

Q2 2020

Grieg
Seafood®

PASSION FOR IMPROVEMENT

Q2 2020

18.08.2020

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Agenda

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

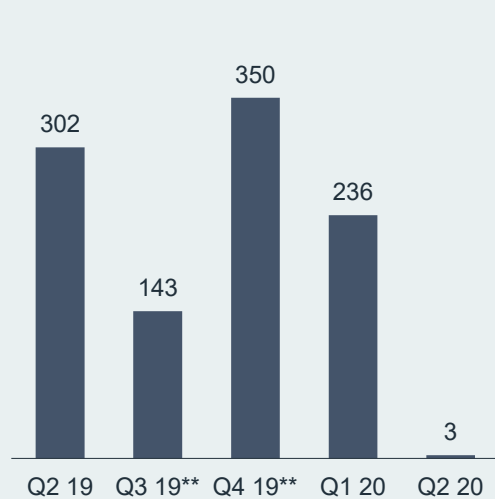


Highlights

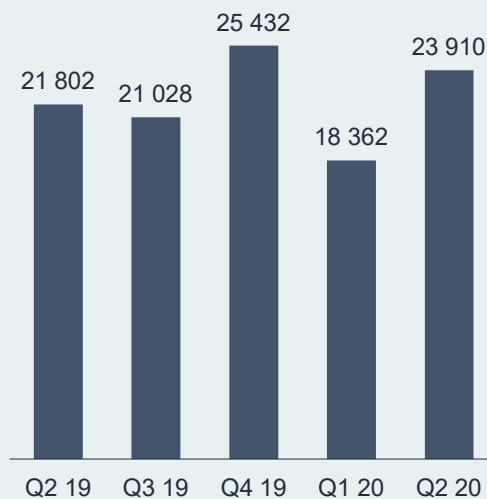
- Harvest volume of 23 910 tonnes, up 10% from Q2 2019 (21 802 tonnes)
- Earnings impacted by low market prices due to effects of Covid-19, amounting to NOK 211 million vs Q2 2019
- Margin in Finnmark still impacted by winter ulcers
- Continued cost reductions in BC. Shetland somewhat impacted by lower survival rate
- Group total of 20 sites ASC certified at quarter end, 36% of net production
- Successful completion of senior unsecured Green Bond issue of NOK 1 billion
- Construction of RAS facility and approval of licenses in Newfoundland according to plan
- First members of the new sales organization appointed
- New guidance of 95 000 tonnes (100 000) in 2020 due to reduced growth in Finnmark caused by lower than average seawater temperatures in addition to market adjustments

Financial highlights Q2 2020

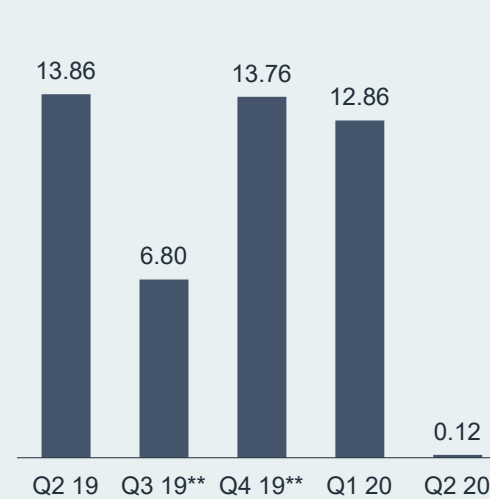
EBIT (NOK MILLION) *



HARVEST VOLUME (TONNES GWT)



EBIT/KG* (NOK)

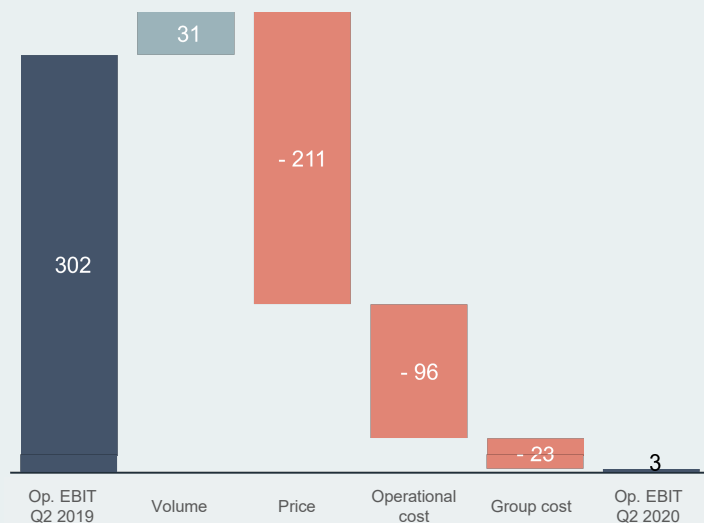


*EBIT before fair value adjustment of biological assets

**The Q3 19 and Q4 19 figures are based on a preliminary IFRS 5 adjustment of the Group's disposal group. Finalized re-presented Q3 2019 and Q4 2019 will be disclosed in Q3 2020 and Q4 2020 respectively.

