

Quarterly Report

Q1 2022

25th of May 2022

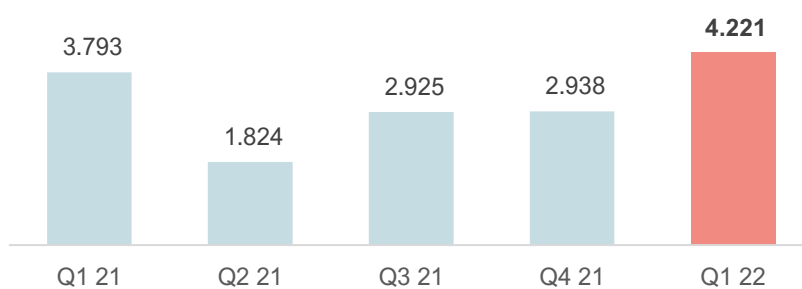


Quarterly report

Financial statements and notes

Key information

Harvesting volume (HOG tonnes)



Farming Operational EBIT pr. kg (NOK)

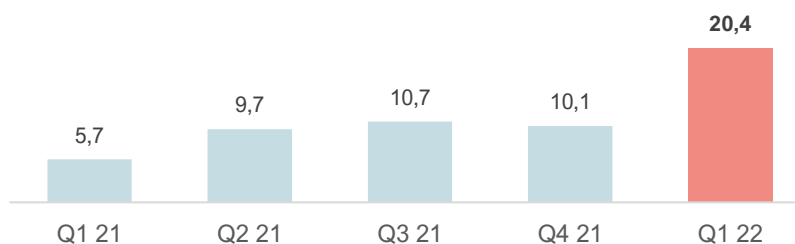


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Cautionary note regarding forward-looking statements

This quarterly report 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. 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. 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 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. 7,443 tonnes of head-on gutted ("HOG") salmon were harvested by the Group in 2020 and 11,479 tonnes HOG in 2021, or a 54% growth year over year. So far in 2022 the Group has harvested 4,221 tonnes.

The Group has farming licences for a total of 27.1 thousand tonnes maximum allowed biomass ("MAB"), of which 5.3 thousand tonnes relate to licences for rainbow trout that are in the process of being converted to salmon licences. The Group achieved a new 4,000 tonnes MAB license for salmon in Arnarfjordur in the quarter. This is a new license in a fjord and at a site that the Group has not operated in before.

The Group also has applications for an additional 4.8 thousand tonnes of MAB for salmon. Additionally, the Group holds a license for land based smolt production on its own land in Norðurlatn, which is required for the Group's ongoing smolt production.

Important events



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.

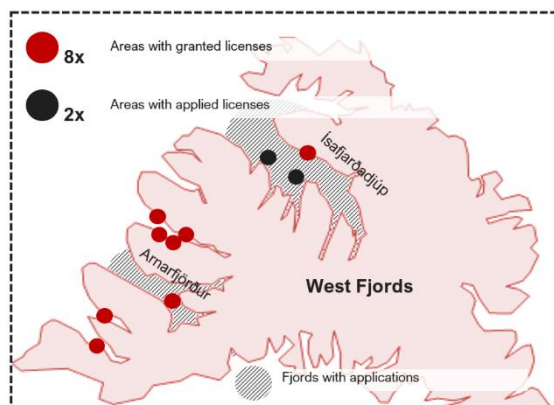
Freshwater smolt

The Group has a modern freshwater hatchery in Norðurbotn (Táknafjörður), 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 roughly 13 million smolt having been produced at the hatchery since 2017. The Group also owns a 36.3 km² land area near the smolt facility, which it is using for a smolt facility expansion. The construction project continues to stay on track, with timing and cost estimations both in line with expectations.

Seawater sites

The Group's seawater sites are strategically located in all fjords on the West Coast of Iceland, with eight sites with granted licenses, and another two 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 27,100 tonnes MAB with additional applications for 4,800 tonnes MAB that the Group expects to receive in 2022. Existing licenses are divided into 21,800 tonnes MAB of salmon and 5,300 tonnes MAB of trout that is in process of being converted to salmon licenses in 2022 as well.



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 has already made decisions that relate to increasing harvesting capacity. The Group considers the current slaughtering price as high and there is ongoing work on new and more modern harvesting solutions that will decrease the slaughtering price.

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 all major markets, with strategic marketing activities focussing in the long term on more high paying markets. Current export routes have developed positively, and there is potential to enter new markets in the future efficiently.

