ANNUAL REPORT

ROYAL GREENLAND A/S

JANUARY 1ST 2018 - DECEMBER 31ST 2018

ANNUAL REPORT

Royal Greenland A/S

2018

January 1st - December 31st

CVR-No. 13645183

The annual report has been prepared and
approved by the ordinary
Annual General Meeting on April 30th 2019

Peter Schriver
Chairman

THE GROUP'S VALUE CHAIN

FISHERY

We fish in large areas of the North Atlantic and in the Arctic, with our own fleet and in collaboration with independent fishermen.

PRODUCTION

At our factories and landing facilities, local fishermen and our own fleet land their daily catches of fish and shellfish. The raw materials are processed and packed.

QUALITY

The supply of high-quality products is the core of our business. We take responsibility for our products, from sea to table, and hold certifications in accordance with international standards.

SALES

We have a well-consolidated sales and distribution network to consign products from various locations in Greenland, Newfoundland, Quebec, Denmark and Germany to customers throughout the world.

IN THE KITCHEN

Our products are used in many different cultures, with various flavour preferences, and end up as healthy, tasty meals in homes, canteens and restaurants all over the world.

REPORT

CONSOLIDATED AND ANNUAL ACCOUNTS

The pictures in the annual report mainly derive from Royal Greenland's internal archive

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 from January 1st 2018 to December 31st 2018.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Group financial statements and the annual report give a true and fair view of the Group and company's assets, liabilities and financial position on December 31st 2018 and of the results of the Group's and the company's operations and the Group's cash flow for the financial year January 1st - December 31st 2018.

It is also our opinion that the management report provides a true and fair review of development of the Group and the company's activities and financial affairs, the year's profits and losses and for the Group and the company's financial position.

We recommend the Annual Report for adoption by the Annual General Meeting.

Malmø, March 26th 2019

Executive board

Mikael Thinghuus
CEO

Bruno Olesen

Nils Duus Kinnerup
CFO

Lars Nielsen

Supervisory board

Niels de Coninck-Smith
CHAIRMAN

Sara Heilmann

Malik Hegelund Olsen

Jan H. Lynge-Pedersen
DEPUTY CHAIRMAN

Tim Ørting Jørgensen

Niels Ole Møller

Pernille Fabricius

Åse Aulie Michelet

Mika Heilmann

The independent auditor's audit report

To the shareholders in Royal Greenland A/S

Conclusion

We have audited the Group financial statements for Royal Greenland A/S for the financial year 1 January – 31 December 2018, which comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes for both the Group and the company, in addition to a cash flow statement for the Group. The Group financial statements and the annual report have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Group financial statements and the annual report give a true and fair view of the Group and company's assets, liabilities and financial position on 31 December 2018 and of the results of the Group's and the company's operations and the Group's cash flow for the financial year 1 January - 31 December 2018, in accordance with the Danish Financial Statements Act.

Basis for the conclusion

We have conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Greenland. Our responsibilities under these standards and requirements are described in more detail in the "Auditor's responsibilities for the audit of the Group financial statements and annual report" (referred hereinafter as 'the financial statements'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence

We are independent of the Group in accordance with the international code of ethics for professional accountants (IESBA Code) and the additional requirements applicable in Greenland, and we have fulfilled our other ethical responsibilities in accordance with these regulations and requirements.

The management's responsibility for the financial statements

The management is responsible for preparing a Group financial statements and annual report that gives a true and fair view in accordance with the Danish Financial Statements Act.

Furthermore, the management is responsible for any internal controls it deems necessary in the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group and the company's ability to continue as a going concern; to disclose, as applicable, matters related to a going concern and using the going concern basis of accounting in preparing the financial statements unless management either intends to liquidate the Group or company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report with a conclusion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Greenland will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Greenland, we exercise professional judgement and maintain professional scepticism during the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit 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.
- Evaluate the appropriateness of the auditing policies used by the management, as well as the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up until the date of our auditor's report. However, future events or conditions may mean that the Group and company can no longer continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the notes, as well as whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- We have obtained sufficient and appropriate audit evidence for the financial information for the companies or business operations in the Group to be able to form a conclusion about the Group financial statements. We are responsible for directing, supervising and conducting the Group audit. We are solely responsible for our audit conclusion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management report

The management is responsible for the management report.

Our conclusion on the financial statements does not include the management report, and we do not express any form of conclusion or assurance about the management report.

In connection with our audit of the financial statements, it is our responsibility to read the man-agement report and in this context to consider whether the management report is substantially inconsistent with the financial statements or the information obtained from the audit or otherwise appears to contain material misstatements.

It is also our responsibility to consider whether the management report includes the information required in accordance with the Danish Financial Statements Act.

Based on the work we have conducted, we conclude that the management report is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not find any material misstatements in the management report.

Malmø, March 26th 2019

EY Grønland

Godkendt Revisionsanpartsselskab
CVR-nr: 33 94 61 71

Claus Hammer-Pedersen - State-authorised public accountant

Jens Weiersøe Jakobsen - State-authorised public accountant

FINANCIAL HIGHLIGHTS AND KEY RATIOS

PROFIT/LOSS

KEY FIGURES - DKK mill.	2018	2017	2016	2014/15	2013/14
Net revenue	5,169	5,613	5,589	4,721	4,913
Profit from primary operations, including associated companies	287	288	251	243	242
Net financials	(29)	(35)	(16)	(39)	(43)
Net profit before tax	258	253	234	204	199
Net profit for the year	126	129	109	113	136

BALANCE SHEET

KEY FIGURES - DKK mill.	31.12.18	31.12.17	31.12.16	30.09.15	30.09.14
Fixed assets	1,745	1,623	1,587	1,207	1,068
Net working capital	1,617	1,444	1,549	1,440	1,124
Equity	1,487	1,416	1,414	1,264	1,166
Net interest-bearing debt	1,521	1,328	1,347	1,123	897
Balance sheet total	4,614	4,358	4,552	4,012	3,575
Investments in property, plant and equipment	222	314	355	180	163

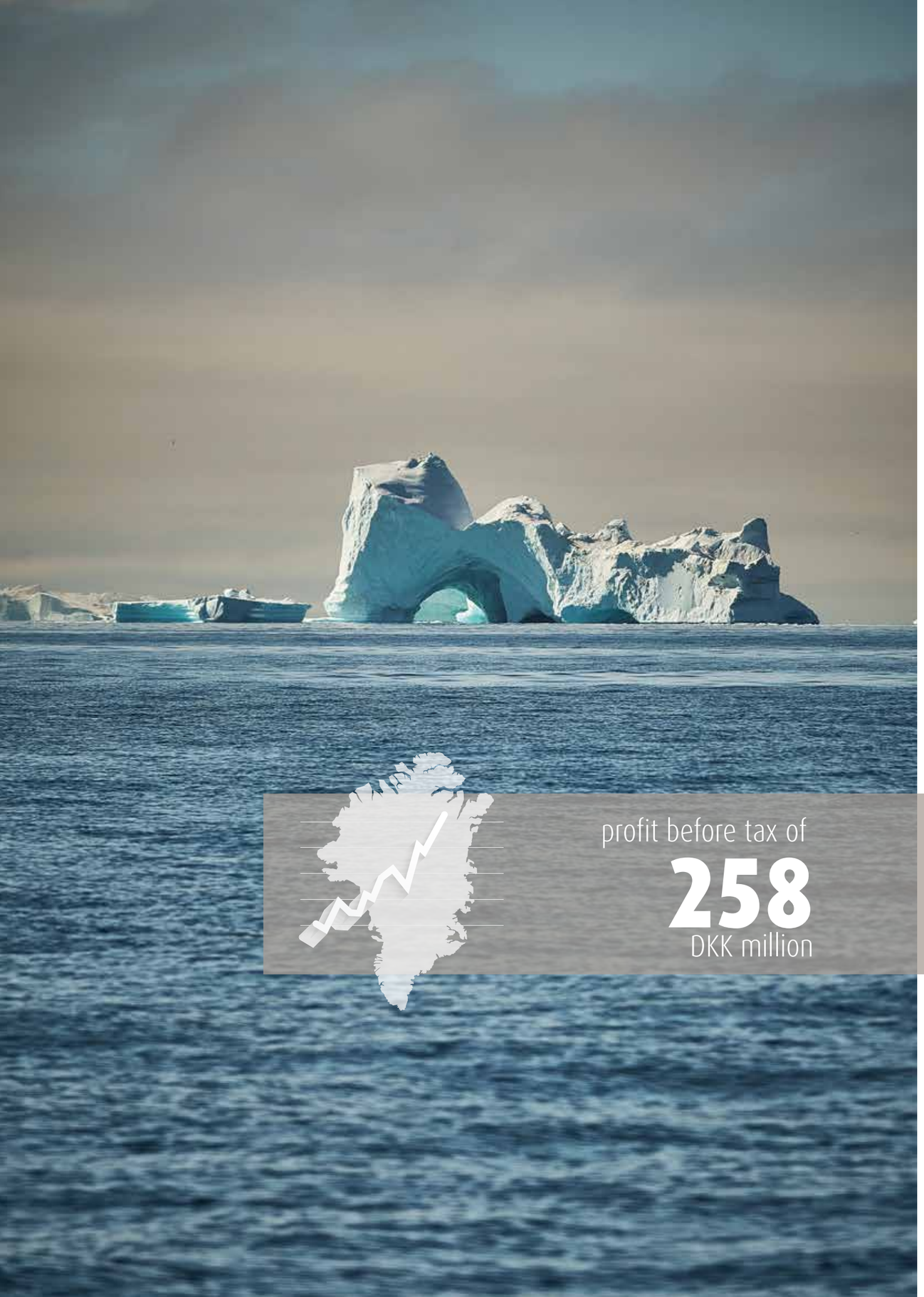
RATIOS IN %

%	31.12.18	31.12.17	31.12.16	30.09.15	30.09.14
EBIT-margin	5.6	5.1	4.5	5.2	4.9
EBT-margin	5.0	4.5	4.2	4.3	4.1
ROIC including goodwill	9.1	9.1	8.2	11.2	8.1
Return on equity (ROE)	10.5	11.2	9.9	10.7	13.3
Equity ratio	32.7	32.7	32.1	32.9	33.2
Net interest-bearing debt / EBITDA	3.8	3.2	3.2	2.8	2.8

NUMBER OF EMPLOYEES

	2018	2017	2016	2014/15	2013/14
Greenland	1,487	1,363	1,401	1,202	979
Denmark	205	198	197	195	200
Other countries	536	972	1,171	759	727
Total	**2,228**	**2,533**	**2,769**	**2,156**	**1,906**

Since the 2015/16 financial year was a 15-month period, the key figures are compared with the 2016 calendar year. These key figures, and other references in the report to financial information for the 2016 calendar year, are unaudited, but are prepared on the basis of internal financial reporting.



NORTH ATLANTIC ACTIVITIES CONTINUE TO ADVANCE – IN A CHALLENGING WORLD

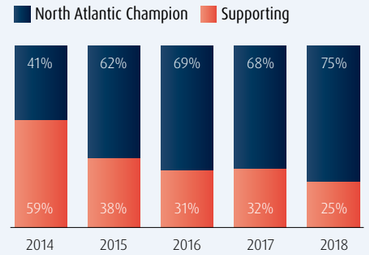
Through its "North Atlantic Champion" strategy, Royal Greenland has the ambition to be the world's leading supplier of seafood wild-caught in the North Atlantic, primarily cold-water prawns, Greenland halibut and snow crab.

Royal Greenland presents a very satisfactory profit before tax of DKK 258 million for 2018. The results are a slight improvement on last year, but have been achieved despite lower turnover, falling rates for the major currencies as a result of general global uncertainty and increased fisheries taxes in Greenland. All things being equal, the latter two conditions have had a negative impact of DKK 100 million.

The drop in turnover can be attributed solely to the opt-out of an order valued at around DKK 500 million regarding non-core activities, thereby stimulating an even greater focus on core activities.

2018 documents the strength of "The North Atlantic Champion" strategy. The core activities continue to develop positively in terms of both sales and earnings. They currently constitute 75% of Royal Greenland's turnover compared to just 41% five years ago.

Breakdown of turnover by business areas



The development highlights the strength and breadth of Royal Greenland's product and market portfolio, and the Company's unique position in the value chain, with a high degree of vertical integration, whereby Royal Greenland constantly strives to be closest to the resources, closest to the customer, and closest to the consumer. The vertical integration within the North Atlantic species is key to increased earnings.

In 2018, the development has been especially good for cooked & peeled prawns, but also Greenland halibut, snow crab and shell-on prawns have maintained high earnings. The latter in particular have been challenged however by the increased fisheries taxes in Greenland.

Royal Greenland's mission is:

"We sustainably maximise the value of the North Atlantic marine resources, for the benefit of our owner and the local communities in which we operate."

It is in Royal Greenland's DNA that we are constantly balancing commercial sharpness with a very extensive civic and social responsibility.

Through our Greenlandic origin and strong anchoring in Greenland's high-quality products, Royal Greenland is committed to developing and refining our core activities for the benefit of Greenlandic society and our owner, the Government of Greenland, but also with respect for the many other local communities of which we are part across the world.

Royal Greenland's historically large investment in replacing the two trawlers Sisimiut and Qaqqatsiaq with two newbuildings, to be delivered in May and November of 2019 respectively, is running according to plan, and will strengthen Royal Greenland's primary fishing activities. There are also plans to replace the prawn trawler Nataarnaq, with the new vessel scheduled for delivery in 2021.

In autumn 2018 the company issued bonds to a value of USD 220 million on the US private placement market (USPP). The borrowing covers the trawler investments and other strategic initiatives as well as overdue loans. The issuing was a great success, with interest from many professional investors and 4.5 times oversubscription. It strengthens Royal Greenland's financial basis and thus our potential to achieve strategic growth.

The commercial development and our equity of DKK 1.5 billion, equivalent to an equity ratio of 33%, support Royal Greenland's strategic focus and financial strength.

FINANCIAL STATEMENTS

The core activities form the basis of the increased earnings in Royal Greenland.

Primary operations are on the same level as last year, while the EBIT margin increased from 5.1% to 5.6%. This is the result of the bigger share that the North Atlantic activities now make up in the business, as the other activities are loss-making overall.

Cooked & peeled prawns achieved markedly higher earnings on an unchanged market. The prices have stabilised after the large drop in sales prices in 2017 and gradually increased in line with a better balance between supply and demand. This applies to both large and small prawns. Furthermore, the GBP exchange rate has stabilised after falling in 2017. The UK, Danish and Norwegian markets in particular have shown positive developments.

Shell-on prawns continue to be the best earning activity despite increased fisheries taxes and lower exchange rates for the USD, SEK, NOK and JPY, which all things being equal put a DKK 62 million strain on the activity. The Scandinavian and Chinese markets are advancing, while the Russian market has fallen as a consequence of increased Russian fishing.

As the largest company in the world in Greenland halibut fishing, it is very satisfactory that earnings have maintained the same high level as last year. This despite a USD and JPY impact totalling DKK (30) million. The primary markets are China, Taiwan and Japan, which make up 88% of sales. After the plants in Uummannaq and Aappilattoq were upgraded in 2017 and 2018, it was decided to expand and upgrade the plants in Upernavik Kujalleq and Nuussuaq in 2019 for a total of DKK 45 million.

2018 is the first full business year for the newly-established company Arctic Fish in the Upernavik area, where fishermen and employees are co-owners of the company together with Royal Greenland. This set-up has been successful, with a substantial increase in Greenland halibut buying and attractive returns for the shareholders.

Based on Quin-Sea Fisheries, snow crabs continued the positive development on the strength of the Japanese and US markets. Sales have increased by 12%. Earnings continue to be good, but activities have been negatively affected by a lower exchange rate for the US dollar and Japanese Yen compared to 2017.

After several poorly performing years, lumpfish roe has achieved positive earnings in 2018. France is the most important market.

North Atlantic cod continues to be a loss maker for Royal Greenland. While decreasing inshore cod volumes in Greenland are a challenge, the investment in the Nutaaq project in Maniitsoq has been maintained, with the aim of increasing the ratio of high-quality products and thereby improving the financial basis. It is crucial however that the critical mass is achieved volume-wise in order to realise the potential.

Cod and Greenland halibut are affected by a lack of a stable workforce, which makes it difficult to achieve the required product mix, which is why foreign labour has been hired for the principal filleting plants in Greenland.

The pelagic fishing has suffered from a lack of allocation of the capelin quota, as well as very modest herring fishing. On the other hand, more mackerel has been fished than in last year. Overall, 2018 has not been a good year for the pelagic activity.

For the non-North Atlantic product groups, salmon has developed negatively as a consequence of opting out of a large order on salmon portions for the European retail market. The order's sales value constituted DKK 500 million. Furthermore, smoked products continue to make a loss.

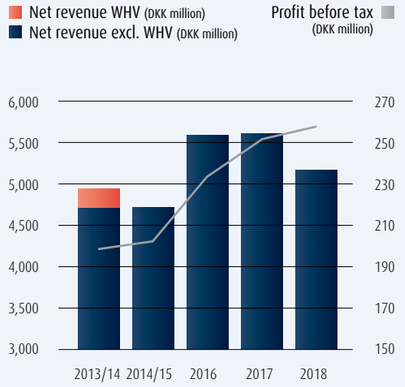
On the other hand, the convenience zip-lock range from the plant in Cuxhaven has achieved satisfactory earnings, despite lower sales activity.

Sales of the flatfish range from our collaborative partner A. Espersen, which took over Royal Greenland's Polish processing plant in 2017, has been a challenge. Raw material prices increased dramatically at the start of the year, and it was not until halfway through 2018 that we succeeded in compensating for the high commodity prices in the sales prices.

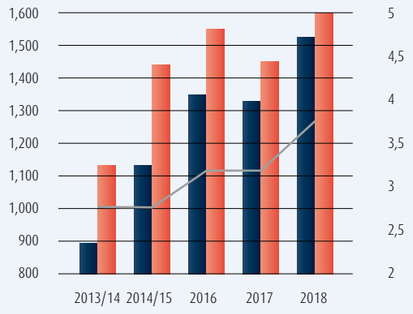
The profit for the year amounts to DKK 126 million. Minority interests in the companies Ice Trawl Greenland, Pelagic Greenland, Gaia Fish, Arctic Fish and Inughuit Seafood amount to DKK 27 million.

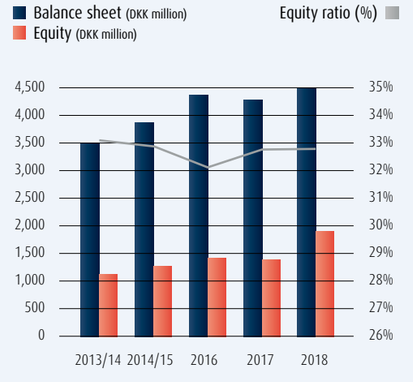
The positive development for the North Atlantic species, and thereby for the Greenlandic product areas, entails a high tax rate. Tax recognised in Greenland incl. associated companies amounts to DKK 139 million.

As the largest company in the world in Greenland halibut fishing, it is very satisfactory that earnings have maintained the same high level as last year.



Note: WHV is the fish finger activity in Wilhelmshaven, which was sold in 2013.





Royal Greenland's interest-bearing debt has increased to DKK 1,5 billion as a consequence of an increase in working capital and a high investment level, including the acquisition of the two new trawlers.

Working capital increased by DKK 173 million as a consequence of increased stock and lower creditor portfolio.

Debt as a ratio of EBITDA amounts to 3.8. The higher level was expected and is in line with the North Atlantic Champion strategy.

Cash flow after investment activities amounts to DKK (96) million, while the total cash flow amounts to DKK 439 million as a consequence of borrowing. A dividend disbursement of DKK 78 million has been included in the cash flow.

Equity capital amounts to DKK 1,487 million, while the equity ratio is 33%.

Pursuant to the dividend policy agreed with the owner, DKK 63 million has been allocated as dividends, corresponding to 50% of the net profit after tax for the year.

No events have occurred after the close of the financial year that affect the result or the balance sheet significantly.

