

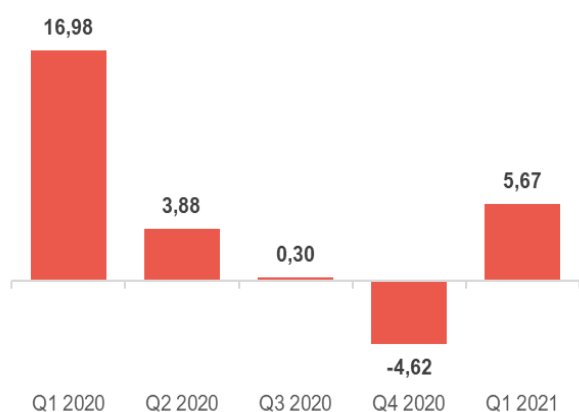
Arctic Fish

Interim report
Q1 - 21

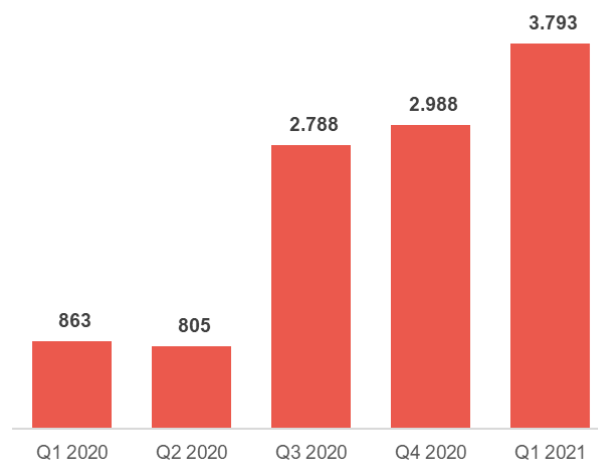


Key information

Farming EBIT pr. kg NOK



Harvested volume (HOG tonnes)



Cautionary note regarding forward-looking statements

This section includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology. These forward-looking statements are not historic facts. The forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements.

These forward-looking statements speak only as at the date on which they are made. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this report.

Arctic Fish Holding

Arctic Fish Holding AS was incorporated on 1 October 2020, and consequently, has not published any historical financial information. However, the Company is a holding company which owns 100% of the shares in Arctic Fish ehf, the former parent company of the Group, incorporated on 1 July 2011. Arctic Fish ehf. was founded in 2011 by Sigurður Pétursson and Gudmundur Stefansson, and is now one of the leading salmon farmers in Iceland, situated in the West Fjords, a region with favourable conditions for fish farming. The West Fjords are known for their pristine nature, good seawater conditions, low density and high growth potential.

The Group has a modern and high-capacity smolt facility with recirculating aquaculture systems ("RAS") technology, being currently the only RAS facility in Iceland with large-scale production capacity. 7,400 tonnes of head-on gutted ("HOG") salmon were harvested by the Group in 2020 and considerable growth is expected in the coming years with a predicted estimated harvest volume of approximately 12,000 tonnes HOG for 2021. The Group has farming licences for a total of 17,800 tonnes maximum allowed biomass ("MAB"), of which 5,300 tonnes relate to licences for rainbow trout that are in the process of being converted to salmon licences. The Group also has three pending applications for an additional 14,800 tonnes MAB in total, which includes the conversion of the existing trout license to a fertile salmon license. The Group also holds a license for land based smolt production on its own land in Norðurland, which is required for the Group's ongoing smolt production.

Important events

Year	Main Events
2011	Arctic Fish was founded by Sigurður Pétursson with his business partner Gudmundur Stefansson
2011	Trout farming and the processing of white fish was started
2011	Jerzy Malek, the founder of Morpol and Milarex, became a part-owner
2014	Construction of smolt hatchery in Norðurbotn was initiated
2016	NRS acquired 50% of the shares in Arctic Fish ehf.
2017	First smolt released to sea
2018	The first stage of the hatchery was completed
2019	The first salmon was harvested in January 2019
2019	3,300 tonnes of HOG salmon was harvested during 2019
2020	7,400 tonnes of HOG salmon was harvested during 2020
2021	The Company raised approximately NOK 341 million in net proceeds in a private placement completed in February 2021 and started trading in Euronext Growth Oslo on the 19 th of February.

