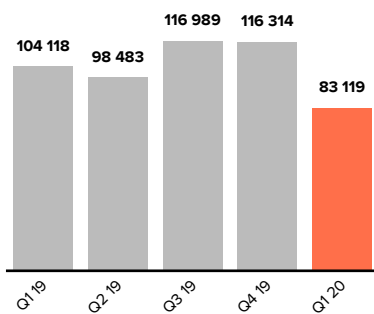




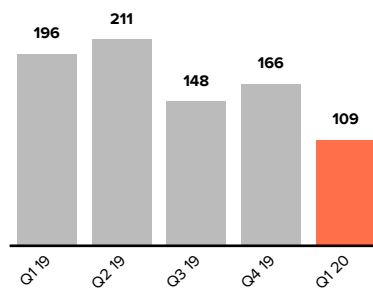
Q1 2020

- Operational EBIT of EUR 109 million
- Falling prices during the quarter, from close to record high levels, due to Covid-19 lockdown measures
- Operations have been running close to normal
- Seasonal record high volumes in Consumer Products and Feed
- In light of heightened uncertainty due to the Covid-19 pandemic, the Board of Mowi has decided to postpone the decision on the first quarter dividend until the second quarter

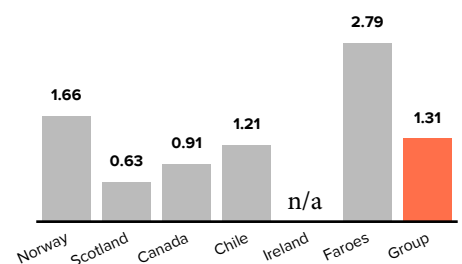
**Harvest volume
GWT**



**Operational EBIT
EUR million**



**Operational EBIT
EUR per kg**



HIGHLIGHTS - FIRST QUARTER 2020

- Operational EBIT of EUR 109.3 million. Financial EBIT of EUR -54.1 million negatively impacted by net fair value adjustment of biomass of EUR -158.5 million due to lower prices.
- Operations have been running close to normal, although with some extra costs as a consequence of Covid-19-related measures.
- Harvest volumes of 83 119 GWT approximately in line with guidance of 84 000 GWT.
- Harvest volume guidance for 2020 full year of 450 000 GWT is maintained.
- Falling prices during the quarter, from close to record high levels, as a consequence of Covid-19 developing into a world-spanning pandemic resulting in extensive lockdown measures in most countries.
- Farming costs per kg increased by EUR 0.22 from Q4 2019 largely explained by 29% lower harvest volumes.
- Seasonally all-time high volumes in Consumer Products of 52 093 tonnes.
- Production record for a Q1 in Feed Norway and Feed Scotland with almost 100 000 tonnes of fish feed produced in total.
- In light of heightened uncertainty due to the Covid-19 pandemic, the Board of Mowi has decided to postpone the decision on the first quarter dividend until the second quarter.

Main figures ¹⁾	Q1 2020	Q1 2019	2019
EUR million			
Operational revenue ²⁾	884.8	979.4	4 135.4
Operational EBIT ³⁾	109.3	196.1	720.9
Operational EBITDA ⁴⁾	149.4	233.2	874.5
EBIT	-54.1	249.2	617.0
Net financial items	-39.6	-0.4	-9.5
Profit or loss for the period	-77.7	193.9	476.3
Cash flow from operations	225.5	265.8	759.0
Total assets	5 499.3	5 564.0	5 840.1
NIBD ⁵⁾	1 356.6	1 014.8	1 337.2
Basic EPS (EUR)	-0.15	0.38	0.92
Underlying EPS (EUR) ⁶⁾	0.14	0.28	0.99
Net cash flow per share (EUR) ⁷⁾	0.19	0.31	0.59
Dividend declared and paid per share (NOK)	2.60	2.60	10.40
ROCE ⁸⁾	10.7%	23.8%	19.9%
Equity ratio	47.7%	53.7%	49.5%
Covenant equity ratio ⁹⁾	51.1%	57.5%	53.0%
Harvest volume (GWT)	83 119	104 118	435 904
Operational EBIT per kg (EUR) - Total ¹⁰⁾	1.31	1.88	1.65
Norway	1.66	2.07	2.05
Scotland	0.63	2.27	1.93
Canada	0.91	1.41	0.28
Chile	1.21	1.47	1.36
Ireland	n/a	4.38	2.68
Faroes	2.79	1.69	1.79

1) This interim report is unaudited. Please refer to part 4 of the Annual Report and the appendix to this quarterly report (available on-line on our web site) for detailed descriptions and reconciliations of Alternative Performance Measures (non-IFRS measures) including definitions of key figures and reconciliation to IFRS figures.

2) Operational revenue: Revenue and other income, including realized gain/loss from currency derivatives related to contract sales, and excluding change in unrealized salmon derivatives and sales tax in the Faroes.

3) Operational EBIT: Calculated by excluding the following items from financial EBIT: Change in unrealized internal margin, change in unrealized gains/losses from salmon derivatives, net fair value adjustment on biomass, onerous contract provisions, restructuring costs, income from associated companies, impairment losses of fixed assets/intangibles, sales tax in the Faroes and other non-operational items. Operational EBIT also includes realized gain/loss from currency derivatives related to contract sales. A reconciliation between Operational EBIT and financial EBIT is provided on the next page, and we also refer to the appendix to this quarterly report (available on-line) for further information. The largest individual difference between Operational EBIT and financial EBIT is usually the net fair value adjustment on biomass according to IFRS (and the related onerous contracts provision), which is a volatile figure impacted by estimates of future salmon prices as well as other estimates.

4) Operational EBITDA: Operational EBIT plus depreciations. Effects related to IFRS 16 (leasing) are excluded.

5) NIBD: Total non-current interest-bearing financial debt, minus total cash, plus current interest-bearing financial debt and plus net effect of currency derivatives on interest-bearing financial debt. Effects related to IFRS 16 (leasing) are excluded.

6) Underlying EPS: Operational EBIT adjusted for accrued interest payable, with estimated weighted tax rate - per share. Effects related to IFRS 16 (leasing) are excluded.

7) Net cash flow per share: Cash flow from operations and investments (capex), net financial items paid and realized currency effects - per share. Effects related to IFRS 16 (leasing) are excluded.

8) ROCE: Annualized return on average capital employed based on EBIT excluding net fair value adjustment on biomass, onerous contract provisions and other non-operational items / Average NIBD + Equity, excluding net fair value adjustment on biomass, onerous contract provisions and net assets held for sale, unless there are material transactions in the period. Effects related to IFRS 16 (leasing) are excluded.

9) Covenant equity ratio: Book equity ratio excluding effects related to IFRS 16 (leasing).

10) Operational EBIT per kg including allocated margin from Feed and Sales & Marketing.

PROFIT - Financial results in the quarter

The Group's profits hinge on its ability to provide customer value from healthy, tasty and nutritious seafood, farmed both cost-effectively and in an environmentally sustainable way that maintains a good aquatic environment and respects the needs of wider society.

(Figures in parenthesis refer to the same quarter previous year.)

(EUR million)	Q1 2020	Q1 2019
Operational EBIT	109.3	196.1
Change in unrealized margin	-2.3	5.9
Gain/loss from derivatives	-4.0	0.2
Net fair value adjustment on biomass including onerous contracts	-158.5	40.5
Other non-operational items	-0.8	-0.5
Income from associated companies	2.2	7.1
Impairment losses on fixed assets/ intangibles	-0.1	0.0
EBIT	-54.1	249.2

Operational EBIT amounted to EUR 109.3 million. The main explanations for the decrease of EUR 86.8 million compared with the first quarter of 2019 are higher costs and lower volumes in Farming. The contribution from Feed was EUR -1.0 million (EUR -2.4 million), and Farming contributed EUR 101.4 million (EUR 184.1 million). Markets contributed EUR 11.8 million (EUR 13.1 million) and Consumer Products contributed EUR 2.4 million (EUR 6.8 million).

Earnings before financial items and taxes (EBIT) came to EUR -54.1 million (EUR 249.2 million). The net fair value adjustment on biomass including onerous contracts amounted to EUR -158.5 million (EUR 40.5 million), mainly due to lower prices at the end of the first quarter compared with the previous quarter.

Financial items

(EUR million)	Q1 2020	Q1 2019
Interest expenses	-19.6	-13.9
Net currency effects	-21.6	11.0
Other financial items	1.6	2.5
Net financial items	-39.6	-0.4

Interest expenses in the quarter include costs of EUR 3.1 million (EUR 2.9 million) related to IFRS 16 lease liabilities.

Net currency effects of EUR -21.6 million (EUR 11.0 million) are impacted by unrealized losses on currency hedges and unrealized gains related to IFRS 16.

Cash flow and NIBD

(EUR million)	Q1 2020	Q1 2019
NIBD beginning of period*	-1 337.2	-1 037.2
Operational EBITDA*	149.4	233.2
Change in working capital	75.9	51.0
Taxes paid	-53.0	-53.1
Other adjustments	12.2	5.5
Cash flow from operations*	184.4	236.5
Net Capex	-73.0	-65.1
Other investments and dividends received	1.0	-2.2
Cash flow to investments	-72.1	-67.2
Net interest and financial items paid*	-17.2	-10.6
Other items	9.7	4.3
Dividend / return of paid in capital	-132.9	-137.9
Currency effect on interest-bearing debt	8.5	-2.6
NIBD end of period*	-1 356.6	-1 014.8

*Excluding effects of IFRS 16

Cash flow from operations (excluding effects of IFRS 16) amounted to EUR 184.4 million (EUR 236.5 million). During the first quarter, there was a seasonal release of working capital, partly offset by tax payments. Other adjustments include insurance payments related to Kritsen.

Net Capex was EUR 73.0 million (EUR 65.1 million), of which payment of EUR 18 million related to purchase of fixed price MAB growth in Norway.

Net interest and financial items paid were EUR 17.2 million in the quarter impacted by fixed interest swaps and fees in relation with the green bond issuance. Going forward, net interest and financial items paid is expected to be reduced to approximately EUR 10 million per quarter.

A quarterly dividend of EUR 132.9 million (EUR 137.9 million), as announced in the previous quarterly report, has been distributed as ordinary dividend.

NIBD at the end of the period was EUR 1 356.6 million (EUR 1 014.8 million), excluding the effects of IFRS 16. The value per the end of the first quarter of 2020 was EUR 1 738.8 million including the effects of IFRS 16.

 PROFIT	GUIDING PRINCIPLE	AMBITION	ACHIEVEMENT
	Profitability	ROCE exceeding 12% p.a.	Q1 10.7%
	Solidity	Long term NIBD target: EUR 1 400 million Farming NIBD / kg EUR 2.2	March 31, 2020 EUR 1 357 million Farming NIBD / kg EUR 2.1

PROFIT - Operational performance and analytical data

EUR million	Feed		Farming		Sales & Marketing				Other		Group ¹⁾	
	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Markets		Consumer Products		Q1 2020	Q1 2019	Q1 2020	Q1 2019
					Q1 2020	Q1 2019	Q1 2020	Q1 2019				
External revenue	4.5	5.1	11.2	15.7	240.7	361.7	628.5	596.9	0.0	0.0	884.8	979.4
Internal revenue	115.6	68.0	499.4	623.9	318.0	322.1	0.0	0.0	4.6	6.3	0.0	0.0
Operational revenue	120.1	73.2	510.6	639.5	558.7	683.8	628.5	596.9	4.6	6.3	884.8	979.4
Operational EBIT	-1.0	-2.4	101.4	184.1	11.8	13.1	2.4	6.8	-5.4	-5.5	109.3	196.1
Change in unrealized margin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-2.3	5.9
Gain/loss from derivatives	0.0	0.0	11.6	-3.0	-3.7	0.3	-11.8	3.5	0.0	-0.7	-4.0	0.2
Net fair value adjustment on biomass, onerous contract provisions	0.0	0.3	-158.5	40.2	0.0	0.0	0.0	0.0	0.0	0.0	-158.5	40.5
Restructuring costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-operational items	0.0	0.0	-0.6	-0.3	0.0	0.0	0.0	-0.2	-0.2	0.0	-0.8	-0.5
Income from associated companies and joint ventures	0.0	0.0	1.5	7.0	0.0	0.0	0.0	0.0	0.6	0.1	2.2	7.1
Impairment losses of fixed assets	0.0	0.0	-0.1	0.0	0.0	0.0	0.1	0.1	0.0	0.0	-0.1	0.0
EBIT	-1.0	-2.1	-44.7	227.9	8.1	13.4	-9.3	10.3	-5.0	-6.1	-54.1	249.2
Operational EBIT %	-0.8%	-3.2%	19.9%	28.8%	2.1%	1.9%	0.4%	1.1%	na	na	12.3%	20.0%

¹⁾ Group figures adjusted for eliminations.

Mowi monitors the overall value creation of the operations based on the salmon's source of origin. For this reason Operational EBIT related to our Feed (currently only Norway) and Sales & Marketing operations is allocated back to the country of origin.

The table below and upcoming performance review provide information consistent with the value creation methodology.