Outlook

The fundamental expectations for 2019 are a continuation of the positive trend which the company has experienced during the entire decade.

North Atlantic species will continue to constitute a major share of the total business, thereby strengthening earnings in accordance with "The North Atlantic Champion".

Developments in the global economy, including Brexit in particular, as well any trade war between the US and China or between the US and Europe, will be substantial uncertainty factors.

Besides Brexit and any trade war, the principal risk factors are the development in sales prices, including the development in exchange rates, the development in quotas for prawn and snow crab in Newfoundland, and the terms of competition for Greenland halibut in Greenland, which in the latter case concerns both raw material prices and volumes.

The interest-bearing debt is expected to increase in 2019 as a consequence of the acquisition of the two trawlers and the order of a third trawler, but will continue to follow the financial development in the strategy.

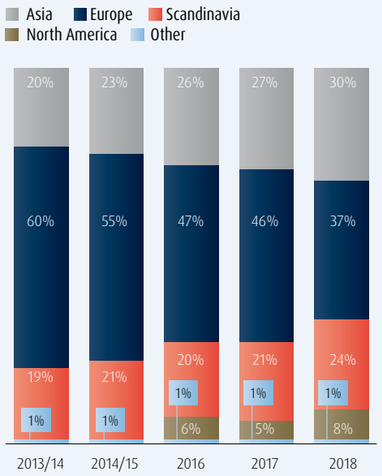
STRONG EARNINGS IN A CHALLENGED MARKET

Royal Greenland has improved its earnings despite lower sales.

A strong basic demand for our products has made it possible to increase earnings despite a drop in volume of 11% and a decline in revenue of DKK 400 million. The lower sales can be attributed in part to an opt-out of orders of salmon portions for a European retail chain and partly to low catches of cod and pelagic fish.

There has been steady sales growth in Asia, North America and Scandinavia, while sales in Europe have declined. There is however good reason to highlight the UK here, where turnover measured in DKK has risen by 8% despite the poor development of the British pound.

Historical distribution af revenue by regions



The strategic development towards more balanced geographical diversification in key markets is continuing. Asia now amounts to almost a third of turnover, and the new focus area, North America, has begun a growth that looks promising for the future. The development towards higher sales in Asia and North America is expected to continue, while the main task for Europe is to focus more directly on the North Atlantic species and food service.

Not least, the broad geographic presence has created opportunities for increasing the value of the resources, which Royal Greenland has access to.

Asia

Royal Greenland's sales in Asia increased by 6% in 2018. Sales in Asia amount to DKK 1.5 billion, corresponding to 30% of the Group's turnover compared to 20% five years ago.

This growth has been achieved despite a slowdown of general growth in China. There has been a positive development in the sales of shell-on prawns in particular, which have risen by 75% compared to 2017. This increase has been crucial for the total pricing of shell-on prawns, in that it more than compensates for a decline on the Russian market. There has also been positive growth in sales of Greenland halibut, with a slight rise in prices.

Overall, sales to China and Taiwan have developed positively, and sales of new species have been launched such as snow crab and cod, which have not previously been particularly significant on these markets.

Sales to the retail sector and e-commerce in China is still modest, seen in relation to other revenue, but growth is good and the products are really starting to find their place on the market.

Sales on the Japanese market have remained stable despite a lower rate on the Japanese Yen and lower sales of snow crab, where a larger share are sold to the US market.

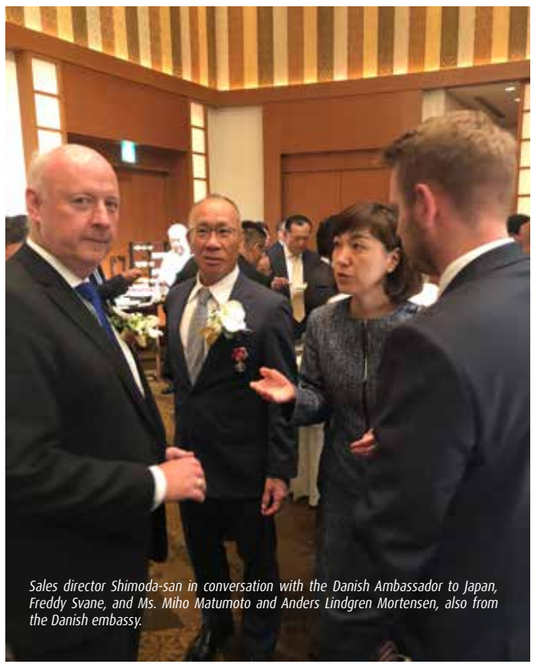
On the core products prawns, Greenland halibut and snow crab, Royal Greenland are market leaders on supply for the Japanese sushi chains. The products are sold both in Japan and internationally, as the chains expand their business outside of Japan.

One of the big challenges in Japan is to ensure adequate capacity for the processing of products for sushi chains. Processing takes place in China, Thailand and, most recently, also now in Vietnam. The processing is carried out in accordance with strict quality requirements and in the presence of Royal Greenland's own Japanese quality inspectors. A geographic spread of the processing is desirable, but a high degree of specialisation makes it difficult to establish new production plants.

Royal Greenland Japan celebrated its 30th anniversary

In 1988, Royal Greenland established a sales company in Japan. At that time, this was seen as a very distant market that set very high quality requirements for fish and shellfish. From limited sales of raw materials, with a few employees, the company has developed into a major, well-run business with 30 employees and considerable sales within Royal Greenland's core species.

In June, a celebratory reception was held in Tokyo, attended by a large number of customers, besides the company's management. Even in 2018, it is quite unique in the Danish food industry for a company to be established in Japan with revenue and an organisation at the level achieved by Royal Greenland.



Sales director Shimoda-san in conversation with the Danish Ambassador to Japan, Freddy Svane, and Ms. Miho Matumoto and Anders Lindgren Mortensen, also from the Danish embassy.

30 1988 - 2018
ROYAL GREENLAND JAPAN LTD.
30TH ANNIVERSARY

1988
- Establishment of Japanese office in Yurakucho, Chiyoda-ku, Tokyo
- Import of raw material, primarily cold water prawns

1992
- Office facilities moved to Hatchobori, Chuo-ku, Tokyo

1994
- Processing of raw peeled prawns initiated in Greenland on Royal Greenland Japans request

1995
- Office facilities moved to Shinkawa, Chuo-ku, Tokyo.
- Royal Greenland Japan registered as a limited company
- Greenland halibut launched in Japan

1997
- First catch of snow crab in Greenland initiated

2000
- Snow crab launched in Japan

2001
- Royal Greenland Japan initiates processing in China and Thailand

2004
- Royal Greenland Japan participates in official representational activities in connection with The Danish Crown Prince Couple's visit to Japan

2005
- Continuous expansion demands for more space and the office is moved to Shinkawa, Chuo-ku, Tokyo, its current location
- Royal Greenland Japans Sales director Takaaki SHIMODA is awarded the Greenlandic Nersonaat Medal of Honour for his development of the Japanese market

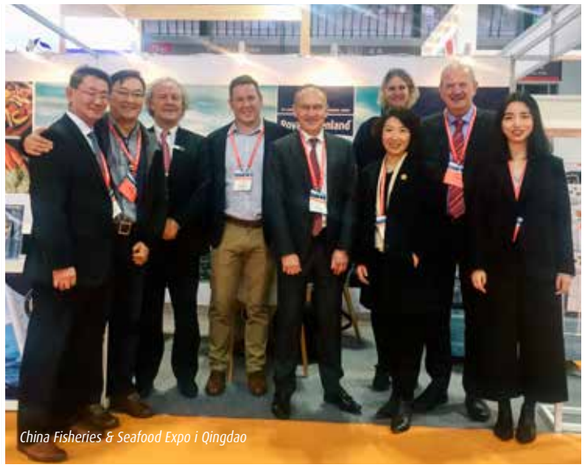
2015
- Mackerel from fisheries around Greenland is added to the Japanese assortment
- The Greenland Autonomous Government Seafood Seminar held at the Danish Embassy.
- Exhibited at Fudex Japan 2015

2016
- Exhibited for the first time at Supermarket trade show 2016

2017
- Exhibited at Supermarket trade show 2017
- Lobster and capelin from fisheries in Canada are added to the Japanese assortment
- The 150th anniversary of Danish-Japanese diplomatic ties celebrated

2018
- Exhibited at Supermarket trade show 2018
- Celebration of 30th Anniversary for Royal Greenland Japan

Sales promotion campaign for a potential new customer, The Good Stuff, in Beijing



China Fisheries & Seafood Expo i Qingdao

'The Good Stuff' in China

In China, people annually consume almost twice as much fish and shellfish as Europeans and Americans. In view of its vast population, this makes China a country with enormous market potential. Royal Greenland is constantly expanding its position in the Chinese market. In the major industrial market, Chinese producers and wholesalers buy large consignments of Greenland halibut and prawns, while in the consumer market, Royal Greenland sells small packaged products directly to consumers via supermarkets and online platforms.

At the annual China Fisheries & Seafood Expo in Qingdao there was ample opportunity to present items from every area of Royal Greenland's business. The picture shows Yasutoshi Anzai (Japan), Shawn Zhang (China), Finn Laursen (international sales), Chris Butler (Newfoundland), Mikael Thinghuus (CEO), Hanne Kvist (Marketing), Meggie Ren (China), Bruno Olesen (Group sales) and Joy Jiang (China)

In October, Royal Greenland's Chinese sales company cooperated with the major online platform JD on organising a sales promotion campaign for a potential new customer, The Good Stuff, in Beijing. The Good Stuff's purchasing team are always on the lookout for exciting new products for their range, which is sold to quality-conscious customers in the Beijing area. Prawns from Greenland were particularly popular.

Royal Greenland's sales director René Stahlhofen, KAM Christian Wieck, sales manager for Greenland Malik Olsen and Jürgen Boltersdorf, KAM from Transgourmet Seafood (in black chef's jacket).

A taste of Greenland for German parliamentarians

In June 2018, members of parliament and the many employees of Deutscher Bundestag – the German federal parliament - experienced a culinary treat. In cooperation with wholesaler Transgourmet, Royal Greenland held a theme week, based on products from Greenland, at the Bundestag's staff restaurant in Berlin. Around 1,600 people visited the restaurant on a daily basis, and six different dishes were served.

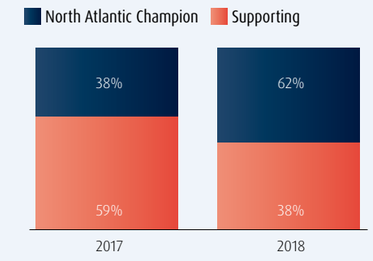
The 'Greenland week' theme not only focused on the good ingredients, but also provided information about Greenland's nature and society. Each dish was presented in both Greenlandic and German, so that "Kalaallit Nunaanniit saarullik Nutaaq boullion naatsiiaalik, chives-ilik seernartumillu creme-lik" became "Grönländisches Kabeljaufilet Nutaaq mit Boullion Kartoffeln, Schnittlauch und Sour creme".

Europe

Royal Greenland's primary European market comprises Germany, France, the UK, Italy, Spain, Portugal and Russia. Scandinavia is considered as a separate market area. Together, the markets amount to 37% of the turnover and total sales of DKK 1.9 billion. Turnover has dropped considerably compared to 2017 due to challenges on the Russian market and the opted-out order on the German market.

The German sales office has been able to increase the total earnings. This has been done with a targeted focus on the food service segment in particular, as well as by increasing efforts to sell North Atlantic products.

Turnover in Europe by business area



This transformation of sales efforts is not only strategically important for Germany, but in general for the European markets.

Turnover and earnings in France are driven by positive price developments on lumpfish roe. France is the world's largest market for lumpfish roe in glass jars. It has been possible to raise prices due to favourable stock conditions and a low market supply of MSC-approved roe.

An increase in turnover of 8% has been achieved in the UK, due to the key products cooked & peeled prawns and cod. Earnings for the product categories have also increased. In particular, sales to food service have made a difference, and sales to this segment have increased by a whopping 28%.

As the largest market for cooked & peeled prawns, the development in the UK is vital for Royal Greenland. Market conditions have been favourable based on a lower supply from Canada, which has meant that Greenland has overtaken the position as market leader. The improved balance between supply and demand has meant that prices have climbed and thereby compensated for the low rate of the British pound.

The sales organisation in the UK has made great efforts to ensure the company is even more prepared for any future challenges, when Brexit in particular could bring big changes. Royal Greenland's UK revenue totals almost DKK 400 million.

In Russia, the fishing of shell-on prawns rose dramatically compared to last year in line with an upgrade of the fishing fleet in the Barents Sea, totalling 14,000 tonnes in 2018 as opposed to 3,500 tonnes last year. The majority of these prawns are sold on the Russian domestic market for prices considerably under the global market level. Royal Greenland has therefore chosen to focus on increasing sales on other markets, which has succeeded. The positive effect of the development in 2018 is that the consumption of shell-on prawns on the Russian market has increased significantly, and the market is once again on its way to establishing itself as one of the biggest global markets.

Sales to Italy, Spain and Portugal have been on a level with last year.

The sales organisation in the UK has made great efforts to ensure the company is even more prepared for any future challenges, when Brexit in particular could bring big changes.

Scandinavia

With a turnover of DKK 1.2 billion, Scandinavia constitutes 24% of the Group's total revenue, and is especially important in the sales of prawns, cod, smoked products and the flatfish range.

There has been growth in the market overall with advances in Norway and Denmark, while Sweden has been challenged.

In Norway, sales of the large sizes of shell-on prawns have risen considerably and thus generated substantial additional earnings.

In Denmark, as with other markets in Europe, there is focus on increasing the sale of Royal Greenland-branded products for the food service segment. This has been successful, with satisfactory progress.

Also, there has, with success, been a special effort to re-establish a satisfactory earning level in certain product categories after big increases in raw material prices.

The Swedish market has been under pressure due to the negative development of the Swedish Kroner exchange rate. Revenue has however remained at the same level as last year.

Overall, Royal Greenland has a strong position on the Scandinavian market, with good collaboration with retail, food service and industrial customers.

North America

Sales to the North American market constitute DKK 0.4 billion or 8% of Royal Greenland's total turnover. There has been a significant increase of 27% compared to 2017. The increase can be attributed primarily to the price of snow crab on the US market, which has been higher than on the Japanese market.

As part of the development plan for the North American market, a sales manager was appointed at the end of 2018 in the US. An actual subsidiary will be established in 2019 that can import and resell to this market.

The product range consists of snow crab, cod, Greenland halibut and prawns, and there appears to be a lot of interest in collaborating with Royal Greenland on these products.

Royal Greenland's halibut on the Italian national team

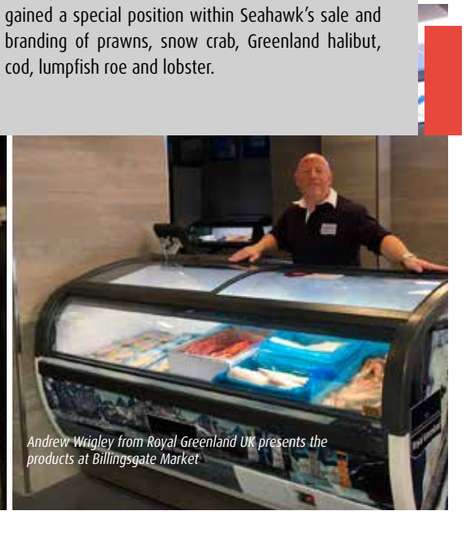
In 2018, Royal Greenland established cooperation with the Italian chefs' federation, Federazione Italiana Cuochi. This federation has a broad membership of quality-conscious chefs throughout Italy, and coordinates the national Italian culinary team. They turned out in force when the Danish Crown Prince and Princess visited Rome in October.

In the picture, HRH Crown Prince Frederik watches intently as the team's head chef, Gaetano Raguní, prepares delicate tastings.

At Billingsgate Market in London

The iconic Billingsgate Market in east London is packed with skilled fishmongers selling their goods to both commercial buyers and private customers. One of the experienced companies that does business at Billingsgate Market is Seahawk Marine Foods.

Royal Greenland cooperates with Seahawk on sales of Royal Greenland's products, and in 2018 we gained a special position within Seahawk's sale and branding of prawns, snow crab, Greenland halibut, cod, lumpfish roe and lobster.



Andrew Wrigley from Royal Greenland UK presents the products at Billingsgate Market

The latest new sales office is located in Boston

Americans are taking a growing interest in Royal Greenland's products, both from Quin-Sea in Newfoundland, and from Greenland. In late autumn of 2018, Royal Greenland was therefore very pleased to open a sales office in Boston. This gives us the opportunity to serve American customers on a day-to-day basis, and to build up our knowledge of the market. Today, Americans really appreciate our crab and cod, and in the future we look forward to telling them more about Greenland halibut and all the other speciality products in our range.

It's in our nature ...

... is the name of a new communication platform that targets consumers in the Nordic markets.

At Royal Greenland we want to tell the world around us how deeply anchored our nature is in our profile. This is not just a matter of good products coming from the most beautiful natural environments. Just as important is how it is in our nature to be passionate, to make an effort – every single day – to go out fishing, whatever the weather conditions, to cherish good craftsmanship, to look for the best quality and tasting experiences, and to take good care of nature and the natural resources we depend on, now and in the future.

NEW PRODUCTS AND INNOVATION

Value maximisation of the marine resources, to which Royal Greenland has access is central to the company's strategic focus and is indicative of innovation and product development in all areas of the value chain.

Development initiatives can be very different for the individual species and range from product innovation, yield initiatives and quality efforts to product and range development. Common to all initiatives is that they need to generate the most possible value from the raw material, we have available.

A substantial amount of the long-term value maximisation of Royal Greenland's core species is based upon knowledge and insight obtained through participation in research and development projects together with universities and other external stakeholders.

4-year GUDP-TECHSHELL project completed successfully in 2018

In 2015, the Danish Agricultural Agency awarded DKK 7.5 million via GUDP (Green Development and Demonstration programme) for a major and complex project aimed at screening and identifying technologies that can accelerate the maturation of prawns and optimise the mechanical peeling and quality of cold water prawns.

The four-year project, for which Royal Greenland was project manager, was carried out in collaboration with researchers from the University of Copenhagen and the National Food Institute at DTU, and a PhD and postdoctoral student were also attached to the project.

The project included laboratory testing of technologies such as ultrasound, HPP (high pressure processing) and ohmic heating as methods to improve and accelerate the shell solution on the prawns. Tests validated peelability, texture and colour. The most promising technologies were also tested in industrial production, thereby creating a significant basic knowledge across specialist areas.

For Royal Greenland, participation in the project has increased knowledge concerning prawn maturation and process optimisation: knowledge that has been brought into use in production.

The next step will be a broader validation of the technologies on a larger production scale, so they can support the production process for cooked & peeled prawns and raise quality still further.

Nutaaq commercial research project enters its final phase

With support from Innovation Fund Denmark, Royal Greenland and the National Food Institute at DTU launched a commercial research project in 2017 entitled 'New concept for the production of cod in Greenland – Best Practice with focus on quality and sustainability'.

The advantage of this project is that the great majority of product and production testing takes place directly in Maniitsoq in Greenland, where Royal Greenland produces the renowned Nutaaq cod quality.

The project aims to optimise production with consideration for the seasonal and biological differences in the raw material, covering the best processes for live storage and minimising the stress for the cod, as well as shelf life testing of fresh, thawed and frozen Nutaaq cod respectively.

Over the course of 2018, the commercial research project has contributed towards a number of concrete initiatives in the production process in Maniitsoq. For example, the transport set-up of live cod from the catch area to production has been optimised with less stress, damage and fatalities of the cod as a result.

All initiatives that are tested as part of the commercial research project are documented and will, at the end of the project in 2019, form Best Practice for the production process of Nutaaq cod, both in terms of processing and shelf life for frozen and chilled.

Knowledge increases value of specific products

The knowledge that is achieved through tests, trials and research collaborations is implemented in specific products and product improvements, which help to maximise the value of the individual species.