Principal activities

The Group's principal activity is salmon farming, producing smolt in its own freshwater hatchery and farming salmon at sea before the fish is harvested and finally sold to the market.

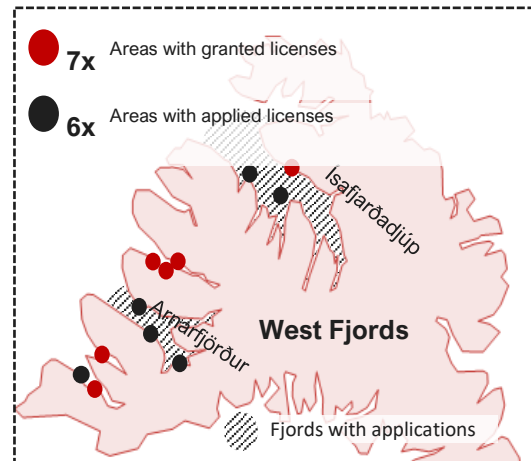
Freshwater smolt

The Group has a modern freshwater hatchery in Norðurbotn (Tálknafjörður), using RAS technology. The hatchery is the largest single investment by the Group at NOK 300 million and is 100% owned by Arctic Fish. It has access to natural water temperatures of between 6°C and 22°C all year round and good geothermic conditions. The hatchery has a proven record of smolt production, with more than 8.7 million smolt being produced at the hatchery since 2017. It produced and delivered approximately 487 tonnes of smolt and fry for internal and external sale in 2020. The Group also owns a 36.3 km² land area in close proximity to the smolt facility.

Seawater sites

The Group's seawater sites are strategically located in all fjords on the West Coast of Iceland, with seven sites with granted licenses, and another six sites with license applications pending. This ensures that production may be alternated to minimise biological risk with a proven low mortality rate and feed conversion ratio.

The Group currently holds licenses for a production capacity of 23,100 tonnes MAB with additional applications for 8,800 tonnes MAB that the Group expects to receive within 2022. Existing licenses are divided into 17,800 tonnes MAB of salmon and 5,300 tonnes MAB of trout that is in process of being converted to salmon licenses during 2021.



Processing

All processing of the Group's salmon is currently handled externally through a contractor at a processing facility in Bildudalur, Arnarfjörður. When the fish are ready for harvesting, the fish are transported from different locations with well boats. The Group is in dialogue to increase harvesting capacity or, potentially, build a harvesting plant. The Group considers the current slaughtering price as high and new and more modern harvesting solutions are being explored.

Sales

The fish are currently sold "Free Carriage" through a sales agreement with Seaborn AS, a major distributor of Icelandic and Norwegian salmon. The Group has a global footprint with sales in more than 15 countries in 2019. Current export routes are considered well-established, and there is potential to enter new markets in the future.

First Quarter 2021 Performance

The first quarter performance will be broken down into the main operating categories, investments and financing in brackets some historical performance for the year 2020 is provided.

Key financial Performance

(Figures in brackets = 2020, unless otherwise specified).

Revenues and results

Arctic Fish Holding AS posted operating revenues of NOK 168,8 million (NOK 64,2 million) in the first quarter of 2021, an increase of 263,1 % from the corresponding prior-year period. The Group achieved an operational EBIT of NOK 17,8 million (NOK 16,9 million in 2020), an increase of NOK 0,9 million. The small difference in operational EBIT despite the large difference in operating revenue and harvesting quantities is due to lower salmon price achievement. The group recognised a positive fair value adjustment of NOK 40,3 million (NOK 0 million) of the biomass in sea, an increase of NOK 40,3 million compared to the corresponding quarter in 2020. The positive fair value adjustment is due to higher forward prices.

