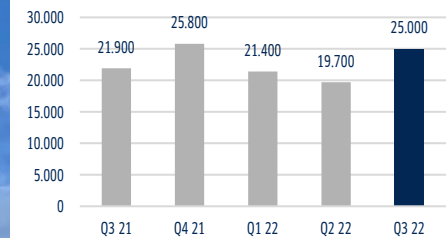


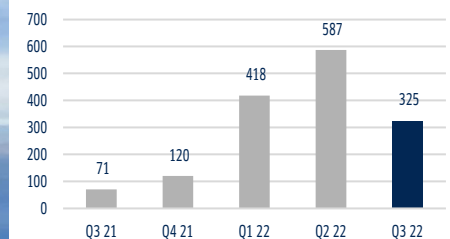
INTERIM REPORT

Q3 2022 and First Nine Months of 2022

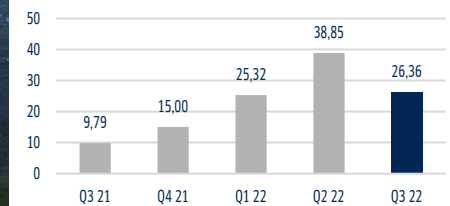
HARVEST VOLUME TGW



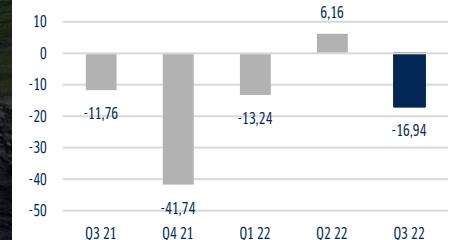
OPERATIONAL EBIT MDKK



OPERATIONAL EBIT VAP AND FARMING FO
DKK/KG



OPERATIONAL EBIT SCT DKK/KG



Contents

Highlights	2	Statement by the Management and the Board of Directors on the Interim Report.....	14
Summary of the 3 rd Quarter 2022 and the First Nine Months of 2022	3	Consolidated Income Statement.....	15
Results from the 3 rd Quarter of 2022 and the First Nine Months of 2022	4	Consolidated Statement of Comprehensive Income.....	15
Income Statement.....	4	Consolidated Statement of Financial Position.....	16
Statement of Financial Position.....	4	Consolidated Cash Flow Statement.....	17
Cash Flow	5	Consolidated Statement of Changes in Equity	18
Farming Segment Faroe Islands (FO)	6	Notes to the Account	19
Farming Segment Scotland (SCT).....	7	Contacts	29
VAP Segment.....	8		
FOF Segment	9		
Outlook.....	10		
Risks	13		
Events after the Date of the Statement of Financial Position	13		

Highlights

DKK M	Q3 2022	Q3 2021	YTD 2022	YTD 2021
INCOME STATEMENT				
Group - Operating revenue	1,867	1,272	5,190	4,066
Group - Operational EBIT*	325	71	1,329	702
Group - EBIT	307	162	1,879	1,197
Group - Profit for the period	249	131	1,498	967
Operational EBIT* (FO Farming and VAP)	444	146	1,395	713
Operational EBIT/kg (FO Farming and VAP) (DKK)	26.36	9.79	29.43	15.32
Operational EBIT/kg (FO Farming and VAP) (NOK)	35.62	13.59	39.55	21.07
Farming Faroe Islands - Operating revenue	1,155	759	3,493	2,366
Farming Faroe Islands - Operational EBIT*	444	135	1,532	622
Farming Faroe Islands - Operational EBIT margin	38%	18%	44%	26%
Farming Faroe Islands - Operational EBIT/kg (DKK)	26.34	9.04	32.32	13.36
Farming Faroe Islands - Operational EBIT/kg (NOK)	35.60	12.56	43.43	18.37
Farming Scotland - Operating revenue	442	356	1,143	1,237
Farming Scotland - Operational EBIT*	-137	-81	-149	-36
Farming Scotland - Operational EBIT margin	-31%	-23%	-13%	-3%
Farming Scotland - Operational EBIT/kg (DKK)	-16.94	-11.76	-7.96	-1.46
Farming Scotland - Operational EBIT/kg (NOK)	-22.90	-16.32	-10.69	-2.00
VAP - Operating revenue	386	267	1,221	825
VAP - Operational EBIT*	0	11	-137	91
VAP - Operational EBIT margin	0%	4%	-11%	11%
VAP - Operational EBIT/kg (DKK)	0.04	2.08	-7.03	5.87
VAP - Operational EBIT/kg (NOK)	0.06	2.89	-9.44	8.07
FOF - Operating revenue	677	557	1,642	1,226
FOF - EBITDA	120	111	326	217
FOF - EBITDA margin	17.8%	20.0%	19.8%	17.7%
NOK/DKK (average)	73.98	72.02	74.41	72.73

DKK M	Q3 2022	Q3 2021	YTD 2022	YTD 2021
FINANCIAL POSITION AND CASH FLOW				
Total Assets***	16,445	14,628	16,445	14,628
Equity***	10,517	9,348	10,517	9,348
Equity ratio***	64%	64%	64%	64%
Net interest-bearing debt***	2,427	2,126	2,427	2,126
Cash flow from operations	127	267	820	936
Cash flow from financing	171	-136	-76	-207
PROFITABILITY				
Basic earnings per share (DKK)	4.21	2.22	25.36	16.38
Diluted earnings per share (DKK)	4.21	2.22	25.36	16.38
ROCE**	2.1%	0.5%	9.0%	5.4%
VOLUMES				
Harvested Faroe Islands (tgv)	16,850	14,937	47,410	46,523
Harvested Scotland (tgv)	8,100	6,914	18,719	24,550
Total Harvest	24,950	21,851	66,129	71,073
Farming FO transferred to VAP (tgv)	6,462	5,299	19,457	15,481
VAP produced (tgv)	6,636	5,334	19,516	15,577
Sold feed tonnes	37,805	44,973	95,240	95,962
Internal feed sales tonnes	36,442	42,981	91,696	92,610
Smolt released thousand Faroe Islands (pcs)	4,117	3,769	9,445	9,350
Smolt released thousand Scotland (pcs)	2,446	3,253	7,521	6,949
Total smolt release	6,563	7,022	16,966	16,299

* Aligned for fair value adjustment of biomass, onerous contracts provisions, income from associates and revenue tax - refer to Note 10

** Return on average capital employed, based on operational EBIT - refer to Note 10

*** Comparing figures from the end of 2021

Summary of the 3rd Quarter of 2022 and the First Nine Months of 2022

(Figures in parenthesis refer to the same period last year).

The Bakkafrost Group delivered a total operating EBIT of DKK 325 million (DKK 71 million) in Q3 2022 and made a profit of DKK 249 million (DKK 131 million).

The combined FO farming and VAP segments made an operational EBIT of DKK 444 million (DKK 146 million).

The FO farming segment made an operational EBIT of DKK 444 million (DKK 135 million).

The SCT farming segment made an operational EBIT of DKK -137 million (DKK -81 million).

The VAP segment made an operational EBIT of DKK 0 million (DKK 11 million).

The EBITDA for the FOF segment was DKK 120 million (DKK 111 million).

Total harvested volumes for Q3 2022 were 25,000 tonnes gutted weight (21,900 tgw):

- FO: 16,900 tgw (14,900 tgw),
- SCT: 8,100 tgw (6,900 tgw).

Total harvested volumes for the first nine months of 2022 were 66,100 tonnes gutted weight (71,100 tgw):

- FO: 47,400 tgw (46,500 tgw),
- SCT: 18,700 tgw (24,600 tgw).

In total, 6.6 million (7.0 million) smolts were transferred during Q3 2022:

- FO: 4.1 million (3.8 million),
- SCT: 2.4 million (3.3 million).

In total, 17.0 million (16.3 million) smolts were transferred during the first nine months of 2022:

- FO: 9.4 million (9.4 million),
- SCT: 7.5 million (6.9 million).

The combined FO farming and VAP segments made an operational EBIT of DKK 444 million (DKK 146 million) in Q3 2022. The operational EBIT per kg in Q3 2022 was DKK 26.36 (DKK 9.79), corresponding to NOK 35.62 (NOK 13.59). The FO Farming segment achieved higher prices in Q3 2022 than in Q3 2021. For the first nine months of 2022, the combined FO farming and VAP segments made an operational EBIT of DKK 1,395 million (DKK 713 million).

The SCT farming segment made an operational EBIT of DKK -137 million (DKK -81 million). In Q3 2022, the SCT farming segment had incident-based costs of DKK 121 million (DKK 69 million). For the first nine months of 2022, the operational EBIT was DKK -149 million (DKK -36 million).

