

ANNUAL REPORT

Royal Greenland A/S



2013/2014

October 1st 2013 - September 30th 2014



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Reg.nr. 184.991

*The annual report has been
prepared and approved by the
ordinary Annual General Meeting
on February 11th 2015*

XXXX
*Chairman of the Annual General
Meeting*

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The pictures in the annual report mainly derive from Royal Greenland's internal archive. In addition a number of employees have contributed their own pictures.

2013/2014





Statement by the Management on the annual report

The Supervisory and Executive Boards have today considered and adopted the annual report of Royal Greenland A/S for the financial year October 1st 2013 – September 30th 2014.

The annual report has been presented in accordance with the Danish Financial Statements Act. We consider the applied accounting policies appropriate for the annual report to provide a true and fair view of the Group's and the Parent's assets, equity and liabilities, financial position, financial performance, results and the consolidated cash flow.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, December 11th 2014

EXECUTIVE BOARD

Mikael Thinghuus
Nils Duus Kinnerup
Bruno Olesen
Lars Nielsen

SUPERVISORY BOARD

Niels Harald de Coninck-Smith
Pitsi Høegh
Peder Tuborgh
Pernille Fabricius
Sara Heilmann
Niels Ole Møller
Lars Berthelsen
Peter Korsbæk

Independent auditors' report

To the shareholder of Royal Greenland A/S

We have audited the annual report of Royal Greenland A/S for the financial year October 1st 2013 – September 30th 2014, comprising the statement by the Supervisory Board and the Executive Board, Management's annual review, accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the parent company and consolidated cash flow statement. The annual report is prepared in accordance with the Financial Statements Act.

Management's responsibility

Management is responsible for the preparation of an annual report that gives a true and fair view in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of an annual report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and basis of opinion

Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditors' judgement, including

the assessment of the risks of material misstatement of the annual report whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and presentation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Conclusion

In our opinion, the annual report gives a true and fair view of the Group's and the parent company's financial position at September 30th 2014 and of the results of the Group's and the parent company's operations and consolidated cash flows for the financial year October 1st 2013 – September 30th 2014 in accordance with the Danish Financial Statements Act.

Copenhagen, December 11th 2014

EY Grønland
Godkendt Revisionsanpartsselskab

Claus Hammer-Pedersen - State Authorised Public Accountant

Jens Weiersøe Jakobsen - State Authorised Public Accountant

ANNUAL REVIEW

COMPANY

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Reg.nr. 184.991

FINANCIAL YEAR: October 1st – September 30th

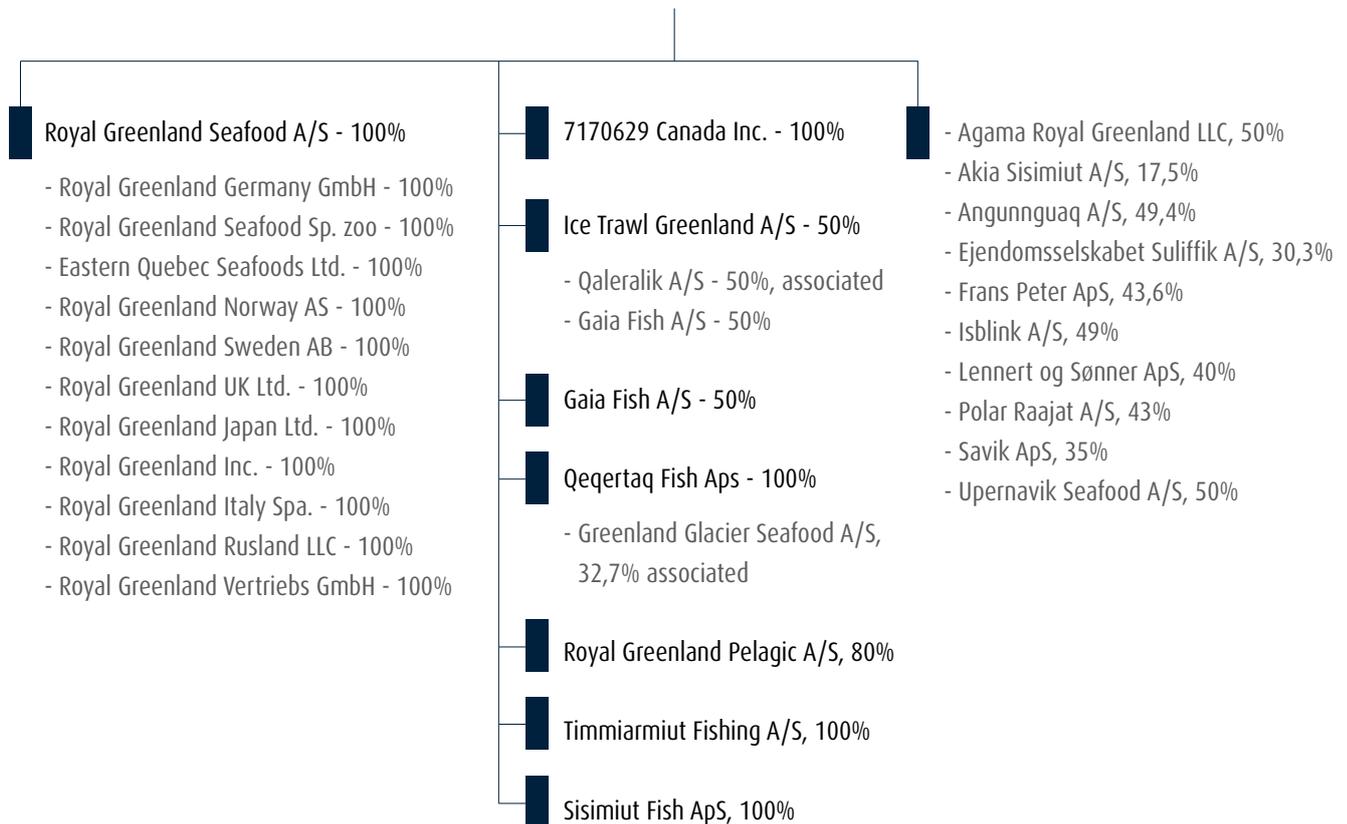
REGISTERED IN: Kommuneqarfik Sermersooq

The Government of Greenland owns all shares
in the Company.

AUDITORS: EY Grønland - Godkendt Revisionsanpartsselskab

GROUP CHART

ROYAL GREENLAND A/S



SUPERVISORY BOARD



NIELS HARALD DE
CONINCK-SMITH
CHAIRMAN



PITSI
HØEGH
DEPUTY
CHAIRMAN



PERNILLE
FABRICIUS
BOARDMEMBER



SARA
HEILMANN
BOARDMEMBER



PEDER
TUBORGH
BOARDMEMBER



LARS
BERTHELSEN *)
BOARDMEMBER



PETER
KORSBÆK *)
BOARDMEMBER



NIELS OLE
MØLLER *)
BOARDMEMBER

*) Employee representatives

The managerial positions held by members of the Supervisory Board and the Executive Board are shown in note 29

EXECUTIVE BOARD



MIKAEL
THINGHUUS
CEO



NILS DUUS
KINNERUP
CFO



LARS
NIELSEN
GROUP
PRODUCTION
DIRECTOR



BRUNO
OLESEN
GROUP SALES
DIRECTOR



FINANCIAL HIGHLIGHTS AND KEY RATIOS

PROFIT/LOSS

KEY FIGURES - DKK mill.	2013/14	2012/13	2011/12	2010/11	2009/10
Net revenue	4,913	5,312	4,976	4,724	4,249
Profit from ordinary operating activities (EBIT)	172	183	241	171	73
Net financials	27	(15)	(60)	(40)	(88)
Net profit before tax	199	168	180	131	(15)
Net profit for the year	136	100	136	79	(43)

BALANCE SHEET

KEY FIGURES - DKK mill.	2013/14	2012/13	2011/12	2010/11	2009/10
Fixed assets	1,155	1,271	1,314	1,435	1,430
Net working capital	1,129	1,402	1,544	1,480	1,545
Equity	1,166	1,066	1,009	882	803
Net interest-bearing debt	897	1,407	1,599	1,773	1,976
Balance sheet total	3,575	3,787	3,853	4,066	3,748
Investments in property, plant and equipment	163	138	109	130	98

RATIOS IN %

	2013/14	2012/13	2011/12	2010/11	2009/10
EBIT-margin	3.5	3.4	4.8	3.6	1.7
EBT-margin	4.1	3.2	3.6	2.8	(0.4)
ROIC including goodwill	8.4	7.9	9.9	6.8	2.9
Return on equity (ROE)	13.3	10.9	15.7	10.2	(4.3)
Equity ratio	33.2	28.4	26.8	22.4	22.0
Net interest-bearing debt / EBITDA	2.8	4.3	3.9	4.9	8.0

NUMBER OF EMPLOYEES

	2013/14	2012/13	2011/12	2010/11	2009/10
Greenland	979	910	832	793	826
Denmark	200	227	234	236	251
Other countries	727	920	896	859	857
Total	1,906	2,057	1,962	1,888	1,934

MANAGEMENT'S REVIEW

2013/14



Very satisfactory development at Royal Greenland

2013/14 has been another year in which Royal Greenland succeeded in growing and developing its business. While the sale of the fish finger factory in Wilhelmshaven has brought about a significant drop in revenue, corresponding to DKK 1.2 billion annually, the continuing, much more clearly focused group has achieved significantly improved earnings and a much healthier balance.

The sale of Wilhelmshaven was completed on 1 December 2013, which is why the activity has been included for two months only in the Annual Report for 2013/14.

In the continuing business, turnover has risen by 13%, corresponding to approximately DKK 550 million, driven by the North Atlantic species of cold-water prawns and Greenland halibut.

This development supports the growth and earnings objectives in the "North Atlantic Champion" strategy, with the ambition to become the world's leading supplier of North Atlantic seafood, with a particular focus on cold-water prawns and Greenland halibut.

Royal Greenland's mission is:

"We must sustainably maximise the value of North Atlantic marine resources, to the benefit of Greenland."

On the basis of our Greenlandic origin and our strong anchoring in high-quality products, Royal Greenland's main task is to refine and develop North Atlantic seafood resources to the maximum benefit of the Greenlandic community and our owners. This must be done on a sustainable basis, in terms of both resources and finances.

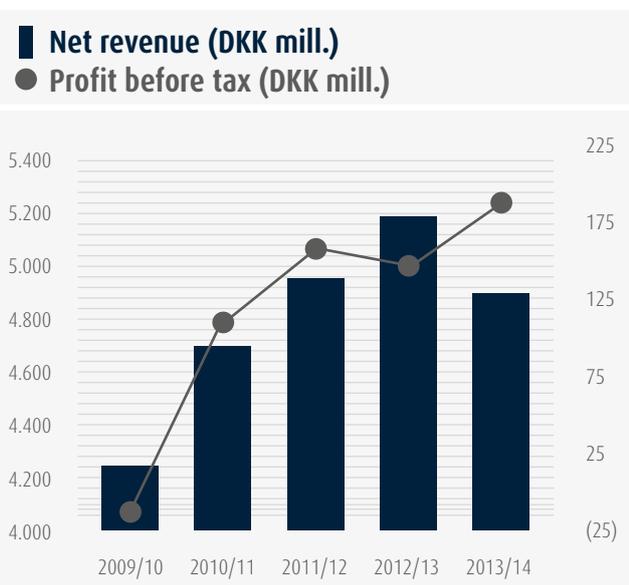
The net profit of DKK 136 million underlines the status of Royal Greenland as an economically viable group that is maintaining a continued satisfactory performance.

This year, as part of the efforts to focus the business and free up funds to realise growth plans, Royal Greenland has succeeded in selling its minority stake in the American trawler company Iquique US LLC. The sale has positively impacted profits by DKK 34 million.

Recently, as part of its strategy, Royal Greenland has as of 1 October 2014 acquired the remaining 50% stake in Upernavik Seafood A/S, so as to be able to secure supplies of raw materials for inshore halibut, and thus in the long term ensure its ability to realise its growth plans in the core activity of Greenland halibut.

Accounts

The financial year 2013/14 is the fourth consecutive year that has shown organic growth in the Group's core businesses, with significant profit. The pre-tax profit of DKK 199 million is the best in the Company's history, and is considered very satisfactory.



The profits have been achieved despite significant external challenges for the core products of Greenland halibut and shell-on prawns.

Both product areas have been impacted by developments on the Japanese market, which is one of Royal Greenland's main markets, with a share of 10% of consolidated sales. The JPY exchange rate fell during the year by a further 13%. All else being equal, the JPY rate has impacted earnings by DKK (33) million.

Moreover, shell-on prawns have been subjected to higher quota duties, equivalent to an increased cost of DKK 23 million – a charge for which it is difficult to obtain compensation in the market.

Royal Greenland has paid a total of DKK 80 million in fishing duties, which represents a rise of DKK 23 million in relation to 2012/13. On top of this comes DKK 8 million in duties in Royal Greenland Pelagic.

For both Greenland halibut and shell-on prawns, however, it has proved possible to increase sales to other Asian markets and Russia, and thereby compensate to some degree for the loss due to the JPY exchange rate and quota duties.

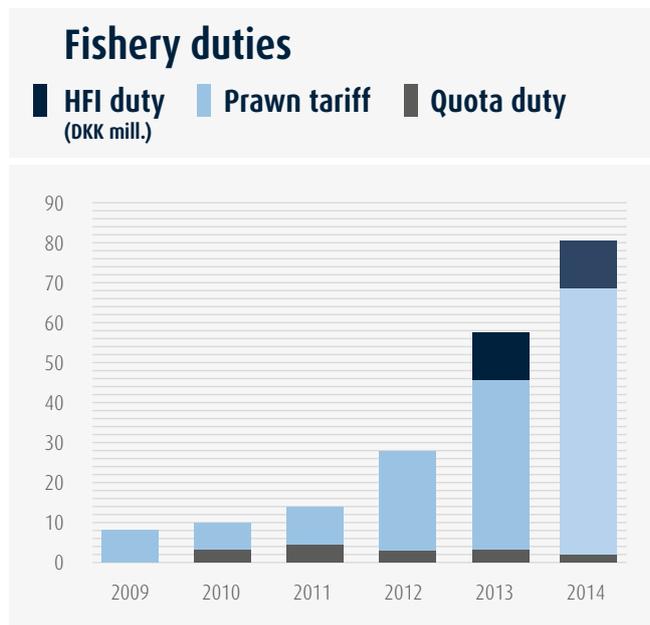
All in all, Royal Greenland has succeeded in maintaining its strong position in its core businesses – cooked & peeled prawns, shell-on prawns and Greenland halibut – which is highly satisfactory. The position has been further reinforced by growth in prawns in brine, as a consequence of the transfer of production from Glyngøre to Aalborg a year ago.

Purchase and resale of salmon products and warm-water prawns for the European retail market has been a good business in 2013/14, and corresponding progress has been achieved in processed products from the Polish factory in Koszalin.

As in the previous two years, cod remains a problematic business for Royal Greenland, with a loss of more than DKK 30 million. In the short term, closing plants is the only option available to the Group to improve earnings. Consequently, Royal Greenland has chosen a different and more innovative solution in the catch and production process in order to achieve better product quality and profitability. Market prices are also expected to recover over time, thereby minimising the loss.

The associated companies show an improvement of DKK 68 million, which is attributable inter alia to the sale of shares in Iquique U.S. LLC. Greater earnings have also been achieved in the companies Qaleralik and Upernavik Seafood, which operate in the fishing and processing of offshore and inshore Greenland halibut, respectively.

Financial items have risen by DKK 26 million, DKK 42 million of which is due to negative trends in value adjustments attributable to the hedged levels for JPY, USD and SEK in relation to current trends. As a consequence of the lower interest-bearing debt, interest expenditure fell by DKK 17 million.



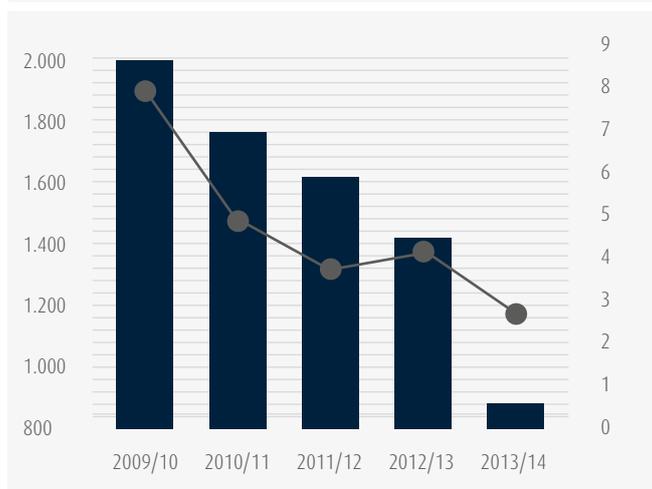
Stylish official inauguration

There was no mistaking the enthusiasm when the expansion of the headquarters in Nuuk was marked by an official reception on 20 October 2014. Lines of canapés with refined seafood products were beautifully arranged on a buffet.

Our business contacts met with the building users, and had an opportunity to see the new entrance hall with its reception, meeting rooms, an English-speaking elevator, aquarium, canteen and kitchen with modern facilities.

The brand new premises, measuring 319 m² in all, are most welcome after a long period in rooms that felt cramped as the number of employees at headquarters continually grew in recent years.

■ Interest-bearing debt (DKK mill.)
● Interest-bearing debt / EBITDA



The considerable fluctuations in value adjustments from year to year are closely related to developments in the Group's contribution margin, as value adjustments are predominantly related to coverage of the exchange risks that arise due to fishing and sales being conducted in different currencies. Pre-tax profit is thus the best indicator of the Group's real operating earnings.

The Group's effective tax rate is 25%, which reflects the fact that its earnings primarily derive from its North Atlantic operations, and are therefore taxed in Greenland. Tax payable in Greenland amounts to DKK 29 million.

At year-end, the interest-bearing debt amounted to DKK 0.9 billion, as against DKK 2.3 billion at the end of 2007/08. The Group has thus succeeded in reducing its interest-bearing debt to below the strategic target of DKK 1 billion, and thus has the financial freedom to follow the strategically-defined objectives for expansion in its core areas.

Interest-bearing debt was reduced by DKK 0.5 million in 2013/14 alone, and comprises a factor of 2.8 in relation to EBITDA, as against 4.3 last year (and 18.8 times EBITDA in 2008/09).

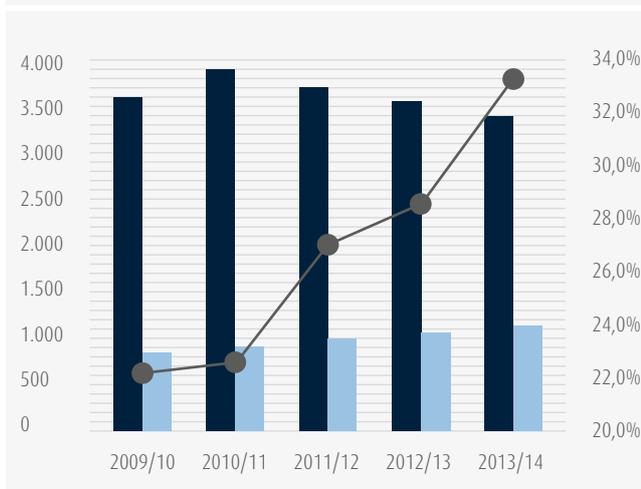
The development has been driven by a positive cash flow of DKK 577 million from operations and investments. Total cash flow for the year is DKK 38 million, as loan instalments to the value of DKK 483 million have been paid, including the repayment of corporate bonds and paid dividends of DKK 55 million. The instalments include the prepayment of the outstanding debt on the subordinated loan of DKK 100 million from the Government of Greenland.