The farming side of the business harvested 3.793 tonnes (863 tonnes) gutted weight in the quarter, an increase of 440 per cent from the corresponding quarter last year. The farming side achieved an operational EBIT per kg of NOK 5,67 (NOK 16,98). The decrease in operational EBIT per kg is due to lower salmon prices, as the prices decreased by 34,8 % from the same period last year.

Financial items

Net financial items resulted in a positive outcome for the period that amounted to NOK 17,2 million (negative by NOK 8,6 million in 2020), an improvement of NOK 25,8 million, due to the conversion of the Group's accounting policies to NOK, which resulted in a positive currency difference of interest bearing debt.

Balance sheet

At the end of the reporting period, total assets amounted to NOK 1.447,4 million, an increase of NOK 309,6 million from the prior quarter end. The change in total assets is attributable to several factors. Property, plant and equipment increased by NOK

21,3 million. Receivables increased by NOK 21,9 million, and bank deposits increased by NOK 268,5 million.

The Group's net interest-bearing debt decreased by NOK 355,5 million, from NOK 467,2 million at the end of 2020 to NOK 111,6 million at 31st of March 2021. The decrease is attributable to a positive EBITDA, increased working capital items of NOK 22,4 million and the impact of the issued share capital of NOK 344,2 million.

At 31st of March, the Group's equity totalled NOK 896,6 million, an increase of NOK 417,8 million from the end of the previous quarter. The equity ratio at the end of the quarter was 61,9 per cent.

Sales

The Group sells all harvested salmon FCA Bildudalur through Seaborn. The sold volume HOG was 3.793 tonnes and is the most sold volume in a quarter in the history of the company. (In Q1 2020 863 tonnes and 7.443 tonnes in the full year). The average price was 44,5 NOK (in Q1 2020 the average price was 70 NOK and the average price for the year 2020 was 46 NOK).

The price achievement in the quarter improved by 6,38 NOK from the last quarter.

The farming EBIT pr .kg for the quarter was 5,67 NOK pr. kg (somewhat lower than in the Q1 2020).

Seawater

The biomass at the end of the quarter was 8.585 tonnes in the sea and the closing average weight was 2,5 kgs, this is an increase of 14,6% since Q1 2020 (at the same time in 2020 the biomass was 5.873 tonnes in the sea and average weight 1,7 kgs).



Production costs have gradually decreased since the beginning of 2020 and is now 38,8 NOK pr. kg which has been a result of increased volumes and improved biology.

Smolt production

In the smolt facility there were 5,5 million fry and smolt (similar figures to the first quarter of 2020).



Investments

In the quarter there were finalized the necessary investments for the current year’s growth. The main investments consist of Cages, Moorings and a Workboat. These are committed investments in the quarter that amount to 56,7 million NOK, there of 37,5 million NOK that has already been paid as installments towards the investments.

Detailed planning is ongoing for a previously stated expansion of the smolt production facility. The same applies to the harvesting capacity of the Group and discussions and planning are ongoing for that project as well.

Shares

Arctic Fish holding was admitted to trading on the Euronext Growth Oslo under the trading symbol “AFISH” with an Initial Public Offering (IPO) on the 19th of February 2021. The listing and private placement before attracted very strong interest from Norwegian, Icelandic, Nordic, and international high-quality institutional investors. Furthermore, four cornerstone investors subscribed for and were allocated Offer Shares at the Offer Price of 61,20 NOK, for a total amount of NOK 97 million distributed as follows: 50 million NOK from Nordea Asset Management / 28 million NOK from Birta Pension Fund / 15 million NOK from Vestmannaeyja Pension Fund / 4 million NOK from Vördur tryggingar hf.

As of 31st of March the company has 31.876.653 shares outstanding and Arctic Fish holding does not own any of its own shares. 1.602.911 shares were traded during the quarter, with the price per share decreasing by 6,86% in the quarter, from the offering price of 61,20 NOK per share at the start of trading on February 19th to market close on March 31st where the price closed at 57 NOK per share.



Outlook

Markets and sales

With negative growth in global harvest volume for the rest of year provides a positive view on the salmon price, but COVID-19 is still a risk. Total sold volumes are expected to be 12.000 tonnes in 2021.

