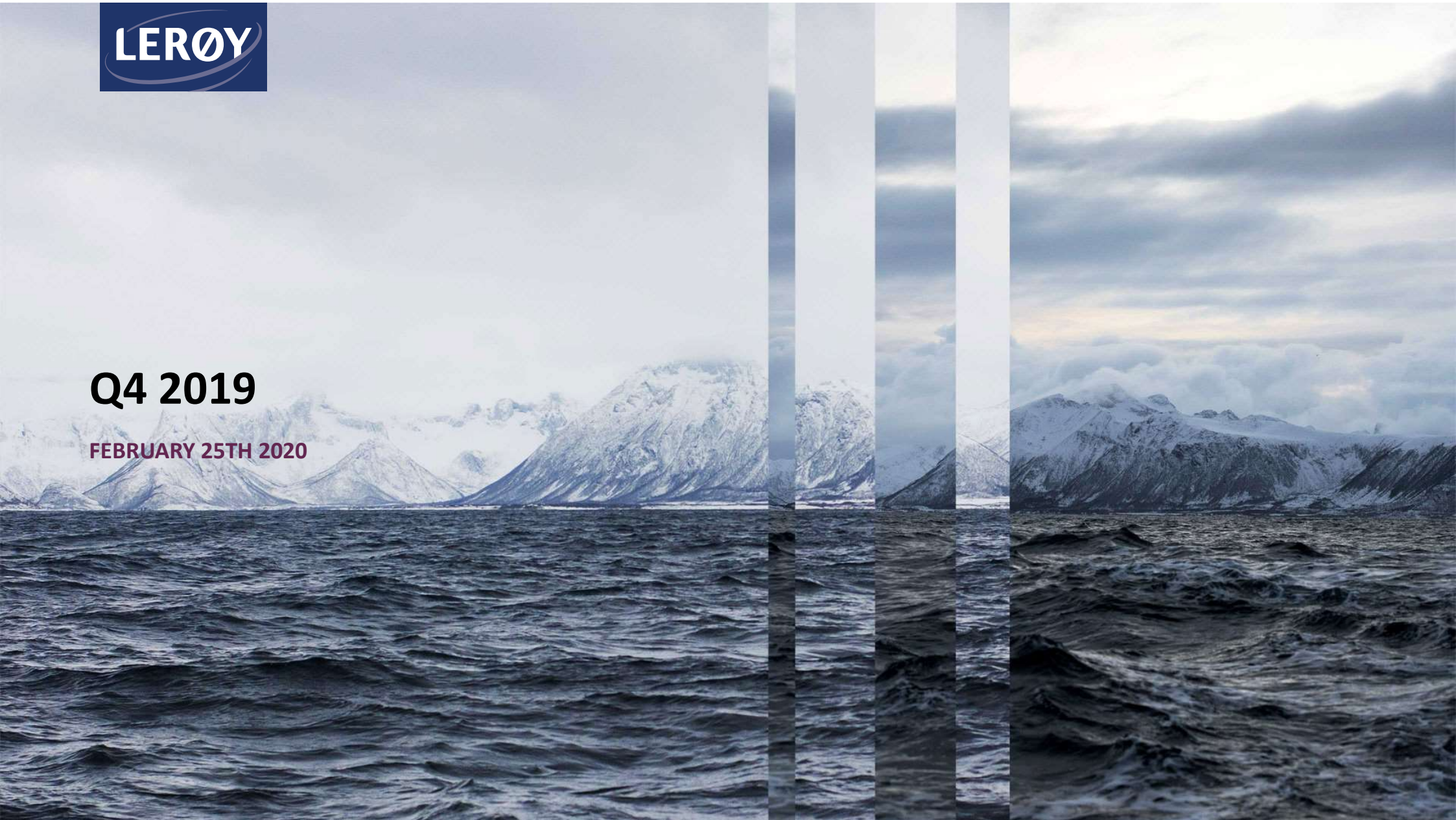




Q4 2019

FEBRUARY 25TH 2020



1. Highlights
2. Key Financial Figures
3. Outlook

Agenda

Highlights



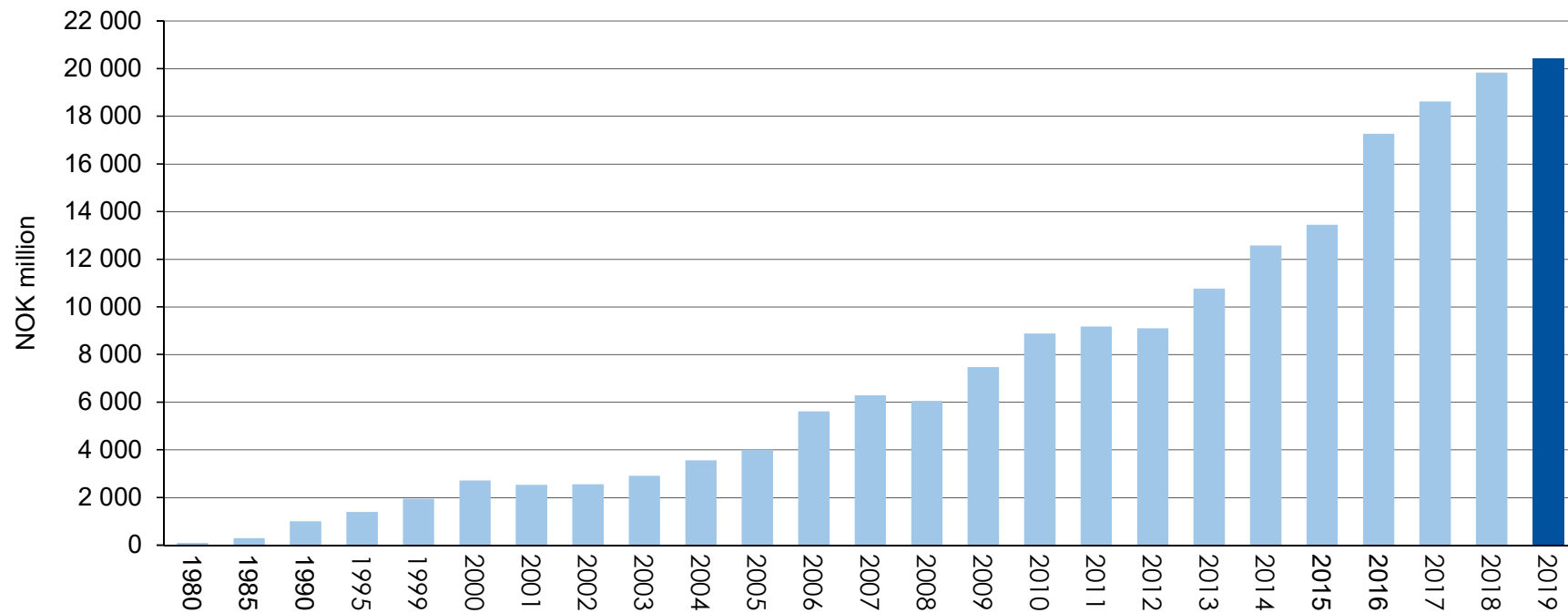
Q4 2019

- EBIT before FV adj. NOK 769 million
- Harvest volume 42 823 GWT
- Catch volume 12 949 tons
- EBIT/kg all incl. (excl. Wild Catch) of NOK 17.0
- Contract share for salmon of 38%
- NIBD NOK 2 641 million
- Harvest guidance 2020 of 170-175.000 GWT, and 183-188.000 GWT including associates





