

**Grieg**  
Seafood®

# PASSION FOR IMPROVEMENT

Q4 2020



# Agenda

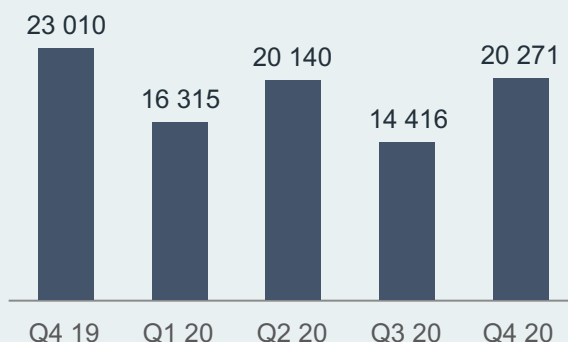
- HIGHLIGHTS
- OPERATIONAL REVIEW
- FINANCIAL REVIEW
- OUTLOOK & CONCLUDING REMARKS



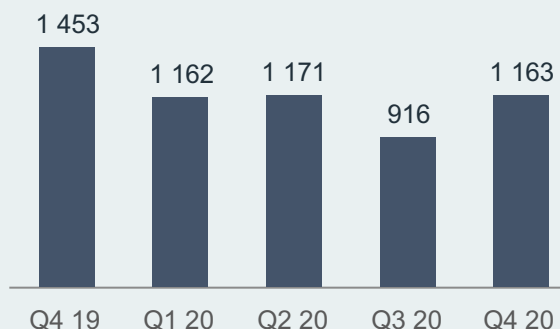
# Highlights Q4 2020

- Disrupted markets with low spot prices impacted earnings by NOK -107 million vs Q4 2019
- Good biological performance in Rogaland and BC, Finnmark impacted by high cost related to continued harvest of ISA sites
- Process to divest Shetland assets initiated. Shetland classified as held for sale (IFRS 5) and not included in EBIT
- Additional issue of NOK 500 million on the Green Bond
- Our fully integrated sales and marketing organization operational in January 2021
- Invested in Årdal Aqua in January 2021, a joint venture for post-smolt and land-based salmon farming
- 2020 harvest volume of 71 142 tonnes (71 700), below guidance of 75 000 tonnes (ex Shetland) due to ISA challenges in Finnmark
- Expect harvest of 80 000 tonnes (ex Shetland) in 2021

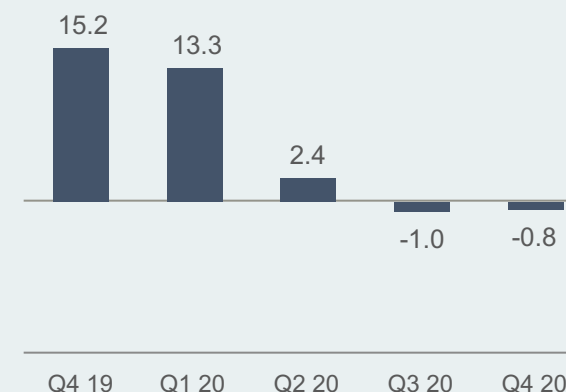
HARVEST VOLUME (TONNES GWT)



REVENUES (NOK MILLION)



EBIT/KG (NOK)



# The way forward

## Our priorities

- Significantly improve profitability
- Business streamlining, project execution and improved efficiency
- Secure financial capacity
- Sustainability at the core of our business
- Create shareholder value

## Our measures

- Divest Shetland assets
- Cost improvement initiatives continues
- Project execution excellence
- Smolt infrastructure development
- Improved fish health and welfare
- Preventative farming practices
- Value chain repositioning

## Our targets

- Harvesting 100 000 tonnes in 2022 and 130 000 tonnes in 2025 through organic growth\*
- Average farming cost end-2022 below NOK 40/kg in Norway and below CAD 7/kg in BC
- Provide attractive dividends over time
- Maintain sufficient financial capacity

\*Excluding Shetland assets



# Post smolt strategy

## Core to improve profitability and secure growth

- More efficient production cycle
- Improve biosecurity and salmon survival
- Successful initiatives in Rogaland and Finnmark. Ongoing project in BC

## Joint venture Årdal Aqua

- Owned 1/3 by Grieg Seafood, 1/3 by Vest Havbruk and 1/3 by Omfar
- Facility in Årdal currently in design phase with expected construction start H2 2021
- Production capacity of 5 000 tonnes annually, with further upside
- Supplement to sea-based farming
- Investment cost estimated to NOK 120 NOK/kg



# OPERATIONS



# Our approach to sustainable business

## Our pillars



### PROFIT & INNOVATION



### HEALTHY OCEAN



### SUSTAINABLE FOOD



### PEOPLE



### LOCAL COMMUNITIES

## Topics

- Seafood demand
- Economic productivity
- Profitable growth
- Precision Farming
- Research and innovation

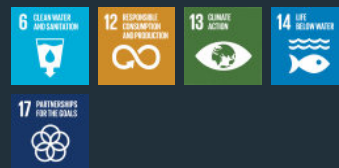
- Fish health and welfare
- Sea lice control
- Escape control
- Limiting local emissions
- Interaction with wild life

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

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

- Local value creation and ripple effects
- Local procurement
- Respect for Indigenous rights
- Dialogue and engagement

## SDG Alignment



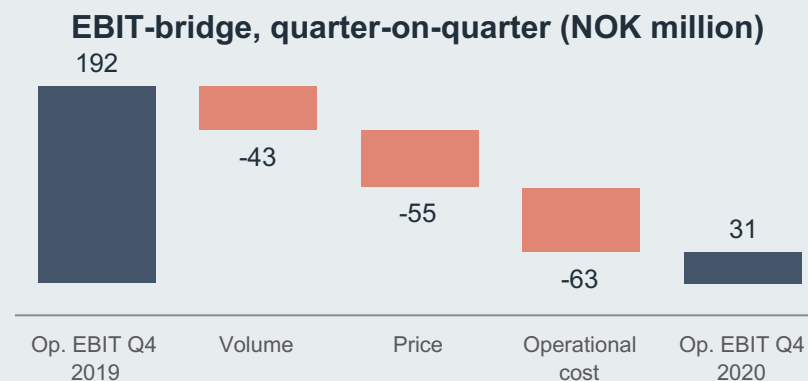


# GSF Rogaland

## Q4 2020 highlights

- Earnings positively impacted by fixed price contract share of 41%
- Good biological production
- Cost per kg up vs Q4 2019 due to lower harvest volume and lower survival rate
- Expect stable cost in Q1 2021
- Estimated contract share of 45% in Q1 2021
- Harvest target of 28 000 tonnes in 2021

NOK million	Q4 2020	Q4 2019	YTD 2020	YTD 2019
Harvest volume (tonnes GWT)	6 532	8 426	23 043	25 217
EBIT/kg (NOK)	4.7	22.8	12.7	22.5
Cost/kg (NOK)	43.1	34.1	42.3	35.9



