

A seagull is shown in flight, positioned centrally above the main title. The background of the entire slide is a high-contrast photograph of turbulent ocean waves, with white foam and dark blue water. The seagull has dark wings and a white head.

# PASSION FOR IMPROVEMENT

Q1 2020

# Agenda

- Q1 2020 HIGHLIGHTS
- COVID-19 UPDATE
- OPERATIONAL REVIEW
- FINANCIAL REVIEW
- OUTLOOK & SUMMARY

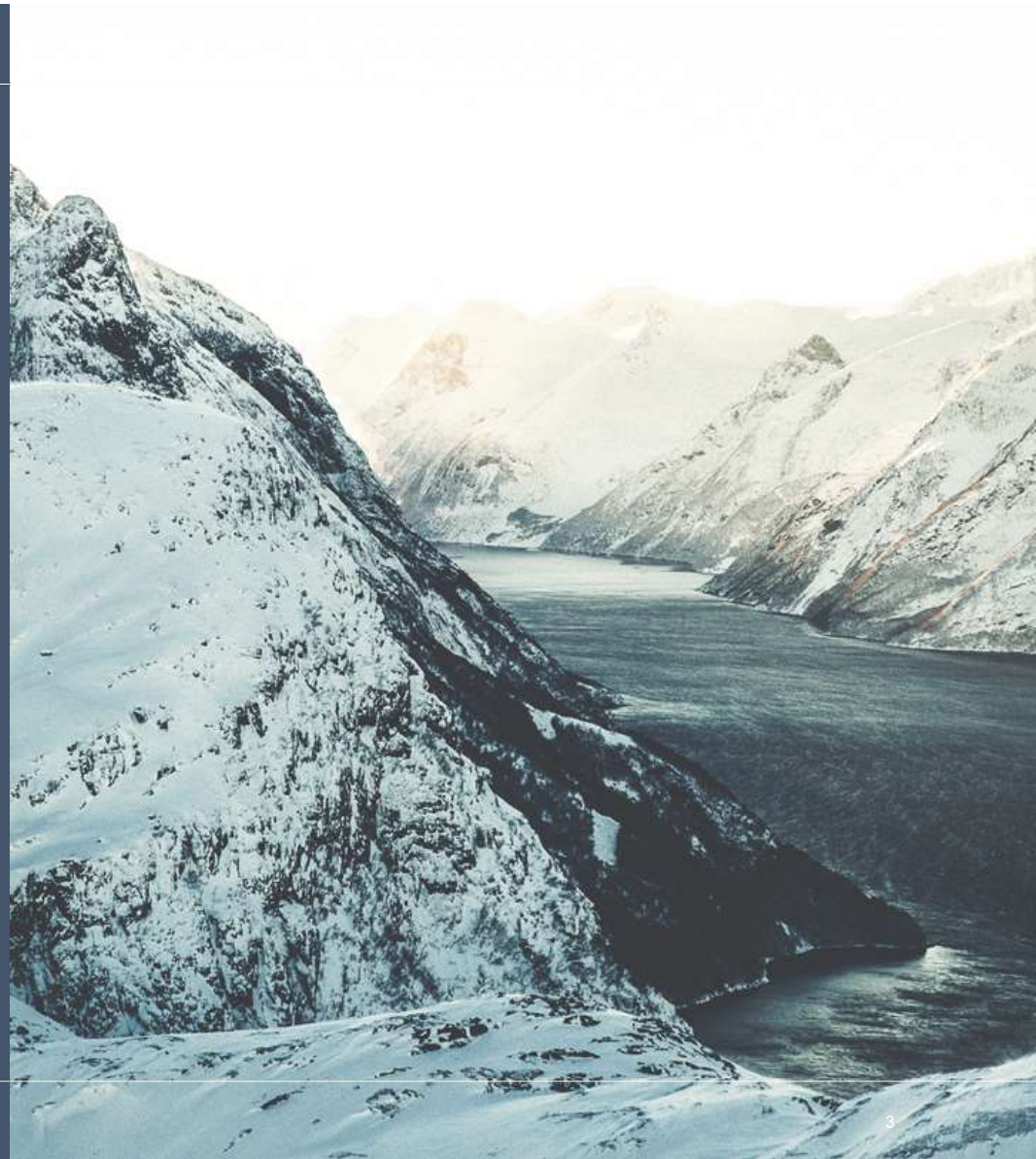




# HIGHLIGHTS

## Q1 2020

07.05.2020



# Highlights

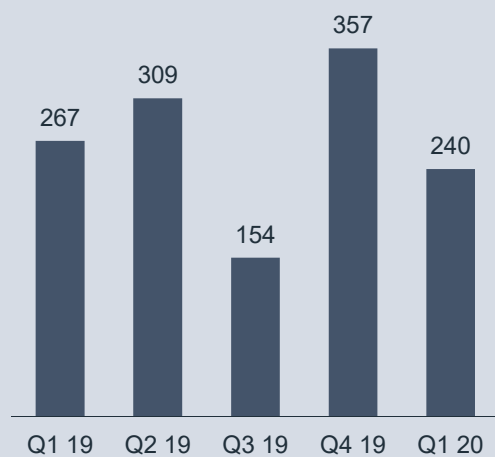
- Price achievement impacted by harvesting towards the end of the quarter with low market price
- Good production and low cost in Rogaland, but margin impacted by environmental challenges
- Margin in Finnmark negatively impacted by winter ulcers and one site affected by ISA
- Positive cost developments in British Columbia and Shetland
- Received ASC certification of five sites in Finnmark and three sites in BC
- Acquisition of Grieg Newfoundland AS, with long-term annual harvest potential of 30-45 000 tonnes
- Expected harvest of 24 900 tonnes in Q2 2020, maintaining guidance for 100 000 tonnes in 2020



