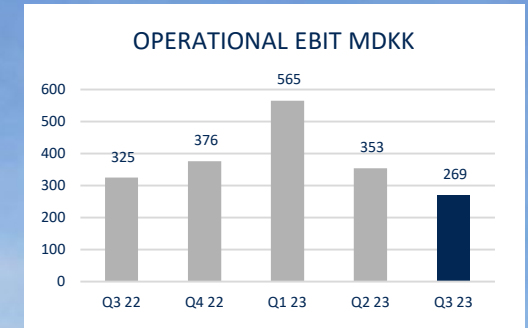
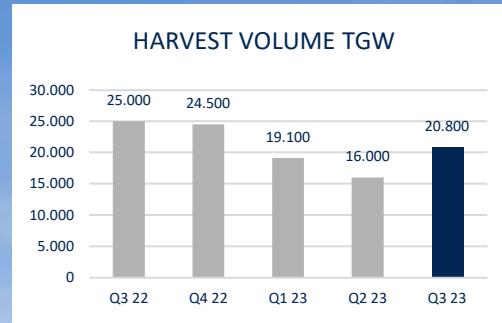




# INTERIM REPORT

## Q3 2023 and First Nine Months of 2023



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## Highlights

DKK 1,000,000	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>INCOME STATEMENT</b>				
Group - Operating revenue	1,859	1,867	5,579	5,190
Group - Operational EBIT*	269	325	1,188	1,329
Group - EBIT	278	307	770	1,879
Group - Profit for the period	219	249	563	1,498
FOF - Operating revenue	1,048	677	2,523	1,642
FOF - Operational EBITDA	316	119	573	326
FOF - Operational EBITDA margin	30%	18%	23%	20%
Freshwater FO - Operating Revenue	147	127	399	319
Freshwater FO - Operational EBIT	47	86	105	136
Freshwater FO - Operational EBIT Margin	32%	68%	26%	43%
Freshwater FO - Operational EBIT/KG (DKK)****	34.67	51.69	28.59	38.36
Freshwater FO - Operational EBIT/KG (NOK)****	53.04	69.88	43.52	51.56
Freshwater SCT - Operating Revenue	50	37	115	86
Freshwater SCT - Operational EBIT	17	11	18	-16
Freshwater SCT - Operational EBIT Margin	33%	30%	16%	-18%
Freshwater SCT - Operational EBIT/KG (DKK)****	59.79	42.55	19.36	-20.06
Freshwater SCT - Operational EBIT/KG (NOK)****	91.46	57.52	29.47	-26.95
Farming FO - Operating Revenue	937	1,030	2,403	3,888
Farming FO - Operational EBIT	108	274	487	1,260
Farming FO - Operational EBIT Margin	12%	27%	20%	32%
Farming FO - Operational EBIT/KG (DKK)	6.47	16.29	13.37	26.59
Farming FO - Operational EBIT/KG (NOK)	9.90	22.02	20.35	35.73
Farming SCT - Operating Revenue	212	427	1,403	1,196
Farming SCT - Operational EBIT	-282	-180	-107	-57
Farming SCT - Operational EBIT Margin	-133%	-42%	-8%	-5%
Farming SCT - Operational EBIT/KG (DKK)	-68.70	-22.25	-5.49	-3.02
Farming SCT - Operational EBIT/KG (NOK)	-105.09	-30.07	-8.36	-4.06
Services - Operating Revenue	208	220	585	590
Services - Operational EBIT	21	15	31	14
Services - Operational EBIT Margin	10%	7%	5%	2%
Services - Operational EBIT/KG (DKK)	0.99	0.59	0.55	0.21
Services - Operational EBIT/KG (NOK)	1.52	0.80	0.83	0.28
Sales & Other - Operating Revenue	2,188	2,298	6,918	8,204
Sales & Other - Operational EBIT	78	43	109	-279
Sales & Other - Operational EBIT Margin	4%	2%	2%	-3%
Sales & Other - Operational EBIT/KG (DKK)	3.73	1.72	1.95	-4.21
Sales & Other - Operational EBIT/KG (NOK)	5.70	2.33	2.97	-5.66
NOK/DKK (average)	65.37	73.98	65.70	74.41

DKK 1,000,000	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>FINANCIAL POSITION AND CASH FLOW</b>				
Total Assets**	17,252	16,882	17,252	16,882
Equity**	10,484	10,396	10,484	10,396
Equity ratio**	61%	62%	61%	62%
Net interest-bearing debt**	3,045	2,664	3,045	2,664
Cash flow from operations	185	127	1,135	820
Cash flow from financing	-124	171	-742	-76
<b>PROFITABILITY</b>				
Basic earnings per share (DKK)	3.70	4.21	9.53	25.36
Diluted earnings per share (DKK)	3.70	4.21	9.53	25.36
ROCE***	1.7%	2.1%	7.4%	9.0%
<b>VOLUMES</b>				
Harvested Faroe Islands (tgv)	16,740	16,850	36,403	47,410
Harvested Scotland (tgv)	4,100	8,100	19,536	18,719
<b>Total Harvest</b>	<b>20,840</b>	<b>24,950</b>	<b>55,939</b>	<b>66,129</b>
Farming FO transferred to VAP (tgv)	6,997	6,462	17,052	19,457
VAP produced (tgv)	6,529	6,636	16,281	19,516
Sold feed tonnes	35,903	37,805	88,421	95,240
Internal feed sales tonnes	34,148	36,442	85,587	91,696
Smolt released thousand Faroe Islands (pcs)	3,343	4,117	9,008	9,445
Smolt released thousand Scotland (pcs)	2,494	2,446	7,326	7,521
<b>Total smolt release</b>	<b>5,837</b>	<b>6,563</b>	<b>16,334</b>	<b>16,966</b>

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

\*\* Comparing figures from the end of 2022

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

\*\*\*\* Calculated EBIT per KG Released Smolt

## Summary of the 3<sup>rd</sup> Quarter and the First Nine Months of 2023

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

The Bakkafrost Group delivered a total operational EBIT of DKK 269 million (DKK 325 million) in Q3 2023 and made a profit of DKK 219 million (DKK 249 million). According to Bakkafrost's revised segment structure, the business segment's operational EBIT were as follows:

	Q3 2023	Q3 2022
Operational EBIT (mDKK)		
FOF – Operational EBITDA	316	119
Freshwater FO - Operational EBIT	47	86
Freshwater SCT - Operational EBIT	17	11
Farming FO - Operational EBIT	108	274
Farming SCT - Operational EBIT	-282	-180
Services - Operational EBIT	21	15
Sales & Other - Operational EBIT	78	43

During Q3 2023, the FOF segment sourced 109,685 tonnes (76,182 tonnes) of raw material. The Operational EBITDA margin was 30% (18%), and fish feed sales amounted to 35,903 tonnes (37,805 tonnes).

For the first nine months of 2023, the FOF segment's operational EBITDA was 23% (20%). During the first nine months of 2023, Havsbrún sourced 413,485 tonnes (251,763 tonnes) of raw material.

In Q3 2023, the Freshwater segments in the Faroe Islands and Scotland released a total of 5.8 million (6.6 million) smolts combined:

- Freshwater FO: 3.3 million (4.1 million),
- Freshwater SCT: 2.5 million (2.4 million).

For the first nine months of 2023, the freshwater segments have released a total of 16.3 (17.0) million smolts:

- Freshwater FO: 9.0 million (9.4 million),
- Freshwater SCT: 7.3 million (7.5 million).

In Q3 2023, the Freshwater FO segment made an operational EBIT per kg released smolt of 34.67 DKK/kg (51.69 DKK/kg), corresponding to 53.04 NOK/kg (69.88 NOK/kg). The Freshwater SCT segment made an operational EBIT per kg released smolt of 59.79 DKK/kg (42.55 DKK/kg), corresponding to 91.46 NOK/kg (57.52 NOK/kg).

The Farming segments achieved lower prices in Q3 2023 than in Q3 2022. The Farming FO segment had a similar harvest volume as in Q3 2022, whereas the Farming SCT segment had a lower harvest volume in Q3 2023 compared to Q3 2022. In Q3 2023, the Farming SCT segment had incident-based costs of DKK 184 million (DKK 121 million).

The total combined harvest in Q3 2023 of the farming segments in the Faroe Islands and Scotland was 20,840 tonnes gutted weight (24,950 t<sub>gw</sub>):

- Farming FO: 16,740 t<sub>gw</sub> (16,850 t<sub>gw</sub>),
- Farming SCT: 4,100 t<sub>gw</sub> (8,100 t<sub>gw</sub>).

For the first nine months of 2023, the farming segments have harvested a total of 55,939 tonnes gutted weight (66,129):

- Farming FO: 36,403 t<sub>gw</sub> (47,410 t<sub>gw</sub>),
- Farming SCT: 19,536 t<sub>gw</sub> (18,719 t<sub>gw</sub>).

In Q3 2023, the Farming FO segment made an operational EBIT/kg of 6.47 DKK/kg (16.29 DKK/kg), corresponding to 9.90 NOK/kg (22.02 NOK/kg). The Farming SCT segment made an operational EBIT/kg of -68.70 DKK/kg (-22.25 DKK/kg), corresponding to -105.09 NOK/kg (-30.07 NOK/kg).