Earnings development

Operational EBIT bridge - Q2 20 vs Q2 19 (NOK million)



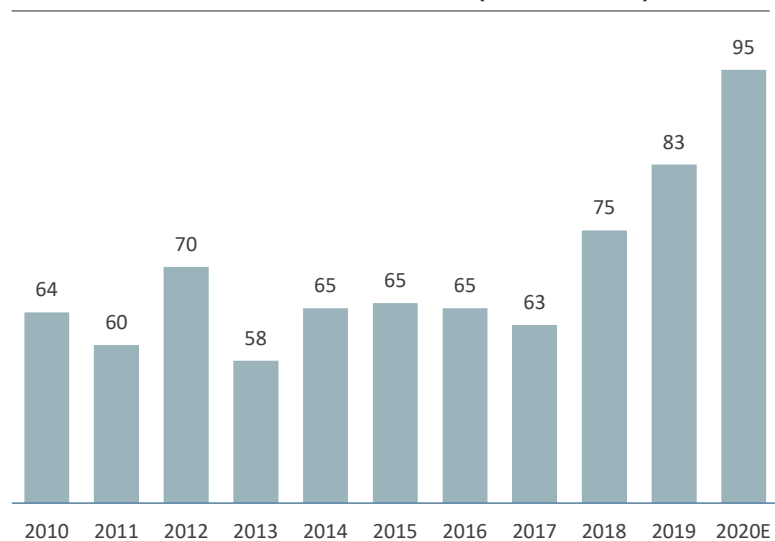
- Overall volume up 2 100 tonnes (10%), driven by BC
- Price
 - Nasdaq Salmon index down 8%
 - Downgrades in Finnmark and Shetland
 - Volume distribution in Rogaland and Finnmark skewed towards beginning of Q2
- Cost
 - Volume effect in Rogaland
 - Currency effect
- Group costs
 - Acquisition cost Newfoundland
 - Operational cost Newfoundland
 - EU Commission

H2 2020

- **Volume**
 - Up 14% compared to H2 2019
- **Price**
 - Contract share for Norwegian operations of 63% in Q3 and total 36% in H2, well above current spot prices
- **Cost**
 - Lower costs in Rogaland due to higher volume
 - Lower cost in Finnmark as growth is normalizing and with higher harvest volumes in Q4
 - Stable cost in Shetland and BC

100 000 tonnes annual harvest capacity in place, stabilizing cost

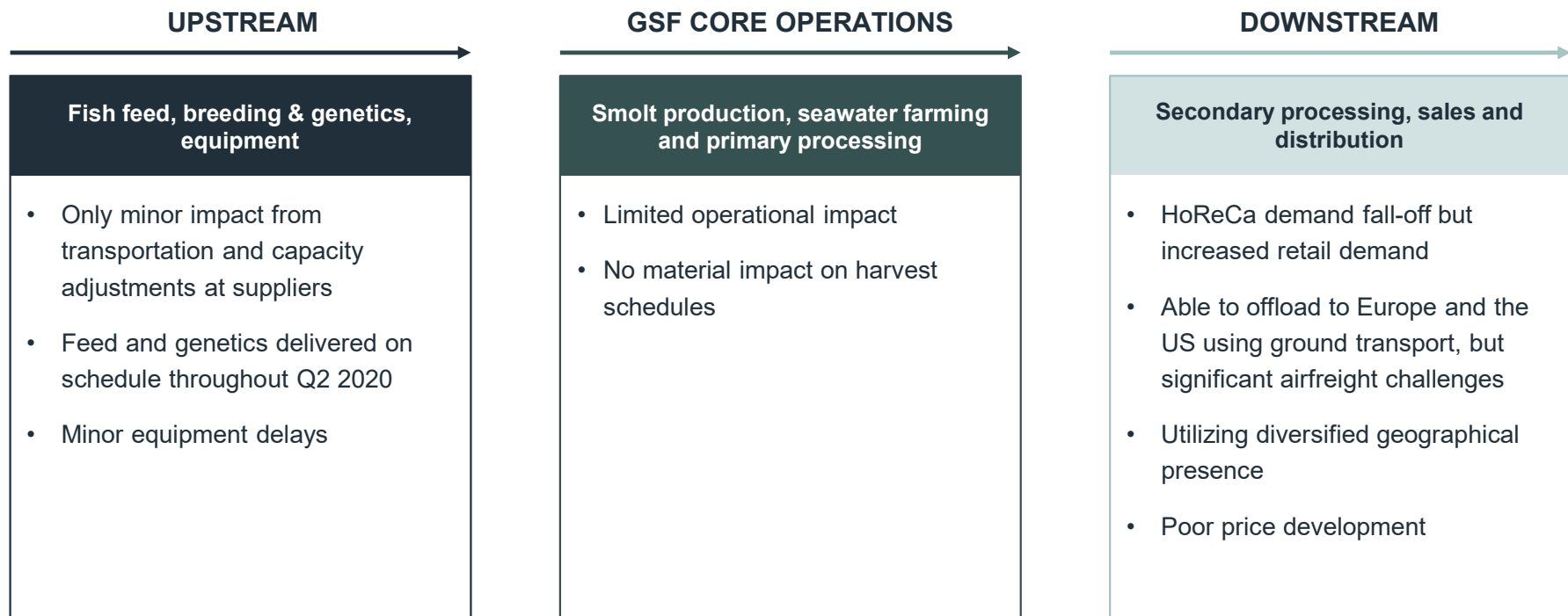
Annual harvest volume (1 000 GWT)



- Post smolt
 - Capacity investments
 - Increased production cycle efficiency
 - Improved biosecurity and survival
- Bio security and fish welfare
 - Improved survival rate
 - Sea lice treatment (minimize pharmaceutical treatment)
 - Harmful plankton handling
- Increased capacity utilization & expansions
 - On shore post smolt capacity
 - Precision farming capabilities
 - New locations
 - New license opportunities

- Annual capacity of 100 000 tonnes
- 95 000 tonnes harvest in 2020
 - Reduced growth in Finnmark by 5 000 tonnes due to low seawater temperatures in H1, harvesting postponed to 2021
 - Shetland reduced 2 000 tonnes
 - BC increased by 2 000 tonnes
- Cost stabilized

