



Q1 REPORT

2023

Contents

PART 01	Group highlights	page 3
Highlights	CEO comment	page 4
	Regional highlights	page 5
	Key figures	page 6
	Guiding and expectations	page 7
	Our scoreboard	page 10
	Our approach to sustainable business	page 11
	Status towards 2026	page 12

PART 02	Group financial review	page 14
Progress	Sales and market development	page 19
	Rogaland	page 22
	Finnmark	page 26
	British Columbia	page 30
	Newfoundland	page 34
	Board's approval	page 36

PART 03	Financial statements	page 38
Results	Selected notes	page 43
	Alternative performance measures	page 55
	About Grieg Seafood	page 58

HIGHLIGHTS

We are on a journey of sustainable growth. We are dedicated to improve our operational performance, fish welfare and survival, reduce our impact, increase profitability and create long-term value for all stakeholders. This is how we farm the ocean for a better future.

Group highlights

- Harvest volume of 15 357 tonnes (16 916 tonnes)
- Operational EBIT in the quarter of NOK 385 million (NOK 453 million), with operational EBIT/kg of NOK 25.1 (26.8)
- Salmon market remains strong, supporting earnings
- Harvest volume above guidance due to advance harvesting related to biological challenges. Increasing smolt release to compensate and rebuild biomass
- Newfoundland developing according to plan
- 81% of the harvested volume in the quarter was ASC certified
- Dividend proposal of NOK 4.5 per share based a record high 2022 result, subject to approval by the Annual General Meeting in June 2023
- Expect harvest of 21 300 tonnes in Q2 2023 and 80 000 tonnes for the full year 2023

CEO comment

The markets for Atlantic salmon remained strong during the quarter, with solid demand from both the retail, and the hotel and restaurant segments. On the farming side we were still impacted by biological challenges in the beginning of the year, though biology improved throughout the quarter and is currently good in Rogaland, BC and Newfoundland. The fish in Newfoundland handled a cold winter in the sea well and the development of the region is going according to plan.

Like in the previous quarter, Finnmark is still impacted by the Spiro parasite. Mitigating measures have been taken to address the issues, including early harvesting to reduce risk, resulting in harvesting volumes above guiding and plan. There were no new incidents of Spiro at the freshwater facility during the quarter, and with increased smolt release in 2023 we aim to compensate for the early harvest and to accelerate rebuilding the biomass.

Towards 2026, we aim to achieve sustainable production growth, cost improvements and to reposition the company in the value chain. Growth investments in Norway are put on hold awaiting the final version of the resource tax, which is expected to be adopted by the end of June. The tax would significantly impact sustainable development of the industry in Norway should it be adopted in its present form, and we hope the Parliament will make the necessary changes to secure continued innovation, investments and sustainable development throughout our production cycle, which is necessary to improve biology and sustainability.

I want to sincerely thank all of my dedicated and hardworking colleagues in both farming and sales for their efforts and achievements throughout the quarter. I look forward to continuing our journey of improvements and growth.



ANDREAS KVAME
CEO Grieg Seafood ASA

Regional highlights

Rogaland Norway

- Harvest volume of 7 502 tonnes (9 645), 2 200 tonnes above guidance due to advance harvesting to reduce biological risk related to ISA at one site and winter ulcers
- Operational EBIT/kg of NOK 38.4 (33.5)
- Price achievement impacted by reduced superior share, negative contribution from contracts and reduced average harvest weight
- 12 months survival rate stable at 91%
- Farming cost per kg of NOK 58.4 (NOK 41.9) impacted by harvesting of ISA fish and lower harvest volume
- Average weight of smolt transferred to sea at 720 grams, in line with post-smolt strategy
- 89% of harvested volume ASC certified

Finnmark Norway

- Harvest volume of 7 856 tonnes (5 175), 2 100 tonnes above guidance due to advance harvesting related to handling of Spiro parasite and winter ulcers
- Operational EBIT/kg of NOK 20.1 (25.0)
- Price achievement impacted by low superior share, low average harvest weight and negative contribution from contracts
- No new incidents of Spiro in the freshwater facility
- Farming cost per kg of NOK 62.8 (NOK 41.8) impacted by low average harvest weight, reduced survival and increased harvest costs
- 75% of harvested volume ASC certified

British Columbia Canada

- No harvest volume in the quarter (2 096 tonnes in Q1 2022), prioritizing biomass growth
- Good seawater production with stable survival rate of 92% in Q1 2023
- Constructive ongoing process with Canadian Government to transition industry in BC towards better and more sustainable practices

Newfoundland Canada

- Freshwater production according to plan, with high survival
- Good biological conditions supporting stable growth and high survival in seawater production
- Farming operations proving resilient to rough weather and low seawater temperatures
- Biomass of 3 100 tonnes, with average weight of 1.6 kg
- Operational EBIT of NOK -28 million

Key figures

KEY FIGURES	Q1 2023	Q1 2022	FY 2022
Operational			
Harvest volume (tonnes GWT)	15 357	16 916	84 697
Sales revenue/kg (NOK) ⁽¹⁾	89.7	74.4	75.8
Group farming cost/kg (NOK) ⁽¹⁾	61.5	43.4	52.7
Other costs incl. ownership and headquarter costs/kg (NOK) ⁽¹⁾	3.1	4.2	2.5
Operational EBIT/kg (NOK) ⁽¹⁾	25.1	26.8	20.5
Financial			
Sales revenues (NOK million)	1 546	1 465	7 164
Operational EBITDA (NOK million) ⁽¹⁾	507	548	2 191
Operational EBIT (NOK million) ⁽¹⁾	385	453	1 739
EBIT (Earnings before interest and taxes, NOK million)	525	862	1 498
Profit before tax (NOK million)	573	878	1 448
Cash flow from operations (NOK million)	99	341	1 562
Capital structure			
NIBD excl. the effects of IFRS 16 (NOK million) ^{(1), (2)}	2 070	1 718	1 739
NIBD/harvest volume (NOK) ^{(1), (3)}	24.9	21.8	20.5
Equity % ⁽¹⁾	53%	51%	50%
Equity % excl. the effects of IFRS 16 ⁽¹⁾	55%	53%	52%
Gross investments (NOK million) ^{(1), (4)}	276	123	679
Profitability			
ROCE ⁽¹⁾	18%	25%	23%
Dividend per share (NOK)	0.0	0.0	3.0
Earnings per share (NOK)	3.8	6.2	10.3
Total market value (NOK million, Euronext)	9 274	13 625	8 917

¹ See Alternative Performance Measures for definitions.

² NIBD excl. the effects of IFRS 16.

³ NIBD/harvest: NIBD excl. IFRS 16 divided by last twelve months harvest volume.

⁴ Incl. financial lease (according to IFRS in force prior to 1 January 2019) investments.

Guiding and expectations

Farming operations

Rogaland Norway

- Good biological production so far in the quarter. Expect some impact from winter ulcers on price achievement
- Expect harvest of 10 500 tonnes in Q2 2023, evenly distributed throughout the quarter
- Stable but high cost due to continued ISA harvest at lower average weight
- Harvest target of 29 000 tonnes in 2023 maintained

Finnmark Norway

- Good biological production so far in the quarter. Expect impact from winter ulcers on price achievement
- Expect harvest of 5 500 tonnes in Q2 2023, somewhat skewed towards the end of the quarter
- Continued high farming costs due to historic biological challenges
- 2023 harvest target reduced from 28 000 tonnes to 26 000 tonnes due to advance harvesting and challenging growth conditions

British Columbia Canada

- Good biological production so far in Q2 2023
- Expect harvest of 5 300 tonnes in Q2 2023, main part of harvest towards the end of the quarter
- Cost level impacted by historic biological risk
- 2023 harvest target at 20 000 tonnes remains

Newfoundland Canada

- Good biological production so far in Q2 2023
- Stable operational cost in Q2 2023
- Next smolt transfer to sea expected in spring/summer
- Harvesting commencing in Q4 2023, harvest target at 5 000 tonnes remains

Over the last years, we have been able to reduce farming costs through operational improvement initiatives. However, during 2022 we experienced a general cost inflation in the industry, particularly affecting feed prices. In addition, biological events of 2022 will increase farming cost until the impacted fish are harvested. While the underlying biology is improving, we have launched an improvement program to review all aspects of our operations and identify areas where we can improve profitability and reduce cost.

EXPECTED HARVEST (TONNES GWT)	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEWFOUNDLAND	GROUP TOTAL
Q1 2023 (actuals)	7 500	7 860	—	—	15 400
Q2 2023	10 500	5 500	5 300	—	21 300
Q3 - Q4 2023	11 000	12 640	14 700	5 000	43 300
Total 2023	29 000	26 000	20 000	5 000	80 000

Sales & Market

We expect a good market as a result of very limited global supply growth of Atlantic salmon in combination with the outlook for continued high demand both in retail and the HoReCa market. Current Fishpool forward price for Q2 2023 is NOK 110 per kg. Our estimated contract share for Q2 2023 is 12% of our Norwegian harvest volume, and 15% for the full year 2023.

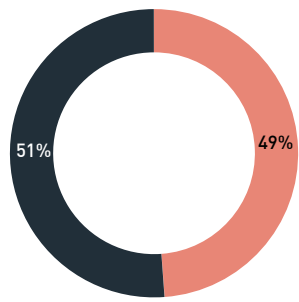
Proposed resource tax in Norway

On 28 September 2022, the Norwegian government proposed the introduction of a resource tax on farming of salmon and trout in Norway with effect from 1 January 2023 and on 28 March 2023 the Norwegian government presented a bill providing further details to the tax regime in addition to modifications made to the proposal communicated 28 September 2022. The resource tax will only be applicable to profits generated in the sea phase of the production cycle. The proposal is subject to adoption by the Norwegian Parliament, expected to happen before the summer of 2023. The proposed tax in the current form is not neutral on investments and Grieg Seafood has put all new growth investments in Norway (approximately NOK 2.3 billion) on hold until a final version is adopted. Once the tax is adopted, Grieg Seafood will assess how the final proposal will impact the Group's strategy and plan. For more information, see Note 2.

Capex

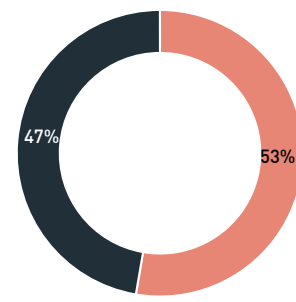
Maintenance investments are estimated at NOK 300 million in 2023. Growth investments in 2023 are estimated to approximately NOK 370 million, whereof NOK 300 million is allocated to Newfoundland and NOK 70 million to our freshwater facility in Finnmark to mitigate challenges related to the parasite Spiro. All other growth investments in Norway are on hold due to political uncertainty and will be reviewed when the final version of the resource tax is adopted. In BC, the Government of Canada is currently [conducting a transition process](#), with the aim of outlining a path to an improved salmon farming industry in the region. Growth investments in BC will be evaluated in light of the outcome.

HARVEST VOLUME
Q1 2023



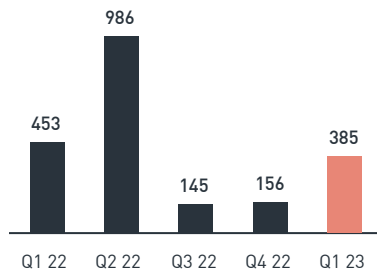
Rogaland Finnmark

SALES REVENUES
Q1 2023

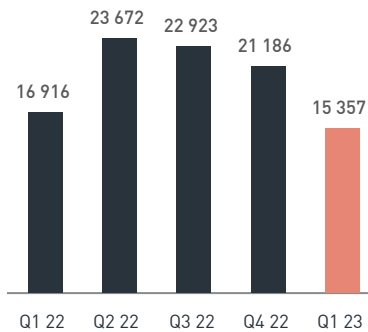


Rogaland Finnmark

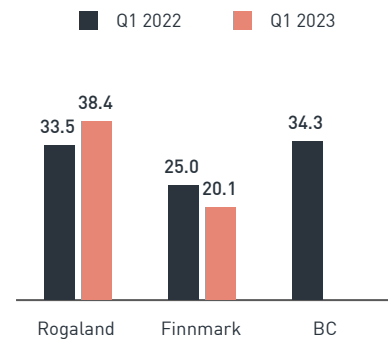
OPERATIONAL EBIT
(NOK MILLION)



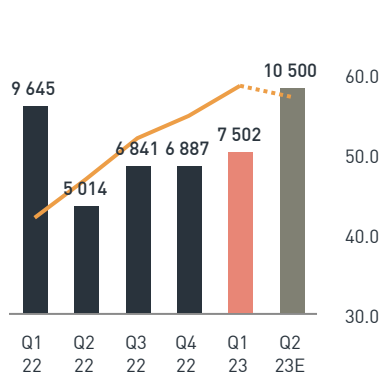
HARVEST VOLUME
(TONNES GWT)



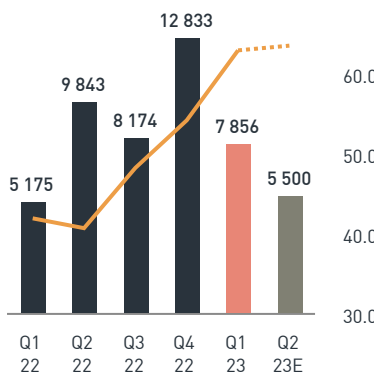
OPERATIONAL EBIT/KG PER REGION
(NOK)



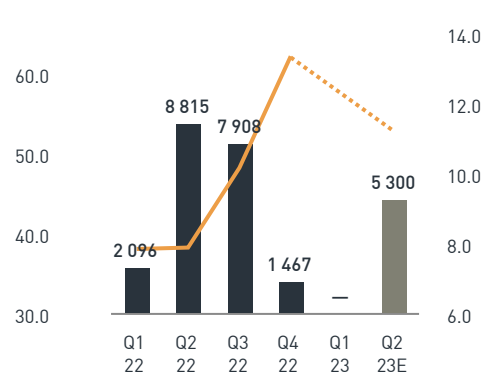
HARVEST VOLUME & FARMING COST/KG (NOK)
ROGALAND



HARVEST VOLUME & FARMING COST/KG (NOK)
FINNMARK



HARVEST VOLUME & FARMING COST/KG (CAD)
BRITISH COLUMBIA



The graphs show the guided harvest volume for Q2 2023, while the dotted cost lines indicate direction of farming cost (the total cost of producing and harvesting our fish) per kg for the coming quarter. There was no harvest and related farming cost in BC in Q1 2023. See page 7 for comment on cost development.

Our scoreboard

● Within target ◆ On track to meet target ■ Unsatisfactory result

	ASPECT	TARGET	STATUS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
PROFIT & INNOVATION	Return on capital employed ¹⁾	12% p.a.	●	18%	8%	7%	52%	25%
	Harvest volume (tonnes GWT)	82 000 tonnes in 2023	◆	15 357	21 186	22 923	23 672	16 916
	Farming cost per kg	Cost leader in our operating regions						
	Rogaland (NOK)		◆	58.4	54.6	51.8	46.7	41.9
	Finnmark (NOK)		■	62.8	54.1	48.1	40.6	41.8
	British Columbia (CAD)		n/a	n/a	13.3	10.1	7.9	7.8
HEALTHY OCEAN	ASC certifications ²⁾	All sites (41) by 2023	◆	30	29	33	31	31
	Survival rate sea (GSI standard)	93% by 2023						
	Rogaland		◆	91%	92%	93%	93%	92%
	Finnmark		◆	88%	91%	92%	94%	95%
	British Columbia		◆	92%	91%	90%	92%	92%
	Antibiotics g/tonne ³⁾	No use of antibiotics						
	Rogaland		●	0.0	0.0	0.0	0.0	0.0
	Finnmark		●	0.0	0.4	0.0	13.0	25.1
	British Columbia		◆	0.1	20.2	56.6	35.5	31.8
	Newfoundland		●	0.0	0.0	0.0	0.0	0.0
	Sea lice treatments g/tonne ^{3/4)}	Minimize use of pharmaceutical treatments						
	Rogaland		●	0.0	0.0	0.0	0.0	7.9
	Finnmark		●	0.0	1.9	0.7	0.0	0.0
	British Columbia		●	0.0	0.0	0.8	0.0	0.1
Newfoundland		●	0.0	0.0	0.0	0.0	0.0	
Escape incidents (# of fish)	Zero escape incidents	●	0	0	1 (2 878)	0	0	
SUSTAINABLE FOOD	High quality product	93% superior share						
	Rogaland		■	73%	91%	94%	82%	73%
	Finnmark		■	52%	85%	94%	84%	80%
	British Columbia		n/a	n/a	86%	86%	86%	77%
PEOPLE	Absence rate	Below 4.5%						
	Rogaland		◆	5.9%	5.1%	4.8%	7.6%	5.3%
	Finnmark		■	10.6%	10.2%	8.0%	8.5%	12.2%
	British Columbia		●	4.3%	5.0%	6.9%	7.1%	6.6%
	Newfoundland		●	1.8%	1.1%	1.4%	1.2%	3.3%
LOCAL COMMUNITIES	Support our local communities	Collaborate and contribute to local community	●	Yes	Yes	Yes	Yes	Yes

1) ROCE is calculated using operational EBIT, see Alternative Performance Measures for definition.

2) Number of sites certified. Target: 100% ASC compliant within 2023.

3) Amount of active pharmaceutical ingredients (APIs) used (g) per tonne of fish produced (LWE).

4) Excl. hydrogen peroxide. For data on hydrogen peroxide, see the regions' Sustainability KPIs.

Our approach to sustainable business

In our long-term perspective, there is no contradiction between clean seas, healthy fish and financial profit. It is our task to make these aspects go hand in hand, and contribute to a sustainable ocean economy.

Grieg Seafood's business is based on five pillars, covering environmental, social and governance (ESG) topics. Our materiality assessment forms the foundation of our pillars. The pillars help us steer towards long-term value creation for investors, customers, employees and local communities. Find an overview of our pillars, targets and Group policies [here](#).

Sustainability is core to the industry and strongly impacts our financial performance. Our sustainability drivers must perform well if we are to reach our financial targets.



*Net profit after tax, before fair value adj. on biological assets (limited to 50% by Green Bond agreement).