The Services segment made an operational EBIT/kg of 0.99 DKK/kg (0.59 DKK/kg), corresponding to 1.52 NOK/kg (0.80 NOK/kg). The operational EBIT margin for the segment was 10% (7%).

The Sales & Other segment had a revenue of DKK 2,188 million (2,298 million) and an operational EBIT margin of 4% (2%). The operational EBIT/kg was 3.73 DKK/kg (1.72 DKK/kg), corresponding to 5.70 NOK/kg (2.33 NOK/kg).

The performance according to the previously used business segment structure can be found in the Appendix.

## Results from the 3<sup>rd</sup> Quarter and the First Nine Months of 2023

### Income Statement

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

The Group's operating revenue amounted to DKK 1,859 million (DKK 1,867 million) in Q3 2023. For the first nine months of 2023, the operating revenue amounted to DKK 5,579 million (DKK 5,190 million).

The Group's operational EBIT was DKK 269 million (DKK 325 million) in Q3 2023. For the first nine months of 2023, the Group's operational EBIT was DKK 1,188 million (DKK 1,329 million).

The fair value adjustment of the Group's biological assets amounted to DKK 55 million (DKK -49 million) in Q3 2023. For the first nine months of 2023, the fair value adjustment amounted to DKK -323 million (DKK 704 million).

Change in provisions for onerous contracts amounted to DKK 0 million (DKK 64 million) in Q3 2023. For the first nine months of 2023 0 DKK (DKK 0 million).

The revenue tax amounted to DKK -57 million (DKK -43 million) in Q3 2023. For the first nine months of 2023, the revenue tax was DKK -125 million (DKK -164 million).

Net taxes amounted to DKK -17 million (DKK -33 million) in Q3 2023. For the first nine months of 2023, net taxes amounted to DKK -106 million (DKK -333 million).

The result for Q3 2023 was DKK 219 million (DKK 249 million) and for the first nine months of 2023, the result was DKK 563 million (DKK 1,498 million).

### Statement of Financial Position

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

The Group's total assets amounted to DKK 17,252 million (DKK 16,882 million) at the end of Q3 2023.

Intangible assets amounted to DKK 4,512 million (DKK 4,509 million) at the end of Q3 2023.

Property, plant, and equipment amounted to DKK 6,063 million (DKK 5,647 million) at the end of Q3 2023. In Q3 2023, the purchase of property, plant, and equipment amounts to DKK 235 million (DKK 238 million in Q3 2022).

Right-of-use assets amounted to DKK 448 million (DKK 439 million) in Q3 2023.

Biological assets' carrying amount (fair value) amounted to DKK 2,766 million (DKK 2,938 million) at the end of Q3 2023. Compared to year-end 2022, biological assets have decreased. Included in the carrying amount of the biological assets is a fair value adjustment amounting to DKK 560 million (DKK 883 million) at the end of Q3 2023.

Inventories amounted to DKK 1,292 million (DKK 1,074 million) at the end of Q3 2023.

Total receivables, including long-term receivables, financial derivatives, and deferred tax assets, amounted to DKK 1,552 million (DKK 1,321 million) at the end of Q3 2023.

Total cash and cash equivalents amounted to DKK 370 million (DKK 720 million) at the end of Q3 2023.

The Group's equity amounted to DKK 10,484 million (DKK 10,396 million) at the end of Q3 2023. The change in equity consists primarily of the result for 2023 and the payout of dividends.

Total non-current liabilities amounted to DKK 5,780 million (DKK 5,563 million) at the end of Q3 2023.

Deferred and other taxes amounted to DKK 2,005 million (DKK 1,826 million) at the end of Q3 2023.

Long-term interest-bearing debt was DKK 3,415 million (DKK 3,383 million) at the end of Q3 2023.

Leasing debt amounted to DKK 441 million (DKK 460 million) at the end of Q3 2023.

At the end of Q3 2023, the Group's total current liabilities were DKK 987 million (DKK 923 million). The current liabilities consist of short-term leasing debt and accounts payable, tax payable and other debt.

The net interest-bearing debt amounted to DKK 3,045 million at the end of Q3 2023, compared to DKK 2,664 million at year-end 2022. Undrawn credit facilities amounted to DKK 2,339 million at the end of Q3 2023.

The equity ratio was 61% at the end of Q3 2023, compared to 62% at the end of 2022.

**Cash Flow**

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

The cash flow from operations was DKK 185 million (DKK 127 million) in Q3 2023. The changes in working capital had a negative effect on the cash flow from operations. For the first nine months of 2023, the cash flow from operations was DKK 1,135 million (DKK 820 million).

The cash flow from investment activities amounted to DKK -235 million (DKK -237 million) in Q3 2023. The primary investments have been in new and current hatcheries and the new feed line. For the first nine months of 2023, the cash flow from investments amounted to DKK -741 million (DKK -685 million).

The cash flow from financing activities totalled DKK -124 million (DKK 171 million) in Q3 2023. For the first nine months of 2023, cash flow from financing amounted to DKK -742 million (DKK -76 million).

In Q3 2023, the net change in cash flow amounted to DKK -173 million (DKK 60 million). For the first nine months of 2023, net change in cash flow amounted to DKK -349 million (DKK -59 million).

At the end of Q3 2023, the Group had unused committed credit facilities of DKK 2,339 million (DKK 2,762 million). In addition, the Group has an accordion of EUR 150 million.

## FOF Segment

Fishmeal, fish oil and fish feed involve the production and sale of fishmeal, fish oil and fish feed. The production of fishmeal, fish oil and fish feed are operated by Bakkafrost's subsidiary Havsbrún, located in Fuglafjörður. Fishmeal and oil are sold externally, but also used internally to produce fish feed for the Farming and Freshwater segments.

DKK 1,000	Q3 2023	Q3 2022	Change
<b>Financial</b>			
Total revenue	1,047,545	677,171	55%
EBIT	319,899	122,669	161%
Operational EBITDA	316,060	119,041	166%
FOF – Operational EBITDA margin	30%	18%	
<b>Volumes (tonnes)</b>			
Total Feed sold	35,903	37,805	-5%
- Feed internal sale FO	26,220	24,951	5%
- Feed internal sale SCT	7,928	11,491	-31%
- Feed external sale	1,755	1,363	29%
Fishmeal external sale	16,026	7,130	125%
Fish oil external sale	7,904	2,457	222%
Received raw material	109,685	76,182	44%
Fishmeal production	24,221	17,004	42%
Fish oil production	20,344	13,218	54%

### Volumes

Havsbrún received 109,685 tonnes (76,182 tonnes) of raw material to produce fishmeal and fish oil in Q3 2023. The raw material intake depends on the fishery in the North Atlantic and available species of fish. In the first nine months of 2023, Havsbrún received 413,485 tonnes (251,763 tonnes) of raw material.

The fishmeal production in Q3 2023 was 24,221 tonnes (17,004 tonnes).

Fish oil production in Q3 2023 was 20,334 tonnes (13,218 tonnes). The production of fish oil varies depending on the species of fish sourced for production and the timing of the catch.

Fish feed sales amounted to 35,903 tonnes (37,805 tonnes) in Q3 2023. The FO farming segment internally used 26,220 tonnes (24,951 tonnes). The SCT farming segment internally used 7,928 tonnes (11,491 tonnes).

### Financial Performance

The operating revenue for the FOF segment amounted to DKK 1,048 million (DKK 677 million) in Q3 2023.

Total revenue for the FOF segment in Q3 2023 was higher than the same quarter last year. The increase in external revenue is due to higher volumes of fishmeal and fish oil in Q3 2023 compared to Q3 2022.

Operational EBITDA was DKK 316 million (DKK 119 million) in Q3 2023, and the Operational EBITDA margin was 30% (18%).

## Freshwater Segments

The two Freshwater segments both include broodstock and smolt production in hatcheries on land. In the broodstock operation, eggs are produced from breeding self-owned salmon strains. Eggs are sold to the hatcheries who in turn produce from egg to smolt, which are sold to the Farming operations in the Faroe Islands and Scotland. There are two similar Freshwater segments – one in the Faroe Islands and one in Scotland. The Freshwater segments rely on certain services provided by the Services segment, such as waste handling for biogas production.

### Freshwater – Faroe Islands

DKK 1,000	Q3 2023	Q3 2022	Change
<b>Financial</b>			
Total revenue	147,476	126,578	17%
Operational EBIT	46,940	86,195	-46%
Operational EBIT/kg (DKK)	34.67	51.69	-33%
Operational EBIT margin	32%	68%	
<b>Volumes</b>			
Smolt Released - Pieces	3,343	4,117	-19%
Smolt Released - Avg Size (g)	405	405	0%

#### Volumes

3.3 million (4.1 million) smolts were transferred to the sea in Q3 2023, which aligns with the smolt transfer plan. In the first nine months of 2023, 9.0 million (9.4 million) smolts were transferred, which is in line with the smolt transfer plan.

#### Financial Performance

In Q3 2023, the operating revenue for the Freshwater Faroe Islands segment was DKK 147 million (127 million) – an increase of 17%. The operational EBIT/kg DKK for Q3 2023 was 34.67 (51.69) – a decrease of 33%.