Other entities reported Operational EBIT of EUR -5.4 million in the quarter (EUR -5.5 million in the comparable quarter).

EUR million	SOURCES OF ORIGIN						Other	Group
	Norway	Scotland	Canada	Chile	Ireland	Faroes		
Operational EBIT								
Farming	82.3	3.0	5.3	7.5	-1.1	4.4		101.4
Sales & Marketing								
Markets	6.1	1.7	1.9	1.2	-0.2	0.8	0.3	11.8
Consumer Products	-7.2	0.9	0.1	7.9	0.0	0.0	0.6	2.4
Subtotal	81.2	5.7	7.3	16.6	-1.2	5.2	0.9	115.6
Feed	2.5						-3.5	-1.0
Other entities ¹⁾							-5.4	-5.4
Total	83.7	5.7	7.3	16.6	-1.2	5.2	-8.0	109.3
Harvest volume (GWT)	50 492	9 036	8 066	13 669	6	1 851		83 119
Operational EBIT per kg (EUR) ²⁾	1.66	0.63	0.91	1.21	n/a	2.79		1.31
- of which Feed	0.05	0.00	0.00	0.00	n/a	0.00		-0.01
- of which Markets	0.12	0.19	0.23	0.09	n/a	0.41		0.14
- of which Consumer Products	-0.14	0.10	0.02	0.58	n/a	0.00		0.03
Analytical data								
Price achievement/reference price (%)	89%	101%	92%	91%	n/a	109%		92%
Contract share (%)	43%	75%	0%	43%	n/a	0%		42%
Quality - superior share (%)	89%	96%	87%	85%	n/a	80%		89%
Guidance								
Q2 2020 harvest volume (GWT)	54 500	17 000	12 000	12 500	3 500	3 000		102 500
2020 harvest volume (GWT)	260 000	64 000	47 000	64 000	6 000	9 000		450 000
Q2 2020 contract share (%)	42%	41%	0%	50%	66%	0%		37%

¹⁾ Corporate and Holding companies

²⁾ Including Corporate and Holding companies

MARKET OVERVIEW

Industry

Spot prices continued to increase from the fourth quarter into the first quarter on strong demand and modest supply growth. However, Covid-19 resulted in falling prices during the quarter as it escalated into a world-spanning pandemic with extensive lockdown measures in most countries.

Global harvest of Atlantic salmon amounted to 547,600 tonnes in the first quarter, an increase of 2% compared with the same quarter in 2019. The increase in global harvest volumes was at the high end of expectations.

Supply	Q1 2020 GWT	Change vs Q1 2019	12 month change	Q4 2019 GWT
Norway	270 500	1.5%	6.3%	335 300
Scotland	31 100	-16.8%	9.1%	41 300
Faroe Islands	15 600	-20.4%	8.7%	23 600
Other Europe	9 500	1.1%	32.1%	10 800
Total Europe	326 700	-1.9%	7.2%	411 000
Chile	169 300	8.6%	5.9%	162 700
North America	32 000	6.0%	-2.5%	38 100
Total Americas	201 300	8.2%	4.3%	200 800
Australia	13 800	8.7%	4.8%	18 900
Other	5 800	65.7%	55.5%	5 500
Total	547 600	2.3%	6.4%	636 200

Supply from Norway increased by 2% compared with the first quarter of 2019 which was more than expected. This was driven by good growth conditions from favorable sea water temperatures and a higher than expected number of fish harvested during the quarter.

Harvest volumes in Scotland decreased by 17% compared with the first quarter of 2019, which was lower than guided. The biological challenges last year have been prolonged into the first quarter combined with unusually harsh weather conditions. Supply from Faroe Islands decreased by 20% in the quarter compared with the same quarter in 2019 on the back of reduced growth in sea following many winter storms and distribution challenges to Russia and China.

Volumes from Chile increased by 9% compared with the first quarter of 2019 which was more than guided. The number of fish harvested in the quarter, in particular in January and February, was higher than expected and follows the social unrest issues experienced towards the end of 2019 which caused farmers to delay harvesting.

In North America volumes increased by 6% which was in line with guidance.

Reference prices	Q1 2020 Market	Change Q1 2019	Q1 2020 EUR	Change Q1 2019
Norway ¹⁾	EUR 6.71	5.8%	EUR 6.71	5.8%
Chile ²⁾	USD 5.16	-0.8%	EUR 4.68	2.2%
Chile, GWE ³⁾	USD 6.06	-1.9%	EUR 5.50	1.1%
North America West Coast ⁴⁾	USD 3.69	4.2%	EUR 3.34	7.3%
North America East Coast ⁵⁾	USD 4.04	10.3%	EUR 3.66	13.7%
North America, GWE, blended ³⁾	USD 7.79	5.1%	EUR 7.06	8.3%

In the market currency, EUR, prices in Europe increased by 6% compared with the first quarter of 2019. In USD terms, salmon prices decreased by 1% in Miami and increased by 4% in Seattle and 10% in Boston/New York.

Market distribution	Q1 2020 GWT	Change vs Q1 2019	12 month change
EU	227 400	2.1%	5.9%
Russia	17 600	7.3%	-4.9%
Other Europe	21 100	-0.9%	8.9%
Total Europe	266 100	2.2%	5.4%
US	121 400	5.2%	7.5%
Brazil	24 000	-4.4%	7.1%
Other Americas	33 700	11.6%	3.2%
Total Americas	179 100	4.9%	6.6%
China/Hong Kong	20 300	-29.8%	-1.1%
Japan	13 400	—%	-2.7%
South Korea/Taiwan	15 200	15.2%	5.7%
Other Asia	17 600	-7.4%	2.5%
Total Asia	66 500	-10.7%	0.8%
All other markets	27 000	-13.2%	3.8%
Total	538 700	0.4%	5.1%

Global consumption increased by 0.4% in the first quarter compared with the same period in 2019. The Covid-19 situation impacts trade flows, logistics and distribution. In particular, the foodservice segment is impacted by the measures imposed to contain the spread of the virus. The reduced consumption within foodservice, however, is partially offset by increased sales through the retail channel. The difference between supply and consumption in the first quarter 2020 of approx. 10,000 GWT is mainly related to frozen inventory build-up of Chilean salmon. In total for the Chilean industry frozen inventories are projected to be in the range of 40,000-50,000 GWT.

Consumption in the EU increased by 2% in the quarter. Notwithstanding the shortfall in foodservice consumption, the European markets continued to be supplied with salmon by road transportation. Logistics by road were impacted to a lesser extent than markets relying on air-cargo shipments. The lockdown situation in Europe is currently affecting consumption patterns. However, several countries have either gradually opened up or indicated that they will relax lockdown measures and we have seen signs of increased demand as a result.

Consumption in the US increased by 5% whilst consumption in Brazil declined by 4% compared with the same quarter in 2019. The Covid-19 situation and resulting negative impact on foodservice activity is affecting the market balance. Some of the shortfall in consumption is replaced by increased sales through the retail channel. The cost of air-freight from Europe to US has increased, which has also impacted trade flows.

Consumption in Asia decreased by 11% in the quarter compared with the same period last year, largely impacted by the Covid-19 outbreak. Asia has a higher share of foodservice than Europe and Americas, hence this region has been significantly impacted by lockdown measures affecting the HoReCa segment. Air-freight has also been challenging with significantly increasing freight rates on the back of a shortage of passenger planes. However, the Chinese and South Korean markets are more dependent on cargo planes and as government measures have been eased volumes have recovered to pre Covid-19 levels.

Source: Kontali and Mowi

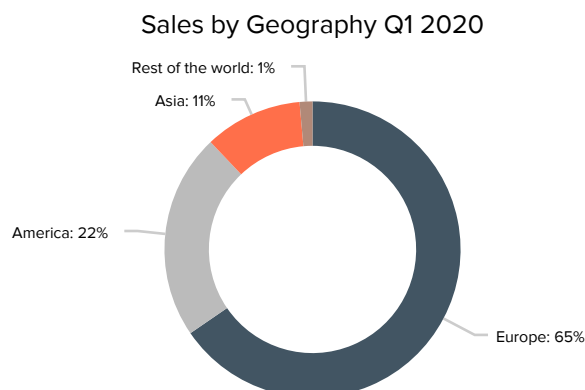
Notes to the reference price table:

- ¹⁾ NASDAQ average superior GWE/kg (gutted weight equivalent)
- ²⁾ Urner Barry average D trim 3-4 lbs FOB Miami
- ³⁾ Reference price converted back-to-plant equivalent in GWE/kg
- ⁴⁾ Urner Barry average GWE 10-12 lbs FOB Seattle
- ⁵⁾ Urner Barry average GWE 10-12 lbs FOB Boston/New York

Mowi

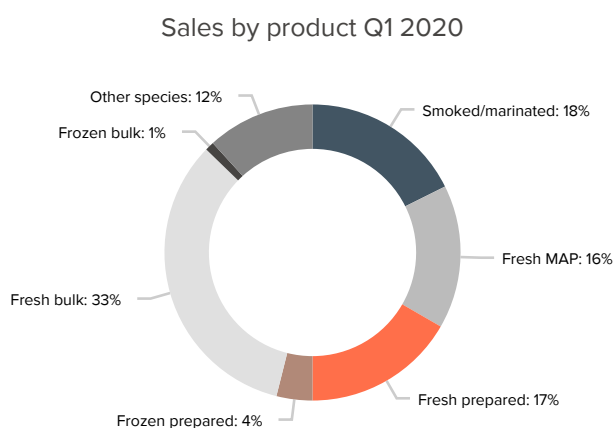
Geographic market presence

Revenues in the first quarter were distributed as shown in the graph below. Europe is by far the largest market for Mowi with its 65% (67%) revenue share. France, Germany and the UK are the main markets for our products in this region.



Sales by product

The Group's main species is Atlantic salmon. Revenues for our external sales channels in Sales & Marketing were distributed across product categories as follows:



Fresh bulk salmon represented 33% (42%). Smoked/marinated and elaborated salmon together accounted for 53% in the first quarter of 2020 (50%).

Branding and product development efforts

The positive development with regards to sales of MOWI products in the retail segment in Poland continued in the first quarter. In the US, MOWI Pure was officially launched in the US market in March at the Amazon Fresh e-commerce platform. The branded products were unveiled across social media platforms in order to build brand awareness and connect with target groups. However, shortly after the launch, Covid-19 caused a difficult situation for brand awareness activities and other marketing efforts which made it very challenging to introduce new products to end customers. Furthermore, the

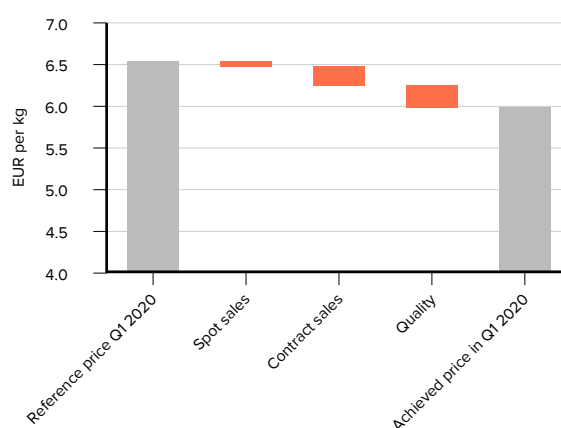
supply chain for MOWI-branded products in the US was negatively impacted by logistics issues related to Covid-19. The MOWI Pure e-commerce launch will be reinvigorated when the Covid-19 situation improves. In France, the MOWI brand was introduced to French retailers at the largest food fair in France, the Salon International de l'Agriculture (SIA) in Paris, which took place February 22 to March 1. Feedback on product taste and quality as well as on the MOWI brand story was very positive. However, the retail launch which was planned for the first quarter, has been postponed due to the Covid-19 situation.

Our Ducktrap brand in the US continues the positive volume development, with a 14% growth compared with the first quarter of 2019. In Asia, our Mowi brand experienced a 10% volume growth in the first quarter of 2020 compared with the same quarter of 2019.

Price achievement

The combined global price achieved was 8% below the reference price in the first quarter of 2020 (1% below). Achieved prices were negatively impacted by contract prices in the quarter. Timing of harvesting and harvest sizes contributed negatively to spot performance. Quality downgrading was impacted by winter sores in Norway and Canada, and sores due to SRS in Chile.

Global Price Achievement Q1 2020



Reference price for salmon of superior quality vs. price achieved in Norway, Scotland, Canada, Chile and Faroes.

Markets				
Q1 2020	Norwegian	Scottish	Canadian	Chilean
Contract share	43%	75%	0%	43%
Quality - superior share	89%	96%	87%	85%
Price achievement	89%	101%	92%	91%

Average price achievement is measured against reference prices in all markets (NASDAQ for Norwegian, Scottish and Faroese salmon, and Urner Barry for Chilean and Canadian salmon).

