

## Parent company financial statements 2020

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## Income statement

All figures in NOK 1,000 (period 01.01 - 31.12)

Lerøy Seafood Group ASA	Notes	2020	2019
<b>Operating revenue and costs</b>			
Operating revenue	1	128,161	79,800
Wages and other personnel costs	11	88,047	63,395
Loss on disposal of fixed assets	4	0	133
Other operating costs	4/11	155,825	113,983
Depreciation	4	1,889	1,390
<b>Total operating costs</b>		<b>245,761</b>	<b>178,901</b>
<b>Operating profit</b>		<b>-117,600</b>	<b>-99,101</b>
<b>Financial revenue and costs</b>			
Income from investments in subsidiaries	3	936,826	2,003,085
Income from investments in associates	3	26,950	265,323
Income from investments in other shares	3	3,695	7,632
Change in fair value of financial instruments at fair value	9	1,299	24,869
Impairment loss on financial assets	5	-160,617	-151,036
Other financial items, net	12	5,312	7,817
<b>Profit before tax</b>		<b>695,865</b>	<b>2,058,589</b>
<b>Total tax cost (-)</b>	<b>10</b>	<b>-127,298</b>	<b>-363,180</b>
<b>The year's profit</b>		<b>568,567</b>	<b>1,695,409</b>
<b>Information regarding</b>			
Transferred to (+) / from (-) other equity	2	-622,981	801,748
Allocated to dividend	2	1,191,547	893,661

## Balance sheet

All figures in NOK 1,000

Lerøy Seafood Group ASA	Notes	31.12.20	31.12.19
<b>Non-current assets</b>			
<b>Intangibles</b>			
Licences	4	54,803	40,704
Deferred tax assets	10	0	0
<b>Total intangibles</b>		<b>54,803</b>	<b>40,704</b>
<b>Fixed assets</b>			
Buildings and real estate	4	1,562	1,562
Other fixtures	4	14,286	15,557
<b>Total fixed assets</b>		<b>15,848</b>	<b>17,119</b>
<b>Financial assets</b>			
Shares in subsidiaries	5	7,747,848	7,641,331
Shares in associates	6	327,125	302,125
Shares in other companies	6	12,086	10,037
Loans to subsidiaries	3	91,020	152,020
Other long-term receivables	7	10,255	0
<b>Total non-current financial assets</b>		<b>8,188,334</b>	<b>8,105,513</b>
<b>Total non-current assets</b>		<b>8,258,985</b>	<b>8,163,336</b>
<b>Current assets</b>			
<b>Receivables</b>			
Receivables from Group companies	3	1,824,024	2,399,198
Other receivables	7	22,397	25,307
<b>Total receivables</b>		<b>1,846,421</b>	<b>2,424,505</b>
<b>Cash and cash equivalents</b>		<b>1,971,930</b>	<b>2,072,963</b>
<b>Total current assets</b>		<b>3,818,351</b>	<b>4,497,468</b>
<b>Total assets</b>		<b>12,077,336</b>	<b>12,660,804</b>

## Balance sheet

All figures in NOK 1,000

Lerøy Seafood Group ASA	Notes	31.12.20	31.12.19
<b>Equity</b>			
Share capital	2	59,577	59,577
Treasury shares	2	-30	-30
Share premium reserve	2	4,778,346	4,778,346
Other paid in capital	2	104,572	104,572
<b>Total paid in capital</b>		<b>4,942,466</b>	<b>4,942,466</b>
Other equity	2	5,346,896	5,969,432
<b>Total retained earnings</b>		<b>5,346,896</b>	<b>5,969,432</b>
<b>Total equity</b>		<b>10,289,363</b>	<b>10,911,897</b>
<b>Long-term liabilities</b>			
Deferred tax asset	10	5,176	1,244
Other long-term liabilities	9	29,293	30,591
<b>Total long-term liabilities</b>		<b>34,470</b>	<b>31,835</b>
<b>Long-term debt</b>			
Mortgage debt	8	189,095	248,344
<b>Total long-term debt</b>		<b>189,095</b>	<b>248,344</b>
<b>Short-term debt</b>			
Trade payables		25,039	25,832
Taxes payable	10	77,424	304,962
Public duties payable		5,275	3,061
Allocated to dividend	2	1,191,547	893,661
Short-term Group debt	3	242,022	222,509
Other short-term debt	8	23,102	18,704
<b>Total short-term debt</b>		<b>1,564,409</b>	<b>1,468,728</b>
<b>Total debt</b>		<b>1,787,974</b>	<b>1,748,907</b>
<b>TOTAL EQUITY AND DEBT</b>		<b>12,077,336</b>	<b>12,660,804</b>

Bergen, 14 April 2021

The Board of Directors of Lerøy Seafood Group ASA

Helge Singelstad  
Chairman

Karoline Møgster  
Board member

Arne Møgster  
Board member

Didrik Munch  
Board member

Britt Kathrine Drivenes  
Board member

Siri Lill Mannes  
Board member

Hans Petter Vestre  
Employees' representative

Henning Beltestad  
CEO  
Lerøy Seafood Group ASA

## Statement of cash flows

All figures in NOK 1,000 (period 01.01 - 31.12)