### Freshwater – Scotland

DKK 1,000	Q3 2023	Q3 2022	Change
<b>Financial</b>			
Total revenue	50,338	37,052	36%
Operational EBIT	16,700	11,136	50%
Operational EBIT/kg (DKK)	59.79	42.55	41%
Operational EBIT margin	33%	30%	
<b>Volumes</b>			
Smolt Released - Pieces	2,494	2,446	2%
Smolt Released - Avg Size	112	107	5%

#### Volumes

2.5 million (2.4 million) smolts were transferred to the sea in Q3 2023, which aligns with the smolt transfer plan in the first nine months of 2023, 7.3 million (7.5 million) smolts were transferred, which is in line with the smolt transfer plan.

#### Financial Performance

In Q3 2023, the operating revenue for the Freshwater Scotland segment was DKK 50 million (37 million) – an increase of 36%. The operational EBIT/kg DKK for Q3 2023 was 59.79 (42.55) – an increase of 41%.



## Farming Segments

Fish farming involves growing salmon in the marine environment from smolt to harvest-ready salmon. The Group has marine farming licenses around the Faroe Islands and Scotland, which are reported as two separate segments (Farming Faroe Islands and Farming Scotland). The Farming segments rely on several services provided by the Services segment. These include fish transportation, treatments, net cleaning, heavy marine support services, harvest, packaging, and waste handling for biogas production. The Farming segments also rely on sales services provided by the Sales & Other segment.

### Farming – Faroe Islands

DKK 1,000	Q3 2023	Q3 2022	Change
<b>Financial</b>			
Total revenue	937,499	1,030,013	-9%
Operational EBIT	108,284	274,491	-61%
Operational EBIT/kg (DKK)	6.47	16.29	-60%
Operational EBIT margin	12%	27%	
<b>Volumes</b>			
Harvested volumes (tgw)	16,740	16,850	-1%

#### Volumes

The total volumes harvested in Q3 2023 were 16,740 tonnes gutted weight (16,850 tgw) – a change in volume of -1%. The harvested volumes for the first nine months of 2023 were 36,403 tonnes gutted weight (47,410 tgw).

#### Financial Performance

In Q3 2023, the operating revenue for the Farming Faroe Islands segment was DKK 937 million (1,030 million) – a decrease of 9%. The operational EBIT/kg (DKK) for Q3 2023 was 6.47 (16.29) – a reduction of 60%.

### Farming – Scotland

DKK 1,000	Q3 2023	Q3 2022	Change
<b>Financial</b>			
Total revenue	212,292	426,799	-50%
Operational EBIT	-281,656	-180,190	-56%
Operational EBIT/kg (DKK)	-68.70	-22.25	-209%
Operational EBIT margin	-133%	-42%	
<b>Volumes</b>			
Harvested volumes (tgw)	4,100	8,100	-49%

#### Volumes

The total volumes harvested in Q3 2023 were 4,100 tonnes gutted weight (8,100 tgw) – a change in volume of -49%. The harvested volumes for the first nine months of 2023 were 19,536 tonnes gutted weight (18,719 tgw).

#### Financial Performance

In Q3 2023, the operating revenue for the Farming Scotland segment was DKK 212 million (427 million) – a decrease of 50%. The operational EBIT/kg (DKK) for Q3 2023 was -68.70 (-22.25) – a reduction of 209%.

## Services

The Services segment provides several services to the Group. The segment operates a fleet of large wellboats and Farming Support Vessels in addition to convert organic waste into biogas, heating, electricity, and fertiliser, which is sold externally. The segment also provides harvesting services to both the Scottish and Faroese farming operation as well as styrofoam boxes to the Faroese operation.

DKK 1,000	Q3 2023	Q3 2022	Change
<b>Financial</b>			
Total revenue	207,888	220,080	-6%
Operational EBIT	20,693	14,806	40%
Operational EBIT/kg (DKK)	0.99	0.59	67%
Operational EBIT margin	10%	7%	
<b>Volumes</b>			
Total Energy produced (Mwh)	863	1,179	-27%
Harvested Volumes (tgw)	20,840	24,950	-16%

### Volumes

Total volumes harvested in Q3 2023 for Bakkafrost Group were 20,840 tonnes gutted weight (24,950) – a change in volume of -16%. The harvested volumes for the first nine months of 2023 were 55,939 tonnes gutted weight (66,129).

Førka produced 863 mwh of energy in Q3 2023 (1,179 mwh) – a change in volume of -27%. Total energy for the first nine months of 2023 were 3,233 mwh (4,551).

### Financial Performance

In Q3 2023, the operating revenue for the Services segment was 208 million (220 million) – a decrease of 6%. The operational EBIT/kg (DKK) for Q3 2023 was 0.99 (0.59) – an increase of 67%.

## Sales & Other

The Sales & Other segment optimises the value retention and provides freight & logistical services. The segment has processing capacity in the Faroe Islands, Scotland, Denmark, and the US for the production of value-added products (VAP). A significant share of the salmon sold is processed to VAP-products for the retail market.

DKK 1,000	Q3 2023	Q3 2022	Change
<b>Financial</b>			
Total revenue	2,187,681	2,298,420	-5%
Operational EBIT	77,660	42,997	81%
Operational EBIT/kg (DKK)	3.73	1.72	116%
Operational EBIT margin	4%	2%	
<b>Volumes</b>			
Harvested Volumes (tgw)	20,840	24,950	-16%
Farming FO transferred to VAP (tgw)	6,997	6,462	8%
VAP produced (tgw)	6,529	6,636	-2%
Harvested volumes used in VAP production	42%	38%	
Harvested volumes sold fresh/frozen	58%	62%	

### Volumes

Total volumes harvested in Q3 2023 for Bakkafrost Group were 20,840 tonnes gutted weight (24,950) – a change in volume of -16%. The harvested volumes for the first nine months of 2023 were 55,939 tonnes gutted weight (66,129).

Total volumes transferred in Q3 2023 to VAP were 6,997 tonnes gutted weight (6,462) – a change in volume 8%. The split between VAP and Fresh was 42% VAP and 58% Fresh (38% / 62%). VAP produced 6,529 tonnes gutted weight in Q3 2023 (6,636) – a change in volume of -2%.

### Financial Performance

In Q3 2023, the operating revenue for the Sales and other segment was DKK 2,188 million (DKK 2,298 million). The total revenue for the Sales & Other segment decreased in Q3 2023, compared with Q3 2022, because of lower prices and lower volumes. The operating revenue for the Sales & other segment for the first nine months of 2023 was DKK 6,918 million (DKK 8,204 million).

## Outlook

### Market

#### *Reduced supply in Q3 2023*

The supply of salmon is reduced by 1.4% in Q3 2023 compared to Q3 2022, incl. inventory movements. Without inventory movements, the reduction was 2.8%, according to the latest estimate from Kontali Analyse.

#### *Salmon prices increased 9% in EUR*

Salmon spot prices (in EUR) were 9.2% higher this quarter compared to Q3 2022. Prices in Q3 2023 were affected by reduced supply and strong demand for salmon from certain markets such as the China and the US.

#### *No growth in 2023*

In Q4 2023, the global supply is expected to grow around 4%, excluding inventory movements. For the full year 2023, the global supply is expected reduce around 0.5%, excluding inventory movements. In H1 2024, the supply growth is expected to be around 3%, excluding inventory movements.

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

In the Faroe Islands, the new freshwater treatment capability, delivered by the new wellboat Bakkafossur, has significantly improved Bakkafrost's ability to control sealice giving all-time low sealice levels, also into Q4. Past years, Bakkafrost has had increasing growth rates of the fish in the Faroese farming sites, peaking last year. In this quarter, the growth rates have been lower than expected, mainly in fish coming from one specific batch of smolt subjected to poor water quality in the hatchery in August 2021, which was caused by start-up issues. The impact on growth unveiled in this quarter demonstrating the importance of having consistent high-quality smolt.

The lower growth in the Faroe Islands in Q3 2023 will affect the expected harvest volume for Q4 2023, which expected to be around 16,600 tonnes gutted weight, as some of the previously planned harvest volume will be moved to Q1 2024 and harvested at higher harvest weights. Given the good fish health status and strong capabilities provided by Bakkafossur, more value can be

obtained from these fish by letting them grow large for harvest in Q1 2024. A small remaining portion of the fish from the batch subjected to poor water quality will be harvested in Q4 2023.

In the Faroese freshwater farming, Bakkafrost has for a long time worked intensely with optimising the production of large smolt, which is more complex than smaller sizes. Since the first generation of large smolt was delivered from the Strond hatchery, Bakkafrost has made significant improvements to the quality and performance of the large smolt. This effort to optimise smolt quality has however had a dampening effect on the output volume of smolt. Currently, the large-smolt production is transitioning into a phase emphasising consistent size and high quality of the smolt while upscaling production volumes. The hatcheries at Norðtoftir and Glyvradal in the Faroe Islands are steadily ramping-up production after being expanded in capacity. On 3<sup>rd</sup> November, Bakkafrost signed a contract to build a new large hatchery in Skálavík, Faroe lands, which will add additional production capacity of around 7 million smolt at 500g. Once completed within the next three years, the annual smolt production capacity in the Faroe Islands will be 24 million smolts of 500g, as described in the 2024-2028 investment programme.

As production volumes will be ramped-up in during the next year, Bakkafrost will focus on ensuring stable and consistent size and high quality of the smolt produced across the entire freshwater hatchery operation. This will benefit the marine farming operation and lead to overall improved capacity utilisation and production planning.