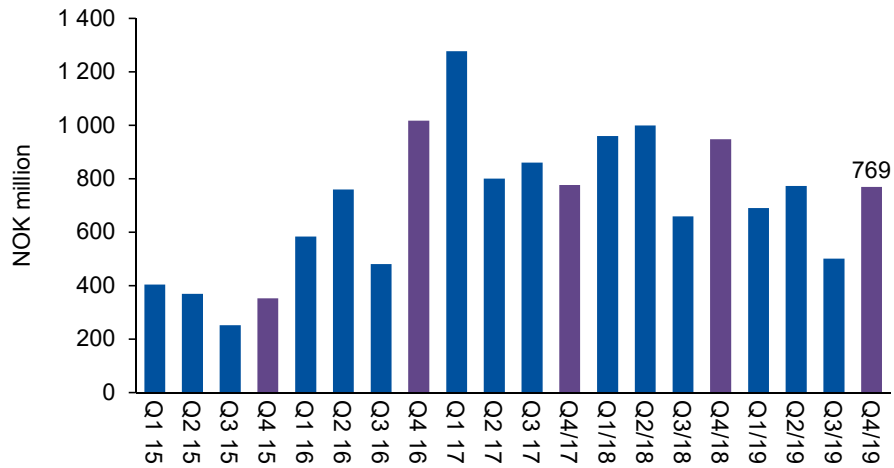
Turnover Lerøy Seafood Group



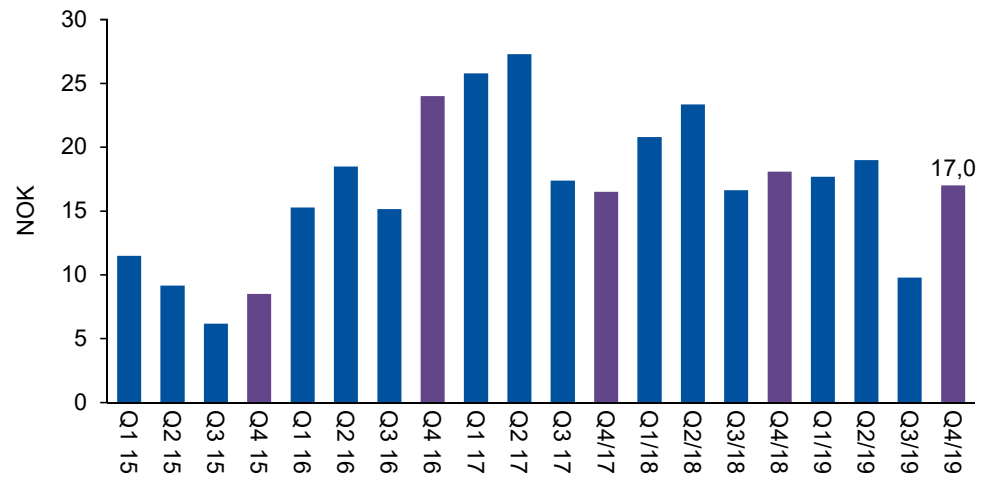


Quarterly historic figures

EBIT*



EBIT/kg**, all inclusive



*before biomass adjustment

**before biomass adjustment excl. EBIT contribution from Wild Catch



Lerøy Seafood Group ASA

Farming

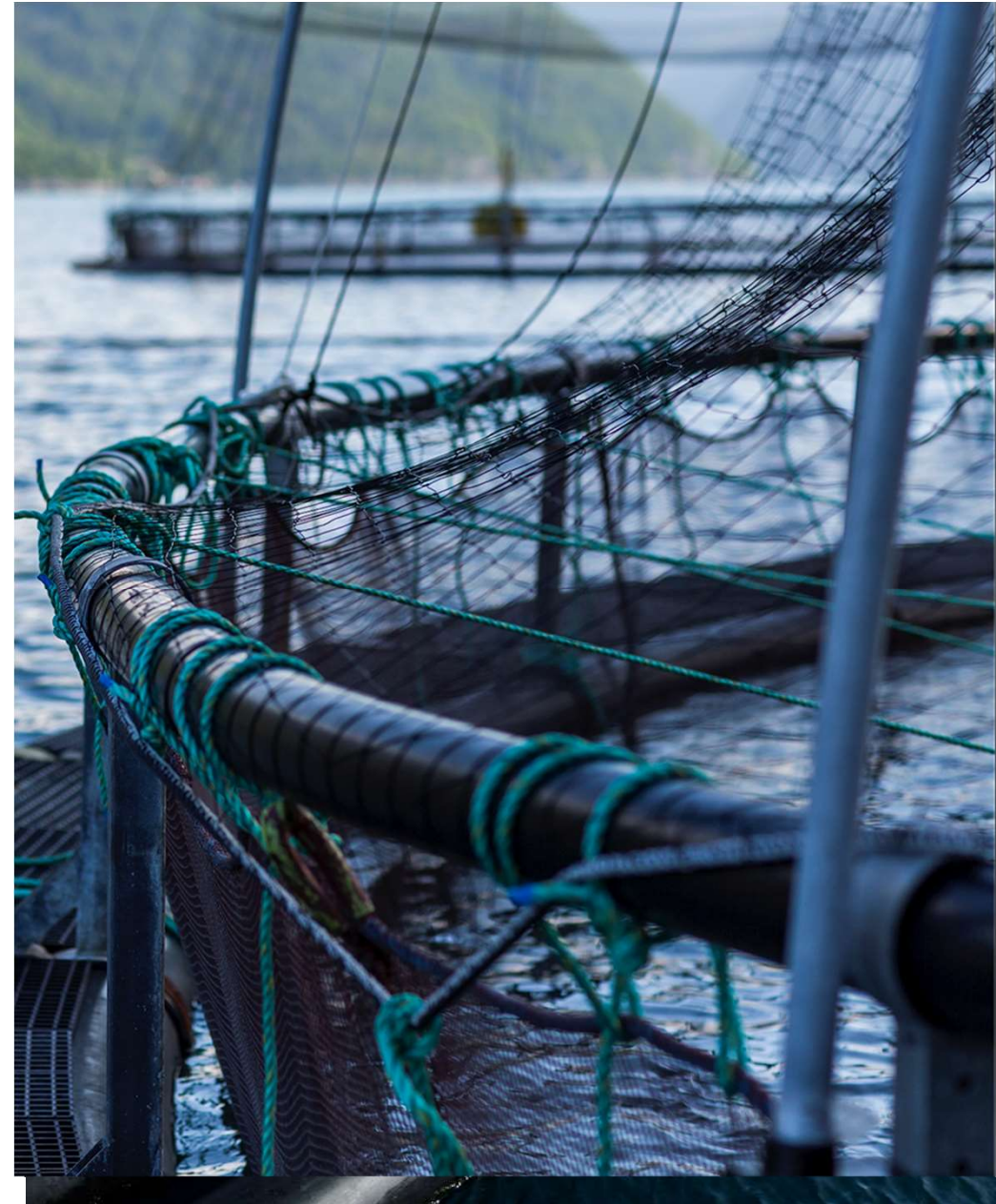
Wild catch

VAP, Sales and Distribution



Q4 2019: Farming Highlights

- Increase in spot prices
 - NSI Q4/19 NOK 56.1 vs NOK 55.4 in Q4/18 (+1%)
 - Up NOK 7.6/kg q-o-q, and up NOK 0.7/kg y-o-y
- Trout price achievement well below salmon, but significant y-o-y improvement in quality
- Contract prices higher than spot prices
- Cost (RFS) down from Q3/19
- Biomass at sea
 - End Q4/19 at 111,263 LWT vs 110,105 LWT end Q4/18 (+1%)





Farming volumes

	2014 GWT	2015 GWT	2016 GWT	2017 GWT	2018 GWT	2019 GWT	2020E GWT
Lerøy Aurora AS*	26 800	29 200	30 000	39 200	36 800	32 800	~39 000
Lerøy Midt AS	68 300	71 400	52 200	64 500	66 500	64 800	~67 000
Lerøy Sjøtroll	63 200	57 100	68 000	54 000	58 800	60 600	~66 000
Total Norway	158 300	157 700	150 200	157 800	162 000	158 200	~172 000
Villa Organic AS**	6 000						
Norskott Havbruk (UK)***	13 800	13 500	14 000	15 500	13 700	12 900	~13 000
Total	178 100	171 200	164 200	173 300	175 800	171 100	~185 000

*) Included harvested volume from Villa Organic after split July 2014

**) LSG's share of Villa Organic's volume in H1 2014, not consolidated

***) LSG's share, not consolidated



Q4 2019: Wild Catch

- Q4/19 catch volume at 12,949 tons, up 12% y-o-y.
- Average prices up 11%. Y-o-y prices for cod up 10%, haddock 14% and saithe up 10%.
- As it takes time to adjust prices to end-market, increase in raw material prices is a challenge within processing





Remaining quotas Lerøy Havfisk/Wild Catch

	Catch volume Q4/19	Catch volume Q4/18	Catch volume 2019	Catch volume 2018	Quota 2020
Cod	7 215	6 534	22 516	24 339	22 842
Haddock	1 907	961	8 696	8 956	8 861
Saithe	1 595	2567	11 527	15 559	15 586*
Shrimps	0	152	9 917	7 459	
Other	2 232	1 301	9 841	9 943	
Total	12 949	11 515	62 497	66 255	

*This includes Saithe quota North and quota North Sea. Catches on quota North Sea typically dependent on prioritising vs. other fisheries



Q 2019: VAP, Sales and Distribution

- Position as full fledged integrated seafood supplier has been enhanced significantly over the previous year
- Positive development with key strategic customers
- EBIT in Q4/19 of NOK 162m compared to NOK 134m in Q4/18



Key Financial figures



Key financial figures – Q4 2019

<i>(NOKm)**</i>	Q4 2019	Q4 2018	▲%
Revenue	5 239	5 340	-2 %
Other gains and losses	17	7	
EBITDA	1 031	1 134	-9 %
Depreciation & amortisation	262	185	
EBIT*	769	948	-19 %
Income from associates*	39	61	
Net finance	-56	-41	
Pre-tax profit*	752	968	-22 %
EPS (NOK)*	0,94	1,41	-33 %
Harvested Volume (GWT)	42 823	49 414	-13 %
EBIT* all incl. excl. Wildcatch	17,0	18,1	-6%
ROCE* (%)	16,8 %	22,1 %	-24 %