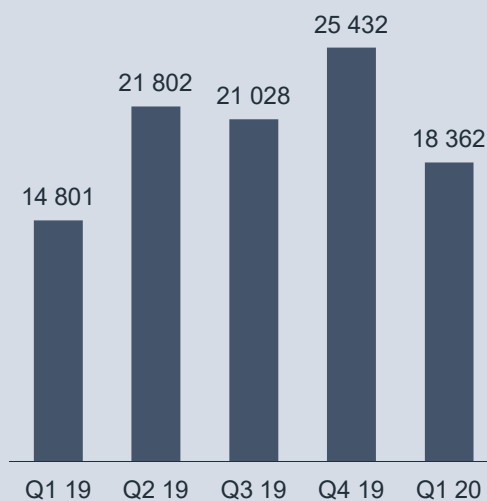


# Financial highlights Q1 2020

**EBIT\* (NOK MILLION)**



**HARVEST VOLUME (TONNES GWT)**



**EBIT/KG\* (NOK)**



\*EBIT before fair value adjustment of biological assets

# COVID-19 UPDATE

07.05.2020



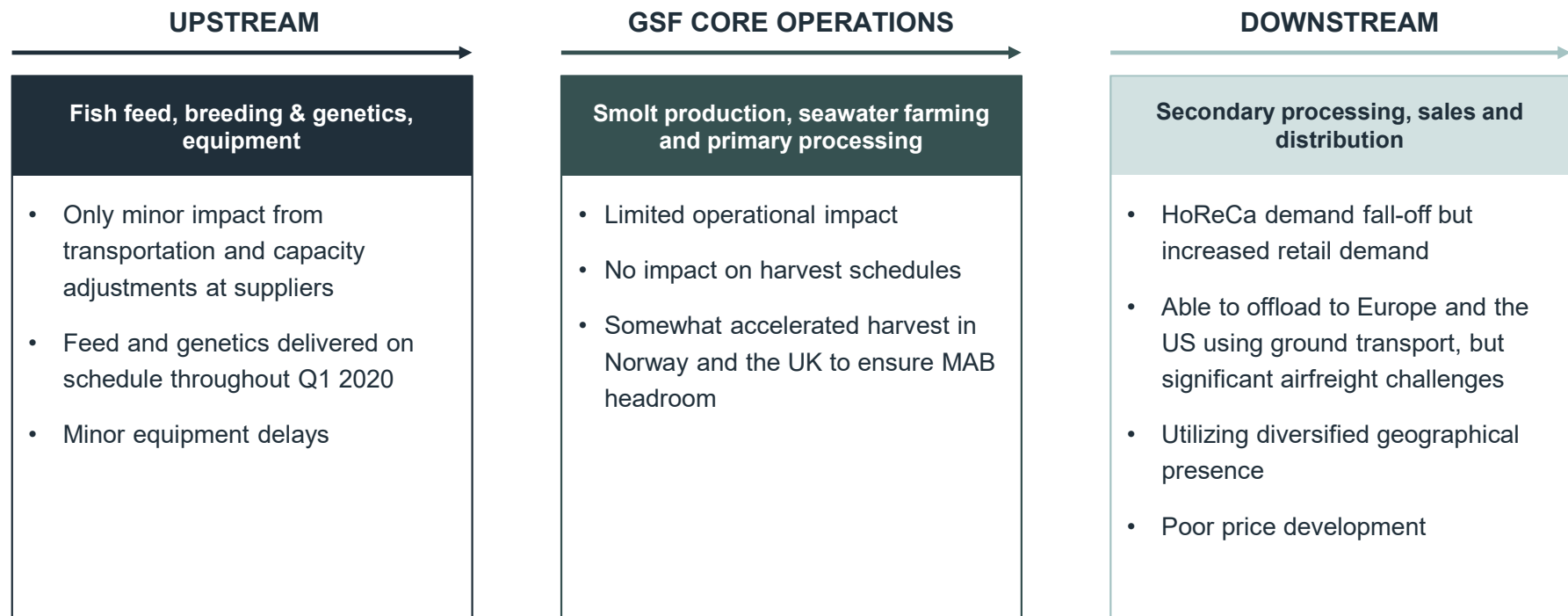


# Productivity levels maintained

- Employee wellbeing has been the number one priority and no confirmed cases of Covid-19 have been registered
- Strict measures implemented to lower the risk of contagion while safeguarding business continuity
  - Crisis management teams established at the head office and in each region
  - Remote work endorsed whenever possible
  - Strict routines at harvest- and production sites to ensure limited physical contact and encourage social distancing
  - Personal- and business travel restricted to a bare minimum
- Operations running at close to normal capacity with productivity of all key functions maintained



# Limited supply chain impact in Q1 2020





# Short-term demand uncertainty, but potential positive impact long-term

Market consumption (tonnes HOG)	Q1 2020	Q1 2019	% change
EU	227 000	222 700	2%
USA	116 900	115 400	1%
Brazil	24 900	25 100	-1%
Russia	18 200	16 300	12%
Japan	13 500	13 400	1%
China/ Hong Kong/ Vietnam	27 000	34 400	-22%
Other Asia	27 000	26 700	1%
Other markets	79 300	82 400	-4%
<b>Total all markets</b>	<b>533 900</b>	<b>536 400</b>	<b>0%</b>

Source: Kontali Analyse

## Short-term demand impact

- Demand has shifted away from HoReCa towards retail segment
- Chinese demand decreased in Q1, but beginning to pick up
- Exports from GSF BC to China at healthy levels
- Potential short-term challenges in the UK due to expected volume growth
- Grieg Seafood has headroom to delay some harvest in Norway and the UK

## Potential long-term demand impact

- Substantial growth in e-commerce sales
- Potential for increased retail demand as consumers develop new habits, particularly in market with reduced prices
- Gradual return of HoReCa segment will support prices, but not necessarily cut off retail demand

# Safeguarding liquidity and financial position

1. Dividends have been postponed and will be reevaluated by the Board at a later date
2. NOK 200 million drawn from credit facilities in Q1 2020
3. Identified NOK 200-300 million in growth investments that can be postponed without delaying 2020 harvest or long-term growth strategy
4. Continuously evaluating operational cost-saving measures





