



Austevoll Seafood ASA

# Q4 2019 financial presentation

Arne Møgster – CEO

Britt Kathrine Drivenes – CFO

# Highlights

All figures in NOK 1,000	Q4 2019	Q4 2018	2019	2018
Revenue	5,930,588	5,765,343	23,341,679	22,837,084
EBITDA*	996,644	1,215,632	4,260,515	5,238,612
EBIT*	652,494	955,123	2,923,726	4,278,538
Pre-tax profit**	714,535	967,927	3,080,975	4,396,999
EPS (NOK)*	1.36	2.49	6.89	9.79
Total assets			39,830,835	37,954,835
Net interesting bearing debt ***			4,074,378	3,982,594
Equity ratio			59%	59%
<b>Group EBITDA incl. 50% of Pelagia</b>	<b>1,129,178</b>	<b>1,322,412</b>	<b>4,696,096</b>	<b>5,561,212</b>
<i>EBITDA Salmon/whitefish</i>	1,030,859	1,133,683	3,746,276	4,228,205
<i>EBITDA Pelagic incl. proportional Pelagia</i>	98,319	188,728	949,820	1,333,007

The Board will recommend to the annual general meeting in 2020 a dividend of NOK 4.50 per share (NOK 3.50 per share in 2019)

\* Before fair value adjustments related to biological assets

\*\* In pre-tax profit the effect from fair value adjustments related to biological assets is excluded. This effect is also excluded for biological assets in associated companies.

\*\*\* Ex. right-of-use assets liabilities

# Operation overview

	PERU	CHILE	NORTH ATLANTIC	AUSTEVOLL SEAFOOD GROUP
PELAGIC FISHING	7% of anchovy quota centre-north 20 fishing vessels	8.4% of pelagic fishing quota 3 fishing vessels	3 fishing vessels	400,000 - 500,000 MT of pelagic fish caught annually (26 vessels)
PELAGIC PROCESSING	7 processing plants	4 processing plants	27 processing plants*	38 processing plants Intake of 1.6 – 2.0 mill MT of fish annually
WHITEFISH			11% whitefish quota (NO) • 10 fishing vessels • 8 Processing plants	100,000 - 120,000 MT of whitefish (10 vessels) 8 processing plants
SALMON			Norway: Salmon licenses • incl. salmon operation UK*	190,000 - 200,000 MT of salmon
SALES	Integrated sales organisation	Integrated sales organisation	Integrated sales organisation	Wholesale with global sales & distribution

\* Associated companies

# Pelagic

Austral Group S.A.A

Foodcorp Chile S.A

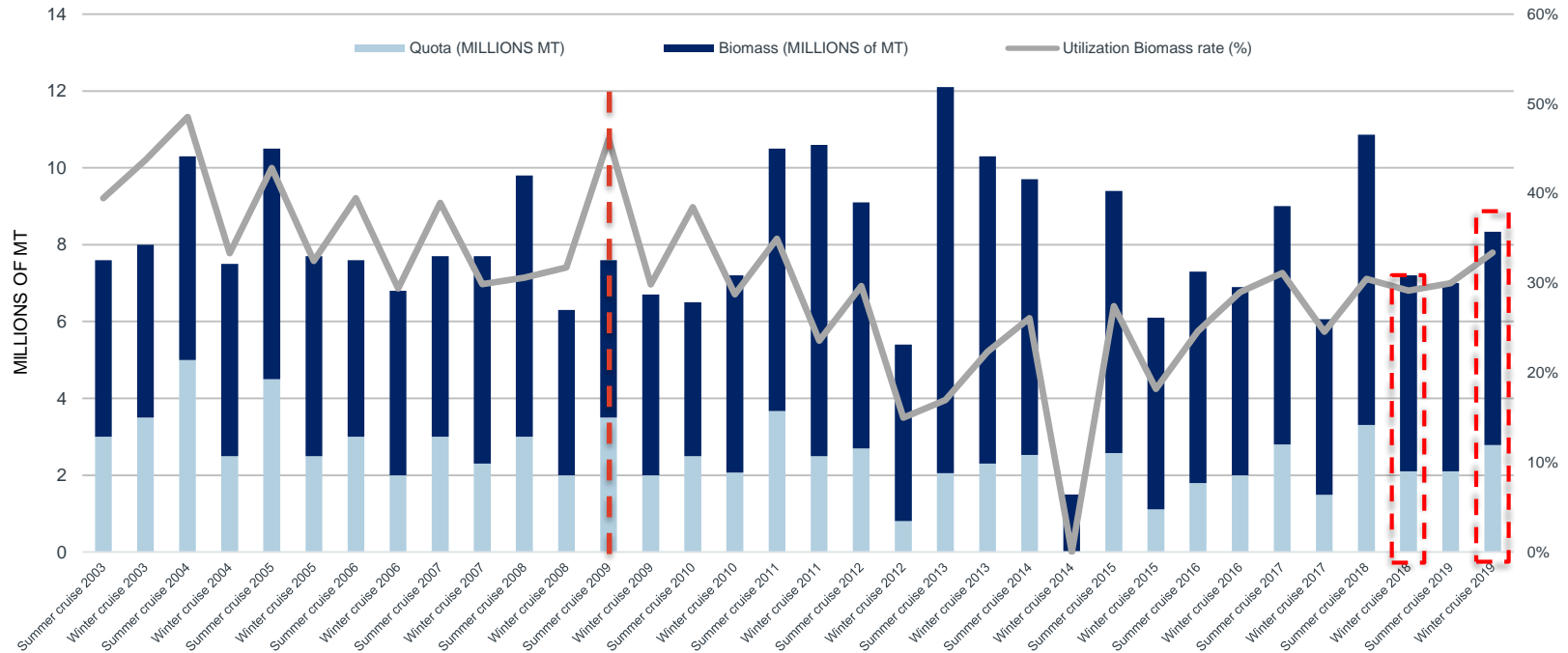
Br. Birkeland AS

Pelagia Holding AS (associated)



# Biomass and quota evolution

## Peruvian anchoveta



- 2<sup>nd</sup> season quota 2.78 million MT 36% caught vs. 2.1 million MT 2018 98% caught
- Peruvian quota for 2019 in total 4.9 million MT 63% caught vs. 5.41 million MT in 2018 98% caught