The FOF segment made an 18% (20%) EBITDA margin. Fish feed sales amounted to 37,800 tonnes (45,000 tonnes) in Q3 2022. During Q3 2022, Havsbrún sourced 76,200 tonnes (17,200 tonnes) of raw material. For the first nine months of 2022, the EBITDA was 20% (18%). During the first nine months of 2022, Havsbrún sourced 251,800 tonnes (125,100 tonnes) of raw material.

The net interest-bearing debt amounted to DKK 2,427 million at the end of Q3 2022, compared to DKK 2,126 million at year-end 2021. Undrawn credit facilities amounted to DKK 2,762 million at the end of Q3 2022.

The equity ratio was 64% on 30 Sep 2022, compared to 64% at the end of 2021.

Results from the 3rd Quarter of 2022 and the First Nine Months of 2022

Income Statement

(Figures in parenthesis refer to the same period last year).

The Group's operating revenue amounted to DKK 1,867 million (DKK 1,272 million) in Q3 2022; for the first nine months of 2022, the operating revenue amounted to DKK 5,190 million (DKK 4,066 million).

The FO farming segment's harvest volumes were higher, and the achieved prices were higher in Q3 2022 compared to last year's quarter. The VAP segment had higher revenues because of higher volumes sold and higher prices in Q3 2022 than in Q3 2021. The SCT Farming segment had a higher revenue because of the higher harvest volume. The FOF segment had higher revenue in Q3 2022, compared to Q3 2021, due to higher external sales of fishmeal and fish oil in Q3 2022, compared to Q3 2021.

The Group's operational EBIT was DKK 325 million (DKK 71 million) in Q3 2022. For the first nine months of 2022, the Group's operational EBIT was DKK 1,329 million (DKK 702 million).

The combined FO farming and VAP segments had higher operational EBIT in Q3 2022 compared to Q3 2021, DKK 444 million (DKK 146 million). The SCT Farming segment's operational EBIT was DKK -137 million (DKK -81 million), of which the cost of incident-based mortality is DKK 121 million (DKK 69 million). The FOF segment had higher EBITDA in Q3 2022 than in Q3 2021.

The fair value adjustment of the Group's biological assets amounted to DKK -49 million (DKK 114 million) in Q3 2022. The fair value adjustment for the first nine months of 2022 amounted to DKK 704 million (DKK 575 million).

Change in provisions for onerous contracts amounted to DKK 64 million (DKK 0 million) in Q3 2022. For the first nine months of 2022, the change in provisions for onerous contracts amounted to DKK 0 million (DKK 0 million). Provisions are made for estimated onerous contracts that oblige the Group to sell fish at a price less than calculated production costs, including raw materials and biomass, measured at fair value. Please see note 3.14 in the 2021 Annual Report.

The revenue tax amounted to DKK -43 million (DKK -31 million) in Q3 2022. The revenue tax for the first nine months of 2022 was DKK -164 million (DKK -92 million).

Net taxes amounted to DKK -33 million (DKK -27 million) in Q3 2022. For the first nine months of 2022, net taxes amounted to DKK -333 million (DKK -214 million).

The result for Q3 2022 was DKK 249 million (DKK 131 million); for the first nine months of 2022, the result was DKK 1,498 million (DKK 967 million).

Statement of Financial Position

(Figures in parenthesis refer to the end of last year).

The Group's total assets amounted to DKK 16,445 million (DKK 14,628 million) at the end of Q3 2022.

Intangible assets amounted to DKK 4,508 million (DKK 4,496 million) at the end of Q3 2022.

Property, plant and equipment amounted to DKK 5,213 million (DKK 4,889 million) at the end of Q3 2022. In Q3 2022 purchase of property, plant, and equipment amounts to DKK 237 million (DKK 310 million in Q3 2021).

Right-of-use assets amounted to DKK 468 million (DKK 302 million) in Q3 2022.

The carrying amount (fair value) of biological assets amounted to DKK 3,269 million (DKK 2,448 million) at the end of Q3 2022. Compared to year-end 2021, biological assets have increased mainly due to an increase in the fair value adjustment.

Inventories amounted to DKK 1,237 million (DKK 709 million) at the end of Q3 2022.

Total receivables, including long-term receivables, financial derivatives, and deferred tax assets, amounted to DKK 1,033 million (DKK 1,126 million) at the end of Q3 2022.

Total cash and cash equivalents amounted to DKK 568 million (DKK 509 million) at the end of Q3 2022.

The Group's equity amounted to DKK 10,517 million (DKK 9,348 million) at the end of Q3 2022. The change in equity consists primarily of the result for 2022 and the paid-out dividend of DKK 304 million.

Total non-current liabilities amounted to DKK 5,290 million (DKK 4,474 million) at the end of Q3 2022.

Deferred taxes amounted to DKK 1,868 million (DKK 1,590 million) at the end of Q3 2022.

Long-term interest-bearing debt was DKK 2,995 million (DKK 2,635 million) at the end of Q3 2022.

Leasing debt amounted to DKK 480 million (DKK 333 million) at the end of Q3 2022.

At the end of Q3 2022, the Group's total current liabilities were DKK 638 million (DKK 807 million). The current liabilities consist of financial derivatives, short-term leasing debt and accounts payable, tax payable and other debt.

The equity ratio was 64% at the end of Q3 2022, compared to 64% at the end of 2021.

Cash Flow

(Figures in parenthesis refer to the same period last year).

The cash flow from operations was DKK 127 million (DKK 267 million) in Q3 2022. The changes in working capital had a negative effect on the cash flow from operations. For the first nine months of 2022, the cash flow from operations was DKK 820 million (DKK 936 million).

The cash flow from investment activities amounted to DKK -237 million (DKK -310 million) in Q3 2022. The primary investments have been in hatcheries. For the first nine months of 2022, the cash flow from investments amounted to DKK -685 million (DKK -823 million).

The cash flow from financing activities totalled DKK 171 million (DKK -136 million) in Q3 2022. For the first nine months of 2022, cash flow from financing amounted to DKK -76 million (DKK -207 million).

In Q3 2022, the net change in cash flow amounted to DKK 60 million (DKK -180 million). For the first nine months of 2022, net change in cash flow amounted to DKK 59 million (DKK -94 million).

At the end of Q3 2022, the Group had unused committed credit facilities of DKK 2,762 million (DKK 1,439 million). In addition, the Group has an accordion of EUR 150 million.

Farming Segment – Faroe Islands (FO)

The Faroese farming segment produces high-quality Atlantic salmon from roe to harvest-size salmon. The salmon is sold to fresh fish markets globally and the internal VAP production. The farming sites are in the Faroe Islands.

Volumes

The total volumes harvested in Q3 2022 were 16,850 tonnes gutted weight (14,937 tgw) – a change in volume of 13%. 8,695 tgw came from the North region, 5,664 tgw from the West region and 2,491 tgw from the South region. The harvested volumes for the first nine months of 2022 were 47,410 tonnes gutted weight (46,523 tgw). This is in line with the forecast for 2022.

4.1 million (3.8 million) smolts were transferred to the sea in Q3 2022. In the first nine months of 2022, 9.4 million (9.4 million) smolts were transferred, which is in line with the smolt transfer plan.

DKK 1,000	Q3	Q3	Change	YTD	YTD	Change
	2022	2021		2022	2021	
Financial						
Total revenue	1,154,820	759,450	52%	3,493,251	2,365,927	48%
EBIT	380,115	242,431	57%	1,714,239	1,093,865	57%
Operational EBIT	443,808	135,075	229%	1,532,197	621,535	147%
Operational EBIT/kg (DKK)	26.34	9.04	191%	32.32	13.36	142%
Operational EBIT margin	38%	18%		44%	26%	
Volumes						
Harvested volumes (tgw)	16,850	14,937	13%	47,410	46,523	2%
- Farming North	8,695	2,862	204%	23,542	16,814	40%
- Farming West	5,664	7,756	-27%	14,079	23,349	-40%
- Farming South	2,491	4,319	-42%	9,789	6,361	54%
Smolts released (thousand)	4,117	3,769	9%	9,445	9,350	1%
- Farming North	3,995	1,618	147%	5,278	3,774	40%
- Farming West	122	2,151	-94%	2,891	3,726	-22%
- Farming South	0	0		1,276	1,850	-31%

Financial Performance

In Q3 2022, the operating revenue for the FO farming segment was DKK 1,155 million (DKK 759 million). The total revenue for the farming segment increased in Q3 2022, compared with Q3 2021, because of higher prices and higher volumes. The operating revenue for the FO farming segment for the first nine months of 2022 was DKK 3,493 million (DKK 2,366 million).