## Long-term strategy remains

### Global growth

Reach harvest volume above  
150 000 tonnes by 2025

### Cost leadership

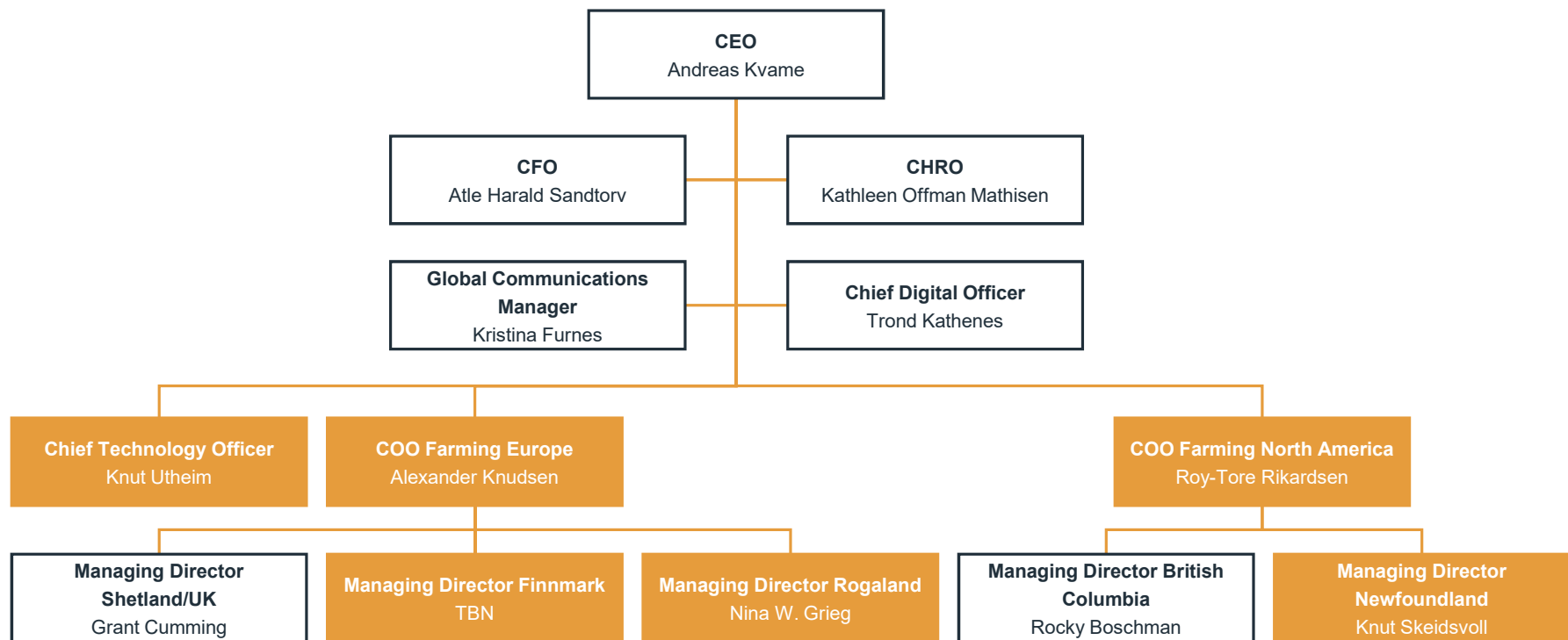
Drive competitiveness  
in each region

### Value chain repositioning

Evolve from supplier to  
innovation partner

## Sustainability

# New organizational structure





# OPERATIONAL REVIEW

## Q1 2020

07.05.2020



# Continued focus on sustainability

## OUR PILLARS



### HEALTHY OCEAN



### SUSTAINABLE FOOD



### PROFIT & INNOVATION



### PEOPLE



### LOCAL COMMUNITIES

## TOPICS

- Fish health and welfare
- Sea lice control
- Escape control
- Limiting local emissions

- Safe and healthy food
- Sustainable feed ingredients
- Reducing carbon emissions
- Climate risk
- Waste management

- Seafood demand
- Economic productivity
- Profitable growth

- Human rights and ethics
- Embracing diversity
- Creating attractive jobs
- Keeping our employees safe
- Anti-corruption

- Local value creation and local purchasing
- Respect for Indigenous rights
- Dialogue and engagement

## ADDRESSING UN SUSTAINABLE DEVELOPMENT GOALS



## GSF Rogaland

- Strong operational performance, driven by favorable biological conditions
- Loss of fish due to rough environmental conditions at one site reduced the 12-month survival rate to 90% (92%)
- Earnings driven by good market prices, partly offset by unfavorable volume distribution
- Expect harvest of 4 000 tonnes in Q2 2020 with higher cost/kg due to lower harvest volume
- Expect harvest of 25 000 tonnes in 2020

NOK million	Q1 2020	Q1 2019	FY 2019
Revenues	451.7	371.3	1 538.9
EBITDA	195.8	162.6	658.4
EBIT	171.5	145.0	568.3
Harvest volume (tonnes GWT)	6 944	5 731	25 217
EBIT/kg (NOK)	24.70	25.31	22.54



## GSF Finnmark

- Price achievement and cost affected by harvest of fish at an ISA site with low average weight and prevalence of winter ulcers at several sites affecting the superior quality
- 12-month survival rate of 93% (96%)
- Five sites ASC certified, bringing the total to 15 sites, 75% of all active sites in Finnmark
- New location granted, supporting growth strategy
- Expect harvest of 7 000 tonnes in Q2 2020 with lower cost/kg. Average weight to improve but continued issues with winter ulcers will impact price achievement
- Expect harvest of 38 000 tonnes in 2020

NOK million	Q1 2020	Q1 2019	FY 2019
Revenues	359.5	346.4	1 815.3
EBITDA	67.7	173.5	715.5
EBIT	30.3	143.0	580.2
Harvest volume (tonnes GWT)	6 827	5 720	32 362
EBIT/ kg (NOK)	4.44	25.01	17.93

## GSF Shetland

- Good price achievement, somewhat impacted by reduced superior quality but offset by currency effects
- Initiatives to improve biological performance, including more robust smolt, has increased the 12-month survival rate to 88% (85%)
- High sea lice pressure and treatments during the quarter, but underlying cost improvements y-o-y
- Expect harvest of 3 900 tonnes in Q2 2020, with gradual cost improvements longer term
- Expect harvest of 17 000 tonnes in 2020

NOK million	Q1 2020	Q1 2019	FY 2019
Revenues	149.8	122.3	731.6
EBITDA	43.2	-0.7	35.6
EBIT	13.9	-24.9	-67.2
Harvest volume (tonnes GWT)	2 047	1 788	11 273
EBIT/ kg (NOK)	6.80	-13.93	-5.96

