



Q4 REPORT

2023

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HIGHLIGHTS

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

Group highlights

- Harvest volume of 21 767 tonnes (21 186 tonnes)
- Operational EBIT in the quarter of NOK -67 million (NOK 156 million), with operational EBIT/kg of NOK -3.1 (7.4). Full year Operational EBIT of NOK 780 million, with an operational EBIT of NOK 10.8 per kg
- Quarterly results impacted by historical biological events
- Good biological results of first harvest in Newfoundland, with high survival and high share of superior quality
- Executing on post-smolt strategy, construction of 3 000 tonnes capacity post-smolt facility in Finnmark initiated
- Initiatives to reduce costs by NOK 150 million over two years as part of our improvement program
- Process to identify long-term partners to take part in the development of Canadian operations is ongoing
- 76% of the harvested volume in the quarter ASC certified
- Expect to harvest 17 800 tonnes in Q1 2024
- Target harvest volume of 81 000 tonnes for the full year 2024

CEO comment

Our results in the fourth quarter were impacted by continued weak biological performance in Finnmark. The Spiro parasite, winter ulcers and jellyfish have impacted survival rates and operational efficiency in Finnmark and led to reduced volumes, increased handling cost and lower price achievement. I am not satisfied with the results, and we have taken measures to address the challenges both in the short and medium term.

The Spiro alone is estimated to cause a total loss of NOK 900 million since it was detected in 2022 at our freshwater facility in Finnmark, most of which has previously been realized. We have implemented measures to prevent Spiro from entering our facility again with good results. All fish that was transferred to the ocean farms in 2023 were Spiro free, and we expect impact from Spiro to cease after we have harvested out the last fish groups from the 2022 generation during Q2. We are also turning every stone to mitigate winter ulcers, including new vaccines and “probiotics” treatments to strengthen fish health. There are some indications of positive vaccine effects, but we need more time to know for sure. Preliminary results will be available the coming summer. Unfortunately, as it will take some time to see the positive impacts of our measures due to the long production cycle, we expect that the challenging biological conditions will continue to affect our results in Finnmark in Q1 2024.

Expanding our post-smolt strategy is key to improve biology, fish health and welfare in all of our regions. We see strong biological improvements from post-smolt in Rogaland, where we have pioneered this production method since 2019. We experience reduced mortality in the ocean phase on the large post-smolt groups, as well as significantly improved sea lice control without the use of treatments. In Q4, we started building a post-smolt unit at our freshwater facility in Finnmark, which will add 3 000 tonnes of post-smolt to the region from 2026/2027. We expect to see the similar biological improvements in Finnmark.

In Rogaland, the biological production is strong with high survival rates. The quarterly result was impacted by low harvest volumes, caused by previous ISA outbreaks and subsequently early harvests during the first months of 2023. Following a successful vaccination program for all smolt, we are pleased to see that there is currently no PD and ISA in Rogaland.

In Newfoundland, we successfully conducted the first harvest with a volume of 3 184 tonnes, a superior share of 97% and favorable reception from the North American market. The seawater production in Newfoundland continues to be strong with a 12-month survival rate of 95%.

While the underlying biology is improving, we have launched an improvement program in 2023 to review all aspects of our operations and identify areas where we can improve profitability and reduce costs. We target cost reductions of approximately NOK 150 million over the next two years.

It has been a tough quarter, and my colleagues have worked hard in all regions to implement improvement measures and move forward. I want to thank them all for their efforts. I am confident that we are on the right path and that we will see results during 2024.



ANDREAS KVAME
CEO Grieg Seafood ASA

Regional highlights

Rogaland Norway

- Harvest volume of 2 159 tonnes (6 887)
- Operational EBIT/kg of NOK 10.4 (13.8)
- Price achievement impacted by a superior share of 86% and somewhat unfavorable timing of harvest
- Underlying production good, with a strong 12-months survival rate at 94%
- ~ 60% of harvested volume in 2023 from post-smolt
- 78% of harvested volume ASC certified
- Farming cost of NOK 67.2/kg due to historical ISA events and low harvest volume
- No PD and ISA - successful vaccination program for all smolt
- 2023 average smolt weight of 462 grams

Finnmark Norway

- Harvest volume of 10 387 tonnes (12 833)
- Operational EBIT/kg of NOK 6.2 (12.5)
- Price achievement impacted by a 64% superior share
- 84% of harvested volume ASC certified
- Farming cost of NOK 64.7/kg impacted by weak biological performance
- Smolt transfer to rebuild biomass according to plan. 23.2 million smolt transferred to sea in 2023, full impact on 2025 harvest volume
- No Spiro detected on the new generation of smolt
- Construction of the post-smolt unit at Adamselv has started

British Columbia Canada

- Harvest volume of 6 038 tonnes (1 467)
- Operational EBIT/kg of NOK -7.9 (-22.9)
- Spot prices in North America under pressure
- Good seawater production and stable 12-months survival rate of 91%
- 100% of harvested volume ASC certified
- Farming cost of CAD 11.0/kg impacted by write downs
- Continued constructive dialogue with Canadian government on "transition" into better farming practices

Newfoundland Canada

- Operational EBIT of NOK -89 million as we are still in a development phase
- Successfully conducted the first harvest with a total volume of 3 184 tonnes in Q4
- Superior share of 97% and average harvest weight at 4.7kg
- Continued good seawater production with 12-months survival rate of 95%, driven by favorable biological conditions and high-quality smolt
- 2.5 million smolt transferred to sea in 2023. Smolt performing well and in good health
- Ground works for expansion of the post-smolt facility developing according to plan

Key figures

KEY FIGURES	Q4 2023	Q4 2022	FY 2023	FY 2022
Operational				
Harvest volume (tonnes GWT)	21 767	21 186	72 015	84 697
Sales revenue/kg (NOK) ⁽¹⁾	74.3	68.0	82.7	75.8
Group farming cost/kg (NOK) ⁽¹⁾	75.8	57.6	70.2	52.7
Other costs incl. ownership and headquarter costs/kg (NOK) ⁽¹⁾	1.7	3.1	1.7	2.5
Operational EBIT/kg (NOK) ⁽¹⁾	-3.1	7.4	10.8	20.5
Financial				
Sales revenues (NOK million)	1 938	1 640	7 020	7 164
Operational EBITDA (NOK million) ⁽¹⁾	85	282	1 334	2 191
Operational EBIT (NOK million) ⁽¹⁾	-67	156	780	1 739
EBIT (Earnings before interest and taxes, NOK million)	485	282	981	1 498
Profit before tax (NOK million)	303	108	844	1 448
Cash flow from operations (NOK million)	-728	-148	-300	1 562
Capital structure				
NIBD excl. the effects of IFRS 16 (NOK million) ^{(1), (2)}	3 873	1 739	3 873	1 739
NIBD/harvest volume (NOK) ^{(1), (3)}	53.8	20.5	53.8	20.5
Equity % ⁽¹⁾	47%	50%	47%	50%
Equity % excl. the effects of IFRS 16 ⁽¹⁾	50%	52%	50%	52%
Gross investments (NOK million) ^{(1), (4)}	201	192	880	679
Profitability				
ROCE ⁽¹⁾	-3%	8%	8 %	23 %
Dividend per share (NOK)	0.0	0.0	4.5	3.0
Earnings per share (NOK)	2.2	0.6	2.3	10.3
Total market value (NOK million, Euronext)	7 748	8 917	7 748	8 917

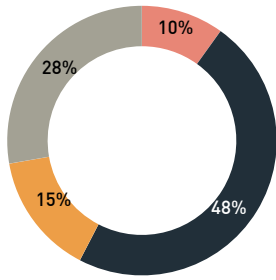
¹ See Alternative Performance Measures for definitions.

² NIBD excl. the effects of IFRS 16.

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

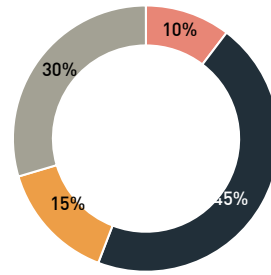
⁴ Incl. financial lease (according to IFRS in force prior to 1 January 2019) investments.

HARVEST VOLUME
Q4 2023



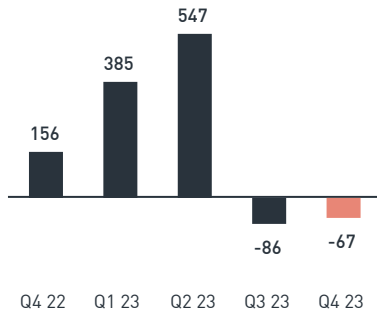
■ Rogaland ■ Finnmark
■ Newfoundland ■ BC

SALES REVENUES
Q4 2023

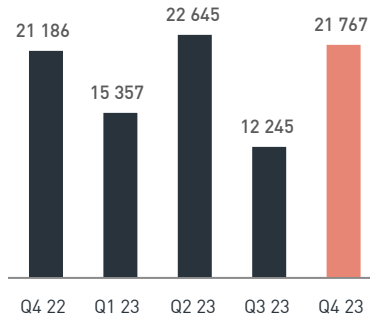


■ Rogaland ■ Finnmark
■ Newfoundland ■ BC

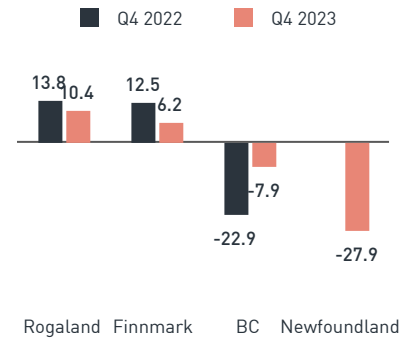
OPERATIONAL EBIT
(NOK MILLION)



HARVEST VOLUME
(TONNES GWT)



OPERATIONAL EBIT/KG PER REGION
(NOK)



Guiding and expectations

Farming operations

Rogaland Norway

- Good seawater production so far in the quarter
- Expect harvest of 7 000 tonnes in Q1 2024, harvest evenly distributed throughout the quarter
- Expect somewhat lower farming cost in Q1
- Harvest target for 2024 of 28 000 tonnes

Finnmark Norway

- Challenging seawater production so far in the quarter due to string jellyfish, winter ulcers and Spiro. Will impact farming cost and price achievement
- Expect harvest of 5 000 tonnes in Q1 2024, main part of the harvest in the beginning of the quarter
- Harvest target for 2024 of 27 000 tonnes

British Columbia Canada

- Good seawater production so far in Q1 2024
- Expect harvest of 800 tonnes in Q1 2024, harvest only in March
- High farming cost in Q1 due to the low harvest volume
- Harvest target for 2024 of 15 000 tonnes

Newfoundland Canada

- Good seawater production so far in Q1 2024
- Expect harvest of 5 000 tonnes in Q1 2024, main part of harvest in the first half of the quarter
- High cost as we are still in a development phase, with low capacity utilization
- Harvest target for 2024 of 11 000 tonnes

Over the last years until 2022, we have been able to reduce the farming costs through operational improvement initiatives. In 2022, industry costs rose across the board, and feed prices increased by approximately 40% in Norway and close to 20% in BC. General cost inflation in both 2022 and 2023, as well as previous biological events (such as Spiro in Finnmark) will impact the farming cost until the generation of impacted fish is harvested. While the underlying biology is improving in all regions due to various measures taken, we have also launched an improvement program to review all aspects of our operations and identify areas where we can further improve profitability and reduce costs. We also expect our post-smolt strategy to reduce costs related to mortality, disease outbreaks, sea lice treatments and fish handling.

Sales & Market

We expect sustained strong market prices in 2024 as a result of limited growth in supply in combination with an outlook for continuing strong demand fueled by an increased focus on healthy food and sustainably produced proteins. The current Fish Pool forward price reflects this, with a price around NOK 110 per kg for Q1 2024. Our estimated contract share for Q1 2024 is 7%, with a total of 6% for the full year 2024.

Capex

Maintenance investments are estimated at NOK 300 million in 2024. Growth investments in 2024 are estimated at approximately NOK 800 million, whereof NOK 500 million is allocated to the post-smolt expansion in Finnmark and NOK 300 million is allocated to seawater equipment in Newfoundland.

EXPECTED HARVEST (TONNES GWT)	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEWFOUNDLAND	GROUP TOTAL
Q1 2023 (actuals)	7 500	7 860	—	—	15 400
Q2 2023 (actuals)	11 540	5 570	5 540	—	22 700
Q3 2023 (actuals)	4 780	1 350	6 110	—	12 200
Q4 2023 (actuals)	2 160	10 390	6 040	3 184	21 800
Total 2023	26 000	25 200	17 700	3 200	72 100
Q1 2024	7 000	5 000	800	5 000	17 800
Q2 - Q4 2024	21 000	22 000	14 200	6 000	63 200
Total 2024	28 000	27 000	15 000	11 000	81 000

Reduced harvest estimate in British Columbia in 2024 vs 2023, as 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 scoreboard

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

	ASPECT	TARGET	STATUS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
PROFIT & INNOVATION	Return on capital employed ¹⁾	12% p.a.	■	-3%	-4%	26%	18%	8%
	Harvest volume (tonnes GWT)	82 000 tonnes in 2023	■	21 767	12 245	22 645	15 357	21 186
	Farming cost per kg	Cost leader in our operating regions						
	Rogaland (NOK)		■	67.2	65.8	58.2	58.4	54.6
	Finnmark (NOK)		◆	64.7	83.8	61.2	62.8	54.1
	British Columbia (CAD)		◆	11.0	10.9	11.3	n/a	13.3
	Newfoundland (CAD)		■	12.1	n/a	n/a	n/a	n/a
HEALTHY OCEAN	ASC certifications ²⁾	All sites (40) by 2023	◆	34	33	33	30	29
	Survival rate sea (GSI standard)	93% by 2023						
	Rogaland		●	94%	93%	90%	91%	92%
	Finnmark		◆	92%	91%	88%	88%	91%
	British Columbia		◆	91%	90%	90%	92%	91%
	Newfoundland		●	95%	96%	n/a	n/a	n/a
	Antibiotics g/tonne ³⁾	No use of antibiotics						
	Rogaland		●	0.0	0.0	0.0	0.0	0.0
	Finnmark		●	0.0	0.0	0.0	18.9	0.4
	British Columbia		■	6.8	13.7	57.1	50.3	20.2
	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	0.5	0.0	0.0
	Finnmark		●	0.8	0.4	0.0	4.3	1.9
	British Columbia		●	0.0	0.6	0.0	0.5	0.0
Newfoundland		●	0.0	0.0	0.0	0.0	0.0	
Escape incidents (# of fish)	Zero escape incidents	●	0	0	1 (1)	0	0	
SUSTAINABLE FOOD	High quality product	93% superior share						
	Rogaland		◆	86%	91%	76%	73%	91%
	Finnmark		■	64%	50%	59%	52%	85%
	British Columbia		◆	87%	91%	91%	n/a	86%
	Newfoundland		●	97%	n/a	n/a	n/a	n/a
PEOPLE	Absence rate	Below 4.5%						
	Rogaland		●	3.1%	3.1%	4.5%	5.9%	5.1%
	Finnmark		■	8.6%	5.6%	7.3%	10.6%	10.2%
	British Columbia		●	3.3%	2.4%	2.3%	4.3%	5.0%
	Newfoundland		●	1.7%	1.2%	1.0%	1.8%	1.1%
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' scoreboards.