The Scottish marine operation had a challenging biological development in this quarter. The main challenge was micro-jellyfish combined with primary (predisposing) factors and secondary (subsequent) complications leading to increased mortality. As previously disclosed, the biological challenges arrived earlier than in recent years, but have in return eased off earlier as well. Hence, from mid-September, the biology improved significantly. The upscaled freshwater dual treatment capacity in Scotland, had a positive impact on fish gill health and ensured low sealice levels. This has reduced the potential impact of the biological threats during the quarter.

To leverage the improved biological development since mid-September, Bakkafrost plans to reduce Q4 2023 harvest volume to under 1,000 tonnes, allowing fish to grow larger, similar to

Bakkafrost's approach in Scotland in Q4 2022. This shift will push some harvest volume into Q1 2024, enhancing market value through higher average weights and better prices.

In order to address the biological risks, Bakkafrost has made strategic adjustments to its short-term plans and production strategy for the Scottish farming operation. A comprehensive risk assessment has been conducted for all farming sites, evaluating the feasibility of stocking and farming these sites using various strains, hatcheries, and smolt sizes. Based on this evaluation, Bakkafrost will prioritise and advance the utilisation of large, high-quality smolt from the Applecross hatchery over external sources. Consequently, Applecross will supply nearly all of the required smolt to the marine sites in 2024.

Additionally, there are plans for an early trial involving 500g smolt, set to be released in Q1 2024. Some farming sites may not be restocked or remain productive during Q3 until the risks have been mitigated through the use of large, high-quality smolt. This approach will reduce the biomass at risk in Q3 and result in an increased harvest during the first half of the year.

The Scottish freshwater operation is scaling up the production of large high-quality smolt at Applecross, after the release of the first trial-batch of 250g smolt in May 2023. In Q4 2023, the first full batch of large smolt (200-300g) is expected to be transferred to marine, and in Q1 2024 the first trial batch of 500g smolt is planned to be transferred as a first trial with 500g smolt in Scotland. During 2024, as the Applecross 5 & 6 expansions will be finalised, the increased production capacity from Applecross will enable around 9.1 million smolts to be released from Applecross in 2024, compared to a total of 9.3 million smolt to be released in 2024. From 2025 Applecross will deliver all smolts for Scotland at around 200-300g. As demonstrated in the Faroe Islands, large high-quality smolt will have a lower risk exposure in the marine environment due to shorter production cycles in the sea and the robustness of the smolt. In Q3 2023, the average weight of released smolt in Scotland was 112g, which is 5% higher than in Q3 2022.

#### **Smolt release**

Bakkafrost has guided for a smolt release in the Faroe Islands of around 16 million large smolts in 2023. Due to the increased available hatchery capacity provided by the Norðtoftir and Glyvradal hatcheries, Bakkafrost plans to let some of the smolts,

that were scheduled for transfer in Q4 2023, stay in the hatcheries during January and February, before transferring them in March 2024. This reduces the biological risk and gives better growth in a stable environment in the hatcheries, compared to low seawater temperatures and winter storms in January and February. Consequently, the transferred number of smolts in the Faroe Islands is expected to be around 14.4 million smolt in 2023, increasing to around 18 million smolt in 2024.

In Scotland, the smolt release in 2023 is expected to be around 10.5 million smolts and around 9.3 million smolts in 2024 with an average weight around 240g. The number and average weight of smolts released are key elements of predicting Bakkafrøst's future production.

Million smolt transferred	'24e	'23e	'22	'21	'20	'19
FO	17.8	14.4	14.5	14.4	14.3	12.7
SCT	9.3	10.5	10.8	11.1	10.4	12.4

In the freshwater hatchery operation, Bakkafrøst has a focus on ensuring stable growth and continuous improvements of smolt quality. In the Faroes Islands, it is important to harmonise the size and quality of the smolt as it leads to better utilisation of marine farming sites and increased harvest weights.

In 2023, Bakkafrøst expects to harvest around 53,000 tonnes gutted weight in the Faroe Islands and 20,000 tonnes gutted weight in Scotland, giving a total of around 73,000 tonnes gutted weight. 5-6,000 tonnes of the previously guided harvest volume for Scotland in 2023 (30,000 tonnes) has previously been flagged as being at risk due to biological challenges. The further reduction of harvest in 2023 is to benefit from the improved biological situation since mid-September, keeping the healthy fish in the sea for longer to grow them larger and more valuable.

In 2024, Bakkafrøst expects to harvest around 66,000 tonnes gutted weight in the Faroe Islands and 25,000 tonnes gutted weight in Scotland, giving a total of around 91,000 tonnes gutted weight. The quarterly harvest profile is outlined in the table below. Biological, environmental and market conditions can affect the expected harvest profile.

Expected harvest profile as a % of total harvest pr. region:

Region	Q1	Q2	Q3	Q4
FO	23%	20%	28%	30%
SCT	23%	52%	10%	15%

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

**Sales & VAP (Value added products)**

Bakkafrøst's highly flexible value chain includes state-of-the-art VAP processing capacity, which enables the company to adapt effectively to rapidly changing market situations.

As a result of changes in the Faroese revenue tax, Bakkafrøst has adjusted the strategy for contracted VAP (Value-Added Products) to reduce contract exposure for 2024.

For 2024, Bakkafrøst has signed contracts covering around 9% of the expected harvest volumes in the Faroe Islands and Scotland combined, compared to 22% at same time last year.

**FOF (Fishmeal, oil and feed)**

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

The ICES 2024 recommendation for blue whiting is 1,530 thousand tonnes, which represents a 12.5% increase from the recommendation for 2023.

In 2024 Bakkafrøst expects continued high production volumes of fishmeal and normalisation of fish oil production volumes.

The major markets for Havsbrún's fish feed are the internal Faroese and Scottish Farming segments.

**Investments**

On the Capital Markets Day on 6 June 2023, Bakkafrøst announced a 6.3bn DKK investment plan for 2024-2028. The investments will enable a transformation of the operation in Scotland and provide sustainable growth in the Faroe Islands as well as Scotland.

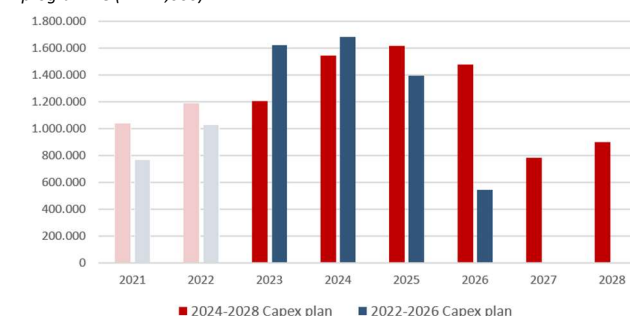
The main purpose of the investments in Scotland is to replicate Bakkafrøst's successful operation in the Faroe Islands. Bakkafrøst considers building 2 large energy-efficient hatcheries in Scotland, enabling the implementation of Bakkafrøst's large smolt strategy and giving an annual production capacity above 15 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, Bakkafrøst plans to build a new processing plant to strengthen processing capabilities and increase flexibility in operation. Bakkafrøst will also invest in more service vessel capacity to improve the

mitigation of biological risk and improve the cost of operation. Further, Bakkafrøst will make investments in marine site development.

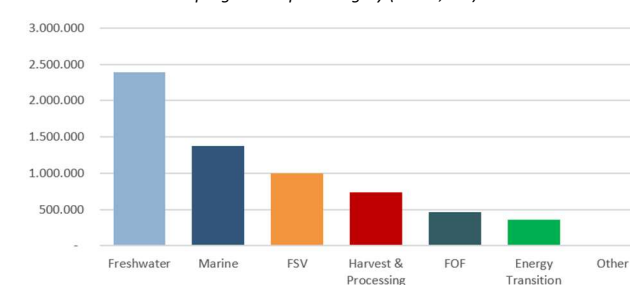
The investments in the Faroe Islands include increasing annual hatchery production capacity to around 24 million smolts at 500g, cost-efficient repurposing of old hatcheries into broodstock operation, expansion of feed production capacity and growing sustainably by optimization of existing sites and new technology.

With the investment plan, Bakkafrøst expects to sustainably grow the total annual harvest volumes to 165,000 tonnes in 2028. Over the same period, the total annual production capacity in Bakkafrøst's value chain will reach 200,000 tonnes gutted weight.

2024-2028 6.3bn DKK Investment programme vs. 2022-2026 6.2bn DKK investment programme (DKK 1,000)



2024-2028 Investment programme per category (DKK 1,000)



## Financial

The global salmon product market's long-term balance is likely to favor 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 secured a 700 mEUR sustainability-linked credit facility (expandable by 150 mEUR) with a 5-year term and 2-year extension options. This facility, along with Bakkafrost's strong equity ratio, bolsters the Group's financial strength for organic growth and cost reduction in Scotland, while also facilitating M&A and future organic growth opportunities, and upholding an unchanged dividend policy.

## Risks

Biological risk has been and will be a substantial risk for Bakkafrost. The Annual Report 2022 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 2022, exposed to the salmon price.

The Annual Report 2022 is available on request from Bakkafrost and Bakkafrost's website, [www.bakkafrost.com](http://www.bakkafrost.com).