PROFIT - Operational performance

Salmon of Norwegian origin

EUR million	Q1 2020	Q1 2019
Operational EBIT	83.7	116.1
EBIT	-49.0	133.8
Harvest volume (GWT)	50 492	56 135
Operational EBIT per kg (EUR)	1.66	2.07
- of which Feed	0.05	-0.01
- of which Markets	0.12	0.09
- of which Consumer Products	-0.14	-0.01
Price achievement/reference price	89%	97%
Contract share	43%	36%
Superior share	89%	91%

Financial results

Operational EBIT amounted to EUR 83.7 million in the first quarter. The reduction from the first quarter of 2019 was mainly due to lower harvest volumes and harvesting of fish carrying a high cost due to biological challenges in 2019. Operational EBIT per kg was EUR 1.66 per kg compared to EUR 2.07 per kg in the first quarter of 2019.

Financial EBIT amounted to EUR -49.0 million (EUR 133.8 million).

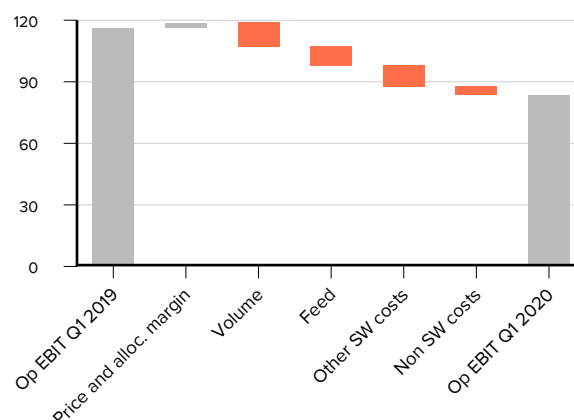
Price and volume development

In the first part of the quarter, the reference price for salmon of Norwegian origin was positively impacted by strong demand and reduced supply. However, prices decreased significantly during the first quarter on the back of the Covid-19 pandemic. The average reference price was EUR 6.71 per kg which was 6% higher than in the first quarter of 2019.

The overall price achieved by Mowi for salmon of Norwegian origin was 11% below the reference price in the first quarter of 2020 (3% below). Contribution from contracts relative to the reference price was negative in the first quarter of 2020 as opposed to a positive effect in the comparable quarter. Mowi Norway had a contract share of 43% (36%) in the first quarter. Furthermore, price achievement was negatively impacted by quality downgrading due to winter sores in Region North and Region Mid. The superior share was 89% (91%).

Harvested volume in the first quarter was 50 492 tonnes gutted weight (56 135 tonnes gutted weight) with decreased volumes in all regions. Total harvest volumes were relatively evenly distributed between the three months of the quarter.

Operational EBIT Salmon of Norwegian Origin
Q1 2020 vs Q1 2019



Average harvest weights were slightly higher in the first quarter of 2020 compared to the first quarter of 2019.

Costs and operations

Full cost per kg harvested increased compared with the first quarter of 2019 on lower volumes and a lower performing generation. Our Norwegian farming operations experienced challenging biology in 2019 impacting costs released in the first quarter of 2020.

Feed and health costs were the main drivers behind the increase in biological costs¹⁾ from the comparable quarter. Feed costs increased on higher feed prices and increased feed conversion ratio. Furthermore, incident based mortality losses amounting to EUR 4.0 million were recognized in the quarter after several incidents in the three regions, amongst other things related to winter sores and CMS. Losses from incident-based mortality in the first quarter of 2019 amounted to EUR 3.1 million.

Production has improved in 2020 due to favorable growth conditions.

¹⁾ See the Annual Report 2019, section "Analytical information" p. 255: Total of feed cost and other seawater costs, before transportation to the processing plant.

Salmon of Norwegian origin by region

Regions	South	Mid	North	Total
EUR million	Q1 2020	Q1 2020	Q1 2020	Q1 2020
Operational EBIT	17.6	35.7	30.4	83.7
Harvest volume (GWT)	10 262	23 086	17 144	50 492
Operational EBIT per kg (EUR)	1.72	1.54	1.77	1.66
Superior share	94 %	91 %	84 %	89 %

Regions	South	Mid	North	Total
EUR million	Q1 2019	Q1 2019	Q1 2019	Q1 2019
Operational EBIT	27.4	43.5	45.2	116.1
Harvest volume (GWT)	12 419	25 381	18 335	56 135
Operational EBIT per kg (EUR)	2.21	1.71	2.47	2.07
Superior share	92 %	90 %	92 %	91 %

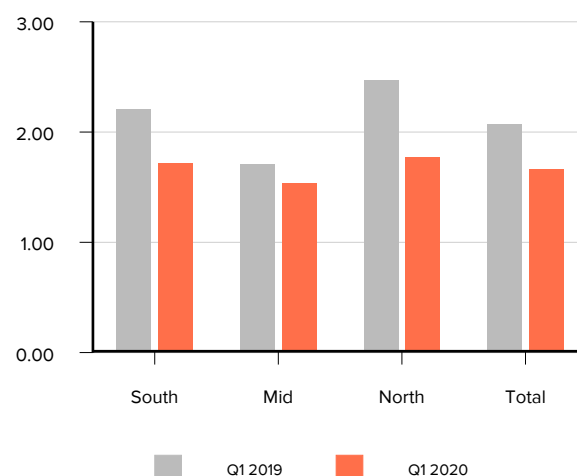
Region South

- Operational EBIT totaled EUR 17.6 million in the first quarter (EUR 27.4 million), or EUR 1.72 per kg (EUR 2.21 per kg). The decrease in earnings was driven by lower volumes and higher costs compared to the first quarter of 2019. Due to high proportion of harvest early in the quarter, Region South had a favorable price achievement.
- A total of 10 262 tonnes gutted weight (12 419 tonnes) was harvested. The reduction from the comparable quarter is mainly due to less biomass available for harvesting following early harvest in the previous quarters.
- The cost level per kg harvested biomass increased by 9% from the comparable quarter of 2019 on low volumes and harvesting from sites with a high cost level due to PD, CMS and treatments. In addition, early harvesting had a negative effect on costs.
- Incident based mortality amounting to EUR 0.1 million was recognized in the quarter (no incident based mortality in the first quarter of 2019).
- Seawater production was somewhat higher compared with the first quarter of 2019 as a result of favorable growth conditions and somewhat improved biology. The biological situation going forward is being closely monitored especially with regards to gill health and sea lice levels.

Region Mid

- Operational EBIT totaled EUR 35.7 million in the first quarter (EUR 43.5 million), or EUR 1.54 per kg (EUR 1.71 per kg). The effects of lower volumes and increased cost were partly offset by higher achieved prices. The latter was due to a favorable timing effect. The majority of volumes in Region Mid were harvested in the first half of the quarter when prices were high.
- A total of 23 086 tonnes gutted weight (25 381 tonnes) was harvested. The reduction was mainly due to early harvest in 2019.
- The cost level per kg harvested biomass increased by 9% from the comparable quarter on a lower performing generation of fish and lower volumes. Region Mid experienced a very challenging year in 2019 as a consequence of sea lice and related issues and the biomass which was harvested in the first quarter of 2020 carried a high cost. This was driven by increased feed costs and health costs. Feed costs increased on higher feed prices and increased feed conversion ratio. Health costs were impacted by a high number of treatments and more costly non-medicinal treatment capabilities, including freshwater treatments.
- Incident based mortality amounting to EUR 2.4 million (EUR 1.9 million) was recognized in the quarter related to CMS, winter sores and PD.
- Seawater production was somewhat higher compared with the first quarter of 2019 on favorable growth conditions and lower sea lice pressure. However, the sea lice situation in the time ahead will be monitored as temperatures increase.

Operational EBIT per kilo per region
Q1 2020 vs Q1 2019 incl. sales margin



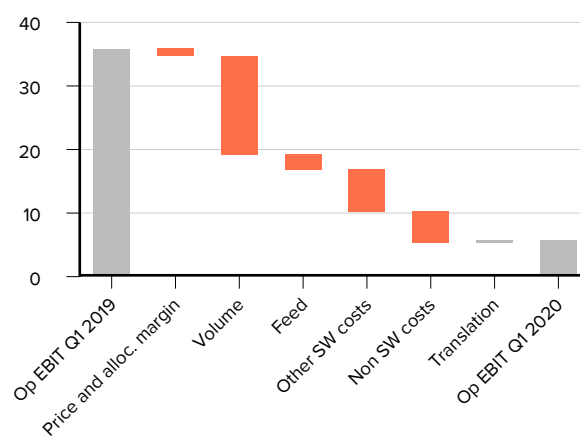
Region North

- Operational EBIT totaled EUR 30.4 million in the first quarter (EUR 45.2 million), or EUR 1.77 per kg (EUR 2.47 per kg). The decrease in earnings was caused by increased costs and lower volumes and achieved prices. Achieved prices were negatively impacted by quality downgrading related to winter sores. Furthermore, timing of harvest had a negative impact in the quarter, as the majority of volumes were harvested in March when prices were at the lowest.
- A total of 17 144 tonnes gutted weight (18 335 tonnes) was harvested.
- In the first quarter, the region was negatively impacted by winter sores in the aftermath of winter storms, strong currents and treatments during winter.
- The cost level per kg harvested biomass increased by 13% from the first quarter of 2019 due to harvesting from sites with challenging biology and high cost level.
- Incident based mortality amounting to EUR 1.5 million was recognized in the quarter mainly related to winter sores (EUR 1.5 million also in the first quarter of 2019).
- Seawater production was somewhat lower than in the corresponding quarter of 2019 due to harsh weather conditions and treatments.
- The fish health situation in the region is generally good, with lower sea lice pressure towards the end of the quarter.

Salmon of Scottish origin

EUR million	Q1 2020	Q1 2019
Operational EBIT	5.7	35.8
EBIT	-18.2	45.2
Harvest volume (GWT)	9 036	15 787
Operational EBIT per kg (EUR)	0.63	2.27
- of which Markets	0.19	0.24
- of which Consumer Products	0.10	0.23
Price achievement/reference price	101%	106%
Contract share	75%	50%
Superior share	96%	96%

Operational EBIT Salmon of Scottish Origin
Q1 2020 vs Q1 2019



Financial results

Operational EBIT amounted to EUR 5.7 million in the first quarter (EUR 35.8 million), the equivalent of EUR 0.63 per kg (EUR 2.27 per kg). Earnings in the quarter were affected by a prolonged period of challenging biology in our Scottish operations, which has impacted volumes and costs in the quarter. Allocated margins from Sales & Marketing were also reduced from the comparable quarter. Financial EBIT amounted to EUR -18.2 million (EUR 45.2 million).

Price and volume development

The overall price achieved was 1% above the reference price in the quarter (6% above). Contribution from contracts relative to the reference price was positive in the first quarter of both 2020 and 2019. The contract share was 75% in the quarter compared with 50% in the first quarter of 2019.

The first quarter harvest volume was 9 036 tonnes gutted weight (15 787 tonnes). Volumes were negatively impacted by a challenging biology in 2019 continuing into the first quarter of 2020 and lower production. Furthermore, harvest weights were negatively impacted by early harvesting in the quarter due to challenging biology particularly at sites in the Western Isles. This also impacted price achievement negatively.

Costs and operations

Full cost per kg increased by as much as 33% compared with the first quarter of 2019. The large increase was due to negative scale effects and increased biological costs and mortality costs.

The biological situation in our Scottish farming operations has been challenging since mid-2019, with several issues including *Pasteurella Skyensis*, PD, algal bloom and sea lice. This has coincided with a period of record high sea water temperatures and many winter storms.

Consequently, costs for the harvested generation were high. Production has also been lower than in the first quarter of 2019 due to the biological situation and increased number of treatments. Incident based mortality losses amounted to EUR 2.7 million related to mainly related to AGD and treatment losses (EUR 0.2 million in the first quarter of 2019).

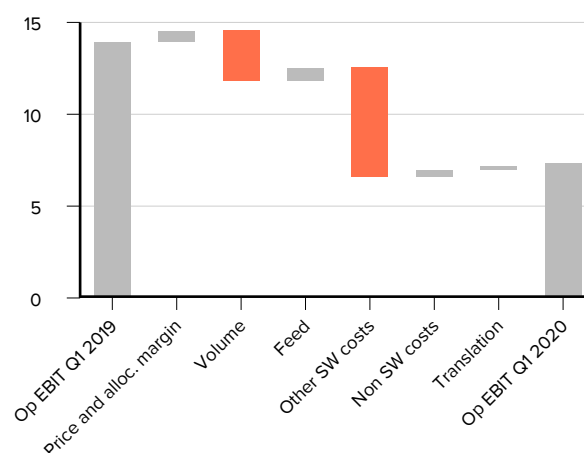
Although somewhat improved, the biological situation still requires close monitoring, especially related to sea lice. In relation to *Pasteurella Skyensis*, a vaccine has been developed and is undergoing field trials.

Going forward, costs are expected to improve as volumes recover and the company starts harvesting from a new generation.