Costs of sold fish are expected to increase in the next quarter due to the start up of harvesting from a new site.

Investments

Delivery of cages and nets will be ongoing in Q2 and Q3

A workboat is expected to be delivered in Q2.

Contracts for Smolt expansion project will be finalized in Q2, with groundwork starting in the quarter.

The future harvesting setup is in an ongoing process.

Licenses

Within the course of 2021 the Group expects to receive the following salmon sea farming licenses:

- A new site with 4,000 tonnes of licenses in Arnarfjörður.
- Conversion of 5,300 tonnes of trout licenses to salmon licenses and further expansion up to 10,100 tonnes in Ísafjarðardjúp

Farming

The Group is on schedule with the smolt output for the year that is planned to be 2,8 million smolt at a smolt size range of 140-200 gr. The first group to be put out into sea cages will be done in early May and smolt output is scheduled to be finished by the end of the 3rd Quarter.

The group has already purchased and hatched the first batch of organic eggs, that are scheduled for release in Ísafjarðardjúp.

Harvesting will be from the Hvannadalur site in Tálknafjörður in Q2 and Q3 and then in the start of the 4th quarter harvesting will be from Dýrafjörður.

Statement of Responsibility

We declare that, to the best of our knowledge, the information provided in this report is fair and accurate and that, to the best of our knowledge, the report is not subject to any material omissions, and that all relevant information is included in this report.

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 31 March 2021 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the Group’s assets, liabilities, financial position and profit or loss as a whole.

[10th] May 2021

The Board of Directors of Arctic Fish Holding AS

Svein Sivertsen
Chairman

Charles Hoestlund
Board member

Ola Loe
Board member

Nicolaj Refshall Weiergang
Board member

Hildur Árnadóttir
Board member

The Management of Arctic Fish Holding AS

Stein Ove Tveiten
CEO

Neil Shiran Thorisson
CFO

Consolidated Income Statement

(NOK '000)	Q1 2021	Q1 2020	FY 2020
Operating revenues	168.843	64.172	375.667
Cost of goods sold	102.873	10.386	192.800
Salaries	12.098	9.881	42.025
Depreciation	10.390	9.145	40.113
Other operating costs	25.682	17.858	94.410
Operational EBIT	17.800	16.903	6.319
Fair value adjustments	40.273	0	-4.638
Production tax	-1.633	0	-312
EBIT	56.439	16.903	1.369
Other net financial items	17.282	-8.606	-39.870
Earnings before tax (EBT)	73.721	8.296	-38.500
Taxes	0	0	0
Net profit/loss	73.721	8.297	-38.500
Profit attributable to:			
Parent company shareholders	73.721	8.297	-38.500
Minority interests	0	0	0
Earnings per share (NOK)	2,31	0,26	-1,21
Earnings per share - diluted	2,31	0,26	-1,21

COMPREHENSIVE INCOME STATEMENT

(NOK '000)	Q1 2021	Q1 2020	FY 2020
Net profit/loss	73.721	8.297	-38.500
Total comprehensive income	73.721	8.297	-38.500
Total comprehensive income attributable to:			
Parent company shareholders	73.721	8.297	-38.500

Statement of Financial Position

(NOK '000)	31.3.2021	31.3.2020	31.12.2020
Intangible assets	40.149	28.899	34.297
Property, plant and equipment	581.274	502.484	559.988
Non-current financial assets	629	559	626
Non-current assets	622.052	531.942	594.911
Inventory and biological assets	421.229	316.574	429.237
Receivables	56.449	92.202	34.528
Bank deposits	347.691	13.746	79.171
Current assets	825.370	422.523	542.936
TOTAL ASSETS	1.447.423	954.464	1.137.847
Share capital	31.877	457.719	689.476
Other equity	864.790	-163.495	-210.672
Equity	896.667	294.224	478.805
Deferred tax	2.506	2.506	2.506
Provisions	2.506	2.506	2.506
Long-term interest-bearing debt	214.847	358.567	245.184
Short-term interest-bearing debt	244.462	186.110	301.154
Trade payables	80.998	100.093	100.703
Other current liabilities	7.943	12.965	9.495
Current liabilities	333.403	299.167	411.353
TOTAL EQUITY AND LIABILITIES	1.447.423	954.464	1.137.847