Covid -19 - Limited value-chain impact



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

Market consumption (tonnes HOG)	Q2 2020	Q2 2019	% change
EU	242 800	236 300	3%
USA	118 300	115 200	3%
Brazil	16 700	22 100	-24%
Russia	12 500	15 400	-19%
Japan	14 900	12 300	21%
China/ Hong Kong/ Vietnam	34 600	30 500	13%
Other Asia	26 600	25 800	3%
Other markets	76 000	77 800	-2%
Total all markets	542 300	535 500	1%

Source: Kontali Analyse

Short-term demand impact

- Demand has shifted away from HoReCa towards retail segment
- HoReCa segment in US minimized
- Chinese demand decreased in Q1, but picked up in Q2
- Exports from GSF BC to China at healthy levels
- Potential short-term challenges in the UK due to expected volume growth
- Grieg Seafood has headroom to delay some harvest in Norway and the UK

Potential long-term demand impact

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

OPERATIONAL REVIEW

Q2 2020



Continued focus on sustainability

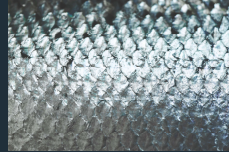
OUR PILLARS



HEALTHY OCEAN



SUSTAINABLE FOOD



PROFIT & INNOVATION



PEOPLE



LOCAL COMMUNITIES

TOPICS

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

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

- Seafood demand
- Economic productivity
- Profitable growth

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

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

ADDRESSING UN SUSTAINABLE DEVELOPMENT GOALS



GSF Rogaland

- Good biological conditions resulted in strong production
- Loss of fish due to sea lice treatment and cardiomyopathy syndrome (CMS) at three sites reduced the 12-month survival rate to 88% (94%)
- Earnings impacted by low harvest volume and low market price
- Average smolt size of 550g transferred to sea
- Expect harvest of 5 300 tonnes in Q3 2020 with lower cost/kg due to higher harvest volume
- Harvest expectation of 25 000 tonnes in 2020 maintained

NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Revenues	252.5	562.6	704.3	933.9	1 538.9
EBITDA	66.1	255.9	262.0	418.5	658.4
EBIT	40.2	232.1	211.8	377.1	568.3
Harvest volume (tonnes GWT)	4 527	8 256	11 471	14 257	25 217
EBIT/kg (NOK)	8.89	27.22	18.46	26.45	22.53

GSF Finnmark

- Good biological conditions, but reduced growth due to lower than average seawater temperatures last winter and spring
- Earnings impacted by lower market price and weaker price achievement. Superior share impacted by quality downgrades related to winter ulcers
- Total of 15 sites ASC certified (80% of net production)
- Granted a new location in the Hammerfest area
- Expect harvest of 4 500 tonnes in Q3 2020 with lower cost/kg
- Harvest estimate reduced to 33 000 tonnes (38 000) in 2020 due to slower growth than expected in seawater

NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Revenues	339.1	319.6	698.5	666.1	1 815.3
EBITDA	100.0	141.9	167.7	315.4	715.5
EBIT	61.6	110.7	91.8	253.7	580.2
Harvest volume (tonnes GWT)	6 280	5 391	13 107	11 111	32 362
EBIT/ kg (NOK)	9.80	20.53	7.01	22.84	17.93

GSF Shetland

- Earnings impacted by low market prices and somewhat reduced quality due to sea lice treatments
- High sea lice pressure and treatments during the quarter, but significant cost improvements y-o-y
- Continued strong smolt performance due to initiatives to improve smolt robustness and biological performance
- Expect harvest of 5 600 tonnes in Q3 2020, with stable cost /kg in Q3 and gradual cost improvements longer term
- Harvest estimate reduced to 15 000 tonnes (17 000) in 2020 as sea lice treatments have impacted growth

NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Revenues	230.5	225.4	380.2	347.7	731.6
EBITDA	-13.1	5.2	30.2	4.5	35.6
EBIT	-46.6	-19.8	-32.7	-44.7	-67.2
Harvest volume (tonnes GWT)	3 770	3 297	5 817	5 085	11 273
EBIT/ kg (NOK)	-12.36	-6.00	-5.62	-8.79	-5.96