Q1 2022 Performance

The first quarter's performance will be broken down into the main operating categories, investments, and financing. In brackets some historical performance for the year 2021 is provided.

Key financial Performance

(Figures in brackets = 2021, unless otherwise specified).

Revenues and results

Arctic Fish posted operating revenues of NOK 282.5 million (Q1 2021: NOK 168.8 million) in the first quarter of 2022, an increase of 67.3% from the corresponding prior-year period. The Group achieved a negative operational EBIT of NOK -45.0 million (Q1 2021: NOK 17.8 million), a decrease of NOK 62.8 million year over year, due to the incident in Dyrafjordur which accounted for a non-recurring cost of 129 MNOK.

The Group recognised a positive fair value adjustment of NOK 24.3 million (Q1 2021: NOK 40.3 million) of the biomass in sea, a decrease of NOK 16.0 million compared to the corresponding quarter in 2021. The positive fair value adjustment in the quarter can be attributed to high forward price indications.

From farming operations, the company harvested 4,221 tonnes (Q1 2021: 3,793 tonnes) gutted weight in the quarter, an increase of 11% from the corresponding quarter last year. The operations achieved a farming operational EBIT pr. kg of NOK 20.4 (Q1 2021: NOK 5.7 pr. kg). The increase in operational EBIT pr. kg is due to significantly higher salmon price achievement on the harvested quantities sold, with production costs increasing year over year.

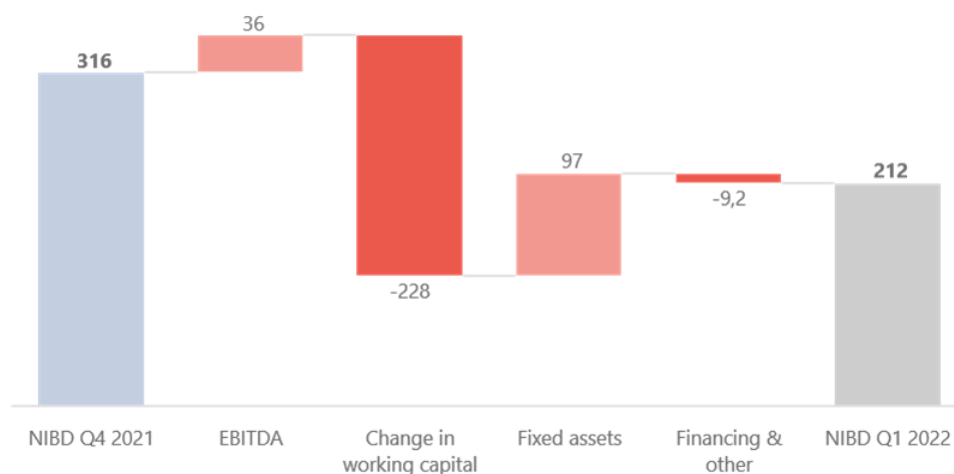
Financial items

Net financial gains were NOK 8.9 million in the quarter (Q1 2021: NOK 17.3 million). The gains in the quarter relate to favourable currency change differences.

Balance sheet

At the end of the reporting period, total assets amounted to NOK 1,446 million, an increase of NOK 12.5 million from the prior period (Q4 2021). The change in total assets is attributable to several factors. Property, plant, and equipment increased by NOK 83.8 million. Receivables increased by NOK 13.2 million, and bank deposits increased by NOK 95.8 million. Biological assets and feed inventories decreased by 176.1 million NOK. The increase is due to additional investments and increased bank deposits, whilst the only significant lowering of assets is related to the mortality and consequent harvesting which decreased the biological assets substantially.

The Group's net interest-bearing debt (NIBD) decreased by NOK 104 million, from NOK 316 million at the end of the fourth quarter of 2021 to NOK 212 million at the end of the first quarter 2022. The decrease is for the most part attributable to investments in fixed assets, negative EBITDA effects and working capital changes.



At the end of the quarter, the Group's equity totalled NOK 960 million, a decrease of NOK 15 million from the end of the previous quarter. The equity ratio at the end of the quarter was 66%.