Operational EBIT/kg for the FO farming segment was DKK 26.34 (DKK 9.04) in Q3 2022, corresponding to NOK 35.60 (NOK 12.56).

Operational EBIT/kg for the FO farming segment was DKK 26.34 (DKK 9.04) in Q3 2022, corresponding to NOK 35.60 (NOK 12.56). In Q3 2022, the FO farming segment's EBIT amounted to DKK 380 million (DKK 242 million). In the first nine months of 2022, the FO farming segment's EBIT was DKK 1,714 million (DKK 1,094 million).

In Q3 2022, the FO farming segment's EBIT amounted to DKK 380 million (DKK 242 million). In the first nine months of 2022, the FO farming segment's EBIT was DKK 1,714 million (DKK 1,094 million). Operational EBIT amounted to DKK 444 million (DKK 135 million) in Q3 2022, corresponding to an operational EBIT margin of 38% (18%). In the first nine months of 2022, operational EBIT was DKK 1,532 million (DKK 622 million).

No costs relate to incident-based mortality in 2022 nor for the first nine months of 2022.

Farming Segment – Scotland (SCT)

The Scottish farming segment represents the operating business of Bakkafrost Scotland Ltd. Bakkafrost Scotland is committed to producing the finest quality Scottish Salmon with Scottish Provenance and full traceability. Bakkafrost Scotland has sites across the West Coast of Scotland and the Hebridean Islands.

Volumes

The total volumes harvested in Q3 2022 were 8,100 tonnes gutted weight (6,914 tgw) - a change in volume of 17%. The harvested volumes for the first nine months of 2022 were 18,719 tonnes gutted weight (24,550 tgw). This is lower than the planned harvest.

2.4 million (3.3 million) smolts were transferred to the sea in Q3 2022. In the first nine months of 2022, 7.5 million (6.9 million) smolts were transferred. This is in line with the smolt transfer plan.

	Q3 2022	Q3 2021	Change	YTD 2022	YTD 2021	Change
DKK 1,000						
Financial						
Total revenue	441,855	356,038	24%	1,143,093	1,237,051	-8%
EBIT	-165,874	-105,572	-57%	209,506	-24,319	961%
Operational EBIT	-137,236	-81,284	-69%	-148,917	-35,723	-317%
Operational EBIT/kg (DKK)	-16.94	-11.76	-44%	-7.96	-1.46	-447%
Operational EBIT margin	-31%	-23%		-13%	-3%	
Volumes						
Harvested volumes (tgw)	8,100	6,914	17%	18,719	24,550	-24%
Smolts released (thousand pcs)	2,446	3,253	-25%	7,521	6,949	8%

Financial Performance

In Q3 2022, the operating revenue for the SCT farming segment was DKK 442 million (DKK 356 million). The operating revenue for the SCT farming segment for the first nine months of 2022 was DKK 1,143 million (DKK 1,237 million).

In Q3 2022, the SCT farming segment's EBIT amounted to DKK -166 million (DKK -106 million). For the first nine months of 2022, the SCT farming segment's EBIT amounted to DKK 210 million (DKK -24 million).

Operational EBIT amounted to DKK -137 million (DKK -81 million) in Q3 2022, corresponding to an operational EBIT margin of -31% (-23%). In the first nine months of 2022, operational EBIT was DKK -149 million (DKK -36 million), corresponding to an operational EBIT margin of -13% (-3%).

Operational EBIT/kg for the farming segment in Scotland was DKK -16.94 (DKK -11.76) in Q3 2022, which corresponds to NOK -22.90 (NOK -16.32). Operational EBIT/kg for the first nine months of 2022 was DKK -7.96 (DKK -1.46), corresponding to NOK -10.69 (NOK -2.00).

In Q3 2022, the SCT farming segment's EBIT amounted to DKK -166 million (DKK -106 million). For the first nine months of 2022, the SCT farming segment's EBIT amounted to DKK 210 million (DKK -24 million).

Costs of DKK 121 million (DKK 69 million) relate to incident-based mortality in Q3 2022, and for the first nine months of 2022, DKK 202 million (DKK 83 million).

VAP Segment

The VAP (value-added products) segment produces skinless and boneless portions of salmon in the Faroe Islands. The primary market for VAP products is in Europe, with increasing sales in other markets. VAP products are primarily sold on long-term fixed-price contracts.

Volumes

38% (35%) of the Faroese harvested volumes in Q3 2022 went to the production of VAP products, and 41% (33%) of the harvested volumes in the first nine months of 2022 went to VAP production.

The VAP production in the Faroe Islands was 6,636 tonnes gutted weight (5,334 tgw) in Q3 2022, increasing 24% compared to Q3 2021. In the first nine months of 2022, the VAP production was 19,516 tgw (15,577 tgw).

DKK 1,000	Q3 2022	Q3 2021	Change	YTD 2022	YTD 2021	Change
Financial						
Total revenue	385,767	266,690	45%	1,221,036	825,392	48%
EBIT	64,589	11,120	481%	-137,115	91,384	-250%
Operational EBIT	276	11,120	-98%	-137,115	91,384	-250%
VAP - Operational EBIT/kg (DKK)	0.04	2.08	-98%	-7.03	5.87	-220%
Operational EBIT margin	0%	4%		-11%	11%	
Volumes						
Farming FO transferred to VAP (tgw)	6,462	5,299	22%	19,457	15,481	26%
VAP produced (tgw)	6,636	5,334	24%	19,516	15,577	25%
Harvested volumes used in VAP production	38%	35%		41%	33%	
Harvested volumes sold fresh/frozen	62%	65%		59%	67%	

Financial Performance

The operating revenue for the VAP segment amounted to DKK 386 million (DKK 267 million) in Q3 2022. The increase in revenue is due to higher prices and higher volumes sold in Q3 2022 compared with Q3 2021. In the first nine months of 2022, the VAP revenue was DKK 1,221 million (DKK 825 million).

Operational EBIT amounted to DKK 0 million (DKK 11 million) in Q3 2022, corresponding to an operational EBIT of DKK 0.04 (DKK 2.08) per kg gutted weight in Q3 2022, which corresponds to NOK 0.06 (NOK 2.89) per kg gutted weight. Operational EBIT/kg for the first nine months of 2022 amounted to DKK -137 million (DKK 91 million), corresponding to an operational EBIT of DKK -7.03 (DKK 5.87), which corresponds to NOK -9.44 (NOK 8.07).

The VAP segment had an EBIT amounting to DKK 65 million (DKK 11 million) in Q3 2022. Changes in onerous contracts were DKK 64 million (DKK 0 million) in Q3 2022. In the first nine months of 2022, the VAP segment's EBIT amounted to DKK -137 million (DKK 91 million).

FOF Segment

The FOF (fishmeal, oil and feed) segment produces fishmeal, fish oil and fish feed. Most of the production is used for fish feed, used internally. The quality of the fish feed is important to the quality of the salmon from Bakkafrost. Fishmeal, fish oil and fish feed are also sold externally.

Volumes

Havsbrún received 76,182 tonnes (17,224 tonnes) of raw material to produce fishmeal and fish oil in Q3 2022. The raw material intake depends on the fishery in the North Atlantic and available species of fish. In the first nine months of 2022, Havsbrún received 251,763 tonnes (125,061 tonnes) of raw material.

The fishmeal production in Q3 2022 was 17,004 tonnes (4,831 tonnes). For the first nine months of 2022, Havsbrún produced 54,486 tonnes (28,109 tonnes) of fishmeal.

The production of fish oil in Q3 2022 was 13,218 tonnes (3,000 tonnes). The production of fish oil varies depending on the species of fish sourced for production and the timing of the catch. For the first nine months of 2022, Havsbrún produced 18,228 tonnes (5,203 tonnes) of fish oil.

Sales of fish feed amounted to 37,805 tonnes (44,973 tonnes) in Q3 2022. The FO farming segment internally used 24,951 tonnes (31,211 tonnes) or 66% (69%).

The SCT farming segment internally used 11,491 tonnes (11,770 tonnes) or 30% (26%). For the first nine months of 2022, Havsbrún sold 95,240 tonnes (95,962 tonnes).