## Improvement- and growth initiatives

- Average smolt size in 2020 of 395 grams
- Investment in Årdal Aqua will add 3 000 tonnes of post smolt capacity by 2025
- Shorter production cycle resulting in improved biology and higher utilization of MAB
- Centralized feeding and digitalization will improve feeding and growth
- Cost target: below NOK 40/kg in 2022
- Harvest goal of 35 000 tonnes in 2025

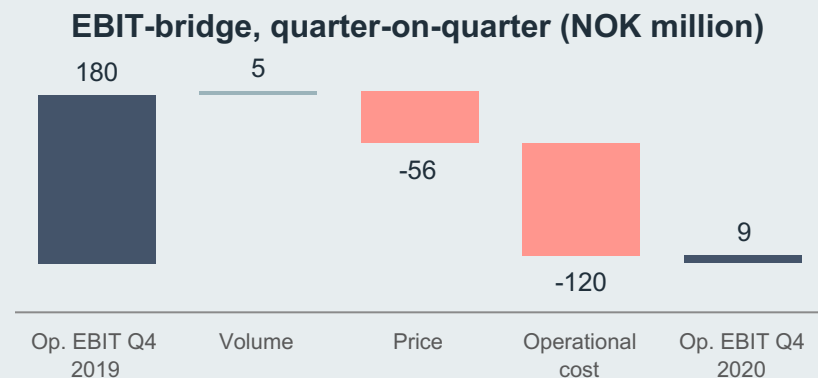


# GSF Finnmark

## Q4 2020 highlights

- Despite downgrades related to ISA, earnings positively impacted by fixed price contract share of 41%
- Stable seawater production
- Higher cost per kg vs Q4 2019 due to ISA challenges
- Expect stable cost in Q1 2021
- Estimated contract share of 45% in Q1 2021
- Harvest target of 37 000 tonnes in 2021

NOK million	Q4 2020	Q4 2019	YTD 2020	YTD 2019
Harvest volume (tonnes GWT)	11 082	10 782	26 919	32 362
EBIT/kg (NOK)	0.8	16.7	4.7	17.9
Cost/kg (NOK)	44.0	37.4	44.2	37.8



## Improvement- and growth initiatives

- Total of 15 sites ASC certified (80% of net production), aim for 100% in 2021
- Add 4 000 tonnes of post smolt capacity by 2025
- Increased smolt weight expected to reduce the prevalence of winter ulcers and ISA
- Improved utilization of MAB: 1-2 new sites before 2025 and post smolt implementation
- Cost target: below NOK 40/kg
- Harvest goal of 45 000 tonnes in 2025

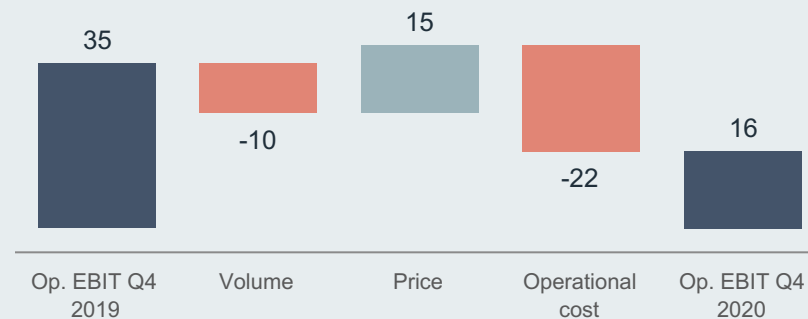
# GSF British Columbia

## Q4 2020 highlights

- Earnings driven by good price achievement, positively impacted by reversal of bad debt accruals
- Strong biological recovery, with increased survival rates
- Higher cost pr kg vs Q4 2019 due to lower harvest volume and previous periods of biological challenges
- Gradual cost improvements longer term
- Harvest target of 15 000 tonnes in 2021

NOK million	Q4 2020	Q4 2019	YTD 2020	YTD 2019
Harvest volume (tonnes GWT)	2 657	3 802	21 181	14 120
EBIT/kg (NOK)	6.2	9.1	-0.4	5.2
Cost/kg (CAD)	8.8	7.6	8.0	8.4

### EBIT-bridge, quarter-on-quarter (NOK million)



## Improvement- and growth initiatives

- Total of 11 sites ASC certified (59% of net production), aim for 100% in 2021
- Increased smolt capacity for larger smolt
- Algae mitigation and digital monitoring will increase survival and reduce cost
- Cost target: below CAD 7/kg
- Harvest goal of 35 000 tonnes in 2025

# The journey of reconciliation with First Nations in BC

- The United Nations Declarations on the Rights of Indigenous Peoples (UNDRIP) is under implementation in BC, giving Indigenous Peoples the right to decide over their own traditional territory. This is a process of reconciliation between the Government, businesses and First Nations. Grieg Seafood supports this process.
- Our main farming areas in BC are under agreements with the First Nations of those areas. We work a lot to get better at operating with respect for the culture of our First Nations partners in every way, to learn more, and to provide shared opportunities\*.
- Recently, the Canadian Government decided to not renew licenses in the Discovery Islands farming area. This is not one of our main farming areas, but we have one farm there. We have the capacity to move this production to other farms.

\*Based on [Truth & Reconciliation Commission: Call to Action #92](#).





# GSF Newfoundland

## Q4 2020 highlights

- Currently holds 8 farming licenses, with a production capacity 30 000 tonnes of annual harvest. Additional licenses have been applied for
- Construction of RAS facility on track
- Fish in first feeding stage, expected to be transferred to sea summer 2021
- First harvest expected in 2022
- Harvest estimate of 15 000 tonnes expected to be reached by 2025

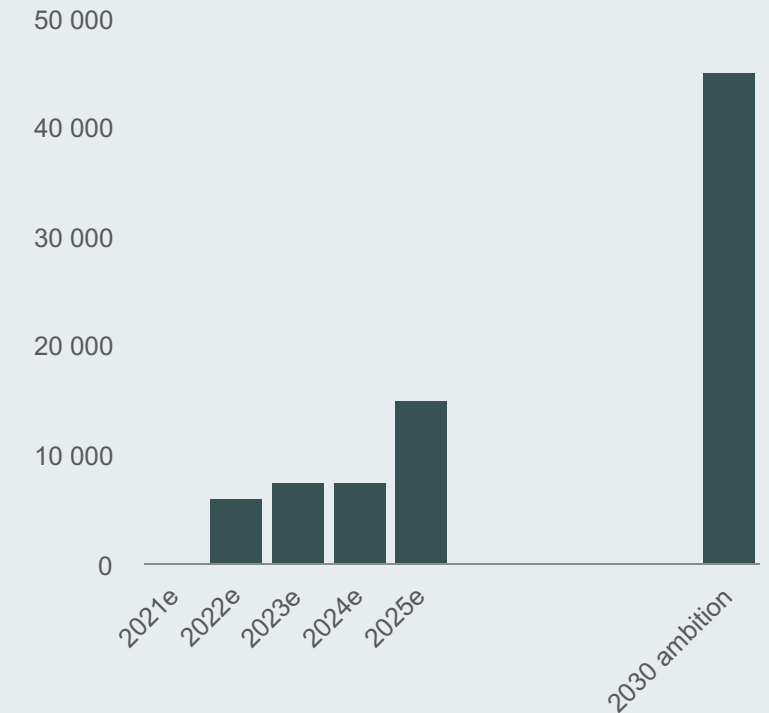
## Project plan

- The RAS facility is dimensioned to serve all future post smolt modules
- Investment in post smolt facilities is planned in 2023/2024
- Total project investment of NOK ~90/kg at full production capacity\*
- Operational cost target per kg at level with Norway