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](#).

Business strategy

Our 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.



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 the main components of our business strategy [here](#).

Following the announcement of a resource tax on the salmon industry in Norway in 2022, Grieg Seafood put all investments on hold until most of the technical details of the tax were clear to understand how the 25% resource tax would impact funds available for investments. Based on our experience with post-smolt in Rogaland, we have chosen to prioritize post-smolt expansion in Finnmark as the major investment as it is expected to drive biological control, earnings and sustainability. In parallel with the short-term return opportunities in Finnmark, Grieg Seafood is well positioned for robust and sustainable growth in British Columbia and Newfoundland, Canada, and in particular Eastern Canada, is one of the few salmon farming regions globally with a significant untapped growth potential and proximity to one of the largest and fast-growing markets. Grieg Seafood aims to realize the potential of sustainable growth in Canada. However, developing the Canadian operations require substantial investments at a time when the resource tax and overall inflation requires greater capital discipline. Grieg Seafood is committed to take the next step of the growth journey in Canada and will focus on maximizing this value while also mitigating risks. All plans for expansion in Canada need to be considered in this context, and for that reason Grieg Seafood is seeking long-term partners to take part in the development of our Canadian operations. The process to identify potential partners is ongoing.



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 volumes and reduce production costs.

Profit

Figures for Q4 2022 in brackets

The Group harvested 21 767 tonnes in Q4 2023, up 3% compared to 21 186 tonnes in Q4 2022, and up 78% compared to 12 245 tonnes in Q3 2023. Rogaland and Finnmark contributed 58% (93%) to the Group's harvest volume, while 28% (7%) was from British Columbia and 15% (0%) was from Newfoundland.

The Group's price achievement for the quarter was NOK 74.3 per kg (NOK 68.0 per kg), up NOK 1.2 per kg compared to NOK 73.1 per kg in Q3 2023. In total, Rogaland and Finnmark had a price achievement of NOK 72.0 per kg (NOK 67.2 per kg) in Q4 2023, up NOK 7.7 per kg compared to NOK 64.3 per kg in Q3 2023. The price achievement in Norway was equivalent to a sales revenue of NOK 904 million (NOK 1 325 million), up 129% compared to NOK 395 million in Q3 2023. The change from Q3 2023 was primarily due to Finnmark which had an exceptionally low harvest volume in Q3 2023. On aggregate, 17% (26%) of our harvested volume in Norway was sold on contracts in Q4 2023, compared to 34% in Q3 2023, impacting our price achievement negatively. British Columbia achieved a price achievement of NOK 79.3 per kg (NOK 79.3 per kg) in Q4 2023, and total sales revenues amounting to NOK 479 million, up from NOK 116 million in Q4 2022. The higher sales revenue in BC in the quarter compared to Q4 2022 was primarily due to the higher harvested volume. We harvested our first salmon in Newfoundland in Q4 2023, which generated a sales revenue of NOK 236 million, or NOK 74.0 per kg, on a harvest volume of 3 184 tonnes.

The Group's farming cost for the quarter was NOK 75.8 per kg (NOK 57.6 per kg), down NOK 1.7 per kg compared to NOK 77.5 per kg in Q3 2023. Our Norwegian regions contributed 50% (88%) of the Group's farming cost, impacting EBIT by a farming cost of NOK 65.1 per kg (NOK 54.3 per kg) in the quarter, down NOK 4.7 per kg compared to NOK 69.8 per kg in Q3 2023. The increase in farming cost, which in Q4 2023 was up NOK 18.2 per kg for the Group compared to Q4 2022, was primarily due to increased feed prices during 2022, which impacted EBIT in 2023 through release from biological assets when harvesting. Finnmark, which contributed 41% (57%) to the Group's farming cost, experienced elevated farming costs due to weak biological performance. Furthermore, Rogaland only contributed 9% (31%) to the Group's farming cost as the region had low harvest volume in the quarter. This implies that 50% (12%) of the Group's farming cost, measured in NOK, was from North America. The farming cost in BC has been impacted by historical biological issues as well as write downs due to abnormal mortality. Farming cost in Newfoundland was high due to temporary low capacity utilization of the available assets, as we will ramp-up production gradually in the region.

The share of profit from associated companies included in operational EBIT ended at NOK -5 million for Q4 2023 (NOK -4 million), compared to NOK -3 million in Q3 2023.

The Group's operational EBIT came to NOK -67 million (NOK 156 million) for the quarter, compared to NOK -86 million in Q3 2023. Operational EBIT/kg for the quarter was NOK -3.1 per kg (NOK 7.4 per kg) in Q4 2023, up NOK 4.0 per kg compared to NOK -7.0 per kg in Q3 2023. Our Norwegian regions contributed with an operational EBIT of NOK 6.9 per kg (NOK 12.9 per kg) in Q4 2023, up NOK 12.4 per kg compared to NOK -5.5 per kg in Q3 2023. The Group realized a ROCE of -3% in the quarter (annualized) vs the target of 12%.

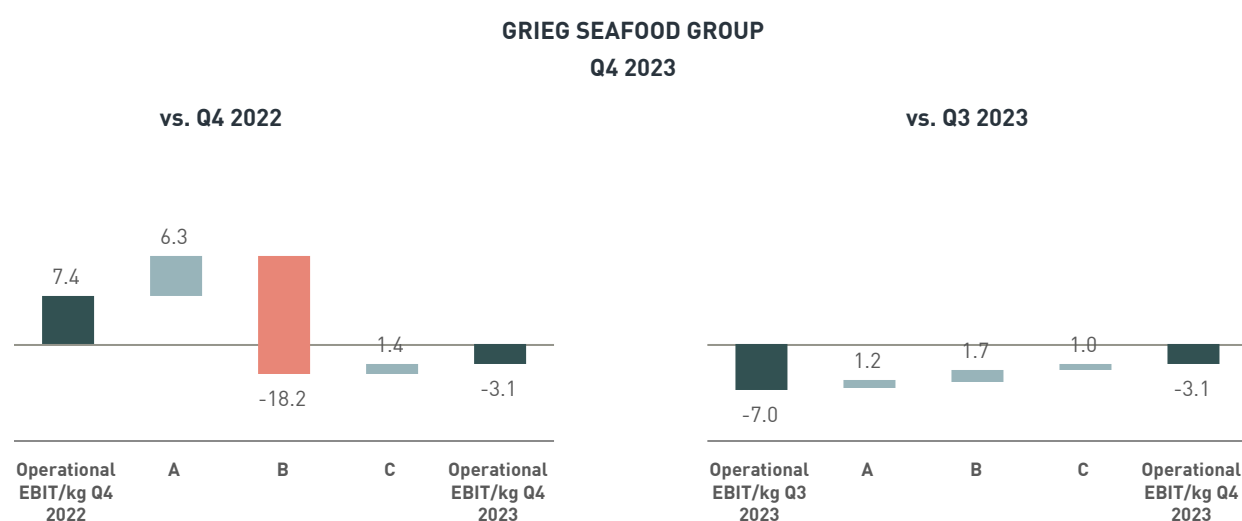
The difference between operational EBIT and the EBIT in the income statement for Q4 2023 relates to production fee on harvested volume in Norway and fair value adjustments of the biological assets of the Group. A reconciliation of

operational EBIT with the EBIT presented in the income statement is included in Note 3. In addition, the reconciliation items are commented on below.

OPERATIONAL EBIT PER REGION (NOK MILLION)	Q4 2023	Q4 2022	FY 2023	FY 2022
Rogaland	22.4	94.7	736.4	754.6
Finnmark	64.0	160.5	326.6	926.1
British Columbia	-47.6	-33.6	-93.9	270.4
Newfoundland	-88.9	-29.4	-146.1	-114.7
Elimination/Others	-16.8	-36.3	-43.3	-96.9
Grieg Seafood Group	-67.0	156.0	779.7	1 739.5

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.

Production fee, calculated as NOK 0.9/kg salmon harvested in our Norwegian regions, came to NOK 13 million for the quarter (NOK 8 million), up from NOK 4 million in Q3 2023. The difference in production fee compared to Q4 2022 is primarily due to a higher fee/per kg, while the increase from Q3 2023 is primarily due to a higher harvest volume in the quarter. See Note 5 for more information concerning the production fee.

Fair value adjustments of biological assets amounted to NOK 564 million (NOK 189 million) in the quarter, compared to NOK 137 million in Q3 2023. The fair value adjustments of biological assets comprise of the fair value estimate on the biological assets at sea, in addition to fair value adjustment of financial and physical contracts. The changes in the fair value adjustment of biological assets in the income statements is primarily due to higher forward prices as per year-end Q4 2023. See Note 4 for more information.

EBIT (Earnings before interests and taxes) came to NOK 485 million for the quarter (NOK 282 million), compared to NOK 68 million in Q3 2023.

Net financial items ended at NOK -182 million (NOK -175 million) for the quarter, compared to NOK -95 million in Q3 2023. Net financial items for Q4 2023 were negatively impacted by foreign exchange rate fluctuations.

The pre-tax profit for the quarter totaled NOK 303 million (profit of NOK 108 million), compared to a loss of NOK -27 million in Q3 2023. Tax expense for the period was estimated to NOK 56 million (tax expense of NOK 45 million), compared to a tax income of NOK 175 million in Q3 2023. Resource rent tax is included with a tax income of NOK 224 million in the Group's tax estimate for the period. See Note 1, Note 2 and Note 5 for more information concerning the Norwegian resource tax scheme.

The Group's total profit after tax for the quarter ended at NOK 247 million (profit of NOK 62 million), compared to a profit of NOK 148 million in Q3 2023.

Cash flow

Figures for Q4 2022 in brackets

Cash flow from operating activities during the quarter amounted to NOK -728 million (NOK -148 million), down NOK 349 million compared to NOK -380 million in Q3 2023. The operational EBITDA in Q4 2023 ended at NOK 85 million (NOK 282 million), up NOK 28 million compared to NOK 57 million in Q3 2023. See Alternative Performance Measures (APM) for more information on operational EBITDA. The change in cash flow from operating activities compared to both Q3 2023 and Q4 2022 was due to primarily corporate taxes of NOK 772 million was paid in the current quarter.

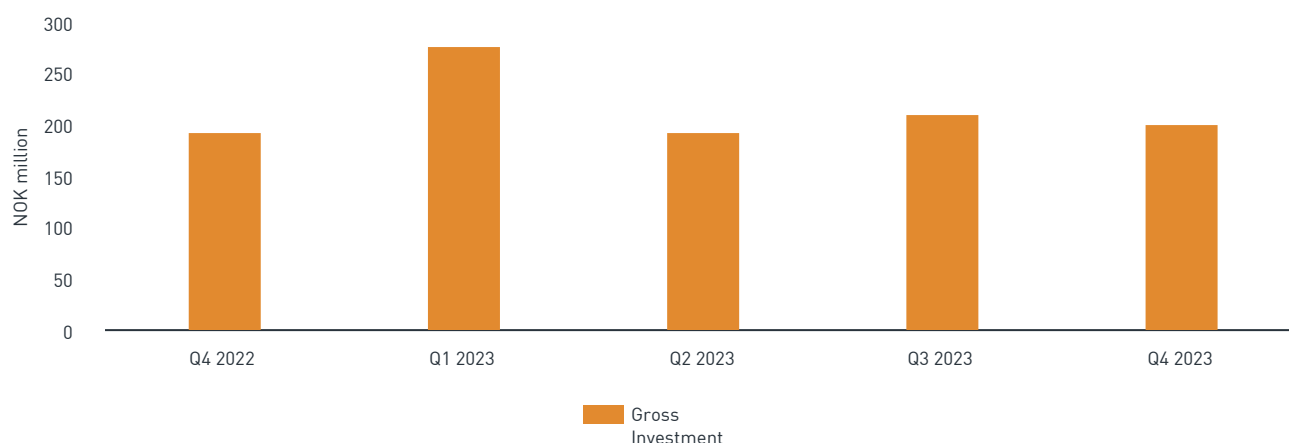
Net cash flow from investing activities was NOK 3 million (NOK -1 237 million) during the quarter, compared to NOK 561 million in Q3 2023. In the quarter, the Group withdrew all the remaining funds from the investment in money market funds, positively impacting the net cash flow from investing activities of NOK 187 million. As such, as per year-end, no excess cash has been invested in money market investments. In comparison, NOK 1 000 million was invested in Q4 2022, while NOK 705 million was withdrawn from the investment in Q3 2023.

Compared to Q3 2023, our investments in tangible and intangible assets financed through cash were NOK 40 million lower in Q4 2023 (NOK 26 million higher than in Q4 2022), while investments in associates and other investment activities were NOK 10 million higher in Q4 2023 compared to the preceding quarter, which together primarily explain the difference from Q3 2023. Our gross investments for the quarter were NOK 201 million (NOK 192 million), compared to NOK 210 million in Q3 2023. See Alternative Performance Measures for more information on gross investment.

The investments in Q4 2023 were similar in nature as in the preceding quarter, focusing on seawater locations in Newfoundland, and maintenance and replacement of equipment in Rogaland, Finnmark and British Columbia. In addition we commenced the construction of a new post-smolt unit in Adamselv, Finnmark, in the current quarter.

Net cash flow from financing activities in Q4 2023 was NOK 661 million (NOK -127 million), up NOK 1 354 million from NOK -694 million in Q3 2023. In Q4 2023, the Group made a net drawdown of NOK 750 million on the revolving credit facility and a drawdown of NOK 63 million on the overdraft facility, positively impacting the net cash flow from financing activities in the current quarter. This marked the first drawdown on the revolving credit facility and overdraft facility since the refinancing of the syndicated debt in Q1 2022, and explains the difference in net cash flow from financing compared to Q4 2022 and Q3 2023. Furthermore, in Q3 2023, the Group paid a dividend of NOK 504 million to shareholders. The Group has biannual installments scheduled for its syndicated debt in Q1 and Q3, which, together with the dividend and the drawdown on the revolving credit facility and overdraft facility are the primary explanation to the difference in net cash flow from financing activities in Q4 2023 compared to Q3 2023.

INVESTMENT LEVEL



See Alternative Performance Measures for definition of gross investment.

Net change in cash and cash equivalents was negative by NOK 64 million (negative by NOK 1 512 million) for the fourth quarter of 2023, up NOK 448 million from NOK -512 million in Q3 2023. Cash and cash equivalents as at the end of Q4 2023 was NOK 216 million (NOK 643 million), down from NOK 286 million in Q3 2023. As at the end of Q4 2023, the Group also had undrawn credit facilities of NOK 887 million (NOK 1 700 million), which was down NOK 813 million from Q3 2023. At quarter-end Q4 2023, the Group had exited the investment in money market funds (NOK 1 013 million), compared to NOK 186 million in Q3 2023, bringing the sum of cash, investment in money market funds and undrawn liquidity to NOK 1 103 million (NOK 3 356 million) at year-end 2023, compared to NOK 2 172 million at the end of Q3 2023.