Financial Performance

The operating revenue for the FOF segment amounted to DKK 677 million (DKK 557 million) in Q3 2022, of which DKK 484 million (DKK 500 million) represented sales to Bakkafrost's farming segments, corresponding to 71% (90%). For the first nine months

DKK 1,000	Q3 2022	Q3 2021	Change	YTD 2022	YTD 2021	Change
Financial						
Total revenue	677,169	556,914	22%	1,642,223	1,225,893	34%
EBIT	125,028	112,834	11%	316,651	205,676	54%
EBITDA	120,451	111,231	8%	325,733	216,913	50%
FOF - EBITDA margin	17.8%	20.0%		19.8%	17.7%	
Volumes (tonnes)						
Feed sold	37,805	44,973	-16%	95,240	95,962	-1%
- Feed internal sale FO	24,951	31,211	-20%	58,249	68,233	-15%
- Feed internal sale SCT	11,491	11,770	-2%	33,447	24,377	37%
- Feed external sale	1,363	1,992	-32%	3,544	3,352	6%
Fishmeal external sale	7,130	2,840	151%	22,174	13,007	70%
Fish oil external sale	2,457	14	17450%	2,475	33	7400%
Received raw material	76,182	17,224	342%	251,763	125,061	101%
Fishmeal production	17,004	4,831	252%	54,486	28,109	94%
Fish oil production	13,218	3,000	341%	18,228	5,203	250%

of 2022, the revenue amounted to DKK 1,642 million (DKK 1,226 million) of which DKK 1,219 million (DKK 1,043 million) represented sales to Bakkafrost's farming segments, corresponding to 74% (85%).

Total revenue for the FOF segment in Q3 2022 was higher than the same quarter last year. The increase in external revenue is due to higher volumes on fishmeal and fish oil in Q3 2022 compared to Q3 2021.

EBITDA was DKK 120 million (DKK 111 million) in Q3 2022, and the EBITDA margin was 18% (20%). For the first nine months of 2022, the EBITDA was DKK 326 million (DKK 217 million), and the EBITDA margin was 20% (18%).

Havsbrún sources raw pelagic fish for the fishmeal and fish oil production, which are part of the recipe to produce salmon feed.

Outlook

Market

Supply increase of 4%

The supply of salmon increased 4.1% in Q3 2022, compared to Q3 2021 incl. inventory movements. Without inventory movements, the supply increase was 6.4%, according to the latest estimate from Kontali Analyse.

27% higher salmon prices

Salmon spot prices were 27% higher in this quarter compared to Q3 2021. Strong demand for salmon, moderate supply increase and general inflation have contributed to high salmon prices in this quarter.

No growth in 2022

In Q4 2022, the global supply growth is expected to be around 1%. For the full year of 2022, the supply is expected to be on the same level as in 2021, including inventory movements. In H1 2023, zero growth is expected.

Bakkafrost has a strong focus on ensuring a well-balanced flow to the different markets to increase diversification and mitigate market risk. Bakkafrost operates in the main salmon markets, Europe, the USA, and the Far East. Since the beginning of the war in Ukraine, Bakkafrost has stopped all trading with Russia.

Farming

The strong biological performance in the Faroese farming operation seen in previous quarters has continued also in this quarter. Sea lice levels have been maintained at all-time low levels for this quarter and the low mortality rates have also continued in this quarter.

The delivery of Bakkafrost's new Life Fish Carrier, Bakkafossur, has been delayed until Q4 2022. With its 7,000m³ tank capacity for seawater, 3,000m³ for

freshwater and a reverse osmosis system onboard for freshwater generation, Bakkafossur will strengthen Bakkafrost's capabilities to maintain low biological risk in the Faroe Islands.

The expansions of the hatcheries at Norðtoftir and Glyvradal are progressing well and will start operations in Q4 2022 and Q1 2023 respectively. Combined, these capacity expansions will increase the smolt production capacity in the Faroe Islands with around 6.5 million smolts of 500g and are important milestones to fulfil Bakkafrost's goal to build an annual smolt production capacity in the Faroe Islands of over 23 million smolts of 500g in 2026.

In Scotland, farming conditions in Q3 2022 have followed the normal seasonal pattern with significant biological challenges and higher mortality. Especially the Loch Fyne and East Lewis & Harris areas have been affected and suffered increased mortality. The negative development in the quarter was a continuation of the increased mortality in late Q2 2022, which in particular affected farming sites with fish previously compromised in H2 2021. The mortality levels in Q3 2022 have been higher than expected and caused by different reasons, such as gill-related issues.

In late September 2022, the new 4,000m³ Life Fish Carrier with freshwater treatment capacity, as well as an innovative in-line freshwater-based sea lice removal system was introduced in the farming operation in Scotland. This vessel can efficiently do dual treatments for gill-related issues as well as sea lice removal in one operation, thereby improving fish welfare while applying minimum stress on the fish. The results have been successful and together with the second Life Fish Carrier in operation, Bakkafrost has secured proficient treatment vessel capacity in Scotland.

The biological risk in Scotland is still higher than in the Faroe Islands but is expected to be transformed with the implementation of Bakkafrost's large-smolt strategy. As demonstrated in the Faroe Islands, large high-quality and robust smolt will have a lower risk exposure in the marine environment due to shorter production cycles in the sea. This is expected to significantly reduce the biological risk in Scotland and is the cornerstone of the turnaround of the farming operation in Scotland. Therefore, it is Bakkafrost's topmost priority in Scotland to build new modern hatcheries. The ongoing expansion of the Applecross hatchery is progressing well and will reach an important milestone by the end of this year when the Applecross 4 expansion is expected to be completed. The first batch of large smolt delivered from Applecross 4 is planned for Q2 2023 and will contribute to increasing the mean weights and quality of the smolt stocked in Scotland in 2023.

The full capacity of the Applecross hatchery, including the next expansions, will be in operation in mid-2024 bringing the overall annual production capacity from Applecross to around 10 million high-quality smolts of around 500g.

In Q3 2022, the average weight of released smolt in Scotland was 107g, which is 9% higher than in Q3 2021.

Bakkafrost plans to build 3 large hatcheries in Scotland, which will increase the total annual production capacity up to around 18 million smolts of around 500g in 2026.

Smolt release

Bakkafrost expects to release around 14.5 million large smolts in 2022 in the Faroe Islands and around 10.8 million smolts of around 110g in Scotland. The number and the average weight of smolts released are key elements of predicting Bakkafrost’s future production.

Million smolt released	2023	2022	2021	2020	2019	2018
FO	16.0	14.5	14.4	14.3	12.7	12.6
SCT	9.6	10.8	11.1	10.4	12.4	8.6

The average weight of the smolt released in Scotland in 2023 is expected to increase to around 150-175g. In 2023, the number of released smolt will be lower than previous years as the focus is on stabilising the operation before increasing the volume. In this respect, smolt quality is more important than the released volume.

Harvest volumes for 2022 in the Faroe Islands are expected around 68,000 tonnes gutted weight and 25,000 tonnes gutted weight in Scotland, giving a total of 93,000 tonnes gutted weight. The expected harvest in Scotland is due to higher mortalities in Q2 and Q3 2022.

In 2023, Bakkafrost expects to harvest around 68,000 tonnes gutted weight in the Faroe Islands and 30,000 tonnes gutted weight in Scotland, giving a total of around 98,000 tonnes gutted weight.

The estimates for harvest volumes and smolt releases in both geographies are dependent on biological development.

VAP (Value added products)

Bakkafrost’s highly flexible value chain includes a state-of-the-art VAP factory with high capacity. This enables Bakkafrost to adapt well to the rapidly changing market situations.

Bakkafrost’s long-term strategy is to sell around 40% of the harvested volumes of salmon as VAP products on contracts. The contracts are at fixed prices with a duration of between 6 to 12 months.

For 2022 Bakkafrost has signed contracts covering around 33% of the expected harvest volumes in the Faroe Islands and Scotland combined. Contracts for 2023 are mainly negotiated in November and December, and so far 22% of the harvest 2023 volume has been contracted.

FOF (Fishmeal, oil and feed)

The outlook of fishmeal and fish oil production is dependent on the availability of raw materials.

The ICES 2023 recommendation for blue whiting is 1,360 thousand tonnes, which is an 81% increase from the recommendation for 2022.

In 2023 Bakkafrost expects similar production volumes of fishmeal and fish oil as in 2022.

Havsbrún’s sales of fish feed in 2022 is expected to be around 125,000 tonnes and to increase up to around 130,000 tonnes in 2023.

The major market for Havsbrún’s fish feed is the local Faroese market, primarily Bakkafrost FO’s internal use of fish feed, and the feed used in the Scottish farming operation.

Lately, the prices on vegetable raw materials have increased significantly. This affects the whole animal protein market as well as other food producers. Bakkafrost is in a relatively good competitive position due to the low inclusion of vegetable ingredients in the feed combined with low feed conversion ratio and good access to marine raw materials.