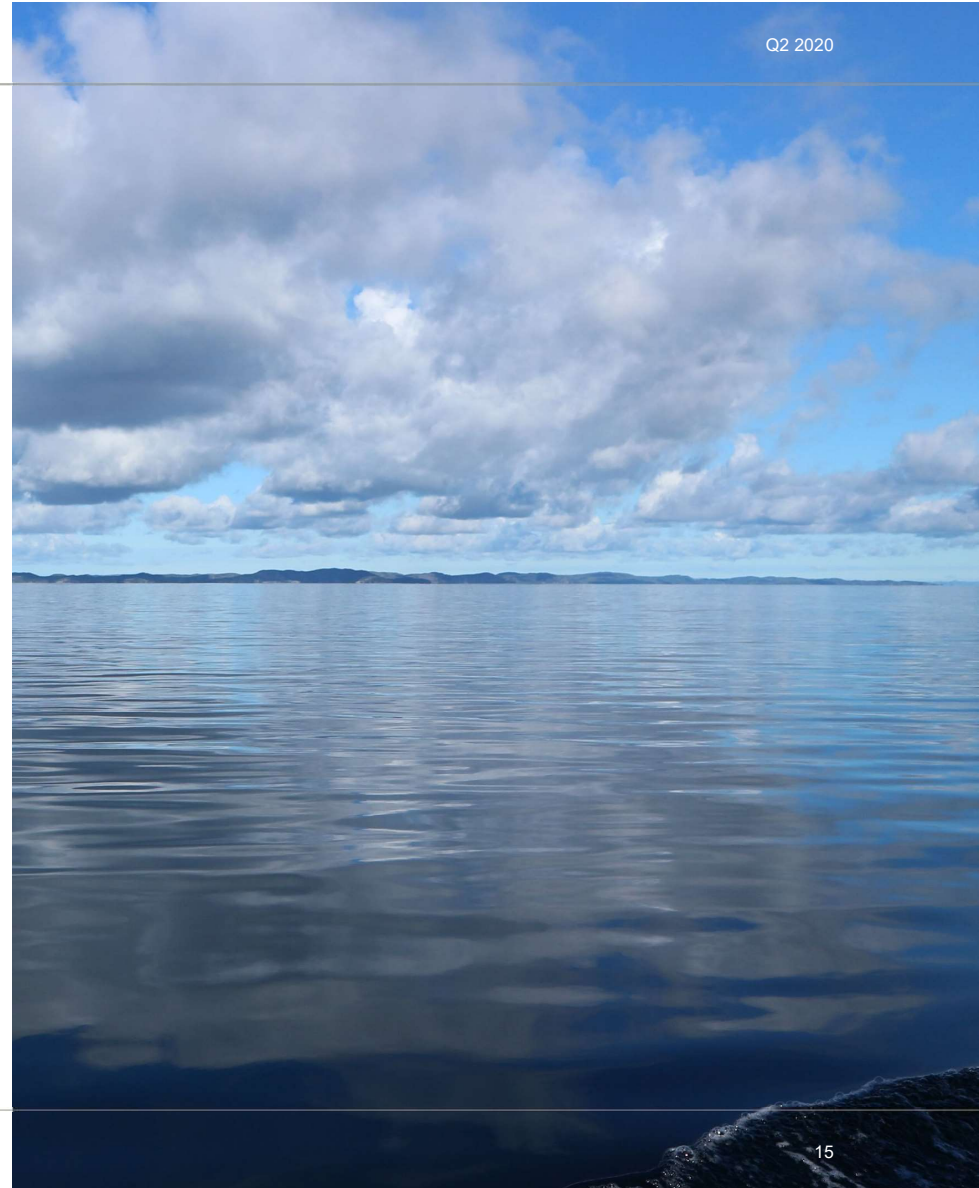
GSF British Columbia

- Biological conditions affected by algae bloom, very limited impact on survival due to algae mitigation system. 12-months survival rate increased to 90% (86%)
- Earnings driven by increased harvest volume, offset by a challenging market with low prices
- Three sites ASC certified during the quarter
- Expect harvest of 6 000 tonnes in Q3 2020, with stable cost /kg in Q3 and gradual cost improvements longer term
- Harvest estimate increased to 22 000 tonnes (20 000) in 2020 due to stable biology and increased survival

NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Revenues	489.0	280.2	669.3	379.7	861.4
EBITDA	14.4	13.7	81.0	53.2	145.9
EBIT	-12.1	-3.5	27.8	19.2	73.3
Harvest volume (tonnes GWT)	9 332	4 587	11 876	6 149	14 120
EBIT/ kg (NOK)	-1.30	-0.77	2.34	3.12	5.19

GSF Newfoundland

- Transaction finalized on 15 April 2020
 - NOK 620 million in payment financed with NOK 600 million bridge loan. Bridge loan settled 30 June 2020
 - NOK 250 million private placement, 1 785 042 new shares
- 11 licenses for potential annual capacity of 30-45 000 tonnes
 - Three licenses already approved, five approved but awaiting registration/site hold, the rest are in different stages of application
 - First harvest planned for 2022/2023
 - Expect to reach annual harvest of 15 000 tonnes by 2025
- Total remaining capex of CAD 60 million for the phase 1 construction of RAS facility, to be completed in 2021
 - First batch of eggs delivered in July, according to plan
 - Smolt production to start in Q3 2020 and first smolt expected released to sea in Q2/Q3 2021



FINANCIAL REVIEW

Q2 2020



Profit & loss

- Total revenues down 8% due to lower spot prices and downgrades. Partly offset by higher volume
- Cost increase from to Q2 2019, mainly driven by currency
- Development in depreciation and amortization vs. Q2 2019 and YTD 2019 impacted by growth investments
- Net financial items down NOK 67 million primarily due to foreign exchange and higher cross-boarder intergroup financing in the Group after the acquisition of Grieg Newfoundland in Q2 2020.
- Bond issue late June 2020 will impact net financial items going forward.

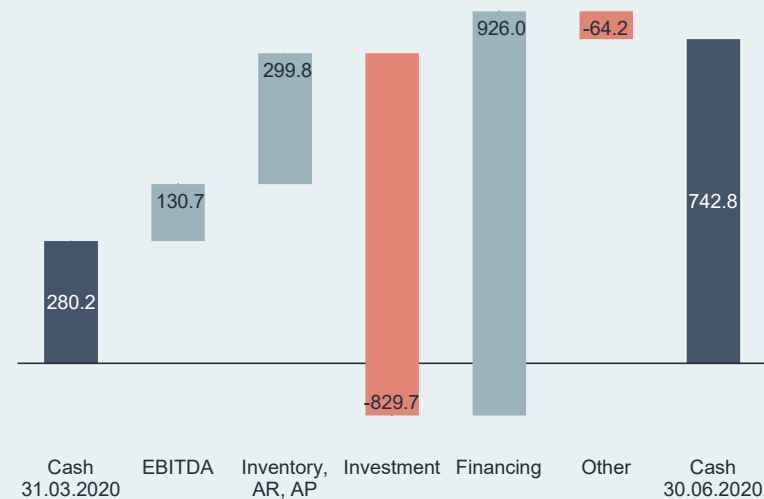
Profit & loss from continued operations* (NOK 1 000)	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019
Total revenues	1 415 009	1 539 439	2 727 922	2 605 001
EBITDA**	130 722	401 523	487 230	757 686
Depreciation and amortization	-127 945	-99 420	-248 306	-190 521
EBIT**	2 777	302 103	238 924	567 165
Fair value adjustments	42 285	-86 510	-736 477	-35 151
EBIT after fair value	45 062	215 593	-497 553	532 014
Net financial items	-103 765	-36 861	-144 447	-27 034
Profit before tax	-58 703	178 732	-642 001	504 980
Estimated taxation	4 867	-38 754	137 581	-113 396
Net profit for the period from continued operations	-53 837	139 979	-504 419	391 584