# Operation in Peru

## Austral Group S.A.A

### Fishmeal/fish oil

#### Centre/North

- 2<sup>nd</sup> season quota 2.78 m MT (2018 2.1 m MT) 36% caught (98% 2018)
  - Austral catch 50,811 MT vs. 146,759 MT same season 2018
  - Total raw material purchased 30,992 MT vs. 36,556 MT in 2018
- Combined Fishmeal/Oil yield 27.33% 2019 vs. 26.85% in 2018 due to higher oil yield
- Quality of fishmeal produced: Super/prime 76% 2019 vs. 84% 2018
- Quota progress affected by the high level of juveniles leading to the closure of the season early

#### Direct Human Consumption

- Catch 2019 was 18,650 MT vs. 11,350 MT in 2018
- 2020 quota (industrial only): 70,000 MT jack mackerel and 75,000 MT mackerel
  - Good start to DHC in Q1 2020, 13,000 MT YTD vs. 10,000 YTD 2019

\* Assumption of total quota of 4,5 – 5,0 million tonnes, subject to Imarpe's cruises for 2020

Volume '000 MT	Q4 2019	Q4 2018	2019	2018	*2020E
<b>Own catch</b>					
Anchoveta	50	127	224	403	304
Jack mackerel	1	3	14	5	15
Mackerel		2	4	6	6
<b>Purchase</b>					
Anchoveta	31	49	106	187	155
Other species					2
<b>Total ('000 MT)</b>	<b>82</b>	<b>181</b>	<b>348</b>	<b>601</b>	<b>482</b>



# Operation in Chile

## Foodcorp Chile S.A

### Own catch: Jack mackerel

- Seasonal low activity
- Whole quota (own + purchased) 100% caught
  
- Healthy biomass: 15% quota increase suggested for 2020 by SPRFMO

### Purchases:

- Sardine - good size and high fat content
  - Quotas 100% caught
- Giant squid – limited volume and small size
  - Majority of artisanal quota uncaught

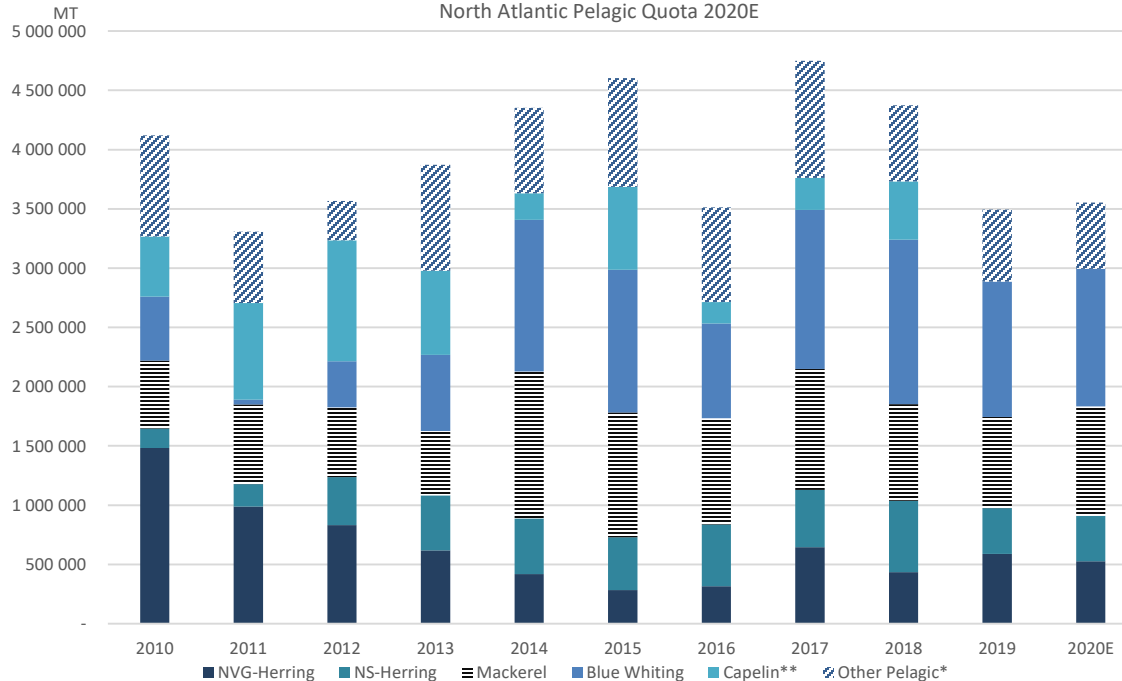
Volume '000 MT	Q4 2019	Q4 2018	2019	2018	2020E
<b>Own catch:</b>					
Mackerel and other species	4	5	54	57	61
<b>Purchase:</b>					
Sardine/anchovy	3	3	27	27	31
Giant squid/mackerel	0	0	4	11	4
Total ('000 MT)	7	8	85	95	96

Focus remains in securing raw material from third parties



# North Atlantic pelagic quotas

(2010-2020E)



\* Horse mackerel, Sand eel, Norway Pout, Boar \*\* Capelin from both the Barents Sea and Iceland

## ICES recommendation for 2020

- Increased quota for:
  - Mackerel +20%
  - Blue whiting + 2%
- Decrease in quota for
  - NVG herring -11%

## Awaiting quota in 2020

- Icelandic capelin
- Sand eel

Source:  
Norges Sildesalgslag, Havforskningsinstituttet.

Estimates is based on data from the above sources, ICES recommendation and TAC



# Pelagia AS

## Fishmeal and fish oil (FMO)

Norway, UK and Ireland ('000 MT)

### Raw Material:

	Q4 2019	Q4 2018	2019	2018	2020E
Fishmeal and fish oil	116	107	614	674	618
Protein concentrate/oil	63	58	255	247	247
<b>Total ('000 MT)</b>	<b>179</b>	<b>165</b>	<b>869</b>	<b>921</b>	<b>865</b>

All volume based on 100%

- Raw material intake slightly higher in Q4 2019 vs. Q4 2018
  - Trimmings at same level as last year
  - More raw materials in Ireland, specially boar fish
- Quota for 2020 about the same level as 2019
- Lower sales – below last year
  - Sales lower in Q4 2019 vs. Q4 2018
  - Quiet market towards the end of Q4 and early Q1 2020
  - Some recovery of prices both for fishmeal and oil



# Pelagia AS

## Direct Human Consumption

Volume ('000 MT)	Q4 2019	Q4 2018	2019	2018	2020E
Raw material intake	175	189	335	416	376