## Events after the Reporting Period

On 3 November 2023, Bakkafrost entered into a binding agreement for the construction of a new hatchery at Skálavík in the Faroe Islands. The capacity of the hatchery is 28,600 m<sup>3</sup>, enabling production of around 7 million smolt of 500g. The hatchery is included in the previously announced 2024-2028 investment programme and will be financed within the group's current financing facilities.

Apart from the above, 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 January 2023 to 30 September 2023.

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.

Glyvrrar, November 6<sup>th</sup>, 2023

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 Samuelsen  
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 September 2023, as well as the results of the Group activities and cash flows for the period 1 January 2023 to 30 September 2023.

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 2022.

## Consolidated Income Statement

For the period ended 30 Sep 2023

DKK 1,000	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>Operating revenue</b>	<b>1,859,408</b>	<b>1,866,989</b>	<b>5,578,947</b>	<b>5,190,158</b>
Purchase of goods	-1,004,249	-1,048,355	-2,153,319	-2,173,130
Change in inventory and biological assets (at cost)	211,407	361,840	283,933	759,751
Salary and personnel expenses	-219,271	-203,935	-645,574	-591,448
Other operating expenses	-432,287	-525,902	-1,437,254	-1,466,498
Depreciation	-155,127	-136,428	-457,825	-409,734
Other income	9,109	10,478	18,710	20,055
<b>Operational EBIT*</b>	<b>268,990</b>	<b>324,687</b>	<b>1,187,618</b>	<b>1,329,154</b>
Fair value adjustments of biological assets	55,236	-48,803	-323,299	704,446
Onerous contracts	0	64,315	0	0
Income from associates	10,713	10,265	31,262	9,708
Revenue tax	-57,305	-43,393	-125,347	-163,981
<b>Earnings before interest and taxes (EBIT)</b>	<b>277,634</b>	<b>307,071</b>	<b>770,234</b>	<b>1,879,327</b>
Net interest revenue	3,538	242	8,940	2,029
Net interest expenses	-48,550	-8,065	-118,488	-25,314
Net currency effects	4,506	-8,427	16,982	-6,667
Other financial expenses	-1,223	-8,508	-8,443	-18,320
<b>Earnings before taxes (EBT)</b>	<b>235,905</b>	<b>282,313</b>	<b>669,225</b>	<b>1,831,055</b>
Taxes	-17,061	-33,293	-106,037	-332,675
<b>Profit or loss for the period</b>	<b>218,844</b>	<b>249,020</b>	<b>563,188</b>	<b>1,498,380</b>
<b>Profit or loss for the year attributable to</b>				
Non-controlling interests	-190	-337	1,166	-1,797
Owners of P/F Bakkafrost	219,034	249,357	562,022	1,500,177
Earnings per share (DKK)	3.70	4.21	9.53	25
Diluted earnings per share (DKK)	3.70	4.21	9.53	25

\* 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 2023

DKK 1,000	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>Profit for the period</b>	<b>218,844</b>	<b>249,020</b>	<b>563,188</b>	<b>1,498,380</b>
Changes on financial derivatives	-6,966	-7,674	-16,315	-10,869
Hereof income tax effect	1,063	1,171	2,489	2,249
Reserve to share-based payment	1,195	7,956	-396	11,505
Currency translation differences	-9,873	-14,878	80,779	-38,727
Adjustment of treasury shares	1,673	1,184	7,888	5,925
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>	<b>-12,908</b>	<b>-12,241</b>	<b>74,445</b>	<b>-29,917</b>
<b>Other comprehensive income</b>	<b>-12,908</b>	<b>-12,241</b>	<b>74,445</b>	<b>-29,917</b>
<b>Total comprehensive income for the period</b>	<b>205,936</b>	<b>236,779</b>	<b>637,633</b>	<b>1,468,463</b>
<b>Comprehensive income for the period attributable to</b>				
Non-controlling interests	-190	-337	1,166	-1,797
Owners of P/F Bakkafrost	206,126	237,116	636,467	1,470,260

# Consolidated Statement of Financial Position

As on 30 Sep 2023

DKK 1,000	30 Sep 2023	31 Dec 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible assets	4,511,663	4,508,704
Property, plant and equipment	6,062,698	5,647,161
Right of use assets	448,376	438,545
Financial assets	249,545	234,209
Deferred tax assets	428,873	336,020
<b>Total non-current assets</b>	<b>11,701,155</b>	<b>11,164,639</b>
<b>Current assets</b>		
Biological assets (biomass)	2,765,951	2,938,485
Inventory	1,291,521	1,074,344
<b>Total inventory</b>	<b>4,057,472</b>	<b>4,012,829</b>
Financial derivatives	0	7,474
Accounts receivable	951,483	808,755
Other receivables	171,170	168,272
<b>Total receivables</b>	<b>1,122,653</b>	<b>984,501</b>
<b>Cash and cash equivalents</b>	<b>370,397</b>	<b>719,603</b>
<b>Total current assets</b>	<b>5,550,522</b>	<b>5,716,933</b>
<b>TOTAL ASSETS</b>	<b>17,251,677</b>	<b>16,881,572</b>

DKK 1,000	30 Sep 2023	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	59,228	59,143
Other equity	10,420,244	10,333,259
Non-controlling interests	4,577	3,411
<b>Total equity</b>	<b>10,484,049</b>	<b>10,395,813</b>
<b>Non-current liabilities</b>		
Deferred taxes and other taxes	2,005,450	1,825,873
Long-term interest-bearing debt	3,415,259	3,383,289
Long-term leasing debt	359,768	353,355
<b>Total non-current liabilities</b>	<b>5,780,477</b>	<b>5,562,517</b>
<b>Current liabilities</b>		
Financial derivatives	9,767	0
Short-term leasing debt	81,068	106,215
Accounts payable and other debt	896,316	817,027
<b>Total current liabilities</b>	<b>987,151</b>	<b>923,242</b>
<b>Total liabilities</b>	<b>6,767,628</b>	<b>6,485,759</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>17,251,677</b>	<b>16,881,572</b>



# Consolidated Cash Flow Statement

For the period ended 30 Sep 2023

DKK 1,000	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>Earnings before interest and taxes (EBIT)</b>	<b>277,634</b>	<b>307,071</b>	<b>770,234</b>	<b>1,879,327</b>
Adjustments for write-downs and depreciation	155,127	136,428	457,825	409,734
Adjustments for value adjustment of biomass	-55,236	48,803	323,299	-704,446
Adjustments for income from associates	-10,713	-10,265	-31,262	-9,708
Adjustments for currency effects	5,060	-48,731	70,574	-71,547
Adjustments of provision for onerous contracts	0	-64,315	0	0
Change in inventory	-175,457	-330,252	-367,942	-643,123
Change in receivables	-269,369	-69,544	-231,005	84,242
Change in current debts	258,434	157,669	142,861	-124,398
<b>Cash flow from operations</b>	<b>185,480</b>	<b>126,864</b>	<b>1,134,584</b>	<b>820,081</b>
<b>Cash flow from investments</b>				
Payments for purchase of fixed assets	-234,653	-237,640	-757,313	-702,706
Net investment in financial assets	79	239	15,926	9,745
Change in long-term receivables and deferred tax assets	0	0	0	8,102
<b>Cash flow from investments</b>	<b>-234,574</b>	<b>-237,401</b>	<b>-741,387</b>	<b>-684,859</b>
<b>Cash flow from financing</b>				
Change in interest-bearing debt (short and long)	-44,951	213,465	18,144	347,965
Financial income	3,538	242	8,940	242
Financial expenses	-49,773	-16,573	-126,931	-41,850
Lease payments	-33,525	-27,809	-98,281	-84,562
Net proceeds from sale of own shares	409	1,184	6,624	5,986
Proceeds from share capital increases	0	0	40,531	0
Dividend paid	0	0	-591,430	-303,995
<b>Cash flow from financing</b>	<b>-124,302</b>	<b>170,509</b>	<b>-742,403</b>	<b>-76,214</b>
<b>Net change in cash and cash equivalents in period</b>	<b>-173,396</b>	<b>59,972</b>	<b>-349,206</b>	<b>59,008</b>
Cash and cash equivalents – opening balance	543,793	508,193	719,603	509,159
<b>Cash and cash equivalents – closing balance total</b>	<b>370,397</b>	<b>568,165</b>	<b>370,397</b>	<b>568,165</b>

