



Presentation Q3 2019

Oslo, 12 November 2019

Charles Høstlund, CEO

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Agenda



1. Highlights for the period
2. Segment information
3. Group financials
4. Markets
5. Projects for growth
6. Outlook

Highlights in Q3 2019



- Operational EBIT of MNOK 131
- Stable and good performance on harvested fish from the Group's main operations in Region North, but weak results from Region South (discontinued operations)
- The biomass in the sea increased by 6 749 tonnes (32 %) in the third quarter and additional biomass build-up is planned in the fourth quarter
- Lower production due to low sea water temperatures in Finnmark
- Signed sale agreement on Region South at an enterprise value of NOK 1 240 million. The transaction is expected to be completed in December 2019

Highlights in Q3 2019



NORWAY ROYAL SALMON - KEY FIGURES (NOK '000)	Q3 2019	Q3 2018
Operating revenues	1 398 467	879 038
Operational EBITDA ¹⁾	153 351	53 894
Operational EBIT ¹⁾	131 436	34 336
Income from associates ¹⁾	6 409	-6 930
EBIT ¹⁾	-28 914	149 262
EBT ¹⁾	-19 816	168 785
EPS (NOK) – before fair value adjustments	2,56	1,03
ROCE	33,2 %	29,6 %
Net cash flow from operating activities	15 209	36 019
Investments in tangible fixed assets/licenses	232 836	65 823
Net interest-bearing debt	926 355	499 760
Equity ratio	50,3 %	54,5 %
Volume harvested (HOG)	7 513	2 478
Operational EBIT per kg	17,97	22,10
Volume sold - Sales	24 736	14 945

¹⁾ Operational performance are for continuing operations. Discountinued operations, Region South, is not included in these figures.

- Operational EBIT MNOK 131 in Q3 19
- Operational EBIT per kg NOK 17.97
- Average salmon price (NASDAQ) down NOK 5.97 per kg from Q3 last year
- Harvested volume up 203 % and sold volume up 66 % from Q3 last year
- NIBD up MNOK 269 in Q3 19

Segment information

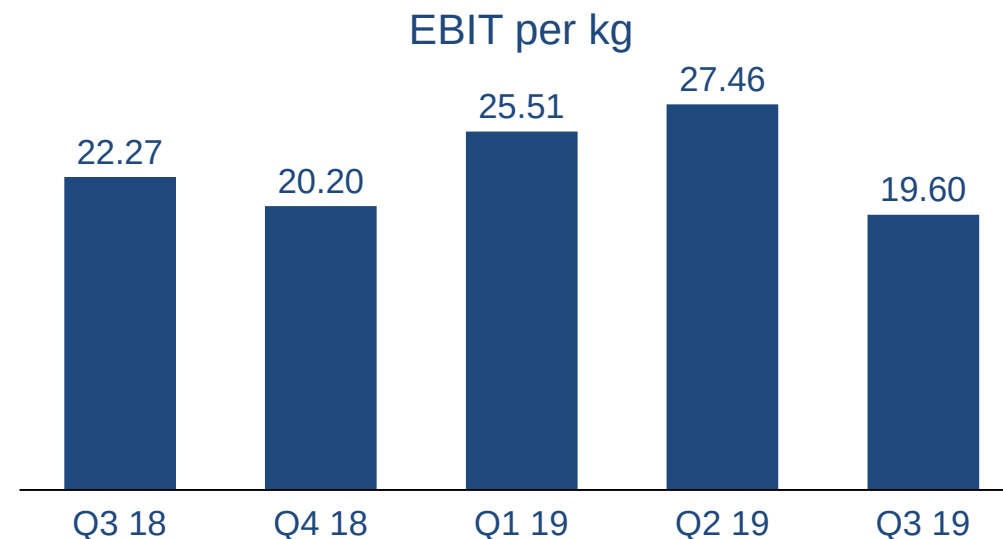


Region North



KEY FIGURES (NOK '000)	Q3 2019	Q3 2018
Operating revenues	1 317 132	841 732
Operational EBIT *	138 694	52 981
Volume harvested (tonnes)	7 076	2 379
Operational EBIT (ex contracts)	13,87	18,23
Gain (+)/Loss (-) on open fixed price contracts	5,73	4,05
Operational EBIT per kg	19,60	22,27

* EBIT pre fair value adjustments and non-recurring items
incl. allocated margin from sales

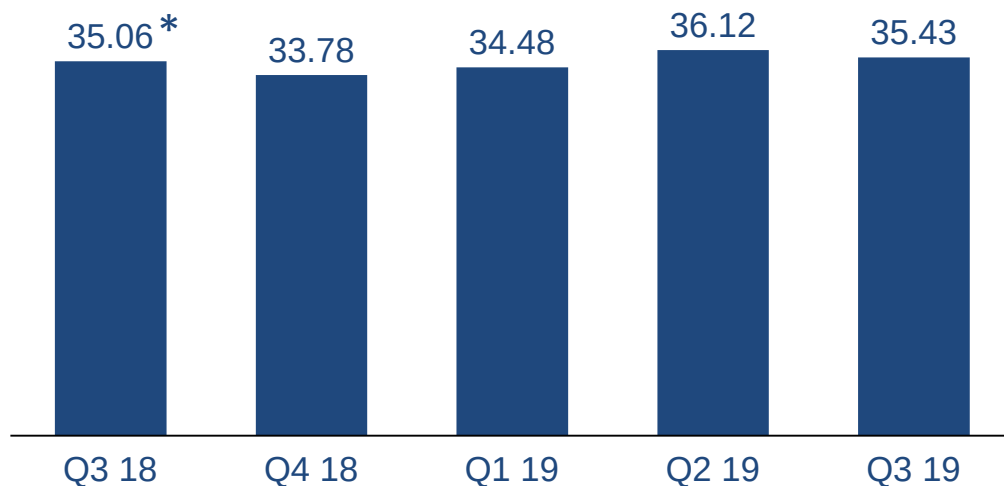


- Operational EBIT per kg NOK 19.60
 - Down NOK 2.67 from Q3 18 and down NOK 7.86 from Q2 19
 - Sales price FCA packing station down NOK 0.21 per kg from Q3 18 and down NOK 12.33 from Q2 19
 - The size of the fish impacted the price achievement positively

Region North

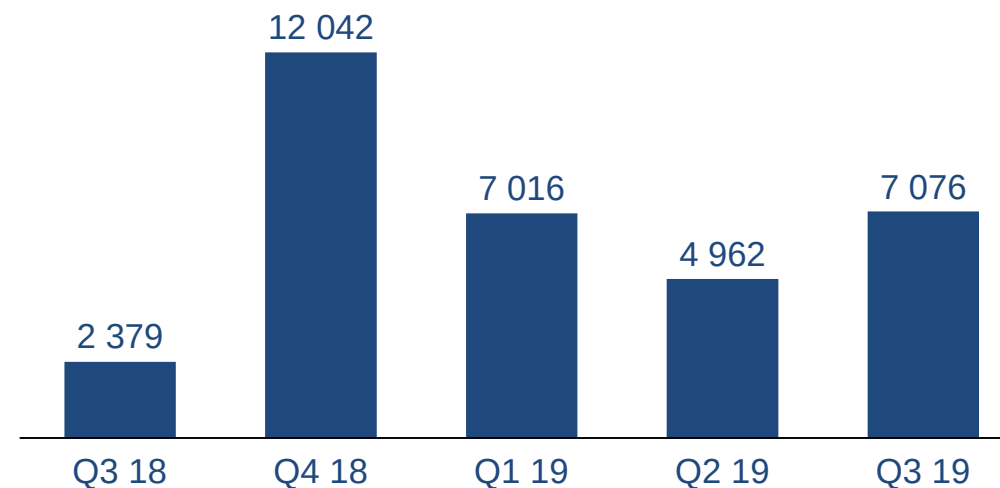


Production Cost



* Sites without ISA

Harvested volume



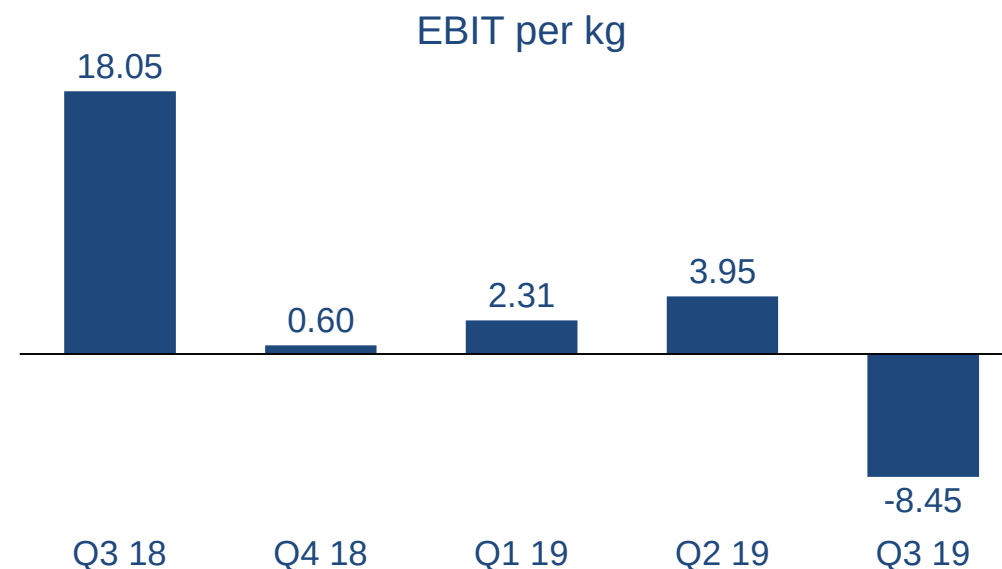
- Production cost of NOK 35.43 per kg
 - Production cost down by NOK 0.69 from Q2 19
 - Low production cost on harvested volumes from the 2017 generation, but higher production cost on harvested volumes from 2018 generation
- Harvested volume up 4 697 tonnes compared to Q3 18
- Operation
 - Growth has been lower than expected due to low sea water temperatures in Finnmark
 - Biomass in sea increased with 5 700 tons (30 %) during third quarter. Further increase is expected for the fourth quarter
 - Costs expected to increase in Q4 19 (vs Q3 19) including a write down of fixed assets of MNOK 4.5
 - MAB increased on two sites to 7 200 tonnes

