices in the first half than in the second half, which is the normal seasonal pattern.

There are a number of factors that influence the Group's prices realised compared with the spot price for whole salmon, including contract share, sizes, quality and time of harvest. The contracts are entered into long before the fish are harvested and will therefore reflect the market conditions prevailing at the sale date.

The Group's contract prices were substantially higher in 2023 than in 2022. In total, price realisation on salmon and trout was about NOK 10 per kilo higher than in 2022.

Inflation, driven in part by a weakening NOK which boosted prices, has also taken its toll on costs. In 2023, the Farming segment experienced significant cost increases, driven by more expensive feed but also by the fact that biological results, and consequently the volume harvested, were weaker than expected. In total, the cost per kilo of harvested salmon and trout was about NOK 12 higher in 2023 than in 2022.

In sum, this gave the Farming segment an operational EBIT per kilo of NOK 16.30 in 2023, compared with NOK 18.40 per kilo in 2022. Thus, with a lower volume and a lower margin, the Farming segment's operational EBIT in 2023 totalled NOK 2 607 million, compared with NOK 3 213 million in 2022.

The Value Added Processing, Sales and Distribution (VAPS&D) segment

With its fully integrated, cost-effective value chain for salmon, trout, whitefish and shellfish, Lerøy Seafood Group supplies products that are best suited to the consumers' preferences. Proximity to key markets and knowledge of the individual customer's needs are therefore of decisive importance if the Group is to boost 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 has operations that process and distribute a number of market-specific seafood products in their respective local markets. Lerøy Seafood Group aims to further develop its value chain in order to satisfy and increase the consumers' total demand for seafood.

Extremely high and volatile raw material prices, volatile exchange rates and price increases for other input factors have made downstream activities extremely challenging in recent years. The Group is taking a highly structured approach to increasing profitability, and is pleased to see that earnings in 2023 are improved from 2022. The value chain for seafood has gradually adjusted to a higher price level, which, combined with improved capacity utilisation, is providing a significant uplift in earnings.

Revenue grew from NOK 25.5 billion in 2022 to NOK 29.0 billion in 2023. The operational EBIT margin improved from 0.6% in 2022 to 2.2% in 2023. Operational EBIT thereby rose from NOK 156 million in 2022 to NOK 643 million in 2023.

At the same time, the overall operating margin is not high in a historic context, and earnings continued to vary significantly between the different units in the segment in 2023, offering considerable potential for further earnings improvements in 2024.

Joint Ventures and Associates

The Group's joint ventures and associates represent substantial value. The most important are Norskott Havbruk AS (50.0%) and Seistar Holding AS (50.0%).

Norskott Havbruk AS owns 100% of the shares in Scottish Sea Farms Ltd (SSF). SSF is one of the largest aquaculture companies in the UK. 2023 was an extremely challenging year, with significant biological challenges related in part to micro jellyfish. SSF harvested about 25 000 tonnes of salmon in 2023, down from 36 000 tonnes in 2022. The company made an operating loss, before fair value adjustment related to biological assets, of NOK 303 million in 2023, down from an operating profit of NOK 214 million in 2022. At start of 2024, the biological situation has improved, and a significant improvement in both biological and financial results is expected in 2024. Harvested volume in 2024 is expected to total 37 000 tonnes.

The well boat company Seistar Holding AS is an important supplier of services to Lerøy Seafood Group and other aquaculture businesses, primarily in the West Norway region. The company reported an operating profit of NOK 76 million in 2023, a slight increase from the NOK 53 million in 2022. Seistar Holding AS has two new well boats in the pipeline for delivery in 2024.

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

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

Lerøy has participated in meetings and submitted written input to the Norwegian Storting regarding the white paper Meld. St. 7 (2023–2024) Quota Report 2.0; People, Fish, and Community – a quota report for predictability and fair distribution. In our submission, we both explain the activities the company contributes to and highlight the injustices underlying the new report. Today, Lerøy is the largest industrial actor in Norwegian whitefish, with 600 year-round jobs on land. In addition, the company has just over 400 jobs in its fishing fleet. We are important for recruiting to the fishing profession, with our 50 apprenticeships and 40 internships. Lerøy is thus the company in Norway that contributes most to the government's ambition of increased value creation from the raw material and year-round industrial jobs along the coast of Northern Norway. As the only company in Norway, Lerøy has an activity obligation. This means that quota rights at sea are directly linked to industrial jobs on land. When the government proposes redistributions between fleet groups that reduce our quota base, the volume becomes so low that it threatens the jobs in this value chain. When making investment decisions, Lerøy has trusted the politicians' promise of predictability in our framework conditions. Therefore, Lerøy believes that the proposal to take quota from the trawling fleet to the coast fleet must be reversed.

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

The Board of Directors believes that the Group's many years of investing in vertical integration, building alliances, developing high-quality products and new markets, quality-assuring its value chain and building its brand will help it continue to create value going forward. It must, however, be stressed that the Storting's decision to introduce a resource rent tax on aquaculture creates barriers to the Group continuing its long-term investments in vertical integration. As well as the tax expense itself, the decision imposes a significant extra administrative burden on the aquaculture industry. The Group will continue working to deliver sustainable value creation via strategic business development, operational efficiency improvements, management training and ongoing employee development. This work will generate growth and ensure continuity of supply, quality and cost efficiency, with scope for increased profitability. Improving operational efficiency at all stages of the value chain is an ongoing process aimed at further strengthening the Group's financial and environmental competitiveness, both nationally and internationally.

The Group's financial position is very strong, and it is important for the Board that the Group retains the confidence of participants in the various capital markets. This confidence was recently affirmed, and reinforced, when the company was awarded an investment-grade credit rating and issued bond loans. 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, and will require the Group to continuously develop and improve its performance in all segments throughout the value chain.

Additional information

Page 205 in this annual report for more information about the Group's annual disclosures. Please see the Environmental sustainability section of this report, the TCFD report and the Group's sustainability library for information about external environment and climate. Please see the Social sustainability section of this report, the sustainability library, the Equality, non-discrimination and gender pay report and the renumeration report for information about health, safety, work environment, renumeration and social responsibility.

For more information about corporate governance see the Corporate Governance section of this report. A report according to the Transparency Act will be available on the Group's website before end of June 2024.

Insurance policies have been taken out for the members of the Board of Directors and senior executives to cover their personal liability for compensation for economic loss in connection with exercising their duties (Directors' and management liability). These insurance policies have been subscribed at market terms with a highly rated international insurance company.

Investigations by competition authorities

The European Commission (the "Commission") initiated, on 19 February 2019, an investigation relating to suspicions of anti-competitive cooperation in the market for farmed Norwegian Atlantic salmon.

On 25 January 2024, the Commission announced that it had sent a Statement of Objections ("SO") to several exporters of Norwegian salmon. The SO sets out the Commission's preliminary assessment that the exporters, in some instances, may have exchanged commercially sensitive information in relation to spot market sale of whole Norwegian farmed salmon to the EU in the period 2011-2019. Lerøy Seafood Group is one of the companies that has received the SO.

Lerøy Seafood Group strongly rejects the Commission's allegations. The SO is not a final decision and has been issued in accordance with the Commission's ordinary procedures for such an investigation. The SO includes the Commission's preliminary assessments only. The company has a right of response, and will after carefully reviewing the SO provide its comments to the Commission. The company has cooperated with the Commission throughout the Commission's investigation, and will continue to work constructively with the Commission. It is standard practice that these investigations last several years. It is not possible at this stage to make any statement on whether the case will result in sanctions or other negative consequences for the group, or when the case will end.

In February 2024 a group of British supermarkets issued claims for damages in the UK against several

Norwegian-owned aquaculture companies, including companies in the Lerøy Seafood Group. The Group strongly rejects the claimants' allegations and considers such claims from customers to be baseless. In Europe, this type of claims are first and foremost relevant if the Commission adopts a decision in its ongoing investigation and the decision is upheld. The Group understands that the claims have been issued at this stage in an attempt to interrupt potential limitation of claims under certain laws.

Result and allocations, Lerøy Seafood Group ASA

The financial statements for the company and the Group are submitted on the assumption that the enterprise is a going concern. In 2023, Lerøy Seafood Group ASA reported an annual profit after tax of NOK 1 551 million, compared with NOK 321 million in 2022. The Board will propose the following allocation of the 2023 annual profit (NOK million):

A figure of NOK 2.50 per share to be allocated as a dividend payment, totalling NOK 1 489 million.

To other equity 62 million. Total allocations: NOK 1 551 million. The Group's parent company has a strong financial position, with an equity ratio of 62.9%. The parent company has access to satisfactory financing and liquidity, conforming to the Group's strategy and operating plans.

Market and outlook

Lerøy continues its efforts to realise its communicated goals, which for 2025 include a harvested volume of 205 000 GWT, an EBIT for VAPS&D of NOK 1.25 billion, an EBIT for Wild Catch of NOK 500 million and the most profitable value chain for red fish. The company's goals also include a reduction in greenhouse gas emissions of 46% by 2030.

There will always be significant uncertainty related to predictions about the future.

Lerøy's production of Atlantic salmon was lower than expected in 2023, which affects the estimated volume to be harvested in 2024. Lerøy Seafood Group is confident that the measures and actions implemented will gradually produce an improvement. Over the last decade, the Group has invested heavily in infrastructure, including future-oriented facilities for producing high-quality smolt. There is still work to be done, and it will be some time before the full effects of these investments are seen. A number of measures have been implemented within several areas, for example genetic selection, changes in production processes, temperature control and filter capacities. As with all biological production, the effects of any changes will come gradually. However, the Board expects they will result in higher growth rates, more robust fish and improved survival rates over the course of 2024.

Lerøy has also made significant investments in new technology for the sea-based production phase. Submersible cages and new protective technology are currently being used in both Lerøy Sjøtroll and Lerøy Midt. Implementation of this technology comes with a risk, but it has the potential to provide significant improvements in the form of faster growth and improved survival. At year-end 2023, 12% of the Group's standing biomass of salmon was in facilities using protective technology. As of today, the plan is that this will gradually be increased to approximately 30% by the end of 2024. The largest fish in submersible cages currently weigh around 2.0 kg and are scheduled for harvesting from late summer/autumn 2024. It is very pleasing to see that the fish benefiting from such technology have to date (April 2024) not required treatment and demonstrate very good fish health. This gives us confidence that the technology will help to substantially reduce the number of treatments, improve fish welfare and boost biological performance, supporting the company's production targets for 2025.

At the end of October 2023, the joint Russian-Norwegian working group for Arctic fisheries reached an agreement on cod and haddock quotas for the Barents Sea for 2024. For 2024 the cod quota is reduced by 34%, haddock is reduced by 43%, saithe fished in the zone north of 62 degrees latitude is reduced by 6%, and saithe fished south of the 62 degrees is increased by 20% for our fleet. As of today the indications are for further reduction in cod quota in 2025. Operating conditions for the Wild Catch segment are challenging, with decreasing quotas and therefore a weakened basis for operations. However, it should be noted that catch quotas have always varied. The Group maintains a consistent focus on improving operational efficiency both at sea and in the onshore processing industry, but the expected reduction in cod quotas will impact earnings from this part of the Group negatively in 2024 and 2025. Such a significant decrease in the cod quota makes achieving the EBIT target of NOK 500 million in the Wild Catch segment in 2025 unlikely.

Lerøy works to develop an efficient and sustainable value chain for seafood – a value chain that not only delivers cost-effective solutions, but also quality, availability, a high level of service, traceability, and competitive climate-related and environmental solutions. Investments in downstream entities in recent years, new industrial facilities in Lerøy Midt and Lerøy Austevoll, a new factory in Stamsund and new factories in Spain, the Netherlands and Italy, are expected to make a positive contribution going forward. The VAPS&D segment has a central position in this value chain. Earnings from the Group's various downstream entities varied significantly in 2023, which also offers substantial potential for overall improvement. Important steps were taken in the right direction in 2023, with purposeful and structured work to improve profitability and return on capital employed. The target for 2025 is challenging but not unachievable, and the Group expects a significant improvement in profitability in 2024 compared with 2023.

Like most forms of food production and other industries, Norwegian aquaculture has the potential to improve, but it is important to remember that the starting point is strong. Norwegian aquaculture is something as rare as a globally competitive regional industry that scores well in terms of environmental, social and economic sustainability. The industry can be part of the global green shift, while safeguarding communities and providing worthwhile jobs along Norway's coastline. This, however, requires politicians to understand the industry, its opportunities and challenges. The resource rent tax is an example of a tax that inhibits growth and constitutes a significant risk to the industry's further development, including weakening its ability to continue contributing to society. The Board of Directors can only hope that the government will make it possible for the industry to continue developing. This will require joined-up political thinking.

PwC published its latest climate index for Norwegian companies on 15 August 2023. We are proud that the company is one of nine to have cut emissions in 2022, in accordance with the Paris Agreement. This is the second year in a row that Lerøy has featured on this exclusive list.

The Coller FAIRR Protein Producer Index is an index that ranks the world's 60 largest listed producers of meat, fish and dairy products. The producers are assessed on sustainability, encompassing climate footprint, environmental footprint, animal welfare, freshwater consumption, use of antibiotics, social rights etc. These measurements are collated to produce the Coller FAIRR Index. The index for 2023 was announced in November, and Lerøy was ranked as the world's second most sustainable protein producer. This is recognition and external validation of the important work the Group is doing in the area of sustainability through projects, investments and, not least, its focus on sustainability in day-to-day operations.

For 2024, the Group, including joint ventures, currently expects the Farming segment to harvest a total of 193 500 tonnes. The Group also expects to see a further earnings improvement in VAPS&D in 2024. Activities in the Wild Catch segment will be affected by lower quotas.

Throughout 2023, we saw demand for seafood in some market segments being negatively affected by general economic developments, but the overall demand for seafood was strong. Historically, demand for seafood products has held up relatively well in economic downturns. The Group's products are healthy and tasty. Production is sustainable from an economic, social and environmental perspective. Lerøy's Board of Directors and employees hope that the company`s framework conditions will not be impaired by political decisions, so that the industry can continue to develop.

The Board of Directors and Group management would like to thank all the Group's employees for their invaluable work during 2023, a challenging operational year.

Shares

Capital structure and dividend policy
The company's capital structure and dividend policy are described in the chapter Corporate Governance.

Dividends
At the company's annual general meeting in May 2024, the Board will propose a dividend of NOK 2.50 per share for 2023. Compared to an earnings per share of NOK 2.91, excluding fair value adjustment of the biomass and the effect of implementing the resource rent tax on aquaculture, this represents a payout ratio of 86%. The dividend for 2022, paid out in 2023, was NOK 2.50 per share.

Buyback of shares
The Board has a mandate to buy back the company's own shares. No buy-backs were carried out in 2023.

Shares
At 31 December 2023, Lerøy Seafood Group ASA had 24 739 shareholders, compared with 22 698 at 31 December 2022.

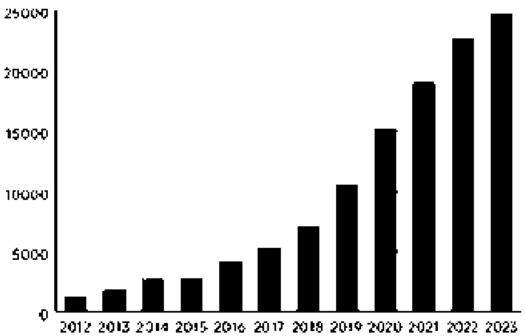
The company had 595 773 680 shares outstanding at 31 December 2023. All shares carry the same rights in the company. Austevoll Seafood ASA is the company's largest shareholder and owns 313 942 810 shares. This corresponds to a shareholding of 52.7%. The company's 20 largest shareholders owned 77.6% of the shares in the company at 31 December 2023. Lerøy Seafood Group ASA owns a total of 297 760 (0.05%) treasury shares.

The price of Lerøy Seafood Group ASA's shares fluctuated between NOK 39.90 and NOK 45.80 in Q4 2023. The price started the quarter at NOK 44.90 and ended it at NOK 41.80

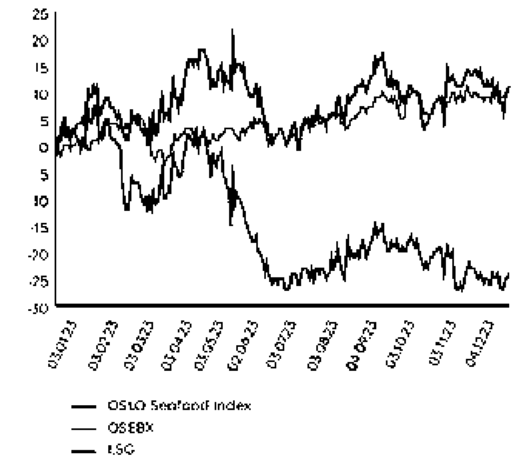
Financial calendar

Q1/24 report	15 May
Annual General Meeting	28 May
Ex-dividend	29 May
Record date	30 May
Q2/24 report	21 August
Q3/24 report	14 November
Q4/24	28 Feb 2025

Number of shareholders
(Figures in 1000)



Lerøy Seafood Group vs Oslo Seafood index and OSEBX in 2023
(Figures in 1000)



Farming Innovation

Our Farming segment, with fully integrated value chains in North, Central, and West Norway, represents the pinnacle of aquaculture innovation. Lerøy Aurora, Lerøy Midt, and Lerøy Sjøtroll are not just employment powerhouses along the Norwegian coast; they are also centers of sustainability and biological and technological advancement in salmon and trout production.

Risk management

Key risk factors

Good risk management is of decisive importance if the Group is to successfully achieve its vision of being the leading and most profitable global supplier of sustainable, high-quality seafood. Our ability to understand risk is crucial, both preventively and to ensure that we are in a position to create new opportunities and innovative solutions. Risk management is an integral part of our corporate governance, and is performed at various levels in the Group.

A thorough risk analysis comprising descriptions of strategic (S), financial (F) and operational (O) risk lays the foundations for our strategic efforts.

Below is a list of the most significant risk factors for Lerøy Seafood Group.

Financially related risks

Risk	Type	Description	Potential consequences	Action to reduce risk
Changes in consumer preferences	O	Consumer preferences may change rapidly, causing a reduction in demand for our products – such as a trend towards vegetarianism or veganism.	The consumers choose products that are not in our product range, having an impact on our profitability.	Predict, identify and accommodate changes in consumer preferences. Adapt products to the consumers' preferences. Innovation: Update and renew the product range. Ensure sustainability and reduce reputation risk related to e.g, fish welfare.
Competition and new technology	S+O	The seafood industry is international. This means global competition and a highly dynamic industry.	One premise for Lerøy's survival is that we are the most successful business, over time, in solving our customers' problems. Competitive strengths are absolutely essential for the Group.	Lerøy takes a structured and consistent approach to delivering the best, most efficient, sustainable and innovative solutions to our customers. Lerøy works actively to implement our "Lerøy Way" business system, to ensure we continue to succeed in finding efficient solutions to our customers' problems. We take a structured approach to technology, staying up-to-date with developments and being ready to make use of new technology when it is available.
Credit risk	F+O	A sale is not complete until the customer has made payment.	Good control of credit risk is essential for profitability.	Good sales routines, including approval of customers and credit routines, play a decisive role in minimising credit risk. Close cooperation with various credit insurance companies and use of various tools to minimise risk related to credit. All new customers undergo credit rating procedures.
Currency risk	F	The Group is an international corporation and will be affected by exchange rate fluctuations.	Changes in exchange rates can result in significant changes in the Group's competitiveness and earnings.	The Group has clearly defined routines and a long and successful history in managing risk related to currency.

Financially related risks

Risk	Type	Description	Potential consequences	Action to reduce risk
Customer risk	O	The Group's activities rely on customers.	At Lerøy, we create value via our customers, and customers are absolutely essential for our value creation.	The Group works actively to build long-term, strategic customer relationships in which values for both parties are created over time. The Group has and shall have a wide range of customers in order to minimise risk related to individual customers.
Financial risk	F	The Group relies on access to capital in order to operate.	If the Group loses the confidence of investors in financial markets, it will not be able to finance either new or existing operations.	The Group's comprehensive set of routines and processes for risk management is key to minimising financial risk. Continuous and compliant reports and information describing the Group's development are essential in sustaining and developing confidence.
Interest rate risk	F	The company has debts with floating interest terms.	The company is partly financed by loans with floating interest rates, which may result in an increase in interest expenses.	Use of different fixed-interest instruments, and loans in different currencies. Maintain a strong financial position to allow management of fluctuations in interest rates and market conditions.
Key suppliers	O	The Group does not produce its own feed and relies on third-party suppliers for feed and well boat services for our farming segment.	If a supplier terminates a contract at short notice before the expiration date, the Group might have to source alternatives, driving up costs in the short term.	Close collaboration with key suppliers on long-term contracts, with termination clauses to ensure a steady feed supply.
Liquidity risk	F+O	The Group has exposure as part of an industry with a high level of volatility, affecting earnings and liquidity. Examples include but are not limited to: Fluctuations in the prices for salmon, trout and whitefish. Fluctuations in production and harvest volumes. Changes in feed prices. Feed costs are impacted by price developments for marine raw materials and agricultural products.	Poor or insufficient liquidity.	A financial position suited to our operations. Considerable expertise relating to the markets in which we operate. Good systems for risk control.
Market risk	O	The Group's results are closely linked to developments in the markets for seafood. One key factor here is the price of Atlantic salmon, trout and cod.	Pricing is determined by supply and demand. Major imbalances here will have a substantial impact on Group earnings. The COVID-19 pandemic is one example of a significant change in demand. The Group's earnings will continue to be affected by developments in both supply and demand in the future. Price reductions will also bring. about a reduction in the value of the Farming segment's standing biomass.	Active efforts to increase demand for the Group's core products by means of innovative, sustainable and competitive solutions for the end consumer, in close cooperation with strategic customers. This will help increase demand over time. A specific share of revenue as contract sales.

Risks related to our supply chain and production

Risk	Type	Description	Potential consequences	Action to reduce risk
Biological risk	O	Disease and lice can entail increased costs for the company. Norwegian authorities have set upper limits for the number of lice on each fish.	A breach of the cap on lice numbers could result in sanctions from the authorities. If measures are not taken quickly to combat lice and other diseases, expensive treatments may be necessary, with reduced fish welfare and increased costs.	Clear and continuously developed lice strategy. Internal control system designed to minimise risk. Improvements to monitoring (via R&D) in order to detect lice and disease more rapidly.
Corruption	O	The Group operates in regions with an elevated risk of corruption and must actively promote an ethical business culture and anti-corruption measures as an integral part of our corporate responsibility to protect our reputation and stakeholder interests.	Corruption poses a risk to the Group, as it may incur legal sanctions, reputational damage, loss of business opportunities and decreased employee morale.	Zero-tolerance policy towards corruption. Committed to conducting business in accordance with our Business Code of Conduct, applicable laws, regulations, and international guidelines on anti-corruption. Business relations that don't comply with the Business Code of Conduct or policy will be terminated. Employees are trained on ethical business conduct and how to handle ethical dilemmas they may encounter. Concerns about corruption can be reported through independent internal or external channels, including anonymous reporting.
Feed quality	O	Optimal nutritional composition is essential to ensure good animal welfare, fish growth and product quality.	Suboptimal feed composition may result in nutrient deficiencies and reduced growth. Poor feed quality may result in low levels of essential nutrients like vitamins, minerals, and fatty acids in finished products. Presence of undetected harmful contaminants may pose a health risk for fish or, in the worst case, for humans, leading to liability claims.	Close collaboration with feed manufacturers to tailor feed composition to our specifications. Continuous monitoring and testing of feed ingredients and certification of raw materials. Monitoring and analysis of fish to ensure low levels of contaminants in accordance with legislation.
Food safety, product quality, customer satisfaction	O	The Group sells seafood to consumers. The seafood we sell must be safe for consumers to eat.	The Group's sales are reliant on full confidence in food safety. Such confidence is a prerequisite for demand for the Group's products, and therefore its profitability. Any decline in food safety or product quality could have negative repercussions and result in lower customer satisfaction. Publications with a negative message may also affect customer satisfaction.	The Group has comprehensive processes and routines to ensure and verify food safety and a culture for food safety. By using the Lerøy brand on packaging, the Group communicates a focus on quality and food safety throughout the entire value chain. Frequent tests and quality assurance procedures to confirm the required level of product quality. Make demands on the suppliers relating to the quality of raw materials/input factors in our products.

Risks related to our supply chain and production

Risk	Type	Description	Potential consequences	Action to reduce risk
HSE	O	Safety first. The Group shall have safe working conditions for its employees, ensuring that operations can be performed without any risk. This has highest priority.	Higher number of accidents involving injuries and, in the worst case scenario, fatalities.	Considerable focus on training, guidance, mentoring and compliance with procedures. Continuous evaluation and analysis of HSE measurements. HSE review as an integral part of continuous operational follow-up. Group HSE Lead. Leadership development.
Human rights violations	S+F	Lerøy has a very complex value chain, where many people are involved in many different countries.	Breach of our Supplier Code of Conduct and human rights.	See the Group`s Sustainability library for further details
IT security risk	O+S	Vulnerable IT infrastructure, digital dependence and unsatisfactory cybersecurity, combined with complex and unknown problems.	Potential threats to the company's finances and reputation, and theft of critical business information.	Focus on preventive IT security work Stringent regime for security updates. Continuous monitoring of specific parts of ICT systems. Plans detailing how the company shall take action during and after a cyberattack. Training and information campaigns.
Smolt strategy/ smolt production	F+O	The Group has invested heavily in top-modern technology and facilities to produce bigger, more robust smolt to shorten the production time in the sea phase for salmon and trout.	Failing to shorten the sea phase or producing robust fish will lead to increased costs related to treatments, delousing and increased mortality.	R&D efforts with industry partners and academia to optimise rearing conditions, biological factors and production strategies.
Sabotage	F+O	Given that some environmental organisations aim to eliminate fish farming or animal production, the risk of sabotage cannot be completely dismissed.	Depending on the form, sabotage may negatively affect fish welfare, lead to escapes, or threaten the safety of our employees.	Continuous dialogue with stakeholders. Safety measures at all our farming facilities include video surveillance and regular visual control of the cages to avoid escape incidents.
Traceability	O	The Group must ensure full traceability for its products in order to ensure reliability, confidence and food safety.	Without traceability, the Group will not have control and will be in breach of regulatory requirements.	Continue to build upon internal requirements, carry out audits and further develop the Group's electronic traceability systems. Fishtrack (online tracking system) with extended tracking solutions for customers (blockchain etc.).

Regulatory risks

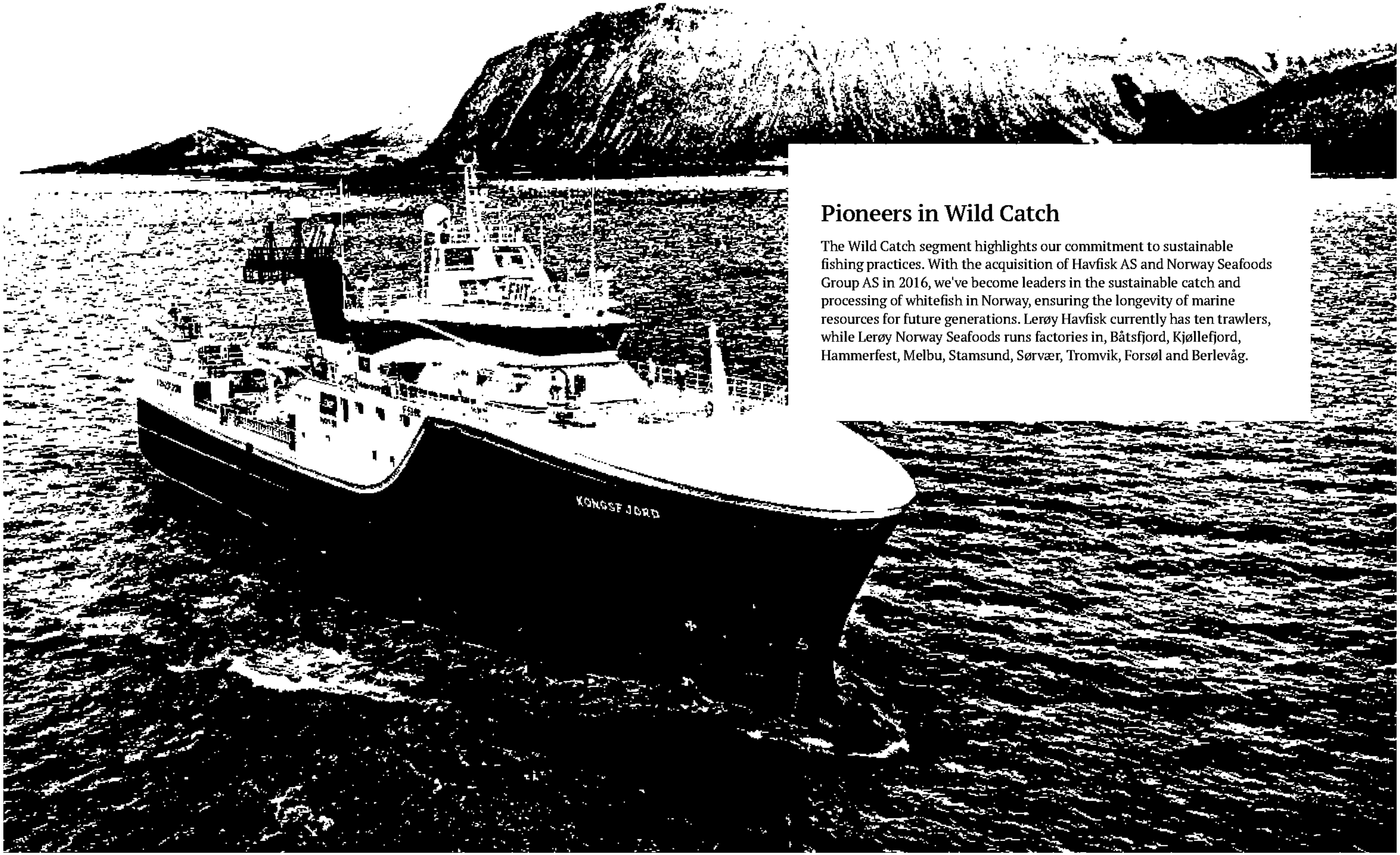
Risk	Type	Description	Potential consequences	Action to reduce risk
Certification requirements	S+O	The consumers appreciate products with certificates, and the grocery chains etc. are increasingly demanding certification.	Loss of market share if Lerøy is not able to offer certification as requested now or in the future. The customers will choose other products with the correct certification.	Take a leading role in terms of existing and new potential certification. Implement stringent requirements for own production and verify this with own certification/ requirements. (STP 86 Salmo Salar).
Change in maximum allowable biomass/licence conditions	O	The Norwegian traffic light scheme may result in reductions to maximum allowable biomass in certain (vulnerable) geographical areas.	Reduced biomass will result in lower production and lower profit.	High operational focus to ensure compliance with framework conditions laid down by authorities. Regular dialogue with authorities. Testing and documentation of seabed conditions and other environmental factors around the sea cages to clearly communicate no/low impact on environment. Continue strategy for onshore smolt/ post-smolt facilities to reduce the period of time the fish are held in open sea cages.
EU competition authorities	F	On 20 February 2019, the EU competition authorities ("the EU Commission") started an investigation into suspected anti-competitive practices in the salmon market. Lerøy Seafood Group ASA is one of the companies named in the case.	See the Board of Directors' report for further comments.	See the Board of Directors' report for further comments.
Resource rent tax	S+F+O	The Norwegian government has introduced a resource rent tax on the sea phase farming of salmon and trout in Norway.	Substantial reduction in the Group's capital base, which is a prerequisite for future development. See the Group's consultation submission for more information: https://www.leroyseafood.com/ globalassets/leroy-seafood/ about-leroy/news/norge-taper/220401-leroy- horingssvar.pdf.	Ensure policy makers have access to the right information, where consequences of regulatory changes are made clear.
Limitations for production in open sea cages	O+S	In general, stronger focus on reduced environmental impact around sea cages. Canada has introduced a ban on open sea cages in certain areas.	Requirement for closed cages will entail significant investments. May make onshore farming more attractive. Restrictions in terms of locations, sill fjords, prohibitions, distance from river mouths etc..	Regular dialogue with authorities. Testing and documentation of seabed conditions and other environmental factors around the sea cages to clearly communicate no/low impact on environment. Technological developments. Create strategy and plan for onshore smolt/post-smolt facilities and/or closed/ semi-closed facilities.
More stringent requirements on bottom trawling	O	Some interest groups may be critical of bottom trawling.	Bottom trawling can have a negative impact on seabed conditions, which may result in restrictions on use.	Clear guidelines for trawling areas Protection of vulnerable areas. R&D and skills development. Assess use of other fishing equipment.

Regulatory risks

Risk	Type	Description	Potential consequences	Action to reduce risk
Negative media coverage	S+O+F	Both fish farming companies and wild fisheries are subject to criticism from NGOs, research communities and other stakeholders.	Widespread criticism of our operations may negatively affect the public's view of our production and lower the demand for our products, or inspire restrictive legislation affecting our business.	Communication with stakeholders through meetings, annual reporting and environmental reporting through initiatives such as GRI and CDP.
New regulations, compliance with legislation and regulations	O	Breach of legislation and regulations, including codes of conduct. Implementation of new regulations.	Sanctions, penalties, negative impact on the company and earnings.	Continuous training, information campaigns. Close contact with legislative bodies. Monitoring, control and audit.
Political risk	O	The Group is a significant owner of farming licences in Norway and the UK, and of wild catch quotas in Norway.	Changes in framework conditions, including lack of predictability, may inhibit long-term investments and impair competitiveness for the industry and the Group over time.	True to the Group's objectives, Lerøy is a major contributor to the communities where we have operations. Providing information on our industry and operations, and a long-term perspective in the Group's investments and decisions, are prerequisites for a mutual understanding of what it takes to succeed in a global and competitive industry.
Requirement for low/zero emissions from service boats	O	The Government's climate plan 2021–2030 includes a requirement for low or zero emissions from service boats in the aquaculture industry, and will be introduced stepwise from 2024.	Changeover to battery/hydrogen propulsion for service boats.	Closely follow developments to allow the changeover from fossil fuels to alternatives with a lower environmental footprint.
Sustainable change	S+O+F	Uncertainties concerning the successful strategy for achieving sustainable change to low emissions society.	Not possible to achieve necessary cuts in greenhouse gas emissions. The company is not able to satisfy investment requirements. The company does not qualify for the terms and conditions provided by the banks for green loans.	Detailed sustainability strategy with specific ambitions, goals and measures. Continuous and comparable sustainability reporting that is relevant to decisions. Strategic investments in innovative and sustainable solutions.
Trade barriers	O	The seafood industry is international. The Group's operations relating to raw materials mainly take place in Norway, and Norway is a significant exporter of seafood.	Trade barriers have been and will remain a considerable risk factor for the industry. Trade barriers have had and are likely in the future to have an impact on demand for and, consequently, pricing of the Group's products.	By ensuring sales to a large number of markets, the Group is less reliant on individual markets, thereby reducing risk.

Climate and environmental risks

Risk	Type	Description	Potential consequences	Action to reduce risk
Climate transition risk	S+O+F	Increased focus on climate change may drive forward new legislation affecting our operations through carbon taxes, emission caps, green financing etc..	Increased operational costs and loss of future business opportunities if we fail to successfully transition according to new expectations and regulations. Failure to qualify for green loans.	Understand, measure performance and create plans and strategies for further improvements to environmental sustainability. Form alliances, enter into new R&D partnerships and boost existing ones. Finance green and sustainable innovation projects/ research and invest in sustainable and innovative technologies, which are a key element in the transition to a low-emissions society.
"Ghost fishing" and loss of equipment/ plastic in the sea	O	Lerøy fishes with trawls, and the level of loss of fishing equipment with this method is low. Other catch methods than those used by the Group are vulnerable to ghost fishing. This is when lost fishing equipment continues to catch fish after it has been lost in the sea. We work actively with our suppliers to avoid loss of equipment.	Incidents such as oil spills and chemical leaks may severely affect the health and performance of our fish and may ultimately affect our products making them unsafe for human consumption.	Each company in our value chain has its own Quality Department with expert personnel who continuously monitor potentially harmful substances and pollutants in all our products. All farming sites have updated plans and trained personnel in case of emergencies such as local marine pollution.
Physical climate risk	S+O+F	Extreme weather events and temperature levels are expected to increase due to global warming and climate change.	Extreme weather may damage equipment, lead to escapes, or otherwise obstruct our operations, thus driving up operational costs. Rising sea temperatures may affect fish welfare or cause favourable conditions for harmful algae blooms.	Thorough assessments prior to selection of plant and equipment in order to ensure they are appropriate for our operating environments. All farming sites regularly undergo maintenance and supervision to safeguard our facilities from extreme weather conditions. Good understanding of risks to ensure appropriate insurance. Environmental factors such as oxygen concentration and temperature are constantly monitored during feeding and other operations. Risk-based algae monitoring in cooperation with authorities and other parties. Emergency plans to reduce consequences. See the TCFD report for further details.
Raw material availability/ Feed availability / Feed prices	O+F	Availability and prices of raw materials, such as fish oil, fish meal, soybean concentrate and other cereals used in feed, fluctuate with a range of factors such as harvest volumes, weather phenomena and global events, and are likely to be affected by a changing climate.	Global aquaculture production is growing, and increased demand and shortages of feed ingredients will increase feed prices and in turn affect our profitability.	R&D efforts and strategic partnerships to develop new alternative feed ingredients.



Pioneers in Wild Catch

The Wild Catch segment highlights our commitment to sustainable fishing practices. With the acquisition of Havfisk AS and Norway Seafoods Group AS in 2016, we've become leaders in the sustainable catch and processing of whitefish in Norway, ensuring the longevity of marine resources for future generations. Lerøy Havfisk currently has ten trawlers, while Lerøy Norway Seafoods runs factories in, Båtsfjord, Kjøllefjord, Hammerfest, Melbu, Stamsund, Sørvær, Tromvik, Forsøl and Berlevåg.

EU Taxonomy

In the 2022 annual report, Lerøy Seafood Group (LSG) voluntarily reported the relevant eligible activities identified pursuant to Article 8 of the EU Taxonomy Regulation (2020/852) and the supplementing delegated acts. 2023 is therefore the first year LSG submits a full report in accordance with the EU Taxonomy's formal requirements.

LSG's core activities comprise a vertically integrated value chain to produce salmon and trout; catches of whitefish; the processing, purchasing, sales, marketing and distribution of seafood; product development and the development of strategic markets. These activities are not yet covered by the EU Taxonomy, which results in a relatively low share of taxonomy-eligible and taxonomy-aligned economic activities. LSG expects that this will change and develop when its core activities are implemented in the EU Taxonomy at a future date.

However, it is important to specify LSG's high performance of sustainable activities throughout the integrated value chain not covered by the taxonomy, and that these activities are described in more detail in the Sustainability library which can be found on LSG's website (https://www.leroyseafood.com/).

The taxonomy process at LSG

Interpretation of regulations and the substance of the criteria has been an important part of implementing the EU Taxonomy at LSG. To build competence and knowledge related to the EU Taxonomy and its reporting requirements, all of the relevant activities were assessed, even if the KPI was very small or not significant. The interpretation and understanding underpinning the report reflect the best knowledge available at the time.

LSG has approached EU Taxonomy reporting using a step-by-step model.

Step 1 – mapping eligible activities

In step one, LSG has identified all the eligible activities across the environmental objectives. This involves reviewing the company's value chains and identifying turnover, capital expenditures (CapEx) or operational expenditures (OpEx) for activities covered by the regulation in the reporting year in order to obtain a complete overview of the company's financial activities.

Step 2 – determining alignment

Step two involved a review of technical specifications and documentation to assess whether the activity in step 1 achieved the technical requirements of the EU Taxonomy. This also included assessment of the "do no significant harm" criteria, including a physical climate risk assessment for all taxonomy-aligned activities.

This phase required a thorough understanding of the various activities and it was necessary to involve several parts of the organisation, as well as obtain information from any environmental management systems and suppliers. Alignment related to criteria for minimum safeguards was also determined in this step.

Step 3 – linking activities to financial KPIs

This step entailed identifying turnover, investments (CapEx) and costs (OpEx) related to the activities in steps 1 and 2. This involved detailed mapping and assessment of which items in the accounts are to be included in the numerator and denominator for the three different KPIs.

Step 4 – prepare taxonomy report

In step 4, LSG prepared the qualitative part of the taxonomy report that explains the assumptions on which the analysis is based, and otherwise meets the formal requirements in the delegated act on reporting requirements.

Eligibility and alignment

LSG has evaluated alignment with Climate Change Mitigation (CCM). No relevant economic activities have been identified under Climate Change Adaptation (CCA).

LSG has identified 12 eligible activities within the sectors of energy, transport, construction and real estate. Eight of these activities are aligned with the requirements of the taxonomy.

Energy

Eligible activities in the energy sector are all related to the Farming segment in Norway. The activities "Transmission and distribution of electricity (CCM 4.9)", "Storage of electricity (CCM 4.10)", and "Installation and operation of electric heat pumps (CCM 4.16)" are all identified as eligible, based respectively on an upgrading of a power grid for better capacity, installation of a battery pack in a feeding barge, and installation of electric heat pumps in three locations.

The assessment verifies alignment with "Storage of electricity (CCM 4.10)", and "Installation and operation of electric heat pumps (CCM 4.16)".

Transport

Within the transport sector, the following eligible activities have been identified: "Transport by motorbikes, passenger cars and light commercial vehicles (CCM 6.5)", "Freight transport services by road (CCM 6.6)" in the Farming and VAP, Sales and Distribution segment. The activity "Sea and coastal freight water transport, vessels for port operations and auxiliary activities (CCM 6.10)" has been identified in the aquaculture segment.

Most of the vehicles and trucks in CCM 6.5 and CCM 6.6 use fossil fuel and will therefore not be aligned on the basis of emission criteria. However, some of the electric cars used for personnel transport in CCM 6.5 are assessed as aligned.

For the activity "Sea and coastal freight water transport (CCM 6.10)" there has been an extensive process involving the shipping companies with respect to determining alignment. The results show that none of the well boats used to transport smolt and salmon for slaughter meet the criteria for alignment.

Construction and real estate

Six different eligible activities have been identified in the construction and real estate sector. The activities are found in all the segments (wild catch, aquaculture and VAP), both in Norway and in Europe, and are: "Construction of new buildings (CCM 7.1)", "Renovation of existing buildings (CCM 7.2)", "Installation, maintenance and repair of energy efficiency equipment (CCM 7.3)", "Installation, maintenance and repair of charging stations for electric vehicles in buildings (CCM 7.4)", "Installation, maintenance and repair of renewable energy technologies (CCM 7.6)", and "Acquisition and ownership of buildings (CCM 7.7)".

The aligned activities in the construction and real estate sector are related to the installation of LED lights (CCM 7.3), the installation of electric chargers for cars and trucks (CCM 7.4), and the installation of heat pumps and solar panels (CCM 7.6). The alignment has been evaluated on the basis of documentation from equipment suppliers. The rest of the activities (CCM 7.1/7.2/7.7) in this sector are not aligned.

Compliance with minimum safeguards

The purpose of the minimum social safeguards is to verify establishment of procedures and processes to ensure good corporate governance related to human rights, tax, corruption and bribery, and fair competition. Compliance with social minimum requirements is a prerequisite for assessing an economic activity as aligned.

To ensure compliance with the minimum safeguards criteria, LSG has carried out an in-depth comparison of its current policies and documentation with the requirements in the taxonomy. This includes evaluation of the Principal Adverse Impacts (PAI) indicators given in the Commission Delegated Regulation (EU) 2022/1288 Annex I, Table 1. The PAI indicators relate to social and employee matters, respect for human rights, anti-corruption and anti-bribery.

On the whole, as a global Group, LSG has implemented procedures and policies to ensure that its economic activities are carried out in alignment with the OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines), the UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work; and the International Bill of Human Rights. LSG is committed to conducting human rights due diligence in line with the UNGPs, OECD MNE Guidelines and the Norwegian Transparency Act.

Based on this, LSG complies with the minimum safeguards in the taxonomy.

KPIs and accounting policies

The taxonomy uses three key performance indicators whose purpose is to provide an overview of how "green" the company is today and where it is heading. This accords with the requirements set out in the taxonomy, which does not presently cover seafood. The KPIs include the turnover KPI, the capital expenditure (CapEx) KPI and the operating expenditure (OpEx) KPI.

Since 2023 is the first reporting period in which the KPIs must include an assessment of taxonomy alignment, LSG has not presented comparative figures on alignment.

When a CapEx or OpEx was identified as relevant to several economic activities, a differentiation was made to avoid any double counting in the numerator of turnover, CapEx, and OpEx KPIs across the economic activities. This was done in the process of mapping the eligible activities.

The consolidated accounting policies in LSG are presented in in their entirety in Note 1 Accounting policies.

Turnover (revenue)

Turnover provides an overview of the current situation and gives the amount of LSG's revenue derived from eligible and aligned activities. Operating revenue is defined by IAS 1.82(a). Total turnover consists of total revenue from sale of goods, as defined in the IFRS Accounting Standards .

The turnover KPIs are defined as taxonomy-eligible and taxonomy-aligned turnover divided by total turnover.

LSG has no turnover related to eligible economic activities, which therefore means there is 100% non-eligible reporting in this KPI.

Capital expenditure (CapEx)

The CapEx provides the amount of the Group's investments relating to eligible and aligned activities. Total CapEx consists of additions to fixed assets (including right-of-use assets) and intangible assets. Additions resulting from business combinations are also included. This is further described in Note 7 Intangible assets, Note 8 Leases and Note 9 Fixed assets. Goodwill is not included in CapEx as it is not defined as an intangible asset in accordance with IAS 38. The CapEx KPIs are defined as taxonomy-eligible and taxonomy-aligned CapEx divided by total CapEx.