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals guide us towards a more sustainable food system. They highlight opportunities to grasp and challenges to solve - both in our farming operations and in our value chain. Read how Grieg Seafood align with the various SDGs [here](#).



TOMORROW'S SUSTAINABLE GLOBAL FOOD SYSTEM

- Healthy and nutritious food for nine billion people
- Nature and biodiversity protected
- Low carbon and low climate risk
- Good animal welfare
- A circular economy with resources recycled
- Social and economic justice for producers in supply chains

Aquaculture and farmed salmon can play an important role in the future food system - if we do it responsibly and right. Read more [here](#).

Status towards 2026

Our 2026 business strategy targets three key strategic objectives for continued business development. The development and application of increasingly sustainable farming practices underpins all areas of the strategy.



Towards 2026, we aim to achieve production growth, cost improvements and to reposition the company in the value chain. Sustainability is the foundation of all areas of the strategy. Read more about our 2026 business strategy [here](#).

To advance our corporate strategy and utilize strategic opportunities in our regions and markets, we have appointed Nina Stangeland as Chief Strategy Officer. Stangeland has nearly two decades of experience from strategy and business development, corporate finance and mergers & acquisitions within the seafood, maritime and finance industries.



PART 02

PROGRESS



Group financial review

We aim to provide our shareholders with a competitive return on capital invested, with a ROCE target of 12%. With initiatives to reduce our environmental impact and improve fish welfare, we aim to increase harvest rates and reduce production costs.

Profit

Figures for Q1 2022 in brackets

The Group harvested 15 357 tonnes in Q1 2023, down 9% compared to 16 916 tonnes in Q1 2022, and down 28% compared to 21 186 tonnes in Q4 2022. According to plan and to prioritize growth of biomass, British Columbia did not harvest any fish in Q1 2023, and thus had no sales revenue and had only a limited impact on the Group's farming cost. As such, Rogaland and Finnmark contributed 100% (88%) to the Group's harvest volume and 100% (85%) of the Group's sales revenue from farming regions.

The Group's price realization for the quarter was NOK 89.7 per kg (NOK 74.4 per kg), up NOK 21.6 per kg compared to NOK 68.0 per kg in Q4 2022. In total, Rogaland and Finnmark achieved a price realization of NOK 89.7 per kg (NOK 72.4 per kg) in Q1 2023, up NOK 22.5 per kg compared to NOK 67.2 per kg in Q4 2022. On aggregate, 13% (14%) of our volume in Norway was sold on contracts in Q1 2023, compared to 26% in Q4 2022, impacting our price realization negatively compared to the market reference price.

The Group's farming cost for the quarter was NOK 61.5 per kg (NOK 43.4 per kg), up NOK 3.9 per kg compared to NOK 57.6 per kg in Q4 2022. As British Columbia did not harvest any fish during the quarter, our Norwegian regions contributed 99% (84%) of the Group's farming cost, impacting EBIT by a farming cost of NOK 60.6 per kg (NOK 41.9 per kg) in the quarter, up NOK 6.4 per kg compared to NOK 54.3 per kg in Q4 2022. The impact British Columbia had on the Group's farming cost in Q1 2023 was related to costs of reduced survival. However, the Group farming cost is also adversely impacted by higher production costs from the generations harvested in Norway. The increase in costs, which in Q1 2023 was up NOK 18.0 per kg for the Norwegian farming regions compared to Q1 2022, is primarily due to an increase of approximately 40% in feed prices in 2022. Due to the long production cycle for Atlantic salmon, the expensed farming cost through the income statement at the point of harvest reflects all costs for all past periods, such as feed costs (if not previously expensed as abnormal mortality). In addition, our farming cost/kg is higher compared to both Q1 2022 and Q4 2022 due to biological challenges, including harvest of ISA fish in Rogaland in the quarter, and costs due to winter ulcers and Spiro in Finnmark.

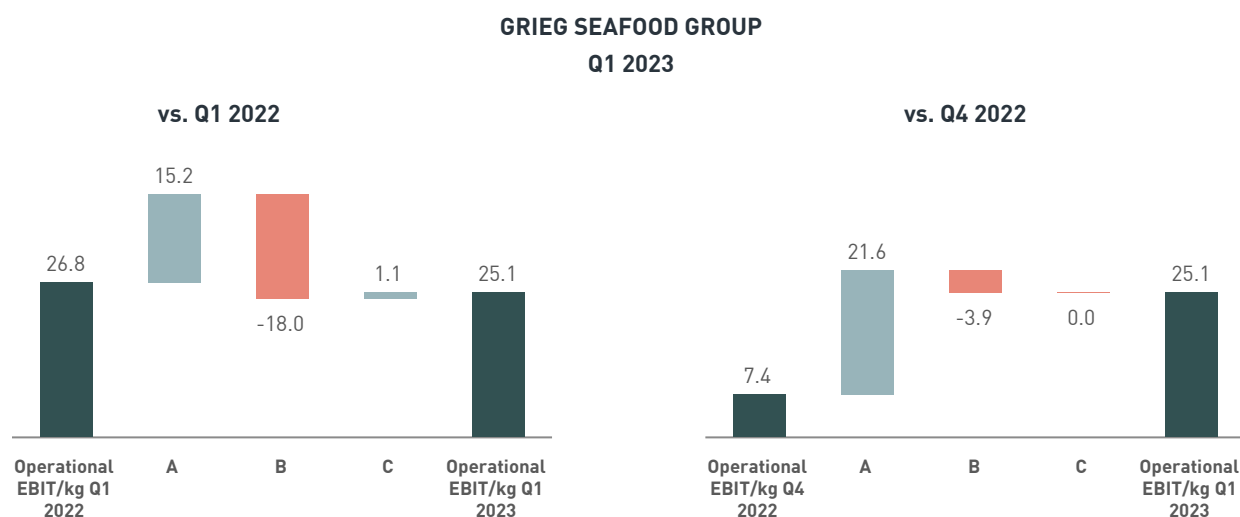
The Group's operational EBIT was NOK 385 million (NOK 453 million) for the quarter, up 147% compared to NOK 156 million in Q4 2022. During the quarter, the Group realized a ROCE of 18%. Operational EBIT/kg for the quarter was NOK 25.1 (NOK 26.8 per kg) in Q1 2023, up NOK 17.7 per kg compared to NOK 7.4 per kg in Q4 2022. Our Norwegian regions contributed with an operational EBIT of NOK 29.0 per kg (NOK 30.5 per kg), up NOK 16.1 per kg compared to NOK 12.9 per kg in Q4 2022.

The difference between operational EBIT and the EBIT financial statement line item presented in the income statement for Q1 2023 relate to production fee on Norwegian harvest volume and fair value adjustment of the biological assets of the Group.

OPERATIONAL EBIT PER REGION (NOK MILLION)	Q1 2023	Q1 2022
Rogaland	288.0	323.0
Finnmark	157.9	129.3
British Columbia	-12.8	71.9
Newfoundland	-27.6	-24.6
Elimination/Others	-20.1	-46.4
Grieg Seafood Group	385.4	453.1

Source: Note 3

OPERATIONAL EBIT-BRIDGE, QUARTER-ON-QUARTER (NOK/KG)



A = Sales revenue/kg | B = Farming cost/kg | C = Other costs incl. ownership and headquarter costs/kg
The operational EBIT-bridge is calculated using solely figures from Note 3.

The share of profit from associated companies included in operational EBIT ended at NOK 4 million for Q1 2023 (NOK 2 million), up NOK 8 million from NOK -4 million in Q4 2022. Production fee, calculated as NOK 0.560 per kg (NOK 0.405 per kg) salmon harvested by our Norwegian regions, came to NOK 9 million for the quarter (NOK 6 million), up from NOK 8 million in Q4 2022. Fair value adjustments of biological assets amounted to NOK 148 million (NOK 414 million) in the quarter, compared to NOK 189 million in Q4 2022.

EBIT (earnings before interests and taxes) came to NOK 525 million for the quarter (NOK 862 million), compared to NOK 282 million in Q4 2022. A reconciliation of operational EBIT with the EBIT presented in the income statement is included in Note 3. Net financial items ended at NOK 48 million (NOK 17 million) for the quarter, compared to NOK -175 million in Q4 2022. Net financial items for Q1 2023 were positively impacted by foreign exchange rate fluctuations during the period which offset the quarter's debt service cost.

The pre-tax profit for the quarter totaled NOK 573 million (profit of NOK 878 million), compared to a profit of NOK 108 million in Q4 2022. Tax expense for the period was estimated to NOK 146 million (tax expense of NOK 187 million), compared to a tax expense of NOK 45 million in Q4 2022, bringing the total profit after tax to NOK 427 million (profit of NOK 692 million), compared to a profit of NOK 62 million in Q4 2022. The Q4 2022 figures referred to in this chapter and this quarterly report are updated subsequent to the Annual Report of 2022. The changes made from Q4 2022 quarterly report to the Annual Report of 2022 impacted net financial items negatively by NOK 1 million, and income taxes positively by NOK 6 million.

Cash flow

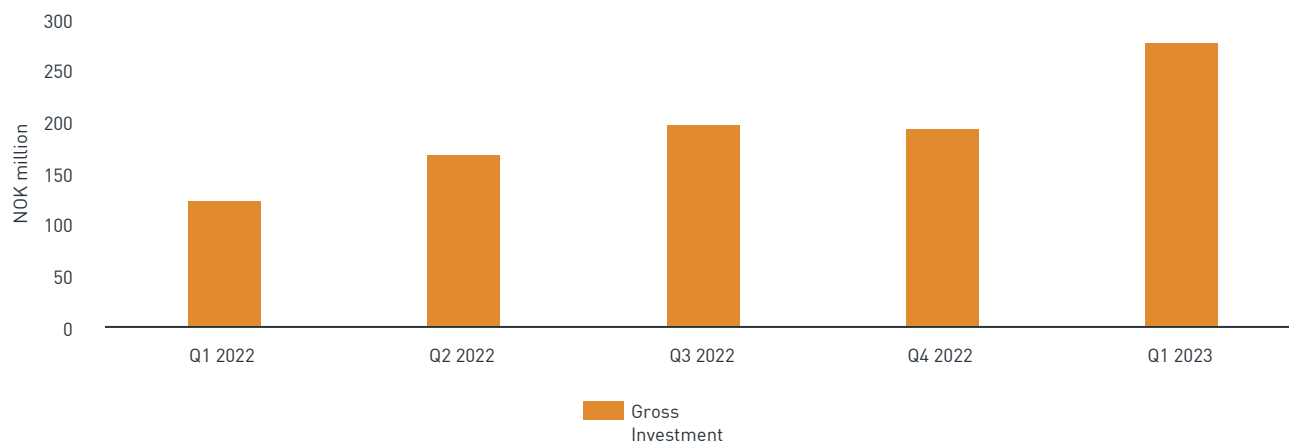
Figures for Q1 2022 in brackets

Cash flow from operating activities during the quarter amounted to NOK 99 million (NOK 341 million), up NOK 247 million compared to NOK -148 million in Q4 2022. The operational EBITDA in Q1 2023 ended at NOK 507 million (NOK 548 million), up NOK 225 million compared to NOK 282 million in Q4 2022. See Note 3 for more information on operational EBITDA. The change in cash flow from operating activities compared to Q4 2022 was primarily due to the higher operational EBITDA in Q1 2023 as well as differences in working capital movements and other timing differences for the quarter. Compared to Q1 2022, the difference in net cash from operating activities are primarily due to a combination of a NOK 41 million lower operational EBITDA in Q1 2023, a difference of NOK -71 million in net paid taxes, and timing differences in net working capital items.

Net cash flow from investing activities was NOK -274 million (NOK -127 million) during the quarter, compared to NOK -1 237 million in Q4 2022. In Q4 2022, cash surplus of approximately NOK 1 000 million was invested in money market funds. In addition, investments in tangible and intangible assets were NOK 116 million higher in Q1 2023, while investments in associates and other investment activities were NOK 89 million lower in Q1 2023, which together primarily explain the difference compared to Q4 2022. Compared to Q1 2022, NOK 160 million of higher investments in tangible and intangible assets primarily explain the difference in net change in cash and cash equivalents from investment activities. Our gross investments for the quarter were NOK 276 million (NOK 123 million), of which NOK 1 million (NOK 7 million) was financed through lease arrangements with credit institutions. In comparison, our gross investments in Q4 2022 were NOK 192 million (of which NOK 5 million was through lease arrangements with credit institutions). The investments in Q1 2023 were mainly related to our seawater locations in Newfoundland, as well as maintenance and replacement of equipment in Rogaland, Finnmark and British Columbia. We have also started to improve the water intake for the freshwater facility in Finnmark, as a response to the challenges we have had with the parasite *Spironucleus salmonicida* (Spiro). In addition, a loan of NOK 8 million has been provided to Nordnorsk Smolt AS during the quarter.

Net cash flow from financing activities in Q1 2023 was NOK -235 million (NOK 565 million), down NOK 108 million from NOK -127 million in Q4 2022. In Q1 2023, the Group has repurchased bonds in the green bond loan facility of NOK 31 million, as well as made installment on both the NOK and EUR term loan facilities of the syndicated loan with banks, totalling NOK 67 million. In Q1 2022, the Group refinanced its syndicated facilities with banks, where the outstanding revolving credit facility and term loans were settled, and drawdown on new NOK and EUR term loans was made, which primarily explain the difference in net cash and cash equivalents from investment activities in Q1 2022 compared to the current quarter. In Q4 2022, the Group repurchased treasury shares for NOK 30 million, of which NOK 24 million was settled in cash at 31 December 2022, and the remaining NOK 6 million settled in Q1 2023. In addition, the Group has repurchased bonds for NOK 27 million, of which NOK 2 million was settled at 31 December 2022, and the remaining NOK 25 million in Q1 2023. Other net cash flows from financing during the quarter were repayment of leases and financial items (incl. interests), which (excl. a cash inflow in Q1 2022 from realization of a financial instrument) were in line with the preceding quarters.

INVESTMENT LEVEL



See Alternative Performance Measures for definition of gross investment.

Net change in cash and cash equivalents was negative by NOK 410 million (positive by NOK 779 million) for the first quarter of 2023, up NOK 1 102 million from NOK -1 512 million in Q4 2022. Cash and cash equivalents as at the end of Q1 2023 was NOK 243 million (NOK 1 708 million) and down from NOK 643 million in Q4 2022. The investment in money market funds in 2022 is the primary cause of changes in cash compared to Q1 2022. As at the end of Q1 2023, the Group had undrawn credit facilities of NOK 1 700 million (NOK 1 700 million), which was unchanged since Q4 2022. In addition, the investment in money market funds was NOK 1 023 million (NOK 0 million) as at the end of Q1 2023, compared to NOK 1 013 million in Q4 2022, bringing the sum of cash and cash equivalents, investment in money market funds and undrawn liquidity to NOK 2 966 million (NOK 3 408 million), compared to NOK 3 356 million at the end of Q4 2022

Financial position and liquidity

Figures for Q1 2022 in brackets

At 31 March 2023, book value of the Group's assets was NOK 13 222 million (NOK 12 371 million), up by NOK 347 million from NOK 12 875 million at the end of Q4 2022. The increase in the Group's balance sheet compared to Q4 2022 was primarily due to foreign currency translation of CAD to NOK, which stood at NOK 7.73 per CAD (6.99) compared to NOK 7.28 per CAD as at 31 December 2022, in addition to investments made in tangible assets, mainly in Newfoundland where we are preparing new seawater sites to be stocked with smolt in late spring/summer.

The Group's goodwill, licenses, other intangible assets, and property plant and equipment including right-of-use assets totaled NOK 6 518 million (NOK 5 743 million) as at 31 March 2023, up NOK 313 million compared to NOK 6 205 million as at 31 December 2022. Compared relative to total assets, these assets equaled 49% (46%) of the balance sheet as at 31 March 2023, compared to 48% as at 31 December 2022. Biological assets measured at cost totaled NOK 3 132 million (NOK 2 670 million) as at 31 March 2023, up NOK 235 million compared to NOK 2 896 million as at 31 December 2022. Compared relative to total assets, biological assets at cost equaled to 24% (22%) of the balance sheet as at 31 March 2023, compared to 22% at 31 December 2022. Our cash balance at the end of the quarter was NOK 243 million (NOK 1 708 million), down NOK 400 million compared to NOK 643 million as at 31 December 2022. The investment in money market funds in 2022 is the primary cause of changes in cash compared to Q1 2022 (see the cash flow section above). Current assets (excl. fair value adjustment of biological assets) over current liabilities measured 3.3 (3.7) as at 31 March 2023, compared to 2.8 as at 31 December 2022.

Total equity as at 31 March 2023 totaled NOK 7 027 million (NOK 6 269 million), up NOK 542 million compared to NOK 6 486 million as at 31 December 2022. The equity ratio as at 31 March 2023 was 53% (51%) compared to 50% as at 31 December 2022.

The Group's debt structure comprises sustainability-linked loans with a NOK 750 million term loan (outstanding NOK 688 million), an EUR 75 million term loan (outstanding EUR 69 million), a NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility (see Note 5 for more information). Both the revolving credit facility and the overdraft facility were unutilized as at quarter-end Q1 2023. In addition, we have a green bond issue of NOK 1 393 million, which matures in 2025. As at 31 March 2023, net interest-bearing liabilities (NIBD) incl. the effects of IFRS 16 were NOK 2 532 million (NOK 2 143 million), up NOK 310 million from NOK 2 223 million as at 31 December 2022. The change in NIBD compared to quarter-end Q4 2022 was primarily due to net cash outflow related to operational- and investment activity during the quarter. During Q1 2023, the Group re-purchased bonds for NOK 31 million in the Grieg Seafood Green Bond issue (bringing total repurchased bonds to NOK 108 million since drawdown of the facilities). At the end of the quarter, NIBD excl. the effect of IFRS 16 totaled NOK 2 070 million (NOK 1 718 million), up NOK 332 million from NOK 1 739 million in Q4 2022. NIBD incl. the effect of IFRS 16 relative to total assets measured 19% (17%) as at 31 March 2023, compared to 17% as at 31 December 2022, and NIBD excl. the effect of IFRS 16 divided by last twelve months rolling harvest volume (tonnes GWT) equaled 24.9 (21.8) compared to 20.5 as at 31 December 2022.