* Before biomass adjustment

** IFRS 16 implemented, for detailed effects please see quarterly report



Key financial figures – 2019

<i>(NOKm)**</i>	2019	2018	▲%
Revenue	20 427	19 838	3 %
Other gains and losses	27	42	
EBITDA	3 746	4 228	-11 %
Depreciation & amortisation	1 012	660	
EBIT*	2 734	3 569	-23 %
Income from associates*	198	290	
Net finance	-215	-161	
Pre-tax profit*	2 718	3 697	-26 %
EPS (NOK)*	3,48	4,90	-29 %
Harvested Volume (GWT)	158 178	162 039	-2 %
EBIT* all incl. excl. Wildcatch	15,5	19,6	-21 %
ROCE* (%)	15,5 %	22,3 %	-31 %

* Before biomass adjustment

** IFRS 16 implemented, for detailed effects please see quarterly report



Balance sheet

<i>(NOKm)*</i>	31.12.2019	31.12.2018	▲%
Intangible assets	8 154	8 180	
Right-of-use-assets	2 378		
Tangible fixed assets	6 230	6 607	
Financial non-current assets	1 035	1 091	
<i>Total non-current assets</i>	17 797	15 878	12 %
Biological assets at cost	4 080	4 017	2 %
Fair value adjustment of biomass	1 495	1 548	
Other inventory	1 031	1 315	-22 %
Receivables	2 755	2 579	7 %
Cash and cash equivalents	3 031	3 036	
<i>Total current assets</i>	12 393	12 495	-1 %
Total assets	30 189	28 373	6 %
Equity	17 763	17 134	
Equity ratio	58,8 %	60,4 %	
NIBD	2 641	2 546	

* IFRS 16 implemented, for detailed effects please see quarterly report



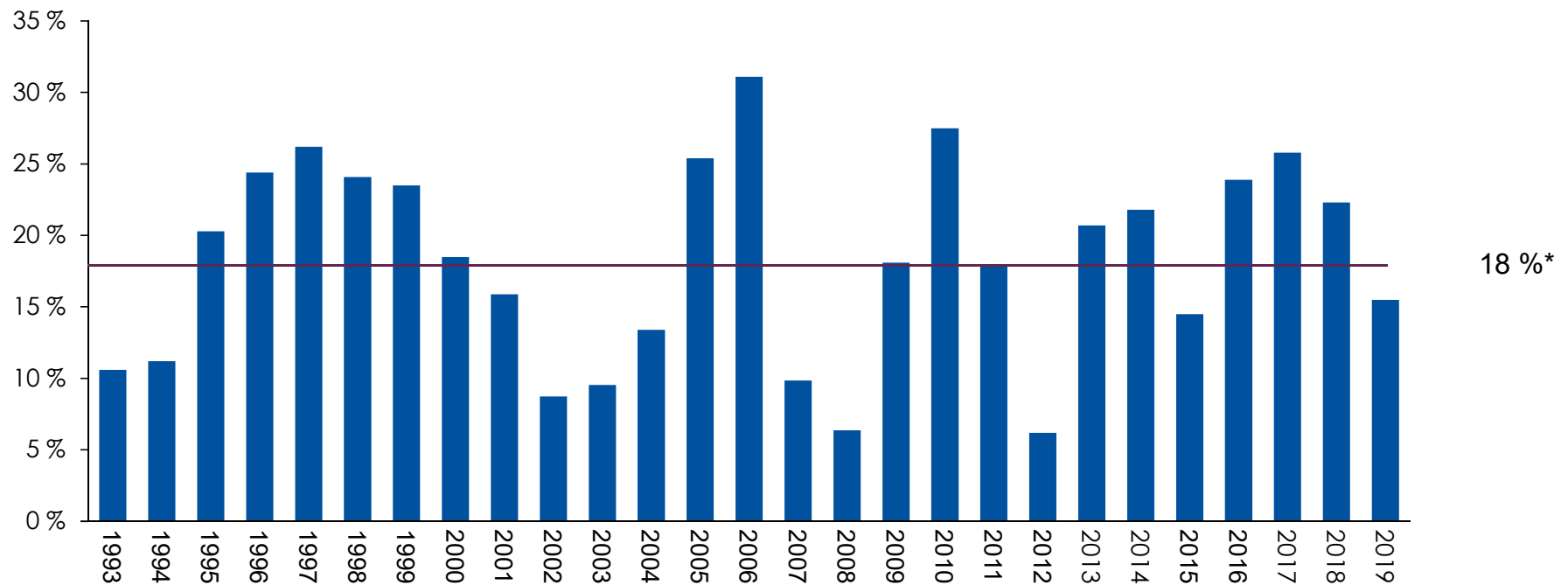
Change in NIBD

	Q4 2019	Q4 2018	YTD 2019	YTD 2018	FY 2018
EBITDA before fair value adjustment on biological assets	1 031	1 134	3 746	4 228	4 228
Paid tax	-9	-33	-691	-851	-851
Change in working capital	-378	31	-169	-535	-535
Other	-16	-24	-28	-59	-59
NIBD impact from operating activities	628	1 108	2 859	2 783	2 783
New intangibles, fixed assets and right of use assets (from credit institutions), net	-438	-416	-1 460	-2 066	-2 066
Dividends and interests received	65	13	304	271	271
Business combinations, net change (-)	0	-9	0	-116	-116
Other changes in non-current assets	17	-71	3	-23	-23
NIBD impact from investing activities	-357	-482	-1 153	-1 933	-1 933
Dividends distributed	0	0	-1 272	-950	-950
Installments paid on lease liabilities with other than credit institutions	-50	0	-206	0	0
New equity	0	0	0	2	2
Interests and other financial expenses	-72	-41	-254	-187	-187
NIBD impact from financing activities	-121	-41	-1 732	-1 134	-1 134
Implementation effect from IFRS 16	-2	0	-74	0	0
Other changes (currency conversion, unrealized agio etc)	3	-20	5	0	0
NIBD impact from other changes (incl.currency effects)	1	-20	-69	0	0
Total change in NIBD	150	565	-95	-284	-284
NIBD at beginning	2 792	3 111	2 546	2 262	2 262
Change in NIBD	-150	-565	95	284	284
NIBD at end	2 641	2 546	2 641	2 546	2 546