Investments

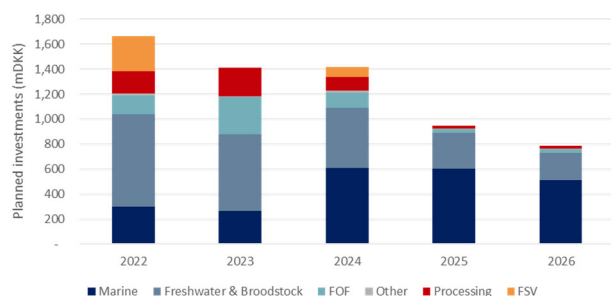
On the Capital Markets Day on 14-15 September 2021, Bakkafrost announced a 6.2bn DKK investment plan for 2022-2026. The investments will enable transformation of the operation in Scotland and provide sustainable growth in the Faroe Islands as well as Scotland.

The main purpose of the investments in Scotland is to replicate Bakkafrost’s successful operation in the Faroe Islands. Bakkafrost will build 3 large energy-efficient hatcheries in Scotland, enabling the implementation of Bakkafrost’s large smolt strategy and giving an annual production capacity above 18 million smolts at 500g. Having large smolt in Scotland will transform the performance, lower the biological risk and increase harvest volumes. In addition to building hatchery capacity, Bakkafrost plans to build a new processing plant to strengthen processing capabilities and increase flexibility in operation. Bakkafrost will also invest in more service vessel capacity to improve the mitigation of biological risk. Further, Bakkafrost will make investments in marine site development.

The investments in the Faroe Islands include increasing annual hatchery production capacity to around 23 million smolts at 500g, investments in a brood stock facility and expansion of feed production capacity.

With the investment plan, Bakkafrost expects to sustainably grow the total annual harvest volumes to 150,000 tonnes in 2026. Over the same period, the total annual production capacity in Bakkafrost’s value chain will reach 180,000 tonnes gutted weight.

6.2bn DKK Investment programme 2022-2026



Capital Market Day in Scotland in 2023

Bakkafrost’s next Capital Markets Day will be on 6-7 June 2023 and will be held in Scotland.

Financial

The long-term market balance in the global market for salmon products will most likely remain favourable for Bakkafrost. Bakkafrost has a long value chain and a cost-efficient production of high-quality salmon products and will likely maintain financial flexibility going forward.

In March 2022, Bakkafrost finalized a new sustainability-linked 700 mEUR multicurrency revolving credit facility agreement with an additional accordion option of 150 mEUR. The facility has a tenor of five years. In combination with Bakkafrost’s high equity ratio, the facility gives the necessary financial strength and flexibility for the Group’s investment plans aimed at significant organic growth and structural cost reductions in Scotland. It will also enable M&A’s and further organic growth opportunities as well as support an unchanged dividend policy in the future.

Risks

Biological risk has been and will be a substantial risk for Bakkafrost. The Annual Report 2021 explains the biological risk and Bakkafrost's risk management in this regard.

Reference is made to the Outlook section of this report for other comments on Bakkafrost's risk exposure and Note 3.

Bakkafrost is, as explained in the Annual Report 2021, exposed to the salmon price.

The Annual Report 2021 is available on request from Bakkafrost and Bakkafrost's website, www.bakkafrost.com.

Events after the Reporting Period

From the date of the statement of financial position until today, no events have occurred that materially influence the information provided by this report.

Statement by the Management and the Board of Directors on the Interim Report

The Management and the Board of Directors have today considered and approved the interim report of P/F Bakkafrost for the period 1 Jan 2022 to 30 Sep 2022.

The interim report, which has not been audited or reviewed by the company's independent auditors, has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and Faroese disclosure requirements for listed companies.

Glyvvar, November 7th 2022

Management:

J. Regin Jacobsen
CEO

The Board of Directors of P/F Bakkafrost:

Rúni M. Hansen
Chairman of the Board

Annika Frederiksberg
Board Member

Øystein Sandvik
Board Member

Teitur Samuelson
Board Member

Einar Wathne
Board Member

Guðrið Højgaard
Board Member

In our opinion, the accounting policies used are appropriate, and the interim report gives a true and fair view of the Group's financial positions on 30 Sep 2022, as well as the results of the Group activities and cash flows for the period 1 Jan 2022 to 30 Sep 2022.

In our opinion, the management's review provides a true and fair presentation of the development in the Group operations and financial circumstances of the

results for the period and of the overall financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group.

Over and above the disclosures in the interim report, no changes in the Group's most significant risks and uncertainties have occurred relative to the disclosures in the annual report for 2021.

Consolidated Income Statement

For the period ended 30 Sep 2022

DKK 1,000	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Operating revenue	1,866,989	1,272,362	5,190,158	4,065,533
Purchase of goods	-1,048,355	-496,680	-2,173,130	-1,184,589
Change in inventory and biological assets (at cost)	361,840	30,181	759,751	-57,118
Salary and personnel expenses	-203,935	-177,607	-591,448	-529,959
Other operating expenses	-525,902	-434,744	-1,466,498	-1,212,429
Depreciation	-136,428	-122,967	-409,734	-379,903
Other income	10,478	0	20,055	0
Operational EBIT*	324,687	70,545	1,329,154	701,535
Fair value adjustments of biological assets	-48,803	113,713	704,446	574,821
Onerous contracts	64,315	0	0	0
Income from associates	10,265	7,963	9,708	12,361
Revenue tax	-43,393	-30,645	-163,981	-92,160
Earnings before interest and taxes (EBIT)	307,071	161,576	1,879,327	1,196,557
Net interest revenue	242	1,073	2,029	3,432
Net interest expenses	-8,065	-7,784	-25,314	-26,297
Net currency effects	-8,427	6,552	-6,667	23,461
Other financial expenses	-8,508	-3,319	-18,320	-15,782
Earnings before taxes (EBT)	282,313	158,098	1,831,055	1,181,371
Taxes	-33,293	-26,796	-332,675	-214,210
Profit or loss for the period	249,020	131,302	1,498,380	967,161
Profit or loss for the year attributable to				
Non-controlling interests	-337	0	-1,797	0
Owners of P/F Bakkafrost	249,357	131,302	1,500,177	967,161
Earnings per share (DKK)	4.21	2.22	25.36	16.38
Diluted earnings per share (DKK)	4.21	2.22	25.36	16.38

* Operational EBIT is EBIT before fair value of biomass, onerous contracts, income from associates and revenue tax.

Consolidated Statement of Comprehensive Income

For the period ended 30 Sep 2022

DKK 1,000	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Profit for the period	249,020	131,302	1,498,380	967,161
Changes on financial derivatives	-7,674	-5,605	-10,869	-3,287
Hereof income tax effect	1,171	855	2,249	501
Reserve to share-based payment	7,956	1,054	11,505	518
Currency translation differences	-14,878	-1,336	-38,727	31,813
Adjustment of treasury shares	1,184	907	5,925	9,867
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	-12,241	-4,125	-29,917	39,412
Other comprehensive income	-12,241	-4,125	-29,917	39,412
Total other comprehensive income for the period	236,779	127,177	1,468,463	1,006,573
Comprehensive income for the period attributable to				
Non- controlling interests	-337	0	-1,797	0
Owners of P/F Bakkafrost	237,116	127,177	1,470,260	1,006,573

Consolidated Statement of Financial Position

As on 30 Sep 2022

DKK 1,000	30 Sep 2022	31 Dec 2021
ASSETS		
Non-current assets		
Intangible assets	4,507,691	4,495,726
Property, plant and equipment	5,213,364	4,888,778
Right of use assets	468,106	302,105
Financial assets	149,188	149,225
Long-term receivables	0	8,102
Deferred tax assets	155,208	215,248
Total non-current assets	10,493,557	10,059,184
Current assets		
Biological assets (biomass)	3,268,658	2,448,290
Inventory	1,236,507	709,306
Total inventory	4,505,165	3,157,596
Accounts receivable	729,041	824,004
Other receivables	148,988	78,227
Total receivables	878,029	902,231
Cash and cash equivalents	568,165	509,157
Total current assets	5,951,359	4,568,984
TOTAL ASSETS	16,444,916	14,628,168

DKK 1,000	30 Sep 2022	31 Dec 2021
EQUITY AND LIABILITIES		
Equity		
Share capital	59,143	59,143
Other equity	10,455,923	9,288,269
Non-controlling interests	2,025	133
Total equity	10,517,091	9,347,545
Non-current liabilities		
Deferred taxes and other taxes	1,867,840	1,590,034
Long-term interest-bearing debt	2,994,760	2,634,968
Long-term leasing debt	427,270	245,753
Financial derivatives	0	3,207
Total non-current liabilities	5,289,870	4,473,962
Current liabilities		
Financial derivatives	15,233	4,602
Short-term leasing debt	52,647	87,668
Accounts payable and other debt	570,075	714,391
Total current liabilities	637,955	806,661
Total liabilities	5,927,825	5,280,623
TOTAL EQUITY AND LIABILITIES	16,444,916	14,628,168