*Q2 2020: The Group classifies a disposal group as held for sale. Comparable figures for Q2 2020 and YTD 2020 have been re-presented.

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

Cash flow

- Net cash flow from operations NOK 362 million
 - Working capital release of NOK 300 million from a combination of reduced biomass at sea due to harvest since Q1 2020, as well as a net reduction in accounts receivables/-payables
- Net cash flow from investment activities NOK -830 million
 - First payment of the acquisition of Grieg Newfoundland settled in Q2 2020 with NOK 620 million
 - Investments in property, plant and equipment, NOK 210 million whereas NOK 117 million related to construction of GSF' facilities in Newfoundland since acquisition date
- Net cash flow from financing NOK 926 million
 - Proceeds from issuance of bond loan, NOK 1 000 million



Investments

- Capex Q2 2020 of NOK 242 million whereas NOK 33 million financed with lease agreements with credit institutions
- Expected capex for Newfoundland RAS facility Phase 1 CAD 60 million. Distribution between 2020-2021 depending on Covid-19 adoptions
- Maintain FY 2020 locations and maintenance, flexibility to postpone up to NOK 300 million

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

Solid financial position

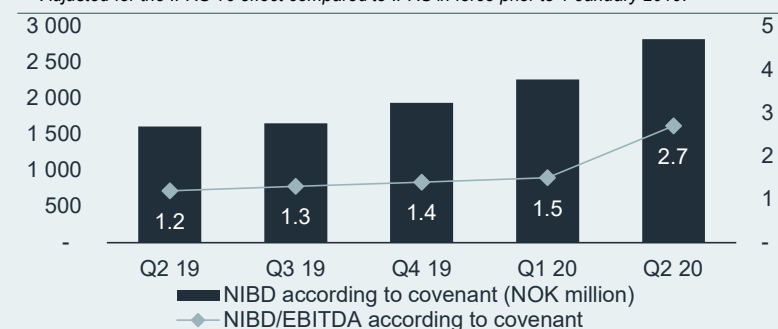
- Equity ratio was 43% at the end of Q2 2020
- Issued unsecured Green bond of NOK 1.0 bn at favorable terms
- NIBD at the end of Q2 2020 was NOK 3 336 million.
 - NIBD/EBITDA according to covenant of 2.7, well within 4.5 debt covenant
- Cash and cash equivalents were NOK 755.2 million including Bremnes quote of cash in OQ AS at NOK 11.7 million
 - Difference between NOK 755.2 million and the NOK 742.8 million presented in the balance sheet is due to cash associated with discontinued operations
- Revolving credit and overdraft facility of NOK 1 600 million, of which NOK 575 million undrawn
- The acquisition financing of Grieg Newfoundland of NOK 600 million, drawn in Q1 2020, settled in full in Q2 2020

NIBD (NOK 1 000)*	Q2 2020	Q2 2019
Bond loan	1 000 000	-
Term loan and revolving credit	2 119 951	1 440 277
Leasing liabilities**	882 956	788 483
Other interest-bearing liabilities	88 366	513 722
Cash and loans to associates	-755 196	-222 761
NIBD	3 336 077	2 519 722
Factoring liabilities	-88 366	-513 722
Quote share of cash OQ AS (40%)	11 668	11 721
Lease liabilities (IFRS 16-effect)***	-435 465	-404 762
Sum adjustments to covenant	-512 163	-906 763
NIBD according to covenant	2 823 914	1 612 959

*NIBD is calculated based on the Group's loan covenants, and as such these figures are not adjusted for IFRS 5 discontinued operations.

**Leasing liabilities include all leasing in line with IFRS.

***Adjusted for the IFRS 16 effect compared to IFRS in force prior to 1 January 2019.



Safeguarding liquidity and financial position

1. Issued unsecured Green Bond of NOK 1 billion
2. Dividends postponed
3. Identified NOK 300 million in growth investments that can be postponed without material impact on long-term growth strategy
4. Continuously evaluating operational cost-saving measures