Sales

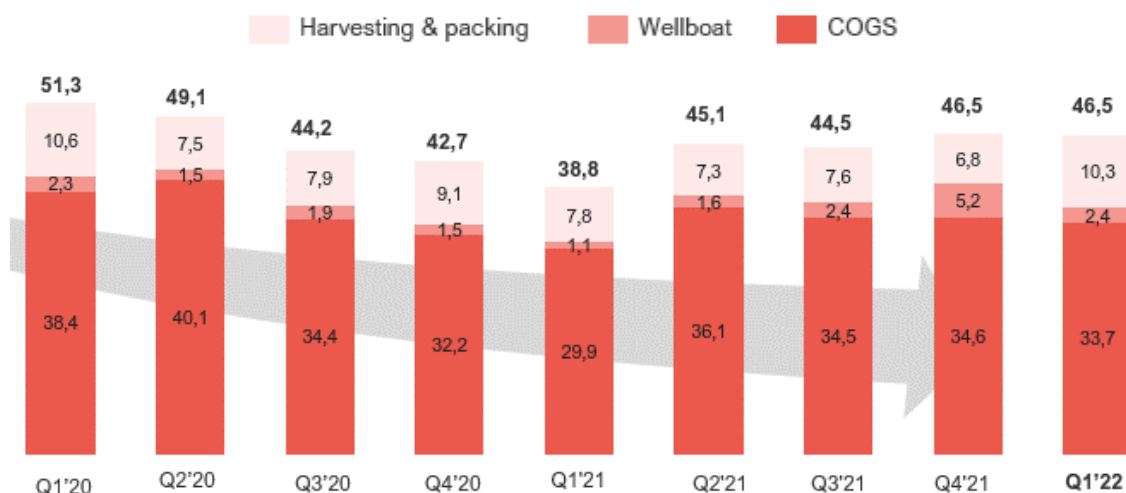
The Group sells all harvested salmon FCA Bildudalur. The sold volume HOG was 4,221 tonnes in the quarter (in Q1 2021 3,793 tonnes. The average price in

the quarter was 66.9 NOK pr.kg (in Q1 2021 the average price was 44.5 NOK pr. kg). The salmon prices developed positively due to strong market conditions. The achieved salmon price improved by 22.4 NOK pr. kg. compared to Q1 2021, or an increase of 50%. The price achievement increased by 10.3 NOK pr. kg from Q4 2021. The price achievement in the quarter was impacted by the incident in Dyrafjordur, and despite the good market conditions the price achievement was not optimal as the excess volume, and emergency harvesting with consequent quality issues impacted sales efforts.

Seawater

The biomass at the end of the quarter was 5,315 tonnes in the sea and the closing average weight was close to 1.7 kgs, resulting in both smaller fish and less biomass in the sea compared to Q4 2021 (at the end of Q4 2021 the biomass was 11,477 tonnes in the sea and the closing average weight was close to 2.5 kgs).

The production cost was 46.5 NOK pr kg in the quarter, which was the same as in the previous quarter.



Smolt production

In the smolt facility at the end of the period there are 7.0 million fry and smolt at an average weight of 19.2 grams, compared to 5.6 million fry and smolt at an average weight of 37.8 grams last year.

Farming

High mortality in Dyrafjordur in Q1 2022

There has been extraordinarily high mortality in Dyrafjordur, at two of our sites in the fjord. Due to this incident, there was a write down of biological assets and non-recurring costs for dead fish handling.

Due to this situation, there was a write down of biological assets and non-recurring costs for dead fish handling which is estimated at 129 MNOK in the quarter up from 106 M NOK estimated in the Q4-21 report. Total realized mortality due to the incident was 2.512 tonnes LW, which is a reduction from the 3.0 thousand tonnes LW reported in the Q4-21 report.

The harvesting estimates for the year 2022 will be 10.6 thousand tonnes GW and 13.0 thousand tonnes GW for the year 2023.

The highest mortality was in cages with the highest average weight. Examination leads to the cause that the mortality was related to circulation problems, suboptimal gill conditions and Heart and Skeletal Muscle Inflammation (HSMI). HSMI are characterized as endemic in Iceland.