The Group was in compliance with its financial covenant as at 31 March 2023 (see Note 5). As at 31 March 2023, the equity-ratio according to covenant was 55% (53%) compared to 52% as at 31 December 2022. As at quarter-end Q1 2023, 75% (77%) of our gross interest-bearing liabilities (Note 5) were either green or sustainability linked (of which NOK 1 393 million Green Bond), in line with 31 December 2022.

Our ambition is to create shareholder value and deliver competitive returns relative to comparable investment alternatives. The Group's dividend policy is that the dividend should, over time, average 30-40% of the Group's net profit after tax before fair value adjustment of biological assets (limited to 50% by Green Bond agreement). In 2022, the Group distributed a dividend of NOK 3.0 per share to shareholders. Also, in our Annual Report of 2022, published in March 2023, the Board of Directors proposed a dividend of NOK 4.5 per share to be distributed to shareholders in 2023. The proposed dividend of NOK 4.5 per share is subject to authorization by the Annual General Meeting, which is to be held in June 2023.

Sales and market development

Grieg Seafood supplied close to 3% of the global volume of Atlantic salmon harvested in Q1 2023. As part of our strategy, we will reposition Grieg Seafood in the value chain and become an innovative partner for our customers. By focusing on sustainable farming practices and good fish health and welfare, we can provide the healthy, tasty, and high-quality product that our customers and consumers demand.

Sales and market updates

Grieg Seafood is on an exciting journey of growth where we are building a stronger presence in the market. With our fully integrated global sales organization, we aim to optimize biological performance and market timing through close collaboration between farming and sales, thereby securing good price achievement. Our downstream strategy is based on strategic partnerships, value added processing and brand cultivation. While our sale currently consists mainly of fresh, head-on gutted salmon, we aim to establish processing partners close to key markets and customers in the EU and the USA, targeting 20-30% share of our volume for Value Added Processing (VAP) by 2026. We currently process with partners in Norway and during the quarter, we started processing with partners in Europe. We have established a presence of our own VAP products in the European, Asian and the US markets. In 2023, we aim for a VAP share of 8-12% of harvested volume. We will continue to evaluate external opportunities to strengthen our processing capacity. Increasing our VAP share is also an important part of reducing our CO2 emissions. We also aim to develop B2B brands going forward. Today, we have the successful Skuna Bay brand in the USA.

Our farming operations in Rogaland, Finnmark and BC are certified according to BAP or GLOBALG.A.P. Both these standards are recognized by the Global Food Safety Initiative (GFSI). Our sales and market organization is chain-of-custody certified according to ASC and GlobalG.A.P. and our processing plants are certified according to FSSC 22000, a GFSI recognized standard. While GFSI does not provide food safety certification, it recognizes a number of certification programs that meet the GFSI benchmarking requirements. GFSI-recognized certification is a mark of the highest standards in food safety, allowing food businesses that hold these recognized certificates to access all corners of the global market. Processing partners in BC hold equivalent certification for their operations. Read more about our certifications and their current status [here](#).

We maintain strict quality controls at every stage of our farming operations to ensure the highest levels of food safety. Products originating from our processing plants have been handled through a HACCP- and sanitary program. We have not had any product recalls for the last ten years, nor did we have any in Q1 2023. We are not banned from any markets. Read more about product safety and traceability [here](#).

Market development

GLOBAL SUPPLY AND DEMAND

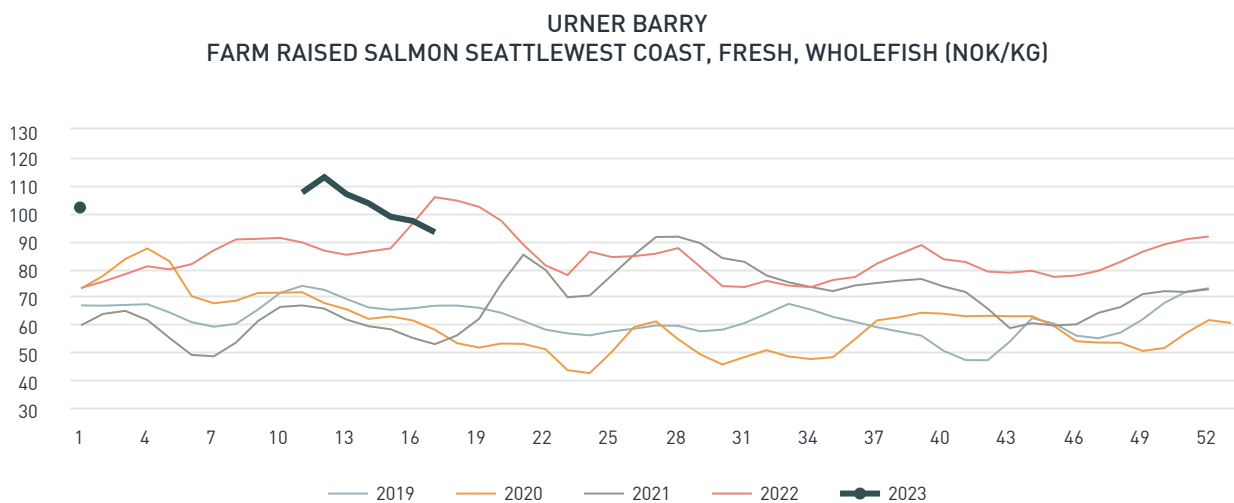
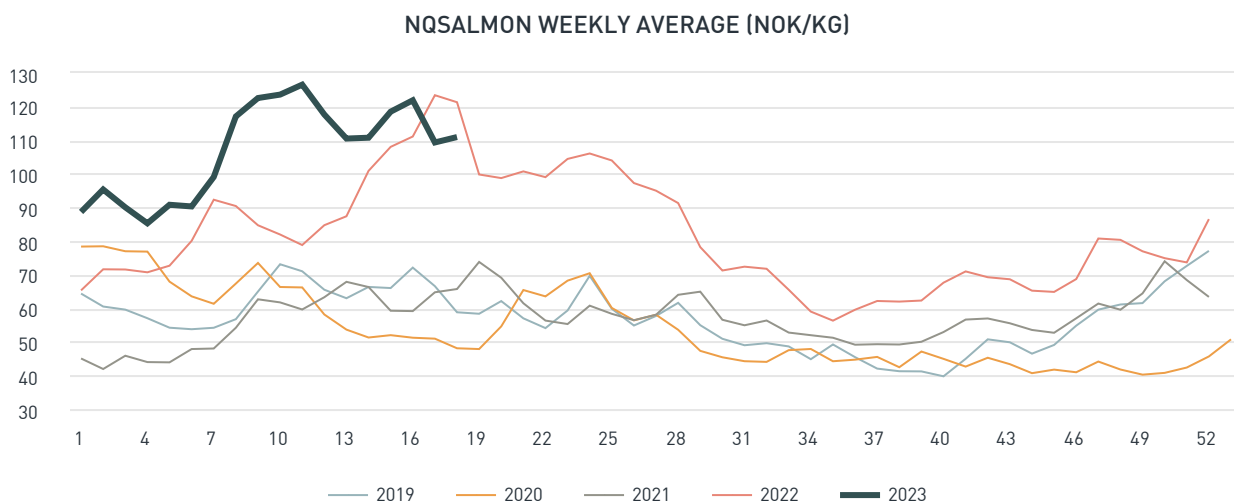
The global harvest of Atlantic salmon for the quarter decreased by approximately 4% compared to Q1 2022, according to Kontali. While Chile and UK increased their harvesting volume, Norway and Canada had a decrease in volume. Salmon of Norwegian origin contributed to 50% of the total harvest in the quarter. The export of fresh salmon (GWT) from Norway for the quarter was down 9% compared to Q1 2022, with the main export markets being Europe of 79%, Asia 17% and North America 4% (source: Norwegian Seafood Council).

Market demand of farmed salmon both in the retail and HoReCa sector has continued strong also this quarter, with a limited supply to the markets. Supply to Europe decreased by approximately 11% compared to Q1 2022, while supply to

the USA remained stable. The demand in the Asian market decreased by approximately 4% compared to Q1 2022. Supply to Russia decreased from 13 400 tonnes in Q1 2022 to 12 800 tonnes in Q1 2023. The average salmon spot price for Norwegian salmon (NQSALMON, weekly average) for Q1 2023 was NOK 104.4 per kg, up by NOK 25.0 per kg compared to Q1 2022, and up by NOK 31.5 per kg compared to Q4 2022. Prices started in the high eighties in the beginning of the quarter and climbed to a peak around NOK 126.5 per kg, with some fluctuations during the quarter. Average salmon spot price in the US market (Urner Barry Seattle) was up by NOK 23.9 per kg compared to Q1 2022.

OUR MARKETS

Grieg Seafood contributed with close to 3% of the global supply of Atlantic salmon in the quarter. Our main export markets were Europe (75% of our volume), Asia (17%) and North America (8%). 81% of our volume in the quarter was ASC certified. We experienced good demand for ASC-certified salmon in the European market and are selling ASC-certified volumes with a consistent market premium. We target a contract share of 20-50% of our harvested volume. During the first quarter of 2023, the share of contracts was 13% in Norway.



The Urner Barry Farm Raised Salmon Seattle West Coast, Fresh, Wholefish shown above is a weekly average of all weight classes (4-6 lb, 6-8 lb, 8-10 lb, 10-12 lb, 12-14 lb, 14-16 lb, 16-18 lb) in USD/lb, converted into NOK/kg using the weekly average of Norges Bank's daily exchange rate.

There are no registered UB entries for Farm Raised Salmon, Fresh Wholefish Seattle in week 2-10 due to limited availability of UB salmon prices.

Market expectations

The global harvest of Atlantic salmon in 2023 is expected to increase by 1%, or 32 000 tonnes WFE, compared to 2022 (2 866 800), to a total of 2 897 400 tonnes, according to Kontali. The current harvest estimates indicate a significant difference between supply volumes in the first and second half of 2023, the same pattern as observed in 2022. Norwegian salmon farmers are expected to harvest approximately 21 000 tonnes more in 2023 than in 2022, with the majority of this increase in Q4. UK is expected to increase harvest by close to 15 000 tonnes. Chile is expected to decrease harvest for 2023 by approximately 6 000 tonnes while Canada is expected to decrease harvest by approximately 9 000 tonnes. The remaining salmon farming countries are expected to increase their total volume by approximately 10 000 tonnes.

With an expected negative supply growth in the first half of the year and overall limited growth in 2023, combined with an outlook for continuing strong demand fueled by an increased focus on healthy food and sustainably produced proteins, we currently believe in sustained strong market prices in 2023. However, current inflation reducing household purchasing power might impact demand from both the HoReCa (hotels, restaurants and catering) and retail segment. The average spot price according to NQSALMON for the first weeks into Q2 2023 was around NOK 115 per kg. The current Fishpool forward price for the remainder of 2023 is around NOK 92 per kg, reflecting an optimistic market outlook.

We target a contract share of 20-50% of our Norwegian volume. Estimated contract share for Q2 2023 is 12% and 15% for the full year 2023, of our Norwegian harvest volume. The contract market is somewhat subdued due to uncertainty related to the proposed resource rent tax on salmon in Norway.

OUR PROGRESS

ROGALAND

Grieg Seafood Rogaland AS farms salmon in the county of Rogaland on the west coast of Norway. In the region, we have seawater licenses with a maximum allowed biomass (MAB) of 17 800 tonnes. We have smolt and post-smolt facilities and also operate our own broodstock activity. All the salmon we harvest in this region is processed and packed at our own facility.

7 502

TONNES GWT HARVESTED

38.4

OPERATIONAL EBIT/KG (NOK)

Operational results

Harvest volume in Rogaland was 7 502 tonnes in Q1 2023, down 22% compared to Q1 2022. The harvest volume was 2 200 tonnes above guidance due to advance harvesting to reduce biological risk related to Infectious Salmon Anemia (ISA) at one site and winter ulcers. Sales revenues for the quarter amounted to NOK 726.0 million, the same level as in Q1 2022. Sales revenues were positively affected by the strong market prices, but offset by the lower harvest volume compared to Q1 2022. The Nasdaq average spot price was NOK 104.4 per kg in Q1 2023, compared to NOK 79.4 per kg in Q1 2022. Our realized price in Q1 2023 was NOK 96.8 per kg, compared to NOK 75.4 per kg in Q1 2022. The price achievement in the quarter was supported by the timing of harvest towards the end of the quarter with higher spot prices, offset by a superior share of 73%, negative contribution from contracts and reduced average harvest weight compared to Q1 2022.

The freshwater production during the quarter was good. We transferred 0.2 million smolt to sea this quarter, with an average weight above 720 grams, in line with our post-smolt strategy.

The seawater production was good during the quarter, however somewhat impacted by winter ulcers. Unfortunately we also had two farms affected by ISA. One of the farms was emptied during the quarter. The 12-month rolling survival rate was slightly down from 92% in Q1 2022 to 91% in Q1 2023. We are working systematically to improve fish health and welfare. This includes a greater focus on the freshwater phase to ensure a robust smolt, a preventive and targeted approach to diseases and sea lice, the utilization of new digital technologies and shortening the time our salmon spend at sea. Transferring larger and more robust smolt to our sea farms provides improved biological control compared to smolt

of standard weight. The result is a higher survival rate, a lower feed conversion rate and a significant reduction in the number of sea lice treatments. Due to the use of post-smolt and cleaner fish, including wrasse, we have managed to minimize both medical and mechanical sea lice treatments. We did not use any medical sea lice treatments this quarter. Due to efforts to ensure robust fish health and good results from vaccines, we have not used antibiotics in Rogaland for several years. The farming cost ended at NOK 58.4 per kg in Q1 2023, up from NOK 41.9 per kg in Q1 2022 and NOK 54.6 per kg in Q4 2022. The increased cost compared to Q1 2022 was mainly related to lower harvest volume, inflation in feed prices and other input factors, in addition to harvesting of fish affected by ISA, while the increase from Q4 2022 mainly related to increased harvest cost due to ISA. The cost of reduced survival (cost recognized as abnormal mortality in the income statement) came to NOK 6.2 million in Q1 2023 (NOK 0.8 per kg), compared to NOK 6.3 million in Q1 2022 (NOK 0.7 per kg).

Operational EBIT per kg ended at NOK 38.4 for the quarter, compared to NOK 33.5 in Q1 2022 and NOK 13.8 in Q4 2022.

Employee well-being is highly prioritized in our operations. The absence rate was 5.9% compared to 5.3% in Q1 2022 mainly due to long-term absence. We are monitoring and following up on long-term absence in accordance with procedure and guidelines.

Operational priorities towards 2026

We expect to harvest 29 000 tonnes in 2023, with an ambition to increase harvest to 35 000-40 000 tonnes in 2026 by improving the utilization of our seawater capacity. The key to achieving this, is to reduce production time in the sea, which we expect to result in improved biological performance and a higher utilization of each site's maximum allowable biomass (MAB). Larger smolt will significantly reduce seawater production time, making the fish less exposed to sea lice and other biological challenges, which means less sea lice treatments and more feeding days that will improve growth in sea. Post-smolt in combination with preventive sea lice measures can reduce production time at sea from an average of 18 months to 12 months. Our results so far demonstrate stable production of post-smolt up to 1 kg. In 2022, more than 50% of fish harvested were from post-smolt. We aim to increase this share to above 90% by 2026.

We are well-positioned with land-based production, and aim to add at least 5 250 tonnes by increasing our post-smolt capacity. Our current freshwater facilities at Trosnavåg and Hognaland have a production capacity of 1 200 tonnes smolt. We also have a 33% shareholding in Tytlandsvik Aqua with a current smolt production capacity of 4 500 tonnes (where Grieg Seafood Rogaland is entitled to 50% of the smolt). Tytlandsvik has planned an expansion of 1 500 tonnes, increasing the post-smolt share from Tytlandsvik to 3 000 tonnes. In addition, we use two closed-containment facilities in sea, FishGLOBE, to produce post-smolt. These facilities have a total capacity of 900 tonnes. Further, we have a 44% shareholding in Årdal Aqua, a land-based facility with the same design as Tytlandsvik Aqua. Årdal Aqua is expected to produce 4 500 tonnes of post smolt annually, with potential to raise fish to harvestable size on land. Construction commenced in August 2022 and is developing according to plan. We have several projects to expand post-smolt production under planning. However, no new investment decisions for projects impacted by the proposed Norwegian resource tax announced in September 2022 will be taken until the final version of the tax regime has been adopted by the Parliament. Grieg Seafood will then assess how the final proposal will impact the company's strategy and investment plan. A large part of our planned capital expenditures in 2022 and 2023 has been affected by the resource tax proposal, in addition to a joint venture aimed at developing a FishGLOBE for grow-out salmon, based on development licenses. In Q1 2023, we did not have any strategic investments in Rogaland, but spent NOK 14 million in maintenance investments.

Another tool that will improve biology and drive growth, is our Precision Farming strategy. Read more about Precision Farming [here](#).

Aquaculture Stewardship Council (ASC) certification is an important objective, as we believe it provides our customers and consumers with the assurance that we are operating in a responsible manner and producing high-quality seafood certified to the highest social and environmental standards. We aim to certify all sites in Rogaland according to ASC. At the end Q1 2023, five of 11 sites were ASC certified. 89% of our volume harvested in Q1 was ASC certified.