\*Full production capacity of 45 000 tonnes. The outlined investment per kg includes acquisition cost and biomass, but not milestones

## Harvesting goals

1 000 tonnes



# GSF Shetland

- DNB Markets and Nordea Markets have been appointed to advise on a potential divestment of the Shetland assets. A conclusion of the process is expected within 2021
- Operations defined as held for sale (IFRS 5)
  - Assets held for sale includes farming and sales activities
  - Net profit after tax from Shetland operations included on a single line item in the income statement, specification in notes to Q4 2020 quarterly report
  - Depreciation of property, plant and equipment and right-of-use assets ceased as from point of time classified as held for sale (no retrospective effect)
- Results impacted by biological challenges at Skye
- Only one farm remain with fish on the Isle of Skye, which will be harvested in Q1 2021
- Production on mainland Shetland continued positively

# From 2021 - own sales organization to support growth and downstream strategy





# FINANCIALS

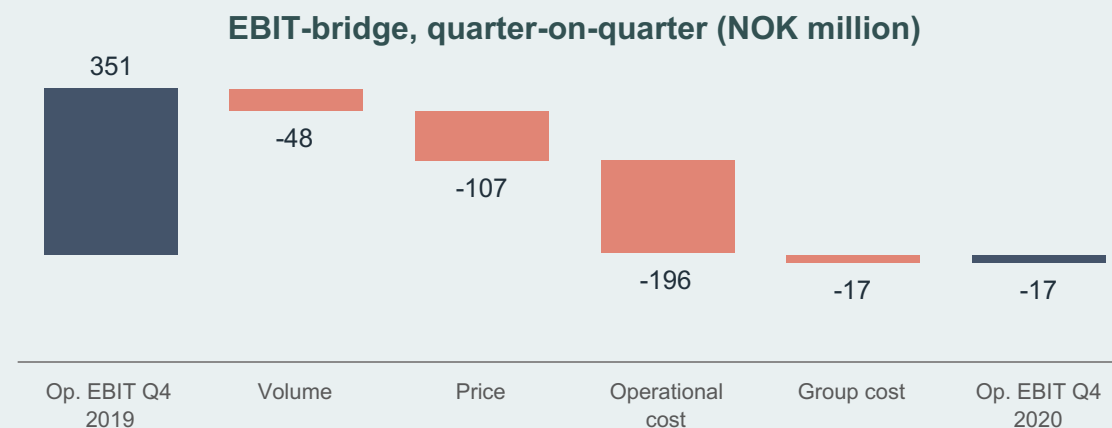


# Profit & loss

- Sales revenues from continued operations decreased by 20% compared to Q4 2019 due to lower spot prices and lower volumes
- The negative effect from lower market prices were somewhat offset by fixed price contracts in Rogaland and Finnmark, and good price achievement in addition to reversal of bad debt accruals in BC
- Cost increased compared to Q4 2019 due to biological challenges in Finnmark and Rogaland, while in BC the cost decreased due to lower volume
- Net financial items impacted by debt service costs on external financing, including bond issue, in addition to currency effects on financing and working capital items
- See Appendix for more information on the discontinued operations of the Group (Shetland & Ocean Quality)

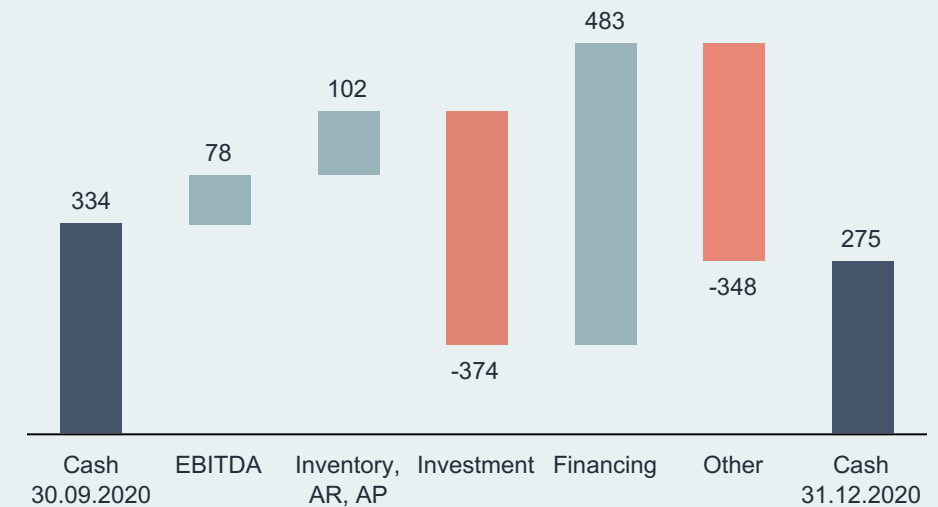
Profit & loss from continued operations (NOK million)	Q4 2020	Q4 2019	YTD Q4 2020	YTD Q4 2019
Sales revenues	1 163.0	1 453.3	4 396.9	4 765.2
EBIT*	-17.0	350.7	232.3	1 076.9
Fair value adjustments of biological assets	206.0	275.2	-289.7	-254.9
Net financial items	-83.6	4.1	-243.4	-25.7
Profit before tax	105.4	630.0	-300.8	796.3
Net profit for the period from continued operations	51.4	487.2	-269.6	599.2

\*EBIT before fair value adjustment of biological assets



# Cash flow

- Net cash flow from operations NOK -167 million
  - Lower cash flow from operations compared to Q4 2019 primarily due to lower EBIT/kg realized from our operations in the quarter, partly offset by release in working capital of NOK 102 million, mainly driven by inventory, biomass and accounts receivables
  - NOK -189 million of "other" due to taxes paid in Q4 2020, while the remainder relates to other working capital items
- Net cash flow from investment activities NOK -374 million
  - Investments in property, plant and equipment of NOK -277 million million significantly impacted by investments in our Newfoundland-project
  - Since Grieg Seafood Shetland is part of the Group's cash pool arrangement with banks, NOK -113 million of cash outflow from investment activities in the cash flow from continued operations relate to net changes in cash with the held for sale disposal group Shetland
- Net cash flow from financing NOK 483 million
  - Impacted with a positive cash flow of NOK 500 million from the second tap of our Green Bond issue