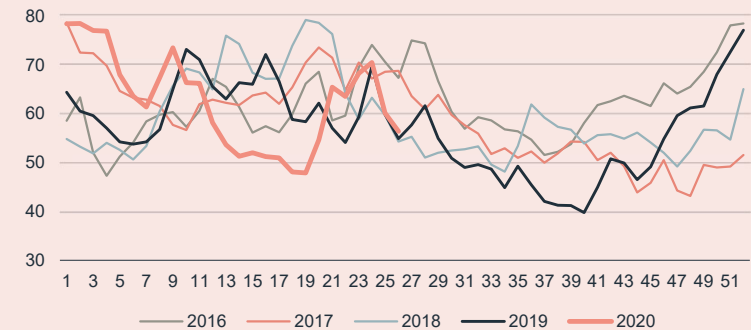
OUTLOOK & CONCLUDING REMARKS Q2 2020



See reduced growth in 2021

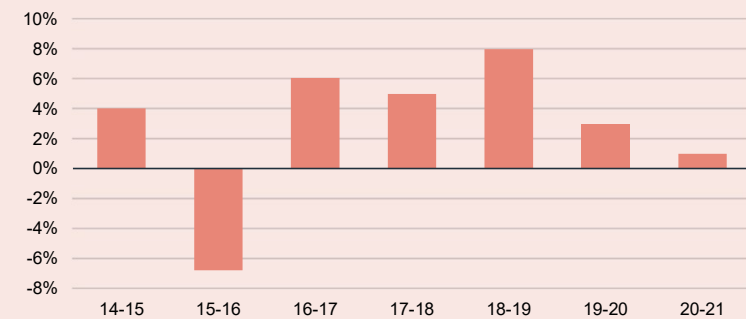
- Expects global growth of 2-3% in 2020 and 1% in 2021
- Norway
 - 2019: +6%
 - 2020: +3% (1 368 800 tonnes WFE)
 - 2021: +3% (1 412 500 tonnes WFE)
- Chile
 - 2019: +5%
 - 2020: +5% (724 100 tonnes WFE)
 - 2021: -7% (672 400 tonnes WFE)
- North America
 - 2019: -4%
 - 2020: +2% (161 300 tonnes WFE)
 - 2021: +2% (165 000 tonnes WFE)
- UK
 - 2019: +20%
 - 2020: +0% (184 100 tonnes WFE)
 - 2021: +2% (188 100 tonnes WFE)

PRICE DEVELOPMENT FOR FRESH NORWEGIAN SALMON
NASDAQ SALMON INDEX 2016 – 2020 (NOK/KG)



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

GLOBAL SUPPLY GROWTH FARMED SALMON (Y-O-Y)



Source: Kontali Analyse AS

GSF harvest estimates

- Expected harvest of 21 400 tonnes in Q3 2020
- FY 2020 volume of 95 000 tonnes, down 5 000 tonnes
 - Finnmark down 5 000
 - BC up 2 000
 - Shetland down 2 000

Guiding (1 000 tonnes GWT)	Rogaland	Finnmark	Shetland	BC	GSF group
Q1 2020	6.9	6.8	2.1	2.5	18.4
Q2 2020	4.5	6.3	3.8	9.3	23.9
Q3 2020	5.3	4.5	5.6	6.0	21.4
Q4 2020	8.2	15.4	3.6	4.1	31.3
Total 2020	25.0	33.0	15.0	22.0	95.0
<i>Growth y-o-y</i>	-1%	2%	33%	56%	14%

Key priorities going forward

Growth

“Reach harvest volume above 150 000 tonnes by 2025”

- Newfoundland progress and integration
- Post-smolt
- Site utilization
- New licenses

Cost

“Drive competitiveness in each region”

- Increase survival
- Increase quality to improve price achievement
- Utilize new technologies
- Integrated organization

Value chain repositioning

“Evolve from supplier to innovation partner”

- Sales and marketing organization
- Increase market share in retail



Sustainability

Concluding remarks

- Financial performance impacted by biological challenges in Finnmark, but overall good performance in the other regions
- Market prices impacted by Covid-19 and continued uncertainty on demand short term. No material impact on operations
- Increased contract share for Norwegian operations in H2 2020. Prices well above current spot
- See FY 2020 harvest volume of 95 000 tonnes
- Operational efficiency and biosecurity top priorities short term





UPCOMING FINANCIAL RESULTS

Q3 2020, 4 NOVEMBER 2020

APPENDIX

Q2 2020



Share information

Number of shares

- 113 447 042 shares incl. treasury shares
- Contribution in kind, related to the Grieg Newfoundland-acquisition, during Q2 2020 increased the numbers of shares with 1 785 042 shares, up from 111 662 000 shares at quarter-end Q1 2020.

Last issues

- Q2 2009, NOK 139 million in new shares issued

Subordinated convertible bond issued in Q1 2009

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

Share savings program for the employees

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

EPS

- -0.48 NOK/share Q2 2020 (continued operations)
- 1.27 NOK/share Q2 2019 (continued operations)
- -4.54 NOK/share YTD 2020 (continued operations)

Share price

- NOK 98.50 at quarter-end Q2 2020
- NOK 118.3 at quarter-end Q2 2019
- NOK 140.30 at year-end 2019

Shareholder structure

- Largest 20 holds 76.09% of total number of shares

THE 20 LARGEST SHAREHOLDERS IN GRIEG SEAFOOD ASA AT 30.06.2020	NO. OF SHARES	SHARE-HOLDING
Grieg Aqua AS	56 914 355	50.17 %
Folketrygdfondet	5 803 614	5.12 %
OM Holding AS	4 235 656	3.73 %
Ystholmen Felles AS	2 928 197	2.58 %
Clearstream Banking S.A.	2 025 143	1.79%
State Street Bank and Trust Comp	1 608 136	1.42%
Verdipapirfondet Pareto Investment	1 384 000	1.22%
State Street Bank and Trust Comp	1 257 786	1.11%
State Street Bank and Trust Comp	1 232 123	1.09%
Grieg Seafood ASA	1 213 687	1.07%
Verdipapirfondet Alfred Berg Gamba	1 088 479	0.96%
JPMorgan Chase Bank, N.A., London	915 596	0.81%
Morgan Stanley & Co. Int. Plc.	820 101	0.72%
UBS Switzerland AG	815 974	0.72%
Ronja Capital AS	783 929	0.69%
JPMorgan Chase Bank, N.A., London	721 988	0.64%
Pictet & Cie (Europe) S.A.	688 763	0.61%
Six Sis AG	641 237	0.57%
Banque Degroof Petercam Lux. SA	634 287	0.56%
Arctic Funds PLC	605 424	0.53%
Total 20 largest shareholders	86 318 475	76.09%
Total others	27 128 567	23.91%
Total number of shares	113 447 042	100.00%