# Consolidated Statement of Changes in Equity

As on 30 Sep 2023

	Share	Share Premium	Treasury	Sharebased	Currency		Proposed	Biomass Fair	Retained	Non controlling	Total
DKK 1,000	Capital	Reserve	Shares	Payment	translation	Derivatives	Dividend	value	Earnings	interest	Equity
<b>Equity 01.01.2023</b>	<b>59,143</b>	<b>4,027,375</b>	<b>-18,512</b>	<b>20,559</b>	<b>17,742</b>	<b>6,126</b>	<b>591,430</b>	<b>883,099</b>	<b>4,805,438</b>	<b>3,413</b>	<b>10,395,813</b>
<b>Consolidated profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-323,299</b>	<b>886,532</b>	<b>1,166</b>	<b>564,399</b>
Changes in financial derivatives	0	0	0	0	0	-16,315	0	0	0	0	-16,315
Hereof income tax effect	0	0	0	0	0	2,489	0	0	0	0	2,489
Share-based payment	0	0	0	-396	0	0	0	0	0	0	-396
Currency translation differences	0	0	0	0	80,779	0	0	0	0	0	80,779
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-396</b>	<b>80,779</b>	<b>-13,826</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>66,557</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-396</b>	<b>80,779</b>	<b>-13,826</b>	<b>0</b>	<b>-323,299</b>	<b>886,532</b>	<b>1,166</b>	<b>630,956</b>
Treasury shares	0	0	7,888	0	0	0	0	0	0	0	7,888
Share Capital increase	85	0	0	0	0	0	0	0	40,446	0	40,531
Paid-out dividend	0	0	0	0	0	0	-591,430	0	291	0	-591,139
<b>Total transaction with owners</b>	<b>85</b>	<b>0</b>	<b>7,888</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-591,430</b>	<b>0</b>	<b>40,737</b>	<b>0</b>	<b>-542,720</b>
<b>Total changes in equity</b>	<b>85</b>	<b>0</b>	<b>7,888</b>	<b>-396</b>	<b>80,779</b>	<b>-13,826</b>	<b>-591,430</b>	<b>-323,299</b>	<b>927,269</b>	<b>1,166</b>	<b>88,236</b>
<b>Total equity 30.09.2023</b>	<b>59,228</b>	<b>4,027,375</b>	<b>-10,624</b>	<b>20,163</b>	<b>98,521</b>	<b>-7,700</b>	<b>0</b>	<b>559,800</b>	<b>5,732,707</b>	<b>4,579</b>	<b>10,484,049</b>
<b>Equity 01.01.2022</b>	<b>59,143</b>	<b>4,027,375</b>	<b>-26,767</b>	<b>7,799</b>	<b>46,232</b>	<b>-3,873</b>	<b>303,995</b>	<b>604,707</b>	<b>4,328,801</b>	<b>133</b>	<b>9,347,545</b>
<b>Consolidated profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>278,392</b>	<b>1,066,718</b>	<b>-780</b>	<b>1,344,330</b>
Changes in financial derivatives	0	0	0	0	0	11,102	0	0	0	0	11,102
Hereof income tax effect	0	0	0	0	0	-1,103	0	0	0	0	-1,103
Share-based payment	0	0	0	12,760	0	0	0	0	0	0	12,760
Currency translation differences	0	0	0	0	-28,490	0	0	0	0	0	-28,490
<b>Total other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,760</b>	<b>-28,490</b>	<b>9,999</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-5,731</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,760</b>	<b>-28,490</b>	<b>9,999</b>	<b>0</b>	<b>278,392</b>	<b>1,066,718</b>	<b>-780</b>	<b>1,338,599</b>
Treasury shares	0	0	8,255	0	0	0	0	0	1,349	0	9,604
Addition of non-controlling interests	0	0	0	0	0	0	0	0	0	4,060	4,060
Paid-out dividend	0	0	0	0	0	0	-303,995	0	0	0	-303,995
Proposed dividend	0	0	0	0	0	0	591,430	0	-591,430	0	0
<b>Total transaction with owners</b>	<b>0</b>	<b>0</b>	<b>8,255</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>287,435</b>	<b>0</b>	<b>-590,081</b>	<b>4,060</b>	<b>-290,331</b>
<b>Total changes in equity</b>	<b>0</b>	<b>0</b>	<b>8,255</b>	<b>12,760</b>	<b>-28,490</b>	<b>9,999</b>	<b>287,435</b>	<b>278,392</b>	<b>-590,081</b>	<b>3,280</b>	<b>1,048,268</b>
<b>Total equity 31.12.2022</b>	<b>59,143</b>	<b>4,027,375</b>	<b>-18,512</b>	<b>20,559</b>	<b>17,742</b>	<b>6,126</b>	<b>591,430</b>	<b>883,099</b>	<b>4,805,438</b>	<b>3,413</b>	<b>10,395,813</b>

## 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 2022 is available at [www.bakkafrost.com](http://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 December 2022.

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 December 2022. Since this report, the number of reportable segments has changed from four to seven, compliant with IFRS 8, Operating Segments. The comparing figures have been updated.

#### ACCOUNTING POLICIES SEGMENT REPORTING

The Group's main strategic business area is aquaculture, which consists of seven segments: Freshwater Faroe Islands, Freshwater Scotland, Farming Faroe Islands, Farming Scotland, Services, Sales & Other and production of fishmeal, oil and fish feed (FOF). Intersegment transfers or transactions are entered into under normal commercial terms and conditions, and the measurement used in the segment reporting is the same as used for the third party's transactions.

##### *Fishmeal, fish oil and fish feed (FOF)*

Fishmeal, fish oil and fish feed involve the production and sale of fishmeal, fish oil and fish feed. The production of fishmeal, fish oil and fish feed are operated by Bakkafrost's subsidiary Havsbrún, located in Fuglafjørður. Fishmeal and oil are sold externally, but also used internally to produce fish feed for the Farming and Freshwater segments. Transactions with the Freshwater and Farming segments are based on quarterly contracts at prices benchmarked externally.

##### *The Freshwater Faroe Islands and Freshwater Scotland*

The two Freshwater segments both include broodstock and smolt production in hatcheries on land. In the broodstock operation, eggs are produced from breeding self-owned salmon strains. Eggs are sold to the hatcheries who in turn produce from egg to smolt, which are sold to the Farming operations in the Faroe Islands and Scotland. There are two similar Freshwater segments – one in the Faroe Islands and one in Scotland. The Freshwater segments rely on certain services provided by the Services segment, such as waste handling for biogas production. The pricing principle in transactions between the Freshwater segments and other segments are based on market prices and benchmarks.

##### *The Farming Faroe Islands and Farming Scotland*

Fish farming involves growing salmon in the marine environment from smolt to harvest-ready salmon. The Group has marine farming licenses around the Faroe Islands and Scotland, which are reported as two separate segments (Farming Faroe Islands and Farming Scotland). The Farming segments buys smolt from the Freshwater segments, fish feed from the FOF segment and sells the harvest-ready salmon to the Sales & Other segment at adjusted spot prices. The Farming segments rely on several services provided by the Services segment. These include fish transportation, treatments, net cleaning, heavy marine support services, harvest, packaging, and waste handling for biogas production. The Farming segments also rely on sales services provided by the Sales & Other segment. The pricing principle in transactions between the Farming segments and other segments are based on market prices and benchmarks.

##### *Services*

The Services segment provides several services to the Group. The segment operates a fleet of large wellboats and Farming Support Vessels in addition to convert organic waste into biogas, heating, electricity, and fertiliser, which is sold externally. The segment also provides harvesting services to both the Scottish and Faroese farming operation as well as styrofoam boxes to the Faroese operation. Transactions regarding well boat and FSV vessel services are long term-contracted and priced according to benchmarked market prices, the transactions for harvesting services and styrofoam boxes are based on benchmarks and armlength prices.

*Sales & Other*

The Sales & Other segment purchases salmon from the Farming segments based on market reference prices. The Sales & Other segment optimises the value retention and provides freight & logistical services. The segment has processing capacity in the Faroe Islands, Scotland, Denmark, and the US for production of value-added products (VAP). A significant share of the salmon sold is first produced into VAP-products for the retail market.

**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 recognized 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 2022.

## Note 4. Biological Assets

	30 Sep 2023	30 Sep 2022	31 Dec 2022	
Biological assets carrying amount 01.01.	2.938.485	2.448.289	2.448.289	
Increase due to production or purchases	2.991.878	2.864.865	3.964.863	
Reduction due to harvesting or sale (costs of goods sold)	-2.582.966	-2.472.623	-3.455.550	
Reduction due to mortality (costs of incidents-based mortality) *)	-264.732	-202.094	-282.768	
Fair value adjustment at the beginning of the period reversed	-883.099	-604.707	-604.707	
Fair value adjustment at the end of the period	559.799	1.309.153	883.099	
Reversal of elimination at the beginning of the period	368.918	411.547	411.547	
Eliminations	-398.127	-437.243	-368.918	
Currency translation differences	35.795	-51.181	-57.370	
<b>Biological assets carrying amount at the end of the period</b>	<b>2.765.951</b>	<b>3.266.006</b>	<b>2.938.485</b>	
Cost price biological assets	2.568.484	2.445.277	2.481.674	
Fair value adjustment at the end of the period	559.799	1.309.153	883.099	
Eliminations	-398.127	-437.243	-368.918	
Currency translation differences	35.795	-51.181	-57.370	
<b>Biological assets carrying amount</b>	<b>2.765.951</b>	<b>3.266.006</b>	<b>2.938.485</b>	
<b>Biomass (tonnes)</b>				
< 1 kg	3,346	4,567	4,737	
1 kg < 2 kg	9,080	6,971	6,811	
2 kg < 3 kg	10,671	11,269	8,608	
3 kg < 4 kg	15,177	13,623	9,589	
4 kg <	13,630	14,608	18,566	
<b>Volume of biomass at sea (tonnes)</b>	<b>51,904</b>	<b>51,038</b>	<b>48,311</b>	
*)	Q3	Q3	YTD	YTD
<b>* Costs of incident-based mortality per segment:</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Faroe Islands	0	0	-36,088	0
Scotland	-184,165	-121,263	-228,644	-202,094
	<b>-184,165</b>	<b>-121,263</b>	<b>-264,732</b>	<b>-202,094</b>