Financial position and liquidity

Figures for Q4 2022 in brackets

At 31 December 2023, the book value of the Group's assets was NOK 13 663 million (NOK 12 875 million), up by NOK 587 million from NOK 13 076 million at the end of Q3 2023.

The Group's goodwill, intangible assets and tangible assets including right-of-use assets totaled NOK 7 326 million (NOK 6 205 million) as at 31 December 2023, up NOK 235 million compared to NOK 7 090 million as at 30 September 2023. Compared relative to total assets, these assets equaled 54% (48%) of the balance sheet as at 31 December 2023, compared to 54% as at 30 September 2023. During the quarter, the Group have extended the lease on well-boats which have increased the asset side of the balance sheet by approximately NOK 300 million through the application of IFRS 16. In addition, gross investments (which do not include the effect of IFRS 16) was NOK 201 million, further increasing the asset value compared to last quarter. Depreciation and amortization for the quarter amounted to NOK 152 million, which together with a NOK-to-CAD foreign exchange rate of 7.68 compared to 7.91 (translation of assets held by the Group's Canadian subsidiaries) as at 30 September 2023, reduced the book value of the aforementioned assets compared to 30 September 2023.

Biological assets measured at cost totaled NOK 3 736 million (NOK 2 896 million) as at 31 December 2023, up NOK 7 million compared to NOK 3 729 million as at 30 September 2023. Compared relative to total assets, biological assets at cost equaled 27% (22%) of the balance sheet as at 31 December 2023, compared to 29% at 30 September 2023. The biological asset at cost is overall in line with 30 September 2023, however the decomposition on regional level is somewhat different as Rogaland has prioritized biomass growth while Finnmark has a net build-down due to Q4 harvesting. Newfoundland has net biomass growth despite harvesting of the 2022-generation while BC has a net biomass build-down and will prioritize biomass growth in Q1 2024.

Our cash balance at the end of the quarter was NOK 216 million (NOK 643 million), down NOK 70 million compared to NOK 286 million as at 30 September 2023. Current assets (excl. fair value adjustment of biological assets) over current liabilities measured 2.7 (2.8) as at 31 December 2023, compared to 2.2 as at 30 September 2023.

Total equity as at 31 December 2023 was NOK 6 369 million (NOK 6 486 million), up NOK 209 million compared to NOK 6 161 million as at 30 September 2023. The equity ratio as at 31 December 2023 was 47% (50%) compared to 47% as at 30 September 2023.

The Group's debt structure comprises sustainability-linked loans with a NOK 750 million term loan (outstanding NOK 656 million), an EUR 75 million term loan (outstanding EUR 66 million), a NOK 1 500 million revolving credit facility and a NOK 200 million overdraft facility (see Note 6 for more information). As at the end of Q4 2023, the Group has NOK 887 million available on the revolving credit facility and overdraft facility. In addition, we have a Green Bond issue of NOK 1 393 million, which matures in June 2025. As at 31 December 2023, net interest-bearing liabilities (NIBD) incl. the effects of IFRS 16 were NOK 4 879 million (NOK 2 223 million), up NOK 1 315 million from NOK 3 564 million as at 30 September 2023. The change in NIBD compared to quarter-end Q3 2023 was primarily due investments related to IFRS 16 (mainly well-boats), in addition to NOK 772 million in income taxes that has been settled during the quarter. At the end of the quarter, NIBD excl. the effect of IFRS 16 totaled NOK 3 873 million (NOK 1 739 million), up NOK 1 061 million from NOK 2 812 million in Q3 2023. NIBD incl. the effect of IFRS 16 relative to total assets measured 36% (17%) as at 31 December 2023, compared to 27% as at 30 September 2023. NIBD excl. the effect of IFRS 16 divided by last twelve months rolling harvest volume (tonnes GWT) equaled 53.8 (20.5) compared to 39.4 as at 30 September 2023.

The Group was in compliance with its financial covenant as at 31 December 2023 (see Note 6). As at 31 December 2023, the equity-ratio according to covenant was 50% (52%) compared to 50% as at 30 September 2023. As at end of Q4 2023, 54% (75%) of our gross interest-bearing liabilities (Note 6) were either green or sustainability linked (of which NOK 1 393 million Green Bond), down from 69% as at 30 September 2023.

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 adjustments of biological assets (limited to 50% by Green Bond agreement). In 2023, the General Meeting of Grieg Seafood ASA approved a dividend distribution of NOK 4.5 per share (NOK 3.0 per share), which was according to the Board of Directors proposal as communicated in the Annual Report of 2022.

Summary of the full year 2023

(figures for full year 2022 in brackets)

The Group harvested 72 015 tonnes GWT in 2023 (84 697 tonnes GWT). Our Norwegian regions contributed to 71% (76%) of the harvest volume, while British Columbia represented 25% (24%) and Newfoundland 4% (0%). Total sales revenue for the year ended at NOK 7 020 million (NOK 7 164 million), while the sales revenue from our farming regions totaled NOK 5 956 million (NOK 6 418 million), see Note 3. The Group's price achievement in the year was NOK 82.7 per kg (NOK 75.8 per kg) on aggregate for our farming regions. The price achievement was negatively impacted by contracts for some of our Norwegian harvested volume, in addition to production graded fish. The lower sales revenue for the Group in the year compared to last year is mainly due to a lower harvested volume.

The Group's farming cost for 2023 ended at NOK 70.2 per kg (NOK 52.7 per kg). In total, our Norwegian farming regions contributed to 63% (69%) of the farming cost, an increase of NOK 14.6 per kg from NOK 47.7 per kg in 2022 to NOK 62.3 per kg in 2023. British Columbia had, on a 13% lower harvest volume year-on-year, a farming cost of CAD 11.2 per kg, up CAD 2.0 per kg compared to CAD 9.1 per kg in 2022. The increased farming costs is primarily due to inflation pressure on key input to production throughout 2022, which impacted our EBIT in 2023 when the fish was harvested. This is due to the long production cycle for Atlantic salmon, where the cost to produce the biological assets are capitalized to the balance sheet and released to the income statement at the point of harvest (if not previously expensed as abnormal mortality). Additionally, we have also had lower growth than expected, which all else equal increase cost per kg due to, on the short term, fixed costs in the cost base of the farming operations.

The share of profit from associated companies included in operational EBIT ended at NOK -7 million for 2023 (NOK -1 million).

Operational EBIT in 2023 ended at NOK 780 million (NOK 1 739 million), equivalent to an EBIT of NOK 10.8 per kg (NOK 20.5 per kg). The difference between operational EBIT and the EBIT in the income statement for 2023 relates to production fee on the harvested volume in Norway, fair value adjustments of the biological assets of the Group, impairment on tangible and intangible non-current assets, litigation and legal claims, and decommissioning costs. A reconciliation of operational EBIT with the EBIT presented in the income statement is included in Note 3. In addition, the reconciliation items are commented on below.

Production fee, calculated as NOK 0.9/kg harvested salmon from our Norwegian regions, came to NOK 35 million (NOK 26 million) in 2023. As the harvested volume from Norway was lower in 2023 compared to 2022, the increase is due to the production fee being increased compared to 2022 both as from 1 January 2023 as well as from 1 July 2023. See Note 5 for more information concerning the production fee.

Fair value adjustments of biological assets amounted to NOK 218 million (NOK 83 million). The fair value adjustments of biological assets comprise of the fair value estimate on the biological assets at sea, in addition to fair value adjustment of financial and physical contracts. See Note 4 for more information.

During the first half of the year, Grieg Seafood has finished the clean-up and site decommissioning activities in the shísháhl (Sechelt) farming area of British Columbia. In addition to the estimated cost recorded in Q3 2022 and Q4 2022 of NOK 24 million, NOK 3 million in decommissioning costs have been expensed in the first half of 2023. Finally, following the finalization of the project, NOK 0.1 million in write-down of fixed assets have been reversed in 2023.

In Q3 2023, the remaining accrual estimated as at year-end 2022 related to litigation and legal claims was reversed in connection to a settlement, which explain the net positive line item contribution litigation and legal claims had on EBIT in the year. See Note 2 for more information.

EBIT (Earnings before interests and taxes) ended at NOK 981 million (NOK 1 498 million).

Net financial items came to NOK -137 million (NOK -50 million), positively impacted by foreign exchange rates.

Profit before tax was NOK 844 million (NOK 1 448 million). Tax for the period was estimated to a tax expense of NOK 584 million (tax expense of NOK 294 million). Resource rent tax is included with a tax income of NOK 49 million in the Group's tax estimate for the year. See Note 1, Note 2 and Note 5 for more information concerning the Norwegian resource rent tax scheme.

The net profit for the period for the Group ended at NOK 260 million (NOK 1 154 million).

The net cash flow from operating activities for 2023 was NOK -300 million (NOK 1 562 million). The reduction in net cash from operational activities is primarily due to a combination of lower harvest volume and thus lower revenue, higher cost level in our farming regions, and NOK 861 million in income taxes paid in 2023 compared to NOK 94 million in 2022.

For the year ended 2023, the net cash flow from investing activities totaled NOK 256 million (NOK -1 651 million), of which investments in non-current tangible and intangible assets financed through cash totaled NOK 792 million (NOK 564 million). In addition, investments (incl. loans) of NOK 23 million (NOK 112 million) have been made in associated companies. At the end of 2022, we invested approximately NOK 1 000 million of cash surplus in money market funds - an investment that the Group has exited in full as at year-end 2023.

The net cash flow from financing activities in 2023 was NOK -390 million (NOK -204 million). The difference in net cash flow from financing activities compared to 2022 is due to multiple factors. In 2022, a dividend of NOK 337 million (NOK 3.0 per share) was paid, while a dividend of NOK 4.5 per share, or NOK 504 million, was distributed to shareholders in 2023. Furthermore, our syndicated debt was refinanced in the first half of 2022, significantly impacting the cash flow changes from financing during the period compared to 2023. In late 2023, the Group made a drawdown of NOK 750 million on the revolving credit facility and a drawdown of NOK 63 million on the overdraft facility. Finally, our leasing liability has increased during the year which explain the higher repayment of lease liabilities, and debt service costs have increased in 2023 compared to 2022 due to the increase of the exposure to floating interest rates in both the syndicated debt and the bond loan.

As at year-end 2023, a total of NOK 887 million of the revolving credit facility and overdraft facility was available for utilization by the Group. The net change in cash and cash equivalents for 2023 was NOK -434 million (NOK -292 million), and as at 31 December 2023, the Group had a cash balance of NOK 216 million, which was down NOK 426 million compared to NOK 643 million as at 31 December 2022.

Sales and market development

Grieg Seafood supplied close to 3% of the global volume of Atlantic salmon harvested in Q4 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. In 2023, 5% of our harvested volume was sold as VAP. We currently process with partners both in Norway, Europe and Western Canada and we have an increasing supply of our own VAP products in the European, Asian and the US markets. We have strengthened processing capacity through partnership during the year and have decided to invest in a new 10 000-tonnes capacity secondary processing facility at Oslo airport Gardermoen. Elevating our VAP share is integral to our CO2 emissions reduction strategy, as it reduces the need to transport non-edible salmon parts to markets. 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 for management systems are tailored to address farming operations with the aquaculture industry. Our sales and market organization is chain-of-custody certified according to ASC and/or GlobalG.A.P. and our internal processing plants are certified according to FSSC 22000, a Global Food Safety Initiative (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. External processing partners in BC hold the GFSI-recognized BAP certification for their operations, while our external partners in Newfoundland and Norway either hold equivalent certificates or are on a path to GFSI-recognized certification. Read more about our certifications and their current status [here](#).

Products originating from our processing plants have been handled according to our Food Safety Management System ensuring compliance with principles and requirements for HACCP- and food hygiene programs in food production. We have not had any product recalls related to serious food safety incidents for the last ten years, nor did we have any in Q4 2023. We are not banned from any markets, and we are closely monitoring the development and trends within the area of food safety. 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 2% compared to Q4 2022, according to Kontali. Canada and Chile had an increase in volume, while Norway was the main driver for the decrease. Salmon of Norwegian origin contributed to 56% of the total harvest in the quarter. The export of fresh salmon (GWT) from Norway for

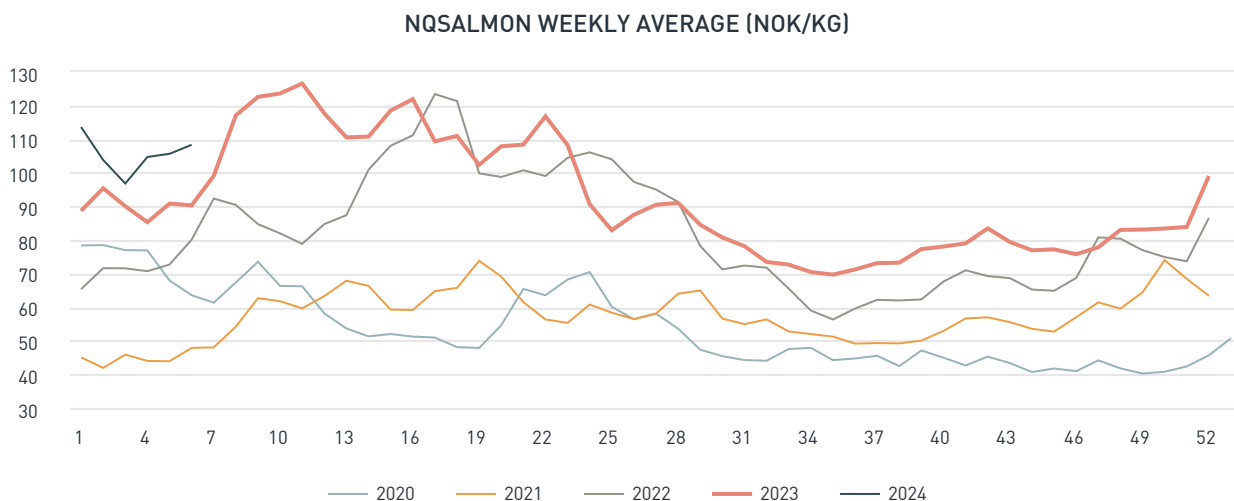
the quarter was up 1% compared to Q4 2022, with the main export markets being Europe of 84%, Asia 13% and North America 3% (source: Norwegian Seafood Council).

Market demand of farmed salmon both in the retail and HoReCa sector has continued strong also this quarter. The average salmon spot price for Norwegian salmon (NQSALMON, weekly average) for Q4 2023 was NOK 81.5 per kg, up by NOK 8.6 per kg compared to Q4 2022, and up by NOK 4.1 per kg compared to Q3 2023. Prices increased due to sustained strong global seasonal demand, and reduction in harvest growth in total for all regions. Prices started close to NOK 80 in the beginning of the quarter, trended down somewhat but increased steeply and ended the year at close to NOK 100. The increase is in line with seasonal expectations and forecasts of harvest. The average salmon spot price in the US market (Urner Barry Seattle) was NOK 74.7 per kg in Q4 2023, down by NOK 8 per kg compared to Q4 2022.