Profit & loss

NOK 1 000	Q2 2020	Q2 2019	YTD 2020	YTD 2019
Continuing operations				
Sales revenues	1 415 009	1 539 439	2 727 922	2 605 001
Other income	19 681	13 406	34 243	14 996
Share of profit from associates	-1 037	-2 307	-435	-1 885
Raw materials and consumables used	-691 350	-578 737	-1 038 237	-793 106
Salaries and personnel expenses	-127 787	-131 381	-283 352	-274 334
Other operating expenses	-483 794	-438 897	-952 911	-792 986
EBITDA before fair value adjustment of biological assets	130 722	401 523	487 230	757 686
Depreciation property, plant and equipment	-126 445	-98 017	-245 160	-187 730
Amortization licenses and other intangible assets	-1 500	-1 403	-3 146	-2 791
EBIT before fair value adjustment of biological assets	2 777	302 103	238 924	567 165
Fair value adjustment of biological assets	42 285	-86 510	-736 477	-35 151
EBIT after fair value adjustment of biological assets	45 062	215 593	-497 553	532 014
Net financial items	-103 765	-36 861	-144 447	-27 034
Profit before tax from continuing operations	-58 703	178 732	-642 001	504 980
Estimated taxation	4 867	-38 754	137 581	-113 396
Net profit for the period from continuing operations	-53 837	139 979	-504 419	391 584
Discontinued operations				
Net profit for the period from discontinued operations	4 304	7 292	9 910	11 260
Net profit for the period	-49 533	147 272	-494 509	402 845
Allocated to				
Controlling interests	-53 837	139 979	-504 419	391 585
Non-controlling interests	4 304	7 292	9 910	11 260
<i>The Income Statement is prepared for the Group's continuing operations. Comparable figures are re-presented.</i>				

Comprehensive income

NOK 1 000	Q2 2020	Q2 2019	YTD 2020	YTD 2019
Net profit for the period	-49 533	147 272	-494 509	402 845
<i>Net other comprehensive income to be reclassified to profit/loss in subsequent periods</i>				
Currency effect on investment in subsidiaries	-53 183	2 497	34 700	12 717
Currency effect on loans to subsidiaries	-46 357	-14 339	25 198	-7 342
Cash flow hedges	50 714	-551	311	1 531
Tax effect	-959	3 276	-5 624	1 278
<i>Net other comprehensive income not to be reclassified to profit/loss in subsequent periods</i>				
Change in fair value of equity instruments	-	-	-433	-
Other comprehensive income for the period, net of tax	-49 785	-9 117	54 152	8 185
Total comprehensive income for the period	-99 317	138 155	-440 357	411 030
<i>Allocated to</i>				
Controlling interests	-120 453	130 645	-450 669	398 901
Non-controlling interests	21 136	7 510	10 312	12 129

Financial position - assets

NOK 1 000	30.06.2020	30.06.2019	31.12.2019
Goodwill	670 604	108 793	109 526
Licenses incl. warranty licenses	1 621 216	1 118 869	1 133 630
Other intangible assets incl. exclusivity agreement	51 175	20 380	16 205
Deferred tax assets	56 427	1 718	998
Property, plant and equipment incl. right-of-use assets	3 822 396	2 775 344	2 957 942
Investments in associates	80 635	36 487	81 071
Other non-current receivables	2 908	45 408	3 130
Total non-current assets	6 305 361	4 107 000	4 302 503
Inventories	164 793	150 337	177 847
Biological assets	2 698 200	3 223 858	3 437 948
Trade receivables	350 898	889 346	459 897
Other current receivables	251 952	183 953	334 625
Derivatives and other financial instruments	42 759	29 812	7 368
Cash and cash equivalents	742 805	178 709	214 497
Total current assets	4 251 407	4 656 014	4 632 181
Assets held for sale	203 483	-	-
Total assets	10 760 251	8 763 015	8 934 684

Financial position - equity and liabilities

NOK 1 000	30.06.2020	30.06.2019	31.12.2019
EQUITY AND LIABILITIES			
Share capital	453 788	446 648	446 648
Treasury shares	-4 855	-4 914	-4 855
Contingent consideration (acquisition of Grieg Newfoundland AS)	701 535	-	-
Retained earnings and other equity	3 377 750	3 570 353	3 642 417
Total controlling interests	4 528 218	4 012 087	4 084 211
Non-controlling interests	49 286	41 323	56 632
Total equity	4 577 504	4 053 410	4 140 843
Deferred tax liabilities	942 280	993 249	874 664
Cash-settled share options	-	12 768	8 379
Borrowings	2 996 740	1 323 855	1 563 935
Subordinated loans	12 521	13 002	13 240
Lease liabilities	674 728	607 502	632 666
Total non-current liabilities	4 626 269	2 950 376	3 092 883
Current portion of borrowings	100 298	106 861	98 212
Current portion of lease liabilities	208 228	180 981	199 327
Factoring liabilities	88 366	513 722	86 122
Trade payables	595 683	645 297	855 061
Tax payable	182 394	107 552	211 569
Derivatives and other financial instruments	24 597	2 279	9 321
Other current liabilities	202 332	202 537	241 346
Total current liabilities	1 401 897	1 759 229	1 700 958
Liabilities directly associated with the assets held for sale	154 580	-	-
Total liabilities	6 182 747	4 709 604	4 793 840
Total equity and liabilities	10 760 251	8 763 015	8 934 684