Working capital has been reduced by DKK 273 million as a consequence of falling inventories and lower net debtors. Inventories remain very high, and work is therefore being done with a number of initiatives to reduce them.

The Group's capital and reserves have risen to DKK 1,166 million, while the equity ratio comprises 33.2%, as against 28.4% last year.

Pursuant to the agreement with the Government of Greenland, DKK 34 million has been allocated as dividends, corresponding to 25% of the net profits for the year.

■ Balance (DKK mill.)
■ Equity (DKK mill.)
● Equity ratio (%)



Sales and market

The financial year 2013/14 has been characterised by a number of challenges:

- Reorganisation of the European sales organisation as a consequence of the divestment of the activity in Wilhelmshaven.
- A market for cooked and peeled prawn which is undergoing major changes, with significantly greater demand than supply, and consequent price increases, but also delivery challenges.
- A continued decline in the JPY exchange rate, and thus a challenge for the Japanese business, especially in Greenland halibut.
- Rising duties on shell-on prawns.

Despite the challenges, the agreed strategy has been realised, with maintained growth in the continuing business. Growth was particularly good in Asia, at 16%, but the major European markets have also performed well. In Scandinavia, however, there has been a slight decline due to lower supplies of shell-on prawns to the Norwegian market.

The two strategic product groups of cold-water prawns and Greenland halibut have experienced growth of 7%.

The category and marketing departments have been reorganised to ensure stronger focus and a clearer division of responsibilities in relation to the realisation of the strategic plans.

Asia

Despite the currency challenges in Japan, sales in Asia have been growing well in the financial year - primarily as a consequence of strong growth in sales to China and Taiwan. Both are large markets for Greenland halibut, and demand has developed positively during the year.

The important Japanese market experienced stagnation as the effect of the devaluation of the yen remained very noticeable. While prices for prawns and snow crabs have regained their previous level, there are still major challenges for Greenland halibut.

THEY EAT GREENLAND HALIBUT IN ASIA

Continued expansion within Greenland halibut in Asia is a key success criterion to be the North Atlantic Champion. In most Asian countries, there is a very high per capita consumption of fish.



Highly processed products in Japan

At Royal Greenland in Tokyo, Greenland halibut is sold carved as sushi toppings, or marinated with seaweed and wasabi, or as kiritomi pieces for stir-frying or soups. In late summer, the first in-store promotion was conducted at one of the AEON chain's outlets in southern Japan. AEON is Japan's biggest supermarket chain.



Great potential in China

In China, they very much appreciate the tender, juicy texture of Greenland halibut. Particularly in demand are smaller whole halibut, which are fried whole, and the heads, which are used in soups. Sales in China occur mainly through large distributors, who sell Greenlandic fish on the regional markets to restaurants via food service and consumers at retail level.



The final two months of the financial year give however cause for optimism, as demand has once again been increasing.

The Asian markets are a major focus in Royal Greenland's "North Atlantic Champion" strategy. Much effort has therefore been devoted to ensuring the creation of sufficient sales initiatives to support future growth.

One consequence of this is that at year-end, the process was initiated of setting up a new sales organisation in China to serve the Chinese retail market, on the basis of the wish to establish Royal Greenland as far forward as possible in the value chain. The retail market for frozen fish products in China is not very developed by comparison with many other countries, but strong growth is expected in the coming years.

Europe

The European market consists of a number of key markets such as Germany, France, the UK, Italy, Russia and Spain.

Following the sale of the activity in Wilhelmshaven, the German and French sales organisations have been amalgamated under a common management. Logistics, invoicing and bookkeeping are

common, but the customers are served by the local sales staff. The organisation has been reduced by 30 staff members. Administration for both markets is located in Bremen, where sales to the German market are also located. Sales to the French market are directed from an office in Paris.

Despite the major changes, the combined French and German market has yielded results which meet the set objectives.

In the UK there has been a positive trend in earnings. Firstly, the sales price of Frozen at Sea cod fillets rose after a fall in 2013, and secondly, there was a significant positive trend in the middle of the year in the price of cooked and peeled prawns.

The UK is the world's largest market for cooked and peeled cold-water prawns, and is therefore a benchmark for trends in the global market. The price trends have occurred as a consequence of significantly lower supplies to the market than anticipated.

Developments in Italy and Spain have accorded with expectations. In the Southern European markets there is a special focus on selling fillets of Greenland halibut in order to support growth in the production of processed products from the factories in Greenland.

Sales to Russia in the final two months of the year were impacted by the Russian embargo, which does not cover Greenland shell-on prawns. After China, Russia is the world's largest market for shell-on prawns.

Royal Greenland will not however invest disproportionately in sales to the Russian market at the expense of the market positions and customer relationships that have been built up over time in a number of markets in Asia and Europe.

Scandinavia

Sales in the Scandinavian market have developed slightly worse than expected, first and foremost because the Norwegian market has been allocated fewer shell-on prawns for sale than originally planned. The Danish market has lived up to expectations for the year.

As in other market areas, the shortage of supplies of cooked and peeled prawns has created major challenges in the Scandinavian markets.

Sales of breaded products from the factory in Poland are developing positively, especially in Denmark.

The Scandinavian market is the area in which Royal Greenland has its largest percentage sales of branded products. In order to ensure stronger and better prioritisation of the resources used in the market, Scandinavian sales have been merged into a single organisation. At the same time, a function has been established to ensure the optimisation of future development and marketing efforts. The sales organisations will continue to operate on a national basis, but with joint coordination.

As part of the future strategic development, there will be a special focus in Scandinavia on sales to food service.

Product development

Product development and innovation in Royal Greenland must underpin the adopted strategy with respect to growth, value creation and the optimisation of business activities.

Royal Greenland must be perceived as a strong supplier that is able to create and interpret trends in the market and develop saleable products that are in demand among the consumers.

Royal Greenland develops both products for its own range and products for its customers' own brands. In the course of the year, revenue of approximately DKK 240 million has been achieved in new products.

The product development costs incurred during the financial year derive mainly from new products and flavours in the existing product range. These costs have been recognised in the profit and loss account, as it is not possible to attribute them to individual products, and they have a short lifetime.

Raw materials

Access to quotas in Greenland is crucial for Royal Greenland, both in the direct fishing and through the supply of raw materials from external companies and fishermen, who primarily land catches from coastal fishing for the group's factories along the west coast.

The Group's fishing totalled 52,000 tons in 2013/14, which is an increase of 14,000 tons, due to mackerel fishing. By contrast, fishing for the traditional species of prawn, cod and Greenland halibut have been at a lower level than last year due to shipyard visits and a declining prawn quota.

The quota for prawns in West Greenland was set at 85,000 tons in 2014, and has fallen by 30 percent over the past three years. This development will continue in the near future. The biological advice recommends a prawn quota of 60,000 tons for the coming year.

In 2014, test fishing was carried out for prawns in the northern part of West Greenland, outside the quota area, and the results are very promising. It is expected that in the long run this fishing area may compensate for a small part of the expected quota reductions in the traditional catch areas.

Growth in sales in Greenland

The domestic market in Greenland is a difficult market in which to operate, as there is easy access to fish in Greenland and the market is relatively small. Despite this, Royal Greenland has managed to expand its range to cover a wide selection of seafood, including pieces of Greenland halibut and catfish for boiling, Arctic char steaks, prawns, sushi and smoked fish varieties. The sales department in Greenland supports retail and foodservice customers with promotions, new product launches and inspiring recipes. There is a special focus on getting young Greenlanders to eat more seafood.



GREENLAND LUMPFISH ROE

2013/14 was a year of focus on the development of Greenlandic lumpfish roe, in relation to the certification of the fishing, the introduction of new product variants and new packaging.



Towards MSC certification

At the beginning of 2014, West Greenland fishing for lumpfish began the process of seeking MSC certification, which is driven by the organisation Sustainable Fisheries Greenland. For Royal Greenland, getting the fishing certified will have a positive sales effect, especially in markets like Sweden, Germany and France, where customers require that products carry the blue MSC logo.



Fresh lumpfish roe all year round

In the summer of 2014, Royal Greenland put fresh frozen Greenlandic lumpfish roe on the market. After catch the roe is cleaned, lightly salted and frozen in cups of 100 or 225 grams. To use, it therefore only needs to be slowly thawed out, rinsed and salted to taste. Fresh lumpfish roe is completely new to the major European markets outside Scandinavia.



Modernised packaging

Along with the MSC certification process and the introduction of fresh lumpfish roe, Royal Greenland's jars of traditional pasteurised lumpfish roe have been given a facelift. The new design radiates purity, freshness and lightness, and gives the product group a more contemporary look.

INCREASED SUPPLIES OF GREENLAND HALIBUT

The strategy of becoming the world's leading supplier of Greenland halibut requires significant supplies of raw materials. Royal Greenland has therefore launched a series of initiatives, including the purchase of plants and expanded collaboration with local fishermen in Greenland.



3,000 tons of extra Greenland halibut in Upernavik

Royal Greenland took over the remaining 50% shareholding in Upernavik Seafood on 1 October 2014. The acquisition brings with it a further 3,000 tons of Greenland halibut. 25 vessels and around 300 small boats are affiliated to the Upernavik administrative area, which is distributed over eight plants. Greenland halibut from the Upernavik area is mainly sold on the Asian markets, and there has been great demand during the final months of the year.



Allocation of 1,500 ton offshore quota

In 2014, Royal Greenland was awarded an offshore fishing quota for Greenland halibut in Baffin Bay, which has provided access to a further 1,500 tons of halibut. The 1,500 tons are subject to landing requirements, and will be allocated to the plant in Maniitsoq, which is being modernised for the purpose.

The local processing will create more than 20 full-year jobs. The finished products will primarily be used to meet the demand in major European markets such as France and Germany.



Exploring new fishing areas

Royal Greenland is working closely with fishermen in Greenland to explore new fishing grounds for Greenland halibut. The aim here is that the new fishing areas and better fishing methods will help to increase access to resources.

While prawn quotas have fallen, the Greenland quotas for off-shore and inshore Greenland halibut and cod have risen.

52,939 tons were purchased for Royal Greenland's factories in Greenland, which represents a rise of 13%.

	2010/11	2011/12	2012/13	2013/14
Prawns	27,008	24,963	24,677	24,720
Greenland halibut	7,172	7,824	10,465	13,437
Crabs	1,354	1,327	1,615	1,951
Lumpfish roe	1,061	801	1,244	950
Cod	3,329	3,763	7,489	10,778
Other	824	1,086	1,344	1,103
	40,748	39,764	46,834	52,939

The largest rises have been in halibut and cod.

Average first sales prices have risen by DKK 0.50 per kg, corresponding to 5%. The price rises have been driven by prawns and Greenland halibut, each of which rose by 6%.

Over three years, average first sales prices have risen by DKK 2.30 per kg, corresponding to 28 percent, inasmuch as first sales prices for Greenland halibut and prawns have risen by 31% and 43%, respectively. The rises are even more striking if we go back four years.

The rises in first sales prices for the various species, in conjunction with an altered product mix in the fishing, have given the coastal fishermen an increased income of more than DKK 57 million in 2013/14, compared with the previous year, and over the past three years, total payment has risen by DKK 122 million.

Raw materials such as salmon, warm-water prawns, flatfish and to a lesser degree cod are purchased on the world market.

Purchases of salmon, at almost DKK 800 million, constitute the largest single item in the total procurement portfolio of DKK 1.7 billion. The salmon is used in portions, smoked products, the zip-lock range and spiced sides of salmon.

10,000 tons of flatfish were purchased for the factory in Koszalin, or 18% percent more than last year, in line with increased sales. The vast majority consisted of flounder and plaice, with flounder being primarily used in breaded fish fillets for the Scandinavian market, while plaice is more often sold as natural fillets and filled products. The plaice also forms an important part of the zip-lock range.

Purchase of flounder and plaice occurs at auctions in Poland and Denmark, supplemented by direct purchases from Danish trawlers in the Baltic Sea, to ensure a stable supply of raw materials.

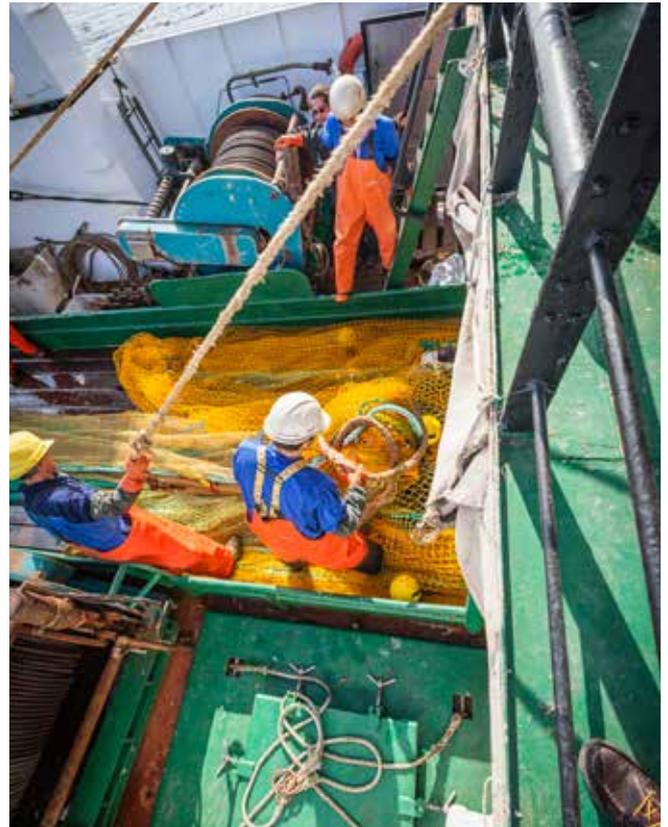
Most of the cod originates in Greenland, but a further 4,800 tons of cod are purchased, which, together with the Greenland cod, is sent for further processing in China and finished in Europe.

In the case of Greenland cod, investments have been made in greater capacity in the Greenland factories, and volumes have increased by 44%. Over two years, the supply has risen by 186%.

Trawlers

Royal Greenland's own fleet consists of three deep-sea prawn trawlers, two deep-sea trawlers for halibut, cod, etc., two small in-shore prawn trawlers and seven halibut trawlers. The latter supply the factories in Disko Bay and Ummannaq.

In 2014, the company Royal Greenland Pelagic was founded. The company is run jointly with two Icelandic companies who have experience in pelagic fishing. The company operates four vessels, all re-flagged to Greenland, which focus on operating year-round fishing in Greenland. The company mainly fishes mackerel, herring and capelin. This year, the company has fished almost 12,000 tons.



Production

Greenland

Royal Greenland owns 31 plants in Greenland, of which 29 plants are currently in operation, as against 24 last year. During the year, most of the plants that were taken over from the insolvent Arctic Green Food have been reopened, after significant investments to obtain regulatory approval. All of the plants are operated without service contracts with the Government of Greenland.

After the conclusion of the financial year a further nine plants were taken over in Upernavik, one of which has been closed. As of 1 October, Royal thus owns 40 plants in Greenland. This represents a doubling in the number of plants in two years, from 20 to 40.

There has been a substantial increase in activities in the Greenland factories due to capacity expansions, rising quotas and a greater share in the inshore fishery of Greenland halibut and cod.

INNOVATION IN COD

In recent years cod stocks have been rising in the waters around Greenland, and more and more cod is therefore being landed. In 2013/14, Royal Greenland has been trying out new methods of creating efficiency in the catching, processing and distribution of cod.

New fishing method ensures high quality

In the summer of 2014, Royal Greenland undertook experimental fishing at Maniitsoq, inspired by salmon farming methods. Live cod is collected from pound nets by a live fish carrier and transported to large cages, each of which can accommodate up to 80 tons of cod. Here the fish are kept until they are slaughtered at the plant, where they are processed within a few hours – a process that ensures optimal freshness and very high quality. The possibility of storing the raw materials live provides good opportunities to adjust the raw material supply to match production capacity.



It all starts in May

The experimental fishing in 2014 was a success. In May 2015 it all starts again; work is currently being done to get the plant in Maniitsoq ready, which will be the main production unit for the project. There are great expectations towards the new processing method. The goal is for Royal Greenland's land-based cod to be of consistent high quality.



Frozen at sea – on land

Royal Greenland's Frozen at Sea products are greatly valued by customers – so much so that the products are sold before they are even produced. The new processing method for inshore cod will create products of a quality on a par with Frozen at Sea. The interest from the markets is already considerable, so the 2015 fishing season will be one to watch.

Conversely, prawn production in Ilulissat and Sisimiut has been closed for long periods of the year due to falling quotas and the resulting overcapacity.

As in previous years, there have been significant challenges in obtaining sufficient manpower at certain factories, which has limited production, particularly in Qasigiannuit, Ummannaq and Ilulissat.

Denmark

The relocation of the prawn in brine factory from the now closed plant in Glyngøre to Aalborg has been implemented according to plan. Just under 300 tons less than last year has been produced, although this is a significantly higher level of activity than expected.

The MAP factory in Glyngøre has now been leased to a subcontractor who primarily supplies to Royal Greenland.

Production of smoked products, including packaging, has been concentrated in Hirtshals at a permanent partner that we have had for many years, and who supplies exclusively for Royal Greenland.

Matane, Canada

Production has fallen by almost 15% due to a combination of falling quotas in the Gulf of St. Lawrence and fierce price competition, especially with producers in Newfoundland.

Cuxhaven, Germany

Royal Greenland operates two factories in Cuxhaven which produce lumpfish roe in jars and the zip-lock/chain pack assortment, respectively. The latter is an activity which was separated in connection with the sale of the factory in Wilhelmshaven.

The factories are operated at two separate locations in Cuxhaven, but with common management and administration.

Through the lumpfish roe factory in Cuxhaven, Royal Greenland is involved in the entire value chain to the consumer. The activity has been on a par with the previous year.

Activity in zip-lock/chain pack has however been significantly below expectations, but remains at the same level as last year.

Wilhelmshaven, Germany

The activity was sold on 30 November 2013, and is therefore only included in the financial year for two months. The divestment will in future mean an annual activity decrease of 58,000 tons, corresponding to revenue of DKK 1.2 billion, but this will not negatively impact earnings.

Koszalin, Poland

In connection with the sale of Wilhelmshaven a number of products were transferred from the factory in Koszalin to Wilhelmshaven, which is the reason for the slight decrease in activity in Koszalin.



Nikoline's feeling for sea urchins

Nikoline Ziemer, a trained biologist, heads the company's new Business Development department in Greenland. Nikoline will be investigating the catch potential of new species and, together with her colleagues around the world, will ensure that they develop from ideas into profitable products. During the summer of 2014 Nikoline developed a special fascination for sea urchins, and has been in close contact with this small shellfish in more than one sense. She has carried out studies of fishing methods, dissected sea urchin roe, and revealed where the good colonies of sea urchins are to be found. Sea urchins are considered a great delicacy in Japan, and there are also markets for them in Europe and the United States. Only the roe is eaten, which Nikoline likes to describe as Arctic caviar.

In parallel with the biological studies, Nikoline is studying the logistical challenges of getting the sea urchins to the consumer's table in as fresh a state as possible. Other species, such as sea slugs and whelks, are also on Nikoline's radar.

EUROPEAN CHAMPIONS IN FLATFISH

Royal Greenland's factory in Koszalin has developed into one of the best flatfish factories in Europe. Its strategic location close to the fisheries for plaice and flounder, together with the synergies generated through having filleting and processing under one roof, mean that the fish can be produced in accordance with the client's wishes, with a wealth of possibilities for package sizes, cuts and types of breading.



Win-win purchasing

Royal Greenland is a major buyer of flounder and plaice on the world market. Through direct agreements with the fishermen, the Company secures the best price and quality and ensures that the factory in Koszalin has sufficient raw materials to utilise its capacity. This also ensures a better and more stable economy for the fishermen.