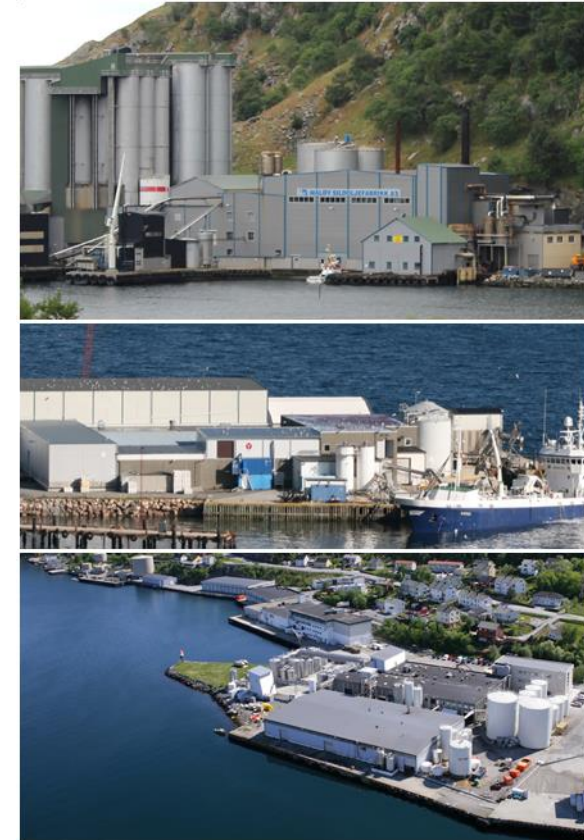
- Good raw material intake for the quarter
  - Mainly production of mackerel and winter herring
- Sales in accordance with plans for the quarter
  - Mackerel with again all time high raw material cost
  - Winter herring with acceptable level of cost
  - 43% market share of mackerel, herring and capelin exported from Norway for 2019
- Stock level acceptable and unsold position is low
- Good start for 2020 with both production and sales



# Pelagia AS (100% figures)

(MNOK)	Q4 2019	Q4 2018	2019	2018
Revenue	2 442	2 386	6 986	6 369
EBITDA	265	214	871	645
EBIT	206	163	650	443
Sales volumes (tonnes):				
Frozen	115 500	110 300	269 300	284 700
FM/FPC/Oil	35 300	48 200	174 900	177 700

\* **2019**: Including gain of sale of MNOK 105



Associated company, AUSS share = 50%

# Salmon/Whitefish

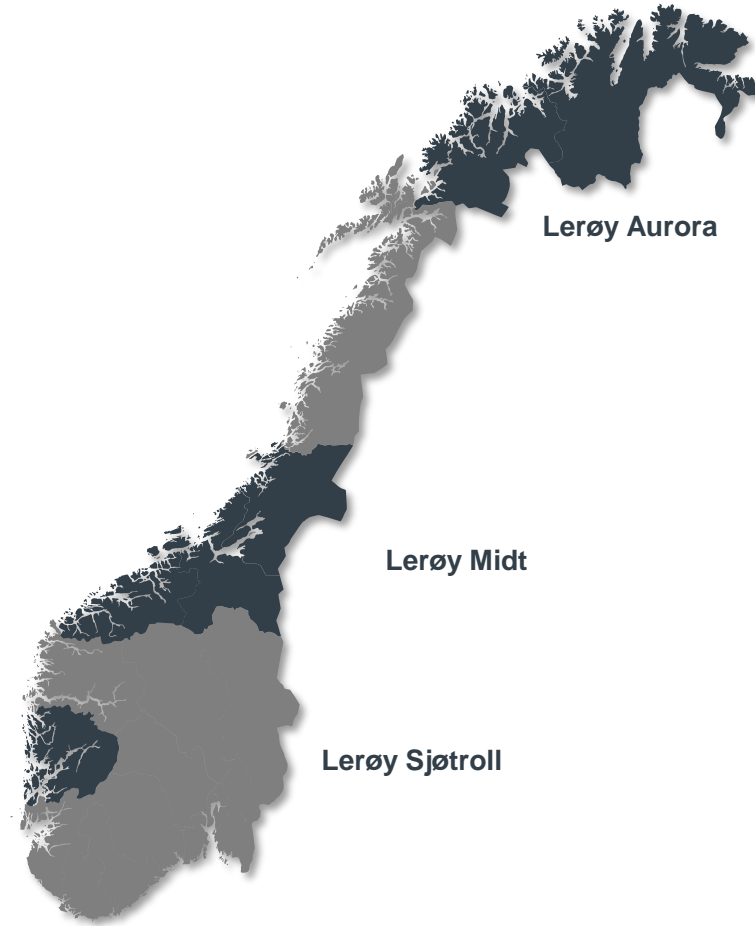
*Lerøy Seafood Group ASA*



# Lerøy Seafood Group ASA

## Q4 2019

- EBIT before FV adj. NOK 769 million (Q4/18: NOK 948 million)
  - Lerøy Havfisk & LNWS EBIT NOK 42 million (Q4/18: NOK 54 million)
- Harvest volume salmon and trout 42,823 GWT (Q4/18: 49,414 GWT)
- Spot prices up 1% y-o-y
- EBIT/kg all incl. (excl. EBIT Lerøy Havfisk & LNWS) of NOK 17.0 (Q4/18: NOK 18.1)
- Contract share of 38% (Q4/18: 23%)
- NIBD NOK 2,641 million at end of Q4/19 (Q4/18: NOK 2,546 million)



# Lerøy Seafood Group ASA

## Salmon/trout farming

	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
<b>Total Norway</b>	<b>158 300</b>	<b>157 700</b>	<b>150 200</b>	<b>157 800</b>	<b>162 000</b>	<b>158 200</b>	<b>~172 000</b>
Villa Organic AS**	6 000						
Norskott Havbruk (UK)***	13 800	13 500	14 000	15 500	13 700	12 900	~13 000
<b>Total</b>	<b>178 100</b>	<b>171 200</b>	<b>164 200</b>	<b>173 300</b>	<b>175 800</b>	<b>171 100</b>	<b>~185 000</b>

\*) 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

# Lerøy Seafood Group ASA - Wild catch

	Catch volume (MT)				Quota 2020
	Q4/19	Q4/18	2019	2018	
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	
<b>Total</b>	<b>12 949</b>	<b>11 515</b>	<b>62 497</b>	<b>66 255</b>	

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

## Q4 2019: Wild catch

- Q4/19 harvest volume at 12,949 tonnes, up 12% y-o-y
- Higher share of cod and haddock than corresponding quarter last year
- Average prices up 11% y-o-y due to composition of catch:
  - Y-o-y prices for cod up 10%, haddock up 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