Region South



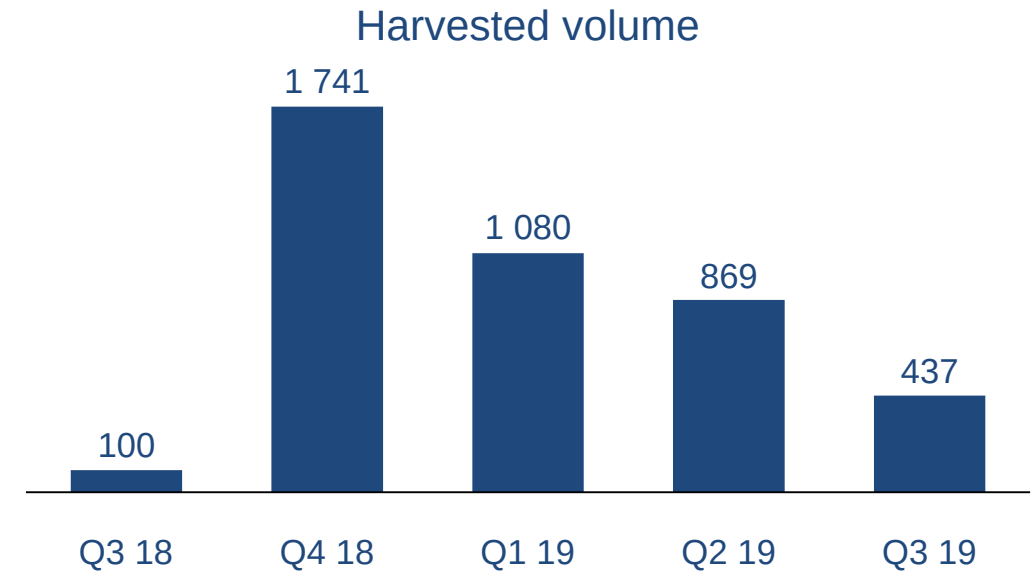
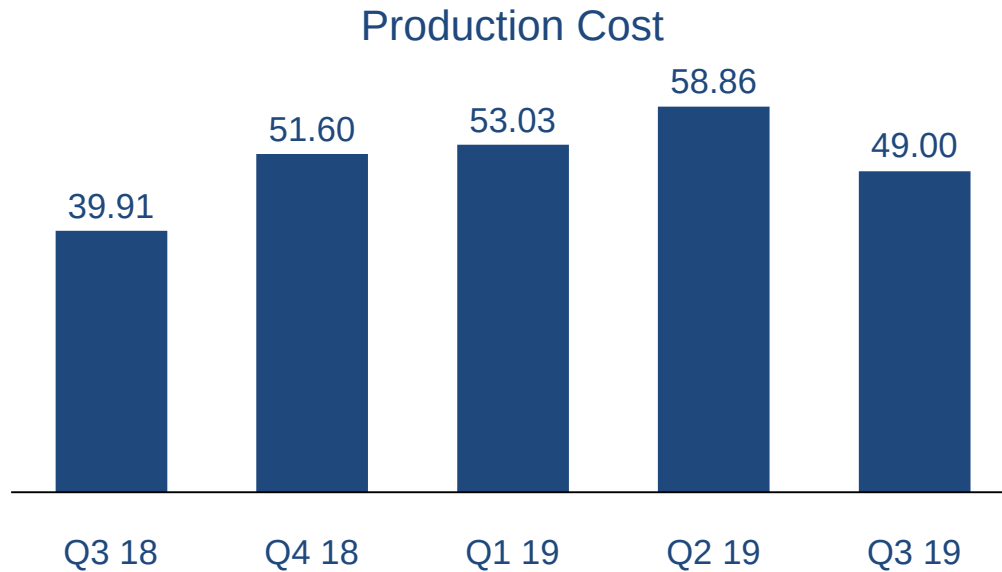
KEY FIGURES (NOK '000)	Q3 2019	Q3 2018
Operating revenues	81 335	35 248
Operational EBIT *	-3 692	1 798
Volume harvested (tonnes)	437	100
Operational EBIT (ex contracts)	-14,18	14,00
Gain (+)/Loss (-) on open fixed price contracts	5,73	4,05
Operational EBIT per kg	-8,45	18,05

* EBIT pre fair value adjustments and non-recurring items
incl. allocated margin from sales



- Operational EBIT per kg NOK -8.45
 - Down NOK 26.50 from Q3 18 and down NOK 12.40 from Q2 19
 - Sales price FCA packing station down NOK 15.69 per kg from Q3 18 and down NOK 26.04 from Q2 19
 - The timing and the size of the harvested volumes within the quarter impacted price achievement negatively

Region South



- Production cost of NOK 49.00 per kg
 - Production down by NOK 9.86 from Q2 19
 - Biological challenges in the quarter has caused harvesting at an earlier timing than initially planned
 - Resulting in harvested volume in quarter with low weight and thus high production cost
- Harvested volume up 337 tonnes compared to Q3 18
- Operation
 - Production costs expected to remain high in Q4 19
 - Signed sale agreement on Region South at an enterprise value of NOK 1 240 million
The transaction is expected to be completed in December 2019

Associated companies - total

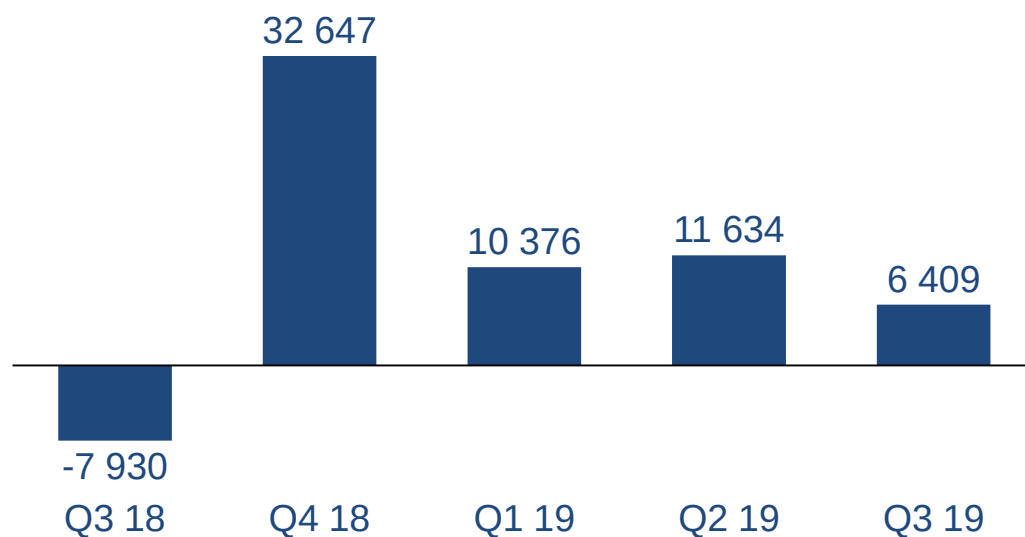


(NOK 1000)	Q3 2019	Q3 2018
Operational EBIT	19 561	-13 900
Fair value adjustment	7 880	11 025
EBIT	27 441	-2 875
Volume harvested (tonnes)	3 922	2 771
Operational EBIT per kg *	4,99	0,90
NRS' share of result after tax	6 409	-7 930
NRS' share of harvested (tonnes)	1 645	1 024

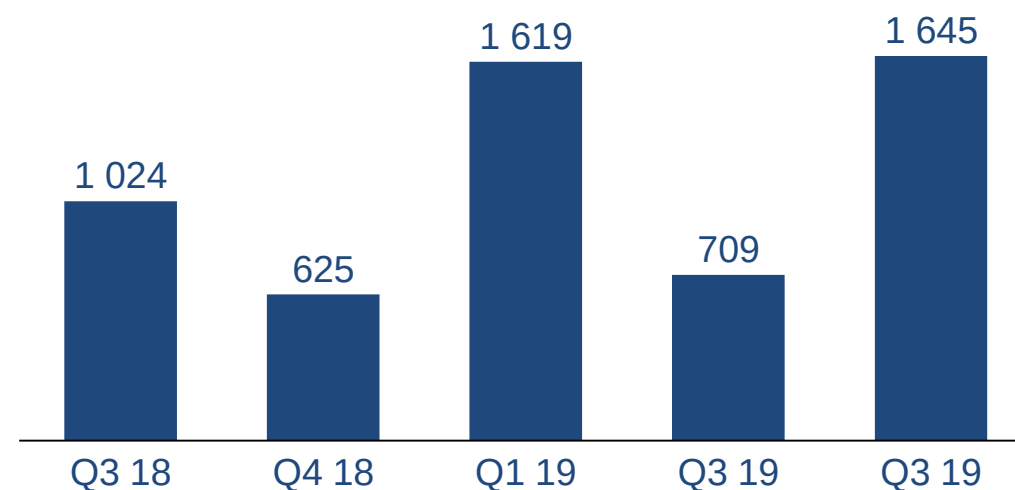
*EBIT pre fair value adjustments farming companies

- NRS share of result after tax of MNOK 6.4
 - Fair value adjustment after tax MNOK 2.5
- Shares in NRS owned by associated companies at the end of Q3 19
 - NRS' share of fair value MNOK 128
 - Not recognised in the group accounts

NRS' share of result after tax



NRS' share of harvested volume



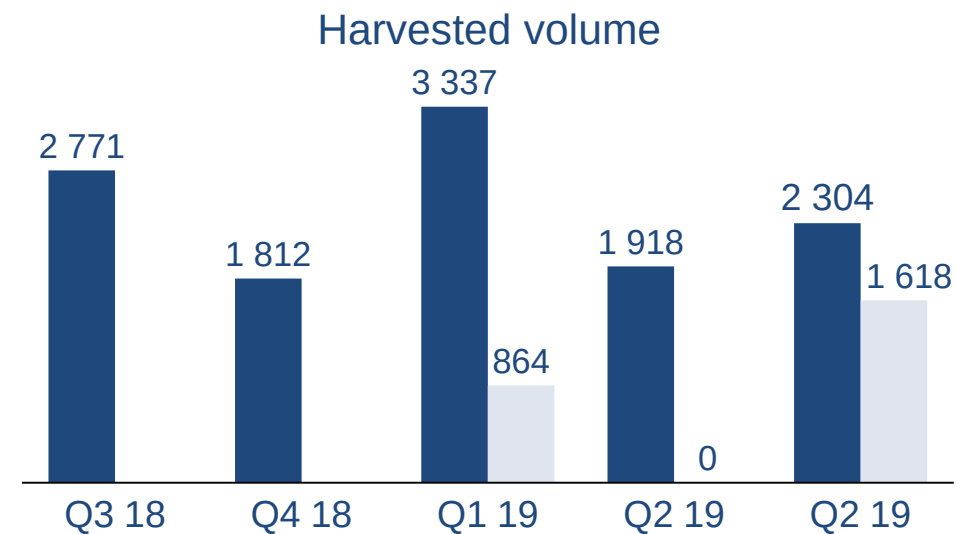
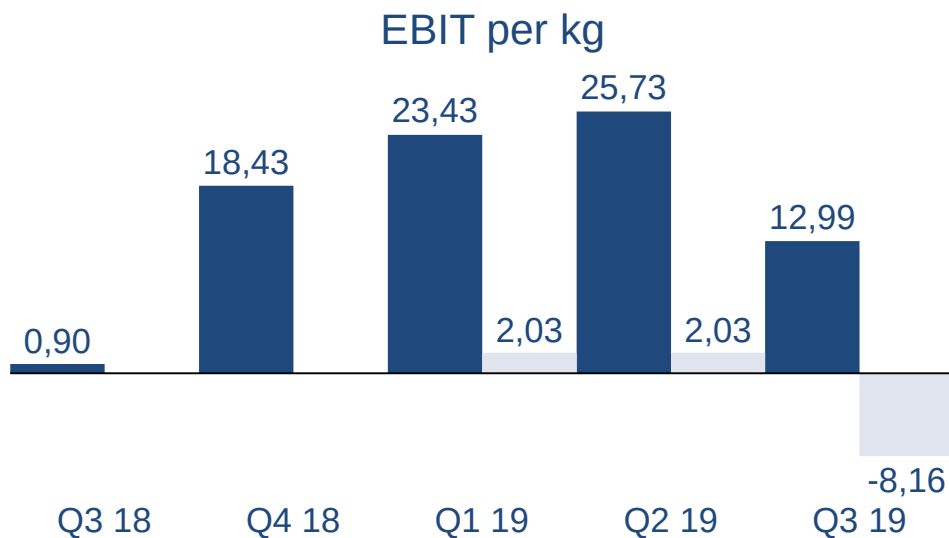
Associated farming companies



