

PRFOODS

AS PRFoods

Consolidated Unaudited Interim Report

3rd quarter and 9 months of 2021/2022
(translation from the Estonian original)

2021/2022

3ND QUARTER & 9 MONTHS

PRFOODS

Business name	AS PRFoods
Commercial registry code	11560713
Address	Pärnu mnt 141, Tallinn, Estonia
Phone	+372 452 1470
Website	prfoods.ee
Main activities	Production and sale of fish products Fish farming
Reporting period	1 July 2021 – 31 March 2022

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CORPORATE PROFILE

AS PRFoods (hereinafter the "Group") is a company engaged in fish farming, processing and sales, and its shares are listed on the main list of NASDAQ Tallinn Stock Exchange since 5 May 2010 and its bonds are listed since 6 April 2020.

09.02.2022, Saaremere Kala AS, a subsidiary of AS PRFoods, signed an agreement to transfer 100% of the shares of Heimon Kala Oy to Nordic Fish Oy. The transfer of Heimon Kala Oy shares has been completed on 07.03.2022, ie the shares of Heimon Kala Oy have been transferred to Nordic Fish Oy. AS PRFoods will continue to develop fish farming in Sweden and Estonia, with the aim of becoming the largest fish farmer in the region.

Since the acquisition of John Ross Jr. and Coln Valley Smokery in the summer of 2017, the Group has sales experience to 37 countries in Europe, North and South America, and Asia.

Main activities of the Group are fish farming and manufacturing of fish products. The main products are salmon and rainbow trout products. Approximately 2/3 of the raw fish used in the Group's rainbow trout production comes from the Group's fish farms in Swedish lakes and from coastal waters of Saaremaa in Estonia, assuring the highest quality and reliable deliveries. The rest of raw fish is purchased mainly from Norway and Denmark. Fish products are manufactured in two modern factories in Saaremaa (Estonia), and in Aberdeen (Great Britain).

Products of the Group are sold as leading brands in their respective operating market and the primary focus is on higher value-added premium products, increasing thereby the profitability of the company.

AS PRFoods plans to introduce a new brand this year, which emphasizes the origin of our Saaremaa. We process mostly rainbow trout and salmon in our factories, in smaller quantities also whitefish, perch, pikeperch, vendace, Atlantic and Baltic herrings. We always keep the fish in a place of honour – both when farming and processing it – that is why we raise most of our red fish ourselves and smoke it with alder chips in the traditional way. As our product range is quite wide, a favourite product can be found for the whole family – lightly salted trout slices that have won the title of the Best Fish Product in Estonia, children's favourite trout cutlets or trout roe for a more festive occasion.

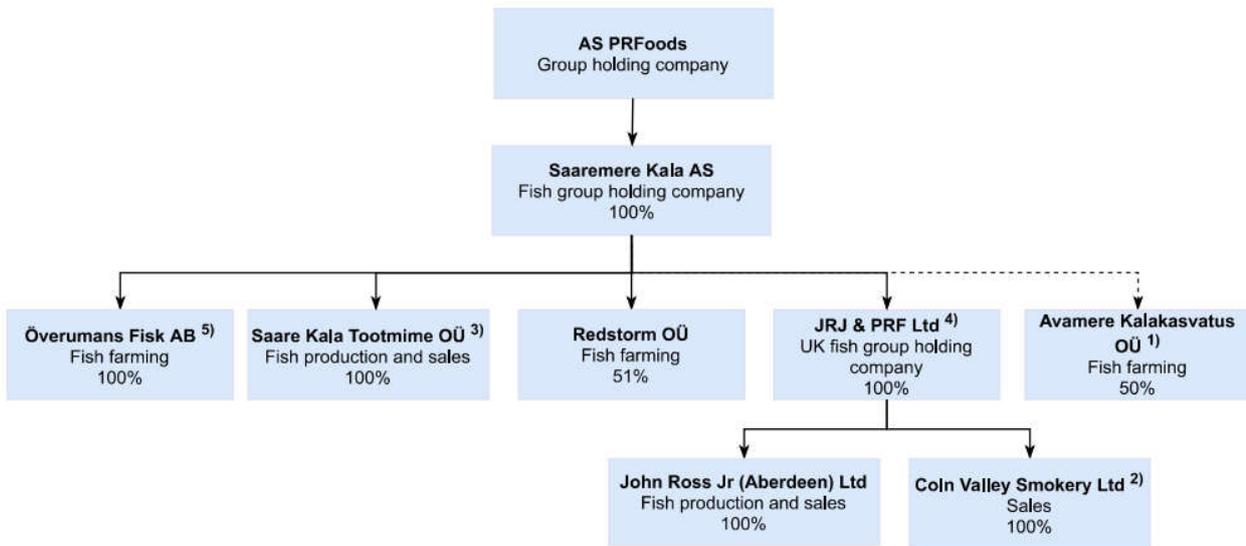
The Group is actively involved in developing new products for expanding also to new export markets.

THE GEOGRAPHY OF PRODUCTION AND SALES

Fish farming	Sweden Estonia
Purchase of raw fish	Sweden Norway Denmark
Production	Estonia Great Britain
Sales	Great Britain Estonia



GROUP STRUCTURE AS AT 31.03.2022



1)The Group does not consolidate Avamere Kalakasvatus OÜ as it holds neither dominant nor significant control over the company

2) 64% of Coln Valley Smokery Ltd shares owned by JRJ & PRF Ltd and 36% by John Ross Jr (Aberdeen) Ltd

3) From 01.04.2022 Heimon Kala OÜ continued its activities under the business name Saare Kala Tootmine OÜ

4) Saaremere Kala AS will acquire 15% of the shares of the holding company JRJ & PRF Limited and holds 100% of JRJ & PRF Limited shares

5) Saaremere Kala AS acquired 100% of the shares of the Överumans Fisk AS

In addition, AS PRFoods holds a 20%-share of AS Toidu- ja Fermentatsioonitehnoloogia Arenduskeskus (Competence Center of Food and Fermentation Technology).

Agreement on the transfer of 100% of the shares of Heimon Kala Oy entered into between AS PRFoods subsidiary Saaremere Kala AS and Nordic Fish Oy on 09.02.2022 have been fulfilled by Saaremere Kala AS and the sale of shares transaction has been therefore completed.

The most significant trademarks of the Group are “PRFoods” and “John Ross Aberdeen“.



MANAGEMENT REPORT

MANAGEMENT REPORT

OVERVIEW OF ECONOMIC ACTIVITIES

MANAGEMENT COMMENTARY

Q3 and 9 months results show separately discontinued daughter company Heimon Kala Oy results. As of Q4 PRFoods will no longer show Heimon Kala Oy results as discontinued unit. Acquired fish farming licences fair value has not been included in the report. Taking into account that group's financial year ends June 30, the annual report will be structured anew, including fish farming. Relevant information will be disclosed in upcoming report.

End of 2021 and beginning of 2022 were extremely volatile. Raw material prices increased over 100%, due to which processed goods, which prices were fixed in fall with retailers, were significantly loss making. Therefore, it should be viewed as right decision to sell Heimon Kala OY, as seen from company's results. Independently, other group companies were profitable, even Estonia if to deduct loss from Finnish exports. During Q4 we can demonstrate that our other companies can manage even in very volatile environment. PRFoods has no exposure to Ukraine, Belorussia, and Russia, thus the war does not affect as directly. At the same time, we must take into account higher costs, including energy. Fish farming can pass extra costs directly to consumers, processing units must monitor that gross margin is kept, even if sales might be compromised.