# Financials

*Q4 2019*





# Catch, purchase and farming (100% volumes)

Figures in 1,000 tonnes	Q4 2019	Q4 2018	2019	2018	2020 E	
<b>Group companies:</b>						
Norway (whitefish)	13	12	63	66	68	
Norway (pelagic)	9	8	31	41	32	
Chile own catch	4	5	54	57	61	
Chile purchase	3	3	31	38	35	
Peru own catch	52	131	243	415	325	**
Peru purchase	31	49	108	188	157	**
<b>Total Group companies</b>	<b>112</b>	<b>208</b>	<b>528</b>	<b>805</b>	<b>678</b>	
<b>Joint ventures:</b>						
Europe purchase (HC)	175	189	335	416	376	
Europe purchase (FM/FPC/Oil)	179	165	869	921	865	
<b>Total Joint venture:</b>	<b>354</b>	<b>354</b>	<b>1 204</b>	<b>1 337</b>	<b>1 241</b>	
<b>Total wildcatch</b>	<b>466</b>	<b>562</b>	<b>1 732</b>	<b>2 142</b>	<b>1 919</b>	
<b>Salmon/trout (GWT)*</b>	<b>48</b>	<b>54</b>	<b>178</b>	<b>182</b>	<b>193</b>	
<b>Total Group</b>	<b>514</b>	<b>616</b>	<b>1 911</b>	<b>2 324</b>	<b>2 113</b>	

\* Incl. 50% of the Scottish Sea Farms volumes

\*\* Assumption of total quota of 4,5 – 5,0 million tonnes, subject to Imarpe's cruises for 2020

# Key financial figures Q4 2019

(NOK 1,000)	Q4 2019	Q4 2018	Δ%
Revenue	5,930,588	5,765,343	2.9 %
<b>EBITDA*</b>	<b>996,644</b>	<b>1,215,632</b>	-18.0 %
Depreciation/impairment	344,150	260,509	
<b>EBIT*</b>	<b>652,494</b>	<b>955,123</b>	-31.7 %
Income from associates*	129,885	131,048	
Net finance	-67,844	-118,244	
<b>Pre-tax**</b>	<b>714,535</b>	<b>967,927</b>	-26.2 %
Net profit	802,045	356,126	
EPS (NOK)	1.98	1.06	
EPS (NOK)*	1.36	2.49	

Q4 2019 a)	Q4 2018 a)	Δ%
7,151,491	6,958,390	2.8 %
<b>1,129,179</b>	<b>1,322,412</b>	-14.6 %
373,653	285,656	
<b>755,526</b>	<b>1,036,756</b>	-27.1 %

\* Before fair value adjustments related to biological assets

\*\* In pre-tax profit the effect from fair value adjustments related to biological assets is excluded. This effect is also excluded for biological assets in associated companies.

a) AUSS incl. proportional 50% of Pelagia AS

	Q4 2019	Q4 2018
Biomass adj group company	245,667	-741,032
Biomass adj group associated companies	42,652	20,090

The Group implemented IFRS 16 regarding leases (right of use assets) with effect from January 1<sup>st</sup>, 2019. The profit figures are therefore not directly comparable to corresponding figures in 2018. See note 1 in the Financial report for Q4 2019 for more details

# Key financial figures 2019

(NOK 1,000)	2019	2018 (audited)	Δ%	2019 a)	2018 (audited) a)	Δ%
Revenue	<b>23,341,679</b>	22,837,084	2.2 %	<b>26,834,874</b>	26,021,565	3.1 %
<b>EBITDA*</b>	<b>4,260,515</b>	<b>5,238,612</b>	-18.7 %	<b>4,696,096</b>	<b>5,561,213</b>	-15.6 %
Depreciation/impairment	1,336,789	960,074		1,447,363	1,061,241	
<b>EBIT*</b>	<b>2,923,726</b>	<b>4,278,538</b>	-31.7 %	<b>3,248,733</b>	<b>4,499,972</b>	-27.8 %
Income from associates*	469,484	474,978				
Net finance	-312,235	-356,517				
<b>Pre-tax**</b>	<b>3,080,975</b>	<b>4,396,999</b>	-29.9 %			
Net profit	<b>2,197,436</b>	<b>4,230,832</b>				
EPS (NOK)	6.22	11.39				
EPS (NOK)*	6.89	9.79				

\* Before fair value adjustments related to biological assets

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a) AUSS incl. proportional 50% of Pelagia AS

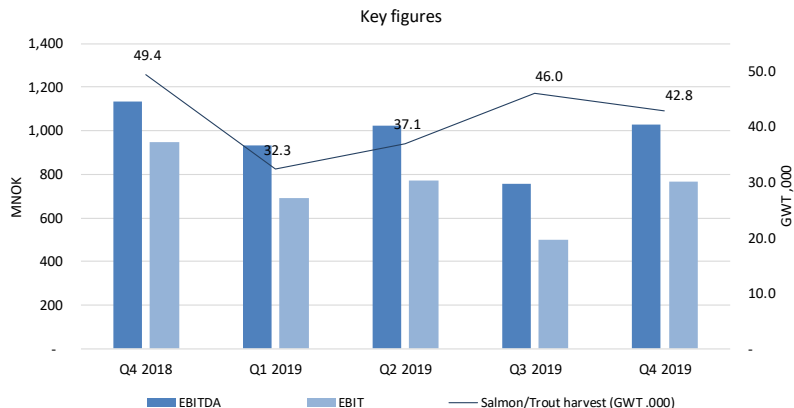
	2019	2018 (audited)
Biomass adj group company	-306,323	798,388
Biomass adj group associated companies	-18,726	-2,959

The Group implemented IFRS 16 regarding leases (right of use assets) with effect from January 1<sup>st</sup>, 2019. The profit figures are therefore not directly comparable to corresponding figures in 2018. See note 1 in the Financial report for Q4 2019 for more details

# Lerøy Seafood Group ASA

(MNOK)	Q4 2019	Q4 2018	2019	2018
Revenue	5,256	5,347	20,454	19,880
EBITDA*	1,031	1,134	3,746	4,228
EBIT*	769	948	2,734	3,569
Harvested volume (GWT)	<b>42,823</b>	<b>49,414</b>	<b>158,178</b>	<b>162,039</b>
EBIT/kg* ex. Wild Catch (NOK)	17.0	18.1	15.5	19.6
Havfisk catch volume (MT)	<b>12,949</b>	<b>11,515</b>	<b>62,496</b>	<b>66,255</b>
EBIT Wild Catch (MNOK)	42	54	293	388