Consolidated Cash Flow Statement

For the period ended 30 Sep 2022

DKK 1,000	Q3 2022	Q3 2021	YTD 2022	YTD 2021
Earnings before interest and taxes (EBIT)	307,071	161,576	1,879,327	1,196,557
Adjustments for write-downs and depreciation	136,428	122,967	409,734	379,903
Adjustments for value adjustment of biomass	48,803	-113,713	-704,446	-574,821
Adjustments for income from associates	-10,265	-7,963	-9,708	-12,361
Adjustments for currency effects	-48,731	7,257	-71,547	29,355
Adjustments of provision for onerous contracts	-64,315	0	0	0
Change in inventory	-330,252	119,192	-643,123	46,344
Change in receivables	-69,544	-95,032	84,242	-174,841
Change in current debts	157,669	72,740	-124,398	45,822
Cash flow from operations	126,864	267,024	820,081	935,958
Cash flow from investments				
Payments for purchase of fixed assets	-237,640	-309,982	-702,706	-824,698
Net investment in financial assets	239	-125	9,745	1,935
Change in long-term receivables and deferred tax assets	0	-103	8,102	-103
Cash flow from investments	-237,401	-310,210	-684,859	-822,866
Cash flow from financing				
Change in interest-bearing debt (short and long)	213,465	-100,833	347,965	129,221
Financial income	242	1,073	242	3,432
Financial expenses	-16,573	-11,103	-41,850	-42,079
Lease payments	-27,809	-26,521	-84,562	-91,282
Net proceeds from sale of own shares	1,184	907	5,986	9,867
Dividend paid	0	0	-303,995	-215,872
Cash flow from financing	170,509	-136,477	-76,214	-206,713
Net change in cash and cash equivalents in period	59,972	-179,663	59,008	-93,621
Cash and cash equivalents - opening balance	508,193	552,981	509,157	466,939
Cash and cash equivalents - closing balance total	568,165	373,318	568,165	373,318

Consolidated Statement of Changes in Equity

As on 30 Sep 2022

	Share Capital	Share Premium Reserve	Treasury Shares	Sharebased Payment	Currency translation differences	Derivatives	Proposed Dividend	Biomass Fair value adjustments	Retained Earnings	Non controlling interest	Total Equity
DKK 1,000											
Equity 01.01.2022	59,143	4,027,375	-26,767	7,799	46,232	-3,873	303,995	604,707	4,328,801	133	9,347,545
Consolidated profit	0	0	0	0	0	0	0	704,446	797,119	-1,797	1,499,768
Changes in financial derivatives	0	0	0	0	0	-10,869	0	0	0	0	-10,869
Hereof income tax effect	0	0	0	0	0	2,249	0	0	0	0	2,249
Share-based payment	0	0	0	11,505	0	0	0	0	0	0	11,505
Currency translation differences	0	0	0	0	-38,727	0	0	0	0	0	-38,727
Total other comprehensive income	0	0	0	11,505	-38,727	-8,620	0	0	0	0	-35,842
Total comprehensive income	0	0	0	11,505	-38,727	-8,620	0	704,446	797,119	-1,797	1,463,926
Treasury shares	0	0	5,925	0	0	0	0	0	0	0	5,925
Addition of non-controlling interests	0	0	0	0	0	0	0	0	0	3,689	3,689
Paid-out dividend	0	0	0	0	0	0	-303,995	0	0	0	-303,995
Total transaction with owners	0	0	5,925	0	0	0	-303,995	0	0	3,689	-294,381
Total changes in equity	0	0	5,925	11,505	-38,727	-8,620	-303,995	704,446	797,119	1,892	1,169,545
Total equity 30.09.2022	59,143	4,027,375	-20,842	19,304	7,505	-12,493	0	1,309,153	5,125,920	2,025	10,517,090
Equity 01.01.2021	59,143	4,027,375	-37,672	6,229	34,545	-14,829	215,872	145,387	4,293,437	0	8,729,487
Consolidated profit	0	0	0	0	0	0	0	434,868	529,185	-17	964,036
Change in tax rate on equity posted PPA in prior years	0	0	0	0	0	0	0	0	-193,574	0	-193,574
Changes in financial derivatives	0	0	0	0	0	12,928	0	0	0	0	12,928
Hereof income tax effect	0	0	0	0	0	-1,972	0	0	0	0	-1,972
Share-based payment	0	0	0	1,570	0	0	0	0	0	0	1,570
Currency translation differences	0	0	0	0	36,139	0	0	0	0	0	36,139
Reclassification between funds	0	0	0	0	-24,452	0	0	24,452	0	0	0
Total other comprehensive income	0	0	0	1,570	11,687	10,956	0	24,452	-193,574	0	-144,909
Total comprehensive income	0	0	0	1,570	11,687	10,956	0	459,320	335,611	-17	819,127
Treasury shares	0	0	10,905	0	0	0	0	0	3,748	0	14,653
Addition of non-controlling interests	0	0	0	0	0	0	0	0	0	150	150
Paid-out dividend	0	0	0	0	0	0	-215,872	0	0	0	-215,872
Proposed dividend	0	0	0	0	0	0	303,995	0	-303,995	0	0
Total transaction with owners	0	0	10,905	0	0	0	88,123	0	-300,247	150	-201,069
Total changes in equity	0	0	10,905	1,570	11,687	10,956	88,123	459,320	35,364	133	618,058
Total equity 31.12.2021	59,143	4,027,375	-26,767	7,799	46,232	-3,873	303,995	604,707	4,328,801	133	9,347,545
Equity 01.01.2021	59,143	4,027,375	-37,672	6,229	34,545	-14,829	215,872	145,387	4,293,437	0	8,729,487
Consolidated profit	0	0	0	0	0	0	0	574,821	395,793	0	970,614
Changes in financial derivatives	0	0	0	0	0	-3,287	0	0	0	0	-3,287
Hereof income tax effect	0	0	0	0	0	501	0	0	0	0	501
Share-based payment	0	0	0	518	0	0	0	0	0	0	518
Currency translation differences	0	0	0	0	31,813	0	0	0	0	0	31,813
Total other comprehensive income	0	0	0	518	31,813	-2,786	0	0	0	0	29,545
Total comprehensive income	0	0	0	518	31,813	-2,786	0	574,821	395,793	0	1,000,159
Treasury shares	0	0	9,868	0	0	0	0	0	0	0	9,868
Paid-out dividend	0	0	0	0	0	0	-215,872	0	0	0	-215,872
Total transaction with owners	0	0	9,868	0	0	0	-215,872	0	0	0	-206,004
Total changes in equity	0	0	9,868	518	31,813	-2,786	-215,872	574,821	395,793	0	794,155
Total equity 30.09.2021	59,143	4,027,375	-27,804	6,747	66,358	-17,615	0	720,208	4,689,231	0	9,523,643

Notes to the Accounts

Accounting Policy

General Information

P/F Bakkafrost is a limited company incorporated and domiciled in the Faroe Islands.

The Group's Annual Report 2021 is available at www.bakkafrost.com or upon request from the company's registered office at Bakkavegur 9, FO-625 Glyvrar, Faroe Islands.

This Condensed Consolidated Interim Report is presented in DKK.

Note 1. Statement of Compliance

This Condensed Consolidated Interim Report is prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting as adopted by the EU. It does not include all the information required for the full Annual and Consolidated Report and Accounts and should be read in conjunction with the Annual and Consolidated Report and Accounts for the Group as of 31 Dec 2021.

This interim report has not been subject to any external audit.

Note 2. Significant Accounting Policies

The accounting policies applied by the Group in this Condensed Consolidated Interim Report are the same as those used in the Annual Report for the year ended 31 Dec 2021.

Note 3. Estimates and Risk Exposures

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting principles and recognised amounts of assets, liabilities, income and expenses. The most significant estimates relate to the valuation of the fair value of biological assets. Estimates and underlying assumptions are reviewed on an ongoing basis and are based on the management's best assessment at the time of reporting. All changes in estimates are reflected in the financial statements as they occur.

Bakkafrost has made no significant changes in the estimates for these interim financial statements compared with the annual financial statements.

Descriptions of the accounting estimates are in the notes to the financial statements in the Annual Report 2021.