Installation of electric heat pumps and measures relating to construction make up most of the numerator of the CapEx KPI. The activities defined as aligned make up a small proportion of the total.

LSG has CapEx plans for the coming years, but they are presently not aligned with the requirements set for CapEx plans in the EU Taxonomy. A key reason for this is that only a small proportion of the Group's activity is currently encompassed by the taxonomy.

Operating expenditure (OpEx)

The OpEx provides an overview of the operation and gives the amount of LSG's operational expenses relating to eligible and aligned activities.

Operating costs in the denominator are limited to the costs specifically stated in the taxonomy:

- R&D costs
- Short-term leases
- Repair and maintenance costs
- All other direct costs necessary to maintain such assets
- Costs related to renovation of buildings

Research and development costs cover projects that do not meet the specific criteria for capitalisation as intangible assets.

Short-term leases and leases for low value assets are described in Note 8 Leases.

The repair and maintenance cost consists of expenses that do not qualify for capitalisation as part of the relevant asset. The costs specifically stated in the EU Taxonomy are categorised by function. Therefore, these expenses are only partly visible in LSG's financial reporting, because LSG presents its operating expenses by nature and not by function. Repair and maintenance activities consist of different cost categories by nature, such as payroll expenses, consumables, spare parts and various services included in other operating costs. The total expense related to these activities has been based on both actual costs from some reporting units and estimates from other reporting units. This means that the total cost reported is not necessarily fully consistent. The OpEx KPIs are defined as taxonomy-eligible and taxonomy-aligned OpEx divided by total OpEx.

One aligned activity associated with the definition of OpEx have been identified (installation of LED lights), the rest of the eligible activities are not aligned. The short-term hire of well boats accounts for the majority of numerators. Some repair and maintenance costs are also included.

LSG's vision is to become the leading and most profitable global supplier of sustainable, high-quality seafood. As of the present date, a small proportion of the Group's activities is taxonomy eligible. However, the taxonomy may eventually become an important management tool to achieve this goal.

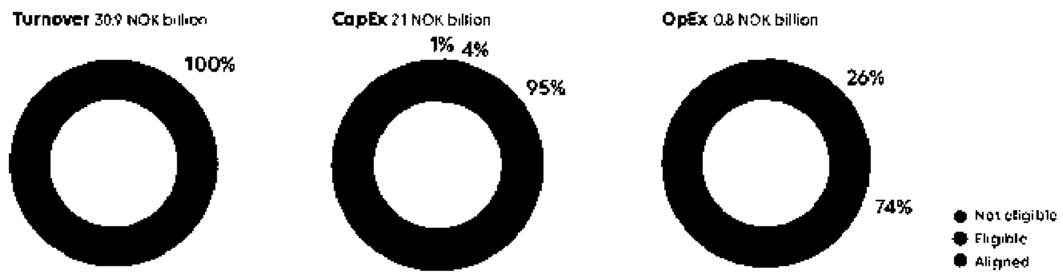
Nuclear and fossil gas-related activities

The table below provides the disclosure requirement for LSG's exposure to nuclear and fossil gas-related activities.

Row	Nuclear energy-related activities	YES/NO
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas-related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cooling and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cooling using fossil gaseous fuels.	No

Performance

The figure below shows the overall performance of eligibility and alignment related to turnover, CapEx and OpEx.



The following tables present LSG's KPIs according to Annex II to the Disclosures Delegated Act for turnover, CapEx and OpEx.

KPI Turnover

All figures in NOK 1 000

Financial year N	2023			Substantial contribution criteria						DNSH criteria									
Economic activities	Codes	Turnover	Proportion of Turnover, year N	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) Turnover, year N-1	Category enabling activity	Category transitional activity
		NOK	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N	Y;N	Y;N	Y;N	Y;N	Y;N	Y;N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**		Y	Y	Y	Y	Y	Y	0.00%		
Of which Enabling		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	0.00%	E	
Of which Transitional		0	0.00%	0.00%							Y	Y	Y	Y	Y	Y	0.00%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
A. Turnover of Taxonomy eligible activities (A.1 + A.2)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
B. Taxonomy-Non-Eligible Activities																			
Turnover of Taxonomy-non-eligible activities (B)		30 869 712	100.00%																
Total (A + B)		**30 869 712**	**100.00%**																

KPI CapEx

All figures in NOK 1 000

Financial year N	2023			Substantial contribution criteria						DNSH criteria									
Economic activities	Codes	CapEx	Proportion of CapEx, year N	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year N-1	Category enabling activity	Category transitional activity
		NOK	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N	Y;N	Y;N	Y;N	Y;N	Y;N	Y;N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Installation and operation of electric heat pumps	CCM 4.16	3 567	0.17%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	157	0.01%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%	E	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	4 362	0.21%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%	E	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	4 103	0.20%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%	E	
Storage of electricity	CCM 4.10	2 247	0.11%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%	E	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1 888	0.09%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%		T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**16 324**	**0.79%**	**0.79%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**		Y	Y	Y	Y	Y	Y	0.00%		
Of which Enabling		10 870	0.53%	0.53%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	0.00%	E	
Of which Transitional		1 888	0.09%	0.09%							Y	Y	Y	Y	Y	Y	0.00%		T

Financial year N	2023			Substantial contribution criteria						DNSH criteria									
Economic activities	Codes	CapEx	Proportion of CapEx, year N	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year N-1	Category enabling activity	Category transitional activity
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Acquisition and ownership of buildings	CCA 7.7/CCM 7.7	4 746	0.23%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
Construction of new buildings	CCA 7.1/CCM 7.1/CE 3.1	28 725	1.39%	EL	N	N/EL	EL	N/EL	N/EL								0.00%		
Freight transport services by road	CCA 6.6/CCM 6.6	3 323	0.16%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
Installation and operation of electric heat pumps	CCA 4.16/CCM 4.16	2 178	0.11%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
Renovation of existing buildings	CCA 7.2/CCM 7.2/CE 3.2	45 010	2.19%	EL	N	N/EL	EL	N/EL	N/EL								0.00%		
Transmission and distribution of electricity	CCA 4.9/CCM 4.9	130	0.01%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCA 6.5/CCM 6.5	1 114	0.05%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		85 225	4.14%	4.14%	4.14%	0.00%	3.58%	0.00%	0.00%								0.00%		
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		101 549	4.93%	4.93%	4.93%	0.00%	3.58%	0.00%	0.00%								0.00%		

B. Taxonomy-Non-Eligible Activities

CapEx of Taxonomy-non-eligible activities (B)	1 957 947	95.07%
Total (A + B)	**2 059 496**	**100.00%**

KPI OpEx

All figures in NOK 1 000

Financial year N	2023			Substantial contribution criteria						DNSH criteria									
Economic activities	Codes	OpEx	Proportion of OpEx, year N	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year N-1	Category enabling activity	Category transitional activity
		NOK	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N	Y;N	Y;N	Y;N	Y;N	Y;N	Y;N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	82	0.01%	Y	N	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	0.00%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**82**	**0.01%**	**0.01%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**		Y	Y	Y	Y	Y	Y	0.00%		
Of which Enabling		82	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%		Y	Y	Y	Y	Y	Y	0.00%	E	
Of which Transitional		0	0.00%	0.00%							Y	Y	Y	Y	Y	Y	0.00%		T

Financial year N	2023			Substantial contribution criteria						DNSH criteria									
Economic activities	Codes	OpEx	Proportion of OpEx, year N	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Climate mitigation	Climate adaptation	Water	Circular economy	Pollution prevention	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year N-1	Category enabling activity	Category transitional activity
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Installation, maintenance and repair of energy efficiency equipment	CCA 7.3/CCM 7.3	429	0.05%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCA 6.10/CCM 6.10	210 007	25.02%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCA 6.5/CCM 6.5	4 532	0.54%	EL	N	N/EL	N/EL	N/EL	N/EL								0.00%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		214 967	25.62%	25.62%	25.62%	0.00%	0.00%	0.00%	0.00%								0.00%		
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		215 049	25.62%	25.62%	25.62%	0.00%	0.00%	0.00%	0.00%								0.00%		
B. Taxonomy-Non-Eligible Activities																			
OpEx of Taxonomy-non-eligible activities (B)		624 170	74.38%																
Total (A + B)		**839 219**	**100.00%**																

Bergen, April 29 2024

The Board of Lerøy Seafood Group ASA

Arne Møgster Chair of the Board	**Didrik Munch** Board member	**Karoline Møgster** Board member	**Britt Kathrine Drivenes** Board member
Are Dragesund Board member	**Siri Lill Mannes** Board member	**Hans Petter Vestre** Board member	**Henning Beltestad** CEO

Independent Auditor's Report

To the General Meeting of Lerøy Seafood Group ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lerøy Seafood Group ASA, which comprise:

- the financial statements of the parent company Lerøy Seafood Group ASA (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Lerøy Seafood Group ASA and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2023, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

With the exception of preparation of financial statements for three non-significant group subsidiaries for financial years 2020, 2021 and 2022, to the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 30 years from the election by the general meeting of the shareholders on 20 May 1994 for the accounting year 1994.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Group's business activities are largely unchanged compared to last year. *Measurement of the quantity of biological assets* and *Valuation of biological assets* has the same characteristics and risks as in the prior year and continues to be in our focus. The Norwegian Government enacted a new resource rent tax on aquaculture in 2023. As such, *Resource rent tax on aquaculture* was identified as a new key audit matter this year.

Key Audit Matter	How our audit addressed Key Audit Matter
Measurement of the quantity of biological assets	
As described in the financial statement, Lerøy Seafood Group ASA measures biological assets to their fair value according to IAS 41. At the balance sheet date, the fair value of biological assets was TNOK 8 424 483, of which TNOK 5 749 007 is historical cost and TNOK 2 675 476 is adjustment to fair value. Biological assets comprise inventory of ova (eggs), juveniles, cleaner fish, brood stock and fish held for harvesting purposes (on growing stage) and relate to the Farming segment. Measured at fair value, biological assets constitute approximately 20% of the Group's total assets on 31 December 2023. We focused on measurement of biological assets (biomass), emphasising live fish held for harvesting purposes, because it constitutes a significant part of the Group's biological assets. Furthermore, there is an inherent risk of error in the measurement of both number of fish and biomass, as the biological assets, by nature, are difficult to count, observe and measure due to lack of sufficiently accurate measuring techniques that at the same time do not affect fish health. As a result, there is some uncertainty related to the number of fish and biomass in the sea. The Group has established control procedures for measurement of both number of fish and biomass. See note 1 Accounting policies part (i) and note 11 to the consolidated financial statement for further information on measurement of biological assets.	For audit of significant inventories, the International Audit Standards (ISAs) require that we participate at inventory counts, provided that it is practicable. Due to the nature of the biological assets and the described difficulty related to counting, observing, and measuring the fish and the biomass, we have performed alternative audit procedures to obtain sufficient appropriate audit evidence regarding the inventory's existence and condition. The Group's biomass system includes information about the number of fish, average weight and biomass per site. We reconciled the movement in the inventory of fish held for harvesting purposes (in number and biomass) for the farming units in the period. The movement in number of fish is the total of smolt stocked, mortality, other loss and harvested fish, whereas the movement in biomass is the total of stocked biomass, net growth in the period and harvested biomass. We focused particularly on number of smolt stocked and net growth in kilo as this has the most significant impact on the measurement at the balance sheet date. We reviewed the Group's routines related to recording of the number of smolt stocked. To test the accuracy of the number of fish registered in the biomass system, we tested a selection of recorded smolt stocked against the number of fish according to supporting documentation. Examples of supporting documentation were invoice from smolt supplier, vaccination report or well boat count. We also reviewed and tested the Group's routines for continuous registration of mortality. The period's net growth corresponds to the feed consumption in the period divided by the feed conversion rate. The feed consumption is closely related to the purchase of

feed in the period. To assess the feed consumption and the feed purchase in the period, we reviewed the Group's routines for reconciliation of feed inventory and tested a sample of feed purchases throughout the year against incoming invoices from feed suppliers. We also assessed the accumulated feed conversion rate of the inventory against our expectation based on historic figures for the individual region. Where the feed conversion rate was significantly higher or lower than expected, we obtained further documentation and explanations. Our work substantiated that the net growth had been reasonably assessed.

To challenge the historical accuracy of the Group's biomass estimates, we reviewed the harvest deviation for the period. Harvest deviation is defined as the difference between harvested biomass (in kilos and numbers) and estimated biomass according to the Group's biomass systems. We also reviewed harvest deviation after the balance sheet date to assess the correctness of fish ready to be harvested on 31 December 2023. We found the deviations overall to be limited and in accordance with expectations.

We assessed and found that the disclosures in relevant notes were in accordance with the requirements in the accounting standards.

Valuation of biological assets

The fluctuations in fair value estimate that arise, for instance, due to change in market prices may have a significant impact on the operating result for the period. The Group therefore presents the effect of value adjustments connected to biological assets as a separate line item before the operating result.

We focused on valuation of biological assets due to the size of the amount, the complexity and judgement involved in the calculation, and the impact of the value adjustment on the result for the year.

See further information on valuation of biological assets in note 1 Accounting policies part (i), 3 and note 11 to the consolidated financial statements.

We reviewed the Group's calculation model for valuation of biological assets by comparing it against the criteria in IAS 41 and IFRS 13 and found no obvious deviations.

We examined whether the biomass and number of fish used in the Group's model for calculation of fair value of biological assets corresponded with the Group's biomass systems and tested if the model made mathematical calculations as intended.

After having tested if these basic elements were in place, we assessed whether the assumptions used by management in the model were reasonable. We did this by discussing the assumptions with management and comparing them to among other things, historical data, available industry data and observable prices. We found the assumptions to be reasonable.

We assessed and found that the disclosures in the notes appropriately explained the methods for valuation of biological assets, and that the information was in accordance with the requirements in the accounting standards.

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Resource rent tax on aquaculture

The introduction of a new, and to some extent, complex taxation model for aquaculture effective from 1 January 2023 resulted in an increased risk of errors in the financial statement. The risk was related to the basis for taxation in an integrated value chain. The regulation requires the tax to be derived based on an estimate of how much of the value creation occurs at sea, as the resource rent tax is a special tax on the value creation that occurs in the sea phase of the production cycle. This means that management, to a greater extent than before, must separate the value creation from the production process in the phases: before sea, in sea, and post sea. Even though the estimate, as any other estimate, is dependent on the use of a considerable amount of judgement, it differs from other estimates by being a new area of taxation, where the rules have not yet been tested. Consequently, management's judgement is more challenging to substantiate.

See note 17 where management explains how the resource rent tax is derived, and the judgements and estimates this is based on.

We gained an understanding of management's processes related to the calculation and accounting of resource rent tax, including management's processes to estimate value creation in the sea.

We assessed management's selection and application of method, the key assumptions and the data applied by management in preparing the estimate that forms the basis for the resource rent tax. Among other, we assessed the choice of method, assumptions, judgements and underlying data that substantiate management's judgement and choice of assumptions. In addition, we assessed whether key assumptions that the estimate is based on were consistent with each other and with those applied in other accounting estimates, for example those related to the valuation and measurement of biological assets, or with related assumptions applied in other areas of the Group's business activities.

We tested the mathematical accuracy of the calculated resource rent tax and underlying estimates.

We assessed and found that the note disclosures appropriately explained how the resource rent tax for 2023 was derived, as well as the underlying application of judgement.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion
As part of the audit of the financial statements of Lerøy Seafood Group ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXJ2JK50-2023-12-31-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities
Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities
For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: https://revisorforeningen.no/revisjonsberetninger

Bergen, 29 April 2024
PricewaterhouseCoopers AS

Sturle Døsen
State Authorised Public Accountant

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Consolidated financial statements

Key Figures for Lerøy Seafood Group Consolidated

All figures in NOK 1 000

	2023	2022
LSG stock price last annual trading day	41.80	55.15
Dividend paid per share (distribution year)	2.50	2.50
Dividend per share for payment following year	2.50	2.50
Cash flow from operating activities per share	5.60	3.82
Diluted cash flow from operating activities per share	5.60	3.82
NIBD	5 209 443	4 346 083
Equity ratio	48.0%	56.7%
Harvest volume (GWT)	159 620	174 629
Share of slaughtered volume salmon (GWT) from JV (Norskott Havbruk)	12 442	17 968
Catch volume in tonnes (HOG)	75 893	71 726
Operating revenue	30 869 712	26 645 877
Key figures before fair value adjustments related to biological assets		
EBITDA before fair value adjustments	4 694 408	4 520 918
Operational EBITDA	4 831 454	4 797 106
Operating profit (EBIT) before fair value adjustments	3 102 412	3 194 879
Operational EBIT	3 335 059	3 471 067
Pre-tax profit before fair value adjustments	2 468 777	2 966 803
Operating margin before fair value adjustments	10.1%	12.0%
Operational EBIT margin	10.8%	13.0%
Profit margin before fair value adjustments (pre-tax)	8.0%	11.1%
ROCE before fair value adjustments (annualised)	12.6%	14.5%
Earnings per share before fair value adjustments	0.19	3.59
EBIT/kg before fair value adjustments	19.4	18.3
Operational EBIT/kg before fair value adjustments	20.9	19.9
EBIT/kg exclusive Wildcatch, before fair value adjustments	17.7	16.3
Operational EBIT/kg exclusive Wildcatch, before fair value adjustments	19.2	17.9

	2023	2022
Fair value adjustments related to biological assets		
Fair value adjustments related to consolidated companies' inventory (before tax)	124 962	1 088 166
Fair value adjustments related to associates' inventory (after tax)	6 371	11 982
Key figures after fair value adjustments related to biological assets		
EBITDA	4 819 370	5 609 084
Operating profit (EBIT)	3 227 374	4 283 045
Pre-tax profit	2 600 111	4 066 951
Operating margin	10.5%	16.1%
Profit margin (pre-tax)	8.4%	15.3%
ROCE	12.1%	18.1%
Earnings per share	0.46	4.88

Income statement

All figures in NOK 1 000 (period 1.1 – 31.12)

Lerøy Seafood Group Consolidated	Notes	2023	2022
Operating revenue and expenses			
Operating revenue	5/25	30 869 712	26 645 877
Other gains and losses	5	36 473	6 380
Cost of materials	25	18 159 867	16 064 207
Change in stock of biological assets at cost, raw materials and finished products	12	-729 836	-1 656 202
Salaries and other personnel costs	16/22	4 241 029	3 815 833
Other operating expenses	22/27	4 540 717	3 907 502
EBITDA before fair value adjustments related to biological assets		**4 694 408**	**4 520 918**
Depreciation on intangibles	7	33 608	33 559
Depreciation on right of use assets	8	588 789	550 056
Depreciation on fixed assets	9	861 490	742 424
Impairment loss on intangibles	7	4 000	0
Impairment loss on fixed assets	9	104 110	0
Operating profit before fair value adjustments related to biological assets		**3 102 412**	**3 194 879**
Fair value adjustments related to biological assets	11	124 962	1 088 166
Operating profit (EBIT)		**3 227 374**	**4 283 045**
Associates and net financial items			
Income from joint ventures and associates	5/10	-143 308	65 675
Net financial items	23	-483 956	-281 769
Profit before tax		**2 600 111**	**4 066 951**
Taxation	17	-2 389 557	-901 829
Annual profit		**210 553**	**3 165 122**
Of which controlling interests		272 501	2 906 781
Of which non-controlling interests		-61 948	258 341
Earnings per share	19	**0.46**	**4.88**
Diluted earnings per share	19	0.46	4.88

Statement of comprehensive income

All figures in NOK 1 000 (period 1.1 – 31.12)

Lerøy Seafood Group Consolidated	Notes	2023	2022
Profit for the year		**210 553**	**3 165 122**
Estimate differences pension plans (including associates)	10/16	-373	-250
Conversion differences that are reclassified to profit and loss in the period	24	1	110
Items that will not be reclassified to the income statement		**-372**	**-140**
Translation differences related to subsidiaries	24	78 205	62 911
Translation differences from associates	10/24	95 386	1 918
Change in value of financial instruments (cash flow hedges)	14	28 208	16 124
Change in value from associates	10	-4 443	14 562
Items that may subsequently be reclassified to the income statement		**197 356**	**95 515**
Other comprehensive income for the year		**196 984**	**95 375**
Comprehensive income for the year		**407 537**	**3 260 497**
Of which controlling interests		467 113	3 000 474
Of which non-controlling interests		-59 576	260 023

The items included in comprehensive income are after tax
Notes 1–28 are an integral part of the consolidated financial statements

Statement of financial position

All figures in NOK 1 000

Lerøy Seafood Group Consolidated	**Notes**	**2023**	**2022**
Non-Current Assets			
Deferred tax asset	17	216 307	92 865
Intangibles	7	8 687 051	8 550 168
Right-of-use assets	8/15	2 713 452	2 863 969
Fixed assets	9/15	8 195 987	7 487 389
Shares in associates and joint ventures	5/10/15	1 366 072	1 424 638
Other investments	10/14	13 857	16 699
Non-current receivables	13	116 350	123 314
Total Non-Current Assets		**21 309 075**	**20 559 041**
Current Assets			
Biological assets	11/15	8 424 483	7 617 593
Other inventories	12/15	2 398 175	2 307 897
Trade receivables	13/14/15	2 926 481	2 716 977
Other current receivables	13/14/15	2 037 207	555 273
Cash and cash equivalents	14/15	4 323 109	3 304 878
Total Current Assets		**20 109 455**	**16 502 618**
Total Assets		**41 418 529**	**37 061 660**

Notes 1–28 are an integral part of the consolidated financial statements

All figures in NOK 1 000

Lerøy Seafood Group Consolidated	Notes	2023	2022
Equity			
Share capital	21	59 577	59 577
Treasury shares	21	-30	-30
Share premium reserve		4 778 346	4 778 346
Total paid-in capital		**4 837 893**	**4 837 893**
Retained earnings		**13 849 240**	**14 870 817**
Non-controlling interests		1 209 412	1 314 983
Total Equity		**19 896 545**	**21 023 693**
Long-term liabilities			
Pension liabilities	16	3 700	3 029
Deferred tax	17	5 008 552	2 576 287
Lease liabilities to credit institutions	8/15	916 059	881 201
Lease liabilities to others	8/15	1 146 745	1 272 906
Bond loans	15	2 990 486	1 493 656
Loans from credit institutions	15	3 887 752	3 441 073
Other long-term loans	15	21 847	658
Other long-term liabilities	14/15	0	5 678
Total long-term liabilities		**13 975 140**	**9 674 488**
Short-term liabilities			
Short-term part of long term loans and leases	15	1 026 170	999 206
Overdrafts and other short term loans	15	975 792	1 104 780
Trade payables	14	2 556 729	2 076 939
Public duties payable		1 602 862	334 934
Tax payable	17	438 403	952 991
Other short-term liabilities	14/15/18	946 889	894 629
Total short-term liabilities		**7 546 844**	**6 363 479**
Total liabilities		**21 521 984**	**16 037 967**
Total Equity and liabilities		**41 418 529**	**37 061 660**

Notes 1–28 are an integral part of the consolidated financial statements

Bergen, April 29, 2024

The Board of Directors of Lerøy Seafood Group ASA

Arne Møgster
Chairman

Are Dragesund
Board member

Karoline Møgster
Board member

Didrik Munch
Board member

Hans Petter Vestre
Employees' representative

Britt Kathrine Drivenes
Board member

Siri Lill Mannes
Board member

Henning Beltestad
CEO Lerøy Seafood Group ASA

Statement of changes in equity

All figures in NOK 1 000

Lerøy Seafood Group Consolidated	Share capital	Treasury shares	Share premium reserve	Currency translation differences	Cash flow hedges reserve	Other retained earnings	Non-controlling interests *	Total equity
Equity 31.12.2021	**59 577**	**-30**	**4 778 346**	**80 240**	**9 326**	**13 269 466**	**1 126 177**	**19 323 103**
Annual profit 2022						2 906 781	258 341	3 165 122
Comprehensive income for the year				64 939	16 279	12 475	1 682	95 375
Total profit/loss 2022	**0**	**0**	**0**	**64 939**	**16 279**	**2 919 257**	**260 023**	**3 260 497**
Transactions with shareholders								
Dividend payments						-1 489 434	-71 217	-1 560 651
Dividend paid on treasury shares						744		744
Total transactions with shareholders	**0**	**0**	**0**	**0**	**0**	**-1 488 690**	**-71 217**	**-1 559 907**
Equity 31.12.2022	**59 577**	**-30**	**4 778 346**	**145 179**	**25 605**	**14 700 033**	**1 314 983**	**21 023 693**
Annual profit 2023						272 501	-61 948	210 553
Comprehensive income for the year				173 592	27 863	-6 843	2 372	196 984
Total profit/loss 2023	**0**	**0**	**0**	**173 592**	**27 863**	**265 658**	**-59 576**	**407 537**
Transactions with shareholders								
Dividend payments						-1 489 434	-39 994	-1 529 429
Dividend paid on treasury shares						744		744
Redemption of non-controlling interests							-6 000	-6 000
Total transactions with shareholders	**0**	**0**	**0**	**0**	**0**	**-1 488 690**	**-45 994**	**-1 534 684**
Equity 31.12.2023	**59 577**	**-30**	**4 778 346**	**318 771**	**53 468**	**13 477 002**	**1 209 412**	**19 896 545**

* Non-controlling interests. Other components of equity are allocated to Lerøy Seafood Group`s shareholders

Treasury shares

Lerøy Seafood Group ASA owns 297 760 treasury shares of a total number of 595 773 680 shares. The ratio of treasury shares is 0.05%. The purchase price paid for treasury shares is split into two different categories, where the nominal value of treasury shares is included in paid-in capital (NOK -30 thousand), and the purchase price exceeding nominal value of treasury shares (NOK -2 389 thousand) is included in retained earnings. The average purchase price for treasury shares is NOK 81.2 per share.

Statement of cash flows

All figures in NOK 1 000 (period 1.1 – 31.12)

Lerøy Seafood Group Consolidated	Notes	2023	2022
Cash flows from operating activities			
Profit before tax		2 600 111	4 066 951
Taxes paid during the period		-634 477	-527 303
Other gains and losses	5	-36 473	-6 547
Depreciation	7/8/9	1 483 886	1 326 039
Impairment loss	7/9	108 110	0
Profit impact joint ventures and associates	10	143 308	-65 675
Change in fair value adjustments related to biological assets	11	-124 962	-1 088 166
Change in inventories/biological assets	11/23	-725 016	-1 638 202
Change in trade receivables	13	-167 594	-542 754
Change in trade payables		441 844	386 505
Change in net pension liabilities	16	671	-365
Net financial items classified as investing or financing activities	23	484 684	281 769
Change in other accruals		-236 845	83 141
Net cash flow from operating activities		**3 337 245**	**2 275 393**
Cash flows from investing activities			
Proceeds from sale of fixed assets	9	46 976	24 009
Payments for acquisitions of fixed assets	9	-1 326 118	-911 400
Proceeds from sale of right of use assets	8	789	0
Payments for acquisitions of intangible assets	7	-156	-287
Proceeds from sale of shares in associates and other businesses	10	3 807	1 835
Payments for acquisitions of shares in associates and other businesses	10	-43	-61
Dividend payments received from associates	10	3 405	6 358
Payments for acquisition of Group companies and redemption of minorities	6	-116 020	-58 892
Cash and cash equivalents from business combinations	6	33 763	223
Interest payments received	23	129 774	35 812
Proceeds/payments on other loans (short and long-term)		-5 473	-5 249
Net cash flow from investing activities		**-1 229 297**	**-907 652**

Lerøy Seafood Group Consolidated	Notes	2023	2022
Cash flows from financing activities			
Movement in short-term interest-bearing debt	15	-460 976	522 391
Proceeds from establishing new long-term debt	15	2 842 644	264
Downpayments of long-term debt	15	-1 413 436	-914 300
Interest paid and other financial expenses	23	-529 263	-314 457
Dividends paid (net, after dividend on treasury shares)	20	-1 528 685	-1 559 907
Net cash flow from financing activities		**-1 089 716**	**-2 266 009**
Net cash flow in the accounting period		**1 018 231**	**-898 268**
Cash and cash equivalents at start of period		3 304 878	4 203 146
Cash and cash equivalents at end of period		**4 323 109**	**3 304 878**
This consists of:			
Bank deposits, etc.		4 323 109	3 304 878
Of which restricted funds		124 152	125 267
In addition the Group has the following cash capacity:			
Unutilised overdraft/drawdown facilities (short-term only)		3 882 132	2 875 225

Note 1 Accounting policies

All figures in NOK 1 000

Lerøy Seafood Group ASA is registered in Norway with identification number 975 350 940. The business address is Thormøhlens gate 51, 5006 Bergen, Norway. Lerøy Seafood Group ASA is listed on the Oslo Stock Exchange with ticker code LSG. Lerøy Seafood Group ASA is a subsidiary of Austevoll Seafood ASA (52.69%), which in turn is owned (55.55%) by Laco AS. Laco AS is the ultimate parent company.

This section presents consolidated accounting policies and notes for Lerøy Seafood Group ASA. Accounting policies and notes for Lerøy Seafood Group ASA (parent company) are presented separately after the notes to the consolidated financial statements. This separation is necessary in that the Group submits financial statements in accordance with IFRS® Accounting Standards (International Financial Reporting Standards), while the parent company's financial statements are drawn up in accordance with NGAAP (Norwegian Generally Accepted Accounting Principles). The company's consolidated financial statements for the financial year 2023 include the company and its subsidiaries (collectively referred to as "the Group") and the Group's share in joint ventures and associates.

The financial statements were submitted by the Board of Directors on 29 April 2024.

(A) Declaration confirming that the financial statements have been drawn up in accordance with IFRS Accounting Standards

The consolidated financial statements are submitted in accordance with international standards for financial reporting (IFRS Accounting Standards) and interpretations established by the International Accounting Standards Board (IASB) and adopted by the EU.

(B) Basis for preparing the financial statements

The financial statements are presented in NOK and figures are rounded off to the nearest thousand. They are prepared on the basis of the historical cost principle, with the exception of the following assets and liabilities which are carried in the balance sheet at fair value: Biological assets and financial derivatives.

Preparation of financial statements in accordance with IFRS Accounting Standards demands that the administration makes assessments, estimates and assumptions that influence the application of accounting policies and the book values of assets and liabilities, revenue and costs. Estimates and their associated assumptions are based on historical experience and other factors seen as reasonable under the circumstances. These calculations form the basis for measurement of carrying amounts for assets and liabilities that are not readily available from other sources. The actual result may deviate from these estimates.

Estimates and underlying assumptions are under constant review. Changes in the accounting-related estimates are recognised in the periods in which they occur, provided they apply only to that period. If changes also apply to future periods, the effect is distributed over current and future periods.

Assessments that are made by the administration when applying the IFRS Accounting Standards and that have a significant effect on the financial statements and estimates with a considerable risk of significant adjustments in the next financial year, are described in note about significant accounting estimates and assessments.

The accounting policies discussed below have been consistently applied for all periods presented in the consolidated financial statements.

The consolidated financial statements are drawn up in accordance with IFRS Accounting Standards, while the financial statements for the Norwegian subsidiaries are prepared according to Norwegian Generally Accepted Accounting Principles (NGAAP). Accounts for the foreign subsidiaries are prepared according to accepted accounting policies in the respective countries.

The consolidated financial statements are prepared under the assumption that Lerøy Seafood Group will continue as a going concern.

(C) Principles of consolidation

Subsidiaries

Subsidiaries are all units where the Group has control of the unit's financial and operational strategy, normally through ownership of more than half of all equity with voting rights. Subsidiaries are consolidated from the moment control is obtained and are excluded from consolidation when such control ceases. Transactions, intercompany accounts and unrealised gains or losses between the Group companies are eliminated.

For each business combination after 2009, the group has measured components of non controlling interests in the acquiree at fair value at the acquisition date. This implies that goodwill is recognised also on non-controlling interests proportionate share of the entity`s net assets.

The companies that are part of the Group are specified in the note on consolidated companies.

Non-controlling interests

Non-controlling interests are measured at acquisition date either to fair value or their proportionate share of net identified assets, with an option to choose for each acquisition. Non-controlling interests' share of the profit or loss for the year after taxes is shown as a separate item after the annual profit/loss for the Group. The non-controlling interests' share of equity is shown as a separate item under consolidated equity. Transactions with non-controlling interests in subsidiaries are booked as equity transactions. In the event of the purchase or sale of shares from non-controlling interests, the difference between the consideration and the shares' proportional share of the carrying amount for the net assets in the subsidiary against the parent company owners' equity is booked to controlling shareholder's equity.

(D) Operating revenue

Operating revenue is recognised at a point in time when control is passed to the customer. Control is generally passed when delivered to the customer according to the agreed upon Incoterms (contractual terms).

Expected volume discounts are deducted from operating revenue and presented as current provisions. Taxes and duties are also deducted from operating revenue.

The Group records provisions (sales reduction) for quality deviations and returns based on historical numbers and specific information regarding the respective deliveries. The Group delivers, to a large degree, fresh food and returns will therefore usually be registered shortly after the customer has received the goods.

(E) Reporting by segment

Segments are reported at a more aggregated level than for internal reporting to the corporate management due to similar economic characteristics, organisational structure and commercial risk. The Group's reportable segments comprise the following: (1) Wildcatch, (2) Farming and (3) Value-added Processing (VAP), sales and distribution. The last segment is also named VAPS&D or VAPSD for short. Please refer to the note on the consolidated companies and division into operating segments for a complete description of the companies in the different segments, both directly and via indirect ownership.

Wildcatch is reported as one segment. The unit comprises the two sub-groups Lerøy Havfisk AS and Lerøy Norway Seafoods AS. The Lerøy Havfisk Group, owner of the licenses, is subject to a so-called "industrial obligation" in Stamsund, Melbu, Hammerfest, Båtsfjord, Honningsvåg and Kjøllefjord. This implies that the license is linked to operation of the facilities in the respective locations. Lerøy Havfisk has leased out the facilities in these locations to Lerøy Norway Seafoods AS. The lessor is responsible for sustaining

Note 1 cont.

operations. However, if the lessor terminates operations, the license terms oblige Lerøy Havfisk to sustain operations in the specified locations. The two companies, including their subsidiaries, are so heavily integrated with each other, that they are regarded as one operating segment, which also is reflected in the internal reporting.

Farming is reported as one segment but specified on three operating segments. These are:

1. the North Norway region, comprising the Lerøy Aurora AS and Lerøy Aurora Sjø AS
2. the Central Norway region, comprising Lerøy Midt AS and Lerøy Midt Sjø AS
3. the West Norway region (also known as Lerøy Sjøtroll), comprising Lerøy Vest AS, Lerøy Vest Sjø AS, Lerøy Vest Kraft AS, Sjøtroll Havbruk AS, Sjøtroll Havbruk Sjø AS, Lerøy Kjærelva AS, Lerøy Årskog AS, Lerøy Austevoll AS, AUSS Laks AS, Norsk Oppdrettsservice AS and Lerøy Ocean Harvest AS.

These units all operate in the same branch, have the same customers, similar commercial risk and similar processes. Their only distinguishing factor is geography. It has therefore been deemed appropriate to merge these into one operating segment.

Value-added Processing (VAP), sales and distribution is the third segment. This segment comprises several sub-groups and individual entities. These are merged into one reporting segment due to similarities such as same branch, commercial risk and uniform processes.

The Norwegian units are: Lerøy Seafood AS, Lerøy Fossen AS, Lerøy Bulandet AS, Lerøy Sjømatgruppen AS, Lerøy Norge AS, Sirevåg AS, Lerøy Nord AS, Dragøy Grossist AS, Sjømathuset AS, Lerøy Quality Group AS, Lerøy & Strudshavn AS and Wannebo International AS.

The foreign units consist of the Dutch sub-group Lerøy Seafood Holding B.V., that also includes Lerøy Germany GmbH, the Swedish sub-group Lerøy Sverige AB, the Danish sub-group Lerøy Seafood Denmark A/S, the French sub-group SAS Lerøy Seafood France, the Spanish sub-group Lerøy Processing Spain S.L, in addition to Lerøy Seafood USA Inc, Lerøy Portugal Lda, Lerøy Finland OY, Lerøy Turkey, Leroy Seafood Italy Srl and Lerøy Seafood UK Ltd.

The Norwegian entities Lerøy Seafood Group ASA and Preline Fishfarming System AS are not assigned to any of the segments.

(F) Currency

The consolidated financial statements are presented in NOK, the functional currency for the parent company and the Norwegian subsidiaries. Cash items in foreign currency are valued at the respective rates of exchange at the end of the financial year. Gains and losses on foreign currency related to the purchase and sale of goods are presented as part of the accounting line for "Purchases". See also item (V) on derivatives, including currency forward contracts utilised to control currency risk.

(G) Intangible assets

Goodwill

Goodwill represents the residual value that cannot be assigned to other assets or liabilities on acquisition of a company or other assets. Deferred tax at date of acquisition on licenses with unlimited lifetime, increases goodwill. Goodwill in respect of the acquisition of subsidiaries is included in intangible assets, while goodwill in connection with the acquisition of associates is included in the item "Shares in associates". From each business combination goodwill is allocated to a cash generating unit (CGU). Goodwill is not amortised (after 1 January 2004), but is reviewed annually for any impairment and carried on the balance sheet at cost price less accumulated write-downs. When assessing the need to write down the value of goodwill, this is allocated to applicable cash-generating units.

Licences/rights

The Group's licenses can be split into two main groups: (1) Licences related to farming and (2) licenses related to wild catches (fishing rights). In addition, the Group has some intellectual property rights.

Licences related to farming are not amortised. Licences are carried at cost price less any accumulated write-downs. Licences are tested annually for impairment. An overview of the different licenses involved in this operating segment, in terms of type, number and volume, is provided in the note on intangible assets. A more detailed explanation supporting the assessment that the assets have an indefinite useful life is provided in item (X) at the end of the description of accounting policies.

Fishing rights (the licenses) are valued at acquisition cost minus any accumulated amortisation and impairment loss. The licenses comprise basic quotas with no time limit and structural quotas with a time limit of 20 and 25 years respectively. The structural quotas have a definite useful life and are amortised over the length of the structural period. The basic quotas have an indefinite useful life and are not amortised, but they are tested annually for impairment. The structural quotas are amortised over the remaining life of the quota until the value is zero, as there is no active market for the rights or any commitment from a third party to acquire the right once its useful life is over. Pursuant to White Paper no. 21 (2006–2007) (Structural policy for the fishing fleet), the structural quotas with pre-specified time limits after expiry of the allocation period will be redistributed among the "cod trawler" group of vessels, thereby becoming part of the vessels' basic quota. This implies that if a vessel has structures that are in accordance with the average for the group of vessels, a vessel will be able to maintain practically the same catch volume once the period for the structural quotas has expired. More detailed information on licenses/fishing rights is provided in note on intangible assets.

The major share of other intangible assets comprises water rights within farming (smolt production). The Group distinguishes between time-limited water rights, which are amortised over their lifetime, and water rights with no time limit, which are not amortised but are tested annually for impairment. Other intangible assets comprise rights that are amortised over their lifetime (contractual period).

(H) Fixed assets and right-of-use assets

Fixed assets

Fixed assets are measured at acquisition costs less accumulated depreciation and any accumulated impairment loss. The depreciation on fixed assets is allocated linearly over estimated useful life (depreciation period). Significant parts of fixed assets that have different depreciation periods are decomposed and depreciated separately. The estimated average useful life of fixed assets, when decomposed, is estimated as:

- **Land:** Lasting value
- **Buildings and real estate:** 20–25 years
- **Machinery and production equipment:** 5–15 years
- **Vessels:** 25 years
- **Fixtures and other equipment etc.:** 2.5–5 years

Right-of-use assets

Leases are measured as the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate, and recognised from the date the leasing agreement starts. Options for extension periods are included in the leasing calculation when they are reasonably certain to be exercised. At time of initial recognition, the associated right-of use asset is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The right-of-use asset is depreciated linearly from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

For contracts containing both lease and non-lease components, the Group allocates the consideration in the contract to the lease and the non-lease components based on their relative stand-alone prices. This mainly applies to the Group's time charter rental agreements of wellboats, where the service element of the contracts is a significant non-lease component. The non-lease component is excluded from the lease accounting and expensed directly in the income statement.

The Group has applied the lease recognition exemptions for short term lease contracts and low-value assets. Short terms leases

Note 1 cont.

represent lease agreements shorter than 12 months from the date of the contract. Low value assets represent lease agreements that are lower than fifty thousand Norwegian krones. Rent paid on non-recognised leases are presented in the note on leases.

The Group distinguishes between leases with credit institutions and leases with others. The distinction is shown in note on leases. Acquisition of right-of-use assets from leases with credit institutions is considered to be investments in new assets, while acquisition of right-of-use assets from others than credit institutions is not. This distinction is also applied on the debt side, and in the definition of NIBD. See note on APMs for further information.

(I) Biological assets, loss-making contracts and mortality expenses

The Group's biological assets comprise live fish, mainly salmon and trout, at all stages of the life cycle. The fish are divided into two main groups, depending on the stage of the life cycle. At the earliest stage of the life cycle, the fish are classified in group (1) roe, fry and juvenile fish. During this stage, the fish are kept on shore. When the fish are large enough for release to sea, they are classified in group (2) fish in sea. The group for fish in sea also comprises the subgroup for parent fish, utilized to produce roe. As this subgroup is immaterial, it is dealt with in the same way as other fish in sea.

The stock of fish, in addition to salmon and trout, also comprises cleaner fish. This species of fish is utilized during production of salmon and trout as a means of eliminating salmon lice. Despite the significant number of cleaner fish produced by the Group, both the volume and value of this species are relatively low and are immaterial for the consolidated financial statements. To simplify accounting, this species is therefore grouped with roe, fry and juvenile fish.

Biological assets are regulated by IAS 41 Agriculture. The main rule is that biological assets shall be measured at fair value minus sales costs unless fair value cannot be reliably measured. Measurement of fair value is regulated by IFRS 13. 'Fair value' refers to the price that would have been achieved on sale of the asset in an orderly transaction between market participants at the measurement date under the prevailing market conditions.

For roe, fry and juvenile fish, in addition to cleaner fish, historical cost is deemed a reasonable approach to fair value, as there is little biological transformation (IAS 41.24). This assessment must be seen in light of the fact that smolt are currently released to sea at a stage when their weight is still relatively low. At the same time, this group still comprises a limited share of the Group's biological assets measured in terms of both volume and value. If changes emerge in the future implying that the smolt produced are significantly larger when released to sea, a new assessment will be required.

For fish in sea, the fair value is calculated by applying a cash flow based present value model at level three in the fair value hierarchy in IFRS 13. In line with IFRS 13, the highest and best use of the biological assets is applied for the valuation. In accordance with the principle for highest and best use, the Group considers that the fish have optimal weight for harvest when they have a live weight corresponding to 4 kg gutted weight. For information on recalculation factor from gutted weight to live weight, see note on biological assets. As of 31.12 this corresponds to a live weight of 4.65 kg for salmon and 4.76 kg for trout. Fish with a live weight equal to this or more, are classified as ready for slaughter (mature fish), while fish that have still not achieved this weight are classified as not ready for harvest (immature fish). For fish ready for harvest, the highest and best use is defined as harvesting and selling the fish as quickly as possible in the month following the balance sheet date. For fish not yet ready for harvest, the highest and best use is in principle defined as growing the fish to optimal weight for harvest, then harvesting and selling the fish. The harvest date applied in the valuation may however be brought forward if required by situations at a specific locality. Such situations may involve biological challenges (disease, salmon lice infestation etc.).

The cash flow-based present value model does not rely on historical and company-specific factors. On a hypothetical market with perfect competition, a hypothetical buyer of live fish would be willing to pay as a maximum the present value of the estimated future profit from the sale of the fish when it is ready for harvest. The estimated future profit, taking into account all price adjustments and payable fees for completion, constitutes the cash flow.

Incoming cash flow is calculated as a function of estimated volume multiplied by estimated price. For fish not ready for harvest, a deduction is made to cover estimated residual costs to grow the fish to the optimal weight for harvest. 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 license lease and (3) the time value of money. Please refer to the note on significant accounting estimates and assessments for more detailed information on discounts, and sensitivity analysis.

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 date and multiplied by the estimated weight per individual at the time of harvest. The measurement unit is the individual fish. However, for practical reasons, these estimates are carried out 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 Fish Pool forward prices. The reason for this is that the observable forward prices at Fish Pool are recognised as the best approach to a hypothetical price of salmon. The volume of trout sales in Norway is significantly lower, and there are no corresponding observable market prices. Historically, however, trout prices have been closely correlated to salmon prices. The forward prices for salmon are therefore applied as a starting point for estimates of the fair value of trout. 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 Fish Pool 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 harvest cost (well boat, slaughter and boxing) and transport to Oslo. Adjustments are also made for any estimated differences in size and quality. The adjustments to the reference price are made per locality. Joint regional parameters are applied, unless factors specific to an individual locality require otherwise.

Changes to estimated fair value for biological assets, according to IAS 41, are recorded through profit or loss and presented on the line for fair value adjustments related to biological assets. The accounting line for fair value adjustments related to biological assets in the income statement comprises three elements; (1) change in fair value adjustment of stock of fish in sea, (2) change in fair value of onerous contracts and (3) change in fair value of unrealised gain/loss related to financial purchase and sale contracts for fish in Fish Pool, recognised as value-hedges.

Onerous contracts are contracts where the expenses of fulfilling the contracts are higher than the economic yield the company expects to gain by fulfilling the contracts. The Group enters into contracts related to future deliveries of salmon and trout. As biological assets are recognised at fair value, this fair value will be included in the estimated expenses required to fulfil the contract. As a result, physical delivery contracts where the contractual price is lower than the price on which fair value estimation of the biological assets was based will be defined as onerous contracts according to IAS 37, even if the contractual price is higher than the production costs for the products. The provision is classified as other short-term debt.