Increased sales in Germany

In Germany, plaice and other products have been launched in special practical, re-sealable 'zip lock' bags. The zip-lock products have been available in the retail range for several years, but can now also be found in Cash & Carry for food service. The German market, in particular, has welcomed the plaice fillets after Danish plaice fishing obtained MSC certification in 2013. In 2013/14, Royal Greenland Germany sold about 1,300 tons of flatfish.

In the core products - breaded flatfish, breaded cod products and filled products - there has as in previous years been a significant increase in activity.

More and more flatfish are also being filleted in Koszalin. In the course of the year 10,000 tons of flatfish were filleted, mainly plaice and flounder. During the financial year, investments were made in additional filleting capacity to support the strong growth.

As a direct consequence of the greater filleting volumes, the number of employees has been increased by 17%. On average, 464 persons have been employed at the factory.

China

The activities in China are based on processing of the Company's own raw materials and the production of intermediate products for further processing in Koszalin. Greenlandic raw materials are also processed for sushi products for the Japanese market.

Corporate Social Responsibility

Royal Greenland’s CSR policy may be read in its full length on our website:
 (<http://www.royalgreenland.com/uk/our-company/csr.aspx>).

Royal Greenland has a strong desire to contribute to the development of society in Greenland, where, through our presence and activities, we can make a big difference.

Royal Greenland’s CSR efforts are based on the five themes and associated sub-themes that we believe are most important for both Royal Greenland and our stakeholders.

In 2014, in continuation of the CSR policy, further policies were defined for anti-corruption and equal gender opportunities.

Four steering committee meetings have been held, and the efforts and results of the CSR work have been presented at a board meeting.

The work has covered all topics, but most effort has been devoted to the priority themes of sustainable fisheries, open communication, and education and training. The efforts have been assessed on the basis of measurement points within each area, as shown in the following table.

		Policy	Action	Result
Sustainable fishing	Assessment of purchased fish and shellfish, and fish from the Company’s own fishing	CSR policy	Initiated	Result available
	Certification of selected species	CSR policy	Initiated	Result available
	Utilisation of purchased and fished resources	SR policy	Initiated	Result available
Environment	Energy consumption	CSR policy	Initiated	Result available
	Water consumption	CSR policy	Initiated	Result available
	Waste management	CSR policy	Initiated	Result available
Working conditions and human rights	Education and training	CSR policy	Initiated	Result available
	Physical and psychological working environment	CSR policy	Initiated	Result available
	Diversity	CSR policy	Initiated	Result available
Local involvement	Open communication	CSR policy	Initiated	Result available
	Periodic and permanent factory closures	CSR policy	Initiated	Result available
	Local purchasing	CSR policy	Initiated	Result available
	Management of labour shortages	CSR policy	Initiated	Result available
Good business ethics	Supplier management	CSR policy	Initiated	Result available
	Anti-corruption	CSR policy	Initiated	Result available
	Market communication	CSR policy	Initiated	Result available

Sustainable fishing

Assessment of purchased fish and shellfish, and fish from the Company's own fishing

Sustainable fishing means that the resource should be in a healthy condition and managed on the basis of a long-term perspective, in accordance with the biological recommendations. All fish species are reviewed annually. More than 90% of the purchased raw materials are located in so-called category 1, where fishing is considered to be in order. The remainder typically consists of species for which data are lacking, and which are therefore difficult to assess.

Certification of selected species

The proportion of MSC-labelled raw materials is currently 41%. The aim is to increase this proportion in the coming years, especially through work with MSC certification of Greenlandic raw materials. Royal Greenland's position is however that a species and associated fishing may be sustainable without a certificate. In general, auditing in accordance with specific requirements strengthens administration, research and studies in fisheries to the benefit of the population and, in the longer term, the industry.

The work on the certification of Greenlandic species occurs via membership of Sustainable Fisheries Greenland (SFG), which is an association of stakeholders working with MSC and sustainability.

In 2013/14, the work focused on MSC certification of fisheries for lumpfish roe, which is so-called "small-scale fishing". The fishing involves many fishermen, and a number of information and dialogue meetings were held with local fishermen and KNAPK (the association of hunters and fishermen). Moreover, a working group with representatives from the Department of Fisheries, Hunting and Agriculture, the Greenland Institute of Natural Resources and Sustainable Fisheries Greenland submitted proposals for the management of the stock, which were subsequently approved by the Government of Greenland. The work has led to lumpfish roe now being assessed in relation to the MSC programme.

The certification process for the Greenlandic fishing of cod, haddock and coalfish in the Barents Sea began in 2013, and the fishing is expected to be certified in December 2014.

Finally, prawn fishing has undergone its first inspection audit with a fine result.

Greenland halibut is an important species in Greenlandic fishing. The species is divided into three areas, namely coastal waters off West Greenland, offshore waters off West Greenland, and offshore waters off East Greenland. The three areas are given separate biological assessments by NAFO (the Northwest Atlantic Fisheries Organisation) and ICES (the International Council for the Exploration of the Sea), while quotas are set by the Ministry of Fishing, Hunting and Agriculture.

In general, the stock in West Greenland is sustainable, and the biomass has increased. The coastal stock is growing larger, but is not reproducing in the coastal area and is not returning to the offshore spawning grounds. In recent years the average size of coastal halibut has declined. This has economic significance, but does not affect the sustainability of the stock, as the fish in the fjords are so-called permanent fish, remaining in the fjords until they are caught or die a natural death. Royal Greenland's position is that the fishing is biologically defensible, but that the quotas

for coastal fishing should be adjusted and catches of small fish minimised, so as to secure long-term economic sustainability.

SFG has initiated several research projects. Over the past year in particular, the projects have dealt with the need for greater knowledge of seabed ecosystems and habitats. SFG and the Greenland Industry Foundation are therefore supporting a PhD project on vulnerable marine ecosystems, and are having consultancy tasks carried out by the Institute of Zoology of the Zoological Society of London. SFG has also allocated funding to a DNA project to biologically analyse the lumpfish stocks. Finally, a project will be initiated in the autumn, funded by the Oak Foundation, to investigate by-catches and species composition in coastal fishing for Greenland halibut.

Resource exploitation

In 2013/14, overall exploitation of the whole fish in all species purchased in first sales for Royal Greenland's factories in Greenland amounted to 66%.

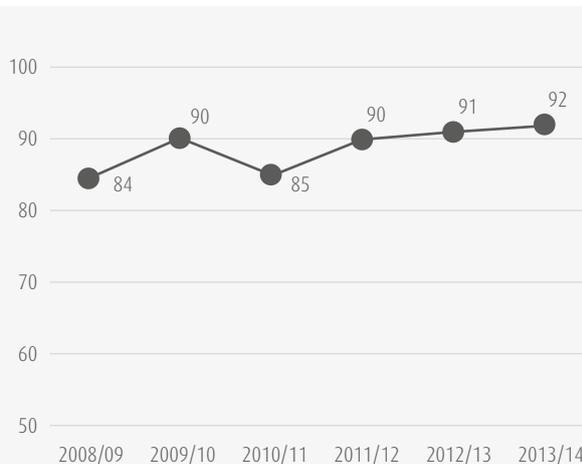
Opportunities to further optimise exploitation are seen within three species:

- Prawns: shells
- Cod: fillet offcuts
- Crab carcasses

Two-thirds of the prawn shell amounts are already being exploited by the factories in Sisimiut and Ilulissat, where the shells are used to produce shrimpmeal, which is resold as a consumable product for broths. Studies are continuing to find ways to increase the exploitation still further.

Greenland halibut is a species in which large parts of the fish are fit for human consumption. The yield has increased year by year, and was 92% on average in 2013/14. More or less all parts of the fish can be used, so that only the skin and bones are discarded. The head, tail, frill and fillet are sold, and a proportion is also sold as whole fish.

Resource exploitation of Greenland halibut (yield %)



Environment

Energy and water

By reducing its consumption of energy, water and CO₂, Royal Greenland has a positive effect on the environment, and at the same time, the efficient use of resources can reduce costs for Royal Greenland.

Total consumption of energy and water has obviously been reduced after the sale of the factory in Wilhelmshaven. Due to large, uniform production batches, the factory in Wilhelmshaven was however very energy-efficient per kilogram of finished product, which has in the past had a positive effect on the Group's average energy and water consumption per kilogram. Consequently, the Group figures for 2013/14 will show higher consumption per kilogram than in previous years.

For the activities in Greenland, it is extremely positive that the good progress has been sustained, and that consumption has been reduced by 38% for energy and 48% for water over the past four years.

The energy consumption of the trawlers is large, and the fish processing is particularly energy-intensive. Work has been done to reduce energy consumption through the use of pelagic trawls for bottom trawling instead of bottom trawls. Environmentally the effect will be positive, but pelagic trawls cannot be used in all fishing grounds. The work of optimising the trawl gear is a continuous process, aimed at simultaneously optimising the fishing and reducing energy consumption.

When investments are undertaken in machinery, equipment and buildings, efforts are made to include energy-reducing solutions. In 2013/14, experiments have for example been carried out with LED lighting at the factory in Sisimiut. The project is supported by the environmental fund of the Government of Greenland, as it could have a decisive influence on the use by other factories of LEDs, and thereby on energy consumption. On an annual basis, the anticipated energy saving is expected to be 74% by comparison with standard lighting, as well as a significant reduction in CO₂ emissions.

In Koszalin, a new frequency regulator has been installed in a large refrigeration compressor. This is expected to save around 190,000 kWh of electricity per year. Finally, the central ION data registration system has been further expanded with ten plants in Greenland, which, together with sensors in Aalborg, Cuxhaven and Koszalin, provides basic information about the energy consumption of the processing equipment.

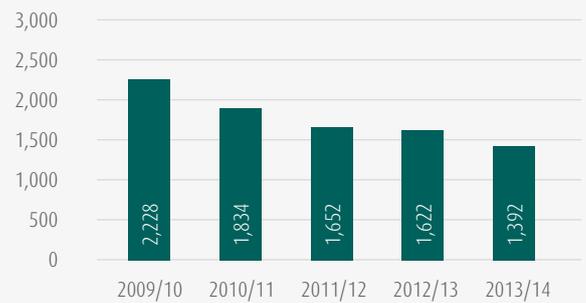
Waste management

In Royal Greenland's Canadian and European factories, waste is sorted for recycling, incineration or landfill. In Greenland, the focus is on the proper handling of waste and sustainable long-term solutions. Waste is handled in accordance with the law and disposed of properly.

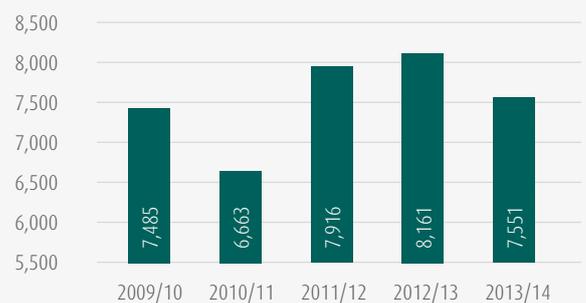
Energy consumption RG Company - kWh/tons



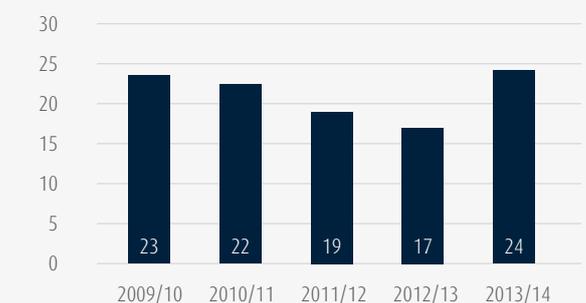
Energy consumption RG GRL factories - kWh/tons



Energy consumption RG GRL vessels - kWh/tons



Water consumption RG Company - m³/tons



Water consumption RG GRL factories - m³/tons



Working conditions and human rights

On average, Royal Greenland employed 1,906 staff members in 2013/14. This is a fall of 7%, caused by the sale of the activity in Wilhelmshaven.

In Greenland, the workforce has risen by 8% due to increased activity in the Greenland factories. Since 2010/11, the level of Greenlandic staff has risen by 186 full-time positions, or 23%.

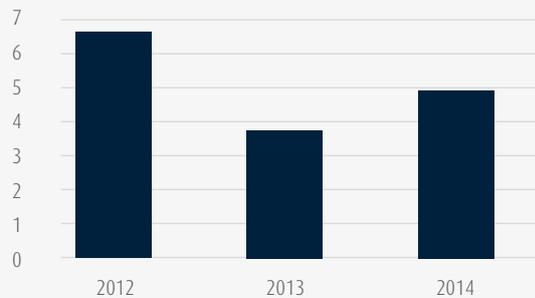
Education and training

Royal Greenland has a great need for skilled and competent employees, and wishes to train and educate its employees to occupy both production and managerial positions. It is Royal Greenland's wish to contribute to society through training and education at all levels. The Group has continued its targeted training activities in relation to the geographical dispersion, skills and cultural differences of its employees. These activities consist both of centrally-planned training activities and training agreed individually between individual employees and their managers at the annual staff development interviews.

Royal Greenland Academy, which is the core of the Group's training of production workers in Greenland, is operating at a high level of activity. The focus has been on personal development and co-operation. The activities have been carried out with great success and satisfaction among the participants. In all, 77 course days were provided for a total of 745 participants.

Royal Greenland Academy

No. of course days/workplace



The programmes also encompass a wide range of professional courses, including statutory courses on truck operation and safety at work.

At managerial level, skills enhancement remains focused on the 'Seven Good Habits', and several individual development processes have been initiated, including courses leading to the Graduate Diploma in Business Administration and Business Diploma.

In 2014/15, there will be a central focus in Greenland on three main activities:

- "Breaking habits": course for production staff
- "Management tools for middle managers"
- "Royal Greenland talent development"

Outside Greenland, training of senior employees is mainly initiated on the basis of development and performance interviews, and thereby takes the form of individual development and skills courses. All managers also take a course on holding staff development interviews (SDI).

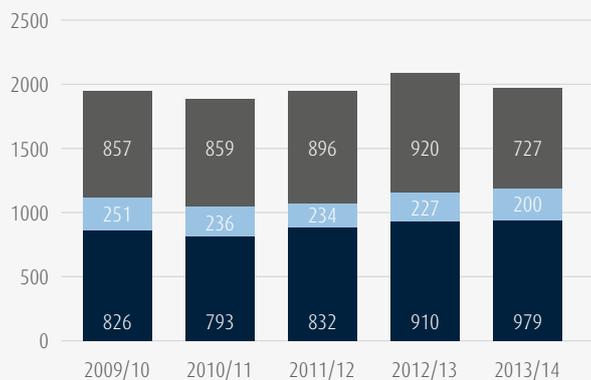
For production workers, there are professional, IT and language courses. In addition, Royal Greenland has as in previous years implemented project manager training courses.

For trainees and apprentices, work has been initiated in Greenland which will culminate in a future trainee and apprenticeship strategy covering all trades. The aim is to provide continuously good and substantive training for 25 trainees/apprentices employed at the same time. There are currently 17 trainees and apprentices employed with the Company in Greenland, and a total of 24 in Royal Greenland as a whole.

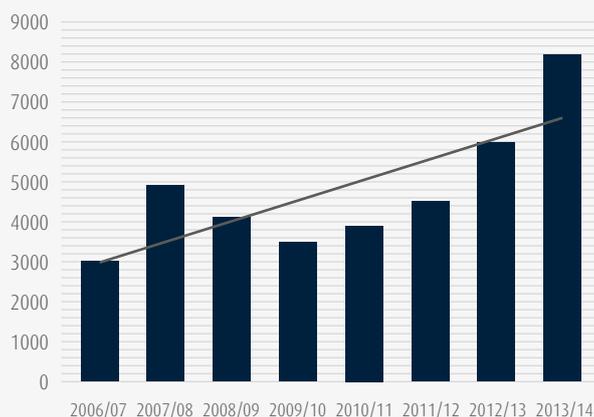
The first two International Management Trainees have completed their 18-month project-oriented courses. The aim is that after completing the course, the trainees can be employed in key functions in Greenland. A recruitment process will be launched shortly for two new International Management Trainees.

No. of employees - Full time

■ Greenland ■ Denmark ■ Other



Training costs per employee (DKK)



Employees instructed in children's rights

A partnership with the children's rights organization MIO has now ensured that most factory workers in towns and villages in Greenland have been instructed in children's rights.

The message of children's rights is being disseminated through courses held by Royal Greenland Academy. The Company is thereby undertaking further social responsibility to the benefit of its employees, their children and society.

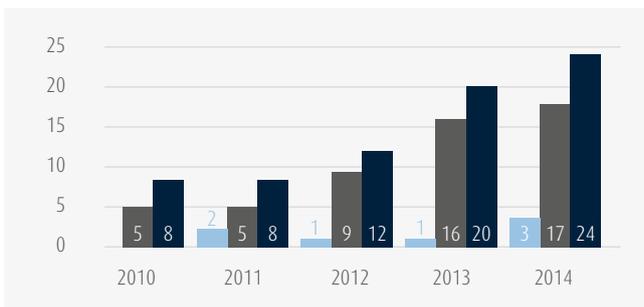
Discussions among factory workers in Qasigiannuit, Ilulissat, Sisimiut and in most villages indicate that the Greenlanders' formerly well-known care for each other has been partially lost as their society has developed. Accordingly, there was strong support for information on children's rights during the courses.

Royal Greenland has also acted as a sparring partner in the development of tools for primary school teaching on the subject of children's rights. The collaboration with MIO began in October 2013, and will run for two years.



Apprentices, trainees and students

- GL students in internships
- Apprentices/trainees in GL
- Apprentices/trainees in RG



Working environment

Royal Greenland wishes to be an attractive workplace that puts employees in the centre and offers job satisfaction and well-being. It is important to have a good and safe working environment, just as training and skills enhancement are a part of everyday life for employees at all levels.

Workplace Assessments (WAs) are a tool to improve both the psychological and physical working environment. This is an important process that began in 2013. At the same time, the value of the safety organisation is also being prioritised, with a focus on structure and follow-up. Recently, a Central Safety Committee has been established in Greenland, covering all the factories in Greenland.

The number of workplace accidents is an indication of the quality of the physical working environment. Work is being done to establish uniform registration of industrial accidents, as the methods of calculation vary from country to country. The aim is to draw up a comparable picture of the production sites, and to undertake an overall assessment of conditions at the individual sites.

Diversity

Diversity, in the form of personal differences, creates dynamics and supports the operation of any company, and Royal Greenland works to increase diversity.

The work is primarily done in two areas:

- The gender balance on the board of directors and in managerial positions.
- The number of managers with a special connection with Greenland (i.e. employees who have been resident in Greenland for a minimum of seven years, cf. the statutory definition).

This year, the board of directors has approved Royal Greenland's gender policy.

Gender policy dictates that there ought to be an equal number of men and women on the board. Among the current members of Royal Greenland's board elected by the annual general meeting, 60% are women and 40% men.

The gender policy also dictates that the gender balance among Royal Greenland's senior management team should reflect the gender distribution in the fishing industry generally.

Among the Company's top 50 executives, women currently account for just 17%. This is an increase of 2%, but the goal is to achieve a representation of 26%, corresponding to the gender distribution in the fishing industry as a whole.

93% of the factory managers have a special connection with Greenland, while the same is true for 82% of the officers on the trawlers. This a slight decline, but there has been a positive development in other managerial positions in Greenland.

Along with the desire for greater diversity, it is important to ensure professional, qualified and streamlined behaviour in the efforts of employees.

In 2014 a Code of Conduct has been drawn up for Royal Greenland's employees, based on Royal Greenland's CSR policy, relevant legislation and ethical principles.