Salmon of Canadian origin

EUR million	Q1 2020	Q1 2019
Operational EBIT	7.3	13.9
EBIT	-3.0	24.4
Harvest volume (GWT)	8 066	9 838
Operational EBIT per kg (EUR)	0.91	1.41
- of which Markets	0.23	0.13
- of which Consumer Products	0.02	0.00
Price achievement/reference price	92%	99%
Contract share	0%	0%
Superior share	87%	88%

Operational EBIT Salmon of Canadian Origin
Q1 2020 vs Q1 2019



Financial results

Operational EBIT for Mowi Canada amounted to EUR 7.3 million in the first quarter (EUR 13.9 million), the equivalent of EUR 0.91 per kg (EUR 1.41 per kg). The reduced earnings from the first quarter of 2019 were due to reduced harvest volumes and increased costs following challenging environmental conditions in both Canada West and Canada East in 2019.

Financial EBIT amounted to EUR -3.0 million (EUR 24.4 million).

Price and volume development

Overall market prices for salmon of Canadian origin increased from the comparable quarter and were particularly high in the beginning of the quarter on strong demand and reduced supply. However, market prices decreased during the quarter due to the Covid-19 pandemic and the related lockdown measures which impacted the foodservice segment. The combined price achievement for our Canadian operations was 8% below the reference price in the first quarter of 2020 (1% below in the comparable quarter). Price achievement was negatively impacted by winter sores.

There were no contracts for salmon of Canadian origin in the first quarter of 2020 or 2019.

The first quarter harvest volume was 8 066 tonnes gutted weight (9 838 tonnes). This was due to lower volumes in Canada East following the mass mortality event in 2019.

Costs and operations

The cost level per kg harvested in the first quarter of 2020 increased by 12% from the comparable quarter on negative scale effects from lower volumes and harvesting from sites with an increased cost level due to prior biological challenges. This was mainly driven by Canada East and the mass mortality event in Q3 2019. In Canada West, costs increased by 4%. Cost for the harvested generation was impacted by extended periods of low oxygen levels and plankton in the second half of 2019.

No incident based mortality was recognized in the first quarter of 2020 or 2019.

Production improved from the comparable quarter on more favorable temperatures in Canada East.

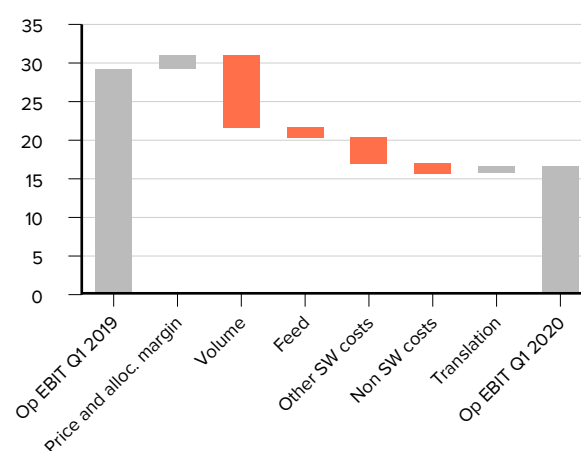
Due to low volumes in sea, no harvesting is expected in Canada East until September 2020.

In May, Mowi Canada East was notified that the ten licenses which were temporarily suspended following the mass mortality event in 2019 have been reinstated.

Salmon of Chilean origin

EUR million	Q1 2020	Q1 2019
Operational EBIT	16.6	29.2
EBIT	32.7	26.9
Harvest volume (GWT)	13 669	19 810
Operational EBIT per kg (EUR)	1.21	1.47
- of which Markets	0.09	0.13
- of which Consumer Products	0.58	0.15
Price achievement/reference price	91%	101%
Contract share	43%	21%
Superior share	85%	90%

Operational EBIT Salmon of Chilean Origin
Q1 2020 vs Q1 2019



Financial results

Operational EBIT amounted to EUR 16.6 million in the first quarter (EUR 29.2 million). Earnings were affected by reduced volumes and increased costs compared with the first quarter of 2019. Operational EBIT per kg was EUR 1.21 per kg (EUR 1.47 per kg).

Financial EBIT amounted to EUR 32.7 million (EUR 26.9 million).

Price and volume development

North America remains the most important market for Mowi Chile. However, volumes to Brazil were also good in the quarter.

The Urner Barry reference price for Chilean salmon was down by 1% compared with the first quarter of 2019. The average price per lb fillet in the quarter (Urner Barry D-trim 3-4 lb) was USD 5.16. Our price achievement for Chilean salmon was 9% lower than the reference price (1% above the reference price in the first quarter of 2019) due to downgrading and lower prices in Brazil. Downgrading was mainly due to SRS-related sores, and the superior share was 85% in the first quarter of 2020 (90%). Contribution from contracts relative to the reference price was positive in the first quarter of 2020 and 2019. The contract share was 43% in the quarter (21%).

Harvested volume was 13 669 tonnes gutted weight in the first quarter (19 810 tonnes). Average harvest weight were lower than in the comparable quarter on somewhat more challenging biology related to sea lice and SRS. Mowi Chile carries limited frozen inventory.

Costs and operations

Full costs per kg harvested increased by 11% from the comparable quarter on harvesting from sites with higher cost level, negative scale effects from lower volumes and additional costs related to Covid-19 including logistics costs.

Incident based mortality of EUR 0.9 million was recognized in the quarter (EUR 1.0 million in the first quarter of 2019).

Production was at the same level as in the first quarter of 2019.

Salmon of Irish origin

EUR million	Q1 2020	Q1 2019
Operational EBIT	-1.2	6.2
EBIT	13.0	12.1
Harvest volume (GWT)	6	1 422
Operational EBIT per kg (EUR)	n/a	4.38
- of which Markets	n/a	0.01
- of which Consumer Products	n/a	0.19
Price achievement/reference price	n/a	n/a
Contract share	n/a	94%
Superior share	n/a	90%

Operational EBIT amounted to EUR -1.2 million in the first quarter of 2020 (EUR 6.2 million).

There was no harvesting in our Irish operations in the first quarter of 2020 (1 422 tonnes in the first quarter of 2019). EUR 0.4 million was recognized as incident based mortality in the first quarter (EUR 1.7 million).

Financial EBIT amounted to EUR 13.0 million (EUR 12.1 million).

Production was good in the quarter and survival rates improved from the comparable quarter in 2019.

Salmon of Faroese origin

EUR million	Q1 2020	Q1 2019
Operational EBIT	5.2	1.9
EBIT	-4.3	4.5
Harvest volume (GWT)	1 851	1 126
Operational EBIT per kg (EUR)	2.79	1.69
- of which Markets	0.41	0.21
- of which Consumer Products	0.00	0.00
Price achievement/reference price	109%	96%
Contract share	0%	0%
Superior share	80%	86%

Operational EBIT amounted to EUR 5.2 million (EUR 1.9 million), equivalent to EUR 2.79 per kg (EUR 1.69 per kg). Earnings were positively affected by higher harvest volumes, higher achieved prices and lower costs.

Financial EBIT amounted to EUR -4.3 million (EUR 4.5 million).

Harvest volume was 1 851 tonnes gutted weight in the first quarter (1 126 tonnes).

The majority of Mowi's salmon of Faroese origin was sold to customers in Russia at favorable prices. Compared with the first quarter of 2019, achieved prices including allocated margin from Sales & Marketing increased by 7%. Price achievement and superior share was negatively impacted by winter sores.

Costs per kg harvested biomass decreased by 6% compared with the first quarter of 2019 mainly due to reduced health costs, non-seawater costs and positive scale effects from increased volumes.

Consumer Products

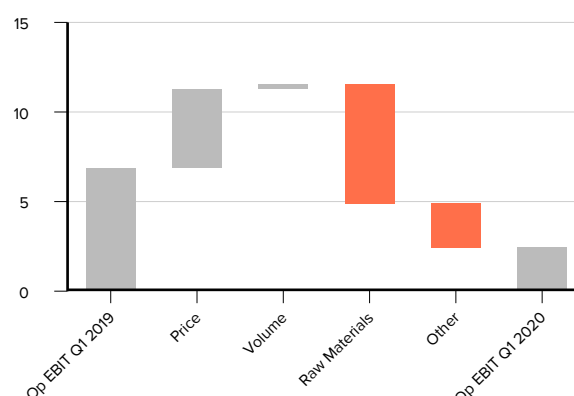
EUR million	Q1 2020	Q1 2019
Operating revenues ¹⁾	628.5	596.9
Operational EBIT ²⁾	2.4	6.8
Operational EBIT %	0.4%	1.1%
EBIT ³⁾	2.5	6.7
Volume sold (tonnes product weight)	52 093	49 967

¹⁾ The reporting segment includes Consumer Products in Europe, Asia and Americas.

²⁾ Operational EBIT for salmon in Consumer Products is also included in the results per country of origin.

³⁾ After elimination of unrealized gain/loss on group-internal hedging contracts.

Operational EBIT Consumer Products
Q1 2020 vs Q1 2019



Financial results

Operational EBIT for Consumer Products was EUR 2.4 million (EUR 6.8 million). The Operational EBIT margin was 0.4% (1.1%). Adjusted for trading and bulk activities, the Operational EBIT margin was 0.3% (1.9%).

Financial EBIT³⁾ amounted to EUR 2.5 million (EUR 6.7 million).

Price, volume and operations

Consumer Products' operating revenues were EUR 628.5 million (EUR 596.9 million) in the quarter. Total volumes sold were 52 093 tonnes product weight (49 967 tonnes), which is all-time high for a first quarter.

Consumer Products Europe

The first quarter is traditionally low season for Consumer Products. Earnings were also negatively impacted by the general pressure on margins from fierce competition in both the Chilled and the Fresh segment in Europe. Furthermore, there was no positive effect from Easter sales this year due to the Covid-19 situation.

In our Fresh operations, volumes increased from the first quarter of 2019, while in Chilled volumes were fairly stable. The increase is partly explained by bulk volumes, but also by strong demand and promotional activities in retail.

Consumer Products Americas

Consumer Products Americas experienced strong earnings in the quarter with an Operational EBIT margin of as much as 7.9%. Earnings for Fresh developed positively compared with the corresponding quarter of 2019 on positive product mix effects. Operational improvements have also contributed positively to the strong results.

Earnings in Chilled in Americas increased from the first quarter of 2019 on stable volumes.

Consumer Products Asia

Our operations in Asia had an operational margin of 1.8%. Earnings were impacted by low season. In addition the foodservice segment experienced a slowdown due to the Covid-19 pandemic, first in China and then in the rest of the region, which in turn impacted Consumer Products Asia negatively.

Consumer Products - Categories		Q1 2020		
EUR million		Fresh	Chilled	Total
Volume sold (tonnes prod wt)		39 234	12 859	52 093
Operational revenues		455.1	173.4	628.5
Operational EBIT		7.9	-5.4	2.4
Operational EBIT %		1.7%	-3.1%	0.4%

Consumer Products - Categories		Q1 2019		
EUR million		Fresh	Chilled	Total
Volume sold (tonnes prod wt)		37 757	12 210	49 967
Operational revenues		424.1	172.9	596.9
Operational EBIT		8.7	-1.9	6.8
Operational EBIT %		2.1%	-1.1%	1.1%

Consumer Products - Regions		Q1 2020			
EUR million		Europe	Americas	Asia	Total
Volume sold (tonnes prod wt)		37 770	6 998	7 325	52 093
Operational revenues		433.0	104.5	91.0	628.5
Operational EBIT		-7.4	8.2	1.6	2.4
Operational EBIT %		-1.7%	7.9%	1.8%	0.4%

Consumer Products - Regions		Q1 2019			
EUR million		Europe	Americas	Asia	Total
Volume sold (tonnes prod wt)		35 089	6 993	7 884	49 967
Operational revenues		411.7	98.4	86.9	596.9
Operational EBIT		1.6	2.7	2.5	6.8
Operational EBIT %		0.4%	2.8%	2.9%	1.1%

Feed

EUR million	Q1 2020	Q1 2019
Operating revenues	120.1	73.2
Operational EBIT	-1.0	-2.4
Operational EBIT %	-0.8%	-3.2%
EBIT	-1.0	-2.1
Feed sold volume (tonnes)	93 768	60 552
Feed produced volume (tonnes)	99 370	61 755

Operational EBIT for Feed is also included in the results per country of origin (currently only Norway).

Financial results

Operational EBIT was EUR -1.0 million (EUR -2.4 million) in the first quarter of 2020, of which EUR 2.5 million in Norway and EUR -3.5 million in Scotland. Operational EBIT margin was -0.8% (-3.2%). Production and sales were good in Norway. Earnings in Scotland were impacted by low volumes and the start-up phase of the new factory.

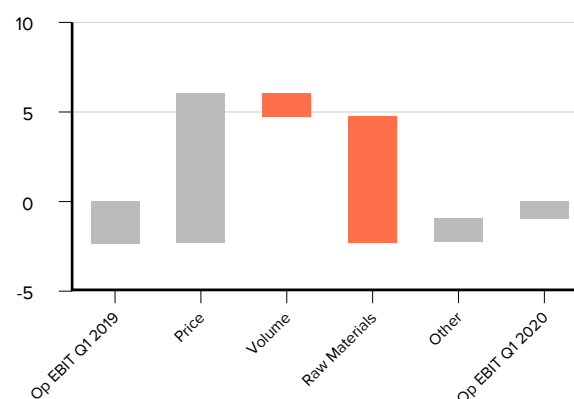
Financial EBIT amounted to EUR -1.0 million (EUR -2.1 million).