As the financial statements also present production costs for the stock of live fish, the reporting of mortality is of significance. Costs related to abnormal mortality are immediately recognised through profit or loss and presented on the line for changes in inventory, while normal waste is classified as part of production costs. Fair value of biological assets is not affected by the principle for reporting mortality costs. The extent to which mortality is normal or abnormal requires assessment. The Group makes use of a common indicator and threshold for all farming units. If in one month mortality at a locality exceeds 1.5% of the incoming

Note 1 cont.

number of fish at the locality, this is classified as an indication of abnormal mortality. A more detailed assessment is then carried out to establish whether mortality is abnormal. These assessments take into account the cause of mortality and the size of the fish. Please refer to the note on biological assets for a more detailed description of mortality costs and incidents that have caused abnormal mortality.

(J) Inventory

Inventories of purchased goods are valued at the lower of acquisition cost and estimated sales value less sales costs. In-house-produced finished goods and semi-finished goods are valued at full production cost. Write-downs are made for quantifiable obsolescence.

(K) Trade receivables and trade payables

Trade receivables and other receivables are carried on the balance sheet at nominal amount after deduction of provision for estimated losses. The Group measures expected credit losses by estimating a lifetime expected loss allowance for all trade receivables. Loans and receivables are classified as short-term debt or current assets unless they mature more than 12 months after the balance sheet date. In that case, they are classified as fixed assets or long-term debt.

(L) Associates and joint ventures

Associates are units where the Group has significant influence but not control, normally between 20% and 50% of voting equity. Joint ventures are investments in companies where the Group has control together with other parties. Cooperation is based on a contractual agreement governing central cooperative factors. Investments in associates and joint ventures are recognised according to the equity method. The investment is capitalised at acquisition cost at the time of purchase. The Group's share of the profit/loss after tax, as well as depreciation/amortisation and write-downs of any added value, are recognised on the income statement and added to the carrying amount of the investment together with the respective share of changes in equity not booked in the income statement, such as dividend. In the income statement, the Group's respective share of profit is shown as a separate financial item, while the assets are shown in the balance sheet as an individual non-current asset. The Group's share of unrealised intercompany profit on transactions between the Group and the respective company is eliminated. Accounting policies for associates and joint ventures are changed whenever necessary to ensure consistency with the accounting policies applied for the Group (IFRS Accounting Standards).

(M) Liquid assets

Liquid assets consist of cash in hand and bank deposits and are valued at the exchange rates on the balance sheet date. In the Cash Flow Statement it is specified how much that is restricted funds.

(N) Pensions

The Group mainly has defined contribution plans, but also a few remaining defined benefit plans that are now closed. In general, the pension plans are financed via payments to insurance companies or pension funds based on periodical actuarial calculations.

A defined contribution plan is a pension plan where the Group pays a fixed amount to a separate legal entity. The Group has no statutory or other obligation to pay additional contributions.

A defined benefit pension plan is one that is not contributory. A typical defined benefit pension plan defines a pension payment that the employee will receive upon retirement. The payment is typically dependent on factors such as age, number of years in the company and wage level.

The capitalised commitment associated with defined benefit plans is the present value of the defined benefits on the balance sheet date less fair value of the pension. Pension liability is calculated annually by an independent actuary according to the straight-line accrual method. The present value of defined benefits is found by discounting estimated future payments by the interest rate on a bond issued by a company with a high credit rating in the same currency as the benefits will be paid, and with a maturity approximately equal to the duration of the associated pension liability. In countries that do not have a liquid market for long-term bonds issued by companies with a high credit rating, the market interest rate for governmental bonds is applied.

(O) Tax

The Norwegian Government enacted a 25% resource rent tax on the income from producing salmon and trout in sea on 31 May 2023. The law applied retroactively from 1 January 2023. The main principles that were established through the OT proposition, are regulated by the Norwegian Tax law chapter 19 - Special rules for taxation of aquaculture activities. The resource rent tax is in addition to the ordinary tax in Norway of 22%. The total nominal tax rate for the eligible activity is 47%, which includes 22% ordinary tax and 25% resource rent tax.

Tax cost in the income statement includes both the tax payable for the period and changes in deferred tax. Deferred tax is calculated at local tax rate for each country based on the temporary differences that exist between accounting and taxable values, as well as the tax loss carryforward, at the end of the financial year. Temporary tax-increasing and tax-decreasing differences which reverse or may reverse the figures in the same period and within the same tax regime, are offset and booked at net value. Deferred tax is calculated at the nominal tax rate.

(P) Interest-bearing loans and credits

Loans are booked at fair value when the loan is paid out, less transaction costs. In subsequent periods loans are booked at amortised cost calculated by applying the effective interest rate, and any differences between acquisition cost and redemption value are incorporated over the loan period by using the effective interest rate method.

Next year's instalments are classified as short-term debt.

(Q) Dividends

Dividends are booked when adopted by the shareholders' meeting. See also note on dividend per share.

(R) Provisions and other commitments

Provisions are carried on the balance sheet when the Group has an existing legal obligation or implied duty in consequence of an earlier event, and it is probable that a flow of economic resources from the enterprise will be required in order to fulfil such obligation. If the effect is significant, the provision is determined by discounting estimated future cash flows by a discounting rate before tax, which reflects market pricing of the time value of money and the risks specifically associated with the obligation.

(S) Share capital and share premium

Ordinary shares are classified as equity. Expenses directly associated with issuing new shares or options, less tax, are booked under equity as reductions in proceeds received.

When buying back treasury shares, the purchase amount, inclusive of directly ascribable costs, is entered as a change in equity. Treasury shares are presented as a reduction in equity.

(T) Statement of cash flows

The consolidated statement of cash flows shows the total consolidated cash flows broken down by operating, investing and financing activities. Acquisitions of subsidiaries are considered an investing activity. Cash and cash equivalents in the company acquired is deducted. The statement shows how the various activities affect cash reserves. For cash flows in foreign currency, the average rate of exchange is used in the statement. To the extent that changes in the balance sheet figures between financial

Note 1 cont.

years do not match the corresponding figures in the statement of cash flow, this is a result of translation differences linked to changes in rates of exchange.

(U) Financial risk management

Through its activities, the Group is exposed to different types of financial risk: market risk (including currency risk, interest risk, price risk and liquidity risk) as well as credit risk. A further description follows below, describing the Group's financial risk, as well as how it is managed, including use of hedges.

Currency risk

The Group has international operations requiring several different currencies and is thus exposed to currency risk. Forward contracts are used to hedge against the currency risk on trade receivables and agreed upon sales contracts. The forwards contracts are designated as fair value hedges in the financial statements. The hedged items are primarily binding sales contracts in foreign currency, net foreign currency bank deposits, and net trade receivables in foreign currency. The hedged items are adjusted with the change in fair value of the hedged risk. The hedging instruments are the forward contracts, which are also measured at fair value on the balance sheet date. Gains and losses due to change in fair value are presented through profit or loss. An overview of the effect of forward contracts can be found in the note on financial instruments.

Interest risk

The Group's long-term debt is mainly based upon agreements for floating rates of interest, representing exposure to increases in the market interest rate. However, the Group has made use of long-term interest rate swaps to reduce the floating interest rate risk for a share of the Group's long-term debt. The Group receives a floating interest rate and pays a fixed rate through the swap agreements. The interest rate swaps are reported as cash flow hedges. Gains and losses from the effective part of the hedge (the part of the hedge that qualifies for cash flow hedge accounting) are recognised in other comprehensive income. The Group does also use fixed interest loans (bond loan with fixed interests). An overview of the effects in terms of exposure of the Group`s borrowings to interest rate changes is provided in the note on loans, mortgages and guarantees.

Price risk

The developments in global salmon and trout prices have a considerable impact on the results achieved by the Group. In order to reduce the price risk, a varying share of the revenue / purchase cost is hedged through purchase and sale forward contracts for salmon (Fish Pool contracts). The changes in fair value of the contracts are recognized in the income statement line item "fair value adjustments related to biological assets". An overview of the effect of the Fish Pool contracts is provided in the note on financial instruments.

The Group is also exposed to fluctuations in the bunker price. This risk is reduced through entering into forward agreements to purchase bunker (bunker derivatives). Gains and losses from the effective part of the hedge (the part of the hedge that qualifies for cash flow hedge accounting) are recognised in other comprehensive income. An overview of the effect of bunker derivatives is provided in the note on financial instruments.

Liquidity risk

Cash flow prognoses are established for the different operating segments in the Group and are aggregated by the Group's Financial Department. The Financial Department monitors prognoses of the Group's liquidity requirements in order to ensure that the Group has sufficient cash equivalents to fulfil operating commitments while sustaining a sufficient level of flexibility in the form of unutilised, binding loan facilities at all times so that the Group is not in breach of the limits or specified terms and conditions for the Group's loans. Such prognoses take into account the Group's scheduled new loans, compliance with terms and conditions of loans, compliance with in-house objectives for balance sheet figures and, if relevant, external regulatory or legal requirements.

Any excess cash in the Group companies, in addition to what constitutes necessary working capital, is transferred annually to the parent company via Group contributions and dividends. The Group's Financial Department deposits excess cash mainly as bank deposits at special terms with appropriate maturities in order to provide sufficient security and flexibility in relation to the company's growth strategy and dividend policy. For information on cash and cash equivalents together with undrawn credit facilities available to the Group as liquidity buffers to manage liquidity risk, please refer to the statement of cash flow.

The table in note on debt, mortgages and guarantee liability specifies the Group's financial covenants that are not derivatives, and derivative covenants with net settlement, classified in relation to the down-payment schedule. This classification is made in accordance with the contractual maturity date. Derivative covenants are included in the analysis when the contractual maturity date is significant for an understanding of the accrual of cash flows. The figures in the table are non-discounted contractual cash flows.

Credit risk

Credit risk occurs in transactions involving derivatives, deposits with banks and financial institutions in addition to transactions with wholesalers and customers, including outstanding receivables and fixed agreements. As virtually all the Group's sales to end customers are credit sales, procedures have been established to ensure that the Group companies only sell products to customers with satisfactory credit rating. A credit assessment is performed based on the customer's financial position, history and any other factors of relevance. Individual limits are set for risk exposure, based on internal and external assessments of creditworthiness and guidelines from the Board of Directors. The Group's compliance on these procedures is regularly monitored. Furthermore, almost all of the Group's trade receivables are covered by credit insurance securing about 90% of nominal amounts. The counterparties to derivative contracts and financial placements may only be financial institutions with a high credit rating and other parties who can provide reliable security. See note on receivables for further information on credit risk.

(V) Derivatives and hedge accounting

The company seeks to hedge against currency fluctuations and changes in interest rate by means of derivatives, respectively currency forward contracts, interest rate swaps and bunker derivatives.

Derivatives are carried at fair value at the time of contract and are subsequently adjusted to fair value. The recognition of the associated losses and gains depends on whether the derivative is designated as a hedging instrument and, if so, the type of hedging. Derivatives which are not designated as hedging instruments are recognised at fair value through profit or loss.

Fair value of derivatives is shown in the note on financial instruments. Fair values of derivatives are classified as fixed assets or long-term debt if the hedging object matures in more than 12 months, and as current assets or short-term debt if the hedging object matures in less than 12 months.

The Group documents the relationship between the hedging instrument and the hedged items, including expected hedging efficiency, when entering into hedging derivatives. The Group further documents its risk management strategies related to transactions that are risk hedges.

Changes in fair value of derivatives qualifying for fair value hedging are recognised in the income statement together with the change in fair value of the associated hedged asset or liability. The Group uses fair value hedging to hedge net receivables in foreign currency, net deposits on currency accounts and signed sales contracts in foreign currency. Gains and losses on foreign currency are included in the income statement line "Cost of materials".

The effective share of the change in fair value of derivatives that qualify as hedging instruments for cash flow hedging is recognised through other comprehensive income. Hedging gains

Note 1 cont.

or losses recognised through other comprehensive income and accumulated in equity are re-classified to the income statement during the period in which the hedging object impacts the income statement. The Group makes use of cash flow hedging related to interest rate swaps and bunker derivates. If the hedge comes to an end, and the expected future transaction is no longer likely, gains and losses are recognised in the income statement under net financial items.

(W) Capital management

The Group's objectives for capital management are to enable the Group to continue as a going concern in order to guarantee returns for the owners and other stakeholders and to sustain an optimal capital structure to allow the Group to reduce capital expenses. Ongoing structural changes in the global industry in which the company operates, seen in conjunction with the cyclical nature of the industry, demand that the company at all times must maintain a satisfactory financial contingency. This in turn requires a close relationship with the company's shareholders and equity markets. The Group has always stressed the importance of maintaining the confidence of its financial partners and thus also access to necessary loan capital on favorable terms.

The Group's financial goals are reflected in quantified parameters for financial adequacy and returns. The requirement for financial adequacy stipulates that the Group's equity ratio, defined as equity/total assets, should be at least 30% over time. The Group's long-term goal for earnings is to generate an annual return on the Group's average capital employed of 18% before tax.

The company's dividend policy implies that, over time, dividends should lie in the region of 30% to 40% of profit after tax. However, care must be taken at all times to ensure that the Group operates in line with satisfactory financial contingency for new and profitable investments. In the long run, value generation will increasingly be in the form of higher share prices rather than in declared dividends. See note on dividend per share for more information.

(X) Indefinite useful life (no amortisation) of licenses

Below is a detailed description of the Group's assessments in situations where the Group has established that an asset has an indefinite useful life, cf. IAS 38.122. Intangible assets with an indefinite useful life are not amortised but tested for impairment once a year as a minimum. Please refer to the note on intangible assets for information on the impairment test.

Licence scheme in Norway

The license scheme for production of salmon and trout in Norway was introduced by the Storting (the Norwegian Parliament) and adopted in the Norwegian Act relating to aquaculture (Aquaculture Act). The Ministry of Trade, Industry and Fisheries is responsible for allocation of aquaculture permits (licenses). All activities involving aquaculture require a license. It is prohibited to farm salmon/trout without a license from the authorities, cf. section 4 of the Aquaculture Act. All licenses are governed by the same regulations (the current Aquaculture Act with provisions) irrespective of when the license was allocated.

LSG's aquaculture permit entitles the Group to produce salmon and trout in delimited geographic areas (localities), according to the prevailing limitations established at any given time regarding the scope of the permit. The Ministry may prescribe detailed provisions relating to the content of the aquaculture licenses by administrative decision or regulations.

The Aquaculture Act is administered centrally by the Ministry of Trade, Industry and Fisheries, and the Directorate of Fisheries is the supervisory authority. Regionally, there are a number of sector authorities that together represent a complete administrative and supervisory authority within the area governed by the Aquaculture Act. The individual county is the regional administrative body, and the Directorate of Fisheries is the appellate body for issues involving localities and licenses.

Main terms and conditions for license type

Since January 2005, the limitations on production established for aquaculture licenses for salmon and trout have been governed according to a scheme known as Maximum Allowable Biomass (MAB). This specifies the maximum biomass in the sea that a license holder can have at any given time. The Group has a sufficient number of localities (locality MAB) in the different regions to achieve a satisfactory exploitation of the Group's total MAB. All commercial licenses for production of salmon and trout in sea are currently operational. The following regulations regarding production limitations apply to the different types of licenses held by the Group:

Grow-out licenses are limited in number, i.e. the enterprises are only granted new licenses or more production volume subsequent to politically adopted allocation rounds. The maximum allowable biomass (MAB) has previously been 780 tonnes of salmon or trout per license. The maximum allowable biomass (MAB) for the counties of Troms and Finnmark (North Norway) has previously been 945 tonnes of salmon or trout per license. Following the political decision taken in 2017 that it should be possible to allocate percentage growth per license based on various conditions, a fixed maximum allowable biomass per license is no longer specified. The system has been named the "traffic light system". The traffic light system is meant as a permanent framework for mitigating growth in Norwegian aquaculture. In this system the Norwegian coastline was divided into 13 different production areas. With a frequency of 2 years, the different areas are colored red, yellow, or green, based on certain criteria. In areas colored red the maximum production volumes are reduced. In yellow areas there is no change. In green areas, it is opened for growth. A certain portion of the growth are offered to the farmers at a fixed price, while the remaining portion are offered at auction. The farmers are free to choose to purchase the offered growth or not. See note on intangibles, section licenses, for further information about present year`s changes.

Green farming licenses are licenses that were awarded in 2015 via a dedicated licensing round. Special conditions were attached to these licenses, mainly concerning environmental improvement measures. The licenses were awarded via open auctions or competitively, based on environmentally focused technology and operating concepts.

Demonstration licenses are licenses defined for special purposes. Demonstration licenses are granted to enterprises in order to share knowledge of the aquaculture industry. Such licenses are often operated in cooperation with a non-commercial entity.

Teaching licenses are another kind of special-purpose license and are allocated to disseminate knowledge of the fish farming industry. The licenses are linked to specific educational institutions and are thus regulated by the county.

Research and development licenses are licenses awarded in connection with research and development projects in the industry, where dedicated licenses are required to carry out the R&D activity.

Slaughter cage licenses are allocated for the use of sea cages for live fish for slaughter. These licenses are linked to a specific location, which is the Group's slaughtering plant for salmon and trout.

Parent fish licenses are also licenses defined for special purposes. Parent fish licenses are granted for the production of salmon roe utilised to produce juvenile fish.

Juvenile fish licenses are licenses to produce juvenile salmon and trout in fresh water that in total authorise the license holder to produce a specific number of juvenile salmon and trout. There are certain limitations on the size of juvenile fish that may be produced according to the individual license. Licences are granted on the basis of a discharge permit for a certain number of fish/biomass with a maximum allowable feed consumption per year. In situations where the water source is owned by a third party, an agreement is also required governing the right to utilise the water source.

Note 1 cont.

Duration and renewal

Section 5, second paragraph of the Aquaculture Act reads: "The Ministry may prescribe detailed provisions relating to the content of the aquaculture licenses, including the scope, time limitations, etc., by administrative decision or regulations."

In the legislative background to the Aquaculture Act, White Paper no. 61 2004–2005, the following statement can be found on page 59: "It will remain the case that licenses are normally allocated without any specific time limitation. Implementation of such limitations should be reserved for those issues where a time limitation, based on the specific situation, provides for a more complete fulfilment of the Act than if the license were to be allocated without a time limitation."

The duration of licenses is also specified by the Aquaculture Act, which in its most recent revision underlined ownership of licenses by allowing the licenses to be mortgaged to the benefit of the lender.

There are no time limitations specified in LSG's terms for grow-out and juvenile licenses, and they are therefore deemed to be time-indefinite production rights according to the prevailing regulations. This also applies to green licenses.

As the licenses are not bound by a time-limited period, there is no need to apply for their renewal. The licenses are deemed to be valid pursuant to the Aquaculture Act, unless they are revoked in accordance with the Act. Section 9 of the Aquaculture Act describes the grounds for revocation of a license. Section 9 states that licenses may be revoked due to gross contravention of the provisions of the Act. We can confirm that no operative licenses for salmon and trout have been revoked in Norway.

Research and development licenses are time-limited and apply in general for the duration of the project. They are often linked to the life cycle of the salmon, i.e. three years. R&D licenses are managed in close cooperation with research groups, and an application to extend them for a new three-year period can be made after the project has ended.

The parent fish licenses are granted for 15 years at a time, and applications have to be submitted for their renewal, provided that the license holder is still involved in production of parent fish for salmon or trout. Parent fish production is an integral part of LSG's value chain (parent fish production takes place before production of roe and juvenile fish in the value chain) and is therefore closely linked to the breeding system for salmon and trout. The Group's applications for renewal of parent fish licenses have always been approved, in line with the prevailing practice in the industry.

The licenses for slaughter cages are allocated for 10 years at a time. Applications can be submitted for renewal of such licenses provided that they are linked to an approved slaughtering plant and only utilised to keep fish ready for slaughter in immediate proximity to the slaughtering plant.

The Group's demonstration licenses are allocated for a period of 10 years. Applications can be submitted for renewal of demonstration licenses provided that the terms for the license are met pursuant to the Aquaculture Act.

The Group's teaching licenses have been allocated for 10 years. Applications can be submitted for renewal of teaching licenses provided that the terms for the license are met pursuant to the Aquaculture Act.

Regulations relating to right of use: transfer, lease, moving etc.

All licenses can be transferred pursuant to section 19 of the Aquaculture Act, and can be mortgaged pursuant to section 20 of the Act. An aquaculture register is kept of all aquaculture licenses where transfers and mortgaging are registered. The leasing of aquaculture licenses or license capacity is not permitted. Grow-out licenses and parent fish licenses can be linked to different locations, but there are certain limitations on moving of licenses between the regions defined by the Directorate of Fisheries. In practice, this means that licenses cannot be moved between defined regions, which typically follow county borders. Juvenile fish licenses are attached to one locality – the locality for which the license applies.

Costs related to licenses

Payment has been required for new licenses granted during more recent allocation rounds. The amount of the payment depends on the allocation criteria, including for example a fixed price versus the auction principle. Given that there is no requirement to apply for renewal of licenses, then there are no costs involved in license renewal.

The costs of maintaining aquaculture licenses in Norway are insignificant. There are no annual fees or other types of duties linked to the actual license. However, there are certain fees to be paid for inspection and control of the licenses. Fees also have to be paid to establish new localities and/or to extend/amend localities. As a main rule, an amount of twelve thousand Norwegian krones is paid per license covered by an application for amendment at locality level, cf. section 2 of the Regulation relating to fees and duties for aquaculture activities. All fees and costs are immediately recognised as an operating expense.

Assessment of economic life

According to past and present legislation and the general interpretation and practice in the industry, Norwegian fish farming licenses are not a time-limited right, and licenses should therefore not be subject to amortisation. Where time- limited R&D licenses, demonstration licenses and educational licenses are concerned, these are awarded free of charge, so amortisation is normally not relevant. However, in cases where related acquiring or renewing costs are capitalised, they will be subjected to depreciation over the economic life.

Grow-out licenses and juvenile fish licenses

The following factors played a key role in the assessment of whether licenses have an indefinite useful life, with reference to the description of the license types above:

1. No time limitation on the licenses
2. Insignificant expenditure involved in maintaining the licenses
3. High threshold for revocation of licenses; this has never happened in Norway

It has also been noted that the licenses are registered in the public aquaculture register as being without time limitation.

On this basis, the economic life is assessed to be indefinite for the grow-out licenses and juvenile fish licenses, in accordance with IAS 38.90.

Parent fish licenses

As mentioned above, these licenses are granted for 15 years at a time, and applications can be submitted for renewal. In 2007, the duration of parent fish licenses was amended from 10 years to 15 years (amendment to regulation dated 14 August 2007 no. 986). In the consultation document dated 7 June 2007, the Ministry stated the following regarding time limitation for parent fish licenses in item 3.3: **"The recommendation implies that the licenses shall be time-limited for a period (...) with clearly defined predictability for extension of new periods. Time-limited licenses may however result in less predictability for the entities than licenses without time limitations. Predictability is key as breeding and parent fish production is a time-consuming and resource-intensive activity, but this is provided for by (...) a fixed-term period with clearly defined predictability for extension."**

IAS 38.94 states that if the contractual or legal rights are assigned for a limited period of time that can be renewed, the useful life of the intangible asset should include the renewal period(s) only if there is documented evidence to support that the cost of the renewal for the entity is not significant. IAS 38.96 provides guidelines describing factors that can be included in this assessment. The following factors have been central to LSG's assessment of indefinite useful life for the parent fish licenses:

a. the entity's licenses have always been renewed. Renewal does not require third-party consent, but is based on factors that are under the control of the entity, i.e. the terms of the license are met and an application for renewal has been submitted before the expiry of the 15-year period. The main condition for renewal

Note 1 cont.

is that parent fish production is carried out in connection with a breeding system. Parent fish production will continue to be an integral part of LSG's value chain, and as such this requirement will be met.

b. the entity can document fulfilment of the license conditions,
c. the cost to the entity for renewal is not significant, when compared with the future economic benefits expected to flow to the entity from renewal.

Demonstration licenses
The Group's demonstration licenses are allocated for a period of 10 years. Applications can be submitted for renewal of demonstration licenses provided that the terms for the license are met pursuant to the Aquaculture Act. As with parent fish licenses, this type of license is defined as being for special purposes. Both parent fish and demonstration licenses are a type of activity without any clear time limitation. In principle, the same factors as for parent fish licenses will apply to demonstration licenses.

Teaching licenses
With one exception, the Group's teaching licenses have been allocated for 10 years. Applications can be submitted for renewal of teaching licenses provided that the terms for the license are met pursuant to the Aquaculture Act. The Group has also taken over one teaching license pursuant to an open-ended agreement with an educational institution. Since the agreement has a limited undefined useful life, its duration has been estimated at one year.

(Y) New and amended financial reporting standards

New standards implemented in 2023
None of the changes in the IFRS Accounting Standards with effective date 1 January 2023 had a material effect on the financial statements.

New standards which have not come into effect and where the Group has not opted for early application
Certain new accounting standards and interpretations have been published that are not mandatory for 2023 reporting periods and have not been early adopted by the group. These standards and interpretations are not expected to have a material impact on the group in the future reporting periods and on foreseeable future transactions.

Note 2 Alternative performance measures

(All figures in NOK 1 000)

Lerøy Seafood Group's accounts are submitted in accordance with international standards for financial reporting (IFRS Accounting Standards) 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 Accounting Standards. 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).

EBIT before fair value adjustments
EBIT before fair value adjustments is an APM utilised by the Group. Pursuant to IFRS Accounting Standards, 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 Accounting Standards, 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:

	2023	2022
Operating profit (EBIT)	3 227 374	4 283 045
Fair value adjustments	-124 962	-1 088 166
EBIT before fair value adjustments	**3 102 412**	**3 194 879**

Fair value adjustments consists of:

1. Change in fair value adjustment on fish in sea
2. Change in fair value adjustment on roe, fry and cleaning fish*
3. Change in fair value adjustment on onerous contracts (salmon and trout)
4. Change in fair value adjustment on Fish Pool contracts (financial contracts on salmon), not regarded as hedges

* For this group historical cost provides the best estimate of fair value.

See note on biological assets for more details.

The APM is used in the income statement, in note 5 on segments and in the calculation of some key figures. It is also referred to in the Board of Director`s report.

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

	2023	2022
EBIT	3 227 374	4 283 045
Depreciations (intangibles, RoU assets and fixed assets)	1 483 886	1 326 039
Impairment loss	108 110	0
EBITDA	**4 819 370**	**5 609 084**
Fair value adjustments	-124 962	-1 088 166
EBITDA before fair value adjustments	**4 694 408**	**4 520 918**

The APM is used in the income statement

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

Note 2 cont.

EBIT and operational EBITDA are also some additional items to fair-value adjustments excluded. The **production fee**, implemented from 2021, on slaugtered volume of salmon and trout, has been excluded. This is explained with the fact that the production fee is tax related. It was adopted as an alternative to ground rent tax. Further on, isolated events not expected to reoccur, such as **restructuring costs** and **litigation costs**, are excluded. For practical reasons a materiality threshold of NOK 15 million is applied. This type of cost is not considered relevant for the current operation, and thus not relevant when analyzing the current operation. Finally, change in **unrealized internal margin** on stock, has been excluded. Feedback from investors and analyizts have been that this item is perceived as confusing when evaluating the operational performance of the period. Since it is a non-significant part of the result of the period, it has been excluded from the APMs.

	2023	2022
Operating profit (EBIT) before fair value adjustments	**3 102 412**	**3 194 879**
Change in unrealized internal margin	-1 523	-3 322
Production fee	123 849	70 725
Litigation costs	0	208 785
Restructuring costs	14 719	0
Impairment loss related to restructuring	95 602	0
Operational EBIT	**3 335 059**	**3 471 067**
Depreciation	1 483 886	1 326 039
Impairment loss, other	12 508	0
Operational EBITDA	**4 831 453**	**4 797 105**

Profit before tax and fair value adjustments

Profit before tax and fair value adjustments is an APM utilised by the Group. Pursuant to IFRS Accounting Standards, 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:

	2023	2022
Profit before tax	2 600 111	4 066 951
Fair value adjustments	-124 962	-1 088 166
Fair value adj. incl. in income from AC	-6 371	-11 982
Profit before tax and fair value adjustments	**2 468 777**	**2 966 803**

It is referred to this APM in the Board of Director`s Report.

Controlling interests share of annual profit before fair value adjustments

Controlling interests (CI`s) share of annual profit (after tax) before fair value adjustments is an APM utilised by the Group. Pursuant to IFRS Accounting Standards, 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 share of annual profit after tax to LSG`s shareholders would have been if IAS 41 not had been applied. This implies that the CI`s proportional share of 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:

	2023	2022
CI`s share of annual profit	272 501	2 906 781
CI`s share of fair value adjustments	-152 899	-755 606
CI`s share of fair value adj. incl. in income from AC	-6 371	-11 982
Controlling interests share of annual profit (after tax) before fair value adjustments	**113 231**	**2 139 193**

This APM is used in note 19 on earnings per share, for calculation of the key figure earnings per share before fair value adjustments.

Net-interest-bearing debt (NIBD)

NIBD is an APM utilized 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. NIBD is defined 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.

Since NIBD is an APM, with no common definition from IFRS Accounting Standards, different definitions and versions of this APM exist today in the reporting from the companies. The most important difference relates to the recognition of lease liabilities. Some companies include all lease liabilities in NIBD. Other companies exclude all lease liabilities from their NIBD. And some use a combination. Therefore, it is important to be aware of this difference when comparing between companies. Lerøy Seafood Group use a combination, with an approach that distinct between lease liabilities derived from a financing purpose and lease liabilities that are not.

In practice, this distinction is based on what kind of party the company has made the leasing agreement with. On the date of implementation of IFRS 16, the Group`s financial leasing liabilities was almost only with credit institutions, with the main purpose of providing the Group financing. These agreements shared the principle that the duration of the lease period covered most of the economic lifetime of the asset involved. When it comes to the operational leasing liabilities, these agreements did nearly only concern rentals for well-boats and buildings, from shipping companies and real estate developers, where financing was not the purpose, and where the rental period was much shorter than the economic lifetime of the asset involved.

In the Group`s communication to the capital market about how much cash the Group has spent on investments, and how this is financed, this distinction is of relevance. Therefore, this distinction between leases with credit institutions and leases with others than credit institutions is established and included in the Group`s definition of NIBD.

Lease liabilities to credit institutions are included in NIBD and the Group`s communication of changes in NIBD, while **lease liabilities to others** than credit institutions are not included. The corresponding **right-of-use assets from leases with credit institutions** are included in the Group`s communication of investments, while **right-of-use assets from leases with others** than credit institutions are not included.

Thus, the definition ensures symmetry between what`s reported as the Group`s investments and the accompanying information on how this has been financed. The Group`s NIBD is therefore not impacted from the type of financing, in terms of loans versus leases. This approach also ensures an NIBD basically unimpacted from the implementation of IFRS 16 in 2019. This implies that the Group`s key financial figures that includes NIBD in the calculation, still are comparable over time.

Note 2 cont.

Lease liability consists of	2023	2022
Lease liabilities to credit institutions	1 166 402	1 213 715
Lease liabilities to other than credit institutions	1 432 298	1 542 520
Total lease liabilities	**2 598 700**	**2 756 235**

Components included in NIBD	2023	2022
Bond loans	2 990 486	1 493 656
Loans from credit institutions	4 376 805	3 836 664
Lease liabilities to credit institutions	1 166 402	1 213 715
Other long term loans	23 067	2 145
Overdraft and other short term credit	975 792	1 104 780
Bank deposits and cash	-4 323 109	-3 304 878
Net interest bearing debt (NIBD)	**5 209 443**	**4 346 083**

See note on debt, mortgages and guarantees for an overview of flows in the period.

It is referred to this APM in the Board of Director`s Report, in key figures and in the note on loans, mortgages and guarantees.

3 different definitions of NIBD, and LSG`s position within these alternatives	2023	2022
NIBD including non of the lease liabilities	4 043 041	3 132 368
NIBD including lease liabilities to credit institutions, The definition applied by LSG:	**5 209 443**	**4 346 083**
NIBD including total lease liabilities	6 641 741	5 888 603

When comparing NIBD between companies based on annual accounts, it is important to be aware that the presented NIBD figure is dependent on if lease liabilities is included, partly included, or not included at all. As of today there is no uniform definition among the reporting entities about how this figures should be calculated and presented.

Note 3 Significant accounting estimates and assessments

(All figures in NOK 1 000)

Estimates and assessments are reviewed continuously and are based on historical experience and other factors, including expectations of future events that seem probable in view of present circumstances.

The Group draws up estimates and makes assumptions regarding future events. The accounting estimates from this process will, by definition, rarely be in exact agreement with the final results. Estimates and assumptions with a high risk of significant changes in capitalised values of assets and liabilities during the next financial year are discussed below.

Norwegian resource rent tax scheme

Assumptions made concerning the basis for taxation in the Norwegian resource rent tax scheme is considered an significant accounting estimate. See note 17 for further information.

Value adjustment of biological assets

Biological assets comprise the stock of roe, fry, juvenile fish, cleaner fish and fish in sea. Biological assets are measured at fair value less costs to sell. For a more detailed description of the accounting policies applied, please refer to the description provided under accounting policies and in the note on biological assets.

Valuation is based on a number of different premises, many of which are non-observable. The premises can be categorised in four different groups: (1) Price, (2) Cost, (3) Volume and (4) Discount rate. Figures for the important premises are specifed in the note on biological assets.

For fish ready for harvest on the balance sheet date, uncertainty mainly involves realised prices and volume. For fish not ready for harvest, the level of uncertainty is higher. In addition to uncertainty related to price and volume, there will also be uncertainty related to remaining production costs, remaining biological transformation and remaining mortality up to harvest date for this fish.

(1) Price

One important premise in the valuation of fish both ready for harvest and not yet ready for harvest is the projected market price. This is also the premise that historically shows the highest fluctuations. In order to estimate the projected price, the forward prices for superior Norwegian salmon weighing 3–6 kg gutted weight from Fish Pool are applied. In the Group's opinion, the use of observable prices makes price estimates more reliable and comparable. For fish ready for harvest, the forward price for the following month is applied. For fish not ready for harvest, the forward price for the month when the fish is expected to achieve optimal weight for harvest, is applied. If it is probable on the balance sheet date that the fish will be harvested before it reaches its optimal harvest weight, for example due to biological challenges, an extra price adjustment is required. Such a price adjustment takes into account the fact that the market price per kilo for small fish is lower than for normal-size fish. The price is subsequently adjusted for exporter margins and clearing costs. This applies to fish both ready for harvest and not ready for harvest. Further adjustments are necessary for harvest costs (well boat, slaughtering and packaging services), transport costs to Oslo and quality diffeences. Adjustments are also made for price differences between salmon and trout, and any other price premium such as for Ecological produced salmon or ASC-certified fish. The adjustments for exporter margin and clearing costs are items estimated by Fish Pool. The adjustment for harvest costs, transport costs and quality differences is based on the Group's historical costs per region and historical quality distribution, while the other adjustments are based on an assessment using historical data and the Group's view of future market developments.

(2) Cost

For fish not ready for harvest, an adjustment is also required for the costs necessary to grow the fish to optimal harvest weight. Estimates related to future costs are based on the Group's prognoses per locality. There is some uncertainty regarding both future feed prices, other costs and biological development (growth, feed factor and mortality). If the estimated costs are higher than expected by a normal enterprise on the market, for example due to long-term agreements previously signed with subcontractors resulting in costs that deviate substantially from the market price, the cost estimates shall be adjusted to reflect the costs expected by a rational enterprise on the market.

(3) Volume

Projected harvest volume is calculated on the basis of the estimated number of fish (individuals) on the balance sheet date minus estimated future mortality, multiplied by the estimated harvest weight. There is some uncertainty involving both the number of fish in the sea on the balance sheet date, remaining mortality and estimated harvest weight. The actual harvest volume may therefore differ from the estimated harvest volume either as a result of changes in biological developments or due to special events, such as abnormal mortality. The estimate for number of fish on the balance sheet date is based on the number of smolt released to sea. The number of smolt is adjusted to take into account uncertainties during counting and actual registered

Note 3 cont.

mortality related to release. The normal estimated harvest weight (optimal harvest weight) is assessed to be the live weight of fish that results in a gutted weight of 4 kg, unless specific conditions exist on the balance sheet date to indicate that the fish have to be harvested before they reach this weight. If this is the case, the estimated harvest weight is adjusted. Projected mortality during the period from the balance sheet date to the date when the fish reach harvest weight is estimated to be 0.45% to 1.10% of the number of incoming fish per month, depending on species and region. For recalculation factor from gutted weight to live weight, see note on biological assets.

(4) Discounting

Every time a fish is harvested and sold, this generates a positive cash flow. In order to simplify matters, all the remaining expenses are allocated to the same period as the income, so there is only one cash flow per locality. The cash flow is allocated to the month when harvest is estimated to take place. The sum of the cash flows from all the localities where the Group has fish in the sea will then be distributed over the entire period of time it takes to farm the fish in the sea on the balance sheet date. With the current size of the smolt released and the frequency of the smolt releases, this period of time may be up to 18 months. The estimated future cash flow is discounted monthly. The level of discount rate applied has a major impact on the estimate of fair value. The discount rate shall take into account a number of factors. The discount factor comprises three main elements: (1) Risk adjustment, (2) License lease and (3) Time value.

4.1. Risk adjustment

The risk adjustment shall reflect the price discount a hypothetical buyer would demand as compensation for the risk assumed by investing in live fish rather than a different investment. The longer it takes to reach harvest date, the higher the risk that something may occur to affect cash flow. Three significant factors could have an impact on cash flow. Volume could change, costs could change and prices could change. The one thing all three factors have in common is that the sample space is unsymmetrical.

4.2. Hypothetical license lease

Salmon and trout farming is not a market with free competition and no barriers to entry. Due to limited access to licenses for farming fish for consumers, such licenses currently have a very high value. For a hypothetical buyer of live fish to take over and continue to farm the fish, he/she would need a license, locality and other permits required for such production. At the time of writing, leasing of licenses is not permitted. However, on a hypothetical market for the purchase and sale of live fish, it has to be assumed that this would be possible. In such a scenario, a hypothetical buyer would claim a significant discount in order to allocate a sufficient share of the returns to the buyer's own licenses or to cover the lease costs for leased licenses. It is difficult to create a model that would allow a hypothetical annual lease cost to be derived from prices for sold licenses, as the curve in the model would be based on projections of future profit performance in the industry. Moreover, it is a complex process to derive a lease price per shorter unit of time and, in the last instance, per volume, when the license limitations are measured at different levels (location, region and company).

4.3. Time value

Finally, a discount must be made for the time value of the tied-up capital linked to the share of the present value of the cash flow allocated to the biomass. It has to be assumed that a hypothetical buyer would claim compensation for the alternative cost of investing funds in live fish rather than some other type of investment. The production cycle for salmon in the sea currently takes up to 18 months. The cash flow will therefore extend over a similar period. Assuming a constant sales price throughout the period, the cash flow would decrease for each month, as costs are incurred to farm the fish to slaughter weight. The costs increase for every month the fish are in the sea. As such, the effect of deferred cash flow is lower than would be the case if the cash flow had been constant. This component is however deemed important due to the major values the stock of fish represents.

4.4. Evaluation of discount rate

At year end 2023 a 4% monthly discount rate has been applied. The discount rate previous year was also 4%. In the sensitivity analysis below, it is demonstrated how a change in discount rate would impact the value on fish in sea. The change is a result from a periodic review.

As mentioned above, the hypothetical license lease is one of the main elements when setting the discount rate. In the hypothetical license lease price the future expected margin is an important parameter. The margin is calculated as the difference between price and cost in future periods. Thus, the forward price on salmon together with expectations regarding future cost level have a significant impact on the future expected margin. The higher the expectations to the future margins are, the higher a hypothetical license lease price will be. This is explained with the fact that higher margins will increase the fair value on the licenses. If the expectations to the margins drops, this will over time lead to lower hypothetical lease rent, and fair value on the licenses.

How the change in the expectations regarding future margins occurs, has also significance. It is assumed that an unexpected lower (higher) price at date for measurement will not lead to a simultaneously reduction (increase) in hypothetical license lease price for fish in sea, but instead a step by step reduction (increase) in future lease price for new smolt releases. This is explained with the fact that it must be assumed that the lease price for the fish in sea is already negotiated for the period until harvest. When it comes to the production costs it is assumed that changes in expected future cost level will not impact the value of the biological assets directly, but indirectly as a consequence of the fact that the future hypothetical license lease price will be based on expectations on future margins.

Sensitivity analysis on fair value of fish in sea

The Group considers that four components are key for valuation. These are:

1. weighted average price,
2. projected optimal harvest weight,
3. monthly discount rate and
4. estimated number of fish.

The tables on the next page show a simulated sensitivity to fair value of the biological assets in the event of changes in these parameters:

Note 3 cont.

Sensitivity analysis for weighted average price and expected optimal harvest weight

Average price per kg (NOK)	Change in price per kg (NOK)	Projected optimal harvest weight per fish in kg gwe				
		3.5	3.8	4.0	4.3	4.5
		Change in projected weight per kg gwe				
		-0.50	-0.25	–	0.25	0.50
80.3	**-5.00**	6 232 451	6 734 460	7 286 187	7 851 841	8 437 822
83.3	**-2.00**	6 602 947	7 123 933	7 696 299	8 283 011	8 890 675
84.3	**-1.00**	6 726 446	7 253 758	7 833 003	8 426 735	9 041 626
85.3	–	6 849 944	7 383 582	**7 969 707**	8 570 458	9 192 577
86.3	**1.00**	6 973 443	7 513 407	8 106 411	8 714 181	9 343 528
87.3	**2.00**	7 096 941	7 643 232	8 243 115	8 857 904	9 494 479
90.3	**5.00**	7 467 437	8 032 705	8 653 227	9 289 074	9 947 332

The table shows the sensitivity in fair value (present value) before provision for loss-making contracts for the parameters price per kg and projected harvest weight per kg gutted weight. For projected harvest weight, the table shows changes in fair value when there is an increase in projected harvest weight of 250 and 500 grams respectively, and for a corresponding reduction, without any change in remaining cost. For price, the change is per NOK gutted weight after adjustment for slaughtering cost, packaging cost, transport cost to Oslo, quality, size and exporter margin.

Sensitivity analysis for weighted average price and monthly discount rate applied

Average price per kg (NOK)	Change in price per kg (NOK)	Monthly discount rate (%)				
		2.0%	3.0%	4.0%	5.0%	6.0%
		Change in monthly discount rate (%)				
		-2.0%	-1.0%	0.0%	1.0%	2.0%
80.3	**-5.00**	8 457 477	7 838 823	7 286 187	6 791 060	6 346 174
83.3	**-2.00**	8 946 873	8 286 156	7 696 299	7 168 137	6 693 848
84.3	**-1.00**	9 110 005	8 435 267	7 833 003	7 293 829	6 809 740
85.3	–	9 273 137	8 584 378	**7 969 707**	7 419 522	6 925 631
86.3	**1.00**	9 436 269	8 733 489	8 106 411	7 545 214	7 041 522
87.3	**2.00**	9 599 400	8 882 600	8 243 115	7 670 907	7 157 414
90.3	**5.00**	10 088 796	9 329 933	8 653 227	8 047 984	7 505 088

The table shows the sensitivity in fair value (present value) before provision for loss-making contracts for the parameters price per kg and monthly discount rate. For the monthly discount rate, the table simulates an absolute change of +/- 1% and +/- 2% (100 and 200 points) respectively.

Note 3 cont.

Sensitivity analysis for weighted average price and number of fish in stock

Average price per kg (NOK)	Change in price per kg (NOK)	Number of fish in stock (million fish)				
		50.2	51.8	52.8	53.9	55.5
		Change in number of fish in stock				
		-5%	-2%	0%	2%	5%
80.3	**-5.00**	6 730 995	7 064 111	7 286 187	7 508 264	7 841 379
83.3	**-2.00**	7 120 602	7 466 020	7 696 299	7 926 578	8 271 997
84.3	**-1.00**	7 250 470	7 599 990	7 833 003	8 066 016	8 415 536
85.3	**–**	7 380 339	7 733 960	**7 969 707**	8 205 454	8 559 075
86.3	**1.00**	7 510 208	7 867 930	8 106 411	8 344 892	8 702 614
87.3	**2.00**	7 640 077	8 001 900	8 243 115	8 484 330	8 846 153
90.3	**5.00**	8 029 683	8 403 809	8 653 227	8 902 645	9 276 771

The table shows the sensitivity in fair value (present value) before provision for loss-making contracts for the parameters price per kg and estimated number of fish in stock on the balance sheet date. For the number of fish in stock, the table simulates a change of +/- 2% and +/- 5% in the number of fish per locality for all localities with fish in stock.

Sensitivity analysis for number of fish in stock and monthly discount rate applied

Number of fish in stock (in millions)	Change in number of fish	Monthly discount rate (%)				
		2.0%	3.0%	4.0%	5.0%	6.0%
		Change in monthly discount rate (%)				
		-2.0%	-1.0%	0.0%	1.0%	2.0%
50.2	**-5%**	8 573 844	7 943 372	7 380 339	6 876 039	6 423 043
51.8	**-2%**	8 993 420	8 327 975	7 733 960	7 202 129	6 724 596
52.3	**-1%**	9 133 278	8 456 177	7 851 834	7 310 825	6 825 113
52.8	**–**	9 273 137	8 584 378	**7 969 707**	7 419 522	6 925 631
53.4	**1%**	9 412 995	8 712 579	8 087 581	7 528 218	7 026 149
53.9	**2%**	9 552 853	8 840 780	8 205 454	7 636 915	7 126 666
55.5	**5%**	9 972 429	9 225 383	8 559 075	7 963 004	7 428 219

The table shows the sensitivity in fair value (present value) before provision for loss-making contracts for the parameters monthly discount rate and estimated number of fish in stock on the date of the statement of financial position. For the monthly discount rate, the table simulates an absolute change of +/- 1% and 2% (100 and 200 points) respectively. For the number of fish in stock, the table simulates a change of +/- 1%, 2% and 5% in the number of fish per locality for all localities with fish in stock.