# Financials

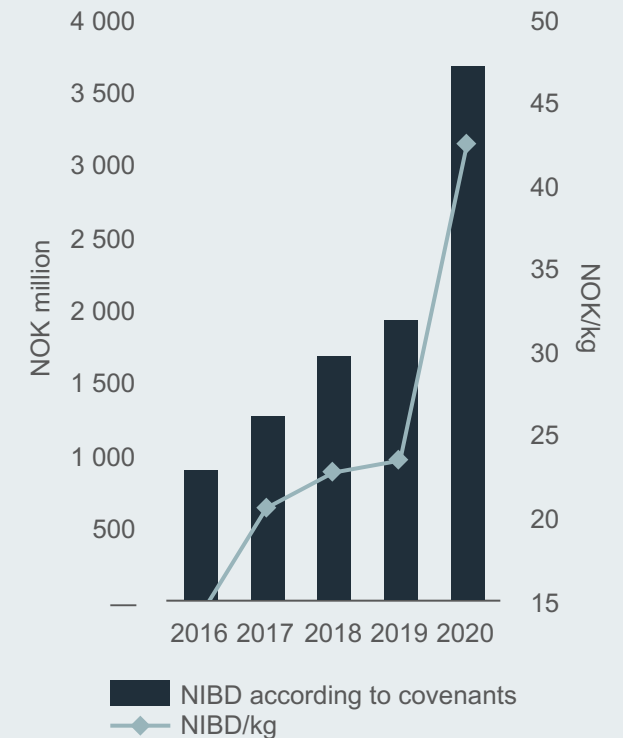
## Financial position

- In November 2020, Grieg Seafood was granted temporary amendment to financial covenants through Q3 2021. At 31 December 2020, Grieg Seafood was in compliance with these temporary amended financial covenants
- Equity ratio was 41% at the end of Q4 2020, vs 43% measured according to covenants
- NIBD at the end of Q4 2020 was NOK 3 931 million, while NIBD according to covenants was NOK 3 679 million
- The leverage-ratio NIBD/EBITDA is not measured as a financial covenants through Q3 2021
- Cash and cash equivalents were NOK 275 million
- Revolving credit facility and overdraft facility of NOK 2 200 million, of which NOK 1 203 million is undrawn at the end of Q4 2020

## Secure financial capacity

- NOK 500 million tap issue under the existing senior unsecured green bond
- Shetland divestment process ongoing
- Extended maturity on NOK 600 bridge loan to 31.12.2021
- Dividends postponed
- Continuously evaluating operational cost-saving measures

## Net Interest-bearing debt (NIBD)

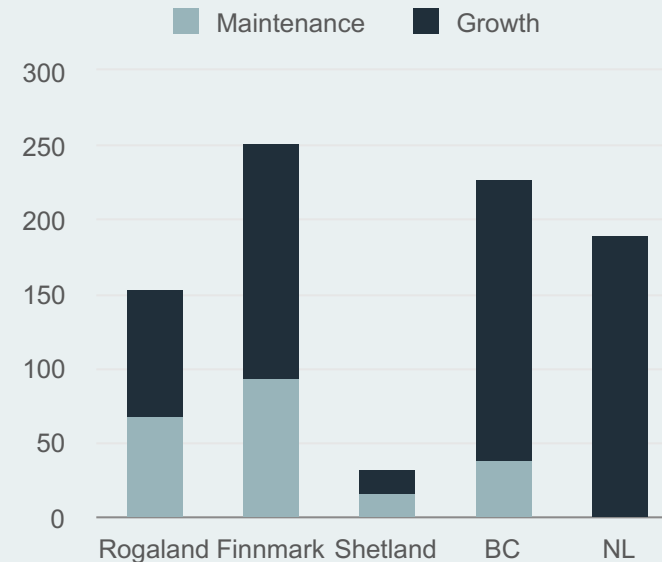


# Investments 2021

- **Rogaland**  
New site and brood stock upgrade
- **Finnmark**  
New site and harvest plan upgrade
- **BC**  
Gold River hatchery expansion
- **Shetland**  
Centralized feeding and site structure optimization
- **Newfoundland**  
Completion of Phase 1 for RAS facility and sea site preparations

## CAPEX by region\*

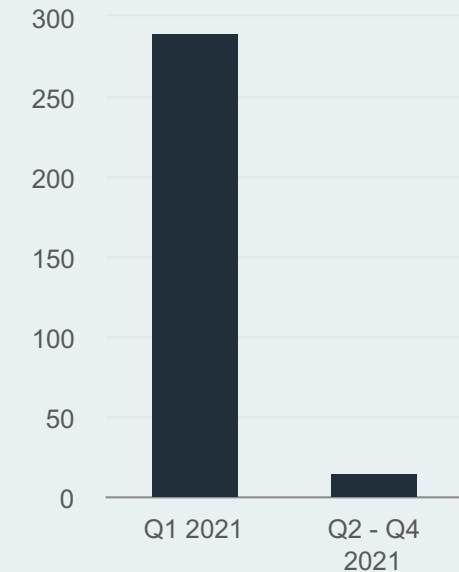
NOK million



\* Excluding Shetland in H2 2021

## Biomass WC investments (net)\*

NOK million

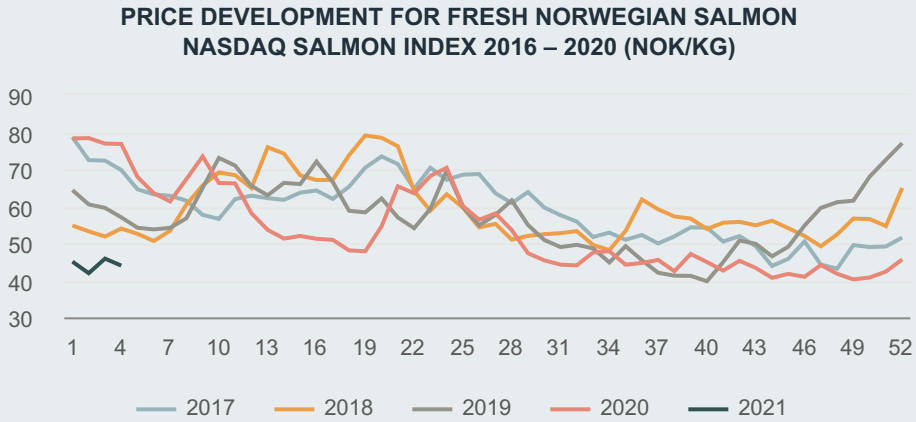
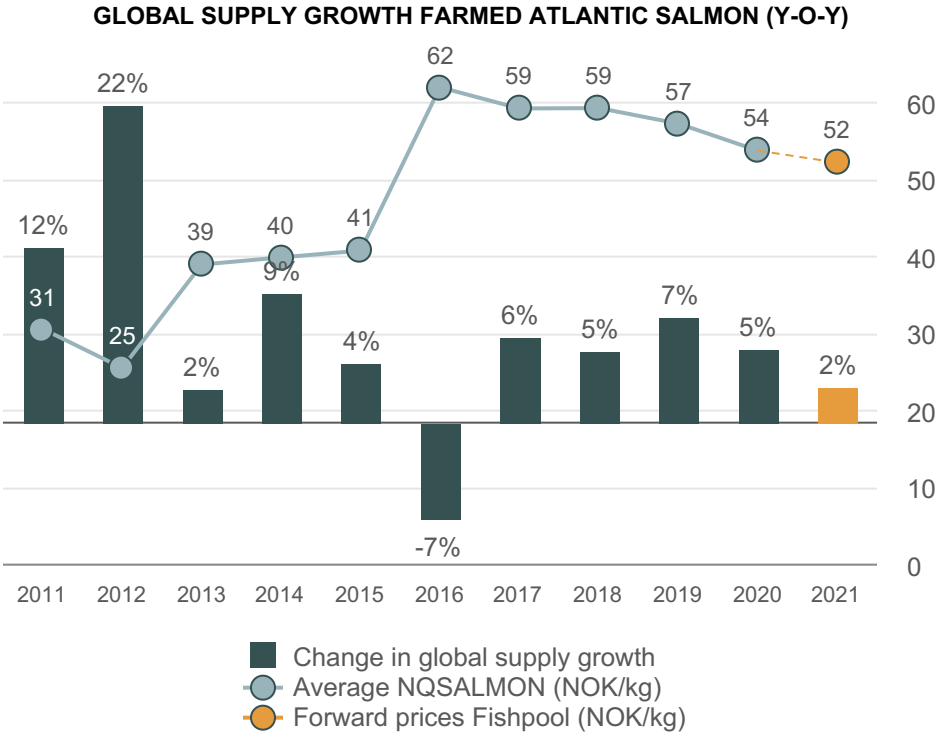