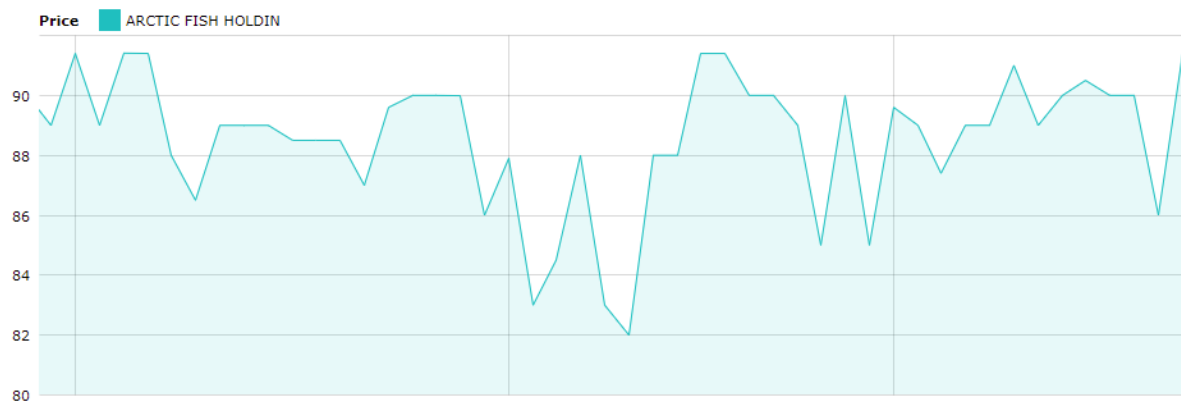
Mitigation measures in the operational planning and execution are implemented to reduce biological risk and avoid similar incidents. Additionally, an emphasis is put on securing the needed harvesting capacity.

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.

As of 31st of March 2022 the company has 31,876,653 shares outstanding and Arctic Fish Holding does not own any of its own shares. The share price at the start of the quarter was 91.40 NOK pr. share. Closing price at the end of Q1 22 was 91.40 NOK pr. share, or unchanged from last quarter. The stock traded at a high of 91.41 and a low of 82.00 within the quarter. 267 trades were executed, with the number of shares traded amounting to 84,791 shares.

Closing price development within the quarter:



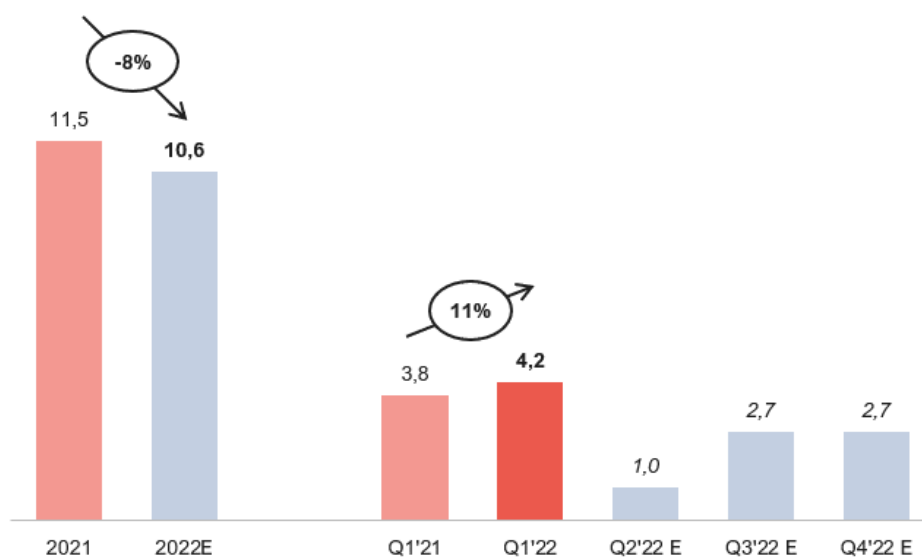
Outlook

Markets and sales

The group's future outlook is slightly compromised from earlier predictions and forecasts due to the mortality incident in Q1 of 2022 mentioned in the previous chapter. With the new estimate on lower harvesting quantities than originally planned, the group is yet very optimistic on continuing strong market performance moving forward and believes that it can generate a healthy margin on sold quantities throughout the year.