	Q3 2,023	Q3 2,022	31 Dec 2022
<b>Number of fish (thousand)</b>			
< 1 kg	6,637	8,938	11,043
1 kg < 2 kg	6,405	4,725	4,595
2 kg < 3 kg	4,192	4,542	3,520
3 kg < 4 kg	4,313	3,932	2,717
4 kg <	2,849	2,903	3,877
<b>Total number of fish at sea (thousand)</b>	<b>24,396</b>	<b>25,040</b>	<b>25,752</b>
<b>Number of smolt released YTD (thousand)</b>			
Farming North	3,650	5,277	6,854
Farming West	4,202	2,891	5,267
Farming South	1,155	1,277	2,297
Farming Scotland	7,326	7,521	11,007
<b>Total number of smolts released YTD (thousand)</b>	<b>16,333</b>	<b>16,966</b>	<b>25,425</b>
<b>Sensitivity in DKK 1,000</b>			
Change in discount rate +1%	-170,871	-205,167	-212,686
Change in discount rate -1%	188,262	228,124	238,534
Change in sales price +5 DKK	367,649	378,418	353,080
Change in sales price -5 DKK	-367,649	-378,418	-353,080
Change in biomass volume +1%	9,503	34,659	18,217
Change in biomass volume -1%	-9,503	-34,659	-18,217
<b>One-year forward prices in EUR FCA Oslo**</b>			
Period end	6.57	5.98	7.50
1 Q (forward)	7.04	7.31	8.58
2 Q (forward)	9.08	8.41	8.96
3 Q (forward)	9.35	8.96	7.16
4 Q (forward)	6.97	7.43	7.31

## Note 5. Segments

	Fishmeal, oil and feed	Freshwater Faroe Islands	Freshwater Scotland	Farming Faroe Islands	Farming Scotland	Services	Sales and other	Eliminations	Group
<b>Q3-2023 – DKK 1,000</b>									
<b>Total operating revenues</b>	<b>1,047,545</b>	<b>147,476</b>	<b>50,338</b>	<b>937,499</b>	<b>212,292</b>	<b>207,888</b>	<b>2,187,681</b>	<b>-2,931,314</b>	<b>1,859,405</b>
Depreciation and amortization	-6,874	-20,880	-3,081	-28,555	-55,030	-25,222	-6,374	0	-146,016
Operating expenses	-731,485	-79,656	-30,557	-800,660	-438,918	-161,973	-2,103,647	2,902,500	-1,444,395
<b>Operational EBIT</b>	<b>309,186</b>	<b>46,940</b>	<b>16,700</b>	<b>108,284</b>	<b>-281,656</b>	<b>20,693</b>	<b>77,660</b>	<b>-28,814</b>	<b>268,994</b>
Fair value adjustments on biological assets	0	0	0	97,387	-42,151	0	0	0	55,236
Income from associates	10,713	0	0	0	0	0	0	0	10,713
Revenue tax	0	0	0	-42,560	-14,746	0	0	0	-57,306
<b>EBIT</b>	<b>319,899</b>	<b>46,940</b>	<b>16,700</b>	<b>163,111</b>	<b>-338,553</b>	<b>20,693</b>	<b>77,660</b>	<b>-28,814</b>	<b>277,637</b>
<b>Operational EBITDA</b>	<b>316,060</b>	<b>67,820</b>	<b>19,781</b>	<b>136,839</b>	<b>-226,626</b>	<b>45,915</b>	<b>84,034</b>	<b>-28,814</b>	<b>415,010</b>
<b>INVESTMENTS</b> in Property, plant and equipment	17,197	47,831	63,878	37,765	30,767	19,478	4,819		221,735
<b>Q3-2022 – DKK 1,000</b>									
<b>Total operating revenues</b>	<b>677,171</b>	<b>126,578</b>	<b>37,052</b>	<b>1,030,013</b>	<b>426,799</b>	<b>220,080</b>	<b>2,298,420</b>	<b>-2,946,151</b>	<b>1,869,962</b>
Depreciation and amortization	-6,641	-19,040	-2,948	-33,997	-38,345	-20,386	-7,568	0	-128,923
Operating expenses	-558,130	-21,344	-22,967	-721,525	-568,644	-184,888	-2,247,855	2,909,002	-1,416,351
<b>Operational EBIT</b>	<b>112,400</b>	<b>86,195</b>	<b>11,136</b>	<b>274,491</b>	<b>-180,190</b>	<b>14,807</b>	<b>42,997</b>	<b>-37,149</b>	<b>324,687</b>
Provision for onerous contracts	0	0	0	0	0	0	64,313	0	64,313
Fair value adjustments on biological assets	0	0	0	-20,166	-28,637	0	0	0	-48,803
Income from associates	10,269	0	0	0	0	0	0	0	10,269
Revenue tax	0	0	0	-43,395	0	0	0	0	-43,395
<b>EBIT</b>	<b>122,669</b>	<b>86,195</b>	<b>11,136</b>	<b>210,930</b>	<b>-208,827</b>	<b>14,807</b>	<b>107,310</b>	<b>-37,149</b>	<b>307,071</b>
<b>Operational EBITDA</b>	<b>119,041</b>	<b>105,235</b>	<b>14,085</b>	<b>308,488</b>	<b>-141,845</b>	<b>35,192</b>	<b>50,565</b>	<b>-37,149</b>	<b>453,611</b>
<b>INVESTMENTS</b> in Property, plant and equipment	7,941	32,999	90,805	21,052	45,602	7,531	11,184		217,114

	Fishmeal, oil and feed	Freshwater Faroe Islands	Freshwater Scotland	Farming Faroe Islands	Farming Scotland	Services	Sales and other	Eliminations	Group
<b>Q1-Q3 2023 – DKK 1,000</b>									
<b>Total operating revenues</b>	<b>2,522,837</b>	<b>399,200</b>	<b>115,379</b>	<b>2,402,910</b>	<b>1,403,020</b>	<b>585,112</b>	<b>6,917,952</b>	<b>-8,767,463</b>	<b>5,578,948</b>
Depreciation and amortization	-20,304	-62,838	-9,125	-83,488	-163,981	-70,870	-28,511	0	-439,118
Operating expenses	-1,950,099	-231,425	-87,766	-1,832,843	-1,346,369	-483,597	-6,780,385	8,760,275	-3,952,209
<b>Operational EBIT</b>	<b>552,435</b>	<b>104,937</b>	<b>18,488</b>	<b>486,580</b>	<b>-107,331</b>	<b>30,646</b>	<b>109,056</b>	<b>-7,189</b>	<b>1,187,620</b>
Fair value adjustments on biological assets	0	0	0	-199,348	-123,951	0	0	0	-323,299
Income from associates	31,295	0	0	0	0	0	-33	0	31,262
Revenue tax	0	0	0	-110,602	-14,746	0	0	0	-125,348
<b>EBIT</b>	<b>583,730</b>	<b>104,937</b>	<b>18,488</b>	<b>176,630</b>	<b>-246,028</b>	<b>30,646</b>	<b>109,022</b>	<b>-7,189</b>	<b>770,235</b>
<b>Operational EBITDA</b>	<b>572,738</b>	<b>167,775</b>	<b>27,613</b>	<b>570,067</b>	<b>56,651</b>	<b>101,516</b>	<b>137,567</b>	<b>-7,189</b>	<b>1,626,738</b>
<b>INVESTMENTS</b> in Property, plant and equipment	67,748	125,929	163,146	80,458	75,146	89,683	114,995		717,105
<b>Q1- Q3 2022 – DKK 1,000</b>									
<b>Total operating revenues</b>	<b>1,642,225</b>	<b>318,791</b>	<b>86,394</b>	<b>3,888,301</b>	<b>1,196,374</b>	<b>589,995</b>	<b>8,204,237</b>	<b>-10,736,160</b>	<b>5,190,158</b>
Depreciation and amortization	-18,791	-57,135	-9,434	-74,507	-128,837	-68,861	-32,114	0	-389,679
Operating expenses	-1,316,556	-125,636	-92,535	-2,553,386	-1,124,046	-507,556	-8,450,704	10,699,094	-3,471,325
<b>Operational EBIT</b>	<b>306,878</b>	<b>136,020</b>	<b>-15,575</b>	<b>1,260,408</b>	<b>-56,509</b>	<b>13,578</b>	<b>-278,580</b>	<b>-37,066</b>	<b>1,329,154</b>
Fair value adjustments on biological assets	0	0	0	346,023	358,423	0	0	0	704,446
Income from associates	9,708	0	0	0	0	0	0	0	9,708
Revenue tax	0	0	0	-163,981	0	0	0	0	-163,981
<b>EBIT</b>	<b>316,587</b>	<b>136,020</b>	<b>-15,575</b>	<b>1,442,451</b>	<b>301,914</b>	<b>13,578</b>	<b>-278,580</b>	<b>-37,066</b>	<b>1,879,328</b>
<b>Operational EBITDA</b>	<b>325,669</b>	<b>193,155</b>	<b>-6,141</b>	<b>1,334,916</b>	<b>72,328</b>	<b>82,439</b>	<b>-246,467</b>	<b>-37,066</b>	<b>1,718,833</b>
<b>INVESTMENTS</b> in Property, plant and equipment	103,039	159,838	179,227	68,295	92,575	52,542	37,422		692,938

**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 593 million.

**Note 7. Transactions with Related Parties**

Note 5.2 in Bakkafrost's Annual Report for 2022 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**

As of 30 Sep 2023, the Group held the following classes of assets/liabilities measured at fair value:

DKK 1,000	Cost				
	Fair value	amount	Lev. 1	Lev. 2	Level 3
<b>Assets and liabilities measured at fair value</b>					
Biological assets (biomass)	2,765,951	2,206,152	0	0	2,765,951
<b>Assets measured at fair value 30/09-2023</b>	<b>2,765,951</b>	<b>2,206,152</b>	<b>0</b>	<b>0</b>	<b>2,765,951</b>
<b>Liabilities measured at fair value 30/09-2023</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Biological assets (biomass)	2,938,484	2,055,385	0	0	2,938,484
<b>Assets measured at fair value 31/12-2022</b>	<b>2,938,484</b>	<b>2,055,385</b>	<b>0</b>	<b>0</b>	<b>2,938,484</b>
<b>Liabilities measured at fair value 31/12-2022</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

All assets/liabilities for which fair value is recognized or disclosed are categorized 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 uses 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 recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (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.