* See note 4 for details



Return on capital employed

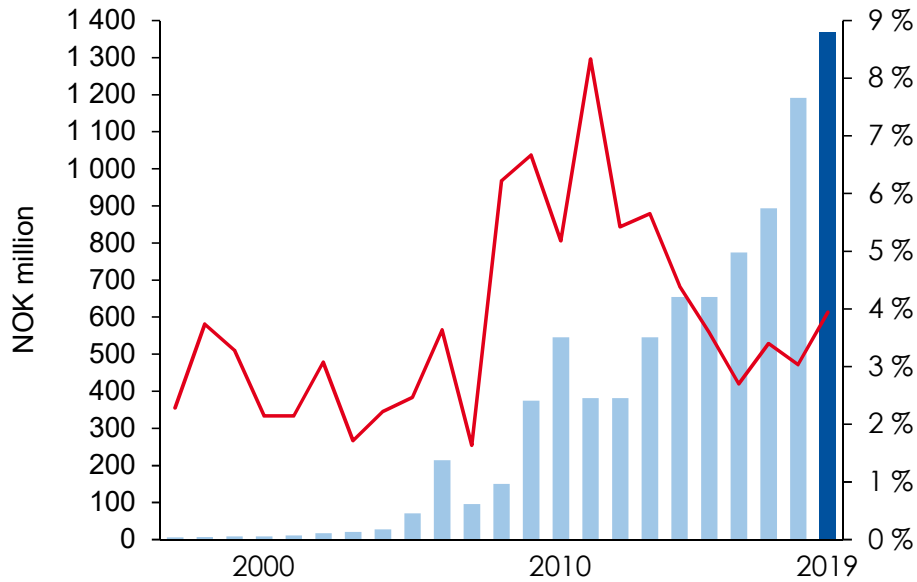


* Target communicated at the listing on Oslo Stock Exchange 03.06.2002

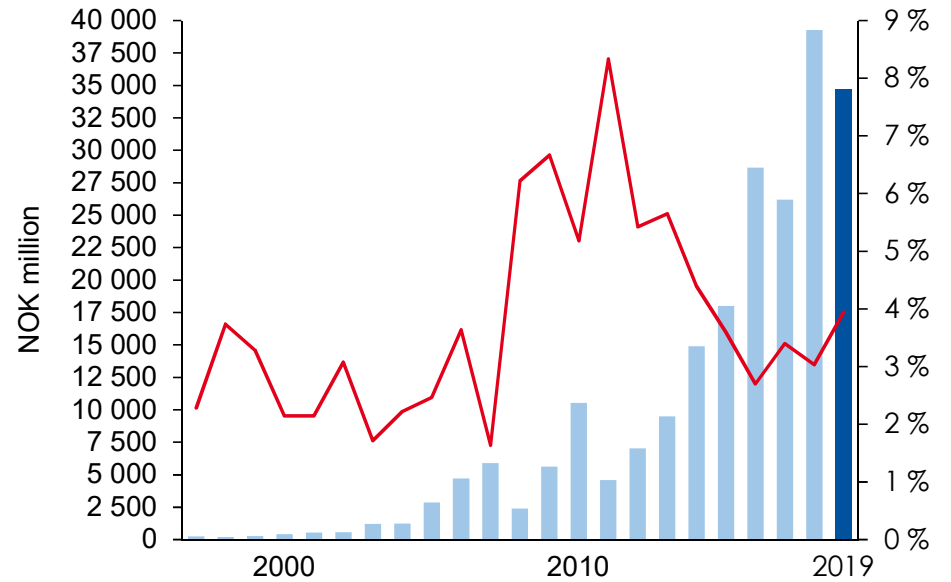


Annual dividend since 1995

Dividend & Dividend yield



Market Cap & Dividend yield

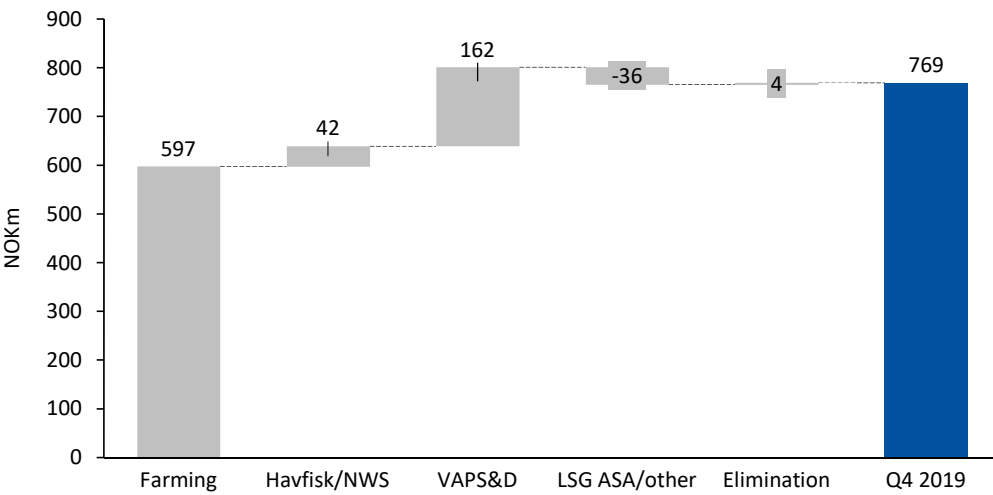


The dividend in the table above is the proposed dividend based on present year's profit, for distribution in the following year.

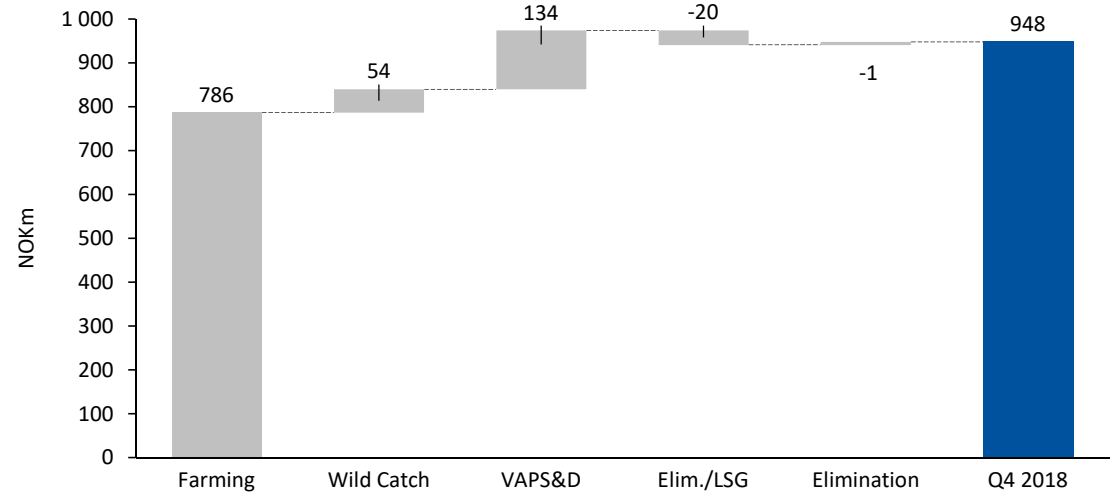


EBIT per segment

EBIT* Q4 2019



EBIT* Q4 2018

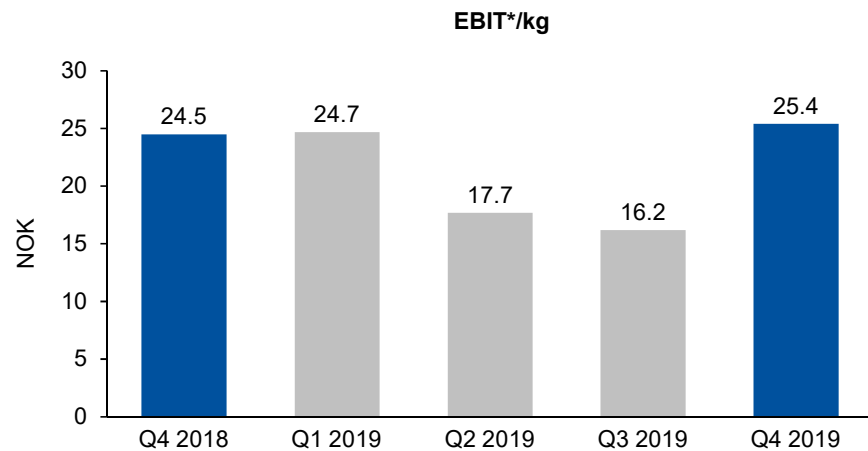


* Before biomass adjustment



Lerøy Aurora

	Q4 2019	Q4 2018	2019	2018
Revenue (NOKm)	862	875	2 134	2 380
EBIT* (NOKm)	340	354	702	989
Harvested volume (GWT)	13 391	14 420	32 758	36 783
EBIT/kg* (NOK)	25.4	24.5	21.4	26.9



* Before biomass adjustment

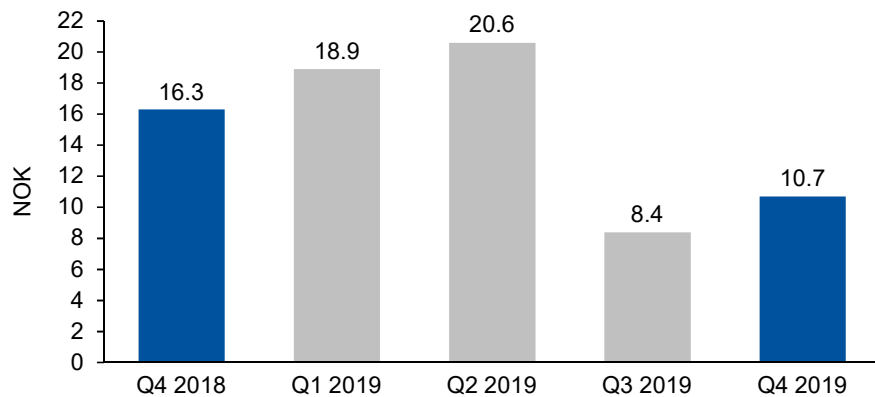
- Development in the quarter as expected and growth back to normal levels. RFS cost down q-o-q.
- Some challenges with winter wounds start 2020, impacting growth at start of 2020, which is expected to give q-o-q increase in cost.
- Smolt development in Laksefjord according to plan, with final step of build-out to finalise in Q4/20.
- Average size of smolt released in 2020 to more than double compare to 2019 and reach about 300 grams, with further growth in average size into 2021. Significant potential for growth beyond 2020.