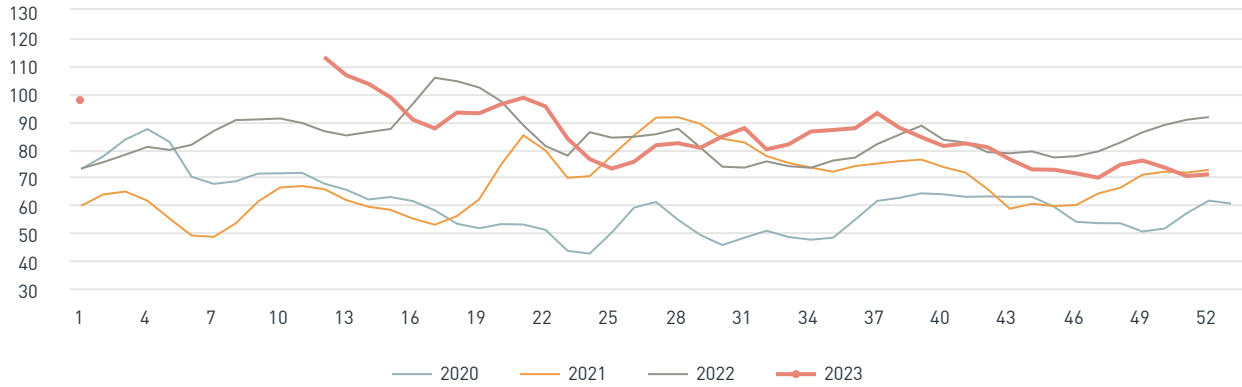
OUR MARKETS

Grieg Seafood contributed with close to 3% of the global supply of Atlantic salmon in the quarter. Our main export markets from Norway were Europe (85% of our volume), Asia (12%) and North America (3%). During the quarter, 4% of our supply of Norwegian origin was sold as value added products, while in BC 3% of our harvested salmon was processed and sold as value added products. Approximately 35% of our salmon from BC was sold in Canada, while 64% was sold to the USA and 1% to Asia. Overall, 76% of our harvested volume in the quarter was ASC certified. We experienced good demand for ASC-certified salmon in the European market.

We target a contract share of 20-50% of our harvested volume. During the fourth quarter of 2023, the share of contracts was 17% in Norway.



**URNER BARRY
FARM RAISED SALMON SEATTLE WEST COAST, FRESH, WHOLEFISH (NOK/KG)**

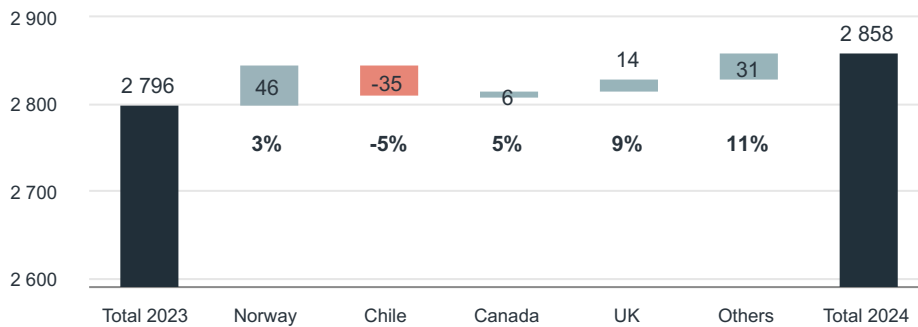


The Urner Barry Farm Raised Salmon Seattle West Coast, Fresh, Wholefish shown above is a weekly average of all weight classes (4-6 lb, 6-8 lb, 8-10 lb, 10-12 lb, 12-14 lb, 14-16 lb, 16-18 lb) in USD/lb, converted into NOK/kg using the weekly average of Norges Bank's daily exchange rate. There are no registered UB entries for Farm Raised Salmon, Fresh Wholefish Seattle in week 2-10 in 2023 nor in the beginning of 2024 due to limited availability of UB salmon prices.

Market expectations

The global harvest of Atlantic salmon in 2024 is expected to increase by 2% compared to 2023, to a total of 2 857 600 tonnes, according to Kontali. Norwegian salmon farmers are expected to harvest approximately 46 000 tonnes more in 2024 than in 2023, while the UK and the Faroe Island are expected to increase harvest by approximately 14 000 tonnes each. Chile is expected to decrease harvest for 2024 by approximately 35 000 tonnes while Canada is expected to increase harvest by approximately 6 000 tonnes. The harvest in the first quarter of 2024 is expected to down 2% compared to Q1 2023.

EXPECTED VOLUME CHANGE BY COUNTRY 2023/2024 (1 000 tonnes WFE)



With expectations of limited growth in global harvest in 2024, combined with an outlook for continuing strong demand fueled by an increased focus on healthy food and sustainably produced proteins, we expect a sustained strong market in 2024. The current Fish Pool forward price reflects this, with a price around NOK 110 per kg for Q1 2024, and NOK 100 per kg for the full year 2024.

We target a contract share of 20-50% of our Norwegian volume. Current estimated contract share for Q1 2024 is 7% and 6% for the full year 2024, of our Norwegian harvest volume.

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. We process and pack our salmon at our own facility.

2 159

TONNES GWT HARVESTED

10.4

OPERATIONAL EBIT/KG (NOK)

Operational results

Harvest volume in Rogaland was 2 159 tonnes in Q4 2023, down 69% compared to Q4 2022. Sales revenues for the quarter amounted to NOK 167.5 million, a decrease of 64% compared to Q4 2022, which is mainly driven by the lower harvest volume. The Nasdaq average spot price was NOK 81.5 per kg in Q4 2023, an increase of NOK 8.6 per kg compared to NOK 72.9 per kg in Q4 2022. Our realized price in Q4 2023 was NOK 77.6 per kg compared to NOK 68.4 per kg in Q4 2022. The price achievement in the quarter was impacted by a superior share of 86% in addition to lower harvest volume towards the end of the quarter when the prices were higher.

The freshwater production during the quarter was good. Our smolt transfer has been in accordance with the plan, with a total stocking for the year of 7.8 million smolt with an average weight of 462 grams.

The underlying seawater production was good during the quarter, however we experienced reduced survival in some pens mainly due to gill disease. According to plan, the harvest volume was low as we were focusing on rebuilding the biomass. At quarter end, there were no sites with *Infectious Salmon Anemia* (ISA) or *Pancreas Disease* (PD). The 12-month rolling survival rate improved from 93% in Q3 2023 to 94% in Q4 2023. We are working systematically to improve fish health and welfare, with a greater focus on the freshwater phase to ensure a robust smolt, and with a preventive and targeted approach to diseases. We have a vaccination program against PD and ISA for all smolt release to sea, and completed additional measures at our smolt facilities, which we expect to reduce risk related to ISA significantly going forward. Shortening the time our salmon spend at sea by transferring larger and more robust smolt to our sea farms also provide improved biological control and less impact by diseases compared to smolt of standard weight. The result is a higher survival rate. Due to the use of post-smolt and cleaner fish, including wrasse, we have managed to reduce the number of

sea lice treatments, and minimize both medical and mechanical sea lice treatments. Due to our 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 67.2 per kg in Q4 2023, up from NOK 54.6 per kg in Q4 2022 and NOK 65.8 per kg in Q3 2023. The increased cost compared to Q4 2022 was mainly related to inflation in feed prices and other input factors in addition to the lower harvest volume, while the increase compared to Q3 2023 mainly relates to cost impacted by historical ISA events and lower harvest volume. The cost of reduced survival (cost recognized as abnormal mortality in the income statement) came to NOK 3.4 million in Q4 2023 (NOK 1.6 per kg), compared to NOK 15.9 million in Q4 2022 (NOK 2.3 per kg).

Operational EBIT per kg ended at NOK 10.4 for the quarter, compared to NOK 13.8 in Q4 2022 and NOK 0.7 in Q3 2023.

Employee well-being is highly prioritized in our operations. The absence rate was reduced compared to previous quarters and came to 3.1%. This is due to a strong focus and awareness on absence amongst all employees. We are monitoring and following up on absence in accordance with procedure and guidelines.

Operational priorities

We expect to harvest 28 000 tonnes in 2024, with an ambition to increase harvest to 35 000-40 000 tonnes 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. In 2023, close to 60% of fish harvested were from post-smolt. Our results so far demonstrate stable production of post-smolt up to 1 kg. We aim to increase the average smolt weight at transfer to sea of close to 1 kg by 2027.

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

We are well-positioned with land-based production, and aim to add at least 4 500 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 6 000 tonnes (where Grieg Seafood Rogaland is entitled to 50% of the smolt). Tytlandsvik is exploring additional capacity of 3 000 tonnes, possibly adding 1 500 tonnes of post smolt to Grieg Seafood Rogaland. 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 at least 4 500 tonnes of post-smolt annually from 2025. Due to the introduction of a resource rent tax in 2023, we have not had any strategic investments in Rogaland this year. However, we have spent a total of NOK 77 million in maintenance investments in 2023, where of NOK 17 million were spent in Q4 2023.

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 eligible sites in Rogaland according to ASC. At the end of Q4 2023, six of 11 eligible sites were ASC certified, while 78% of our volume harvested in Q4 2023 was ASC certified.

Scoreboard & key performance figures Rogaland

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

PILLAR	KPI & TARGET	STATUS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)						
	29 000 tonnes in 2023	■	2 159	4 783	11 536	7 502	6 887
	Operational EBIT per kg (NOK)						
	n/a		10.4	0.7	36.7	38.4	13.8
HEALTHY OCEAN	Farming cost per kg (NOK)						
	Cost leader	■	67.2	65.8	58.2	58.4	54.6
	ASC certification (# of sites)						
	All sites (11 eligible) by 2023	◆	6	5	5	5	5
HEALTHY OCEAN	Survival rate at sea						
	93% by 2023	●	94%	93%	90%	91%	92%
	Cost of reduced survival (NOK million)						
	n/a		3.4	11.2	35.9	6.2	15.9
	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	0.5	0.0	0.0	
HEALTHY OCEAN	Escape incidents (# of fish)						
	Zero escape incidents	●	0	0	0	0	0
SUSTAINABLE FOOD	High quality product						
	93% superior share	◆	86%	91%	76%	73%	91%
PEOPLE	Absence rate						
	Below 4.5%	●	3.1%	3.1%	4.5%	5.9%	5.1%
	Lost time incident rate						
**	n/a		33	17	13	33	16

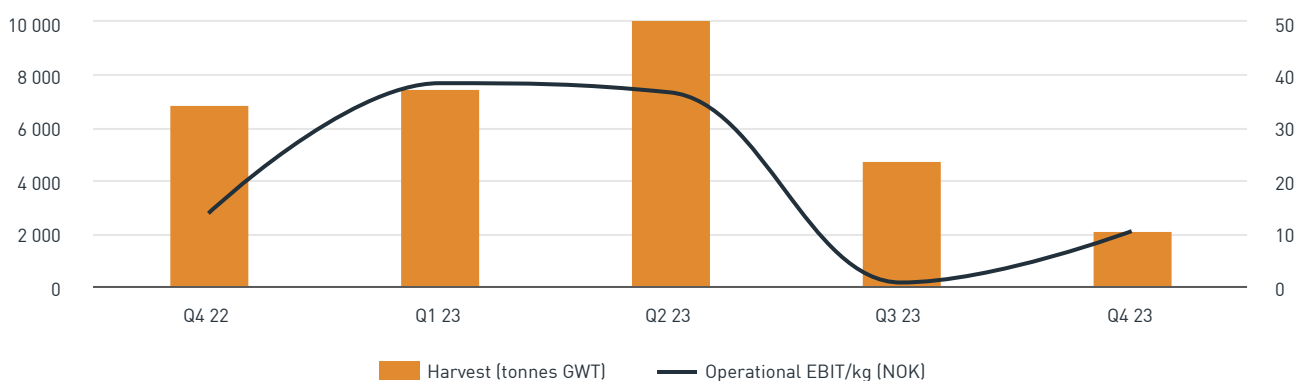
* Amount of active pharmaceutical ingredients (APIs) used (in gr and kg) per tonne of fish produced (LWE).

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

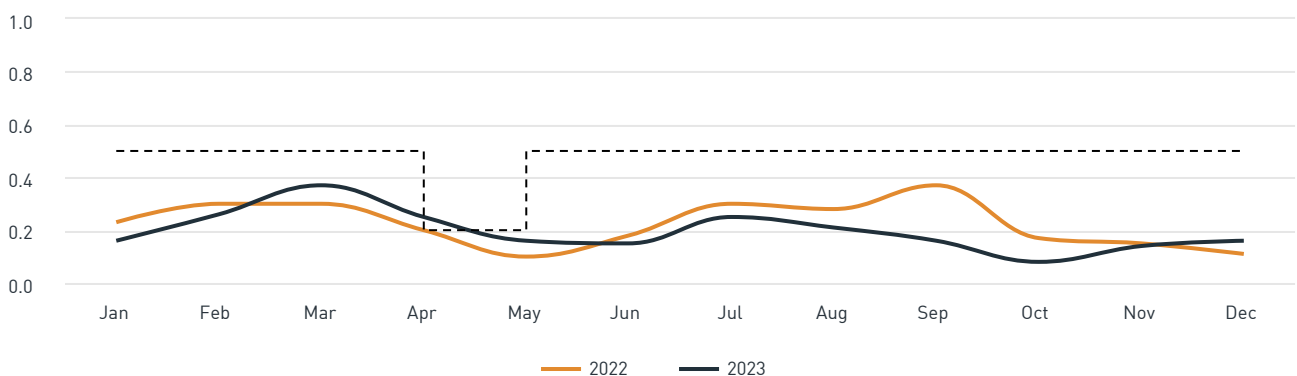
n/a: No set target or data similar to quarter end. ASC certification is disclosed per reporting date. Survival rate is defined as the last twelve months rolling survival, and thus not calculated year-to-date.

NOK MILLION	Q4 2023	Q4 2022	FY 2023	FY 2022
Harvest volume (tonnes GWT)	2 159	6 887	25 980	28 387
Sales revenues from sale of Atlantic salmon	167.5	470.9	2 305.2	2 123.7
Operational EBIT	22.4	94.7	736.4	754.6
Sales revenue/kg (NOK)	77.6	68.4	88.7	74.8
Farming cost/kg (NOK)	67.2	54.6	60.4	48.2
Operational EBIT/kg (NOK)	10.4	13.8	28.3	26.6

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 (2.0 on broodstock licenses), 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.