Statement of Equity

31.3.2021							
	Equity allocated to parent company shareholders						
(NOK '000)	Share capital	Treasury shares	Retained earnings	Total	Non-controlling interests	Total equity	
Equity at 01.01.2021	689.476	0	-210.672	478.805	0	478.805	
Total comprehensive income	0	0	73.721	73.721	0	73.721	
Transactions with shareholders							
Reclassification due to new parent	-689.476		12.888	-676.588		-676.588	
Issued share capital	26.158		650.431	676.588		676.588	
Issued share capital	5.719		344.281	350.000		350.000	
Transaction costs			-5.859	-5.859		-5.859	
Total transactions with shareholders	-657.600	0	1.001.740	344.141	0	344.141	
Equity at 31.3.2021	31.877	0	864.790	896.667	0	896.667	
31.12.2020							
	Equity allocated to parent company shareholders						
(NOK '000)	Share capital	Treasury shares	Retained earnings	Total	Non-controlling interests	Total equity	
Equity at 31.12.2019 (ICEGAAP)	457.719	0	-189.415	268.304	0	268.304	
Effect of implementation IFRS			17.244	17.244		17.244	
Equity at 01.01.2020 (IFRS)	457.719	0	-172.171	285.548	0	285.548	
Total comprehensive income	0	0	-38.500	-38.500	0	-38.500	
Transactions with shareholders							
Issued share capital	231.757			231.757		231.757	
Total transactions with shareholders	231.757	0	0	231.757	0	231.757	
Equity at 31.12.2020	689.476	0	-210.672	478.805	0	478.805	

Statement of Cash Flow

(NOK '000)	Q1 2021	Q1 2020	FY 2020
Operational EBIT	17.800	16.903	6.319
Adjusted for:			
Depreciation	10.390	9.145	40.113
Production tax	-1.633	0	-312
Change in inventories/biological assets	48.281	-29.415	-146.716
Change in account receivables and accounts payables	-41.627	11.672	69.957
Change in other current assets and liabilities	-1.552	9.326	5.856
Net cash flow from operating activities	31.657	17.632	-24.782
Cash flow from investing activities			
Payments for purchase of fixed assets and licenses (MAB)	-37.531	-5.768	-99.705
Net cash flow from investing activities	-37.531	-5.768	-99.705
Cash flow from financing activities			
Proceeds from borrowings	0	0	597.944
Repayment of borrowings	-30.337	-16.663	-622.640
Current debt repayment	-56.692	16.611	26.306
Issued new share capital	344.141	0	231.757
Net interest payments	-5.333	-8.227	-39.870
Adjustment due to Currency difference interest bearing debt	22.614	0	0
Net cash flow from financing activities	274.394	-8.280	193.497
Net increase in bank deposits	268.520	3.584	69.010
Bank deposits as of start of period	79.171	10.162	10.162
Bank deposits as of 31 March	347.691	13.746	79.172

Note 1 – Accounting Principles

Corporate information

Arctic Fish Holding AS and its subsidiaries (collectively "the Group", or "Arctic Fish Group") is a publicly listed company on Euronext Growth, with the ticker symbol AFISH.

Arctic Fish Holding AS is a Company incorporated in Norway with headquarters in Iceland. The address of its registered office is Ferjemannsveien 10, 7014 Trondheim, Norway. Arctic Fish's headquarter is located at Adalstraeti 20, 400 Isafjordur, Iceland.

The consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 10th of May 2021.

February 2021 reorganization

The structure of the Group was changed in 2021. Arctic Fish Holding AS is a newly established entity that owns 100% of the shares in Arctic Fish ehf, the Icelandic mother company of the Icelandic subsidiaries Arctic Oddi, Arctic Smolt and Arctic Sea Farm.