Grave mistakes in Finnish management caused there a crisis, survival of which independently was challenging. We believe that further consolidation in Finland affects positively Heimon Kala Oy performance in future and Estonian factory will continue to sell subcontracted products to Heimon Kala Oy.

Due to sale of business units, correction was made in the balance sheet of the group, due to purchase price of Finnish units in 2006-2007 and 2017. Please take into account that Swedish fish farming unit was separated from Heimon Kala Oy as part of the sale but was historically included in purchase price of Finnish businesses. Relevant adjustment will be made in annual report after directly consolidating Sweden to group. PRFoods is analysing various scenarios to reduce debt in order to invest in new fish farming projects.



Sincerely,

Indrek Kasela



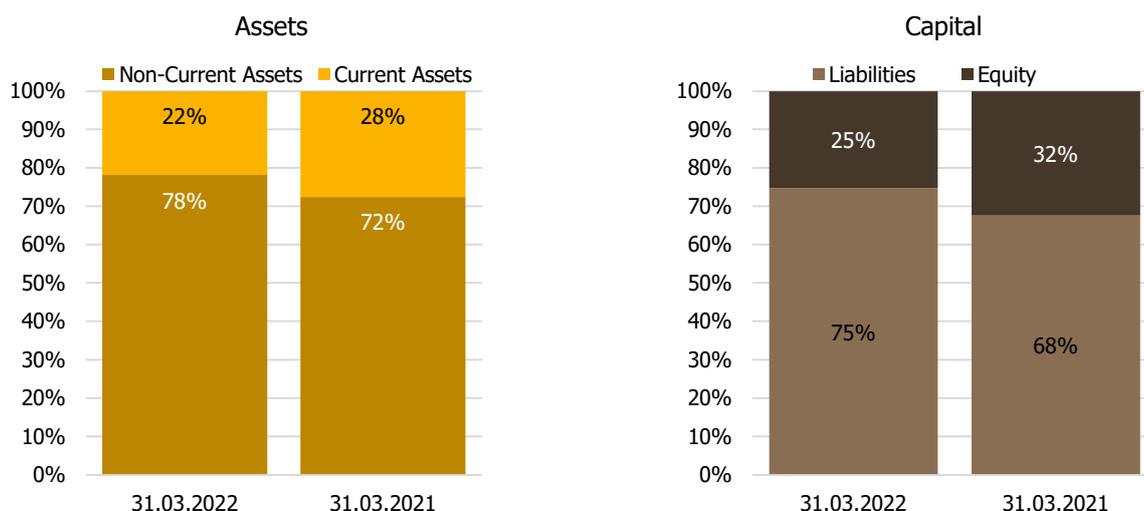
UNAUDITED FINANCIAL RESULTS OF AS PRFOODS, THE 3ND QUARTER OF THE FINANCIAL YEAR 2021/2022 COMPARED TO THE 3ND QUARTER OF FINANCIAL YEAR 2020/2021

BALANCE SHEET

As at 31.03.2022 consolidated total assets of PRFoods stood at 40.0 million euros. The year before i.e. as at 31.03.2021 the balance sheet totalled 54.5 million euros.

The Group's current assets stood at 8.8 million euros as at 31.03.2022 (31.03.2021: 15.0 million euros). Non-current assets totalled 31.3 million euros (31.03.2021: 39.4 million euros).

Current liabilities totalled 11.6 million euros as at 31.03.2022 (31.03.2021: 20.0 million euros). Non-current liabilities totalled 18.3 million euros (31.03.2021: 16.8 million euros). Equity of PRFoods was 10.1 million euros (31.03.2021: 17.6 million euros).



REVENUE

The main products of the Group are salmon and rainbow trout goods. The Group is mainly known as a seller of smoked fish products in the UK and a seller of raw fish in Estonia as well as the biggest supplier of caviar to Estonian stores.

The Group's revenue during the nine months of the financial year 2021/2022 was 21.65 million euros, down by 18.95 million euros compared to the same period of the previous financial year, when the sales amounted to 40.59 million euros.

FISH FARMING

The competitive advantage of the Group is its vertical integration – fish farming, production and sales. About two thirds of the raw trout used in the Group's production is harvested from the Group's own fish farms in the lakes in Sweden, in the archipelago in Turku area in Finland and in coastal area of Saaremaa, Estonia, ensuring that customers receive fast and high-quality deliveries.

Vertical integration enables the Group to reduce costs in certain phases of fish farming and to also enhance control foremost over fish processing and marketing. In the fish business, as fish are livestock, the quality assurance in the technological process has keenly to be maintained throughout the entire product lifecycle. In addition to improved cost control, the vertical integration enables to reduce risks in fish farming, for instance due to poor quality of feed or base materials, and to secure the volume required for processing as well as price stability of raw material.



PRICE OF FISH

The fish industry is extremely dependent on availability and the price of raw fish. Large producers make their production plans for three years in advance as it is difficult and expensive in shorter perspective to adapt a fish farm's production cycle to market needs. Therefore, the world market fish supply is relatively rigid in the short-term, while demand is somewhat shifting depending on the season. This imbalance in fish supply and demand results in constantly fluctuating price of raw fish. Moreover, the far-reaching change in supply chains related to the spread of the virus has increased the amplitude and unpredictability of prices. The Group counters the impact of external environment and volatility of fish price through the changes of the Group's production and sales strategy.

MARKET PRICE OF FISH

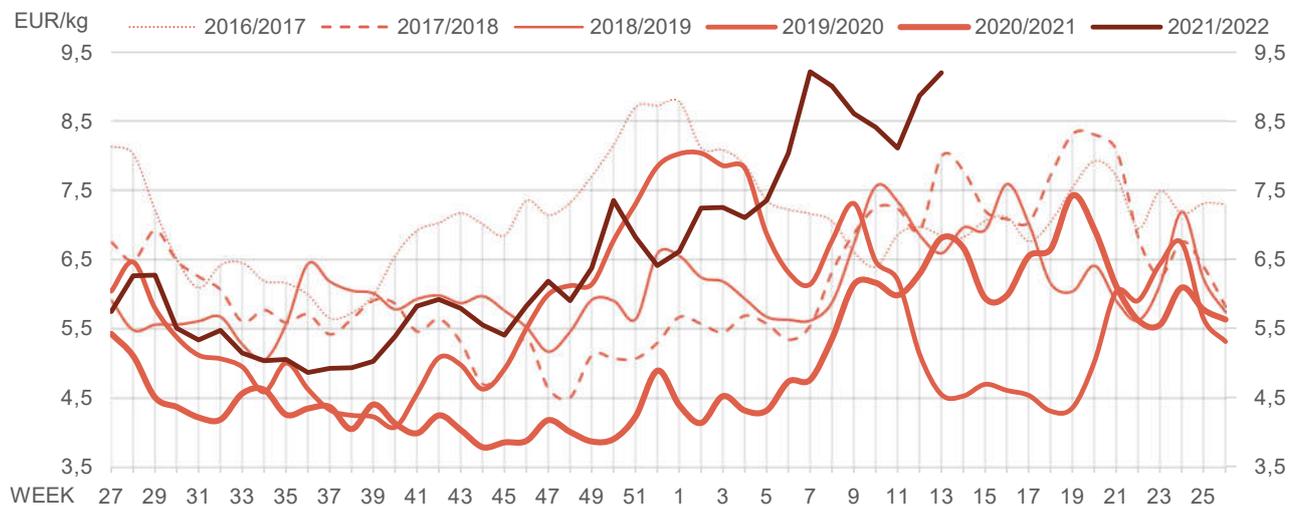
EUR/kg	31.03.2022	31.03.2021	31.03.22 vs 31.03.21	31.03.2020	31.03.22 vs 31.03.20	31.03.2019	31.03.22 vs 31.03.19
Salmon	9.20	6.81	35.1%	4.54	102.6%	6.59	39.6%
Rainbow trout	7.90	6.00	31.7%	4.52	74.8%	6.65	18.9%

As at the end of the reporting period the price of salmon has increased by 35.1% and the price of rainbow trout has increased by 31.7% compared to the prices a year ago. Over the two-year period, the price of salmon has increased by 102.6% and the trout by 74.8%. The price of salmon has increased by 39.6% and of rainbow trout by 18.9% compared to the prices three years ago.