In 2018 for example, Royal Greenland has a strong portfolio of lumpfish roe and brine products with reduced salt content, which have been launched based on predictive models for bacteria growth and developed via an earlier research project. In 2018, the range of lumpfish roe with a low salt content has been opened to new, broader application possibilities for the product, for example as direct ingredients in tapas, starters and so on. Brine products with reduced salt content have generated renewed interest in the category among customers.

The knowledge that is achieved through tests, trials and research collaborations is implemented in specific products and product improvements, which help to maximise the value of the individual species.

Sharing knowledge makes us smarter

2018 was a year in which Royal Greenland's developers were involved in several exciting research projects and were also asked to share our knowledge and experience from the research results we have achieved.

In early 2018, the Norwegian food research institute Nofima held a major Nordic working meeting on reducing the salt content of food in the Nordic countries. Royal Greenland was invited to give an account of the food safety aspect of our low-salt products. As salt has a preserving effect, reducing salt content is a balancing act. Since Royal Greenland's salt reduction is based on predictive models for bacteria growth, it has been possible to develop a number of low-salt products that are not just tasty, but also safe.

The participants in the Nofima working meeting were very interested in the predictive model method that Royal Greenland has contributed to developing, under the auspices of major GUDP research collaboration.

At the international World Food Summit 2018 - Better food for more people in Copenhagen, in the summer of 2018, safer food was a key topic on the agenda. Royal Greenland took part in and contributed to a number of interesting presentations and meeting sessions at which we presented our experience with optimised food safety in ready-to-eat products.

Royal Greenland's Claus Kjeldsen, Ole Mejlholm and Niels Boknæs with colleagues from Arla and Food Nation at the World Food Summit in Copenhagen.

Postdoc cooperation in Newfoundland

Quin-Sea Fisheries has engaged in ambitious cooperation with Memorial University – Marine Institute in St Johns.

One project focuses on recovering by-products from prawn production, with the aim of establishing a pilot-scale production plant at the factory in Old Perlican within the next two years. The ambition is to produce advanced sidestreams with a commercial perspective within completely new sectors.

Another project focuses on increasing the level of added value in sea cucumber production. Dried sea cucumber is a great delicacy, particularly in the Chinese market, and it requires a lot of expertise to develop products that can meet the market's specific quality requirements.

New marine resources become more significant
The development of commercial potential within new species and alternative resources is an important source of growth. A number of new projects, which have still to show their full potential, have been launched.

- The packing of lobsters began in Newfoundland in 2017, and in 2018 the activity was expanded to include the boiling of lobsters.
- Up until now, sea cucumbers have been an unused resource for Royal Greenland in both Canada and Greenland. Over the course of the year, a collaboration with Memorial University – Marine Institute in St Johns has resulted in the production of dried sea cucumbers, which has considerable potential on the Asian market.
- Scallops are an important resource in Newfoundland, and over the past year Royal Greenland has established production and packing for this species.
- An alternative marine resource is seaweed. After a comprehensive round of information gathering, seaweed farming has begun on a trial basis in Greenland.

Common to the new projects and products is that the development is based on a high degree of collaboration with external specialists and research environments, which contribute to developing new business areas.

The production development costs defrayed are recognised in the profit and loss account.

Nikoline Ziemer presents a mature mother seaweed plant that is hermaphrodite. When she cuts the mother plant, this releases the gametes from the seaweed. In a controlled process at the factory, these cells become attached to the rope, on which the new seaweed will grow.

Seaweed farming on a trial basis

Royal Greenland's mission is to sustainably maximise the value of the marine resources to which we have access. This is not just fish and shellfish, but everything that can grow sustainably in the sea and create commercial opportunities for Royal Greenland and the society of which we are part. Business Development Manager Nikoline Ziemer and her team have started cultivating seaweed on rope near Maniitsoq.

Nikoline has drawn on international cooperation to exchange ideas and get inspiration for the project. The seaweed network 'Alget' (algae), which is sponsored by the NORA Foundation and includes entrepreneurs, researchers and other parties from Norway, Denmark, the Faroe Islands and Ireland, is an important knowledge forum. After a visit to Seaweed Energy Solutions in Norway, in the summer of 2018, Nikoline and her team began to cultivate their own seaweed in Greenland.

The process started with the selection of mature seaweed algae in the vicinity of Maniitsoq.

In the factory, this algae was subject to a closely controlled process whereby spores were released and became attached to lines of rope. After four to five weeks' growth in the factory, the rope with new seaweed algae was ready to be set out.

During the autumn, Nikoline and her team worked intensively on setting out the lines of rope. They made great efforts to find areas close to rocks, with a good sea current, since these areas have many nutrients to support the seaweed algae's growth on the rope lines.

During the winter, all they can do is wait – because the results of the first cultivation attempt will not emerge until the spring, when light and heat return.

It will take some years to refine the methods and test whether there is real commercial potential for seaweed farming in Greenland – but this is always the case with innovation, since only a small proportion of projects are successful. Yet we can learn a lot during the process to make us smarter and better at optimising processes in every aspect of the business.

VALUE OPTIMISATION IN FISHERIES AND PRODUCTION

Optimisation of the raw material value is constantly in focus in Royal Greenland's fishing and production.

In 2019, the production trawler Sisimiut and the prawn trawler Qaqqatsiaq will be replaced by two newbuildings, in order to streamline and increase the offshore fisheries capacity.

Raw fish: Fishing and purchase

Greenland

Access to quotas in Greenland is vital for Royal Greenland, both in our own fisheries and as a supply of raw fish from external fishing companies and fishermen to the Group's factories along the west coast of Greenland.

Fishing

Royal Greenland's fleet comprises three ocean-going prawn trawlers, two ocean-going production trawlers for Greenland halibut, cod, etc., a line boat for Greenland halibut, cod, etc., two smaller inshore prawn trawlers, and seven Greenland halibut and crab vessels. The latter supply the processing plants in Disko Bay, Uummannaq and Upernavik. Additional to these is an investment in a number of large cutters for fishing in Northern Greenland to increase the volumes of Greenland halibut supplied to the plants, which has had a positive effect in 2018.

In 2019, the production trawler Sisimiut and the prawn trawler Qaqqatsiaq will be replaced by two newbuildings, in order to streamline and increase the offshore fisheries capacity. The prawn trawler Nataarnaq is also scheduled for replacement in 2021.

Under the Pelagic Greenland joint venture with the Icelandic company Isfelag two pelagic trawlers are operated for fishing in East Greenland.

The Group's fishing totalled 61,500 tonnes in 2018, which is a slight increase. A considerably higher level of prawn fishing was countered by a lower fishing of Greenland halibut and pelagic species compared to 2017.

Together with a substantial increase in prawn fishing, a focused effort on the catch of bigger prawns has lifted the catch value significantly, and thus the value of the total fishing.

As a result of purchasing of additional prawn quotas in West Greenland, prawn fishing has not been conducted in Svalbard and East Greenland in 2018.

In 2018, the prawn quota for West Greenland was increased to 101,250 tonnes and was raised further to 105,000 tonnes in 2019, in accordance with biologists' recommendations and the MSC management plan.

Purchasing

Royal Greenland's processing plants in Greenland received 63,440 tonnes of fish and shellfish during the financial year, which represents a decrease of 4%.

The decline can be attributed solely to a marked decrease in cod stocks, whereas Greenland halibut and crab have developed positively.

The landing of live cod to Maniitsoq fell by 19% to 5,700 tonnes in 2018. Fishing around Maniitsoq has been especially challenged and, as a result, the fishing zone has been expanded to a larger geographical area, particularly around Kangaatsiaq. A growth in live cod is expected in 2019, as large amounts of smaller cod have been observed in 2018, which will be ready to catch in 2019-2020.

The average landing price increased by 12% in 2018, driven by a change in the raw material mix and general price increases. Over a seven-year period, the average landing price has increased by 79%.

In 2018, payment to inshore fishermen in Greenland totalled DKK 770 million, which is at the same level as last year. Over a seven-year period, the total payment has increased by DKK 439 million.

Catches landed to Royal Greenland in Greenland

	2013	2014	2015	2016	2017	2018
Prawns	24,569	23,925	20,135	25,003	26,935	26,852
Greenland halibut	10,465	13,404	17,504	20,697	17,591	19,997
Crab	1,615	1,765	1,063	1,055	1,330	1,535
Roe	1,636	951	755	460	718	685
Cod	7,512	10,756	15,042	21,432	19,199	14,028
Other	908	943	604	557	521	341
Total	**46,705**	**51,744**	**55,103**	**69,204**	**66,294**	**63,440**

Also in 2018, permits were granted for the deployment of landing vessels in the Upernavik area, despite the fact that there is sufficient capacity at the land-based processing plants. This led to periods of low activity and low employment, and at times also to strong pressure on landing prices, in order to ensure supplies of raw material for production.

Canada

Purchasing

Royal Greenland does not conduct its own fishing in Canada. All production is based on the purchase of fish and shellfish from independent fishermen and fishing companies.

In Newfoundland the principal species are snow crab and prawn. The prawn quota was reduced again in 2018 in all fishing areas. The quota is expected to be reduced further in 2019. Royal Greenland's deliberate diversification of activities on several geographical quota areas reduces vulnerability to quota fluctuations. In view of the increasing prawn quota in Greenland, Royal Greenland's global volume is thus unchanged.

The crab quota in Newfoundland was reduced by 20% in 2018. Despite falling crab quotas, Royal Greenland's Newfoundland subsidiary, Quin-sea Fisheries, has managed to expand its market share, and its crab activity therefore remains unchanged. Further efforts on species such as sea cucumber and Greenland halibut have been implemented in 2018, and the company has also expanded its lobster production onto a larger scale.

In Quebec/Gulf of St. Lawrence the prawn quota was reduced by 25%, with further reductions expected in 2019.

Other purchases

As a supplement to our own production of Greenland halibut, more than 2,000 tonnes of Greenland Greenland halibut were purchased in Norway and Canada in 2018 for processing in Poland and China. The processed products are used in our smoked production or sold to customers in Europe.

Raw material such as salmon, warm water prawns, flat fish and MSC cod are purchased in the world market. Here, MSC cod from primarily Norway constitutes the largest individual share. We have thus purchased 3,500 tonnes of MSC cod for our production in 2018. MSC cod acts as a supplement to our Greenlandic cod.

Warm water prawns are purchased primarily in Ecuador and constitute 900 tonnes. The prawns, which are produced sustainably and are ASC certified, are packed at our processing plants in Cuxhaven and Langerak.

Salmon is purchased primarily from Norway for smoking in Hirtshals. In 2018, 3,500 tonnes of Atlantic salmon were purchased. This is the same level as in recent years.

12,000 tonnes of flounder and plaice were purchased for the factory in Koszalin. Flounder is used mainly for breaded fillets of fish for the Scandinavian market, while plaice is mostly sold as natural fillets and stuffed products. Royal Greenland still undertakes purchasing of raw material under the cooperation agreement with A. Espersen A/S in Koszalin.

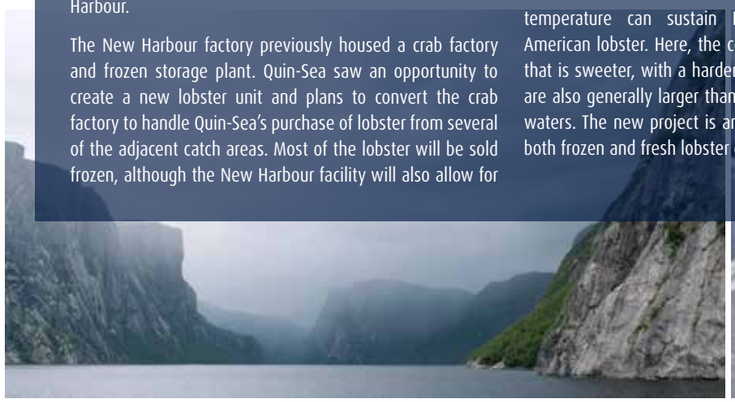
Plaice is purchased at auction in Denmark, while flounder comes from the Baltic Sea, including as direct purchases from Danish and Polish trawlers.

New lobster facility in Newfoundland

At the end of 2018, Royal Greenland's Canadian company Quin-Sea Fisheries was expanded from five to six production units, when the company acquired a new facility in New Harbour.

The New Harbour factory previously housed a crab factory and frozen storage plant. Quin-Sea saw an opportunity to create a new lobster unit and plans to convert the crab factory to handle Quin-Sea's purchase of lobster from several of the adjacent catch areas. Most of the lobster will be sold frozen, although the New Harbour facility will also allow for live storage of a small proportion of the catch, for sale on the fresh lobster market via air freight.

Newfoundland is the northernmost area where the sea temperature can sustain Homarus americanus - the American lobster. Here, the cold climate produces a lobster that is sweeter, with a harder shell. Lobsters from this area are also generally larger than lobsters from more southerly waters. The new project is an exciting opportunity to bring both frozen and fresh lobster of high quality to the market.



Royal Greenland invests in crab production in Quebec, Canada

Royal Greenland's has owned the Eastern Quebec Seafoods factory – located on the coast close to the mouth of the Saint Lawrence river – since 2005. The factory has primarily produced prawn caught by local fishermen.

In recent years, crab quotas in the area have developed favourably, and in 2018 this led Royal Greenland to invest more than DKK 10 million in a brand new crab facility. Production equipment has been procured and the existing factory in Matane has been expanded.

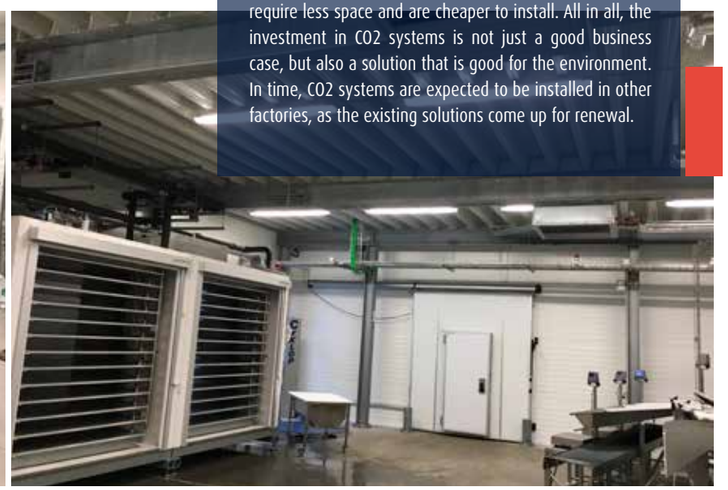
In 2018, the team in Matane worked hard to achieve a good supplier base among the local crab fishermen, to prepare them for optimum use of the facilities in 2019. The catch season is short: from March to July, towards 30,000 tonnes of crab from catch areas 12, 16 and 17, from which Royal Greenland can buy crab, are caught and processed. A good production set-up, ready to process large volumes, is vital.

Aappilattoq shows the way for green transformation

In 2017, a completely new factory was built in the small settlement of Aappilattoq near Upernavik in northern Greenland. Aappilattoq was back in the spotlight in 2018, when Royal Greenland's first CO2 plate freezer was installed at the factory.

For many years, freon and ammonia have been the natural first choice of refrigerant in food production. Yet freon is known for its negative characteristic of contributing to depletion of the ozone layer, while ammonia has a strong odour. New, ecofriendly CO2-based refrigeration systems have been launched in the market, making them the obvious choice for the new installations in Aappilattoq.

CO2-based systems allow for simple heat recovery and energy savings of up to 20%. In addition, CO2 systems require less space and are cheaper to install. All in all, the investment in CO2 systems is not just a good business case, but also a solution that is good for the environment. In time, CO2 systems are expected to be installed in other factories, as the existing solutions come up for renewal.



Production

Greenland

Royal Greenland owns 38 facilities in Greenland. With the exception of two, all of these are in operation. All facilities are operated without service contracts from the Government of Greenland. Nuugaatsiaq was not re-opened after the tsunami that hit the settlement in mid-2017.

Activity has remained at the same level as in 2017, with however substantial displacements between the species.

The processing strategy continues to mean substantial investments in the processing plants in Greenland. In 2018 there has been focus on continued capacity expansion in Greenland halibut, including commissioning of a new plant in Aapilattoq in the Upernavik area, plus a much-needed upgrade of the prawn processing plant in Ilulissat. Correspondingly, the capacity in Saattut near Uummannaq was increased at the end of 2018.

Besides the capacity increases, a number of Greenland halibut processing plants have been realigned in order to support the wish for further processing. In the future, more facilities will produce both J-cuts and fillets, and not just whole fish as before. These changes continue in 2019 especially in the Upernavik area where two more facilities will be upgraded. Over three years, more than DKK 100 million will therefore be invested in Greenland halibut production.

The cod filleting capacity is also being expanded continuously. There are now cod filleting factories in Qasigiannguit, Kangaatsiaq, Sisimiut, Maniitsoq and Paamiut, and especially in Kangaatsiaq, Qasigiannguit and Maniitsoq filleting is at a significantly higher level than before. A new cod processing plant is opening in Sisimiut in 2019 with higher processing and capacity than previously. The new plant is Sisimiut will be run in collaboration with a number of local fishermen, who will be supplying the plant.

As in previous years, it has been very challenging to obtain an adequate workforce, especially in high season. Royal Greenland has recruited workforce from abroad and brought in personnel from other areas of Greenland with high unemployment rates to work in the processing plants in Maniitsoq, Uummannaq and Ilulissat. This will also be relevant in 2019, when the plants in the Upernavik area will also have a need for additional workforce.

Canada

With the processing plants in Newfoundland and Quebec, Royal Greenland has significant activities in relation to the inshore fishing in Canada.

The main activity in Newfoundland is snow crab and prawn, while there is also production of sea cucumber, cod, Greenland halibut, lobster and pelagic species.

Through Quin-Sea Fisheries, Royal Greenland owns seven processing plants in Newfoundland.

Most recently at the end of 2018 considerable funds were invested in a facility in New Harbour for lobster production.

Despite falling quotas for snow crab and prawn, Quin-Sea Fisheries has strengthened its position within inshore fisheries.

In Quebec Royal Greenland runs a production plant for cooked & peeled prawns. There is intense competition for the raw material, as a consequence of excess factory capacity. The plant was expanded in 2018 with a crab line, so that prawn production is now supplemented with the addition of crabs.

Denmark

The processing plant in Aalborg is the only remaining production unit in Denmark. Its activities include production of prawns in brine and the packing of cooked & peeled prawns and shell-on prawns. At the end of 2018, a decision was taken to transfer these activities to Cuxhaven in Germany at the end of 2019.

Royal Greenland's range of smoked products continues to be produced by a sub-supplier in Denmark.

Cuxhaven, Germany

Royal Greenland operates two processing plants in Cuxhaven, which produce lumpfish roe in glass jars and the zip-lock/chain-pack range respectively. The plants are subject to shared management and administration.

With the lumpfish roe factory in Cuxhaven, Royal Greenland is involved in the entire value chain out to customers, and is the world's largest producer of lumpfish roe in glass jars.

Iceland lost its MSC certification for lumpfish roe in 2018, which means Greenland is now the sole supplier of MSC certified roe. This has strengthened sales and earnings in 2018, and is also expected to have a positive effect in 2019.

Production of fresh fillets started in 2018 in Cuxhaven, based primarily on Nutaaq raw fish from Maniitsoq. This activity continues to be at a low level, but is expected to increase in 2019, when production of other species is also planned.

Over the course of 2019, the processing plant for prawns in brine will be transferred from Aalborg to Cuxhaven. A leasing agreement on a third facility in connection with the roe plant has been entered into. The plant will be run under the same management as the other processing plants in Cuxhaven.

China

For many years, Royal Greenland has collaborated with Chinese sub-suppliers which process raw material from Greenland into high-quality sushi products for the Japanese market. Cod and salmon are also processed for sale and further processing in Europe.

With the processing plants in Newfoundland and Quebec, Royal Greenland has significant activities in relation to the inshore fishing in Canada.

2018 was the best year ever for Royal Greenland's prawn fishing

The three prawn trawlers Nataarnaq, Qaqqatsiaq and Akamalik had a fantastic 2018 season. 2018 was a year with focus on catches of large prawns, especially in the Melville Bay, where Royal Greenland has developed strong fisheries in recent years. In addition, there was quite extraordinarily successful cooperation onboard, involving everyone from engine crews, deckhands, factory teams and the bridge.