Lerøy Seafood Group ASA	2020	2019
<b>Cash flow from operating activities</b>		
Pre-tax result	695,865	2,058,589
Taxes paid during the period	-305,004	-510,970
Depreciation	1,889	1,390
Write-down of financial assets	160,617	151,036
Change in trade receivables	-11,497	-6,093
Change in trade payables	-6,993	1,537
Effect from currency rate changes	12,479	-1,979
Items classified as investing activities	-1,009,726	-2,276,290
Change in financial instruments recognised at fair value	-1,298	-24,869
Other items classified as financing activities	-11,288	-5,837
Change in other accruals	70,853	-8,695
<b>Net cash flow from operating activities</b>	<b>-404,104</b>	<b>-622,049</b>
<b>Cash flow from investing activities</b>		
Payments for acquisitions of fixed assets and intangibles	-14,664	-28,911
Payments for acquisitions of Group companies and associates	-25,000	-232
Proceeds from sale of shares in other companies	0	7,882
Proceeds from previous year's accrual of group contributions and dividends from subsidiaries	1,469,682	2,827,445
Payment for previous year's accrual of group contribution to subsidiaries	-5,412	-187,064
Proceeds from dividends received during the year from associates	26,950	265,323
Proceeds/payments for short-term intragroup receivables (loans)	-245,632	-470,548
Proceeds/payments for long-term intragroup receivables (loans)	61,000	-13,300
Proceeds/payments for other long-term receivables (loans)	-10,255	0
<b>Net cash flow from investing activities</b>	<b>1,254,620</b>	<b>2,394,500</b>
<b>Cash flow from financing activities</b>		
Instalments paid on long-term liabilities	-71,728	-70,052
Net interest paid and financial expenses	13,394	8,265
Payment of dividends	-893,661	-1,191,547
Proceeds from dividends on treasury shares	447	596
<b>Net cash flow from financing activities</b>	<b>-951,548</b>	<b>-1,252,739</b>
<b>Net cash flow for the accounting period</b>	<b>-101,032</b>	<b>519,712</b>
Cash and cash equivalents at the start of the period	2,072,963	1,553,251
<b>Cash and cash equivalents at the end of the period</b>	<b>1,971,930</b>	<b>2,072,963</b>
<i>Consists of</i>		
Bank deposits etc,	1,971,930	2,072,963
Of which restricted funds	2,899	1,886
<b>Unutilised overdraft/drawdown facilities</b>	<b>950,000</b>	<b>1,100,000</b>
<b>Additional information</b>	<b>2020</b>	<b>2019</b>
<i>Net cash flow from operating activities can also be summarised as follows</i>		
Operating profit	-117,600	-99,101
Depreciation	1,889	1,390
Taxes paid during the period	-305,004	-510,970
Change in capital employed	16,611	-13,368
<b>Net cash flow from operating activities</b>	<b>-404,104</b>	<b>-622,049</b>

## NOTE 1

### Accounting policies

#### (A) Comments on accounting policies

The financial statements have been prepared according to the regulations of the Accounting Act of 1998 and good accounting practice. All figures in the notes to the accounts are in NOK 1,000.

#### (B) Sales revenue

Revenue is booked when earned. Sales of goods and services are therefore normally booked at the time of delivery. The operating revenues derives from fees from shared services delivered to group companies.

#### (C) Classification and assessment of balance sheet items

Current assets and short-term debt comprise normal items due for payment within one year after balance sheet date, and items related to the circulation of goods. Other items are classified as fixed assets/long-term debt.

Current assets are valued at the lowest of acquisition cost and fair value. Short-term debt is carried at nominal amount at the time it is established.

Fixed assets are valued at acquisition cost, but are written down to fair value when the fall in value is not expected to be temporary. Long-term debt is carried at nominal amount at the time it is established.

#### (D) Receivables

Trade receivables and other receivables are carried on the balance sheet at nominal amount after deduction of provision for bad debts. Provision for bad debts is made according to individual assessments of the individual receivables.

#### (E) Short-term investments

Short-term investments (shares and units classified as current assets) are valued at the lower of average acquisition cost and fair value on the balance sheet date. Dividends and other distributions received from the companies are booked as Other financial revenues.

#### (F) Long-term investments

Long-term investments (shares and units classified as fixed assets) are booked in the balance sheet at acquisition cost. The investments are written down to fair value if a decline in value is not considered to be temporary. Dividends and other distributions received from the companies are booked as Other financial revenues.

#### (G) Associates

Associates are companies in which the Group holds an interest of 20-50%, and where the investment is long-term and strategic. In the company financial statements, the associate is valued according to the cost method.

#### (H) Fixed assets

Fixed assets are booked in the financial statements at acquisition cost less accumulated depreciation. This depreciation is distributed linearly over assumed economic life. Similar policies apply to intangible assets.

#### (I) Tax

Tax payable in the income statement includes both the tax payable during the period and changes in deferred tax. Deferred tax is calculated at a rate of 22% on the basis of the provisional differences that exist between accounting and taxable values, as well as the assessed deficit to be carried forward at the end of the financial year. Temporary tax-increasing and tax-decreasing differences, which reverse or may reverse the figures in the same period, have been offset and booked at net value.

#### (J) Interest rate swaps (derivatives)

The company seeks to hedge against fluctuations in interest rate by making use of interest rate swaps. Derivatives are carried at fair value at the time the derivative contract is signed, then subsequently at fair value. The company utilises cash flow hedging when recognising interest rate swaps. The effective share of the change in fair value of derivatives which qualify as hedging instruments for cash flow hedging is recognised in equity. Hedging gains or losses which are recognised in equity are re-classified to the income statement during the period in which the hedging object has an impact on the income statement. Gains or losses related to the effective share of the interest rate swaps which secure loans with a floating rate of interest are recognised under Financial Items. Interest rate swaps are considered to be a derivative. The fair value of a derivative is classified as a fixed asset or long-term debt if the remaining maturity of the hedging object is more than 12 months, and as a current asset or short-term debt if the remaining maturity of the hedging object is less than 12 months. The company uses the market to marked value calculated by the credit institution as basis for the accounting.