Lerøy Midt

	Q4 2019	Q4 2018	2019	2018
Revenue (NOKm)	843	1 058	3 797	3 924
EBIT* (NOKm)	155	307	934	1 355
Harvested volume (GWT)	14 481	18 808	64 786	66 501
EBIT/kg* (NOK)	10.7	16.3	14.4	20.4

EBIT*/kg



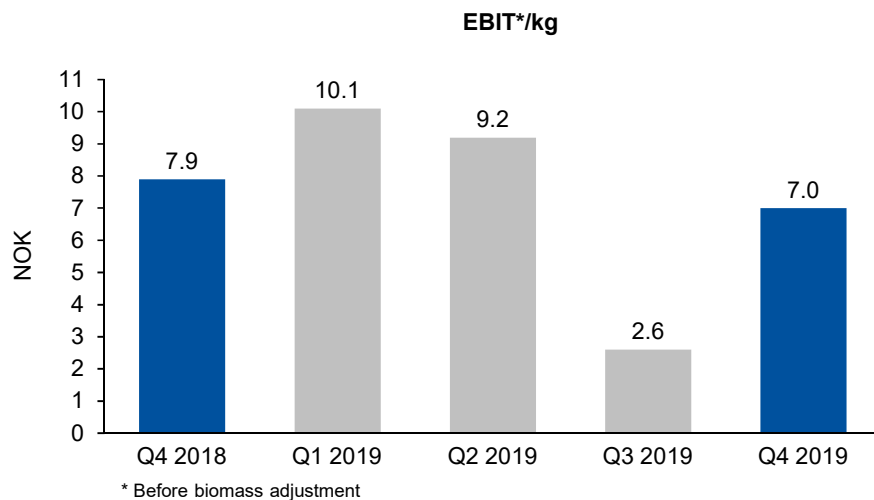
* Before biomass adjustment

- First half of 2019 with strong growth and development, with set-back in second half of 2019 impacting harvest volume and cost both in 2019 and 2020.
- RFS cost up q-o-q. Good growth at start of 2020, and expectations for cost decline in coming quarters.
- Finally started expansion of smolt facility at Belsvik. The facility will have a capacity of about 5000 tonnes annual biomass growth when finalised, giving potential for significant growth from 2022



Lerøy Sjøtroll

	Q4 2019	Q4 2018	2019	2018
Revenue (NOKm)	820	817	3 233	3 222
EBIT* (NOKm)	105	127	425	586
Harvested volume (GWT)	14 952	16 186	60 635	58 755
EBIT/kg* (NOK)	7.0	7.9	7.0	10.0



- RFS cost reduction q-o-q but still at a high level. The challenge of reaching the same smolt yield as other regions remain
- Of harvest volume in the quarter 60% was trout and the Groups price realisation on trout was about NOK 9/kg lower than for salmon. However RFS cost on trout is also lower than for salmon
- Facility finished in Q4 2019, and release of post-smolt expected to commence in March 2020. In 2020 a significant share of release smolt will be 500 grams. Expectation is that this will improve smolt yield, with positive impact on both volume and cost from particularly 2021
- Significant quality improvement for trout this winter compared to last year.



Wild Catch (Havfisk/LNWS)

	Q4 2019	Q4 2018	2019	2018
Revenue (NOKm)	514	588	2 544	2 670
EBITDA (NOKm)	84	90	456	522
EBIT (NOKm)	42	54	293	388
Havfisk, catch volume	Q4 2019	Q4 2018	2019	2018
Cod	7 215	6 534	22 516	24 339
Haddock	1 907	961	8 696	8 956
Saithe	1595	2567	11 527	15 559
Shrimps	0	152	9 917	7 459
Other	2 232	1 301	9 841	9 943
Total	12 949	11 515	62 497	66 255

Havfisk, prices	Q4 2019	Q4 2018	2019	2018
Cod	35.9	32.7	34.5	31.2
Haddock	29.3	25.8	26.7	23.7
Saithe	15.1	13.5	13.7	11.5

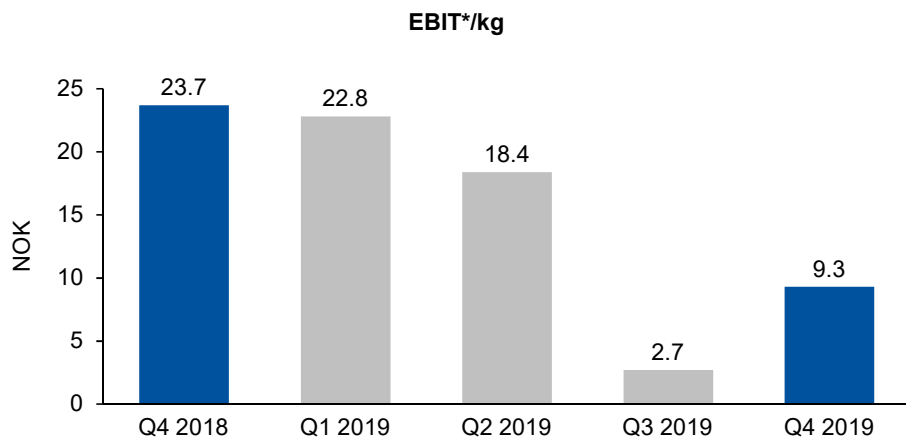
- Overall price realisation on catches up 11% y-o-y with positive development in key species
- High prices remains a challenge for the Norwegian whitefish processing industry, and 2019 has been a very challenging year. The solution will require time, and investments. Lerøy is expecting stability in framework conditions to make necessary steps possible for a turn-around of this industry in Norway



Norskott Havbruk (associate, 50% owned by Lerøy Seafood Group) **

	Q4 2019	Q4 2018	2019	2018
Revenue (NOKm)	392	512	1 834	2057
EBIT* (NOKm)	49	158	292	661
Harvested volume (GWT)	5 317	6 651	25 866	27 464
EBIT/kg* (NOK)	9.3	23.7	11.3	24.1

- Harvest volume and RFS costs in quarter impacted by challenges earlier in the year in the Shetland & Mainland regions
- Cost expected to decline q-o-q into Q1 2020
- New RAS smolt facility delivering its first smolt in the quarter, larger more robust smolts
- Harvest guidance for 2020 at 26,000 GWT, but potential for significant growth into 2021



* Before biomass adjustment
 ** Figures based on 100% basis

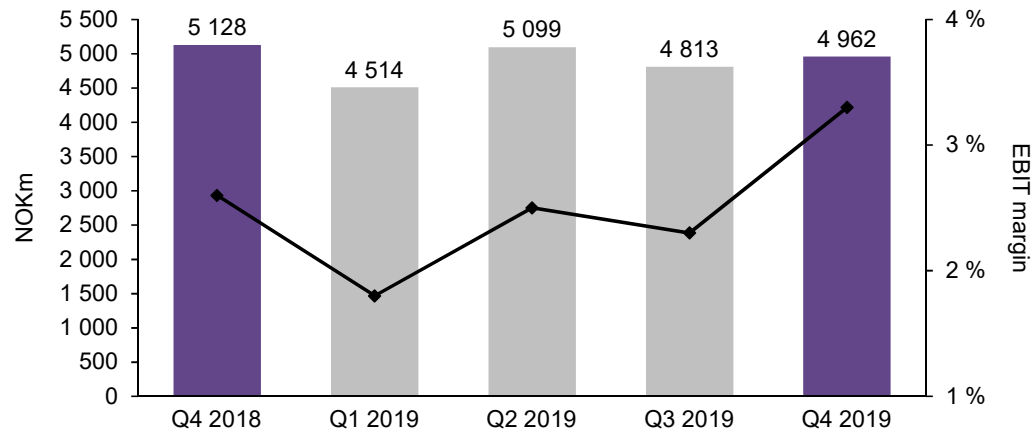


VAPS&D – VAP, Sales and Distribution

	Q4 2019	Q4 2018	2019	2018
Revenue (NOKm)	4 962	5 128	19 388	19 033
EBIT (NOKm)	162	134	480	333
EBIT margin	3.3%	2.6 %	2.5 %	1.7 %

- Position as an integrated seafood supplier continues to strengthen
- Still challenges in some markets, but significant improvement from 2018.
- Positive development expected to continue

Revenue and EBIT margin (line graph)



Outlook



Atlantic Salmon - Supply

in tons WFE

Year	2014		2015		2016		2017		2018		2019		2020	
Region	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change
Europe	1 468 900	5,8 %	1 495 400	1,8 %	1 429 700	-4,4 %	1 493 800	4,5 %	1 506 600	0,9 %	1 644 700	9,2 %	1 701 700	3,5 %
Norway	1 199 000	4,8 %	1 234 200	2,9 %	1 171 100	-5,1 %	1 207 800	3,1 %	1 253 400	3,8 %	1 333 400	6,4 %	1 370 800	2,8 %
United Kingdom	170 500	8,0 %	166 300	-2,5 %	157 400	-5,4 %	177 200	12,6 %	153 600	-13,3 %	183 600	19,5 %	185 600	1,1 %
Faroe Islands	82 700	13,9 %	75 600	-8,6 %	77 300	2,2 %	80 300	3,9 %	71 700	-10,7 %	86 600	20,8 %	96 800	11,8 %
Ireland	12 300	16,0 %	15 700	27,6 %	15 800	0,6 %	17 000	7,6 %	14 300	-15,9 %	17 100	19,6 %	17 000	-0,6 %
Iceland	4 400	31,3 %	3 600	-18,2 %	8 100	125,0 %	11 500	42,0 %	13 600	18,3 %	24 000	76,5 %	31 500	31,3 %
Americas	760 600	16,4 %	823 800	8,3 %	732 300	-11,1 %	796 600	8,8 %	898 700	12,8 %	938 500	4,4 %	983 500	4,8 %
Chile	582 900	24,5 %	598 200	2,6 %	504 400	-15,7 %	564 200	11,9 %	660 100	17,0 %	690 200	4,6 %	720 200	4,3 %
Canada	95 000	-17,5 %	135 200	42,3 %	146 000	8,0 %	137 000	-6,2 %	146 400	6,9 %	143 500	-2,0 %	145 000	1,0 %
Australia	42 000	7,7 %	54 400	29,5 %	50 900	-6,4 %	61 200	20,2 %	62 600	2,3 %	62 600	0,0 %	68 000	8,6 %
USA	24 000	18,2 %	20 200	-15,8 %	22 500	11,4 %	21 700	-3,6 %	19 000	-12,4 %	20 800	9,5 %	19 000	-8,7 %
Others	16 700	49,1 %	15 800	-5,4 %	8 500	-46,2 %	12 500	47,1 %	10 600	-15,2 %	21 400	101,9 %	31 300	46,3 %
Total	2 229 500	9,2 %	2 319 200	4,0 %	2 162 000	-6,8 %	2 290 400	5,9 %	2 405 300	5,0 %	2 583 200	7,4 %	2 685 200	3,9 %