10 387

TONNES GWT HARVESTED

6.2

OPERATIONAL EBIT/KG (NOK)

Operational results

Grieg Seafood Finnmark harvested 10 387 tonnes in Q4 2023, a decrease of 19% compared to Q4 2022. The harvested volume for the quarter was 1 800 tonnes below the guidance mainly due to *Spironucleus Salmonicida* (Spiro), winter ulcers and string jellyfish. Sales revenues for the quarter amounted to NOK 736.1 million, down 14% compared to Q4 2022 mainly due to lower harvest volume. The Nasdaq average spot price in Q4 2023 was NOK 81.5 per kg, compared to NOK 72.9 per kg in Q4 2022. Our price achievement came to NOK 70.9 per kg in Q4 2023 compared to NOK 66.6 per kg in Q4 2022. The price achievement was impacted by a superior share of 64% compared to 85% in Q4 2022.

Production at our freshwater facility in Adamselv was good during the quarter. We continue to perform regular testing for Spiro, which was detected in fish from Adamselv in 2022. The source of the parasite is believed to be the water intake to the facility. Water treatment equipment have been installed and disinfection measures have been implemented to significantly reduce future risks of Spiro entering the freshwater facility. We also collaborate with research institutions to close knowledge gaps related to Spiro. We have not had any new detections of Spiro at the freshwater facility in 2023. This year, we have transferred 12.2 million smolt to sea.

Seawater production has been challenging during the quarter with continuous impact from Spiro for the fish generation that was already infected, in addition to increasing impact from string jellyfish and winter ulcers. This has affected the biomass growth. Measures to reduce the impact from winter ulcers include feed composition and vaccination. String jellyfish has been a threat to several fish farmers this autumn. We are monitoring the situation continuously to safeguard the welfare of the fish. Nevertheless, our 12-month survival rate came to 92% as of Q4 2023 compared to 91% in Q4 2022.

The survival rate improved slightly from previous quarter, due to better survival rates of the new generation. We anticipate Spiro to have an impact on the production and the survival rates until the generation is completely harvested by Q2 2024.

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, 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. This quarter, we managed to keep the sea lice level low and stable, as a result of being able to perform sea lice treatments at an early stage.

The farming cost came to NOK 64.7 per kg in Q4 2023, up from NOK 54.1 in Q4 2022 but down from NOK 83.8 per kg in Q3 2023. Weak biological performance elevated the farming cost. The increase compared to Q4 2022 is mainly related to inflationary pressure on feed and other input factors in addition to lower harvest volume, while the decrease from Q3 2023 relates to higher harvest volume this quarter. The cost of reduced survival (cost recognized as abnormal mortality in the income statement) was NOK 13.1 million in Q4 2023 (NOK 1.3 per kg), compared to NOK 72.0 million in Q4 2022 (NOK 5.6 per kg).

Operational EBIT per kg came to NOK 6.2 for the quarter, compared to NOK 12.5 in Q4 2022 and NOK -27.1 in Q3 2023.

Employee well-being continues to be highly prioritized. The absence rate for Q4 2023 was 8.6%, far above our 4.5% target. We are monitoring and following up on absence in accordance with procedure and guidelines.

Operational priorities

Grieg Seafood Finnmark expects to harvest 27 000 tonnes in 2024, with an ambition to increase harvest to 40 000-45 000 tonnes 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 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. 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 Q4 2023, we spent NOK 62 million in growth investments, mainly related to the new post-smolt unit in Adamselv and the UV water treatment system at our current freshwater unit in Adamselv, in addition to NOK 33 million in maintenance investments. For the full year 2023, we spent NOK 141 million in growth investments and NOK 169 million in maintenance investments.

As in all our regions, Grieg Seafood Finnmark focuses on improving fish welfare, achieving a high survival rate and working towards sustainable production. At the end of Q4 2023, 17 out of 18 eligible sites were ASC certified. 84% of our volume harvested this quarter was ASC certified.

Scoreboard & key performance figures Finnmark

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

PILLAR	KPI & TARGET	STATUS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)						
	28 000 tonnes in 2023	■	10 387	1 354	5 573	7 856	12 833
	Operational EBIT per kg (NOK)						
	n/a		6.2	-27.1	25.4	20.1	12.5
HEALTHY OCEAN	Farming cost per kg (NOK)						
	Cost leader	◆	64.7	83.8	61.2	62.8	54.1
	ASC certification (# of sites)						
	All sites (18 eligible) by 2023	◆	17	17	17	18	17
HEALTHY OCEAN	Survival rate at sea						
	93% by 2023	◆	92%	91%	88%	88%	91%
	Cost of reduced survival (NOK million)						
	n/a		13.1	9.9	16.2	56.3	72.0
	Use of antibiotics (g per tonne LWE) *						
	No use of antibiotics	●	0.0	0.0	0.0	18.9	0.4
	Use of hydrogen peroxide (kg per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.0	45.1	0.0	24.2
	Sea lice treatments - in feed (g per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.1	0.4	0.0	0.0	0.1
Sea lice treatments - in bath (g per tonne LWE) *							
Minimize use of pharmaceutical treatments	●	0.7	0.0	0.0	4.3	1.9	
HEALTHY OCEAN	Escape incidents (# of fish)						
	Zero escape incidents	●	0	0	0	0	0
SUSTAINABLE FOOD	High quality product						
	93% superior share	■	64%	50%	59%	52%	85%
PEOPLE	Absence rate						
	Below 4.5%	■	8.6%	5.6%	7.3%	10.6%	10.2%
	Lost time incident rate						
**	n/a		36	11	3	19	10

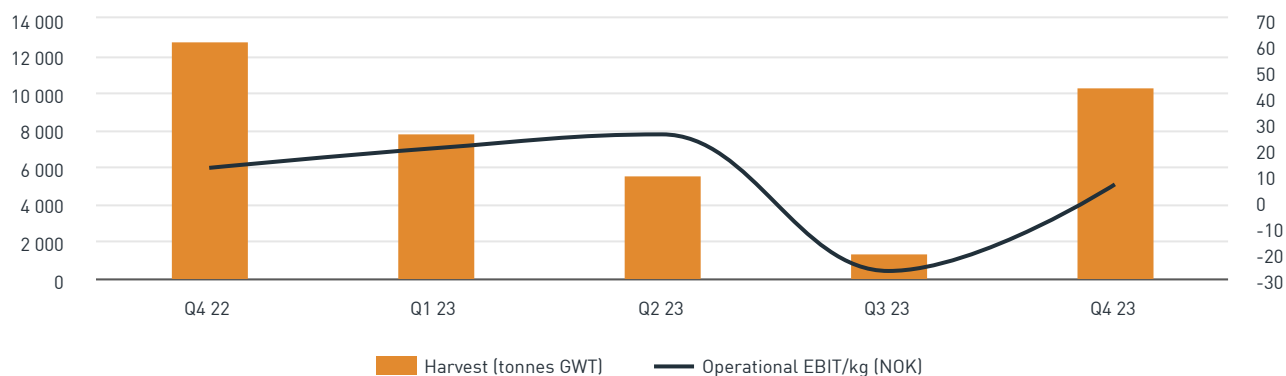
* Amount of active pharmaceutical ingredients (APIs) used (in gr and kg) per tonne of fish produced (LWE).

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

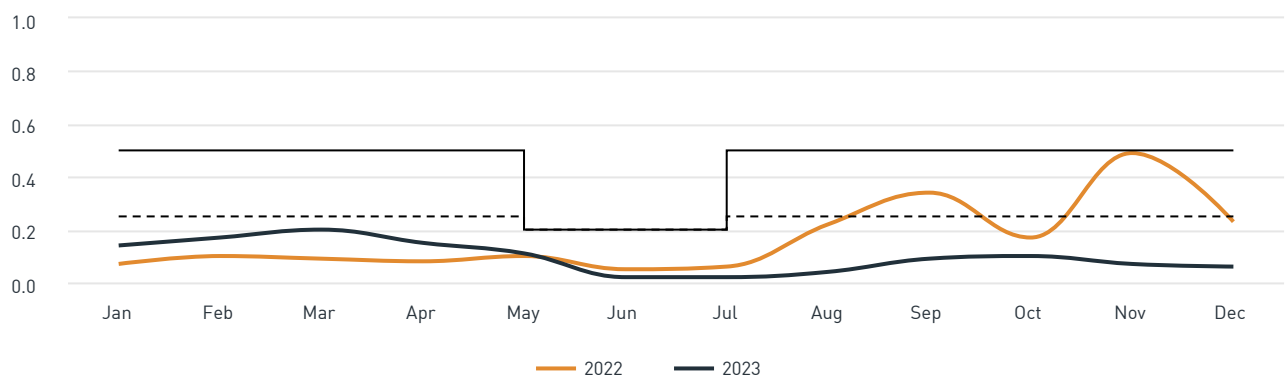
n/a: No set target or data similar to quarter end. ASC certification is disclosed per reporting date. Survival rate is defined as the last twelve months rolling survival, and thus not calculated year-to-date.

NOK MILLION	Q4 2023	Q4 2022	FY 2023	FY 2022
Harvest volume (tonnes GWT)	10 387	12 833	25 170	36 024
Sales revenues from sale of Atlantic salmon	736.1	854.3	1 946.6	2 629.2
Operational EBIT	64.0	160.5	326.6	926.1
Sales revenue/kg (NOK)	70.9	66.6	77.3	73.0
Farming cost/kg (NOK)	64.7	54.1	64.4	47.3
Operational EBIT/kg (NOK)	6.2	12.5	13.0	25.7

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, north of Vancouver. The company's operations includes land-based production of smolt, broodstock and seawater production. We process our BC salmon externally.

6 038

TONNES GWT HARVESTED

-7.9

OPERATIONAL EBIT/KG (NOK)

Operational results

Harvest volume in Q4 2023 was 6 038 tonnes, 312% above Q4 2022 when we harvested 2 018 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.

Sales revenues for the quarter was NOK 478.8 million, an increase of 312% compared to Q4 2022, impacted by the higher harvested volume. Our realized price for the quarter came to NOK 79.3 per kg, the same level as in Q4 2022 (NOK 79.3 per kg). The average spot price according to the Urner Barry (farm raised salmon Seattle West Coast, fresh, wholefish) was NOK 74.7 per kg in Q4 2023 compared to NOK 82.7 per kg in Q4 2022. The superior share for the quarter ended at 87%, slightly up from 86% in Q4 2022.

The freshwater production has experienced reduced survival during the quarter due to technical issues. This has impacted the number of smolt transferred to sea this year. We have added additional expertise at the hatchery to address the production issues.

The seawater performance improved this quarter compared to the previous quarters and we have been able to rebuild the biomass. The 12-month rolling survival rate came to 91% at the end of Q4 2023, slightly up from previous quarter. During the quarter, we have used antibiotics to treat for Yellow mouth to safeguard the welfare of the fish, however the amount used decreased from last quarter. 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.

The farming cost came to CAD 11.0 per kg (NOK 87.2) in Q4 2023, down from CAD 13.3 per kg (NOK 102.2) in Q4 2022 and from CAD 10.9 per kg per kg (NOK 85.2) in Q3 2023. The decrease in farming cost from Q4 2022 is mainly related to BC now harvesting from larger sites, whilst in Q4 2022 we were harvesting from small, inefficient sites. Reduced survival in the freshwater facility as well as sea lice treatments and environmental issues in seawater impacted cost recognized as abnormal mortality in the income statement, which came to NOK 26.1 million in Q4 2023 (NOK 4.3 per kg, or CAD 0.5 per kg), up from NOK 10.7 million in Q4 2022 (NOK 7.3/CAD 1.0 per kg).

Operational EBIT per kg for the quarter came to NOK -7.9, compared to NOK -22.9 in Q4 2022 and NOK -3.20 in Q3 2023.

Employee well-being is a priority. The absence rate of 3.3% this quarter was below our 4.5% target. The absence rate has decreased compared to Q3 2022. We always monitor developments according to our guidelines for absence from work.

Operational priorities

Grieg Seafood BC expects to harvest 15 000 tonnes in 2024. Our ambition is to increase the volume harvested to 30 000-35 000 tonnes 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. We also 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 key to ensuring sustainable production growth. 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. 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 also using the CoolFlow barrier systems on some sites, which we expect to contribute to improved oxygen levels and a reduction in sea lice treatments. In Q4 2023, we spent NOK 8 million in growth investments, mainly related to barrier systems, in addition to NOK 28 million in maintenance investments. For the full year 2023 we have spent a total of NOK 29 million in growth investments and NOK 105 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. All eleven of our eligible sites in BC holds ASC certification, ensuring that 100% of our volume harvested in the quarter was ASC certified.

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. All 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 strive 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 into better and more sustainable practices in British Columbia, in order to reduce interactions with wild salmon. Grieg Seafood welcomes the

transition process and the transition framework published. We have established a constructive dialogue with the federal Minister of Fisheries, Oceans and the Canadian Coast Guard, The Honourable Diane Lebovillier and her Department about finding a good solution going forward. We also continue to work collaboratively with our First Nation partners, government and local communities on innovation and modernization towards a sensible transition plan.

Scoreboard & key performance figures British Columbia

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

PILLAR	KPI & TARGET	STATUS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)						
	20 000 tonnes in 2023	■	6 038	6 108	5 537	0	1 467
	Operational EBIT per kg (NOK)						
	n/a		-7.9	-3.2	-2.5	n/a	-22.9
PROFIT & INNOVATION	Farming cost per kg (CAD)						
	Cost leader	◆	11.0	10.9	11.3	n/a	13.3
	ASC certification (# of sites)***						
	All sites (11 eligible) by 2023	●	11	11	11	7	7
HEALTHY OCEAN	Survival rate at sea						
	93% by 2023	◆	91%	90%	90%	92%	91%
	Cost of reduced survival (NOK million)						
	n/a		26.1	41.1	62.4	13.1	10.7
HEALTHY OCEAN	Use of antibiotics (g per tonne LWE) *						
	No use of antibiotics	■	6.8	13.7	57.1	50.3	20.2
	Use of hydrogen peroxide (kg per tonne LWE) *						
	Minimize use of pharmaceutical treatments	■	13.5	4.1	25.8	24.7	24.4
HEALTHY OCEAN	Sea lice treatments - in feed (g per tonne LWE) *						
	Minimize use of pharmaceutical treatments	●	0.0	0.6	0.0	0.5	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
HEALTHY OCEAN	Escape incidents (# of fish)						
	Zero escape incidents	●	0	0	1 (1)	0	0
	High quality product						
	93% superior share	◆	87%	91%	91%	n/a	86%
PEOPLE	Absence rate						
	Below 4.5%	●	3.3%	2.4%	2.3%	4.3%	5.0%
	Lost time incident rate						
	**	n/a	15	15	0	0	14

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

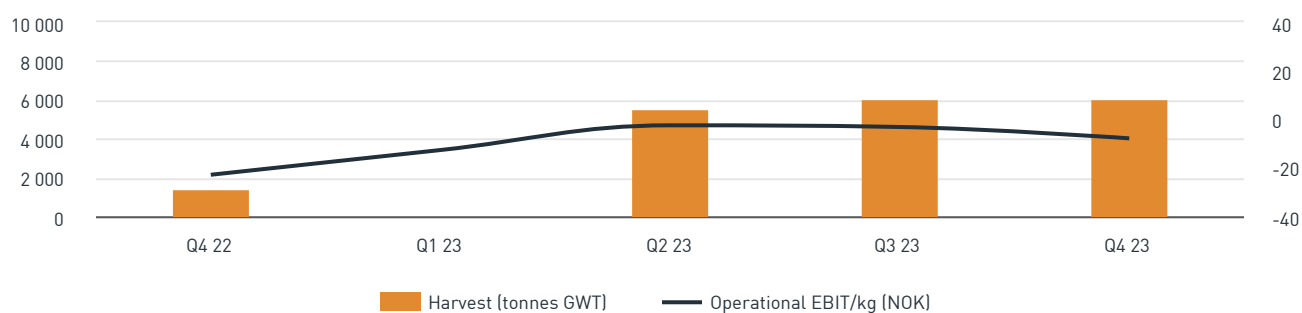
** An LTIR target has not been defined in order to avoid under-reporting of incidents.