(NOK 1000)	Q3 2019		Q3 2018	
	Farming companies Norway	Arctic Fish Iceland	Farming companies Norway	Arctic Fish Iceland
Operational EBIT	29 937	-13 201	2 503	-3 677
Fair value adjustment	7 880	0	11 025	0
EBIT	37 817	-13 201	13 528	-3 677
Volume harvested (tonnes)	2 304	1 618	2 771	0
Operational EBIT per kg *	12,99	-8,16	0,90	-
NRS' share of result after tax	14 831	-9 104	4 736	-7 716
NRS' share of harvested (tonnes)	836	809	1 024	0

*EBIT pre fair value adjustments

- Norwegian farming companies
 - Operational EBIT of MNOK 29.9
 - EBIT per kg of NOK 12.99
- Arctic Fish
 - Operational EBIT of MNOK -13.2
 - EBIT per kg of NOK -8.16



■ Norwegian farming companies ■ Arctic Fish

Arctic Fish – farming operations



(NOK 1000)	Q3 2019
<u>Group:</u>	
Operational EBIT	-13 201
Operational EBIT per kg	-8,16
<u>Farming:</u>	
Operational EBIT	-11 627
Operational EBIT per kg	-7,18
Volume harvested (tonnes)	1 618

- Satisfactory production cost based on the low number of smolts released into the sea in 2017
- Very high wellboat and harvesting costs
 - The main difference in production cost compared with Norway
 - Will be high as long as the harvest volumes in Westfjord is low, but expect to decrease step by step
- Low price achievement in start up of sales from Iceland
 - All harvest in August and September with low prices
- Harvesting estimates for 2019 and 2020
 - 900 tonnes in Q4 19
 - Total 3 400 tonnes in 2019
 - 9 000 tonnes in 2020
- Operations
 - Good operations both for fresh water and sea water production
 - High sea water temperatures
 - Released 2.7 million smolt this year

Group financials



Signed sale agreement on Region South

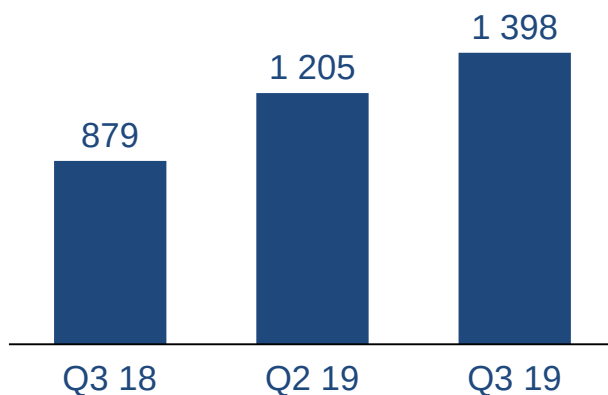


- Sale agreement signed 26th September with an enterprise value of MNOK 1 240
- Region South presented as “Discontinuing Operations” in the Group Income Statement
 - Profit after tax on discontinued operations negative MNOK 13.1 for third quarter 2019
- Region South classified as assets and liabilities held for sale in the balance sheet as at 30.09.19
 - Assets held for sale : MNOK 377.4 as at 30.09.19
 - Liabilities held for sale : MNOK 196.7 as at 30.09.19

Key income statement items (incl Region South)



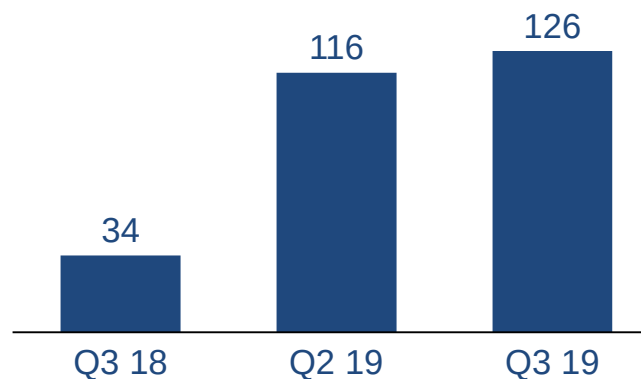
Operating revenues



- Revenues up MNOK 519 (59 %) from Q3 18

- Average salmon price (NASDAQ) down NOK 5.76 per kg
- Sold volume up 66 %

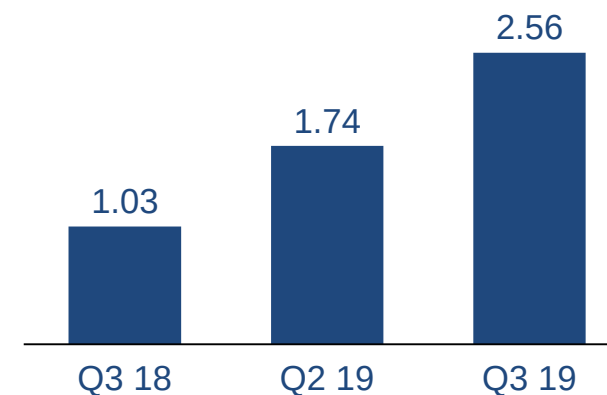
Operational EBIT



- Operational EBIT up by MNOK 97 from Q3 18

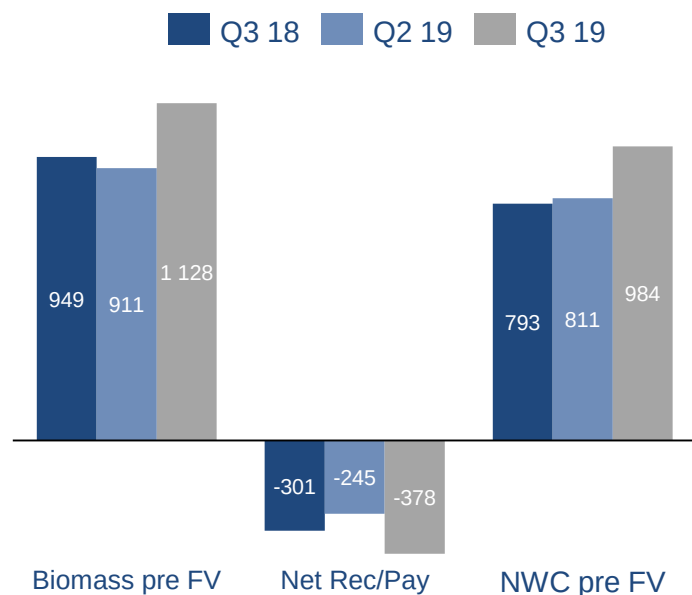
- Farming :
 - Sales price down NOK 1.09/kg
 - Production cost up NOK 1.32/kg
 - Harvested volume up 5 035 tonnes
- Sales:
 - Margins sold volume down NOK 0.65/kg
 - Gain on fixed price contracts up NOK 1.07/kg

EPS pre fair value



- EPS pre FV up NOK 1.53 per share from Q3 18
 - Gain on financial assets of MNOK 15 in Q3 19 vs gain of MNOK 25 in Q3 18

Key balance sheet items (incl Region South)



Biomass pre FV up by MNOK 217 from Q2 19

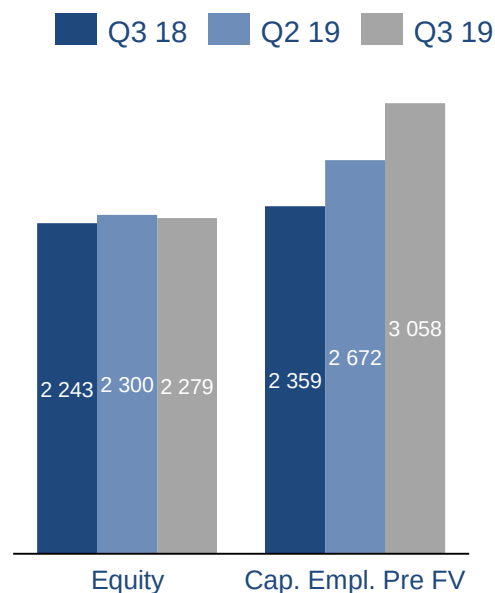
- Biomass up by 6 749 tonnes (32 %) from Q2 19
- Biomass down 801 tonnes (3 %) from Q3 18

Net account receivables and account payables down by MNOK 133 from Q2 19

- Account receivable down MNOK 20
- Account payables up by MNOK 113

Working capital pre FV up by MNOK 173 from Q2 19

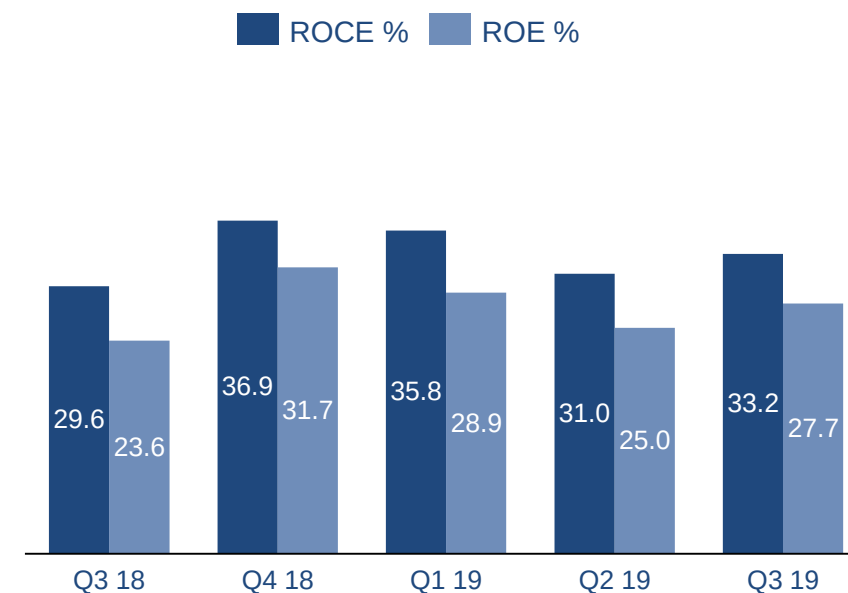
- Inventories of feed and harvested fish up MNOK 62