For both Royal Greenland and society, catches of large prawns represent sound quota management. Large prawns command better prices, and considerably higher income for society, since prawn taxes are based on revenue, rather than volume. Finally, the prawns can grow bigger before they are caught, since fewer small prawns are removed from the stock.

Nataarnaq's fishing at the Melville Bay was particularly impressive, with the trawler team fishing 300 tonnes in the course of a single week.

Two new trawlers well underway

Throughout 2018, a major project for Royal Greenland has been monitoring the construction of the two new factory trawlers, Sisimiut and Avataq, at the Astilleros de Murueta yard, in Bilbao, Spain. Many Royal Greenland employees are involved in the project in different ways, and expectations are running high.

In May 2017, the first steel was cut and laid out in a long line in the slipway, to form the solid keel of the Sisimiut trawler. At that time, it was hard to see what this would turn into, but slowly the steel was raised higher, block by block, into the contours of a ship.

In 2018, the construction work picked up speed, and both ships gradually grew taller than the surrounding buildings, and were painted and launched, followed by further construction and completion.

The two new trawlers will be part of Royal Greenland's fisheries fleet as from 2019; Sisimiut in May, followed by Avataq in November, to replace the previous Sisimiut and Qaqqatsiaq, which have been sold.

Modern and environmentally friendly fisheries

The trawlers are designed to support the current development in fisheries in the North Atlantic, and, more specifically, Royal Greenland's future fisheries structure. There is also emphasis on the ships' minimal fuel consumption. Furthermore, Royal Greenland's decision several years ago to exclusively use marine diesel, rather than heavy fuel, which is less environmentally sound, also applies to the new trawlers.

"In future, we will need to sail longer distances to catch our fish and prawns, since stocks will move further north, as the seas get warmer," says Lars Nielsen, EVP and Production Director at Royal Greenland "This means that our ships will need to sail faster, to save transport time, with more economic fuel consumption, greater fishing efficiency, and higher load capacity. We've also introduced automatic palletting on board, so that the new ships can be unloaded in just one day, instead of the current three to four days."

The trawlers need to be able to sail in many different ways, which makes high demands of their engine capacity that relies on the latest technology to optimise consumption of resources. Two auxiliary engines ensure that every one of the ship's functions can stay operational without using the main engine. The PTO/PTI power conversion technology guarantees that power generated in one part of the ship can also be used elsewhere.

Full utilisation of the catch

Both trawlers are designed to minimise resource consumption. "In our cod fisheries, we've previously had a low utilisation ratio for the fish – actually as low as 30 per cent," says Lars Nielsen "By installing plant for production of fish meal and extraction of fish oil on board, we can now achieve 100 per cent utilisation – and it's really great to be able to use this fine raw material for commercially interesting products."

The prawn trawler is also designed to make use of any by-catch, with plant installed to receive the entire catch, for subsequent onshore processing.

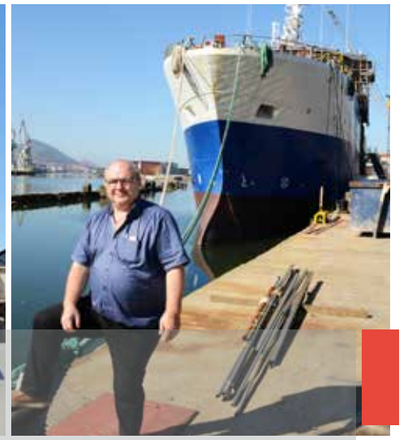
Employee involvement

Throughout the period, there has been intensive activity in every corner of the new ships, and coordination of the many decisions has required the dedicated commitment of Royal Greenland's employees.

"It's been important for us to ensure considerably better accommodation and working conditions in the new ships. First of all, there are single-occupant cabins for nearly everyone, and it's vital that personnel quarters and facilities are pleasant and modern," says Lars Nielsen.

"The working conditions have also been upgraded considerably, with a more spacious factory, while many manual processes have been automated, to make the work less physically demanding."

Jogvan Trondarson, today Master on the prawn trawler Akamalik, is involved in the detailed planning of the construction of the new trawler Avataq, where he will be Master in the future.



AVATAQ
Combination trawler - prawn/Greenland halibut
The largest trawler in Greenland and the only one to fish using three trawls

Length: 83 m
Width: 18 m
Load capacity: 662 pallets
30 single cabins
Accommodates 30 persons

SISIMIUT
Combination trawler - cod/Greenland halibut
Production of fish meal and fish oil

Length: 82,65 m
Width: 17 m
Load capacity: 886 pallets
30 single- & double cabins
Accommodates 42 persons

Where do the names come from?

Investment in the two new factory trawlers for a total value of DKK 700 million is a landmark event for Royal Greenland, which will be of great importance to the company far into the future. So the names are important, and why were these names chosen?

The Sisimiut trawler is named for its predecessor. The first Sisimiut was a good ship for Royal Greenland and the products processed on the Sisimiut trawler are known by our customers all over the world for the good, stable quality that Royal Greenland wishes to maintain on the new ship. So it did not take long to decide to retain the Sisimiut name.

It was a different story for the new prawn/Greenland halibut combination trawler. This new type of vessel for Royal Greenland deserved the involvement of employees in finding the best name.

A naming competition was held among a group of employees, and no less than 84 suggestions were received. The winning name was selected by a committee made up of representatives from management, administration and international sales.

The winning name "Avataq" was the bid from Arnaq Gjerulff (in the grey jersey under the crown), who works as a landing supervisor at Royal Greenland's production plant in Attu.

"Avataq" means "seal bladder", used in the past by kayakers and umiak (an open skin boat) hunters to prevent their catches from sinking, by keeping them afloat on the sea surface. Avataqs are still used to this day by hunters in the Thule area when they go kayak hunting.

As the prize, Arnaq Gjerulff will attend the naming ceremony for the trawler in Nuuk.

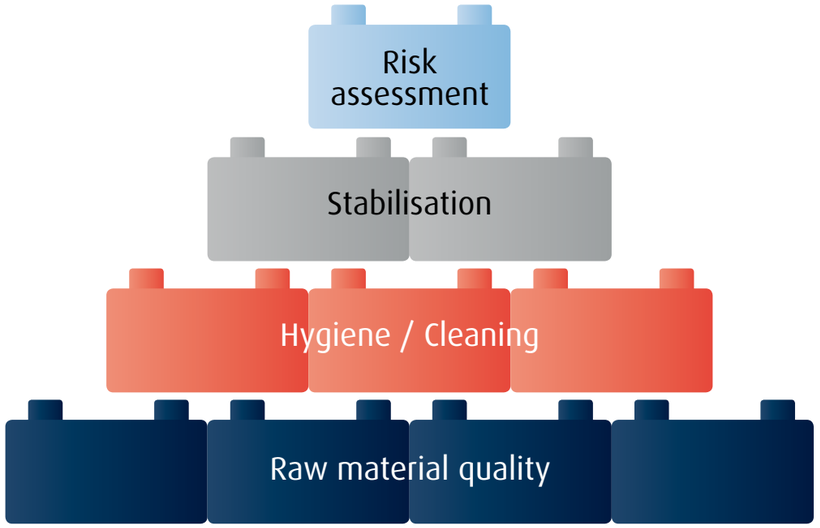
HIGH LEVEL OF WELL-DOCUMENTED FOOD SAFETY, FROM SEA TO TABLE

Food safety, traceability and high quality are firmly anchored and integrated in all processes. Food safety and traceability are governed by legislation, international standards and standards for sustainability, while quality is subject to customer requirements and internal requirements and specifications.

At Royal Greenland, food safety has the highest priority throughout the entire value chain, from sea to table. This is reflected in Royal Greenland's food safety strategy, which is based on four fundamental elements: High raw material quality, high hygienic standards, stabilisation against the growth of unwanted bacteria and a regular risk assessment of the finished goods. Together, these four elements ensure products with a high and well-documented level of food safety.

Access to raw material of high quality in conjunction with strict cleaning and hygiene requirements are key elements for the high food safety at Royal Greenland.

Stabilisation and risk assessment, which constitute the two top elements in the quality pyramid, are of particular importance for ready-to-eat products such as prawns in brine and various varieties of smoked and gravad fish. This is because ready-to-eat products, due to their relatively long shelf life when kept chilled, place especially high demands on food safety. This is why, for many years, Royal Greenland has used predictive models (http://fssp.food.dtu.dk) to predict the growth of e.g. Listeria monocytogenes as important tools for product development and documentation of food safety.



SNOW CRAB

Production	Certifications
Quin-Sea, Old Perlican	MSC CoC, BRC grade A

PRAWN FLOUR

Production	Certifications
Ilulissat	BRC grade A

GREENLAND HALIBUT

Production	Certifications
Qasigiannguit	MMSC CoC, IFS Higher level
Maniitsoq	MSC CoC
Trawler Tuugaalik	MSC, West Greenland offshore halibut
Trawler Sisimiut	MSC, West Greenland offshore halibut

COOKED & PEELED PRAWNS

Production	Certifications
Sisimiut	MSC CoC, BRC Grade A
Ilulissat	MSC CoC, BRC Grade B
Matane	MSC CoC, BRC Grade AA
Quin-Sea, Old Perlican	MSC CoC, BRC Grade A
Gulf Shrimp, Newfoundland	MSC CoC, BRC Grade AA
Aalborg, Langerak	MSC CoC, BRC Grade AA+, IFS Higher level

GREENLAND COD

Production	Certifications
Trawler Sisimiut	MSC, Greenland Cod, Haddock and Saithe from the Barents Sea and the North-East Atlantic

SHELL-ON PRAWNS

Production	Certifications
Trawler Akamalik	MSC, West Greenland & Faroe Islands, North-East Arctic cold-water prawns
Trawler Qaqqatsiaq	MSC, West Greenland & Faroe Islands, North-East Arctic cold-water prawns
Trawler Nataarnaq (Ice Trawl Greenland A/S)	MSC, West Greenland & Faroe Islands, North-East Arctic cold-water prawns
Aalborg, Langerak	MSC CoC, BRC Grade AA+, IFS Higher level

LUMPFISH ROE

Production	Certifications
Akunnaaq	MSC CoC
Atammik	MSC CoC
Attu	MSC CoC
Ikamiut	MSC CoC
Ikerasaarsuk	MSC CoC
Qeqertarsuatsiaat	MSC CoC
Qeqertarsuaq	MSC CoC
Kangaamiut	MSC CoC
Kangaatsiaq	MSC CoC
Maniitsoq	MSC CoC
Narsaq	MSC CoC
Paamiut	MSC CoC
Nuuk	MSC CoC
Itilleq	MSC CoC
Sisimiut	MSC CoC
Cuxhaven, roe	MSC CoC, BRC Grade AA+, IFS Higher level

SUPPORTING

Production	Certifications
Cuxhaven, Zip-lock	MSC CoC , ASC, BRC Grade AA, IFS Higher level
Dan Salmon, Smoked products	MSC CoC/ASC/Global Gab, IFS Higher level
Trading	MSC CoC/ASC/Global Gab

A world leader for food quality and safety

During 2018, Royal Greenland worked closely with Food Nation, a public-private food partnership with focus on the international branding of Danish food exports. Royal Greenland made an active contribution to the article "Maths is a main ingredient in salt reduced fish products" for the first edition of the Food Nation White Paper "Food Quality & Safety – World-leading innovation in the Danish food cluster", which concerns Denmark's leading position within food safety and quality. In 2018, Royal Greenland also contributed to popular scientific articles to Plus Proces and Eurofish Magazine, presenting some of the tools that Royal Greenland uses in practice to maintain high food safety levels.

RISKS

To reduce its vulnerability to fluctuating quotas and catches, Royal Greenland seeks to diversify the intake of raw fish across several stocks of core species and across several geographical areas. The exposure to financial, currency and interest rate risks in global activities is monitored closely and reduced through the company's fixed policy in this area.

A significant element of the North Atlantic Champion strategy is to diversify activities across several geographical resource areas, so as to also diversify the risk.

Raw fish
the access to raw material and the development in raw material prices are a significant operating risk for Royal Greenland. This risk is predominantly related to the living resources around Greenland and eastern Canada. These constitute 81% of Royal Greenland's total raw material resources. The prawn quota in Greenland increased in 2018 and is also expected to increase in 2019. On the other hand, both the prawn and the crab quota in Newfoundland were reduced in 2018 and are expected to be reduced further in 2019. A significant element of the North Atlantic Champion strategy is to diversify activities across several geographical resource areas, so as to also diversify the risk and reduce the volatility of the company's earnings. Royal Greenland's global access to prawn resources was thus unchanged in 2018 and 2019.

Concerning the development in the quotas, experience shows that lower quotas often give higher sales prices, and thereby maintain the value of the activities.

The uncertainty concerning the raw material resources requires a sharper focus on value optimisation of the raw material and an increased value adding in order to maintain earnings from the resources. These areas are in even greater focus in the latest version of "The North Atlantic Champion".

Royal Greenland's purchase of raw material totals approximately DKK 2.0 billion. We seek continuously to maintain the relative earnings level, irrespective of the development in raw material prices. The aim is to hedge this risk by adjusting sales prices, close follow-up and back-to-back currency hedging concerning major purchase and sales agreements.

Financial risks
Through its operations, investments and financing, Royal Greenland is exposed to changes in exchange rates and interest rate levels. The parent company manages the financial risks on a centralised basis, and coordinates liquidity management, including capital procurement and the placement of surplus liquidity.

The Group pursues a financial policy that is based on a low risk profile, so that currency, interest rate and credit risks only arise on the basis of commercial conditions.

The use of financial derivatives is governed by a specified policy adopted by the Board of Directors, as well as internal procedures to e.g. set amounts and determine which derivative financial instruments may be used.

Currency risks
The Group's activities are affected by exchange rate fluctuations, since revenue is primarily invoiced in foreign currency, while costs, including wages and salaries, are primarily defrayed in Danish kroner, euro, and Canadian and American dollars.

The Group will thus be exposed via net positions in a number of currencies. Other countries than Greenland and Denmark account for 86% of the Group's revenue, with an emphasis on the euro-area member states, Japan, China, the UK, Sweden and the USA. Revenue in EUR and DKK accounts for 47% of Royal Greenland's total revenue, and is not assessed to present any real currency risk. The primary currency exposure concerns pounds sterling, US dollars, Japanese yen, Canadian dollars and Swedish kroner. The Group is also affected by fluctuating exchange rates since a number of subsidiaries' results and equity at the close of the year are converted to Danish kroner on the basis of the average and balance-sheet date exchange rates, respectively.

Currency risks are primarily covered by matching receipts and payments in the same currency, and by using forward contracts. The Group's currency policy is to hedge 75% of the expected exchange rate risks within six months, and 50% of the currency risks during a 6-12 month period. Large contracts are hedged individually. The exchange rate risk in relation to EUR is not hedged.

Interest rate risks
The interest-bearing debt has been swapped for DKK and EUR. The proportion of the debt at variable interest rates was 27% at the close of the financial year. An increase by 1 percentage point in the general level of interest rates would increase the Group's annual interest costs by approximately DKK 4.1 million.

SUSTAINABILITY

As a vertically integrated company, Royal Greenland is close to both the resources and its customers. Our presence is of great importance in all parts of the value chain to our employees and our suppliers and for the local community of which we are part.

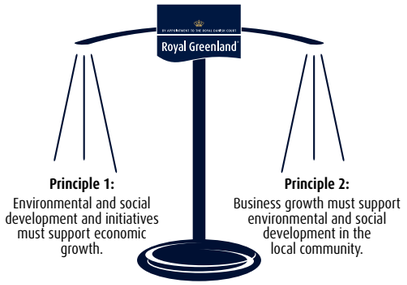
What is essential for a long-term, healthy business for Royal Greenland is that we follow nature's developments and work towards sustainable fishery with growth for local communities, suppliers and employees as a result. The company's presence, size and activities enable us to make a real difference both nationally and globally.

Organisation and anchoring

The company's executive management, who are part of a CSR steering group, is responsible for Royal Greenland's sustainability activities. The steering group takes the final decisions concerning objectives and strategy, and evaluates results. The department for sustainability ensures development and anchoring of sustainability in the organisation, reporting and specific selected tasks.

Strategy

At Royal Greenland, work with sustainability is based on the strategic approach towards a shared goal in People-Planet-Profit and the Sustainability Strategy 2015-18 – For the benefit of Greenland and Royal Greenland. When we qualify or reject initiatives and efforts, the following principles are applied:



Responsibility, policies and risks

The report is broken down according to the following outline:

People:
Employees and diversity
Training and education
Working environment and workplace well-being
Human rights

Planet:
Sustainable fisheries
Utilisation of resources
Environment and climate

Profit:
Anti-corruption
Ethical supplier management

Royal Greenland's work with People, Planet, Profit is described in our CSR policy. The company also has the following policies regarding corporate social responsibility:

- Anti-bullying and harassment policy
- Modern-slavery statement
- Gender equality policy
- Anti-corruption policy
- Human rights policy
- Environment and climate policy

Full length descriptions of these policies can be found on our website https://www.royalgreenland.com/royal-greenland/sustainability/related-documents/

The UN's Sustainable Development Goals as framework

Besides our work with People, Planet, Profit, the UN's 17 Sustainable Development Goals were highlighted over the course of 2018 in relation to Royal Greenland's sustainability efforts, and will form the framework moving forward for our work with sustainability.

Not least, Royal Greenland's commitment to the Confederation of Danish Industries (DI) project "From Philanthropy to Business" has helped shine the spotlight on the Sustainable Development Goals (SDGs).

Besides the internal focus, the SDGs form the foundation for collaboration with other companies in a broader perspective. The Sustainable Development Goals are thus a fundamental platform for future joint goals, where, together in partnerships, we can find solutions to challenges that we cannot overcome alone.

Our review of the Sustainable Development Goals and the underlying sub-goals shows that we are already working with some of them as a natural part of our current sustainability activities. This relates to SDGs which are of major importance to Royal Greenland, and where we have significant influence. Our future 'Strategy for Sustainability 2019-2023 and towards 2030' will have selected Sustainable Development Goals and sub-goals as its focal point.

In this report the relevant Sustainable Development Goals will be highlighted under the individual section in the People, Planet, Profit review.

UN Global Sustainable Development Goals towards 2030

Together with 20 other companies, Royal Greenland is part of the project "From philanthropy to business" under the Confederation of Danish Industry. The aim of the project is to inspire and motivate companies to develop new growth areas which can promote the achievement of the UN's 17 Global Sustainable Development Goals towards 2030.

Corporate Sustainability Manager Lisbeth Due Schönemann-Paul is looking forward to this work: "We hope that in the long-term perspective up to 2030, we will be able to incorporate the Sustainable Development Goals in our business to an even greater extent than today. Via this project, we've become aware of the need to look further into the future than before, so that we can also set the bar higher when it comes to our vision for the company's sustainable results."

One advantage of the Sustainable Development Goals is that they set a common framework for companies, organisations and governments in their sustainable development work. The project also gives Royal Greenland access to a large network engaged with sustainable development.

The project involves boot camps and direct consultant assistance, was kicked off in 2018 and will continue until November 2019.

PEOPLE - TOGETHER TOWARDS OUR GOALS

Royal Greenland is an international Greenland-owned company and this brings both commitments and benefits.

As a company owned by the Greenlandic Government, we are committed first and foremost to serving Greenlandic society by ensuring the best possible income. Just as importantly, we have an extended corporate responsibility to focus on creating and maintaining the maximum jobs possible together with a good landing basis for local fishermen. It is a big responsibility, which we are especially aware of.

Royal Greenland is an international company, whose employees have specialist expertise in fishing, production, sales and logistics. We are a business anchored locally but where the global focus is a critical factor in holding up the entire value chain.

More employees in Greenland

At Group level, the number of full-time salaried employees in Royal Greenland has dropped from 2,533 in 2017 to 2,228 in 2018. This decrease must be viewed in the light of the sale of the processing plant in Koszalin, Poland in 2017. Disregarding the Koszalin plant, then there has actually been an increase at Group level from 2,116 employees in 2017 to 2,228 in 2018, an increase of 5%.