Note 4 Consolidated companies and allocation to operating segment

(All figures in NOK 1 000)

The list below shows which companies are included in the consolidated financial statements, and how these are allocated to business area and operating segment. It also shows changes in ownership through the year. Reference is made to the note on subsidiaries in Lerøy Seafood Group ASA's financial statements for more detailed information, including book values.

Company	Ownership	Country	Registered business premises	Year of acquisition	Share 01.01	Share 31.12
Wildcatch						
Lerøy Havfisk AS	Lerøy Seafood Group ASA	Norway	Ålesund	2016	100%	100%
Lerøy Norway Seafoods AS	Lerøy Seafood Group ASA	Norway	Båtsfjord	2016	100%	100%
Melbu Fryselager AS	Lerøy Norway Seafoods AS	Norway	Hadsel	2016	100%	100%
Sørvær Kystfiskeinvest AS	Lerøy Norway Seafoods AS	Norway	Hasvik	2016	51%	51%
Havfisk Finnmark AS	Lerøy Havfisk AS	Norway	Hammerfest	2016	100%	100%
Havfisk Melbu AS	Lerøy Havfisk AS	Norway	Hadsel	2016	100%	100%
Havfisk Stamsund AS	Lerøy Havfisk AS	Norway	Vestvågøy	2016	100%	100%
Nordland Havfiske AS	Havfisk Stamsund AS	Norway	Vestvågøy	2016	53%	53%
Finnmark Havfiske AS	Havfisk Nordkyn AS	Norway	Hammerfest	2016	6%	6%
Nordland Havfiske AS	Havfisk Melbu AS	Norway	Vestvågøy	2016	47%	47%
Finnmark Havfiske AS	Havfisk Finnmark AS	Norway	Hammerfest	2016	78%	78%
Hammerfest Industrifiske AS	Havfisk Finnmark AS	Norway	Hammerfest	2016	60%	60%
Havfisk Båtsfjord AS	Havfisk Finnmark AS	Norway	Båtsfjord	2016	100%	100%
Havfisk Management AS	Havfisk Finnmark AS	Norway	Hammerfest	2016	100%	100%
Havfisk Nordkyn AS	Havfisk Finnmark AS	Norway	Lebesby	2016	100%	100%
Finnmark Havfiske AS	Havfisk Båtsfjord AS	Norway	Hammerfest	2016	13%	13%

Note 4 cont.

Company	Ownership	Country	Registered business premises	Year of acquisition	Share 01.01	Share 31.12
Farming						
Lerøy Aurora AS	Lerøy Seafood Group ASA	Norway	Tromsø	2005	100%	100%
Lerøy Aurora Sjø AS **	Lerøy Aurora AS	Norway	Tromsø	2022	100%	100%
Lerøy Midt AS	Lerøy Seafood Group ASA	Norway	Hitra	2003	100%	100%
Lerøy Midt Sjø AS **	Lerøy Midt AS	Norway	Hitra	2022	100%	100%
Lerøy Vest AS	Lerøy Seafood Group ASA	Norway	Austevoll	2007	100%	100%
Lerøy Vest Sjø AS **	Lerøy Vest AS	Norway	Austevoll	2022	100%	100%
Lerøy Vest Kraft AS	Lerøy Vest AS	Norway	Austevoll	2022	100%	100%
Sjøtroll Havbruk AS	Lerøy Seafood Group ASA	Norway	Austevoll	2010	51%	51%
Sjøtroll Havbruk Sjø AS **	Sjøtroll Havbruk AS	Norway	Austevoll	2022	100%	100%
Lerøy Sjøtroll Kjærelva AS	Lerøy Vest AS	Norway	Austevoll	2017	50%	50%
Lerøy Sjøtroll Kjærelva AS	Sjøtroll Havbruk AS	Norway	Austevoll	2017	50%	50%
Norsk Oppdrettsservice AS	Lerøy Seafood Group ASA	Norway	Flekkefjord	2015	51%	51%
Lerøy Ocean Harvest AS	Lerøy Seafood Group ASA	Norway	Bergen	2018	100%	100%
Lerøy Årskog AS	Lerøy Seafood Group ASA	Norway	Bergen	2021	100%	100%
Lerøy Austevoll AS **	Lerøy Seafood Group ASA	Norway	Austevoll	2023	0%	100% [5]
AUSS Laks AS	Lerøy Austevoll AS	Norway	Austevoll	2023	0%	100% [5]

Company	Ownership	Country	Registered business premises	Year of acquisition	Share 01.01	Share 31.12
Value-added processing (VAP), sales and distribution						
Lerøy Seafood AS	Lerøy Seafood Group ASA	Norway	Bergen	1939 *	100%	100%
Lerøy Bulandet AS	Lerøy Seafood AS	Norway	Askvoll	2005	83%	83%
Lerøy Quality Group AS	Lerøy Seafood AS	Norway	Bergen	2006	100%	100%
Lerøy & Strudshavn AS	Lerøy Seafood Group ASA	Norway	Bergen	1927 *	100%	100%
Lerøy Fossen AS	Lerøy Seafood Group ASA	Norway	Bergen	2006	100%	100%

Note 4 cont.

Company	Ownership	Country	Registered business premises	Year of acquisition	Share 01.01	Share 31.12
Value-added processing (VAP), sales and distribution						
Lerøy Nord AS	Lerøy Seafood Group ASA	Norway	Tromsø	2015	51%	100% [1]
Dragøy Grossist AS	Lerøy Nord AS	Norway	Tromsø	2021	51%	51%
Lerøy Norge AS	Lerøy Seafood Group ASA	Norway	Oslo	2018	100%	100%
Sirevaag AS	Lerøy Norge AS	Norway	Hå	2006	100%	100%
Lerøy Sjømatgruppen AS	Lerøy Norge AS	Norway	Bergen	2006	74%	74%
Lerøy Sjømatgruppen AS	Lerøy Nord AS	Norway	Bergen	2015	3%	3%
Sjømathuset AS	Lerøy Seafood Group ASA	Norway	Oslo	2006	100%	100%
Wannebo International AS	Lerøy Seafood Hirtshals A/S	Norway	Hjørring	2021	100%	100%
Lerøy Seafood Hirtshals A/S **	Lerøy Seafood Denmark A/S	Denmark	Hjørring	2021	100%	100%
Lerøy Seafood Denmark A/S	Lerøy Seafood Group ASA	Denmark	Hjørring	2021	78%	78%
Ove Johnsen.Fisk en gros ApS	Lerøy Seafood Denmark A/S	Denmark	København	2021	100%	100%
P. Taabbel & Co A/S	Lerøy Seafood Denmark A/S	Denmark	Thisted	2021	100%	100%
Scan Fish Danmark A/S	Lerøy Seafood Denmark A/S	Denmark	Thisted	2021	100%	100%
Thorfisk A/S	Lerøy Seafood Denmark A/S	Denmark	Norddjurs	2021	100%	100%
Mondo Mar Marine Foods ApS	Lerøy Seafood Denmark A/S	Denmark	Hanstholm	2023	0%	100% [5]
Lerøy Schlie A/S	Lerøy Seafood Denmark A/S	Denmark	Hjørring	2021	100%	0% [6]
Nigra Fiskeeksport A/S	Lerøy Seafood Hirtshals A/S	Denmark	Hjørring	2021	100%	0% [6]
Lerøy Sverige AB	Lerøy Seafood Group ASA	Sweden	Gothenburg	2001	100%	100%
Lerøy Seafood AB	Lerøy Sverige AB	Sweden	Gothenburg	2001	100%	100%
Lerøy Smøgen Seafood AB	Lerøy Sverige AB	Sweden	Smøgen	2002	100%	100%
Lerøy Seafood Holding B.V.	Lerøy Seafood Group ASA	Netherlands	Urk	2012	100%	100%
Lerøy Seafood Netherlands B.V.	Lerøy Seafood Holding B.V.	Netherlands	Urk	2012	100%	100%
Lerøy Seafood Real Estate B.V.	Lerøy Seafood Holding B.V.	Netherlands	Urk	2012	100%	100%
Leroy Culinair B.V.	Rode Retail B.V.	Netherlands	Urk	2012	100%	0% [6]
Lerøy Seafood Center B.V.	Lerøy Seafood Holding B.V.	Netherlands	Urk	2012	100%	0% [6]
Lerøy Seafood Convenience B.V.	Lerøy Seafood Holding B.V.	Netherlands	Urk	2012	100%	0% [6]

Note 4 cont.

Company	Ownership	Country	Registered business premises	Year of acquisition	Share 01.01	Share 31.12
Value-added processing (VAP), sales and distribution						
Leroy Germany GmbH	Lerøy Seafood Holding B.V.	Germany	Witten	2015	100%	100%
Lerøy Finland OY	Lerøy Seafood Group ASA	Finland	Turku	2011	100%	100%
SAS Lerøy Seafood France	Lerøy Seafood AS	France	Boulogne	2008	100%	100%
SAS Eurosalmon	SAS Lerøy Seafood France	France	Saint Jean d'Ardières	2008	100%	100%
SAS Fishcut	SAS Lerøy Seafood France	France	Saint Laurent Blangy	2008	100%	100%
Lerøy Portugal Lda	Lerøy Seafood Group ASA	Portugal	Lisboa	2005	100%	100%
Lerøy Processing Spain SL	Lerøy Seafood Group ASA	Spain	Madrid	2012	100%	100%
Leroy Processing Canarias SL	Lerøy Processing Spain SL	Spain	Canarias	2020	100%	100%
Leroy Canarias SL	Lerøy Processing Spain SL	Spain	Canarias	2023	0%	100% [3]
Leroy Seafood Italy SRL	Lerøy Seafood Group ASA	Italy	Porto Viro	2019	100%	100%
Lerøy Seafood UK Ltd	Lerøy Seafood Group ASA	England	Hull	2022	100%	100%
Lerøy Turkey	Lerøy Seafood Group ASA	Turkey	Istanbul	2015	100%	100%
Leroy Seafood USA Inc	Lerøy Seafood AS	USA	North Carolina	2016	100%	100%

Company	Ownership	Country	Registered business premises	Year of acquisition	Share 01.01	Share 31.12
Not allocated						
Lerøy Seafood Group ASA	See note on shareholder information		Bergen	1995		
Preline Fishfarming Sys. AS	Lerøy Seafood Group ASA	Norway	Bergen	2015	96%	96%

*) Foundation date. The companies were part of "the old Lerøy group" before Lerøy Seafood Group ASA was founded in 1995
**) The company has changed its name this year. See below for details.

Comments on changes:
1) Transactions with non-controlling interests
2) Change in owership within the group
3) Foundation of new company
4) Business combination – Change from associated company to subsidiary
5) Business combination – New company acquired
6) Parent-subsidiary merger
7) Sale of company
8) Liquidation of company

Note 4 cont.

Overview of companies that have changed their names in 2023

New name	Old name	Country
Lerøy Seafood Hirtshals A/S	Brdr.Schlie`s Fiskeeksp. A/S	Denmark
Lerøy Austevoll AS	Austevoll Laksepakkeri AS	Norway
Lerøy Aurora Sjø AS	Lerøy Aurora 2 AS	Norway
Lerøy Midt Sjø AS	Lerøy Midt 2 AS	Norway
Lerøy Vest Sjø AS	Lerøy Vest 2 AS	Norway
Sjøtroll Havbruk Sjø AS	Sjøtroll Havbruk 2 AS	Norway

Note 5 Operating revenues and segment information

(All figures in NOK 1 000)

Operating revenue	2023	2022
Sale of goods and services	30 850 804	26 640 669
Lease income	0	253
Damages received	1 880	61
Government grants	17 028	4 894
Total	**30 869 712**	**26 645 877**

Other gains and losses	2023	2022
Gain(+)/loss(-) from disposal of fixed assets	22 298	5 697
Gain(+)/loss(-) from termination of leases (disposal RoU-assets)	819	850
Gain(+)/loss(-) from changes in shares in associated companies	13 356	0
Gain(+)/loss(-) from disposal of other non-current financial assets	0	-167
Total	**36 473**	**6 380**

Gain(+)/loss(-) from changes in shares in associated companies	2023	2022
Gain(+)/loss(-) from disposal of shares in associated companies	13 356	0
Total	**13 356**	**0**

The gain is concerning sale of the associated company Itub AS.

Segments

The Group has the following segments:

1. Wildcatch
2. Farming
3. Value-added processing (VAP), sales and distribution (VAPSD)

Lerøy Seafood Group ASA and Preline Fishfarming System AS are not allocated to any of these segments, and are included in the elimination segment. Farming is divided into three individual regions:

a. North (Lerøy Aurora AS and Lerøy Aurora Sjø AS)
b. Central (Lerøy Midt AS and Lerøy Midt Sjø AS)
c. West (Lerøy Vest AS, Lerøy Vest Sjø AS, Lerøy Vest Kraft AS, Sjøtroll Havbruk AS, Sjøtroll Havbruk Sjø AS, Lerøy Sjøtroll Kjærelva AS, Lerøy Årskog AS, Lerøy Austevoll AS, AUSS Laks AS, Lerøy Ocean Harvest AS and Norsk Oppdrettsservice AS). Region West are also referred to as "Lerøy Sjøtroll".

Further details regarding the different companies in the groups, allocation to segment and level of aggregation are presented in note on consolidated companies. The aggregation level for reporting by region is described in the note on accounting principles.

Note 5 cont.

2022 – Income statement allocated on segment	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
External operating revenue	1 135 078	247 973	25 262 326	500	**26 645 877**
Internal operating revenue	1 981 425	12 196 140	241 263	-14 418 829	**0**
Total operating revenue	**3 116 503**	**12 444 113**	**25 503 590**	**-14 418 329**	**26 645 877**
Other gains and losses	-3 214	7 764	2 112	-281	**6 380**
Operating expenses	2 765 621	9 306 761	25 350 175	-13 965 178	**23 457 378**
Operating profit (EBIT) before fair value adjustments	**347 667**	**3 145 116**	**155 527**	**-453 431**	**3 194 879**
Change in fair value adjustment of fish in sea		1 057 507			**1 057 507**
Change in fair value of loss-making contracts		30 659			**30 659**
Total fair value adjustments related to biological assets	0	1 088 166	0	0	**1 088 166**
Operating profit	**347 667**	**4 233 282**	**155 527**	**-453 431**	**4 283 045**
Profit from joint ventures and associates	356	65 537	-218		**65 675**
Net financial items	-46 037	-201 733	-39 673	5 674	**-281 769**
Profit before tax	**301 986**	**4 097 086**	**115 636**	**-447 757**	**4 066 951**
Tax cost					**-901 829**
The year's result					**3 165 122**

2022 – Alternative Performance Measure reconciliation	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Operating profit (EBIT)	347 667	4 233 282	155 527	-453 431	**4 283 045**
Fair value adjustments biological assets		-1 057 507			**-1 057 507**
Onerous contract provision		-30 659			**-30 659**
EBIT before fair value adjustments	**347 667**	**3 145 116**	**155 527**	**-453 431**	**3 194 879**
Change in unrealized internal margin		-2 832		-490	**-3 322**
Production fee		70 725			**70 725**
Litigation costs			0	208 785	**208 785**
Restructuring costs					**0**
Impairment loss, not included in operational EBIT	0	0	0	0	**0**
Other non-operational items					**0**
Operational EBIT	**347 667**	**3 213 009**	**155 527**	**-245 136**	**3 471 067**
Depreciation	207 539	930 539	175 793	12 167	**1 326 039**
Impairment loss, included in operational EBIT	0	0	0	0	**0**
Operational EBITDA	**555 206**	**4 143 548**	**331 320**	**-232 969**	**4 797 105**

Note 5 cont.

2022 – Key operational figures	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Catch volume (HOG) in tonnes	71 726				**71 726**
Harvest volume salmon and trout (GWT)		174 629			**174 629**
Share of harvest volume salmon (GWT) from joint ventures		17 968			**17 968**
Operating margin before fair value adjustments	11.2%	25.3%	0.6%	3.1%	**12.0%**
Operational EBIT-margin	11.2%	25.8%	0.6%	1.7%	**13.0%**
Operational EBIT/kg salmon and trout, exclusive Wildcatch segment		18.4	0.9	-1.4	**17.9**
Operational EBIT/kg catch volume in Wildcatch segment	4.8				**4.8**
Operational EBIT from all segments /kg slaughtered salmon and trout	2.0	18.4	0.9	-1.4	**19.9**
EBIT before FV adj./kg salmon and trout, exclusive Wildcatch segment		18.0	0.9	-2.6	**16.3**
EBIT before FV adj./kg catch volume in Wildcatch segment	4.8				**4.8**
EBIT before FV adj. from all segments /kg slaughtered salmon and trout	2.0	18.0	0.9	-2.6	**18.3**

2022 – Depreciation and impairment loss	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Depreciation on intangibles	29 137	635	3 787	0	**33 559**
Depreciation on right of use assets from credit institutions	10 756	183 702	31 440	0	**225 897**
Depreciation on right of use assets from others	3 381	284 472	28 361	7 944	**324 159**
Depreciation on fixed assets	164 265	461 730	112 205	4 223	**742 423**
Total depreciation	**207 539**	**930 539**	**175 793**	**12 167**	**1 326 039**
Impairment loss on intangibles					**0**
Impairment loss on fixed assets					**0**
Total impairment loss	**0**	**0**	**0**	**0**	**0**

2022 – Key amounts from statement of financial position	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Assets excluding joint ventures and associates	6 608 072	21 370 133	7 398 335	260 482	**35 637 022**
Joint ventures and associates	22 419	1 400 865	1 354	0	**1 424 638**
Total assets	6 630 491	22 770 998	7 399 689	260 482	**37 061 660**
Total liabilities	2 986 231	9 727 036	5 142 988	-1 818 287	**16 037 967**
NIBD	993 668	3 283 103	918 075	-848 763	**4 346 083**
Net investments*	210 319	728 580	158 043	18 646	**1 115 588**

*) Net investments consist of net addition for (1) fixed assets, (2) intangibles and (3) right-of-use assets from credit institutions.
Net investment is total purchase price paid for new assets minus sale price for disposed assets.
Right-of-use assets derived from leases with other than credit institutions are not considered to be investments, and are therefore not included.

Note 5 cont.

2023 – Income statement allocated on segment	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
External operating revenue	1 485 807	591 920	28 789 212	2 773	**30 869 712**
Internal operating revenue	1 759 148	12 870 528	201 724	-14 831 399	**0**
Total operating revenue	**3 244 955**	**13 462 448**	**28 990 936**	**-14 828 626**	**30 869 712**
Other gains and losses	11 360	1 945	22 543	625	**36 473**
Operating expenses	2 978 489	11 037 798	28 423 758	-14 636 272	**27 803 773**
Operating profit (EBIT) before fair value adjustments	**277 826**	**2 426 594**	**589 721**	**-191 729**	**3 102 412**
Change in fair value adjustment of fish in sea		167 331			**167 331**
Change in fair value of loss-making contracts		-42 369			**-42 369**
Total fair value adjustments related to biological assets	0	124 962	0	0	**124 962**
Operating profit	**277 826**	**2 551 557**	**589 721**	**-191 729**	**3 227 374**
Profit from joint ventures and associates	-2 862	-133 576	-6 869	0	**-143 308**
Net financial items	-78 635	-270 043	-99 499	-35 779	**-483 956**
Profit before tax	**196 329**	**2 147 937**	**483 353**	**-227 508**	**2 600 111**
Tax cost					**-2 389 558**
The year's result					**210 553**

2023 – Alternative Performance Measure reconciliation	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Operating profit (EBIT)	277 826	2 551 557	589 721	-191 729	**3 227 374**
Fair value adjustments biological assets		-167 331			**-167 331**
Onerous contract provision		42 369			**42 369**
EBIT before fair value adjustments	**277 826**	**2 426 594**	**589 721**	**-191 729**	**3 102 412**
Change in unrealized internal margin				-1 523	**-1 523**
Production fee		123 849			**123 849**
Litigation costs					**0**
Restructuring costs			14 719		**14 719**
Impairment loss, not included in operational EBIT	0	56 907	38 694	0	**95 602**
Other non-operational items					**0**
Operational EBIT	**277 826**	**2 607 351**	**643 134**	**-193 252**	**3 335 059**
Depreciation	223 554	1 032 778	207 549	20 006	**1 483 886**
Impairment loss, included in operational EBIT	8 508	4 000	0	0	**12 508**
Operational EBITDA	**509 888**	**3 644 129**	**850 683**	**-173 246**	**4 831 454**

Note 5 cont.

2023 – Key operational figures	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Catch volume (HOG) in tonnes	75 893				**75 893**
Harvest volume salmon and trout (GWT)		159 620			**159 620**
Share of harvest volume salmon (GWT) from joint ventures		12 442			**12 442**
Operating margin before fair value adjustments	8.6%	18.0%	2.0%	1.3%	**10.1%**
Operational EBIT-margin	8.6%	19.4%	2.2%	1.3%	**10.8%**
Operational EBIT/kg salmon and trout, exclusive Wildcatch segment		16.3	4.0	-1.2	**19.2**
Operational EBIT/kg catch volume in Wildcatch segment	3.7				**3.7**
Operational EBIT from all segments /kg slaughtered salmon and trout	1.7	16.3	4.0	-1.2	**20.9**
EBIT before FV adj./kg salmon and trout, exclusive Wildcatch segment		15.2	3.7	-1.2	**17.7**
EBIT before FV adj./kg catch volume in Wildcatch segment	3.7				**3.7**
EBIT before FV adj. from all segments /kg slaughtered salmon and trout	1.7	15.2	3.7	-1.2	**19.4**

2023 – Depreciation and impairment loss	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Depreciation on intangibles	29 137	635	3 835	0	**33 608**
Depreciation on right of use assets from credit institutions	7 071	181 044	40 841	106	**229 062**
Depreciation on right of use assets from others	1 332	317 686	29 927	10 783	**359 727**
Depreciation on fixed assets	186 014	533 413	132 946	9 117	**861 490**
Total depreciation	**223 554**	**1 032 778**	**207 549**	**20 006**	**1 483 886**
Impairment loss on intangibles		4 000			**4 000**
Impairment loss on fixed assets	8 508	56 907	38 694		**104 110**
Total impairment loss	**8 508**	**60 907**	**38 694**	**0**	**108 110**
Herby impairmen loss included in operational EBIT	8 508	4 000			**12 508**

2023 – Key amounts from statement of financial position	Wildcatch	Farming	VAPSD	Elimination / unallocated	Total
Assets excluding joint ventures and associates	6 583 758	24 946 059	9 179 791	-657 150	**40 052 457**
Joint ventures and associates	10 344	1 355 232	496	0	**1 366 072**
Total assets	6 594 102	26 301 291	9 180 287	-657 150	**41 418 529**
Total liabilities	3 016 316	13 654 039	6 730 528	-1 878 899	**21 521 984**
NIBD	1 047 385	2 841 116	697 517	623 425	**5 209 443**
Net investments *	319 163	989 904	108 105	42 641	**1 459 813**

*) Net investments consist of net addition for (1) fixed assets, (2) intangibles and (3) right-of-use assets from credit institutions.
Net investment is total purchase price paid for new assets minus sale price for disposed assets.
Right-of-use assets derived from leases with other than credit institutions are not considered to be investments, and are therefore not included.

Note 5 cont.

Specification per region within Farming

2022 – Income statement allocated on region	North	Central	West	Elimination	Total
External operating revenue	115 552	63 927	68 494		247 973
Internal operating revenue	2 682 656	4 954 440	4 624 657	-65 612	12 196 140
Total operating revenue	2 798 208	5 018 367	4 693 151	-65 612	**12 444 113**
Other gains and losses	350	3 006	4 407		7 764
Operating expenses	2 058 409	3 547 305	3 769 491	-68 445	9 306 761
Operating profit (EBIT) before fair value adjustments	740 149	1 474 068	928 067	2 833	**3 145 116**

2022 – Alternative Performance Measure reconciliation	North	Central	West	Elimination	Total
Operating profit (EBIT)	740 149	1 474 068	906 572	1 112 493	**4 233 282**
Fair value adjustments biological assets	0	0	21 494	-1 079 001	**-1 057 507**
Onerous contract provision				-30 659	**-30 659**
EBIT before fair value adjustments	740 149	1 474 068	928 067	2 833	**3 145 116**
Change in unrealized internal margin				-2 833	**-2 833**
Production fee	16 244	27 861	26 619		**70 725**
Litigation costs					**0**
Restructuring costs					**0**
Impairment loss, not included in operational EBIT					**0**
Other non-operational items					**0**
Operational EBIT	756 393	1 501 929	954 686	0	**3 213 008**
Depreciation	256 437	315 940	358 162	0	**930 540**
Impairment loss, included in operational EBIT	0	0	0	0	**0**
Operational EBITDA	1 012 830	1 817 869	1 312 849	0	**4 143 548**

2022 – Operational Key figures per region	North	Central	West	Elimination	Total
Volume salmon (GWT)*	40 109	68 793	43 040		151 942
Volume trout (GWT)			22 687		22 687
Total volume	40 109	68 793	65 727		**174 629**
Operational EBIT/kg slaughtered salmon and trout	18.9	21.8	14.5		**18.4**
EBIT /kg slaughtered salmon and trout	18.5	21.4	14.1		**18.0**

Note 5 cont.

2023 – Income statement allocated on region	North	Central	West	Elimination	Total
External operating revenue	145 650	58 060	388 210		591 920
Internal operating revenue	3 388 388	5 116 432	4 435 227	-69 519	12 870 528
Total operating revenue	3 534 038	5 174 492	4 823 437	-69 519	**13 462 448**
Other gains and losses	-210	11	2 143		1 945
Operating expenses	2 622 418	3 879 282	4 605 617	-69 519	11 037 798
Operating profit (EBIT) before fair value adjustments	911 411	1 295 221	219 963	0	**2 426 595**

2023 – Alternative Performance Measure reconciliation	North	Central	West	Elimination	Total
Operating profit (EBIT)	911 411	1 295 221	312 871	32 054	**2 551 557**
Fair value adjustments biological assets	0	0	-92 908	-74 423	**-167 331**
Onerous contract provision				42 369	**42 369**
EBIT before fair value adjustments	911 411	1 295 221	219 963	0	**2 426 595**
Change in unrealized internal margin				0	**0**
Production fee	34 009	48 842	40 998		**123 849**
Litigation costs					**0**
Restructuring costs					**0**
Impairment loss, not included in operational EBIT	32 907		24 000		**56 907**
Other non-operational items			0		**0**
Operational EBIT	978 327	1 344 063	284 961	0	**2 607 351**
Depreciation	248 909	357 141	426 729	0	**1 032 778**
Impairment loss, included in operational EBIT	0	0	4 000	0	**4 000**
Operational EBITDA	1 227 235	1 701 203	715 690	0	**3 644 129**

2023 – Operational Key figures per region	North	Central	West	Elimination	Total
Volume salmon (GWT)*	43 075	61 308	34 290		138 673
Volume trout (GWT)			20 947		20 947
Total volume	43 075	61 308	55 237		**159 620**
Operational EBIT/kg slaughtered salmon and trout	22.7	21.9	5.2		**16.3**
EBIT /kg slaughtered salmon and trout	21.2	21.1	4.0		**15.2**

*) GWT = Gutted weight in tonnes

Note 5 cont.

Information on product area
Operating revenue in NOK by product area

Operating revenue	2023	%	2022	%
Salmon, whole	14 003 785	45.4	10 756 195	40.4
Salmon, processed	6 915 906	22.4	7 103 589	26.7
Trout, whole	1 222 882	4.0	1 326 857	5.0
Trout, processed	745 733	2.4	684 922	2.6
Whitefish, whole	2 809 582	9.1	2 723 147	10.2
Whitefish, processed	2 383 120	7.7	1 810 750	6.8
Shellfish	1 073 877	3.5	1 073 468	4.0
Pelagic	130 140	0.4	107 909	0.4
Other	1 584 684	5.1	1 059 040	4.0
Total operating revenue	**30 869 712**	**100.0**	**26 645 877**	**100.0**

Information on currency
Operating revenue in NOK by currency

Operating revenue	2023	%	2022	%
NOK	9 219 442	29.9	8 540 963	32.1
SEK	921 218	3.0	1 042 588	3.9
DKK	681 292	2.2	476 661	1.8
GBP	344 746	1.1	215 113	0.8
EUR	13 534 590	43.8	10 641 559	39.9
USD	4 946 278	16.0	4 360 101	16.4
JPY	856 540	2.8	1 028 364	3.9
Other currency	365 606	1.2	340 529	1.3
Total operating revenue	**30 869 712**	**100.0**	**26 645 877**	**100.0**

Sales in foreign currency from Group companies in Norway normally take place at an approximate transaction rate (week rates). However, contractual sales are hedged and the sales revenue is adjusted with the effect from the currency forward contracts. Sales from foreign Group companies in foreign currency are in principle translated to NOK on the basis of the accumulated monthly average exchange rate in the accounting period.

Information on geographic area
Sales are allocated to the customers' home country. Assets and investments are distributed according to geographical location.

Operating revenue	2023	%	2022	%
EU	16 842 329	54.6	14 517 993	54.5
Norway	5 661 492	18.3	4 525 572	17.0
Asia	4 485 061	14.5	4 543 804	17.1
USA & Canada	1 508 420	4.9	1 307 861	4.9
Rest of Europe	2 132 118	6.9	1 536 227	5.8
Other	240 291	0.8	214 421	0.8
Total operating revenue	**30 869 712**	**100.0**	**26 645 877**	**100.0**

Assets	2023	%	2022	%
Norway *	37 464 823	90.4	33 416 210	90.2
EU	3 715 638	9.0	3 447 441	9.3
Other countries	238 068	0.6	198 009	0.5
Total assets	**41 418 529**	**100.0**	**37 061 660**	**100.0**

Net investments	2023	%	2022	%
Norway	1 394 178	95.5	978 780	87.7
EU	65 443	4.5	135 649	12.2
Other countries	192	0.0	1 159	0.1
Total net investments	**1 459 813**	**100.0**	**1 115 588**	**100.0**

*) Most of the trade receivables in the subsidiary Lerøy Seafood AS are from customers abroad. At year-end (year end previous year) this amounted to NOK 1 189 573 out of NOK 1 458 421 (NOK 1 137 881 out of NOK 1 387 330). Most of the trade receivables are covered by credit insurance.

Note 6 Business combinations and redemption of non-controlling interests

(All figures in NOK 1 000)

Business combinations in 2023

Denmark

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

In addition to this, the original purchase price allocation for the Danish parent company Lerøy Seafood Denmark has been changed, due to uncovered accounting maipulation in one of its subsidiaries at date of acquisition, where a substantial part of accounts payable was kept outside the income statement and balance sheet. The equity effect of NOK 37 812 has been added to goodwill.

Norway

Further on the Group has acquired 100% of the shares in Austevoll Laksepakkeri AS with effect from 1st of April 2023. This company was acquired from the Groups parent company Austevoll Seafood ASA. The transaction has been carried out based on arm lenght principles. The company has changed name to Lerøy Austevoll AS. The company is allocated to the Farming segment.

Mondo Mar Marine Foods ApS

Purchase price allocation and acquisition analysis	Reported values of acquired entity	Identified added (or negative) value	Fair value at time for acquisition	Goodwill calculated	Acquisition balance sheet
Deferred tax asset	0	0	0	0	**0**
Goodwill	0	0	0	63 862	**63 862**
Right-of-use assets and fixed assets	21 588	0	21 588	0	**21 588**
Inventory	2 780	0	2 780	0	**2 780**
Current receivables	44 300	0	44 300	0	**44 300**
Cash in bank	0	0	0	0	**0**
Total assets	**68 667**	**0**	**68 667**	**63 862**	**132 529**
Equity	35 348	0	35 348	63 862	**99 210**
Deferred tax	635	0	635	0	**635**
Non-current liabilities	5 864	0	5 864	0	**5 864**
Current liabilities	26 819	0	26 819	0	**26 819**
Total equity and liabilities	**68 667**	**0**	**68 667**	**63 862**	**132 529**
NIBD (+)	6 759	0	6 759	0	**6 759**

Acquisition analysis	**100%**
Recognized equity in acquired entity	35 348
Net identified added value in the aquired entity	0
Identified value in the aquired entity	35 348
Calculation of goodwill	**100%**
Consideration paid to seller	85 020
Consideration unpaid, seller credit	14 190
Total consideration	99 210
Identified value in the aquired entity	35 348
Goodwill	63 862

Lerøy Austevoll

Purchase price allocation and acquisition analysis	Reported values of acquired entity	Identified added (or negative) value	Fair value at time for acquisition	Goodwill calculated	Acquisition balance sheet
Deferred tax asset	6 023	1 100	7 123	0	**7 123**
Goodwill	0	0	0	38 054	**38 054**
Right-of-use assets and fixed assets	302 781	-3 000	299 781	0	**299 781**
Inventory	2 040	0	2 040	0	**2 040**
Current receivables	22 055	0	22 055	0	**22 055**
Cash in bank	33 763	0	33 763	0	**33 763**
Total assets	**366 662**	**-1 900**	**364 762**	**38 054**	**402 816**
Equity	-9 154	-3 900	-13 054	38 054	**25 000**
Deferred tax	0	0	0	0	**0**
Non-current liabilities	5 225	0	5 225	0	**5 225**
Current liabilities	370 592	2 000	372 592	0	**372 592**
Total equity and liabilities	**366 662**	**-1 900**	**364 762**	**38 054**	**402 816**
NIBD (+)	306 490	0	306 490	0	**306 490**

Note 6 cont.

Acquisition analysis	100%
Recognized equity in acquired entity	-9 154
Net identified added value in the aquired entity	-3 900
Identified value in the aquired entity	-13 054
Calculation of goodwill	**100%**
Total consideration	25 000
Identified value in the aquired entity	-13 054
Goodwill	38 054

Redemption of non-controlling interests in 2023.

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

Note 7 Intangible assets

(All figures in NOK 1 000)

Reconciliation carrying value, gross value and life

2022	Goodwill	Licences	Other rights	Total
As of 1 January				
Acquisition cost	2 493 337	6 180 141	84 349	**8 757 827**
Accumulated amortisation	0	-151 464	-52 841	**-204 305**
Carrying value as of 01.01	**2 493 337**	**6 028 677**	**31 508**	**8 553 522**
Movements during the year				
Carrying value as of 01.01	2 493 337	6 028 677	31 508	**8 553 522**
Translation differences	23 282		226	**23 508**
Additions from business combinations			6 409	**6 409**
Acquisition of intangible assets			288	**288**
Disposals				**0**
Amortisation for the year		-29 137	-4 422	**-33 559**
Carrying value as of 31.12	**2 516 619**	**5 999 540**	**34 009**	**8 550 168**
As of 31 December				
Acquisition cost	2 516 619	6 180 141	91 384	**8 788 144**
Accumulated amortisation		-180 601	-57 375	**-237 976**
Carrying value as of 31.12	**2 516 619**	**5 999 540**	**34 009**	**8 550 168**

Note 7 cont.

2022	Goodwill	Licences	Other rights	Total
Assets with unlimited useful life	2 516 619	5 766 078	8 509	**8 291 206**
Assets with limited useful life		233 463	25 500	**258 962**
Carrying value as of 31.12	**2 516 619**	**5 999 540**	**34 009**	**8 550 168**

2023	Goodwill	Licences	Other rights	Total
Movements during the year				
Carrying value as of 01.01	2 516 619	5 999 540	34 009	**8 550 168**
Translation differences	34 309		297	**34 606**
Additions from business combinations	139 728		0	**139 728**
Acquisition of intangible assets			156	**156**
Disposals				**0**
Amortisation for the year		-29 137	-4 471	**-33 608**
Impairment loss of the year			-4 000	**-4 000**
Carrying value as of 31.12	**2 690 656**	**5 970 403**	**25 992**	**8 687 051**
As of 31 December				
Acquisition cost	2 690 656	6 180 141	91 976	**8 962 773**
Accumulated amortisation		-209 738	-61 984	**-271 722**
Accumulated impairment			-4 000	**-4 000**
Carrying value as of 31.12	**2 690 656**	**5 970 403**	**25 992**	**8 687 051**
Assets with unlimited useful life	2 690 656	5 766 078	4 509	**8 461 243**
Assets with limited useful life		204 325	21 483	**225 808**
Carrying value as of 31.12	**2 690 656**	**5 970 403**	**25 992**	**8 687 051**

Note 7 cont.

Specification of intangible assets per acquisition, per segment

2022	Region	Acquisition year	Goodwill	Licences	Other rights	Total
Wildcatch						
Lerøy Havfisk AS		2016		3 514 863[5]		**3 514 863**
Lerøy Norway Seafoods AS		2017	2 646		100	**2 746**
Total			**2 646**	**3 514 863**	**100**	**3 517 609**
Farming						
Lerøy Midt AS	Central	2003, 2006[1]	956 509	700 260		**1 656 769**
Lerøy Vest AS	West	2007, 2022[7]	535 001	502 529	18 717[5, 7]	**1 056 248**
Sjøtroll Havbruk AS	West	2010	205 954	673 513		**879 467**
Lerøy Aurora AS	North	2005, 2014[2]	134 567	508 572	2 000	**645 139**
Norsk Oppdrettsservice AS	West	2015	13 295	40 000		**53 295**
Lerøy Årskog AS	West	2021		5 000		**5 000**
Total			**1 845 326**	**2 429 874**	**20 717**	**4 295 917**
VAP, sales and distribution						
Lerøy Seafood Denmark A/S		2021	290 335		0	**290 335**
Lerøy Seafood Holding B.V.		2012[4]	149 216			**149 216**
Sjømatgruppen (grossistene)		2005, 2006	122 460		7 704[3]	**130 164**
Lerøy Fossen AS		2006	23 976			**23 976**
Lerøy Finland OY		2011[4]	21 215		119[3]	**21 334**
Lerøy Smøgen Seafood AB		2002, 2003	17 473			**17 473**
Lerøy Sverige AB (ex. Smøgen)		2001, 2004	12 505			**12 505**
SAS Hallvard Lerøy		2008	9 979			**9 979**
Sjømathuset AS		2006, 2009	6 175		1 250[3]	**7 425**
Lerøy Tyrkia		2015[4]	5 068		36	**5 104**
SAS Eurosalmon		2008	4 697			**4 697**
Lerøy Seafood AS		1997, 2000	3 976		0	**3 976**
Leroy Seafood Italy SRL		2020	0		1 972[3]	**1 972**
Lerøy Portugal Ltd		2004	524		1 446[3)]	**1 970**
SAS Fish Cut		2003	1 050			**1 050**
Lerøy Processing Spain		2016	0		664[3]	**664**
Total		[4]	**668 648**		**13 191**[3]	**681 839**
Lerøy Seafood Group ASA		2017–2020	**54 803**[6]	0		**54 803**
Total			**2 516 619**	**5 999 540**	**34 009**	**8 550 168**

1) Consists of the Midnor acquisition from 2003 and the Hydrotech acquisition from 2006. The companies are now merged.
2) Consists of the Aurora acquisition from 2005, the Villa acquisition from 2014, in addition to paid amount for increased volume in 2017, 2018 and 2020
3) Rights with a definite useful life and are subject to amortisation.
4) Goodwill is adjusted with currency translation differences related to foreign subsidiaries to NOK (IAS 21)
5) A certain part of the total value has a definite useful life, and is subject to amortisation.
6) Consists of initial costs related to R&D licence granted to LSG ASA, and in process of being accepted. Will be operated by Lerøy Vest AS
7) Increase is related to acquisition of water fall rights to a power plant, with undefinite lifetime
8) Increase in goodwill due to business combination in sub-group, and change in PPA.

Note 7 cont.

2023	Region	Acquisition year	Goodwill	Licences	Other rights	Total
Wildcatch						
Lerøy Havfisk AS		2016		3 485 727 [5]		**3 485 727**
Lerøy Norway Seafoods AS		2017	2 646		100	**2 746**
Total			**2 646**	**3 485 727**	**100**	**3 488 473**
Farming						
Lerøy Midt AS	Central	2003, 2006 [1]	956 509	700 260		**1 656 769**
Lerøy Vest AS	West	2007, 2022 [7]	535 001	502 529	14 083 [5, 7]	**1 051 613**
Sjøtroll Havbruk AS	West	2010	205 954	673 513		**879 467**
Lerøy Aurora AS	North	2005, 2014 [2]	134 567	508 572	2 000	**645 139**
Norsk Oppdrettsservice AS	West	2015	13 295	40 000		**53 295**
Lerøy Årskog AS	West	2021		5 000		**5 000**
Lerøy Austevoll AS	West	2023	38 054			**38 054**
Total			**1 883 380**	**2 429 874**	**16 083**	**4 329 336**
VAP, sales and distribution						
Lerøy Seafood Denmark A/S		2021 [4, 8]	415 872		0	**415 872**
Lerøy Seafood Holding B.V.		2012 [4]	159 670			**159 670**
Sjømatgruppen (grossistene)		2005, 2006	122 460		6 043 [3]	**128 503**
Lerøy Fossen AS		2006	23 976			**23 976**
Lerøy Finland OY		2011 [4]	22 701		98 [3]	**22 799**
Lerøy Smøgen Seafood AB		2002, 2003	17 618			**17 618**
Lerøy Sverige AB (ex. Smøgen)		2001, 2004	12 505			**12 505**
SAS Hallvard Lerøy		2008	9 979			**9 979**
Sjømathuset AS		2006, 2009	6 175		0 [3]	**6 175**
Lerøy Tyrkia		2015 [4]	3 429		12	**3 441**
SAS Eurosalmon		2008	4 697			**4 697**
Lerøy Seafood AS		1997, 2000	3 976		0	**3 976**
Leroy Seafood Italy SRL		2020	0		1 476 [3]	**1 476**
Lerøy Portugal Ltd		2004	524		1 536 [3]	**2 060**
SAS Fish Cut		2003	1 050			**1 050**
Lerøy Processing Spain		2016	0		644 [3]	**644**
Total		[4]	**804 631**	**0**	**9 809** [3]	**814 440**
Lerøy Seafood Group ASA		2017–2020	**54 803** [6]	0		**54 803**
Total			**2 690 656**	**5 970 403**	**25 992**	**8 687 051**

1) Consists of the Midnor acquisition from 2003 and the Hydrotech acquisition from 2006. The companies are now merged.
2) Consists of the Aurora acquisition from 2005, the Villa acquisition from 2014, in addition to paid amount for increased volume in 2017, 2018 and 2020
3) Rights with a definite useful life and are subject to amortisation.
4) Goodwill is adjusted with currency translation differences related to foreign subsidiaries to NOK (IAS 21)
5) A certain part of the total value has a definite useful life, and is subject to amortisation.
6) Consists of initial costs related to R&D licence granted to LSG ASA, and in process of being accepted. Will be operated by Lerøy Vest AS
7) Increase is related to acquisition of water fall rights to a power plant, with undefinite lifetime
8) Increase in goodwill due to business combination in sub-group, and change in PPA.

Note 7 cont.

Licences

Licences in the Farming segment

The net book value of licences in the Farming segment is NOK 2 484 676 including the capitalized costs related to the renewal of the R&D licence in Lerøy Seafood Group ASA. Below is a list of the licences owned by LSG at the end of the financial year according to type, number and volume. The list is based on data registered in the Aquaculture Register.

Salmon and trout licences as of 31.12.2022, commercial and special purpose licences	Region West		Region Central		Region North		Total Group	
	Number	Volume (MTB)	Number	Volume (MTB)	Number	Volume (MTB)	Number	Volume (MTB)
Commercial grow-out licences [1]	57	41 372	53	41 317	25	25 502	**135**	**108 190**
Slaughter cage licences	1	780	1	780	2	1 800	**4**	**3 360**
R&D licences [2]					1	780	**1**	**780**
Green farming licences	1	733					**1**	**733**
Demonstration licences	1	780	1	780	1	780	**3**	**2 340**
Teaching licences [3]	1	780			1	390	**2**	**1 170**
Parent fish licences [4]	2	1 560	3	2 340			**5**	**3 900**
Land-based grow-out licence [5]	1	10 000					**1**	**10 000**
Total number and volume	**64**	**56 005**	**58**	**45 217**	**30**	**29 252**	**152**	**130 473**

Salmon and trout licences as of 31.12.2023, commercial and special purpose licences	Region West		Region Central		Region North		Total Group	
	Number	Volume (MTB)	Number	Volume (MTB)	Number	Volume (MTB)	Number	Volume (MTB)
Commercial grow-out licences [1]	57.0	41 372	53.0	41 317	25.0	25 502	**135.0**	**108 190**
Slaughter cage licences	1.0	780	1.0	780	2.0	1 800	**4.0**	**3 360**
R&D licences [2]			1.5	1 170	1.0	780	**2.5**	**1 950**
Green farming licences	1.0	733					**1.0**	**733**
Demonstration licences	1.0	780	1.0	780	1.0	780	**3.0**	**2 340**
Teaching licences [3]	1.0	780			1.0	390	**2.0**	**1 170**
Parent fish licences [4]	2.0	1 560	3.0	2 340			**5.0**	**3 900**
Land-based grow-out licence [5]	1.0	10 000					**1.0**	**10 000**
Total number and volume	**64.0**	**56 005**	**59.5**	**46 387**	**30.0**	**29 252**	**153.5**	**131 643**

1) The commercial grown-out licences are described further below.
2) The R&D licences are time-limited with a duration of 3–5 years, from time of project start. The licences have zero purchase price, and therefore no depreciation. The R&D licence allocated to Lerøy Aurora in the table above has a lenght of 3 years. It legally belongs to Akvaplan Niva (third party), but is operated by Lerøy Aurora. The R&D licence allocated to Lerøy Midt in the table above has a remaining lenght of 1.5 years. It legally belongs to Nofima (third party), but is operated by Lerøy Midt.
3) The teaching licences are considered time-limited with a duration of 10 years. The licences have zero purchase price, and therefore no depreciation. The teaching licence allocated to Lerøy Aurora in the table above legally belongs to Troms- og Finnmark Fylkeskommune (third party), but is operated by Lerøy Aurora.
4) One of the parent fish licence owned by Lerøy Midt, is operated by Lerøy Aurora.
5) The land-based grow-out licence is owned by Lerøy Årskog AS. The licence permits production of land-based salmon or trout or juvenile fish or a combination, for a total volume of 10 000 tonnes. Theoretically the authorities may withdraw this licence if the production has not started within two years after reward date. The licences was awarded the 25th of March 2019. The risk for withdrawal is considered as low, since the ground work for the plant is started.