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.

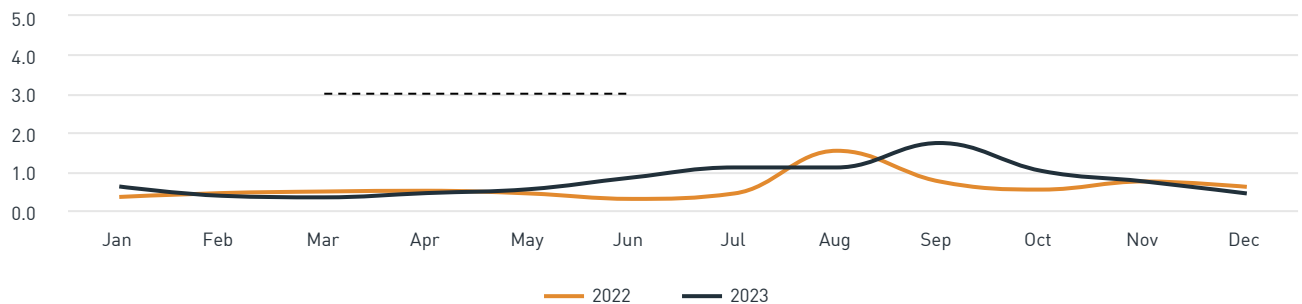
NOK MILLION	Q4 2023	Q4 2022	FY 2023	FY 2022
Harvest volume (tonnes GWT)	6 038	1 467	17 682	20 286
Sales revenues from sale of Atlantic salmon	478.8	116.3	1 468.3	1 665.1
Operational EBIT	-47.6	-33.6	-93.9	270.4
Sales revenue/kg (NOK)	79.3	79.3	83.0	82.1
Farming cost/kg (CAD)	11.0	13.3	11.2	9.1
Farming cost/kg (NOK)	87.2	102.2	88.4	68.8
Operational EBIT/kg (NOK)	-7.9	-22.9	-5.3	13.3

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.

3 184

TONNES GWT HARVESTED

-27.9

OPERATIONAL EBIT/KG (NOK)

Operational results

An important milestone was reached this quarter, when we started to harvest the first generation of fish from our region in Newfoundland. The harvest volume in Q4 2023 was 3 184 tonnes, 1 800 tonnes below the guidance, mainly due to challenging weather conditions and positive market expectations. The remaining volume has been deferred to 2024.

Sales revenues for the quarter was NOK 235.7 million and our realized price for the quarter came to NOK 74.0 per kg. The superior share was 97% and average harvest weight as 4.7kg.

Freshwater production has been good this quarter, the new generation is healthy and growing well.

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, tailored to ensure we optimize the growth and health of our sterile all-female salmon production. 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. Sterile triploid salmon perform well in cold environments and do not mature. Our fish have performed well biologically, with a 12-month rolling survival rate of 95% and good growth at sea, and we have not experienced sea lice issues or other biological issues. We are still in an early phase and will expand the project gradually and in line with biological developments.

The farming cost came to CAD 12.1 per kg (NOK 95.9) in Q4 2023. The farming cost is high due to the low harvest volume and to still being in a development phase with low capacity utilization. There has been no recognition of abnormal mortality in the income statement during the quarter, nor during the year. Parts of our operational cost have been allocated directly to the income statement as we are still in a development phase, which totaled NOK 19.2 million (NOK 6.0 per kg) in Q4 2023.

Operational EBIT for Q4 2023 totaled NOK -88.9 million, compared to NOK -29.4 million in Q4 2022 and NOK -21.2 million in Q3 2023.

Employee well-being is a priority. The absence rate of 1.7% was well below our 4.5% target. We always monitor developments according to our guidelines for absence from work.

Operational priorities

North America is one of the world's fastest growing market for Atlantic salmon, and currently only one sixth of demand is 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 up to synergies with our existing operations as we should be able to provide a more stable supply to the US market year-round.

Our RAS facility currently consists of a hatchery, nursery and a smolt unit with a capacity of 600 tonnes. We have commenced the first phase construction, which comprises the foundation and ground work, of the new post-smolt building. This investment is estimated to approximately CAD 14 million. In Q4 2023, we spent NOK 50 million in investments mainly in start-up of the first phase construction of the new post-smolt building, in addition to investments in seawater locations and equipment for digital monitoring. For the full year 2023 we have spent a total of NOK 355 million in investments. 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. Five of our sites are stocked with fish at year end. We expect to harvest 11 000 tonnes of salmon in 2024.

We remain committed to developing our operations in Newfoundland and Labrador gradually and responsibly. Newfoundland has not yet met the criteria for ASC certification as harvest of the first generation is not yet completed. In 2024 we will commence the process of collecting performance data from the sites that have completed the first production cycle and thereby eligible for ASC. 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.

Scoreboard & key performance figures Newfoundland

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

PILLAR	KPI & TARGET	STATUS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
PROFIT & INNOVATION	Harvest volume (tonnes GWT)						
	5 000 tonnes in 2023	■	3 184	n/a	n/a	n/a	n/a
	Operational EBIT (NOK million)						
	n/a		-88.9	-21.2	-8.4	-27.6	-29.4
PROFIT & INNOVATION	Farming cost per kg (CAD)						
	Cost leader	■	12.1	n/a	n/a	n/a	n/a
HEALTHY OCEAN	Survival rate at sea						
	93% by 2023	●	95 %	96%	n/a	n/a	n/a
	Cost of reduced survival (NOK million)						
	n/a		0.0	n/a	n/a	n/a	n/a
	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	
SUSTAINABLE FEED	High quality product						
	93% superior share	●	97 %	n/a	n/a	n/a	n/a
PEOPLE	Absence rate						
	Below 4.5%	●	1.7 %	1.2%	1.0%	1.8%	1.1%
	Lost time incident rate						
**	n/a	0	0	15	21	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	Q4 2023	Q4 2022	FY 2023	FY 2022
Harvest volume (tonnes GWT)	3 184	—	3 184	—
Sales revenues from sale of Atlantic salmon	235.7	—	235.7	—
Operational EBIT	-88.9	-29.4	-146.1	-114.7
Sales revenue/kg (NOK)	74.0	n/a	74.0	n/a
Farming cost/kg (CAD)	12.1	n/a	12.1	n/a
Farming cost/kg (NOK)	95.9	n/a	95.9	n/a
Other cost/kg (NOK)	6.0	n/a	24.0	n/a
EBIT/kg (NOK)	-27.9	n/a	-45.9	n/a

Board's approval

Related parties' transactions

There has not been any related parties' transactions during Q4 2023 outside ordinary course of business. See Note 9 for more information on related parties and related parties transactions.

Events after the balance sheet date

On 25 January 2024, Grieg Seafood received a Statement of Objections (SO) from the European Commission related to its investigation of potential anti-competitive behavior regarding the sale of farmed Norwegian Atlantic salmon which was launched back in 2019. The issuance of a SO is a common and formal step in the process without prejudice of the final outcome, where the European Commission sets out its preliminary view in the matter.

On 9 February 2024, the Federal Court in Canada approved the settlement agreement dated 22 September 2023 entered into by the plaintiffs and Grieg Seafood regarding the proposed three class-actions in Canada.

On 13 and 14 February 2024, Grieg Seafood ASA and Grieg Seafood UK Limited have received a service letter according to which certain claimants filed a claim for damages against, among other, Grieg Seafood ASA and Grieg Seafood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon.

In general, Grieg Seafood denies any anti-competitive conduct whether it is in regard to the EC investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. We will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.

THE BOARD OF DIRECTORS AND CEO

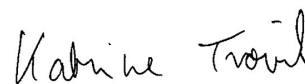
BERGEN, 22 FEBRUARY 2024



PER GRIEG
CHAIR



TORE HOLAND
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	Q4 2023	Q4 2022	FY 2023	FY 2022
Sales revenues	3	1 937 734	1 639 854	7 019 632	7 163 956
Other income	3	-7 975	13 612	31 538	44 883
Share of profit from associates	8	-4 572	-3 517	-6 957	21 096
Raw materials and consumables used		-995 993	-586 208	-2 747 944	-2 233 655
Salaries and personnel expenses		-191 408	-184 901	-725 653	-695 577
Other operating expenses		-652 821	-597 042	-2 236 165	-2 087 310
Depreciation property, plant and equipment		-146 335	-120 332	-532 911	-434 641
Amortization licenses and other intangible assets		-5 584	-5 496	-21 792	-16 706
Write-down of tangible and intangible non-current assets		—	-47 242	136	-140 074
Production fee		-12 915	-8 303	-34 987	-26 350
Fair value adjustment of biological assets	4	564 384	188 652	217 922	83 412
Litigation and legal claims		—	-2 065	20 427	-157 065
Decommissioning costs		—	-4 830	-2 515	-24 382
EBIT (Earnings before interest and taxes)		484 516	282 183	980 730	1 497 586
Net financial items	7	-181 929	-174 642	-136 573	-49 944
Profit before tax		302 587	107 541	844 157	1 447 642
Estimated taxation	5	-55 562	-45 369	-584 385	-293 863
Net profit for the period		247 025	62 172	259 772	1 153 779
Profit or loss for the period attributable to					
Owners of Grieg Seafood ASA		247 025	62 172	259 772	1 153 779
Dividend declared per share (NOK)		0.0	0.0	4.5	3.0
Earnings per share attributable to equity holders of Grieg Seafood ASA (NOK)					
Earnings per share		2.2	0.6	2.3	10.3

COMPREHENSIVE INCOME STATEMENT

GRIEG SEAFOOD GROUP NOK 1 000	NOTE	Q4 2023	Q4 2022	FY 2023	FY 2022
Net profit for the period		247 025	62 172	259 772	1 153 779
Net other comprehensive income to be reclassified to profit/ loss in subsequent periods					
Currency effect on investment in subsidiaries		-32 179	-125 141	98 363	109 335
Currency effect on loans to subsidiaries		-16 948	-44 844	28 784	24 792
Tax effect		3 728	9 866	-6 332	-5 454
Other comprehensive income for the period, net of tax		-45 398	-160 119	120 815	128 673
Total comprehensive income for the period		201 627	-97 948	380 587	1 282 452
Allocated to					
Owners of Grieg Seafood ASA		201 627	-97 947	380 587	1 282 452

STATEMENT OF FINANCIAL POSITION

GRIEG SEAFOOD GROUP NOK 1 000	Note	31.12.2023	31.12.2022
ASSETS			
Goodwill		727 111	691 094
Licenses incl. warranty licenses		1 489 798	1 463 710
Other intangible assets incl. exclusivity agreement		13 275	14 689
Property, plant and equipment incl. right-of-use assets		5 095 401	4 035 590
Indemnification assets		40 000	40 000
Investments in associates	8	209 667	216 624
Other non-current receivables		42 337	17 935
Total non-current assets		7 617 589	6 479 642
Inventories		230 053	240 172
Biological assets excl. the fair value adjustment	4	3 735 957	2 896 209
Fair value adjustment of biological assets	4	1 329 761	1 149 591
Trade receivables		327 160	259 137
Other current receivables, derivatives and financial instruments		206 413	195 047
Investments in money market funds	6	—	1 012 848
Cash and cash equivalents	6	216 318	642 719
Total current assets		6 045 663	6 395 723
Total assets		13 663 252	12 875 365
EQUITY AND LIABILITIES			
Share capital		453 788	453 788
Treasury shares		-5 255	-5 407
Contingent consideration		701 535	701 535
Retained earnings and other equity		5 219 172	5 335 792
Total equity		6 369 240	6 485 708
Deferred tax liabilities	5	905 851	1 041 101
Share based payments		8 178	6 756
Borrowings and lease liabilities	6	4 603 028	3 492 459
Total non-current liabilities		5 517 058	4 540 316
Current portion of borrowings and lease liabilities	6	507 960	368 878
Trade payables		760 753	717 498
Tax payable	5	242 848	353 191
Other current liabilities, derivatives and financial instruments		265 392	409 774
Total current liabilities		1 776 954	1 849 341
Total liabilities		7 294 012	6 389 657
Total equity and liabilities		13 663 252	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	—	—	—	1 153 779	1 153 779
Other comprehensive income YTD 2022	—	—	—	128 673	128 673
Total comprehensive income YTD 2022	—	—	—	1 282 452	1 282 452
Sale of treasury shares to employees	—	385	—	6 510	6 895
Purchase of treasury shares	—	-1 260	—	-28 739	-29 999
Dividend	—	—	—	-336 942	-336 942
Transactions with owners [in their capacity as owners] YTD 2022	—	-875	—	-359 171	-360 046
Total change in equity YTD 2022	—	-875	—	923 281	922 406
Equity at 31.12.2022	453 788	-5 407	701 535	5 335 792	6 485 708
Equity at 01.01.2023	453 788	-5 407	701 535	5 335 792	6 485 708
Profit for YTD 2023	—	—	—	259 772	259 772
Other comprehensive income YTD 2023	—	—	—	120 815	120 815
Total comprehensive income YTD 2023	—	—	—	380 587	380 587
Sale of treasury shares to employees	—	433	—	6 632	7 065
Purchase of treasury shares	—	-280	—	280	—
Dividend	—	—	—	-504 120	-504 120
Transactions with owners [in their capacity as owners] YTD 2023	—	153	—	-497 208	-497 055
Total change in equity YTD 2023	—	153	—	-116 621	-116 468
Equity at 31.12.2023	453 788	-5 255	701 535	5 219 172	6 369 240

*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	Q4 2023	Q4 2022	FY 2023	FY 2022
EBIT (Earnings before interest and taxes)		484 516	282 183	980 730	1 497 586
Depreciation, amortization and write-down		151 919	173 069	554 568	591 422
Gain/loss on sale of property, plant and equipment		7 333	-3 905	8 159	-5 535
Share of profit from associates	8	4 572	3 517	6 957	-21 096
Fair value adjustment of biological assets	4	-564 384	-188 652	-217 922	-83 412
Change inventory excl. fair value, trade payables and rec.		-58 800	-190 196	-868 587	-451 918
Other adjustments		19 218	-135 038	97 125	129 155
Taxes paid		-772 482	-88 624	-860 705	-93 865
Net cash flow from operating activities		-728 109	-147 646	-299 675	1 562 336
Proceeds from sale of non-cur. tangible and intangible assets		581	10 093	2 408	17 112
Payments on purchase of non-cur. tangible and intangible assets		-185 567	-159 526	-791 624	-564 497
Government grant		1 476	8 669	25 847	9 119
Investment in money market funds		186 914	-1 000 224	1 041 914	-1 000 224
Investment in associates and other invest.	8	—	-96 234	-22 821	-112 212
Net cash flow from investing activities		3 404	-1 237 224	255 724	-1 650 702
Revolving credit facility (net draw-down/repayment)		750 000	—	750 000	-440 000
Proceeds of long-term int. bearing debt		—	—	—	1 463 423
Proceeds of short-term int. bearing debt		63 113	—	67 492	—
Repayment long-term int. bearing debt		-510	-1 587	-193 517	-522 146
Repayment lease liabilities		-71 081	-63 613	-279 830	-225 468
Net interest and other financial items	7	-80 915	-37 211	-224 105	-118 104
Purchase of treasury shares		—	-24 400	-5 540	-24 400
Paid dividends		—	—	-504 120	-336 942
Net cash flow from financing activities		660 606	-126 811	-389 620	-203 637
Net change in cash and cash equivalents		-64 099	-1 511 680	-433 571	-292 003
Cash and cash equivalents - opening balance		286 004	2 174 503	642 719	928 342
Currency translation of cash and cash equivalents		-5 588	-20 104	7 170	6 380
Cash and cash equivalents - closing balance		216 318	642 719	216 318	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 fourth 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 fourth quarter of 2023 is unaudited.