#### (F) Currency

The financial statements are presented in NOK, the functional currency for the company. Cash items in foreign currency are valued at the respective rates of exchange at the end of the financial year. See also item (V) in the consolidated accounts on derivatives, including currency forward contracts utilised to control currency risk.

## NOTE 2

### Equity

(All figures in NOK 1,000)

2019	Share capital	Treasury shares	Share premium reserve	Other paid in capital	Other equity	Total equity
Equity as of 01.01.19	59,577	-30	4,778,346	104,572	5,167,088	10,109,553
The year's result to equity					1,695,409	1,695,409
Dividend received on treasury shares					596	596
Group contribution given to subsidiaries					-168,708	-168,708
Change in value of shares in subsidiaries due to Group contribution					168,708	168,708
Provision for dividend (kr 1.50 per share)					-893,661	-893,661
<b>Equity as of 31.12.19</b>	<b>59,577</b>	<b>-30</b>	<b>4,778,346</b>	<b>104,572</b>	<b>5,969,432</b>	<b>10,911,897</b>

2020	Share capital	Treasury shares	Share premium reserve	Other paid in capital	Other equity	Total equity
Equity as of 01.01.20	59,577	-30	4,778,346	104,572	5,969,432	10,911,897
The year's result to equity					568,567	568,567
Dividend received on treasury shares					447	447
Group contribution given to subsidiaries					-162,737	-162,737
Change in value of shares in subsidiaries due to Group contribution					162,737	162,737
Provision for dividend (kr 2.00 per share)					-1,191,547	-1,191,547
<b>Equity as of 31.12.20</b>	<b>59,577</b>	<b>-30</b>	<b>4,778,346</b>	<b>104,572</b>	<b>5,346,897</b>	<b>10,289,362</b>

Aksjekapital	Total number of shares	Nominal value per share	Book value
Ordinary shares	595,773,680	0.10	59,577,368
<b>Total</b>	<b>595,773,680</b>		<b>59,577,368</b>

#### Dividend

Based on the increasing uncertainty relating to assessment of future global economic development, due to the ongoing corona pandemic, Covid 19, the Board of Directors will propose that the Annual General Meeting adopts a dividend payment of NOK 1.50 per share. The Board of Directors will also request authorisation from the Annual General Meeting to pay up to NOK 0.80 per share as dividend before the end of the present year.

#### Number of shareholders

Lerøy Seafood Group ASA had 15,227 shareholders as per 31.12.20. All shares confer the same rights in the company. An overview of share capital and the 20 largest shareholders are shown in the note on shareholders for the Group.

#### Treasury shares

Lerøy Seafood Group ASA owns 297,760 treasury shares of a total number of 595,773,680 shares. The ratio of treasury shares is 0.05%. The purchase price paid for treasury shares is split into two different categories, where nominal value of treasury shares is included in "paid in capital" (- NOK 30,000), and the purchase price exceeding nominal value of treasury shares (- NOK 2,389,000) is included in "other equity". The average purchase price of own shares is NOK 8.12 per share.

**NOTE 3****Transactions and balances with subsidiaries and associates***(All figures in NOK 1,000)*

<b>Income from investments in subsidiaries</b>	<b>2020</b>	<b>2019</b>
Intragroup contributions received from subsidiaries	684,196	1,704,505
Dividend received from subsidiaries	252,630	298,580
Gain from disposal of subsidiaries	0	0
<b>Total income from investments in subsidiaries</b>	<b>936,826</b>	<b>2,003,085</b>
<b>Intragroup contributions received from subsidiaries</b>	<b>2020</b>	<b>2019</b>
Lerøy Seafood AS	400,000	326,798
Lerøy Midt AS	273,560	840,387
Laks- & Vildtcentralen AS	10,636	0
Lerøy Aurora AS	0	533,403
Lerøy Delico AS	0	2,382
Lerøy Trondheim AS	0	1,535
<b>Total intragroup contributions received from subsidiaries</b>	<b>684,196</b>	<b>1,704,505</b>
<b>Dividend received from subsidiaries</b>	<b>2020</b>	<b>2019</b>
Dividend received from Lerøy Havfisk AS	200,000	200,000
Dividend received from Sjøtroll Havbruk AS	24,438	76,368
Dividend received from Laks- & Vildtcentralen AS	12,000	0
Dividend received from Rode Beheer BV	11,210	17,280
Dividend accrued from Norsk Oppdrettsservice AS	4,982	4,932
<b>Total dividend received from subsidiaries</b>	<b>252,630</b>	<b>298,580</b>
<b>Income from investments in associates</b>	<b>2020</b>	<b>2019</b>
Dividend received from Norscott Havbruk AS	0	252,900
Dividend received from Seafood Danmark A/S	23,950	6,423
Dividend received from Seistar Holding AS	3,000	6,000
<b>Total income from investments in associates</b>	<b>26,950</b>	<b>265,323</b>
<b>Long-term loans to subsidiaries</b>	<b>2020</b>	<b>2019</b>
Lerøy Italy	60,433	20,715
Lerøy Alfheim AS	17,604	19,850
Sjømathuset AS	8,060	9,858
Lerøy Turkey	4,923	1,112
Lerøy Processing Spain SL	0	100,484
<b>Total long-term loans to subsidiaries</b>	<b>91,020</b>	<b>152,020</b>
<b>Short-term receivables from subsidiaries</b>	<b>2020</b>	<b>2019</b>
Intragroup contributions received from subsidiaries	684,196	1,704,505
Other short-term receivables from subsidiaries	1,139,828	694,693
<b>Total short-term receivables from subsidiaries</b>	<b>1,824,024</b>	<b>2,399,198</b>

**Intragroup contributions received from subsidiaries**

For specification see table above in this note under headline Income from investments in subsidiaries.