Price and volume development

Operating revenues were EUR 120.1 million in the first quarter (EUR 73.2 million).

Volumes in the quarter were all-time high for a first quarter for the Norwegian operations. Produced volume in the first quarter was 99 370 tonnes (61 755 tonnes), of which 74 307 tonnes were produced in Norway. Volumes sold in the first quarter reached 93 768 tonnes (60 552 tonnes), of which 71 041 in Norway.

Operational EBIT Feed
Q1 2020 vs Q1 2019



The volume delivered from Mowi Feed to our European farming operations accounted for 95% of total feed consumption (66%) in the first quarter.

Feed prices increased in the first quarter of 2020 compared with the first quarter of 2019 in accordance with market prices. Feed prices are set at market terms and benchmarked against third parties.

Costs and operations

Raw material costs increased from the comparable quarter mainly related to product mix effects and increased fish oil and fish meal prices. In Scotland, costs were also impacted by negative scale effects from low volumes and costs related to the start-up phase.

PLANET - Sustainable and responsible development

Our operations and long-term profitability ultimately depend on sustainable and environmentally responsible interactions with the natural environment. We rely on qualified personnel to maintain fish health, avoid escapes and minimize the environmental impact of our operations.

Escape prevention

Mowi has a target of zero fish escapes and is constantly striving to prevent escapes and improve methods, equipment and procedures that can minimize or eliminate escapes. In the first quarter, there was 1 incident in Scotland with a total number of escapees of 73 684. In the first quarter of 2019, there was 1 escape incident in Norway Region South with 1 escapee.

Fish health

Pancreas Disease (PD): 12 new sites were diagnosed with PD in the first quarter (7 sites in the corresponding quarter of 2019); all sites in Norway.

Infectious Salmon Anaemia (ISA): 2 new sites were diagnosed with ISA in the first quarter of 2020, both sites are in Norway (in the comparable quarter of 2019, no new sites were diagnosed with ISA). Our monitoring and surveillance continue and we maintain strict measures to harvest out sites with ISA immediately according to regulatory requirements.

Cardiomyopathy Syndrome (CMS): CMS is a concern in our farming operations in Norway, Scotland and Ireland. CMS is caused by a virus and affects the heart of the fish, and may cause mortality. Currently there is no vaccine. Control is achieved by applying biosecurity measures to prevent transmission or early harvesting of fish.

Winter sores: Norway Region North, Norway Region Mid and Canada have been impacted by winter sores in the first quarter. Winter sores are normally caused by the pathogenic bacteria *Moritella Viscosa* and are most common in the winter when the sea water temperature is low. Winter sores can cause elevated mortality as well as quality downgrading.

Lice management

Mowi is actively working to reduce the sea lice load in all farming units. Employment of non-medicinal solutions has increased in the operating units, and extensive development and testing of non-medicinal tools and methods continues in collaboration between Mowi's Global R&D and Technical department and the operating units. As per the end of the first quarter, the share of fish undergoing medicinal treatments against sea lice was comparable to the same quarter 2019. Mowi continues to work on reducing the dependency on medicinal treatments.

SRS in Chile

SRS (Salmonid Rickettsial Septicaemia) is caused by an intracellular bacterium which occurs mainly in Chile. Mortality caused by SRS is still a challenge in Chilean salmon farming. In the first quarter of 2020, reported mortality due to SRS was higher than in the comparable quarter of 2019.

Medicine use

Mowi focuses on preventing the development and spread of infectious diseases. If fish get infected, they are treated with approved medicines. In the first quarter, our use of antibiotics was 56.2 grams per ton biomass produced, which is down from 60.7 grams in the comparable quarter of 2019. Our use of antibiotics in the first quarter was mainly related to treatment of SRS in Chile and *Pasteurella Skyensis* infections in Scotland. Mowi is working on development of a vaccine for the latter.


Grams antibiotics per ton biomass produced	Q1 2020	Q1 2019
Norway	—	—
Scotland	43.0	—
Canada	21.4	72.6
Chile	239.5	263.7
Ireland	0.0	17.0
Faroese	0.0	0.0
Group	56.2	60.7

ASC certification

As per the close of the first quarter of 2020 we had 102 sites certified: 62 in Norway, 1 in Scotland, 25 in Canada, 5 in Ireland, 8 in Chile and 1 in the Faroes. This represents 38% of the total number of sites to be certified.

Several additional sites are under assessment and are expected to be certified in 2020. Mowi is taking the lead in ASC implementation and we are committed to demonstrating an environmentally responsible development in our organization.

For further information regarding sustainability and biological risk management, reference is made to the Annual Report.

 PLANET	GUIDING PRINCIPLE	AMBITION	ACHIEVEMENT
	Ensure sustainable wild-farmed interaction in the farming activity	Zero escapes	One escape incident with 73 684 escapees (one incident with 1 escapees in the first quarter of 2019)
	Ensure healthy stocks minimizing diseases and losses in the farming activities	Monthly survival rate of at least 99.5% within 2022	Average monthly survival rate in the quarter of 98.7% (98.9% in the first quarter of 2019)


PEOPLE - Safe and meaningful jobs

The safety, self-respect and personal pride of our employees cannot be compromised if Mowi is to succeed as a company and maintain good relationships with local communities.

Employee Health and Safety

There were two fatalities in the first quarter of 2020; one in Scotland and one fatality at a subcontractor in Chile. These tragic incidents are currently being investigated. Mowi has a vision of zero harm and constantly work to strengthen our health and safety culture. The Group recorded 17 Lost Time Incidents (LTIs) in the first quarter, which is a decrease from 37 in the comparable quarter of 2019.

Measured in LTIs per million hours worked (rolling average), the figure has improved to 3.51 from 5.40 in the comparable quarter of 2019. Absenteeism was 5.6% in the quarter, which is an increase from 5.3% in the comparable quarter due to the Covid-19 situation.

 PEOPLE	GUIDING PRINCIPLE	AMBITION	ACHIEVEMENT
	Safe jobs	No lost time incidents (LTI)	LTIs per million hours worked was 3.51 Programs are in place to reduce the number.
	Healthy working environment	Absenteeism < 4%	Absenteeism of 5.6% in the quarter.

PRODUCT - Tasty and healthy seafood

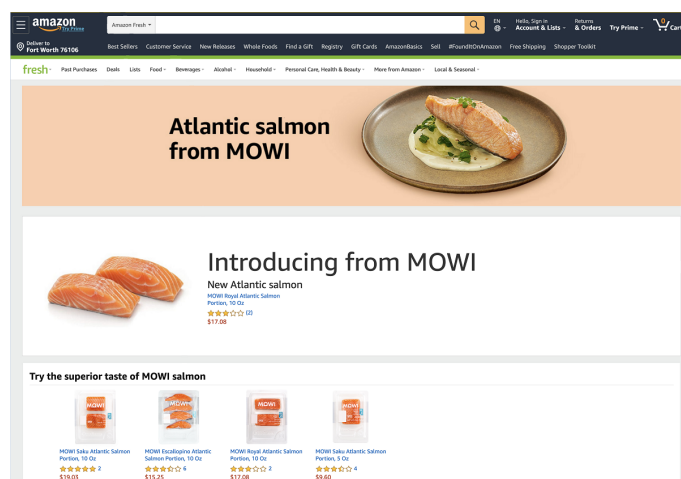
We aim to continually deliver healthy, tasty and responsibly produced seafood to our customers in order to deliver long-term financial profitability.

MOWI Pure launched in the US, but impacted by Covid-19

MOWI Pure was officially launched in the US market in March at the Amazon Fresh e-commerce platform. The branded products were unveiled across social media platforms in order to build brand awareness and connect with target groups. However, shortly after the launch, Covid-19 caused a difficult situation for brand awareness activities and other marketing efforts which made it very challenging to introduce new products to end customers. Furthermore, the supply chain for MOWI-branded products in the US was negatively impacted by logistics issues related to Covid-19. The MOWI Pure e-commerce launch will be reinvigorated when the Covid-19 situation improves. This will include partnerships with selected chefs to bring seafood edutainment to US households, in order to make salmon a more convenient everyday meal solution which can be easily prepared and enjoyed.

MOWI launch in the retail segment in France postponed

The MOWI brand was introduced to French retailers at the largest food fair in France, the Salon International de l'Agriculture (SIA) in Paris, which took place February 22 to March 1. Feedback on product taste and quality as well as on the MOWI brand story was very positive. However, the retail launch which was planned for the first quarter, has been postponed due to the Covid-19 situation.



Screenshot from the Amazon Fresh e-commerce platform featuring MOWI products.



Presentation of MOWI to French retailers at the Salon International de l'Agriculture (SIA) in Paris.

Mowi Central Europe receives prestigious product quality award

Laschinger Seafood, part of Mowi Central Europe, has been awarded the price for “long-standing product quality” by the Test Center for Food of the German Agricultural Society (DLG). The price is only awarded to producers who are consistently striving for quality and whose food products have been regularly and successfully tested by the DLG for at least five years with minimum three awards per year. We thank Laschinger Seafood for their hard work and dedication to deliver products of excellent and consistent quality.



Smoked salmon from Laschinger, Mowi Central Europe.

Mowi featured in BBC's flagship food program

On 23 February, Mowi was featured in The Food Programme on BBC Radio 4. In the program, the journalist travels from the River Spey on Scotland's east coast to Mowi's sites on the west coast. The program includes an interview with Dr. Audun Lem from the United Nations Food and Agriculture Organization who made a very clear case for aquaculture: “*Aquaculture is not only set to stay, it is the future. The growth in consumer demand for fish across the world can only be met through increased production in aquaculture.*” He is also quick to point out that already 50% of the fish we consume originates from aquaculture. Our colleagues in Scotland can be heard explaining how Mowi is gearing up to meet that global challenge and how salmon farming is performed in practice in Mowi's freshwater and seawater departments. The piece concludes by highlighting the responsibility of the consumer to buy sustainable food.



Dan Saladino from BBC and Rory Campbell from Mowi Scotland

 PRODUCT	GUIDING PRINCIPLE	AMBITION	ACHIEVEMENT
	Food quality and safety	Supply seafood with valuable health benefits, supported by its quality and documented safety	Health targets met
	Product innovation	Mowi wants to play an important role in the design and use of products to satisfy customer needs.	Launch of MOWI-branded products

Events during and after the close of the quarter

Covid-19 pandemic

In the first quarter, the Covid-19 situation developed into a global pandemic of unprecedented character. While operations have been running close to normal, Mowi has been negatively impacted by logistics issues and significant slowdown in the foodservice segment due to extensive lockdown measures in most countries. Fish wet counters have also been closed down in most retailers. However, these effects have been partly offset by increased sales of pre-packed products in retail. The logistics issues have mainly been related to air freight to Asia and the US. Road logistics have been running more or less as normal, as transportation of food have been prioritized by the authorities.

Mowi's mission to provide sustainable and healthy food to the population is more important than ever. Notwithstanding the current disruptions to our value chain, Mowi's employees have demonstrated flexibility and good working spirits to maintain production. Mowi continues to take all possible measures to keep operations running, and also in a crisis, health and safety remains the number one priority.

Reinstatement of ten licenses in Canada East

In May, Mowi was notified that the ten licenses which were temporarily suspended following the mass mortality event in 2019 have been reinstated. Mowi Canada holds in total 59 licenses in Canada East.

Changes in the Group Management Team

With effect from 14 April 2020, Mr. Øyvind Oaland was appointed Chief Operating Officer Farming Norway. Mr. Oaland comes from the position of Chief Technology Officer at Mowi. Mr. Oaland holds a Masters in Veterinary Medicine from the Norwegian School of Veterinary Science and possesses extensive farming experience after 20 years in various key positions at Mowi. The new farming structure with separate COOs for Farming Norway, Scotland & Ireland and Americas & Faroes strengthens our leadership resources in farming and enables us to adopt an even more hands-on approach.

To replace Mr. Oaland, Mowi has appointed Dr. Catarina Martins, Chief Sustainability Officer, to also take charge of Mowi's Global R&D & Technical team. Going forward Dr. Martins will be both Chief Sustainability Officer and Chief Technology Officer of Mowi. Dr. Martins holds a Masters in Marine Biology from Lisbon University in Portugal, a PhD in Animal Sciences from Wageningen University in the Netherlands and an MBA from The Norwegian School of Economics.

Collaboration between Mowi and Alphabet's X to develop new farming technology

Mowi's vision is to lead the Blue Revolution, and aims to to engage in the development of technology to improve our competitive advantage and to optimize our farming of healthy and sustainable food from the ocean.

One of these development initiatives is Mowi's collaboration with Tidal, X's ocean health and sustainability team, to test and research new fish farming technologies. X is a subsidiary of Alphabet, the parent company of Google. Over the last three years, Mowi has

been researching and testing a new sensing system developed by Tidal.