# OUTLOOK & CONCLUDING REMARKS

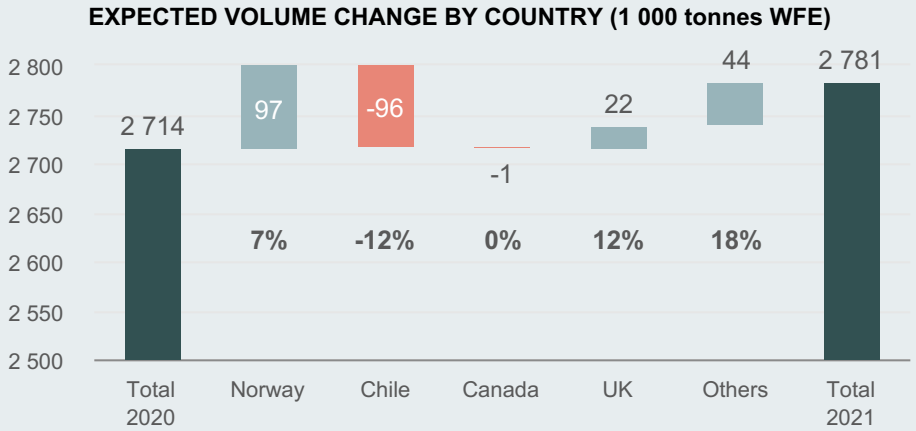




# Reduced harvest growth in 2021



The NQSALMON weekly average is presented less distributor margin of NOK/KG 0.75.



Source: Kontali Analyse AS

# Grieg Seafood harvest estimates

- Expected harvest of 11 200 tonnes in Q1 2021
- FY 2020 volume of 71 100 tonnes ex Shetland
- In 2020, we have stocked 22 million smolt to sea with an average weight of 230 grams, with a harvest target of 80 000 tonnes in 2021 (ex Shetland)

Guiding (tonnes GWT)	Rogaland	Finnmark	BC	GSF Group
Q1 2020	6 940	6 830	2 540	16 300
Q2 2020	4 530	6 280	9 330	20 100
Q3 2020	5 040	2 730	6 650	14 400
Q4 2020	6 530	11 080	2 660	20 300
<b>Total 2020</b>	<b>23 000</b>	<b>26 900</b>	<b>21 200</b>	<b>71 100</b>
<i>Growth y-o-y</i>	-9%	-17%	50%	-14%
Q1 2021	4 300	6 300	600	11 200
<b>Total 2021</b>	<b>28 000</b>	<b>37 000</b>	<b>15 000</b>	<b>80 000</b>
<i>Growth y-o-y</i>	22%	38%	-29%	13%



# Our priorities

**IMPROVE  
PROFITABILITY**

**STREAMLINE  
AND EXECUTE  
GROWTH**

**SECURE  
FINANCIAL  
CAPACITY**

**SUSTAINABILITY  
AT THE CORE OF  
OUR BUSINESS**

**CREATE  
SHAREHOLDER  
VALUE**





# UPCOMING FINANCIAL RESULTS

## Mid quarter update from Q1 2021

Annual Report 2020	26 March 2021
Q1 2021	12 May 2021
Q2 2021	18 August 2021
Q3 2021	3 November 2021
Q4 2021	16 February 2022

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





# APPENDIX

## Q4 2020



# Share information

## Number of shares

- 113 447 042 shares incl. treasury shares
- Contribution in kind, related to the Grieg Newfoundland-acquisition which was completed 15 April 2020, increased the numbers of shares with 1 785 042 shares, up from 111 662 000 shares at 31 December 2019

## Last issues

- Q2 2020, NOK 7 million in new shares issued (contribution in kind, related to the Grieg Newfoundland-transaction)
- Q2 2009, NOK 139 million in new shares issued

## Subordinated convertible bond issued in Q1 2009

- 100 million converted at NOK 4.0 per share within 31 December 2010
- 85% converted in Q2 2009, 15% in Q3 2009

## Share savings program for the employees

- To strengthen culture and encourage loyalty by offering employees to become shareholders in Grieg Seafood
  - Transferred 21 576 treasury shares to employees in Q4 2018
  - Another 14 737 treasury shares transferred to employees in Q4 2019
  - Transferred 42 193 treasury shares to employees in Q4 2020

## EPS

- 0.54 NOK/share Q4 2020 (continued operations)
- 4.41 NOK/share Q4 2019 (continued operations)
- 2.32 NOK/share YTD 2020 (continued operations)

## Share price

- NOK 85.0 at quarter-end Q4 2020
- NOK 140.3 at quarter-end Q4 2019

## Shareholder structure

- Largest 20 holds 73.3% of total number of shares

THE 20 LARGEST SHAREHOLDERS IN GRIEG SEAFOOD ASA AT 31.12.2020	NO. OF SHARES	SHARE-HOLDING
Grieg Aqua AS	56 914 355	50.17%
Folketrygdfondet	4 281 530	3.77%
OM Holding AS	4 235 656	3.73%
Ystholmen Felles AS	2 928 197	2.58%
Clearstream Banking S.A.	1 937 653	1.71%
State Street Bank and Trust Comp	1 616 926	1.43%
Ronja Capital II AS	1 200 000	1.06%
Grieg Seafood ASA	1 171 494	1.03%
Six Sis AG	1 038 659	0.92%
UBS Switzerland AG	945 209	0.83%
JPMorgan Chase Bank, N.A., London	915 596	0.81%
Banque Degroof Petercam Lux. SA	822 051	0.72%
Verdipapirfondet Pareto Investment	764 000	0.67%
State Street Bank and Trust Comp	737 722	0.65%
State Street Bank and Trust Comp	697 771	0.62%
Ferd AS	688 453	0.61%
Svenska Handelsbanken AB	593 415	0.52%
J.P. Morgan Bank Luxembourg S.A.	592 624	0.52%
State Street Bank and Trust Comp	524 061	0.46%
Danske Invest Norge Vekst	521 000	0.46%
<b>Total 20 largest shareholders</b>	<b>83 126 372</b>	<b>73.27%</b>
Total others	30 320 670	26.73%
<b>Total number of shares</b>	<b>113 447 042</b>	<b>100.00%</b>