**NOTE 3 cont.****Transactions and balances with subsidiaries and associates**

(All figures in NOK 1,000)

<b>Other short-term receivables from subsidiaries</b>	<b>2020</b>	<b>2019</b>
Lerøy Aurora AS	618,245	99,106
Lerøy Norway Seafoods AS	248,446	329,554
Lerøy Vest AS	192,335	187,912
Lerøy Sverige AB	48,797	42,725
Lerøy Fossen AS	17,142	25,150
Lerøy Midt AS	10,719	2,675
Sjøtroll Havbruk AS	1,545	1,188
Lerøy Seafood Italy SLR	850	0
Laks- & Vildtcentralen AS	625	1,125
Sjømathuset AS	319	0
Lerøy Nord AS	306	0
Lerøy Alfheim AS	253	0
Lerøy Trondheim AS	83	0
Lerøy Delico AS	66	0
Lerøy Seafood USA Inc	53	0
Lerøy Sjømatgruppen AS	47	0
Lerøy Turkey	0	5,191
Lerøy Seafood AS	0	69
<b>Total other short-term receivables from subsidiaries</b>	<b>1,139,828</b>	<b>694,693</b>
<b>Short-term debt to Group companies</b>	<b>2020</b>	<b>2019</b>
Intragroup contributions distributed	208,637	216,292
Other short-term debt to Group companies	33,385	6,217
<b>Total short-term debt to Group companies</b>	<b>242,022</b>	<b>222,509</b>
<b>Intragroup contributions distributed</b>	<b>2020</b>	<b>2019</b>
Lerøy Norway Seafoods AS	199,656	192,520
Lerøy Alfheim AS	6,200	1,798
Lerøy Fossen AS	2,118	18,360
Lerøy Ocean Harvest AS	590	3,538
Lerøy Quality Group AS	36	38
Lerøy & Strudshavn AS	37	38
<b>Total</b>	<b>208,637</b>	<b>216,292</b>
<b>Other short-term debt to Group companies</b>	<b>2020</b>	<b>2019</b>
Lerøy Seafood AS	32,945	4,577
Lerøy Vest AS	173	89
Lerøy Aurora AS (konsern)	124	124
Sjøtroll Havbruk AS	89	0
Lerøy Alfheim AS	28	137
Sjømathuset AS	25	5
Lerøy Midt AS	0	1,255
Lerøy Trondheim AS	0	22
Lerøy Delico AS	0	9
<b>Total other short-term debt to Group companies</b>	<b>33,385</b>	<b>6,217</b>

## NOTE 4

### Intangibles, fixed assets and leases

(All figures in NOK 1,000)

#### Intangible assets

2020	Development licences
Capitalised expenses 2017	6,150
Capitalised expenses 2018	18,801
Capitalised expenses 2019	15,753
Capitalised expenses 2020	14,099
<b>Carrying value at 31.12</b>	<b>54,803</b>

The intangible assets consists of capitalized expenses related to development-licences based on the concept "Pipefarm". The project, and Lerøy Seafood Group ASA, has been awarded with a volume of 1350 MTB. The company is still in the process of deciding on whether the awarded volume should be accepted or not, and the project should be developed

further. The development-licences have a definite life time of 5 years from date of acceptance, but on expiry date it will be subjected to renewal and tranformation to an ordinary grow-out licence on request, for a fee amounting to NOK 10 million per licence equivalent (780 MTB). Depreciation will start after the award process is completed.

#### Fixed assets

2019	Financial leases	Buildings (apartment)	Other fixtures	Total
Acquisition cost per 01.01	0	1,695	3,827	5,522
Additions	0	0	13,158	13,158
Disposals	0	-133	-38	-171
<b>Acquisition cost per 31.12</b>	<b>0</b>	<b>1,562</b>	<b>16,947</b>	<b>18,509</b>
Accumulated depreciations 01.01	0	0	38	38
The year's depreciation	0	0	1,390	1,390
Disposal of accumulated depreciations	0	0	-38	-38
<b>Accumulated depreciations 31.12</b>	<b>0</b>	<b>0</b>	<b>1,390</b>	<b>1,390</b>
<b>Carrying value at 31.12</b>	<b>0</b>	<b>1,562</b>	<b>15,557</b>	<b>17,119</b>
Economic life time	2 years	Indefinite	3-5 years	
Depreciation plan	Linear	n/a	Lienar	
<b>2020</b>	<b>Financial leases</b>	<b>Buildings (apartment)</b>	<b>Other fixtures</b>	<b>Total</b>
Acquisition cost per 01.01	0	1,562	16,947	18,509
Additions	121	0	498	619
Disposals	0	0	0	0
<b>Acquisition cost per 31.12</b>	<b>121</b>	<b>1,562</b>	<b>17,445</b>	<b>19,128</b>
Accumulated depreciations 01.01	0	0	1,390	1,390
The year's depreciation	69	0	1,820	1,889
Disposal of accumulated depreciations	0	0	0	0
<b>Accumulated depreciations 31.12</b>	<b>69</b>	<b>0</b>	<b>3,210</b>	<b>3,279</b>
<b>Carrying value at 31.12</b>	<b>52</b>	<b>1,562</b>	<b>14,234</b>	<b>15,848</b>
Economic life time	2 years	Indefinite	3-5 years	
Depreciation plan	Linear	n/a	Lienar	

#### Leases

##### Leases recognised in the balance sheet

Leases wiht credit institutions are regarded as financial leases. Financial leases are recognised in the balance sheet, and depreciated over the lease period period. Financial leases are included in the fixed assets, and in other long term liabilities.