The system includes an advanced underwater sensing and software analysis platform that gathers intelligence on real-time growth, weight distribution, feeding control, and automatic lice counting for salmon. Using a combination of new camera technology as well as machine learning and machine perception, Tidal's system is able to track and model fish behaviors, environmental conditions and fish health over time.

After an extensive research and development period involving field testing and data collection, the project now enters a phase of commercial validation and Mowi will roll out the technology to multiple sites across Norway.



Maintenance of equipment related to Tidal's system at a site in Region Mid, Norway.

Deployment of the Tubenet concept at selected sites in Norway and Scotland

Mowi has decided to deploy the Tubenet concept at seven sites in Mowi Norway and one site in Mowi Scotland. The purpose of the Tubenet is to physically separate sea lice in the upper water column from the salmon. Mowi will perform large scale validation trials following promising results from semi-commercial research trials.

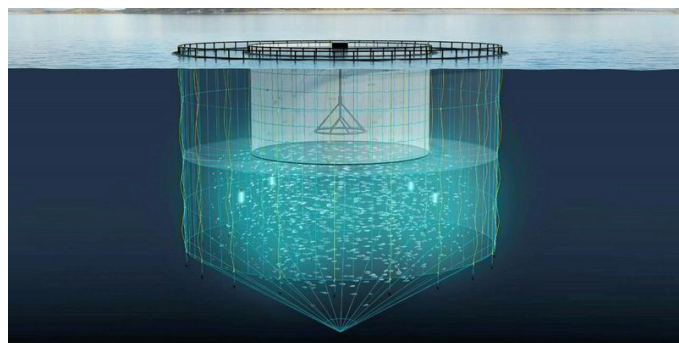


Illustration of the Tubenet concept

New vessel delivered from DESS Aqua

In April 2020, DESS Aquaculture Shipping took delivery of the new well boat "Aqua Skilsøy" and started on a charter with Mowi Region Mid in Norway. The well boat has a capacity of 3,900 m³. To date the operating fleet consist of nine vessels; one harvest vessel, five well boats and three landing craft vessels. In addition, three well boats are under construction.



Aqua Skilsøy

Update on the allegations of price collusion

Further to the European Commission inspection in February 2019 and the subsequent class action lawsuits in the US and Canada and investigation by the Department of Justice in the US.

The European Commission has requested additional information from Mowi, with deadline in the beginning of June 2020. Apart from this there is no news regarding the Commission's case handling.

In April 2020, Mowi and the other salmon farmers accused of price collusion in a class action lawsuit in the US filed a motion to dismiss the lawsuit. As described in the motion, the price collusion lawsuit relies on vague allegations of unspecified conduct by unspecified defendants at unspecified times, which are insufficient as a matter of law to state a claim.

Mowi considers that there is no basis for the EU inspections and that these clearly lack merit and are entirely unsubstantiated. This equally applies to the Department of Justice's investigation in the US and the civil lawsuits in the US and Canada.

EU fine related to the Morpol acquisition

On 4 March 2020 Mowi received a final non-appealable judgment from the EU Court of Justice related to the fine of EUR 20 million regarding the Morpol acquisition in 2013. The Court dismissed Mowi's appeal from the EU General Court in its entirety, despite the recommendation from the EU Advocate General to reduce the fine. The fine was expensed in the financial statements for 2014 and paid in 2017, and the recent judgment therefore has no further financial effect for Mowi.

Proposed production fee in Norway

On 12 May, the Norwegian government presented their proposal for the Revised National Budget. As part of the proposal, the Norwegian government discarded the recommendation from the Parliament-appointed committee to introduce a 40% resource tax in Norway and instead proposed a production fee of NOK 0.4/kg of salmon produced with effect from 2021.

Annual report

Mowi published its Annual Report for 2019 on 25 March 2020. Please refer to our web site at mowi.com for details.

Q1 dividend decision postponed

In light of the Covid-19 pandemic the Board of Mowi has decided to postpone the decision on first quarter dividend until the second quarter. The Board considers it essential to maintain a strong financial position amid the heightened uncertainty caused by Covid-19.

Outlook statement from the Board of Directors

Results in the first quarter were impacted by falling prices as Covid-19 escalated into a world-spanning pandemic of unprecedented character with extensive lockdown measures in most countries. In the wake of these measures we are also incurring higher costs than usual. Together with low farming volumes and challenging biology last year we experienced elevated costs in the quarter. Consumer Products delivered all-time high sold volumes for a first quarter, which is an impressive achievement by its approximately 7,000 employees. Feed also delivered all-time high volumes for a first quarter.

Mowi's operations are defined as "essential services" in all countries in which we are present, and our mission to produce sustainable and healthy food is thus more important than ever. Notwithstanding Covid-19 currently causing market and logistical disruptions, Mowi's operations have been running close to normal so far. At the same time we have managed to maintain the safety and well-being of our employees. The company will do whatever it can to keep operations running also going forward without compromising health and safety. The Board would like to express its gratitude to all of Mowi's employees for making this possible.

The Covid-19 situation has temporarily impacted trade flows, logistics and distribution. The foodservice segment is particularly affected by the measures imposed to contain the spread of the virus. Reduced consumption within foodservice, however, is partially offset by increased sales through the retail channel. Mowi's integrated value chain has demonstrated resilience in these challenging times, as the company has produced more value-added products through its extensive network of downstream facilities. Mowi has capitalised on long-term relationships with retailers globally, and sold an increased share of production through the retail distribution channel.

Despite temporary disruptions the long-term outlook still remains favourable for the salmon industry, supported by a growing middle class demanding more high quality proteins, the resource-efficient nature of salmon protein production, the health benefits of eating salmon and the limited potential of the supply of wild fish to meet demand growth. We have started to see easing of lockdown measures in some countries and signs of increased demand as a result. The Board strongly believes the demand for salmon will recover to pre Covid-19 levels as the foodservice segment gradually reopens as a result of this.

With Mowi's strong financial position and highly competent employees, the company is well positioned to get through these challenging times. "Leading a Blue Revolution" is not easy but the Board believes Mowi's unique strengths of a global presence, being fully integrated and being a front runner on innovation and R&D, will make positive impacts in the current Covid-19 situation.

Released-from-stock costs ("RFS costs") for Farming in the quarter have been impacted by challenging biology in 2019 and consequently low volumes. Although the Board believes that the

company is in a good cost position relative to its peers, RFS cost development is nonetheless a concern. Lice and lice-related issues have driven farming costs up significantly over the past few years as many previously successful remedies have lost their efficacy in several farming areas. Use of cleanerfish and mechanical treatment are both more costly and less effective than many previous remedies. Thus, Mowi has decided to increase its efforts on lice-prevention measures and will deploy the Tubenet concept at seven sites in Mowi Norway and one site in Mowi Scotland in large scale validation trials following promising results from semi-commercial research trials. The purpose of the Tubenet is to physically separate sea lice in the upper water column from the salmon.

The Board also believes that the recent strengthening of Mowi's leadership resources by dividing Farming into three distinct areas from what was previously one single area, is an important step towards reducing costs and increasing volumes going forward. Organisational capacity, competence and focus are all vital elements to achieve this.

Mowi has over time collaborated with X (previously "Google X"), Alphabet's innovation engine, to research and test new digital technologies for net-pen farming. This includes an advanced underwater sensing and software analysis platform that gathers intelligence on real-time growth, weight distribution, feeding control, and automatic lice counting for salmon. Using a combination of new camera technology as well as machine learning and machine perception, the system is able to track and model fish behaviours, environmental conditions and fish health over time. The Board is thus excited that the project is now entering a phase of commercial validation during which Mowi will roll out the technology to multiple sites across Norway.

To address costs, Mowi has also introduced a new cost saving programme for 2020 of EUR 25 million after completion of significant cost-saving programmes in 2018 and 2019 of EUR 61 million and EUR 31 million, respectively.

Volume developments were positive in Consumer Products during the quarter. However, continued fierce competition within the European Chilled and Fresh segment impacted profitability. The Covid-19 situation has temporarily impacted foodservice distribution negatively, however, shifting demand partially to retail. Consumer Products are producing record high volumes to meet the growing demand from retail chains.

Mowi's branding footprint expanded in the quarter. Sales of MOWI products in the Polish retail segment continued. In the US, MOWI's branded products were launched on the Amazon Fresh e-commerce platform. The branded products were unveiled across social media platforms in order to build brand awareness. However, Covid-19 caused a difficult market situation and the launch will be reinvigorated when the market situation improves. In France, the MOWI brand was introduced to French retailers at

the largest food fair in France, however, the actual retail launch has been postponed due to Covid-19.

Operations within Feed were good in the quarter, despite the first quarter being low season. Mowi Feed delivered 95% of Mowi Farming's feed requirements in Europe during the quarter which is satisfactory. The Norwegian plant continues to operate at the highest standard and the Scottish plant has also performed well in the ramp-up phase.

The Board is pleased with the recent proposal from the Norwegian government to discard the recommendation from the Parliament-appointed committee to introduce a resource tax in Norway. A resource tax would have had significant negative consequences for the industry and its capital expenditures, employment and local communities. Instead the government is proposing a production fee of NOK 0.40/kg. Norwegian salmon farming is struggling with high production cost and any extra fee will just increase this burden and reduce Norwegian salmon farming's competitiveness accordingly. However, a production fee of NOK 0.40/kg is far better than the recommendation from the Parliament-appointed committee of a 40% resource tax.

In light of the Covid-19 pandemic the Board of Mowi has decided to postpone the decision on the first quarter dividend until the second quarter. The Board considers it essential to maintain a strong financial position amid the heightened uncertainty caused by Covid-19.

According to Kontali Analyse, the global supply outlook of an expected growth of 4% in 2020 and 2% in 2021 would in normal circumstances be supportive of good salmon prices. However, the Covid-19 pandemic has impacted market dynamics and prices in the short-term. That said, the Board still strongly believes in the positive long-term outlook for the industry, and for Mowi in particular.

Summary year to date

Please refer to Highlights form the first quarter of 2020 (page 2)

RISKS

Mowi has not identified any additional risk exposure beyond the risks described in note 3 of this report and the 2019 Annual Report.

Reference is also made to the Planet section and the Outlook section of this report for other comments to Mowi's risk exposure.

Bergen, May 12, 2020

The Board of Directors of Mowi ASA

Ole-Eirik Lerøy

CHAIR OF THE BOARD

Lisbet K. Nærø

DEPUTY CHAIR OF THE BOARD

Cecilie Fredriksen

Paul Mulligan

Jean-Pierre Bienfait

Birgitte Ringstad Vartdal

Kristian Melhuus

Unni Sværen

Anders Sæther

Jørgen Wenggaard

Ivan Vindheim
CHIEF EXECUTIVE OFFICER

Interim financial statements

Condensed Consolidated Statement of Comprehensive Income

Unaudited, in EUR million	Note	Q1 2020	Q1 2019	2019
Revenue	4, 5	884.6	980.0	4 135.6
Cost of materials		-426.6	-444.4	-1 982.8
Net fair value adjustment biomass	6	-160.6	34.4	-127.5
Salaries and personnel expenses		-140.8	-135.6	-563.5
Other operating expenses		-133.6	-131.3	-585.6
Depreciation and amortization		-81.2	-66.9	-287.1
Onerous contract provisions		2.2	6.1	5.3
Restructuring cost		0.0	0.0	-19.2
Other non-operational items		-0.2	-0.2	-2.4
Income from associated companies and joint ventures		2.2	7.1	48.7
Impairment losses		-0.1	0.0	-4.5
Earnings before financial items (EBIT)		-54.1	249.2	617.0
Interest expenses	8	-19.6	-13.9	-70.2
Net currency effects	8	-21.6	11.0	31.6
Other financial items	8	1.6	2.5	29.0
Earnings before tax		-93.7	248.8	607.4
Income taxes		16.1	-55.0	-131.2
Profit or loss for the period		-77.7	193.9	476.3
Other comprehensive income				
Currency translation differences		-36.8	45.6	64.2
Currency translation associated companies and joint ventures		-21.9	4.8	2.1
Items to be reclassified to P&L in subsequent periods:		-58.7	50.5	66.3
Actuarial gains (losses) on defined benefit plans, net of tax		0.0	0.0	-3.8
Other gains and losses in comprehensive income		0.0	0.0	0.0
Items not to be reclassified to profit and loss:		0.0	-0.1	-3.8
Other comprehensive income, net of tax		-58.7	50.4	62.5
Total comprehensive income in the period		-136.4	244.3	538.7
Profit or loss for the period attributable to				
Non-controlling interests		0.0	-0.2	-1.3
Owners of Mowi ASA		-77.7	194.0	477.6
Comprehensive income for the period attributable to				
Non-controlling interests		0.1	-0.2	-1.3
Owners of Mowi ASA		-136.6	244.4	540.1
Basic earnings per share (EUR)		-0.15	0.38	0.92
Dividend declared and paid per share (NOK)		2.60	2.60	10.40