The graphs below illustrate weekly average prices of salmon and rainbow trout since the financial year 2016/2017.



EXPORT PRICE OF NORWEGIAN SALMON



Source: Nasdaq Salmon price



EXPORT PRICE OF NORWEGIAN RAINBOW TROUT



Source: akvafakta.no

AVERAGE MARKET PRICE OF FISH

EUR/kg	9m 21/22	9m 20/21	9m 21/22 vs 9m 20/21	9m 19/20	9m 21/22 vs 9m 19/20	9m 18/19	9m 21/22 vs 9m 18/19
Salmon	6.29	4.49	40.1%	5.65	11.3%	5.91	6.4%
Rainbow trout	6.13	4.47	37.1%	5.35	14.5%	5.90	3.9%

As at the end of the reporting period the average market prices of salmon and rainbow trout have increased by 40.1% and 37.1%, respectively, compared to the prices of the same period in the previous financial year.

BIOLOGICAL ASSETS

Biological assets are fish stock accounted for in PRFoods' fish farms in live weight, including rainbow trout (*Oncorhynchus mykiss*) and European whitefish (*Coregonus lavaretus*).

The Group uses the Norwegian export statistics (source: akvafakta.no) to assess the value of rainbow trout's stock. For assessing the value of whitefish stock, the monthly market price survey of the Finnish Fish Farmers' Association is used. When the price of raw fish increases or decreases, so does the value of fish harvested in fish farms of PRFoods, having either a positive or a negative impact on the Group's financial results.

CHANGE IN BIOLOGICAL ASSETS, TONNES

	9m 21/22	9m 20/21	Change, tonnes 9m 21/22 vs 9m 20/21	Change, % 9m 21/22 vs 9m 20/21
Biomass at the beginning of the period	846	945	-99	-10.5%
Biomass at the end of the period	342	495	-153	-30.9%
Harvested fish (in live weight)	1,427	1,934	-507	-26.2%

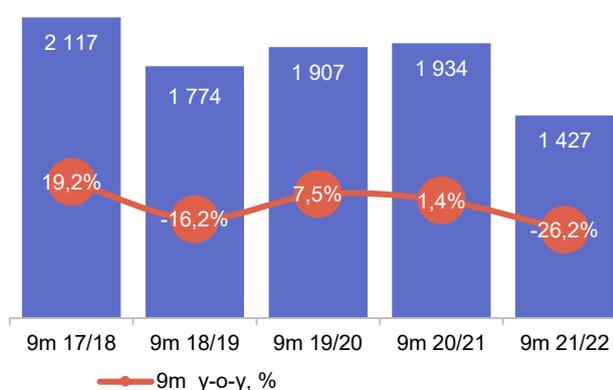
Biological assets totalled 342 tonnes as at 31.03.2022, a decrease by 153 tonnes, i.e. 30.9% compared to the same period last year. A total of 1.427 tonnes fish was harvested during the 9 months of the financial year, i.e. 507 tonnes or 26.2% less compared to the same period a year ago.

BIOMASS VOLUME AND AVERAGE PRICE, EUR/KG

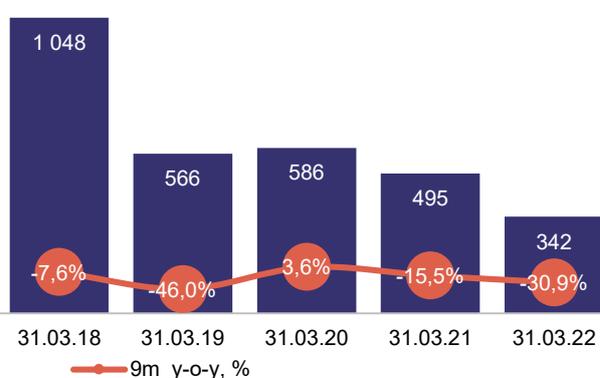
	9m 21/22	9m 20/21	Change, mln EUR 9m 21/22 vs 9m 20/21	Change, % 9m 21/22 vs 9m 20/21
Biological assets at the end of period, mln EUR	2.31	2.37	-0.05	-2.2%
Biomass volume at the end of period, tonnes	342	495	-153	-30.9%
Average price, EUR/kg	6.76	4.78	1.98	41.5%
Fair value adjustment of biological assets, mln EUR	-0.19	-0.13	-0.06	43.1%

The fair value of biological assets was 2.31 million euros compared to 2.37 million euros a year ago. Average price of biomass was 6.76 euros per kg compared to 4.78 euros per kg during the comparable period a year ago.

Harvested volume, tonnes



Biomass volume, tonnes



MANAGEMENT AND SUPERVISORY BOARDS

The Management Board of AS PRFoods is comprised of one member – Indrek Kasela – who as per the supervisory board's decision serves as the sole member of the management board since 2 February 2015. The management board is independent in its day-to-day management of the business, protects the best interests of all shareholders and thereby ensures the company's sustainable development in accordance with the set objectives and strategy. It is also responsible for the internal control and risk management processes in the company.

The Supervisory Board of AS PRFoods appoints management board members for a three-year term. The articles of association prescribe the management board to consist of one to four members. Indrek Kasela (born 1971), holds an LL.M (Master of Laws) degree from New York University (1996) and a BA degree in law from the University of Tartu (1994).

In addition to the management position in PRFoods, he is a member of management boards in almost all the Group entities and in several non-Group entities (Lindermann, Birnbaum & Kasela OÜ, ManageTrade OÜ, Noblessneri Jahtklubi OÜ, etc). He chairs or is a member of supervisory boards among others of the following companies: AS Toode, ELKE Grupi AS, ELKO Grupa AS, EPhaG AS, Salva Kindlustuse AS, Ridge Capital AS, AS Ekspress Grupp, Elering AS, SA Avatud Eesti Fond, Tulundusühistu Tuleva, Eesti Avamere Vesiviljelejate Ühistu. He serves also as a board member in several companies and NPOs domiciled abroad.

The Supervisory Board of AS PRFoods is comprised of six members. The board is chaired by Lauri Kustaa Äimä, members of the supervisory board are Aavo Kokk, Harvey Sawikin, Vesa Jaakko Karo, Arko Kadajane and Kuldar Leis.

The highest governing body of a public limited company is a general meeting of shareholders. General meetings of shareholders are either ordinary or extraordinary.

Pursuant to law, a supervisory board of a public limited company is a supervisory body responsible for planning the activities of a company, organising its management and supervising the activities of its management board. According to the Articles of Association of AS PRFoods, the supervisory board has three to seven members elected by the general meeting of shareholders for the term of three years.