Royal Greenland's Code of Conduct is built up around the five CSR themes: sustainable fishing, the environment, working conditions and human rights, local involvement and good business ethics. In this connection, the publication Royal Greenland Code of Conduct

has been compiled in Greenlandic, Danish, German, Polish and English, and distributed to all employees. All computers in the Group now also have CSR screensavers informing staff of the principles involved, and we have created presentations that managers can use in local department meetings.

Local involvement with focus on Greenland

As the country's largest employer, Royal Greenland has a special responsibility in Greenland. Through open communication and active engagement, we therefore wish to be a useful partner in relation to social challenges, and thereby contribute to social development.

Open communication

Open communication, both internally within the Company and externally, is necessary if Royal Greenland wishes to be part of a local or a global society.

Visitor numbers at Royal Greenland's website and the Greenland Facebook page show that the Company's messages are reaching the citizens of Greenland.

A HARD- WORKING GUY ON HIS WAY UP

26-year-old Tobias Eliassen was living in Kullorsuaq, one of Greenland's most northerly settlements, when he contacted Royal Greenland to apply for a sponsorship.

Tobias was one of many unemployed people in the village, which is a typical hunting community with 456 inhabitants.

Tobias was well practised in using the Internet, and wrote in his application:

"After reading about Royal Greenland's sponsorship policy, I applied to attend a language high school in Kalø in Denmark, and have been admitted. I am unemployed because I have no education. I have studied the possibilities and have found that I could benefit from a period at a folk high school. I must learn Danish and English if I am to have an education. I would like to move on and get started on an education."

Subsequently, the sponsorship committee found that Tobias had earlier dropped out of 10th grade when his mother died after a period of illness. At the time of application, he was living with his family of twelve people in a small house.

Tobias is now well on his way to acquiring skills in Kalø, which he can build upon. He is one of seventeen applicants that Royal Greenland chose to sponsor in 2014.



Tobias is enjoying his stay in Kalø so much that he is working to extend his stay to a year.)

In addition to its annual sponsorship agreements with the Greenland Sports Association, the Arctic Circle Race and elite athletes, Royal Greenland also has a three-year agreement with the Ivalo & Minik Foundation, which supports young people seeking education. We support the foundation because our sponsorship policy is in line with its objective to boost levels of training and education in Greenland.



Company news on the website is frequently quoted or followed by the Greenlandic media, and documents the interaction between Royal Greenland and the outside world. Within the organisation, information is disseminated via the Greenlandic intranet Ruu-jaaleeraq, which literally means 'Little Royal'.

Many employees in the factories and first sales plants do not have access to the Internet, and many of our seafaring colleagues work at sea for up to two months at a time. Here, the communication task is solved using web-based bulletin boards called InfoBoards, via which staff members have access to daily news.

In 2014, Royal Greenland undertook an image analysis – the third since 2010. IFO, Institutttet for Opinionsanalyse A/S carried out the analysis, which covered the ten largest companies in Greenland. Anonymous telephone interviews were conducted among 513 persons aged at least 18 who were representative of the population of Greenland, and among 65 employees of Royal Greenland.

The survey revealed the reputation that various companies in Greenland had among the interviewed persons in a number of areas.

In 2010, Royal Greenland ranked with by far the worst reputation among the companies surveyed. That situation is now greatly altered, as a significantly improved reputation among the Greenlandic population can be observed, especially among Royal Greenland's own employees, who again this year rated the company's reputation rather more positively than in 2012, and in particular in relation to 2010. If we take an overall look at the evolution of the analysed companies' reputations from 2010 to today, Royal

Greenland is the company whose reputation has improved most dramatically.

Since the last survey in 2012, Royal Greenland's reputation has improved greatly in three of the survey's questions: "Royal Greenland has good and open communication", "Royal Greenland is a company we can be proud of in Greenland", and "Royal Greenland has a skilled executive management which runs and develops the business well and responsibly".

The population and staff feel that Royal Greenland is a well-run and profitable company with a good and competent management, who run the company well and responsibly. The company is believed to be credible and trustworthy, one that the people of Greenland can be proud of, and which creates many jobs. Royal Greenland is also assessed to have good and open communication, and to contribute to society in Greenland, etc.

From the situation in 2010, when the population rated Royal Greenland's reputation very low, and where people were annoyed about job cuts in Greenland and the low degree of processing of products in Greenland, the perception of Royal Greenland today has changed to that of an international company that people can be proud of in Greenland – partly because it exports products from Greenland and thereby enhances awareness of Greenland worldwide.

Although Royal Greenland's reputation has significantly improved compared to 2010, it still lags some way behind those companies in Greenland that are given the very best assessment by the people. So despite the Company's good performance in the IFO image analysis, Royal Greenland is aware that there is still room for improvement in some areas.

Periodic factory closures

Royal Greenland has a major impact on many communities, where the town or village's fish factory can play a key role in the local economy.

Periodic closures have a major effect. Each factory experiences both planned and unplanned closures. The planned closures occur mainly in connection with the systematic maintenance of machinery. Unplanned closures occur when there are insufficient raw materials for production, usually due to bad weather or a

Agreement on Nanoq sponsorship with AWG



Royal Greenland has entered into an agreement with the Arctic Winter Games, and has committed to a sponsorship worth at least DKK 1 million. The sponsorship is a natural part of Royal Greenland's policy of social responsibility, and includes contributions in the form of funding, volunteers, seafood products for receptions and dinners, courses, etc.

The Arctic Winter Games, which will be held in 2016 in Nuuk, will be the largest sporting and cultural event in Greenland, with participation by athletes from all the Arctic countries. The Arctic Winter Games depend on the efforts of volunteers from the private and public sector, as well as civil society. The agreement will apply from 2014 until the AWG are held in 2016.



NUUK 2016
Arctic Winter Games

fully-fished quota. The goal is to minimise the number of closures in both categories and limit the number of days of closure, and thereby achieve a stable production with a stable and loyal workforce.

The number of unplanned closure days in 2013/14 amounted to 400, equivalent to 7% of overall production days. The planned closures totalled 120 days, or 2%.



Fruitful supplier cooperation

In his work as a fisheries consultant, Siverth Amondson from Royal Greenland's headquarters in Nuuk maintains a close dialogue with fishermen along the coast of Greenland. Experiences are exchanged concerning fishing grounds and species, and Siverth advises the fishermen on fishing gear, etc. The goal of Siverth's work is to secure the best deliveries and pave the way for closer contact with the fishermen's organisation. Over the past three years, Siverth and the rest of the team in the Operations department have built up considerable experience in their work, which has created a fruitful cooperation between the fishermen and Royal Greenland. The photo shows Siverth (left), in conversation with Siverth Knudsen in Nuuk.

Local purchasing

When it makes sense in business terms, Royal Greenland always purchases locally. In supplies in Greenland, Greenlandic companies are offered the opportunity to supply on equal terms with companies from other countries.

In 2013/14, local purchases constituted 67% of Royal Greenland's annual purchases in Greenland, of which purchases of fish accounted for around 40%.

Management of labour shortages

During the summer period there are often labour shortages in the factories. The problem is most prevalent in Northern Greenland.

In the summer of 2014, as in 2013, Royal Greenland employed seasonal workers who travelled from their home towns or villages to the company's factories to work. All seasonal workers returned home after the season's work.

The Company has been working intensively on a project that would bring both seasonal workers and long-term employees from China to the factories; initially to Uummanaq, Qasigiannugit and Paamiut. Unfortunately, it proved impossible to employ these specialists, as the Company's application to use foreign labour was not approved by all municipalities.

Good business ethics

It is extremely important for Royal Greenland to operate a business which is legitimate in every way, with everything done 'by the book'. We ensure this through, inter alia, securing a high level of food safety, open communication about the origin and properties of the products, control of subcontractors, and counteracting corruption. As a government-owned company, we are also aware that our actions are relevant to the reputation of Greenlandic society in the rest of the world.

Supplier management

Royal Greenland has suppliers of raw materials and finished products in many parts of the world. Besides ensuring that suppliers meet the highest quality standards for inspection and food safety, Royal Greenland has introduced a Code of Conduct which lays down requirements to its suppliers in relation to human rights, good working conditions, the elimination of bribery, and environmental matters.

All suppliers are assessed according to the Code of Conduct as well as their country of origin, and are divided into three risk categories: high, medium and low, depending on the extent to which the supplier is expected to comply with the Code of Conduct. All suppliers sign the Code of Conduct, but suppliers with an expected high or medium level of risk must also fill out a self-assessment form.

Anti-corruption

As a global company, Royal Greenland is aware of the risks that can be associated with operating a business in many places around the world. Royal Greenland does not participate in corruption of any kind.

In 2014, Royal Greenland's anti-corruption policy has been supplemented by training of relevant staff members, especially in the sales and purchasing organisations.

Moreover, concrete procedures have been drawn up on how to handle critical situations

Market communication

Continuous work is done to inform customers and partners about the various CSR initiatives. Six times a year, an electronic newsletter is issued to approximately 500 key customers, each issue of which includes an article on one of the five CSR themes. Moreover, the sales companies regularly inform customers of progress within the different areas.

In September 2014, to increase understanding of the importance of CSR among our customers, Royal Greenland conducted a CSR survey of approximately 150 customers in Europe, Japan and China in cooperation with Deloitte Sustainability. The analysis aimed to identify the importance of various CSR themes. The analysis was followed up by a series of qualitative interviews. The collated results will be published in the spring of 2015.

Quality

Royal Greenland’s factories are certified by the external company Bureau Veritas, according to the following standards: International Food Standard (IFS), British Retail Consortium (BRC) and the Marine Stewardship Council Chain of Custody. The following table shows the results of the audits carried out in 2014.

	BRC	IFS	MSC
Sisimiut	Grade A		
Ilulissat	Grade B		
Qasiqianguit		Higher Level	
Aalborg	Grade A	Higher Level	
Cuxhaven Roe	Grade A	Higher Level	
Cuxhaven Ziplock		Higher Level	
Koszalin	Grade A	Higher Level	
Matane	Grade A		
Trading DK			



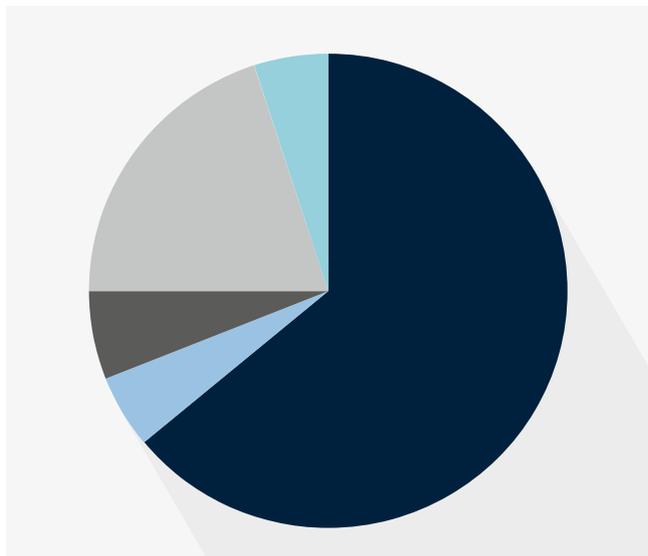
First-class foodstuffs demand first-class food safety

Royal Greenland’s factories are certified according to international standards, including those of the British Retail Consortium (BRC), the International Food Standard (IFS) and the Marine Stewardship Council (MSC). The factories are regularly audited by external auditors. In 2013/14, Royal Greenland’s laboratory managers and quality managers underwent training to enable them to continuously perform internal audits in their own factories and others in the Group, to ensure that Royal Greenland will always be at the forefront of international standards.

This year, Royal Greenland has conducted 154 supplier visits or internal audits, 22 of which were undertaken by external auditors.

The audits carried out were distributed as follows:

- Greenland Internal audits
- Canadian vessels
- Internal audits outside Greenland
- External suppliers
- Subcontractors



Corporate Governance

Royal Greenland is led by a board of directors and a management board. The board of directors comprises eight members, three of whom are employee representatives elected for a period of four years, while the other five are elected by the general meeting and stand for election every two years on a rotation basis. Two to three shareholder-elected board members thus stand for election each year at the annual general meeting. The five board members elected by the general meeting are independent, according to the definition contained in the recommendation of the “Committee for Good Corporate Governance”.

The board of directors is led by the chairman, Niels de Coninck-Smith. The chairman is appointed for a period of two years at a time. The board members encompass a spectrum of experience from Greenlandic, Danish and international business life.

The board has established two committees:

- The audit committee
- The recruitment committee

The management board consists of four members: CEO Mikael Thinghuus, CFO Nils Duus Kinnerup, Group Sales Director Bruno Olesen and Group Production Director Lars Nielsen. For other positions of the members of the board of directors and management board, see note 29. There is no age limit for board members.

Remuneration

The remuneration of board members is subject to the approval of the annual general meeting, and is specified in note 3. The fee consists entirely of a basic fee, plus, for the chairman, payment of expenses for secretarial assistance and telephone use. The remuneration of the management board is negotiated with the board of directors and consists of a fixed basic salary, a performance bonus and other customary non-monetary benefits, such as a company car, etc. The remuneration of the management board is specified in note 3. There are no unusual severance agreements in the employment contracts of the members of the management board.

Evaluation

A board evaluation is undertaken annually, and every second year this takes place on the basis of an external evaluation process.

Activities

Six meetings of the board of directors were held in 2013/14. Two of these meetings were held as conference calls, while the others were held in Copenhagen, Svenstrup, Nuuk and Koszalin. The audit committee held three meetings. In addition to the annual accounts and audit minutes, the audit committee also considers financial policy, risk and insurance policies, internal audits, financial factors and the evaluation of the audit.

Events following the conclusion of the financial year

At the end of the financial year, an agreement was signed for the purchase of the remaining 50% shareholding in Upernavik Seafood A/S, with effect from 1 October 2014. The purchase had no effect on the Company's profits or balance sheet in 2013/14.

Risks

Raw materials

Trends in access to and the prices of raw materials comprise a significant operating risk for Royal Greenland. The risk in relation to access to raw materials relates almost entirely to living resources in the waters around Greenland. These comprise 50-55% of Royal Greenland's total raw materials base, and have in recent years shown a declining trend in relation to prawns. The prawn quota for Greenlandic fishing remained unchanged in 2014, but the latest biological advice recommends a total quota of 60,000 tons in 2015 – a reduction of 29%. Continued optimisation and a higher degree of processing are important in order to maintain earnings on these resources.

The challenge in relation to the prices of raw materials also applies to Royal Greenland's raw materials purchases, which amounted to DKK 1.7 billion. The task is to continually maintain relative earnings irrespective of the trends in raw materials prices. The risk is hedged through adjustments in sales prices, close monitoring and back-to-back currency hedging in relation to major purchase and sales agreements.

Financial risks

As a consequence of its operations, investments and financing, Royal Greenland is vulnerable towards alterations in exchange rates and interest levels. The parent company centrally manages the Group's financial risks and co-ordinates its liquidity control, including capital generation and the investment of surplus liquidity. The Group pursues a financial policy which operates with a low risk profile, such that currency exposure, interest rate exposure and credit risks arise only in connection with commercial matters.

Orientation on the Company's activities

Last September, a mobile team of eight politicians and officials attended an orientation trip to Royal Greenland's largest factories in Greenland and abroad. The goal of the trip was to give the owners an insight into the Company's current and planned activities in relation to the North Atlantic Champion strategy. The delegation visited the hi-tech prawn processing plant in Ilulissat, the Greenland halibut factory in Qasigiannquit and the finished products factory in Koszalin, Poland. The delegates expressed satisfaction with the current and planned activities of the Company, and there was generally high praise for the executives and managers that the delegation met in the factories.

The delegation consisted of four members of the Parliamentary Committee for Fisheries, Hunting and Agriculture: Nikolaj Jerimiassen, Knud Kristiansen, Ane Hansen and Aqqaluq B. Egede, and the Minister for Fisheries, Food, and Land Use, Finn Karlsen.

At the factory in Koszalin, Poland, the factory management showed the production of finished goods.





The Group's use of derivatives is regulated by a written policy adopted by the board of directors and by internal working procedures, which, amongst other things, lay down limits and specify which derivative financial instruments may be applied.

Currency risks

The Group's activities are influenced by exchange rate fluctuations, as sales are primarily invoiced in foreign currency, while costs, including salaries, are incurred in DKK, EUR, PLN and USD.

The Group will thus be exposed in net positions in a number of currencies. 92% of the Group's turnover derives from countries other than Greenland and Denmark – primarily countries in the euro zone, along with Japan, China, the UK and Sweden. Revenues in EUR and DKK comprise approximately 56% of Royal Greenland's total revenues, and are thus not assessed to represent a serious exchange rate risk. The Group is also influenced by alterations in exchange rates, as a consequence of the fact that the profit and equity of a number of subsidiaries is translated into Danish kroner at year-end on the basis of average exchange rates and balance sheet date rates, respectively.

The exchange rate exposure is mainly hedged by matching incoming and outgoing payments in the same currency, and through forward contracts. The Group's currency policy is to hedge at least 75% of the expected exchange rate exposure within the first six months, and thereafter at least 50% of the exchange rate exposure in the remaining six-month period, together with larger contracts which are covered individually. The exchange rate exposure in relation to EUR is not hedged.

Interest rate risks

The interest-bearing debt is mainly denominated in DKK and EUR. Divided between variable and fixed-interest debt, the variable part comprised 37% at the close of the financial year, and a rise of one percentage point in the general rate of interest would induce a rise in the Group's annual interest expenses of approximately DKK 3 million.

Outlook

The outlook for the coming year 2014/15 reflects a continued positive development.

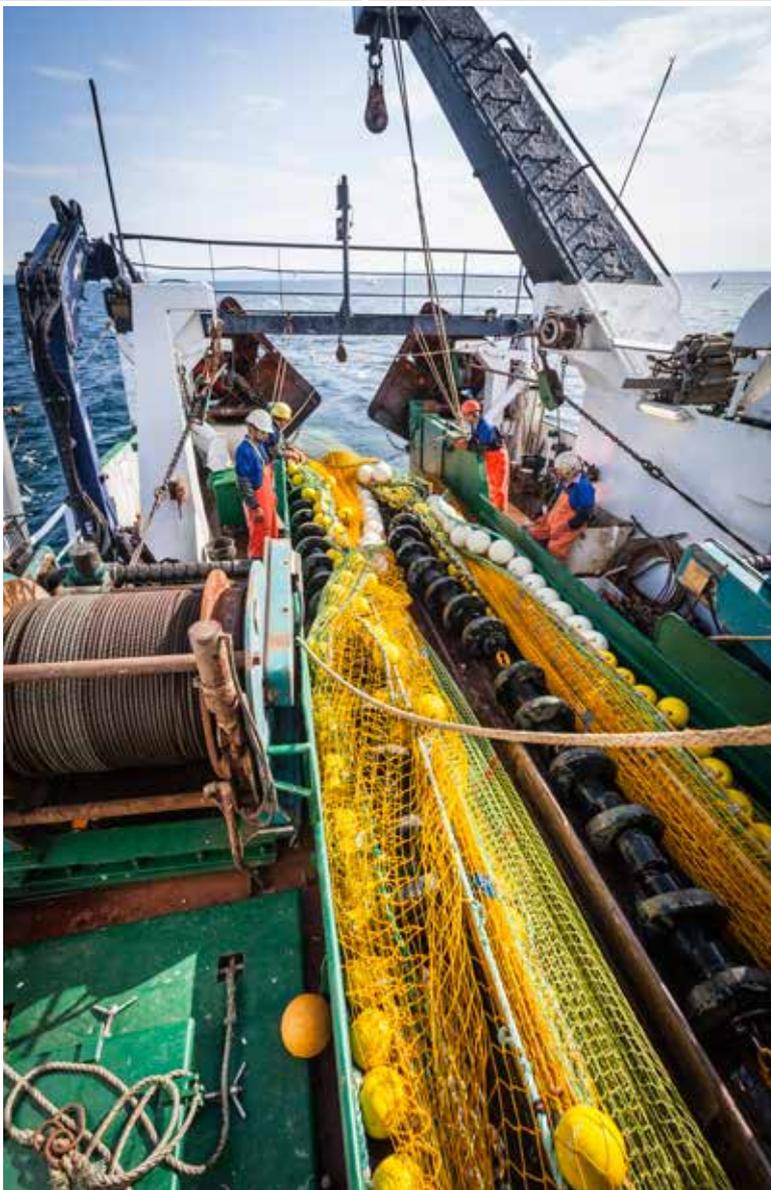
Measured in terms of continuing operations (excluding Wilhelms-haven), and excluding the non-recurring income derived from the sale of the Iquique shares, pre-tax profit is expected to be at a slightly higher level than in 2013/14.