In the consolidated financial statements of Arctic Fish Group the values of Arctic Fish Iceland and subsidiaries are continued. The Group has accounted for the reorganization as a continuation of Arctic Fish ehf. The consolidated financial statements are presented as if the Group and Arctic Fish Holding AS as the parent company, had always existed.

Comparative financial information is provided for the preceding period in the Consolidated statement of comprehensive income, Consolidated statement of financial position and Consolidated statement of cash flows.

These condensed, consolidated interim financial statements have been drawn up in accordance with International Financial Reporting Standards (IFRSs) and such interpretations as are determined by the EU and published by the International Accounting Standards Board, including the interim reporting standard (IAS 34). The

interim financial statements do not include all the information required of an annual financial report.

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

Following is a reconciliation of the 2020 financial statements that were previously prepared for the Icelandic parent company Arctic Fish ehf. in accordance with the Financial Statements Act (IS-GAAP) and the Regulation on the Presentation and Contents of the Financial Statements and Consolidated Financial Statements. The 2020 financial statements have been restated in accordance with International Financial Reporting Standards (IFRSs).

The consolidated financial statements are presented in Norwegian Kroner (NOK) which is the functional currency of the Group as of 01.01.2021 and onwards.

Reconciliation of equity and financial position as of 1 January 2020

(NOK '000)	ICEGAAP	IFRS adj.	Notes	IFRS
Intangible assets	22.581	5.569	A	28.150
Property, plant and equipment	506.610			506.610
Non-current financial assets	559			559
Non-current assets	529.750	5.569		535.319
Inventory and biological assets	275.485	11.675	B	287.160
Receivables	66.566			66.566
Bank deposits	10.162			10.162
Current assets	352.213	11.675		363.888
TOTAL ASSETS	881.963	17.244		899.207
Share capital	457.719			457.719
Other equity	-189.415	17.244	A,B	-172.171
Non-controlling interests	0			0
Equity	268.304	17.244		285.548
Pensions	0			0
Deferred tax	2.506			2.506
Provisions	2.506	0		2.506
Long-term interest-bearing debt	375.230			375.230
Short-term interest-bearing debt	169.499			169.499
Trade payables	62.785			62.785
Tax payable	0			0
Other current liabilities	3.639			3.639
Current liabilities	235.923	0		235.923
TOTAL EQUITY AND LIABILITIES	881.963	17.244		899.207

A: The IFRS adjustment reflects the difference between the booked value of goodwill and licenses in Arctic Fish ehf and the cost value at 1 January 2020

B: Biological assets have previously been calculated using cost method. According to IFRS, biological assets are valued at fair value less costs to sell (see note 3). The IFRS adjustment reflects the difference between these two accounting principles.

Note 2 – Farming summary

The operating segment Farming is used by Group management to assess performance and profitability at a strategic level. The Group management is defined as the chief operating decision-makers. The fish farming business includes salmon farming, harvesting activities and sales of the harvested fish. All farming sites are located in the Westfjords of Iceland. Group management reviews monthly reports in connection with the segments. Performance is evaluated based on operating results (EBIT).

(NOK '000)	Farming		Eliminations / other		TOTAL	
	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020
Total sales revenues	168.843	58.871	0	5.301	168.843	64.172
Internal sales revenues	0	0	0	0	0	0
External sales revenues	168.843	58.871	0	5.301	168.843	64.172
Operating costs	147.322	44.225	3.721	3.044	151.043	47.269
Operational EBIT	21.521	14.646	-3.721	2.257	17.800	16.903
Fair value adjustments	40.273	0	0	0	40.273	0
Production tax	0	0	-1.633	0	-1.633	0
EBIT	61.794	14.646	-5.355	2.257	56.439	16.903
EBT	61.794	14.646	11.927	-6.350	73.721	8.296
Volume harvested (HOG)	3.793	863			3.793	863
Operational EBIT per kg	5,67	16,98			5,67	16,98
Volume sold	3.793	863			3.793	863
Operational EBIT per kg	5,67	16,98			5,67	16,98

The eliminations in Q1 2021 in the above relates to administration costs and non recurring costs due to the listing of the company on to the Euronext Growth market.