Information on the education and careers of the members of the supervisory board as well as their management positions in other companies is available on PRFoods' website www.prfoods.ee.

PRFOODS' SHARES HELD BY THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARDS AND THE PERSONS/COMPANIES RELATED TO THEM AS AT 31.03.2022:

Shareholder	Number of shares	Ownership interest
Member of the management board – Indrek Kasela	1,613,617	4.17%
Member of the supervisory board – Kuldar Leis	1,223,050	3.16%
Member of the supervisory board – Lauri Kustaa Äimä	125,000	0.32%
Member of the supervisory board – Vesa Jaakko Karo	90,000	0.23%
Member of the supervisory board – Arko Kadajane	8,928	0.02%
Member of the supervisory board – Harvey Sawikin	0	-
Member of the supervisory board – Aavo Kokk	0	-
Total number of shares owned by the members of the supervisory and management boards	3,060,595	7.91%

SHARE AND SHAREHOLDERS

The registered share capital of the company is 7,736.572 euros which is divided to 38,682.860 ordinary shares without nominal value. All shares are freely transferable and of the same kind, i.e. have equal voting and dividend rights.

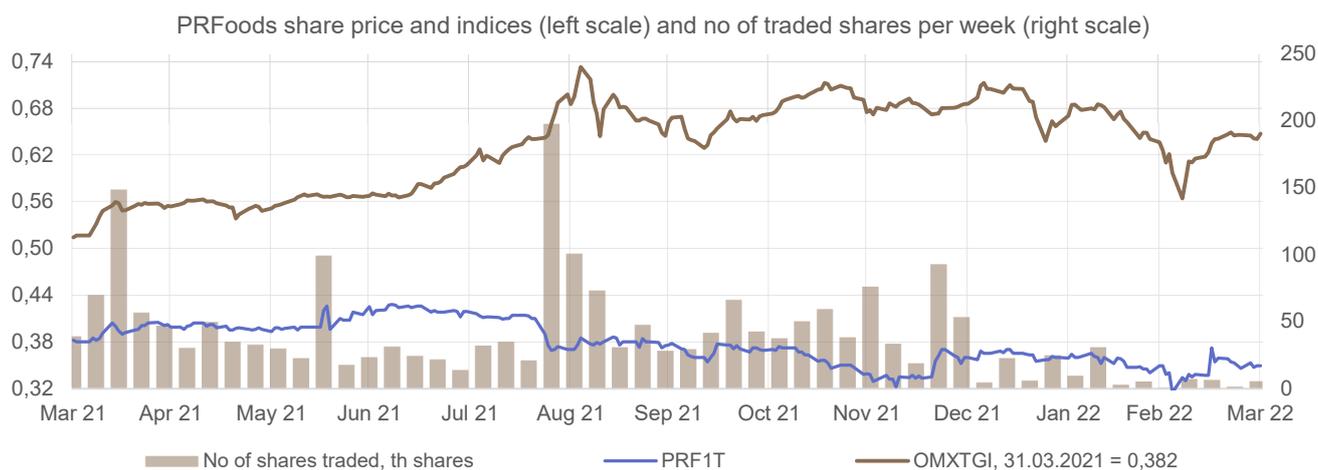
PRFoods shares are listed in the main list of Nasdaq Tallinn Stock Exchange since 5 May 2010. PRFoods shares do not have an official market maker. PRFoods share is a component in OMX Tallinn General Index.

PRFoods has twice reduced the nominal value of shares with making payments to shareholders: in 2012 by 10 euro cents and in 2015 by 30 euro cents. The general meeting of shareholders from 26 May 2016 resolved to adopt shares without nominal value and on 30 June 2016 the commercial registry registered the shares without nominal value. The accountable nominal value of a share is 0.20 euro (nominal value of a share was 10.0 Estonian kroons until 13 April 2011, 0.60 euro till 3 September 2012, and 0.50 euro till 2 October 2015).

PRFOODS SHARE PRICE, INDICES AND TRADING ACTIVITY

Tallinn Stock Exchange All-Share index increased by 25.93 and PRFoods share price decreased 8.64%.

	Index / Share	Ticker / index	31.03.2022	31.03.2021	Muutus
●	PRFoods share	PRF1T	0.349	0.382	-8.64%
●	OMX Tallinn GI	OMXTGI	1,890.35	1,501.15	25.93%



Source: Nasdaq Tallinn, PRFoods

TRADING STATISTICS

Price (EUR)	1Q 2022	4Q 2021	3Q 2021	2Q 2021	1Q 2021	4Q 2020	3Q 2020	2Q 2020	1Q 2020
Open	0.359	0.376	0.425	0.380	0.370	0.374	0.418	0.398	0.461
High	0.435	0.385	0.428	0.428	0.388	0.390	0.420	0.458	0.530
Low	0.300	0.310	0.360	0.380	0.362	0.344	0.370	0.380	0.361
Last	0.349	0.360	0.376	0.425	0.382	0.370	0.372	0.418	0.382
Traded volume. mln	0.52	0.64	0.67	0.66	0.74	0.38	0.30	0.33	0.53
Number of trades	1.994	2.614	2.443	1.935	2.098	1.573	1.131	941	886
Average trade volume	263	245	274	340	355	244	267	348	597
Turnover. mln	0.19	0.23	0.26	0.26	0.28	0.14	0.12	0.14	0.23
Market capitalisation. mln	13.50	13.93	14.54	16.44	14.78	14.31	14.39	16.17	14.78

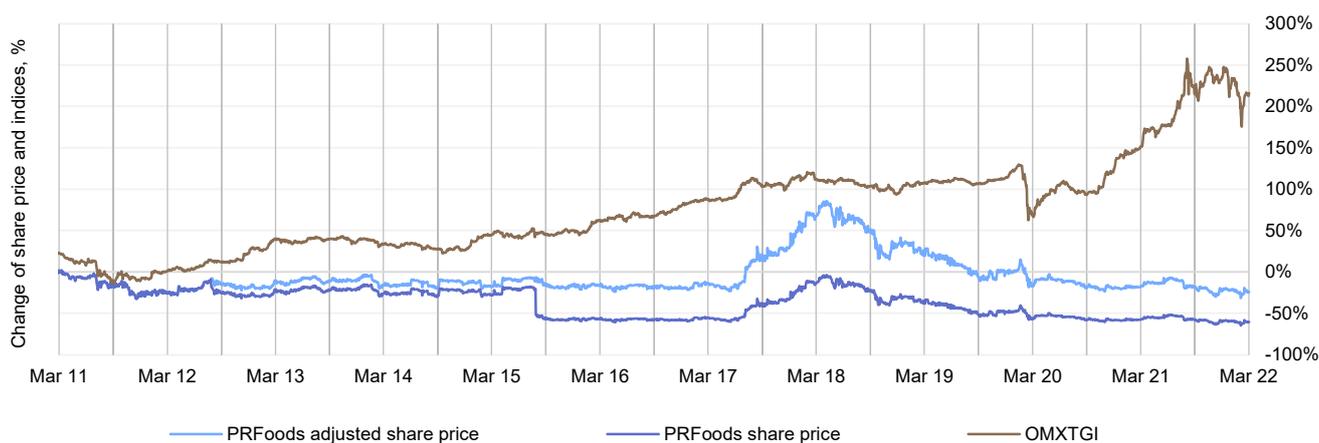
A total of 1.994 trades were conducted with PRFoods' shares during the first quarter of 2022. A total of 523 792 shares changed hands forming 1.4% of the company's shares. The average trade volume was 263 shares.