Figures as per:

18.02.2020

Source: Kontali

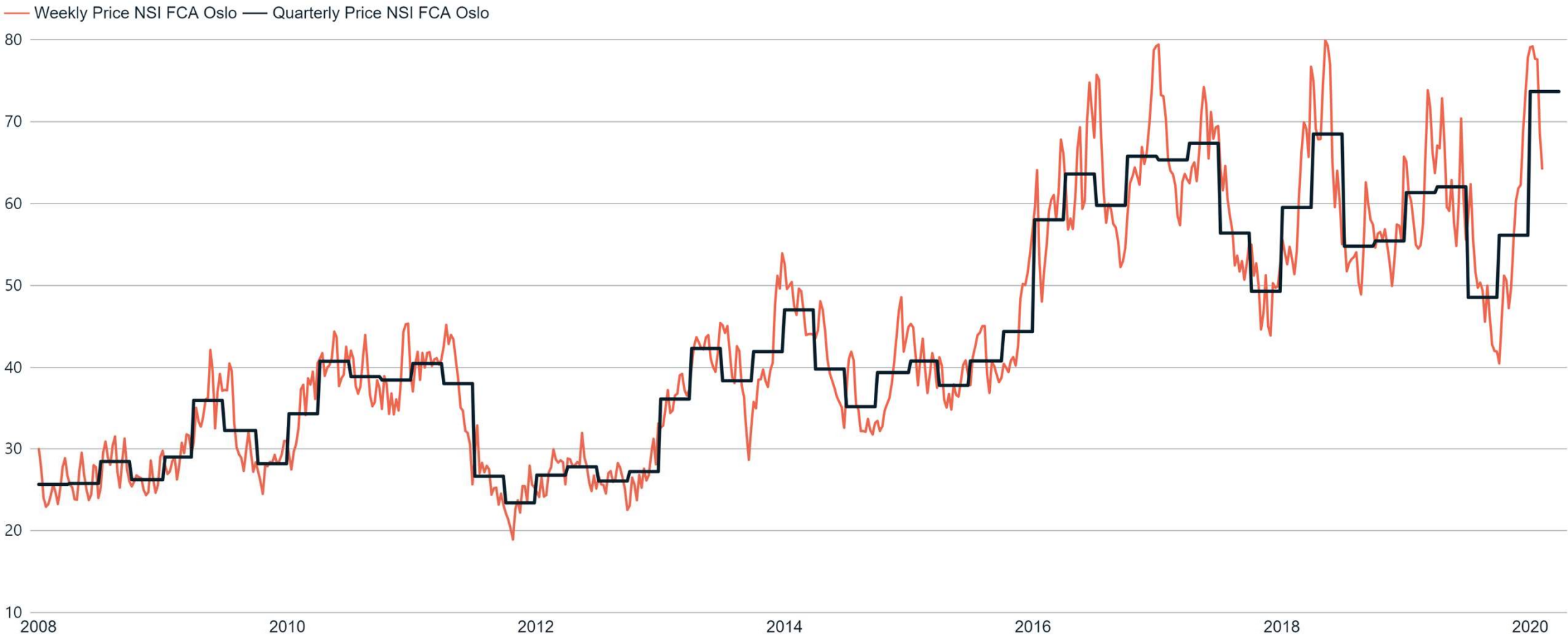


Spot Prices, Fresh Atlantic Salmon

- Cross Section, FCA Oslo, Superior Quality

as of week 6-2020

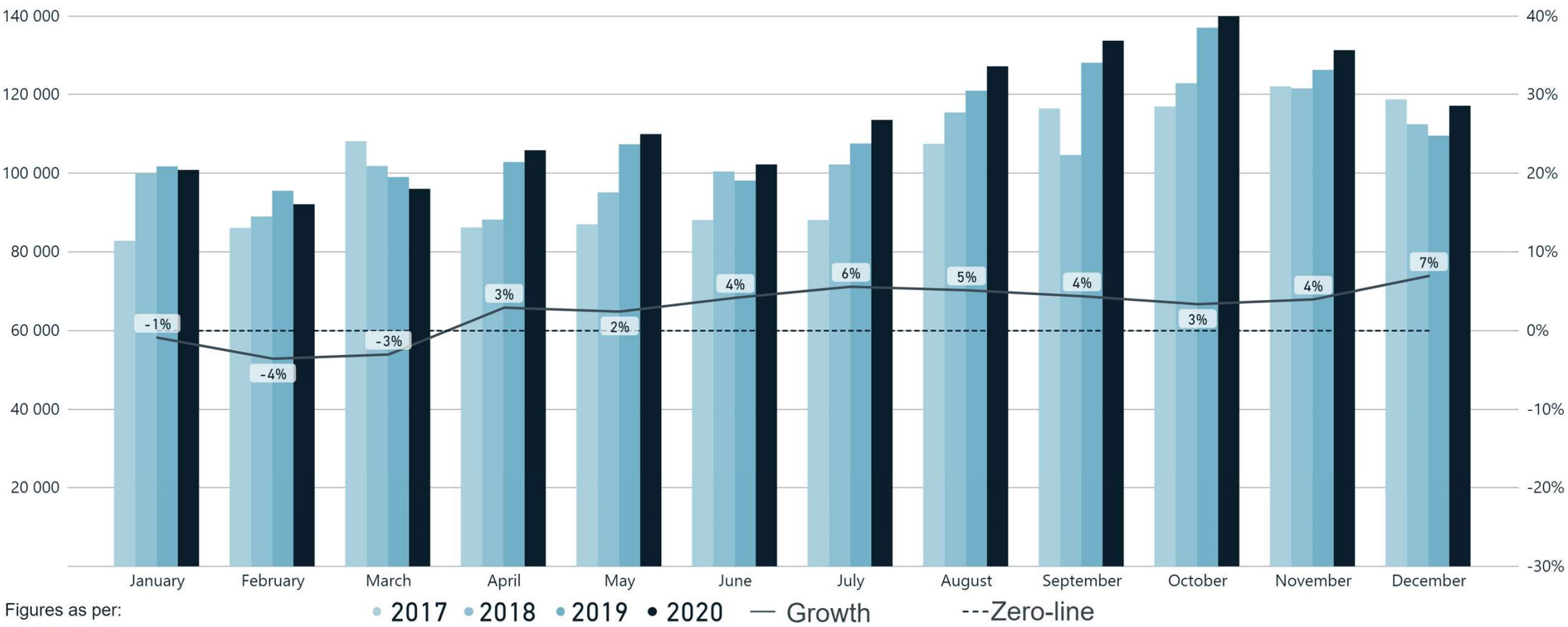
Quarter	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Q1	26	29	34	40	27	36	47	41	58	65	60	61	74
Q2	26	36	41	38	28	42	40	38	64	67	68	62	
Q3	28	32	39	27	26	38	35	41	60	56	55	49	
Q4	26	28	38	23	27	42	39	44	66	49	55	56	
Total	27	31	38	32	27	41	40	41	62	59	59	57	74