##### Leases not recognised int the balance sheet

Leases wiht other than credit institutions are regarded as operational leases. Operational leases are expensed as over the lease period as rent. Head quarter office is rented externally from GC Rieber AS. The rental agreement is for 10 years, beginning December 2018, with an option for additional 10 years. Annual expensed rent amounts to NOK 12 million.

## NOTE 5

### Shares in subsidiaries

(All figures in NOK 1,000)

#### Changes in subsidiaries and ownership during the period

Subsidiary	Country	Place of business	Acquisition year	Ownership/ voting share 01.01	Additions (+)	Disposals (-)	Ownership / voting share 31.12
Lerøy Seafood Italy SRL	Italy	Porto Viro	2019	100.0 %			100.0 %
Lerøy Ocean Harvest AS	Norway	Bergen	2018	100.0 %			100.0 %
Laks- & Vildtcentralen AS	Norway	Oslo	2018	100.0 %			100.0 %
Lerøy Havfisk AS	Norway	Ålesund	2016	100.0 %			100.0 %
Lerøy Norway Seafoods AS	Norway	Oslo	2016	100.0 %			100.0 %
Lerøy Turkey	Turkey	Istanbul	2015	100.0 %			100.0 %
Preline Fishfarming Sys. AS	Norway	Skien	2015	95.9 %			95.9 %
Lerøy Nord AS	Norway	Tromsø	2015	51.0 %			51.0 %
Norsk Oppdrettsservice AS	Norway	Flekkefjord	2015	51.0 %			51.0 %
Lerøy Processing Spain SL	Spain	Madrid	2012	100.0 %			100.0 %
Rode Beheer B.V.	Netherlands	Urk	2012	100.0 %			100.0 %
Lerøy Finland OY	Finland	Turku	2011	100.0 %			100.0 %
Sjøtroll Havbruk AS	Norway	Austevoll	2010	50.7 %			50.7 %
Lerøy Vest AS	Norway	Bergen	2007	100.0 %			100.0 %
Lerøy Fossen AS	Norway	Bergen	2006	100.0 %			100.0 %
Sjømathuset AS	Norway	Oslo	2006	100.0 %			100.0 %
Lerøy Delico AS	Norway	Stavanger	2006	100.0 %			100.0 %
Lerøy Trondheim AS	Norway	Trondheim	2006	100.0 %			100.0 %
Lerøy Alfheim AS	Norway	Bergen	2005	100.0 %			100.0 %
Lerøy Portugal Lda	Portugal	Lisboa	2005	100.0 %			100.0 %
Lerøy Aurora AS	Norway	Tromsø	2005	100.0 %			100.0 %
Lerøy Midt AS	Norway	Hitra	2003	100.0 %			100.0 %
Lerøy Sverige AB	Sweden	Göteborg	2001	100.0 %			100.0 %
Lerøy Seafood AS	Norway	Bergen	1939 <sup>*)</sup>	100.0 %			100.0 %
Lerøy & Strudshavn AS	Norway	Bergen	1927 <sup>*)</sup>	100.0 %			100.0 %

<sup>\*)</sup> The date for establishment. The companies were a part of the "old Lerøy-group" before LSG ASA was established in 1995.

## Change in book value of shares in subsidiaries

Subsidiary	Net book value in LSG ASA 0 1.01	New companies purchased	Redemption of non-controlling interests	Transaction costs capitalised	Establishments and capital increases	Increase in value from Group contributions	Impairment loss (-)/reversal of impairment loss (+)	Net book value in LSG ASA 31.12
Lerøy Havfisk AS	3,090,920							3,090,920
Lerøy Vest AS	1,370,882							1,370,882
Lerøy Midt AS	1,135,230							1,135,230
Sjøtroll Havbruk AS	540,000							540,000
Lerøy Aurora AS	391,303							391,303
Rode Beheer B.V.	319,707							319,707
Lerøy Norway Seafoods AS	243,127					155,732	-136,137	262,721
Laks- & Vildtcentralen AS	115,000							115,000
Lerøy Sverige AB	80,349							80,349
Lerøy Fossen AS	74,188					1,652	-2,769	73,071
Lerøy Seafood AS	58,016					28		58,044
Lerøy Turkey	56,726						-11,073	45,653
Norsk Oppdrettsservice AS	25,000							25,000
Lerøy Delico AS	22,070							22,070
Lerøy Finland OY	20,581						542	21,123
Lerøy Processing Spain SL	20,151				104,397			124,548
Lerøy Trondheim AS	18,989						1,022	20,011
Preline Fishfarming Sys. AS	18,301						-1,479	16,822
Sjømathuset AS	13,925							13,925
Lerøy Alfheim AS	12,945					4,836	-4,869	12,912
Lerøy Portugal Lda	5,998						-5,997	1
Lerøy Ocean Harvest AS	5,470					460	-572	5,358
Lerøy Nord AS	2,206						840	3,046
Lerøy & Strudshavn AS	153					29	-29	153
Lerøy Seafood Italy SRL	97						-96	1
<b>Total</b>	<b>7,641,331</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>104,397</b>	<b>162,737</b>	<b>-160,617</b>	<b>7,747,848</b>

Shares in subsidiaries are valued based on the cost method. As a consequence subsidiaries with weak performance, receiving group contributions or increased equity, will obtain a higher net book value. Over time this may result in net book values (before impairments) higher than it would have

been by adapting the equity method. Due to this, all shares in subsidiaries that had a higher value (based on the cost method) compared with the equity method, have been impaired. The impairment will be reversed in a later period when the reason for the impairment is no longer present.