Scoreboard & key performance figures Rogaland

● Within target ◆ On track to meet target ■ Unsatisfactory results

PILLAR	KPI & TARGET	STATUS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)						
	29 000 tonnes in 2023	●	7 502	6 887	6 841	5 014	9 645
	Operational EBIT per kg (NOK)						
	n/a		38.4	13.8	13.4	48.9	33.5
PROFIT & INNOVATION	Farming cost per kg (NOK)						
	Cost leader	◆	58.4	54.6	51.8	46.7	41.9
HEALTHY OCEAN	ASC certification (# of sites)						
	All sites (11 eligible) by 2023	◆	5	5	3	1	1
	Survival rate at sea						
	93% by 2023	◆	91%	92%	93%	93%	92%
	Cost of reduced survival (NOK million)						
	n/a		6.2	15.9	11.1	0.3	6.3
	Use of antibiotics (g per tonne LWE) *						
	No use of antibiotics	●	0.0	0.0	0.0	0.0	0.0
	Use of hydrogen peroxide (kg per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.0	0.0	0.0	0.0
Sea lice treatments - in feed (g per tonne LWE) *							
Minimize use of pharmaceutical treatments	●	0.0	0.0	0.0	0.0	7.7	
Sea lice treatments - in bath (g per tonne LWE) *							
Minimize use of pharmaceutical treatments	●	0.0	0.0	0.0	0.0	0.2	
Escape incidents (# of fish)							
Zero escape incidents	●	0	0	0	0	0	
SUSTAINABLE FOOD	High quality product						
	93% superior share	■	73%	91%	94%	82%	73%
PEOPLE	Absence rate						
	Below 4.5%	◆	5.9%	5.1%	4.8%	7.6%	5.3%
	Lost time incident rate						
**	n/a	33	16	0	37	17	

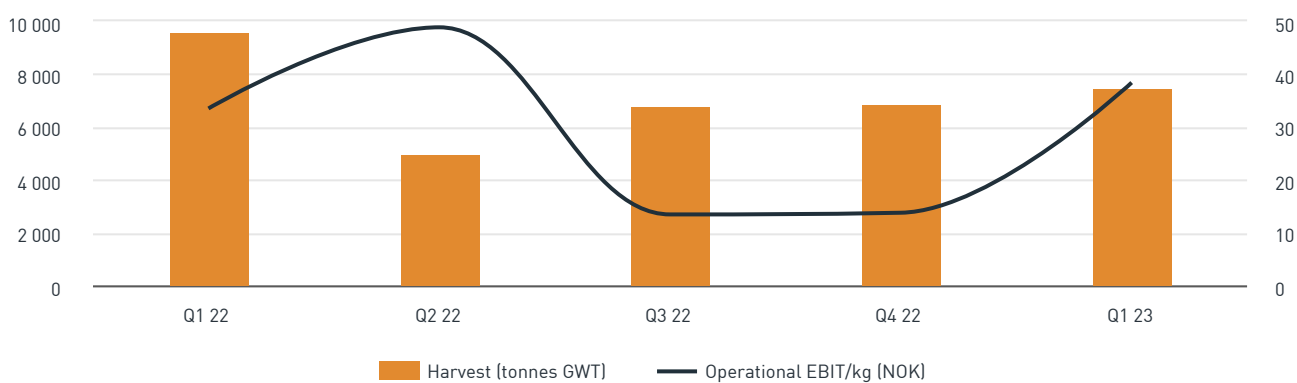
* Amount of active pharmaceutical ingredients (APIs) used (in gr and kg) per tonne of fish produced (LWE).

** An LTIR target has not been defined in order to avoid under-reporting of incidents.

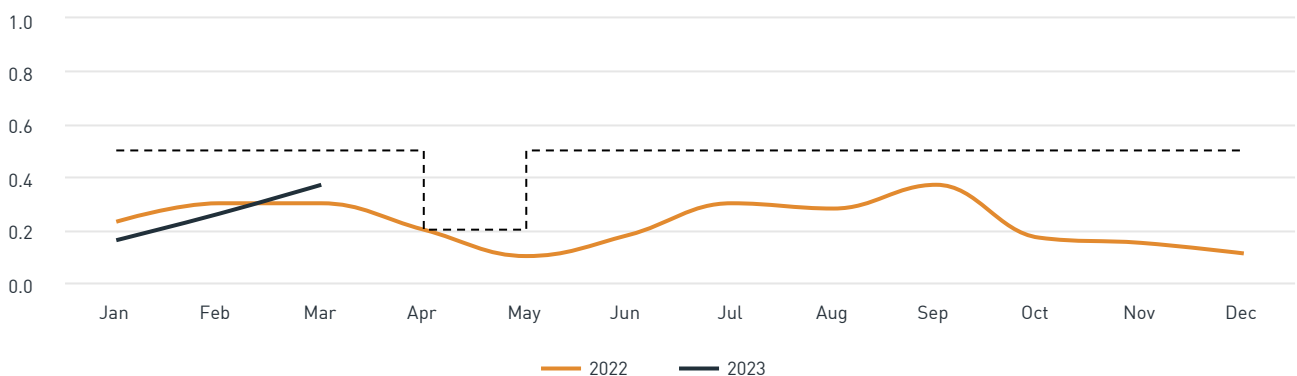
n/a: No set target or data similar to quarter end. ASC certification is disclosed per reporting date. Survival rate is defined as the last twelve months rolling survival, and thus not calculated year-to-date.

NOK MILLION	Q1 2023	Q1 2022
Harvest volume (tonnes GWT)	7 502	9 645
Sales revenues from sale of Atlantic salmon	726.0	727.1
Operational EBITDA	310.8	346.6
Operational EBIT	288.0	323.0
Sales revenue/kg (NOK)	96.8	75.4
Farming cost/kg (NOK)	58.4	41.9
Operational EBIT/kg (NOK)	38.4	33.5

HARVEST AND OPERATIONAL EBIT/KG



SEA LICE LEVELS



Our sites in Rogaland are located in Norwegian production area 2 (PO2), which has a yellow light under Norway's "traffic light" system ("yellow - moderate sea lice density", the current level of production capacity will be maintained). The sea lice counts are calculated as the average number of adult female sea lice per month. Sea lice levels shall stay below the legal limit of 0.5 adult female per fish, or 0.2 during April and May when the wild salmon smolt migrate from the rivers and pass the fjords. We report sea lice levels and sea lice treatments to the Directorate of Fisheries on a weekly basis. This is publicly available information, please see [Barentswatch](#).

OUR PROGRESS

FINNMARK

Grieg Seafood Finnmark AS farms salmon in Troms and Finnmark, the northernmost county in Norway. We have seawater licenses with a maximum allowed biomass (MAB) of 27 000 tonnes, including green licenses which are subject to stricter environmental standards. We also operate freshwater facilities. In general, the salmon we harvest are processed and packed at our local facility in Alta.

7 856

TONNES GWT HARVESTED

20.1

OPERATIONAL EBIT/KG (NOK)

Operational results

Grieg Seafood Finnmark harvested 7 856 tonnes in Q1 2023, an increase of 52% compared to Q1 2022. The harvested volume for the quarter was 2 100 tonnes above guidance due to advance harvesting related to handling of the parasite *Spironucleus salmonicida* ("Spiro") and winter ulcers. Sales revenues for the quarter amounted to NOK 651.3 million, up 88% compared to Q1 2022 due to a significant increase in spot price in addition to higher harvest volume. The Nasdaq average spot price in Q1 2023 was NOK 104.4 per kg, compared to NOK 79.4 per kg in Q1 2022. Our price achievement came to NOK 82.9 per kg in Q1 2023 compared to NOK 66.8 per kg in Q1 2022. The strong market price was suppressed by a decrease in superior share from 80% in Q1 2022 to 52%, in addition to low average harvest weight towards the end of the quarter when spot prices increased, and negative contribution from contracts.

Production at our freshwater facility in Adamselv was good during the quarter. We perform regular testing for Spiro, which was detected in fish from Adamselv during autumn 2022. The source of the parasite is believed to be the water intake to our freshwater facility. We have not had any new incidents of Spiro at the freshwater facility in Q1 2023. Water treatment and disinfection measures are being implemented to reduce future risks of Spiro entering the freshwater facility. We also collaborate with research institutions to close knowledge gaps related to Spiro. According to plan, no smolt were put to sea during Q1 2023. We will increase the total smolt release in 2023 compared to original plan to compensate for advance harvesting and to achieve biomass buildup. By transferring more smolt to sea farms and optimizing production in our sites, we aim to limit the impact Spiro has had on advance harvesting. However, as the initiative is not expected to fully compensate for the lost biomass, the 2023 harvest target for Finnmark is reduced from 28 000 to 26 000 tonnes.

Seawater production was impacted by continuously high sea lice pressure that has necessitated treatments, resulting in reduced feeding and growth. Spiro is also still affecting the production and has led to early harvesting and culling of fish with sickness signs to protect fish welfare. The majority of the fish have no signs of sickness, but the parasite, in addition to sea lice treatment and winter ulcers, has impacted our 12-month survival rate, which came to 88% as of Q1 2023 compared to 95% in Q1 2022. Measures have been taken with successful outcomes on some of the impacted pens, resulting in reduced levels of mortality, improved fish welfare and stable biology.

Historically, Finnmark is a region with lower seawater temperatures which, combined with low interconnectivity between farming sites, helps to keep sea lice levels low. We use targeted preventive methods, such as sea lice skirts and cleaner fish, to ensure that the sea lice level remains low on all farms. Despite the natural advantages and our preventive measures, we have experienced an increase in sea lice pressure since the summer of 2022 which has impacted the cost. The sea lice level was stable during Q1 2023.

The farming cost came to NOK 62.8 per kg in Q1 2023, up from NOK 41.8 in Q1 2022 and from NOK 54.1 per kg in Q4 2022. The increase compared to Q1 2022 is mainly related to inflationary pressure on feed and other input factors in addition to the write-down of the biomass related to Spiro, while the increase compared to Q4 2022 mainly relates to lower harvest volume. The cost of reduced survival (cost recognized as abnormal mortality in the income statement) was NOK 56.3 million in Q1 2023 (NOK 7.2 per kg), compared to NOK 5.2 million in Q1 2022 (NOK 1.0 per kg).

Operational EBIT per kg came to NOK 20.1 for the quarter, compared to NOK 25.0 in Q1 2022 and NOK 12.5 in Q4 2022.

Employee well-being continues to be highly prioritized. The absence rate for Q1 2023 was 10.6%, above our 4.5% target, but similar to Q4 2022, with long-term sickness being the main contributor. We are monitoring and following up on long-term absence in accordance with procedure and guidelines.

Operational priorities towards 2026

Grieg Seafood Finnmark expects to harvest 26 000 tonnes in 2023, with an ambition to increase harvest to 40 000-45 000 tonnes in 2026 by improving the utilization of our seawater capacity. The key to achieving this is to optimize our existing site structure, obtaining new sites and reducing production time at sea, which we expect to result in improved biological performance and a higher utilization of each site's MAB. We currently farm smolt at our own facility in Adamselv and will also produce smolt at Nordnorsk Smolt, in which we have a 50% shareholding. We are targeting a capacity increase of 3 000 tonnes of post-smolt at Adamselv, with the smolt weighing on average up to 500 grams. Construction was planned to start at the end of 2022, however the investment has been put on hold due to the proposed resource tax regime in Norway. Larger smolt will significantly reduce seawater production time, avoiding two winters at sea, while also providing increased flexibility in timing their transfer to seawater, as larger fish is more robust. Shorter time in sea will also decrease the fishes' exposure to issues such as winter ulcers, sea lice and other biological challenges. Flexibility is a requirement to achieve better utilization of our capacity, and we are also continuously looking for opportunities to secure access to new locations.

In Q1 2023, we spent NOK 17 million in growth investments, mainly related to the UV treatment system at our freshwater facility in Adamselv, in addition to NOK 31 million in maintenance investments. We expect the UV treatment system to be in place by June, with a total investment of NOK 70 million.

As in all our regions, Grieg Seafood Finnmark focuses on improving fish welfare, achieving a high survival rate and working towards sustainable production. In Q1 2023, one more site was ASC eligible and certified after completing the first production cycle. This means that 18 out of 19 eligible sites were ASC certified at the end of Q1 2023. 75% of our volume harvested in Q1 was ASC certified.

Scoreboard & key performance figures Finnmark

● Within target ◆ On track to meet target ■ Unsatisfactory results

PILLAR	KPI & TARGET	STATUS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)						
	28 000 tonnes in 2023	◆	7 856	12 833	8 174	9 843	5 175
	Operational EBIT per kg (NOK)						
	n/a		20.1	12.5	14.0	53.0	25.0
HEALTHY OCEAN	Farming cost per kg (NOK)						
	Cost leader	■	62.8	54.1	48.1	40.6	41.8
	ASC certification (# of sites)						
	All sites (19 eligible) by 2023	◆	18	17	18	18	18
HEALTHY OCEAN	Survival rate at sea						
	93% by 2023	◆	88%	91%	92%	94%	95%
	Cost of reduced survival (NOK million)						
	n/a		56.3	72.0	10.9	12.4	5.2
	Use of antibiotics (g per tonne LWE) *						
	No use of antibiotics	●	0.0	0.4	0.0	13.0	25.1
	Use of hydrogen peroxide (kg per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	24.2	0.0	0.0	0.0
	Sea lice treatments - in feed (g per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.1	0.1	0.0	0.0
Sea lice treatments - in bath (g per tonne LWE) *							
Minimize use of pharmaceutical treatments	●	0.0	1.9	0.6	0.0	0.0	
HEALTHY OCEAN	Escape incidents (# of fish)						
	Zero escape incidents	●	0	0	1 (2 878)	0	0
SUSTAINABLE FOOD	High quality product						
	93% superior share	■	52%	85%	94%	84%	80%
PEOPLE	Absence rate						
	Below 4.5%	■	10.6%	10.2%	8.0%	8.5%	12.2%
	Lost time incident rate						
**	n/a	19	10	20	10	11	

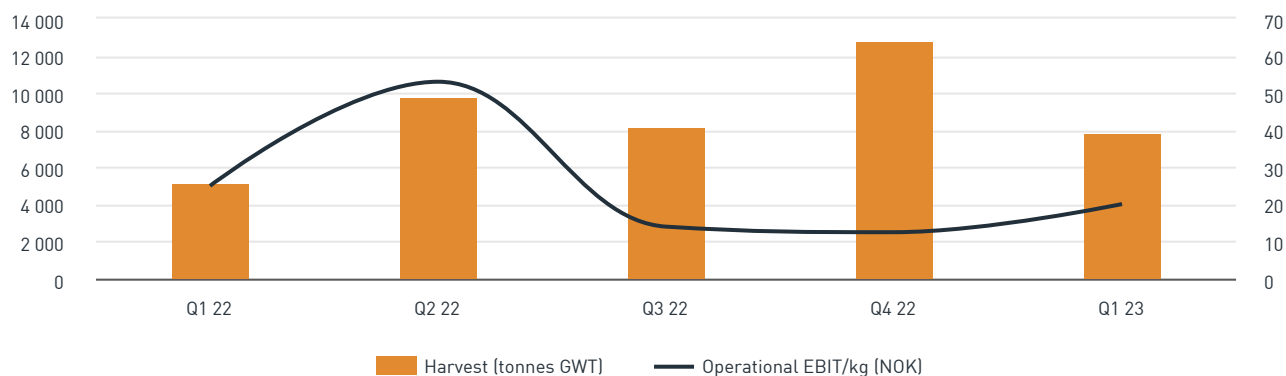
* Amount of active pharmaceutical ingredients (APIs) used (in gr and kg) per tonne of fish produced (LWE).

** An LTIR target has not been defined in order to avoid under-reporting of incidents.

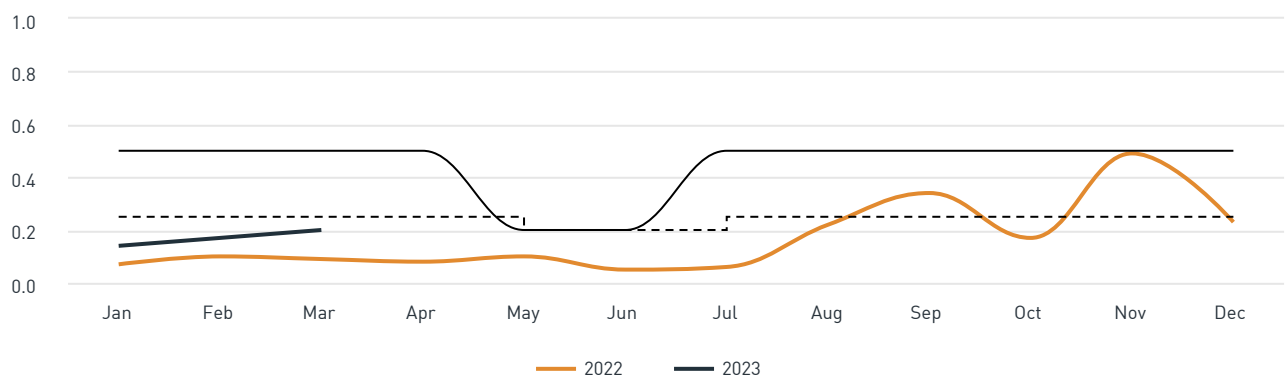
n/a: No set target or data similar to quarter end. ASC certification is disclosed per reporting date. Survival rate is defined as the last twelve months rolling survival, and thus not calculated year-to-date.

NOK MILLION	Q1 2023	Q1 2022
Harvest volume (tonnes GWT)	7 856	5 175
Sales revenues from sale of Atlantic salmon	651.3	345.7
Operational EBITDA	197.6	165.6
Operational EBIT	157.9	129.3
Sales revenue/kg (NOK)	82.9	66.8
Farming cost/kg (NOK)	62.8	41.8
Operational EBIT/kg (NOK)	20.1	25.0

HARVEST AND OPERATIONAL EBIT/KG



SEA LICE LEVELS



The sea lice counts are calculated as the average number of adult female sea lice per month. Sea lice levels shall stay below the legal limit of 0.5 adult female per fish. At the green licenses in Finnmark, the limit is 0.25 adult female sea lice per fish, while during April and June, when wild salmon smolt migrate from the rivers and pass the salmon farms, the limit is 0.2 adult female sea lice per fish. We report sea lice levels and sea lice treatments to the Directorate of Fisheries on a weekly basis. This is publicly available information, please see [Barentswatch](#).

OUR PROGRESS

BRITISH COLUMBIA

Grieg Seafood BC Ltd farms salmon on the east and west sides of Vancouver Island, and along the Sunshine Coast north of Vancouver. The company holds 12 farming licenses, including broodstock operations and land-based production of smolt. We process our BC salmon externally.

Operational results

There was no harvest in Q1 2023, according to plan to prioritize growing of biomass, while in Q1 2022 we harvested 2 096 tonnes. Harvesting volumes vary significantly every other year due to an imbalance in the number of farms and maximum allowable biomass in the different production areas on the East and West Coast of Vancouver Island. As a consequence, the region's volume vary every other year, regardless of the underlying biological performance.

Our freshwater production was stable during the quarter, with smolt transferred to seawater.

The seawater performance has been good during the quarter. The 12-month rolling survival rate came to 92% in Q1 2023, stable from Q1 2022, and up from 91% last quarter.