# Market developments Q4 2020

Market consumption (tonnes HOG)	Q4 2020	Q4 2019	%- change
EU	313 900	277 700	13%
USA	132 500	120 400	10%
Brazil	32 500	26 700	22%
Russia	27 700	25 700	8%
Japan	19 300	14 900	30%
China/ Hong Kong/ Vietnam	21 000	34 700	-39%
Other Asia	31 900	29 100	10%
Other markets	105 200	92 600	14%
<b>Total all markets</b>	<b>684 000</b>	<b>621 800</b>	<b>10%</b>

Source: Kontali Analyse

## Short-term demand impact

- Demand has shifted away from HoReCa towards retail segment
- HoReCa segment in US minimized
- Air transport less available, at higher cost

## Potential long-term demand impact

- Substantial growth in e-commerce sales
- Potential for increased retail demand as consumers develop new habits, particularly in market with reduced prices
- Current market situation could lead to permanent changes in consumer behavior, but too early to tell the long term-effects being caused by, directly and indirectly, the Covid-19 pandemic
- Gradual return of HoReCa market will support prices, but not necessarily cut off retail demand

# Profit & loss

NOK 1 000	Q4 2020	Q4 2019	YTD 2020	YTD 2019
<b>Continuing operations</b>				
Sales revenues	1 163 019	1 453 261	4 396 929	4 765 164
Other income	-2 653	7 634	23 902	27 009
Share of profit from associates	2 053	-680	3 350	211
Raw materials and consumables used	-491 270	-457 503	-1 729 852	-1 507 941
Salaries and personnel expenses	-144 821	-148 094	-499 546	-493 183
Other operating expenses	-447 830	-420 412	-1 593 621	-1 407 263
<b>EBITDA before fair value adjustment of biological assets</b>	<b>78 498</b>	<b>434 206</b>	<b>601 162</b>	<b>1 383 997</b>
Depreciation property, plant and equipment	-91 434	-81 994	-360 178	-301 400
Amortization licenses and other intangible assets	-4 101	-1 482	-8 696	-5 671
<b>EBIT before fair value adjustment of biological assets</b>	<b>-17 038</b>	<b>350 731</b>	<b>232 288</b>	<b>1 076 926</b>
Fair value adjustment of biological assets	206 034	275 218	-289 705	-254 931
<b>EBIT after fair value adjustment of biological assets</b>	<b>188 996</b>	<b>625 949</b>	<b>-57 417</b>	<b>821 995</b>
Net financial items	-83 620	4 099	-243 402	-25 679
<b>Profit before tax from continuing operations</b>	<b>105 375</b>	<b>630 048</b>	<b>-300 819</b>	<b>796 316</b>
Estimated taxation	-53 944	-142 805	31 178	-197 137
<b>Net profit for the period from continuing operations</b>	<b>51 431</b>	<b>487 243</b>	<b>-269 642</b>	<b>599 179</b>
<b>Discontinued operations</b>				
Net profit for the period from discontinued operations	94 551	11 550	-197 948	45 729
<b>Net profit for the period</b>	<b>145 982</b>	<b>498 792</b>	<b>-467 590</b>	<b>644 908</b>
<b>Allocated to</b>				
Controlling interests	137 672	493 381	-493 824	619 510
Non-controlling interests	8 310	5 412	26 234	25 398
<i>The Income Statement is prepared for the Group's continuing operations. Comparable figures are re-presented.</i>				



# Comprehensive income

NOK 1 000	Q4 2020	Q4 2019	YTD 2020	YTD 2019
<b>Net profit for the period</b>	<b>145 982</b>	<b>498 792</b>	<b>-467 590</b>	<b>644 908</b>
<i><b>Net other comprehensive income to be reclassified to profit/loss in subsequent periods</b></i>				
Currency effect on investment in subsidiaries	-73 160	-5 065	-55 057	51 495
Currency effect on loans to subsidiaries	-45 190	12 564	-29 291	29 819
Cash flow hedges	2 730	-3 960	-786	-4 529
Tax effect	9 352	-1 894	6 617	-5 564
Other gains or losses	—	1 353	—	1 353
<i><b>Net other comprehensive income not to be reclassified to profit/loss in subsequent periods</b></i>				
Change in fair value of equity instruments	—	-129	-433	-129
<b>Other comprehensive income for the period, net of tax</b>	<b>-106 268</b>	<b>2 869</b>	<b>-78 950</b>	<b>72 445</b>
<b>Total comprehensive income for the period</b>	<b>39 714</b>	<b>501 661</b>	<b>-546 540</b>	<b>717 354</b>
<i><b>Allocated to</b></i>				
Controlling interests	29 796	494 356	-573 127	689 915
Non-controlling interests	9 919	7 305	26 586	27 438

# Financial position - assets

NOK 1 000	31.12.2020	31.12.2019
Goodwill	558 059	109 526
Licenses including warranty licenses	1 202 844	1 133 630
Other intangible assets including exclusivity agreement	51 479	16 205
Deferred tax assets	22 448	998
Property, plant and equipment including right-of-use assets	3 475 432	2 957 942
Investments in associates	84 421	81 071
Other non-current receivables	9 476	3 130
<b>Total non-current assets</b>	<b>5 404 158</b>	<b>4 302 503</b>
Inventories	78 001	177 847
Biological assets exclusive of fair value adjustment	2 198 676	2 669 785
Fair value adjustment on biological assets	347 227	768 163
Trade receivables	173 907	459 897
Other current receivables	119 798	334 625
Derivatives and other financial instruments	75 792	7 368
Cash and cash equivalents	275 427	214 497
<b>Total current assets</b>	<b>3 268 827</b>	<b>4 632 182</b>
<b>Assets held for sale</b>	<b>1 972 725</b>	<b>—</b>
<b>Total assets</b>	<b>10 645 711</b>	<b>8 934 684</b>

# Financial position - equity and liabilities

NOK 1 000	31.12.2020	31.12.2019
<b>EQUITY AND LIABILITIES</b>		
Share capital	453 789	446 648
Treasury shares	-4 686	-4 855
Contingent consideration (acquisition of Grieg Newfoundland AS)	701 535	—
Retained earnings and other equity	3 258 365	3 642 417
<b>Total controlling interests</b>	<b>4 409 002</b>	<b>4 084 211</b>
Non-controlling interests	—	56 632
<b>Total equity</b>	<b>4 409 002</b>	<b>4 140 843</b>
Deferred tax liabilities	866 681	874 664
Cash-settled share options	491	8 379
Borrowings and lease liabilities	3 907 822	2 196 601
Subordinated loans	—	13 240
<b>Total non-current liabilities</b>	<b>4 774 994</b>	<b>3 092 883</b>
Current portion of borrowings	104 435	98 212
Current portion of lease liabilities	153 195	199 327
Factoring liabilities	—	86 122
Trade payables	557 372	855 061
Tax payable	29 219	211 569
Derivatives and other financial instruments	5 949	9 321
Other current liabilities	118 717	241 346
<b>Total current liabilities</b>	<b>968 886</b>	<b>1 700 958</b>
<b>Liabilities directly associated with the assets held for sale</b>	<b>492 829</b>	<b>—</b>
<b>Total liabilities</b>	<b>6 236 708</b>	<b>4 793 840</b>
<b>Total equity and liabilities</b>	<b>10 645 711</b>	<b>8 934 684</b>