For a more detailed explanation of why farming licences are deemed to have an indefinite useful life and are therefore not subject to amortisation, please see item (X) in the note on accounting policies.

Note 7 cont.

Commercial grow-out licences for salmon and trout		Region West		Region Central		Region North		Total Group	
		Number	Volume (MTB)	Number	Volume (MTB)	Number	Volume (MTB)	Number	Volume (MTB)
Status as of 01.01.2022		**57**	**44 013**	**53**	**41 317**	**25**	**25 502**	**135**	**110 831**
Changes in 2022									
Temporary deductions in PA / reversal of deduction			-2 641						**-2 641**
Growth purchased									**0**
Status as of 31.12.2022		**57**	**41 372**	**53**	**41 317**	**25**	**25 502**	**135**	**108 191**
Changes in 2023									
Temporary deductions in PA / reversal of deduction									**0**
Growth purchased									**0**
Status as of 31.12.2023		**57**	**41 372**	**53**	**41 317**	**25**	**25 502**	**135**	**108 191**
Grow-out licences as of 31.12 per production area (PA)									
PA 3	Yellow	37	27 128					**37**	**27 128**
PA 4	Red	20	14 244					**20**	**14 244**
PA 5	Red			8	5 866			**8**	**5 866**
PA 6	Green			45	35 451			**45**	**35 451**
PA 11	Green					17	16 962	**17**	**16 962**
PA 13	Green					8	8 540	**8**	**8 540**
Status as of 31.12.2023		**57**	**41 372**	**53**	**41 317**	**25**	**25 502**	**135**	**108 191**

The colors relate to the "traffic light system". The traffic light system is described in the note on accounting principles under section about licences.

Red area: Temporary reduction in volume of 6% in PO 3 and PO 4, which equals a reduction of 2.641 tons. In 2022 it was the second time PO 4 experienced a reduction in production capacy. The color can change each second year. The color will be subjected to a new evaluation in 2024.

Yellow area: No changes in volume. The color will be subjected to a new evaluation in 2024.

Green area: Is opened for growth. The Group did not buy any growth offered in 2022. The color will be subjected to a new evaluation in 2024.

Other farming licences	Region West		Region Central		Region North		Total Group	
	Number	Volume (million individuals)	Number	Volume (million individuals)	Number	Volume (million individuals)	Number	Volume (million individuals)
Status as of 31.12.2023								
Juvenile fish licences	11.0	34.9	6.0	23.6	1.0	15.2	**18.0**	**73.6**
Cleaner fish licences	4.0	9.0	1.0	2.5	1.0	2.5	**6.0**	**14.0**
Total	**15.0**	**43.9**	**7.0**	**26.1**	**2.0**	**17.7**	**24.0**	**87.6**

It has not been any changes in 2023, and the numbers are the same as per 31.12.2022.

The Group has also licences to cultivate seaweed in Vestland county. These are located in the same geographical area as the licences for salmon farming. The licences alows a cultivation of a total of 1013 decares. Furthermore, the Group have two seaweed licences totalling 830 decares under process of approval. These licences have normally indefinite lifetime. The licences are awarded after an application process, and have no purchase price.

Note 7 cont.

Licences in the Wildcatch segment

Licences (quotas) for wildcatch	NBV in acquired company on date of acquisition	Excess value identified in PPA, and allocated	Accumulated amortisation from date of acquisition	NBV as of 31.12
Basic quotas for cod, shrimp and greater silver	339 806	2 941 594		**3 281 400**
Structural quotas, cod trawling	414 064		-209 738	**204 326**
Total	**753 870**	**2 941 594**	**-209 738**	**3 485 726**

The Wildcatch segment comprises the two sub-groups, Lerøy Havfisk AS and Lerøy Norway Seafoods AS. Lerøy Havfisk AS is a shipowning company, with trawlers involved in wild catches. Lerøy Norway Seafoods AS is involved in the receipt and processing of wild caught whitefish.

The licences in this segment are owned by the sub-group, Lerøy Havfisk AS (vessel owning subsidiaries). The licences are governed by an obligation to supply products to the regions where the licences are located, i.e. Finnmark and Nordland. This implies that buyers in those regions have priority over other buyers of fish. The details of the supply obligation are stipulated in the licence terms for the individual licence unit. This may be a region but could also be a specific buyer. The principle for pricing is the average price realised for the species of fish in question over the past two weeks, taking into account condition, size and quality. Lerøy Havfisk AS is also subject to a so-called "industrial obligation" (obligation to keep the business going) in Stamsund, Melbu, Hammerfest, Båtsfjord, Honningsvåg and Kjøllefjord. This implies that the licence is linked to operation of the facilities in the respective locations. Lerøy Havfisk AS has however leased out the facilities in these locations. The lessee is Lerøy Norway Seafoods AS. The lessee is responsible for sustaining operations. If the lessee terminates operations, the licence terms oblige Lerøy Havfisk AS to sustain operations in the specified locations.

At the end of the financial year, the Lerøy Havfisk group owned 29.6 cod and haddock trawling licences, 31.9 saithe trawling licences, 8 shrimp trawling licences and 2 greater silver licences in Norway. These licences are owned via the subsidiaries Nordland Havfiske AS, Finnmark Havfiske AS and Hammerfest Industrifiske AS. It has not been acquired or sold quotas/licences in 2023.

A licence for cod, haddock and saithe is a licence that entitles the holder to trawl for whitefish in the zone north of 62 degrees latitude and in the North Sea at certain times of the year. Correspondingly, a licence for shrimp and greater silver entitles the holder to fish for shrimp and greater silver. In 2023 (2022), each vessel was permitted up to four (four) quota units, including the quota connected to the vessel. The volume of fish allowed per licence unit is stipulated annually by the Norwegian Ministry of Trade, Industry and Fisheries. Moreover, transfers may be made between the different groups of vessels throughout the year, in the event that one group of vessels is not able to fish its share of the quota. This is known as "re-allocation". As of end of year 2023 (2022), one cod licence entitled the holder to fish for an annual volume of 979 (1 154) tonnes of cod, 504 (465) tonnes of haddock and 592 (531) tonnes of saithe in the zone north of 62 degrees latitude. When compared with the final volumes per quota, after re-allocations, in 2023 (2022), this is a change of -15% (-18%) for cod, +8 (-20%) for haddock and +11% (+3%) for saithe. During the year, the quota for both haddock and saithe was increased and some quotas were re-allocated for these species. The shrimp and greater silver licences have no limit in terms of volume.

In order to boost profitability for fisheries and reduce the number of vessels in operation, the fisheries authorities have implemented schemes allowing for companies to merge several quota units per vessel in return for the permanent removal of vessels that have handed over their quotas from the registry of fisheries. Each vessel has one cod trawling permit, a so-called basic quota. Vessels can also have so-called structural quotas for cod trawling. In total, one vessel cannot have more than four quotas per fish species. The structural quotas have a limited duration according to the scheme in place when the quota was structured. In principle, there are two schemes for structural quotas, comprising 20 and 25 years' duration. The new scheme for structural quotas was introduced in 2007. Structural quotas allocated before 2007 have a duration of 25 years starting in 2008, while quotas allocated after 2008 have a duration of 20 years.

The main purpose of the structure schemes is to reduce the number of vessels participating in individual fisheries, thereby facilitating improved profitability for the remaining vessels – i.e. improving efficiency within a regulated framework. Moreover, the schemes are intended to adapt fleet capacity to the basic resources. At the end of the duration of 20 and 25 years respectively, the structural quotas are no longer valid and the total quotas will be distributed among all parties in the regulation group in question, as basic quotas. Basic quotas do not have any time limits.

Lerøy Havfisk AS – and Lerøy Norway Seafoods AS to a limited extent – is involved in fishing in Norway pursuant to the provisions in inter alia the Act relating to the right to participate in fishing and catches (Participant Act). Lerøy Havfisk AS has been given an extemption from the requirement stating that the controlling interest must be an active fisherman. The Participant Act and supporting legislation stipulate inter alia that any changes to ownership of a company that directly or indirectly owns fishing vessels requires approval by the relevant authorities. The Ministry of Trade, Industry and Fisheries' approval of Lerøy Seafood Group ASA's acquisition of the majority shareholding in Lerøy Havfisk AS was granted on the basis of Lerøy Seafood Group ASA's ownership on the date of the approval. The approval also states that no new applications are required for future changes in ownership of Lerøy Havfisk AS, Lerøy Seafood Group ASA and Austevoll Seafood ASA provided that Lerøy Seafood Group ASA continues to own minimum 60% of the shares in Lerøy Havfisk AS and that Austevoll Seafood ASA continues to own minimum 50% of the shares in Lerøy Seafood Group ASA. However, the approval does not allow for changes in ownership that result in Laco AS directly owning less than 55.55% of the shares in Austevoll Seafood ASA. Any significant changes in ownership in Laco AS also require approval. The approval also requires continuation of the prevailing terms related to permits for the vessels and structural quotas, in addition to compliance with the nationality requirement in section 5 of the Participant Act. Pursuant to the nationality requirement in section 5 of the Participant Act, operating permits can only be granted to parties that are Norwegian citizens or have status that equals Norwegian citizenship. According to the second paragraph letra a) of the provision, limited companies, public limited companies

Note 7 cont.

and other companies with limited liability have equal status to Norwegian citizens when the company's head office and Board of Directors are located in Norway, when the majority of the Board members, including the Chairman of the Board, are Norwegian citizens resident in Norway and who have lived in Norway for the last two years, and when Norwegian citizens own shares or stocks corresponding to minimum 6/10 of the company's capital and have voting rights in the company with minimum 6/10 of the votes. Lerøy Havfisk AS, Lerøy Seafood Group ASA and Austevoll Seafood ASA are obliged to submit an overview twice a year detailing the company's shareholders, including specification of the shares held by foreign shareholders. Ultimately, a breach of the above-mentioned licence provisions could result in Lerøy Havfisk AS losing its licence rights.

Other rights

In addition to goodwill and licences, intangible assets also comprise other rights. These rights comprise the following subcategories in each segment:

	Amortisation method	Wildcatch	Farming	VAP, sale and distribution	Total
Time indefinite	none				
Water rights		0	4 409		4 409
Other rights		100			100
Total		**100**	**4 409**	**0**	**4 509**
Accumulated purchase price		100	4 409	0	4 509
Accumulated amortisation		non	non	non	non
Accumulated impairment			4 000		4 000
Limited	**Straight line depr.**				
Water rights	25 years		11 674		11 674
Contracts with customers / customer lists	10 years			3 898	3 898
Other rights (software etc.)	3–5 years			5 911	5 911
Total		**0**	**11 674**	**9 809**	**21 483**
Accumulated purchase price		0	44 973	41 902	86 875
Accumulated amortisation		0	-33 299	-24 076	-57 375
Total other rights		**100**	**16 083**	**9 809**	**25 992**

Cash-generating units (CGU) and basis for impairment testing

With each acquisition or purchase of assets, goodwill, licences and rights are allocated to the different cash-generating units. Each legal unit in the Group in principle comprises one cash-generating unit. Goodwill and intangible assets with an indefinite useful life are not amortised, but shall be tested for impairment at least once a year and written down if their value can no longer be justified. The management assesses the carrying value of goodwill and intangible assets with an indefinite useful life per CGU at least once a year, and more frequently if there are indications of impairment. Useful life is utilised when establishing recoverable amount.

Farming

The Group`s farming regions share the same top management, the same internal customer, and a joint optimalisation plan of i.e. slaughter plans. Further on harvest to fullfill the Groups contract sale, is done across the regions. Due to this, the Groups farming business in Norway is regarded as one CGU. The cash generating unit Farming comprises region of Northern Norway, which consists of Lerøy Aurora AS and Lerøy Aurora Sjø AS, the region of Central Norway which consists of Lerøy Midt AS and Lerøy Midt Sjø AS, and the region for Western Norway which consists of the 11 companies Lerøy Vest AS, Lerøy Vest Sjø AS, Lerøy Vest Kraft AS, Sjøtroll Havbruk AS, Sjøtroll Havbruk Sjø AS, Lerøy Sjøtroll Kjærelva AS, Lerøy Årskog AS, Lerøy Austevoll AS, AUSS Laks AS, Norsk Oppdrettsservice AS and Lerøy Ocean Harvest AS. The development costs related to the Pipefarm concept, capitalized in Lerøy Seafood Group ASA, a concept that the Group has been offered some licence volume on, but that the Group not yet has accepted, is also included in this CGU.

Wildcatch

In the sub-group Lerøy Havfisk AS, each vessel with its quotas is defined as one cash-generating unit. Despite this, Lerøy Seafood Group classifies the two sub-groups, Lerøy Havfisk AS and Lerøy Norway Seafoods AS, as one joint cash-generating unit. This is justified in that, primarily, quotas are transferred between vessels via the so-called "re-allocations". Secondly, the two sub-groups are mutually dependent with a view to the industrial obligation mentioned above. In addition, the supply obligation has an impact on the two units' co-dependence. On this basis, the two sub-groups are assessed as one joint cash-generating unit.

VAP, sales and distribution

For the Group to succeed in being the first choice of the largest and most well-recognised customers, it is important to be present in the end market. Through local presence the Group can supply the freshest products, portions and packaging adjusted to local requirements and demand, and developing the seafood category even further together with the customers. The Group must also build up enough capacity to supply the volumes that the customer will need. The group has established several fish-cuts in the end markets. A fish-cut means a relatively simple processing activity in addition to the sale office, that perform some specialized value-added processing based on specification set by the customer. The fish-cuts are an integrated part of the value chain, and an important tool for efficient global sale.

The table below displays the distribution of goodwill and intangible assets with an indefinite useful life per CGU, and their sub-units. Impairment tests of goodwill and intangible assets with an indefinite useful life have been summarised below for each CGU in the segment.

Note 7 cont.

Book value of intangible assets	CGU	Goodwill	Licences	Other rights	Total
Farming – Region Northern Norway	Farming	134 567	508 572	2 000	**645 139**
Farming – Region Central Norway	Farming	956 509	700 260		**1 656 769**
Farming – Region Western Norway	Farming	792 304	1 221 042	14 083 [2]	**2 027 429**
Farming – Lerøy Seafood Group ASA	Farming	-	54 803 [4]		**54 803**
Total Farming	Farming	1 883 380	2 484 676	16 083	**4 384 139**
Total Wildcatch	Wildcatch	2 646	3 485 727 [3]	100	**3 488 473**
Total VAP, sales and distribution	VAPSD	804 631	-	9 809 [1]	**814 440**
Grand total		**2 690 656**	**5 970 403**	**25 992**	**8 687 051**
Book value of intangible assets that are amortised:					**225 808**
Book value of intangible assets that are not amortised, but tested for impairment:					**8 461 243**
Total					**8 687 051**

1) Rights with definite useful life and subject to amortisation.
2) Rights with indefinite useful life and not subject to amortisation.
3) Structual quotas included in this amount, has a definite economic life time, and are subjected to amortisation.
4) Capitalised costs related to development licences – in the process of beeing granted.

Tests of possible impairment loss

The impairment test for cash-generating units is based on estimated present values of future cash flows, and the value of the assets in use. The present value is compared with the book value per cash-generating unit. The present value is calculated on the basis of discounted cash flows over the next five or ten years. And for the period thereafter, a terminal value is estimated. The Gordon growth model is applied to estimate terminal value. The cash flows in the the impairment test are after tax.

The impairment test did not produce grounds for write-down of goodwill or intangible assets with an indefinite useful life in 2023. The management's calculations, were risks and opportunities within environmental sustainability are included, show that this conclusion is robust in the face of reasonable changes in conditions in the future. The critical value for the required rate of return on total assets after tax is between 8.0% and 22.0%

The most significant premises in the test are estimated future volume of catches per species, estimated future prices per species and required rate of return. Qutoa and price assumptions are key factors in the impairment test of WildCatch. There are a number of species caught, but for key specie cod assumptions include for quota a 32% in 2024, further 30% in 2025, a 20% increase in 2026 and for 2027–2034 an average of quotas from 2020–2025. Cod prices are estimated up 10% in 2025, and 2.5% thereafter. Quotas will naturally fluctuate, and the quota level will have an impact on price.

In farming it has historically until 2012 been a significant production growth per licence in Norway. But from 2012 and until today, there has been very limited growth. The model applied is based on actual production plans for the period until 2025. And after that an assumption of 2% growth in volume until 2029 has been applied. It is assumed no growth in the terminal value.

For the cash-generating unit Farming, the critical value for the required rate of return on total assets after tax is 18.0%. The Farming segment requires an EBIT in the terminal element of an amount of NOK 2.4 per kg. This amount is well below what`s historically achieved. The management has also carried out tests of sensitivity related to price, cost and volume. With the implemented WACC and best estimate for the terminal element, the tests show that this value is also robust in the face of changes in these parameters.

For the cash-generating unit VAP, Sales & Distribution, the book values are almost totally justified by the estimated profit/loss for the next five years. It is required a 0.5% EBIT margin in the terminal element, which is very low.

Key premises and sensitivity estimates

Key premises:	2023	2022
Discount rate (WACC) before corporate tax (but after resource rent tax)	9.1%	8.4%
Discount rate (WACC) after tax	7.1%	6.6%
Nominal rate of growth in terminal (from 2029)	2.0%	2.0%

The book value tested below is the share of the carrying value that is not subject to amortisation.

Sensitivity analysis per CGU	Book value tested	Critical value in the terminal element (with WACC implemented)	Critical WACC (after tax)	Implemented WACC (after tax)
Wildcatch	3 284 146	[8]	8.0%	**7.1%**
Farming	4 339 046	2.4 [5, 6]	18.0%	**7.1%**
VAPSD	668 014	0.5% [7]	22.0%	**7.1%**
Total	**8 291 206**			**7.1%**

5) The terminal value for farming is a NOK amount estimated on the basis of EBIT/kg after an explicit period (the terminal component) that gives a total value in use simular to net book value.
6) Development licences in process of beeing granted will be operated by Lerøy Vest.
7) The terminal value for VAPSD is a percentage calculated on the basis of the profit margin, after an explicit period (the terminal component) that gives a total value in use simular to net book value.
8) For Wildcatch segment it is not calculated a critical value in the terminal element.

Note 8 Leases

(All figures in NOK 1 000)

The right-of-use assets are depreciated on a straight-line basis from the date of commissioning until the end of the useful life of the right-of-use asset or the end of the lease period, whatever comes first. Any extension options that may, with reasonable certainty, be exercised, are included.

The lease payments are divided into two parts: instalment and interest. The interest on the lease liability in each accounting period of the lease period shall be the amount that provides a constant periodic interest rate for the remaining balance of the lease liability (annuity principle).

In the statement of financial position, the Group has chosen to present the right-of-use assets on a separate line. The lease liabilities are classified as long-term and short-term. In addition, the lease liabilities are divided into (1) lease liabilities to credit institutions and (2) lease liabilities to others. Only the lease liabilities to credit institutions are included in the calculation of the alternative performance measurements for net interest-bearing debt (NIBD). A more detailed explanation of this classification is provided in the note relating to alternative performance measurements. The long-term share of the lease liabilities is shown on separate lines in the statement of financial position. The short-term share of the lease liabilities is included in the first-year instalment on longterm liabilities and shown on a separate line in the statement of financial position. The short-term share of long-term liabilities is specified in more detail in the note on long-term liabilities. The interest expense related to the liability is presented under net financial expense. This is specified in more detail in the note on combined items in the financial statements.

Lease costs that were previously presented as commodities and other operating expenses are now presented in the income statement as depreciation and interest expense.

In the statement of cash flows, cash payments for the lease liability's principal (instalment) and cash payments for the lease liability's interest are presented under financing activities. The transaction related to signing new leases has no initial effect on cash.

Note 8 cont.

Right-of-use assets

Right-of-use assets by groups in the notes and agreement partners

2022	Real estate	Buildings	Vessels	Machines, fixtures, equip., etc.	Total right of use assets	Of which from: Credit institution	Of which from: Others
As of 1 January 2022							
Acquisition cost *	61 815	627 918	1 076 250	2 107 903	**3 873 886**	2 030 753	1 843 133
Accumulated depreciation *	-12 130	-161 677	-287 135	-752 301	**-1 213 242**	-664 824	-548 419
Carried value 01.01	**49 686**	**466 241**	**789 115**	**1 355 602**	**2 660 643**	**1 365 929**	**1 294 714**
Financial year 2022							
Carried value 01.01	49 686	466 241	789 115	1 355 602	**2 660 643**	1 365 929	1 294 714
Translation differences	394	5 005	8	4 585	**9 993**	8 872	1 121
Addition of new right-of-use assets	1 668	87 138	442 915	267 901	**799 622**	230 035	569 587
Disposals	-12 521	0	-30 062	-13 651	**-56 233**	-2 236	-53 997
Depreciation for the year	-6 039	-61 066	-224 751	-258 201	**-550 056**	-225 897	-324 159
Carried value 31.12	**33 188**	**497 319**	**977 225**	**1 356 237**	**2 863 969**	**1 376 703**	**1 487 266**
As of 31 December 2022							
Acquisition cost *	50 072	719 370	1 440 697	2 333 140	**4 543 278**	2 266 062	2 277 216
Accumulated depreciation *	-16 884	-222 051	-463 472	-976 903	**-1 679 309**	-889 359	-789 950
Carried value 31.12	**33 188**	**497 319**	**977 225**	**1 356 237**	**2 863 969**	**1 376 703**	**1 487 266**

2023	Real estate	Buildings	Vessels	Machines, fixtures, equip., etc.	Total right of use assets	Of which from: Credit institution	Of which from: Others
Financial year 2023							
Carried value 01.01	33 188	497 319	977 225	1 356 237	**2 863 969**	1 376 703	1 487 266
Business combinations	0	0	0	10 272	**10 272**	10 272	0
Translation differences	518	12 240	57	8 870	**21 684**	14 593	7 091
Addition of new right-of-use assets	3 526	69 237	96 940	242 147	**411 851**	183 655	228 196
Disposals	-1 001	-2 091	0	-2 445	**-5 536**	-2 445	-3 091
Depreciation for the year	-5 085	-66 586	-238 988	-278 131	**-588 789**	-229 062	-359 727
Carried value 31.12	**31 146**	**510 120**	**835 234**	**1 336 951**	**2 713 452**	**1 353 717**	**1 359 735**
As of 31 December 2023	31 146						
Acquisition cost *	52 505	799 715	1 537 466	2 591 748	**4 981 434**	2 472 555	2 508 879
Accumulated depreciation *	-21 358	-289 595	-702 232	-1 254 797	**-2 267 982**	-1 118 838	-1 149 144
Carried value 31.12	**31 146**	**510 120**	**835 234**	**1 336 951**	**2 713 452**	**1 353 717**	**1 359 735**

*) Including translation differences

Note 8 cont.

Lease liabilities

Lease liabilities is devided into long-term and short-term, and by lessor category

		To credit institutions			To others		
2022	**Total lease liabilities**	Total	Short-term portion	Long-term portion	Total	Short-term portion	Long-term portion
Carried value 01.01	2 559 070	1 236 528	246 755	989 773	1 322 542	231 480	1 091 062
Long term portion previous year become short term portion	0		301 438	-301 438		202 141	-202 141
Translation differences	10 573	9 515	0	9 515	1 058	0	1 058
New leasing debt	799 622	230 035	45 218	184 817	569 587	148 163	421 424
Leasing debt terminated in connection with new agreements	-57 088	-2 093	-628	-1 465	-54 995	-16 499	-38 497
Redeemed	-555 942	-260 270	-260 270	0	-295 672	-295 672	0
Carried value 31.12	**2 756 235**	**1 213 715**	**332 513**	**881 202**	**1 542 520**	**269 614**	**1 272 906**

		To credit institutions			To others		
2023	**Total lease liabilities**	Total	Short-term portion	Long-term portion	Total	Short-term portion	Long-term portion
Carried value 01.01	2 756 235	1 213 715	332 514	881 202	1 542 520	269 614	1 272 906
Long term portion previous year become short term portion	0	0	202 186	-202 186	0	217 651	-217 651
Changes in payment profile	0	0	-71 665	71 665	0	108 614	-108 614
Business combinations	9 160	9 160	3 174	5 986	0	0	0
Translation differences	20 441	13 337	0	13 337	7 104	0	7 104
New leasing debt	411 851	183 655	36 731	146 924	228 196	34 229	193 967
Leasing debt terminated in connection with new agreements	-6 118	-2 895	-2 027	-869	-3 223	-2 256	-967
Redeemed	-592 869	-250 570	-250 570	0	-342 299	-342 299	0
Carried value 31.12	**2 598 700**	**1 166 402**	**250 343**	**916 059**	**1 432 298**	**285 553**	**1 146 745**

Payment profile on instalments and interests, see note 15

Note 8 cont.

Lease payments

		2023			2022		
2023	**Accounting**	Lease cost paid	Of which to credit institutions	Of which to others	Lease cost paid	Of which to credit institutions	Of which to others
Lease costs paid on non-carried agreements	Operating cost	36 921	1 664	35 257	9 276	0	9 276
Instalments paid	Reduction in debt	592 869	250 570	342 299	555 942	260 270	295 672
Interest costs paid	Financial cost	116 956	54 551	62 405	106 445	39 445	67 000
Outgoing cash flows related to leases		**746 746**	**306 785**	**439 961**	**671 663**	**299 715**	**371 948**
Lease costs paid on non-carried agreements compromise							
Lease on agreements with exemption for short-term agreements		9 846	1 120	8 726	3 108	0	3 108
Lease on agreements with exemption for low value assets		8 457	544	7 913	3 257	0	3 257
Expenses related to variable lease, not included in the carried amount		18 618	0	18 618	2 911	0	2 911
Total		**36 921**	**1 664**	**35 257**	**9 276**	**0**	**9 276**

Instalments paid, to both credit institutions and to others, are included in downpayments of long-term debt under financing activities in the cash flow statement.
See note 15 for reconciliation.

Note 9 Fixed assets

(All figures in NOK 1 000)

Fixed assets

2022	Prepayments to suppliers	Projects in progress	Real estate	Buildings	Vessels (fishing boats)	Machines, fixtures, equip., etc.	Total
Accounting year 2022							
Carrying value 01.01	4 625	677 845	412 730	3 159 645	1 564 551	1 478 083	7 297 480
Allocation of completed projects in progress	-3 960	-712 315	39 064	648 722	0	28 489	0
Foreign currency translation differences	262	18	2 718	17 357	0	13 122	33 476
Business combinations				5 641		128	5 769
Operating assets acquired	417	131 638	18 414	285 257	129 838	345 836	911 400
Disposal				-428		-17 884	-18 312
Depreciation for the year				-286 442	-110 073	-345 909	-742 424
Carrying value 31.12	**1 344**	**97 186**	**472 926**	**3 829 752**	**1 584 316**	**1 501 865**	**7 487 389**
31 December 2022							
Acquisition cost	1 344	97 186	472 926	5 340 413	2 129 029	4 468 052	12 508 949
Accumulated depreciation				-1 494 819	-544 712	-2 945 526	-4 985 057
Accumulated impairment loss				-15 842		-20 661	-36 503
Carrying value 31.12	**1 344**	**97 186**	**472 926**	**3 829 752**	**1 584 317**	**1 501 865**	**7 487 389**

2023	Prepayments to suppliers	Projects in progress	Real estate	Buildings	Vessels (fishing boats)	Machines, fixtures, equip., etc.	Total
Accounting year 2023							
Carrying value 01.01	1 344	97 186	472 926	3 829 752	1 584 317	1 501 865	7 487 389
Allocation of completed projects in progress	-102	-98 541	14 985	33 343	0	50 314	0
Foreign currency translation differences	26	1 266	3 750	32 366	0	24 253	61 661
Business combinations				18 913		292 183	311 096
Operating assets acquired	18 634	222 811	19 275	240 138	119 020	706 240	1 326 118
Disposal			-1 647	-10 754		-12 278	-24 678
Depreciation for the year				-347 655	-120 159	-393 675	-861 490
Impairment loss		-32 907		-53 950		-17 253	-104 110
Carrying value 31.12	**19 902**	**189 815**	**509 289**	**3 742 154**	**1 583 178**	**2 151 650**	**8 195 987**
31 December 2023							
Acquisition cost	19 902	222 723	509 289	5 562 765	2 248 049	5 377 192	13 939 919
Accumulated depreciation				-1 751 121	-664 872	-3 187 736	-5 603 729
Accumulated impairment loss		-32 907		-69 490		-37 806	-140 204
Carrying value 31.12	**19 902**	**189 815**	**509 289**	**3 742 153**	**1 583 178**	**2 151 650**	**8 195 987**

Note 9 cont.

Specification of impairment loss	Prepayments to suppliers	Projects in progress	Real estate	Buildings	Vessels (fishing boats)	Machines, fixtures, equip., etc.	Total
Restructuring in Spain. Close down of two factories				29 834		8 861	38 695
Restructuring in Norway. Close down of slaughtery				24 000			24 000
Projects stopped due to new resource rent tax		32 907					32 907
Other impairments, machines and equipment				116		8 392	8 508
Total	**0**	**32 907**	**0**	**53 950**	**0**	**17 253**	**104 110**

For prepayments to suppliers, the right of property is transferred to the Group on time of completion.

For projects in progress, the right of property is transferred to the Group based on progress.

Information on estimated useful life for fixed assets is provided in paragraph (H) in the note on accounting policies.

Information on mortgages for fixed assets is provided in note on loans, mortgages and guarantees.

Leased assets are from 1 January 2019 included in the new group "right-of-use assets". See note on leases.

Note 10 Shares in joint ventures, associates and other investments

(All figures in NOK 1 000)

Shares in joint ventures and associates

Classification

The joint ventures and associated companies in the group are listed in the table below, and each company is allocated to operating segment. Changes during the year are also included. Net book value is recognised according to the equity method.

The companies defined as joint ventures (from 2022) are classified as material. The remaining companies are defined as associates, and they are classified as not material.

Company	Owner (in LSG group)	Operating segment	Country	Place of business	Ownership / voting share 01.01	Ownership / voting share 31.12	Net book value 31.12
Joint ventures (JV)							
Norskott Havbruk AS – group	Lerøy Seafood Group ASA	Farming	Norway	Bergen	50%	50%	1 076 095
Seistar Holding AS – group	Lerøy Seafood Group ASA	Farming	Norway	Austevoll	50%	50%	260 903
Total classified as material							1 336 998
Associated companies (AC)							
Nesset Kystfiske AS	Sørvær Kystfiskeinvest AS	Wildcatch	Norway	Hasvik	34%	34%	1 163
Holmen Fiske AS	Sørvær Kystfiskeinvest AS	Wildcatch	Norway	Hasvik	34%	33%	3 837
Båtsfjord Bedriftshelsetjeneste AS	Lerøy Norway Seafoods AS	Wildcatch	Norway	Båtsfjord	28%	28%	370
Båtsfjord Laboratorium AS	Lerøy Norway Seafoods AS	Wildcatch	Norway	Båtsfjord	34%	34%	401
Itub AS	Lerøy Norway Seafoods AS	Wildcatch	Norway	Ålesund	22%	0%	0 [2]
Sørvær Fiskerikai AS	Lerøy Norway Seafoods AS	Wildcatch	Norway	Hasvik	0%	50%	15 [1]
Finnmark Kystfiske AS	Lerøy Havfisk AS	Wildcatch	Norway	Hammerfest	49%	49%	1 694
Vestvågøy Kystrederi AS	Lerøy Havfisk AS	Wildcatch	Norway	Vestvågøy	50%	50%	2 865
Ocean Forest	Lerøy Seafood Group ASA	Farming	Norway	Bergen	50%	50%	204
Kirkenes Processing AS	Lerøy Aurora AS	Farming	Norway	Kirkenes	50%	50%	1
Romsdal Processing AS	Lerøy Aurora AS	Farming	Norway	Midsund	44%	44%	14 822
Norway Salmon AS	Lerøy Midt AS	Farming	Norway	Rørvik	50%	50%	528
Sporbarhet AS	Lerøy Seafood Group ASA	Farming	Norway	Trondheim	27%	27%	2 678
Vågen Fiskeriselskap AS	Sirevaag AS	VAPSD *	Norway	Hå	47%	47%	1
The Seafood Innovation Cl. AS	Lerøy Seafood Group ASA	VAPSD *	Norway	Bergen	20%	20%	435
SCS Industry Aps	Lerøy Seafood Denmark A/S	VAPSD	Denmark	Hirtshals	50%	50%	60
Total classified as not material							29 074
Grand total							**1 366 072**

*) VAPSD is short for VAP, sales & distribution (VAP = Value Added Processing)
1) Purchase of shares
2) Sale of shares

Note 10 cont.

Carrying value on and income from joint ventures and associated companies

	Seistar Holding AS Group	Norskott Havbruk AS Group	Other associated companies	Total
Acquisition year	**2015**	**2001**		
2022				
Income from joint ventures and associates				
Share of this year's profit	20 731	41 492	3 156	**65 379**
Gain from disposal of associate			296	**296**
Total	**20 731**	**41 492**	**3 452**	65 675
Fair value adjustments on biological assets (after tax) from JV and AC		11 982		**11 982**
Income from JV and AC, before fair value adjustments	**20 731**	**29 510**	**3 452**	**53 693**
Opening balance 01.01	**218 682**	**1 094 884**	**34 505**	**1 348 072**
Companies acquired			716	**716**
Companies sold			-10	**-10**
Share of this year's profit	20 731	41 492	3 156	**65 379**
Dividend distributed	-6 000			**-6 000**
Currency translation differences *		1 917	2	**1 919**
Other changes over equity		14 562		**14 562**
Closing balance as of 31.12	**233 413**	**1 152 855**	**38 369**	**1 424 638**

	Seistar Holding AS Group	Norskott Havbruk AS Group	Other associated companies	Total
2023				
Income from joint ventures and associates				
Share of this year's profit	**30 489**	**-167 703**	**-6 094**	**-143 308**
Fair value adjustments on biological assets (after tax) from JV and AC		6 371		**6 371**
Income from JV and AC, before fair value adjustments	**30 489**	**-174 075**	**-6 094**	**-149 680**
Opening balance 01.01	**233 413**	**1 152 855**	**38 369**	**1 424 638**
Companies acquired			43	**43**
Companies sold			-9 227	**-9 227**
Share of this year's profit	30 489	-167 703	-6 094	**-143 308**
Dividend distributed	-3 000			**-3 000**
Currency translation differences *		95 386	0	**95 386**
Other changes over equity		-4 443	5 982	**1 539**
Closing balance as of 31.12	**260 903**	**1 076 095**	**29 074**	**1 366 072**

*) Currency translation differences relate to translation for the sub-group Scottish Seafarms, owned by Norskott Havbruk AS, where functional and reporting currency is GBP.

Note 10 cont.

Other information on joint ventures and associates considered material to the Group

Assesment of materiality

Only the two joint venture companies Norskott Havbruk AS and Seistar Holding AS is considered material to the Group.

Information on material transactions

The Group has purchased salmon from Norskott Havbruk Group for NOK 115 million, and purchased wellboat services from Seistar Holding AS for NOK 309 million. See note 25 on related parties for further details.

Information on subsidiaries

Company	Owner (JV or subsidiary of JV)	Operating segment	Country	Ownership / voting share 01.01	Ownership / voting share 31.12
Scottish Seafarms Ltd *	Norskott Havbruk AS	Farming	Scotland	100%	100%
Ettrick Trout Ltd	Scottish Seafarms Ltd	Farming	Scotland	100%	100%
Orkney Sea Farms Ltd	Ettrick Trout Ltd	Farming	Scotland	100%	100%
SSF Hjaltland	Scottish Seafarms Ltd	Farming	Scotland	100%	100%
SSF Shetland	SSF Hjaltland	Farming	Scotland	100%	100%
Isle of Skye Salmon	SSF Hjaltland	Farming	Scotland	100%	100%
Mowi Star AS	Seistar Holding AS	Farming	Norway	100%	100%
Seivåg Shipping AS	Seistar Holding AS	Farming	Norway	100%	100%
Seigrunn AS	Seistar Holding AS	Farming	Norway	100%	100%
Seihav AS	Seistar Holding AS	Farming	Norway	0%	100%
Seistar Prosessfartøy AS	Seistar Holding AS	Farming	Norway	0%	100%

*) Dormant subsidiaries are not included in this table.

Financial information (100%)

The accounting figures for associates, as shown below, are prepared in accordance with IFRS Accounting Standards.

The figures for present year are based on priliminary annual accounts, as the final annual accounts are not submitted.

	Seistar Holding AS Group		Norskott Havbruk AS Group	
Consolidated figures	2023	2022	2023	2022
Revenue	249 715	270 553	2 561 466	3 187 853
Other gains (+) and losses (-)	38 997	0	0	0
Operating profit (EBIT) before fair value adjustments	75 858	53 154	-303 260	214 280
Operating profit (EBIT)	75 858	53 154	-287 475	245 003
Pre-tax profit	62 479	41 506	-481 851	165 813
Annual profit	60 917	40 563	-335 406	82 984
Other comprehensive income	**0**	**0**	**-8 886**	**29 124**
Fixed assets	740 739	711 007	3 591 919	3 403 086
Current assets	173 121	124 236	2 539 809	1 823 850
Total assets	**913 861**	**835 243**	**6 131 728**	**5 226 936**
Long-term debt	337 601	366 862	2 396 226	2 080 765
Short-term debt	90 754	43 792	1 583 312	840 460
Total debt	**428 354**	**410 654**	**3 979 538**	**2 921 225**
Net interest-bearing debt	176 587	267 607	2 803 262	2 037 486
Equity	485 506	424 590	2 152 190	2 305 711

Note 10 cont.

Information on biological assets

Norskott Havbruk AS (group) has farming operations in Scotland, and therefore has biological assets on the balance sheet. The key figures for inventory of fish in the sea for Norskott Havbruk AS group are as follows:

Information on fish in sea and harvested volume in the period, in tonnes	2023		2022	
Ownership	100%	50%	100%	50%
Total fish in sea (LWT)	27 344	13 672	19 983	9 992
Total harvest volume in the period (GWT):	**24 884**	**12 442**	**35 936**	**17 968**

Fair value adjustment related to biological assets in the statement of financial position	2023		2022	
Ownership	100%	50%	100%	50%
Fair value adjustment as of 01.01	32 657	16 328	1 934	967
Fair value adjustment through the income statement	16 337	8 168	30 723	15 361
Fair value adjustment as of 31.12	48 993	24 497	32 657	16 328
Cost price of fish in sea 31.12	1 781 990	890 995	1 261 473	630 737
Cost price of roe, fry and smolt 31.12	134 741	67 370	146 526	73 262
Carrying value of biological assets 31.12	**1 965 724**	**982 862**	**1 440 656**	**720 328**
Fair value adjustment through the income statement, after tax *	12 743	6 371	23 964	11 982

*) Alternative performance measures (APM), presented as "pre-tax profit before fair value adjustments related to biological assets", are adjusted with this amount.

Other investments

Other shares as of 31.12.2023	Ownership / voting share	Cost price	Fair value	Carrying value
Various minor shareholdings	Insignificant	13 857	13 857	13 857
Total		**13 857**	**13 857**	**13 857**

Considering the immaterial value of the assets, historic cost has been applied as the best estimate for fair value.

Note 11 Biological assets

(All figures in NOK 1 000)

The Group recognises and measures biological assets (fish in sea) at fair value. For salmon and trout, including parent fish, a present value model is applied to estimate fair value. For roe, fry, smolt and cleaner fish, which has a limited value compared with the total stock, 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 optimal harvest weight. The cash flow is discounted monthly by a discount rate. Please refer to note (I) on accounting policies for more detailed information.

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 liabilities. The Group also enters into Fish Pool contracts to hedge prices. The number of such contracts is limited. When utilised, the Fish Pool contracts are recorded as financial instruments on the balance sheet (derivatives), where unrealised gain is classified as other short-term receivables and unrealised loss as other short-term liabilities.

Fair value adjustment recognised in the period related to biological assets comprises: (1) Change in fair value adjustment of biological assets, (2) change in fair value of onerous contracts (loss-making contracts) and (3) change in unrealised gain/loss of financial sale and purchase contracts (derivatives) for fish in Fishpool. The last mentioned adjustment does only include Fish Pool contrants recognized as value hedges.

Recognised fair value adjustment related to biological assets consist of	2023	2022
Change in fair value adjustment of biological assets (fish in sea)	167 331	1 057 507
Change in fair value of onerous contracts	-42 369	30 659
Change in fair value of Fish Pool contracts	0	0
Fair value adjustments related to biological assets	**124 962**	**1 088 166**

Note 11 cont.

The balance sheet item and accounting line impacted from the different adjustments mentioned above, is specified below:

Reconciliation of carrying amount of fair value related to biological assets	2023	2022
Fair value adjustment of biological assets 01.01	2 508 145	1 450 638
Change in fair value adjustment on fish in sea	167 331	1 057 507
Fair value adjustment of biological assets 31.12	**2 675 476**	**2 508 145**

The balance sheet item is included in biological assets. The accounting line is further specified below.

Reconciliation of carrying amount of onerous contracts	2023	2022
Carrying amount of onerous contracts 01.01	-13 600	-44 259
Change in fair value of onerous contracts	-42 369	30 659
Carrying amount of onerous contracts 31.12	**-55 969**	**-13 600**

The balance sheet item is included in other short-term liabilities.

Reconciliation of carrying amount of Fish Pool contracts	2023	2022
Fish Pool contracts 01.01	0	1 836
Change in fair value of Fish Pool contracts included profit and loss	0	0
Change in fair value of Fish Pool contracts – recognised in OCI	0	-1 836
Fish Pool contracts 31.12	**0**	**0**

Fish Pool contracts are financial instruments. Fair value of Fish Pool contracts recognised in OCI are presented in note on financial instruments.

Carrying amount of biological assets consist of	2023	2022
Fish in sea at historical cost *	5 294 231	4 632 941
Roe, fry, smolt and cleaner fish at cost *	454 775	476 507
Total biological assets before fair value adjustment	5 749 007	5 109 448
Fair value adjustment of biological assets (fish in sea)	2 675 476	2 508 145
Total biological assets 31.12	**8 424 483**	**7 617 593**
Fish in sea at fair value	7 969 707	7 141 086
Roe, fry, smolt and cleaner fish at fair value	454 775	476 507
Total biological assets 31.12	**8 424 483**	**7 617 593**

*) Historical cost minus expensed mortality

Reconciliation of carrying amount of biological assets	Roe, fry, smolt and cleaner fish*	Fish in sea (salmon and trout)*	Fair value adjust-ment	Total biological assets
Biological assets 01.01.2022	**362 065**	**4 231 901**	**319 546**	**4 913 512**
Changes in 2022				
Increase from biological transformation (released and net growth)	1 300 597	8 186 224		9 486 821
Increase from business combination (acquisition)				0
Reduction due to sale and internal use (smolt and cleaner fish)	-1 191 882			-1 191 882
Reduction due to harvest (salmon and trout)		-7 324 780		-7 324 780
Reduction due to incident-based mortality	-17 750	-347 260		-365 011
Reduction due to accidental release		-156		-156
Net change in fair value (fish in sea)			1 057 509	1 057 509
Biological assets 31.12.2022	**476 507**	**4 632 940**	**2 508 146**	**7 617 593**
Changes in 2023				
Increase from biological transformation (released and net growth)	1 406 459	9 645 486		11 051 946
Increase from business combination (acquisition)				0
Reduction due to sale and internal use (smolt and cleaner fish)	-1 411 273			-1 411 273
Reduction due to harvest (salmon and trout)		-8 492 135		-8 492 135
Reduction due to incident-based mortality	-16 918	-492 061		-508 979
Reduction due to accidental release		-1		-1
Net change in fair value (fish in sea)			167 331	167 331
Biological assets 31.12.2023	**454 775**	**5 294 230**	**2 675 477**	**8 424 483**

*) Carrying amount before fair value adjustment (historical cost minus charged mortality)

Note 11 cont.