We are constantly working to reduce the use of antibiotics. During the quarter, we have used antibiotics to treat for Yellow mouth to safeguard the welfare of the fish, however the amount of antibiotics used was significantly down compared to previous periods. Our use of antibiotics has historically been too high, and we are pursuing non-therapeutic means to manage diseases, such as vaccines and an adapted diet. Infrastructure, such as the barrier system, might also aid in reducing disease transmission.

BC has low sea lice levels during the important out migration period (when the juvenile and vulnerable wild salmon pass our farms on their way from the rivers to the ocean). However, the region is influenced by sea lice pressure each autumn, during the immigration period when adult wild salmon pass our farms on their way back to the rivers to spawn. Sea lice are then transferred from the wild salmon to the farmed salmon, with risk of multiplication within the farms. In BC, unlike Norway, the wild salmon population greatly outnumbers the farmed salmon population. Our barrier system have shown potential to improve sea lice control significantly. When additional measures are needed, we carry out the type of treatment most appropriate to the biological situation. We aim to reduce the use of medical sea lice treatments through a combination of a barrier system between the farmed salmon and the environment and use of the latest mechanical sea lice removal tool.

As we had no harvest during the quarter, there is no farming cost or Operational EBIT per kg. The farming cost in Q1 2022 was CAD 7.8 per kg (NOK 54.6) and increased to CAD 13.3 per kg (NOK 102.2) in Q4 2022. Due to sea lice treatments and occurrence of winter ulcers, the cost of reduced survival (cost recognized as abnormal mortality in the income statement)

was NOK 13.1 million in Q1 2023, compared to NOK 0.2 million in Q1 2022 (NOK 0.1/CAD 0.0 per kg). Operational EBIT per kg came to NOK 34.3 in Q1 2022 and NOK -22.9 in Q4 2022.

Employee well-being is our priority. The absence rate of 4.3% was below our 4.5% target. The absence rate has decreased over the last quarter. We always monitor developments according to our guidelines for absence from work.

Operational priorities towards 2026

Grieg Seafood BC expects to harvest 20 000 tonnes in 2023. We aim to increase the volume harvested to 30 000-35 000 tonnes in 2026 by both developing current sites to utilize more of our seawater capacity and developing new sites. Key initiatives to achieve our objective include the implementation of barrier systems to provide better biological control and higher survival rates. As part of the ongoing process of site restructuring, we seek to develop sites that are well suited for salmon farming, and phase out older and smaller sites with more challenging biological conditions.

Access to high-quality smolt is also key to ensuring sustainable production growth. Last year, we completed the expansion of our Gold River smolt facility, with smolt capacity increasing from 500 to 800 tonnes. Further expansion of our post-smolt capacity is under consideration. Another key priority to increase survival rates and harvest volume, is the use of digital monitoring and prediction technology. Harmful Algae Blooms (HAB) and low oxygen events represent significant biological risks in BC. However, mortality related to algae blooms has been reduced the last years due to our successful efforts in the field of algae mitigation, digital monitoring and aeration systems. Algae movements and oxygen levels are continuously monitored and analyzed using high-grade real-time in-pen sensors, and machine learning with predictive environmental software. We have installed aeration systems to enable feeding also during challenging situations, which increases the survival during these periods. In combination with HAB and oxygen monitoring tools, we are installing barrier systems which will allow us to keep the barriers down year-round and to maintain oxygen levels. In Q1 2023, we spent NOK 2 million in growth investments, mainly related to barrier systems, in addition to NOK 14 million in maintenance investments.

Obtaining ASC certification is an important signal that our salmon is a responsible choice, as ASC has strict requirements with respect to minimizing fish farms' impact on the environment and supporting local communities. At the end of Q1 2023, seven out of 11 eligible sites were certified. We expect to certify the remaining sites later in 2023.

The United Nations Declarations on the Rights of Indigenous Peoples (UNDRIP), giving Indigenous peoples rights in their own traditional territory, is under implementation in BC. This is a process of reconciliation between the government, businesses and First Nations. The majority of our production in BC is operated under agreements with First Nations and we are pursuing agreements with others. These relationships are very important to us. [The Truth & Reconciliation Commission: Call to Action #92](#) provides us with guidance on our role in the reconciliation process. We are striving to operate with respect for the culture of our First Nations partners in every way, to deepen our understanding and to provide shared opportunities. Read more about our journey of reconciliation in BC [here](#).

By 2025, the Canadian Federal Government aims to have created a responsible plan to transition away from traditional open net-pen salmon farming and into better and more sustainable practices in British Columbia, in order to reduce interactions with wild salmon. In June 2022, the Canadian Department of Fisheries and Oceans renewed all farming licenses for two years. During this period, the government aims to develop the transition plan. [Grieg Seafood welcome the transition process and the transition framework](#) published. We see the renewal of our licenses and the commitment to working together with us to develop a transition plan as a sign that Canada wants a thriving, sustainable salmon farming industry in British Columbia. Grieg Seafood embraces new strategies and technologies to align with the government's transition. This includes, for example, keeping the fish longer on land and a shorter time in the ocean, and [introducing barriers around the farms](#) to limit interactions between the fish and the environment. Such technologies not only reduce our impact on wild salmon and the environment, but also improve biological control. We are working with all levels of governments, including Indigenous governments, to find a path forward that works for our First Nations partners, our local communities, the government and industry.

Scoreboard & key performance figures British Columbia

● Within target ◆ On track to meet target ■ Unsatisfactory results

PILLAR	KPI & TARGET	STATUS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)						
	20 000 tonnes in 2023	n/a	0	1 467	7 908	8 815	2 096
	Operational EBIT per kg (NOK)						
		n/a	n/a	-22.9	-5.1	30.9	34.3
PROFIT & INNOVATION	Farming cost per kg (CAD)						
	Cost leader	n/a	n/a	13.3	10.1	7.9	7.8
	ASC certification (# of sites)***						
	All sites (11 eligible) by 2023	◆	7	7	12	12	12
HEALTHY OCEAN	Survival rate at sea						
	93% by 2023	◆	92%	91%	90%	92%	92%
	Cost of reduced survival (NOK million)						
		n/a	13.1	10.7	73.3	6.5	0.2
HEALTHY OCEAN	Use of antibiotics (g per tonne LWE) *						
	No use of antibiotics	◆	0.1	20.2	56.6	35.5	31.8
	Use of hydrogen peroxide (kg per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	24.4	0.0	0.0	26.9
HEALTHY OCEAN	Sea lice treatments - in feed (g per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.0	0.8	0.0	0.1
	Sea lice treatments - in bath (g per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.0	0.0	0.0	0.0
HEALTHY OCEAN	Escape incidents (# of fish)						
	Zero escape incidents	●	0	0	0	0	0
	High quality product						
	93% superior share	n/a	n/a	86%	86%	86%	77%
SUSTAINABLE FOOD	Absence rate						
	Below 4.5%	●	4.3%	5.0%	6.9%	7.1%	6.6%
	Lost time incident rate						
	**	n/a	0	14	0	24	38

* Amount of active pharmaceutical ingredients (APIs) used (in gr and kg) per tonne of fish produced (LWE).

** An LTIR target has not been defined in order to avoid under-reporting of incidents.

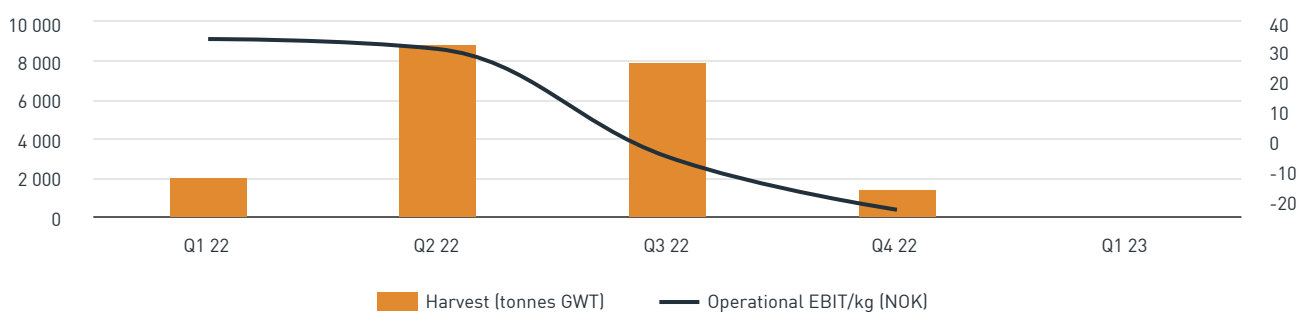
n/a: No set target or data similar to quarter end. ASC certification is disclosed per reporting date. Survival rate is defined as the last twelve months rolling survival, and thus not calculated year-to-date.

***As part of discontinuing our farming operations in the Sechelt area, we pulled the ASC certification from five of the empty and inactive sites at the end of 2022. In addition, we had one more active site in 2022.

NOK MILLION	Q1 2023	Q1 2022
Harvest volume (tonnes GWT)	—	2 096
Sales revenues from sale of Atlantic salmon	—	186.4
Operational EBITDA	19.4	98.5
Operational EBIT	-12.8	71.9
Sales revenue/kg (NOK)	n/a	88.9
Farming cost/kg (CAD)	n/a	7.8
Farming cost/kg (NOK)	n/a	54.6
Operational EBIT/kg (NOK)	n/a	34.3

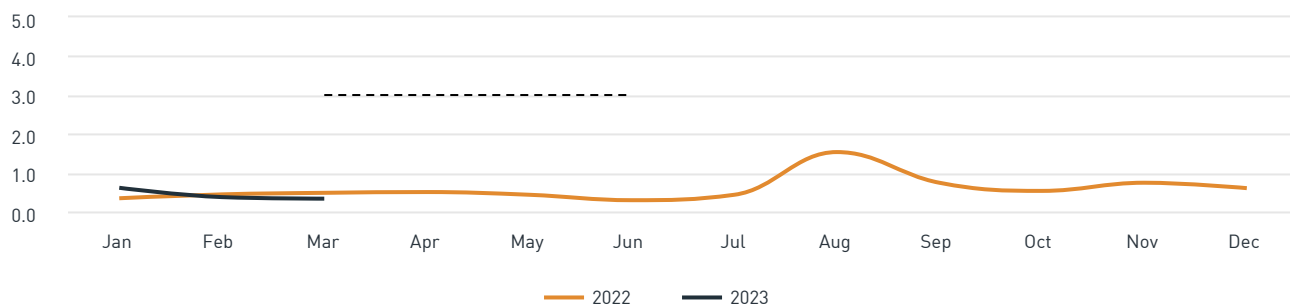
There was no harvest in BC in Q1 2023.

HARVEST AND OPERATIONAL EBIT/KG



There was no harvest in BC in Q1 2023.

SEA LICE LEVELS



The sea lice counts are calculated as the average number of motile sea lice per salmon. The limit as defined by the authorities is three motile sea lice per salmon in the period from March to June, recognized as a vulnerable time for wild salmon migrating out to sea.

OUR PROGRESS

NEWFOUNDLAND

Grieg Seafood Newfoundland is a greenfield project with long-term exclusive fish farming rights in Placentia Bay in Newfoundland and Labrador. We will develop the region gradually and responsibly, based on the biological development of our first generations of fish.

Operational results

Freshwater production has been good this quarter, and our fish are growing well. We expect to transfer smolt to sea during late spring or summer of 2023.

Our seawater licenses in Newfoundland require use of sterile all-female salmon in order to eliminate the risk of genetic pollution of wild Atlantic salmon in case of escape. The salmon is of European broodstock, and we apply best practices from sterile production across the globe in our operations. We have a year-round supply of high-quality eggs, and we optimize the conditions during the freshwater phase, the times of the year when the fish are transferred to the sea, and the feed composition. Triploid salmon perform well in cold environments and do not mature. So far, the fish have performed well biologically, with high survival and growth at sea, and we have not experienced sea lice issues. Despite seawater temperatures close to zero degrees during the quarter, we did not experience reduced survival. At the end of Q1 2023, we had approximately 3 100 tonnes biomass at sea with an average weight of 1.6 kg. We are still in an early phase and will expand the project gradually and in line with biological developments. Harvesting is expected to commence towards the end of 2023.

Operational EBIT for Q1 2023 totaled NOK -27.6 million. Operational cost for Q2 2023 is expected to remain at this level.

We remain committed to developing our operations in Newfoundland and Labrador gradually and responsibly and to meeting all regulatory requirements from the local provincial and federal authorities. We are well prepared in terms of equipment, employees and knowledge of biological conditions, and we will adjust our operations according to the experience we gain from the first generations of fish. We are confident that we will be able to build a strong farming region in Newfoundland during the coming years and creating jobs and value for the local communities.

Employee well-being is our priority. The absence rate of 1.8% was well below our 4.5% target. We always monitor developments according to our guidelines for absence from work.

Priorities towards 2026

The US market is the world's largest and fastest growing market for Atlantic salmon, but only a third of US demand is currently met by North American production. We already have a position in this market through our operations in British Columbia, where we have attained significant sales and market experience. With proximity to important markets on the US East Coast, our Newfoundland region will significantly strengthen our US market exposure and open for synergies with our existing operations as we should be able to provide a more stable supply to the US market.

Our high-end state of the art RAS facility currently consists of a hatchery, nursery and a smolt unit with a capacity of 600 tonnes. Construction of an additional post smolt unit, which is the next phase of the project, will be evaluated during the second half of 2023. We will gradually develop our operations to ensure biosecurity, fish health and profitability.

In Q1 2023, we spent NOK 199 million in investments mainly in seawater locations, including equipment for digital monitoring. We currently have 14 seawater licenses, each with an allowance of one million fish at first stocking, increasing to two million fish in subsequent stockings. In 2023, we expect to harvest 5 000 tonnes of salmon, increasing to 15 000 tonnes by 2026, which is possible with our current set up. We have also been awarded rights to develop the Bays West aquaculture area with a potential to produce an additional 20 000 tonnes of salmon. With this possibility, we will have exclusive rights in two production areas, which will secure future flexibility. These areas will provide a long-term annual harvest potential of up to 65 000 tonnes.

Scoreboard & key performance figures Newfoundland

● Within target ◆ On track to meet target ■ Unsatisfactory results

PILLAR	KPI & TARGET	STATUS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
PROFIT & INNOVATION	Operational EBIT (NOK million)						
		n/a	-27.6	-29.4	-24.1	-36.6	-24.6
HEALTHY OCEAN	Cost of reduced survival (NOK million)						
		n/a	0.0	0.1	0.0	0.0	0.0
	Use of antibiotics (g per tonne LWE) *						
	No use of antibiotics	●	0.0	0.0	0.0	0.0	0.0
	Use of hydrogen peroxide (kg per tonne LWE) * / **						
	Minimize use of pharmaceutical treatments	●	0.0	0.0	0.0	0.0	0.0
	Sea lice treatments - in feed (g per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.0	0.0	0.0	0.0
	Sea lice treatments - in bath (g per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.0	0.0	0.0	0.0
Escape incidents (# of fish)							
Zero escape incidents	●	0	0	0	0	0	
PEOPLE	Absence rate						
	Below 4.5%	●	1.8%	1.1%	1.4%	1.2%	3.3%
	Lost time incident rate						
	**	n/a	21	0	0	0	0

* Amount of active pharmaceutical ingredients (APIs) used (in gr) per tonne of fish produced (LWE).

** An LTIR target has not been defined in order to avoid under-reporting of incidents.

n/a: No set target or data similar to quarter end.

NOK MILLION	Q1 2023	Q1 2022
Operational EBITDA	-2.6	-19.7
Operational EBIT	-27.6	-24.6

Board's approval

Related parties' transactions

There has not been any related parties' transactions during Q1 2023 outside ordinary course of business. See Note 8 for more information on related parties and related parties transactions.

Events after the balance sheet date

No significant events have been recorded after the balance sheet date.

THE BOARD OF DIRECTORS AND CEO
BERGEN, 12 MAY 2023



PER GRIEG JR.
CHAIR



TORE HOLLAND
VICE CHAIR



KATRINE TROVIK
BOARD MEMBER



MARIANNE RIBE
BOARD MEMBER



NICOLAI HAFELD GRIEG
BOARD MEMBER



RAGNHILD JANBU FRESVIK
BOARD MEMBER



ANDREAS KVAME
CEO

RESULTS



Financial statements

INCOME STATEMENT

GRIEG SEAFOOD GROUP NOK 1 000	NOTE	Q1 2023	Q1 2022	FY 2022
Sales revenues	3	1 545 757	1 464 557	7 163 956
Other income	3	24 875	8 928	44 883
Share of profit from associates	7	4 338	1 704	21 096
Raw materials and consumables used		-415 207	-351 495	-2 233 655
Salaries and personnel expenses		-198 719	-181 719	-695 577
Other operating expenses		-453 844	-393 847	-2 087 310
Depreciation property, plant and equipment		-116 492	-93 174	-434 641
Amortization licenses and other intangible assets		-5 273	-1 829	-16 706
Write-down of tangible and intangible non-current assets		—	—	-140 074
Production fee		-8 600	-5 950	-26 350
Fair value adjustment of biological assets	4	147 952	414 427	83 412
Litigation and legal claims		—	—	-157 065
Decommissioning costs		—	—	-24 382
EBIT (Earnings before interest and taxes)		524 787	861 602	1 497 586
Net financial items	6	48 364	16 726	-49 944
Profit before tax		573 151	878 328	1 447 642
Estimated taxation*	2	-145 932	-186 575	-293 863
Net profit for the period		427 219	691 754	1 153 779
Profit or loss for the period attributable to				
Owners of Grieg Seafood ASA		427 219	691 754	1 153 779
Dividend declared and paid per share (NOK)		0.0	0.0	3.0
Earnings per share attributable to equity holders of Grieg Seafood ASA (NOK)				
Earnings per share		3.8	6.2	10.3

*Estimated taxation do not include any income tax from the proposed Norwegian resource rent tax model. See Note 2 for more information.