Cash flow

NOK 1 000	Q2 2020	Q2 2019	YTD 2020	YTD 2019
EBIT after fair value adjustment of biological assets	45 062	215 593	-497 553	532 014
Depreciation and amortization	127 945	104 417	248 306	201 009
Gain/loss on sale of property, plant and equipment	48	208	-103	240
Share of profit from associates	1 037	2 307	435	1 885
Fair value adjustment of biological assets	-42 285	86 510	736 477	35 151
Change inventory excl. fair value, trade payables and rec.	299 837	46 427	-160 126	-232 195
Other adjustments	-65 925	-27 371	85 882	15 218
Taxes paid	-3 561	-484	-20 564	-24 307
Net cash flow from operating activities	362 158	427 606	392 753	529 016
Proceeds from sale of fixed assets	479	433	714	595
Payments on purchase of property, plant and equipment	-208 888	-81 556	-310 546	-150 588
Payments on purchase of intangible assets incl. licenses	-835	-1 946	-58 872	-3 530
Payments on business combinations	-620 464	-	-620 464	-
Investment in associated companies	10	-15 597	20	-15 597
Net cash flow from investing activities	-829 698	-98 666	-989 149	-169 120
Proceeds of long-term int. bearing debt	1 058 560	100 000	1 440 052	380 000
Proceeds of short-term int. bearing debt	-	48 805	600 000	48 805
Repayment long-term int. bearing debt	-30 000	-321 225	-79 173	-389 173
Repayment of short-term int. bearing debt (acquisition financing)	-600 000	-	-600 000	-
Restricted cash acquisition financing	600 000	-	-	-
Repayment lease liabilities	-62 549	-51 799	-122 697	-95 125
Change in factoring liabilities	35 526	81 269	817	19 155
Paid dividend	-	-220 867	-	-220 867
Paid dividend to non-controlling interests	-17 342	-20 263	-17 342	-20 263
Dividend to non-controlling interests – non-cash effect	17 342	-	17 342	-
Net interest and other financial items	-75 549	-16 644	-103 088	-28 240
Net cash flow from financing activities	925 989	-400 723	1 135 912	-305 708
Net change in cash and cash equivalents	458 449	-71 783	539 516	54 188
Cash and cash equivalents - opening balance	280 177	312 553	214 497	137 920
Currency translation of cash and cash equivalents	-2 090	755	-2 266	650
Accumulated cash acquired in business combinations	30 628	-	30 628	-
Discontinued operations (Note 5)	-24 358	-62 816	-39 570	-14 049
Cash and cash equivalents - closing balance	742 805	178 709	742 805	178 709

The Cash Flow Statement is presented for the Group's continuing operations. Comparable figures are re-presented. See further information in Note 5.

Our organization

Grieg
Seafood
OCEAN QUALITY
BRITISH COLUMBIA

Grieg
Seafood
NEWFOUNDLAND

OCEAN QUALITY
HOUSTON, TEXAS

Grieg
Seafood
OCEAN QUALITY
SHETLAND

Grieg
Seafood
FINNMARK

Grieg
Seafood
ROGALAND

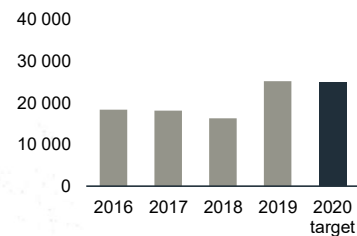
OCEAN QUALITY
BERGEN
HEADQUARTER

OCEAN QUALITY
BEIJING

OCEAN QUALITY
SHANGHAI

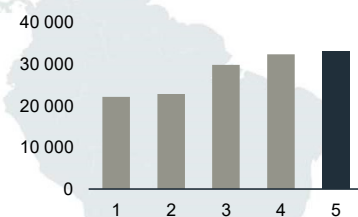
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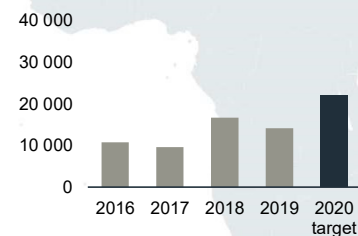
Finnmark

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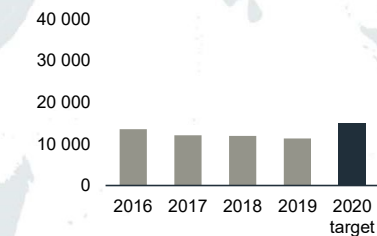
British Columbia

Tonnes



Shetland

Tonnes



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

		2017	2018	2019
Harvest volume	95 000 tonnes in 2020	62 598 tonnes	74 623 tonnes	82 973 tonnes
Cost	At or below industry average	NOK 43.4/kg	NOK 43.1/kg	NOK 43.5/kg
Financial	NIBD* /EBITDA < 4.5 Equity ratio > 35%	1.2 47%	1.3 47%	1.4 46%
Profitability	Return on Capital Employed of 12%	24%	22%	19%
Capital structure	NIBD* /harvest volume: NOK 20/kg	NOK 20.2/kg	NOK 22.3/kg	NOK 23.0/kg
Dividend	30%-40% of the Group's net profit after tax adjusted for fair value appraisals	DPS NOK 4.00 Pay-out ratio***: 56%	DPS NOK 4.00 Pay-out ratio***: 68%	DPS NOK 4.00 Pay-out ratio***: 57%

* NIBD according to bank covenants

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