Harvesting volumes and forecast

In thousand tonnes, HOG



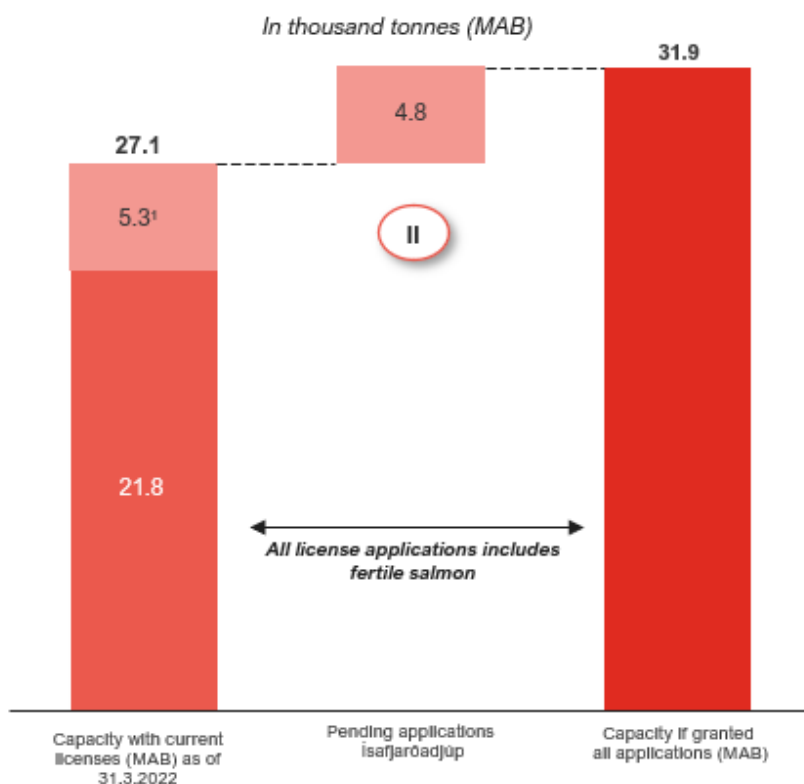
Investments

Construction project expenditure related to the smolt expansion were the key investments in the quarter. A new building that is under consideration as a future harvesting facility was purchased in the quarter. Minor investments were made in farming and other smaller smolt production investments.

Licenses

The Group achieved a new 4,000 tonnes MAB for salmon in Arnarfjordur. This is a new license in a fjord and at a site that the Group has not operated in before. Within the course of 2022 the Group expects to receive the following salmon sea farming license:

- Conversion of 5,300 tonnes of trout licenses to salmon licenses and further expansion up to 10,100 tonnes in Ísafjarðardjúp.



Board declaration

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

25.05.2022

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

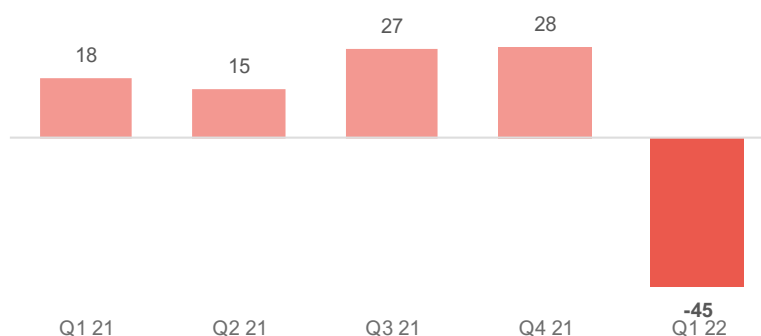
Stein Ove Tveiten
CEO

Neil Shiran Thorisson
CFO

Key figures from P/L

KEY FIGURES (NOK '000)	Q1 2022	Q1 2021	FY 2021
Operating revenues	282.525	130.509	595.895
Operational EBIT	-44.988	17.800	86.944
Fair value adjustments	24.250	40.273	44.897
Production tax	-3.535	-1.633	-3.843
EBIT	-24.273	56.439	127.998
Net financial items	8.918	17.282	2.580
Earnings before tax (EBT)	-15.355	73.721	130.578
Volume harvested GW	4.221	3.793	11.479
Operational EBIT pr.kg (farming)	20,43	5,67	8,67

Operational EBIT (MNOK)



Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Operating revenues	282.525	168.843	595.895
Cost of goods sold	174.691	102.873	299.189
Salaries	17.163	12.098	54.151
Depreciation	12.494	10.390	46.501
Other operating costs	123.164	25.682	109.110
Operational EBIT	-44.988	17.800	86.944
Fair value adjustments	24.250	40.273	44.897
Production tax	-3.535	-1.633	-3.843
EBIT	-24.273	56.439	127.998
Other net financial items	8.918	17.282	2.580
Earnings before tax (EBT)	-15.355	73.721	130.578
Taxes	3.071	0	21.985
Net profit/loss	-12.284	73.721	152.563
Profit attributable to:			
Parent company shareholders	-12.284	73.721	152.563
Minority interests	0	0	0
Earnings per share (NOK)	-0,39	2,31	4,79
Earnings per share - diluted	-0,39	2,31	4,79