Turnover of share trading amounted to 0.19 million euros in 1Q 2022 and the highest share price in 1Q 2022 was 0.435 euros and the lowest was 0.300 euros.

The closing price of the share was 0.349 euro as at 31.03.2022 and the company's market capitalisation was 13.5 million euros.

THE DYNAMICS OF THE SHARE PRICE AND INDICES FROM 5TH MAY 2010 TO 31ST OF MARCH 2022

	Index / Share	Ticker / index	31.03.2022	05.05.2010	Change
●	PRFoods share. EUR	PRF1T	0.349	0.890	-60.79%
●	PRFoods adjusted share price. EUR		0.675	0.890	-24.18%
●	OMX Tallinn GI	OMXTGI	1.890.35	594.56	217.94%



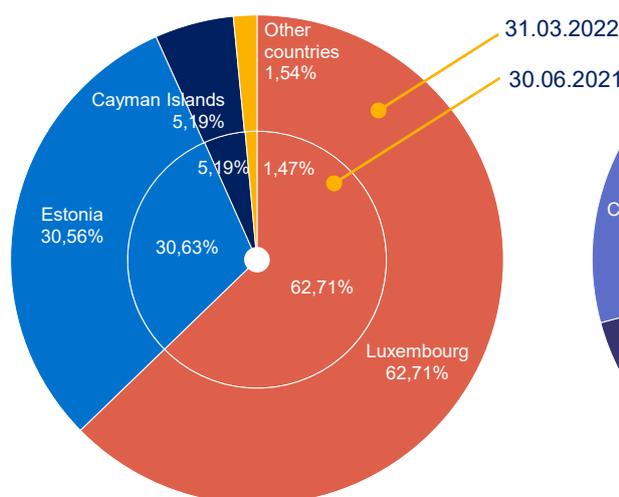
The decrease of PRFoods' share price since its listing in 2010, adjusted with the capital reduction payments, is 24.18%. The Tallinn Stock Exchange index has increased during the period by 217.94%. PRFoods' share price unadjusted with the reductions of the share's nominal value in August of 2012 and 2015 by 40-euro-cents in total has decreased by 60.79%. PRFoods has since the listing of its shares on the stock exchange paid to shareholders a total of 17.3 million euros in the form of dividends and in connection with share capital reductions.

SHAREHOLDER STRUCTURE

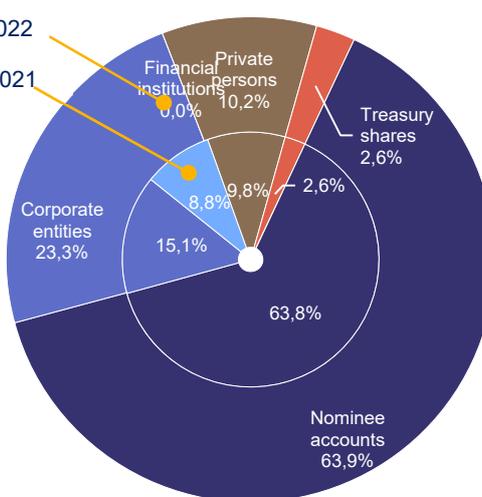
SHAREHOLDERS OF AS PRFOODS

	Number of shares 31.03.2022	% of total 31.03.2022	Number of shares 30.06.2021	% of total 30.06.2021	Change
ING Luxembourg S.A. (Nominee account)	24.258.366	62.71%	24.258.366	62.71%	-
Lindermann. Birnbaum & Kasela OÜ	1.613.617	4.17%	1.613.617	4.17%	-
Ambient Sound Investments OÜ	1.385.267	3.58%	1.385.267	3.58%	-
Firebird Republics Fund Ltd	1.277.729	3.30%	1.277.729	3.30%	-
OÜ Rododendron	1.219.589	3.15%	1.219.589	3.15%	-
Compensa Life Vienna Insurance Group SE	750.470	1.94%	750.470	1.94%	-
Firebird Avrora Fund. Ltd.	730.678	1.89%	730.678	1.89%	-
OÜ Iskra Investeeringud	279.318	0.72%	377.874	0.98%	-98.556
Total largest shareholders	31.515.034	81.47%	31.613.590	81.73%	-98.556
Other shareholders	6.167.826	15.94%	6.069.270	15.69%	98.556
Treasury shares	1.000.000	2.59%	1.000.000	2.59%	-
Total	38.682.860	100.00%	38.682.860	100.00%	-

SHAREHOLDERS BY RESIDENCE



SHAREHOLDERS BY INVESTOR TYPE



SHAREHOLDERS ACCORDING TO NUMBER OF SHARES. 31.03.2022

Number of shares	Number of shareholders	% of shareholders	Number of shares	% of shares
1 ... 1 000	1.687	68.0%	461.943	1.2%
1 001 ... 10 000	682	27.5%	2.159.178	5.6%
10 001 ... 50 000	84	3.4%	1.794.265	4.6%
50 001 ... 100 000	15	0.6%	1.139.045	2.9%
100 001 ...	13	0.5%	33.128.429	85.6%
Total	2.481	100.0%	38.682.860	100.0%

BOND AND BONDHOLDERS

PRFoods issued in the 2019/2020 financial year a total of 90,096 bonds in a private placement and 9,904 bonds in a public offering, with nominal value of 100 euros per bond, the interest rate of 6.25% p.a., and with maturity on 22.01.2025. According the terms of the bonds, the interest on the bonds is paid semi-annually (July and January). At the end of bond subscription period, PRFoods owned 4,926 bonds.

Following the completion of the public offering of the bonds, the bonds were listed on Tallinn Stock Exchange. Trading on Nasdaq Tallinn bond list started on 6 April 2020.

As of 31.12.2021, the number of bonds owned by PRFoods is 535 with a nominal value of 53.5 thousand euros.

07.05.2021 PRFoods announced its plan to issue of subordinated convertible notes for the purpose of improving its capital structure, to ensuring a smoother and faster recovery from the negative impacts caused by COVID-19 in the upcoming 2021/2022 financial year. The terms of issue was confirmed: PRFoods issue up to 350 subordinated convertible notes, with the maximum aggregate nominal value of up to 3.5 million euros, the nominal value of 10,000 euros per subordinated convertible bonds, interest rate of 7% per calendar year and maturity date of 1 October 2025.

In addition, PRFoods announced an additional issue of secured bonds (issued in accordance with the terms of issue of PRFoods on 14.01.2020) in the amount of up to 1.0 million euros, with up to 10,000 bonds with a nominal value of 100 euros per bond, maturity date of 22.01.2025 and 6.25% per calendar year. The additional issue was a targeted placement of PRFoods shareholder Amber Trust II S.C.A to refinance the investment loan granted to PRFoods by the said shareholder in connection with the maturity of the loan.

As part of the targeted placement, Amber Trust II S.C.A subscribed for all 10,000 bonds. The issue price of the bond was set by the management board of PRFoods at 100.25 euro per bond, which Amber Trust II SC.A will pay in full prior to the issuance of the secured bonds, off-setting the outstanding issue of the 1.5 million euro investment loan agreement with PRFoods on 14.07.2017. Additional information on set-off in Note 14.