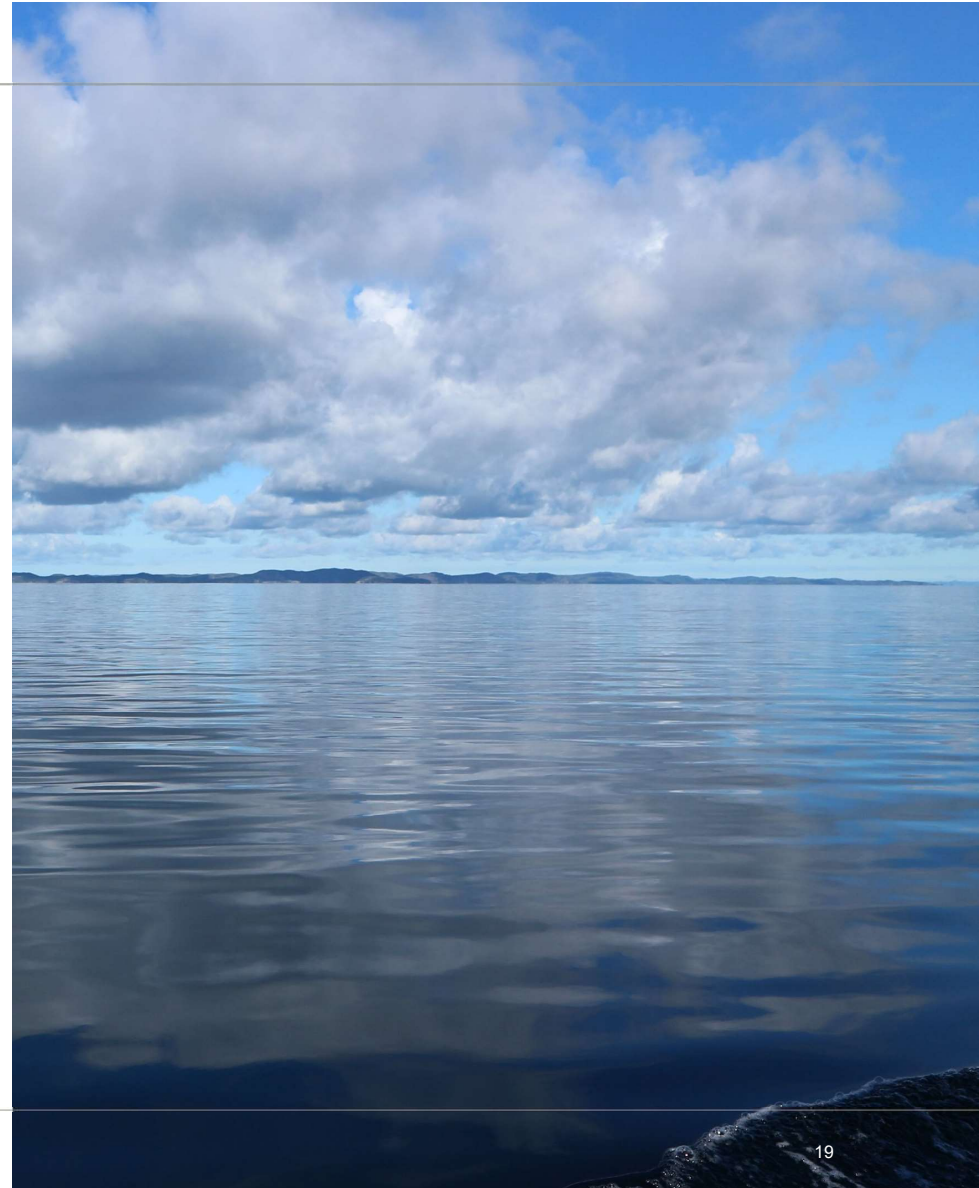
## GSF British Columbia

- High average harvest weight and superior quality contributed to good price achievement
- 12-month survival rate increased to 89% (87%)
- Three sites ASC certified during the quarter
- Expansion of Gold River smolt facility delayed due to Covid-19. No impact on production plans
- Expect harvest of 10 000 tonnes in Q2 2020. Cost expected to gradually decrease going forward
- Expect harvest of 20 000 tonnes in 2020

NOK million	Q1 2020	Q1 2019	FY 2019
Revenues	180.3	99.4	861.4
EBITDA	66.6	39.5	145.9
EBIT	39.9	22.7	73.3
Harvest volume (tonnes GWT)	2 544	1 562	14 120
EBIT/ kg (NOK)	15.68	14.54	5.19

# GSF Newfoundland

- Transaction finalized on 15 April 2020
  - NOK 620 million in cash payment financed with NOK 600 million bridge loan
  - NOK 250 million private placement at NOK 140/share
- 11 licenses for potential annual capacity of 30-45 000 tonnes
  - Three licenses already approved and three expected to be approved in 2020
  - First harvest planned for 2022/2023
  - Expect to reach annual harvest of 15 000 tonnes by 2025
- Total remaining capex of CAD 60 million for the phase 1 construction of RAS facility, to be completed in 2021
  - Smolt production to start in Q2/Q3 2020 and first smolt expected released to sea in Q2/Q3 2021





# FINANCIAL REVIEW

## Q1 2020

07.05.2020



## Profit & loss

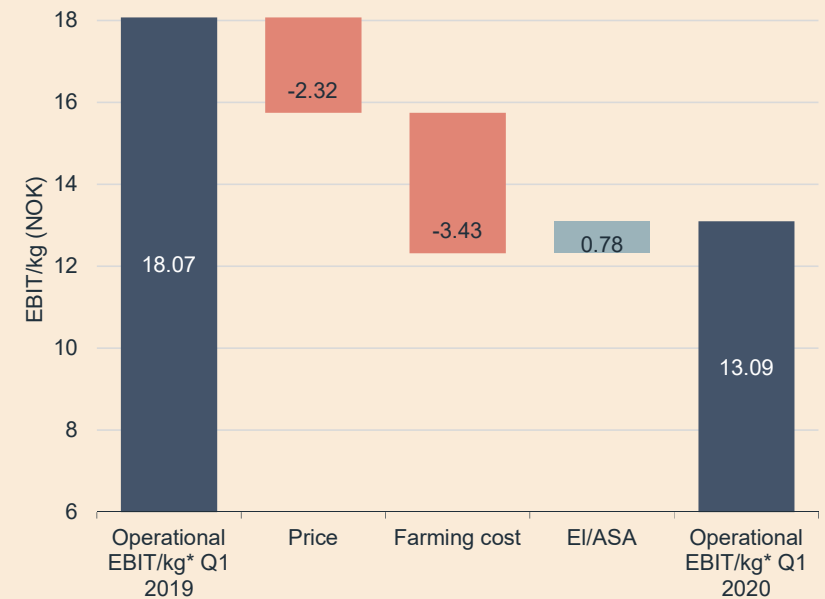
- Total revenues increased by 25% in Q1 2020 compared to Q1 2019, driven primarily by higher harvest volume
- Farming cost increased compared to Q1 2019, driven primarily by biological challenges in Finnmark
- Increased depreciation compared to Q1 2019 due to growth investments
- Negative fair value adjustment mainly due to lower forward and spot prices compared to Q4 2019

Profit & loss (NOK 1 000)	Q1 2020	Q1 2019	FY 2019
Total revenues	2 055 048	1 647 593	8 273 592
<b>EBITDA*</b>	<b>360 931</b>	<b>358 776</b>	<b>1 498 157</b>
Depreciation and amortization	-120 514	-91 297	-410 583
<b>EBIT*</b>	<b>240 417</b>	<b>267 480</b>	<b>1 087 574</b>
Fair value adjustments	-778 762	51 359	-220 714
<b>EBIT after fair value</b>	<b>-538 345</b>	<b>318 839</b>	<b>866 860</b>
Net financial items	-37 615	12 499	-26 234
<b>Profit before tax</b>	<b>-575 960</b>	<b>331 338</b>	<b>840 626</b>
Estimated taxation	130 983	-75 764	-195 718
<b>Net profit for the period</b>	<b>-444 977</b>	<b>255 573</b>	<b>644 908</b>

\*EBIT and EBITDA before fair value adjustment of biological assets.