**Note 9. Business Combinations**

**2023**

There have not been any new business combinations in 2023.

**2022**

In a transaction closed on 1 January 2022, Bakkafrost 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 Bakkafrost 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. Bakkafrost 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 Bakkafrost's value chain. With a planned increase in production of salmon over the coming years from Bakkafrost's farms in the Faroe Islands and Scotland, Munkebo Seafood will have a strengthened raw material base, and Bakkafrost 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, Bakkafrost can now offer a broader range of products. Bakkafrost offers fresh, frozen, and smoked salmon products, and now canned food is added. Bakkafrost has a global sales network, and Munkebo Seafood's products will now be offered on a broader market as a supplement to Bakkafrost'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 3<sup>rd</sup> 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.

There were no other material new business combinations in 2022.

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
<b>Total assets</b>	<b>49,019</b>	<b>9,726</b>	<b>58,745</b>
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
<b>Liabilities</b>	<b>31,602</b>	<b>1,754</b>	<b>33,356</b>
<b>Net assets</b>	<b>17,417</b>	<b>7,972</b>	<b>25,389</b>

#### 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.

DKK 1,000	30 Sep 2023	31 Dec 2022
Cash and cash equivalents	370,397	719,603
Long- and short-term interest-bearing debt	-3,415,259	-3,383,289
<b>Net interest-bearing debt</b>	<b>-3,044,862</b>	<b>-2,663,686</b>

#### 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.

DKK 1,000	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>EBIT</b>	<b>277,634</b>	<b>307,071</b>	<b>770,234</b>	<b>1,879,327</b>
Fair value adjustments of biological assets	-55,236	48,803	323,299	-704,446
Income from associates	-10,713	-10,265	-31,262	-9,708
Revenue tax	57,305	43,393	125,347	163,981
<b>Operational EBIT</b>	<b>268,990</b>	<b>324,687</b>	<b>1,187,618</b>	<b>1,329,154</b>

**Operational EBIT per kg**

Farming segment FO:	<u>Operational EBIT Farming segment FO</u> Total harvested volumes (gw) FO
Farming segment SCT:	<u>Operational EBIT Farming segment SCT</u> Total harvested volumes (gw) SCT
VAP segment:	<u>Operational EBIT VAP segment</u> Total volumes produced (raw material gw)
Farming FO and VAP:	<u>Operational EBIT Farming FO and VAP segment</u> Total harvested volumes (gw) FO

**EBITDA**

Earnings before interest, tax, depreciation, and amortizations (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 depreciation and amortization 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 is defined as EBITDA before other income and other expenses divided by total revenues.

**ROCE**

Return on average capital employed (ROCE) is 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	2023	2022	2023	2022
Group -Operational EBIT	268,990	324,687	1,187,618	1,329,154
Average Capital Employed	16,150,427	15,447,280	16,111,428	14,814,234
<b>ROCE</b>	<b>1.7%</b>	<b>2.1%</b>	<b>7.4%</b>	<b>9.0%</b>

**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	2023	2022	2023	2022
Profit for the period to the shareholders of P/F Bakkafrost	218,844	249,020	563,188	1,498,380
Fair value adjustment of biomass	-55,236	48,803	323,299	-704,446
Onerous contracts provisions	0	-64,315	0	0
Tax on fair value adjustment and onerous contracts provisions	9,646	2,792	-64,216	126,800
<b>Adjusted profit for the period to shareholders of P/F Bakkafrost</b>	<b>173,254</b>	<b>236,300</b>	<b>822,271</b>	<b>920,734</b>
<b>Time-weighted average number of shares outstanding through the period</b>	<b>59,161,963</b>	<b>59,087,978</b>	<b>59,161,963</b>	<b>59,087,978</b>
<b>Adjusted earnings per share (before fair value adjustment of biomass and provisions for onerous contracts) (adjusted EPS)</b>	<b>2.93</b>	<b>4.00</b>	<b>13.90</b>	<b>15.58</b>

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## Appendix

### Financial and volumes according to former segmentation pre Q3 2023

#### Farming segment - Faroe Islands

DKK 1,000	Q3		Change	YTD		Change
	2023	2022		2023	2022	
<b>Financial</b>						
Total revenue	1,037,406	1,154,820	-10%	3,026,898	3,493,251	-13%
EBIT	330,830	380,115	-13%	522,658	1,714,239	-70%
Operational EBIT	276,002	443,808	-38%	832,640	1,532,197	-46%
Operational EBIT/kg (DKK)	16.49	26.34	-37%	73	100	-27%
Operational EBIT margin	27%	38%		28%	44%	
<b>Volumes</b>						
Harvested volumes (tgw)	16,740	16,850	-1%	36,403	47,410	-23%
- Farming North	11,973	8,695	38%	17,369	23,542	-26%
- Farming West	1,966	5,664	-65%	11,342	14,079	-19%
- Farming South	2,801	2,491	12%	7,692	9,789	-21%
Smolts released (thousand)	3,343	4,117	-19%	9,008	9,445	-5%
- Farming North	1,501	3,995	-62%	3,651	5,278	-31%
- Farming West	1,842	122	1410%	4,378	2,891	51%
- Farming South	0	0	0	979	1,276	-23%

#### Farming segment – Scotland

DKK 1,000	Q3		Change	YTD		Change
	2023	2022		2023	2022	
<b>Financial</b>						
Total revenue	231,789	441,855	-48%	1,527,502	1,143,093	34%
EBIT	-320,345	-165,874	-93%	-175,833	209,506	-184%
Operational EBIT	-263,448	-137,236	-92%	-37,136	-148,917	75%
Operational EBIT/kg (DKK)	-64.26	-16.94	-279%	-1.90	-7.96	76%
Operational EBIT margin	-114%	-31%		-2%	-13%	
<b>Volumes</b>						
Harvested volumes (tgw)	4,100	8,100	-49%	19,536	18,719	4%
Smolts released (thousand pcs)	2,494	2,446	2%	7,326	7,521	-3%

## VAP segment

DKK 1,000	Q3		Change	YTD		Change
	2023	2022		2023	2022	
<b>Financial</b>						
Total revenue	415,001	385,767	8%	1,187,357	1,221,036	-3%
EBIT	36,841	64,589	-43%	17,285	-137,115	113%
Operational EBIT	36,841	276	13248%	17,285	-137,115	113%
VAP - Operational EBIT/kg (DKK)	5.64	0.04	13467%	1.06	-7.03	115%
Operational EBIT margin	9%	0%		1%	-11%	
<b>Volumes</b>						
Farming FO transferred to VAP (tgv)	6,997	6,462	8%	17,052	19,457	-12%
VAP produced (tgv)	6,529	6,636	-2%	16,281	19,516	-17%
Harvested volumes used in VAP production	42%	38%		47%	41%	
Harvested volumes sold fresh/frozen	58%	62%		53%	59%	

## FOF segment

DKK 1,000	Q3		Change	YTD		Change
	2023	2022		2023	2022	
<b>Financial</b>						
Total revenue	1,047,545	677,169	55%	2,522,836	1,642,223	54%
EBIT	319,856	125,028	156%	583,687	316,651	84%
EBITDA	315,542	120,451	162%	572,220	325,733	76%
FOF - EBITDA margin	30%	18%		23%	20%	
<b>Volumes (tonnes)</b>						
Total Feed sold	35,903	37,805	-5%	88,421	95,240	-7%
- Feed internal sale FO	26,220	24,951	5%	59,949	58,249	3%
- Feed internal sale SCT	7,928	11,491	-31%	25,638	33,447	-23%
- Feed external sale	1,755	1,363	29%	2,834	3,544	-20%
Total Feed sold	35,903	37,805	-5%	88,421	95,240	-7%
Fishmeal external sale	16,026	7,130	125%	51,129	22,174	131%
Fish oil external sale	7,904	2,457	222%	13,486	2,475	445%
Received raw material	109,685	76,182	44%	413,485	251,763	64%
Fishmeal production	24,221	17,004	42%	88,648	54,486	63%
Fish oil production	20,344	13,218	54%	29,948	18,228	64%