Equity down MNOK 21 from Q2 19

- Equity ratio 50.3 %

Capital employed pre FV up by MNOK 386 from Q2 19

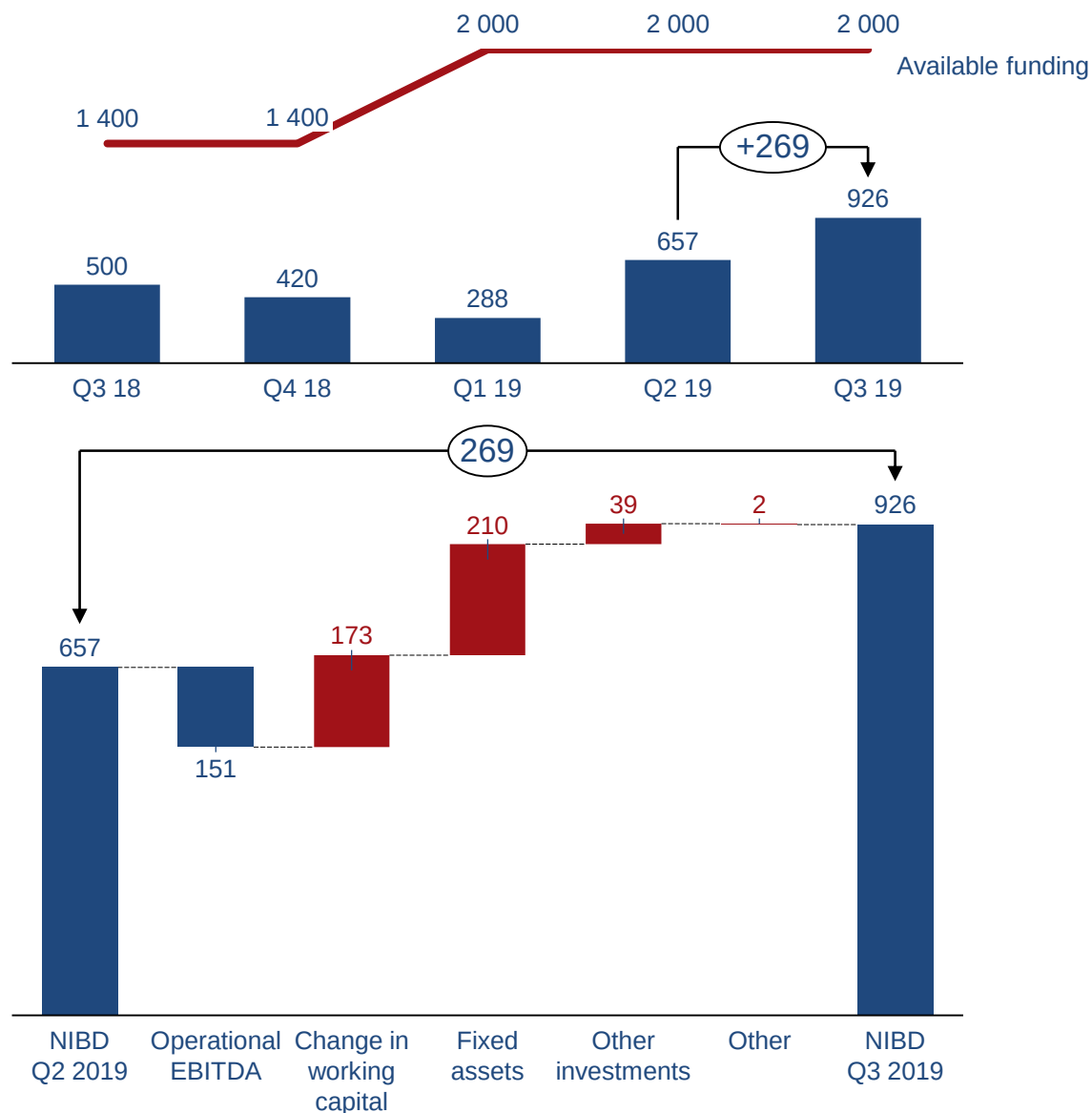


ROCE 33.2 %

- Higher capital employed due to investment projects, which will not contribute with positive cash flows before 2021 - 2023

ROE (after tax) 27.7 %

NIBD development



- NIBD up with 269 from MNOK 657 from Q2 19
- Unused credit facility of MNOK 1 208 and bank deposits of MNOK 66 at end of Q3 19
- Estimated total capex of MNOK 695 for 2019
 - PPE of MNOK 130
 - Smolt facility and offshore project of MNOK 565
- Estimated total capex of MNOK 880 for 2020
 - PPE of MNOK 120
 - Smolt facility and offshore project of MNOK 760
- Maintenance capex about MNOK 100 per year
- Operational EBITDA positive by MNOK 151 (incl Reg South)
- Working capital up MNOK 173
- Other investments of MNOK 39
 - Loan to associates MNOK 11
 - Payment at realization of TRS agreements of MNOK 29
 - Received dividend from associated companies MNOK -3

Market



Market outlook



Harvest volumes	Q3/19	Q3/18	chg.
Norway	358 300	322 200	11 %
Chile	184 300	163 500	13 %
UK	50 400	39 700	27 %
Canada	37 800	39 900	-5 %
Faroe Island	20 100	12 400	62 %
Other	36 500	29 000	26 %
	687 400	606 700	13 %

wfe tonnes

Source: Kontali Analyse

Market	Q3/19	Q3/18	chg.
EU	305 900	274 000	12 %
USA	130 600	115 400	13 %
Eastern Europe	39 300	35 400	11 %
Asia	82 200	72 600	13 %
Other	121 600	104 400	16 %
	679 600	601 800	13 %

wfe tonnes

Source: Kontali Analyse

Harvest volumes

- Harvest volumes up 13 % in Q3 19 compared with Q3 18
- Harvest volumes from Norway higher than earlier expected
- Harvest volumes from Chile higher than earlier expected
- Total harvest volumes 50 600 tonnes higher than earlier expected in Q3 19

Market

- Prices down 10.5 % in NOK and down 13.4 % in EUR in Q3 19 compared with Q3 18
- Consumption of salmon in the world markets increased by 13 % in Q3 19 compared with Q3 18
- Volumes from Norway to EU increased by 7 %, by 25 % to Asia, 30 % to Eastern Europe and 6 % to North America

Global harvest volumes in 2019 and 2020



- Expect 7 % growth in global harvest volumes in 2019, 1 % up from Q2 2019 reporting
- Expect 3 % growth in Q4 2019
- The volumes in 2019 will be all-time high
- Expect 4 % growth in global harvest volumes in 2020

Harvest volumes	Q4/19E	Q4/18	chg.	2019E	2018	chg.	2020E	2019E	chg.
Norway	365 400	356 700	2 %	1 328 100	1 253 400	6 %	1 383 600	1 328 100	4 %
Chile	188 900	188 000	0 %	710 400	677 400	5 %	726 100	710 400	2 %
UK	47 700	45 100	6 %	184 000	153 600	20 %	185 700	184 000	1 %
Canada	40 200	36 500	10 %	143 700	146 400	-2 %	146 000	143 700	2 %
Faroe Island	23 500	23 900	-2 %	83 900	71 700	17 %	87 400	83 900	4 %
Other	42 500	38 000	12 %	144 600	120 100	20 %	163 000	144 600	13 %
	708 200	688 200	3 %	2 594 700	2 422 600	7 %	2 691 800	2 594 700	4 %