# EBIT and cost development

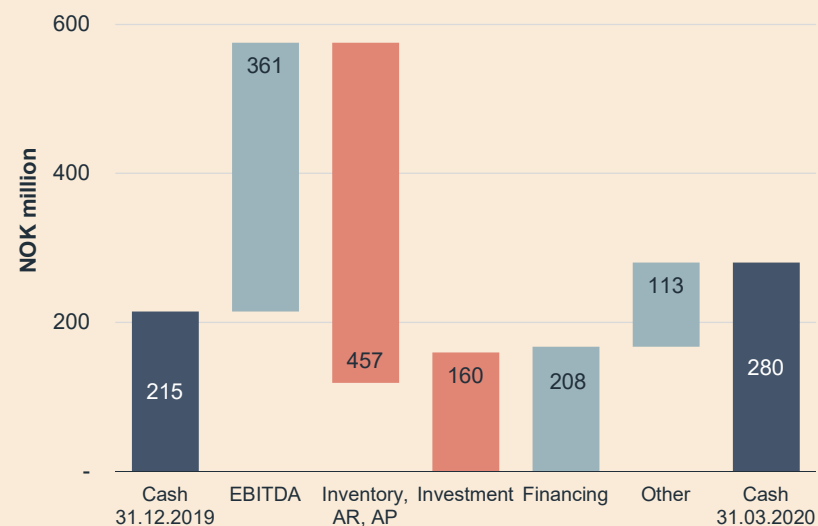
- Price achievement affected by biological challenges in Finnmark and a large share of harvest late in the quarter, when prices were lower
- Farming cost increased y-o-y
- Cost/kg expected to decrease in Q2 2020 compared to Q2 2019 due to improved biology in Finnmark and higher harvest volume



*\*EBIT is before fair value adjustment of biological assets*

## Cash flow

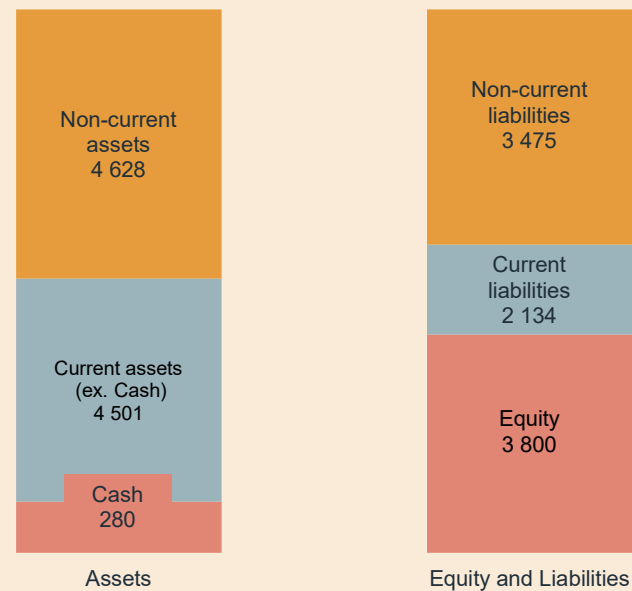
- Investments (excluding leasing) amounted to NOK 160 million
- Negative effect from working capital following increased biomass
- Net financing of NOK 208 includes NOK 381 million on drawdown revolving credit facility, repayment on term loan NOK 49 million, repayment on lease liability of NOK 60 million, net reduction in factoring liability of NOK 36 million, and other net financial items of NOK -28 million





## Financial position Q1 2020

- Total balance of NOK 9 409 million
- Equity was NOK 3 800 million, corresponding to an equity ratio of 40%
- Return on capital employed (ROCE) was 15%, down from 19% in Q1 2019

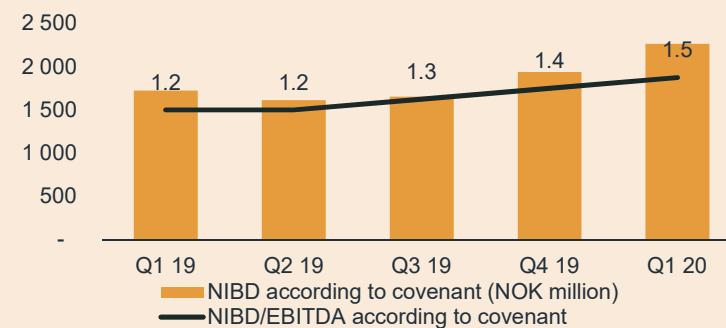


# Solid financial position

- Equity ratio was 40% at the end of Q1 2020
- NOK 600 million in new debt facility in Q1 2020 to finance part of Newfoundland acquisition
- NIBD at the end of Q1 2020 was NOK 2 777 million
  - NIBD/EBITDA according to covenant of 1.5, well within 4.5 debt covenant
- Cash and cash equivalents were NOK 280 million
- Revolving credit and overdraft facility of NOK 1 018 million, of which NOK 583 million undrawn

NIBD (NOK 1 000)	Q1 2020	Q1 2019*
Term loan	1 075 500	1 081 245
Revolving credit and overdraft	1 017 550	520 028
Leasing liabilities*	907 449	810 628
Other interest-bearing liabilities	57 371	512 015
Cash and loans to associates	-280 177	-337 653
<b>NIBD</b>	<b>2 777 693</b>	<b>2 586 262</b>
Factoring liabilities	-57 371	-503 012
Quote share of cash OQ AS (40%)	15 858	75 361
Lease liabilities (IFRS 16-effect)	-472 838	-433 256
Sum adjustments to covenant	-514 352	-860 907
<b>NIBD according to covenant</b>	<b>2 263 341</b>	<b>1 725 356</b>

\*Leasing liabilities include all leasing in line with IFRS



# Investments

- Capex Q1 2020 of NOK 160 million
- Maintain FY 2020 locations and maintenance (flexibility to postpone NOK 200-300 million)
- Expected Capex for RAS facility phase 1 in Newfoundland of CAD 60 million, distribution between 2020-2021 depending on Covid-19 adaption

Investments 2020		
Locations	Newfoundland acquisition	Newfoundland RAS facility
<b>NOK 400 million</b>	<b>NOK 620 million</b>	<b>CAD 60 million</b>
<ul style="list-style-type: none"> <li>• New locations</li> <li>• Upgrades to UK locations</li> <li>• BC smolt facility</li> <li>• 1% MAB growth ("traffic light system")</li> </ul>	<ul style="list-style-type: none"> <li>• Ex. share issue</li> </ul>	<ul style="list-style-type: none"> <li>• Total 2020-2021</li> <li>• Completion of Phase 1</li> <li>• Full capacity at hatchery and nursery facilities</li> </ul>
Maintenance investments of NOK 250 million		

# OUTLOOK & SUMMARY

## Q1 2020

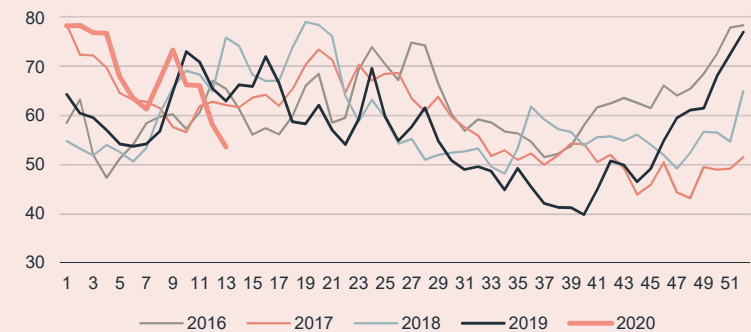




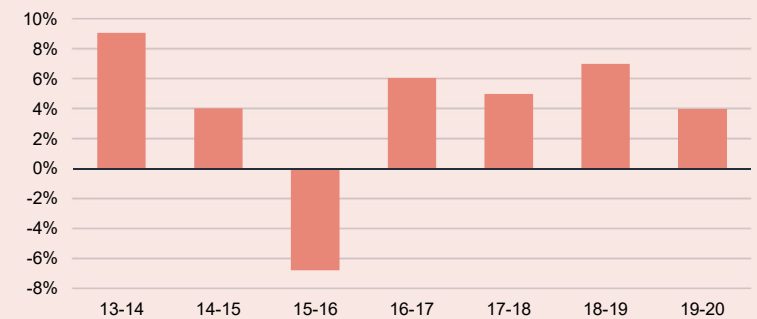
## Expected 2020 supply growth driven by Norway and Chile