## NOTE 6

### Shares in associates and other shares

(All figures in NOK 1,000)

Associates	Place of business	Ownership/ voting share 01.01	Ownership/ voting share 31.12	Net book value 01.01	Additions (+)	Disposals (-)	Net book value 31.12
Norskott Havbruk AS	Bergen, Norway	50 %	50 %	163,273			163,273
Seistar Holding AS	Austevoll, Norway	50 %	50 %	61,500	25,000		86,500
Seafood Danmark A/S	Hirtshals, Denmark	33.33 %	33.33 %	77,170			77,170
Sporbarhet AS	Trondheim, Norway	22 %	27 %	135			135
Ocean Forest AS	Bergen, Norway	50 %	50 %	30			30
The Seafood Innovation Cluster AS	Bergen, Norway	20 %	20 %	16			16
<b>Total</b>				<b>302,125</b>	<b>25,000</b>	<b>0</b>	<b>327,125</b>

For further information about associates and value according to equity method, see note on associates in the consolidated financial statements.

Other shares and investments	Net book value 01.01	Additions (+)	Disposals (-)	Net book value 31.12
Various minor shareholdings	10,037	2,049		12,086
<b>Total</b>	<b>10,037</b>	<b>2,049</b>	<b>0</b>	<b>12,086</b>

Lerøy Seafood Group ASA has committed a total of NOK10 million related to the investment in DnB Private Equity.

## NOTE 7

### Other receivables

(All figures in NOK 1.000)

Other long-term receivables	2020	2019
<b>Consists of</b>		
Loans to employees	1,588	0
Loans to others	164	0
Other long-term receivables	8,503	0
<b>Total</b>	<b>10,255</b>	<b>0</b>

Loans to employees and others are from 2020. Loans to employees concerns one employee, and is in euro. Other long-term receivables consists of a deposit account for leased

office buliding. In 2019 the deposit was classified as other receivables (short term).

Other receivables (short term)	2020	2019
<b>Consists of</b>		
Loans to employees	0	0
Loans to others	19,882	19,167
Other short-term receivables	2,515	6,140
<b>Total</b>	<b>22,397</b>	<b>25,307</b>

Loans to others includes a loan to the company Infront-X AS, amounting to NOK 19,715 included accumulated interests (NOK 19 million in 2019). The loan, which originally should have been settled, has been extended with one year. The debtor is a R&D company within programming, whitch

currently is developing a software that Lerøy Seafood Group finds interesting. Lerøy Seafood Group consider the company to be well positioned for future profits. The value of the loan is considered to be existent. The loan is convertible, and can fully or partly be converted to shares at a later stage.

**NOTE 8****Loans, mortgages and guarantees**

(All figures in NOK 1,000)

Long term loans	2020	2019
<b>Long-term interest-bearing debt</b>		
Loans from credit institutions	189,095	248,344
Leasing debt to credit institutions	53	0
<b>Total interest-bearing debt at 31.12</b>	<b>189,148</b>	<b>248,344</b>
Bank deposits	1,971,929	2,072,963
<b>Net interest-bearing debt at 31.12</b>	<b>-1,782,781</b>	<b>-1,824,619</b>
<b>Repayment profile interest-bearing debt</b>		
2020		70,492
2021	31,569	177,852
2022	31,516	
2023	31,516	
2024	31,516	
2025	31,516	
Later	31,516	
<b>Total</b>	<b>189,148</b>	<b>248,344</b>

**Financial covenants**

Loan terms ("covenants") are: The equity ratio must be minimum 30%, and net interest-bearing debt shall not exceed 5.0 in relation to EBITDA for the Group (consolidated financial

statements). When calculating the equity ratio, the balance sheet is adjusted for bank deposits and deferred tax in respect of licences.

Mortgages and guaranties	2020	2019
<b>Debt secured by mortgages</b>		
Loans from credit institutions	189,095	248,344
Leasing debt to credit institutions	53	0
<b>Total mortgage-secured debt at 31.12</b>	<b>189,148</b>	<b>248,344</b>
<b>Mortgaged assets</b>		
Shares in subsidiaries	<b>859,707</b>	<b>859,707</b>
Shares in associates	163,273	163,273
Lease included in fixed assets		
<b>Total book value of mortgaged assets 31.12</b>	<b>1,022,980</b>	<b>1,022,980</b>
<b>Guarantees and sureties</b>	<b>32,100</b>	<b>32,100</b>

**Guarantee and surety liability**

Lerøy Seafood Group ASA has posted a guarantee of NOK 30,000 for Lerøy Aurora AS in favour of Innovasjon Norge. Lerøy Seafood Group ASA has also posted a guarantee of NOK 2,100 in favour of VPS/Nordea.

Lerøy Seafood Group ASA also has joint and several liability for outstanding VAT together with Lerøy Seafood AS, which is included in the joint VAT registration.

**Other commitments**

Lerøy Seafood Group ASA has entered into a 10 year rental agreement for the office facilities, which started to run from November 2018, with an option for additional 10 years. Annual minimum rent is approximately NOK 12,000.

**Restricted funds**

Restricted funds included in bank deposits equals to NOK 2,899

Other short term debt	2020	2019
<b>Consist of</b>		
Salary and other personal expenses	17,476	9,334
Accrued interest expenses	5,574	3,468
Other short term liabilities	53	5,902
<b>Total</b>	<b>23,103</b>	<b>18,704</b>

## NOTE 9

### Interest rate swaps

(All figures in NOK 1,000)

Lerøy Seafood Group ASA has two interest rate swaps, each with a fixed amount of NOK 500 million and a duration of 10 years. The agreements are from 2011 and 2012.

When the interest rate swaps (the hedging instruments) were entered into in 2011 and 2012, it was expected that the long-term bank debt (the hedged item) would be greater or equal to the signed interest rate swap during the complete period of 10 years. Hedge accounting (cash flow hedge) was therefore chosen as the accounting policy.