The coming year will reflect a number of strategic initiatives, for which reason liquidity from operations, including investments, is expected to be in balance.

Interest-bearing debt is expected to be approximately DKK 1 billion, with a ratio to EBITDA of approximately 3.3, and is thus in control despite an expansive business plan.

This development is challenged by an uncertain situation in relation to raw materials in Greenland, due to falling prawn quotas and tough price competition in raw materials. The market situation for cold-water prawns is also turbulent, and the exchange rates uncertain.

Over the past financial year, however, Royal Greenland has demonstrated an ability to handle the challenges, including the general uncertainty in the world economy.





ACCOUNTING POLICIES



Accounting policies

Basic of accounts

The annual report of Royal Greenland A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act governing state-owned limited companies in reporting class D enterprises.

Consolidation

The consolidated financial statements include Royal Greenland A/S (Parent) and the group enterprises (subsidiaries) in which the Parent directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling interest. Enterprises in which the Group has significant, but not controlling influence, are regarded as associates. The Group structure is shown in the Management's Review.

The consolidated financial statements consolidate the financial statements of the Parent and of the individual subsidiaries which have all been prepared applying group accounting policies. Intra-group receivables and payables, income and expenses, dividends, unrealised internal profits and losses are eliminated along with intra-group shareholdings.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied in the acquisition of new enterprises where the Parent obtains a controlling interest. Under this method, identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of the restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet as deferred income, and they are recognised in the income statement as such adverse development is realised.

At intra-group restructurings the consolidation method is applied.

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and carrying amount of the net assets at the time of divestment or winding-up, inclusive of non-amortised goodwill, former price adjustments and estimated divestment or winding-up expenses. Profits and losses are recognised in the income statement.

Minority interests

Group profit/loss and group equity includes a separate item, which specifies the proportionate share of the subsidiaries' profit/loss and equity attributable to minority interests.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

The income statements of foreign subsidiaries and associates are translated into Danish kroner using the annual average rate of exchange and the balance sheets are translated using the rate of exchange in effect on the balance sheet date. Differences in the exchange rate, which arise when translating the foreign subsidiaries' equity at the beginning of the year at the rates of exchange ruling at the balance sheet date are recognised directly on equity. This also applies to exchange rate differences arising out of the translation of the income statement from annual average rates of exchange to the exchange rates ruling at the balance sheet date.

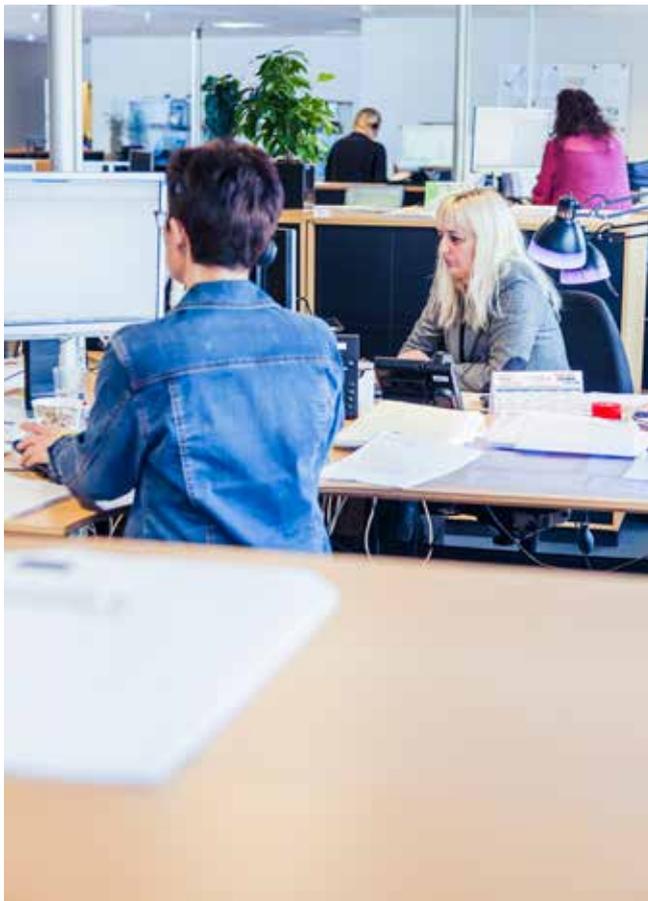
Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under financial fixed assets and long-term liabilities respectively.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging of the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly on equity. When the hedged transactions are realised, the changes are recognised in the relevant items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.



Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

Other operating income and expenses

Other operating income and expenses comprise income and expenses of a secondary nature to the Group's primary activities.

Research and development costs

Research and development costs comprise costs, including wages and salaries, attributable to the research and development activities carried out by the Group.

Research costs are recognised in the income statement in the year in which they are paid.

Development costs paid in relation to maintenance and optimisation of existing products or production processes are expensed. Costs related to the development of new products are recognised in the income statement unless the criteria for recognition in the balance sheet have been met for the individual development project.

Financial income and expenses

These items comprise interest income and expenses, the interest portion of finance lease payments, realised and unrealised capital gains and losses on securities, payables and transactions in foreign currencies, mortgage amortisation premium relating to mortgage debt, cash discounts etc as well as tax surcharge and repayment under the Danish Tax Prepayment Scheme.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year and recognised directly on equity by the portion attributable to entries directly on equity. The portion of the tax taken to the income statement, which relates to extraordinary profit/loss for the year, is allocated to this entry whereas the remaining portion is taken to the year's profit/loss from ordinary activities.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised and measured applying the liability method on all temporary differences between the carrying amount and tax-based value of assets and liabilities, where the tax-based value of assets is calculated based on the planned use of each asset. Deferred tax is not allocated on stocks in subsidiaries according to the planned use. Deferred tax is measured based on the tax regulations and tax rates of the relevant countries that will be in effect, using the laws at the balance sheet date, when the deferred tax is estimated to be triggered as current tax. Changes in deferred tax resulting from changed tax rates are recognised in the income statement.

Deferred tax assets, including the tax base of tax loss carryforward, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Balance sheet

Intangible assets

Goodwill and goodwill on consolidation

Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation period is usually 5 years, however, it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the Group's benefit from the relevant resources.

The carrying amount of goodwill is assessed currently and written down to recoverable amount if the carrying amount exceeds the estimated future net income from the enterprise or activity to which the goodwill is related.

Quotas, IT and licences

Acquired intangible rights in the form of quotas, IT and licences are measured at cost less accumulated amortisation. Amortisation is carried out on a straight-line basis over a period of 3-10 years. Intangible rights acquired are written down to the lower of recoverable amount and carrying amount.

Development costs

Development costs comprise costs, wages and salaries and amortisation directly and indirectly attributable to the Company's development activities and which comply with the criteria for recognition in the balance sheet.

Capitalised development costs are measured at the lower of cost less accumulated amortisation and recoverable amount.

Capitalised development projects are amortised straight-line on the basis of the completion ratio of the development project over the estimated economic life of the project. The period of amortisation is usually 3-10 years.

Property, plant and equipment

Land and buildings, vessels, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation. For company-manufactured assets, cost comprises direct and indirect costs of materials, components, suppliers and labour costs.

Interest expenses on loans for financing the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other financing costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets

Buildings	10 - 50 years
Vessels	7 - 16 years
Plant included in the item "vessels"	5 - 10 years
Plant and machinery	5 - 10 years
Other fixtures and fittings, tools and equipment	3 - 5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement with depreciation and impairment losses.

Fixed asset investments

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured under the equity method. This means that in the balance sheet investments are measured at the pro rata share of the enterprises' equity, cf. description above under consolidated annual report, plus or less unamortised goodwill or negative goodwill on consolidation and plus or minus unrealised intra-group profits and losses.

The Parent's share of the enterprises' profits or losses after elimination of unrealised intra-group profits and losses and minus or plus amortisation of positive, or negative, goodwill on consolidation is recognised in the income statement.



Subsidiaries and associates with a negative equity value are measured at zero value, and receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Net revaluation of investments in subsidiaries and associates is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost.

Other fixed asset investments

Other fixed asset investments primarily include long-term receivables and unlisted investments.

Investments and receivables not held to maturity are measured at cost on acquisition and subsequently at fair value. If the fair value cannot be fixed reliably, the measurement is made at cost.

Receivables held to maturity are measured at cost on acquisition and are subsequently measured at amortised cost.

In the event that fixed asset investments are written down to a lower value, such writedown takes into account the risk of loss associated with each individual asset.

Inventories

Stock of raw materials is measured at the lower of cost using weighted average prices or net realisable value.

Stock of consumables comprises for instance packaging, operating goods and fish boxes.

Stock of fish boxes is measured at a fixed amount. Supplementary acquisition of gear is expensed on a current basis.

All other stocks of consumables are measured at the lower of cost using the FIFO method and net realisable value.

Goods in progress and finished goods, including finished goods produced on board own trawlers, are measured at the lower of cost using weighted average prices or net realisable value. Cost of manufactured goods consists of costs of raw materials, consumables and direct labour costs as well as indirect production overheads. Indirect production overheads are allocated on the basis of the normal capacity of the individual production entities. Indirect production overheads comprise indirect materials and labour costs, costs of maintenance of and depreciation and impairment losses on trawlers, factory buildings, machinery and equipment applied for the manufacturing process as well as costs of factory administration and management.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at amortised cost, which usually corresponds to the nominal value.

Equity

Dividends are recognised as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

Provisions

Provisions are recognised when the Group has a legal and constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company to meet the obligation.

Provisions that are estimated to mature more than one year after the balance sheet date are discounted at the average bond yield.

Liabilities other than provisions

Financial liabilities

Liabilities are measured at cost at the time of borrowing corresponding to the proceeds received less transaction costs incurred. The liability is subsequently measured at amortised cost, which corresponds to the capitalised value when using the effective interest method so that the difference between the proceeds and the nominal value is included in the income statement over the borrowing period.

If a financial liability has been sufficiently hedged by a derivative financial instrument, the financial liability is measured at fair value and any changes in the fair value are recognised in the income statement under other financial items along with changes in the fair value of the derivative financial instrument.

Other financial liabilities

Other financial liabilities are recognised at amortised cost which usually corresponds to nominal value.

Prepayments

Deferred income comprises received income for recognition in subsequent financial years. Prepayments are measured at amortised cost which usually corresponds to the nominal value.

Cash flow statement

The cash flow statement of the Group is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and the end of the financial year. No separate cash flow statement has been prepared for the Parent because it is included in the consolidated cash flow statement.

Cash flows from acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows from acquired enterprises are recognised in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognised up to the time of sale.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises and activities as well as purchase and sale of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, instalments on interest-bearing debt, and payment of dividends to shareholders.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.

Segment information

The primary segment of the Group is the business segment. The geographical markets comprise the secondary segment.

Management is of the impression that the Group solely operates with one individual business segment why the business segment

information required in respect net revenue, profit/loss before financial items, value of fixed assets and value of liabilities appears from the consolidated income statement and balance sheet.

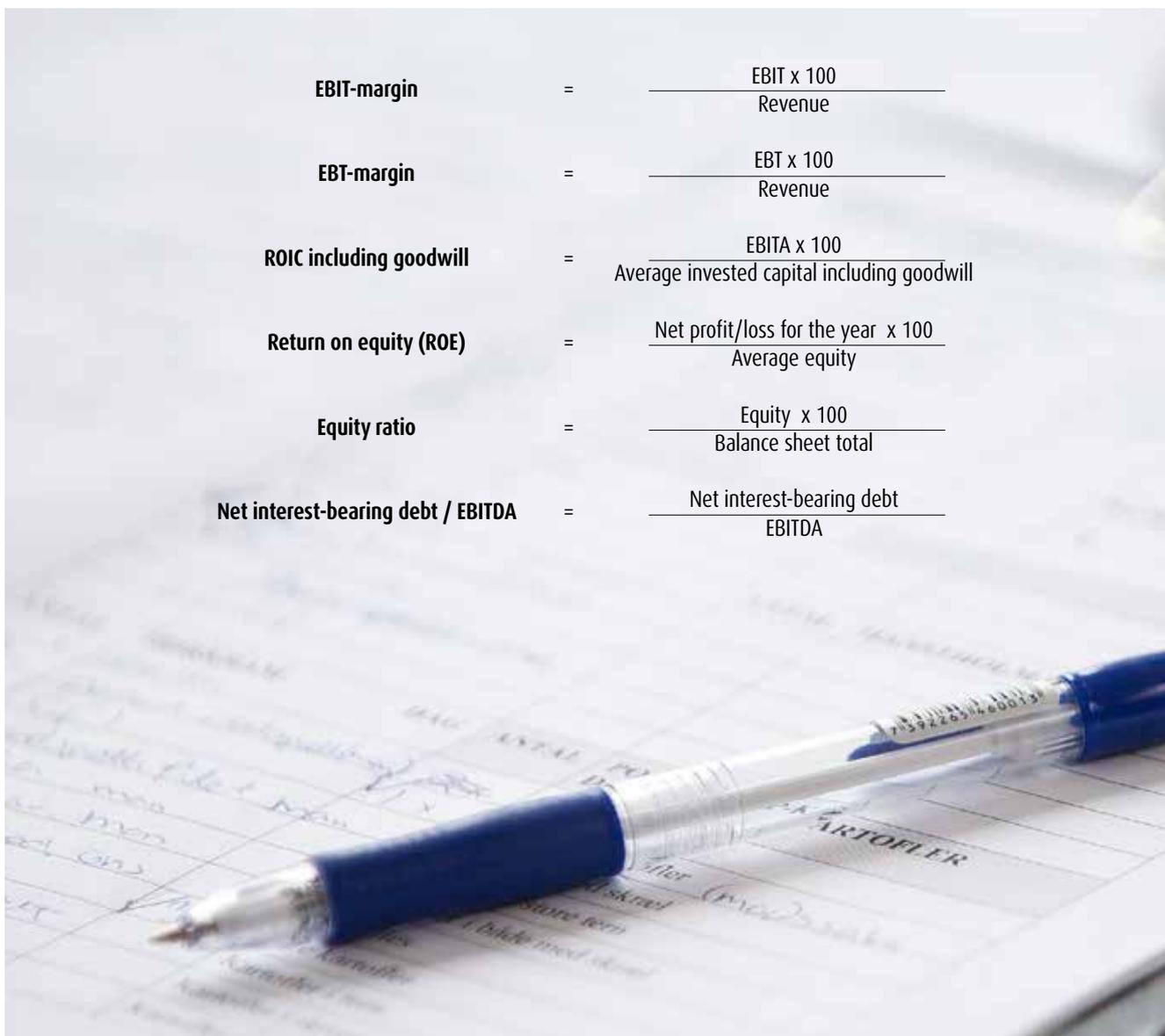
The geographical markets are split into European countries and other markets.

Financial highlights

The financial highlights and ratios have been compiled as shown below:

The key figure 'net interest-bearing debt' is derived offsetting derivatives recognised as financial fixed assets. Calculating equity ratio and net interest-bearing debt/EBITDA derivatives recognised as financial fixed assets are offset in balancesheet total as well as in net interest-bearing debt.

EBIT-margin	=	$\frac{\text{EBIT} \times 100}{\text{Revenue}}$
EBT-margin	=	$\frac{\text{EBT} \times 100}{\text{Revenue}}$
ROIC including goodwill	=	$\frac{\text{EBITA} \times 100}{\text{Average invested capital including goodwill}}$
Return on equity (ROE)	=	$\frac{\text{Net profit/loss for the year} \times 100}{\text{Average equity}}$
Equity ratio	=	$\frac{\text{Equity} \times 100}{\text{Balance sheet total}}$
Net interest-bearing debt / EBITDA	=	$\frac{\text{Net interest-bearing debt}}{\text{EBITDA}}$



INCOME STATEMENT

	Note	Group		Parent	
		2013/14 DKK 1,000	2012/13 DKK 1,000	2013/14 DKK 1,000	2012/13 DKK 1,000
Revenue	1	4,913,098	5,311,560	2,052,353	1,946,556
Change in inventories of finished goods		110,159	(95,325)	(14,119)	(43,855)
Other operating income	2	33,064	28,103	33,520	28,129
		5,056,321	5,244,338	2,071,754	1,930,830
Costs of raw materials and consumables		(3,383,513)	(3,396,765)	(1,063,682)	(938,808)
Other external expenses		(677,658)	(793,908)	(374,051)	(366,312)
Staff costs	3	(679,270)	(723,122)	(457,409)	(409,290)
Depreciation, amortisation and impairment losses	4	(144,087)	(147,692)	(89,413)	(83,385)
Operating profit		171,793	182,851	87,199	133,035
Profit/loss from investments in group enterprises after tax	5	0	0	99,457	12,232
Profit/loss from investments in associates after tax	6	70,998	2,527	4,643	(1,162)
Financial income	7	25,002	53,298	8,560	48,152
Financial expenses	8	(68,504)	(70,479)	(48,383)	(49,131)
Profit before tax		199,289	168,197	151,476	143,126
Tax on profit	9	(50,413)	(55,434)	(15,900)	(42,750)
Profit after tax		148,876	112,763	135,576	100,376
Minority interests' share of profit/loss after tax of group enterprises		(13,300)	(12,387)	-	-
PROFIT FOR THE YEAR		135,576	100,376	135,576	100,376
Proposed distribution of profit					
Reserve for net revaluation according to the equity method				0	0
Proposed dividend				34,000	50,000
Retained earnings				101,576	50,376
				135,576	100,376

ASSETS AT SEPTEMBER 30th

	Note	Group		Parent	
		2014 DKK 1,000	2013 DKK 1,000	2014 DKK 1,000	2013 DKK 1,000
Intangible assets	10	53,950	56,125	13,728	14,004
Buildings		239,355	280,787	128,247	122,809
Plant and machinery		160,263	267,725	80,693	96,106
Vessels		269,792	254,979	203,184	196,240
Other fixtures and fittings, tools and equipment		17,307	18,313	13,807	11,673
Fixed assets in progress		58,197	39,287	38,416	18,701
Property, plant and equipment	11	744,914	861,091	464,347	445,529
Investments in group enterprises	12	0	0	1,813,657	1,706,467
Receivables from group enterprises	13	0	0	4,700	5,530
Investments in associates	12	110,820	127,170	79,500	72,325
Receivables from associates	13	73,616	82,359	24,616	33,359
Derivatives		57,161	30,783	57,161	30,783
Other fixed asset investments	14	27,404	33,137	21,966	24,189
Deferred tax asset	19	87,225	80,824	0	0
Fixed asset investments		356,226	354,273	2,001,600	1,872,653
FIXED ASSETS		1,155,090	1,271,489	2,479,675	2,332,186
Inventories	15	1,481,196	1,598,944	476,984	497,361
Trade receivables		474,310	504,809	8,348	7,429
Receivables from group enterprises		0	0	95,956	120,761
Receivables from associates		6,317	5,271	2,817	375
Other receivables	16	65,825	69,082	4,611	5,738
Prepayments	17	5,986	9,285	2,718	3,391
Receivables		552,438	588,447	114,450	137,694
Investment in securities		78,844	0	0	0
Cash		307,708	327,730	225,331	213,618
CURRENT ASSETS		2,420,186	2,515,121	816,765	848,673
ASSETS		3,575,276	3,786,610	3,296,440	3,180,859