- Expected global growth of 7% in 2019 and 3-4% in 2020
- Norway
  - 2019: +6%
  - 2020: +3% (1 377 600 tonnes WFE)
- Chile
  - 2019: +5%
  - 2020: +5% (723 000 tonnes WFE)
- North America
  - 2019: -4%
  - 2020: 0% (158 200 tonnes WFE)
- UK
  - 2019: +20%
  - 2020: +1% (184 900 tonnes WFE)

PRICE DEVELOPMENT FOR FRESH NORWEGIAN SALMON  
NASDAQ SALMON INDEX 2016 – 2020



GLOBAL SUPPLY GROWTH FARMED SALMON (YOY)



Source: Kontali Analyse AS

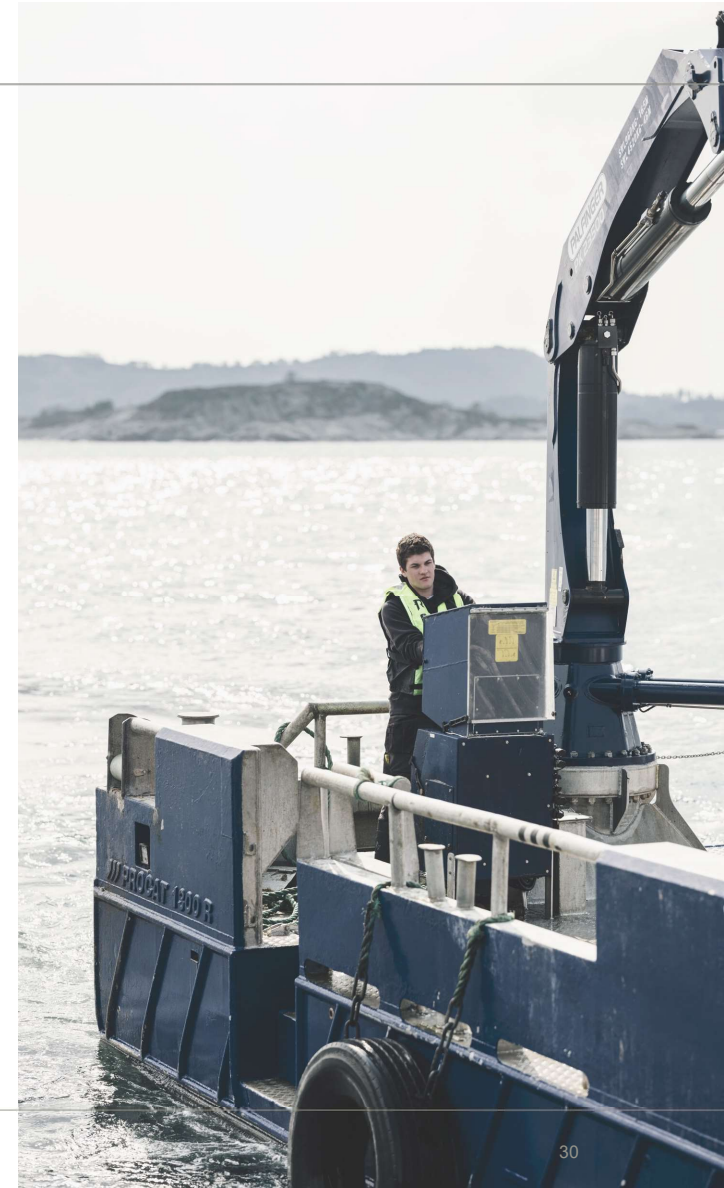
# GSF harvest estimates

- Expected harvest of 24 900 tonnes in Q2 2020
- Expected harvest volume of 100 000 tonnes in 2020, 21% growth y-o-y

Guiding (1 000 tonnes GWT)	Rogaland	Finnmark	BC	Shetland	GSF group
Q1 2020	6.9	6.8	2.5	2.0	18.4
<b>Q2 2020</b>	<b>4.0</b>	<b>7.0</b>	<b>10.0</b>	<b>3.9</b>	<b>24.9</b>
Q3 - Q4 2020	14.1	24.2	7.5	11.1	56.7
<b>Total 2020</b>	<b>25.0</b>	<b>38.0</b>	<b>20.0</b>	<b>17.0</b>	<b>100.0</b>
<i>Growth y-o-y</i>	<i>-1%</i>	<i>17%</i>	<i>42%</i>	<i>51%</i>	<i>21%</i>

# Summary

- Biological challenges in Finnmark impacted quarterly performance, but overall good performance in remaining regions
- No material impact from Covid-19 situation in Q1. Demand uncertainty going forward
- Acquisition of Grieg Newfoundland completed in April, 2020
- Estimated contract share of 26% in Norway and 10% in the UK in Q2 2020
- Targeting 24 900 tonnes harvest in Q2 2020 and guiding for 100 000 tonnes harvest in 2020 maintained





# UPCOMING FINANCIAL RESULTS

Q2 2020, 18 August 2020



# APPENDIX

## Q1 2020





# Share information

## Number of shares

- 111 662 millions incl. treasury shares

## Last issues

- As of 31. March 2020: Q2 2009, NOK 139 million in new shares issued
- After balance sheet date: Q2 2020, NOK 7 million in new shares issued

## Subordinated convertible bond issued in Q1 2009

- 100 million converted at NOK 4.00 per share within 31.12.2010
- 85% converted in Q2 2009, 15% in Q3 2009

## Share savings program for the employees

- Transferred 21 576 treasury shares to employees in Q4 2018
- Another 14 737 treasury shares transferred to employees in Q4 2019
- To strengthen culture and encourage loyalty by offering employees to become shareholders in Grieg Seafood