Accounting estimates and judgements

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. Please refer to the Annual Report for 2022 for further information. New significant accounting judgements for 2023 are elaborated on below.

The Norwegian resource rent tax scheme

The Norwegian resource rent tax scheme was effective as from 1 January 2023, see Note 2 and Note 5. The resource rent tax scheme is applicable to the activities related to the commercial aquaculture licenses in Rogaland and Finnmark in Norway.

As the Group has aquaculture licenses both in- and out-of-scope of the resource rent tax scheme, the income and expenses related to the tax scheme have to be identified. To be able to calculate the resource rent tax in accordance with the chapter 19 of the Norwegian tax law, a number of analyses has been performed related to transfer pricing according to the Norwegian tax law chapter 13 and the OECD guidelines for transfer pricing. A challenge related to the resource tax regime is to identify and to correctly price the different activities performed by the farming regions, as this is necessary to be able to accurately calculate the correct resource rent tax for the year. These are complex analyses, as the Group's Norwegian farming regions have historically been integrated value chains concerning the farming and harvest of salmon (one for Grieg Seafood Rogaland and one for Grieg Seafood Finnmark).

Significant judgements have been applied by the Group concerning the separation of income and cost related to commercial- and non-commercial aquaculture licenses, and to the estimated income tax expense for the Group related to the Norwegian resource rent tax scheme. The estimated impact of the resource rent tax scheme on the Group's income statement and statement of financial position for 2023, represent the Group's best estimate as of the date of this quarterly report. Due to the fact that clarifications from the tax authorities are still being published, well into the second year of the tax scheme, the Group emphasize that there are inherent uncertainties concerning the resource rent tax scheme and thus the tax estimate made as per the date of this quarterly report.

For more information concerning the Norwegian resource tax scheme, see Note 2 and Note 5.

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 substantially enacted 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 Q4 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 3 736 million (27% 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 fallowing 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.

The underlying biological production was good in all regions this quarter, however with some biological challenges. In Rogaland, we do not have any sites with *Infectious Salmon Anemia* (ISA) at year end. All smolt going to sea are being vaccinated against ISA, and we expect reduced impact from ISA going forward. In Finnmark, we experienced continuous impact from *Spironucleus Salmonicida* (Spiro) for the fish in sea that was already infected, in addition to increasing impact from string jellyfish and winter ulcers. This has affected the biomass growth during the quarter. We have not have any new incidents of Spiro in our freshwater facility in 2023. We anticipate Spiro to have an impact on the production until the generation is completely harvested by Q2 2024. Water treatment equipment have been installed and disinfection measures implemented to reduce future risks of Spiro entering the freshwater facility. In BC, reduced survival due to technical issues has impacted freshwater production, and impacted the number of smolt transferred to sea in 2023. We have added additional expertise at the hatchery to address the production issues. The seawater production in BC has been good and the biomass at sea at year end is according to plan. In Newfoundland, our fish have performed well biologically, with high survival and growth.

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 is stable, while access to marine feed ingredients continue to be limited. We expect, on aggregate for the Group, high but relative stable 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 of Atlantic salmon in 2024 is expected to increase by 2% compared to 2023. With expectations of limited growth in global harvest in 2024, 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 in 2024. The current Fish Pool forward price reflects this, with a price around NOK 110 per kg for Q1 2024, and NOK 100 per kg for the full year 2024.

We target a contract share of 20-50% of our Norwegian harvest volume. Our current estimated contract share in Norway for Q1 2024 is 7% and 6% for the full year 2024.

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.

COMPLIANCE RISK

In February 2019, the European Commission launched an investigation to explore potential anti-competitive behavior in the market for spot sales of fresh, whole and gutted Norwegian farmed Atlantic salmon. On 25 January 2024, Grieg Seafood received a Statement of Objections from the European Commission related to its investigation. The issuance of a Statement of Objections is a common and formal step in the process, where the European Commission sets out its preliminary view in the matter.

The Statement of Objections in no way prejudices the final outcome of the European Commission's proceedings. Subsequent to the Statement of Objections, the companies concerned may examine the documents in the Commission's investigation file and present its views on the case, before the Commission takes a decision on the matter. Grieg Seafood is currently examining the Statement of Objections carefully and continues to fully cooperate with the European Commission's investigation.

Furthermore, three class-actions were filed in Canada (none has been certified as a class-action). Even though Grieg Seafood considers the complaints to be entirely without merit, Grieg Seafood have agreed to a settlement offer from the plaintiffs and entered into a respective settlement agreement dated 22 September 2023 as the costs of litigation in Canada can be substantial. The settlement agreement was approved by the Federal Court on 9 February 2024.

A claim has been filed for damages in the UK against, among others, Grieg Seafood ASA and Grieg Seafood UK Limited arising from alleged unlawful cartel arrangements in relation to the supply of farmed Atlantic salmon. Grieg Seafood rejects that there is any basis for the alleged claim and considers the complaint to be entirely unsubstantiated.

In general, Grieg Seafood denies any anti-competitive conduct whether it is in regard to the EC investigation, the claim filed in the UK or any possible future claims related to this matter subsequent to the issuance of the SO. We will continue to collaborate with the European Commission and follow up all processes as it deems appropriate.

NOK 1.8 million was spent on legal fees related to the investigations and the lawsuit during the quarter. The cost has been included as ownership cost, see Note 3.

POLITICAL RISK

Norway

The Norwegian Parliament passed the a resource tax scheme on aquaculture in Norway 31 May 2023, with a tax rate of 25%, effective from 1 January 2023. The tax applies to commercial marine-phase salmon aquaculture activity in Norway and the resource rent tax is an additional taxation on aquaculture, as the operations are subject to corporate taxation of 22%, bringing the total marginal tax rate to 47%.

The uncertainties related to the structure and impact of the resource rent tax has delayed the Group's investment and growth plans. Grieg Seafood farms Atlantic salmon in both Norway and Canada, and the Norwegian resource rent tax will not affect the tax load of the Group's operations in British Columbia and Newfoundland, as they are subject to Canadian tax legislation. 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.

See further information provided in Note 5.

Canada

In British Columbia (BC), licenses are renewed by the federal Department of Fisheries and Oceans (DFO) on a regular basis, with different length. By 2025, the Canadian Federal Government aims to have created a responsible plan to transition into better and more sustainable practices in British Columbia, in order to reduce interactions with wild salmon. In 2022, the Canadian Department of Fisheries and Oceans renewed all farming licenses for two years to allow for the development of the plan. We expect that the licenses will be renewed in 2024 and that they are incorporated into the transition plan. Grieg Seafood supports the transition and continues to work collaboratively with our First Nation partners, government and local communities on innovation and modernization towards a sensible transition plan.

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. All of Grieg Seafood's current production is operating under agreements with First Nations. 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 will be impacted by the Norwegian resource rent tax regime, as - all else equal - less cash will be available to service debt, finance investments and provide a return on investment for shareholders.

As at 31 December 2023, the Group had a good financial foundation, with cash and cash equivalents of NOK 216 million and unutilized facilities of NOK 887 million. See Note 6 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 (47% at 31 December 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 exposure if required. 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. 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.

Grieg Seafood is a Member of the Taskforce on Nature-related Financial Disclosures (TNFD). TNFD has published a risk management and financial disclosure framework on nature-related risks to support organizations to report and act on both their impacts and dependencies on nature. Grieg Seafood is committed to start publishing nature-related disclosures using the TNFD Recommendations as of the financial year 2024.

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, 33 of 40 sites were ASC certified, and 76% 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 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. 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.

RECONCILIATION OF EBIT IN THE INCOME STATEMENT WITH OPERATIONAL EBITDA AND OPERATIONAL EBIT IN THE SEGMENT INFORMATION	Q4 2023	Q4 2022	FY 2023	FY 2022
Sales revenues	1 937 734	1 639 854	7 019 632	7 163 956
Other income	-7 975	13 612	31 538	44 883
Share of profit from associates (operational)	-4 572	-3 517	-6 957	-1 463
Raw materials and consumables used	-995 993	-586 208	-2 747 944	-2 233 655
Salaries and personnel expenses	-191 408	-184 901	-725 653	-695 577
Other operating expenses	-652 821	-597 042	-2 236 165	-2 087 310
Operational EBITDA	84 965	281 798	1 334 451	2 190 834
Depreciation property, plant and equipment	-146 335	-120 332	-532 911	-434 641
Amortization licenses and other intangible assets	-5 584	-5 496	-21 792	-16 706
Operational EBIT	-66 954	155 971	779 747	1 739 486
Share of profit from associates (non-operational)	—	—	—	22 558
Production fee	-12 915	-8 303	-34 987	-26 350
Fair value adjustment of biological assets	564 384	188 652	217 922	83 412
Write-down of non-current assets (non-operational)	—	-47 242	136	-140 074
Litigation and legal claims	—	-2 065	20 427	-157 065
Decommissioning costs	—	-4 829	-2 515	-24 382
EBIT (Earnings before interest and taxes)	484 516	282 183	980 730	1 497 586

Q4 2023 SEGMENTS (NOK 1 000)	FARMING NORWAY		FARMING CANADA		ELIM./ OTHER	GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND		
Sales revenues	167 510	736 072	478 827	235 715	319 610	1 937 734
Other income	33 308	1 878	4 929	2 270	-50 360	-7 975
Operational EBIT	22 426	64 014	-47 638	-88 915	-16 841	-66 954
Harvest volume tonnes GWT	2 159	10 387	6 038	3 184	—	21 767
Sales revenue/kg	77.6	70.9	79.3	74.0	n/a	74.3
Farming cost/kg	67.2	64.7	87.2	95.9	n/a	75.8
Other costs incl. ownership and headquarter costs/kg	—	—	—	6.0	n/a	1.7
Operational EBIT/kg	10.4	6.2	-7.9	-27.9	n/a	-3.1
Operational EBITDA %	28%	14%	-3%	-18%	-5%	4%
Operational EBIT %	13%	9%	-10%	-38%	-5%	-3%

The ownership cost includes legal fees related to the EU commission investigation of NOK 1.8 million in Q4 2023.

Q4 2022 SEGMENTS (NOK 1 000)	FARMING NORWAY		FARMING CANADA		ELIM./ OTHER	GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND		
Sales revenues	470 865	854 328	116 284	—	198 377	1 639 854
Other income	29 786	16 292	-4 543	-22	-27 901	13 612
Operational EBIT	94 705	160 540	-33 584	-29 382	-36 308	155 971
Harvest volume tonnes GWT	6 887	12 833	1 467	—	—	21 186
Sales revenue/kg	68.4	66.6	79.3	n/a	n/a	68.0
Farming cost/kg	54.6	54.1	102.2	n/a	n/a	57.6
Other costs incl. ownership and headquarter costs/kg	—	—	—	n/a	n/a	3.1
Operational EBIT/kg	13.8	12.5	-22.9	n/a	n/a	7.4
Operational EBITDA %	25%	23%	-2%	0%	-17%	17%
Operational EBIT %	20%	19%	-29%	0%	-18%	10%

Sales revenue on regional level comprises revenue from the sale of Atlantic salmon including gains/loss on contracts. Other income at regional level 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. On regional level, other income also includes rental income and income from overcapacity of operational assets. Gains/losses from the sale of fixed assets and other equipment, are included in the line "other income" in the segment information. Profit and loss from 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 EBIT. Otherwise, the profit from associates is excluded and presented as share of profit from associates (non-operational) in the Group's segment information. The elim/other items comprise, in addition to intercompany eliminations and the effect of share-based payments, the profit/loss from activities conducted by the parent company or other Group companies not geared to production.

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 comprise all cost directly related to production and harvest of salmon, divided by the related harvest volume. Other income are included in the farming cost metric, 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. 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.