EQUITY AND LIABILITIES AT SEPTEMBER 30TH

	Note	Group		Parent	
		2014 DKK 1,000	2013 DKK 1,000	2014 DKK 1,000	2013 DKK 1,000
Share capital		850,000	850,000	850,000	850,000
Reserve for net revaluation under the equity method		0	0	0	0
Proposed dividend		34,000	50,000	34,000	50,000
Retained earnings		282,468	166,244	282,468	166,244
EQUITY		1,166,468	1,066,244	1,166,468	1,066,244
Minority interests	18	66,101	58,734	-	-
Deferred tax	19	85,238	89,640	44,738	55,639
Other provisions	20	12,768	22,170	0	3,000
PROVISIONS		98,006	111,810	44,738	58,639
Subordinated loans		0	50,000	0	50,000
Mortgage debt		19,948	35,697	0	0
Payables to group enterprises		0	0	10,589	10,722
Other credit institutions		1,098,806	1,043,046	1,098,806	1,043,047
Derivatives		24,522	62,197	21,934	58,081
Long-term liabilities other than provisions	21	1,143,276	1,190,940	1,131,329	1,161,850
Short-term portion of long-term liabilities other than provisions		23,553	433,965	7,875	418,255
Credit institutions		173,666	140,747	11,835	10,576
Trade payables		537,788	444,612	114,088	91,853
Payables to group enterprises		0	0	594,042	214,857
Payables to associates		63,732	22,285	62,465	22,285
Income taxes	9	50,114	40,637	10,705	18,300
Other payables	22	220,799	241,340	150,256	116,770
Deferred income	23	31,773	35,296	2,639	1,230
Short-term liabilities other than provisions		1,101,425	1,358,882	953,905	894,126
LIABILITIES OTHER THAN PROVISIONS		2,244,701	2,549,822	2,085,234	2,055,976
EQUITY AND LIABILITIES		3,575,276	3,786,610	3,296,440	3,180,859
Assets charged and contingent liabilities	24				
Other notes	25-29				



STATEMENT OF CHANGES IN EQUITY - GROUP

	Share capital DKK 1,000	Retained earnings DKK 1,000	Proposed dividend DKK 1,000	Total DKK 1,000
Equity at September 30 th 2012	850,000	155,304	3,600	1,008,904
Exchange adjustment, foreign entities	0	(41,567)	0	(41,567)
Fair value adjustments recognised in equity	0	(20,005)	0	(20,005)
Tax, fair value adjustments	0	6,236	0	6,236
Paid dividend	0	0	(3,600)	(3,600)
Tax, proposed dividend	0	15,900	0	15,900
Net profit for the year	0	50,376	50,000	100,376
Equity at September 30th 2013	850,000	166,244	50,000	1,066,244
Exchange adjustment, foreign entities	0	7,460	0	7,460
Fair value adjustments recognised in equity	0	(5,357)	0	(5,357)
Tax, fair value adjustments	0	1,733	0	1,733
Paid dividend	0	0	(50,000)	(50,000)
Tax, proposed dividend	0	10,812	0	10,812
Net profit for the year	0	101,576	34,000	135,576
Equity at September 30th 2014	850,000	282,468	34,000	1,166,468

STATEMENT OF CHANGES IN EQUITY - PARENT

	Share capital DKK 1,000	Reserve under the equity method DKK 1,000	Retained earnings DKK 1,000	Proposed dividend DKK 1,000	Total DKK 1,000
Equity at September 30 th 2012	850,000	0	155,304	3,600	1,008,904
Exchange adjustment, foreign entities	0	0	(41,567)	0	(41,567)
Fair value adjustments recognised in equity	0	0	(20,005)	0	(20,005)
Tax, fair value adjustments	0	0	6,236	0	6,236
Paid dividend	0	0	0	(3,600)	(3,600)
Tax, proposed dividend	0	0	15,900	0	15,900
Net profit for the year	0	0	50,376	50,000	100,376
Equity at September 30th 2013	850,000	0	166,244	50,000	1,066,244
Exchange adjustment, foreign entities	0	0	7,460	0	7,460
Fair value adjustments recognised in equity	0	0	(5,357)	0	(5,357)
Tax, fair value adjustments	0	0	1,733	0	1,733
Paid dividend	0	0	0	(50,000)	(50,000)
Tax, proposed dividend	0	0	10,812	0	10,812
Net profit for the year	0	0	101,576	34,000	135,576
Equity at September 30th 2014	850,000	0	282,468	34,000	1,166,468

The company's Share Capital consists of 850,000 stocks of DKK 1,000 or multiples. The Share capital is not divided into classes. There have been no changes in the Share capital for the last 5 years..



CONSOLIDATED CASH FLOW STATEMENT OCTOBER 1st TO SEPTEMBER 30th

	Note	2013/14 DKK 1,000	2012/13 DKK 1,000
Net profit for the year		135,576	100,376
Adjustments relating to net profit for the year	30	165,538	227,379
Working capital changes	31	(15,220)	44,369
Cash flows from operating activities before net financials		285,894	372,124
Ingoing payments relating to financial items		16,849	9,617
Outgoing payments relating to financial items		(51,291)	(76,127)
Cash flows from ordinary activities		251,452	305,614
Paid taxes		(47,776)	(21,672)
Cash flows from operating activities		203,676	283,942
Sales/(Purchase)of assets connected to business transfer		445,797	(13,500)
Prepayment on sale of assets		0	29,167
Purchase of intangible and tangible fixed assets		(173,450)	(127,322)
Purchase of shares in associates		(8,817)	(315)
Purchase of other financial fixed assets		(3,465)	(4,602)
Sale of intangible and tangible fixed assets		3,497	13,375
Sale of shares in associates		99,644	0
Sale of other financial fixed assets		8,921	11,851
Dividends received from associates		912	2,058
Cash flows from investing activities		373,039	(89,288)
Proceeds from obtaining/(instalments on) long-term liabilities		(483,179)	(65,704)
Paid dividend		(50,000)	(3,600)
Dividends paid during the year to minority interests		(5,456)	(5,456)
Cash flows from financing activities		(538,635)	(74,760)
Increase/decrease in cash and cash equivalents		38,080	119,894
Cash and cash equivalents, beginning of year		186,983	66,847
(Reduction)/addition connected to business transfer		(12,177)	242
Cash and cash equivalents, end of year	32	212,886	186,983

NOTES TO THE ANNUAL REPORT

	Group		Parent	
	2013/14 DKK 1,000	2012/13 DKK 1,000	2013/14 DKK 1,000	2012/13 DKK 1,000
1 Net turnover - Geographical markets				
Europe	3,883,251	4,363,654	1,816,804	1,609,916
Other markets	1,029,847	947,906	235,549	336,640
	4,913,098	5,311,560	2,052,353	1,946,556
2 Other operating income				
Service agreement	1,220	4,792	800	4,792
Management Fees	12,176	1,020	14,512	3,375
Rental income	4,179	3,168	3,041	2,962
Sale of quotas	4,689	7,129	11,687	9,715
Other operating income	10,800	11,994	3,480	7,285
	33,064	28,103	33,520	28,129
3 Staff costs				
The total amount of wages and salaries etc, is specified as follows:				
Wages and salaries	604,693	634,488	413,390	368,642
Pension contributions and other social costs	35,349	48,000	23,327	21,240
Other personnel costs	39,228	40,634	20,692	19,408
	679,270	723,122	457,409	409,290
Average number of employees	1,906	2,057	1,050	980
Remuneration for the Parent's Supervisory Board and Executive Board				
Remuneration for the Supervisory Board			1,982	2,100
Executive Board	Fixed salary	Bonus		
Mikael Thinghuus	3,705			
Nils Duus Kinnerup	2,669			
Bruno Olesen	2,441			
Lars Nielsen	2,305			
Total Executive Board	11,120	2,300	13,420	9,277

Bruno Olesen and Lars Nielsen entered the Executive Board May 1st 2013 for which reason they are only included for 5 months in 2012/13.

NOTES TO THE ANNUAL REPORT

	Group		Parent	
	2013/14 DKK 1,000	2012/13 DKK 1,000	2013/14 DKK 1,000	2012/13 DKK 1,000
4 Depreciation, amortisation and impairment losses				
Buildings	25,210	27,622	17,402	17,065
Plant and machinery	54,258	64,205	24,175	25,444
Vessels	49,368	45,428	37,068	30,345
Other fixtures and fittings, tools and equipment	5,184	4,795	3,761	3,046
Goodwill on consolidation	4,272	3,289	-	-
Quotas	7,833	6,474	3,718	3,590
Software	3,202	1,496	3,138	1,450
Licences	14	122	0	0
Received grants	(4,833)	(5,035)	0	0
(Gain)/loss from sale of fixed assets	(421)	(704)	151	2,445
	144,087	147,692	89,413	83,385
5 Profit/loss from investments in group enterprises				
Profit	0	0	100,019	15,366
Loss	0	0	(729)	(30,828)
Change in intra-group profits	0	0	167	27,694
	0	0	99,457	12,232
6 Profit/loss from investments in associates				
Profit	73,332	7,777	6,977	2,218
Loss	(2,326)	(3,770)	(2,326)	(3,350)
Depreciation of differential value	(8)	(1,480)	(8)	(30)
	70,998	2,527	4,643	(1,162)

NOTES TO THE ANNUAL REPORT

	Group		Parent	
	2013/14 DKK 1,000	2012/13 DKK 1,000	2013/14 DKK 1,000	2012/13 DKK 1,000
7 Financial income				
Capital gains	11,970	45,593	5,148	42,732
Interest from group enterprises	-	-	2,145	2,541
Interest on bank deposit	585	472	0	384
Income from fixed asset investments	3,712	4,459	1,267	2,495
Other financial income	8,735	2,774	0	0
	25,002	53,298	8,560	48,152
8 Financial expenses				
Capital loss	18,460	8,808	7,357	0
Interest on bank and mortgage debt	44,908	54,768	38,606	47,862
Other financial expenses	5,136	6,903	8	21
Interest to group enterprises	0	0	2,412	1,248
	68,504	70,479	48,383	49,131
9 Tax on profit				
Current tax for the year	(67,840)	(38,958)	(28,738)	(21,839)
Other taxes for the year	(959)	(898)	(959)	(898)
Adjustment to previous years	(1,170)	(3,845)	(3)	0
Deferred tax for the year	19,556	(11,733)	13,800	(20,013)
	(50,413)	(55,434)	(15,900)	(42,750)
Reconciliation of tax rate				
Greenland tax rate	32%	32%	32%	32%
Other taxes	1%	1%	1%	1%
Capitalisation of tax asset in foreign enterprises	(8)%	(3)%	0%	0%
Effect of difference in tax rate between Greenland and foreign enterprises	3%	0%	0%	0%
Tax free income (net) from affiliated and associated companies etc.	(3)%	3%	(23)%	(3)%
Tax rate expensed	25%	33%	10%	30%

NOTES TO THE ANNUAL REPORT

10 Intangible assets	Group			
	Group goodwill DKK 1,000	Quotas DKK 1,000	IT DKK 1.000	Licenses DKK 1,000
Cost at October 1 st 2013	45,844	147,165	23,520	1,440
Value adjustment at closing price	0	0	4	(8)
Transferred from tangible assets	0	1,152	2,180	0
Additions for the year	4,182	2,480	3,290	0
Disposals for the year	0	0	0	(1,030)
Cost at September 30th 2014	50,026	150,797	28,994	402
Amortisation and impairment losses at October 1 st 2013	(23,988)	(116,259)	(20,350)	(1,247)
Value adjustment at closing price	0	0	(2)	6
Transferred from tangible assets	0	0	0	0
Amortisation for the year	(4,272)	(7,833)	(3,202)	(14)
Amortisation regarding disposals for the year	0	0	0	892
Amortisation and impairment losses at September 30th 2014	(28,260)	(124,092)	(23,554)	(363)
Carrying amount at September 30th 2014	21,766	26,705	5,440	39
Carrying amount at September 30 th 2013	21,856	30,906	3,170	193



NOTES TO THE ANNUAL REPORT

10 Intangible assets	Parent	
	Quotas DKK 1,000	IT DKK 1.000
Cost at October 1 st 2013	115,084	23,157
Transferred from tangible assets	1,152	2,180
Additions for the year	0	3,248
Disposals for the year	0	0
Cost at September 30th 2014	116,236	28,585
Amortisation and impairment losses at October 1 st 2013	(104,050)	(20,187)
Amortisation for the year	(3,718)	(3,138)
Amortisation regarding disposals for the year	0	0
Amortisation and impairment losses at September 30th 2014	(107,768)	(23,325)
Carrying amount at September 30th 2014	8,468	5,260
Carrying amount at September 30 th 2013	11,034	2,970



NOTES TO THE ANNUAL REPORT

11 Property, plant and equipment	Group				
	Buildings DKK 1,000	Plant and machinery DKK 1,000	Vessels DKK 1,000	Other fixtures etc, DKK 1,000	Fixed assets in progress DKK 1,000
Cost at October 1 st 2013	889,025	1,030,022	638,578	66,992	39,287
Disposals from sale of business	(118,374)	(264,761)	0	(12,150)	(6,276)
Value adjustment at closing price	556	157	0	82	49
Transferred from assets in progress	3,040	11,605	9,990	827	(25,462)
Additions for the year	28,857	19,687	54,191	6,832	53,931
Disposals for the year	(859)	(123,425)	(35,519)	(3,769)	0
Transferred to intangible assets	0	0	0	0	(3,332)
Cost at September 30th 2014	802,245	673,285	667,240	58,814	58,197
Depreciation and impairment losses at October 1 st 2013	(608,238)	(762,297)	(383,599)	(48,679)	-
Disposals from sale of business	69,903	182,949	0	8,816	-
Transferred to intangible assets	0	0	0	0	-
Value adjustment at closing price	40	(298)	0	(78)	-
Depreciation for the year	(25,210)	(54,258)	(49,368)	(5,184)	-
Depreciation regarding disposals for the year	615	120,882	35,519	3,618	-
Depreciation and impairment losses at September 30th 2014	(562,890)	(513,022)	(397,448)	(41,507)	-
Carrying amount at September 30th 2014	239,355	160,263	269,792	17,307	58,197
Carrying amount at September 30 th 2013	280,787	267,725	254,979	18,313	39,287

Value according to public land assessment

The public land assessment relating to property in Denmark amounts to DKK 45,000k. The buildings in Denmark have a carrying amount of DKK 19,719k.

No public land assessment is made in Greenland, The carrying amount of properties in Greenland amounts to DKK 136.897k.

NOTES TO THE ANNUAL REPORT

11 Property, plant and equipment	Parent				
	Buildings DKK 1,000	Plant and machinery DKK 1,000	Vessels DKK 1,000	Other fixtures etc., DKK 1,000	Fixed assets in progress DKK 1,000
Cost at October 1 st 2013	550,334	413,572	471,913	44,085	18,701
Transferred from assets in progress	1,762	1,160	9,990	827	(13,739)
Additions for the year	21,321	8,681	34,022	5,068	36,786
Disposals for the year	(859)	(53,874)	(23,226)	(2,224)	0
Transferred to intangible assets	0	0	0	0	(3,332)
Cost at September 30th 2014	572,558	369,539	492,699	47,756	38,416
Depreciation and impairment losses at October 1 st 2013	(427,525)	(317,466)	(275,673)	(32,412)	-
Depreciation for the year	(17,402)	(24,175)	(37,068)	(3,761)	-
Depreciation regarding disposals for the year	616	52,795	23,226	2,224	-
Depreciation and impairment losses at September 30th 2014	(444,311)	(288,846)	(289,515)	(33,949)	-
Carrying amount at September 30th 2014	128,247	80,693	203,184	13,807	38,416
Carrying amount at September 30 th 2013	122,809	96,106	196,240	11,673	18,701

No public land assessment is made in Greenland. The carrying amount of properties in Greenland amounts to DKK 128,247k.



NOTES TO THE ANNUAL REPORT

	Group		Parent	
	Associates DKK 1,000	Associates DKK 1,000	Group enterprises DKK 1,000	
12 Investments in group enterprises and associates				
Cost at October 1 st 2013	64,605	41,423	2,049,229	
Transferred	(6,210)	(6,210)	6,210	
Additions for the year	8,340	8,090	1,000	
Disposals for the year	(12,287)	(166)	0	
Cost at September 30th 2014	54,448	43,137	2,056,439	
Value adjustments at October 1st 2013	61,220	30,081	(342,762)	
Transferred	2,961	2,961	(2,961)	
Value adjustment at closing price	6,212	(410)	7,870	
Share of profit/loss for the year	70,998	4,643	99,457	
Dividends	(912)	(912)	(5,456)	
Capital adjustments for the year	0	0	1,070	
Disposals for the year	(84,107)	0	0	
Value adjustments at September 30th 2014	56,372	36,363	(242,782)	
Carrying amount at September 30th 2014	110,820	79,500	1,813,657	
Carrying amount at September 30 th 2013	127,170	72,325	1,706,467	

In the Group, the differential value on acquisition of investments in associates amounts to DKK 15,943k. The carrying amount at September 30th 2014 amounts to DKK 0k.

In the parent, the differential value on acquisition of investments in associates amounts to DKK 8,693k. The carrying amount at September 30th 2014 amounts to DKK 0k.

NOTES TO THE ANNUAL REPORT

	Group	Parent	
	Associates DKK 1,000	Associates DKK 1,000	Group enterprises DKK 1,000
13 Receivables from group enterprises and associates			
Cost at October 1 st 2013	83,180	34,180	5,530
Value adjustment at closing price	0	0	0
Additions for the year	0	0	4,700
Disposals for the year	(9,564)	(9,564)	(5,530)
Cost at September 30th 2014	73,616	24,616	4,700
Impairment losses at October 1 st 2013	(821)	(821)	0
Additions for the year	0	0	0
Disposals for the year	821	821	0
Impairment losses at September 30th 2014	0	0	0
Carrying amount at September 30th 2014	73,616	24,616	4,700
Carrying amount at September 30 th 2013	82,359	33,359	5,530

	Group	Parent
	DKK 1,000	DKK 1,000
14 Other fixed asset investments		
Cost at October 1 st 2013	39,136	28,496
Additions for the year	3,465	3,471
Disposals for the year	(8,921)	(6,252)
Cost at September 30th 2014	33,680	25,715
Provisions for bad debts at October 1 st 2013	(5,999)	(4,307)
Change in provisions for the year	(277)	558
Provisions for bad debts at September 30th 2014	(6,276)	(3,749)
Carrying amount at September 30th 2014	27,404	21,966
Carrying amount at September 30 th 2013	33,137	24,189

NOTES TO THE ANNUAL REPORT

	Group		Parent	
	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000
15 Inventories				
Raw materials	525,115	589,826	16,265	18,207
Goods in progress	54,947	39,862	1,548	2,607
Finished goods	801,929	855,509	405,313	419,432
Other goods	99,205	113,747	53,858	57,115
	1,481,196	1,598,944	476,984	497,361
Goods at net realisable value included in booked value of inventories	90,145	91,824	69,905	88,514
16 Other receivables				
Tax receivable	1,225	4,480	0	0
VAT and duty receivable	44,060	18,839	0	0
Other receivables	20,540	45,763	4,611	5,738
	65,825	69,082	4,611	5,738
17 Prepayments				
Derivative financial instruments at fair value	0	708	0	0
Prepaid rent and consumption taxes	1,437	764	0	0
Other prepayments	4,549	7,813	2,718	3,391
	5,986	9,285	2,718	3,391
18 Minority interests				
Minority interests at October 1 st 2013	58,734	50,449		
Company acquisition	(477)	1,354		
Share of profit/loss for the year	13,300	12,387		
Dividend and capital adjustments	(5,456)	(5,456)		
Minority interests at September 30th 2014	66,101	58,734		

NOTES TO THE ANNUAL REPORT

	Group		Parent	
	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000
19 Deferred tax				
Deferred tax incumbent on the following items:				
Property, plant and equipment	100,563	94,248	63,410	60,255
Fixed asset investments	0	0	0	0
Other items	(15,325)	(4,608)	(18,672)	(4,616)
	85,238	89,640	44,738	55,639
Deferred tax assets incumbent on the following items:				
Loss carried forward	17,131	30,793	0	0
Other tax assets	70,094	50,031	0	0
	87,225	80,824	0	0
20 Other provisions				
Other provisions at October 1 st 2013	22,170	23,972	3,000	3,045
Additions for the year	1,668	1,019	0	0
Disposals for the year	(11,070)	(2,821)	(3,000)	(45)
Other provisions at September 30th 2014	12,768	22,170	0	3,000

Other provisions are public grants to investments, pensions and contractual risks.