Due to repayment of the bank loans during the period, without drawing new loans of similar size, the remaining total bank debt (hedging object) became significant lower than the hedging instrument, resulting in the fact that the hedging relationship ceased, first for the first agreement, and later for the second agreement. From 2018 the change in fair value on both interest rate swap agreements are booked through profit and loss, as a financial item.

Interest rate swaps	Agreement 1	Agreement 2	Total
Nominal amount	500,000	500,000	1,000,000
Start date	17.11.2011	17.01.2012	
Expiry date:	16.11.2021	16.01.2022	
Duration	10 år	10 år	
Agreed fixed/average interest rate	3.55 %	3.29 %	3.42 %
<b>Book value 01.01.2019</b>			
Fair value of interest rate swaps as of 01.01.	-28,979	-26,481	-55,460
Deferred tax related to the interest rate swaps, 22 %	6,375	5,826	12,201
<b>Net (negative) value after tax, as of 01.01.</b>	<b>-22,604</b>	<b>-20,655</b>	<b>-43,259</b>
<b>Changes in 2019 booked through profit and loss</b>			
Change in fair value of interest rate swaps in 2019	13,071	11,798	24,869
Change in deferred tax related to the value change in the period, 22 %	-2,876	-2,596	-5,471
<b>Changes booked through profit and loss</b>	<b>10,195</b>	<b>9,203</b>	<b>19,398</b>
<b>Book value 31.12.2019</b>			
Fair value of interest rate swaps as of 31.12.	-15,909	-14,682	-30,591
Deferred tax related to the interest rate swaps, 22 %	3,500	3,230	6,730
<b>Net (negative) value after tax, as of 31.12.</b>	<b>-12,409</b>	<b>-11,452</b>	<b>-23,861</b>
<b>Interests on interest swap agreements 2019</b>			
Floating rate interests	7,239	7,289	14,528
Fixed rate interests	17,750	16,450	34,200
<b>Net paid</b>	<b>10,511</b>	<b>9,161</b>	<b>19,672</b>
<b>Changes in 2020 booked through profit and loss</b>			
Change in fair value of interest rate swaps in 2020	1,895	-596	1,299
Change in deferred tax related to the value change in the period, 22 %	-417	131	-286
<b>Changes booked through profit and loss</b>	<b>1,478</b>	<b>-465</b>	<b>1,013</b>
<b>Book value 31.12.2020</b>			
Fair value of interest rate swaps as of 31.12.	-14,014	-15,279	-29,293
Deferred tax related to the interest rate swaps, 22 %	3,083	3,361	6,444
<b>Net (negative) value after tax, as of 31.12.</b>	<b>-10,931</b>	<b>-11,917</b>	<b>-22,848</b>
<b>Interests on interest swap agreements 2020</b>			
Floating rate interests	4,115	4,255	8,369
Fixed rate interests	17,799	16,495	34,294
<b>Net paid</b>	<b>13,684</b>	<b>12,240</b>	<b>25,924</b>

The market to market value on the interest swap agreements as of 31.12 that comes from DNB, are applied as fair value.

Fair value is basically the difference between floating rate and fixed rate, that will be paid from 31.12 and until expiry date.



## NOTE 10

### Taxation

(All figures in NOK 1,000)

Calculation of tax payable cost	2020	2019
Profit before tax	695,864	2,058,589
Permanent differences	-122,658	-411,702
Change in temporary differences (through profit and loss)	-17,875	-44,402
<b>The year's taxation base for tax payable, before intragroup contributions paid</b>	<b>555,331</b>	<b>1,602,484</b>
Tax rate, nominal	22 %	22 %
<b>Tax payable cost</b>	<b>122,173</b>	<b>352,547</b>
Taxation base and alculation of tax payable	2020	2019
The year's taxation base for tax payable, before intragroup contributions paid	555,331	1,602,484
Intragroup contributions paid	-208,637	-216,292
<b>The year's taxation base for tax payable</b>	<b>346,694</b>	<b>1,386,192</b>
Tax rate, nominal	22 %	22 %
<b>Tax payable, after intragroup contributions paid</b>	<b>76,273</b>	<b>304,962</b>
Overview of temporary differences	2020	2019
Temporary differences where changes are recognised in profit and loss		
Intangibles	54,803	40,704
Buildings and other fixed assets	4,108	3,153
Financial instruments, total	-29,293	-30,591
Gain/loss account	-6,090	-7,612
<b>Temporary differences 31.12 where changes are recognised in profit and loss</b>	<b>23,529</b>	<b>5,654</b>
Change in temporary differences where changes are recognised in profit and loss	17,875	44,402
Permanent differences	2020	2019
Dividends received (including the 3 % added on the tax base)	-281,473	-561,150
Other permanent differences	158,815	149,448
<b>Total permanent differences</b>	<b>-122,658</b>	<b>-411,702</b>
Tax payable booked in the balance sheet	2020	2019
Tax payable cost	122,173	352,547
Tax payable reduction from intragroup contributions paid	-45,900	-47,584
Tax payable accrued for changes previous years	1,151	0
<b>Tax payable in the balance sheet</b>	<b>77,424</b>	<b>304,962</b>
Deferred tax	2020	2019
Total temporary differences	23,529	5,654
Tax rate, nominal	22 %	22 %
<b>Deferred tax liability (+) / asset (-)</b>	<b>5,176</b>	<b>1,244</b>