FY 2023 SEGMENTS (NOK 1 000)	FARMING NORWAY		FARMING CANADA		ELIM./ OTHER	GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND		
Sales revenues	2 305 214	1 946 648	1 468 303	235 715	1 063 750	7 019 632
Other income	91 839	24 657	5 113	2 186	-92 258	31 538
Operational EBIT	736 449	326 617	-93 899	-146 107	-43 312	779 747
Harvest volume tonnes GWT	25 980	25 170	17 682	3 184	—	72 015
Sales revenue/kg	88.7	77.3	83.0	74.0	n/a	82.7
Farming cost/kg	60.4	64.4	88.4	95.9	n/a	70.2
Other costs incl. ownership and headquarter costs/kg	—	—	—	24.0	n/a	1.7
Operational EBIT/kg	28.3	13.0	-5.3	-45.9	n/a	10.8
Operational EBITDA %	36%	25%	3%	-2%	-3%	19%
Operational EBIT %	32%	17%	-6%	-62%	-4%	11%

FY 2022 SEGMENTS (NOK 1 000)	FARMING NORWAY		FARMING CANADA		ELIM./ OTHER	GROUP
	ROGALAND	FINNMARK	BRITISH COLUMBIA	NEW- FOUNDLAND		
Sales revenues	2 123 671	2 629 226	1 665 105	—	745 954	7 163 956
Other income	79 183	30 584	4 173	321	-69 379	44 883
Operational EBIT	754 585	926 139	270 411	-114 728	-96 920	1 739 486
Harvest volume tonnes GWT	28 387	36 024	20 286	—	—	84 697
Sales revenue/kg	74.8	73.0	82.1	n/a	n/a	75.8
Farming cost/kg	48.2	47.3	68.8	n/a	n/a	52.7
Other costs incl. ownership and headquarter costs/kg	—	—	—	n/a	n/a	2.5
Operational EBIT/kg	26.6	25.7	13.3	n/a	n/a	20.5
Operational EBITDA %	40%	41%	23%	0%	-11%	31%
Operational EBIT %	36%	35%	16%	0%	-13%	24%

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 4.6 kg, which corresponds to 4.0 kg gutted weight. Fish with a live weight of 4.6 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 costs 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	Q4 2023	Q4 2022
Rogaland	5.0%	5.0%
Finnmark	5.0%	5.0%
British Columbia	3.5%	3.5%
Newfoundland	3.5%	3.5%

BIOLOGICAL ASSETS	TONNES*				NOK 1 000			
	Q4 2023	FY 2023	Q4 2022	FY 2022	Q4 2023	FY 2023	Q4 2022	FY 2022
Biological assets beginning of period	57 528	50 614	52 376	59 121	4 504 359	4 045 800	3 841 886	3 449 412
Currency translation	n/a	n/a	n/a	n/a	-47 541	58 707	-71 191	36 945
Increases due to production	25 673	90 344	22 650	89 679	1 510 632	5 268 784	1 277 866	4 348 288
Decrease due to sales/ harvesting/mortality	-25 020	-82 776	-24 412	-98 186	-1 456 267	-4 487 742	-1 104 792	-3 967 957
Fair value adjustment beginning of period	n/a	n/a	n/a	n/a	-775 225	-1 149 591	-1 047 561	-970 480
Fair value adjustment period end	n/a	n/a	n/a	n/a	1 329 761	1 329 761	1 149 591	1 149 591
Biological assets period end	58 181	58 181	50 614	50 614	5 065 718	5 065 718	4 045 800	4 045 800

*Round weight

BIOLOGICAL ASSETS AT 31.12.2023	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	27 227	541	265 069	—	265 069
Biological assets with round weight < 4.60 kg	28 854	39 784	2 497 747	943 998	3 441 745
Biological assets with round weight > 4.60 kg	3 262	17 857	973 142	385 763	1 358 905
Total	59 343	58 181	3 735 957	1 329 761	5 065 718

BIOLOGICAL ASSETS AT 31.12.2022	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	17 680	547	181 569	—	181 569
Biological assets with round weight < 4.60 kg	26 562	41 614	2 370 985	934 708	3 305 693
Biological assets with round weight > 4.60 kg	1 648	8 453	343 655	214 883	558 538
Total	45 890	50 614	2 896 209	1 149 591	4 045 800

SPECIFICATION OF THE FAIR VALUE ADJUSTMENT, INCOME STATEMENT (NOK 1 000)	Q4 2023	Q4 2022	FY 2023	FY 2022
Change in fair value adjustment of biological assets	564 492	112 281	156 557	129 331
Change in physical delivery contracts related to fair value adjustments of biological assets	-3 457	2 322	-1 846	-1 610
Change in fair value of financial derivatives from salmon (Fish Pool contracts)	3 349	74 049	63 211	-44 309
Total recognized fair value adjustment of biological assets	564 384	188 652	217 922	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 RESOURCE RENT TAX

On 31 May 2023, the Norwegian Parliament passed the resource tax scheme on aquaculture in Norway. The tax scheme applies to net profits from commercial sea-phase salmon aquaculture activity in Norway and is an additional layer of taxation on aquaculture, on top of ordinary corporate income taxation of 22%, bringing the total marginal tax rate for the in-scope aquaculture activity to 47%. This new tax scheme was implemented retrospectively with effect from 1 January 2023. The Norwegian resource rent tax will not affect the tax load of the Group's operations in British Columbia and Newfoundland.

In December 2022, the Group carried out an internal reorganization, in which its commercial aquaculture licenses, together with the connected standing biomass of live fish in sea, were transferred from Grieg Seafood Rogaland AS and from Grieg Seafood Finnmark AS to Grieg Seafood Rogaland Sjø AS and Grieg Seafood Finnmark Sjø AS, which are also (indirectly) wholly owned by Grieg Seafood ASA. The biomass was transferred by way of a sales and purchase transaction at fair value, using tax discontinuity. Both companies that acquired biomass chose to capitalize the acquisition costs in 2022 for tax purposes (as opposed to expensing the acquisition costs), thereby carrying over these tax positions into 2023. The companies plan to deduct the capitalized costs both in the basis for the ordinary corporate income tax, as well as the basis for the new resource tax scheme, with tax effect for 2023. The Group is of the opinion that the companies are entitled under Norwegian tax law to deduct the capitalized biomass costs in 2023 for both ordinary corporate income tax purposes and in the basis for the new resource tax scheme. In forming its position, the Group has leaned on external expert analysis. On this basis, the Group has not recognized an implementation effect concerning the transitioning to the resource rent tax scheme.

The Group emphasizes that the tax expense included in the income statement is an accounting estimate made based on information available as at the date of this Q4 2023 financial report. For further information concerning the accounting estimate, see Note 1. In addition, see Note 2 for more information concerning the risks the introduction of the resource rent tax scheme has on the Group.

A reconciliation of the tax expense recorded in the income statement and the tax expense under the resource rent tax scheme is provided below, separating ordinary corporate taxation incl. withholding tax, with the Norwegian resource rent tax scheme.

TAX EXPENSE (NOK 1 000)	Q4 2023	Q4 2022	FY 2023	FY 2022
Ordinary corporate taxation incl. withholding tax	279 548	45 369	633 562	293 863
Norwegian resource rent tax for the period	-146 960	—	-125 331	—
Tax effect of fair value of biological assets subject to Norwegian resource rent tax, including ordinary tax rate for the period	-77 025	—	76 154	—
Total tax expense in the income statement	55 562	45 369	584 385	293 863

Tax expense (+) / tax income (-)

Tax payable

In connection with the introduction of the Norwegian resource rent tax, Grieg Seafood reclassified NOK 493 million of the tax calculated at 31 December 2022 for 2022 from deferred tax liabilities to tax payables. The amount was included in the tax payment for corporate income tax paid in Q4 2023.

Production fee

From 1 July 2023, the production fee per kg of farmed Atlantic salmon in Norway is NOK 0.9/kg. Furthermore, as of 1 January 2023, the production fee is no longer deductible for the purpose of calculating ordinary corporate income tax in Norway. The fee is, however, deductible for the purpose of calculating the Norwegian resource rent tax payable.

NOTE 6 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 656 million), an EUR 75 million term loan (outstanding EUR 66 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 December 2023. At 31 December 2023, the Group had an equity ratio of 47%, while the equity ratio according to financial covenant was 50% (52%) and also 50% at 30 September 2023.

NET INTEREST-BEARING LIABILITIES (NOK 1 000)	31.12.2023	31.12.2022
Bond loan	1 392 500	1 423 500
Non-current borrowings incl. syndicate term loan and revolving facility	2 116 222	1 440 362
Lease liabilities (operating leases according to IFRS in force prior to 1 January 2019)	782 036	335 452
Lease liabilities (finance leases according to IFRS in force prior to 1 January 2019)	329 013	318 198
Total non-current interest-bearing liabilities*	4 619 770	3 517 512
Current portion of borrowings incl. overdraft	208 335	141 968
Lease liabilities (operating leases according to IFRS in force prior to 1 January 2019)	223 678	148 494
Lease liabilities (finance leases according to IFRS in force prior to 1 January 2019)	75 948	78 416
Total current interest-bearing liabilities*	507 960	368 878
Gross interest-bearing liabilities*	5 127 730	3 886 390
Loans to associates	-32 529	-8 300
Investments in money market funds	—	-1 012 848
Cash and cash equivalents	-216 318	-642 719
Net interest-bearing liabilities incl. IFRS 16	4 878 884	2 222 522
Lease liabilities (operating leases according to IFRS in force prior to 1 January 2019)	-1 005 714	-483 946
Net interest-bearing liabilities excl. IFRS 16	3 873 170	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 7 NET FINANCIAL ITEMS

NET FINANCIAL ITEMS (NOK 1 000)	Q4 2023	Q4 2022	FY 2023	FY 2022
Changes in fair value from hedging instruments	-14 766	-5 750	-11 926	21 453
Net financial interest	-79 459	-38 389	-223 207	-139 517
Net currency gain (losses)	-87 153	-139 977	79 060	38 205
Dividend	—	10	—	10
Net other financial income (expenses)*	-551	9 464	19 501	29 904
Net financial items	-181 929	-174 642	-136 573	-49 944

*Incl. gains and losses from investments in money market funds.

NOTE 8 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	31.12.2023	01.01.2023	FY 2023	FY 2023	31.12.2023
Nordnorsk Smolt AS	50.00%	50.00%	39 053	-9 343	—	29 710
Tytlandsvik Aqua AS	33.33%	33.33%	55 951	2 264	—	58 215
Årdal Aqua AS	44.44%	44.44%	114 047	121	—	114 168
NextSeafood AS	50.00%	50.00%	7 574	—	—	7 574
Total associates classified as operations			216 624	-6 957	—	209 667

The Group owns, through Grieg Seafood Finnmark AS, 50% of Nordnorsk Smolt AS together with SalMar ASA (50%). At 31 December 2023, Grieg Seafood Finnmark AS has an outstanding long-term loan to Nordnorsk Smolt AS of NOK 26.5 million (NOK 2.3 million at 31 December 2022). The loan to Nordnorsk Smolt is included in the Group's other non-current receivables in the Statement of Financial Position. Nordnorsk Smolt is located in Troms and Finnmark county in Northern Norway, and has an annual production capacity of 900 tonnes. There was no production in the facility during the first half of 2023 due to a redesign of the facility. Nordnorsk Smolt commenced operations in Q3 2023, and will be fully operational in 2024.

The Group owns, through Grieg Seafood Rogaland AS, 33.33% of Tytlandsvik Aqua AS, together with Bremnes Seashore AS (33.33%) and Vest Havbruk AS (33.33%). Tytlandsvik Aqua has an annual smolt production capacity of 6 000 tonnes, of which Grieg Seafood Rogaland is entitled to 50%.

The Group owns, through Grieg Seafood Rogaland AS, 44.44% of Årdal Aqua AS together with Vest Havbruk AS and Omfar AS. Grieg Seafood Rogaland AS has provided an interest-bearing loan of NOK 6 million to Årdal Aqua AS. The construction of Årdal Aqua, a land-based facility with the same design as Tytlandsvik Aqua, is progressing according to plan. Årdal Aqua is expected to produce at least 4 500 tonnes of post-smolt annually from 2025.

The Group owns, through Grieg Seafood Rogaland AS, 50.00% of NextSeafood AS. NextSeafood AS 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 AS has

provided a long-term interest-free loan to FishGLOBE AS of NOK 8.6 million. Following the resource rent tax in Norway, Grieg Seafood has put the development of FishGLOBE V6 on hold.

NOTE 9 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 31.12.2023	NO. OF SHARES (Direct and indirect ownership)	SHARE-HOLDING (Direct and indirect ownership)
Board of directors		
Per Grieg ¹	57 926 127	51.06%
Nicolai Hafeld Grieg ¹	56 914 355	50.17%
Tore Holand (through Skippergata 24 AS and private)	3 160	0.00%
Marianne Ødegaard Ribe	—	0.00%
Katrine Trovik	—	0.00%
Ragnhild Janbu Fresvik	—	0.00%
Group management		
Andreas Kvame (Chief Executive Officer)	44 372	0.04%
Atle Harald Sandtorv (Chief Financial Officer)	28 015	0.02%
Alexander Knudsen (Chief Operating Officer Farming Norway)	24 272	0.02%
Grant Cumming (Chief Operating Officer Farming Canada)	9 857	0.01%
Erik Holvik (Chief Commercial Officer)	11 135	0.01%
Knut Utheim (Chief Technology Officer)	25 614	0.02%
Kathleen O. Mathisen (Chief Human Resource Officer)	15 833	0.01%
Nina Stangeland (Chief Strategy Officer)	—	0.00%
Kristina Furnes (Chief Communications Officer)	5 167	0.00%

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

SPECIFICATION OF SHAREHOLDING BY PER GRIEG	NO. OF SHARES	SHARE-HOLDING
Grieg Aqua AS	56 914 355	50.17%
Kvasshøgdi AS	996 772	0.88%
Per Grieg (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.

NOTE 10 SHARE CAPITAL AND SHAREHOLDERS

As at 31 December 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	-5 255	-1 313 654
Total excl. treasury shares	4.00	448 534	112 133 388

Treasury shares

Grieg Seafood ASA hold treasury shares in connection to its share saving program for employees. The latest sale of treasury shares from the Company to employees was in December 2023, as 107 473 treasury shares was sold through the share saving program. As at 31 December 2023, the Company has 1 313 654 treasury shares.

THE 20 LARGEST SHAREHOLDERS IN GRIEG SEAFOOD ASA AT 31.12.2023	NO. OF SHARES	SHARE- HOLDING
Grieg Aqua AS	56 914 355	50.17%
OM Holding AS	5 160 982	4.55%
Folketrygdfondet	2 419 585	2.13%
Ystholmen Felles AS	1 923 197	1.70%
Clearstream Banking S.A. (Nominee)	1 615 271	1.42%
State Street Bank and Trust Comp (Nominee)	1 512 715	1.33%
State Street Bank and Trust Comp (Nominee)	1 435 586	1.27%
Grieg Seafood ASA	1 313 654	1.16%
BNP Paribas (Nominee)	1 192 532	1.05%
JPMorgan Chase Bank, N.A., London (Nominee)	1 171 727	1.03%
Sparebank 1 Markets AS	1 159 872	1.02%
Frøy Kapital AS	1 116 323	0.98%
J.P. Morgan SE (Nominee)	1 105 349	0.97%
State Street Bank and Trust Comp (Nominee)	1 078 185	0.95%
Kvasshøgdi AS	996 772	0.88%
Bank Pictet & Cie (Europe) AG (Nominee)	921 918	0.81%
Six Sis AG (Nominee)	853 102	0.75%
BNP Paribas (Nominee)	842 579	0.74%
Skandinaviska Enskilda Banken AB (Nominee)	800 350	0.71%
State Street Bank and Trust Comp (Nominee)	753 837	0.66%
Total 20 largest shareholders	84 287 891	74.30%
Total others	29 159 151	25.70%
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 Q4 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 6 of the quarterly report. Information relevant for reconciling gross interest-bearing liabilities to the balance sheet is available in Note 6, 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 headquarters 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. headquarters 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 cost 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. As the first harvest of fish was carried out in Q4 2023, farming costs of the Group include costs from Newfoundland as of this quarter. Costs related to overcapacity in production in Newfoundland are included as "other costs incl. ownership and headquarter costs/kg (GWT)" for Newfoundland in Q4 2023.</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.

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.

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Erik Holvik

Chief Commercial Officer

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Kathleen O. Mathisen

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Kristina Furnes

Chief Communications Officer

Nina Stangeland

Chief Strategy Officer

Financial calendar

Annual Report 2023

22 March 2024

Q1 2024

16 May 2024

Q2 2024

22 August 2024

Q3 2024

7 November 2024

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