COMPREHENSIVE INCOME STATEMENT

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Net profit/loss	-12.284	73.721	152.563
Total comprehensive income	-12.284	73.721	152.563
Total comprehensive income attributable to:			
Parent company shareholders	-12.284	73.721	152.563

Statement of Financial Position

STATEMENT OF FINANCIAL POSITION

(NOK '000)	31.3.2022	31.3.2021	31.12.2021
Deferred tax assets	22.550	0	19.479
Intangible assets	53.136	40.149	52.119
Property, plant and equipment	741.014	581.274	657.161
Right of use assets	4.234	0	4.435
Non-current financial assets	629	629	629
Non-current assets	821.563	622.052	733.824
Biological assets	335.904	401.729	512.010
Other inventory	28.725	19.500	33.785
Receivables	129.175	56.449	115.951
Bank deposits	133.926	347.691	38.126
Current assets	627.730	825.370	699.871
TOTAL ASSETS	1.449.293	1.447.423	1.433.695
Share capital	31.877	31.877	31.877
Other equity	931.347	864.790	943.631
Equity	963.223	896.667	975.508
Deferred tax	0	2.506	0
Provisions	0	2.506	0
Long-term interest-bearing debt	308.021	214.847	318.152
Long term leasing liabilities	3.254	0	3.424
Total non-current liabilities	311.275	214.847	321.576
Short-term interest-bearing debt	37.914	244.462	36.063
Short term leasing liabilities	1.165	0	1.138
Trade payables	123.479	80.998	91.052
Other current liabilities	12.237	7.943	8.357
Current liabilities	174.795	333.403	136.610
TOTAL EQUITY AND LIABILITIES	1.449.293	1.447.423	1.433.695

Statement of Equity

STATEMENT OF EQUITY

31.3.2022	Equity allocated to parent company shareholders			
(NOK '000)	Share capital	Share premium	Accumulated earnings	Total equity
Equity at 01.01.2022	31.877	1.001.740	-58.109	975.508
Total comprehensive income	0	0	-12.284	-12.284
Transactions with shareholders				
Dividend	0	0	0	0
Total transactions with shareholders	0	0	0	0
Equity at 31.03.2022	31.877	1.001.740	-70.394	963.223

31.3.2021	Equity allocated to parent company shareholders			
(NOK '000)	Share capital	Share premium	Accumulated earnings	Total equity
Equity at 01.01.2021	689.476	0	-210.672	478.805
Total comprehensive income	0	0	73.721	73.721
Transactions with shareholders				
Reclassification due to new parent	-689.476	12.888	0	-676.588
Proceeds from issue of new share capital	26.158	650.431	0	676.588
Proceeds from issue of new share capital	5.719	344.281	0	350.000
Transaction costs	0	-5.859	0	-5.859
Total transactions with shareholders	-657.600	1.001.740	0	344.141
Equity at 31.03.2021	31.877	1.001.740	-136.950	896.667

Statement of Cash Flow

STATEMENT OF CASH FLOW

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Operational EBIT	-44.988	17.800	86.944
Adjusted for:			
Depreciation	12.494	10.390	46.501
Production tax	-3.535	-1.633	-3.843
Change in inventories/biological assets	205.416	48.281	-71.661
Change in account receivables and accounts payables	19.203	-41.627	-91.074
Change in other current assets and liabilities	3.880	-1.552	-1.138
Net cash flow from operating activities	192.469	31.657	-34.271
Cash flow from investing activities			
Payments for purchase of fixed assets and licenses (MAB)	-97.163	-37.531	-160.846
Net cash flow from investing activities	-97.163	-37.531	-160.846
Cash flow from financing activities			
Proceeds from borrowings	22.968	0	119.797
Repayment of borrowings	-18.943	-30.337	-39.425
Installments on right to use liabilities	-143	0	-528
Interest payments for right to use liabilities	-50	0	-153
Current debt change	1.851	-34.078	-247.450
Issued new share capital	0	344.141	344.140
Net interest payments	-5.189	-5.333	-22.311
Net cash flow from financing activities	494	274.393	154.070
Net increase in bank deposits	95.800	268.520	-41.046
Bank deposits as of start of period	38.126	79.171	79.171
Bank deposits at the end of the period	133.926	347.691	38.126

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 Sindragata 10, 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 25th of May 2022.

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.

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.

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 smolt production, salmon farming 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 production sites and operating segments. Performance is evaluated based on operating results (EBIT).