Reconciliation of volume for stock of fish in sea in LWT (live weight in tonnes)	2023	2022
Live weight of fish in sea at 01.01	**97 923**	**107 242**
Changes through the year		
Increase from biological transformation (released and net growth)	202 811	206 684
Increase from business combination (acquisition)	0	0
Reduction due to harvesting	-186 709	-204 369
Reduction due to incident-based mortality	-16 047	-11 630
Reduction due to accidental release	-1	-3
Live weight of fish in sea at 31.12	**97 977**	**97 923**

Harvest volume in GWT (slaughter weight in tonnes)	2023	2022
Salmon	138 673	151 942
Trout	20 947	22 687
Total volume	**159 620**	**174 629**

The table below shows how the total volume for fish in the sea, live weight measured in tonnes, is distributed by weight:

Groups of biological assets (LWT)	2023	2022
Distribution by live weight		
Fish in sea, 0–1 kg	10 964	10 690
Fish in sea, 1–2 kg	10 454	17 707
Fish in sea, 2–3 kg	34 313	20 597
Fish in sea, 3–4 kg	15 884	35 865
Fish in sea, 4–4.65 kg for salmon / 4–4.8 kg for trout	15 401	12 680
Fish in sea, more than 4.65 kg for salmon / more than 4.8 kg for trout (fish ready for harvest)	10 961	384
Fish in sea, total salmon and trout	**97 977**	**97 923**

Distribution according to type of fish	2023	2022
Fish ready for harvest	10 961	384
– Salmon (live weight > 4.65 kg)	10 961	384
– Trout (live weight > 4.8 kg)	0	0
Fish not ready for harvest	87 017	97 539
– Salmon (live weight < 4.65 kg)	72 269	85 007
– Trout (live weight < 4.8 kg)	14 748	12 532
Total volum of fish in sea (LWT):	97 977	97 923
– Salmon	83 229	85 391
– Trout	14 748	12 532
Number of individuals		
Number of individuals, all groups (in 1 000)	52 836	53 951

Parameters applied for calculation of fair value

Price parameters

2022 – Estimated future price during expected harvesting period	Forward price*	Exporter fee	Clearing cost	Net forward price
Q1 2023	91.75	-0.75	-0.34	90.66
Q2 2023	95.55	-0.75	-0.34	94.46
Q3 2023	76.48	-0.75	-0.34	75.39
Q4 2023	78.22	-0.75	-0.34	77.13
Q1 2024	84.33	-0.75	-0.34	83.24
Q2 2024	87.50	-0.75	-0.34	86.41

*) Quarterly forward prices in 2024 is based on monthly forward prices sourced from Fish Pool at balance sheet date.

Quarterly forward prices in 2025 is based on average price estimates for 2025 from different major analyist companies, made at balance sheet date.

Note 11 cont.

Price parameters				
2023 – Estimated future price during expected harvesting period	**Forward price ***	**Exporter fee**	**Clearing cost**	**Net forward price**
Q1 2024	108.90	-0.75	-0.34	107.81
Q2 2024	114.40	-0.75	-0.34	113.31
Q3 2024	84.65	-0.75	-0.34	83.56
Q4 2024	87.07	-0.75	-0.34	85.98
Q1 2025	101.83	-0.75	-0.34	100.74
Q2 2025	102.29	-0.75	-0.34	101.20

*) Quarterly forward price based on monthly forward prices sourced from Fish Pool at balance sheet date.

Adjustments are also made for:	2023	2022
Price premium (+/-) for trout	0.00	0.00
Price premium (+/-) for ecological salmon	0.00	0.00
Price premium (+/-) for ASC certified salmon	0.10	0.09
Reduction for quality differences, salmon	-1.27	-1.30
Reduction for quality differences, trout	-1.60	-1.60
Reduction for size differences, salmon	-0.24	-0.26
Reduction for size differences, trout	-0.80	-0.80

Deductions are also made for well boat services, slaughtering and packaging (primary processing), and transport to Oslo from the locality being measured.

Based on the above parameters, an estimated net price is calculated for each locality, and is then included in the cash flow calculation in relation to the assessment of fair value. In connection with the sensitivity analysis conducted in the note on significant accounting estimates and assessments, an estimated average net price is applied to all sizes. This is calculated by dividing the total estimated net sales revenue per locality by the total estimated volume (measured as slaughter weight), based on projected weight on the the date of harvest.

Other parameters	2023	2022
Estimated average net price, all sizes (kr/kg), after primary processing and freight costs	86.3	74.4
Projected mortality in relation to number of individuals per month in North Norway	0.45%	0.45%
Projected mortality in relation to number of individuals per month in Central Norway	0.60%	0.60%
Projected mortality in relation to number of individuals per month in West Norway	1.10%	1.10%
Slaughtering loss for salmon, for recalculation from live weight to gutted weight	14%	14%
Slaughtering loss for trout, for recalculation from live weight to gutted weight	16%	16%
Weight (life weight) for when the fish is considered to be ready for harvest, salmon	4.65 kg	4.65 kg
Weight (life weight) for when the fish is considered to be ready for harvest, trout	4.76 kg	4.76 kg
Discount rate (monthly)	4%	4%

Description of significant cost items originating from an incident, disease or other factor related to biological assets

Accidental releases

For the Group, all accidental release is taken seriously, and the Group's target is zero accidental release. Accidental release may however occur randomly due to unforeseen incidents. All accidental releases are reported to the Directorate of Fisheries, irrespective of the scope of the accident. This applies even if only one individual has escaped. The Group has not experienced any accidental release of economic significance in 2023. The Group had 5 incidents related to escapes in 2023. 1 incident at Lerøy Sjøtroll in connection with treatments where 15 000 fish escaped, 2 incidents located to hole in net at Lerøy Midt and Lerøy Sjøtroll where totally 27 fish escaped, and 2 incidents in connections with lice counting at Lerøy Sjøtroll, where totally 3 fish escaped into the sea. In total only 15 030 individuals escaped from a total stock of approximately 53 million individuals.

Incident-based mortality

The Group defines mortality as abnormal when more than a certain percentage of the total number of fish die in the space of one month. In region West this limit is 2.5% for salmon, and otherwise 1.5%. For more detailed information, see the note on biological assets (I).

Abnormal mortality is defined as incident-based mortality and is charged to the income statement in the period in which it occurs. As in 2022 most of the incident-based mortality in 2023 has been caused by sea lice treatment. However, some mortality has been caused by diseases, like gill disease and CMS, together with weakness from winter wounds.

Fish health, including minimizing mortality, is the cornerstone of the Group's strategy. The positive trend in the number of sea lice treatments and related mortality, continued during first half of 2023, but in the second half of 2023, the number of sea lice treatments have increased, as well as the mortality following the treatments, gill disease and in charge of the jellyfish. The Group works continuously with actions and technology to solve this challenge.

Note 12 Other inventories

(All figures in NOK 1 000)

Other inventories consist of	2023	2022
Feed, packaging materials, auxiliary and other	571 450	533 614
Raw materials, including catches onboard on trawling wessels	259 782	494 886
Work in progress	49 667	49 821
Finished goods / goods for sale	1 523 644	1 237 635
Impairments, including obsoleteness	-6 369	-8 059
Total other inventories	**2 398 175**	**2 307 897**

Change in stock of biological assets at cost, raw materials and finished products	2023	2022
Biological assets at cost	5 749 007	5 109 448
Total other inventories	2 398 175	2 307 897
Total inventory at cost	**8 147 181**	**7 417 345**
Total inventory at cost 01.01	7 417 345	5 761 143
Total inventory at cost 31.12	8 147 181	7 417 345
Change	**729 836**	**1 656 202**

Positive change in inventory represents a cost reduction
Negative change in inventory represents a cost increase

Change in inventory included in translation differences related to subsidiaries through OCI	0	0
Change in inventory – through the income statement	**729 836**	**1 656 202**

Note 13 Receivables

(All figures in NOK 1 000)

Total receivables

Receivables as of 31.12	Classification	2023	2022
Non-current receivables	Non-current	116 350	123 314
Trade receivables	Current	2 926 481	2 716 977
Other current receivables	Current	2 037 207	555 273
Total		**5 080 037**	**3 395 564**

Non-current receivables

Non-current receivables	2023	2022
Loan to associates	14 523	17 796
Loans to employees, including CEOs	4 280	4 290
Loans to fishermen	31 377	37 300
Loans to others	0	1 500
Financial instruments with positive fair value, non-current (see note 14)	42 854	39 160
Deposits (mainly Norges Råfisklag)	17 152	17 013
Other receivables and periodisations	3 164	6 254
Total	**116 350**	**123 314**

Non-current receivables by currency	2023	2022
NOK	112 193	121 625
EUR	4 068	1 689
Other currencies	89	0
Total	**116 350**	**123 314**

Trade receivables

Trade receivables	2023	2022
Nominal value	2 949 231	2 751 955
Provision for bad debts	-22 751	-34 977
Total trade receivables	**2 926 481**	**2 716 977**

The Group normally invoices the agreed transaction price upon delivery of the goods. Payment is typically due within 30–60 days. The Group arranges for third parties to distribute the goods to the customers and carries the incurred distribution costs itself. The customers cover these costs through the agreed transaction price

All but an insignificant part of the Group's trade receivables are covered by credit insurance or other forms of surety. The loss deductible on credit insured trade receivables is 10%.

By the end of February 2024 95.9% of trade receivables (nominal value) had been collected, compared with 94.3% in the previous year. This represents 96.7% of book value, compared with 95.6% in the previous year.

Trade receivables 31.12 – aging	2023	2022
Not due	2 023 376	2 136 733
Due, 0 to 3 months	860 203	548 873
Due, 3 to 6 months	38 096	34 841
Due, more than 6 months	27 556	31 507
Total	**2 949 231**	**2 751 955**

Trade receivables 31.12 – provision	2023	2022
Not due	1 225	3 391
Due, 0 to 3 months	3 683	6 070
Due, 3 to 6 months	766	2 454
Due, more than 6 months	17 078	23 063
Total	**22 751**	**34 977**

Note 13 cont.

Trade receivables 31.12 – no provision	2023	2022
Not due	2 022 152	2 133 342
Due, 0 to 3 months	856 521	542 803
Due, 3 to 6 months	37 330	32 387
Due, more than 6 months	10 478	8 444
Total	**2 926 481**	**2 716 977**

Lifetime expected loss allowance for provision	2023	2022
Not due	0.1%	0.2%
Due, 0 to 3 months	0.4%	1.1%
Due, 3 to 6 months	2.0%	7.0%
Due, more than 6 months	62.0%	73.2%
Total	**0.8%**	**1.3%**

Movements in provision for bad debt are as follows:	2023	2022
Provision 01.01	34 977	23 476
Business combinations	0	0
This years change in provisions, recognised in the income statement	-12 823	11 121
Currency translation differences	596	380
Provision 31.12	**22 751**	**34 977**

Net loss on account receivables included in the income statement	2023	2022
Net change in provision for bad debt	-12 823	11 121
Receivables written off during the year as uncollectable	7 927	2 914
Receivables written off, recovered	-20	-6 958
Total cost (+) / cost reduction (-)	**-4 916**	**7 076**

Included in other operating expenses

Trade receivables by currency	2023	2022
NOK	1 413 288	745 109
SEK	169 705	320 554
DKK	149 344	152 377
GBP	6 685	0
EUR	742 394	1 337 754
USD	77 675	122 877
JPY	335 735	0
Other currencies	31 654	38 306
Total trade receivables	**2 926 481**	**2 716 977**

The Group has international operations and is exposed to currency risk in several currencies. Receivables are recognised at market rate on balance sheet date. Forward contracts are utilised to the greatest extent possible to eliminate currency risk related to outstanding trade receivables. See the note on financial instruments.

Other current receivables

Other current receivables are due within a year, and are classified as current assets.

Other current receivables	2023	2022
VAT to be refunded	1 508 189	263 761
Financial instruments measured at fair value (see note 14)	126 599	22 543
Pre-payments	210 252	111 248
Current loans and credits given	22 910	19 823
Other current receivables and periodisations	169 257	137 898
Total	**2 037 207**	**555 273**

Other current receivables as of 31.12 by currency	2023	2022
NOK	1 932 773	520 747
SEK	24 676	13 162
DKK	2 363	6 323
EUR	38 268	10 225
USD	33 607	177
Other currencies	5 520	4 639
Total	**2 037 207**	**555 273**

Note 14 Financial instruments

(All figures in NOK 1 000)

Financial instruments by category

The following principles have been used for the subsequent measurement of financial instruments in the balance sheet:

31.12.2022	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Assets:				
Other investments		16 699		**16 699**
Loans and other long term receivables	84 154		39 160	**123 314**
Trade receivables and other short term receivables *	2 877 582	22 543		**2 900 125**
Cash and cash equivalents	3 304 878			**3 304 878**
Total	**6 266 614**	**39 242**	**39 160**	**6 345 016**
Liabilities:				
Loans (excl. finance leases)	5 338 143			**5 338 143**
Lease liabilities to credit institutions	1 213 715			**1 213 715**
Overdraft facility and other short term loans and credits	1 104 780			**1 104 780**
Trade payables and other short-term liabilities **	2 547 196		5 812	**2 553 008**
Total	**10 203 834**	**0**	**5 812**	**10 209 646**

*) Trade receivables and other receivables excl. advance payments (NOK 108 364) and public duties receivable (NOK 263 761), ref note 13.
**) Trade payables and other debt, excl. statutory liabilities and accrued wages and holiday pay.

31.12.2023	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Assets:				
Other investments		13 857		**13 857**
Loans and other long term receivables	73 496		42 854	**116 350**
Trade receivables and other short term receivables *	3 118 647	126 599		**3 245 246**
Cash and cash equivalents	4 323 109			**4 323 109**
Total	**7 515 252**	**140 456**	**42 854**	**7 698 562**
Liabilities:				
Loans (excl. finance leases)	7 390 358			**7 390 358**
Lease liabilities to credit institutions	1 166 402			**1 166 402**
Overdraft facility and other short term loans and credits	975 792			**975 792**
Trade payables and other short-term liabilities **	3 054 933			**3 054 933**
Total	**12 587 485**	**0**	**0**	**12 587 485**

*) Trade receivables and other receivables excl. advance payments (NOK 210 252) and public duties receivable (NOK 1 508 189), ref note 13.
** Trade payables and other debt, excl. statutory liabilities and accrued wages and holiday pay.

Note 14 cont.

Financial instruments at fair value by level

The table below shows financial instruments at 31.12 at fair value (before tax) according to valuation method. The different levels are defined as follows:

Level 1: Listed price on an active market for an identical asset or liability
Level 2: Valuation based on observable factors other than listed price (used in level 1), either direct (price) or indirect (derived from prices) for the asset or liability
Level 3: Valuation based on factors that are not sourced from observable markets (non-observable premises)

31.12.2022	Level 1	Level 2	Level 3
Assets			
Financial instruments used for hedging			
– Currency forward contracts (fair value hedging) – fair value through profit or loss		22 543	
– Interest rate swaps (cash flow hedging) – fair value through other comprehensive income		39 160	
Other financial instruments			
– Other shares – fair value through profit or loss			16 699
Total	**0**	**61 703**	**16 699**
Herby non-current portion, ref note 13 and note 10	0	39 160	16 699
Herby current portion, ref note 13	0	22 543	0
Liabilities			
Financial instruments used for hedging			
– Currency forward contracts (cash flow hedging) – fair value through other comprehensive income		5 812	
Total	**0**	**5 812**	**0**
Herby non-current portion	0	0	0
Herby current portion, ref note 18	0	5 812	0

31.12.2023	Level 1	Level 2	Level 3
Assets			
Financial instruments used for hedging			
– Currency forward contracts (fair value hedging) – fair value through profit or loss		117 386	
– Bunker derivatives (cash flow hedging) – fair value through other comprehensive income		15 464	
– Interest rate swaps (cash flow hedging) – fair value through other comprehensive income		36 604	
Other financial instruments			
– Other shares – fair value through profit or loss			13 857
Total	**0**	**169 454**	**13 857**
Herby non-current portion, ref note 13 and note 10	0	42 854	13 857
Herby current portion, ref note 13	0	126 600	0
Liabilities			
Financial instruments used for hedging			
– Currency forward contracts (cash flow hedging) – fair value through other comprehensive income			
Total	**0**	**0**	**0**
Herby non-current portion	0	0	0
Herby current portion, ref note 18	0	0	0

Note 14 cont.

Change in fair value on financial intruments included in receivables, debt, profit and loss and OCI

The table below presents the accounting of financial instruments included in receivables and debt.

The financial instruments are recognised at fair value. Depending on type of hedge, the change in fair value is booked either through PL or OCI.

Each type of financial instruments is further explained below the table.

Changes in balance sheet values before tax	Fair value as of 01.01.2023	Fair value through profit or loss	Fair value through other comprehensive income	Currency translation differences	Fair value as of 31.12.2023
Financial instruments included in non-current receivables					
Interest rate swap agreements	39 160		-2 556		**36 604**
Bunker derivates	0		6 250		**6 250**
Total	**39 160**	**0**	**3 694**	**0**	**42 854**
Financial instruments included in other current receivables					
Currency forward contracts – recognised hedge objects	3 939	78 640	15 870		**98 449**
Currency forward contracts – non-recognised hedge objects *	18 604	333	0		**18 937**
Bunker derivates	0		9 214		**9 214**
Total	**22 543**	**78 973**	**25 083**	**0**	**126 599**
Financial instruments included in other short-term liabilities					
Currency forward contracts – recognised hedge objects	-5 812		6 219	-407	**0**
Total	**-5 812**	**0**	**6 219**	**-407**	**0**
Net value before tax	**55 892**	**78 973**	**34 996**	**-407**	**169 454**

Changes in balance sheet values, net after tax	Fair value as of 01.01.2023	Fair value through profit or loss	Fair value through other comprehensive income	Currency translation differences	Fair value as of 31.12.2023
Net value before tax	**55 892**	**78 973**	**34 996**	**-407**	**169 454**
Deferred tax asset (-) / liability (+), financial instruments	-12 703	-17 374	-6 788	61	**-36 803**
Net value after tax	**43 189**	**61 599**	**28 209**	**-346**	**132 650**
Change in cash flow hedges reserve (as stated in note on changes in equity)			28 209	-346	**27 863**

*) Non-recognised hedge objects consist of binding sales contracts that are hedged (value hedges). Change in fair value on hedged risk in the hedged period is recognised through profit or loss. The change in fair value on the hedging instrument will have its oposite equal value as a short term receivable or as other short term debt, depending on positive or negative value on the instrument. Information on this will be included in either the note on receivables or other short-term debt, depending on positive or negative value in the instrument.

Note 14 cont.

Changes through OCI after tax, per type of instrument	2023	2022
Changes interest rate swap agreements	-1 994	23 880
Changes currency forward contracts	18 141	-4 940
Changes bunker derivatives	12 062	-1 167
Changes Fish Pool contracts	0	-1 649
Total (ref. Statement of comprehensive income)	**28 209**	**16 124**

Currency forward contracts

The value of the Norwegian krone is one of many parameters that have an effect on the Group's competitiveness. The Group has at all times a substantial biomass in the sea that represents future sales. A significant share of the Group's revenue is generated in currencies other than NOK. Revenue by currency is presented in the note on operating segments, and trade receivables by currency is presented in the note on receivables.

In order to minimize the currency risk the Group uses currency forward contracts to hedge both net receivables and signed sales contracts in foreign currency. The majority of the contracts have this purpose. Thus the Group recognises these currency forward contracts as fair value hedging, also for the signed sales contracts, which are off-balance items. The change in fair value on currency forward contracts and hedged foreign exchange gain/loss on firm commitments is recognized as foreign exchange gain/loss classified as cost of materials in the income statement, as it relates to the inventory cycle.

Some currency forward contracts are acquired by foreign VAPS&D entities with the purpose of reducing the currency risk related to external purchases in NOK. The Group recognize these currency forward contracts for purchase contracts as a cash flow hedge. The effective share of the change in value of the derivatives is recorded through other comprehensive income. The gross asset or liability carried is a taxable temporary difference. The change in deferred tax caused by the change in gross carrying amount is also recorded through other comprehensive income, and is therefore not included in the tax cost for the year in the income statement. When realised, the effect is charged to cost of goods.

Financial purchase and sales contracts for salmon (fish pool contracts)

Hedge accounting is applied for the financial purchase and sales contracts for salmon (Fish Pool contracts). Normally, the contracts expire within one year. The fair value of the Fish Pool derivatives (gross before tax) is carried under the item for "other current receivables" when positive and other short-term liabilities when negative. The effective share of the change in value of the derivatives is recorded through other comprehensive income (cash flow hedging). The gross asset or liability carried is a taxable temporary difference. The change in deferred tax caused by the change in gross carrying amount is also recorded through other comprehensive income, and is therefore not included in the tax cost for the year in the income statement. When realised, the effect is charged to cost of goods.

Financial purchase contracts for bunkers (bunker derivatives)

Hedge accounting is applied for the financial purchase contracts for bunkers (bunker derivatives). Normally, the contracts expire within one year. The fair value of the bunker derivatives (gross before tax) is carried under the item for "other current receivables" when positive and other short-term liabilities when negative. The effective share of the change in value of the derivatives is recorded through other comprehensive income (cash flow hedging). The gross asset or liability carried is a taxable temporary difference. The change in deferred tax caused by the change in gross carrying amount is also recorded through other comprehensive income, and is therefore not included in the tax cost for the year in the income statement. When realised, the effect is charged to bunker cost, which is included in other operating expenses.

Interest rate swaps

Hedge accounting is applied for interest rate swaps. Normally, the contracts expire later than one year. The fair value of interest rate swaps (gross before tax) is carried as a non-current asset under the accounting item for "non-current receivables" if positive, and under the accounting item for "other long term liabilities" if negative. If the agreement has a remaining duration of less than one year, the value is entered under "other current receivables" if positive, and under "other short term liabilities" if negative. The effective share of the change in value of the interest rate swap is recorded through other comprehensive income (cash flow hedging). The gross asset or liability carried is a taxable temporary difference. The change in deferred tax caused by the change in gross carrying amount is also recorded through other comprehensive income, and is therefore not included in the tax cost for the year in the income statement.

At year-end, the Group had the following interest rate swaps:

Agreement 1 from 2020:
NOK 304 688, Start 15 April 2020. Duration 7 years, Terminates 15 April 2027, Interest rate 1.438%, in Lerøy Havfisk AS.

Agreement 2 from 2020:
NOK 304 688, Start 15 April 2020. Duration 7 years, Terminates 15 April 2027, Interest rate 1.440%, in Lerøy Havfisk AS.

Initial hedged amount on each of the two agreements in Lerøy Havfisk AS was NOK 370 313. The amount on the interest rate swap decreases during the life time to reflect the instalments paid on the hedged debt.

The periodic interest payments related to the hedging instrument (interest rate swaps) are calculated as the difference between fixed and floating interest rate multiplied with the nominal value of the agreement. The fixed rate, expectations about the future floating rate, and the remaining life time to expiery, are the most important parameters in the calculation of the fair value. The periodic interest payments related to the hedged item (the long term loans) are calculated as the floating rate plus margin multiplied with the nominal value of the loan.

Note 14 cont.

Change in value on interest rate swaps	2023	2022
Nominal value on interest rate swap agreements		
Nominal amount 01.01	646 875	1 184 375
Agreements expired during the period	0	-500 000
Change in nominal value on existing agreements	-37 500	-37 500
Nominal amount 31.12	**609 375**	**646 875**
Book value 01.01		
Fair value of interest rate swaps at 01.01	39 160	8 544
Deferred tax asset related to interest rate swaps	-8 615	-1 880
Net value after tax 01.01	**30 545**	**6 665**
Tax rate applied	22%	22%
Change through other comprehensive income		
Change in fair value of interest rate swaps	-2 556	30 616
Change in related deferred tax	562	-6 735
Net change in fair value through other comprehensive income (cash flow hedging)	**-1 994**	**23 880**
Tax rate applied	22%	22%
Book value 31.12		
Fair value of interest rate swaps at 31.12	36 604	39 160
Deferred tax asset related to interest rate swaps	-8 053	-8 615
Net value after tax 31.12	**28 551**	**30 545**
Tax rate applied	22%	22%
Fair value of interest rate swaps at 31.12 consist of		
Long term receivables	36 604	39 160
Short term liability	0	0
Fair value of interest rate swaps at 31.12	**36 604**	**39 160**

Note 15 Loans, mortgages and guarantees

(All figures in NOK 1 000)

Long-term debt

Debt is split on short-term and long-term debt. Payments that matures within 12 months from balance sheet date is presented as short-term debt.

Both short-term and long-term debt consist of interest bearing and non-interest bearing debt. Interest bearing debt is an alternaltive performance measure (APM). The figure consists of debt with the main purpose of providing financing to the group, together with equity. The items included are specified below. It is also further described in the section about net interest bearing debt (NIBD) in the note on alternative performance measures.

Long-term debt as of 31.12, split on short-term and long-term	Included in interest bearing debt	2023			2022		
		Short-term portion	Long-term portion	Total	Short-term portion	Long-term portion	Total
Pension liabilities		0	3 700	**3 700**	0	3 029	**3 029**
Deferred tax		0	5 008 552	**5 008 552**	0	2 576 287	**2 576 287**
Lease liabilities to others		285 553	1 146 745	**1 432 298**	269 614	1 272 906	**1 542 520**
Lease liabilities to credit institutions	Yes	250 343	916 059	**1 166 402**	332 514	881 201	**1 213 715**
Bond loans	Yes	0	2 990 486	**2 990 486**	0	1 493 656	**1 493 656**
Loans from credit institutions	Yes	489 053	3 887 752	**4 376 805**	395 591	3 441 073	**3 836 664**
Other long-term loans	Yes	1 220	21 847	**23 067**	1 486	659	**2 145**
Other long-term liabilities		0	0	**0**	0	5 678	**5 678**
Total		1 026 170	13 975 140	**15 001 310**	999 206	9 674 488	**10 673 694**
Herby interest bearing debt (of long-term debt)		740 616	7 816 144	**8 556 760**	729 591	5 816 589	**6 546 180**

For further description of the basis for classifying debt as interest bearing, see note on alternative performance measures. Pension liabilities is considered to be long-term only, and is further described in note on pension liabilities. Deferred tax is considered to be long-term only, and is further described in note on tax. Lease liabilities is further described in note on leases. Payment profile is described below. Bond loans is described below. Loans from credit institutions is described below. Other long-term loans are loans from suppliers. Other long-term liabilities concerns mainly non-interest bearing long term credit with supplier.

Note 15 cont.

Interest bearing debt and net interest bearing debt (NIBD)

In the table below also current interest bearing debt are included. Total interest bearing debt consists of both long-term and short-term items. Total interest bearing debt is specified by currency below. Bank deposits are interest bearing. Net interest bearing debt (NIBD) is defined as interest bearing debt minus bank deposits. Changes in NIBD during the year is presented in a table below. NIBD is explained in more detail in note on APMs.

	2023			2022		
Interest bearing debt as of 31.12	Short-term portion of long term debt	Long-term portion of long term debt	Total	Short-term portion of long term debt	Long-term portion of long term debt	Total
Long-term interest bearing debt						
Lease liabilities to credit institutions	250 343	916 059	**1 166 402**	332 514	881 201	**1 213 715**
Bond loans	0	2 990 486	**2 990 486**	0	1 493 656	**1 493 656**
Loans from credit institutions	489 053	3 887 752	**4 376 805**	395 591	3 441 073	**3 836 664**
Other long-term loans	1 220	21 847	**23 067**	1 486	659	**2 145**
Total	740 616	7 816 144	**8 556 760**	729 591	5 816 589	**6 546 180**
Short-term interest bearing debt						
Overdrafts	951 951		**951 951**	1 064 097		**1 064 097**
Other short term credits	23 841		**23 841**	40 683		**40 683**
Total	975 792		**975 792**	1 104 780		**1 104 780**
Total	**1 716 408**	**7 816 144**	**9 532 552**	**1 834 371**	**5 816 589**	**7 650 960**
Interest bearing debt as of 31.12 by currency						
NOK	1 327 993	7 574 849	**8 902 842**	1 396 041	5 578 405	**6 974 446**
SEK	60 972	45 167	**106 139**	63 788	47 685	**111 474**
DKK	239 313	37 100	**276 413**	200 808	16 490	**217 299**
EUR	88 130	158 831	**246 961**	173 502	174 008	**347 510**
Other currencies	0	197	**198**	232	0	**232**
Total	**1 716 408**	**7 816 144**	**9 532 552**	**1 834 371**	**5 816 589**	**7 650 960**
Net interest bearing debt (NIBD) as of 31.12						
Interest bearing debt	1 716 408	7 816 144	**9 532 552**	1 834 371	5 816 589	**7 650 960**
Bank deposits	-4 323 109		**-4 323 109**	-3 304 878		**-3 304 878**
NIBD	**-2 606 701**	**7 816 144**	**5 209 443**	**-1 470 507**	**5 816 589**	**4 346 082**

Note 15 cont.

	Assets	Current debt	Non-current debt incl. ST-portion				
Reconciliation of changes in NIBD	Bank deposits	Overdrafts and other short term credit	Bond loans	Loans from credit inst.	Leases from credit inst.	Other loans	**Total**
NIBD as of 01.01.2022	**-4 203 146**	**582 390**	**1 492 431**	**4 186 882**	**1 236 528**	**2 402**	**3 297 487**
Change in bank deposits	898 491						898 491
Cash flows – in		522 390		264			522 654
Cash flows – out				-354 313	-260 269	-324	-614 906
Business combinations	-223				0		-223
New leases from credit institutions					230 035		230 035
Terminated leases with credit institutions					-2 093		-2 093
Currency translation differences				3 831	9 514	67	13 412
Other non-cash movements			1 225				1 225
NIBD as of 31.12.2022	**-3 304 878**	**1 104 780**	**1 493 656**	**3 836 664**	**1 213 715**	**2 145**	**4 346 082**
Change in bank deposits	-984 468						-984 468
Cash flows – in			1 500 000	1 346 023			2 846 023
Cash flows – out		-460 975		-820 061	-250 570	-506	-1 532 112
Business combinations	-33 763	331 987		5 864	9 160		313 248
New leases from credit institutions					183 655		183 655
Terminated leases with credit institutions					-2 895		-2 895
Currency translation differences				8 314	13 337	65	21 716
Currency gain/loss on NIBD items in foreign currency							0
Other non-cash movements			-3 170			21 364	18 194
NIBD as of 31.12.2023	**-4 323 109**	**975 792**	**2 990 486**	**4 376 805**	**1 166 402**	**23 067**	**5 209 443**

Reconciliation of cash flows out, as specified above, against the statement of cash flows	**2023**	**2022**
Cash flows out – related to downpayment on non-current interest bearing debt (according to table above)	-1 071 137	-614 906
Cash flows out – related to downpayment on non-interest bearing loans	0	-3 728
Cash flows out – related to instalment on lease liabilities to others (according to note 8), not included in NIBD	-342 299	-295 672
Downpayments of long-term debt (accordring to statment of cash flows)	**-1 413 436**	**-914 306**

Note 15 cont.

Bond loans

The Group established 3 new bond loans, each amounting to NOK 500 million, in the bond market the 26th of April 2023, and has total 6 bond loans as of 31.12.2023. The bonds are so called green bonds. This implies that the group have established a green financing framework which covers how the proceeds from the bond loans can be used. The framework is published on the Group`s homepage on internet. At year end the Group has qualifying green investments that are significantly higher than the proceeds from the loan. Thus, the Group has already fulfilled it`s obligations concerning type of investments.

All three bond loans have no installments during the duration of the loan. The loans have a duration of 5, 6, 7 and 10 years. The loans with duration of 5 and 6 years have floating interest rate, with 4 termins each year. The loans with a duration of 7 and 10 years, have a fixed interest rate, with one annual termin. The bond loans are measured at amortized cost. The bond loans are unsecured. Fair value is approxemately the same as net book value as of 31.12.

Bond loans as of 31.12.2022	Date of establishment	Duration	Expiery date	Amortizing effect of the period (2022)	Value as of 31.12.2022		
					Nominal value	Unamortized drawing costs	Net book value
NO 0011097305, green bond loan, floating rate NIBOR 3m+1,00 p.a.	17.09.2021	5 years	17.09.2026	525	500 000	-1 969	498 031
NO 0011097297, green bond loan, floating rate NIBOR 3m+1,15 p.a.	17.09.2021	6 years	17.09.2027	438	500 000	-2 078	497 922
NO 0011097339, green bond, fixed rate 3.35% p.a.	17.09.2021	10 years	17.09.2031	262	500 000	-2 297	497 703
Sum				**1 225**	**1 500 000**	**-6 344**	**1 493 656**

New bond loans in 2023	Date of establishment	Duration	Expiery date		Value of new bond loans in 2023		
					Nominal value	Drawing costs	Net book value
NO 0012899287, green bond loan, floating rate NIBOR 3m+1.50 p.a.	26.04.2023	5 years	26.04.2028		500 000	-1 625	498 375
NO 0012899295, green bond loan, fixed rate 5.10% p.a.	26.04.2023	7 years	26.04.2030		500 000	-1 625	498 375
NO 0012899303, green bond loan, fixed rate 5.315% p.a.	26.04.2023	10 years	26.04.2033		500 000	-1 625	498 375
Sum					**1 500 000**	**-4 875**	**1 495 125**

Bond loans as of 31.12.2023	Date of establishment	Duration	Expiery date	Amortizing effect of the period (2023)	Value as of 31.12.2023		
					Nominal value	Unamortized drawing costs	Net book value
NO 0011097305, green bond loan, floating rate NIBOR 3m+1.00 p.a.	17.09.2021	5 years	17.09.2026	525	500 000	-1 444	498 556
NO 0011097297, green bond loan, floating rate NIBOR 3m+1.15 p.a.	17.09.2021	6 years	17.09.2027	438	500 000	-1 640	498 360
NO 0011097339, green bond, fixed rate 3.35% p.a.	17.09.2021	10 years	17.09.2031	262	500 000	-2 035	497 965
NO 0012899287, green bond loan, floating rate NIBOR 3m+1.50 p.a.	26.04.2023	5 years	26.04.2028	203	500 000	-1 422	498 578
NO 0012899295, green bond loan, fixed rate 5.10% p.a.	26.04.2023	7 years	26.04.2030	156	500 000	-1 469	498 531
NO 0012899303, green bond loan, fixed rate 5.315% p.a.	26.04.2023	10 years	26.04.2033	121	500 000	-1 504	498 496
Sum				**1 705**	**3 000 000**	**-9 514**	**2 990 486**

Interests expensed, including amortizing effect	2023	2022
Interests	122 646	43 795
Amortizing effect	1 705	1 225
Total	**124 351**	**45 851**

Note 15 cont.

Payment profile financial liabilities and interest risk etc.

Payment profile financial liabilities	2024	2025	2026	2027	2028	Later	Total
Instalment profile long-term debt							
Instalments on bond loans	0	0	500 000	500 000	500 000	1 500 000	**3 000 000**
Instalments on loans from credit institutions	489 053	946 954	387 070	458 204	799 549	1 295 975	**4 376 805**
Instalments on leasing debt to credit institutions	250 343	232 957	208 939	173 119	118 752	182 291	**1 166 400**
Instalments on other long-term interest-bearing debt	1 220	8 214	13 633	0	0	0	**23 067**
Total instalments on long-term interest-bearing debt	**740 616**	**1 188 125**	**1 109 641**	**1 131 323**	**1 418 301**	**2 978 266**	**8 566 272**
Instalment profile on other long term liabilities							
Instalments on lease liabilities to others than credit institutions	285 553	231 999	204 062	197 619	168 487	344 579	**1 432 298**
Instalments on other long-term non-interest bearing debt	0	0	0			0	**0**
Total instalments on long-term non-interest-bearing debt	**285 553**	**231 999**	**204 062**	**197 619**	**168 487**	**344 579**	**1 432 298**
Interest payment profile long-term debt							
Interest on bond loans	158 175	158 175	150 800	121 488	79 192	195 221	**863 051**
Interest on loans from credit institutions *	241 607	197 585	156 362	138 266	105 984	140 861	**980 665**
Interest on leasing debt to credit institutions	57 268	43 977	31 825	21 318	13 292	15 492	**183 172**
Interest on lease liabilities to others than credit institutions	70 924	56 691	44 699	33 653	23 585	75 047	**304 599**
Interest on other long-term interest-bearing debt	0	0	0	0	0	0	**0**
Total	**527 974**	**456 428**	**383 686**	**314 725**	**222 053**	**426 621**	**2 331 487**

*) The impact from interest swap contracts is included in the amounts.

Payment profile financial liabilities	2024	2025	2026	2027	2028	Later	Total
Other short-term financial liabilities							
Overdraft (interest bearing debt)	951 951						**951 951**
Other short term credits and loans (interest bearing debt)	23 841						**23 841**
Accrued interests	76 493						**76 493**
Trade payables	2 556 729						**2 556 729**
Other short-term liabilities, excl. tax payable and public duties payable	870 396						**870 396**
Total	**4 479 410**	**0**	**0**	**0**	**0**	**0**	**4 479 410**
Grand total	**6 033 553**	**1 876 553**	**1 697 389**	**1 643 667**	**1 808 841**	**3 749 465**	**16 809 467**

The Group's financial liabilities are classified according to payment profile. Classification is based on contractually agreed date of maturity. The financial liability from the interest rate swap defined as cash flow hedge is included in the estimated interest costs on the hedged item.

Note 15 cont.

Liquidity reserve as of 31.12	2023	2022
Bank deposits	4 323 109	3 304 878
Unutilized drawing facilities	3 911 818	2 875 225
Total	**8 234 927**	**6 180 103**

Payment profile interest-bearing debt	2023	2024	2025	2026	2027	2028	Later
Interest-bearing debt 01.01		9 532 552	7 816 145	6 628 019	5 518 378	4 387 055	2 968 754
Instalments on long term interest bearing debt		-740 616	-1 188 125	-1 109 641	-1 131 323	-1 418 301	-2 968 754
Instalments on short term interest bearing debt		-975 792					
Interest-bearing debt 31.12	**9 532 552**	**7 816 145**	**6 628 019**	**5 518 378**	**4 387 055**	**2 968 754**	**0**

Interest-bearing debt 31.12 secured with fixed interest rate	2023	2024	2025	2026	2027	2028	Later
500.0 MNOK, 17.09.2021 – 17.09.2031 (bond loan)	500 000	500 000	500 000	500 000	500 000	500 000	500 000
500.0 MNOK, 26.04.2023 – 26.04.2030 (bond loan)	500 000	500 000	500 000	500 000	500 000	500 000	500 000
500.0 MNOK, 26.04.2023 – 26.04.2031 (bond loan)	500 000	500 000	500 000	500 000	500 000	500 000	500 000
304.7 MNOK, 15.04.2020 – 15.04.2027 (interest swap agreement)	304 688	285 938	267 188	248 438	0	0	0
304.7 MNOK, 15.04.2020 – 15.04.2027 (interest swap agreement)	304 688	285 938	267 188	248 438	0	0	0
Secured interest-bearing debt	2 109 375	2 071 875	2 034 375	1 996 875	1 500 000	1 500 000	1 500 000
Unsecured interest-bearing debt	7 423 177	5 744 270	4 593 644	3 521 503	2 887 055	1 468 754	2 472 668
Total interest-bearing debt	**9 532 552**	**7 816 145**	**6 628 019**	**5 518 378**	**4 387 055**	**2 968 754**	**3 972 668**
Portion exposed to interest rate changes	78%	73%	69%	64%	66%	49%	62%

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates	2023	2022
6 months or less	0	0
6–12 months	0	0
1–5 years	609 375	646 875
Over 5 years	1 500 000	497 965
Total secured interest-bearing debt	**2 109 375**	**1 144 840**
Total unsecured interest-bearing debt	**7 423 177**	**6 506 120**
A change in interest rate of 1% will increase the interest cost in 2024 with approxemately:	65 937	65 061

Note 15 cont.

Fair value, borrowing costs

The book value of long-term debt approximates fair value. There are no significant new loan charges that are not amortised over the life of the loan.

Covenants

The Group's main borrowing conditions ("covenants") in the different loan agreements are to maintain an equity ratio of at least 25% and at least 30%. When calculating the equity ratio, the balance sheet value is adjusted for bank deposits and deferred tax associated with licences. There are also some capital adequacy requirements in some of the subsidiaries that are all 30% or lower. Finally, there are requirements regarding a so-called "borrowing base" in Lerøy Midt AS, Lerøy Vest AS and Sjøtroll Havbruk AS for the short-term overdraft facilities. More specifically, this means that the utilisation of the facility must not exceed a certain level of one or more accounting lines. In this case the relevant accounting lines are inventory, trade receivables and other receivables.

The management of LSG is not aware of any companies within the group that has entered into a position where they have become in breach of their covenants in 2023.

Loans secured by mortgages and mortgaged assets

Loans secured by mortgages consists of	2023	2022
Long-term loans from credit institutions, etc.	4 376 805	3 836 664
Other long-term interest-bearing debt	641	2 145
Short-term debt to credit institutions (overdrafts)	951 951	1 064 097
Other short term interest bearing loans and credits	23 841	40 683
Total liabilities secured by mortgages as of 31.12	**5 353 238**	**4 943 589**

Mortgaged assets	2023	2022
Trade and other receivables	949 415	1 053 974
Shares in associates (Norskott Havbruk AS)	1 076 096	1 152 856
Biological assets and other goods	9 414 325	7 342 775
Fixed assets	5 832 988	7 014 511
Licences *	1 131 314	1 135 949
Net book value on mortgaged assets as of 31.12	**18 404 138**	**17 700 065**

*) Mortgaged licences concern licences owned by Lerøy Midt AS and Lerøy Vest AS.

Guaranties on behalf of third party liabilities

Guraranties as of 31.12	2023	2022
Guraranties on behalf of associated companies	0	7 660
Guraranties on behalf of other third parties	2 671	4 000
Total	**2 671**	**11 660**

As an alternative to direct investment, the Group has in some few cases accepted to guarantee on behalf of third party liabilities.

Note 16 Pensions

(All figures in NOK 1 000)

All the Norwegian companies in the Group satisfy the requirements in the Act relating to mandatory occupational pensions (Norwegian: OTP). The schemes are mainly established as defined contribution pension schemes. Most of the benefit shemes have been replaced with contribution shemes together with a paid-up-policy to the previous members. The remaining net liabilities are calculated based on common actuarial assumptions. In addition some companies within the group have some small unsecured schemes which are financed by operations. These schemes are considered to be immaterial regarding further disclosure in the notes. Information on the pension cost for the year is also provided in the note on payroll costs.

Defined benefit scheme	2023	2022
Present value of future pension liabilities	6 896	5 916
Fair value of pension funds	-3 196	-2 887
Net pension liabilities	**3 700**	**3 029**

Change in capitalised liabilities	2023	2022
Carrying value as of 01.01	3 029	3 393
Costs booked during the year	1 022	950
Estimate differences recognised through comprehensive income (before tax)	497	333
Pension payments and payments of pension premiums	-848	-1 648
Carrying value at 31.12 defined benefit scheme	**3 700**	**3 029**

Total pension cost through profit or loss	2023	2022
Net pension cost, defined contribution scheme	180 885	145 558
Net pension cost, defined benefit scheme	1 022	950
Total	**181 907**	**146 508**

Total pension cost through comprehensive income	2023	2022
Net pension cost (before tax) from benefit plans – comprehensive income	497	333
Tax effect	-124	-83
Total pension cost through comprehensive income	**373**	**250**

Note 17 Taxation

(All figures in NOK 1 000)

New Resource rent tax on Aquaculture in Norway from 01.01.2023
The Norwegian Government enacted a 25% resource rent tax on the income from producing salmon and trout in sea on 31 May 2023. The law applied retroactively from 1 January 2023. The main principles that were established through the OT proposition, are regulated by the Norwegian Tax law chapter 19 - Special rules for taxation of aquaculture activities. The resource rent tax is in addition to the ordinary tax of 22%. The total nominal tax rate for the eligible activity is 47%, which includes 22% ordinary tax and 25% resource rent tax.

A major difficulty for calculating the tax on resource rent for aquaculture in 2023 has been to separate the sea-based activities that are subject to this tax from other types of aquaculture. This is especially hard in a fully integrated value chain, where both land and sea activities have been done by the same company. Another complicated aspect is that the new law does not apply to non-commercial licenses. This means that the tax on resource rent is charged on income from commercial licenses, but not on income from non-commercial licenses. To comply with the requirement for measuring, documenting and reporting, the Group has arranged the production of salmon and trout that are affected by the new tax on resource rent, in distinct legal entities. The following 4 companies in the Group are part of the tax on resource rent regime:

- **Lerøy Aurora Sjø AS (Northern region)**
- **Lerøy Midt Sjø AS (Central region)**
- **Lerøy Vest Sjø AS (Western region)**
- **Sjøtroll Havbruk Sjø AS (Western region)**

The resource rent tax cost in 2023 has two main components, the first one is an implementation effect (a one-off effect) and the second one is a resource rent tax cost for the period.

The **implementation effect** amounts to NOK 1.7 billion. The entire effect comes from increased deferred tax on the stock of fish in sea at time of adoption of the new law, 01.01.2023. The deferred tax increase is a consequence from lack of deduction in resource rent tax for historical cost to stock incurred on the fish in sea up to the time of adoption of the new law. This creates an asymmetry, where the income from the realization of stock is taxed with 47% (ordinary tax + resource rent tax), while only a 22% tax deduction is allowed for the cost (ordinary tax only). This asymmetry does only apply to the stock of fish in the sea at the time of adoption. Costs incurred after that get a full tax deduction of 47%. The asymmetry for fish in sea as of 01.01.2023, leading to the implementation effect, has been seen by politicians as the right way to understand the new law. But it is disputed. And it might not be right. Older tax practice says that deduction in tax for costs should be at the same rate as taxation of the income. A different tax rate for income and cost is unfair, and not following general rules for taxation. But since people from the Authorities have said that deduction will not be given, the group has recorded the tax duty from the imbalance as a deferred tax.

The resource rent tax cost for the period has two components: (1) payable resource rent tax and (2) deferred resource rent tax. The payable resource rent tax for the period is calculated based on the income from producing salmon and trout in the sea, and deducting the related costs. The deductions follow a cash flow approach, which means that the costs are deducted in the same period that they were paid. This might be different from the period that the costs are recognized in the profit and loss statement according to general accepted accounting principles. This causes temporary differences between the accounting profit and the taxable profit. Therefore, a deferred resource rent tax is computed with 25% of the temporary differences. The deferred resource rent tax will change depending on various factors. A key factor is the change in net book value of fish stock in the sea. Another key factor is the net book value of property plant and equipment held by the entities subject to the tax (no such assets 31.12.2023). However, these changes in temporary differences do not affect the overall tax cost. They only affect the year that the tax is payable.