## EPS

- -4.03 NOK/share Q1 2020
- 2.28 NOK/share Q1 2019
- 5.61 NOK/ share FY 2019

## Share price

- NOK 96.70 at 31.03.2020
- NOK 104.60 at 31.03.2019
- NOK 140.30 at 31.12.2019

## Shareholder structure

- Largest 20 holds 78.97% of total number of shares

The 20 largest shareholders in Grieg Seafood ASA at 31.03.2020	No. of shares	Shareholding
Grieg Aqua AS	56 018 799	50.17%
Folketrygdfondet	7 446 049	6.67%
OM Holding AS	4 569 379	4.09%
Ystholmen Felles AS	2 928 197	2.62%
State Street Bank and Trust Comp	2 862 890	2.56%
Verdipapirfondet Alfred Berg Gamba	1 527 933	1.37%
Verdipapirfondet Pareto Investment	1 479 081	1.32%
Clearstream Banking S.A.	1 384 876	1.24%
State Street Bank and Trust Comp	1 227 088	1.10%
Grieg Seafood ASA	1 213 687	1.09%
JPMorgan Chase Bank, N.A., London	915 596	0.82%
J.P. Morgan Bank Luxembourg S.A.	886 015	0.79%
Citibank, N.A.	809 195	0.72%
UBS Switzerland AG	786 687	0.70%
Arctic Funds PLC	777 424	0.70%
Morgan Stanley & Co. Int. Plc.	723 122	0.65%
Banque Degroof Petercam Lux. SA	721 404	0.65%
JPMorgan Chase Bank, N.A., London	661 880	0.59%
Pictet & Cie (Europe) S.A.	629 562	0.56%
State Street Bank and Trust Comp	610 487	0.55%
<b>Total 20 largest shareholders</b>	<b>88 179 351</b>	<b>78.97%</b>
Total others	23 482 649	21.03%
<b>Total number of shares</b>	<b>111 662 000</b>	<b>100.00%</b>

# Profit & loss

Profit & loss (NOK 1 000)	Q1 2020	Q1 2019	FY 2019
Sales revenues	2 055 048	1 647 593	8 273 592
Other income	14 938	2 881	30 131
Share of profit from associates	602	422	211
Raw materials and consumables used	-1 018 108	-738 043	-4 181 971
Salaries and personnel expenses	-160 908	-146 814	-610 803
Other operating expenses	-530 641	-407 262	-2 013 002
<b>EBITDA before fair value adjustment of biological assets</b>	<b>360 931</b>	<b>358 776</b>	<b>1 498 157</b>
Depreciation property, plant and equipment	-118 868	-89 909	-404 895
Amortization of intangible assets	-1 646	-1 388	-5 688
<b>EBIT before fair value adjustment of biological assets</b>	<b>240 417</b>	<b>267 480</b>	<b>1 087 574</b>
Fair value adjustment of biological assets	-778 762	51 359	-220 714
<b>EBIT after fair value adjustment of biological assets</b>	<b>-538 345</b>	<b>318 839</b>	<b>866 860</b>
Net financial items	-37 615	12 499	-26 234
<b>Profit before tax</b>	<b>-575 960</b>	<b>331 338</b>	<b>840 626</b>
Estimated taxation	130 983	-75 764	-195 718
<b>Net profit for the period</b>	<b>-444 977</b>	<b>255 573</b>	<b>644 908</b>
<b>Allocated to</b>			
Controlling interests	-450 582	251 605	619 510
Non-controlling interests	5 606	3 968	25 398

# Comprehensive income

Comprehensive income (NOK 1 000)	Q1 2020	Q1 2019	FY 2019
<b>Profit for the period</b>	<b>-444 977</b>	<b>255 573</b>	<b>644 908</b>
<b><i>Net other comprehensive income to be reclassified to profit/loss in subsequent periods</i></b>			
Currency effect on investment in subsidiaries	87 883	10 220	52 826
Currency effect on loans to subsidiaries	71 555	6 997	29 819
Cash flow hedges	-50 403	2 082	-4 529
Tax effect	-4 665	-1 997	-5 564
Change in fair value of equity instruments	-433	-	-107
<b><i>Other comprehensive income for the period, net of tax</i></b>	<b>103 937</b>	<b>17 301</b>	<b>72 446</b>
<b>Total comprehensive income for the period</b>	<b>-341 040</b>	<b>272 875</b>	<b>717 354</b>
<b><i>Allocated to</i></b>			
Controlling interests	-330 216	268 256	689 916
Non-controlling interests	-10 824	4 618	27 438

# Financial position - assets

Assets (NOK 1 000)	31.03.2020	31.03.2019	31.12.2019
Goodwill	110 884	109 144	109 526
Licenses	1 222 831	1 124 331	1 133 630
Other intangible assets	14 300	19 750	16 205
Deferred tax assets	1 274	1 718	998
Property, plant and equipment incl. right-of-use assets	3 193 935	2 776 523	2 957 942
Investments in associates	81 672	37 544	81 071
Other non-current receivables	2 855	1 350	3 130
<b>Total non-current assets</b>	<b>4 627 751</b>	<b>4 070 360</b>	<b>4 302 503</b>
Inventories	177 389	143 998	177 847
Biological assets	2 893 817	3 446 345	3 437 948
Trade receivables	462 797	768 329	459 897
Other current receivables	320 142	208 716	334 625
Derivatives and other financial instruments	47 028	12 483	7 368
Restricted cash acquisition financing	600 000	-	-
Cash and cash equivalents	280 177	312 553	214 497
<b>Total current assets</b>	<b>4 781 350</b>	<b>4 892 425</b>	<b>4 632 181</b>
<b>Total assets</b>	<b>9 409 101</b>	<b>8 962 785</b>	<b>8 934 684</b>

# Financial position - equity and liabilities

Equity and liabilities (NOK 1 000)	31.03.2020	31.03.2019	31.12.2019
Share capital	446 648	446 648	446 648
Treasury shares	-4 855	-4 914	-4 855
Retained earnings and other equity	3 312 202	3 660 575	3 642 417
<b>Total controlling interests</b>	<b>3 753 995</b>	<b>4 102 310</b>	<b>4 084 211</b>
Non-controlling interests	45 809	54 076	56 632
<b>Total equity</b>	<b>3 799 804</b>	<b>4 156 386</b>	<b>4 140 843</b>
Deferred tax liabilities	782 099	955 572	874 664
Cash-settled share options	2 944	8 690	8 379
Borrowings	1 982 632	1 492 176	1 563 935
Other non-current borrowings	14 435	13 874	13 240
Lease liabilities	692 876	640 615	632 666
<b>Total non-current liabilities</b>	<b>3 474 986</b>	<b>3 110 926</b>	<b>3 092 883</b>
Overdraft facility	-	28	-
Current portion of borrowings	98 212	107 214	98 212
Acquisition financing	600 000	-	-
Current portion of lease liabilities	214 574	170 013	199 327
Factoring liabilities	57 371	503 012	86 122
Trade payables	666 588	582 948	855 061
Tax payable	186 568	108 320	211 569
Derivatives and other financial instruments	72 243	1 823	9 321
Other current liabilities	238 757	222 114	241 346
<b>Total current liabilities</b>	<b>2 134 311</b>	<b>1 695 473</b>	<b>1 700 958</b>
<b>Total liabilities</b>	<b>5 609 298</b>	<b>4 806 399</b>	<b>4 793 840</b>
<b>Total equity and liabilities</b>	<b>9 409 101</b>	<b>8 962 785</b>	<b>8 934 684</b>