Atlantic Salmon - Harvest Volumes Norway

in tons WFE



Figures as per:
18.02.2020

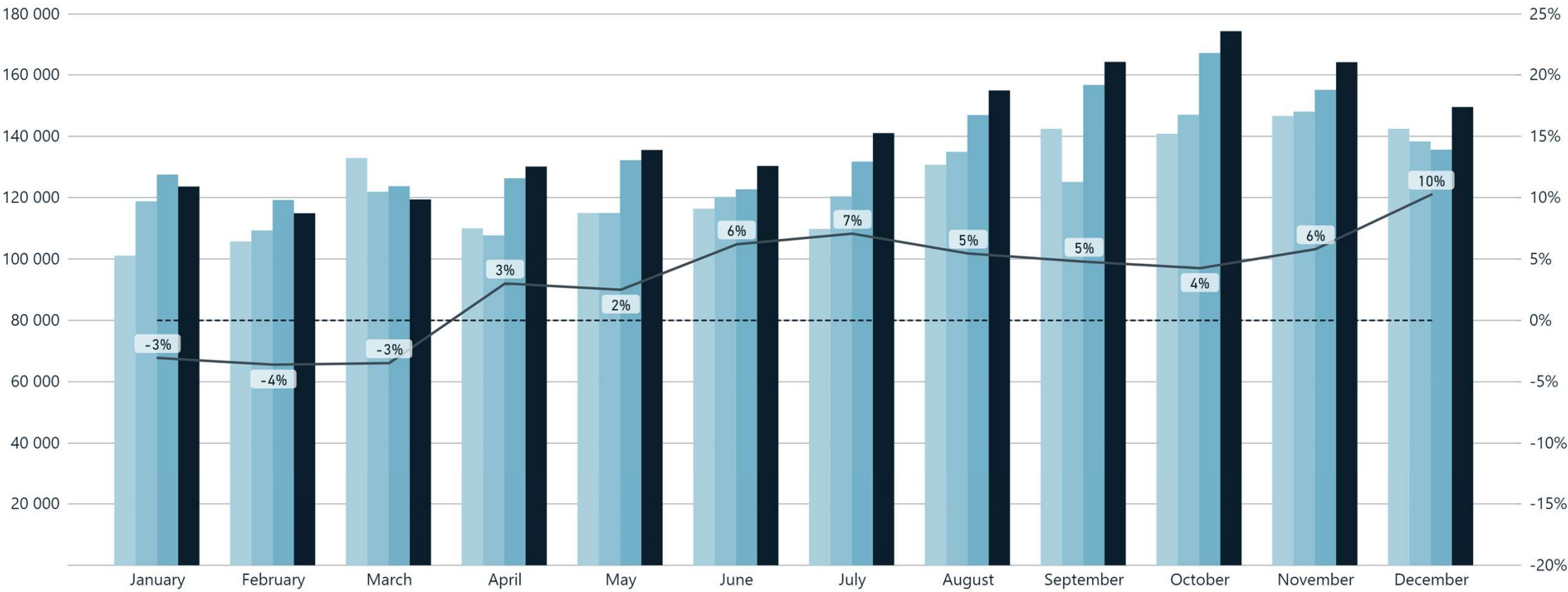
• 2017 • 2018 • 2019 • 2020 — Growth ---Zero-line

Source: Kontali



Atlantic Salmon - Harvest Volumes Europe

in tons WFE



Figures as per:
18.02.2020

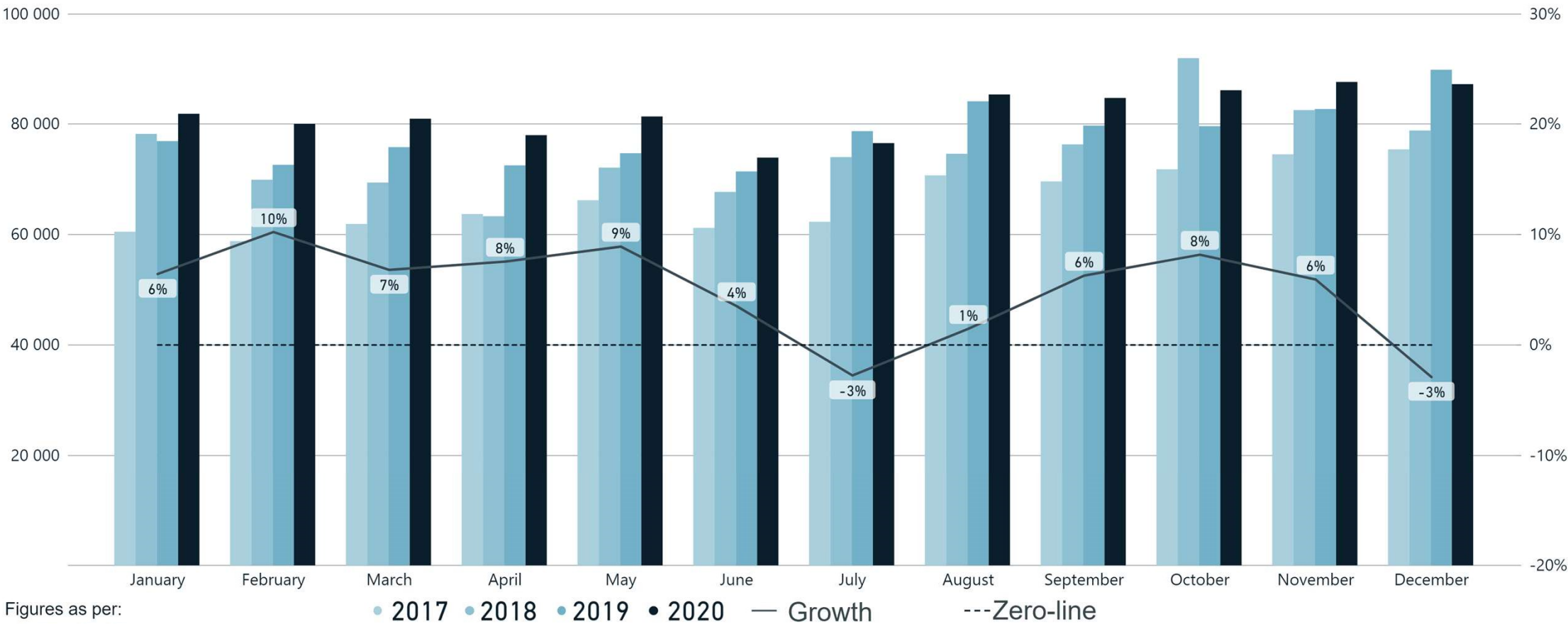
• 2017 • 2018 • 2019 • 2020 — Growth ---Zero-line

Source: Kontali



Atlantic Salmon - Harvest Volumes Americas

in tons WFE



Figures as per:
18.02.2020

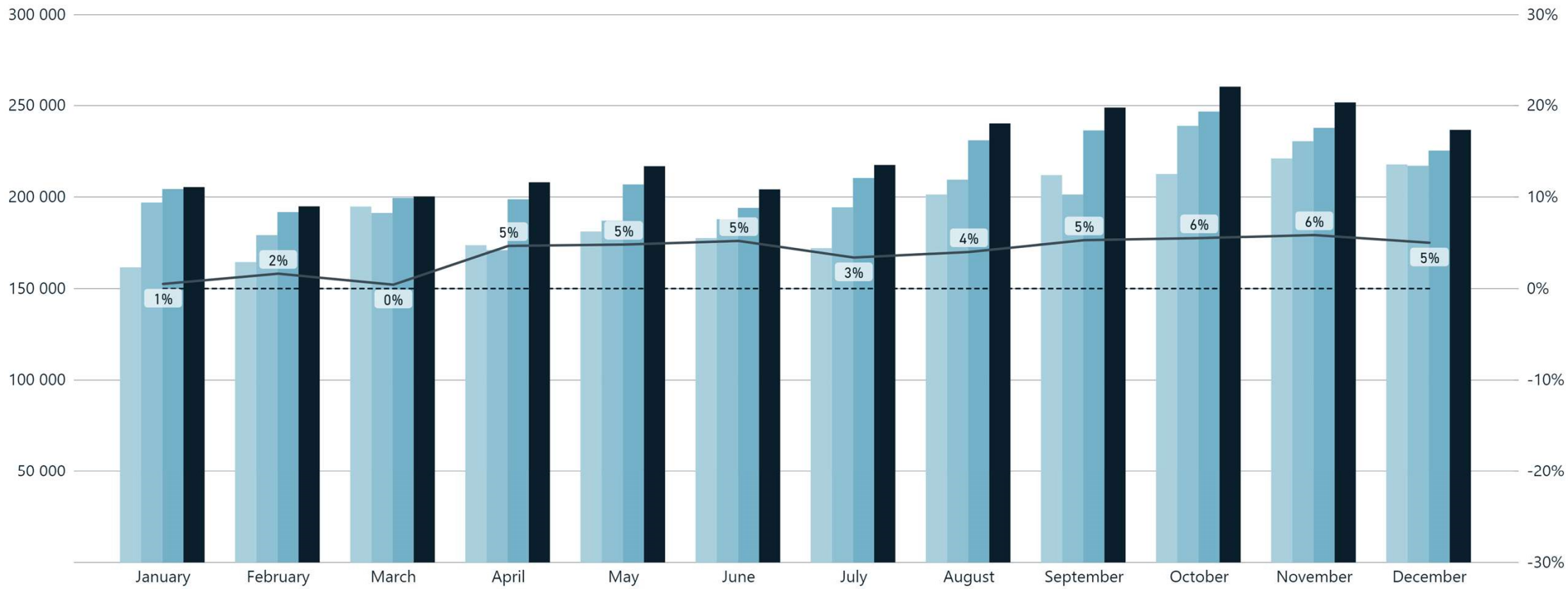
• 2017 • 2018 • 2019 • 2020 — Growth ---Zero-line