\* Before fair value adjustments related to biological assets



## • Price achievement

- Spot prices up 1%
  - ✓ NSI Q4/19 NOK 56.1 vs. NOK 55.4 in Q4/18
  - ✓ Up NOK 7.6/kg q-o-q and NOK 0.7/kg y-o-y
- For comparable quality contract prices was higher than the spot price realization
  - ✓ Contract share of 38%

## • Cost (RFS)

- Down from Q3/19, but higher compared with Q4/18

## • Biomass at sea

- End Q4/19 at 111,263 LWT vs. 110,105 LWT end Q4/18 (+1%)

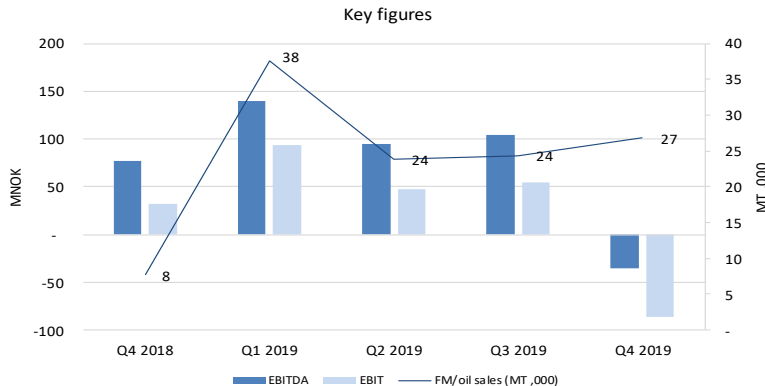
## • Wild catch

- Q4/19 harvest volumes at 12,949 MT up 12% y-o-y
- Average prices up 11% y-o-y (product mix)
  - ✓ Y-o-y prices for cod up 10%, haddock 14% and saithe up 10%

**NIBD Q4/19 MNOK 2,641 vs. Q4/18 MNOK 2,546**

# Austral Group S.A.A

(MNOK)	Q4 2019	Q4 2018	2019	2018
Revenue	395	164	1,700	1,640
EBITDA	-35	77	305	619
EBIT	-86	32	109	453
<b>Raw material (MT)</b>	<b>83,238</b>	<b>180,637</b>	<b>350,329</b>	<b>602,703</b>
<b>Sales volumes:</b>				
Fishmeal (MT)	25,669	6,602	98,982	93,636
Fish oil (MT)	1,119	1,113	13,654	16,933
Frozen/fresh (MT)	2,173	5,321	15,386	11,808



- **Raw material intake**

- 2<sup>nd</sup> season total quota at 194,000 MT
- ✓ 50,800 MT caught in Q4/19 (Q4/18: 127,000 MT)
- ✓ No own catch in January 2020
- ✓ The negative Q4/19 result is a natural and direct result of the low volumes from fisheries

- **Sales**

- Higher sales volumes y-o-y
- ✓ Higher FM inventory volumes going into Q4/19 vs. Q4/18
- Lower prices for FM and higher prices for fish oil vs. same quarter in 2018

- **Inventory by end 2019 substantially lower vs. end 2018:**

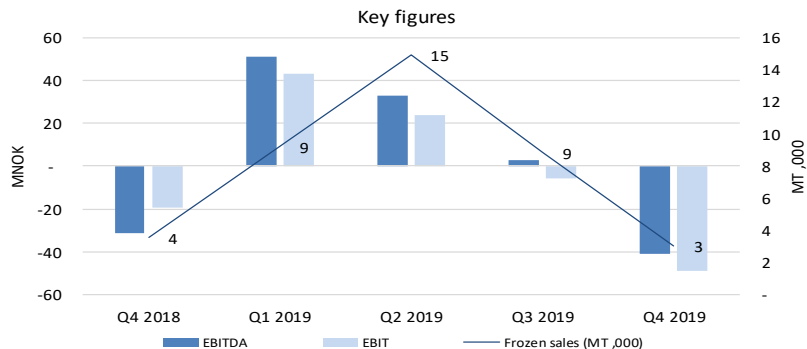
- Fishmeal 14,700 MT (end 2018: 37,500 MT)
- Fish oil 2,700 MT (end 2018: 5,300 MT)
- Contracted (not delivered) 13,000 MT at Q4/19 prices

- **NIBD Q4/19 MNOK 944 vs. Q4/18 MNOK 727**

- 2019 paid out dividend MNOK 215 vs. zero dividend payment in 2018

# Foodcorp Chile S.A

(MNOK)	Q4 2019	Q4 2018	2019	2018
Revenue	93	73	555	603
EBITDA	-41	-31	47	90
EBIT	-49	-20	12	80
<b>Raw material intake:</b>	<b>6,577</b>	<b>8,250</b>	<b>84,499</b>	<b>94,971</b>
<b>Sales volumes:</b>				
Fishmeal (MT)	4,193	2,422	13,288	10,168
Fish oil (MT)	720	128	4,014	3,696
Frozen (MT)	3,038	3,541	36,038	40,277



- **Raw material intake**

- Remaining quota horse mackerel of 3,600 MT caught in Q4/19 (Q4/18: 5,300 MT)
- Challenging year for giant squid

- **Sales**

- Product mix, more FM/oil sales vs. Q4/18
- Lower prices for frozen product due to different product mix

- **Inventory by end 2019**

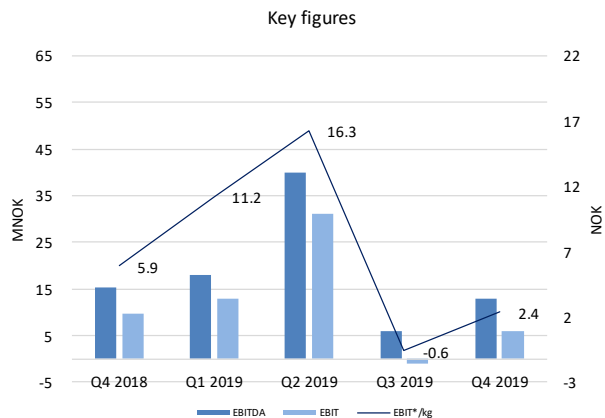
- Frozen 300 MT (end 2018: 4,600 MT)