# Cash flow

Cash flow (NOK 1 000)	Q1 2020	Q1 2019	FY 2019
EBIT after fair value adjustment of biological assets	-538 345	318 839	866 860
Depreciation and amortization	120 514	91 297	410 583
(Gain)/loss on sale of property, plant and equipment	-152	-	-6 339
Share of profit from companies applying equity method of accounting	-602	-422	-211
Fair value adjustment of biological assets	778 762	-51 359	220 714
Change in inventory excl. fair value, trade payables and trade receivables	-456 815	-176 073	5 146
Other adjustments	114 426	43 365	92 223
Taxes paid	-512	-22 190	-132 982
<b>Net cash flow from operating activities</b>	<b>17 277</b>	<b>203 456</b>	<b>1 455 994</b>
Proceeds from sale of fixed assets	234	-	2 121
Payments on purchase of property, plant and equipment	-101 649	-67 904	-367 828
Payments on purchase of intangible assets	-58 037	-1 845	-1 635
Investment in associate companies	-	-	-14 163
<b>Net cash flow from investing activities</b>	<b>-159 451</b>	<b>-69 749</b>	<b>-381 505</b>
Draw-down/ repayment of non-current revolving credit facility	381 491	280 000	369 319
Draw-down/ repayment of non-current syndicate loan	-49 173	-69 173	-98 346
Draw-down/ repayment other current loan and overdraft facility	600 000	-	-55 494
Restricted cash acquisition financing	-600 000	-	-
Repayment lease liabilities	-60 126	-41 181	-205 025
Change in factoring liabilities	-36 491	-117 845	-487 255
Dividend incl. allocation to non-controlling interests	-	-	-462 027
Net interest and other financial items	-27 671	-10 834	-61 204
<b>Net cash flow from financing activities</b>	<b>208 030</b>	<b>40 967</b>	<b>-1 000 031</b>
<b>Net change in cash and cash equivalents</b>	<b>65 856</b>	<b>174 675</b>	<b>74 458</b>
<b>Cash and cash equivalents - opening balance</b>	<b>214 497</b>	<b>137 920</b>	<b>137 920</b>
Currency translation of cash and cash equivalents	-176	-42	2 119
<b>Cash and cash equivalents - closing balance</b>	<b>280 177</b>	<b>312 553</b>	<b>214 497</b>



# Our organization

**BRITISH COLUMBIA**

**HOUSTON, TEXAS**

**NEWFOUNDLAND**

**SHETLAND**

**FINNMARK**

**ROGALAND**

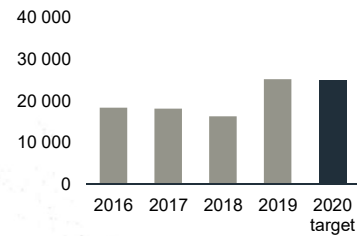
**BERGEN  
HEADQUARTER**

**BEIJING**

**SHANGHAI**

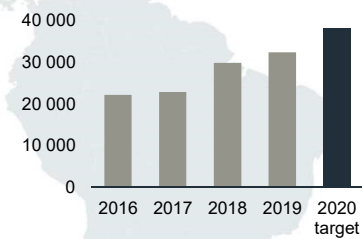
## Rogaland

Tonnes



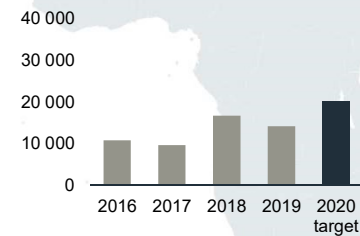
## Finnmark

Tonnes



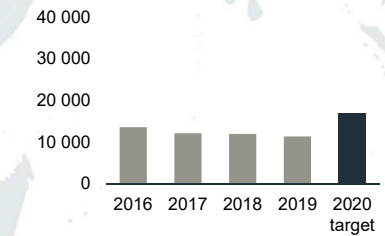
## British Columbia

Tonnes



## Shetland

Tonnes



STRONG FOCUS ON IMPROVED BIOLOGICAL PERFORMANCE					
People and routines	Post-smolt	GSF Precision Farming	Sea lice treatment	Algae prevention	Area management agreements
<ul style="list-style-type: none"> <li>• Strong competence</li> <li>• Advanced training programs</li> <li>• Strict routines and procedures</li> <li>• Frequent evaluation and reporting</li> </ul>	<ul style="list-style-type: none"> <li>• More robust when placed in sea, improving survival rates</li> <li>• Shorter time in the sea reduces exposure to biological risks</li> <li>• Increased smolt release flexibility</li> <li>• Allows for longer fallow periods</li> </ul>	<ul style="list-style-type: none"> <li>• Operational and strategic decision support through integrated operations centers</li> <li>• Improved feeding operations through IBM collaboration</li> <li>• AquaCloud project for more efficient handling of sea lice</li> </ul>	<ul style="list-style-type: none"> <li>• Preventive measures:               <ul style="list-style-type: none"> <li>- Sea lice skirts, where on-site conditions permit</li> <li>- Cleaner fish</li> </ul> </li> <li>• AquaCloud project for predicting sea lice levels</li> <li>• Invested in additional non-medical treatment capacity</li> </ul>	<ul style="list-style-type: none"> <li>• Aeration systems               <ul style="list-style-type: none"> <li>- Reduces risk of algal issues</li> <li>- Increases survival during harmful algal bloom (HAB) events</li> </ul> </li> <li>• Daily water samples analyzed using sensor technology and advanced image analysis               <ul style="list-style-type: none"> <li>- Early identification of species, prevalence and depth distribution of algae</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Management Agreements are important to:               <ul style="list-style-type: none"> <li>- Collaborate with farmers with active sites in the same areas as GSF</li> <li>- Reduce risk of contamination due to interconnectivity in the respective areas</li> </ul> </li> </ul>

		2017	2018	2019
Harvest volume	100 000 tonnes in 2020	62 598 tonnes	74 623 tonnes	82 973 tonnes
Cost	At or below industry average NOK 37.9/kg in 2020	NOK 43.4/kg	NOK 43.1/kg	NOK 43.5/kg
Financial	NIBD* /EBITDA < 4.5 Equity ratio > 35%	1.2 47%	1.3 47%	1.4 46%
Profitability	Return on Capital Employed of 12%	24%	22%	19%
Capital structure	NIBD** /harvest volume: NOK 20/kg	NOK 20.2/kg	NOK 22.3/kg	NOK 23.0/kg
Dividend	30%-40% of the Group's net profit after tax adjusted for fair value appraisals	DPS NOK 4.00 Pay-out ratio***: 56%	DPS NOK 4.00 Pay-out ratio***: 68%	DPS NOK 4.00 Pay-out ratio***: 57%

\* NIBD according to bank covenants

\*\* NIBD excluded factoring liabilities

\*\*\* Pay-out ratio calculated on previous year's accounts