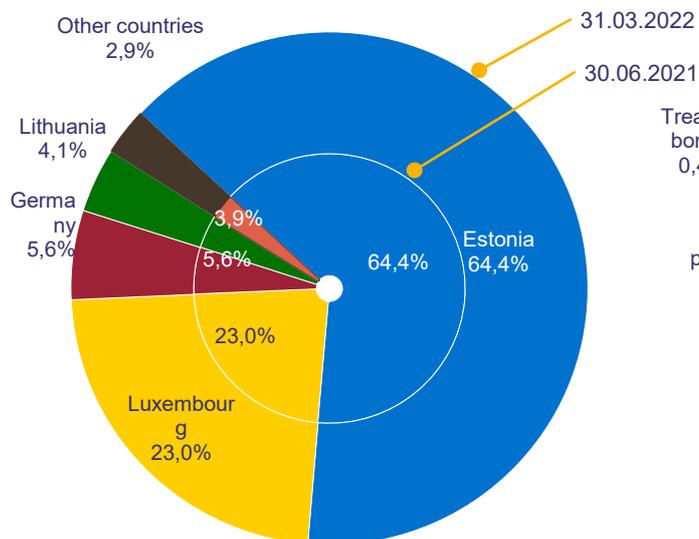
As of 30.09.2021, PRFoods has issued 110,237 bonds, of which 110,000 are secured bonds with a nominal value of 100 euro per secured bond, with a total value of 11.0 million euros, and 237 are subordinated convertible bonds with a nominal value of 10,000 euro per subordinated convertible bond, with a total value of 2.37 million euros.

BONDHOLDER STRUCTURE

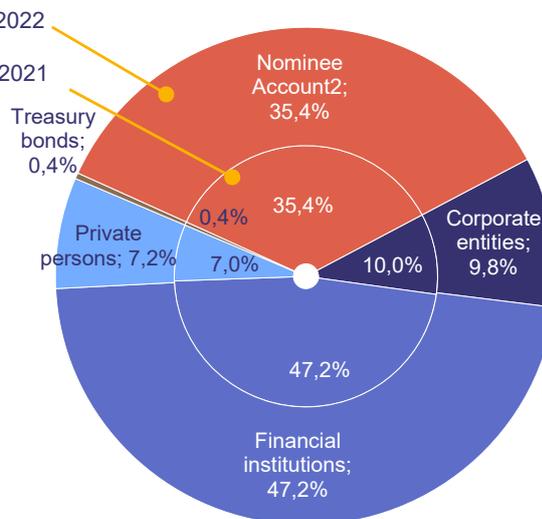
SIX LARGEST BONDHOLDERS OF AS PRFOODS

	Value of bonds 31.03.2022	% of total 31.03.2022	Value of bonds 30.06.2021	% of total 30.06.2021	Change
Swedbank Pensionifond 1970-79 sündinutele	3.940.000	29.4%	3.940.000	29.4%	-
ING Luxembourg S.A. AIF Nominee Account	3.070.000	23.0%	3.070.000	23.0%	-
Swedbank Pensionifond 1960-69 sündinutele	800.000	6.0%	800.000	6.0%	-
Rietumu Bankas JSC	750.000	5.6%	750.000	5.6%	-
Spring Capital Growth Fund 1	505.300	3.8%	505.300	3.8%	-
SEB Bankas AS	502.700	3.8%	489.100	3.6%	13.600
Compensa Life Vienna Insurance Group SE	475.800	3.5%	475.800	3.6%	-
Total of the biggest bondholders	10.043.800	75.1%	10.030.200	75.0%	13.600
Others	3.272.700	24.5%	3.286.300	24.6%	-13.600
Own bonds	53.500	0.4%	53.500	0.4%	-

BONDHOLDERS BY RESIDENCE



BONDHOLDERS BY INVESTOR TYPE



BONDHOLDERS BY VALUE OF BONDS. 31.03.2022

Value of bonds	Number of bondholders	% of bondholders	Value of bonds	% of bond value
1 ... 1 000	118	40.0%	68.300	0.5%
1 001 ... 10 000	98	33.2%	429.400	3.2%
10 001 ... 50 000	58	19.7%	1.311.400	9.8%
50 001 ... 100 000	9	3.0%	646.500	4.9%
100 001 ...	12	4.1%	10.914.400	81.6%
Total	295	100.0%	13.370.000	100.0%

CONDENSED INTERIM ACCOUNTING REPORT

CONDENSED INTERIM ACCOUNTING REPORT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR '000	Note	31.03.2022	31.03.2021	30.06.2021
ASSETS				
Cash and cash equivalents	2	119	1.485	2.500
Receivables and prepayments		3.669	3.536	3.512
Inventories		2.661	7.645	5.691
Biological assets	3	2.313	2.366	4.795
Total current assets		8.762	15.032	16.498
Deferred tax assets		97	21	38
Long-term financial investments		230	232	302
Tangible assets		9.017	15.541	15.300
Intangible assets		21.942	23.626	23.460
Total non-current assets		31.286	39.420	39.100
TOTAL ASSETS		40.048	54.452	55.598
EQUITY AND LIABILITIES				
Interest-bearing liabilities		7.484	8.984	7.325
Payables and prepayments		4.004	10.833	12.124
Government grants		152	208	207
Total current liabilities		11.640	20.025	19.656
Interest-bearing liabilities		16.523	13.944	17.561
Payables and prepayments		0	298	0
Deferred tax liabilities		1.536	1.787	1.861
Government grants		226	752	746
Total non-current liabilities		18.285	16.781	20.168
TOTAL LIABILITIES		29.925	36.806	39.824
Share capital		7.737	7.737	7.737
Share premium		14.197	14.198	14.007
Treasury shares		-390	-390	-390
Statutory capital reserve		51	51	51
Currency translation differences		815	683	559
Retained profit (loss)		-12.009	-4.985	-6.723
Equity attributable to parent		10.401	17.294	15.241
Non-controlling interest		-278	352	533
TOTAL EQUITY	4	10.123	17.646	15.774
TOTAL EQUITY AND LIABILITIES		40.048	54.452	55.598

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

EUR '000	Note	9m 2021/2022	9m 2020/2022*
Revenue		21.647	40.595
Cost of goods sold		-19.316	-35.831
Gross profit		2.331	4.764
		.	.
Operating expenses		-3.295	-7.063
Selling and distribution expenses		-2.274	-4.886
Administrative expenses		-1.021	-2.178
Other income / expense		-41	179
Fair value adjustment on biological assets	3	904	-149
Operating profit (loss)		-101	-2.270
Financial income / expenses		-1.279	-799
Profit (Loss) before tax		-1.380	-3.070
Income tax		-135	-85
Net profit (Loss) from continuing operations		-1.516	-3.155
		.	.
Net profit (Loss) from discontinued operations	8	-4.106	-258
Net profit (loss) for the period		-5.622	-3.413
Net profit (loss) attributable to:		.	.
Owners of the Parent Company		-5.627	-3.331
Non-controlling interests		5	-82
Total net profit (loss) for the period		-5.622	-3.413
		.	.
Other comprehensive income (loss) that may subsequently be classified to profit or loss:		.	.
Foreign currency translation differences		132	1.049
Total comprehensive income (expense)		-5.490	-2.364
		.	.
Total comprehensive income (expense) attributable to:		.	.
Owners of the Parent Company		-5.495	-2.282
Non-controlling interests		5	-82
Total comprehensive income (expense) for the period		-5.490	-2.364
		.	.
Profit (Loss) per share (EUR)	4	-0.15	-0.09
		.	.
Diluted profit (loss) per share (EUR)	4	-0.15	-0.09