**NIBD Q4/19 MNOK -40 (cash positive) vs. Q4/18 MNOK 11**

# Br. Birkeland Farming AS (AUSS owns 55.2%)

(MNOK)	Q4 2019	Q4 2018	2019	2018
Revenue	129	87	392	320
EBITDA*	13	15	78	91
EBIT*	6	10	50	70
Harvested volume (GWT)	2,492	1,644	7,318	5,727
EBIT/kg* all incl. (NOK)	2.4	5.9	6.8	12.3

\* Before fair value adjustments related to biological assets

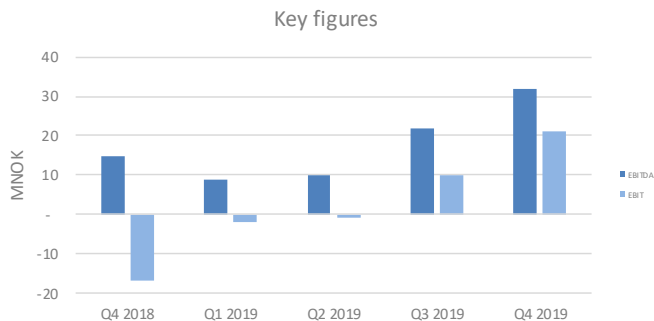


- **Harvested volume (GWT)**
  - Q4/19 2,492 vs. 1,644 in Q4/18
- **Price achievement**
  - Volatile prices in Q4/19
  - NSI Q4/19 NOK 56.1 vs. NOK 55.4 in Q4/18
- **Cost (RFS)**
  - Up y-o-y
- **Biomass at sea**
  - End Q4/19 at 5,033 LWT vs. 5,828 LWT end Q4/18 (- 14%)

**NIBD Q4/19 MNOK 129 vs. Q4/18 MNOK 82**

# Br. Birkeland AS (AUSS owns 42.9%)

(MNOK)	Q4 2019	Q4 2018	2019	* 2018
Revenue	83	73	230	407
EBITDA	32	15	73	213
EBIT	21	-17	28	129
* Gain from sale of Maron AS				157
Adjusted EBITDA				56
Adjusted EBIT				-28



## Pelagic

- Caught remaining quotas for 2019
  - Mackerel and herring
    - ✓ Mackerel prices up 13 % vs. 2018

## Snow crab

- Fishing started after the fishing ban was lifted September 15<sup>th</sup>
- The season ended at October 31<sup>st</sup>
  - Limited catches in Q4/19 total 28 MT vs. 19 MT in Q4/18

**NIBD Q4/19 MNOK -200 (cash positive) vs. Q4/18 MNOK -89 (cash positive)**



# Statement of financial position (Group)

(NOK 1,000)	31-Dec-19	31-Dec-18
Intangible assets	11,486,975	11,491,957
Tangible fixed assets	8,019,525	8,851,442
Right-of-use assets	2,934,538	-
Financial non-current assets	2,530,703	2,392,894
<b>Total non-current assets</b>	<b>24,971,741</b>	<b>22,736,293</b>
Biological assets at cost	4,622,539	4,234,125
Fair value adjustment of biomass	1,287,493	1,634,911
Other inventory	1,378,944	1,896,897
Receivables	3,319,018	3,059,746
Cash and cash equivalents	4,251,100	4,392,863
<b>Total current assets</b>	<b>14,859,094</b>	<b>15,218,542</b>
<b>Total assets</b>	<b>39,830,835</b>	<b>37,954,835</b>
<b>NIBD ex. right-of-use assets liabilities</b>	<b>4,074,378</b>	<b>3,982,594</b>
<b>NIBD incl. right-of-use assets liabilities</b>	<b>5,353,877</b>	
<b>Equity</b>	<b>23,331,034</b>	<b>22,454,007</b>
<b>Equity ratio</b>	<b>59%</b>	<b>59%</b>

USD/NOK:

- 31.12.2019: 8.78
- 31.12.2018: 8.69

Pelagia AS is an associated company which is included in the line *Financial non-current assets* of the Group balance sheet

- As such the Group balance sheet does not include proportional consolidation of Pelagia (50%)

The Group implemented IFRS 16 regarding leases (right of use assets) with effect from January 1<sup>st</sup>, 2019. See note 1 in the Financial report for Q4 2019 for more details

# Cash flow

(NOK 1,000)	Q4 2019	Q4 2018	2019 2018 (audited)	
Pre tax profit	1,002,854	246,984	2,755,927	5,192,428
Biomass adjustment	-245,667	741,032	306,323	-798,388
Paid tax	-49,751	-43,010	-882,491	-948,184
Depreciaton and impairments	344,150	260,509	1,336,789	960,074
Associated companies	-172,537	-151,138	-450,758	-472,019
Interest (net)	62,320	56,108	258,495	276,901
Working capital	-128,255	19,177	-152,645	-1,049,005
<b>Cash from operating activities</b>	<b>813,114</b>	<b>1,129,662</b>	<b>3,171,640</b>	<b>3,161,807</b>
Net investment in capex	-553,371	-677,094	-1,544,578	-2,533,241
Acquisitions and divestments	5,331	46,631	10,713	422,526
Dividend received	50,326	3,000	391,452	395,200
Others	45,098	19,400	83,335	109,838
<b>Cash from investing activities</b>	<b>-452,616</b>	<b>-608,063</b>	<b>-1,059,078</b>	<b>-1,605,677</b>
Change in long term loans	-153,467	-468,242	-947,309	-888,472
Change in short term loans	-409,566	-115,880	399,457	-5,374
Dividends	-	-	-1,416,472	-1,081,324
Others	-107,102	-21,880	-291,393	-277,678
<b>Cash from financing activities</b>	<b>-670,135</b>	<b>-606,002</b>	<b>-2,255,717</b>	<b>-2,252,848</b>
Cash at the beginning of the period	4,565,661	4,461,674	4,392,863	5,074,875
Net change in cash (incl.exchange gain/losse:	-314,561	-68,811	-141,763	-682,012
<b>Cash at the end of the period</b>	<b>4,251,100</b>	<b>4,392,863</b>	<b>4,251,100</b>	<b>4,392,863</b>

The Board will recommend to the annual general meeting in 2020 a dividend of NOK 4.50 per share

(NOK 3.50 per share in 2019)

# Outlook



# Fishmeal

Fish meal production - week 52 (cumulative)

Regions	2019	2018	Change %
Chile <sup>#</sup>	353 575	377 825	-6,4 %
Peru	799 126	1 401 701	-43,0 %
Danmark/Norway	250 259	272 637	-8,2 %
Iceland/North Atlantic*	186 834	240 804	-22,4 %
Total	1 589 794	2 292 967	-30,7 %