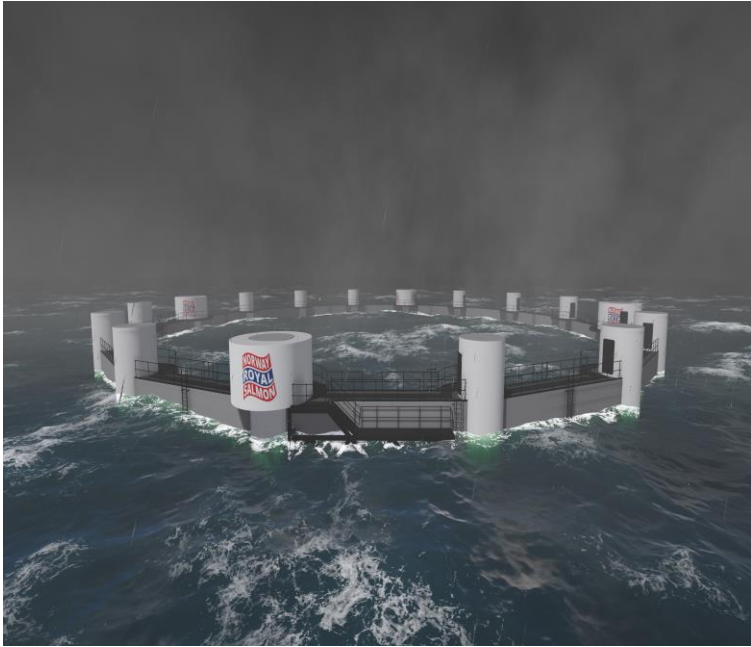
wfe tonnes

Source: Kontali Analyse

Projects for growth



Growth projects



Arctic Offshore

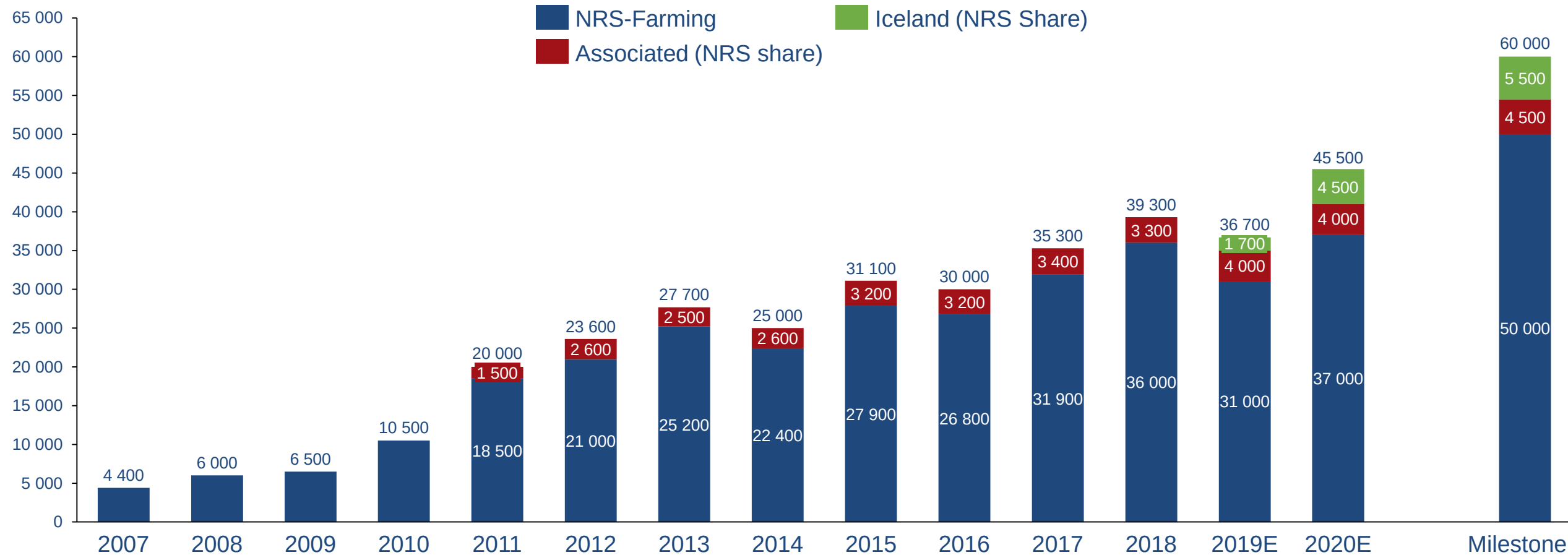


Smolt facility



Arctic Fish

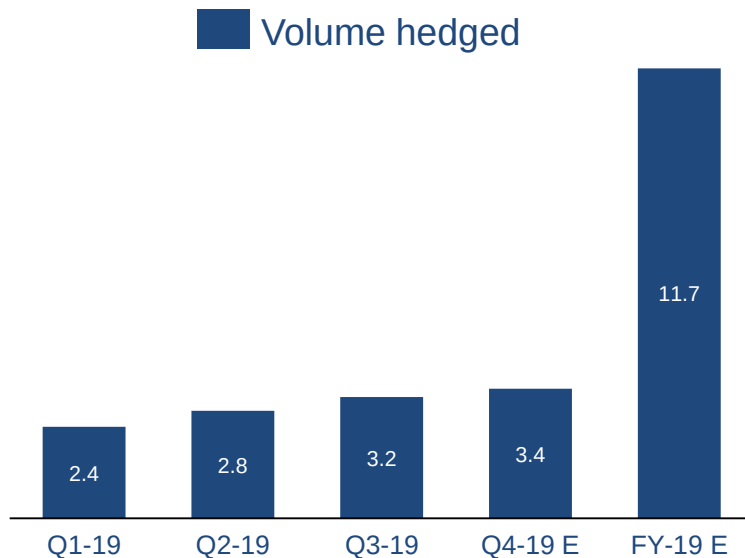
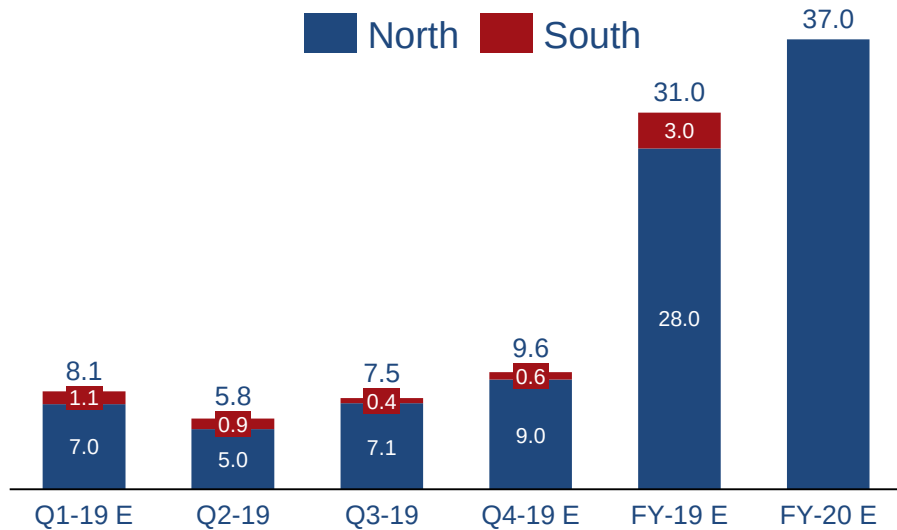
Norway Royal Salmon - growth history



Outlook



Harvesting estimates 2019 and 2020



Harvest volumes

- Q3 19: 7 513 tonnes (+203 % yr/yr)
 - 200 tonnes more than estimated in Q2 19
- Estimate a harvest volume for 2019 of 31 000 tonnes
 - Down 4 000 tonnes from estimated in Q2 19 report
 - Due to continued to low sea water temperatures in Finnmark, planned biomass build-up in 2H of 2019 and the sale of Region South effective from December 2019
- Estimate a harvest volume for 2020 of 37 000 tonnes (only Region North)

Volume hedged

- 38 % of 2019 volume hedged
- Average contract price Q4 19
 - About NOK 62.75 (Nasdaq-equivalent)

- Organic growth throughout utilization of MAB and new smolt facility
- Further increase in biomass is planned for the fourth quarter, and support a harvest volume of 37 000 tonnes for 2020
- Moderate supply growth and good demand provide the basis for a positive market outlook
- The sale of Region South is expected to be completed in December 2019

Appendix



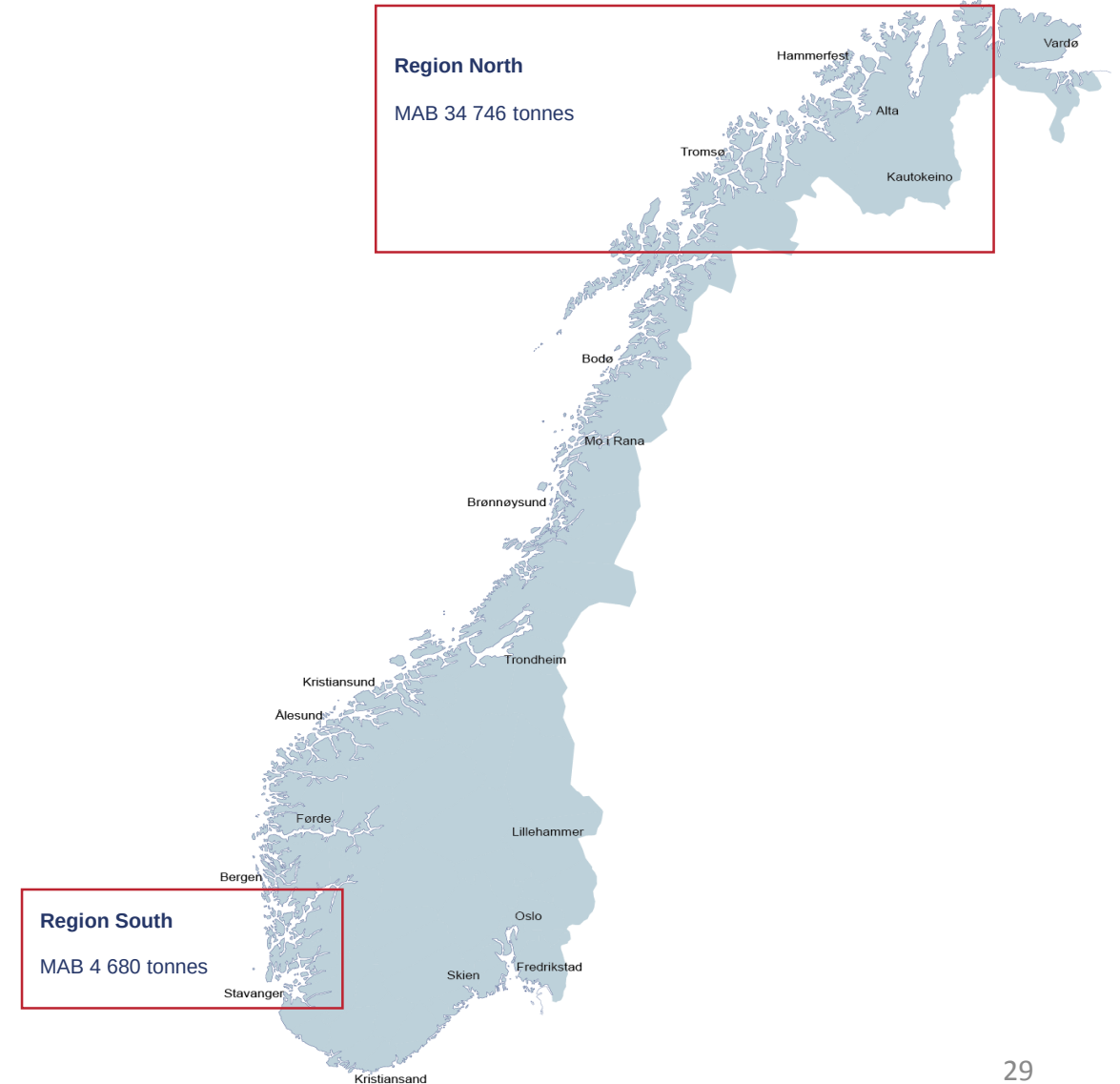
Appendix: Segment information



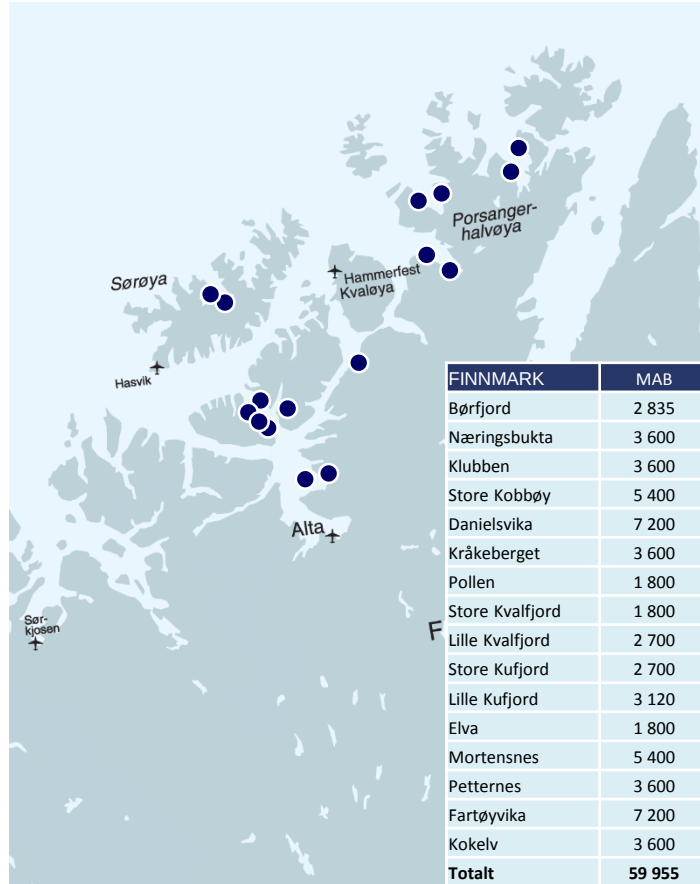
Farming operations focused in attractive regions