NOTES TO THE ANNUAL REPORT

21 Long-term liabilities other than provisions	Group		Parent	
	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000
The following amounts fall due for payment after five years or more:				
Bank debt	80,292	246,972	80,292	246,972
Mortgage debt	0	0	0	0
	80,292	246,972	80,292	246,972

Interest and terms to maturity of long-term liabilities (Group, translated into DKK)	Weighted term (years)	Fixed/ floating	Effective rate of interest		Nominal value DKKm	
			2013/14	2012/13	2013/14	2012/13
Subordinated loan	0	Fixed	5.00%	5.00 %	0	100
Mortgage debt	2	Fixed	7.93%	7.81 %	36	51
Private Placements	3	Fixed/Float.	3.04%	2.75 %	1,074	1,442
					1,110	1,593
Weighted average effective rate of interest			3.19%	3.06 %		

22 Other payables	Group		Parent	
	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000
Wages and salaries, personal income taxes, social security costs, etc payable	66,117	41,294	35,811	19,151
Holiday pay obligation	40,079	43,043	33,215	30,034
Interest	11,646	15,277	11,222	14,540
VAT and duties	62,325	48,379	50,808	34,606
Other costs payable	40,632	93,347	19,200	18,039
	220,799	241,340	150,256	116,370
23 Deferred income				
Derivative financial instruments at fair value	1,385	883	1,385	430
Other deferred income	30,388	34,413	1,254	800
	31,773	35,296	2,639	1,230

NOTES TO THE ANNUAL REPORT

24 Assets charged and contingent liabilities	Group		Parent	
	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000	30.09.2014 DKK 1,000	30.09.2013 DKK 1,000
Assets charged				
Mortgage debt has been secured on property, plant and equipment at a carrying amount of	110,757	105,139	0	0
Contractual obligations				
Contracts have been made relating to delivery of fixed assets within two years at a carrying amount of	10,421	10,419	10,421	2,125
Lease commitments falling due within five years after the balance sheet date amount to	79,721	125,495	59,177	93,207
Hereof due within one year	31,733	60,428	25,010	40,583
Recourse and non-recourse guarantee commitments				
Associates	15,834	2,500	15,834	2,500
Third party	8,371	9,112	8,171	8,912
Group enterprises	-	-	466,494	486,771

Contingent liabilities

The Royal Greenland Group has some pending lawsuits, including inquiries from the tax authorities. Management believes that the outcome of these lawsuits and inquiries will not have material impact on the Group's financial position.



NOTES TO THE ANNUAL REPORT

25 Financial exposure	Group			
	Receivables DKK 1,000	Liabilities DKK 1,000	Hedged by forward exchange contracts and options DKK 1,000	Net position DKK 1,000
Positions in the most important currencies:				
USD	111,880	(201,921)	0	(90,041)
GBP	18,242	(24,456)	(68,510)	(74,724)
SEK	20,430	(26,871)	(21,728)	(28,169)
JPY	35,348	(704)	(59,243)	(24,599)
	185,900	(253,952)	(149,481)	(217,533)

Foreign exchange contracts solely cover commercial positions.

Interest rate exposure

The agreed reassessment and repayment dates of the Group's financial assets and liabilities are specified below according to maturity date. The effective interest rates have been determined based on the current interest level at September 30th 2014

	Group Reassessment/maturity date				Effective rate of interest %
	Within one year DKK 1,000	Within two-five years DKK 1,000	After five years DKK 1,000	Hereof fixed-rate loan DKK 1,000	
Mortgage and credit institutions, loans	(15,678)	(976,008)	(73,940)	(569,561)	0,7-8,3

Cash and cash equivalents amounts to DKK 307,708k and has a bearing effective rate of interest from 0.0 to 2.2%. Short-term credits amount to DKK 173,666k and has a bearing effective rate of interest from 1.5-1.9%



NOTES TO THE ANNUAL REPORT

	Group		Parent	
	2013/14 DKK 1,000	2012/13 DKK 1,000	2013/14 DKK 1,000	2012/13 DKK 1,000
26 Fees to auditors appointed by the general meeting				
Audit fee	2,803	2,519	1,165	1,230
Other declarations from auditor	30	134	10	20
Tax advisory services	462	420	264	266
Other services	768	1,520	529	1,432
Adjustments concerning previous years	163	76	123	90
	4,226	4,669	2,091	3,038

27 Sold activities connected to business transfer

Sold activities contributed to revenue with DKK 201m in 2013/14 (2012/13 DKK 1,222m), and they contributed to profit for the year 2013/14 with DKK 4,8m (2012/13 DKK 3,0m).

At the end of 2012/13 fixed assets in sold activities amounted to DKK 156m, whereas current assets in the sold activities amounted to DKK 405m.

28 Related parties

Related parties of the Group are the members of the Supervisory and the Executive Boards as well as the owner, the Government of Greenland.

In the current financial year, the Group has not carried out trade with the Supervisory and Executive Boards, Management remuneration is disclosed in note 3.



NOTES TO THE ANNUAL REPORT

29 The managerial positions held by members of the Supervisory Board and Executive Board in other Greenlandic and Danish public limited companies

The managerial positions held by members of the Supervisory Board and Executive Board in other Greenlandic and Danish public limited companies except for managerial positions in wholly owned subsidiaries.

Supervisory Board	Company	Managerial position
Niels de Coninck-Smith Chairman	Orifarm Group A/S NCS 4 A/S Rambøll Gruppen A/S Nordic Aviation Capital A/S Dovista A/S	Chairman Chairman Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board
Pitsi Høegh Deputy Chairman	Greenland Sagalands A/S Greenland Sagalands A/S	Chief Executive Officer Member of the Supervisory Board
Peder Tuborgh	Arla Foods Amba Arla Foods Holding A/S AF A/S Arla Foods International A/S Pandora A/S Aarhus Universitet	Chief Executive Officer Chairman Chairman Chairman Chairman Member of the Supervisory Board
Pernille Fabricius	MT Højgaard A/S Højgaard Holding A/S	Member of the Supervisory Board Member of the Supervisory Board

Executive Board	Company	Managerial position
Mikael Thinghuus CEO	Ice Trawl Greenland A/S Royal Greenland Pelagic A/S Toms Gruppen A/S	Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board
Nils Duus Kinnerup CFO	Aalborg Boldspilklub A/S Intego A/S	Member of the Supervisory Board Member of the Supervisory Board
Bruno Olesen Group Sales Director	Great Greenland A/S Skare Meat Packers K/S Skare Food A/S	Chairman Member of the Supervisory Board Member of the Supervisory Board
Lars Nielsen Group Production Director	Gaia Fish A/S Trustus A/S Royal Greenland Pelagic A/S Gaia Fish A/S	Chief Executive Office Chairman Chairman Member of the Supervisory Board

NOTES TO THE ANNUAL REPORT

	Group	
	2013/14 DKK 1,000	2012/13 DKK 1,000
30 Adjustments relating to net profit for the year		
Depreciation, amortisation and impairment losses	144,087	147,692
Minority interests	13,300	12,387
Financial items allocated to profit for the year	43,502	17,181
Income taxes expensed	50,413	55,434
Provisions	(14,766)	(2,788)
Profit from associates	(70,998)	(2,527)
	165,538	227,379
31 Working capital changes		
Change in receivables	(169,567)	(99,961)
Change in inventory	(132,935)	130,868
Change in trade payables and other payables	287,282	13,462
	(15,220)	44,369
32 Cash and cash equivalents, end of year		
Cash and cash equivalents, end of year	307,708	327,730
Investment in securities	78,844	0
Credit institutions, end of year	(173,666)	(140,747)
	212,886	186,983

Of the cash and cash equivalents amounting to DKK 307,708k DKK 34,560k has been pledged as security for financial contracts.

PRODUCTION UNITS OUTSIDE OF GREENLAND

Most of the Royal Greenland production units are situated in Greenland but can also be found in other parts of the world. Production units outside of Greenland work with both processing and packaging of Greenlandic raw materials and processing of external raw materials, primarily flat fish in Koszalin, Poland.

Packaging of prawns and production of prawns in brine have been united at the facility in Aalborg, Denmark. Processing of lumpfish roe from Greenland takes place in Cuxhaven Germany.

AALBORG



1988

Factory Manager: Peter Korsbæk
Primary species: Prawns
Products: Packaging of shellfish for retail and foodservice
Capacity: 15-18,000 t/year
Employees: 50-70 low/peak seasons

CUXHAVEN (ROE)



2010

Factory Manager: Helgi Helgason
Primary species: Lumpfish roe
Products: Lumpfish roe in glass jars
Capacity: 125,000 glasses/day
Employees: 19-60 low/peak seasons

CUXHAVEN (ZIPLOCK)



2014

Factory Manager: Helgi Helgason
Primary species: Salmon, Plaice, Cod
Products: Fish portions/fillets/tails in ZipLock bagss
Capacity: 40 t/day
Employees: 18-25 low/peak seasons

KOSZALIN



2006

Factory Manager: Meinhard Jacobsen
Primary species: Plaice, flounder, cod
Products: Breaded, battered and stuffed flatfish, natural fillets, topped salmon fillets
Capacity: 20,000 t/year
Employees: 425 low/peak seasons

MATANE



2006

Factory Manager: Gudmundur Hognason
Primary species: Prawns
Products: Cooked and peeled Prawns
Capacity: 30 t/day
Employees: 120 low/peak seasons

PRODUCTION UNITS IN GREENLAND

At the end of the year, Royal Greenland owned 31 factories and plants along the west coast of Greenland which are processing the raw materials. The size of the units varies from the largest in Qasigiannuit with 130 employees to the small units only open during e.g. the roe- or cod season, as Qaarsut in the North and Narsaq in the South. When Royal Greenland purchased Upernavik Seafood A/S another 9 plants were taken over. These plants are also shown in the overview and marked *.

The primary species purchased and processed in Greenland are prawns, Greenland halibut, lumpfish roe, snow crab and cod. These are processed both into finished products and into intermediate goods for further processing in Poland or Germany.

QAANAAQ



Factory Manager: Sofus Alataq
Primary species: Greenland halibut
Products: Freezing and drying of Greenland halibut
Capacity: 2 t/day
Cold store capacity: 200 ton
Employees: 5 in the season

The unit was taken over after the AGF bankruptcy in June 2013. As of October 1st 2014 the unit has been sold to Inghuit Seafood A/S in which Royal Greenland A/S has a 50% ownership.

AAPPILATTOQ* (NORTH)



Factory Manager: Martin Petersen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 2 t/day
Cold store capacity: 130 ton
Employees: 4-10 low/peak seasons

SAVISSIVIK



Factory Manager: -
Primary species: -
Products: -
Capacity: -
Cold store capacity: -
Employees: -

TASIUSAQ*



Factory Manager: Frederik Olsen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 20 t/day
Cold store capacity: 600 ton
Employees: 10-20 low/peak seasons

KULLORSUAQ*



Factory Manager: Jørgen Adam Fisker
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 4 t/day
Cold store capacity: 500 ton
Employees: 4-10 low/peak seasons

INNAARSUIT*



Factory Manager: Hans Peter Kristensen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 10 t/day
Cold store capacity: 550 ton
Employees: 10-20 low/peak seasons

NUUSSUAQ*



Factory Manager: Anton Heilmann
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 3 t/day
Cold store capacity: 130 ton
Employees: 1-7 low/peak seasons

KANGERSUATSIAQ*



Factory Manager: -
Primary species: -
Products: -
Capacity: -
Cold store capacity: -
Employees: -

NUTAARMIUT*



Factory Manager: Niels Geisler
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 12 t/day
Cold store capacity: 600 ton
Employees: 10-15 low/peak seasons

UPERNAVIK*



Factory Manager: Harald Kleemann
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 5 t/day
Cold store capacity: 200 ton
Employees: 4-10 low/peak seasons

UPERNAVIK KUJALLEQ*



1959

Factory Manager: Magnus Grim
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 2 t/day
Cold store capacity: 100 ton
Employees: 1-7 low/peak seasons

NUUGAATSIAQ



1990

Factory Manager: Job Mikaelson
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
 In winter drying of Greenland halibut
Capacity: 4.5 t/day
Cold store capacity: 100 ton
Employees: 1-10 low/peak seasons

New freezing facilities in 2013, new drying house in 2013.

UKKUSISSAT



1989

Factory Manager: Johanne Knudsen Samuelsen
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
Capacity: 4.5 t/day
Cold store capacity: 100 ton
Employees: 1-10 low/peak seasons

New freezing facilities in 2013, new drying house in 2013.

SAATTUT



1986

Factory Manager: Marie Knudsen
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
Capacity: 7 t/day
Cold store capacity: 400 ton
Employees: 1-15 low/peak seasons

Current unit was refurbished in 1998, when the large freezing facility was also taken into use.

IKERASAK



1990

Factory Manager: Elisabeth Filemonsén
Primary species: Greenland halibut
Products: Whole fish, fillets with and without skin
Capacity: 20 t/day
Cold store capacity: 80 ton
Employees: 2-25 low/peak seasons

The unit has only been refurbished to a small degree since it was established. New freezing facilities were established in 2008.

UUMMANNAQ



1949

Factory Manager: Kirsten Jensen
Primary species: Greenland halibut
Products: Whole Greenland halibut, heads, tails, fillets and J-cut
Capacity: 40 t/day
Cold store capacity: 1,100 ton
Employees: 10-50 low/peak seasons

Current location since 1966, but the unit has been expanded several times, latest in 2003.

QEQRATAQ



UNKNOWN

Factory Manager: Jakob Broberg
Primary species: Greenland halibut
Products: J-cut, whole fish
Capacity: 20 t/day
Cold store capacity: 100 ton
Employees: 15 low/peak seasons

SAQQAQ



1983

Factory Manager: Nielsine Hansen
Primary species: Greenland halibut, other fish
Products: Whole Greenland halibut frozen in blocks
Capacity: 8 t/day
Cold store capacity: 80 ton
Employees: 2-10 low/peak seasons

The unit burned in 2003. The current facility opened in 2005.

QEQRARSUAQ



1934

Factory Manager: Emil Mølgård
Primary species: Snow crab, cod, lumpfish roe
Products: Crab sections, fish frozen in block, lumpfish roe in barrels
Capacity: 10 ton snow crab, 1 ton fish/day
Cold store capacity: 100 ton
Employees: 3-30 low/peak seasons

The unit has previously held prawns-, meat- and frill production. Today only crab and fish remains.

ILULISSAT



1920s

Factory Manager: Hans Lars Olsen
Primary species: Prawns, Greenland halibut
Products: IQF prawns, prawnmeal, whole Greenland halibut, cod
Capacity: 120 t prawns, 20 t fish/day
Cold store capacity: 1,600 ton
Employees: 100 low/peak seasons

The current unit was established in 1961 and has been refurbished several times. New Greenland halibut factory in 1998, closed in 2009. Prawn factory renovated in 2010.

KITSISSUARSUIT



NOT OPERATIONAL

UNKNOWN

Factory Manager: -
Primary species: -
Products: -
Capacity: -
Cold store capacity: -
Employees: -

QASIGIANGUIT



1940s

Factory Manager: Frank Hagen
Primary species: Greenland halibut, other fish, lumpfish roe
Products: Greenland halibut fillets, frills, heads, IQF fillets, loins
Capacity: 25 ton Greenland halibut/day
Cold store capacity: 1,800 ton
Employees: 130 low/peak seasons

Refurbished into a prawn factory in 1952 and several times later on. Closed in 1997. Commenced operations in 2000 and was refurbished in 2011.



■ Qaanaaq

■ Savissivik

■ Kullorsuaq
■ Nuussuaq
■ Nutaarmiut
Aappilattoq ■ Tasiusaq
Innaarsuit ■
Kangersuatsiaq ■ Upernavik
Upernavik Kujalleq ■

■ Nuugaatsiaq
Ukkusissat ■ Saattut
Uummannaq ■ Ikerasak
Qeqertaq ■ Saqqaq
Qeqertarsuaq ■ Ilulissat
Kitsissuarsuit ■ Qasigiannuit
Ikamiut ■ Akunnaaq
Kangaatsiaq ■ Niaqornaarsuk
Ikerasaarsuk ■
Attu ■
Sisimiut / Sisimiut Fish ■ Sarfannguit
Itilleq ■ Kangaamiut
Maniitsoq ■ Atammik

Nuuk ■

Qeqertarsuatsiaat ■
■ Paamiut
Narsaq ■ ■ Aappilattoq

PRODUCTION UNITS

GREENLAND

EUROPE

- Aalborg
- Cuxhaven
- Koszalin

CANADA

- Matane

ASIA

- Qingdao (responsible for subsuppliers)



TRAWLERS

PRAWNS

- Akamalik - Ocean-going
- Qaqqatsiaq - Ocean-going
- Nataarnaq - Ocean-going
- Lomur - Coastal
- Sermilik - Coastal

GREENLAND HALIBUT

- Niels - Coastal
- Aluk - Coastal
- Laila S - Coastal
- Tuugaalik - Ocean-going

MORE SPECIES

- Sisimiut - Ocean-going
- Jens Henrik - Coastal
- Nukarleq - Coastal
- Lea - Coastal
- Kamma - Coastal

SALES OFFICES

- RG SCANDINAVIA
 - Malmö, Sweden
- RG DENMARK
 - Svenstrup
- RG GERMANY
 - Bremen (responsible for Germany, the Netherlands, Belgium and all CEE countries)
- RG FRANCE
 - Paris
- RG UK
 - Manchester
- RG JAPAN
 - Tokyo
- RG ITALY
 - Milano
- RG INTERNATIONAL
 - Svenstrup (responsible for other markets)
- RG CHINA
 - Qingdao (sales office being established)



SKANDINAVIA

The Scandinavian countries are the traditional home market for both shell-on prawns and cooked and peeled prawns. Swedes prefer prawns with the shells on, while the Danes prefer them peeled. Sweden and Denmark are also significant markets for plaice and flounder from the production in Koszalin, Poland.