Note 3 - Biomass

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

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

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

The principle of highest and best use, according to IFRS 13 is the basis for the valuation and classification. In the fair value calculation, optimal harvest weight is defined as harvest weight according to harvest plans.

Book value of inventory: (NOK '000)	31.03.2021	31.03.2020	31.12.2020
Raw materials	19.500	18.921	27.046
Biological assets	401.730	297.653	402.191
Finished goods	0	0	0
Total inventory	421.229	316.574	429.237

Specification of the biological assets: (NOK '000)	31.03.2021	31.03.2020	31.12.2020
Biological assets at cost	354.801	285.680	395.535
Fair value adjustments of the biomass	46.929	11.973	6.656
Book value biological assets	401.730	297.653	402.191

Note 3 Continued – Biomass

Specification of biological assets - tonnes

(NOK '000)	Q1 2021	Q1 2020	FY 2020
Opening balance biological assets	10.513	6.042	6.042
Increase due to fish put in the sea	0	0	413
Increase due to production in the period	2.786	1.299	13.834
Reduction due to mortality in the period	-288	-440	-971
Reduction due to harvesting in the period	-4.426	-1.028	-8.805
Non-recurring events and other	0	0	0
Closing balance biological assets	8.585	5.873	10.513

Specification of changes in book value of biological assets:

(NOK '000)	Q1 2021	Q1 2020	FY 2020
Opening balance biological assets	402.191	276.544	276.544
Increase due to production in the period	73.467	56.722	447.655
Non-recurring events and other at cost	0	0	0
Reduction due to harvesting in the period	-114.201	-35.614	-317.370
Fair value adjustments of the biological assets	40.273	0	-4.638
Closing balance biological assets	401.730	297.653	402.191

Groups of biological assets in sea, status as of 31.3.2021	Number of fish (1000)	Biomass (tonnes)	Acquisition costs	Fair value adjustments	Accounted value
Smaller than 1 kg	1.204	794	56.744	11.254	67.998
1-4 kg	1.278	2.746	93.189	31.000	124.189
Larger than 4 kg	1.226	5.046	163.357	4.675	168.032
Biological assets	3.708	8.585	313.290	46.929	360.219

Groups of biological assets in sea, status as of 31.03.2020	Number of fish (1000)	Biomass (tonnes)	Acquisition costs	Fair value adjustments	Accounted value
Smaller than 1 kg	1.320	586	24.564	1.195	25.759
1-4 kg	2.121	5.287	221.622	10.778	232.400
Larger than 4 kg	0	0	0	0	0
Biological assets	3.441	5.873	246.186	11.973	258.159

Groups of biological assets in sea, status as of 31.12.2020	Number of fish (1000)	Biomass (tonnes)	Acquisition costs	Fair value adjustments	Accounted value
Smaller than 1 kg	1.219	556	19.533	352	19.885
1-4 kg	2.581	6.463	227.051	4.092	231.143
Larger than 4 kg	688	3.494	122.747	2.212	124.959
Biological assets	4.488	10.513	369.331	6.656	375.989

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

31.3.2021	NOK/kg	31.3.2020	NOK/kg	31.12.2020	NOK/kg
Q2 21	60,30	Q2 20	54,47	Q1 21	66,20
Q3 21	53,30	Q3 20	63,60	Q2 21	66,80
Q4 21	57,50	Q4 20	65,10	Q3 21	54,90
Q1 + Q2 22	62,75	Q1+Q2 20	55,65	Q4 21	56,30
Q3 + Q4 22	54,75	Q3 + Q4 20	56,50	Q1 + Q2 22	59,50

Note 4 – Fair Value Adjustments

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

(NOK '000)	Q1 2021	Q1 2020	FY 2020
Change in fair value adjustments of the biomass	40.273	0	-4.638
Total fair value adjustments	40.273	0	-4.638

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

(NOK '000)	31.03.2021	31.03.2021	31.12.2020
Fair value adjustments biomass (inventory and biological assets)	46.929	11.973	6.656
Net fair value adjustments in the balance sheet	46.929	11.973	6.656

Note 5 – Related parties

The Group conducts transactions on normal terms with associates and suppliers who are also Arctic Fish Holding shareholders.