**NRS with
MAB 39 426 tonnes**

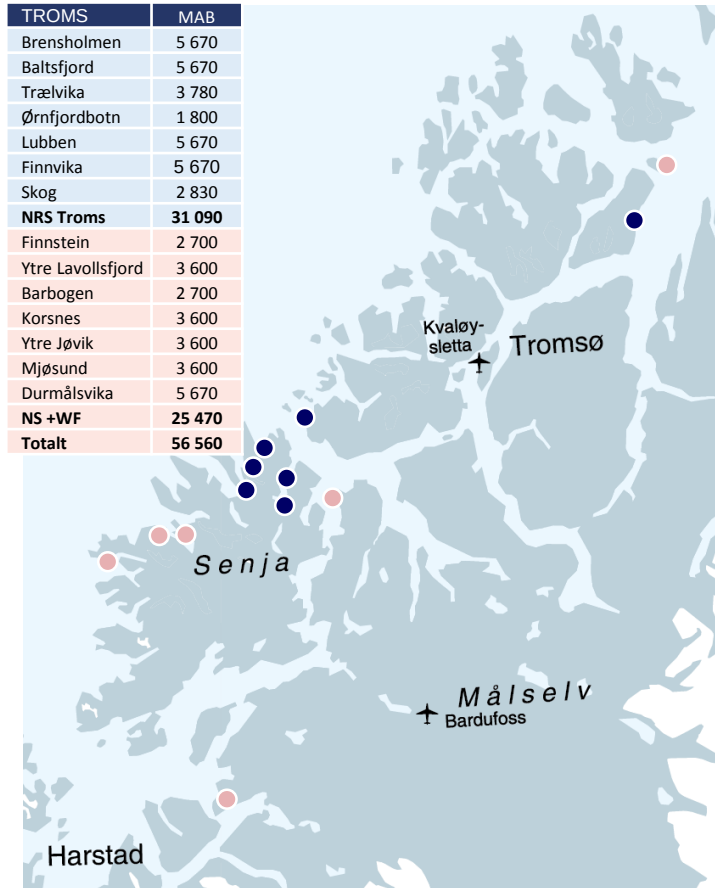


Region North – NRS Finnmark



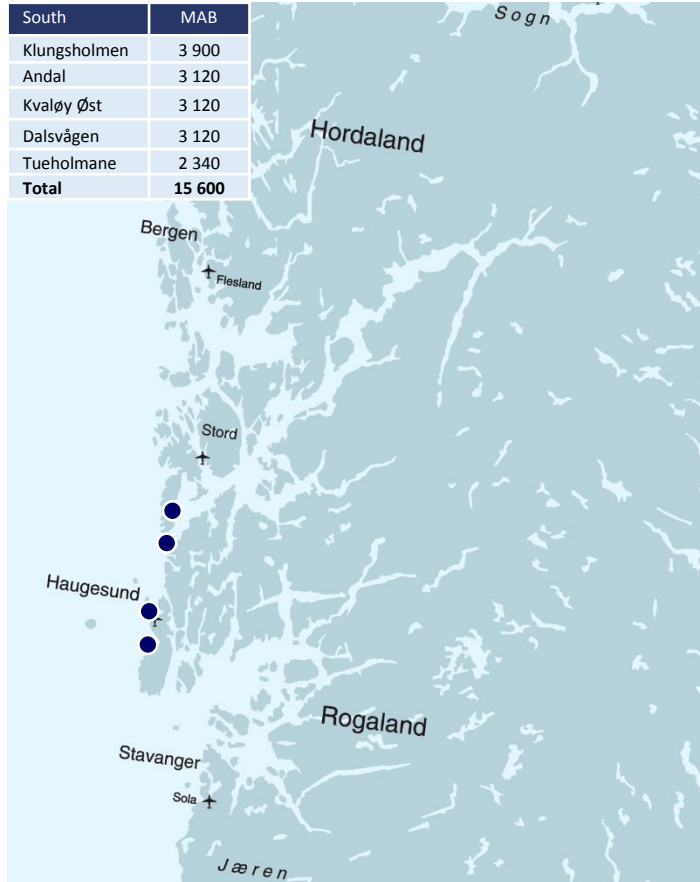
- Finnmark is an area prioritized by the authorities for growth
- MAB of 19 116 tonnes owned 100 %
- Attractively located sites, history of good profitability
- Good biological conditions
 - Low biological risk
 - Relatively high water temperature in winter
 - Relatively low water temperature in summer
- Long term harvesting agreement
- Smolt production through Nordnorsk Smolt, Ranfjorden Fiskeprodukter and other partners
 - NRS own 50 % of Nordnorsk Smolt AS, capacity of 3.2 million big size smolt
 - NRS own 37.75 % of Ranfjorden Fiskeprodukter, capacity of 5.5 million smolt
 - Long term agreement with other smolt suppliers
- New hatchery in Karlsøy
 - Production capacity of 2 400 tonnes
 - About 10 million numbers of 100-400 grams smolt yearly
 - Delivery of first smolt in autumn 2021

Region North – Troms cluster



- Troms is an area prioritized by the authorities for growth
- MAB of 15 630 tonnes owned in Troms
 - NRS owns 82.5 % of Nor Seafood AS (MAB 3 856)
 - NRS owns 100 % of NRS Troms (MAB 5 784)
 - NRS owns 100 % of Arctic Offshore Farming (MAB 5 990)
 - Operated in co-operation with Wilsgård Fiskeoppdrett in a MAB 20 450 tonnes cluster
 - NRS owns 37.5 % of Wilsgård
- Attractive area with a history of good profitability
- Good conditions for salmon farming in the area
 - Optimal sea temperatures during the summer
 - Good growth conditions
 - Shorter production time than Finnmark
- Harvesting at Wilsgård
- Smolt production through Skardalen Settefisk
 - Smolt producer with capacity of 2.5 million smolt
 - Owned together with associated company Wilsgård Fiskeoppdrett (70 %, NRS subsidiaries 30 %)

Region South

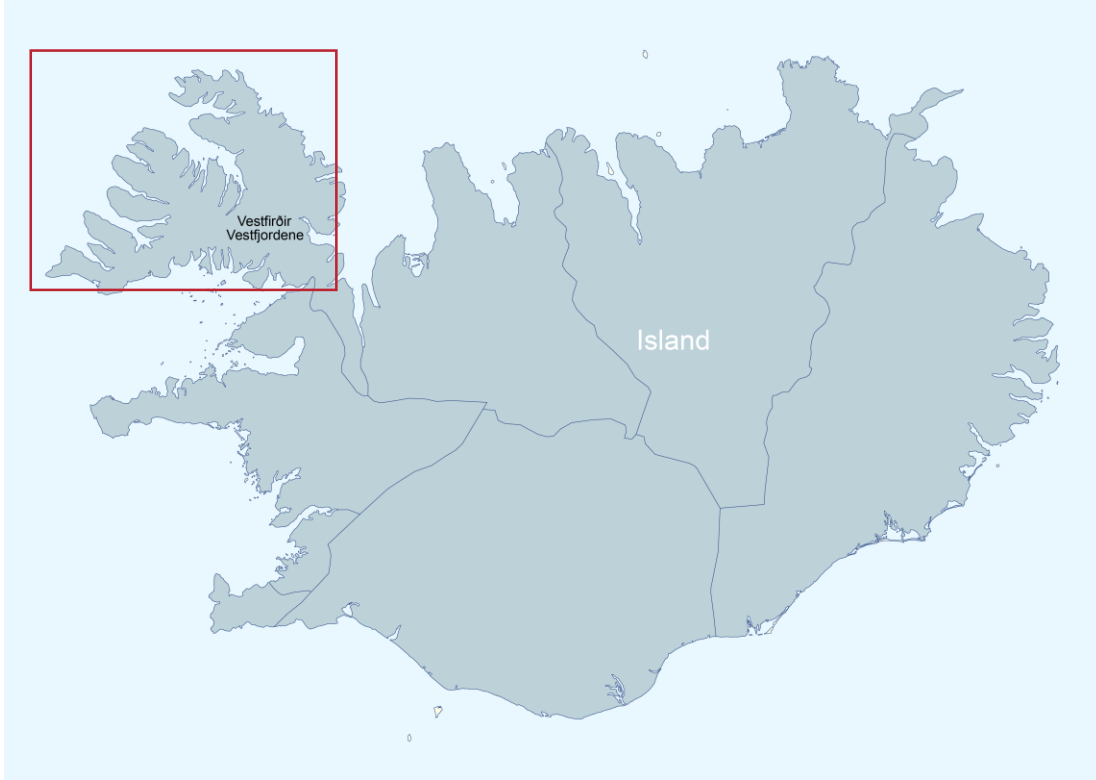


- Operates in the Haugesund area, both in Rogaland and Hordaland county
- Region South holds a total MAB of 4 680 tonnes
 - Owned 100 % through NRS Feøy AS
- Harvesting at Espevær Laks