Source: IFFO All numbers are preliminary and subject to revision # Includes salmon-derived meal

\*Includes U.K., Ireland and Faroe Islands

## Production

- IFFO Fishmeal production decreased 30.7% week 52 vs. same period 2018
- Lower quotas (EU and Peru) and poor fishery (Peruvian 2<sup>nd</sup> season) were the main reasons for the fall in production volume

## Prices

(FOB Peru)

- USD 1,505/MT for Standard (65%)
- USD1,705/MT for Super Prime (68%)

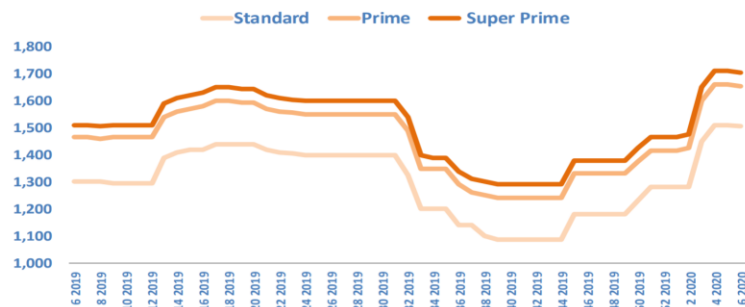
## Demand

- Feed producers and end-users building stocks
- Last Peruvian fishing season is expected to cover their demand up to June 2020

## Supply

- Limited stock available for new offers

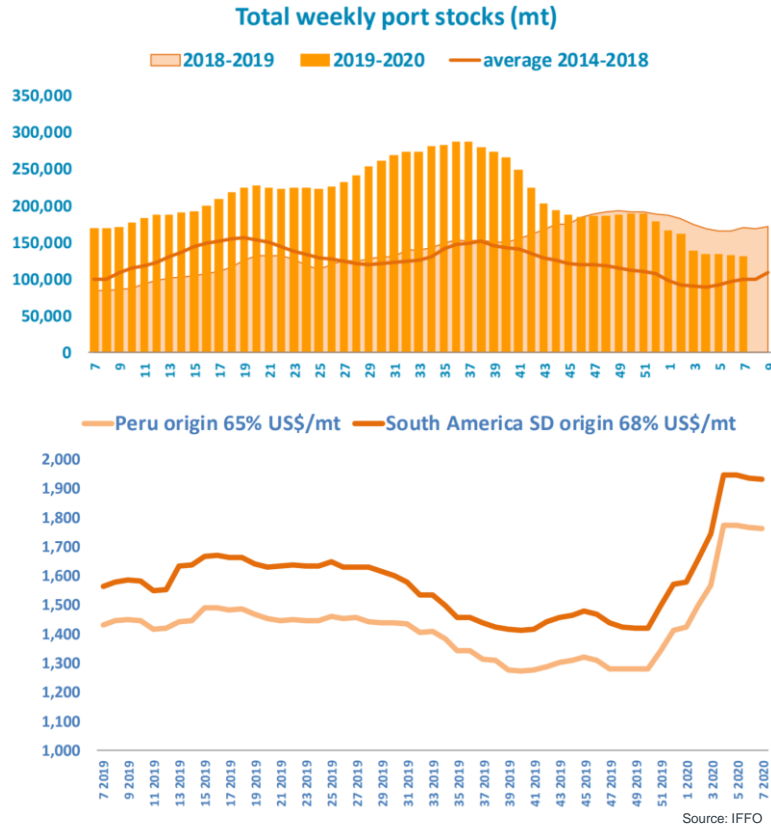
Weekly average Peruvian fishmeal FOB prices (US\$/mt)



Source: IFFO

All prices and figures shown are only for statistical purposes and should not be taken as a reference - Source: IFFO, week 6, 2020

# Fishmeal



## Main market – China

- Stock in China at ports according JCI:
  - 131,690 MT<sup>1</sup>, -22% vs. same period 2018
  - Strong decrease of stocks since September due to:
    - ✓ Lower domestic FM production
    - ✓ High consumption of aqua (weather)
    - ✓ High consumption of piglet feed
    - ✓ Stock building in feed mills
- Chinese stock prices currently higher than Peru:
  - Quoted at RMB 13,500/MT(USD 1,934/MT) equivalent super prime (68%) vs. USD 1,700/MT FOB Peru
- Coronavirus outbreak:
  - Logistics impacted since end January

*All prices and figures shown are only for statistical purposes and should not be taken as a reference - Source: IFFO, week 6, 2020*

*<sup>1</sup> dated 09.02.2020*

# Fish oil

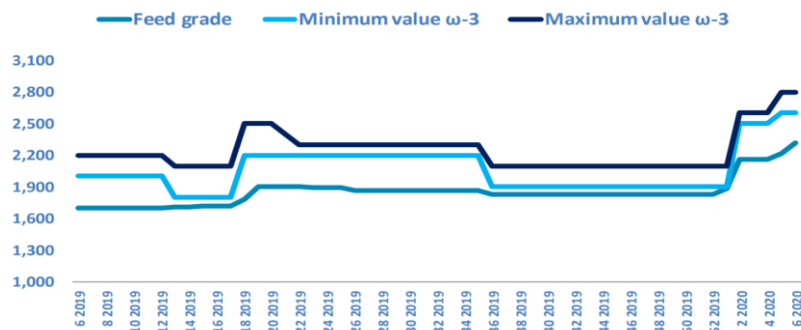
Fish oil production - week 52 (cumulative)

Regions	2019	2018	Change %
Chile <sup>#</sup>	134 483	136 223	-1,3 %
Peru	126 254	226 441	-44,2 %
Danmark/Norway	72 826	75 572	-3,6 %
Iceland/North Atlantic*	43 349	60 175	-28,0 %
<b>Total</b>	<b>376 912</b>	<b>498 411</b>	<b>-24,4 %</b>

source: IFFO All numbers are preliminary and subject to revision # Includes salmon-derived oil  
\*Includes U.K., Ireland and Faroe Islands

Source: IFFO

Weekly average Peruvian fish oil FOB prices (US\$/mt)



Source: IFFO

## Production

- IFFO Fish oil production decreased 24.4% YTD week 52 vs. same period 2018

## Prices

(FOB Peru)

- Feed grade: USD 2,320/MT
- Omega-3 grade: USD 2,600/MT

## Supply

- Limited volume available in Peru

All prices and figures shown are only for statistical purposes and should not be taken as a reference - Source: IFFO, week 06, 2020

# Atlantic salmon supply

(in tonnes WFE )