COMPREHENSIVE INCOME STATEMENT

GRIEG SEAFOOD GROUP NOK 1 000	NOTE	Q1 2023	Q1 2022	FY 2022
Net profit for the period		427 219	691 754	1 153 779
Net other comprehensive income to be reclassified to profit/loss in subsequent periods				
Currency effect on investment in subsidiaries		88 914	11 249	109 335
Currency effect on loans to subsidiaries		32 761	3 512	24 792
Tax effect		-7 207	-773	-5 454
Other comprehensive income for the period, net of tax		114 467	13 988	128 673
Total comprehensive income for the period		541 686	705 742	1 282 452
Allocated to				
Controlling interests		541 686	705 742	1 282 452

STATEMENT OF FINANCIAL POSITION

GRIEG SEAFOOD GROUP NOK 1 000	Note	31.03.2023	31.03.2022	31.12.2022
ASSETS				
Goodwill		732 088	664 465	691 094
Licenses incl. warranty licenses		1 509 426	1 548 763	1 463 710
Other intangible assets incl. exclusivity agreement		14 598	35 977	14 689
Property, plant and equipment incl. right-of-use assets		4 261 977	3 493 891	4 035 590
Indemnification assets		40 000	40 000	40 000
Investments in associates	7	220 963	113 979	216 624
Other non-current receivables		25 865	93 335	17 935
Total non-current assets		6 804 915	5 990 411	6 479 642
Inventories		216 069	141 283	240 172
Biological assets excl. the fair value adjustment	4	3 131 548	2 670 430	2 896 209
Fair value adjustment of biological assets	4	1 333 271	1 444 949	1 149 591
Trade receivables		209 757	164 528	259 137
Other current receivables, derivatives and financial instruments		260 597	251 286	195 047
Investments in money market funds	5	1 023 149	—	1 012 848
Cash and cash equivalents	5	242 878	1 707 682	642 719
Total current assets		6 417 268	6 380 158	6 395 723
Total assets		13 222 184	12 370 569	12 875 365
EQUITY AND LIABILITIES				
Share capital		453 788	453 788	453 788
Treasury shares		-5 685	-4 532	-5 407
Contingent consideration		701 535	701 535	701 535
Retained earnings and other equity		5 877 756	5 118 253	5 335 792
Total equity		7 027 394	6 269 044	6 485 708
Deferred tax liabilities		1 211 374	1 257 649	1 041 101
Share based payments		7 131	10 272	6 756
Borrowings and lease liabilities	5	3 428 984	3 501 864	3 492 459
Total non-current liabilities		4 647 490	4 769 784	4 540 316
Current portion of borrowings and lease liabilities	5	362 707	319 265	368 878
Trade payables		494 157	642 027	717 498
Tax payable		286 586	88 276	353 191
Other current liabilities, derivatives and financial instruments		403 850	282 172	409 774
Total current liabilities		1 547 299	1 331 740	1 849 341
Total liabilities		6 194 789	6 101 525	6 389 657
Total equity and liabilities		13 222 184	12 370 569	12 875 365

CHANGES IN EQUITY

GRIEG SEAFOOD GROUP (NOK 1 000)	Share capital	Treasury shares*	Contingent cons.**	Other equity	Total
Equity at 01.01.2022	453 788	-4 532	701 535	4 412 511	5 563 302
Profit for YTD 2022	—	—	—	691 754	691 754
Other comprehensive income YTD 2022	—	—	—	13 988	13 988
Total comprehensive income YTD 2022	—	—	—	705 742	705 742
Transactions with owners [in their capacity as owners] YTD 2022	—	—	—	—	—
Total change in equity YTD 2022	—	—	—	705 742	705 742
Equity at 31.03.2022	453 788	-4 532	701 535	5 118 253	6 269 044
Equity at 01.01.2023	453 788	-5 407	701 535	5 335 792	6 485 708
Profit for YTD 2023	—	—	—	427 219	427 219
Other comprehensive income YTD 2023	—	—	—	114 467	114 467
Total comprehensive income YTD 2023	—	—	—	541 686	541 686
Sale of treasury shares to employees	—	3	—	-3	—
Purchase of treasury shares	—	-280	—	280	—
Transactions with owners [in their capacity as owners] YTD 2023	—	-277	—	277	—
Total change in equity YTD 2023	—	-277	—	541 963	541 686
Equity at 31.03.2023	453 788	-5 685	701 535	5 877 756	7 027 394

*The recognized amount equals the nominal value of the parent company's holding of treasury shares.

**Contingent consideration, acquisition of Grieg Seafood Newfoundland AS.

CASH FLOW STATEMENT

GRIEG SEAFOOD GROUP NOK 1 000	Note	Q1 2023	Q1 2022	FY 2022
EBIT (Earnings before interest and taxes)		524 787	861 602	1 497 586
Depreciation, amortization and write-down		121 765	95 003	591 422
Gain/loss on sale of property, plant and equipment		2 125	-3 294	-5 535
Share of profit from associates	7	-4 338	-1 704	-21 096
Fair value adjustment of biological assets	4	-147 952	-414 427	-83 412
Change inventory excl. fair value, trade payables and rec.		-456 387	-168 099	-451 918
Other adjustments		131 208	-26 709	129 155
Taxes paid		-71 919	-1 123	-93 865
Net cash flow from operating activities		99 288	341 250	1 562 336
Proceeds from sale of non-cur. tangible and intangible assets		275	5 104	17 112
Payments on purchase of non-cur. tangible and intangible assets		-275 520	-116 011	-564 497
Government grant		9 032	—	9 119
Investment in money market funds		—	—	-1 000 224
Investment in associates and other invest.	7	-7 700	-15 950	-112 212
Net cash flow from investing activities		-273 913	-126 857	-1 650 702
Revolving credit facility (net draw-down/repayment)		—	-440 000	-440 000
Proceeds of long-term int. bearing debt		—	1 463 979	1 463 423
Repayment long-term int. bearing debt		-125 226	-407 478	-522 146
Repayment lease liabilities		-63 732	-43 725	-225 468
Net interest and other financial items	6	-40 474	-8 076	-118 104
Purchase of treasury shares		-5 540	—	-24 400
Paid dividends		—	—	-336 942
Net cash flow from financing activities		-234 972	564 699	-203 637
Net change in cash and cash equivalents		-409 597	779 092	-292 003
Cash and cash equivalents - opening balance		642 719	928 342	928 342
Currency translation of cash and cash equivalents		9 756	248	6 380
Cash and cash equivalents - closing balance		242 878	1 707 682	642 719

SELECTED NOTES

NOTE 1 ACCOUNTING PRINCIPLES

Grieg Seafood ASA (the Group) comprises Grieg Seafood ASA and its subsidiaries, including the Group's share of associated companies. The financial report for the first quarter of 2023 has been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations approved by the EU, including IAS 34. This report does not include all information required in a complete annual report and it should therefore be read in conjunction with the Group's latest annual report (2022).

The financial report for the first quarter of 2023 is unaudited. Management is required to make estimates and assumptions concerning the future that affect the accounting policies and recognized amounts of assets, liabilities, income and expenses. Significant estimates relate to valuation of biological assets and intangible assets. Estimates and underlying assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be probable under the present circumstances. The final outcomes may deviate from these estimates. Changes in estimates are reflected in the accounts as they occur.

NOTE 2 RISKS AND UNCERTAINTIES

The Group is exposed to risks in numerous areas, such as biological production, the effects of climate change, degradation of nature, changes in salmon prices, compliance risk, the risk of accidents, and the risk of politically motivated trade barriers. The recently proposed resource rent tax on salmon farming in Norway is deemed a high political risk for our operations. The Group's internal controls and risk exposure are subject to continuous monitoring and improvement, and efforts to reduce risk in different areas have a high priority. Management has established a framework for managing and eliminating most of the risks that could prevent the Group from attaining its goals. See the Group's risk overview [here](#). A summary of some of these risks, in the context on the short- and medium term as from Q1 2023, is included below.

OPERATIONAL RISK

The greatest operational risk relates to biological developments within the Group's smolt and aquaculture operations. The book value of live fish at cost at quarter-end was NOK 3 132 million (24% of the balance sheet value). Biological risks include oxygen depletion, diseases, viruses, bacteria, parasites, algae blooms, jelly fish and other contaminants. To reduce this risk, we focus on improving fish health and welfare through several initiatives, including joint following and area-based management, switching from pharmaceutical to mechanical delousing treatment methods, and use of sensor technology to reduce algae challenges. Our post-smolt strategy, where fish are grown to a larger size on land, thereby shortening the time they spend in open sea pens, is an important part to reduce the biological risk.

Freshwater production has been good across all regions during the quarter. In Finnmark, we have had no new incidents of the parasite *Spironucleus salmonicida* (Spiro) in our freshwater facility. Mitigating measures are being implemented to reduce future risks of Spiro entering the freshwater facility.

Seawater production was impacted by biological challenges in the beginning of the year, but improved throughout the quarter. In Rogaland, advance harvesting was performed to reduce biological risk related to Infectious Salmon Anemia (ISA) at one site in addition to winter ulcers. ISA has been detected on another site that will be harvested during Q2 2023. In Finnmark, advance harvesting was performed related to handling of Spiro and winter ulcers. To compensate for reduced biomass in Finnmark, we will transfer more smolt to sea farms to optimize production. In Newfoundland, where seawater temperatures have been close to zero degrees during the quarter, the fish have performed well biologically, with high survival and growth at sea, and we have not experienced sea lice issues.

The feed industry is characterized by large global suppliers operating under cost plus contracts, and feed prices are accordingly directly linked to the global markets for fishmeal, vegetable meal, animal proteins and fish/vegetable/animal oils, which are the main ingredients in fish feed. Access to terrestrial feed ingredients has improved during the quarter, but while access to marine feed ingredients continue to be limited. We expect, on aggregate for the Group, an increase in feed prices the next quarters.

The cybersecurity risk is high on management's agenda, and is addressed through securing the digital systems and infrastructure, as well as awareness and training, and strengthening the focus on securing remote access for employees and vendors.

MARKET RISK

The global harvest volume of Atlantic salmon in 2023 is expected to increase by only 1% compared to 2022. With negative supply growth in the first half of the year and very limited growth in total for 2023, combined with an outlook for continuing strong demand, we believe in sustained strong market prices in 2023. However, current inflation reducing household purchasing power might impact demand from both the HoReCa and retail segment.

The average spot salmon price for Norwegian salmon (NQSALMON, weekly average) for Q1 2023 was NOK 104.4 per kg, and peaked around NOK 127 per kg at the end of the quarter. The average spot price according to NQSALMON for the first weeks into Q2 2023 was around NOK 115 per kg. The current Fishpool forward price for the remainder of 2023 is around NOK 92 per kg, reflecting an optimistic market outlook.

Our internal sales and market organization sells all of our fish. We have our own value added department and have secured value-added processing capacity in Norway, Europe and Canada, to reduce the risk of low price achievement of production grade fish. Continental Europe is the Group's most important market, with North America being the second largest market. We did not have sales to Russia during the quarter.

We target a contract share of 20-50% of our Norwegian harvest volume. Our estimated contract share in Norway for Q2 2023 is 12% and 15% also for the full year 2023. The contract market is somewhat subdued due to uncertainty related to the proposed resource rent tax on salmon in Norway. We do not have contracts in BC.

COMPLIANCE RISK

In February 2019, the European Commission launched an investigation to explore potential anti-competitive behavior in the Norwegian salmon industry. Grieg Seafood is one of the companies under investigation. Three class-actions were filed in Canada (none has been certified as a class-action). Grieg Seafood is not aware of any anti-competitive behavior within the Group, neither in Norway, nor the EU, or Canada. Grieg Seafood rejects that there is any basis for the claims and considers the complaints to be entirely unsubstantiated.

NOK 1.0 million was spent on legal fees related to the investigations and the lawsuits during the quarter. The cost has been included as ownership cost, see Note 3.

POLITICAL RISK

Norway

The Norwegian government has proposed the introduction of a resource tax on farming of salmon in Norway with effect from 1 January 2023. The proposed tax will apply to commercial marine-phase salmon aquaculture activity in Norway. Based on the updated proposal as per 28 March 2023, the resource tax will have a rate of 35% on profits generated by the marine-phase aquaculture activity, in addition to regular corporate taxes, in total 57%. Grieg Seafood farms Atlantic salmon in both Norway and Canada, and the proposed Norwegian resource rent tax will not directly impact the Group's operations in British Columbia and Newfoundland, as they are subject to Canadian tax legislation.

The Group has put all new growth investments in Norway, worth a total of approximately NOK 2.3 billion, on hold until a final version of the tax regime has been adopted. Once the final version of the tax has been adopted, Grieg Seafood will

assess how it will impact the Group's strategy and plans. The proposed tax may divert more of the Group's investments to Canada. Overall, salmon farming in Norway may lose competitiveness compared to aquaculture in other countries. With new technologies being developed, where there is no reliance on a coastline with naturally tempered water, aquaculture investors may find it more attractive to invest and develop the industry in places with lower tax levels.

The proposal must be approved by the Norwegian parliament before it can be incorporated into Norwegian tax law. As the resource rent taxation is a proposal by the Norwegian government, not approved by the Norwegian parliament and not substantially enacted as at 31 March 2023, there has been no impact on the Group's tax estimates recognized in the statement of financial position and income statement as at 31 March 2023.

Canada

In British Columbia (BC), licenses are renewed by the federal Department of Fisheries and Oceans (DFO) on a regular basis, with different length. In June 2022, all licenses were renewed for two years. The Canadian Government has launched a new strategy for salmon farming in BC, to transition the sector from traditional open-net pen practices into an improved industry (it does not specify what the industry should transition to). The process was launched 29 June 2022. Stakeholders, including industry and First Nations, are participating in the process, which is expected to progress during 2023. Grieg Seafood supports the transition and is committed to working with the government and Indigenous communities to find a viable path forward.

In addition, farm tenures in BC are renewed by the province on a regular basis. From 2022, farm tenures that are not accepted by the First Nation that is the rights-holder of the territory where the farm is located will not be renewed. Grieg Seafood supports the implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) into BC regulations, and we are engaging in the ongoing process of reconciliation between the government, First Nations and industries.

FINANCIAL RISK

Financing risk

The Group operates within an industry characterized by high volatility, which entails financial risk. The Group's business and plans are capital intensive. To the extent that sufficient cash is not generated from operations in the long term, additional funding needs to be raised to pursue the Group's growth strategy and finance capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavorable terms. Financial and contractual hedging is a matter of constant consideration, in combination with operational measures. Management draws up rolling liquidity forecasts, extending over five years. These forecasts are based on conservative assumptions for salmon prices and form the basis for calculating liquidity requirements. This forecast also forms the basis for the Group's financing needs. Available financing could be impacted by the proposed Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt and provide a return on investment for shareholders.

As at 31 March 2023, the Group had a solid financial foundation. See Note 5 for more information.

Liquidity risk

Monitoring of the Group's liquidity reserve is carried out at group level in collaboration with the operating companies. Management and the Board seek to maintain a high equity ratio (53% at 31 March 2023), to be well positioned to meet financial and operational challenges. The Group utilizes factoring agreements to finance its trade receivables in Norway.

Currency risk

The Group is primarily impacted by currency exposure, primarily to CAD, USD and EUR.

Part of the long-term intercompany loans to subsidiaries in the Group are in the local currency and are regarded as net investments, as there are no set plans for their repayment. The currency effect of these net investments is included in the Group's consolidated statement of other comprehensive income (OCI). In addition, the sales organization hedges foreign

currency risk expose if required (non-hedge accounting). The Group may not be successful in hedging against currency fluctuations, and significant fluctuations may have a material adverse effect on the Group's financial results and business.

Interest rate risk

The Group is exposed to interest rate risk through its borrowing activities. The Group's existing loans are at floating interest rates, but separate fixed-rate contracts have been entered into to reduce interest rate risk. Grieg Seafood's policy is to have 20–50% of interest-bearing debt hedged through interest rate swap agreements.

Credit risk

Credit risk is managed at Group level. Credit risk arises from transactions involving derivatives and deposits in banks and financial institutions, transactions with customers, including trade receivables, and fixed contracts as well as loans to associates. The Group has procedures to ensure that products are sold only to customers with satisfactory creditworthiness. The Group normally sells to new customers solely against presentation of a letter of credit or against advance payment, and credit insurance is used when deemed necessary.

CLIMATE AND NATURE RELATED RISK

Climate and nature play an important role in Grieg Seafood's operations. We aim to increase our understanding of climate and nature-related risks, in order to find solutions to reduce adverse impacts.

We have mapped our climate-related risks, which are reported in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We have also prepared a climate-related scenario analysis, assessing the impact of transitional risks and physical risks. These risks and opportunities are included in the risk assessment as part of the Group's regular forecast process. Overall, we expect the impacts of climate-related risks to be moderate in the short term, with no current quantifiable impact, but these impacts could become more severe in the medium to long term. The Group's TCFD report, including the climate-related scenario analysis, is available [here](#).

Grieg Seafood is a Member of the Taskforce on Nature-related Financial Disclosures (TNFD). TNFD aims to develop a risk management and financial disclosure framework on nature-related risks and will support organizations to report and act on both their impacts and dependencies on nature. The finalized framework is earmarked for release later in 2023. For further information, visit the [TNFD's website](#).

The salmon farming industry is regulated to avoid impact on biodiversity and the marine environment. In addition, certifications like the Aquaculture Stewardship Council (ASC) help us raise the bar above regulatory limits. As of quarter end, 30 of 41 sites were ASC certified. 81% of our volume harvested in the quarter was ASC certified. Grieg Seafood acknowledges that there are still challenges to overcome and believes that preventive farming is key to reducing the Group's impact on both the climate and nature. Several of the Group's ongoing initiatives target climate and nature-related challenges, such as shortening the time the fish spend at sea and are exposed to risks; using real-time ocean data, data analytics, machine learning and artificial intelligence to better predict outcomes and implement mitigating actions early; and experimenting with new farming technologies that create barriers between the fish and the natural environment, such as semi-closed sea-based systems, land-based farming and offshore farming.

NOTE 3 SEGMENT INFORMATION

The operating segments are identified on the basis of the reports which Group management uses to assess performance and profitability at a strategic level. Group management assesses business activities from a geographical perspective, based on the location of assets. The Group has one production segment: Production of farmed salmon. Earnings from the sales companies in the Group are reported per producer. Geographically, management assesses the results of production in Rogaland – Norway, Finnmark – Norway, British Columbia – Canada, and Newfoundland – Canada. Group management evaluates the results from the segments based on Operational EBIT. The operating segments are divided geographically by country or region, based on the reporting applied by Group management when assessing performance and profitability at a strategic level.