# Cash flow

NOK 1 000	Q4 2020	Q4 2019	YTD 2020	YTD 2019
EBIT after fair value adjustment of biological assets	188 996	625 949	-57 428	821 995
Depreciation and amortization	95 568	83 476	368 874	307 070
Gain/loss on sale of property, plant and equipment	2 370	-7 720	4 785	-7 571
Share of profit from associates	-2 053	680	-3 350	-211
Fair value adjustment of biological assets	-206 034	-275 218	289 705	254 931
Change inventory ex. fair value, trade pay. and trade rec.	101 553	-133 782	-35 299	-265 730
Other adjustments	-158 285	162 043	58 947	278 478
Taxes paid	-189 323	-111 544	-205 162	-128 215
<b>Net cash flow from operating activities</b>	<b>-167 207</b>	<b>343 884</b>	<b>421 073</b>	<b>1 260 748</b>
Proceeds from sale of fixed assets	254	1 312	781	2 095
Payments on purchase of property, plant and equipment	-277 199	-87 094	-760 089	-267 531
Payments on purchase of intangible assets incl. licenses	—	—	-159 066	—
Payments on business combinations	—	—	-620 464	—
Accumulated cash acquired in business combinations	—	—	30 628	—
Proceeds from sale of subsidiary	16 337	—	16 337	—
Net cash from funding of assets classified as held for sale	-113 415	-148 902	-243 791	-277 313
Investment in associated companies and other invest.	—	—	20	-29 750
<b>Net cash flow from investing activities</b>	<b>-374 022</b>	<b>-234 684</b>	<b>-1 735 644</b>	<b>-572 499</b>
Revolving credit facility (net draw-down/repayment)	110 000	260 000	364 135	368 930
Proceeds of long-term interest-bearing debt	508 932	—	1 527 493	—
Repayment long-term interest-bearing debt	—	—	-102 267	-99 345
Repayment of short-term int. bearing debt	-23 020	-41 574	—	—
Repayment lease liabilities	-43 366	-51 089	-176 254	-151 799
Change in factoring liabilities	—	—	—	-250 368
Paid dividend	—	-220 897	—	-441 764
Paid dividend to non-controlling interests	—	—	—	-20 263
Paid interest and other financial items	-69 297	-13 965	-181 425	-62 180
<b>Net cash flow from financing activities</b>	<b>483 250</b>	<b>-67 526</b>	<b>1 431 682</b>	<b>-656 788</b>
<b>Net change in cash and cash equivalents</b>	<b>-57 979</b>	<b>41 675</b>	<b>117 111</b>	<b>31 461</b>
<b>Cash and cash equivalents - opening balance</b>	<b>334 181</b>	<b>137 658</b>	<b>214 497</b>	<b>137 920</b>
Currency translation of cash and cash equivalents	6 216	-20	14 185	1 323
Discontinued operations	-6 991	35 185	-70 366	43 793
<b>Cash and cash equivalents - closing balance</b>	<b>275 427</b>	<b>214 497</b>	<b>275 427</b>	<b>214 497</b>

The Cash Flow Statement is presented for the Group's continuing operations. Comparable figures are re-presented. See further information in Note 4.



# Profit & loss - reconciliation with published Q4 2019

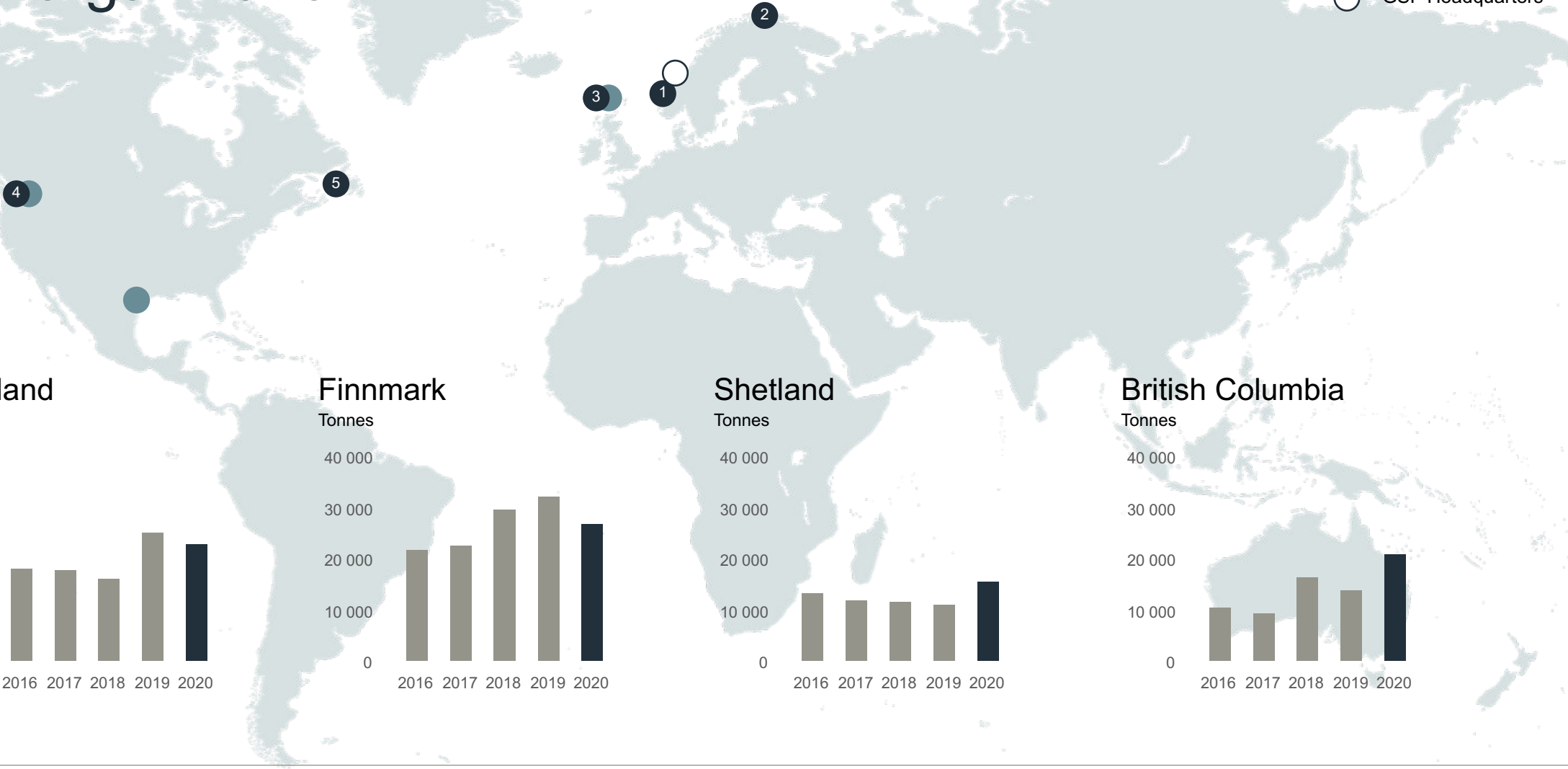
Grieg Seafood has established a fully owned sales organization, which is operational in Q1 2021, and we have therefore ceased the sales partnership with Bremnes Fryseri by 31 December 2020. In addition, we are divesting our Shetland assets, focusing on our operations in Norway and Canada. Both Ocean Quality and Shetland are treated as discontinued operations. In short, the accounting treatment requires re-presentation of the 2019 profit and loss figures. See more information on this in Note 4 to our Q4 2020 report. This proforma-table is prepared for informational purposes only and reconciles Q4 2020 and YTD 2020 with published figures in last year's Q4 2019 reporting. Note that the Q4 2019 and YTD 2019 figures have been updated, reflecting the finalized tax calculation published in our Annual Report for 2019.