The increase can be primarily attributed to growth in the number of employees in Greenland, which now constitutes two-thirds of all the Group's employees.

Risks and goalsl

In high season in Greenland, which runs from April to October, we need a great many employees in our production, often more than the local community is able to provide. This means that there have been big challenges in recent years to fill the vacant positions.

Our goals are to:
- ensure adequate staffing in order to achieve optimal processing of all raw fish
- retain the good workforce we already have
- hire primarily local employees
- hire employees from abroad when needed

In 2018 it has again been necessary to supplement the local workforce with young people on summer jobs (Nordjobb exchange programme) as well as other nationalities (primarily Chinese) in the Greenland processing plants. The addition of an external workforce has been an essential contribution to operational reliability in the high season.

Diversity in the workforce

According to Royal Greenland's gender equality policy the goal is for the board of directors to have an equal composition of men and women, which has been achieved in 2018. In the next layer of management, which constitutes a group of 75 people, the proportion of women is 15%. The goal in this layer of management is to achieve the same proportion of women as in the seafood industry as a whole, corresponding to 26%. We seek to achieve this goal by ensuring equal conditions for both genders when recruiting for management positions. This is done by taking into account competencies, experience and personal integrity. In 2018 the share has increased from 13% to 15%.

There is considerable national diversity at Royal Greenland. Almost 20 different nationalities are employed across the entire Group. Diversity provides a good outlook and knowledge of the global market.

Fig. 1

No. of employees

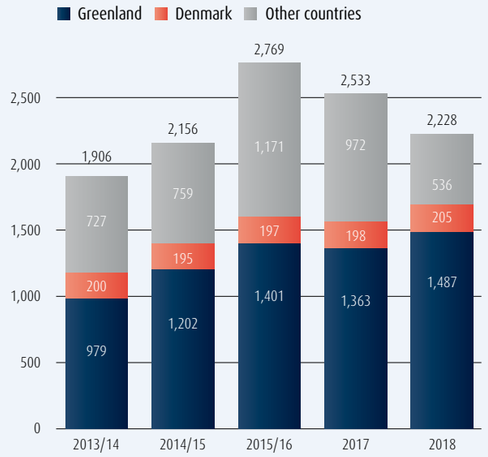
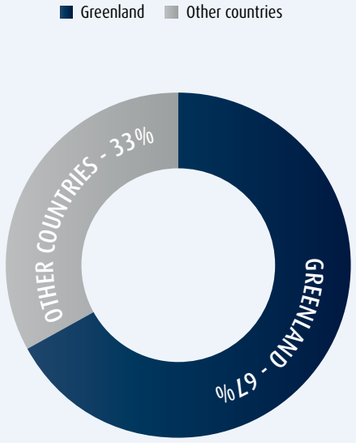


Fig. 2

Employee distribution in 2018



Four days of trust, self-confidence and focus on the future

In August, 16 Royal Greenland trainees took part in a boot camp in Kangerlussuaq to increase their knowledge of the company and create a sound network for their future development and sharing of ideas and experience.

The trainees in areas such as metalworking, finance, catering and canteen services, as well as chefs, electricians, and sales and marketing trainees, came from Paamiut, Nuuk, Maniitsoq, Qasigiannguit, Ilulissat, Upernavik and Svenstrup. During the boot camp, the trainees learned more about Royal Greenland's day-to-day operations and the opportunities for a career after completing their education, and, not least, also gained a shared frame of reference with tools for their personal development.

During the boot camp, which was led by Linda Larsen, psychologist and former captain in the Danish Air Force, and Henriette Berthelsen, psychotherapist, the trainees were challenged to trust each other and engage in wider psychology-based interaction. The boot camp was an opportunity to discuss identity, cultural differences and values, and the importance of cooperating with others and setting healthy boundaries. At the end of the boot camp, there was focus on the future and on setting the trainees' goals.

Concentrated experience

Hans Kristian Hansen is a trainee machine engineer. His plan is to qualify as a marine engineer and, in time, gain a position as an officer on one of Royal Greenland's trawlers.

To give Hans Kristian the best possible support for his education programme, from April to December he served as a trainee at Vestergaard Marine Service in Frederikshavn, Denmark. This gave him a chance to literally get his hands dirty and to supplement his theoretical training with actual fitter technician experience, before continuing his education programme.

At Vestergaard Marine Service, Hans Kristian gained experience from using the equipment that he will be repairing and maintaining in the future – experience that it normally takes many years to build up. Vestergaard Marine Service is a service provider to Royal Greenland and is used extensively when Royal Greenland's trawlers are in the yard. Establishing good relations between Royal Greenland's employees and Vestergaard Marine Service is thus a win-win situation for both parties.

In Greenland, positions such as factory managers and facility managers are preferably filled locally or regionally, in that this ensures continued stability and local anchoring. In 2018, 97% of the plant management in Greenland comprised employees of Greenlandic descent.

Royal Greenland Academy – investing in employees

At Royal Greenland, training and continuing education of employees is a high priority. We are continually looking to retain and recruit skilled employees for the right tasks. We gather both professional and vocational training at the Royal Greenland Academy.

Risks and goals

In the future, we risk a shortage of many qualified employees in the maritime and production-related professions in Greenland. We are therefore putting a great deal of effort into supporting students, apprentices and applicants in these professions. The hope is that as many as possible will choose to continue training and complete their education, so they can subsequently be hired by us or other companies.

Our goals are to:
- train apprentices and students
- support higher vocational education
- train and educate internal employees

A boot camp was held in 2018 for apprentices, students and applicants.

Over the course of the year a number of talent programmes were run for both skilled and unskilled employees. The programmes prepare employees for middle management positions. In addition, management training has been offered to production staff as well as the continuing education of managers and supervisors in Greenland.

The lesson learnt in 2018 has been that coaching managers is most valuable when it is conducted in the workplace, so that it can be adapted to the individual's working day and in local teams.

Within the framework of the Royal Greenland Academy, a total of 321 course participants received 107 days of training via 25 different courses in 2018. The number of participants has fallen, as the priority has shifted towards holding more four-day courses as opposed to three-day courses.

The course participants at school courses are employees who have completed qualifying training at external colleges. There has also been focus here on more concentrated training in 2018, as fewer participants have been present for more course days.

Mandatory courses have also been held in connection with daily company operations. A total of 329 participants have received 177 days' training via 34 courses held in 2018.

All in all, 713 course participants have received qualifying training and education with Royal Greenland in 2018.

At Group level there have been 48 apprentices and students, of which 41 have been based in Greenland.

In recent years, Royal Greenland has made special initiatives to support Greenlandic students taking higher vocational education programmes. In 2018, 21 Greenlandic students studying in the fields of process engineering and fisheries technology as well as aspiring engineer officers and deck officers have been supported through the programme.

Royal Greenland has thus had a total of 69 apprentices, trainees and students attached to the business, 62 of them based in Greenland.

Fig. 3

Courses for production employees in Greenland

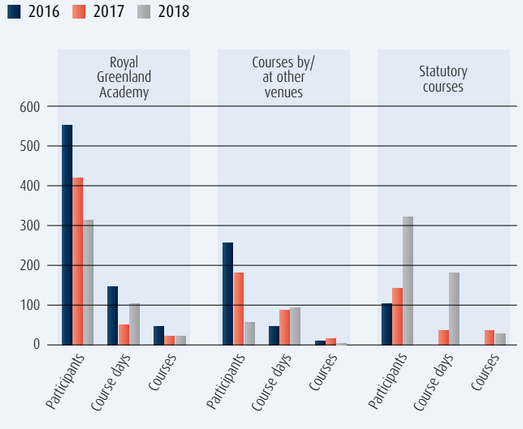
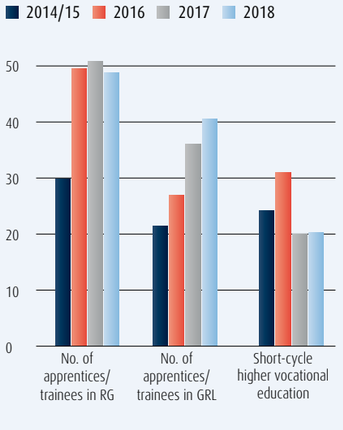


Fig. 4

Apprentices/trainees and students



Working environment - employee safety in focus

At Royal Greenland we wish to ensure a good working environment for the benefit of our employees' safety and well-being.

Risks and goals

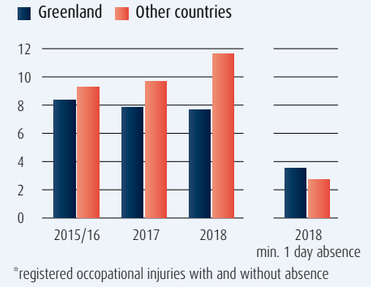
It is important that no employees are subjected to a work-related accident. We are continually working to improve and safeguard the workplace. We have a risk-based approach to safety work with a view to preventing accidents, in that we regularly review the plants' design and the employees' workplaces.

Our goals are to:
- safeguard the workplace as much as possible
- reduce the number of work injuries
- adapt working environment activities according to local legislation

Activities regarding working environment are currently organised on a decentralised basis, with local health and safety committees in the factory and office units. In Greenland, there is also a main safety committee, which sets the overall framework for the work.

Fig. 5

Reported* occupational injuries / 100 emp.



*registered occopational injuries with and without absence

The number of registered work injuries calculated per 100 employees is relatively constant in Greenland, while from 2017 to 2018 an increase can be seen for other countries. This relative increase can be attributed solely to the sale of the production facility in Poland in 2017. The processing plant in Poland had, with a relatively high number of employees, a lower rate of injury than other production units. The absolute number of work injuries outside of Greenland - with the exception of Poland - has remained constant for 2017 and 2018.

In 2018, where the calculation also shows the number of work injuries with more than 1 day's absence (per 100 employees), it can be seen that only a smaller share of work injuries result in more than 1 day's absence. The majority of registered injuries are therefore minor. There have been no major injuries of a serious nature and no fatalities. All recorded accidents are processed in the safety committee, where additional initiatives are defined.

The most common accidents fall within very few categories. It can be wet on the floor in many places in the production facilities and while the floors are non-slip, falls can happen. Furthermore there is the work with filleting, and therefore sharp knives, which can lead to cutting injuries.

Employees are encouraged to register and report all injuries for insurance where this is required. There are very different requirements in the countries we operate in, and we are working on aligning the calculation. We will therefore be working in the coming year on a Group system that can ensure a uniform approach.

Well-being in the workplace – SULISA

Since 2016, there has been increased focus in Greenland on retaining employees and on job satisfaction. After a large-scale feasibility study, the project SULISA has been launched in Sisimiut. SULISA focuses on a thorough introduction, information and communication for production staff. The results of the project have been very positive and much to the satisfaction of both employees and senior management. Based on the positive results, the concept will be expanded to more Greenlandic processing plants.

Human rights

Royal Greenland operates in a long value chain with a very diverse range of workplaces and functions across different cultures and environments. Regardless of the workplace, we have an obligation to ensure that human rights are observed.

Risks and goals

As described in Royal Greenland's human rights policy, we support the observance of the UN's Universal Declaration of Human Rights from 1948 as well as ILO's Declaration on Fundamental Principles and Rights at Work from 1998.

At Royal Greenland, our internal activities are located in countries where the risk of violating these rights is regarded as low. It is still important however that employees are informed of their rights.

Our goals are to:
- ensure that employees and senior management are aware of workers' and human rights
- ensure that human rights are not violated

Fundamental workers' rights are described in Royal Greenland's Code of Conduct, which was adopted in 2016. It was updated on a single point in 2018, which was an adjustment to the age of young workers to 15 years, in line with Greenlandic law. In Royal Greenland's original Code of Conduct the age was 16 years.

Should an employee observe a breach of the Code of Conduct, a complaint procedure exists that enables the employee to make an official complaint about the conduct while still being assured protection.

OUR PLANET – OUR FUTURE

Sustainable and properly managed fishery forms the entire basis of Royal Greenland's existence. Thus, the management of natural resources is key to our sustainability strategy. It is our basis and our future.

Sustainable fisheries

Royal Greenland fishes, lands and processes fish and shellfish in Greenland. Through bilateral agreements, Greenland has rights in other waters, primarily in the North Atlantic, which Royal Greenland also makes use of. In addition to own fishing, raw material is purchased from Canada, Denmark, Norway and other countries. Each year, the sustainability status of the fisheries is calculated, together with the share coming from certified fisheries.

In line with Royal Greenland's focus on sustainable management of natural resources, there has also been increased focus in recent years on the market's expectations for certified fisheries, including MSC (Marine Stewardship Council). MSC is in demand not only in the retail sector, but also in food service and the industrial segment.

Risks and goals

We wish to fish responsibly at a sustainable level. If quotas are set too high compared to the scientific advice, then there is a risk of a decline in the fisheries. Local employment considerations also play a role in determining quotas, but in the long term there should be agreement between the biological advice and TAC (Total Allowable Catch).

Our goals are to:
- ensure all species are fished sustainably
- certify Greenlandic fishing
- reduce unused bycatching as much as possible
- involve fishing expertise in consultancy and management

Every year, all species and fisheries are reviewed in order to assess their sustainability status. The categorisation is based on a breakdown of sustainable, less sustainable and critical species, whereby the former is defined as the fishing of healthy populations that are fished responsibly with a Total Allowable Catch (TAC) founded on scientific advice.

Figure 6 shows that the critical species have been virtually eliminated, while a bigger share of the fishing and species falls into the less sustainable category than previously. This can be attributed primarily to the increase in recent years of inshore fishing for Greenland halibut and cod, two fish populations where projects have been initiated in order to increase knowledge and thereby optimise management and sustainability status.

For example, in 2018 we focused on coastal fisheries for Greenland halibut in Greenland. A Fishery Improvement Project, FIP, has been established through Sustainable Fisheries Greenland (SFG). The aim is to mature this fishery for MSC certification over a 2-year period. An MSC certification process then lasts around 18 months. The purpose of the project is to gather fisheries' stakeholders within consultancy, management and commerce so that the fishery can comply with the MSC standard's requirements. Coastal fishing has many retail sector customers, and the strong consumer focus makes it important for this type of fishery to become certified.

Greenland halibut in coastal waters distinguishes itself by originating from the Davis Strait. While still small, the fish move towards the coast and remain there as they grow larger. This makes it difficult to calculate fishing quotas, as it is primarily the size of the fish that determines the quota. In recent years the size has declined, especially in the Ilulissat management area. We hope that the FIP project can lay down specific methods and goals suitable as proposals for the regulation of the fishery.

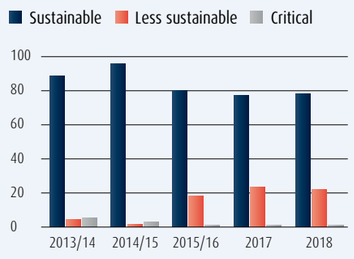
Ocean-going Greenland halibut fishery was MSC-certified in 2017. This has brought new sales opportunities in a number of markets, particularly in Sweden and Germany. The MSC certification strengthens Royal Greenland's position.

Coastal cod fishery in West Greenland is another important source of fishery for Royal Greenland. Unfortunately, there has been a decline in the fishery in 2018, and the quota for these stocks has not been caught.

In order to pinpoint the place of origin for the Greenlandic cod population, Royal Greenland contributed samples in 2017, which were analysed in 2018. The first results confirm earlier studies. While a local population can be found in coastal waters, there is also cod from both the offshore banks and the East Greenlandic-Icelandic population.

Fig. 6

Percentage distribution of purchased and fished raw materials in accordance with sustainability 2018



The influx of these external cod populations is crucial in determining how many fish there are in the coastal zone. We hope therefore that the new studies can contribute towards a more accurate quota calculation.

In terms of MSC certification, Royal Greenland has obtained five certifications since 2013. A complete summary can be found in the chart.

Royal Greenland MSC certifications	
- Prawn fishing in West Greenland	2013
- Cod, haddock & pollack in the Barent Sea	2015
- Lumpfish fishing in West Greenland	2015
- Ocean-going Greenland halibut fishing in West Greenland	2017
- Prawn fishing in the Barents Sea	2017

The proportion of certified fisheries and purchases in Royal Greenland is over 50% in 2018, see figure 7.

Fig. 7

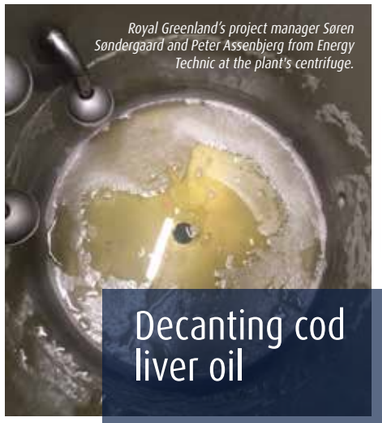
MSC and ASC % share of fishery and purchase

Partnerships

Our primary collaborative partners in Sustainable Fisheries Greenland are Greenlandic producers, the Greenland Business Association and the Association of Fishers and Hunters in Greenland, KNAPK. In addition, a positive collaboration with researchers and authorities is not only very important, but also necessary.

Royal Greenland is also a member of the Global Sustainable Seafood Initiative – GSSI, which has the key task of preparing a comparison basis for more sustainability standards. The network of businesses has expanded this year, and it is now an important connection to other global seafood companies working in sustainable fishing.

Lauritz Kreutzmann on his way out to check the Nutaaq® cod seawater pools in the fiords around Maniitsoq.



Royal Greenland's project manager Søren Søndergaard and Peter Assenbjerg from Energy Technic at the plant's centrifuge.

Decanting cod liver oil

An interesting new project has been launched in Maniitsoq, where Nutaaq cod production is located. The cod production is based on fresh cod of very high quality, which also gives access to the finest cod liver, which so far has not been used in production.

Since Royal Greenland's goal is to use as much of the raw material as possible, it is obvious that the high quality of the liver should not go to waste. In October, a small cod liver oil plant was installed at the factory. The last months of 2018 were spent on testing the stabilisation of the production process. In this process, the cod liver is heated to 90°C, and the liquid is separated and decanted, like the finest wine. The actual liver is centrifuged and the pure oil is recovered and cooled, before the final product is piped to a storage tank.

The fine quality of the raw material can be used to produce cod liver oil of very high quality, suitable for human consumption. The 2019 season is expected to start in April, as the first full season for cod liver oil production.

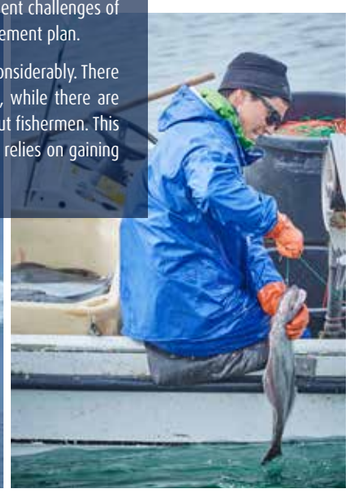
Greenland Halibut Fisheries Improvement Project

In 2017, offshore Greenland halibut fishing in West Greenland gained MSC certification, as the first instance for this species. In 2018, this was followed by a Fisheries Improvement Project for inshore Greenland halibut fishing, with the long-term goal to also achieve MSC certification for this fishing.

The project aims to reveal the strengths and weaknesses of inshore Greenland halibut fishing, and to implement improvements. The project started up in the autumn of 2018 and runs until 2020. It receives financial support from the Sustainable Fisheries Foundation (SFF) programme under the Resource Legacy Fund and Sustainable Fisheries Greenland. On preparing the schedule of work for such a project, competent advisory services are vital. In this respect, Sustainable Fisheries Greenland works closely with MSC's programme officer for Greenland.

Another very important aspect of the project is to involve the fisheries operators, such as the KNAPK fisheries organisation, and the many local fishermen. There is emphasis on the knowledge of both fishermen and researchers of the species' development, advice concerning quotas, and the management challenges of achieving a knowledge-based management plan.