The companies subject to the resource rent tax buys goods and services from, and sell fish to, other group companies. The transfer pricing model applied by the Group pursuant to the OECD transfer pricing guidelines is based on a principle

Note 17 cont.

that the companies subject to the resource rent tax absorbs most variability. As this is a new tax, it is unknown how the tax authorities will assess the methods used and the assumptions made. Management is, therefore, not able to quantify any meaningful sensitivity, caused by a reasonable change in the assumptions applied.

Salmon and trout producers in the sea have to pay a **production fee**. This fee is not an income tax, because it depends on how much they produce, not how much they earn. Thus, the fee is shown as an operating cost in the income statement. But in fact it is a part of the resource rent tax. The fee is an important component in the calculation of resource rent tax payable. As long as it has been produced a harvest volume, the production fee will always have to be paid. And it cannot be deducted from the ordinary tax. But it can be deducted from the resource rent tax if the calculated resource rent tax payable is higher than the production fee. The production fee is the minimum amount of tax that salmon and trout producers in the sea have to pay in addition to the ordinary tax. In other words, it is a matter of naming. Consequently, the production fee is an important part of the total tax burden for aquaculture activity in the sea. The actual tax level is the sum of the production fee, in the bottom, and the resource rent tax cost on the top of it.

Tax cost split on tax payable and deferred tax	2023	2022
Tax payable	82 201	960 011
Change in deferred tax	586 727	-58 182
Implementation effect from new resource rent tax (change in deferred tax)	1 720 629	0
Total	**2 389 557**	**901 829**

Tax cost split on ordinary tax and resource rent tax	2023	2022
Ordinary tax cost	608 539	901 829
Resource rent tax cost	1 781 018	0
Total	**2 389 557**	**901 829**

Resource rent tax cost and production fee	2023	2022
Implementation effect from new resource rent tax	1 720 629	0
Resource rent tax cost of the period	60 389	0
Production fee	123 849	70 725
Total	**1 904 867**	**70 725**

Tax payable	2023	2022
Tax payable from the balance sheet 31.12	438 403	952 991
Tax payable incuded in tax cost of the year	82 201	960 011
Deviation	**356 202**	**-7 020**
Prepaid tax in companies abroad	-9 102	-7 020
Difference between tax payable accrued previous year and the actual tax paid present year	365 304	0
Total	**356 202**	**-7 020**

On the date of approval of the annual accounts for 2022, which was in April 2023 before the new resource rent tax was enacted, the Group had calculated the tax payable with a higher tax value on fish in sea then was later applied in the tax filing, which was in June after the new resource rent tax was adopted. The tax law (for ordinary tax) allows a choise of timing when it comes to deduction of costs to stock of fish in sea. The change in choise did not impact the total tax cost, just the allocation between tax payable and deferred tax.

Tax on the Group's pre-tax profit deviates from what it would have been if the Group's weighted average tax rate had been applied. The difference is determined as follows:

Effective tax rate	2023	2022
Pre-tax profit/loss	2 600 111	4 066 951
Tax based on tax rates in the various countries	563 078	897 940
22% of share of profit/loss from associate	31 528	-14 449
22% of net other permanent differences etc.	34 240	9 058
Other differences	-20 307	9 279
Tax cost based on ordinary tax	**608 539**	**901 829**
Effective tax rate	23.4%	22.2%
Tax cost included resource rent tax of the period	**668 928**	**901 829**
Effective tax rate	25.7%	22.2%
Tax cost included total resource rent tax (incuding implementation effect)	**2 389 557**	**901 829**
Effective tax rate	91.9%	22.2%
Tax cost included total resource rent tax (incuding implementation effect) and production fee	**2 513 406**	**972 554**
Effective tax rate	96.7%	23.9%

Reconciliation of resource rent tax cost	2023
Operating profit in the resource rent taxed companies, included change in fair value	**612 682**
Tax based on nominal tax rate for resource rent tax (25%)	153 171
Calculated resource rent tax cost of the period	60 389
Difference	-92 782
The difference consist of	
Production fee deducted (the portion that could be utilized)	-82 380
25% of non-deductable operating costs	37 063
25% of deduction for eligable licences purchases in 2018 and 2020	-4 759
25% of utilized amount of the general deduction ("bunnfradrag")	-10 194
Other differences	-32 512
Total	-92 782

Note 17 cont.

Change in book value of deferred tax	2023	2022
Capitalised value 01.01	2 483 422	2 534 273
Implementation effect from resource rent tax	1 720 629	0
Business combination	-6 488	1 390
Tax effect through other comprehensive income	7 956	5 941
Recognized change	586 727	-58 182
Net capitalised value 31.12	**4 792 246**	**2 483 422**
Capitalised deferred tax asset (-) *	-216 307	-92 865
Capitalised deferred tax (+)	5 008 553	2 576 287

*) Negative temporary differences that cannot be eliminated against positive temporary differences. Deferred tax asset is presented as a negative amount.

Deferred tax on positive temporary differences(+)	Licences and rights	Operating assets and leases	Goods/biological assets	Receivables	Other differences	Sum
01.01.2022	1 115 247	187 234	1 283 378	0	62 766	**2 648 625**
Business combination (22%)	1 390	0	0	0	0	**1 390**
Recognized in the period	-59 263	-4 375	27 188	0	36 275	**-175**
Deferred tax on records through other comprehensive income	0	0	0	0	5 941	**5 941**
31.12.2022	**1 057 374**	**182 859**	**1 310 566**	**0**	**104 982**	**2 655 781**
Business combination (22%)	0	635	0	0	0	**635**
Implementation effect from new resource rent tax	0	0	1 720 629	0	0	**1 720 629**
Recognized in the period	10 293	15 287	692 250	0	-7 964	**709 866**
Deferred tax on records through other comprehensive income	0	0	0	0	7 956	**7 956**
31.12.2023	**1 067 667**	**198 781**	**3 723 445**	**0**	**104 974**	**5 094 867**

Deferred tax on negative temporary differences (-)	Loss carryforward	Operating assets and leases	Goods/biological assets	Receivables	Other differences	Sum
01.01.2022	-16 649	-11 192	0	-3 719	-82 792	**-114 352**
Recognized in the period	-84 391	-6 540	0	-1 097	34 020	**-58 008**
31.12.2022	**-101 040**	**-17 732**	**0**	**-4 816**	**-48 772**	**-172 360**
Business combination (22%)	-7 123	0	0	0	0	**-7 123**
Recognized in the period	-83 452	-42 353	0	2 666	0	**-123 139**
31.12.2023	**-191 615**	**-60 086**	**0**	**-2 150**	**-48 772**	**-302 622**

Note 17 cont.

Deferred tax	2023	2022
Deferred tax on positive temporary differences 31.12	5 094 867	2 655 781
Deferred tax on negative temporary differences 31.12	-302 622	-172 360
Net	**4 792 245**	**2 483 421**

Capitalised deferred tax asset derive mainly from loss carry forwards in foreign entities where the loss is expected to be utilised within a reasonable time. Capitalised deferred tax liabilities derive mainly from Norwegian entities. The applicable tax rates for tax have a variation from 21% to 25%, depending on country.

	31.12.2023			31.12.2022		
Tax loss carried forward and other temporary differences recognized in deferred tax asset:	**Tax loss carried forward and other temporary differences**	**Tax rate applied**	**Recognized amount in deferred tax asset**	**Tax loss carried forward and other temporary differences**	**Tax rate applied**	**Recognized amount in deferred tax asset**
Norway – ordinary tax	51 966	22%	11 433	96 300	22%	21 186
Norway – resource rent tax	296 547	32%	94 895			
Sweden	45 799	21%	9 435	51 865	21%	10 684
Denmark				9 572	22%	2 106
USA	97 330	23%	22 386	103 747	23%	23 862
Spain	312 636	25%	78 159	140 110	25%	35 028
Total	**804 278**		**216 307**	**401 594**		**92 865**

None of the recognized tax loss carried forward have any expiery date. The Group has analysed the probability to utilize the tax loss carried forward. It has been concluded, based on the information today, that it is likely that the recognized tax loss carried forward can be utilized to offset future tax with an equal amount. The Group has also substantial tax loss carried forward positions that is not recognized in the balance sheet. This is the case for France, Finland, Portugal, Italy and a portion of the tax loss carried forward in Sweden.

OECD Pillar II model rules

Lerøy Seafood Group is within the scope of the OECD Pillar Two model rules, which came into effect from January 1st, 2024. The Group is in scope of the enacted or substantively enacted legislation and is in the process of performing an assessment of the Group's potential exposure to Pillar Two Income taxes. The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on a preliminary assessment, the Group have identified a limited number of jurisdictions where the transitional safe harbour relief does not apply. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions. As provided in the amendments to IAS 12 issued May 2023, the Group applies the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes.

Note 18 Other short-term debt

(All figures in NOK 1 000)

Other short-term debt	2023	2022
Revenues to be recognised in next accounting period	17 897	14 799
Fair value of financial instruments, with due date within a year	0	5 812
Change in value on hedged risk related to binding agreements	18 937	18 604
Onerous contracts (related to fair value adjustment of biological assets)	55 969	13 600
Accrued wages and holiday pay	447 645	418 560
Accrued interest costs	76 493	28 443
Accrued customer bonus	104 200	62 452
Accrued other expenses	217 436	310 257
Provisions for contingencies	0	21 955
Other short term debt (prepayments from customer etc)	8 311	148
Total	**946 889**	**894 629**

Accrued other expenses includes freight, claims, treatment expenses on fish in sea, clean up costs for closed sites, bonuses and various other operational and inventory related costs. Accrued freight on products sold is the the largest single item.

Note 19 Earnings per share

(All figures in NOK 1 000, with exception of earnings per share)

Earnings per share	2023	2022
This year's earnings to LSG shareholders (NOK 1 000)	272 501	2 906 781
Number of issued shares as of 31.12 (in 1 000)	595 774	595 774
Number of treasury shares as of 31.12 (in 1 000)	-298	-298
Number of outstanding shares as of 31.12 (in 1 000)	595 476	595 476
Average number of outstanding shares (in 1 000)	595 476	595 476
Average number of outstanding shares with dilution (in 1 000)	595 476	595 476
Earnings per share	**0.46**	**4.88**
Diluted earnings per share	0.46	4.88

Earnings per share since the date of listing

	After fair value adjustment			Before fair value adjustment *		
Year	Share of profit for the year to LSG shareholders	Earnings per share	Recommended dividend relative to profit	Share of profit for the year to LSG shareholders *	Earnings per share *	Recommended dividend relative to profit *
2023	**272 501**	**0.46**	**547%**	**113 231**	**0.19**	**1315%**
2022	2 906 781	4.88	51%	2 139 193	3.59	70%
2021	2 632 371	4.42	57%	1 834 661	3.08	81%
2020	794 335	1.33	150%	1 467 617	2.46	81%
2019	1 857 172	3.12	48%	2 073 426	3.48	43%
2018	3 437 042	5.77	35%	2 918 324	4.90	41%
2017	1 749 494	2.94	51%	2 919 657	4.90	31%
2016	3 224 143	5.65	24%	2 192 909	3.84	35%
2015	1 179 718	2.16	56%	1 057 767	1.94	62%
2014	1 055 916	1.93	62%	1 312 258	2.40	50%
2013	1 733 352	3.18	31%	1 152 700	2.11	47%
2012	480 797	0.88	79%	278 958	0.51	137%
2011	382 705	0.70	100%	825 625	1.51	46%
2010	1 419 507	2.62	38%	1 193 765	2.21	46%
2009	729 488	1.36	51%	685 940	1.28	55%
2008	124 730	0.23	120%	151 416	0.28	99%
2007	277 014	0.57	35%	279 611	0.58	34%
2006	651 516	1.59	33%	575 141	1.40	37%
2005	319 312	0.87	22%	248 443	0.67	29%
2004	83 402	0.24	36%	82 216	0.24	37%
2003	30 518	0.12	68%	30 518	0.12	68%
2002	25 650	0.11	69%	25 650	0.11	69%
Total	**25 367 464**	**45.13**	**53%**	**23 559 025**	**41.82**	**58%**

*) The amounts are adjusted with the LSG`s shareholders (controlling interests) share of fair value adjustment related to biological assets. The adjustment is after tax. Included in the adjustment is also the Groups' share of such adjustments from associates (after tax). Earnings per share before fair value adjustment is an Alternative Performance Measure. For calculation see note on APM`s.

Note 20 Dividend per share

(All figures in NOK 1 000, with exception of dividend per share)

Distributed dividend in current financial year

Distributed dividend in 2023, based on 2022 profit, was NOK 2.50 per share. This amounts to NOK 1 489 434.

Recommended dividend

Based on the 2023 profit, a corresponding dividend of NOK 2.50 per share is recommended for distribution in 2024. This amounts to NOK 1 489 434. A final decision will be made by the general meeting on 28 May 2024.

Dividend per share since the date of listing

	Dividend recommended			Dividend distributed		
Year	Number of issued shares 31.12 (in 1 000)	Recommended dividend per share	Recommended dividend	Number of shares as basis for distribution (in 1 000)	Dividend distributed per share	Dividend distributed
2023	**595 774**	**2.50**	**1 489 434**	**595 774**	**2.50**	**1 489 434**
2022	595 774	2.50	1 489 434	595 774	2.50	1 489 434
2021	595 774	2.50	1 489 434	595 774	2.00	1 191 547
2020	595 774	2.00	1 191 547	595 774	1.50	893 661
2019	595 774	1.50	893 661	595 774	2.00	1 191 547
2018	595 774	2.00	1 191 547	595 774	1.50	893 661
2017	595 774	1.50	893 661	595 774	1.30	774 506
2016	595 774	1.30	774 506	545 774	1.20	654 928
2015	545 774	1.20	654 928	545 774	1.20	654 928
2014	545 774	1.20	654 928	545 774	1.00	545 774
2013	545 774	1.00	545 774	545 774	0.70	382 042
2012	545 774	0.70	382 042	545 774	0.70	382 042
2011	545 774	0.70	382 042	545 774	1.00	545 774
2010	545 774	1.00	545 774	535 774	0.70	375 042
2009	535 774	0.70	375 042	535 774	0.28	150 017
2008	535 774	0.28	150 017	535 774	0.18	96 439
2007	535 774	0.18	96 439	535 774	0.40	214 309
2006	427 774	0.50	214 309	427 770	0.18	76 999
2005	393 774	0.18	70 879	378 848	0.08	30 308
2004	344 408	0.09	30 308	344 408	0.06	20 665
2003	344 408	0.06	20 664	294 408	0.06	17 664
2002	294 408	0.06	17 664	194 408	0.06	11 664
Total		**23.65**	**13 554 034**		**21.10**	**12 082 384**
Recommended dividend to be distributed in 2024					2.50	1 489 434
Accumulated dividend distributed, plus dividend recommended for distribution in 2024					**23.60**	**13 571 818**

Note 21 Share capital and shareholder information

The share capital consists of	Total number of shares	Nominal value per share	Book value
Share capital 01.01.2023	595 773 680	0.10	59 577 368
Share capital 31.12.2023	**595 773 680**	**0.10**	**59 577 368**

Lerøy Seafood Group ASA had 24 739 shareholders at 31 December 2023. The corresponding number at year end 2022 was 22 698. All shares confer the same rights in the company. End of 2023 it was 517 foreign shareholders. The correspondig number at year end 2022 was 604. End of 2023 foreign shareholders owned 126 668 545 shares in total, representing 21.3% of the total capital. Corresponding numbers at year end 2022 was 139 783 088 shares, representing 23.4% of the total capital.

Overview of the 20 largest shareholders at 31.12.2022	No. of shares	Ownership
Austevoll Seafood ASA	313 942 810	52.69%
Folketrygdfondet	31 690 298	5.32%
Ubs AG	20 772 025	3.49%
Ferd AS	13 502 548	2.27%
The Bank of New York Mellon SA/NV	9 023 530	1.51%
Pareto Aksje Norge Verdipapirfond	8 313 909	1.40%
State Street Bank and Trust Comp	6 613 857	1.11%
State Street Bank and Trust Comp	5 127 863	0.86%
JPMorgan Chase Bank, N.A., London	5 058 877	0.85%
JPMorgan Chase Bank, N.A., London	4 811 257	0.81%
BNP Paribas Securities Services	4 790 002	0.80%
Verdipapirfond Odin Norge	4 438 261	0.74%
Danske Invest Norske Instit. II.	4 346 124	0.73%
Six Sis AG	4 263 903	0.72%
The Bank of New York Mellon	3 545 086	0.60%
Clearstream Banking S.A.	3 044 253	0.51%
State Street Bank and Trust Comp	2 825 930	0.47%
J.P. Morgan SE	2 788 744	0.47%
J.P. Morgan SE	2 723 515	0.46%
VPF DNB AM Norske Aksjer	2 713 021	0.46%
Total 20 largest shareholders	**454 335 813**	**76.26%**
Others	141 437 867	23.74%
Total share capital	**595 773 680**	**100.00%**

Overview of the 20 largest shareholders at 31.12.2023	No. of shares	Ownership
Austevoll Seafood ASA	313 942 810	52.69%
Folketrygdfondet	29 835 380	5.01%
Ubs AG	21 030 063	3.53%
Ferd AS	13 502 548	2.27%
Pareto Aksje Norge Verdipapirfond	12 264 509	2.06%
The Bank of New York Mellon SA/NV	7 762 314	1.30%
BNP Paribas	6 900 976	1.16%
State Street Bank and Trust Comp	6 513 118	1.09%
Clearstream Banking S.A.	6 363 355	1.07%
JPMorgan Chase Bank, N.A., London	5 967 021	1.00%
JPMorgan Chase Bank, N.A., London	5 539 937	0.93%
Danske Invest Norske Instit. II.	5 268 861	0.88%
Six Sis AG	4 835 889	0.81%
Verdipapirfond Odin Norge	4 263 903	0.72%
State Street Bank and Trust Comp	3 455 709	0.58%
J.P. Morgan SE	3 205 930	0.54%
UBS Switzerland AG	3 082 229	0.52%
The Northern Trust Comp, London Br	2 921 812	0.49%
FORSVARETS PERSONELLSERVICE	2 921 100	0.49%
VERDIPAPIRFONDET STOREBRAND NORGE	2 788 604	0.47%
Total 20 largest shareholders	**462 366 068**	**77.61%**
Others	133 407 612	22.39%
Total share capital	**595 773 680**	**100.00%**

Note 21 cont.

Shares owned by members of the Board and their related parties

Chairman of the Board Arne Møgster and Board members Britt Kathrine Drivenes and Karoline Møgster have indirect ownership in Lerøy Seafood Group ASA through the parent company Austevoll Seafood ASA. Arne Møgster and Karoline Møgster own their shares through the ultimate parent company Laco AS.

Board member (employees' representative) Hans Petter Vestre owns 1 200 shares in Lerøy Seafood Group ASA at year end, which is the same number as the previous year.

Shares owned by the Executive Management and their related parties

Name	Position	2023	2022
Henning Beltestad	CEO	64 200	64 200
Sjur Malm	CFO	15 000	15 000
Ivar Wulff	COO VAPSD	12 000	12 000
Bjarne Reinert	COO Farming	2 800	2 800
Siren Grønhaug	CHRO	1 200	1 200
Total		**95 200**	**95 200**

The Chief Operating Officer for VAPSD has also indirect ownership in Lerøy Seafood Group ASA through the parent company Austevoll Seafood ASA, where he owns 552 shares.

Note 22 Payroll costs, number of employees, remuneration, loans to employees, etc.

(All figures in NOK 1 000)

Payroll costs	2023	2022
Salary	3 227 321	2 968 050
Employer's national insurance contribution	324 598	256 988
Hired personnel	337 912	274 299
Pension costs	181 907	146 508
Other remuneration	16 718	62 277
Other personnel expenses	152 574	107 710
Total	**4 241 029**	**3 815 833**

Employees, including hired personnel	2023	2022
Number of full-time equivalents	5 203	5 092
Number of employees 31.12	6 013	5 972
Number of men employed 31.12	3 680	3 641
Number of women employed 31.12	2 333	2 331
Percentage of women employed 31.12	38.8%	39.0%
Number of hired personnel as of 31.12	671	853

Remuneration of senior executives in 2022	Salary	Bonus	Pension	Other	Total
CEO	3 519	4 600	186	9	8 314
CFO	2 764	2 054	186	9	5 013
COO Farming	2 096	1 120	186	9	3 411
COO VAPSD	2 135	1 120	186	9	3 450
CHRO	1 927	1 120	187	9	3 243

Remuneration of senior executives in 2023	Salary	Bonus	Pension	Other	Total
CEO	3 599	3 100	170	33	6 902
CFO	2 890	2 200	169	30	5 289
COO Farming	2 279	1 200	169	26	3 674
COO VAPSD	2 226	1 200	169	25	3 620
CHRO	2 011	1 200	172	24	3 407

Note 22 cont.

Remuneration of board members totalled NOK 2 175 in 2023 (equally distributed). The remuneration in 2022 was NOK 1 900. The number of Board members has been increased from 6 to 7 persons during 2023.

Remuneration of the nomination committee is unchanged compared to the previous year, and amounts to NOK 135 in 2023. As for the members of the Board, the remuneration per member is equally distributed.

Remuneration of the audit committee is unchanged compared to the previous year, and amounts to NOK 200 in 2023. The remuneration is distributed with NOK 120 for the leader of the committee, and NOK 80 for the member.

A description of the main principles for the company`s salary policy is included in the Board of Directors' statement regarding salary and other remuneration of executive personnel.

Mandates granted to the Board of Directors

Mandates are granted to the Board of Directors in accordance with the Public Limited Companies Act (Norway), cf. in particular chapters 8, 9 and 10 of the Act.

The first time the Board was authorised to acquire the company's own shares was at the ordinary general meeting on 12 May 2000. This mandate has been replaced with a new mandate at the ordinary general meeting on 23 May 2023. The mandate remains valid for 18 months from the date on which the resolution was adopted. The Board has authority to acquire up to 50 million shares, each with a face value of NOK 0.1. The lowest price to be paid is NOK 1 per share, and the highest price per share is NOK 100. The mandate has not been exercised in 2023. Renewal of the mandate will be recommended to the general meeting on 28 May 2024.

The Board has authority to increase the share capital by up to NOK 5 000 000 by issuing up to 50 000 000 shares in Lerøy Seafood Group ASA, each with a nominal value of NOK 0.1, through one or more private placings with external investors, employees and some of the company's shareholders. This type of mandate was first established by the ordinary general meeting of 4 May 1999 and subsequently renewed by the ordinary general meeting on 23 May 2023, and is to remain valid for 24 months from the date on which the resolution was adopted. The mandate was not exercised in 2023. It will be recommended that an equivalent mandate be approved by the ordinary general meeting on 28 May 2024.

The Board's powers to distribute shares has a maximum validity exceeding a year, and are not limited to only certain expressed purposes as recommended in the NUES. This is mainly for operational reasons, but also in order to clearly show that the company is growth oriented and that shares are regarded as an important means of payment. This practice is established to ensure an optimum strategic business development for the company. However the Board has established the practice of having the mandates renewed at each ordinary general meeting.

Loans to employees

No loans have been granted to the CEO, Chairman of the Board or other related parties. No single loan or guarantee to employees has been granted for more than 5% of the company's equity.

Auditor

The Group auditor is PricewaterhouseCoopers AS. Fees invoiced from the Group auditor also include the law firm PricewaterhouseCoopers AS and other PricewaterhouseCoopers companies abroad. The auditing fee for the Group's auditor specified below is the agreed fee for the audit of the present year. Other fees concern services received during 2023, and have been as follows:

Fees to auditor	**2023**	**2022**
Auditing fees Group auditor	16 437	9 256
Auditing fees other auditors	2 337	1 924
Other certification services Group auditor	3 079	1 341
Other certification services other auditors	0	165
Technical services related to tax filing Group auditor	1 316	1 175
Technical services related to tax filing other auditors	396	20
Other services Group auditor	12 634	6 001
Other services other auditors	725	1 238
Total	**36 925**	**21 120**

Other services paid to group auditor for other services in 2023 consists of, among others, ESG related audits, various legal and tecnical advice, HR related services, assistance related to establishment of framework for ESG reporting, and other.

Note 23 Items that are combined in the financial statements

(All figures in NOK 1 000)

Net financial items

Financial revenue	**2023**	**2022**
Interest revenue	129 774	35 812
Currency gain [1]	0	16 803
Income from other investments	405	358
Fair value adustment on financial intruments (+/-)	728	0
Other financial revenue	4 726	2 665
Total financial revenue	**135 634**	**55 638**

Financial costs	**2023**	**2022**
Interest costs (specified below)	552 650	321 627
Currency loss	6 691	0
Impairment of long-term financial assets	35 846	0
Other financial costs	24 403	15 780
Total financial costs	**619 589**	**337 407**
Net financial items	**-483 956**	**-281 769**

Interest costs consist of	**2023**	**2022**
Interests on bond loans	122 646	45 851
Interest on long term loans from credit institutions	251 572	140 936
Interest on interest swap agreements	-15 966	-1 407
Interest on lease liabilities to credit institutions	54 551	39 445
Interest on lease liabilities to others	62 405	67 000
Other interest cost	77 441	29 802
Total	**552 650**	**321 627**

1) Currency gains and losses related to purchases and sales are presented as a part of the accounting line for cost of materials. Net currency gain in 2023 is NOK 57.4 million. In 2022, net gain was NOK 58.0 million.

Note 24 Currency translation differences

(All figures in NOK 1 000)

Assets and liabilities in foreign enterprises are converted to Norwegian krone according to the exchange rate on balance sheet date. Revenues and expenses from foreign enterprises are converted to Norwegian krone according to the average exchange rate. Translation differences are charged to comprehensive income.

In the event of a disposal of a foreign enterprise, the relevant accumulated translation differences allocated to the parent company's owners are reversed over the income statement. The disposal of a foreign enterprise may take the form either of a whole or partial sale of a subsidiary, joint venture or associate. When selling shares in a subsidiary without losing control, the relative share of the translation difference is transferred to non-controlling interests in the equity statement. For other sale of shares without the loss of joint control or significant influence, the relative share of the accumulated translation difference is reversed over profit or loss.

	LSG shareholders	**Non-controlling interests**	**Total**
Accumulated currency translation differences as of 01.01.2022	**79 818**	**423**	**80 241**
Translation differences related to subsidiaries	61 228	1 683	62 911
Translation differences from associates	1 918	0	1 918
Conversion differences that are reclassified to profit and loss in the period	110	0	110
Accumulated currency translation differences as of 31.12.2022	**143 074**	**2 106**	**145 179**
Accumulated currency translation differences as of 01.01.2023	**143 074**	**2 106**	**145 179**
Translation differences related to subsidiaries	75 833	2 372	78 205
Translation differences from associates	95 386	0	95 386
Conversion differences that are reclassified to profit and loss in the period	1	0	1
Accumulated currency translation differences as of 31.12.2023	**314 294**	**4 478**	**318 772**

Note 25 Related parties

(All figures in NOK 1 000)

Transactions and balances with parent company and its related parties
Laco AS is the ultimate parent company. Lerøy Seafood Group ASA is a subsidiary of Austevoll Seafood ASA, which in turn is a subsidiary of Laco AS. Transactions and intercompany accounts with other Group companies in the Laco AS corporation, not covered by Lerøy Seafood Group ASA, are classified as transactions and intercompany accounts with related parties. The same applies to associates and joint ventures of the above.

Transactions and balances with associated companies and joint ventures
Associates and joint ventures owned by Lerøy Seafood Group, and non-controlling interests in subsidiaries, are also classified as related parties.

Transaction and balances with others
In addition, any companies owned by employees, in particular senior executives, are classified as related parties. No transactions of significance between such companies have been identified.

2022	Ownership	Sales	Purchases	Receivables	Liabilities
Transactions with parent company and its related parties:					
Laco AS	"Ultimate parent"	0	3 338	0	4 173
Fitjar Mekaniske Verksted AS	Laco AS (100%)	75	16 157	0	1 640
Pelagia AS	Austevoll Seafood ASA (50%)	46 182	28 475	3 798	2 871
Austevoll Seafood ASA	Laco AS (55.55%)	0	50	0	0
Austevoll Laksepakkeri AS	Austevoll Seafood ASA (100%)	2 417	174 873	297	27 798
Brødrene Birkeland Farming AS	Austevoll Seafood ASA (51.9%)	459	0	0	0
Kobbevik og Furuholmen Oppdrett AS	Brødrene Birkeland Farming AS (100%)	0	77	0	0
Hordalaks Holding AS group	Kobbevik og Furuholmen Oppdrett AS	0	5 742	0	0
Transactions with the Group's own associates and non-controlling interests (NCI) in subsidiaries:					
Norskott Havbruk AS	Lerøy Seafood Group ASA (50%)	300	0	0	0
Scottish Seafarms	Norskott Havbruk AS (100%)	0	168 315	0	14 067
Seistar Holding AS group	Lerøy Seafood Group ASA (50%)	123	269 725	4	1 934
Sporbarhet AS	Lerøy Seafood Group ASA (27.2%)	0	6 215	0	0
Ocean Forest AS	Lerøy Seafood Group ASA (50%)	0	3 166	0	2 380
The Seafood Innovation Cluster	Lerøy Seafood Group ASA (20%)	0	1 656	0	572
Finnmark Kystfiske AS	Havfisk AS (49%)	0	0	8 500	0
Båtsfjord Laboratorium AS	Lerøy Norway Seafoods AS (33.5%)	0	824	0	48
Båtsfjord Bedriftshelsetjeneste AS	Lerøy Norway Seafoods AS (28.2%)	0	11	0	0
Itub AS	Lerøy Norway Seafoods AS (22.3%)	0	5 919	0	185
Nesset Kystfiske AS	Sørvær Kystfiskeinvest AS (34%)	0	0	507	0
Holmen Fiske AS	Sørvær Kystfiskeinvest AS (33%)	0	0	1 011	0
Romsdal Processing AS	Lerøy Aurora AS (44.4%)	0	88 346	0	14 626
Kirkenes Processing AS	Lerøy Aurora AS (50%)	0	8 001	7 436	-139
Norway Salmon AS	Lerøy Midt AS (50%)	0	0	2 000	0
Vågen Fiskeriselskap AS	Sirevaag AS (46.5%)	0	0	5 800	0
Total transactions and intercompany accounts with all identified related parties		**49 556**	**780 890**	**29 353**	**70 155**

Note 25 cont.

2023	Ownership	Sales	Purchases	Receivables	Liabilities
Transactions with parent company and its related parties:					
Laco AS	"Ultimate parent"	0	25 000	0	0
Fitjar Mekaniske Verksted AS	Laco AS (100%)	66	21 280	23	2 270
Pelagia AS	Austevoll Seafood ASA (50%)	106 380	31 383	8 275	2 117
Austevoll Seafood ASA	Laco AS (55.55%)	0	20 078	0	0
Brødrene Birkeland Farming AS	Austevoll Seafood ASA (51.9%)	295	0	0	0
Kobbevik og Furuholmen Oppdrett AS	Brødrene Birkeland Farming AS (100%)	36 035	103 257	79	129 020
Hordalaks Holding AS group	Kobbevik og Furuholmen Oppdrett AS	0	34 244	0	4 371
Transactions with the Group's own associates and non-controlling interests (NCI) in subsidiaries:					
Norskott Havbruk AS	Lerøy Seafood Group ASA (50%)	54	0	17	0
Scottish Seafarms	Norskott Havbruk AS (100%)	0	115 104	0	11 036
Seistar Holding AS group	Lerøy Seafood Group ASA (50%)	95	309 050	4	989
Sporbarhet AS	Lerøy Seafood Group ASA (27.2%)	0	5 004	0	0
Ocean Forest AS	Lerøy Seafood Group ASA (50%)	129	6 500	4 743	2 365
The Seafood Innovation Cluster	Lerøy Seafood Group ASA (20%)	0	1 446	0	16
Finnmark Kystfiske AS	Havfisk AS (49%)	0	0	8 500	0
Sørvær Fiskerikai AS	Lerøy Norway Seafoods AS (50%)	0	0	3 000	0
Båtsfjord Laboratorium AS	Lerøy Norway Seafoods AS (33.5%)	0	916	0	3
Båtsfjord Bedriftshelsetjeneste AS	Lerøy Norway Seafoods AS (28.2%)	0	77	0	0
Itub AS	Lerøy Norway Seafoods AS (22.3%)	0	5 007	0	104
Nesset Kystfiske AS	Sørvær Kystfiskeinvest AS (34%)	0	0	509	0
Holmen Fiske AS	Sørvær Kystfiskeinvest AS (33%)	0	0	532	0
Romsdal Processing AS	Lerøy Aurora AS (44.4%)	0	95 226	0	9 704
Kirkenes Processing AS	Lerøy Aurora AS (50%)	0	40 856	8 001	383
Norway Salmon AS	Lerøy Midt AS (50%)	0	0	2 000	0
Vågen Fiskeriselskap AS	Sirevaag AS (46.5%)	0	0	1	0
Total transactions and intercompany accounts with all identified related parties		**143 054**	**814 429**	**35 684**	**162 379**

NCI means "non controlling interests"

Dividend received from associated companies is specified in the note on associated companies.

Lerøy Seafood Group (Lerøy Vest AS) leases wellboats from Seistar Holding. The leases are recognised in the accounts according to IFRS 16, where leases with a lease period more than one year, is capitalised. The net book value of the right-to-use assets as of 31 December 2023 (2022) is NOK 198.8 million (NOK 242.5 million). The net book value on the lease liability is NOK 215.4 million (NOK 257.7 million). These amounts are not included in the table above. Repayment and interests on capitalized leases with Seistar Holding amounted to NOK 191.3 million (NOK 180.8 million), and are incuded in the table above as purchases.

Note 26 Events after balance sheet date

On 25 January 2024, the Commission announced that it had sent a Statement of Objections ("SO") to several exporters of Norwegian salmon, including to Lerøy Seafood Group. The SO sets out the Commission's preliminary assessment that the exporters, in some instances, may have exchanged commercially sensitive information in relation to spot market sale of whole Norwegian farmed salmon to the EU in the period 2011-2019.

Lerøy Seafood Group strongly rejects the Commission's allegations. The SO is not a final decision and has been issued in accordance with the Commission's ordinary procedures for such an investigation.

In February 2024 a group of British supermarkets issued claims for damages in the UK against several Norwegian-owned aquaculture companies, including companies in the Lerøy Seafood Group. The Group strongly rejects the claimants' allegations and considers such claims from customers to be baseless.

Please refer to note 27 for further information .

Note 27 Investigation by the competition authorities

The European Commission (the "Commission") initiated, on 19 February 2019, an investigation relating to suspicions of anti-competitive cooperation in the market for farmed Norwegian Atlantic salmon.

On 25 January 2024, the Commission announced that it had sent a Statement of Objections ("SO") to several exporters of Norwegian salmon. The SO sets out the Commission's preliminary assessment that the exporters, in some instances, may have exchanged commercially sensitive information in relation to spot market sale of whole Norwegian farmed salmon to the EU in the period 2011-2019. Lerøy Seafood Group is one of the companies that has received the SO.

Lerøy Seafood Group strongly rejects the Commission's allegations. The SO is not a final decision and has been issued in accordance with the Commission's ordinary procedures for such an investigation. The SO includes the Commission's preliminary assessments only. The company has a right of response, and will after carefully reviewing the SO provide its comments to the Commission. The company has cooperated with the Commission throughout the Commission's investigation, and will continue to work constructively with the Commission. It is standard practice that these investigations last several years. It is not possible at this stage to make any statement on whether the case will result in sanctions or other negative consequences for the group, or when the case will end.

In February 2024 a group of British supermarkets issued claims for damages in the UK against several Norwegian-owned aquaculture companies, including companies in the Lerøy Seafood Group. The Group strongly rejects the claimants' allegations and considers such claims from customers to be baseless. In Europe, this type of claims are first and foremost relevant if the Commission adopts a decision in its ongoing investigation and the decision is upheld. The Group understands that the claims have been issued at this stage in an attempt to interrupt potential limitation of claims under certain laws.

Note 28 Climate risk

Our planet will soon be home to eight billion people, and they need food every day. Not all food can be harvested from nature's own resources. Most food products today require some form of industrial production. Food production, as all other forms of industrial production, results in greenhouse gas emissions. In our efforts to reduce the risk of global warming bringing temperatures in excess of that which our planet can tolerate, it is essential to keep our carbon footprint to an absolute minimum. This is a shared responsibility, and every person and company must evaluate possible measures they can take, then adapt their behaviour accordingly – if we are to achieve our goal of reducing rising temperatures to a minimum. These measures may be voluntary or mandatory. The authorities have a certain extent of control over the speed of the change-over to a low-emissions society and do so by implementing regulations. However, what measures can be implemented and when, is to be determined by available technology and economy. To prevent economic factors from obstructing developments, the authorities have introduced a number of regulatory measures, including fees. The scope of these regulatory measures and fees related to greenhouse gas emissions is expected to increase in the future.

The transition to a low-carbon economy will come at a cost. The development of and investments in low-emissions technology will require significant capital. At the same time, failing to adapt will also come at a cost and could, in the long term, make it impossible to continue operations. A company's ability to adapt in this context will become its "licence to operate".

Climate risk implies a financial risk in two areas. Firstly, climate risk involves uncertainties surrounding physical climate change (physical risk) caused by global warming. Secondly, climate risk involves the transition to a low-carbon economy, to be achieved via measures and technological developments (transition risk). The company will be affected by both of the above. The consequences of global warming and mandatory measures to limit climate change will represent a cost for the company.

Not only will there be a major focus on how the Group's operations affect the climate, but it is also essential that the Group understands how climate change may affect the Group's operations, including the financial impact on the Group's income, costs and investments. Having a strategy adapted to identified climate risks will help us reduce these costs. At the same time, the transition to a low-carbon economy could bring new opportunities for earnings.

The Group has therefore invested significant efforts in this area in recent years. The Group has established efficient processes for the identification, management, and monitoring of climate risk. This process has been fully adopted by both the Board of Directors and the management. The Group's goal is to be the world's most efficient value chain for sustainable seafood. The Board of Directors has therefore committed to this process by defining ambitious environmental goals, which are also incorporated into the company's strategy. The Group has committed to reduce its greenhouse gas emissions with 46% by 2030, having 2019 as a base year for the reduction. The Group also aims to achieve climate neutrality by 2050. This requires making sound decisions with a view to the environment in daily operations and investment decisions. The Group has introduced several projects involving internal communication and training activities to ensure that all employees are aware of how individual and collective choices in the Group's daily operations can help reducing greenhouse gas emissions. Suppliers are also required to contribute to reduction of their greenhouse gas emissions, if they want to continue being suppliers to the Group. This process will naturally take some time as the Group has numerous suppliers. It will require charting and changes in agreements before any quantifiable results are achieved. The Group has already agreed on commitments with many suppliers regarding reductions in emissions. When selecting new suppliers, environmental factors are a critical parameter in agreements.

The Group's impact on the environment and climate is continuously monitored and periodically reported, both internally and externally. For more detailed information and figures showing the Group's impact on the environment and climate, please visit to the Group's Sustainability library at www.leroyseafood.com. The Group's TCFD report includes a detailed risk analysis. The TCFD report is updated once a year, and new updates are expected to be completed and published simultaneously with Annual Report 2023. The main conclusions are summarised below, in total and per segment.

Financial impact of climate change

The Group has assessed its climate risk involved regarding its operations, in terms of both physical risk and transition risk. The Group has not incurred any significant costs in 2023 as a result of the impact of climate change. Neither has the Group identified climate-related incidents in 2023 or risk indicating the need to re-estimate the service life or residual value of the Group's assets. For a detailed assessment, please refer to the Group's TCFD report.

Wild Catch and Whitefish

The Group's fisheries are mainly conducted in Norway's northernmost waters. Extreme weather is primarily the greatest physical risk for this activity. If the weather is too extreme, the Group's fishing vessels may not be able to carry out fishing activities. If this was to occur during the high season, the vessels might not be able to catch their full quota for certain fish species within the quota season. This would have a knock-on effect on the processing industry on shore. Extreme weather would imply that the shore-based industry would not receive delivery of the raw materials required for production of products, in turn negatively affecting earnings throughout the entire value chain. The risk of extreme weather significantly affecting the Group's earnings is assessed as low. Changes in temperature are also thought to represent a physical risk. Research supports the claim that an increase in ocean temperatures can bring changes in both migration routes and spawning patterns for different fish species, resulting in changes in where we can fish for the different species. This could complicate the processes of establishing and distributing quotas between fishery nations. In the Group's assessment, the risk of significantly affected earnings caused by the above is low in the short to medium term. In the long term, this risk could increase and must be monitored carefully.

Transition risk has also been identified for this segment. Transition from fossil energy carriers to renewable energy may cause a fall in

Note 28 cont.

the value of capital stock, in turn affecting the Group economically. This value impairment could occur via increased fees for the use of the trawler fleet, regulatory requirements on the types of propulsion systems permitted and, to a certain degree, reputation risk associated with the use of fossil fuels. The Group implements measures to reduce greenhouse gas emissions by making use of the best technology available and making contributions to technological developments. The Group participates in DNV's Green Shipping Programme, where participants have a common goal to develop new environmentally friendly technology. Among other, the following measures are evaluated: use of nitrogen and ammonia, with the potential to reduce greenhouse gas emissions from the largest vessels. There is a high level of uncertainty regarding the use of these types of fuels in relation to the safety of persons on-board and the lack of available capacity for bunkering of these fuel types along the coast. For the time being, we have a wait-and-see approach with regards to our choice of appropriate technologies. We do, however, feel confident that adequate solutions will be available in the near future. In the short and medium term, there are therefore no alternative propulsion systems that can be used for commercial fisheries in the north. Based on the estimated remaining service life of our fleet, and the Group's depreciation plans, the Group has not identified any indications of impairment related to transition risk of neither licences nor fixed assets. Consumers are expected to increasingly demand food with a lower carbon footprint in the future. Wild-caught whitefish has a low carbon footprint. The Group has implemented several measures to further reduce its carbon footprint. These solutions entail an increase in freezer capacity on-board, so that the fleet can spend more time at sea fishing, with fewer trips to and from shore. Also, delivery to Norwegian stations help reducing pollution when compared with transporting raw materials to low-cost countries for further processing. Based on these measures, the Group is of the opinion that reputation risk in this segment is low. In the Group's assessment, the risk of a fall in demand for our products, resulting in value impairment of our stock, is very low. Neither has the Group identified any climate related risk for trade receivables.

Farming:

The Group's farming operations take place along the coast of Norway and are divided into three regions: West, Central and North Norway. For the Farming segment, extreme weather is also seen as the greatest physical risk. Most of the segment's operations take place offshore, and extreme weather could make work on the facilities difficult and increase the risk of damage to production equipment. The risk of damage could also increase the risk of escapes. Extreme weather could also have an indirect impact on the operations. Around 70% of current raw materials for fish feed are vegetable. If temperatures change, the conditions for cultivating these raw materials may change, and this could become critical if alternatives are not found. Scenario analysis also indicates that rising sea temperatures are a long-term risk that requires monitoring. Although the rise in temperatures is slow, it could have negative economic consequences in the long run term. The Group does expect an increase in biological challenges involving lice infestation, disease, algal bloom and possible new foreign species. Measures required to protect the Group against such changes represent an increase in costs. Rising sea temperatures are also expected to result in more extreme weather. The physical risk associated with aquaculture is still seen as low both in the short, medium and long term.

Transition risk for this segment is also assessed as low. Raw materials for production of fish feed are the largest source of greenhouse gas emissions for this segment. Around 40% of our emissions originate from fish feed. The Group collaborates with the fish feed suppliers in order to develop new ingredients that can be used as raw materials for feed and reduce reducing greenhouse gas emissions. In recent years the segment has also made considerable investments in green technology, most notably the transition from fossil fuel to electric propulsion for its work and service boats. The same applies to the feed barges, now more and more powered by land-based power. A new land-based power station for well boats has been installed at Lerøy Midt`s facility at Jøsnøya. As a result, the risk of the Group having new climate-related measures imposed with substantial economic significance is considered as low. Licences, the Group's largest asset and which do not depreciate, are assessed for impairment every year. This assessment implicitly takes climate risk into account. The value of licences depends on having a certain amount of cash flow. Both volume and price are very important parameters in this model. The greatest risk involves prices. A shift in the customer's willingness to pay, due to for example to loss of reputation, could represent a challenge for values. As with wild catches and whitefish, the reputation risk related to the climate is low, as aquaculture has a very low carbon footprint per kg produced food when compared with other sources of protein. The same assessment is carried out for fixed assets and inventories.

VAP, Sales & Distribution

The VAPS&D segment comprises of processing, sales and distribution. Extreme weather in the form of strong winds, substantial rainfall, flooding, drought and fires could cause damage to both factories and key infrastructure. This could potentially have a major impact directly on the Group's operations, but also indirectly via our supply chain, as successful logistics is essential in order to maintain normal operations. The Group's factories are located in areas that, to date, have not been seen as particularly exposed to physical climate risk. There are no indications that this situation has changed. In terms of transport, the Group makes use of external suppliers. As the Group's main market is the EU, most products are transported by road. The Group therefore has a high degree of flexibility in terms of any adaptations required as a result of climate-related incidents, such as flooding or fires.

Transition risk for this segment is, in total, seen as low. However, transition risk is higher within certain areas for this segment. Our second largest source of greenhouse gas emissions is currently air transport to overseas markets. Emissions from road transport are relatively low. The risk of new regulations relating to air transport is therefore higher. Increased fees or, in the worst-case scenario, a ban on air transport, would have major consequences for sales to these markets. Nonetheless, the Group's main markets are in Europe, and products for these markets are transported by road. The Group collaborates with transport suppliers to reduce greenhouse gas emissions, from both air transport and road transport. The Group has introduced transport of fillets of fish instead of whole fish, providing a significant reduction in greenhouse gas emissions per kg of finished product transported, and is working on different refrigeration solutions for transport. In recent years, the Group has also made substantial investments in measures to reduce energy consumption in its factories. Moreover, the Group has facilitated logistics solutions that will allow sea transport to Europe as an alternative to road transport. In the future, this could possibly be extended to cover overseas markets. The risk of changes in regulations, bringing requirements for substantial new investments in this area, or that would have a significant economic impact on the Group, is therefore seen as low. Practically all the Group's transport services are outsourced. The Group therefore has no means of transport on their balance sheet that could be subject to impairment. When it comes to factories, the Group is of the assessment that they are situated in relatively safe locations. Given the fact that the Group has already made good headway with measures to save on energy consumption, the transition risk for this segment is seen as low. In relation to reputation risk for this segment, the same assessments as for other segments are applied.