The method by which Operational EBIT is calculated excludes the effect of non-recurring costs, such as restructuring costs, legal costs on acquisition and impairment of goodwill and intangible assets, when impairment is attributable to an isolated event which is not expected to recur. Furthermore, the measurement method for Operational EBIT includes, but is not reported per region, the effect of share-based payments, as well as unrealized gains and losses on financial instruments. These gains/losses and costs are reported in the "Elim/Other" column in the segment information. Costs or gains which relate to prior years and not to the current operation of Grieg Seafood, are not included as Operational EBIT, as such costs are not considered meaningful for the comparability of the Group's results from one period to another. See Alternative Performance Measures for more information. Elim/Other items comprise, in addition to intercompany eliminations, the profit/loss from activities conducted by the parent company or other Group companies not geared to production. In the segment reporting, sales revenue at the regional level includes revenue from the sale of Atlantic salmon. At the regional level, other income includes the sale of byproducts (such as ensilage), as well as income from the sale of smolt, fry and roe. At the Group level, such income is reclassified to sales revenue in the "Elim/Other" column in the Group's segment information. Other income also includes, at both the regional and Group level, rental income and income from overcapacity of operational assets. Other gains/losses, such as gains/losses from the sale of fixed assets and other equipment, are included in the line "other gains/losses" in the segment information. Associated companies that are closely related to the Group's operations and included in the Group's value chain, for example when the relevant associates operate in the same position in the value chain as the Group, are included in the Group's operational EBITDA and Operational EBIT. Otherwise, the profit from associates is excluded and presented as share of profit from associates (non-operational) in the Group's segment information.

RECONCILIATION OF EBIT IN THE INCOME STATEMENT WITH OPERATIONAL EBITDA AND OPERATIONAL EBIT IN THE SEGMENT INFORMATION	Q1 2023	Q1 2022	FY 2022
Sales revenues	1 545 757	1 464 557	7 163 956
Other income	24 875	8 928	44 883
Share of profit from associates (operational)	4 338	1 704	-1 463
Raw materials and consumables used	-415 207	-351 495	-2 233 655
Salaries and personnel expenses	-198 719	-181 719	-695 577
Other operating expenses	-453 844	-393 847	-2 087 310
Operational EBITDA	507 200	548 128	2 190 834
Depreciation property, plant and equipment	-116 492	-93 174	-434 641
Amortization licenses and other intangible assets	-5 273	-1 829	-16 706
Operational EBIT	385 435	453 124	1 739 486
Share of profit from associates (non-operational)	—	—	22 558
Production fee	-8 600	-5 950	-26 350
Fair value adjustment of biological assets	147 952	414 427	83 412
Write-down of non-current assets (non-operational)	—	—	-140 074
Litigation and legal claims	—	—	-157 065
Decommissioning costs	—	—	-24 382
EBIT (Earnings before interest and taxes)	524 787	861 602	1 497 586

Q1 2023 SEGMENTS (NOK 1 000)	FARMING NORWAY		FARMING CANADA		ELIM./ OTHER	GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND		
Sales revenues	726 011	651 282	—	—	168 464	1 545 757
Other income	30 520	5 208	1 448	—	-12 300	24 875
Operational EBITDA	310 767	197 584	19 353	-2 644	-17 860	507 200
Operational EBIT	288 035	157 851	-12 806	-27 590	-20 055	385 435
Harvest volume tonnes GWT	7 502	7 856	—	—	—	15 357
Sales revenue/kg	96.8	82.9	n/a	n/a	n/a	89.7
Farming cost/kg	58.4	62.8	n/a	n/a	n/a	61.5
Other costs incl. ownership and headquarter costs/kg	—	—	n/a	n/a	n/a	3.1
Operational EBIT/kg	38.4	20.1	n/a	n/a	n/a	25.1
Operational EBITDA %	43%	30%	0%	0%	-11%	33%
Operational EBIT %	40%	24%	0%	0%	-12%	25%

The ownership cost includes legal fees related to the EU commission investigation of NOK 1.0 million in Q1 2023.

Q1 2022 SEGMENTS (NOK 1 000)	FARMING NORWAY		FARMING CANADA		ELIM./ OTHER	GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND		
Sales revenues	727 060	345 666	186 354	—	205 477	1 464 557
Other income	13 480	6 013	3 091	4 876	-18 532	8 928
Operational EBITDA	346 620	165 633	98 538	-19 711	-42 952	548 128
Operational EBIT	322 994	129 274	71 860	-24 626	-46 377	453 124
Harvest volume tonnes GWT	9 645	5 175	2 096	—	—	16 916
Sales revenue/kg	75.4	66.8	88.9	n/a	n/a	74.4
Farming cost/kg	41.9	41.8	54.6	n/a	n/a	43.4
Other costs incl. ownership and headquarter costs/kg	—	—	—	n/a	n/a	4.2
Operational EBIT/kg	33.5	25.0	34.3	n/a	n/a	26.8
Operational EBITDA %	48%	48%	53%	0%	-21%	37%
Operational EBIT %	44%	37%	39%	0%	-23%	31%

Sales revenue/kg reported in the segment information is equal to the sum of sales revenue of the regions divided by the related harvest volume. Group sales revenue is calculated based on the farming operation of the Group, excluding sales revenue from Group companies not geared for production.

Farming cost/kg reported in the segment information contributes all cost directly related to production and harvest of salmon, divided by the related harvest volume. Thus, on regional level, farming costs equal the operational costs. Other income are included in the farming cost metric, thus considered as cost reduction activities. Group farming cost is calculated based on the farming operation of the Group, excluding ownership costs and costs from Group companies not geared for production.

Other costs incl. ownership and headquarter costs/kg reported in the segment information include all costs and revenue not directly related to production and harvest of salmon, hereof the costs from activities conducted by the parent company and other Group companies not geared for production, divided by the Group's harvest volume. In addition, until the first harvest in Newfoundland is carried out, net costs attributable to the Newfoundland region are included as other costs/kg for the Group.

Operational EBIT/kg reported in the segment information is equal to the operational EBIT divided by the related harvest volume.

See Alternative Performance Measures for more information on the non-IFRS measures of sales revenue/kg, farming cost/kg, other costs incl. ownership and headquarter costs/kg and operational EBIT/kg.

NOTE 4 BIOLOGICAL ASSETS AND FAIR VALUE ADJUSTMENT

The accounting treatment of live fish by enterprises applying IFRS is regulated by IAS 41 Agriculture. IAS 41 comprises a hierarchy of methods for accounting measurement of biological assets at level 3. The basic principle is that such assets shall be measured at fair value less cost to sell. Fair value is defined in IFRS 13 as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date”. According to IFRS 13, the highest and best use of the biological asset establishes the valuation premises. For salmon including parent fish, a present value model is applied to estimate fair value. For roe, fry and smolt, historical cost provides the best estimate of fair value.

In accordance with the principle for highest and best use, Grieg Seafood considers that the optimal harvest weight is 4.60 kg, which corresponds to 4.00 kg gutted weight. Fish with a live weight of 4.60 kg or more are classified as ready for harvest (mature fish), while fish that have not achieved this weight are classified as not harvestable (immature fish).

At the balance sheet date, uncertainty regarding the value of the mature fish mainly relates to realized prices and volume. For immature fish, the level of uncertainty is higher. Price, volume, discount rate and remaining production cost are the main uncertainty factors; however, uncertainty is also related to biological transformation and mortality prior to harvest date for the fish.

The change in the fair value of biological assets is recognized through profit or loss and presented as “fair value adjustment of biological assets” in the income statement.

Sales prices for the fish in the sea for Norway are based on forward prices from Fish Pool. For Canada we use the most relevant price information available for the period in which the fish is expected to be harvested. The price/ sales value is adjusted for quality differences (superior, ordinary and production), logistics expenses and sales commissions. Estimated harvesting expenses are deducted.

The estimated future cash flow is discounted by a monthly rate. The discount rate takes into account both risk adjustment (risk related to volume, cost and price), compensation for the value of the licenses (hypothetical rent) and time value (tying up capital). The Group uses a different discount factor when calculating the fair value of biological assets for the activity in the different regions. The discount factor reflects a combination of the cost of capital for the biomass, risk discounting and synthetic licenses rent. The reason for differentiating the discount factor per region is the different prerequisites for biological production and thus also a differentiation of recognized synthetic license rent.

See our Annual Report 2022 for further information on the accounting assumptions applied on the fair value estimates of biological asset.

DISCOUNT RATE PER REGION	Q1 2023	Q1 2022	FY 2022
Rogaland	5.0%	5.0%	5.0%
Finnmark	5.0%	5.0%	5.0%
British Columbia	3.5%	3.5%	3.5%
Newfoundland	3.5%	n/a	3.5%

BIOLOGICAL ASSETS	TONNES*			NOK 1 000		
	Q1 2023	Q1 2022	FY 2022	Q1 2023	Q1 2022	FY 2022
Biological assets beginning of period	50 614	59 121	59 121	4 045 800	3 449 412	3 449 412
Currency translation	n/a	n/a	n/a	68 774	5 601	36 945
Increases due to production	16 678	19 584	89 679	995 696	838 106	4 348 288
Decrease due to sales/harvesting/mortality	-17 652	-19 529	-98 186	-829 132	-652 211	-3 967 957
Fair value adjustment beginning of period	n/a	n/a	n/a	-1 149 591	-970 480	-970 480
Fair value adjustment period end	n/a	n/a	n/a	1 333 271	1 444 949	1 149 591
Biological assets period end	49 639	59 176	50 614	4 464 818	4 115 377	4 045 800

*Round weight

BIOLOGICAL ASSETS AT 31.03.2023	NUMBER OF FISH (1 000)	BIOMASS (TONNES)	COST OF PRODUCTION (NOK 1 000)	FAIR VALUE ADJUSTMENT (NOK 1 000)	CARRYING AMOUNT (NOK1 000)
Biomass onshore	24 624	1 201	289 209	—	289 209
Biological assets with round weight < 4.60 kg	22 686	38 832	2 425 292	970 047	3 395 340
Biological assets with round weight > 4.60 kg	1 660	9 606	417 046	363 223	780 270
Total	48 969	49 639	3 131 548	1 333 271	4 464 818

BIOLOGICAL ASSETS AT 31.03.2022	NUMBER OF FISH (1 000)	BIOMASS (TONNES)	COST OF PRODUCTION (NOK 1 000)	FAIR VALUE ADJUSTMENT (NOK 1 000)	CARRYING AMOUNT (NOK1 000)
Biomass onshore	27 422	1 152	234 994	—	234 994
Biological assets with round weight < 4.60 kg	26 580	49 349	2 160 320	1 151 806	3 312 126
Biological assets with round weight > 4.60 kg	1 700	8 675	275 115	293 143	568 257
Total	55 702	59 176	2 670 429	1 444 949	4 115 377

SPECIFICATION OF THE FAIR VALUE ADJUSTMENT, INCOME STATEMENT (NOK 1 000)	Q1 2023	Q1 2022	FY 2022
Change in fair value adjustment of biological assets	167 062	471 899	129 331
Change in physical delivery contracts related to fair value adjustments of biological assets	765	-3 732	-1 610
Change in fair value of financial derivatives from salmon (Fish Pool contracts)	-19 875	-53 740	-44 309
Total recognized fair value adjustment of biological assets	147 952	414 427	83 412

Provisions allocated to future physical delivery contracts that require fair value adjustments are recognized as other current liabilities in the balance sheet. The contracts are calculated based on the same forward prices used for fair value calculation of biological assets. The fair value adjustment of financial derivatives from salmon are recognized in the balance sheet as derivatives and other financial instruments (current assets or current liabilities depending on the market value of the instrument). Financial derivatives are calculated at market value.

NOTE 5 NET INTEREST-BEARING LIABILITIES

The syndicated financing from secured lenders of Grieg Seafood consists of an aggregate of NOK 3 200 million in five-year senior secured sustainability-linked loans and credit facilities. The Group's debt structure comprises sustainability-linked loans with a NOK 750 million term loan (outstanding NOK 688 million), an EUR 75 million term loan (outstanding EUR 69 million), a NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility. The financial covenant of the facility is a minimum equity-ratio requirement of 31%, measured excl. the effect of IFRS 16.

In addition to the senior secured facility, the Group also has a green bond (GSF01 G, listed at Euronext), which matures 25 June 2025. The outstanding amount is NOK 1 393 million. The bond carries a coupon rate of three months NIBOR + 3.4% p.a. The bond's financial covenant is an equity-ratio requirement of minimum 30%, measured consistent with the Group's equity-ratio financial covenants as defined in its syndicated loan agreement with secured lenders.

Grieg Seafood ASA was in compliance with its financial covenant at 31 March 2023. At 31 March 2023, the Group had an equity ratio of 53%, while the equity ratio according to financial covenant was 55% (53%), compared to 52% at 31 December 2022.

NET INTEREST-BEARING LIABILITIES (NOK 1 000)	31.03.2023	31.03.2022	31.12.2022
Bond loan	1 392 500	1 500 000	1 423 500
Non-current borrowings incl. syndicate term loan and revolving facility	1 442 197	1 451 713	1 440 362
Lease liabilities (operating leases according to IFRS in force prior to 1 January 2019)	315 135	307 423	335 452
Lease liabilities (finance leases according to IFRS in force prior to 1 January 2019)	301 819	274 417	318 198
Total non-current interest-bearing liabilities*	3 451 651	3 533 552	3 517 512
Current portion of borrowings incl. overdraft	140 934	127 076	141 968
Lease liabilities (operating leases according to IFRS in force prior to 1 January 2019)	146 917	118 039	148 494
Lease liabilities (finance leases according to IFRS in force prior to 1 January 2019)	74 856	74 150	78 416
Total current interest-bearing liabilities*	362 707	319 264	368 878
Gross interest-bearing liabilities*	3 814 358	3 852 817	3 886 390
Loans to associates	-16 182	-2 139	-8 300
Investments in money market funds	-1 023 149	—	-1 012 848
Cash and cash equivalents	-242 878	-1 707 682	-642 719
Net interest-bearing liabilities incl. IFRS 16	2 532 149	2 142 995	2 222 522
Lease liabilities (operating leases according to IFRS in force prior to 1 January 2019)	-462 052	-425 462	-483 946
Net interest-bearing liabilities excl. IFRS 16	2 070 097	1 717 533	1 738 576

* Gross interest-bearing liabilities is the sum of non-current interest-bearing liabilities and current interest-bearing liabilities. Current interest-bearing liabilities are consistent with the financial statement line item "Current portion of borrowings and lease liabilities" in the balance sheet. For non-current interest-bearing liabilities and reconciliation with the balance sheet, the difference is the amortized loan cost associated with the green bond issue and the syndicated facilities with secured lenders, as interest-bearing liabilities is calculated ex. such costs, while the balance sheet financial statement line item "Borrowings and lease liabilities" include amortized loan costs.

NOTE 6 NET FINANCIAL ITEMS

NET FINANCIAL ITEMS (NOK 1 000)	Q1 2023	Q1 2022	FY 2022
Changes in fair value from hedging instruments	-4 153	16 719	21 453
Net financial interest	-40 688	-30 539	-139 517
Net currency gain (losses)	85 402	6 080	38 205
Dividend	—	—	10
Net other financial income (expenses)	7 802	24 466	29 904
Net financial items	48 364	16 726	-49 944

NOTE 7 INVESTMENT IN ASSOCIATED COMPANIES

The investment in Tytlandsvik Aqua AS, Nordnorsk Smolt AS, Årdal Aqua AS and NextSeafood AS are classified as “Investments in associates” in the statement of financial position, and the share of profit is presented as “Share of profit from associates” in the income statement. See Note 3 regarding the associated companies in the segment information.

ASSOCIATES CLASSIFIED AS OPERATIONS	EQUITY INTEREST	EQUITY INTEREST	BOOK VALUE	SHARE OF PROFIT FROM ASSOCIATES	OTHER CHANGES IN THE PERIOD	BOOK VALUE
	01.01.2023	31.03.2023	01.01.2023	YTD 2023	YTD 2023	31.03.2023
Nordnorsk Smolt AS	50.00%	50.00%	39 053	-248	—	38 805
Tytlandsvik Aqua AS	33.33%	33.33%	55 951	4 729	—	60 680
Årdal Aqua AS	44.44%	44.44%	114 047	-143	—	113 904
NextSeafood AS	50.00%	50.00%	7 574	—	—	7 574
Total associates classified as operations			216 624	4 338	—	220 963

The Group owns, through Grieg Seafood Finnmark AS, a 50% ownership interest in Nordnorsk Smolt AS together with SalMar ASA (50%). At 31 March 2023, Grieg Seafood Finnmark has an outstanding long-term loan to Nordnorsk Smolt AS of NOK 10.2 million (NOK 2.3 million at 31 December 2022), which is included in the Group’s other non-current receivables in the Statement of Financial Position. Nordnorsk Smolt AS is located in Troms and Finnmark county in Northern Norway, and has an annual production capacity of 900 tonnes. A redesign of the facility has been completed and we expect to put fish into the facility towards the end of Q2 2023.

The Group owns, through Grieg Seafood Rogaland AS, a 33.33% ownership interest in Tytlandsvik Aqua AS, together with Bremnes Seashore AS (33.33%) and Vest Havbruk AS (33.33%). Tytlandsvik Aqua AS has a current annual production capacity of 4 500 tonnes, of which Grieg Seafood Rogaland’s share of the volume is 50%.

The Group owns, through Grieg Seafood Rogaland AS, a 44.44% ownership interest in Årdal Aqua AS together with Vest Havbruk AS and Omfar AS. Grieg Seafood Rogaland has provided an interest-bearing loan of NOK 6 million to Årdal Aqua. The construction of the land-based farming and post-smolt facility of Årdal Aqua AS has started and is progressing according to plan. Production is expected to commence in 2024, with a capacity of 4 500 tonnes of post smolt and an additional 1 500 tonnes production capacity flexible between post-smolt and harvest size production. The project has further expansion options up to a total production of 15 000 tonnes per year.