Offshore and inshore fisheries differ considerably. There are relatively few offshore operators, while there are around 2,000 inshore Greenland halibut fishermen. This means that succeeding with this task relies on gaining and sharing a lot of knowledge.



Utilisation of natural resources – the blue bioeconomy

All fishing businesses wish to utilise a fished resource as much as possible. The focus in recent years on a higher utilisation of by-products and side streams has given rise to more opportunities.

Risks and goals

In Greenland, Royal Greenland utilises around 67% of landed raw material. This means that there is still a considerable amount that is not used. The challenge in utilising the remaining share is that a different kind of expertise is needed than that used in producing traditional products. It therefore requires investments, time and development, ideally together with external partners, to substantially increase the utilisation of resources.

The risk in not using the entire raw material is not only in the loss of development and earning potential, but also the risk of a build-up of organic material in still water sea areas.

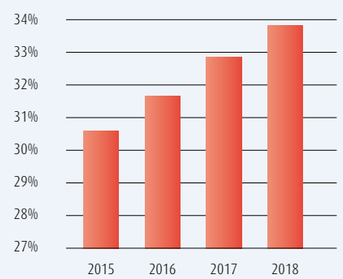
Our goals are to:
- map and develop initiatives based on residual raw material
- implement new products with financial returns
- increase resource productivity

For many years, Royal Greenland has been very aware of the potential for the utilisation of residual raw material and has entered into collaborations on the development of new products. This started 25 years ago, with the use of prawn shells for prawn flour in Ilulissat. This is now a recognised product that is highly in demand.

In figure 8, a slight increase in the share of unused raw material in recent years can be seen. This development is an expression of an increase in processing, for example through filleting. If the fish is exported whole the entire fish is sold, while filleting leaves behind a great deal of residual fish which must be used in a new way.

Fig. 8

Non-utilised share of the raw materials in Greenland



An oil facility was established in Maniitsoq in 2018 for the utilisation of cod liver for the production of a refined cod liver oil. Other smaller start-up projects include cod roe, cod stomachs and cod heads.

We participated in 2018 in a project under MUDP (Environmental Technology Development and Demonstration Programme), whereby process water is purified of proteins and oils from prawn processing. The project Flotfood, which is ending in 2019, has a dual purpose; that is both to avoid direct emissions into Disko Bay and to obtain a new raw ingredient for further processing.

Under the GUDP (Green Development and Demonstration Programme) Royal Greenland is also participating in a project investigating the use of tanned fish skins in several types of products.

The utlisation of new raw ingredients is referred to as the blue bioeconomy. In the West Nordics we have participated in the West Nordic Bioeconomy Panel, which has developed recommendations for the utilisation of the entire fishing resource. In connection with this work we have received support for a project where the entire lumpfish is landed, cleaned and the roe removed. The project is a collaboration with the Icelandic research institute Matis and fishermen in Paamiut. The trial has shown good potential for improving the quality, utilisation of the whole fish and a better working environment for fishermen.

Environment and climate

Freshwater

Freshwater is an important resource that should be considered when establishing new production lines or processing plants.

Water for the production units can be sourced from lakes, from underground or from the sea. Certain plants lack the addition of freshwater and production must be adapted accordingly. In some places, freshwater is supplied from reverse osmosis plants, which are based on a process that is both energy-demanding and expensive.

Risks and goals

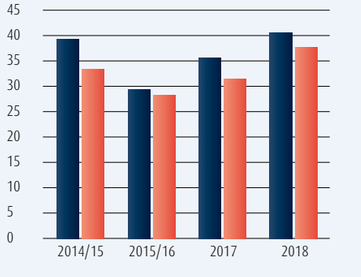
The biggest risk is a shortage of water or water of low quality that does not comply with current legislation. Water samples are taken regularly for analysis in our own laboratory.

Our goals are to:
- have adequate water of good quality
- monitor and adjust consumption in relation to production needs
- reduce consumption as much as possible

The total water consumption in the Group's production units is relatively stable at around 2.5 million m3 water/year, while there is a greater fluctuation in the calculation per tonnes of finished goods. It is clear that there is a difference between what products are being produced and also how big the production units are. The prawn processing plants in particular consume large amounts of water per tonne of finished goods, in that the water acts partly as a means of transport in the process flow and is also used for cooking and peeling the prawns. An increase in water consumption is also seen in the filleting of cod, for example. The increase in filleting in recent years can be seen directly in figure 9.

Fig. 9

Water consumption - m3 water/tonnes finished goods



Most of the water consumption leaves the processing plants again as process water, either to wastewater treatment plants or directly into the sea, depending upon the location of the plant and the local infrastructure. When it is led directly out into the sea, the large mass of water dilutes the process water and any organic residue.

Waste

Royal Greenland's production results in various kinds of product waste, just as waste can also be generated in packaging, used fishing nets, tubs and boxes. This section deals with the latter.

Risks and goals

Waste is handled very differently depending on whether the processing plant is located in a town or a settlement, as well as on national legislation. All waste is delivered to and handled by public authorities, and targets are thus set depending on the location. The biggest risk of pollution can be seen in smaller towns and settlements, where waste is sent to landfills.

Our goals are to:
- reduce waste
- use circular materials
- handle waste in accordance with local regulations

As an extension of the EU's plastic directive, we have worked in 2018 on setting goals for plastic consumption. In 2019, we will continue to work on reduction targets and the substitution of currently non-reusable plastic materials with materials that can be reused in a circular system.

Energy and climate

The climate is of vast importance to the world we live in. There have been significant changes in the climate in recent years, and as a company we have an obligation to address this. In Greenland, it is clear that the climate is changing, and despite a very cold summer in 2018 we can see a thawing of the permafrost and melting of the inland ice.

Risks and goals

In Greenland, climate changes can affect the sea's sustainable resources, local weather conditions and our present way of life. While an increased local temperature can be an advantage in some places, the bigger picture forecasts more extreme weather with severe fluctuations. Most relevant to us, climate change has meant that cod stocks now has the potential again for growth in West Greenland, and that prawns are moving northwards. Another relatively new development is that mackerel can now be found in East Greenlandic waters.

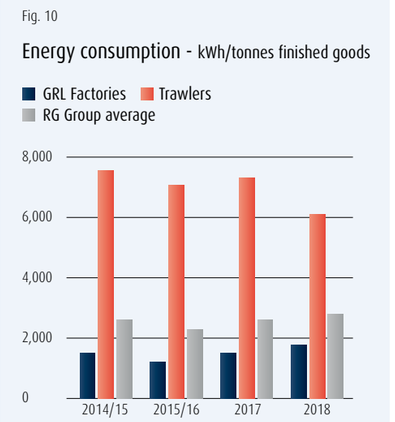
As a company, we can impact the climate with the emission of Greenhouse Gases (GHG), which are developed with the combustion of fossil fuels. Energy needs are greatest on vessels and the emissions from the fishing itself constitutes the biggest share.

Our goals are to:
- reduce energy consumption per tonnes of finished goods
- use electricity from renewable energy sources, wherever possible
- calculate and reduce Royal Greenland's emissions of CO2 equivalents

We calculate the total energy consumption and energy consumption per tonnes of finished goods annually for the Group's production units and vessels. As can be seen in figure 10, consumption has been reduced in 2018 for the trawlers, while there has been a slight increase in consumption in the processing plants. The reason for the reduction is the optimisation of transport to the fishing spots and the fishing itself. In addition, there has been no sailing from West Greenland to the prawn stock in the Barents Sea.

Fig. 10

Energy consumption - kWh/tonnes finished goods



Energy needs and consumption depend upon the type of production carried out at the individual sites. Prawn processing plants in particular have large energy needs. In Greenland, 37% of electricity consumption is from hydropower. The most energy-demanding plants are the prawn processing plants in Sisimiut and Ilulissat. Together with the plant in Nuuk, both plants are based on renewable energy in the form of hydropower.

We are continually striving towards improvements in the processing plants, and the primary initiatives have been an optimisation of ventilation systems, replacement of cooling units and a conversion from traditional lighting to LED. Furthermore, automatic air separators have been installed on the cooling units in many processing plants.

On Royal Greenland's vessels, Marine Gas Oil is used exclusively as fuel. This fuel has a lower sulphur content than Heavy Fuel Oil. The emission of acidic particles has thus been reduced, and with it the risk of acid rain. Moreover, the emission of black carbon particles has also been reduced.

PROFIT – BUSINESS ETHICS AND INTEGRITY

The long-term conditions for a profitable and sustainable future are that the company can run a legitimate business at all times based on healthy ethics and high business integrity.

Anti-corruption: training in dilemmas

Risks and goals

Royal Greenland operates on the global market in terms of both purchasing and sales. It is thus essential that those employees affected are aware of the risks inherent in their job. Some of the risks which we try to take into account are bribery of any kind, nepotism and particularly large gifts etc. in connection with a deal.

Our goals are to:
- ensure our employees are aware of the risks and consequences of corruption
- prevent complicity in corruption
- inform of the opportunities to report a suspicion

According to Royal Greenland's anti-corruption policy and procedures, all employees exposed to such risks must be trained in dilemmas every other year. This training is adapted to the employee's normal working day and national context.

In addition, Royal Greenland must naturally comply with the legal requirements in the countries in which we operate. For example in the UK there has been a tightening of anti-corruption legislation since 2010, in that provisions were added in 2017 on money laundering and tax avoidance as well as extended corporate responsibility to implement preventative initiatives.

Royal Greenland thus put together an expanded anti-corruption training package in 2018 based on the new UK legislation. The topics of money laundering and tax avoidance are represented in the new training as two new types of dilemma, which increases awareness of clandestine money transfer and unusual trading procedures. The internal risk assessment has also been updated so that e-learning is now reviewed by a wider section of the company, including the finance, controls and accounting departments.

In 2018, 76% of the relevant employees were trained, while the remaining employees will complete their training in Q1 2019. In total, over 200 employees take part in the training.

Themothæus Petersen from Kullorsuaq presents the Grenland halibut catch

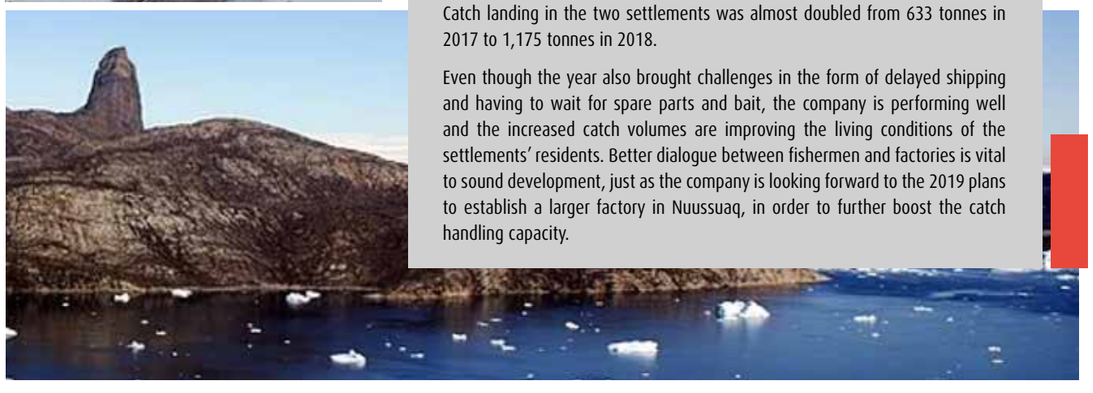
Arctic Fish Greenland year 2.0

In 2017, the facilities in the settlements of Kullorsuaq and Nuussuaq became the limited liability company Arctic Fish Greenland, which is owned and operated jointly by 92 local fishermen and Royal Greenland. 2018 was the first full year with the new ownership structure, and there has been full speed ahead with this new venture.

New freezer containers, purchase of state-of-the-art snow scooters, outboard engines, a transport boat to carry spare parts between Kullorsuaq and Nuussuaq, and improvements to fishing equipment and factory facilities, all contributed to making 2018 an excellent year for the new company.

Catch landing in the two settlements was almost doubled from 633 tonnes in 2017 to 1,175 tonnes in 2018.

Even though the year also brought challenges in the form of delayed shipping and having to wait for spare parts and bait, the company is performing well and the increased catch volumes are improving the living conditions of the settlements' residents. Better dialogue between fishermen and factories is vital to sound development, just as the company is looking forward to the 2019 plans to establish a larger factory in Nuussuaq, in order to further boost the catch handling capacity.



Ethical supply chain management – Ethical due diligence

At Royal Greenland, we expect correct corporate behaviour. This applies not only to our own departments and employees, but also to our suppliers. As with our internal Code of Conduct, Royal Greenland's Supplier Code of Conduct is based on the UN's Universal Declaration of Human Rights from 1948 as well as ILO's Declaration on Fundamental Principles and Rights at Work from 1998

Risks and goals

Human rights and environmental matters are not always interpreted in the same way throughout the world. It is important for us that collaborative partners and suppliers respect widely recognised standards.

Some suppliers or sub-suppliers can be based in countries with inadequate legislation in the area of human and worker's rights, with poor environmental conditions or a lack of control mechanisms in terms of corruption. We have therefore divided all our suppliers into high, medium or low risk based on their native country, industry and volume of trade.

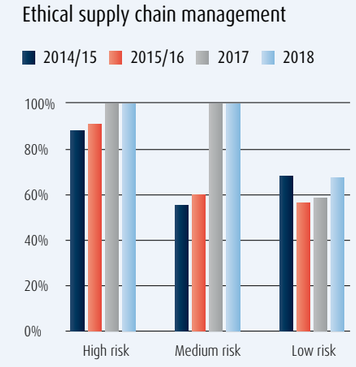
Our goals are for:
- all suppliers to comply with the UN's Universal Declaration of Human Rights and ILO's Declaration on Fundamental Principles and Rights at Work
- all suppliers to sign Royal Greenland's Code of Conduct
- all suppliers from high and medium risk countries to carry out and sign a self assessment
- suppliers in low risk countries to read and sign the Code of Conduct

In addition to signing Royal Greenland's Supplier Code of Conduct, all suppliers that are placed in the medium or high risk group will be asked to fill out a self assessment. We use this to either continue the dialogue or directly approve the supplier collaboration on a more informed basis.

Royal Greenland also encourages collaborative partners with production in high risk countries to allow themselves to be SMETA-audited. This raises the quality of the information in the self assessment and takes into account that more and more customers are demanding ethical audits.

A substantial share of our purchases of raw material, ingredients and packaging materials are purchased through suppliers in high or medium risk countries. These areas therefore require special attention and in 2018 there has been a 100% response rate from the high and medium risk groups, see figure 11.

Fig. 11 - Development of approvals of Supplier Code of Conduct, broken down into risk groups



The Code of Conduct is sent for renewed acceptance every three years. The goal is to have a minimum 95% acceptance rate. The lower response rate to the Code of Conduct in low risk countries can be attributed to more frequent changes of supplier, especially within strategic purchasing categories.

PEOPLE

Working conditions and human rights	2014/15	2015/16	2017	2018
No. of employees				
Total	2,156	2,769	2,533	2,228
Greenland	1,202	1,401	1,363	1,438
Other countries	954	1,368	1,170	741
Greenland %	56%	51%	54%	67%
Other countries %	44%	49%	46%	33%
Training and education - Greenland				
Course participants in RG Academy	-	549	426	321
No. of course days in RG Academy	-	146	54	107
No. of courses in RG Academy	-	45	23	25
Course participants at other venues	-	252	177	63
No. of course days at other venues	-	40	82	88
No. of courses at other venues	-	10	23	5
Statutory courses, participants	-	107	150	244
No. of course days, statutory courses	-	-	44	51
No. of courses, statutory courses	-	-	41	24
No. of course paticipants, total	-	908	753	628
Apprentices, trainees and students				
Group (apprentices/trainees)	30	49	51	48
Greenland (apprentices/trainees)	22	27	36	41
Greenland (students in higher education)	25	31	20	21
Diversity				
Board (w/m)	50/50	50/50	50/50	50/50
Executive management[1]	16%	14%	13%	15%
Factory managers[2] (% of Greenlandic nationality)	93%	100%	94%	97%
Trawler officers[2] (% resident in Greenland)	84%	86%	85%	84%
Employee safety				
Work injuries[3] per 100 employees Greenland	-	8.5	7.9	8
Work injuries[3] per 100 employees other countries	-	9.2	9.6	11.9
Work injuries[3] min. 1 day of absence per 100 employees Greenland	-	-	-	4
Work injuries[3] min. 1 day of absence per 100 employees other countries	-	-	-	3

[1] *Percentage of women in management*
[2] *With a special connection to Greenland*
[3] *Definition: A sudden, unexpected and harmful event that results in notification of a personal injury, calculated per 100 FTEs.*

PLANET

Sustainability	2014/15	2015/16	2017	2018
Sustainable fisheries and utilisation of resources				
Sustainable species	96%	80%	76%	77%
Less sustainable species	1%	18%	24%	22%
Critical species	4%	1%	< 1%	< 1%
MSC certification of raw materials	40%	45%	46%	52%
ASC certification of raw materials	-	-	2%	< 1%
Share of potential new ressource in Greenland	31%	32%	33%	34%

Environment	2014/15	2015/16	2017	2018
Energy consumption				
All production units and trawlers (GWh)	203	275	249	239
Group (KWh/tonnes finished goods)	2,588	2,288	2,567	2,693
Greenland factories (KWh/tonnes finished goods)	1,458	1,180	1,413	1,560
Ocean-going vessels (KWh/tonnes finished goods)	7,432	7,040	7,157	6,186
Water consumption				
All production units (million m³)	2,1	2,8	2,4	2,5
Group (m3/tonnes finished goods)	26	23	25	28
Greenland (m3/tonnes finished goods)	39	30	36	41

PROFIT

Good business ethics	2014/15	2015/16	2017	2018
Anti-corruption				
Anti-corruption training	9%	91%	-	76%
Ethical supply chain management				
Total responses	70%	58%	61%	69%
High risk	88%	91%	100%	100%
Medium risk	55%	61%	100%	100%
Low risk	69%	55%	59%	65%

FINANCIAL STATEMENTS

Accounting policies

General

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

The new Danish Financial Statements Act has been adopted with effect for the financial year beginning on July 1st 2018 or later. It has been decided that the following provisions from the new financial statements act will be implemented from the start of the 2018 financial year:

1. Provisions on auditing etc.
2. Provisions on a regular revaluation of residual values in the calculation of the depreciation base for fixed assets

Point 1. For Royal Greenland this means that the management report is no longer covered by the audit. A separate statement on the management report will be delivered instead.

Point 2. From now on, a regular reassessment of residual values will be performed. The change is implemented prospectively from 2018 in accordance with Section 4 of the provisional executive order (Overgangsbekendtgørelsen), meaning there has been no adjustment to the comparative figures in the balance sheet or the income statement. The change in accounting policy has impacted the accounts with the following amounts:

mDKK	Group	Parent
Profit before tax	23.8	18.6
Profit of the year	16.2	12.7
Total assets	23.8	18.6
Equity	16.2	12.7

With the exception of the above, the accounting policy used remains unchanged in relation to last year.

Consolidation

The Group financial statements comprises Royal Greenland A/S (the parent company) and its associated companies (subsidiaries), in which the parent company directly or indirectly owns more than 50% of the voting rights or otherwise has a controlling interest. Companies in which the Group has a significant influence but not a controlling interest are considered to be associates. The Group summary is presented on page 74-75.

The Group financial statements are prepared as a consolidation of the parent company and the individual subsidiaries' revised financial statements, which are all presented in accordance with the Group's accounting policies. All intra-group receivables and debts, income and expenses, dividends and unrealised intra-group gains and losses have been eliminated along with all internal shareholdings.

Business combinations

Newly acquired or established companies are included in the Group financial statements from the time of takeover. Sold or liquidated companies are included in the consolidated balance sheet up until the time of disposal.

In the acquisition of new companies wherein the parent company achieves a controlling interest, the purchase method is used, after which the newly acquired company's identifiable assets and obligations are measured at fair market value at the time of takeover. Provision is made for the covering of costs for adopted and announced restructuring of the acquired company in connection with the takeover. Consideration is given for the tax consequences of the revaluations and provisions.