Parent company financial statements

Income statement

All figures in NOK 1 000 (period 01.01–31.12)

Lerøy Seafood Group ASA	Notes	2023	2022
Operating revenue and costs			
Operating revenue	1/3	410 464	192 771
Wages and other personnel costs	11	218 956	174 265
Other operating costs	3/4/11	379 072	262 563
Depreciation	4	9 117	4 223
Total operating costs		**607 145**	**441 051**
Operating profit		**-196 681**	**-248 280**
Financial revenue and costs			
Income from investments in subsidiaries	3	2 416 994	966 283
Income from investments in joint ventures and associates	3	3 000	6 000
Income from investments in other shares		-492	-1 536
Interest income from subsidiaries	3	42 747	25 037
Change in fair value of financial instruments at fair value	9	728	577
Impairment loss on financial assets (-)	5	-277 545	-356 872
Other financial items, net (-)	12	-53 330	-11 603
Total financial items		**2 132 102**	**627 886**
Profit before tax		**1 935 421**	**379 605**
Total tax cost (-)	10	-384 405	-58 461
The year's profit		**1 551 016**	**321 145**
Information regarding:			
Transferred to (+) / from (-) other equity	2	61 582	-1 168 290
Allocated to dividend	2	1 489 434	1 489 434

Balance sheet

All figures in NOK 1 000

Lerøy Seafood Group ASA	Notes	2023	2022
Non-Current Assets			
Intangibles			
Licences	4	54 803	54 803
Total intangibles		**54 803**	**54 803**
Fixed assets			
Buildings and real estate	4	1 562	1 562
Other fixtures	4	53 432	27 677
Prepayments to suppliers related to assets under construction	4	8 048	0
Total fixed assets		**63 042**	**29 239**
Financial assets			
Shares in subsidiaries	5	8 414 656	7 948 720
Shares in joint ventures and associates	6	555 455	555 455
Shares and investments in other companies	6	5 290	9 066
Loans to subsidiaries	3	549 105	255 601
Other long-term receivables	7	11 176	32 356
Total non-current financial assets		**9 535 682**	**8 801 198**
Total Non-Current Assets		**9 653 527**	**8 885 240**
Current Assets			
Receivables			
Receivables from Group companies	3	2 461 910	1 177 058
Receivables from joint ventures and associates	3	4 715	0
Financial instruments	9	728	0
Other receivables	7	16 608	27 663
Total receivables		**2 483 961**	**1 204 721**
Cash and Cash Equivalents		**2 358 485**	**2 332 383**
Total Current Assets		**4 842 447**	**3 537 104**
Total Assets		**14 495 973**	**12 422 345**

Balance sheet

All figures in NOK 1 000

Lerøy Seafood Group ASA	Notes	2023	2022
Equity			
Share capital	2	59 577	59 577
Treasury shares	2	-30	-30
Share premium reserve	2	4 778 346	4 778 346
Other paid in capital	2	104 572	104 572
Total paid in capital		**4 942 466**	**4 942 466**
Other equity	2	4 177 392	4 115 066
Total retained earnings		**4 177 392**	**4 115 066**
Total Equity		**9 119 858**	**9 057 532**
Long-Term Liabilities			
Deferred tax asset	10	5 354	6 108
Total long-term liabilities		**5 354**	**6 108**
Long-Term Debt			
Bond loans	8	2 990 486	1 493 656
Total long-term debt		**2 990 486**	**1 493 656**
Short-Term Debt			
Trade payables	3	67 905	77 321
Taxes payable	10	295 304	9 442
Public duties payable		15 149	10 812
Allocated to dividend	2	1 489 434	1 489 434
Short-term Group debt	3	415 834	229 802
Other short-term debt	8	96 649	48 237
Total short-term debt		**2 380 275**	**1 865 048**
Total Debt		**5 376 116**	**3 364 812**
Total Equity and Debt		**14 495 973**	**12 422 345**

Bergen, April 29, 2024

The Board of Directors of Lerøy Seafood Group ASA

Arne Møgster
Chairman

Are Dragesund
Board member

Karoline Møgster
Board member

Didrik Munch
Board member

Hans Petter Vestre
Employees' representative

Britt Kathrine Drivenes
Board member

Siri Lill Mannes
Board member

Henning Beltestad
CEO Lerøy Seafood Group ASA

Statement of cash flows

All figures in NOK 1 000 (period 01.01 – 31.12)

Lerøy Seafood Group ASA	2023	2022
Cash flow from operating activities		
Pre-tax result	1 935 421	379 605
Taxes paid during the period	-9 300	-299 285
Loss/gain on disposal of fixed assets	-625	114
Loss/gain on disposal of shares and other investments	0	167
Depreciation	9 117	4 223
Write-down of financial assets	257 831	356 872
Change in trade receivables	-105 246	-29 012
Change in trade payables	-5 961	39 507
Effect from currency rate changes	7 607	0
Items classified as investing activities	-2 400 280	-972 283
Change in financial instruments recognised at fair value	-728	-577
Other items classified as financing activities	44 532	-13 434
Change in other accruals	12 856	8 944
Net cash flow from operating activities	**-254 775**	**-525 159**
Cash flow from investing activities		
Proceeds from sale of fixed assets	625	38
Payments for acquisitions of fixed assets and intangibles	-42 919	-18 684
Payments for acquisitions of Group companies and associates, and capital increases	-84 532	-57 418
Proceeds from sale of shares in other companies	3 776	2 854
Proceeds from previous year's accrual of group contributions and dividends from subsidiaries	944 994	2 038 643
Payment for previous year's accrual of group contribution to subsidiaries	-220 849	-20 250
Proceeds from dividends received during the year from associates	3 000	6 000
Proceeds/payments for short-term intragroup receivables (loans)	291 915	-23 798
Proceeds/payments for long-term intragroup receivables (loans)	-613 660	-191 212
Proceeds/payments for other long-term receivables (loans)	969	-20 752
Net cash flow from investing activities	**283 319**	**1 715 420**

Lerøy Seafood Group ASA	2023	2022
Cash flow from financing activities		
Proceeds/payments for short-term credits	0	0
Proceeds from establishing new long-term debt	1 495 125	0
Instalments paid on long-term liabilities	0	0
Net interest paid and financial expenses	-8 877	12 783
Payment of dividends	-1 489 434	-1 489 434
Proceeds from dividends on treasury shares	744	744
Net cash flow from financing activities	**-2 442**	**-1 475 907**
Net cash flow for the accounting period	**26 102**	**-285 645**
Cash and cash equivalents at the start of the period	2 332 383	2 618 029
Cash and cash equivalents at the end of the period	**2 358 485**	**2 332 383**
Consists of:		
Bank deposits etc.	2 358 485	2 332 383
Of which restricted funds	8 394	6 002
In addition Lerøy Seafood Group ASA has the following cash capacity:		
Unutilised overdraft/drawdown facilities	650 000	650 000

Additional information

Net cash flow from operating activities can also be summarised as follows:	2023	2022
Operating profit	-196 681	-248 280
Depreciation	9 117	4 223
Taxes paid during the period	-9 300	-299 285
Change in capital employed	-57 911	18 183
Net cash flow from operating activities	**-254 775**	**-525 159**

Note 1 Accounting policies

(A) Comments on accounting policies

The financial statements have been prepared according to the regulations of the Accounting Act of 1998 and good accounting practice. All figures in the notes to the accounts are in NOK 1 000.

(B) Sales revenue

Revenue is booked when earned. Sales of goods and services are therefore normally booked at the time of delivery. The operating revenues derives from fees from shared services delivered to group companies.

(C) Classification and assessment of balance sheet items

Current assets and short-term debt comprise normal items due for payment within one year after balance sheet date, and items related to the circulation of goods. Other items are classified as fixed assets/long-term debt.

Current assets are valued at the lowest of acquisition cost and fair value. Short-term debt is carried at nominal amount at the time it is established.

Fixed assets are valued at acquisition cost, but are written down to fair value when the fall in value is not expected to be temporary. Long-term debt is carried at nominal amount at the time it is established.

(D) Receivables

Trade receivables and other receivables are carried on the balance sheet at nominal amount after deduction of provision for bad debts. Provision for bad debts is made according to individual assessments of the individual receivables.

(E) Short-term investments

Short-term investments (shares and units classified as current assets) are valued at the lower of average acquisition cost and fair value on the balance sheet date. Dividends and other distributions received from the companies are booked as Other financial revenues.

(F) Long-term investments

Long-term investments (shares and units classified as fixed assets) are booked in the balance sheet at acquisition cost. The investments are written down to fair value if a decline in value is not considered to be temporary. Dividends and other distributions received from the companies are booked as Other financial revenues.

(G) Subsidiaries and associates

Subsidiaries are companies in which the Group holds an controlling interest. This is the case for companies in which the Group holds an interest above 50%. In the company financial statements, the subsidiaries are valued according to the cost method.

Associates are companies in which the Group holds an interest of 20–50%, and where the investment is long-term and strategic. In the company financial statements, the associate are valued according to the cost method.

(H) Fixed assets

Fixed assets are booked in the financial statements at acquisition cost less accumulated depreciation. This depreciation is distributed linearly over assumed economic life. Similar policies apply to intangible assets.

(I) Tax

Tax payable in the income statement includes both the tax payable during the period and changes in deferred tax. Deferred tax is calculated at a rate of 22% on the basis of the provisional differences that exist between accounting and taxable values, as well as the assessed deficit to be carried forward at the end of the financial year. Temporary tax-increasing and tax-decreasing differences, which reverse or may reverse the figures in the same period, have been offset and booked at net value.

(J) Interest rate swaps (derivatives)

Hedge accounting has not been applied on the interest rate swaps in Lerøy Seafood Group ASA. The interest rate swaps are measured at fair value, and the change in value is recognised in the profit and loss statement as a financial item.

(K) Currency

The financial statements are presented in NOK, the functional currency for the company. Cash items in foreign currency are valued at the respective rates of exchange at the end of the financial year. See also item (V) in the consolidated accounts on derivatives, including currency forward contracts utilised to control currency risk.

Note 2 Equity

(All figures in NOK 1 000)

2022	Share capital	Treasury shares	Share premium reserve	Other paid in capital	Other equity	Total equity
Equity as of 01.01.2022	59 577	-30	4 778 346	104 572	5 282 612	10 225 077
The year's result to equity					321 145	321 145
Dividend received on treasury shares					744	744
Group contribution given to subsidiaries					-172 262	-172 262
Change in value of shares in subsidiaries due to Group contribution					172 262	172 262
Provision for dividend (kr 2.50 per share)					-1 489 434	-1 489 434
Equity as of 31.12.2022	**59 577**	**-30**	**4 778 346**	**104 572**	**4 115 067**	**9 057 532**

2023	Share capital	Treasury shares	Share premium reserve	Other paid in capital	Other equity	Total equity
Equity as of 01.01.2023	59 577	-30	4 778 346	104 572	4 115 067	9 057 532
The year's result to equity					1 551 016	1 551 016
Dividend received on treasury shares					744	744
Group contribution given to subsidiaries					-319 079	-319 079
Change in value of shares in subsidiaries due to Group contribution					319 079	319 079
Provision for dividend (kr 2.50 per share)					-1 489 434	-1 489 434
Equity as of 31.12.2023	**59 577**	**-30**	**4 778 346**	**104 572**	**4 177 392**	**9 119 858**

Share capital	Total number of shares	Nominal value per share	Book value
Ordinary shares	595 773 680	0.10	59 577 368
Total	**595 773 680**		**59 577 368**

Dividend

The Board of Directors will propose that the Annual General Meeting adopts a dividend payment of NOK 2.50 per share.

Number of shareholders

Lerøy Seafood Group ASA had 24 739 shareholders as per 31 December 2023. All shares confer the same rights in the company. An overview of share capital and the 20 largest shareholders are shown in the note on shareholders for the Group.

Treasury shares

Lerøy Seafood Group ASA owns 297 760 treasury shares of a total number of 595 773 680 shares. The ratio of treasury shares is 0.05%. The purchase price paid for treasury shares is split into two different categories, where nominal value of treasury shares is included in "paid in capital" (- NOK 30 000), and the purchase price exceeding nominal value of treasury shares (- NOK 2 389 000) is included in "other equity". The average purchase price of own shares is NOK 8,12 per share.

Note 3 Transactions and balances with subsidiaries and associates

(All figures in NOK 1 000)

Income from investments in subsidiaries	2023	2022
Intragroup contributions received from subsidiaries	1 972 000	500 000
Dividend received from subsidiaries	444 994	466 283
Total	**2 416 994**	**966 283**

Intragroup contributions received from subsidiaries	2023	2022
Lerøy Aurora AS	840 000	0
Lerøy Midt AS	712 000	500 000
Lerøy Seafood AS	400 000	0
Sjømathuset AS	20 000	0
Total	**1 972 000**	**500 000**

Dividend received from subsidiaries	2023	2022
Lerøy Havfisk AS	400 000	350 000
Sjøtroll Havbruk AS	30 547	61 095
Lerøy Seafood Denmark A/S	12 513	23 014
Lerøy Seafood Holding B.V.	1 054	29 949
Norsk Oppdrettsservice AS	880	2 225
Total	**444 994**	**466 283**

Income from investments in joint ventures and associates	2023	2022
Dividend received from Seistar Holding AS	3 000	6 000
Total	**3 000**	**6 000**

Interest income from subsidiaries	2023	2022
Lerøy Norway Seafoods AS	11 793	6 592
Lerøy Austevoll AS	8 617	0
Lerøy Seafood AS	6 730	0
Lerøy Aurora AS	6 356	9 708
Lerøy Årskog AS	3 967	1 621
Lerøy Turkey	2 332	1 105
Lerøy Sverige AB	1 398	1 284
Lerøy Fossen AS	745	694
Lerøy Norge AS	421	491
Lerøy Ocean Harvest AS	342	120
Lerøy Seafood UK Ltd	47	0
Lerøy Vest AS	0	597
Lerøy Nord AS	0	19
Lerøy Italy SLR	0	2 804
Total	**42 747**	**25 037**

Sales to subsidiaries	2023	2022
Lerøy Seafood AS	123 613	57 233
Lerøy Midt AS	85 309	40 438
Lerøy Aurora AS	69 589	27 352
Lerøy Vest AS	51 362	25 553
Sjøtroll Havbruk AS	43 459	19 892
Lerøy Norway Seafoods AS	20 096	5 445
Lerøy Austevoll AS	2 726	0
Sjømathuset AS	2 658	1 198
Lerøy Norge AS	2 381	1 223
Leroy Seafood USA Inc	1 952	11 970
Lerøy Bulandet AS	923	0
Lerøy Sverige AB	768	724
Lerøy Italy SLR	740	0
Lerøy Fossen AS	721	679
Lerøy Havfisk AS	412	389
Lerøy Sjømatgruppen AS	186	176
Lerøy Seafood UK	171	0
Total	**407 066**	**192 271**

Sales to subsidiaries consist of services

Note 3 cont.

Purchases from subsidiaries	2023	2022
Lerøy Seafood AS	2 239	750
Lerøy Vest AS	1 345	960
Sjøtroll Havbruk AS	790	752
Lerøy Norge AS	784	4 110
Lerøy Sverige AB	616	3 744
Lerøy Midt AS	539	1 209
Sjømathuset AS	287	2 396
Lerøy Aurora AS	143	1 195
Leroy Seafood USA Inc	9	3
Lerøy Seafood Holding BV	0	73
Lerøy Sjømatgruppen AS	0	200
Total	**6 752**	**15 392**

Purchase from subsidiaries consist of goods and services.

Sales to joint ventures and associates	2023	2022
Norskott Havbruk AS	0	300
Total	**0**	**300**

Sales to joint ventures and associates consist of services.

Purchase from joint ventures and associates	2023	2022
Sporbarhet AS	5 004	6 215
Ocean Forest AS	6 500	3 166
The Seafood Innovation Cluster	888	530
Total	**12 392**	**9 911**

Purchases from joint ventures and associates consist of services.

Balances

Long-term loans to subsidiaries	2023	2022
Lerøy Norway Seafoods AS	338 322	0
Lerøy Årskog AS	89 432	85 466
Lerøy Sverige AB	45 963	42 633
Lerøy Turkey	36 309	20 014
Lerøy Fossen AS	18 783	18 038
Lerøy Norge AS	10 080	12 672
Lerøy Ocean Harvest AS	6 964	6 622
Leroy Seafood UK Limited	3 251	0
Lerøy Seafood Italy SLR	0	70 156
Total	**549 105**	**255 601**

Short-term receivables from subsidiaries	2023	2022
Intragroup contributions received from subsidiaries	1 972 000	500 000
Dividend accrued, not yet received, from subsidiaries	0	0
Other short-term receivables from subsidiaries	489 910	677 058
Total	**2 461 910**	**1 177 058**

Intragroup contributions received from subsidiaries
For specification see table above in this note under headline Income from investments in subsidiaries.

Dividend accrued, not yet received, from subsidiaries
For specification see table above in this note under headline Income from investments in subsidiaries.

Other short-term receivables from subsidiaries	2023	2022
Lerøy Austevoll AS	197 048	0
Lerøy Seafood AS	187 617	166 303
Lerøy Midt AS	25 821	3 081
Lerøy Aurora AS	22 990	285 289
Leroy Seafood USA Inc	13 434	11 812
Sjøtroll Havbruk AS	12 578	28
Lerøy Vest AS	12 478	275
Lerøy Norway Seafoods AS	11 175	208 052
Sjømathuset AS	1 814	412
Lerøy Norge AS	1 126	455
Lerøy Bulandet AS	1 125	10
Lerøy Seafood Italy SLR	761	13
Lerøy Sverige AB	621	512
Lerøy Seafood Denmark A/S	270	148
Lerøy Havfisk AS	231	94
Lerøy Sjømatgruppen AS	217	68
Lerøy Processing Spain SL	161	59
Lerøy Fossen AS	75	245
Norsk Oppdrettsservice AS	64	0
Lerøy Seafood Holding B.V.	62	41
Lerøy Turkey	52	20
Leroy Seafood UK Ltd	47	92
Leroy Seafood France SAS	44	23
Lerøy Portugal Lda	33	27
Preline Fishfarming Systems AS	30	0
Lerøy Sjøtroll Kjærelva AS	30	0
Lerøy Finland OY	8	0
Total	**489 910**	**677 058**

The receivables consists of short term loans, cash advances and group account receivables.

Note 3 cont.

Short-term debt to Group companies	2023	2022
Intragroup contributions distributed	409 076	220 849
Other short-term debt to Group companies	6 758	8 953
Total	**415 834**	**229 802**

Intragroup contributions distributed	2023	2022
Lerøy Norway Seafoods AS	222 543	191 902
Lerøy Austevoll AS	89 656	0
Lerøy Vest AS	89 600	0
Lerøy Ocean Harvest AS	7 179	4 354
Lerøy & Strudshavn AS	50	82
Lerøy Quality Group AS	48	85
Lerøy Fossen AS	0	24 426
Total	**409 076**	**220 849**

Other short-term debt to Group companies	2023	2022
Lerøy Seafood AS	2 239	6 192
Lerøy Vest AS	1 345	345
Sjøtroll Havbruk AS	790	382
Lerøy Norge AS	784	436
Lerøy Sverige AB	616	295
Lerøy Midt AS	539	352
Sjømathuset AS	287	181
Lerøy Aurora AS	143	124
Lerøy Seafood USA Inc	9	0
Lerøy Ocean Harvest AS	6	397
Lerøy Sjømatgruppen AS	0	250
Total	**6 758**	**8 953**

Other short-term debt to Group companies consist of account payables.

Short-term receivables on joint ventures and associated companies	2023	2022
Ocean Forest AS	4 715	0
Total	**4 715**	**0**

The receivable consists of amount to be refunded due to too much invoiced for services received

Short-term debt to joint ventures and associated companies	2023	2022
Ocean Forest AS	2 365	2 380
The Seafood Innovation Cluster	0	53
Total	**2 365**	**2 433**

The debt relates to services received, and it is included in account payables.

Note 4 Intangibles, fixed assets and leases

(All figures in NOK 1 000)

Intangible assets

Development licences	Total expenses	Expensed as R&D cost	Capitalised as intangible asset
Expenses 2017	6 150	0	6 150
Expenses 2018	18 801	0	18 801
Expenses 2019	15 753	0	15 753
Expenses 2020	14 099	0	14 099
Expenses 2021	4 793	4 793	0
Expenses 2022	1 446	1 446	0
Expenses 2023	1 489	1 489	0
Carrying value at 31.12	**62 531**	**7 728**	**54 803**

The intangible assets consists of capitalized expenses related to development-licences based on the concept "Pipefarm". The project, and Lerøy Seafood Group ASA, has been awarded with a volume of 1350 MTB, which is dependent on developing the proposed project "Pipefarm" which is semi-closed production system. In 2023 work has been done to reduce necessary capital investment to realize the project, as well as work on necessary regulatory framework to utilize this type of technology. Because the project is still not completed, and some uncertainty attached to the project, the management has decided to expense further project costs until the project is finally completed.

The development-licences have a definite life time of 5 years from date of acceptance, but on expiry date it will be subjected to renewal and transformation to an ordinary grow-out licence on request, for a fee amounting to NOK 10 million per licence equivalent (780 MTB). Depreciation will start after the award process is completed.

Note 4 cont.

Fixed assets

2022	Financial leases	Buildings (appartment)	Other fixtures	Total
Acquisition cost per 01.01	121	1 562	18 607	20 290
Additions			18 684	18 684
Disposals			-152	-152
Acquisition cost per 31.12	121	1 562	37 139	38 822
Accumulated depreciations 01.01	121	0	5 238	5 359
The year's depreciation			4 223	4 223
Disposal of accumulated depreciations			0	0
Accumulated depreciations 31.12	121	0	9 461	9 582
Carrying value at 31.12	**0**	**1 562**	**27 677**	**29 239**
Economic life time	2 years	Indefinite	3–5 years	
Depreciation plan	Linear	n/a	Linear	

2023	Prepayments to suppliers related to assets under construction	Financial leases	Buildings (appartment)	Other fixtures	Total
Acquisition cost per 01.01		121	1 562	37 139	38 822
Additions	8 048	0	0	34 872	42 920
Disposals		-121	0	0	-121
Acquisition cost per 31.12	8 048	0	1 562	72 011	81 621
Accumulated depreciations 01.01		121	0	9 461	9 582
The year's depreciation		0	0	9 117	9 117
Disposal of accumulated depreciations		-121	0	0	-121
Accumulated depreciations 31.12	0	0	0	18 578	18 578
Carrying value at 31.12	**8 048**	**0**	**1 562**	**53 432**	**63 042**
Economic life time		2 years	Indefinite	3–5 years	
Depreciation plan	To be allocated	Linear	n/a	Linear	

LSG`s share of debt related to the appartment, amounts to NOK 2 million.

Leases

Leases not recognised in the balance sheet

Leases wiht other than credit institutions are regarded as operational leases. Operational leases are expensed as over the lease period as rent. Head quarter office is rented externally from GC Rieber AS. The rental agreement is for 10 years, beginning December 2018, with an option for additional 10 years. Annual expensed rent amounts to about NOK 13 million.

Note 5 Shares in subsidiaries

(All figures in NOK 1 000)

Changes in subsidiaries and ownership during the period:

Subsidiary	Country	Place of business	Acquisition year	Ownership / voting share 01.01	Merges	Additions	Disposals	Ownership / voting share 31.12
Lerøy Austevoll AS	Norway	Austevoll	2023	0.0%		100.0%		100.0%
Lerøy Seafood UK Ltd	UK	Hull	2022	100.0%				100.0%
Lerøy Årskog AS	Norway	Fitjar	2021	100.0%				100.0%
Lerøy Seafood Denmark A/S	Denmark	Hjørring	2021	77.6%				77.6%
Leroy Seafood Italy SRL	Italy	Porto Viro	2019	100.0%				100.0%
Lerøy Ocean Harvest AS	Norway	Bergen	2018	100.0%				100.0%
Lerøy Norge AS	Norway	Oslo	2018	100.0%				100.0%
Lerøy Havfisk AS	Norway	Ålesund	2016	100.0%				100.0%
Lerøy Norway Seafoods AS	Norway	Oslo	2016	100.0%				100.0%
Lerøy Turkey	Turkey	Istanbul	2015	100.0%				100.0%
Preline Fishfarming Sys. AS	Norway	Bergen	2015	95.9%				95.9%
Lerøy Nord AS	Norway	Bergen	2015	51.0%		49.0%		100.0%
Norsk Oppdrettsservice AS	Norway	Flekkefjord	2015	51.0%				51.0%
Lerøy Processing Spain SL	Spain	Madrid	2012	100.0%				100.0%
Lerøy Seafood Holding B.V.	Netherlands	Urk	2012	100.0%				100.0%
Lerøy Finland OY	Finland	Turku	2011	100.0%				100.0%
Sjøtroll Havbruk AS	Norway	Austevoll	2010	50.7%				50.7%
Lerøy Vest AS	Norway	Bergen	2007	100.0%				100.0%
Lerøy Fossen AS	Norway	Bergen	2006	100.0%				100.0%
Sjømathuset AS	Norway	Oslo	2006	100.0%				100.0%
Lerøy Portugal Lda	Portugal	Lisboa	2005	100.0%				100.0%
Lerøy Aurora AS	Norway	Tromsø	2005	100.0%				100.0%
Lerøy Midt AS	Norway	Hitra	2003	100.0%				100.0%
Lerøy Sverige AB	Sweden	Gothenburg	2001	100.0%				100.0%
Lerøy Seafood AS	Norway	Bergen	1939 *	100.0%				100.0%
Lerøy & Strudshavn AS	Norway	Bergen	1927 *	100.0%				100.0%

*) The date for establishment. The companies were a part of the "old Lerøy-group" before LSG ASA was established in 1995

Companies that has changed its name in 2023

The company Lerøy Austevoll AS, acquired in 2023, was previously named Austevoll Laksepakkeri AS.

Note 5 cont.

Change in book value of shares in subsidiaries

Subsidiary	Net book value in LSG ASA 01.01	Redemption of non-controlling interests	New companies acquired	Establishments and capital increases	Increase in value from Group contributions	Impairment loss (-) / reversal of impairment loss (+)	Net book value in LSG ASA 31.12
Lerøy Havfisk AS	3 090 920						3 090 920
Lerøy Vest AS	1 370 882				69 888		1 440 770
Lerøy Midt AS	1 135 230						1 135 230
Sjøtroll Havbruk AS	540 000						540 000
Lerøy Aurora AS	391 303						391 303
Lerøy Austevoll AS	0		25 000	250 000	69 932	-583	344 349
Lerøy Seafood Holding B.V.	319 707						319 707
Lerøy Norway Seafoods AS	274 395				173 584	-162 755	285 223
Lerøy Seafood Denmark A/S	284 009						284 009
Lerøy Norge AS	169 711					15 576	185 287
Lerøy Fossen AS	68 035					14 182	82 217
Lerøy Seafood AS	58 110				37		58 147
Leroy Seafood Italy SRL	1			70 156		-16 562	53 595
Lerøy Sverige AB	52 063			42 563		-53 649	40 977
Lerøy Årskog AS	37 037					-3 315	33 722
Lerøy Turkey	28 367					3 211	31 578
Norsk Oppdrettsservice AS	25 000						25 000
Lerøy Finland OY	13 185			10 968		5 927	30 080
Preline Fishfarming Sys. AS	15 311					-881	14 430
Sjømathuset AS	13 925						13 925
Lerøy Nord AS	3 046	6 000				263	9 309
Lerøy Ocean Harvest AS	5 045				5 600	-5 921	4 723
Lerøy & Strudshavn AS	153				39	-39	153
Lerøy Processing Spain SL	48 803					-48 802	1
Lerøy Seafood UK Ltd	4 484					-4 483	1
Lerøy Portugal Lda	1						1
Total	**7 948 720**	**6 000**	**25 000**	**373 688**	**319 079**	**-257 831**	**8 414 656**

Shares in subsidiaries are valued based on the cost method. As a consequence subsidiaries with weak performance, receiving group contributions or increased equity, will obtain a higher net book value. Over time this may result in net book values (before impairments) higher than it would have been by adapting the equity method. Due to this, all shares in subsidiaries that had a higher value (based on the cost method) compared with the equity method, have been impaired. The impairment will be reversed in a later period when the reason for the impairment is no longer present.

Note 5 cont.

Impairment loss on financial assets

Impairment loss on financial assets consist of	2023	2022
Impairment loss on shares in subsidiaries	296 990	356 872
Reversed impairment loss on shares in subsidiaries	-39 159	0
Impairment loss on long term loans	19 714	0
Total	**277 545**	**356 872**

Note 6 Shares in joint ventures, associates and others

(All figures in NOK 1 000)

Associates	Place of business	Ownership / voting share 01.01	Ownership / voting share 31.12	Net book value 01.01	Additions (+)	Disposals (-)	Net book value 31.12
Norskott Havbruk AS	Bergen, Norway	50%	50%	468 773			468 773
Seistar Holding AS	Austevoll, Norway	50%	50%	86 500			86 500
Sporbarhet AS	Trondheim, Norway	27%	27%	135			135
Ocean Forest AS	Bergen, Norway	50%	50%	30			30
The Seafood Innovation Cluster AS	Bergen, Norway	20%	20%	16			16
Total				**555 455**	**0**	**0**	**555 455**

Norskott Havbruk AS and Seistar Holding AS are joint ventures. The other companies are associates. For further information about joint ventures and associates, and value according to equity method, see note on joint ventures and associates in the consolidated financial statements.

Other shares and investments	Net book value 01.01	Additions (+)	Disposals (-)	Net book value 31.12
DNB Private Equity	4 029		-3 776	252
Folgefonn Invest AS	5 000			5 000
Various minor shareholdings	37			37
Total	**9 066**	**0**	**-3 776**	**5 290**

Lerøy Seafood Group ASA has committed a total of NOK 10 million related to the investment in DnB Private Equity.

Note 7 Other receivables

(All figures in NOK 1 000)

Other long-term receivables	2023	2022
Consists of		
Loans to employees	2 603	2 601
Loans to others (Fiizk Digital AS)	1	19 715
Loans to others (Sportsklubben Brann)	0	500
Advance payments	0	1 029
Deposit account for leased office building	8 572	8 511
Total	**11 176**	**32 356**

Other receivables (short term)	2023	2022
Consists of		
Account receivables (external)	728	250
VAT to be received	2 850	11 982
Other short-term receivables (advance payments)	13 029	15 431
Total	**16 608**	**27 663**

Loan to the company Fiizk Digital AS (previously named Infront-X Solutions AS), with face value of NOK 19 715, has been written down to NOK 1 due to uncertainty.

Note 8 Loans, mortgages and guarantees

(All figures in NOK 1 000)

Long term loans	2023	2022
Long-term interest-bearing debt		
Bond loans	2 990 486	1 493 656
Total interest-bearing debt at 31.12	**2 990 486**	**1 493 656**
Bank deposits	2 358 485	2 332 383
Net interest-bearing debt at 31.12	**632 001**	**-838 727**

Repayment profile interest-bearing debt	2023	2022
2024	0	0
2025	0	0
2026	500 000	500 000
2027	500 000	500 000
2028	500 000	0
Later	1 500 000	500 000
Total	**3 000 000**	**1 500 000**

Bond loans

The Group established 3 new bond loans, each amounting to NOK 500 million, in the bond market the 26th of April 2023, and has total 6 bond loans as of 31.12.2023. The bonds are so called green bonds. This implies that the group have established a green financing framework which covers how the proceeds from the bond loans can be used. The framework is published on the Group`s homepage on internet. At year end the Group has qualifying green investments that are significantly higher than the proceeds from the loan. Thus, the Group has already fulfilled it`s obligations concerning type of investments.

All three bond loans have no installments during the duration of the loan. The loans have a duration of 5, 6, 7 and 10 years. The loans with duration of 5 and 6 years have floating interest rate, with 4 termins each year. The loans with a duration of 7 and 10 years, have a fixed interest rate, with one annual termin. The bond loans are measured at amortized cost. The bond loans are unsecured. Fair value is approxemately the same as net book value as of 31.12.

Note 8 cont.

Bond loans as of 31.12.2022	Date of establishment	Duration	Expiery date	Amortizing effect of the period (2022)	Value as of 31.12.2022 Nominal value	Unamortized drawing costs	Net book value
NO 0011097305, green bond loan, floating rate NIBOR 3m+1,00 p.a.	17.09.2021	5 years	17.09.2026	525	500 000	-1 969	498 031
NO 0011097297, green bond loan, floating rate NIBOR 3m+1,15 p.a.	17.09.2021	6 years	17.09.2027	438	500 000	-2 078	497 922
NO 0011097339, green bond, fixed rate 3.35% p.a.	17.09.2021	10 years	17.09.2031	262	500 000	-2 297	497 703
Sum				**1 225**	**1 500 000**	**-6 344**	**1 493 656**

New bond loans in 2023	Date of establishment	Duration	Expiery date		Value of new bond loans in 2023 Nominal value	Drawing costs	Net book value
NO 0012899287, green bond loan, floating rate NIBOR 3m+1,50 p.a.	26.04.2023	5 years	26.04.2028		500 000	-1 625	498 375
NO 0012899295, green bond loan, fixed rate 5.10% p.a.	26.04.2023	7 years	26.04.2030		500 000	-1 625	498 375
NO 0012899303, green bond loan, fixed rate 5.315% p.a.	26.04.2023	10 years	26.04.2033		500 000	-1 625	498 375
Sum					**1 500 000**	**-4 875**	**1 495 125**

Bond loans as of 31.12.2023	Date of establishment	Duration	Expiery date	Amortizing effect of the period (2023)	Value as of 31.12.2023 Nominal value	Unamortized drawing costs	Net book value
NO 0011097305, green bond loan, floating rate NIBOR 3m+1.00 p.a.	17.09.2021	5 years	17.09.2026	525	500 000	-1 444	498 556
NO 0011097297, green bond loan, floating rate NIBOR 3m+1.15 p.a.	17.09.2021	6 years	17.09.2027	438	500 000	-1 640	498 360
NO 0011097339, green bond, fixed rate 3.35% p.a.	17.09.2021	10 years	17.09.2031	262	500 000	-2 035	497 965
NO 0012899287, green bond loan, floating rate NIBOR 3m+1.50 p.a.	26.04.2023	5 years	26.04.2028	203	500 000	-1 422	498 578
NO 0012899295, green bond loan, fixed rate 5.10% p.a.	26.04.2023	7 years	26.04.2030	156	500 000	-1 469	498 531
NO 0012899303, green bond loan, fixed rate 5.315% p.a.	26.04.2023	10 years	26.04.2033	121	500 000	-1 504	498 496
Sum				**1 705**	**3 000 000**	**-9 514**	**2 990 486**

Note 8 cont.

Interests expensed, including amortizing effect	2023	2022
Interests	122 646	43 795
Amortizing effect	1 705	1 225
Total	**124 351**	**45 851**

Financial covenants
The bond loans have a financial covenant were the issuer shall ensure that the Group, on a consolidated basis, maintains an equity ratio of minimum 30%. Lerøy Seafood Group ASA has the same type of covenant on the undrawn liquidity reserves.

Mortgages and guaranties	2023	2022
Mortgaged assets		
Shares in subsidiaries	859 707	859 707
Shares in associates	774 273	468 773
Total book value of mortgaged assets 31.12	**1 633 980**	**1 328 480**
Guarantees and sureties	**32 100**	**32 100**

Mortgaged assets
The mortgage loans to credit institutions are settled. But the pledged assets are still pledged as security for the overdraft loan facility. The overdraft facility is undrawn, and there is no debt to the credit institution at year end.

Guarantee and surety liability
Lerøy Seafood Group ASA has posted a guarantee of NOK 30 000 for Lerøy Aurora AS in favour of Innovasjon Norge. Lerøy Seafood Group ASA has also posted a guarantee of NOK 2 100 in favour of VPS/Nordea.

Lerøy Seafood Group ASA also has joint and several liability for outstanding VAT together with Lerøy Seafood AS, which is included in the joint VAT registration.

Other commitments
Lerøy Seafood Group ASA has entered into a 10 year rental agreement for the office facilities, which started to run from November 2018, with an option for aditional 10 years. Annual minimum rent is approximately NOK 13 000. Lerøy Seafood Group ASA has also committed a total of NOK 10 000 related to the investment in DnB Private Equity. In addition Lerøy Seafood Group ASA has a joint liability for debt related to the appartment in Sandbrogaten 3 in Bergen, Norway, amounting to NOK 2 000.

Restricted funds
Restricted funds included in bank deposits equals to NOK 8 394.

Other short term debt	2023	2022
Consist of		
Salary and other personel expenses	46 337	41 847
Accrued interest expenses	47 946	6 390
Other short term liabilities	2 365	0
Total	**96 649**	**48 237**

Note 9 Financial instruments

(All figures in NOK 1 000)

Currency forward contract
Lerøy Seafood Group ASA has entered into a currency forward contract, of GBP 5 million, running from 21.12.2023 until 27.09.2024. The contract hedges the value of a 6 months loan to the associated company Norskott Havbruk AS, given 4 January 2024. Hedge accounting has not been applied. The financial instrument is recognised at fair value. The change in value on the financial instrument is booked through profit and loss.

Interest rate swap contract
An interest rate swap with a duration of 10 years, with a fixed amount of NOK 500 million, expired in January 2022. There are no remaining interest rate swaps as of 31 December 2023.The financial instrument has been recognised at fair value. The change in value on the financial instrument has been booked through profit and loss.

Financial instruments	2023	2022
Interest rate swap contract		
Net book value as of 01.01	0	-577
New financial instruments acquired in the period	0	0
Change in fair value booked through profit and loss	0	577
Net book value as of 31.12	**0**	**0**
Currency forward contract		
Net book value as of 01.01	0	0
New financial instruments acquired in the period	0	0
Change in fair value booked through profit and loss	728	0
Net book value as of 31.12	**728**	**0**
Total		
Net book value as of 01.01	0	-577
New financial instruments acquired in the period	0	0
Change in fair value booked through profit and loss	728	577
Net book value as of 31.12	**728**	**0**

Note 10 Taxation

(All figures in NOK 1 000)

Permanent differences	2023	2022
Dividends received (including the 3% added on the tax base)	-447 071	-468 023
Impairment loss on financial assets	257 831	356 872
Other permanent differences	1 759	1 705
Total permanent differences	**-187 481**	**-109 446**

Calculation of tax payable cost	2023	2022
Profit before tax	1 935 421	379 605
Permanent differences	-187 481	-109 446
Change in temporary differences (through profit and loss)	3 430	-6 392
The year's taxation base for tax payable, before intragroup contributions paid	**1 751 370**	**263 767**
Tax rate, nominal	22%	22%
Tax payable cost	**385 301**	**58 029**

Taxation base and calculation of tax payable in balance sheet	2023	2022
The year's taxation base for tax payable, before intragroup contributions paid	1 751 370	263 767
Intragroup contributions paid	-409 076	-220 849
The year's taxation base for tax payable	**1 342 294**	**42 918**
Tax rate, nominal	22%	22%
Tax payable, after intragroup contributions paid	**295 305**	**9 442**

Tax payable booked in the balance sheet	2023	2022
Tax payable cost	385 301	58 029
Tax payable reduction from intragroup contributions paid	-89 997	-48 587
Tax payable in the balance sheet	**295 305**	**9 442**

Overview of temporary differences	2023	2022
Temporary differences where changes are recognised in profit and loss		
Intangibles	54 803	54 803
Buildings and other fixed assets	11 039	7 599
Financial instruments, total	0	0
Amortized borrowing cost bond loan	9 514	6 344
Provision for accrued costs	-47 899	-37 080
Gain/loss account	-3 118	-3 897
Temporary differences 31.12 where changes are recognised in profit and loss	**24 338**	**27 768**

Deferred tax	2023	2022
Total temporary differences	24 338	27 768
Tax rate, nominal	22%	22%
Deferred tax liability (+) / asset (-)	**5 354**	**6 109**

The year`s tax cost consists of	2023	2022
Tax payable in the tax cost before intragroup contributions paid	385 301	58 029
Change in deferred tax where changes are recognised in profit and loss	-755	1 406
Estimation deviation related to previous years	-142	-974
Total tax cost	**384 405**	**58 461**
Effective tax rate	19.9%	15.4%

The year`s tax cost can also be split on the following components	2023	2022
Tax payable in the balance sheet	295 305	9 442
Tax payable reduction from intragroup contributions paid	89 997	48 587
Change in deferred tax where changes are recognised in profit and loss	-755	-5 758
Too little(+) / much(-) accrued tax payable previous year	-141	6 110
Change in earlier years tax filing	0	80
Total tax cost	**384 406**	**58 461**

Reconciliation of tax cost in the income statement	2023	2022
22% of profit before tax	425 793	83 513
22% of permanent differences	-41 246	-24 078
Estimation deviation previous years	-142	-974
Total tax cost	**384 405**	**58 461**

Estimation deviation related to previous years consists of	2023	2022
Too little(+) / much(-) accrued tax payable previous year	-141	6 110
Change in earlier years tax filing	0	80
Too little (+) / much (-) accrued deferred tax previous year	-1	-7 164
Total	**-142**	**-974**

Note 11 Payroll costs, number of employees, remuneration, loans to employees, etc.

(All figures in NOK 1 000)

Payroll expenses	2023	2022
Salaries, holiday pay and bonuses	169 732	133 760
Employer's contribution	24 117	16 458
Hired personnel	9 083	6 476
Remuneration to the Board of Directors	2 175	1 900
Pension costs *	8 058	7 780
Other remunerations / nomination committee	335	335
Other personnel costs	5 456	7 556
Total	**218 956**	**174 265**
Number of full-time equivalents (average)	155	106
Number of female employees 31.12	77	45
Number of male employees 31.12	106	81
Number of employees 31.12	**183**	**126**
Female representation (%)	42%	36%

For a specification of remuneration of senior executives in Lerøy Seafood Group ASA, see note on payroll expenses in the consolidated financial statements

*) Defined contribution pension scheme

Auditor

Fees from the Group auditor PricewaterhouseCoopers AS, the law firm PricewaterhouseCoopers AS and other foreign PriceWaterhouseCoopers firms, were as follows:

Fees paid to auditor	2023	2022
Auditing fees Group auditor	2 871	2 162
Other services Group auditor	15 424	6 767
Total	**18 295**	**8 929**

Other services paid to group auditor for other services in 2023 consists of, among others, ESG related audits, various legal and technical advice, HR related services, assistance related to establishment of framework for ESG reporting, and other. Assurance services of NOK 2,9 million is included in other services.

Note 12 Items that are combined in the financial statements

(All figures in NOK 1 000)

Financial revenue	2023	2022
Other interest income	86 494	35 569
Currency exchange gain	0	10 654
Other financial income	69	0
Total financial revenue	**86 563**	**46 223**

Financial costs	2023	2022
Interest cost	125 644	48 847
Currency exchange loss	7 607	0
Other financial costs	6 641	8 980
Total financial costs	**139 893**	**57 826**
Other financial items, net	**-53 330**	**-11 603**

Note 13 Related parties

(All figures in NOK 1 000)

Transactions and balances with parent company and its related parties
Laco AS is the ultimate parent company. Lerøy Seafood Group ASA is a subsidiary of Austevoll Seafood ASA, which in turn is a subsidiary of Laco AS. Transactions and intercompany accounts with other Group companies in the Laco AS corporation, not covered by Lerøy Seafood Group ASA, are classified as transactions and intercompany accounts with related parties. The same applies to associates and joint ventures of the above.

Transaction and balances with other related parties
In addition, any companies owned by employees, in particular senior executives, are classified as related parties. Also significant non-controlling interests may be considered as related parties.

2022	Ownership	Sales	Purchases	Receivables	Debt
Transactions and balances with parent company and its related parties					
Laco AS	"Ultimate parent"	0	3 338	0	4 173
Austevoll Seafood ASA	Laco AS (55.55%)	0	50	0	0
Total		**0**	**3 388**	**0**	**4 173**

2023	Ownership	Sales	Purchases	Receivables	Debt
Transactions and balances with parent company and its related parties					
Laco AS	"Ultimate parent"	0	25 000	0	0
Austevoll Seafood ASA	Laco AS (55.55%)	0	0	0	0
Total		**0**	**25 000**	**0**	**0**

Lerøy Seafood Group ASA acquired the company Austevoll Laksepakkeri AS (now named Lerøy Austevoll AS) from Laco AS 1 April 2023 for NOK 25 million. Se note on business combinations in the consolidated financial statement for further details. No other related party transactions of significance are identified.

Responsibility statement from the Board of Directors and CEO

We declare, to the best of our knowledge, that the financial statements for the period 1 January to 31 December 2023 are prepared in conformance with current, applicable accounting standards, and give a good and fair view of the company's and the Group's assets, liabilities, financial position and profit or loss as a whole. We also declare that the annual report gives a fair view of the company's and the Group's development and position, together with a description of the principle risks and uncertainties facing the entity and the Group.

Bergen, April 29, 2024

The Board of Directors of Lerøy Seafood Group ASA

Arne Møgster
Chairman

Are Dragesund
Board member

Karoline Møgster
Board member

Didrik Munch
Board member

Hans Petter Vestre
Employees' representative

Britt Kathrine Drivenes
Board member

Siri Lill Mannes
Board member

Henning Beltestad
CEO Lerøy Seafood Group ASA