Note 4. Biological Assets

	30-Sep 2022	30 Sep 2021	31 Dec 2021
Biological assets carrying amount 01.01.	2,448,289	2,117,024	2,117,024
Increase due to production or purchases	2,817,148	2,347,668	3,158,703
Reduction due to harvesting or sale (costs of goods sold)	-2,413,385	-2,204,792	-2,931,526
Reduction due to mortality (costs of incidents-based mortality *)	-202,094	-83,253	-307,551
Fair value adjustment at the beginning of the period reversed	-604,707	-145,387	-145,387
Fair value reclassification currency translation differences prior year	0	-24,452	-24,452
Fair value adjustment at the end of the period	1,309,153	744,660	604,707
Reversal of elimination at the beginning of the period	134,193	80,083	80,083
Eliminations	-171,410	-143,961	-134,193
Currency translation differences	-51,181	15,678	30,881
Biological assets carrying amount at the end of the period	3,266,006	2,703,268	2,448,289
Cost price biological assets	2,179,444	2,086,891	1,946,894
Fair value adjustment at the end of the period	1,309,153	744,660	604,707
Eliminations	-171,410	-143,961	-134,193
Currency translation differences	-51,181	15,678	30,881
Biological assets carrying amount	3,266,006	2,703,268	2,448,289
Biomass (tonnes)			
< 1 kg	4,567	2,399	5,070
1 kg < 2 kg	6,971	11,366	7,673
2 kg < 3 kg	11,269	12,554	10,026
3 kg < 4 kg	13,623	15,814	13,538
4 kg <	14,608	23,968	22,288
Volume of biomass at sea (tonnes)	51,038	66,101	58,595

*)	Q3 2022	Q3 2021	YTD 2022	YTD 2021
* Costs of incident-based mortality per segment:				
Faroe Islands	0	0	0	0
Scotland	-121,263	-68,589	-202,094	-83,253
	-121,263	-68,589	-202,094	-83,253

	30-Sep 2022	30 Sep 2021	31 Dec 2021
Number of fish (thousand)			
< 1 kg	8,938	5,822	9,770
1 kg < 2 kg	4,725	7,515	5,255
2 kg < 3 kg	4,542	4,954	3,873
3 kg < 4 kg	3,932	4,763	3,920
4 kg <	2,903	4,628	4,595
Total number of fish at sea (thousand)	25,040	27,682	27,413
Number of smolt released YTD (thousand)			
Farming North	5,277	3,774	6,078
Farming West	2,891	3,726	5,719
Farming South	1,277	1,850	2,630
Farming Scotland	7,521	6,949	11,108
Total number of smolts released YTD (thousand)	16,966	16,299	25,535
Sensitivity in DKK 1,000			
Change in discount rate +1%	-205,167	-134,035	-150,709
Change in discount rate -1%	228,124	158,193	167,502
Change in sales price +5 DKK	378,418	447,297	423,223
Change in sales price -5 DKK	-378,418	-437,196	-423,223
Change in biomass volume +1%	34,659	16,040	8,982
Change in biomass volume -1%	-34,659	-11,055	-8,982
One-year forward prices in EUR FCA Oslo**			
Period end	5.98	6.05	6.72
1 Q (forward)	7.31	6.53	6.86
2 Q (forward)	8.41	6.62	6.81
3 Q (forward)	8.96	5.63	5.66
4 Q (forward)	7.43	5.90	6.15

Note 5. Segments

Farming - FO DKK 1,000	Q3 2022	Q3 2021	YTD 2022	YTD 2021
External revenue	845,752	592,228	2,402,338	1,809,330
Internal revenue	309,068	167,222	1,090,913	556,597
Total revenue	1,154,820	759,450	3,493,251	2,365,927
Operating expenses	-631,162	-555,380	-1,736,710	-1,537,983
Depreciation and amortization	-79,850	-68,995	-224,344	-206,409
Operational EBIT	443,808	135,075	1,532,197	621,535
Fair value adjustments of biological assets	-20,165	138,001	346,023	563,417
Income from associates	-135	0	0	0
Revenue tax	-43,393	-30,645	-163,981	-91,087
Earnings before interest and taxes (EBIT)	380,115	242,431	1,714,239	1,093,865
Net financial items	-31,391	7,252	-70,247	3,948
Earnings before taxes (EBT)	348,724	249,683	1,643,992	1,097,813
Taxes	-57,801	-50,556	-298,403	-208,763
Profit or loss for the period	290,923	199,127	1,345,589	889,050

Farming - SCT	Q3	Q3	YTD	YTD
DKK 1,000	2022	2021	2022	2021
External revenue	441,855	356,038	1,143,093	1,237,051
Total revenue	441,855	356,038	1,143,093	1,237,051
Operating expenses	-540,802	-395,581	-1,160,303	-1,137,586
Depreciation and amortization	-45,795	-41,741	-151,762	-135,188
Other income	7,506	0	20,055	0
Operational EBIT	-137,236	-81,284	-148,917	-35,723
Fair value adjustments of biological assets	-28,638	-24,288	358,423	11,404
Earnings before interest and taxes (EBIT)	-165,874	-105,572	209,506	-24,319
Net financial items	18,962	-7,981	46,460	-18,740
Earnings before taxes (EBT)	-146,912	-113,553	255,966	-43,059
Taxes	38,628	27,622	-47,494	16,582
Profit for the period	-108,284	-85,931	208,472	-26,477

Value added products DKK 1,000	Q3 2022	Q3 2021	YTD 2022	YTD 2020
External revenue	385,767	266,690	1,221,036	825,392
Internal purchase of raw material	-311,840	-167,222	-1,093,685	-556,597
Operating expenses	-68,691	-83,550	-249,628	-162,703
Depreciation and amortization	-4,960	-4,798	-14,838	-14,708
Operational EBIT	276	11,120	-137,115	91,384
Provision of onerous contracts	64,313	0	0	0
Earnings before interest and taxes (EBIT)	64,589	11,120	-137,115	91,384
Net financial items	-289	-98	-988	-552
Earnings before taxes (EBT)	64,300	11,022	-138,103	90,832
Taxes	-11,320	-1,983	24,797	-16,350
Profit or loss for the period	52,980	9,039	-113,306	74,482

Fishmeal, Fish Oil and Fish Feed	Q3	Q3	YTD	YTD
DKK 1,000	2022	2021	2022	2020
External revenue	193,615	57,406	423,691	183,163
Internal revenue	483,554	499,508	1,218,532	1,042,730
Total revenue	677,169	556,914	1,642,223	1,225,893
Cost of goods sold	-475,561	-403,437	-1,083,903	-888,210
Operating expenses	-81,157	-42,246	-232,587	-120,770
Depreciation and amortization	-5,823	-6,360	-18,790	-23,598
Operational EBIT	114,628	104,871	306,943	193,315
Income from associates	10,400	7,963	9,708	12,361
Earnings before interest and taxes (EBIT)	125,028	112,834	316,651	205,676
Net financial items	-12,040	-2,651	-23,500	155
Earnings before taxes (EBT)	112,988	110,183	293,151	205,831
Taxes	-20,338	-19,833	-52,049	-37,049
Profit or loss for the period	92,650	90,350	241,102	168,782

Reconciliation of reportable segments to Group earnings before taxes (EBT)	Q3	Q3	YTD	YTD
DKK 1,000	2022	2021	2022	2020
Farming Faroe Islands	348,724	249,683	1,643,992	1,097,813
Farming Scotland	-146,912	-113,553	255,966	-43,059
VAP (Value added products)	64,300	11,022	-138,103	90,832
FOF (Fishmeal, Fish oil and fish Feed)	112,988	110,183	293,151	205,831
Eliminations	-96,787	-99,237	-223,952	-170,046
Group earnings before taxes (EBT)	282,313	158,098	1,831,054	1,181,371

Note 6. Capital Commitments

The Group had capital expenditures committed but not provided in these accounts at the date of the Statement of Financial Position of approximately DKK 1,024 million.

Note 7. Transactions with Related Parties

Note 5.2 in Bakkafrost's Annual Report for 2021 provides detailed information on related parties' transactions.

Transactions between P/F Bakkafrost and its subsidiaries meet the definition of related party transactions. As these transactions are eliminated on consolidation, they are not disclosed as related party transactions.

Note 8. Fair Value Measurements

All assets/liabilities, for which fair value is recognized or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.

Level 2: Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable).

Level 3: Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

For biological assets, the fair value calculation is done using a valuation model (level 3 in the valuation hierarchy) where the value is estimated based on observable market prices per period end.

For more information on these calculations, please refer to Note 4.

For assets/liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement).

There have been no transfers into or out of Level 3 fair value measurements.