Positive difference (goodwill) between the cost price for the acquired share capital and the fair market price of the overtaken shares and obligations is included under intangible fixed assets and written off systematically from the income statement after an individual assessment of its useful life, to a maximum however of 20 years. Negative difference (negative goodwill) which reflects an anticipated unfavourable outcome in the relevant companies is calculated in the balance sheet as a separate accrual and included in the income statement in line with the realisation of the unfavourable outcome.

The pooling of interests method is used for intra-group restructuring.

Gain or loss from the transfer or disposal of subsidiaries is calculated as the difference between the sales sum or the disposal proceeds and the carrying amount of net assets at the time of transfer or disposal, including unamortised goodwill, earlier price adjustments and anticipated costs of the sale or disposal. Gains and losses are included in the income statement.

Minority interests

In calculating consolidated income and consolidated equity, the minority interests' proportionate share of the subsidiaries' profits and equity is stated separately.

Foreign currency translation

Transactions in foreign currency are initially translated at the exchange rate on the day of the transaction. Receivables, debts and other monetary items in foreign currency that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. Any differences in exchange rates that occur between the rate on the transaction day and the rate on the payment date or balance sheet date respectively, are included in the income statement as financial items.

The income statements of foreign subsidiaries and associates are translated into Danish kroner at the average exchange rate for the year, while the balance sheets are translated at the exchange rate at the balance sheet date. Exchange rate differences arising from the translation of the foreign subsidiaries' equity at the beginning of the year to the exchange rate on the balance sheet date are included directly in the equity. The same applies to any exchange rate differences arising as a result of a translation of the income statement from the average exchange rate for the year to the exchange rate on the balance sheet date.

Derivative financial instruments

Derivative financial instruments are measured initially on the balance sheet at cost price and subsequently at fair market value. Derivative financial instruments are included in the balance sheet under financial fixed assets and long-term liabilities.

Changes to the fair market value of derivative financial instruments that are classified as and fulfil the conditions for hedging of a recognised asset or a recognised obligation are included in the income statement under financial items along with any changes in the value of the hedged asset or the hedged obligation.

Changes to the fair market value of derivative financial instruments that are classified as and fulfil the conditions for hedging of future transactions are included directly in the equity. Once the hedged transactions are realised, the accumulated changes are included in the relevant account entries.

If derivative financial instruments do not fulfil the conditions for processing as hedging instruments, the changes to the fair market value are included on an ongoing basis in the income statement as financial items.

Statement of income

Revenue

Revenue from the sale of commodities and finished goods are included in the income statement once the delivery and transfer of risk to the buyer has taken place. Revenue is calculated excluding any VAT, taxes and discounts in connection with the sale.

Other operating income and operating costs

Other operating income and operating costs cover income and costs of a secondary nature seen in relation to the Group's primary operations.

Research and development costs

Research and development costs cover costs, including remuneration and amortisation, that can be attributed to research and development activities.

Research costs are included in the income statement for the year in which they were incurred.

Development costs incurred for the maintenance and optimisation of existing products or production processes are charged as an expense. Costs for the development of new products are included in the income statement, unless the criteria for inclusion in the balance sheet has been fulfilled for the individual development project.

Financial items

Financial items cover interest income and interest costs, the interest share of financial leasing services, realised and unrealised exchange rate gains and losses in regard to any securities, liabilities and transactions in foreign currency, amortisation supplements/deductions in regard to mortgage debt, cash discounts etc. as well as supplements and allowances in accordance with the on-account tax scheme.

Tax

The year's tax, which comprises the current tax for the year and any amendments to deferred tax, is included in the income statement with that share, which can be attributed to the year's profits and losses and directly in equity with the share which can be recognised in items directly in equity. The share of the recognised tax that relates to the year's extraordinary profits are recognised here while the remaining share is included in the year's ordinary profits.

Income tax payable or receivable and current tax receivables respectively are recognised on the balance sheet as tax calculated on the year's taxable income and adjusted for tax paid on account.

Deferred tax is recognised and measured according to the balance sheet liability method of all temporary differences between the accounting and taxable values of assets and liabilities, wherein the taxable value of the assets is calculated based upon the planned use of the individual asset. Deferred tax is not allocated to assets in subsidiaries. Deferred tax is measured on the basis of the tax regulations and rates in the respective countries that will be applicable on the balance sheet date when the deferred tax is expected to be released as current tax. Any changes in deferred tax as a result of changes in tax rates are recognised in the income statement.

Deferred tax assets, including the tax value of any tax loss carryforwards, are recognised in the balance sheet with the value at which the asset is expected to be realised by offsetting deferred tax liabilities or as net tax assets.

Balance sheet

Intangible fixed assets

The value of goodwill, quotas and other intangible fixed assets are in fact kept intact for an infinite

period, but are written off over a period of up to 20 years in accordance with the Greenlandic Financial Statements Act.

Goodwill and Group goodwill
Goodwill is amortised linearly over its assessed useful lifetime, which is determined on the basis of the management's experience within the individual business areas. The amortisation period normally constitutes 5 years, but can constitute up to 20 years for strategic acquisitions with a strong market position and long-term earnings profile, should the longer amortisation period be assessed as better reflecting the Group's utilisation of the relevant resources.

The carrying amount of goodwill is assessed regularly and reduced to the recoverable amount in the income statement should the carrying amount exceed the expected future net income from the company or operations which the goodwill is attached to.

Quotas, IT and licences
Acquired intellectual property rights in the form of quotas, IT and licences are measured at cost price with the deduction of accumulated amortisations. Amortisation occurs linearly over 3-10 years. The acquired intellectual property rights are written down to the recoverable amount should this be lower than the carrying amount.

Development projects
Development projects cover costs, salaries and remuneration as well as amortisation that can be linked directly or indirectly to the company's development activities and which fulfils the criteria for recognition on the balance sheet.

Capitalised development costs are measured at cost price minus accumulated amortisations or at the recoverable amount, should this be lower.

Capitalised development projects are amortised linearly after completion of the development activities over the assessed economic useful lifetime. The amortisation period normally constitutes 3-10 years.

Other intangible fixed assets
Other intangible fixed assets cover trade agreements and are measured at cost price with the deduction of accumulated amortisations. The lifetime is considered to be infinite, which is why amortisation occurs linearly over 20 years. The acquired intellectual property rights are written down to the recoverable amount should this be lower than the carrying amount.

Tangible fixed assets
Ground and buildings, vessels, technical facilities and machinery as well as other plants, operating material and fixtures are measured at cost price minus the accumulated write-offs/write-downs. Ground is not written off.

The cost price covers the purchase price and any costs directly attached to the purchase all well as the costs of preparing the asset until the time when the asset is ready to be taken into use. For own-produced assets, the cost price covers direct and indirect costs of materials, components, subsuppliers and salaries.

Interest costs on loans for financing the manufacture of tangible fixed assets are included in the cost price providing they relate to the manufacturing period. All other financial costs are included in the income statement.

The depreciation period and residual value are determined at the time of purchase and reassessed annually. Should the residual value exceed the carrying amount of the asset, depreciation is discontinued.

The depreciation base is the cost price minus the expected residual value after the useful life-time. Linear depreciation is made based on the following assessment of the expected useful life-times of the assets:

Buildings	10 - 50 år
Vessels	7 - 16 år
Production facilities, which are included in the financial entry 'vessels'	5 - 10 år
Production facilities and machinery	5 - 20 år
Other facilities, operating material and fixtures	3 - 5 år

Tangible fixed assets are written down to the recoverable amount should this be lower than the carrying amount.

Gains and losses on the disposal of tangible fixed assets are calculated as the difference between the sales price minus the sales costs and the carrying amount at the time of sale. Gains are recognised in the income statement under other operating income, while loss is recognised in the income statement under other operating costs.

Financial fixed assets
Investments in subsidiaries and associates
Investments in subsidiaries and associated companies are recognised and measured according to the equity method, which implies that the investments are measured by the proportional share of the companies' recognised equity value, cf. the description above under Group financial statements, with the addition or deduction of unamortised positive or negative Group goodwill and with the deduction or addition of unrealised intra-group gains and losses.

The parent company's share of the company's profits is included in the income statement after the elimination of any unrealised intra-group gains and losses and with the deduction or addition of amortisation on Group goodwill or negative goodwill respectively.

Subsidiaries and associates with a negative equity value are measured at DKK 0, and any receivables in these companies are reduced by the parent company's share of the negative equity, to the extent this is assessed as being irrecoverable. Should the negative equity value exceed the receivables, the remaining amount is included under provisions, to the extent that the parent company has a legal or constructive obligation to cover the relevant company's liabilities.
Net revaluation of investments in subsidiaries and associates is transferred to the reserve for net revaluation of investments to the extent that the carrying amount exceeds the cost price.

Other financial fixed assets
Other financial fixed assets primarily covers long-term receivables and unlisted investments.

Investments and receivables that are not held until maturity are measured upon acquisition at cost price and subsequently at fair market price. Should it not be possible to reliably determine the fair market value they are measured at cost price.

Receivables that are held until maturity are measured upon acquisition at cost price and subsequently at amortised cost price.

Any depreciation to a lower value is done in consideration of an individual assessment of the risk of loss.

Inventories
The inventory of commodities is measured at cost price calculated according to weighted average prices, or at net realisable value, should this be lower.

The inventory of consumables includes packaging, operating supplies and fishing boxes.

The inventory of fishing boxes is measured at a fixed amount. Additional purchases are expensed on an ongoing basis.

Other inventories of consumables are measured at cost price, calculated according to the FIFO method, or at net realisable value, should this be lower.

Inventory that falls under manufactured or finished goods, including finished goods produced onboard own trawlers, are measured at cost price, calculated according to weighted average prices, or at net realisable value, should this be lower. The cost price covers the costs of the raw fish, consum-ables and direct salaries as well as any indirect production costs. Indirect production costs are allocated on the basis of the individual production unit's normal capacity. Indirect production costs cover indirect materials and salaries, the costs of maintenance of and write-offs/write-downs in the trawlers used in the production process, processing plant buildings, machinery and equipment as well as the cost of plant administration and management.

Receivables
Receivables are measured at amortised cost price, which normally corresponds to the nominal value minus a reduction to accommodate any anticipated loss.

Accruals
Accruals included under assets cover costs incurred in regard to the subsequent financial year. Accruals are measured at amortised cost price, which normally corresponds to the nominal value.

Equity
Dividends are recognised as a liability at the time of adoption at the annual general meeting. The proposed dividends for the financial year are listed as a separate entry under equity.

Provisions
Provisions are recognised when the Group, as a result of an event before or on the balance sheet date has a legal or constructive obligation, and it is likely that there may be financial gains in settling the obligation.

Provisions with an expected maturity beyond one year from the balance sheet date are discounted using a marketbased interest rate.

Liabilities
Financial liabilities
Financial liabilities are measured at the time of borrowing at cost price, corresponding to the proceeds received minus incurred transaction costs. The liability is subsequently measured at the amortised cost price corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value are recognised in the income statement over the loan period.

Providing a financial liability is effectively hedged by a derivative financial instrument, the financial liability is measured at fair market value, and any changes to the fair market value are recognised in the income statement under financial items along with any changes in the fair market value of the derivative financial instrument.

Other financial liabilities
Other financial liabilities are recognised at amortised cost price, which normally corresponds to the nominal value.

Accruals
Accruals recognised under liabilities cover income received for recognition in subsequent financial years. Accruals are measured at amortised cost price, which normally corresponds to the nominal value.

Cash flow statement
The cash flow statement for the Group is presented according to the indirect method and shows the cash flow in regard to operations, investments and funding as well as the Group's liquid assets at the beginning and end of the year. A separate cash flow statement has not been prepared for the parent company, as this is included in the cash flow statement for the Group.

The liquidity effect in the purchase and sale of new businesses is shown separately under cash flows relating to investment activities. Cash flow from acquired companies is recognised in the cash flow statement from the acquisition date, while cash flow from sold companies is recognised up until the time of sale.

Cash flow from operating activities is calculated as the operating profits adjusted for non-cash operating items, changes in working capital and paid corporate income tax.

Cash flow from investment activities covers payments in connection with the purchase and sale of companies and activities as well as the purchase and sale of intangible, tangible and financial fixed assets.

Cash flow from financial activities covers changes to the size or composition of the Group's share capital and any related costs as well as any borrowing, repayment of interest-bearing debt and payment of dividends to shareholders.

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

Segment information

The Group's primary segment comprises the business segment, while the secondary segment is geographical markets.

The Group's primary segment

The Group's primary segment is reported with its point of departure in the internal reporting to the Executive Board and is distributed into retail, foodservice, industry and others.

The Group's secondary segment

The Group's secondary segment is the geographical markets and distributed into Scandinavia, Europe, Asia, North America and other markets, respectively.

Financial highlights

The key figure 'net interest-bearing debt' falls due after offsetting of derivative financial instruments with positive value. In calculating the equity ratio and net interest-bearing debt/EBITDA, derivative financial instruments with positive value are offset in both the total assets and the net interest-bearing debt.

As the 2015/16 financial year covers 15 months, the financial year's figures from the income statement are calculated proportionally for 12 months to the extent they are included in the calculation of key figures.

EBIT margin	=	Profit from primary operations, including associated companies x 100 / Net revenue
EBT margin	=	EBT x 100 / Net revenue
ROIC including goodwill	=	EBITA x 100 / Average invested capital including goodwill
Return on equity (ROE)	=	Net profit/loss for the year x 100 / Average equity
Equity ratio	=	Equity x 100 / Balance sheet total
Net interest-bearing debt / EBITDA	=	Net interest-bearing debt / EBITDA

INCOME STATEMENT

		Group		Parent	
	Note	2018 DKK 1.000	2017 DKK 1.000	2018 DKK 1.000	2017 DKK 1.000
Revenue	1	5,168,911	5,612,847	2,915,027	2,764,978
Change in inventories of finished goods		28,529	(67,132)	67,345	(31,485)
Other operating income	2	67,220	34,779	38,343	38,750
		5,264,660	**5,580,494**	**3,020,715**	**2,772,243**
Costs of raw materials and consumables		(2,964,461)	(3,358,458)	(1,568,261)	(1,457,303)
Other external expenses		(880,283)	(822,053)	(489,032)	(456,635)
Staff costs	3	(1,020,116)	(979,033)	(677,392)	(617,903)
Depreciation, amortisation and impairment losses	4	(141,320)	(168,636)	(80,729)	(100,709)
Other operating costs		(3,594)	(1,224)	(88)	(440)
Operating profit		**254,886**	**251,090**	**205,213**	**139,253**
Profit/loss from investments in group enterprises after tax		0	0	(13,929)	38,418
Profit/loss from investments in associates after tax		32,417	36,747	16,607	12,318
Financial income	5	30,726	39,069	19,131	27,224
Financial expenses	6	(59,950)	(73,937)	(34,201)	(46,177)
Profit before tax		**258,079**	**252,969**	**192,821**	**171,036**
Tax on profit	7	(105,482)	(94,977)	(66,863)	(42,360)
Profit after tax		**152,597**	**157,992**	**125,958**	**128,676**
Minority interests' share of profit/loss after tax of group enterprises		(26,639)	(29,316)	-	-
PROFIT FOR THE YEAR		**125,958**	**128,676**	**125,958**	**128,676**
Proposed distribution of profit					
Reserve for net revaluation according to the equity method				0	0
Proposed dividend				62,979	64,338
Retained earnings				62,979	64,338
				125,958	**128,676**

ASSETS

	Note	Group 31,12,18 DKK 1,000	Group 31,12,17 DKK 1,000	Parent 31,12,18 DKK 1,000	Parent 31,12,17 DKK 1,000
Intangible assets	8	**176,583**	**188,675**	**49,153**	**50,879**
Buildings		306,426	279,779	233,703	207,793
Plant and machinery		216,855	213,256	122,650	116,435
Vessels		411,253	395,619	187,023	165,788
Other fixtures and fittings, tools and equipment		25,804	26,619	21,328	20,746
Fixed assets in progress		233,019	201,286	217,210	193,444
Property, plant and equipment	9	**1,193,357**	**1,116,559**	**781,914**	**704,206**
Investments in group enterprises	10	0	0	1,786,740	1,814,363
Receivables from Group enterprises	11	0	0	49,712	55,560
Investments in associates	10	140,458	113,935	29,715	18,454
Receivables from associates	11	8,852	18,788	8,852	9,787
Derivative financial instruments		73,046	25,101	73,046	25,101
Other fixed asset investments	12	152,716	159,723	59,313	58,373
Fixed asset investments		**375,072**	**317,547**	**2,007,378**	**1,981,638**
FIXED ASSETS		**1,745,012**	**1,622,781**	**2,838,445**	**2,736,723**
Inventories	13	**1,644,651**	**1,561,826**	**813,165**	**732,092**
Trade receivables		662,305	793,527	12,631	8,375
Receivables from Group enterprises		0	0	137,070	111,561
Receivables from associates		5,809	0	5,809	0
Other receivables	14	67,784	58,676	4,328	17,227
Deferred tax assets	17	76,944	67,562	0	0
Income tax receivable		15,827	435	0	0
Prepayments	15	22,257	10,617	2,192	1,632
Receivables		**850,926**	**930,817**	**162,030**	**138,795**
Cash		**373,286**	**242,421**	**202,610**	**133,285**
CURRENT ASSETS		**2,868,863**	**2,735,064**	**1,177,805**	**1,004,172**
ASSETS		**4,613,875**	**4,357,845**	**4,016,250**	**3,740,895**

EQUITY AND LIABILITIES

	Note	Group 31,12,18 DKK 1,000	Group 31,12,17 DKK 1,000	Parent 31,12,18 DKK 1,000	Parent 31,12,17 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
Retained earnings		573,721	502,142	573,721	502,142
Proposed dividend		62,979	64,338	62,979	64,338
EQUITY		**1,486,700**	**1,416,480**	**1,486,700**	**1,416,480**
Minority interests	16	**134,522**	**119,189**	**-**	**-**
Deferred tax	17	160,988	153,419	88,018	72,501
Other provisions	18	7,797	7,581	0	0
PROVISIONS		**168,785**	**161,000**	**88,018**	**72,501**
Other credit institutions		1,680,851	894,384	1,680,852	894,384
Other long-term debt		81,655	117,730	0	0
Derivative financial instruments		18,506	48,199	18,506	48,199
Long-term liabilities other than provisions	19	**1,781,012**	**1,060,313**	**1,699,358**	**942,583**
Short-term portion of long-term liabilities other than provisions		69,229	139,727	65,733	135,491
Credit institutions		171,835	480,057	111	140,050
Trade payables		395,917	597,669	167,420	178,137
Payables to Group enterprises		0	0	213,252	588,845
Payables to associates		73,199	53,067	73,199	53,067
Income taxes	7	44,521	50,852	22,160	28,558
Other payables	20	280,160	271,094	200,299	185,183
Deferred income		7,995	8,397	0	0
Short-term liabilities other than provisions		**1,042,856**	**1,600,863**	**742,174**	**1,309,331**
LIABILITIES OTHER THAN PROVISIONS		**2,823,868**	**2,661,176**	**2,441,532**	**2,251,914**
EQUITY AND LIABILITIES		**4,613,875**	**4,357,845**	**4,016,250**	**3,740,895**
Assets charged and contingent liabilities	21				
Other notes	22-25				

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 january 1st 2017	850,000	464,351	100,000	1,414,351
Exchange rate adjustment	0	(26,096)	0	(26,096)
Fair value adjustments recognised in equity	0	(3,220)	0	(3,220)
Tax, fair value adjustments	0	1,024	0	1,024
Dissolved value adjustment for sold company	0	(18,714)	0	(18,714)
Paid dividend	0	0	(100,000)	(100,000)
Tax, proposed dividend	0	20,459	0	20,459
Net profit for the year	0	64,338	64,338	128,676
Equity at December 31st 2017	**850,000**	**502,142**	**64,338**	**1,416,480**
Exchange rate adjustment	0	(6,064)	0	(6,064)
Fair value adjustments recognised in equity	0	(7,864)	0	(7,864)
Tax, fair value adjustments	0	2,501	0	2,501
Paid dividend	0	0	(64,338)	(64,338)
Tax, proposed dividend	0	20,027	0	20,027
Net profit for the year	0	62,979	62,979	125,958
Equity at December 31st 2018	**850,000**	**573,721**	**62,979**	**1,486,700**