Profit & loss Grieg Seafood according to Q4 2020 Quarterly Report				
(NOK 1 000)	Q4 2020	Q4 2019	YTD Q4 2020	YTD Q4 2019
Sales revenues	1 163 019	1 453 261	4 396 929	4 765 164
EBIT	-17 038	350 731	232 288	1 076 926
EBIT after fair value	188 996	625 949	-57 417	821 995
Profit before tax	105 375	630 048	-300 819	796 316
<b>Net profit for the period from continued operations</b>	<b>51 431</b>	<b>487 243</b>	<b>-269 642</b>	<b>599 179</b>
Gain on the sale of asset held for sale, after income tax	—	—	—	—
Net profit for the period from discontinued operations	94 551	11 550	-197 948	45 729
<b>Net profit for the period</b>	<b>145 982</b>	<b>498 792</b>	<b>-467 590</b>	<b>644 908</b>

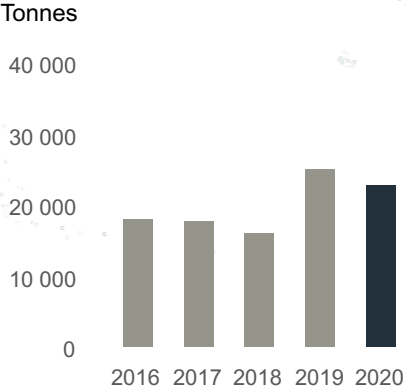
Profit & loss from the aggregate discontinued operations of Shetland and Ocean Quality: bridge between published Q4 2019 report, and Q4 2019 and YTD 2019 included in Q4 2020 Quarterly Report (more information in Note 4).				Profit & loss proforma Grieg Seafood exclusive of the held for sale and discontinued operations-classification, comparable with published Q4 2019 report			
Q4 2020	Q4 2019	YTD Q4 2020	YTD Q4 2019	Q4 2020	Q4 2019	YTD Q4 2020	YTD Q4 2019
921 101	937 006	3 996 413	3 508 428	2 084 120	2 390 267	8 393 342	8 273 592
-14 699	6 587	-202 706	10 648	-31 737	357 316	29 582	1 087 574
87 362	10 796	-299 745	44 865	276 358	636 743	-357 162	866 860
78 891	12 895	-296 219	44 310	184 266	642 941	-597 038	840 626
88 643	11 550	-203 856	45 729	140 074	498 793	-473 498	644 908
5 908	—	5 908	—	5 908	—	5 908	—
-94 551	-11 550	197 948	-45 729	—	—	—	—
—	—	—	—	145 982	498 792	-467 590	644 908

# Our organization

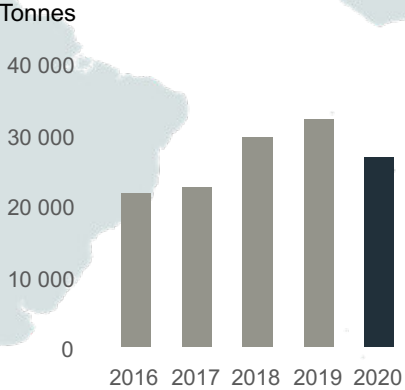
- Grieg Seafood farms
- Sales
- GSF Headquarters



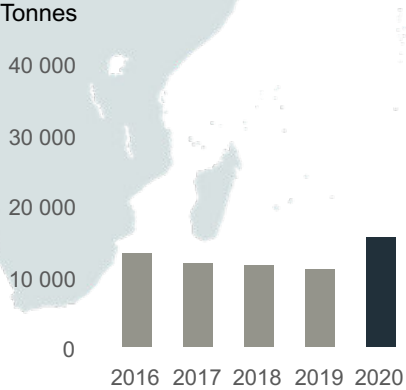
## Rogaland



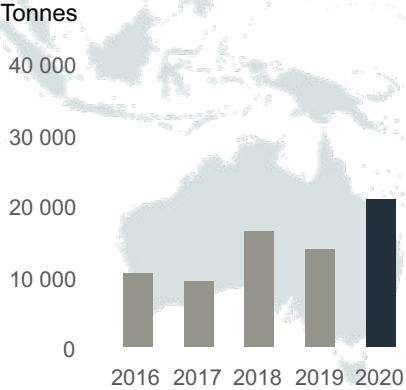
## Finnmark



## Shetland



## British Columbia



## STRONG FOCUS ON IMPROVED BIOLOGICAL PERFORMANCE

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

Key metrics		2017	2018	2019	2020*
Harvest volume	75 000 tonnes in 2020, 130 000 tonnes in 2025 (ex Shetland)	62 598 tonnes	74 623 tonnes	82 973 tonnes	71 142 tonnes
Farming cost	NOK 40/kg and CAD 7/kg in 2022	NOK 43.4/kg	NOK 43.1/kg	NOK 43.5/kg	NOK 43.3/kg CAD 8.0/kg
Financial	NIBD* /EBITDA < 4.5 Equity ratio > 35%	1.2 47%	1.3 47%	1.4 46%	n/a 41%
Profitability	Return on Capital Employed of 12%	24%	22%	19%	3%
Capital structure	NIBD* /harvest volume: NOK 30/kg	NOK 20.2/kg	NOK 22.3/kg	NOK 23.0/kg	NOK 42.4/kg
Dividend	30%-40% of the Group's net profit after tax adjusted for fair value appraisals	DPS NOK 4.00 Pay-out ratio <sup>***</sup> : 56%	DPS NOK 4.00 Pay-out ratio <sup>***</sup> : 68%	DPS NOK 4.00 Pay-out ratio <sup>***</sup> : 57%	DPS NOK 0.00 Pay-out ratio <sup>***</sup> : 0%

\* 2020 ex Shetland. 2017-2019 not re-presented.

\*\* NIBD according to bank covenants. Not applicable as of year end 2020 and until Q4 2021.

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