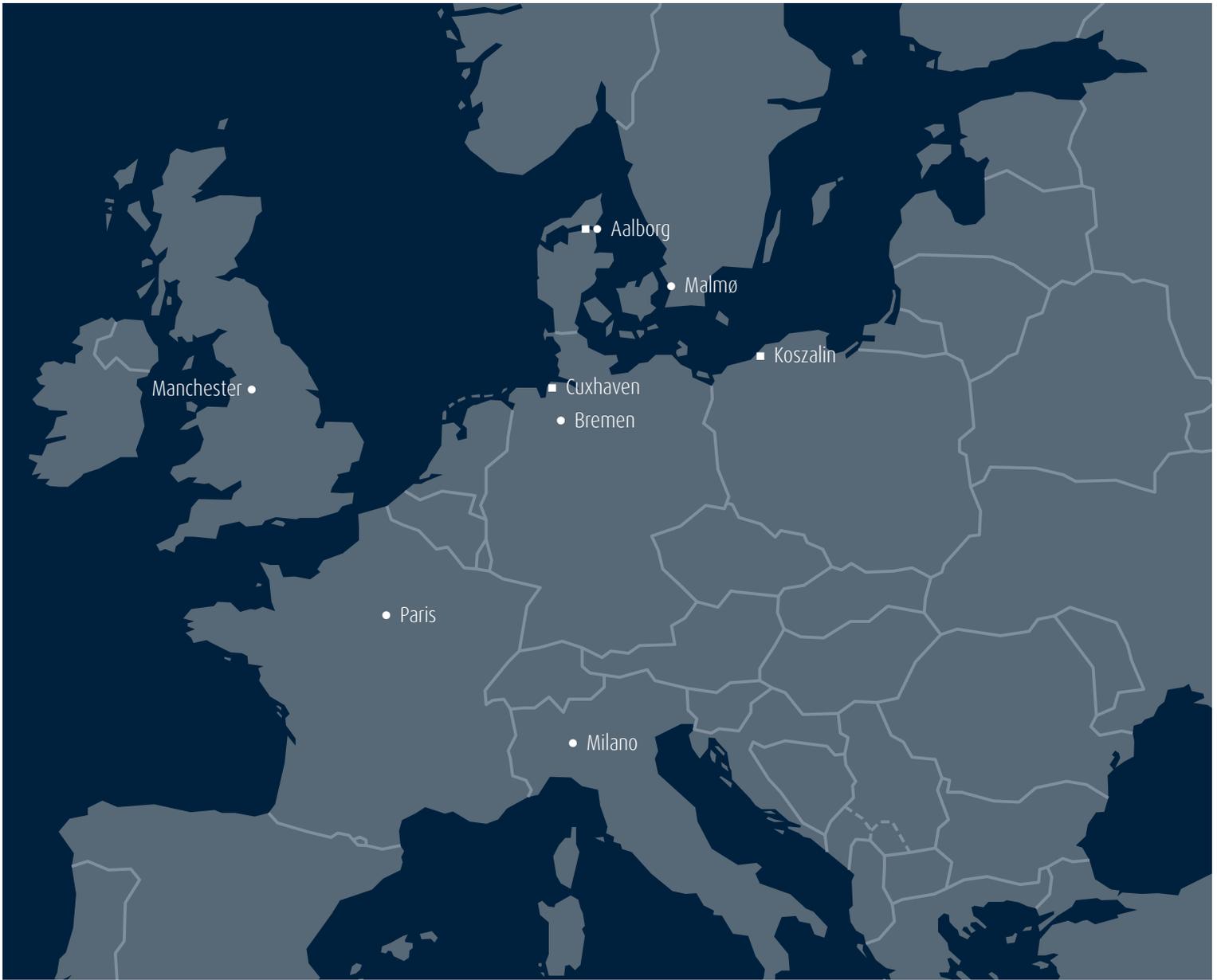
EUROPE

The biggest European markets, Germany and France, will in future come to focus even more on Greenlandic ingredients than before. The French like to eat both lumpfish roe and Greenland halibut. In southern Europe, Italy has a great demand for prawns in brine products.

UK is the world's largest market for cooked and peeled prawns and obviously of great importance to Royal Greenland. The British love of fish & chips also goes well with the product portfolio from Koszalin in Poland.

ASIA

In Japan, the local sales organisation has for many years been building up a professional setup for the processing and sale of sushi products, based on prawns, Greenland halibut and snow crab. China has in recent years become a very important Greenland halibut market for Royal Greenland. In Russia Royal Greenland participate in a joint venture dealing with packaging of prawns.



IKAMIUT



UNKNOWN

Factory Manager: Louis Rasmussen
Primary species: None
Products: None
Capacity: 0 t/day
Cold store capacity: 20 ton
Employees: 0

Taken over after the AGF bankruptcy in June 2013. Opened in summer 2014

SISIMIUT



1914

Factory Manager: Vivi Høy Labansen
Primary species: Prawns, snow crab
Products: Cooked and peeled prawns, crab sections
Capacity: 120 ton prawns, 15 ton snow crab/day
Cold store capacity: 1,600 ton
Employees: 100 low/peak seasons

Current unit built in 1969 for production of cod and prawns, renovated in 1992 and 2011 into a modern prawn processing facility.

AKUNNAAQ



UNKNOWN

Factory Manager: Peter Nielsen
Primary species: None
Products: Dried fish, lumpfish roe from spring 2014
Capacity: 0 t/day
Cold store capacity: No cold store
Employees: 0

SISIMIUT FISH



NOT OPERATIONAL

UNKNOWN

Factory Manager: -
Primary species: -
Products: -
Capacity: -
Cold store capacity: -
Employees: - low/peak seasons

KANGAATSIQAQ



1950s

Factory Manager: Abia Thorsteinsen
Primary species: Cod, lumpfish roe
Products: Cod frozen in block, lumpfish roe in barrels
Capacity: 15 t/day freezing
Cold store capacity: 100 ton
Employees: 2-25 low/peak seasons

The unit was renovated/built in 1986 in its current form with production of cod. Today, cod and other fish are frozen and in the season lumpfish roe is processed.

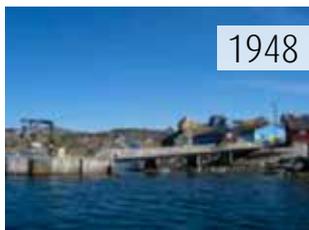
SARFANNGUIT



1990

Factory Manager: Lars Peter Berthelsen
Primary species: Cod
Products: Salted fish of cod and cod frozen in blocks
Capacity: 15 t/day
Cold store capacity: 80 ton
Employees: 1-13 low/peak seasons
 Renovated in 2005.

NIAQORNAARSUK



1948

Factory Manager: Judithe Wille
Primary species: Cod, lumpfish roe
Products: Salted fish
Capacity: 5 t/day
Cold store capacity: No cold store
Employees: 4-10 low/peak seasons

Refurbished and renovated in 1995. Expanded in 2013.

ITILLEQ



1949

Factory Manager: Otto Enoksen
Primary species: Cod and lumpfish roe
Products: Salted fish and lumpfish roe
Capacity: 1.5 t/day
Cold store capacity: 10 ton
Employees: 1-7 low/peak seasons
 Renovated in 1991/93 and in 1994/95.

IKERASAARSUK



1950

Factory Manager: Lars Karlsen
Primary species: Cod, lumpfish roe
Products: Salted fish
Capacity: 5 t/day
Cold store capacity: No cold store
Employees: 1-10 low/peak seasons

Renovated in 1995.

KANGAAMIUT

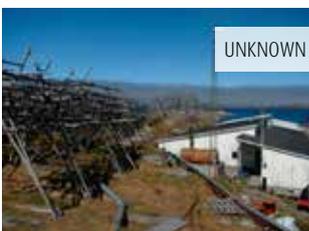


1944

Factory Manager: Peter Kreutzmann
Primary species: Cod, wolffish, Greenland halibut, lumpfish roe
Products: Whole fish, Winter dried cod, dried wolffish, lumpfish roe in barrels
Capacity: 5 t/day
Cold store capacity: 30 ton
Employees: 4-16 low/peak seasons

Renovated in 1994/95. Expansion of the freezing capacity and cold store.

ATTU



UNKNOWN

Factory Manager: Erneraq Ugpernangisoq
Primary species: Cod
Products: Frozen cod
Capacity: 2 t/day
Cold store capacity: 20 ton
Employees: 0

MANITSOQ



UNKNOWN

Factory Manager: Pele Nathansen
Primary species: Snow crab, cod
Products: Crab sections and fillets of fish
Capacity: 5 ton snow crab-, 50 ton fish/day
Cold store capacity: 500 ton
Employees: 25-100 low/peak seasons

Taken over after the AGF bankruptcy in 2013. Filleting line and production of dried cod for the home market established.

ATAMMIK



1992

Factory Manager: Erik Henriksen
Primary species: Cod, wolffish, lumpfish roe
Products: Whole fish, salted fish, lumpfish roe in barrels
Capacity: 3 ton freezing, 4 ton salting/day
Cold store capacity: 8 ton
Employees: 4-20 low/lumpfish roe season
 Expansion of the cold store and freezing capacity. 8-10 ton freezing, 4 ton salting.

PAAMIUT



1959

Factory Manager: Ilannguaq Abrahamsen
Primary species: Snow crab, cod, lumpfish roe, other fish
Products: Crab sections, cod fillets, lumpfish roe, freezing
Capacity: Crab sections 10 t/day, fillets 20 t/day
Cold store capacity: 500 ton
Employees: 10-50 low/peak seasons
 Refurbished from cod production to smoke house in 1997. Closed in 2003. Prawn and crab production established in 2004.

NUUK



1959

Factory Manager: Theo Didriksen
Primary species: Cod, Greenland halibut, redfish, wolffish, lumpfish roe
Products: Lumpfish roe, whole fish IQF, products for the home market
Capacity: 50 t/day
Cold store capacity: 200 ton
Employees: 12-40 low/peak seasons
 Godthåb Fiskeindustri taken over in 1990, prawn production closed in 2002.

NARSAQ



1951

Factory Manager: Niels Sakariassen
Primary species: Lumpfish roe
Products: Lumpfish roe in barrels
Capacity: Freezing of 20 t/day
Cold store capacity: 600 ton
Employees: 1-10 low/peak seasons
 Renovated in 1995.

QEQERTARSUATSIAT



1983

Factory Manager: Ingvar Motzfeldt
Primary species: Cod, lumpfish roe
Products: Salted fish, cod IQF, cod frozen in blocks, lumpfish roe in barrels
Capacity: 4 ton salted fish, 18 ton fish/day
Cold store capacity: 80 ton
Employees: 6-16 low/peak seasons

AAPPILATTOQ (SOUTH)



UNKNOWN

Factory Manager: Aqqalu Levinsen
Primary species: Halibut, Cod
Products: Freezing
Capacity: 4 t/day
Cold store capacity: 70 ton
Employees: 3
 Taken over after the AGF bankruptcy in June 2013.





ROYAL GREENLAND'S FLEET

Royal Greenlands fleet consists of three ocean-going prawn trawlers, two ocean-going trawlers for Greenland halibut, cod etc., two coastal prawn trawlers, and a number of smaller vessels engaged in coastal fishing.

The ocean-going production trawlers are floating factories, equipped for both catching and processing prawns, cod, Greenland halibut, haddock and red fish. The prawns are cooked and frozen on board, while the fish is filleted and frozen for high-quality sea frozen products, or cleaned for further processing on land. The ocean-going trawlers primarily operate off the coast of Greenland and in the Barents Sea.

Royal Greenland's trawler division is responsible for operating a modern, hi-tech fleet. We make continual efforts to reduce our fuel consumption and promote the use of gentle catch methods. All trawls used in our own fishing are equipped with sorting grids and panels with a view to limiting bycatch as far as possible.

The smaller vessels that operate in the coastal fishing supply raw materials such as prawns and Greenland halibut directly to our land-based factories located along the west coast of Greenland. In addition to our own fleet, we also co-operate closely with local vessels and the independent fishermen who land their catches at Royal Greenland.



AKAMALIK

Master: Linjohn Christiansen/
Jogvan Trondarson
Length/width: 75.8 x 14.5 m
Production capacity: 110 ton/day
Catch capacity: 7-10,000 ton/yearly
Hold Capacity: 450-750 ton
Crew: 22-26 men
Trawler type: Ocean-going prawn trawler
Ownership: RG 100%



QAQQATSIQAQ

Master: Torbjørn Joensen/
Frederik Heilmann
Length/width: 70 x 14.6 m
Production capacity: 110 ton/day
Catch capacity: 7-10,000 ton/yearly
Hold Capacity: 450-750 ton
Crew: 22-26 men
Trawler type: Ocean-going prawn trawler
Ownership: RG 100%



NATAARNAQ

Master: Martin Jacobsen/Davur Mohr
Length/width: 67.5 x 14.5 m
Production capacity: 110 ton/day
Catch capacity: 7-10,000 ton/yearly
Hold Capacity: 600 ton
Crew: 22-24 men
Trawler type: Ocean-going prawn trawler
Ownership: RG 50%



SISIMIUT

Master: Ivan Olsen/Pauli Olsen
Length/width: 66 x 14 m
Production capacity: 25-30 ton/day
Catch capacity: 5-6,000 ton/yearly
Hold Capacity: 750 ton
Crew: 24-34 men
Trawler type: Ocean-going fish trawler
Ownership: RG 100%





LOMUR

Master: Jakup Bech
Length/width: 43.2 x 9.6 m
Production capacity: 60 ton/day
Catch capacity: 6,000 ton/yearly
Hold Capacity: 130 ton
Crew: 11 men
Trawler type: Coastal prawn trawler
Ownership: RG 75%

1988



SERMILIK

Master: Sivert Møller/Nuka Levisen
Length/width: 26 x 8 m
Production capacity: 20 ton/day
Catch capacity: 2,500 ton/yearly
Hold Capacity: 45 ton
Crew: 6-9 men
Trawler type: Coastal prawn trawler, iced prawns
Ownership: RG 100%

1986



NIELS

Master: Hans Henrik
Length/width: 14.3 x 4.52 m
Production capacity: 3 ton/day
Catch capacity: 150-300 ton/yearly
Hold Capacity: 14 ton
Crew: 3-5 men
Trawler type: Coastal Greenland halibut vessel
Ownership: RG 100%

2002



ALUK

Master: Peter Jacobsen
Length/width: 19.4 x 5.2 m
Production capacity: 3 ton/day
Catch capacity: 150-300 ton/yearly
Hold Capacity: 30 ton
Crew: 3-5 men
Trawler type: Coastal Greenland halibut vessel
Ownership: RG 100%

1993



LAILA S

Master: Jakob Lukassen
Length/width: 19.4 x 5.2 m
Production capacity: 3 ton/day
Catch capacity: 150-300 ton/yearly
Hold Capacity: 30 ton
Crew: 3-5 men
Trawler type: Coastal Greenland halibut vessel
Ownership: RG 100%

1993



JENS HENRIK

Master: Piitannguaq Møller
Length/width: 13.80 x 4.60
Production capacity: 3 ton/day
Catch capacity: 100-200 ton/yearly
Hold Capacity: 12 ton
Crew: 3-5 men
Trawler type: Coastal line/net vessel
Ownership: RG 100%

2001



TUUGAALIK

Master: Regin Henriksen/Pauli Justinussen
Length/width: 66.4 x 14.6 m
Production capacity: 800 ton/day
Catch capacity: 6 -7.000 ton/yearly
Hold Capacity: 800 ton
Crew: 25 men
Trawler type: Ocean-going Greenland halibut-/mackerel trawler
Ownership: RG 25%

2002



LEA

Master: Hans Platou/Willy Rosing
Length/width: 14.85 x 5.16
Production capacity: None
Catch capacity: 150 ton/yearly
Hold Capacity: 10 ton
Crew: 4 men
Trawler type: Coastal line/net vessel
Ownership: RG 100%

1986



NUKARLEQ

Master: Laasinnguaq Jensen
Length/width: 9.91 x 3.04 m
Production capacity: None
Catch capacity: 60 ton/yearly
Hold Capacity: 3 ton
Crew: 3 men
Trawler type: Coastal line/net vessel
Ownership: RG 100%

1987

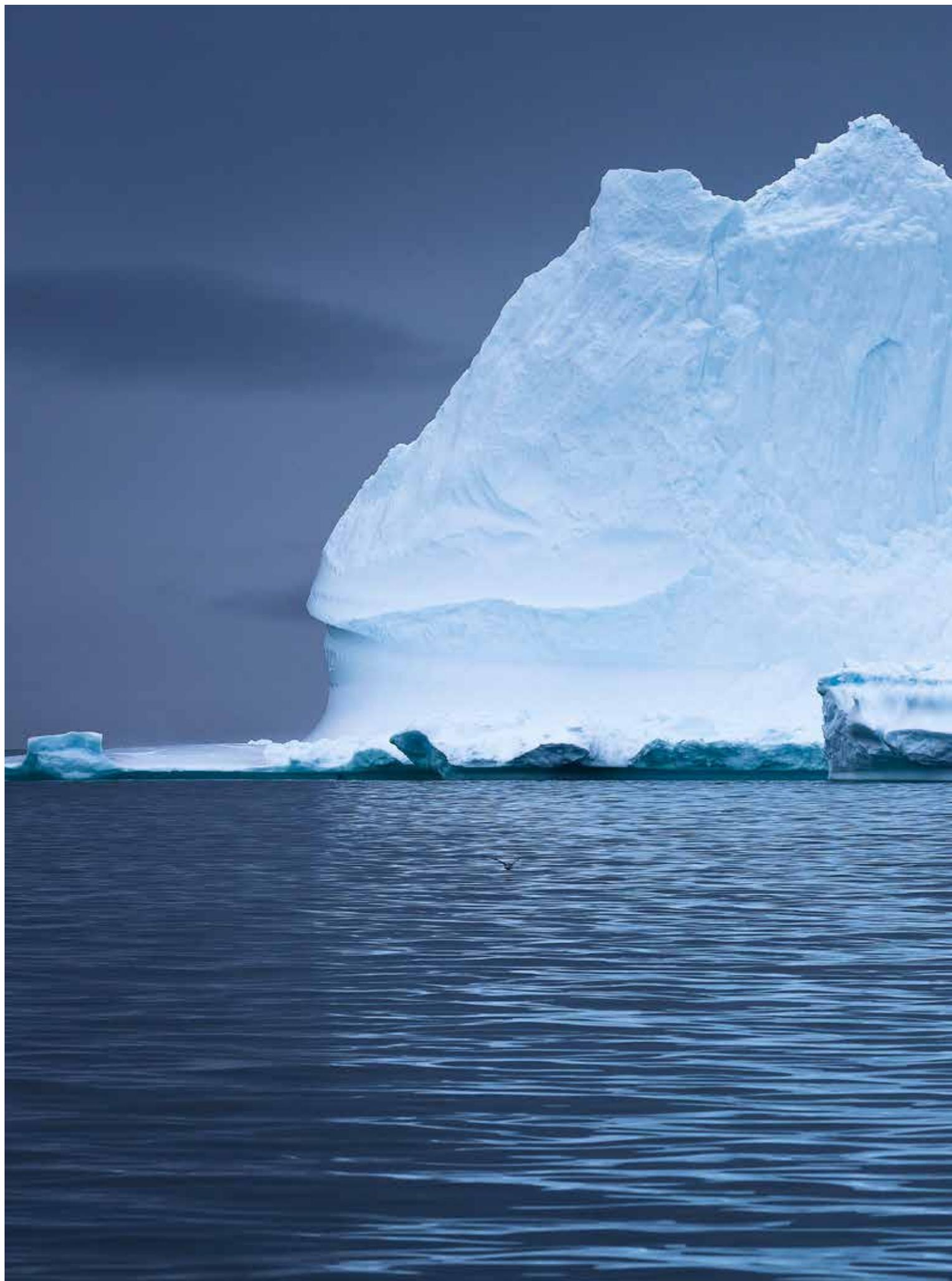


KAMMA

Master: Erik Nielsen
Length/width: 14.99 x 5.21 m
Production capacity: None
Catch capacity: 150 ton/yearly
Hold Capacity: 14 ton
Crew: 3 men
Trawler type: Coastal line/net vessel
Ownership: RG 100%

1988







Royal Greenland A/S
2013/14