As of 30 Sep 2022, the Group held the following classes of assets/liabilities measured at fair value:

DKK 1,000	Cost				
	Fair value	amount	Level 1	Level 2	Level 3
Assets and liabilities measured at fair value					
Biological assets (biomass)	3,266,006	1,956,853	0	0	3,266,006
Assets measured at fair value 30/9-2022	3,266,006	1,956,853	0	0	3,266,006
Liabilities measured at fair value 30/9-2022	0	0	0	0	0
Biological assets (biomass)	2,448,289	1,843,582	0	0	2,448,289
Assets measured at fair value 31/12-2021	2,448,289	1,843,582	0	0	2,448,289
Liabilities measured at fair value 31/12-2021	0	0	0	0	0

Note 9. Business Combinations

There were no material new business combinations in 2021.

In a transaction closed on 1 Jan 2022, Bakkafrøst acquired 90% of the shares in Munkebo Seafood A/S. The deal was jointly made with Michael Karlsen, the General Manager of Munkebo Seafood, for many years. The shares were acquired from Paul Lybech, who has been engaged with Munkebo Seafood for almost 25 years. Following the transaction, Michael Karlsen holds 10% of the shares in Munkebo Seafood A/S, while Bakkafrøst holds 90%.

Munkebo Seafood A/S has, since its formation in 1974, been engaged in the production of canned fish at the factory in Munkebo in Denmark. Today, the company operates a modern canning facility and offers a wide range of products, of which a more significant share is based on salmon. Bakkafrøst has been one of the largest suppliers of raw materials for Munkebo Seafood for the past few years, making Munkebo Seafood a significant extension of Bakkafrøst's value chain. With a planned increase in

production of salmon over the coming years, from Bakkafrøst's farms in the Faroe Islands and Scotland, Munkebo Seafood will have a strengthened raw material base, and Bakkafrøst will strengthen the ability to increase further the value derived from its salmon by-products.

The operations of Munkebo Seafood will remain unchanged. Munkebo Seafood has around 40 employees, and the products are currently sold mainly within the EU market to retail customers. The key employees of Munkebo AS will continue.

There is considerable spare production capacity for future growth within the current facility.

With the acquisition of Munkebo Seafood, Bakkafrøst can now offer a broader range of products. Bakkafrøst offers fresh, frozen, and smoked salmon products, and now canned food is added. Bakkafrøst has a global sales network, and Munkebo Seafood's products will now be offered on a broader market as

a supplement to Bakkafrøst's other consumer packaged products.

The fair value of intangible assets has been determined on an estimated fair value. Fair value has been identified in customer relationships employing generally accepted valuation techniques. The market value of the customer relationship is measured at DKK 9.7 million.

The fair value of property, plant and equipment has been determined based on a 3rd party valuation.

The fair value of receivables has been determined based on an estimate of an age-distributed debtor list and historical figures on doubtful debtors.

The fair value of the inventory has been determined based on inventory lists, historical sales data, and the subtraction of obsolete goods.

DKK 1,000	Book value 31/12/2021	Fair value adjustments	Fair value
Goodwill	0	9,726	9,726
Intangible assets	600	0	600
Property, plant and equipment - incl. IFRS 16	13,106	0	13,106
Accounts receivables	11,310	0	11,310
Inventories	21,264	0	21,264
Other current assets, excluding cash and bank	2,739	0	2,739
Total assets	49,019	9,726	58,745
Deferred taxes and other taxes	1,511	1,754	3,265
Long-term liabilities, interest-bearing	8,797	0	8,797
Accounts payable	17,634	0	17,634
Other payable	3,660	0	3,660
Liabilities	31,602	1,754	33,356
Net assets	17,417	7,972	25,389

Note 10. APM**- Alternative Performance Measures**

Bakkafrost's financial information is prepared in accordance with international financial reporting standards (IFRS). In addition, the management's intention is to provide alternative performance measures, which are regularly reviewed by the management to enhance the understanding of the company's performance, but not replacing the financial statements prepared in accordance with IFRS. The alternative performance measures presented may be determined or calculated differently by other companies. Bakkafrost's experience is that these APM's are frequently used by analysts, investors, and other parties.

These APM's are adjusted IFRS measures, defined, calculated, and used in a consistent and transparent manner over the years and across the company where relevant.

NIBD

Net interest-bearing debt consists of both current and non-current interest-bearing liabilities, less related current and non-current hedging instruments, lease liabilities, financial instruments, such as debt instruments and derivatives and cash and cash equivalents. The net interest-bearing debt is a measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength. It is also a single measure that can be used to assess both the Group's cash position and its indebtedness. The use of the term net debt does not necessarily mean that the cash included in the net debt calculation is available to settle the liabilities included in this measure. Net debt is an alternative performance measure as it is not defined in IFRS. The most directly comparable IFRS measure is the aggregate interest-bearing liabilities (both current and non-current), derivatives and cash and cash equivalents. A reconciliation is provided below.

	30 Sep	31 Dec
DKK 1,000	2022	2021
Cash and cash equivalents	568.165	509.157
Long- and short term interest bearing debt	-2.994.760	-2.634.968
Net interest-bearing debt	-2.426.595	-2.125.811

Operational EBIT

Operational EBIT is EBIT aligned for fair value adjustments, onerous contracts provisions, income from associates and revenue tax.

Operational EBIT is a major alternative performance measure in the salmon farming industry. A reconciliation from EBIT to Operational EBIT is provided below.

	Q3	Q3	YTD	YTD
DKK 1,000	2022	2021	2022	2021
EBIT	307.071	161.576	1.879.327	1.196.557
Fair value adjust. of biological assets	48.803	-113.713	-704.446	-574.821
Onerous contracts	-64.315	0	0	0
Income from associates	-10.265	-7.963	-9.708	-12.361
Revenue tax	43.393	30.645	163.981	92.160
Operational EBIT	324.687	70.545	1.329.154	701.535

Operational EBIT per kg

Farming segment FO:	$\frac{\text{Operational EBIT Farming segment FO}}{\text{Total harvested volumes (gw) FO}}$
Farming segment SCT:	$\frac{\text{Operational EBIT Farming segment SCT}}{\text{Total harvested volumes (gw) SCT}}$
VAP segment:	$\frac{\text{Operational EBIT VAP segment}}{\text{Total volumes produced (raw material gw)}}$
Farming FO and VAP:	$\frac{\text{Operational EBIT Farming FO and VAP segment}}{\text{Total harvested volumes (gw) FO}}$

EBITDA

Earnings before interest, tax, depreciations, and amortisations (EBITDA) is a key financial parameter for Bakkafrost's FOF segment. EBITDA before other income and other expenses is defined as EBITDA less gains and losses on disposals of fixed assets and operations and is reconciled in the section Group overview. This measure is useful to users of Bakkafrost's financial information in evaluating operating profitability on a more variable cost basis as it excludes depreciations and amortisation expenses related primarily to capital expenditures and acquisitions, which occurred in the past, nonrecurring items, as well as evaluating operating performance in relation to Bakkafrost's FOF segment's competitors. The EBITDA margin presented is defined as EBITDA before other income and other expenses divided by total revenues.

ROCE

Return on average capital employed (ROCE) is defined as the period's operational EBIT divided by the average capital employed, which is total assets adjusted for total current liabilities. The performance measure is expressed as a percentage and is useful for evaluating Bakkafrost's profitability.

	Q3	Q3	YTD	YTD
DKK 1,000	2022	2021	2022	2021
Group -Operational EBIT	324,687	70,545	1,329,154	701,535
Average Capital Employed	15,447,280	13,504,339	14,814,234	12,988,948
ROCE	2.1%	0.5%	9.0%	5.4%

Adjusted EPS

Adjusted EPS is based on the reversal of certain fair value adjustments shown in the table below, as it is Bakkafrost's view that this figure provides a more reliable measure of the underlying performance.

	Q3	Q3	YTD	YTD
DKK 1,000	2022	2021	2022	2021
Profit for the period to the shareholders of P/F Bakkafrost	249,020	131,302	1,498,380	967,161
Fair value adjustment of biomass	48,803	-113,713	-704,446	-574,821
Onerous contracts provisions	-64,315	0	0	0
Tax on fair value adjustment and onerous contracts provisions	2,792	20,468	126,800	103,468
Adjusted profit for the period to shareholders of P/F Bakkafrost	236,300	38,057	920,734	495,808
Time-weighted average number of shares outstanding through the period	59,087,978	59,061,912	59,087,978	59,061,912
Adjusted earnings per share (before fair value adjustment of biomass and provisions for onerous contracts) (adjusted EPS)	4.00	0.64	15.58	8.39

Contacts

P/F BAKKAFROST

Bakkavegur 9

FO-625 Glyvrar

Faroe Islands

Telephone: +298 40 50 00

Fax: +298 40 50 09

Email: bakkafrost@bakkafrost.com

Website: www.bakkafrost.com