The Group owns, through Grieg Seafood Rogaland AS, a 50.00% ownership interest in NextSeafood AS. NextSeafood is owned together with Havbrukskompaniet AS, and aims to explore and realize the closed containment system known as

FishGLOBE V6. FishGLOBE AS was awarded two development licenses (1 560 tonnes MAB) in 2019. Grieg Seafood Rogaland has provided a long-term interest-free loan to FishGLOBE AS of NOK 8.6 million.

Following the proposed resource rent tax in Norway, and the uncertainty concerning the details of the legislation (see Note 2), Grieg Seafood has put all new investments on hold until the final version of tax regime has been proposed by the Norwegian government, including the development of FishGLOBE V6.

NOTE 8 RELATED PARTIES

Related parties' transactions

Transactions with related parties take place at market conditions in accordance with arm's length principle, and is described in the Company's Annual Report for 2022.

SHARES RELATED TO THE BOARD MEMBERS AND MANAGEMENT AT 31.03.2023	NO. OF SHARES (Direct and indirect ownership)	SHARE-HOLDING (Direct and indirect ownership)
Board of directors		
Per Grieg Jr. ¹	57 926 127	51.06%
Nicolai Hafeld Grieg ¹	56 914 355	50.17%
Tore Holand	2 000	0.00%
Marianne Ødegaard Ribe	—	0.00%
Katrine Trovik	—	0.00%
Ragnhild Janbu Fresvik	—	0.00%
Group management		
Andreas Kvame (CEO)	40 513	0.04%
Atle Harald Sandtorv (CFO)	25 556	0.02%
Alexander Knudsen (COO Farming Norway)	23 513	0.02%
Grant Cumming (COO Farming Canada)	9 857	0.01%
Erik Holvik (CCO)	8 831	0.01%
Knut Utheim (CTO)	24 855	0.02%
Kathleen O. Mathisen (CHRO)	15 074	0.01%
Kristina Furnes (Group Communications Manager)	4 711	0.00%

¹Total share owned by Grieg Aqua AS are considered in the calculation of shares related to Per Grieg Jr. and Nicolai Hafeld Grieg.

SPECIFICATION OF SHAREHOLDING BY PER GRIEG JR.	NO. OF SHARES	SHARE-HOLDING
Grieg Aqua AS	56 914 355	50.17%
Kvasshøgdi AS	996 772	0.88%
Per Grieg Jr. (private)	15 000	0.01%
Total shares	57 926 127	51.06%

In addition, the shares owned by the companies as referred to in the table above are considered in the calculation of shares related to Per Grieg Jr.

NOTE 9 SHARE CAPITAL AND SHAREHOLDERS

As at 31 March 2023, the Company had 113 447 042 shares with a nominal value of NOK 4.00 per share. All shares issued by the Company are fully paid-up. There is one class of shares and all shares confer the same rights.

SHARE CAPITAL AND NUMBER OF SHARES	NOMINAL VALUE PER SHARE (NOK)	TOTAL SHARE CAPITAL (NOK 1 000)	NUMBER OF ORDINARY SHARES
Total	4.00	453 788	113 447 042
Holding of treasury shares	4.00	-5 685	-1 421 127
Total excl. treasury shares	4.00	448 103	112 025 915

Treasury shares

In 2011, Grieg Seafood ASA purchased 1 250 000 treasury shares at NOK 14.40 per share. As from 2018, the treasury shares have been sold to employees for the share savings program. In December 2022 and January 2023 Grieg Seafood ASA repurchased 385 000 shares at a weighted average price of NOK 77.76 per share. As at 31 March 2023, the Company has 1 421 127 treasury shares.

THE 20 LARGEST SHAREHOLDERS IN GRIEG SEAFOOD ASA AT 31.03.2023	NO. OF SHARES	SHARE- HOLDING
Grieg Aqua AS	56 914 355	50.17%
OM Holding AS	5 115 982	4.51%
Folketrygdfondet	2 939 985	2.59%
Clearstream Banking S.A. (Nominee)	2 250 511	1.98%
Ystholmen Felles AS	1 923 197	1.70%
State Street Bank and Trust Comp (Nominee)	1 446 798	1.28%
State Street Bank and Trust Comp (Nominee)	1 422 636	1.25%
Grieg Seafood ASA	1 421 127	1.25%
Frøy Kapital AS	1 116 323	0.98%
JPMorgan Chase Bank, N.A., London (Nominee)	1 106 178	0.98%
Kvasshøgdi AS	996 772	0.88%
J.P. Morgan SE (Nominee)	989 487	0.87%
BNP Paribas (Nominee)	947 222	0.83%
Morgan Stanley & CO. Int. Plc. (Nominee)	927 982	0.82%
Six Sis AG (Nominee)	799 222	0.70%
J.P. Morgan SE (Nominee)	745 440	0.66%
State Street Bank and Trust Comp (Nominee)	718 027	0.63%
DZ Privatbank S.A. (Nominee)	698 518	0.62%
Pictet & Cie (Europe) S.A. (Nominee)	562 983	0.50%
BNP Paribas (Nominee)	547 677	0.48%
Total 20 largest shareholders	83 590 422	73.68%
Total others	29 856 620	26.32%
Total number of shares	113 447 042	100.00%

ALTERNATIVE PERFORMANCE MEASURES (APM)

We believe that our financial statements only partially reflect the underlying performance of our operations, and as such some of the financial information presented in the Q1 2023 quarterly report contains alternative performance measures (APM). The APMs represented are important key performance indicators for how the management of Grieg Seafood monitors operational and financial performance on regional and group level. Therefore, we believe that the APMs disclosed provide additional, useful information when analyzing Grieg Seafood and our business activity.

APMs are non-IFRS financial measures. These measures are not intended to substitute, or to be superior to, any measure of IFRS. The APMs used by the Group have been defined by Grieg Seafood to supplement our financial reporting and the APMs could therefore deviate from, or otherwise not being directly comparable to, similar APMs disclosed by other companies.

See also the Annual Report 2022 for more information on the APMs used by Grieg Seafood.

APM	DEFINITION AND CALCULATION	REASON FOR APPLYING APM
Operational EBIT and operational EBIT/kg (GWT)	<p>Operational EBIT is calculated by adding production fee and fair value adjustment of biological assets, in addition to isolated non-operational events, such as costs (incl. impairment) of closing down sites, legal claims- and litigation costs and other non-operational items to the financial statement line item EBIT (Earnings before interests and taxes) of the income statement.</p> <p>Operational EBIT is reported in the Group's segment reporting (see Note 3), where a reconciliation with EBIT of the income statement is included.</p> <p>The operational EBIT/kg (GWT), or operational EBIT/kg, metric is the operational EBIT divided by harvested volume in kg gutted weight equivalent. The metric is calculated per farming region, for Norway and Canada, and for the Group as a whole. Operational EBIT/kg equals sales revenue/kg subtracted by farming cost/kg and other costs incl. headquarter costs/kg. The metric is reported in the Group's segment information (see Note 3), and calculated using solely figures included in the segment information.</p> <p>Operational EBIT (and operational EBIT/kg) is defined by Grieg Seafood. The APM could therefore deviate, or otherwise not being directly comparable with, similar measures provided by other companies, as the calculation of operational EBIT and/or operating EBIT/kg could be different.</p>	<p>Operational EBIT and operational EBIT/kg is used by management, analyst, investors and is generally considered the industry-measure for profitability and is used to assess our performance. Operational EBIT has been defined by Grieg Seafood and exclude items as described. We exclude these items from our operational EBIT as we believe that these items impact the usefulness and comparability of our operational- and financial performance from one period to the other, as these items have a non-operational or non-recurring nature. Operational EBIT provides a more informative result as it does not consider country-specific taxation on harvest and do not include expected future (unrealized) gains or losses on fish not yet sold. In addition, isolated events not expected to reoccur, such as litigation and legal claim costs that arise from prior years as well as costs (incl. impairment) and phasing out seawater sites, are not considered relevant for the current operation of the Group, are not useful information when analyzing the current operation of Grieg Seafood.</p> <p>Profit from associated companies that are closely related to the Group's operations and included in the Group's value chain, for when the relevant associated company operate in the same position in the value chain as the Group, are included in the Group's Operational EBIT. Otherwise, such share of profit is excluded from the operational EBIT of the Group.</p> <p>Operational EBIT/kg is a relative metric which ensures comparability between our farming regions and across time. The metric captures operational profitability for the Group and each farming region.</p>
Operational EBIT%	<p>Operating EBIT% is calculated by dividing operational EBIT by sales revenue as reported in the segment reporting (see Note 3). Operating EBIT% is reported per region, in addition to Group level of Grieg Seafood.</p>	<p>Operating EBIT% is used by management to assess operational performance per region as well as for the Group.</p>
Operational EBITDA	<p>Operational EBITDA is calculated by adding depreciation (and write-down) of property, plant and equipment, and amortization of licenses and intangible assets to operational EBIT. Operational EBITDA is reported in the Group's segment reporting (see Note 3), where a reconciliation with EBIT of the income statement is included.</p>	<p>Operational EBITDA provides a more informative result, as it does not consider the items with non-operational and/or non-recurring nature as described for operational EBIT. Furthermore, it excludes the impact accounting estimates of depreciation and amortization has on our profitability.</p>
Operational EBITDA%	<p>Operating EBITDA% is calculated by dividing operational EBITDA by sales revenue as reported in the segment reporting (see Note 3). Operating EBITDA% is reported per region, in addition to Group level of Grieg Seafood.</p>	<p>Operating EBITDA% is used by management to assess operational performance per region as well as for the Group.</p>

APM	DEFINITION AND CALCULATION	REASON FOR APPLYING APM
ROCE	Return on capital employed (ROCE) is calculated by comparing operational EBIT incl. production fee to capital employed. Capital employed is calculated on annual and quarterly bases, both as a quarter-to-date figure and a year-to-date figure. The quarter-to-date figure is annualized. Capital employed is defined as total equity excl. the equity component of the fair value adjustment of biological assets, plus net interest-bearing liabilities according to the NIBD calculation method 1, as described in the NIBD section of this APM disclosure. Capital employed for the reporting period is calculated as the average of the opening and closing balances.	As the salmon farming industry is a capital-intensive line of business, ROCE is an important metric to measure the Group's profitability relative to the investments made. ROCE is used by management to measure the return on capital employed. ROCE is not impacted by capital structure, that is whether the financing is through equity or debt. The fair value adjustment of biological assets is excluded from the calculation, both in operational EBIT and as part of capital employed, as this reflect estimated future gains or losses on fish not yet sold and this is not considered useful information by the Group when assessing whether invested capital yields competitive return.
Equity ratio	Equity ratio is calculated in two ways: (i) Equity according to the Statement of Financial Position divided by total equity and liabilities according to the Statement of Financial Position, (ii) Equity according to loan agreements is calculated by dividing equity by total equity and liabilities, ex. the impact of IFRS 16. The metric is reported as a key figure of the Group.	Equity ratio captures the financial solidity of the Group. Furthermore, the equity-ratio according to calculation method 2 above is a covenant requirement for the Group. Equity-ratio is, together with NIBD and NIBD/harvest, useful to assess the financial robustness and -flexibility of the capital structure of the Group.
NIBD	Net interest-bearing debt (NIBD) comprises non-current and current debt to financial institutions and other interest-bearing liabilities, after deducting cash and cash equivalents. Amortized loan costs are not included in NIBD. NIBD is calculated in three ways as disclosed in the Annual Report of 2022. The metric is reported as a key figure of the Group, and also reported in Note 5 of the quarterly report. Information relevant for reconciling gross interest-bearing liabilities to the balance sheet is available in Note 5, and reconciliation between gross- and net interest-bearing liabilities is also available in the same Note. The Group deducts investments in money market funds from gross interest-bearing liabilities in the NIBD calculation as from Q4 2022.	Net interest-bearing liabilities is a measure of the Group's net debt and borrowing commitments, and, together with equity-ratio and NIBD/harvest, useful to assess the financial robustness and -flexibility of the capital structure of the Group.
NIBD/Harvest	NIBD/harvest is calculated using NIBD according to methods 1-3 as described in the NIBD section of this APM disclosure. The applicable NIBD/harvest indicates which NIBD metric is used in the calculation. The NIBD/harvest is calculated in two ways as disclosed in the Annual Report of 2022. The metric is reported as a key figure of the Group.	NIBD/Harvest captures the leverage of the Group measured by the harvest capacity and is utilized when optimizing the Group's leverage ratio. Actual harvest volume in the last 12 months indicates the leverage ratio according to proven harvest capacity, while guided harvest volume indicates the leverage ratio according to business plans as the Group are targeting volume growth in an annual basis. NIBD/harvest is, together with equity-ratio and NIBD, useful to assess the financial robustness and -flexibility of the capital structure of the Group.
Gross investment	Gross investment is equal to the Group's capital expenditures (CAPEX) excluding the effect of IFRS 16 compared to the IFRS in force prior to 1 January 2019. Thus, the gross investment figure includes additions made on property, plant and equipment and intangible assets owned by the Group, together with long-term lease arrangements with credit institutions. The metric is reported as a key figure of the Group.	The Group's CAPEX monitoring shows that gross investments are in line with the CAPEX monitoring of the Group. The accounting impact of IFRS 16 (capitalized operational leases) is excluded from gross investments, as such leases are not treated as part of CAPEX.
Sales revenue/kg (GWT)	The sales revenue/kg (GWT) metric is calculated as sales revenue from farming operations divided by harvested volume in kg gutted weight equivalent. The metric is calculated per farming region, for Norway and Canada, and for the Group as a whole. Sales revenue from farming operations equals the revenue directly attributable to the sale of Atlantic salmon, including the impact of fixed contracts, incl. the margin generated by the sales department. The term "sales revenue from sale of Atlantic salmon" is also used by the Group. Group sales revenue from farming operations equals the sum of the sales revenue from farming operations per farming region according to the segment information. Sales revenue/kg is reported in the Group's segment information (see Note 3), and calculated using solely figures included in the segment information.	Sales revenue from farming operation is calculated as the directly attributable revenue from sale of Atlantic salmon, and is in line with our segment reporting. For the Group, sales revenue is adjusted for income from sale of bi-products (smolt, fry, roe, ensilage) as such income are assessed as considered as cost reduction activities for our farming operation. Sales revenue/kg is a relative metric which ensures comparability between our farming regions and across time. The metric captures the price achievement- and -realization generated by the Group and each farming region.

APM	DEFINITION AND CALCULATION	REASON FOR APPLYING APM
Farming cost/kg (GWT)	<p>The farming cost/kg (GWT) metric is the sum of all costs directly related to the production and harvest of salmon, divided by the related harvest volume in kg gutted weight equivalent (GWT). Thus, at the regional level, farming costs equal operational costs. Other income is included in the farming cost metric as cost-reduction activities. Therefore, farming cost can be calculated as, using the segment information, sales revenue from farming operations less operational EBIT, divided by harvest volume. The metric is calculated per farming region, for Norway and Canada, and for the Group as a whole.</p> <p>Group farming cost equals the sum of the regions' farming costs. Farming cost/kg is reported in the Group's segment information (see Note 3), and calculated using solely figures included in the segment information.</p>	<p>Farming cost/kg is a relative metric which ensures comparability between our farming regions and across time. The metric captures the cost level of the farming operations. As Atlantic salmon is traded largely as a commodity, and the prices achieved largely reflect a general market price, the farming cost/kg captures the operational profitability for the Group and each farming region.</p>
Other costs incl. ownership and headquarter costs/kg (GWT)	<p>The Other costs incl. ownership and headquarter costs/kg (GWT) metric captures all costs and revenue not directly related to the production and harvesting of salmon. This includes costs deriving from activities conducted by the parent company and other Group companies not related to production, divided by the Group's harvest volume. In addition, until the first harvest in Newfoundland is carried out, net costs attributable to the Newfoundland region are included as other costs/kg. The metric is calculated for the Group, and is reported in the Group's segment information (see Note 3), and calculated using solely figures included in the segment information.</p>	<p>Other costs incl. headquarter costs/kg is a relative metric which ensures comparability when assessing the Group's cost level over time. The metric captures the costs of the Group which are not deemed directly attributable to farming operations. The net costs of Newfoundland is included in the other cost incl. ownership and headquarter costs/kg until first harvest. This because the farming cost is characterized by the expense of the cumulated cost to inventory incl. direct cost of harvest at the point of harvest. Until harvest, production costs are capitalized as biological assets in the balance sheet. Therefore, to be comparable with our other farming regions, it is not useful to include Newfoundland as part of the farming cost of the Group, until the region is at the point of first harvest.</p>



About Grieg Seafood

Grieg Seafood ASA is one of the world's leading salmon farmers.

Our farms are in Rogaland and Finnmark in Norway, as well as in British Columbia and Newfoundland in Canada. Our headquarter is located in Bergen, Norway. Grieg Seafood ASA was listed at the Oslo Stock Exchange in June 2007. More than 750 people work in the Company throughout our regions.

Sustainable farming practices are the foundation of Grieg Seafood's operations. The lowest possible environmental impact and the best possible fish welfare is both an ethical responsibility and a drive for economic profitability. Towards 2026, we aim for global growth, cost improvements and to evolve from a pure salmon supplier to an innovation partner for selected customers.

GRIG SEAFOOD ASA

Postal address

P.O. Box 234 Sentrum. 5804
Bergen

Visiting address

Grieg-Gaarden. C. Sundts gt.
17/19, 5004 Bergen

Telephone

+ 47 55 57 66 00

Website

www.griegseafood.com

Organization number

NO 946 598 038 M

Board of Directors

Per Grieg Jr.
Chair

Tore Holand
Vice chair

Katrine Trovik
Board member

Marianne Ødegaard Ribe
Board member

Nicolai Hafeld Grieg
Board member

Ragnhild Janbu Fresvik
Board member

Group Management

Andreas Kvame
Chief Executive Officer

Atle Harald Sandtorv
Chief Financial Officer

Alexander Knudsen
Chief Operational Officer Farming Norway

Grant Cumming
Chief Operational Officer Farming Canada

Erik Holvik
Chief Commercial Director

Knut Utheim
Chief Technical Officer

Kathleen O. Mathisen
Chief Human Resource Officer

Kristina Furnes
Group Communications Manager

Financial calendar

Q2 2023
22 August 2023

Q3 2023
14 November 2023

The Company reserves the right to make amendments to the financial calendar