Condensed Consolidated Statement of Financial Position

Unaudited, in EUR million	Note	31.03.2020	31.12.2019	31.03.2019
ASSETS				
Licenses		864.4	858.0	794.1
Goodwill		313.5	317.9	290.6
Deferred tax assets		26.4	19.9	15.9
Other intangible assets		26.9	24.8	26.1
Property, plant and equipment		1 338.3	1 361.6	1 253.0
Right-of-use assets		421.9	386.8	357.2
Investments in associated companies and joint ventures		216.4	238.5	232.9
Other shares and other non-current assets		2.9	3.0	1.6
Total non-current assets		3 210.7	3 210.4	2 971.3
Inventory		305.7	320.7	336.1
Biological assets	6	1 393.3	1 522.4	1 585.8
Current receivables		489.6	657.9	581.1
Cash		100.0	128.6	89.7
Total current assets		2 288.6	2 629.6	2 592.7
Total assets		5 499.3	5 840.1	5 564.0
EQUITY AND LIABILITIES				
Equity		2 623.6	2 892.2	2 984.5
Non-controlling interests		0.6	0.4	1.6
Total equity		2 624.2	2 892.6	2 986.1
Deferred tax liabilities		401.2	436.0	417.3
Non-current interest-bearing debt		1 456.6	1 465.8	1 104.4
Non-current leasing liabilities		264.0	258.9	252.7
Other non-current liabilities		9.6	10.5	10.9
Total non-current liabilities		2 131.4	2 171.2	1 785.3
Current interest-bearing debt		0.0	0.0	0.1
Current leasing liabilities		118.3	127.1	112.2
Other current liabilities		625.4	649.1	680.4
Total current liabilities		743.8	776.3	792.6
Total equity and liabilities		5 499.3	5 840.1	5 564.0

Condensed Consolidated Statement of Change in Equity

2020	Attributable to owners of Mowi ASA								
	Share capital	Other paid in capital	Shared based payment	Foreign currency translation reserve	Foreign currency translation reserve associated companies	Other equity reserves	Total	Non-controlling interests	Total equity
Unaudited, in EUR million									
Equity 01.01.2020	404.8	1 274.7	5.4	146.0	-5.4	1 066.6	2 892.2	0.4	2 892.6
Comprehensive income									
Profit						-77.7	-77.7	—	-77.7
Other comprehensive income				-36.8	-21.9	—	-58.7	0.1	-58.6
Transactions with owners									
Share based payment			0.7				0.7		0.7
Dividend						-132.9	-132.9		-132.9
Total equity end of period	404.8	1 274.7	6.1	109.2	-27.3	856.0	2 623.6	0.6	2 624.2

2019	Attributable to owners of Mowi ASA								
	Share capital	Other paid in capital	Shared based payment	Foreign currency translation reserve	Foreign currency translation reserve associated companies	Other equity reserves	Total	Non-controlling interests	Total equity
Unaudited, in EUR million									
Equity 01.01.2019	404.0	1 251.0	5.9	81.8	-7.5	1 141.9	2 877.2	1.7	2 879.0
Comprehensive income									
Profit						477.6	477.6	-1.3	476.3
Other comprehensive income				64.2	2.1	-3.8	62.5		62.5
Transactions with owners									
Share based payment			-0.5			-4.2	-4.7		-4.7
Dividend						-544.9	-544.9		-544.9
New shares	0.8	23.7					24.5		24.5
Total equity 31.12.2019	404.8	1 274.7	5.4	146.0	-5.4	1 066.6	2 892.2	0.4	2 892.6

Condensed Consolidated Statement of Cash Flow

Unaudited, in EUR million	Q1 2020	Q1 2019	2019
Earnings before taxes (EBT)	-93.7	248.8	607.4
Interest expense	19.6	13.9	70.2
Net currency effects	21.6	-11.0	-31.6
Other financial items	-1.6	-2.5	-29.0
Net fair value adjustment and onerous contracts	158.4	-40.5	122.3
Income/loss from associated companies and joint ventures	-2.2	-7.1	-48.7
Impairment losses, depreciation and amortization	81.2	66.9	291.6
Change in inventory, trade payables and trade receivables	75.9	51.0	-103.9
Taxes paid	-53.0	-53.1	-156.2
Restructuring and other non-operational items	18.1	-0.1	40.4
Other adjustments	1.1	-0.5	-3.4
Cash flow from operations	225.5	265.8	759.0
Sale of fixed assets	2.0	0.5	6.6
Purchase of fixed assets and additions to intangible assets	-75.1	-65.7	-292.7
Proceeds and dividend from associates and other investments	1.0	13.4	44.9
Purchase of shares and other investments	0.0	-15.6	-67.1
Cash flow from investments	-72.1	-67.2	-308.3
Net proceeds from new interest-bearing debt	4.6	-40.6	314.6
Down payment leasing debt	-35.3	-26.9	-122.2
Net interest and financial items paid	-20.3	-13.6	-68.6
Realized currency effects	3.3	1.8	-7.1
Dividend	-132.9	-137.9	-544.9
Cash flow from financing	-180.6	-217.3	-428.2
Change in cash in the period	-27.1	-18.8	22.5
Cash - opening balance ¹⁾	117.5	93.9	94.0
Currency effects on cash - opening balance	3.4	0.7	1.0
Cash - closing balance ¹⁾	93.9	75.8	117.5

¹⁾ Excluded restricted cash

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

Note 1 GENERAL INFORMATION

Mowi (the Group) consists of Mowi ASA and its subsidiaries, including the Group's interests in associated companies.

These interim financial statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU). The interim financial statements do not include all of the information and disclosures required by International Financial Reporting Standards (IFRSs) for a complete set of financial statements, and these interim financial statements should be read in conjunction with the annual financial statements. The interim report is unaudited.

Note 2 ACCOUNTING PRINCIPLES

All significant accounting principles applied in the consolidated financial statements are described in the Annual Report for 2019 (as published on the Oslo Stock Exchange on March 25, 2020). No new standards have been applied in 2020.

Significant fair value measurements in accordance with IFRS 13:

Biological assets

Biological assets are, in accordance with IAS 41, measured at fair value, unless the fair value cannot be measured reliably. Broodstock and smolt are measured at cost less impairment losses, as the fair value cannot be measured reliably. Fair value of biological assets is calculated based on a cash flow-based present value model, which does not rely on historical cost. Cash inflows are calculated as functions of estimated volume multiplied with estimated price. Fish ready for harvest (mature fish) is valued at expected sales price with a deduction of cost related to harvest, transport etc. Sales costs are not deducted. For fish not ready for harvest (immature fish), the model uses an interpolation methodology where the known data points are the value of the fish when put to sea and when recognized as mature fish.

In accordance with IAS 41.16, a provision for onerous contracts is recorded by assessing if there are contracts in which the unavoidable costs of meeting the Group's obligations under the contract (where fair value adjustment of biological assets is included in the unavoidable costs) exceed the economic benefits expected to be received.

Note 3 ESTIMATES AND RISK EXPOSURE

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 biological assets and intangible 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.

Mowi is exposed to a number of risk factors: Operational risks, strategic risk, reporting risk and compliance risk. The Risk Management section in the Annual Report contains a detailed description of risks and mitigation actions.

Note 4 BUSINESS SEGMENTS

For management purposes, Mowi is organized into three Business Areas: Feed, Farming and Sales & Marketing. Feed and Farming are separate reportable segments. Sales & Marketing is divided in two reportable segments, Markets and Consumer Products.

The performance of the segments is monitored to reach the overall objective of maximizing the Operational EBIT per kg. Consequently, reporting is focused towards measuring and illustrating the overall profitability of harvested volume based on source of origin (Operational EBIT/kg).

The same accounting principles as described for the Group financial statements have been applied for the segment reporting. Inter-segment 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 actual transactions.

Unrealized internal margin from sale of fish feed from Feed to Farming is eliminated in the Group financial statements until the fish that consumed the feed is sold. In the segment reporting the internal profit is included for Business Area Feed.

BUSINESS AREAS	Feed	Farming	Sales & Marketing		Other	Elimination	TOTAL
			Markets ¹⁾	Consumer Products ¹⁾			
EUR million							
Q1 2020							
External revenue	4.5	11.2	240.7	628.5	0.0	0.0	884.8
Internal revenue	115.6	499.4	318.0	0.0	4.6	-937.7	0.0
Operational revenue	120.1	510.6	558.7	628.5	4.6	-937.7	884.8
Derivatives and other items	0.0	11.0	0.2	0.1	0.0	-11.6	-0.2
Revenue in profit and loss	120.1	521.6	558.9	628.7	4.6	-949.3	884.6
Operational EBITDA ²⁾	2.7	131.3	11.9	8.4	-4.9	0.0	149.4
Operational EBIT	-1.0	101.4	11.8	2.4	-5.4	0.0	109.3
Change in unrealized internal margin	0.0	0.0	0.0	0.0	0.0	-2.3	-2.3
Gain/loss from derivatives	0.0	11.6	-3.7	-11.8	0.0	0.0	-4.0
Net fair value adjustment on biological assets	0.0	-160.6	0.0	0.0	0.0	0.0	-160.6
Onerous contract provisions	0.0	2.2	0.0	0.0	0.0	0.0	2.2
Restructuring cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-operational items	0.0	-0.6	0.0	0.0	-0.2	0.0	-0.8
Income from associated companies and joint ventures	0.0	1.5	0.0	0.0	0.6	0.0	2.2
Impairment losses and write-downs	0.0	-0.1	0.0	0.1	0.0	0.0	-0.1
EBIT	-1.0	-44.7	8.1	-9.3	-5.0	-2.3	-54.1
Q1 2019							
External revenue	5.1	15.7	361.7	596.9	0.0	0.0	979.4
Internal revenue	68.0	623.9	322.1	0.0	6.3	-1 020.3	0.0
Operational revenue	73.2	639.5	683.8	596.9	6.3	-1 020.3	979.4
Derivatives and other items	0.0	-3.3	0.3	0.6	0.0	3.0	0.6
Revenue in profit and loss	73.2	636.2	684.0	597.6	6.3	-1 017.3	980.0
Operational EBITDA ²⁾	-0.9	213.5	13.2	12.1	-4.7	0.0	233.2
Operational EBIT	-2.4	184.1	13.1	6.8	-5.5	0.0	196.1
Change in unrealized internal margin	0.0	0.0	0.0	0.0	0.0	5.9	5.9
Gain/loss from derivatives	0.0	-3.0	0.3	3.5	-0.7	0.0	0.2
Net fair value adjustment on biological assets	0.3	34.1	0.0	0.0	0.0	0.0	34.4
Onerous contract provisions	0.0	6.1	0.0	0.0	0.0	0.0	6.1
Restructuring cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-operational items	0.0	-0.3	0.0	-0.2	0.0	0.0	-0.5
Income from associated companies and joint ventures	0.0	7.0	0.0	0.0	0.1	0.0	7.1
Impairment losses and write-downs	0.0	0.0	0.0	0.1	0.0	0.0	0.0
EBIT	-2.1	227.9	13.4	10.3	-6.1	5.9	249.2

BUSINESS AREAS	Feed	Farming	Sales & Marketing		Other	Elimination	TOTAL
			Markets ¹⁾	Consumer Products ¹⁾			
EUR million							
2019							
External revenue	30.6	102.3	1 390.6	2 611.8	0.0	0.0	4 135.4
Internal revenue	488.8	2 521.6	1 368.7	0.0	28.5	-4 407.6	0.0
Operational revenue	519.4	2 623.8	2 759.3	2 611.8	28.5	-4 407.6	4 135.4
Derivatives and other items	0.0	-7.6	1.9	0.0	0.0	6.0	0.3
Revenue in profit and loss	519.4	2 616.2	2 761.2	2 611.8	28.5	-4 401.6	4 135.6
Operational EBITDA ²⁾	32.8	719.7	68.9	67.5	-14.3	0.0	874.5
Operational EBIT	22.4	602.2	68.4	45.4	-17.5	0.0	720.9
Change in unrealized internal margin	0.0	0.0	0.0	0.0	0.0	-5.1	-5.1
Gain/loss from derivatives	0.0	-6.0	2.1	6.0	0.4	0.0	2.4
Net fair value adjustment on biological assets	0.1	-127.7	0.0	0.0	0.0	0.0	-127.5
Onerous contract provisions	0.0	5.3	0.0	0.0	0.0	0.0	5.3
Restructuring cost	0.0	0.0	0.0	-18.9	-0.3	0.0	-19.2
Other non-operational items	0.0	-1.6	0.0	-0.9	-1.4	0.0	-4.0
Income from associated companies and joint ventures	0.0	48.2	0.0	0.3	0.1	0.0	48.7
Impairment losses and write-downs	0.0	-4.2	0.0	-0.3	0.0	0.0	-4.5
EBIT	22.6	516.2	70.4	31.6	-18.7	-5.1	617.0

¹⁾ From the first quarter of 2020 the operations in Asia, where previously parts were included in the Markets reporting segment, are fully included in the Consumer Products reporting segment. Additionally Mowi Turkey, which was previously included in the Markets reporting segment, is now included in Consumer Products. Comparison figures have been re-presented accordingly.

²⁾ Operational EBITDA excludes the effects of IFRS 16.