Appendix: Projects for growth



Arctic Fish



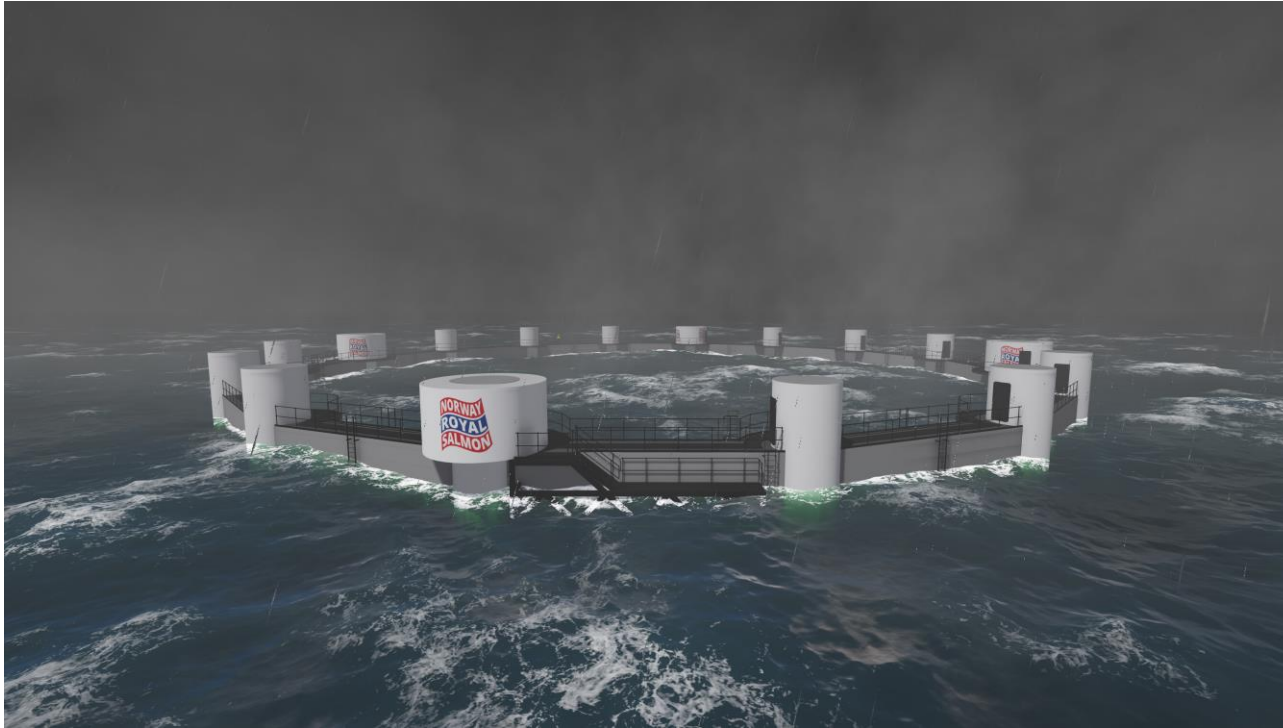
- NRS owns 50 % of Arctic Fish
 - Existing licenses: 11 000 tonnes
 - Licenses pending: 17 800 tonnes
 - Potential capacity: 28 800 tonnes
- Operation in Westfjords with good farming conditions and big potential for growth
- Number of smolt release
 - 2017: 0.8 million
 - 2018: 1.8 million
 - 2019: 2.7 million
- State-of-the art hatchery with close proximity to the farming sites
 - Hatchery with RAS technology

In process with new smolt facility



- Strategically important for NRS
 - The hatchery will contribute to increase the biological safety, quality and size of our smolt
 - Will improve timing of smolt release and utilization of MAB
- Strategically located in short distance to our farming sites in Region North
- Production capacity of 2 400 tonnes
 - Licenses to produce up to 10 million numbers of up to 400 grams smolt yearly
- Construction of building has started 2019
- Delivery of first smolts autumn 2021

Development licenses – Arctic Offshore Farming



- Arctic Offshore Farming - the offshore technology for the future aquaculture industry
- NRS has been granted 8 development licenses (5 990 tonnes MAB)
- Semi-submersible offshore fish farms designed for harsh environments
- Provide significantly increased area utilization of Norwegian sea waters when more exposed areas can be used and will have a small environmental footprint
- Target of releasing the fish at end of Q3 2020

Development licenses – FlipCage

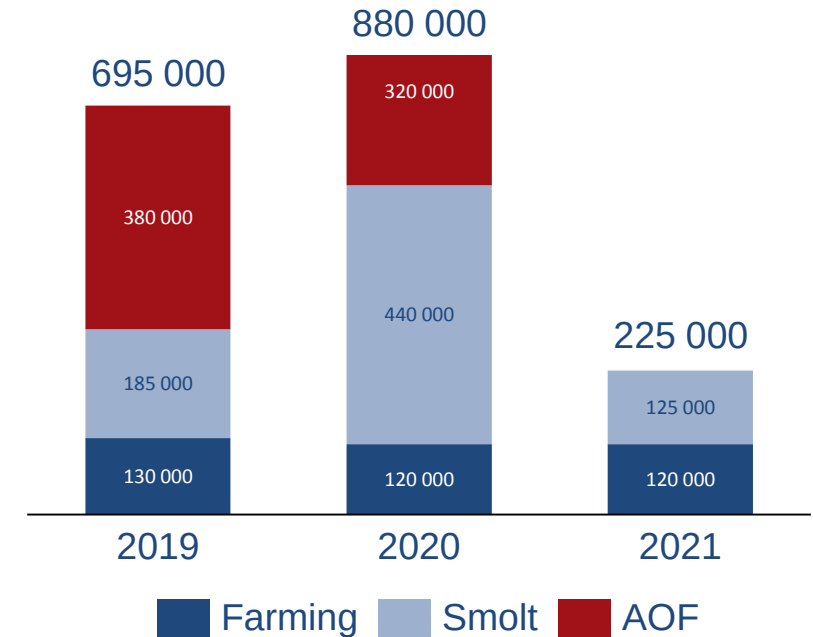


- NRS has applied for 6 development licenses
- FlipCage is a multifunctional rotatable cage
- The concept includes a rotatable cage that can alternate between open operations and closed operations
- The application has been rejected, but NRS has appealed

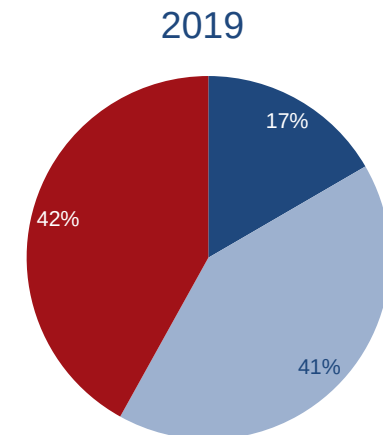
NRS invests in future sustainable growth



- Farming - Optimize existing operations
 - Farming equipment
- New Smolt facility - Reduce biological risk and optimization of production
 - Reduce production cost
 - Lower smolt cost
 - Reduce shipping cost
 - Reduce production cost at sea
- Arctic Offshore Farming - Support future sustainable growth
 - Future growth requires use of new areas - New areas requires new technology
 - NRS is active in development of technology that support future sustainable growth
 - NRS will be a pioneer in offshore farming



«Offshore farming - big potential for sustainable growth»



Appendix: Group financials



Group income statement



INCOME STATEMENT

(NOK '000)	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Operating revenues	1 398 467	879 038	4 090 235	3 480 354	5 080 806
Cost of goods sold	1 153 787	757 236	3 340 002	2 872 309	4 132 850
Salaries	34 986	29 374	114 304	101 540	139 279
Depreciation	21 915	19 558	64 179	56 376	76 550
Other operating costs	56 343	38 534	165 306	118 863	167 790
Operational EBIT	131 436	34 336	406 445	331 266	564 337
Fair value adjustments	-166 759	121 856	-167 287	263 821	176 851
Income from associates	6 409	-6 930	29 437	-18 132	14 713
EBIT	-28 914	149 262	268 595	576 956	755 901
Gain/loss on financial assets	14 877	25 045	34 201	108 841	82 576
Other net financial items	-5 779	-5 522	-18 656	-16 512	-18 946
EBT	-19 816	168 785	284 140	669 285	819 531
Tax	8 898	-31 546	-48 957	-133 983	-149 398
Profit after tax from continuing operations	-10 918	137 239	235 182	535 302	670 133
Profit after tax on discontinued operations	-13 085	15 218	-514	85 543	38 957
Net profit/loss	-24 003	152 456	234 669	620 845	709 091
Profit attributable to:					
Parent company shareholders	-24 270	152 735	229 333	618 163	705 311
Minority interests	267	-278	5 336	2 682	3 780
Earnings per share, continuing operations (NOK)	-0,26	3,15	5,29	12,24	15,31
Earnings per share, continuing operations - diluted	-0,26	3,15	5,29	12,24	15,31
Earnings per share (NOK)	-0,56	3,51	5,29	14,21	16,21
Earnings per share - diluted	-0,56	3,51	5,29	14,21	16,21

EXTENDED INCOME STATEMENT

(NOK '000)	Q3 2019	Q3 2018	YTD 2019	YTD 2018	FY 2018
Net profit/loss	-24 003	152 456	234 669	620 845	709 091
Items to be reclassified to profit or loss:					
Translation differences and OCI posts from associated	6 347	-12 458	-1 537	-20 770	-15 859
Cash Flow hedges (net)	-5 207	1 346	7 749	12 638	-2 699
Items not to be reclassified to profit or loss:					
Actuarial gains on defined benefit plans (net)	0	0	0	0	-1 154
Total comprehensive income	-22 862	141 344	240 880	612 714	689 379
Total comprehensive income attributable to:					
Parent company shareholders	-23 129	141 622	235 544	610 031	685 600
Non-controlling interests	267	-278	5 336	2 682	3 780

Balance Sheet



BALANCE SHEET - ASSETS

(NOK '000)	30.09.2019	30.06.2019	30.09.2018	31.12.2018
Intangible assets	741 896	846 807	846 807	846 807
Property, plant and equipment	991 113	934 878	613 553	672 577
Non-current financial assets	692 231	681 873	661 504	656 001
Non-current assets	2 425 240	2 463 558	2 121 864	2 175 385
Inventory and biological assets	1 283 902	1 361 671	1 561 089	1 321 769
Receivables	381 643	405 470	350 683	438 027
Bank deposits, cash	66 022	97 196	81 411	155 653
Current assets	1 731 567	1 864 337	1 993 184	1 915 449
Assets held for sale	377 429			
TOTAL ASSETS	4 534 236	4 327 896	4 115 049	4 090 834

BALANCE SHEET - EQUITY AND LIABILITIES

(NOK '000)	30.09.2019	30.06.2019	30.09.2018	31.12.2018
Share capital	43 431	43 431	43 514	43 514
Other equity	2 188 338	2 210 375	2 159 536	2 235 729
Non-controlling interests	46 878	46 611	40 445	41 542
Equity	2 278 647	2 300 418	2 243 495	2 320 785
Pensions	19 005	19 005	16 728	19 005
Deferred tax	387 422	457 983	529 294	385 754
Provisions	406 426	476 988	546 022	404 759
Long-term interest-bearing debt	874 857	752 238	562 547	551 054
Short-term interest-bearing debt	56 500	83 029	93 965	102 514
Trade payables	624 306	598 595	538 227	446 993
Tax payable	0	0	36 178	134 777
Other current liabilities	96 789	116 627	94 617	129 952
Current liabilities	777 595	798 252	762 986	814 236
Liabilities held for sale	196 710			
TOTAL EQUITY AND LIABILITIES	4 534 236	4 327 896	4 115 049	4 090 834