*The results of 9m 2020/2021 have been adjusted and show only line-by-line consolidated operating results from continuing operations (Note 8).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR '000	Share capital	Share premium	Treasury shares	Statutory capital reserve	Unrealised currency differ.	Retained earnings (-loss)	Total	Non-contr. interests	Total equity
Balance at 30.06.2020	7.737	14.007	-390	51	-366	-1.654	19.385	434	19.819
Net profit (loss) for the year	0	0	0	0	0	-5.069	-5.069	-92	-5.161
Other comprehensive income (expense)	0	0	0	0	925	0	925	0	925
Total comprehensive income (expense) for the period	0	0	0	0	925	-5.069	-4.144	-92	-4.236
Increase of subsidiary's share capital	0	0	0	0	0	0	191	0	191
Balance at 30.06.2021	7.737	14.007	-390	51	559	-6.723	15.241	533	15.774
Net profit (loss) for the year	0	0	0	0	0	-5.622	-5.622	5	-5.617
Other comprehensive income (expense)	0	0	0	0	132	0.	132	0	132
Correction of subsidiary's share capital	0	0	0	0	0	649	649	-815	-166
Total comprehensive income (expense) for the period	0	0	0	0	132	-4.973	-4.841	-810	-5.650
Balance at 31.03.2022	7.737	14.007	-390	51	691	-11.696	10.400	-278	10.124

Additional information in Note 4.

NOTES TO THE INTERIM REPORT

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

AS PRFoods is a company incorporated in Estonia. The interim financial statements compiled as per 31.03.2022 incorporate results of AS PRFoods (hereinafter Parent Company) and companies directly and indirectly held by it: Saaremere Kala AS, Redstorm OÜ and Saare Kala Tootmine OÜ in Estonia, Heimon Kala Oy in Finland (01.07.21-28.02.22), Överumans Fisk AB in Sweden, and JRJ & PRF Ltd, John Ross Jr (Aberdeen) Ltd, Coln Valley Smokery Ltd in the United Kingdom (hereinafter also referred to as the Group). The Group has a stake in associate companies: Competence Center of Food and Fermentation Technologies AS and Avamere Kalakasvatus OÜ. JRJ & PRF Ltd, John Ross Jr (Aberdeen) Ltd, Coln Valley Smokery Ltd are consolidated from 01.07.2017 and Redstorm OÜ from 01.07.2018. AS PRFoods' shares are listed on Nasdaq Tallinn Stock Exchange since 5 May 2010 and the bonds since 6 April 2020.

The Group's consolidated audited annual report for the financial year that ended on 30 June 2021 is available on PRFoods' website www.prfoods.ee.

CONFIRMATION OF COMPLIANCE

The current unaudited consolidated interim report complies with the requirements of international accounting standards IAS 34 "Interim Financial Reporting" on condensed interim financial statements.

While preparing the interim report at hand, the same accounting principles as in the audited annual report for the financial year ended on 30.06.2021 were applied. The report does not hold all the information that shall be presented in a full annual report. It should thus be read together with the Group's audited consolidated annual report for the financial year that ended on 30.06.2021 compiled in accordance with the international finance reporting standards (IFRS) as adopted by the European Union.

In the opinion of the management, this interim report for the 3 months of the financial year 2021/2022 of AS PRFoods presents correctly and fairly the financial results of the Group as a going concern. The current interim report is neither audited nor reviewed by auditors in any other way and contains only the consolidated reports of the Group.

BASIS OF PREPARATION

The functional currency is euro. The consolidated interim report is presented in thousands of euros and all numerical indicators have been rounded to the nearest thousand, if not indicated otherwise. In the report, thousand euros is indicated as EUR '000.

NOTE 2. CASH AND CASH EQUIVALENTS

EUR '000	31.03.2022	31.03.2021
Cash on hand	2	4
Bank accounts	117	1.481
Total cash and cash equivalents	119	1.485

NOTE 3. BIOLOGICAL ASSETS

EUR '000	31.03.2022	31.03.2021
Fry	415	252
Juveniles	1.282	2.103
Fish suitable for harvesting	616	11
Total biological assets	2.313	2.366

The Group farms in its fish farms located in Estonia and Sweden rainbow trout (*Oncorhynchus mykiss*).

CHANGE IN BIOLOGICAL ASSETS

EUR '000	9m 2021/2022	9m 2020/2021
Biological assets at beginning of the period	4.795	4.249
Purchased	67	85
Additions	3.323	4.095
Fair value adjustments	-186	-130
Harvested	-4.908	-5.987
Fry and live fish sold	-728	-4
Exchange rate differences	-50	58
Biological assets at end of the period	2.313	2.366

In "Additions" the Group has capitalised expenditures incurred on development of immature biological assets, therefore in the income statement only the gain/loss from "Fair value adjustments" is presented as a separate line. Group measures biological assets in fair value and at acquisition cost. Detailed information on measuring principles is available in the 2020/2021 annual report.

NOTE 4. EQUITY

SHARE CAPITAL

As at 31.03.2022, the Company's registered share capital is 7.736.572 euros.

As per the resolution of the shareholders' meeting from 26.05.2016, the shares of AS PRFoods were registered on 30.06.2016 in the Commercial Register without nominal value. The registered share capital of the Company is 7.736.572 euros divided into 38.682.860 ordinary shares without nominal value with accountable value of 0.20 euro per share.

The Articles of Association stipulate 7.000.000 euros as minimal share capital and 28.000.000 euros as maximum share capital. The Articles of Association are available on AS PRFoods website at www.prfoods.ee.

SHARE PREMIUM

The Company's share premium comprises mainly of the amount received above the nominal value upon an issue of shares less costs associated with the issue. According to the Commercial Code, a premium may be used to cover a loss of a company if such loss cannot be covered from retained profit of previous periods or from the capital reserve prescribed in the Articles of Association or from other reserves prescribed by the Articles of Association. The premium may also be used to increase share capital via a bonus issue. The share premium may not be distributed to shareholders.

In August 2020, the shareholders of OÜ Redstorm – Saaremere Kala AS and OÜ Fodiator – decided to increase the share capital of the company by 20 euros to 4.020 euros, as a result of which the nominal value of Saaremere Kala AS share increased to 2.050 euros and the nominal value of OÜ Fodiator share to 1.970 euros.

Saaremere Kala AS paid 387.597 euros in kind for the increase of the nominal value of the share, of which 387.587 euros was share premium. Saaremere Kala AS paid for the increase in the nominal value by offsetting the claim acquired by Saaremere Kala AS from OÜ Serenest against OÜ Redstorm in the amount of 387.597 euros.

As a result of the above transaction, the Group's consolidated share premium increased by 189 923 euros.

CAPITAL RESERVE AND RETAINED EARNINGS

The Estonian Commercial Code requires companies to create a capital reserve. Each year at least 1/20 of profit for the year has to be transferred to the capital reserve until the reserve amounts to 1/10 of share capital. The capital reserve may be used for covering losses and increasing the share capital but not for making distributions to shareholders.

NOTE 5. RELATED PARTY TRANSACTIONS

The Company considers parties to be related when one party has control over the other party or has significant influence over the business decision of the other party.

Related parties include:

- shareholders with significant influence (the largest shareholder of PRFoods is the international investment fund Amber Trust II S.C.A.).
- members of the Supervisory Board and members of all management boards of group entities.
- close family members of the persons mentioned above and the companies related to them.