Note 5 DISAGGREGATION OF REVENUE

BUSINESS AREAS	Feed		Farming		Sales & Marketing		TOTAL	
EUR million	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019
Geographical markets								
Europe	4.0	4.9	9.0	12.1	568.6	629.9	581.6	646.9
Americas	0.0	0.0	0.7	0.6	194.2	210.6	194.8	211.2
Asia	0.0	0.0	0.0	0.0	93.3	88.0	93.3	88.0
Rest of the world	0.0	0.0	0.0	0.2	11.7	23.4	11.7	23.6
Revenue from contracts with customers	4.0	4.9	9.6	12.9	867.8	952.0	881.5	969.8
Other income	0.4	0.2	1.6	2.8	1.4	6.6	3.4	9.6
External operational revenue	4.5	5.1	11.2	15.7	869.2	958.6	884.8	979.4

BUSINESS AREAS	Feed	Farming	Sales & Marketing	TOTAL
EUR million	2019 Full year	2019 Full year	2019 Full year	2019 Full year
Geographical markets				
Europe	29.2	60.4	2 658.5	2 748.1
Americas	0.0	1.9	868.9	870.7
Asia	0.0	0.0	371.7	371.7
Rest of the world	0.0	0.7	82.8	83.4
Revenue from contracts with customers	29.2	62.9	3 981.9	4 074.0
Other income	1.4	39.4	20.6	61.4
External operational revenue	30.6	102.3	4 002.5	4 135.4

Source of revenue

The main source of revenue for the Group is sales of Atlantic salmon, including elaborated products.

The business area Sales & Marketing represents the majority of the Group's external revenue. The revenue distribution for Sales & Marketing according to product categories was as follows in the first quarter of 2020 (first quarter of 2019): Fresh bulk 33% (42%), smoked/marinated 18% (17%), fresh MAP 16% (13%), fresh prepared 17% (13%), frozen prepared 4% (6%), frozen bulk 1% (2%) and other 12% (8%).

The business area Feed sells some feed to external parties. In the first quarter of 2020 the business area Farming has no external revenue related to sales of Atlantic salmon (EUR 7.2 million in the first quarter of 2019). Revenue for the Farming business area includes insurance income and rental income from sales of surplus primary processing capacity, as well as revenue from sales of eggs.

Note 6 BIOLOGICAL ASSETS

EUR million	Norway	Scotland	Canada	Chile	Other	TOTAL
Fair value adjustment on harvested fish in the statement of comprehensive income						
Q1 2020	-112.2	-13.1	-8.6	-12.9	-3.4	-150.1
Q1 2019	-128.6	-31.7	-19.1	-28.5	-5.1	-212.9
2019	-452.0	-111.7	-72.3	-84.1	-24.7	-744.9
Fair value adjustment on biological assets in the statement of comprehensive income						
Q1 2020	-33.9	-10.8	-1.5	28.8	8.8	-8.5
Q1 2019	142.8	36.2	29.6	26.6	14.7	249.8
2019	414.6	94.0	27.8	56.6	35.9	628.9
Fair value adjustment on incident based mortality in the statement of comprehensive income						
Q1 2020	-1.4	-0.5	0.0	0.0	-0.1	-2.0
Q1 2019	-1.7	0.0	0.0	-0.4	-0.5	-2.5
2019	-7.6	-3.8	4.5	-0.7	-4.0	-11.6
Net fair value adjustment biomass in the statement of comprehensive income						
Q1 2020	-147.5	-24.3	-10.0	15.9	5.3	-160.6
Q1 2019	12.5	4.6	10.5	-2.3	9.2	34.4
2019	-45.0	-21.5	-40.0	-28.1	7.2	-127.5

Volumes of biomass in sea (1 000 tonnes)

31.03.2020	300.1
31.12.2019	289.8

Fair value adjustment on biological assets in the statement of financial position**31.03.2020**

Fair value adjustment on biological assets	88.5	16.1	21.2	27.1	26.5	179.4
Biomass at cost*						1 214.0
Total biological assets						1 393.3

31.12.2019

Fair value adjustment on biological assets	236.1	41.1	33.0	10.8	21.2	342.2
Biomass at cost*						1 180.2
Total biological assets						1 522.4

* Includes costs related to seawater, freshwater, broodstock and cleanerfish

Reconciliation of changes in carrying amount of biological assets

Carrying amount as of 31.12.2019	1 522.4
Cost to stock	382.9
Net fair value adjustment	-160.6
Mortality for fish in sea	-8.7
Currency translation differences	-22.3
Total carrying amount of biological assets as of 31.03.2020	1 393.3

EUR million	Norway	Scotland	Canada	Chile	Other	TOTAL
Price sensitivities effect on fair value	-11.9	-3.1	-3.9	-2.5	-1.1	-22.4

The sensitivities are calculated based on a EUR 0.1 reduction of the salmon price in all markets.

Onerous contracts provision (included in other current liabilities in the statement of financial position)

31.12.2019	2.2
Change in onerous contracts provision in the statement of comprehensive income	-2.2
31.03.2020	0.0

Note 7 EXCEPTIONAL ITEMS

EUR million	Q1 2020
Incident based mortality Mowi Norway	4.0
Incident based mortality Mowi Scotland	2.7
Incident based mortality Mowi Canada	0.0
Incident based mortality Mowi Chile	0.9
Incident based mortality Mowi Faroes	0.0
Incident based mortality Mowi Ireland	0.4
Incident based mortality	8.0
Exceptional sea lice mitigation Mowi Norway	21.3
Sum exceptional items	29.3

Note 8 FINANCIAL ITEMS

EUR million	Q1 2020	Q1 2019	2019
Interest expenses	-16.5	-11.0	-58.9
Interest expenses leasing (IFRS 16)	-3.1	-2.9	-11.3
Net interest expenses	-19.6	-13.9	-70.2
Net currency effect on long term positions	14.4	5.9	-8.4
Net currency effects on short term positions	-5.9	-3.0	21.0
Net currency effects on short term currency hedges	-12.1	2.4	5.8
Net currency effects on long term currency hedges	-61.2	12.0	10.0
Currency effects on leasing (IFRS 16)	43.2	-6.2	3.3
Net currency effects	-21.6	11.0	31.6
Change in fair value financial instruments	4.5	2.3	29.4
Net other financial items	-3.0	0.2	-0.5
Other financial items	1.6	2.5	29.0
Net financial items	-39.6	-0.4	-9.5

Note 9 SHARE CAPITAL

	No. of shares	Share capital (EUR million)	Other paid in capital (EUR million)
Share capital			
Issued at the beginning of 2020	517 111 091	404.8	1 274.7
Changes during the period	0	0.0	0.0
Issued at the end of period ¹⁾	517 111 091	404.8	1 274.7

¹⁾ Per March 31, 2020 Mowi ASA had a share capital of NOK 3,878,333,182.50 divided into 517,111,091 shares, each with a par value of NOK 7.50.

The group did not hold any treasury shares during the reporting period.

Note 10 SHAREHOLDERS

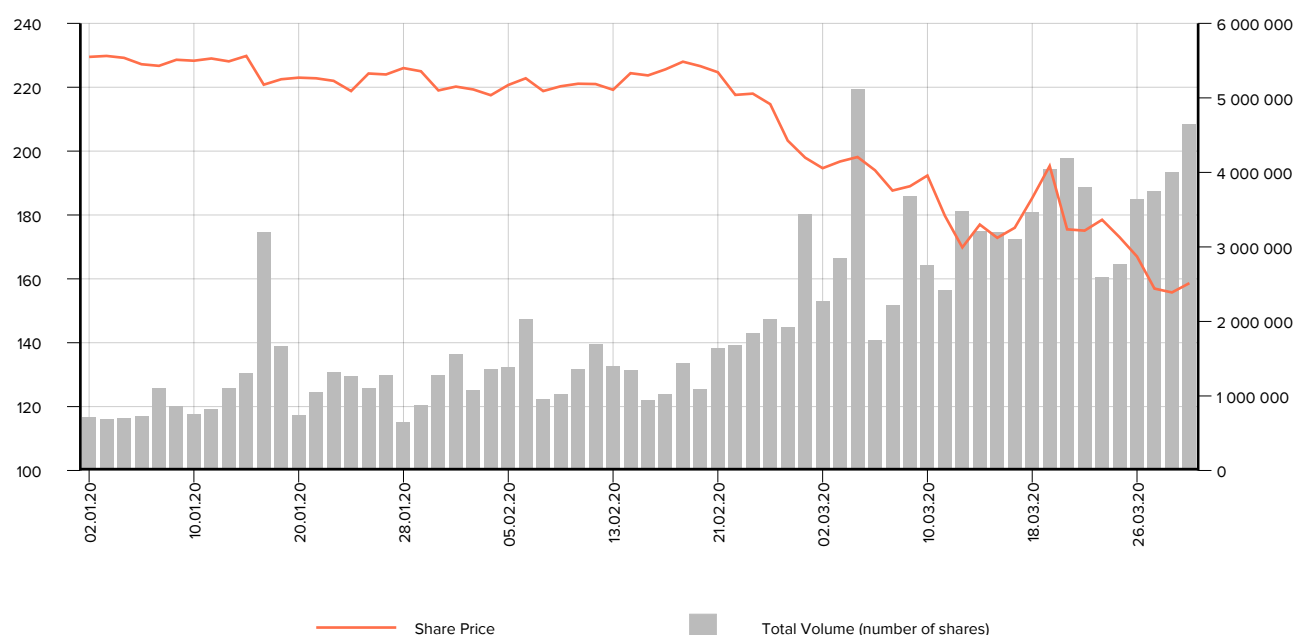
Major shareholders as of 31.03.2020:

Name of shareholder	No. of shares	%
Geveran Trading Co Ltd ¹⁾	74 289 287	14.37%
Folketrygdfondet	48 644 131	9.41%
Clearstream Banking S.A.	26 906 605	5.20%
State Street Bank and Trust Comp	23 458 392	4.54%
Citibank, N.A.	12 797 961	2.47%
Euroclear Bank S.A./N.V.	11 493 934	2.22%
State Street Bank and Trust Comp	9 999 885	1.93%
State Street Bank and Trust Comp	8 801 425	1.70%
J.P. Morgan Chase Bank, N.A., London	7 800 408	1.51%
State Street Bank and Trust Comp	7 616 255	1.47%
UBS Switzerland AG	7 425 543	1.44%
SIX SIS AG	6 465 713	1.25%
The Northern Trust Comp, London Br	5 363 612	1.04%
State Street Bank and Trust Comp	4 622 490	0.89%
KLP Aksjenorge Indeks	4 397 380	0.85%
Citibank, N.A.	4 000 000	0.77%
J.P. Morgan Chase Bank, N.A., London	3 992 751	0.77%
Citibank, N.A.	3 736 220	0.72%
Goldman Sachs International	3 267 638	0.63%
The Northern Trust Comp, London Br	3 149 945	0.61%
Total 20 largest shareholders	278 229 575	53.80%
Total other	238 881 516	46.20%
Total number of shares 31.03.2020	517 111 091	100.00%

¹⁾ In addition to the shares included above Geveran Trading Co Ltd have entered into a Total Return Swap ("TRS") agreement with underlying exposure to 4 000 000 shares in Mowi. Expiry date for the TRS agreement is June 8, 2020 and the TRS price is NOK 188.7817 per share.

Note 11 SHARE PRICE DEVELOPMENT

Share price development at Oslo Stock Exchange (ticker MOWI)



Forward looking statements

This report may be deemed to include forward-looking statements, such as statements that relate to Mowi's goals and strategies, salmon prices, ability to increase or vary harvest volume, production capacity, future capital expenditures and investments and the expected returns therefrom, trends in the seafood industry, restructuring initiatives, exchange rate and interest rate fluctuations, expected research and development expenditures, business prospects and positioning with respect to market, demographic and pricing trends, strategic initiatives, financial target (including ROCE and NIBD), planned operational expenses, product demand and trends, supply trends, expected price levels, and the effects of any extraordinary events and various other matters (including developments with respect to laws, regulations and governmental policies regulating the industry and changes in accounting policies, standards and interpretations) on Mowi's business and results. Forward-looking statements are typically identified by words or phrases, such as "believe," "expect," "anticipate," "intend," "estimate," "may increase," "may fluctuate," "plan," "goal," "target," "strategy," and similar expressions or future or conditional verbs such as "may," "will," "should," "would," and "could." Forward-looking statements are Mowi's current estimates or expectations of future events or future results. Actual results could differ materially from those indicated by these statements because the realization of those results is subject to many risks and uncertainties. Mowi ASA's annual report contains additional information about factors that could affect actual results, including: changes to the price of salmon including the value of our biological assets; hedging risks; risks related to fish feed; economic and market risks; environmental risks; operational risks; risks related to escapes, disease and sea lice; product risks; risks related to our acquisitions; financing risks; regulation risks including relating to food safety, the aquaculture industry, processing, competition and anti-corruption; trade restriction risks; litigation risks; tax and accounting risks; strategic and competitive risks; and reputation risks. All forward-looking statements included in this report are based on information available at the time of the release, and Mowi assumes no obligation to update any forward-looking statement.