<b>The year's tax cost consists of</b>	<b>2020</b>	<b>2019</b>
Tax payable in the tax cost before intragroup contributions paid	122,173	352,547
Change in deferred tax where changes are recognised in profit and loss	3,932	9,768
Too much (-) or too little (+) allocated to tax previous year	1,193	865
<b>Total tax cost</b>	<b>127,298</b>	<b>363,180</b>
Effective tax rate	18.3 %	17.6 %
<b>Reconciliation of tax cost in the income statement</b>	<b>2020</b>	<b>2019</b>
22% of profit before tax	153,090	452,889
22% of permanent differences	-26,985	-90,575
Estimation deviation previous years	1,193	865
<b>Total tax cost</b>	<b>127,298</b>	<b>363,180</b>
<b>Estimation deviation previous years consists of</b>	<b>2020</b>	<b>2019</b>
Too little(+) / much(-) accrued tax payable previous year	42	865
Change in earlier years tax filing	1,151	0
<b>Total</b>	<b>1,193</b>	<b>865</b>

## NOTE 11

### Payroll costs, number of employees, remuneration, loans to staff, etc.

(All figures in NOK 1,000)

Payroll expenses	2020	2019
Salaries, holiday pay and bonuses	64,656	42,497
Employer's contribution	7,501	5,836
Hired personnel	10,106	10,275
Remuneration to the Board of Directors	1,245	1,200
Pension costs <sup>*)</sup>	3,053	2,399
Other remunerations / nomination committee	1,068	451
Other personnel costs	418	737
<b>Total</b>	<b>88,047</b>	<b>63,395</b>

<sup>\*)</sup> Defined contribution pension scheme.

Number of full-time equivalents:	43	30
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For a specification of remuneration of senior executives in Lerøy Seafood Group ASA, see note on payroll expenses in the consolidated financial statements. The Chairman of the Board is hired in from Laco. The cost related to the Chairman of the Board is included in the accounting item for hired personnel with NOK 5,6 million for 2020 and NOK 5,9 million for 2019. For total consulting fee paid to Laco, see note on

transactions with related parties.

#### Auditor

Fees from the Group auditor PricewaterhouseCoopers AS, the law firm PricewaterhouseCoopers AS and other foreign PriceWaterhouseCoopers firms, were as follows:

	2020	2019
Auditing fees Group auditor	1,194	1,040
Other services Group auditor	1,991	882
<b>Total</b>	<b>3,185</b>	<b>1,922</b>

Other services paid to PWC in 2020 consists of other assurance services (special purpose audits), legal advice and technical

assistance regarding restructuring, HR services and services related to financial reporting.

**NOTE 12****Items that are combined in the financial statements***(All figures in NOK 1,000)*

<b>Financial revenue</b>	<b>2020</b>	<b>2019</b>
Interest income from Group companies	29,867	14,265
Other interest income	17,850	20,476
Currency exchange gain	39,598	9,566
<b>Total financial revenue</b>	<b>87,315</b>	<b>44,307</b>
<b>Financial costs</b>	<b>2020</b>	<b>2019</b>
Interest cost	30,788	25,098
Currency exchange loss	45,574	5,395
Other financial costs	5,641	5,997
<b>Total financial costs</b>	<b>82,003</b>	<b>36,490</b>
<b>Other financial items , net</b>	<b>5,312</b>	<b>7,817</b>
Unrealised currency gain(+)/loss(-) included above <sup>*)</sup>	-9,825	2,957

<sup>\*)</sup> Relates to a long term foreign exchange loan in euro.

## NOTE 13 Related parties

(All figures in NOK 1,000)

Lerøy Seafood Group ASA is a subsidiary of Austevoll Seafood ASA, which in turn is a subsidiary of Laco AS. Laco AS is the ultimate parent company. Transactions and intercompany accounts with other Group companies in the Laco AS corporation, not covered by Lerøy Seafood Group ASA, are classified as transactions and intercompany accounts with related parties. The same applies to associates of the above.

Associates owned by Lerøy Seafood Group, and non-controlling interests in subsidiaries, are also classified as related parties.

In addition, any companies owned by employees, in particular senior executives, are classified as related parties. No transactions of significance between such companies have been identified.

Transactions and intercompany accounts with associates and other identified related parties of Lerøy Seafood Group ASA are as follows:

2019	Ownership	Sales	Purchases	Receivables	Liabilities
<b>Transactions with parent company and its related parties</b>					
Laco AS	"Ultimate parent"		5,531		
Austevoll Seafood ASA	Laco AS (55.55%)				
Austevoll Laksepakkeri AS	Austevoll Seafood ASA (100%)		13		
<b>Transactions with the Group's own associates and non-controlling interests (NCI) in subsidiaries</b>					
Ocean Forest AS	Lerøy Seafood Group ASA (50 %)		4,500		
The Seafood Innovation Cluster	Lerøy Seafood Group ASA (20 %)		704		
<b>Total transactions and intercompany accounts with all identified related parties</b>		<b>0</b>	<b>10,748</b>	<b>0</b>	<b>0</b>

Dividend received from associated companies is specified in the note on associated companies in consolidated accounts.

2020	Ownership	Sales	Purchases	Receivables	Liabilities
<b>Transactions with parent company and its related parties:</b>					
Laco AS	"Ultimate parent"		5,565		6,956
Austevoll Seafood ASA	Laco AS (55.55%)		120		
Austevoll Laksepakkeri AS	Austevoll Seafood ASA (100%)		1,289		
<b>Transactions with the Group's own associates and non-controlling interests (NCI) in subsidiaries</b>					
Sporbarhet AS	Lerøy Seafood Group ASA (27 %)		4,848		
Ocean Forrest AS	Lerøy Seafood Group ASA (50 %)		3,000		1,500
The Seafood Innovation Cluster	Lerøy Seafood Group ASA (20 %)		724		
<b>Total transactions and intercompany accounts with all identified related parties</b>		<b>0</b>	<b>15,546</b>	<b>0</b>	<b>8,456</b>

Dividend received from associated companies is specified in the note on associated companies in consolidated accounts.