As at the balance sheet date, there were no receivables from the related parties. liabilities are found in the table below:

Party	Creditor	Payables and prepayments	Payables as at 31.03.2022 EUR '000	Payables as at 31.03.2021 EUR '000
Amber Trust II S.C.A.	Shareholder PRFoods AS	Short term loan,bonds and interests	3.288	2.702
Lindermann, Birnbaum & Kasela OÜ	Contingent consideration	Short term loan,bonds and interests	732	0
Total			4.020	2.702

NOTE 6. ASSOCIATE COMPANIES

Avamere Kalakasvatus OÜ (50% holding)

On 18.01.2019 Avamere Kalakasvatus OÜ was registered in the Estonian Commercial Registry. The company is an associate of AS PRFoods. and it submitted an application to the Technical Regulatory Authority for the building right of the establishment of an offshore fish farming complex in the Estonian waters off the coast of Paldiski. The building right is to allow establishing a rainbow trout farming complex in the offshore cages.

AS Toidu- ja Fermentatsioonitehnoloogia Arenduskeskus (20% holding)

Since 2010 the Group holds 20% in AS Toidu- ja Fermentatsioonitehnoloogia Arenduskeskus (Competence Center of Food and Fermentation Technology).

NOTE 7. CONTINGENT LIABILITIES

Contingent liabilities in connection with setting a mortgage for the benefit of the Customs Board of Finland

A mortgage was set for the benefit of the Finnish Customs Board in the amount of 84 thousand euros. The purpose of the transaction was a more streamlined organisation of the day-to-day operations by reducing persistent prepayments to the Customs Board.

The management estimated that it is improbable that the Finnish Customs Board will liquate the pledged asset.

Contingent liabilities relating to tax boards

The tax authorities may at any time inspect the books and records of the Group within 5 years subsequent to the reported tax year in Estonia and Finland. within 6 years in United Kingdom and within 7 years in Sweden. and may as a result of their inspection impose additional tax assessments. interests and penalties. During the first three months of the financial year and in the previous financial years the tax authorities have not conducted tax audits. The management of the Group is not aware of any circumstances which may give rise to a potential material liability in this respect.

NOTE 8. DISCONTINUED BUSINESS

As of 28.02.2022 Saaremere Kala AS, a subsidiary of AS PRFoods, transferred 100% of the shares of Heimon Kala Oy to Nordic Fish Oy. The interim report of the third quarter provides information of the continuing operations, where the income

and expenses of discontinued operations are shown in a separate line in the statement of comprehensive income Net profit (Loss) from discontinued operations.

Purpose of the transaction and impact on AS PRFoods activities

PRFoods has stated in the past that its aim is to exit from loss-making units and activities. In Finland, restructuring and an asset sale were carried out. "We are delighted that Heimon Kala Oy has returned to the ownership of Finnish family business and industry leader. In spite of the difficult effects of the corona period on Heimon Kala Oy's financial results, the Heimon Kala brand is one of the best known in Finland and we believe that the combination of the buyer's Kalaneuvos brand and the Heimon Kala brand will have a long-term positive impact on the Finnish market," said Indrek Kasela, management board member of AS PRFoods. "The Finnish unit was our only loss-making unit and the strategic decision to exit from this business had been planned earlier. After lengthy process, we believe we have found the best new owner for our Finnish business, and we wish them and our employees every success in a new corporate family. AS PRFoods is very pleased with the development of its other subsidiaries, especially with the growth of the Estonian retail market, and we are planning to introduce a new brand this year, which will emphasise our Saaremaa origin. Also, John Ross Jr has recovered very quickly from the effects of corona. Above all, credit must go to our fish farming division, under the leadership of Margus Rebane, which has been our real profit centre throughout our operations. I would count as our greatest achievement, in addition to the strong profitability of our fish farming business, the fact that, in partnership with Biomar, the world's leading fish feed manufacturer, we have developed Blue Impact, the most environmentally friendly fish feed in the Baltic Sea, and all the fish we farm today already carry the Blue Impact label as the most environmentally friendly farmed fish. Given that we have recently received approval to multiply our Swedish farming capacity, we are focusing our attention and investment on Sweden this year. We have also reached a stage in the expansion of our fish farming in Saaremaa where we hope to at least quadruple our current capacity by 2023 at the latest, and in the future, we hope to get at least 5,000 tonnes of additional capacity from Estonia as well. The restoration of fish farming in Estonia is a very significant achievement because, in addition to significant exports, it would finally give Estonian consumers year-round access to local fish in industrial volumes. As we did not see the possibility to increase the farming capacity in Finland, it was more rational to sell both production and fish farming in Finland, especially considering that in the conditions of sharply increased raw material prices, there was no prospect in the short or long term of an independent Finnish unit to achieve similar profitability levels in par with other units of PRFoods. PRFoods was once a pioneer in the consolidation of the Finnish fish market, and we are pleased that the Hukkanen family is taking over this baton from us and wish them once again success in this".

Sales price and payment terms, difference between acquisition and transfer price

The sales price of the shares in Heimon Kala Oy is EUR 1 plus an additional sales price of up to EUR 500,000. Whether the additional sales price will become due, and the exact amount of the additional sales price will depend on whether the fish farming permits applied for from the Finnish Regional State Administrative Agency (AVI) are approved and on the maximum approved usage of feed. An additional sales price of EUR 500,000 will be due if the respective permits are issued with the maximum approved usage of feed of 994,167 kg. If the maximum approved usage of feed is between 0 and 994,167 kg, the additional sales price will be determined linearly between 0 and EUR 500,000. The additional sales price shall be paid within 45 days of the decision of the Finnish Regional State Administrative Agency.

The sales price was agreed on the basis of Heimon Kala Oy's financial performance, net working capital and net debt as at 31.12.2021. Estimated Enterprise Value at time of signing is 6.6 million Euros.

The management board of AS PRFoods wants to draw your attention to the fact that the amount of Heimon Kala Oy net assets and the trend of its changes, which has been presented in Annex 1 of the initial market announcement, is relevant on decision-making concerning the divestment of Heimon Kala Oy shares.

Results of discontinued operations

EUR'000	8k 2021/2022	9k 2020/2021
Revenue of Finland segment	24.377	3.357
Intercompany sales	-3.595	
Sales to third parties	20.783	3.357
Cost of Finland segment	-26.820	-3.615
Intercompany costs	3.595	

Cost of third parties	-23.225	-3.615
Profit (Loss) for the period	-2.443	-258
Loss from discontinued operations	-1.664	
Net profit (loss) from discontinued operations	-4.106	-258

Impact of the sale on the Group 's financial position

EUR'000	8m 2021/2022
Net assets and liabilities	-1.948
Received for the sales of share (in cash)	1
Additional sale price (Note 8)	500.000
Cash and cash equivalents (sold)	-120.554
Net cash inflows	377.499

MANAGEMENT BOARD'S CONFIRMATION TO THE INTERIM REPORT

The Management Board confirms the correctness and completeness of the consolidated condensed interim report for the 3rd quarter and 9 months of the financial year 2021/2022 of AS PRFoods and its subsidiaries (together the Group) presented in the pages 7 – 2627 hereof and confirms to the best of its knowledge that:

- the activities report of the consolidated interim report presents adequate and fair overview of the development and results of business activities of the Group and the financial position thereof and includes the description of the main risk factors and uncertainties;
- the accounting principles applied in the preparation of the consolidated condensed interim accounting report are in compliance with the International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as adopted by the European Union;
- the consolidated interim report provides a true and fair overview of the assets, liabilities and financial position of the Group and of the results of its operations and its cash flows.



Indrek Kasela

Member of the Management Board

31 May. 2022