Group cash flow statement



STATEMENT OF CASH FLOW

(NOK '000)	Q3 2019	Q3 2018	YTD 2019	FY 2018	FY 2018
Operational EBIT	125 536	35 459	405 667	409 290	641 726
Adjusted for:					
Tax paid	0	0	-138 000	-75 555	-112 223
Depreciation and write-downs	25 188	22 806	73 620	65 869	89 299
Share based payment	1 091	858	-2 384	-947	-297
Pension costs with no cash effect	0	0	0	0	798
Change in inventory / biomass	-278 846	-297 864	-305 719	-1 785	81 527
Change in debtors and creditors	133 125	307 135	300 229	297 449	74 678
Change in other current assets and other liabilities	9 115	-32 375	-62 303	-17 242	31 190
Net cash flow from operating activities	15 209	36 019	271 111	677 078	806 696
Cash flow from investing activities					
Payments for purchase of PPE and licenses (MAB)	-210 388	-187 623	-419 921	-357 434	-412 941
Payments for acquisition of associated company	-1 250	0	-1 250	0	0
Payments(-)/proceeds(+) from realisation of non-current financial assets (TRS)	-29 185	70 666	-3 809	47 282	47 282
Proceeds from investments in financial assets	3 188	0	8 218	4 527	11 458
Change in loans to associates and others	-10 751	-19 720	-13 751	-56 740	-57 617
Net cash flow from investing activities	-248 387	-136 677	-430 514	-362 366	-411 818
Cash flow from financing activities					
Receipts from new long-term debt	161 078	17 649	375 493	241 189	241 189
Long-term debt repayments	-13 631	-114 243	-42 565	-142 642	-156 471
Net change in overdraft	60 976	40 725	40 401	-245 894	-235 008
Payment for acquisition of treasury shares	0	0	-25 035	3 887	3 887
Interest paid	-6 418	-5 725	-20 262	-16 938	-19 918
Dividend payment	0	2	-258 259	-224 684	-224 684
Net cash flow from financing activities	202 005	-61 592	69 773	-385 083	-391 005
Net increase (+)/ decrease (-) in cash & cash equivalents	-31 173	-162 250	-89 630	-70 370	3 873
Cash and cash equivalents - opening balance	97 196	243 662	155 653	151 780	151 780
Cash and cash equivalents - closing balance	66 022	81 411	66 022	81 411	155 653

Statement of Equity



30.09.2019						
Equity allocated to parent company shareholders				Non-controlling interests	Total equity	
(NOK '000)	Share capital	Treasury shares	Retained earnings			
Equity at 01.01.2019	43 572	-58	2 235 729	41 542	2 279 243	2 320 785
Total comprehensive income	0	0	235 544	5 336	235 544	240 880
Transactions with shareholders						
Dividend	0	0	-258 259	0	-258 259	-258 259
Share based payment	0	0	-2 383	0	-2 383	-2 383
Net purchase and sale of treasury shares	0	-83	-24 952	0	-25 035	-25 035
Equity changes associated companies	0	0	2 659	0	2 659	2 659
Total transactions with shareholders	0	-83	-282 935	0	-283 018	-283 018
Equity at 30.06.2019	43 572	-141	2 188 338	46 878	2 231 770	2 278 647

30.09.2018						
Equity allocated to parent company shareholders				Non-controlling interests	Total equity	
(NOK '000)	Share capital	Treasury shares	Retained earnings			
Equity at 01.01.2018	43 572	-82	1 769 780	37 762	1 813 271	1 851 030
Comprehensive income	0	0	610 031	2 682	610 031	612 714
Transactions with shareholders						
Dividend	0	0	-224 685	0	-224 685	-224 685
Share based payment	0	0	-947	0	-947	-947
Net purchase and sale of treasury shares	0	24	3 863	0	3 887	3 887
Equity changes associated companies	0	0	1 496	0	1 496	1 496
Total transactions with shareholders	0	24	-220 274	0	-220 249	-220 249
Equity at 30.06.2018	43 572	-58	2 159 535	40 444	2 203 053	2 243 494

Quarterly historical information



QUARTERLY HISTORICAL INFORMATION (NOK thousand, NOK per kg)	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Volumes harvested (ktonnes, HOG)											
Region North	7 076	4 962	7 016	12 042	2 379	6 365	9 597	7 326	8 238	3 633	5 500
Region South	437	869	1 080	1 741	100	2 407	1 338	1 726	2 216	1 598	1 681
Total	7 513	5 830	8 096	13 783	2 478	8 773	10 935	9 052	10 454	5 231	7 181
Operational EBIT											
Region North	138 694	136 229	179 010	243 297	52 981	157 434	184 448	116 045	155 299	107 825	150 059
Region South	-3 692	3 430	2 500	1 047	1 798	56 541	20 927	24 367	46 345	50 013	55 316
Total	135 002	139 659	181 509	244 344	54 779	213 976	205 375	140 411	201 644	157 838	205 375
Operational EBIT per kg											
Region North	19,60	27,46	25,51	20,20	22,27	24,73	19,22	15,84	18,85	29,68	27,28
Region South	-8,45	3,95	2,31	0,60	18,05	23,49	15,64	14,12	20,91	31,30	32,91
Total	17,97	23,95	22,42	17,73	22,10	24,39	18,78	15,51	19,29	30,17	28,60
Volumes sold (ktonnes)	24 736	17 579	22 838	27 785	14 945	17 150	22 540	22 471	22 296	17 318	15 714
NRS GROUP											
Operational EBITDA	153 351	140 112	188 451	255 865	58 265	202 969	213 925	119 104	213 137	155 231	222 451
Operational EBIT	131 436	115 812	164 318	232 436	35 459	181 087	192 744	94 636	192 425	135 566	205 234
Net interest bearing debt	926 355	656 854	287 943	419 698	499 760	413 099	446 333	633 479	539 247	594 007	380 531
Equity ratio	50,3%	53,2%	59,6%	56,7%	54,5%	52,1%	55,0%	48,0%	47,4%	45,4%	53,3%

Accumulated historical information



HISTORICAL INFORMATION (NOK thousand, NOK per kg)	YTD 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Volumes harvested (ktonnes, HOG)									
Region North	19 054	30 384	24 697	21 667	22 971	17 987	20 491	13 944	12 871
Region South	2 385	5 586	7 221	5 151	4 932	4 369	4 700	7 218	5 910
Total	21 439	35 970	31 918	26 819	27 903	22 356	25 191	21 162	18 781
Operational EBIT									
Region North	453 932	638 160	529 227	634 401	244 110	205 683	240 330	35 195	62 822
Region South	2 238	80 313	176 041	91 358	24 933	17 461	39 795	12 354	1 934
Total	456 170	718 473	705 268	725 759	269 043	223 144	280 125	47 548	64 756
Operational EBIT per kg									
Region North	23,82	21,00	21,43	29,28	10,63	11,44	11,73	2,52	4,88
Region South	0,94	14,38	24,38	17,74	5,05	4,00	8,47	1,71	0,33
Total	21,28	19,97	22,10	27,06	9,64	9,98	11,12	2,25	3,45
Volumes sold (ktonnes)	65 153	82 420	77 799	66 808	69 971	59 110	62 141	57 673	50 428
NRS GROUP									
Operational EBITDA	481 914	731 024	709 923	701 676	255 591	199 475	289 729	60 785	73 300
Operational EBIT	411 567	641 726	627 861	640 613	201 894	158 064	256 002	30 336	47 257
Net interest bearing debt	926 355	419 698	633 479	282 160	498 541	639 383	453 883	566 075	531 734
Equity ratio	50,3%	56,7%	48,0%	55,1%	41,3%	39,0%	42,4%	36,3%	36,3%

Credit facilities from bank of MNOK 2 000



- Revolving credit facility of MNOK 1 000
 - Duration: 5 years with an annual credit rating for further 5 years
- New overdraft facility of MNOK 400
 - Duration: 30 June 2022
 - After 30 June 2022, Norway Royal Salmon can request the bank to convert the facility to an installment loan
- Overdraft facility of MNOK 600
 - Duration: 2 years with annual renewal
- Covenants
 - Equity ratio at least 30 %
 - Drawn amount of the overdraft facility of MNOK 600 shall not exceed 75 per cent of the carrying value of inventory and accounts receivables

Financing



Long term debt

(NOK '000)	30.09.2019
Long-term debt to financial institutions	700 000
Long-term finance lease	198 922
Long-term receivables	-51 313
Total long-term interest bearing debt	847 609

Short term debt

(NOK '000)	30.09.2019
Short-term debt to financial institutions	92 012
First year's instalment long-term debt	52 756
Total short-term interest bearing debt	144 768
Cash and cash equivalents ¹⁾	-66 022
Net interest bearing debt	926 355

1) of which TNOK 65 963 are restricted cash deposits

Unused credit Facility

(NOK '000)	30.09.2019
Unused long-term credit facility	700 000
Unused short-term credit facility	507 988
Total unused credit facility	1 207 988

- Dividend policy
 - The company aims to provide a dividend level that reflects the company's value creation in the form of dividends and increases in the company's share price
 - At least 60 % of the profit shall be distributed as dividends, provided that the company's equity ratio is above 40 % and that the company's own capital requirements have been satisfied

Shareholders



Ownership structure – the 20 largest shareholders as at 30.09.2019:

Shareholder	No. of shares	Shareholding
GÅSØ NÆRINGSUTVIKLING AS	6 993 188	16,05 %
MÅSØVAL EIENDOM AS	5 255 360	12,06 %
NORWAY FRESH AS	5 044 905	11,58 %
HAVBRUKSINVEST AS	4 189 204	9,61 %
EGIL KRISTOFFERSEN OG SØNNER AS	3 801 689	8,73 %
NYHAMN AS	1 783 062	4,09 %
HELLESUND FISKEOPPDRETT A/S	1 665 843	3,82 %
DNB Markets Aksjehandel/-analyse	908 207	2,08 %
LOVUNDLAKS AS	672 821	1,54 %
BNP Paribas Securities Services	490 000	1,12 %
MP PENSJON PK	307 613	0,71 %
EIKA SPAR	278 606	0,64 %
JPMorgan Chase Bank, N.A., London	259 606	0,60 %
PNC INTERNATIONAL EQUITY FUND	258 304	0,59 %
MÅSØVAL FISHFARM AS	250 000	0,57 %
Citibank, N.A.	237 181	0,54 %
EIKA NORGE	236 471	0,54 %
HENDEN FISKEINDUSTRI AS	232 066	0,53 %
The Northern Trust Comp, London Br	231 285	0,53 %
NATIXIS	229 538	0,53 %
Total 20 largest shareholders	33 324 949	76,48 %
Total other shareholders	10 247 242	23,52 %
Total no. of shares	43 572 191	100,00 %



COMMITTED
BY NAME

