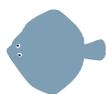


Business Review continued



Stolt Sea Farm

A customer-centric model to drive growth



“Our expansion into new geographic markets, new products, and our dedication to sustainability and quality are all evidence of our strategy to deliver value for both our customers and our shareholders.”

Jordi Trias
President
Stolt Sea Farm

Stolt Sea Farm (SSF) is a world leader in high-tech land-based aquaculture focused on the production of sole, turbot and caviar. SSF's difficult-to-farm species are regularly served at high-end restaurants, where our premium large-size brands are often featured to attract customers. We also sell our produce to supermarkets and others in the hospitality sector via wholesalers. Thanks to decades of innovation and intensive research and development, Stolt Sea Farm is today the only aquaculture company in the industry capable of consistently producing all these species in high quality commercial volumes.

Stolt Sea Farm operates a total of 15 farms. Seven in Spain and one each in Iceland, France, Portugal and Norway produce Prodemar™ brand turbot and sole. SSF's four farms in California produce sturgeon and Sterling Caviar™. These have an annual production capacity of 5,400 tonnes of turbot, 850 tonnes of sole, 500 tonnes of sturgeon and 10 tonnes of caviar.

HIGHLIGHTS FOR 2018

Stolt Sea Farm's results strengthened in 2018. The total volume of turbot sold by SSF increased by 21.9%, owing in part to sales on behalf of other producers. Market prices for turbot increased in 2018 overall, rising by 10.5%. During the year, under its Prodemar™ brand, SSF launched King Turbot™, a premium value-added product targeting the US market. Because of their large size, King Turbot yield steaks and

fillets that can be vacuum-packed and marketed directly to those consumers not seeking to purchase whole fish.

Sole volumes were steady in 2018, in line with the capacities of SSF's current farms, but average sale prices rose by 11.4%, reflecting in part the continued positive impact of SSF's premium King Sole™ brand, introduced in early 2017. Consisting of fish weighing 500 grams or more – larger than most wild caught fish – King Sole effectively defined its own category and, as a result, is less sensitive to volatility in market prices.

SSF's ongoing efforts to expand into new geographic markets continued in 2018. More than 60% of SSF's turbot and sole was exported in 2018, up from 54% in the previous year.

In contrast, 2018 was a challenging year for the caviar business, particularly in the US, where an influx of lower-priced Chinese product has disrupted the market.

Development of SSF's new sole farms in Tocha, Portugal and Cervo, Spain continued in 2018. Production is expected to begin at the Cervo farm in late 2019, followed by the Tocha farm in 2020. The two new facilities leverage SSF's innovative and proven recirculation technology, which substantially expands SSF's options on sites for new farms, because of the reduced need for access to large volumes of water.

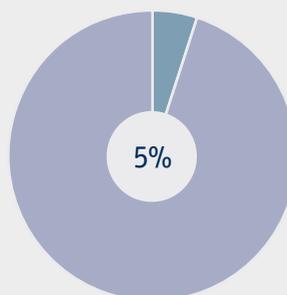
During the year, SSF began work on a new initiative focused on better communicating to

Performance

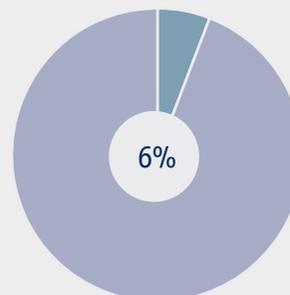
(US \$ millions)	2018	2017	2016
Operating Revenue	98	73	65
Operating Profit	13	4	14

Percentage of group total

of total revenue



of total operating profit*



* Excludes Corporate and other \$40 million loss



the marketplace SSF's unwavering commitment to sustainable production practices and strict adherence to regulations and appropriate procedures to ensure the welfare and humane treatment of the fish raised for production.

OUTLOOK

2019 is expected to be another year of growth for Stolt Sea Farm, as SSF continues to focus on its customer-centric growth strategy, to expand into new markets, both geographic and product-based, and to benefit from growing demand among both consumers and commercial customers seeking sustainably produced, premium fish products.

Jordi Trias
President
Stolt Sea Farm



15 environmentally friendly
land-based farms

850 tonnes production
capacity of sole

5,400 tonnes production
capacity of turbot

Markets

Distributors and consumers of the finest farmed fish products, including turbot, sole and caviar.

Strategy

Focused on the production and marketing of land-based aquaculture that requires ongoing research and development, and technological expertise to be successfully cultivated in a healthy and environmentally friendly manner.

Outlook

Ongoing efforts to expand our markets are expected to increase demand for our premium products as wild catches decrease, supporting our growth strategy for turbot and sole.