(NOK '000)	Farming		Eliminations / other		Total	
	Q1 2022	Q1 2021	Q1 2022	Q1 2021	Q1 2022	Q1 2021
Total sales revenues	282.525	168.843		0	282.525	168.843
Operating costs	196.281	147.322	131.231	3.721	327.512	151.043
Operational EBIT	86.243	21.521	-131.231	-3.721	-44.988	17.800
Fair value adjustments	24.250	40.273	0	0	24.250	40.273
Production tax	-3.535	0	0	-1.633	-3.535	-1.633
EBIT	106.958	61.794	-131.231	-5.354	-24.273	56.439
Volume harvested (HOG)	4.221	3.793			4.221	3.793
Operational EBIT per kg Farming	20,43	5,67			20,43	5,67

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 4%. 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 is adjusted to reflect an ex harvesting plant price achievement and is a reference price. This price is further adjusted for expected harvest costs (well boat, harvest and packing, sales commission), 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)	31.3.2022	31.3.2021	31.12.2021
Raw materials	28.725	19.500	33.785
Biological assets - freshwater	47.496	41.510	29.575
Biological assets - seawater	288.408	360.220	482.435
Total inventory	364.629	421.229	545.795

Specification of the biological assets:

(NOK '000)	31.3.2022	31.3.2021	31.12.2021
Biological assets at cost	255.717	354.801	459.778
Fair value adjustments of the biomass	80.187	46.929	52.232
Book value biological assets	335.904	401.730	512.010

Specification of biological assets - tonnes

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Opening balance biological assets	11.477	10.513	10.513
Increase due to fish put in the sea	0	0	436
Increase due to production in the period	1.324	2.786	14.541
Reduction due to mortality in the period	-54	-288	-631
Reduction due to harvesting in the period	-4.920	-4.426	-13.382
Non-recurring events and other	-2.512	0	0
Closing balance biological assets	5.315	8.585	11.477

Specification of changes in book value of biological assets:

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Opening balance biological assets	512.010	402.191	402.191
Increase due to production in the period	85.246	73.467	447.558
Non-recurring events and other at cost	-120.801	0	0
Reduction due to harvesting in the period	-168.507	-114.201	-382.636
Fair value adjustments of the biological assets	27.955	40.273	44.897
Closing balance biological assets	335.904	401.730	512.010

NOTE 3: Biomass cont.

Groups of biological assets in sea, status as of 31.3.2022	Number of fish (1000)	Biomass (tonnes)	Costs	Fair value adjustments	Book value
Smaller than 1 kg	1.076	494	19.337	7.447	26.784
1-4 kg	1.944	4.392	172.043	66.255	238.298
Larger than 4 kg	73	430	16.840	6.485	23.326
Biological assets	3.093	5.315	208.220	80.187	288.408

Groups of biological assets in sea, status as of 31.3.2021	Number of fish (1000)	Biomass (tonnes)	Costs	Fair value adjustments	Book 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 31.12.2021	Number of fish (1000)	Biomass (tonnes)	Costs	Fair value adjustments	Book value
Smaller than 1 kg	1.145	444	16.702	2.028	18.730
1-4 kg	2.774	7.213	269.912	32.771	302.682
Larger than 4 kg	690	3.820	143.589	17.433	161.022
Biological assets	4.609	11.477	430.203	52.232	482.434

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

31.3.2022	NOK/kg	31.3.2021	NOK/kg	31.12.2021	NOK/kg
Q2 22	78,95	Q2 21	60,30	Q1 22	68,67
Q3 22	61,97	Q3 21	53,30	Q2 22	68,23
Q4 22	66,23	Q4 21	57,50	Q3 22	56,43
Q1 + Q2 23	68,50	Q1 + Q2 21	62,75	Q4 22	62,27
Q3 + Q4 23	59,50	Q3 + Q4 21	54,75	Q1 + Q2 23	65,25

Note 4 – Non-recurring events

NOTE 4: Non-recurring events

Non-recurring event 1)	Q1 2022			Q1 2021		
	Cost	Fair value adjustments	Fair value	Cost	Fair value adjustments	Fair value
Fish mortality in Dyrafjordur	129.072	0	129.072	0	0	0
Biological assets	129.072	0	129.072	0	0	0

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

Note 5 – 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 2022	Q1 2021	FY 2021
Change in fair value adjustments of the biomass	27.417	40.273	45.435
Change in provision for onerous sales contracts	-3.167	0	-538
Total fair value adjustments	24.250	40.273	44.897