All services and goods are purchased at arm length prices. The table below shows figures from continued operations. The Board is not aware of any changes or transactions in Q1 21 associated with related parties that in any significant way have an impact on the Group's financial position and profit for the period.

Goods and services purchased: (NOK '000)	Q1 2021	Q1 2020	FY 2020
Companies controlled by large shareholder - products purchased	1.405	386	890
Companies controlled by large shareholder - services purchased	751	536	2.037
Total goods and services purchased from related parties	2.156	922	2.927

Note 6 – Financial Covenants

The group has to fulfil the following covenants for the Group's main borrowings

The Equity Ratio for each Relevant Period shall at all times be equal to or exceed 40%.

Leverage: Leverage in respect of any Relevant Period specified in column 1 below shall not exceed the ration set out in column 2 below opposite that Relevant Period. Leverage means, in respect of any Relevant Period, the ratio of Total Net Interest Bearing Debt on the last day of that Relevant Period to EBITDA in respect of that Relevant Period.

Relevant Period Expiring.	Ratio
30 June 2021	5.0:1
30 September 2021	5.0:1
31 December 2021	5.0:1
31 March 2022 and all subsequent Relevant Periods	4.5:1

Minimum EBITDA (measured on a rolling 12-month basis), shall during the Relevant Period ending on and 31 March 2021 exceed NOK 30,000,000.

Net Interest bearing debt

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

(NOK '000)	31.03.2021	31.12.2020
Reported long-term interest-bearing debt	214.847	245.184
Reported short-term interest-bearing debt	244.462	301.154
Interest-bearing long-term receivables	0	0
Reported bank deposits	-347.691	-79.171
Total net interest bearing debt	111.618	467.166

Equity ratio

(NOK '000)	31.03.2021	31.12.2020
Reported equity	896.667	478.805
Reported total assets	1.447.423	1.137.847
Equity ratio	61,9 %	42,1 %

12 Month Rolling EBITDA

The EBITDA from 1st of April 2020 to 31st March 2021 was 45 million NOK

Compliance

At the end of the first quarter of 2021, the Group is in compliance with the terms and covenants of the loan agreement.

Note 7 – Shareholder List

The largest shareholders as of 31.03.2021:

Rank	Name	# of shares	% ownership
1	NORWAY ROYAL SALMON ASA	16.346.824	51,28%
2	BREMESCO HOLDINGS LIMITED	9.104.582	28,56%
3	J.P. Morgan Bank Luxembourg S.A.	2.661.068	8,35%
4	Landsbankinn hf.	477.368	1,50%
5	CLEARSTREAM BANKING S.A.	438.090	1,37%
6	KVERVA FINANS AS	258.000	0,81%
7	VERDIPAPIRFONDET NORDEA AVKASTNING	237.107	0,74%
8	VERDIPAPIRFONDET PARETO INVESTMENT	206.000	0,65%
9	VERDIPAPIRFONDET NORDEA KAPITAL	193.100	0,61%
10	VERDIPAPIRFONDET NORDEA NORGE VERD	168.033	0,53%
11	MP PENSJON PK	165.000	0,52%
12	J.P. Morgan Bank Luxembourg S.A.	143.849	0,45%
13	VERDIPAPIRFONDET EIKA SPAR	127.909	0,40%
14	VERDIPAPIRFONDET DELPHI NORGE	115.000	0,36%
15	VERDIPAPIRFONDET PARETO NORDIC	103.000	0,32%
16	VERDIPAPIRFONDET EIKA NORGE	99.750	0,31%
17	ROTH	80.000	0,25%
18	VERDIPAPIRFONDET NORDEA NORGE PLUS	74.904	0,23%
19	VERDIPAPIRFONDET HOLBERG TRITON	50.733	0,16%
20	TRETHOM AS	41.111	0,13%
Ownership of 20 largest shareholders		31.091.428	97,54%
Total number of shares		31.876.653	100,00%

Arctic Fish Holding AS does not own any of its own shares.