Year	2014		2015		2016		2017		2018		2019		2020	
Region	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change	Volume	Change
<b>Europe</b>	<b>1 468 900</b>	<b>5,8 %</b>	<b>1 495 400</b>	<b>1,8 %</b>	<b>1 429 700</b>	<b>-4,4 %</b>	<b>1 493 800</b>	<b>4,5 %</b>	<b>1 506 600</b>	<b>0,9 %</b>	<b>1 644 700</b>	<b>9,2 %</b>	<b>1 701 700</b>	<b>3,5 %</b>
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 %
<b>Americas</b>	<b>760 600</b>	<b>16,4 %</b>	<b>823 800</b>	<b>8,3 %</b>	<b>732 300</b>	<b>-11,1 %</b>	<b>796 600</b>	<b>8,8 %</b>	<b>898 700</b>	<b>12,8 %</b>	<b>938 500</b>	<b>4,4 %</b>	<b>983 500</b>	<b>4,8 %</b>
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 %
<b>Totalt</b>	<b>2 229 500</b>	<b>9,2 %</b>	<b>2 319 200</b>	<b>4,0 %</b>	<b>2 162 000</b>	<b>-6,8 %</b>	<b>2 290 400</b>	<b>5,9 %</b>	<b>2 405 300</b>	<b>5,0 %</b>	<b>2 583 200</b>	<b>7,4 %</b>	<b>2 685 200</b>	<b>3,9 %</b>

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	
<b>Total</b>	<b>27</b>	<b>31</b>	<b>38</b>	<b>32</b>	<b>27</b>	<b>41</b>	<b>40</b>	<b>41</b>	<b>62</b>	<b>59</b>	<b>59</b>	<b>57</b>	<b>74</b>

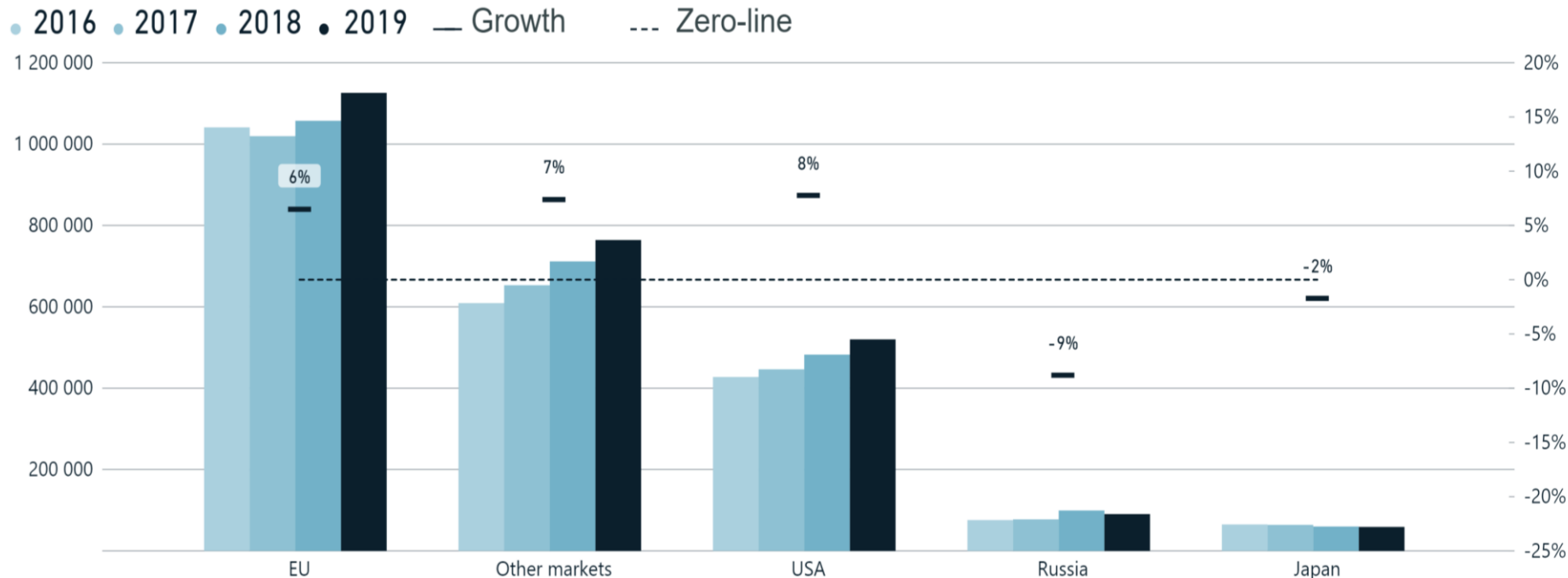




# Atlantic salmon consumption

## 2019 FY

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



Figures as per  
18.02.2020 Kontali

# Conclusion

## Salmon

- Demand remains strong, outlook remains positive
- Harvest guidance for salmon and trout including associates
  - 183,000 - 188,000 GWT for 2020
- Expected contract share for salmon in Q1/20: 40%

## Whitefish

- Significant potential in whitefish
  - Quota for 2020
    - ✓ Cod up 1.8%, haddock up 25%, saithe north of 62 degrees up 15%
    - ✓ Quota for saithe in the North Sea down 15%
    - ✓ The new vessel “Kongsfjord” delivered in February 2020

# Conclusion

## Pelagic

### South America

- Disappointing second season in Peru, only 36% of the TAC was caught before the season stopped at January 15<sup>th</sup> 2020
- Horse mackerel quota in the South Pacific 2020 up 15%

### North Atlantic (*Pelagia AS, an associated company*)

- Seasonal high activity in Q4



Austevoll Seafood ASA



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# Appendix



# Associated companies

Pelagia AS (100% figures)

AUSS' s share = 50%

(MNOK)	Q4 2019	Q4 2018	2019	2018
Revenue	2,442	2,386	6,986	6,369
EBITDA	265	214	871	645
EBIT	206	163	650	443
Net interest bearing debt			3,014	2,525

***2019 figures includes gain of sales of MNOK 105***

# Associated companies

Norskott Havbruk AS (100% figures)

LSG's share = 50%

(MNOK)	Q4 2019	Q4 2018	2019	2018
Revenue	392	512	1,834	2,057
EBITDA	77	177	386	730
EBIT*	49	158	292	661
Volumes (gwt)	5,317	6,651	25,866	27,464
EBIT/kg* (NOK)	9.3	23.7	11.3	24.1
Net interest bearing debt			1,021	508

\* Before biomass adj.