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

(NOK '000)	31.3.2022	31.3.2021	31.12.2021
Fair value adjustments biomass (biological assets)	80.187	46.929	52.770
Provision for onerous sales contracts (other current liabilities)	-3.705	0	-538
Net fair value adjustments in the balance sheet	76.482	46.929	52.232

Note 6 – 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 2022 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 2022	Q1 2021	FY 2021
Companies controlled by large shareholder - products purchased	2.115	1.405	16.416
Companies controlled by large shareholder - services purchased	729	751	3.392
Total goods and services purchased from related parties	2.844	2.156	19.808

Note 7 – 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 ratio 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. NIBD/EBITDA ratio cannot be higher 4.5, this covenant has been waived in the quarter. The Q1 results will not be used in further NIBD/EBITDA calculations in 2022.

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

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)	31.03.2022	31.3.2021	31.12.2021
Reported long-term interest-bearing debt	308.021	214.847	318.152
Reported short-term interest-bearing debt	37.914	244.462	36.063
Reported bank deposits	-133.926	-347.691	-38.126
Total net interest bearing debt	212.008	111.618	316.090

Equity ratio

(NOK '000)	31.03.2022	31.03.2021	31.12.2021
Reported equity	960.152	896.667	975.508
Reported total assets	1.446.222	1.447.423	1.442.516
Equity ratio	66,4 %	61,9 %	67,6 %

Compliance

At the end of the first quarter of 2022, the Group is in compliance with the amended terms and covenants of the loan agreement.

Note 8 – Shareholder List

The largest shareholders as of 31.3.2022:

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.	3.023.139	9,48%
4	Landsbankinn hf.	548.137	1,72%
5	VERDIPAPIRFONDET PARETO INVESTMENT	352.932	1,11%
6	KVERVA FINANS AS	258.000	0,81%
7	VERDIPAPIRFONDET NORDEA AVKASTNING	237.107	0,74%
8	VERDIPAPIRFONDET NORDEA KAPITAL	193.100	0,61%
9	CLEARSTREAM BANKING S.A.	182.212	0,57%
10	VERDIPAPIRFONDET EIKA SPAR	172.312	0,54%
11	MP PENSJON PK	165.000	0,52%
12	PACTUM AS	152.751	0,48%
13	VERDIPAPIRFONDET EIKA NORGE	125.225	0,39%
14	State Street Bank and Trust Comp	98.555	0,31%
15	J.P. Morgan Bank Luxembourg S.A.	83.849	0,26%
16	VERDIPAPIRFONDET NORDEA NORGE PLUS	82.702	0,26%
17	ROTH	80.000	0,25%
18	VERDIPAPIRFONDET HOLBERG TRITON	59.300	0,19%
19	Euroclear Bank S.A./N.V.	49.275	0,15%
20	TRETHOM AS	41.101	0,13%
Ownership of 20 largest shareholders		31.356.103	98,37%
Total number of shares		31.876.653	100,00%

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

Note 9 – Alternative Performance Measures

Operational EBIT pr. kg

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Operational EBIT continuing operations	-44.988	17.800	86.944
Non-recurring events (note 4)	129.072		
Operational EBIT	84.085	17.800	86.944
Harvested volume (tonnes)	4.221	3.793	11.479
Operation EBIT pr. kg	19,92	4,69	7,57

Farming Operational EBIT pr. kg

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Operational EBIT (segment, note 2)	86.243	21.521	99.527
Operational EBIT	86.243	21.521	99.527
Harvested volume (tonnes)	4.221	3.793	11.479
Operational EBIT per kg	20,43	5,67	8,67

Production cost pr. kg Farming

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Production cost (segment, note 2)	196.281	147.322	496.368
Harvested volume (tonnes)	4.221	3.793	11.479
Production cost pr. kg	46,50	38,84	43,24

Fair Value-adjusted earnings per share

(NOK '000)	Q1 2022	Q1 2021	FY 2021
Majority share of net result for the period	-15.355	73.721	152.563
Majority share of fair value adjustments of biomass	-27.417	-40.273	-45.435
Fair value of sales contracts and Fish Pool contracts	3.167	0	538
Majority share of fair value-adjusted result for the period	-39.605	33.448	107.666
Weighted average number of ordinary shares outstanding	31.876.653	31.876.653	31.876.653
Fair value-adjusted earnings per share	-1,24	1,05	3,38