Source: Kontali



Atlantic Salmon - Harvest Volumes WW

in tons WFE



Figures as per: 2017 2018 2019 2020 — Growth ---Zero-line

18.02.2020

Source: Kontali

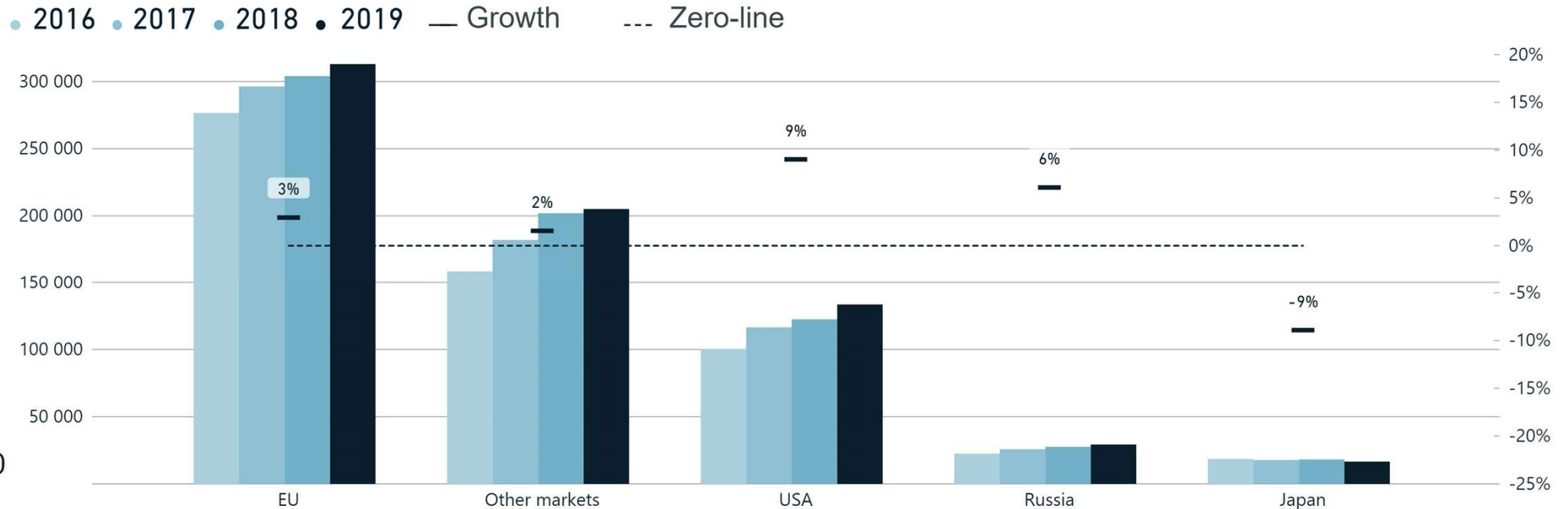


NOK/KG (NSI 3-6) Q4 2019:
58.99 4.30% (56.56)

Atlantic Salmon Consumption

2019 - Q4

Market	2016	2017	2018	2019	Growth	Growth %
EU	276 576	296 252	303 969	312 940	8 971	3,0 %
Other markets	158 653	182 070	201 968	205 106	3 139	1,6 %
USA	100 407	116 487	122 427	133 490	11 063	9,0 %
Russia	22 560	25 798	27 618	29 302	1 684	6,1 %
Japan	18 593	17 730	18 203	16 581	-1 622	-8,9 %
Totalt	576 789	638 337	674 185	697 420	23 235	3,4 %



Figures as per:
18.02.2020

Source: Kontali

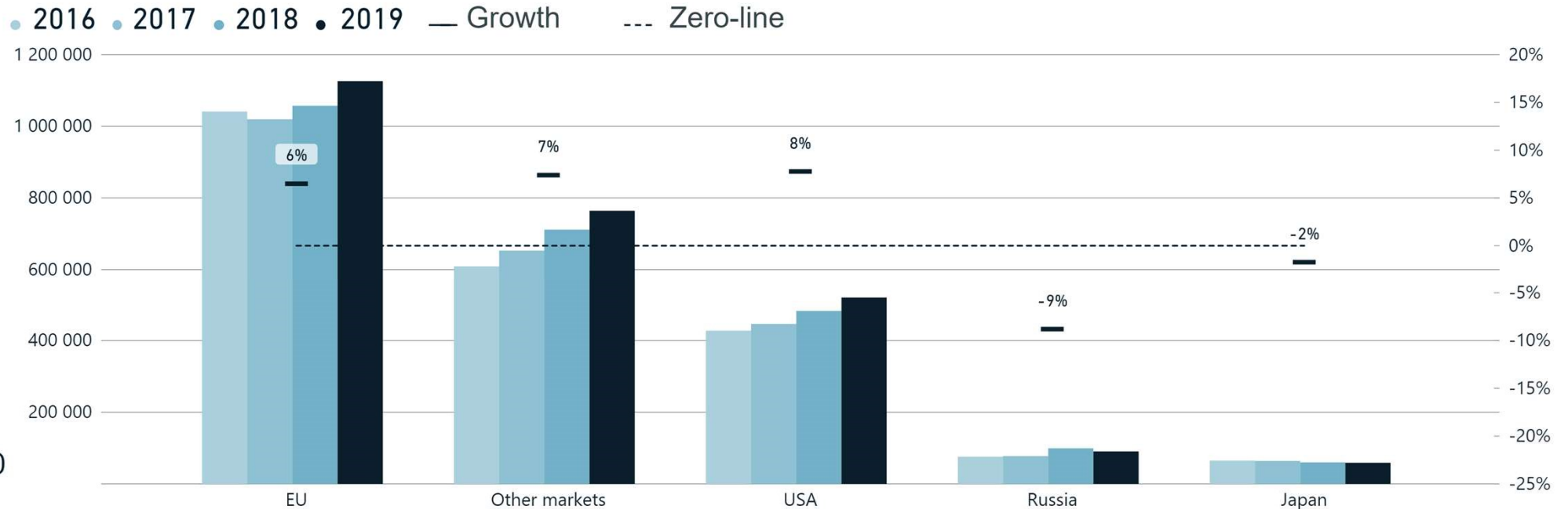


NOK/KG (NSI 3-6) 2019:
58.95 -2.88% (60.70)

Atlantic Salmon Consumption

2019 - FY

Market	2016	2017	2018	2019	Growth	Growth %
EU	1 041 052	1 019 505	1 057 283	1 125 873	68 590	6,5 %
Other markets	609 124	653 068	711 614	764 210	52 596	7,4 %
USA	427 505	446 366	482 499	519 965	37 466	7,8 %
Russia	75 898	77 582	99 357	90 605	-8 752	-8,8 %
Japan	65 047	64 104	60 024	58 992	-1 032	-1,7 %
Totall	2 218 626	2 260 624	2 410 777	2 559 645	148 868	6,2 %



Figures as per:
18.02.2020
Source: Kontali



Outlook

- Demand for seafood remains strong, outlook remains positive
- Harvest guidance for salmon and trout including associates
 - 183-188.000 GWT for 2020
 - 200-210.000 GWT for 2021
- Expected contract share for salmon in Q1/20 ~40%
- Significant potential in whitefish and in further development of an integrated value chain





Creating the world's most efficient and sustainable value chain for seafood



We care!
THE NORWEGIAN SEAFOOD PIONEER
SINCE 1899



New post smolt facility - Belsvik 2

- Work at building site started for the expansion of current facility into one of the world's largest post smolt facilities
- Annual biomass production at around 5,000 tonnes, and expected to finish in Q3 2021
- First output in March 2022 with positive impact on harvested volume from 2022





New post smolt facility – Laksefjord

- Last phase of expansion to finalise in Q4 2020, lifting annual biomass production to around 4,500 tonnes
- Previous expansion phases to have significant impact on average smolt sizes already from 2020.
- Average smolt size in 2020 at around 300grams, with further increase into 2021





New smolt facility Vestlandet

- Smolt facility in Lerøy Sjøtroll finished, with biomass production above 4,000 tonnes
- New release of post smolts, 500 grams, in March 2020. Average size of released salmon smolt in Lerøy Sjøtroll in 2020 around 300 grams
- Impact on harvest volume from Q4 2020, with major potential from 2021.





New trawler start of 2020

- Adding capacity as substitute for smaller, older vessel
- Development of «Nordtind» design
- Worlds first demersal trawler built with live fish tanks prior to sedation and slaughtering
 - Further improved quality
- Worlds first demersal trawler built with battery hybrid solution
- Triple trawl for shrimp
- 890 MT headed/gutted fish + 300 MT silage on 17 fishing days maiden voyage (NOK 31 mill)





Strong European distribution

- Global reach and sales to more than 70 countries
- A significant industrial activity within trading, processing, sales and distribution of fish (including white species)
- Investments in “fish cuts” in end markets recent years
- Strong European distribution, the most important market for white fish
- Seeing high demand for white fish products throughout the network



● Distribution facilities



Capital Markets Day 2020

Lerøy will host a capital markets day in May/June 2020

LERØY

The Norwegian Seafood Pioneer

SINCE 1899

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