STATEMENT OF CHANGES IN EQUITY - PARENT

	Share capital DKK 1,000	Reserve under the equity method DKK 1,000	Retained earnings DKK 1,000	Retained earnings DKK 1,000	Total DKK 1,000
Equity at january 1st 2017	850,000	0	464,351	100,000	1,414,351
Exchange rate adjustment	0	0	(26,096)	0	(26,096)
Fair value adjustments recognised in equity	0	0	(3,220)	0	(3,220)
Tax, fair value adjustments	0	0	1,024	0	1,024
Dissolved value adjustment for sold company	0	0	(18,714)	0	(18,714)
Paid dividend	0	0	0	(100,000)	(100,000)
Tax, proposed dividend	0	0	20,459	0	20,459
Net profit for the year	0	0	64,338	64,338	128,676
Equity at December 31st 2017	**850,000**	**0**	**502,142**	**64,338**	**1,416,480**
Exchange rate adjustment	0	0	(6,064)	0	(6,064)
Fair value adjustments recognised in equity	0	0	(7,864)	0	(7,864)
Tax, fair value adjustments	0	0	2,501	0	2,501
Paid dividend	0	0	0	(64,338)	(64,338)
Tax, proposed dividend	0	0	20,027	0	20,027
Net profit for the year	0	0	62,979	62,979	125,958
Equity at December 31st 2018	**850,000**	**0**	**573,721**	**62,979**	**1,486,700**

The company's share capital consists of 850,000 shares of DKK 1,000 or multiples thereof. 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

	Note	2018 DKK 1,000	2017 DKK 1,000
Net profit for the year		125,958	128,676
Adjustments relating to net profit for the year	26	253,970	273,961
Working capital changes	27	(151,681)	137,416
Cash flows from operating activities before net financials		228,247	540,053
Ingoing payments relating to financial items		15,464	12,395
Outgoing payments relating to financial items		(39,704)	(58,253)
Cash flows from ordinary activities		204,007	494,195
Paid taxes		(105,904)	(55,595)
Cash flows from operating activities		**98,103**	**438,600**
Purchase of intangible and tangible fixed assets		(231,427)	(337,852)
Purchase of shares in associates		(245)	(2,917)
Purchase of other financial fixed assets		(28,262)	(64,140)
Sale of net assets by transfer of company ownership		0	105,211
Sale of intangible and tangible fixed assets		29,182	23,634
Sale of shares in associates		0	507
Sale of other financial fixed assets		31,673	5,621
Dividends received from associates		5,025	11,422
Cash flows from investing activities		**(194,054)**	**(258,514)**
Proceeds from obtaining/(instalments on) long-term liabilities		610,682	(343,609)
Debt displacement on credit facilities		(308,222)	259,539
Paid dividend		(64,338)	(100,000)
Supply of capital from minority interests		2,334	0
Dividends paid during the year to minority interests		(13,640)	(13,640)
Cash flows from financing activities		**226,816**	**(197,710)**
Increase/decrease in cash and cash equivalents		**130,865**	**(17,624)**
Cash and cash equivalents, beginning of year		242,421	311,221
(Reduction)/addition connected to business transfer		0	(51,176)
Cash and cash equivalents, end of year	**28**	**373,286**	**242,421**

NOTES TO THE FINANCIAL STATEMENTS

1 Net revenue - Geographical markets

	Group		Parent	
	2018 DKK 1,000	2017 DKK 1,000	2018 DKK 1,000	2017 DKK 1,000
Scandinavia	1,202,337	1,205,693	-	-
Europe	1,980,122	2,594,752	2,684,139	2,582,854
Asia	1,410,456	1,253,750	-	-
North America	500,949	502,110	-	-
Other markets	75,047	56,542	230,888	182,124
	5,168,911	**5,612,847**	**2,915,027**	**2,764,978**
Business segments				
Retail	1,921,872	2,429,884		
Food service	1,191,979	1,080,743		
Industry	2,050,921	2,089,516		
Other	4,139	12,704		
	5,168,911	**5,612,847**		

2 Other operating income

Management fees	6,616	2,784	13,928	8,977
Rental income	31,015	4,291	3,872	3,319
Sale of quotas	6,851	4,628	7,451	6,128
Profit on sale of fixed assets	14,363	15,408	11,989	18,189
Received grants	1,841	3,023	0	0
Other operating income	6,534	4,645	1,103	2,137
	67,220	**34,779**	**38,343**	**38,750**

3 Staff costs

The total amount of wages and salaries etc, is specified as follows:				
Wages and salaries	898,664	876,940	597,486	553,256
Pension contributions and other social costs	51,571	49,162	40,084	33,312
Other personnel costs	69,881	52,931	39,822	31,335
	1,020,116	**979,033**	**677,392**	**617,903**
Average number of employees	2,228	2,533	1,468	1,388
Remuneration for the Supervisory Board and Executive Board				
Remuneration for the Parent Company's Supervisory Board	**2,200**	**2,200**		
Compensation for the Group Executive Board				
Fixed salary	12,663	12,295		
Bonus	4,299	2,774		
	16,962	**15,069**		

NOTES TO THE FINANCIAL STATEMENTS

4 Depreciation, amortisation and impairment losses

	Group		Parent	
	2018 DKK 1,000	2017 DKK 1,000	2018 DKK 1,000	2017 DKK 1,000
Buildings	29,746	27,311	25,619	22,049
Plant and machinery	45,236	49,477	27,695	29,012
Vessels	36,083	63,257	12,077	35,889
Other fixtures and fittings, tools and equipment	9,869	8,772	7,605	6,890
Goodwill	5,596	6,076	2,525	2,998
Quotas	4,110	4,426	1,301	1,312
Software and licences	4,135	2,815	3,907	2,559
Other intangible assets	6,545	6,502	0	0
	141,320	**168,636**	**80,729**	**100,709**

5 Financial income

Capital gains	21,918	31,379	12,441	20,190
Interest from Group enterprises	-	-	3,343	4,087
Interest on bank deposit	168	222	0	0
Income from fixed asset investments	5,673	3,667	3,347	2,062
Other financial income	2,967	3,801	0	885
	30,726	**39,069**	**19,131**	**27,224**

6 Financial expenses

Capital loss	20,388	41,037	6,789	20,960
Interest on bank and mortgage debt	31,521	30,799	26,627	25,208
Interest to affiliated businesses	-	-	317	0
Other financial expenses	8,041	2,101	468	9
	59,950	**73,937**	**34,201**	**46,177**

7 Tax on profit

Current tax for the year	(77,172)	(84,744)	(44,426)	(51,091)
Other taxes	(5,786)	(4,951)	(4,419)	(4,287)
Adjustment to previous years	(1,296)	(433)	(1,296)	(433)
Deferred tax for the year	(21,228)	(4,849)	(16,722)	13,451
	(105,482)	**(94,977)**	**(66,863)**	**(42,360)**
Reconciliation of tax rate:				
Greenland tax rate	32%	32%	32%	32%
Other taxes	2%	2%	2%	2%
Capitalisation of tax asset in foreign enterprises	3%	3%	0%	0%
Effect of difference in tax rate between Greenland and foreign enterprises	7%	2%	0%	0%
Tax free income (net) from affiliated and associated companies etc,	(3)%	(1)%	1%	(9)%
Tax rate expensed	**41%**	**38%**	**36%**	**25%**

NOTES TO THE FINANCIAL STATEMENTS

8 Intangible assets

Group	Group goodwill DKK 1,000	Quotas DKK 1,000	IT and licenses DKK 1,000	Develop-ment project DKK 1,000	Other intangible assets DKK 1,000
Cost at January 1st 2018	100,031	153,946	39,791	11,764	126,646
Reclassification	0	0	2,374	0	0
Value adjustment at closing price	(123)	0	4	0	(4,203)
Transferred from assets in progress	0	0	862	0	0
Additions for the year	0	0	3,631	0	6,125
Disposals for the year	0	(437)	0	0	0
Cost at December 31st 2018	**99,908**	**153,509**	**46,662**	**11,764**	**128,568**
Amortisation and impairment losses at January 1st 2018	(48,390)	(139,728)	(33,281)	(11,764)	(10,340)
Reclassification	0	0	(791)	0	0
Value adjustment at closing price	14	0	0	0	460
Amortisation for the year	(5,596)	(4,110)	(4,135)	0	(6,545)
Impairment for the year	0	0	0	0	0
Amortisation regarding disposals for the year	0	378	0	0	0
Amortisation and impairment losses at December 31st 2018	**(53,972)**	**(143,460)**	**(38,207)**	**(11,764)**	**(16,425)**
Carrying amount at December 31st 2018	**45,936**	**10,049**	**8,455**	**0**	**112,143**
Carrying amount at December 31st 2017	51,641	14,218	6,510	0	116,306

Parent	Goodwill DKK 1,000	Quotas DKK 1,000	IT DKK 1,000	Develop-ment projects DKK 1,000
Cost at January 1st 2018	52,991	118,716	38,795	11,764
Additions for the year	0	0	3,621	0
Transferred from assets in progress	0	0	862	0
Reclassification	0	0	2,374	0
Disposals for the year	0	(437)	0	0
Cost at December 31st 2018	**52,991**	**118,279**	**45,652**	**11,764**
Amortisation and impairment losses at January 1st 2018	(12,203)	(114,698)	(32,722)	(11,764)
Amortisation for the year	(2,525)	(1,301)	(3,907)	0
Reclassification	0	0	(791)	0
Amortisation regarding disposals for the year	0	378	0	0
Amortisation and impairment losses at December 31st 2018	**(14,728)**	**(115,621)**	**(37,420)**	**(11,764)**
Carrying amount at December 31st 2018	**38,263**	**2,658**	**8,232**	**0**
Carrying amount at December 31st 2017	40,788	4,018	6,073	0

NOTES TO THE FINANCIAL STATEMENTS

9 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 January 1st 2018	1,047,684	773,324	1,004,026	87,846	201,286
Reclassification	139	(4,274)	(7,759)	(2,318)	0
Value adjustment at closing price	(3,230)	(6,453)	(1,303)	(566)	0
Transferred from assets in progress	40,854	11,769	8,908	1,505	(63,898)
Additions for the year	19,469	41,130	54,448	9,771	96,970
Disposals for the year	(3,031)	(21,441)	(99,323)	(4,516)	(1,339)
Cost at December 31st 2018	**1,101,885**	**794,055**	**958,997**	**91,722**	**233,019**
Amortisation and impairment losses at January 1st 2018	(767,905)	(560,068)	(608,407)	(61,227)	-
Reclassification	120	3,677	7,759	956	-
Value adjustment at closing price	1,211	4,352	677	449	-
Amortisation for the year	(29,096)	(45,236)	(36,083)	(9,869)	-
Impairment for the year	(650)	0	0	0	-
Amortisation regarding disposals for the year	861	20,075	88,310	3,773	-
Amortisation and impairment losses at December 31st 2018	**(795,459)**	**(577,200)**	**(547,744)**	**(65,918)**	**-**
Carrying amount at December 31st 2018	**306,426**	**216,855**	**411,253**	**25,804**	**233,019**
Carrying amount at December 31th 2017	279,779	213,256	395,619	26,619	201,286

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 6,537k.

No public land assessment is made in Greenland. The carrying amount of properties in Greenland amounts to DKK 236,161k.

NOTES TO THE FINANCIAL STATEMENTS

9 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 January 1st 2018	832,183	459,144	579,314	65,253	193,444
Transferred from assets in progress	40,650	11,769	7,769	1,504	(62,554)
Additions for the year	13,050	23,395	29,850	8,300	87,341
Reclassification	0	0	0	(2,374)	0
Disposals for the year	(2,703)	(4,868)	(73,394)	(3,649)	(1,021)
Cost at December 31st 2018	**883,180**	**489,440**	**543,539**	**69,034**	**217,210**
Amortisation and impairment losses at January 1st 2018	(624,390)	(342,709)	(413,526)	(44,507)	-
Additions for the year	(24,969)	(27,695)	(12,077)	(7,605)	-
Impairment for the year	(650)	0	0	0	-
Reclassification	0	0	0	791	-
Amortisation regarding disposals for the year	532	3,614	69,087	3,615	-
Amortisation and impairment losses at December 31st 2018	**(649,477)**	**(366,790)**	**(356,516)**	**(47,706)**	**-**
Carrying amount at December 31st 2018	**233,703**	**122,650**	**187,023**	**21,328**	**217,210**
Carrying amount at December 31st 2017	207,793	116,435	165,788	20,746	193,444

No public land assessment is made in Greenland. The carrying amount of properties in Greenland amounts to DKK 233,703k.

10 Investments in group enterprises and associates

	Group	Parent	
	Associates DKK 1,000	Associates DKK 1,000	Group enterprises DKK 1,000
Cost at January 1st 2018	27,215	18,004	2,042,337
Additions for the year	245	245	0
Disposals for the year	0	0	(2,334)
Cost at December 31st 2018	**27,460**	**18,249**	**2,040,003**
Value adjustments at January 1st 2018	86,720	450	(227,974)
Exchange rate adjustments	(1,114)	(566)	(5,500)
Share of profit/loss for the year	32,417	16,607	(13,929)
Dividends	(5,025)	(5,025)	(23,529)
Disposals for the year	0	0	0
Value adjustments at December 31st 2018	**112,998**	**11,466**	**(270,932)**
Offset in receivables	**0**	**0**	**17,669**
Carrying amount at December 31st 2018	**140,458**	**29,715**	**1,786,740**
Carrying amount at December 31st 2017	113,935	18,454	1,814,363

In the Group, the differential value on acquisition of investments in associates amounts to DKK 7,311k. The carrying amount at 31.12.2018 amounts to DKK 0k.

In the parent, the original differential value on acquisition of investments in associates amounts to DKK 60k. The carrying amount at 31.12.2018 amounts to DKK 0k.

NOTES TO THE FINANCIAL STATEMENTS

11 Receivables from subsidiaries and associates

	Group	Parent	
	Associates DKK 1,000	Associates DKK 1,000	Group enterprises DKK 1,000
Cost at January 1st 2018	18,788	9,787	55,560
Value adjustment	0	0	0
Additions for the year	28	28	0
Disposals for the year	(9,964)	(963)	(5,848)
Cost at December 31st 2018	**8,852**	**8,852**	**49,712**
Carrying amount at December 31st 2018	**8,852**	**8,852**	**49,712**
Carrying amount at December 31st 2017	18,788	9,787	55,560

12 Other fixed asset investments

	Group	Parent
	DKK 1,000	DKK 1,000
Cost at January 1st 2018	173,102	69,308
Value adjustment	(2,154)	0
Additions for the year	28,262	16,762
Disposals for the year	(31,673)	(16,307)
Cost at December 31st 2018	**167,537**	**69,763**
Provisions for bad debts at January 1st 2018	(13,379)	(10,935)
Value adjustment	(1,927)	0
Change in provisions for the year	485	485
Provisions for bad debts at December 31st 2018	**(14,821)**	**(10,450)**
Carrying amount at December 31st 2018	**152,716**	**59,313**
Carrying amount at December 31st 2017	159,723	58,373

NOTES TO THE FINANCIAL STATEMENTS

13 Inventories

	Group		Parent	
	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000
Raw materials	429,366	401,036	48,961	45,044
Goods in progress	14,964	13,037	1,228	3,502
Finished goods	1,081,471	1,045,590	674,175	606,829
Other goods	118,850	102,163	88,801	76,717
	1,644,651	**1,561,826**	**813,165**	**732,092**
Goods at net realisable value included in booked value of inventories	112,852	54,842	40,011	41,689

14 Other receivables

Insurance compensation receivable	0	15,565	0	15,467
VAT and duty receivable	36,377	13,002	0	0
Other receivables	31,407	30,109	4,328	1,760
	67,784	**58,676**	**4,328**	**17,227**

15 Prepayments

Prepaid rent and consumption taxes	3,061	3,266	0	0
Prepaid quota	14,500	0	0	0
Other prepayments	4,696	7,351	2,192	1,632
	22,257	**10,617**	**2,192**	**1,632**

16 Minority interests

Minority interests at January 1st 2018	119,189	103,513
Addition	2,334	0
Disposal	0	0
Share of profit/loss for the year	26,639	29,316
Dividend and capital adjustments	(13,640)	(13,640)
Minority interests at December 31st 2018	**134,522**	**119,189**

NOTES TO THE FINANCIAL STATEMENTS

17 Deferred tax

	Group		Parent	
	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000
Deferred tax incumbent on the following items:				
Property, plant and equipment	107,225	103,275	69,759	59,567
Fixed asset investments	36,158	37,911	0	0
Other items	17,605	12,233	18,259	12,934
	160,988	**153,419**	**88,018**	**72,501**
Deferred tax assets incumbent on the following items:				
Loss carried forward	37,863	30,977	0	0
Other tax assets	39,081	36,585	0	0
	76,944	**67,562**	**0**	**0**

18 Other provisions

Other provisions at January 1st 2018	7,581	7,829	0	0
Value adjustments	537	(632)	0	0
Additions for the year	6	750	0	0
Disposals for the year	(327)	(366)	0	0
Other provisions at December 31st 2018	**7,797**	**7,581**	**0**	**0**

Other provisions concern pensions.

19 Long-term liabilities other than provisions

	Group		Parent	
	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000
The following amounts fall due for payment after five years or more:				
Other credit institutions	1,089,262	307,845	1,089,262	291,762
Derivative financial instruments	846	23,582	846	23,582
	1,090,108	**331,427**	**1,090,108**	**315,344**

Interest and terms to maturity of long-term liabilities (Group, translated into DKK)	Weighted term (years)	Fixed/ floating	Effective rate of interest 2018	Effective rate of interest 2017	Nominal value DKKm 2018	Nominal value DKKm 2017
Debt to associated companies	3	Floating	3.90%	3.89%	28	31
Private Placements	8	Fixed/floating	1.47%	1.99%	1,698	1,053
					1,726	**1,084**
Weighted average effective rate of interest			**1.51%**	**2.05%**		

NOTES TO THE FINANCIAL STATEMENTS

20 Other payables

	Group		Parent	
	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000	31.12.2018 DKK 1,000	31.12.2017 DKK 1,000
Wages and salaries, personal income taxes, social security costs, etc payable	113,496	98,973	81,490	69,856
Holiday pay obligation	39,824	43,545	35,009	35,210
Interest	4,019	4,772	3,560	4,262
VAT and duties	52,181	71,439	42,431	63,691
Prepayments	25,233	0	25,233	0
Derivative financial instruments	2,247	4,668	0	642
Other costs payable	43,160	47,697	12,576	11,522
	280,160	**271,094**	**200,299**	**185,183**

21 Assets charged and contingent liabilities

Assets charged				
Mortgage debt has been secured on property, plant and equipment at a carrying amount of	196,722	185,016	0	0
Contractual obligations				
Contracts have been made relating to delivery of fixed assets at a carrying amount of	498,307	496,961	498,307	496,961
Lease commitments falling due after the balance sheet date amount to	60,433	56,627	31,459	32,986
Hereof due within one year	35,693	30,630	26,835	22,756
Recourse and non-recourse guarantee commitments				
Associates	10,000	10,000	0	0
Third party	5,595	6,118	5,595	6,118
Group enterprises	-	-	567,220	546,382

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 a material impact on the Group's financial position.

NOTES TO THE FINANCIAL STATEMENTS

22 Financial riscs

	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	193,784	(75,078)	(145,745)	(27,039)
GBP	25,749	(26,111)	(54,765)	(55,127)
SEK	24,803	(43,256)	(15,259)	(33,712)
JPY	43,403	(69,117)	(37,310)	(63,024)
	287,739	**(213,562)**	**(253,079)**	**(178,902)**

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 on the basis of the current interest rate level at 31.12.2018.

	Group Reassessment/maturity date				
	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	Effective rate of interest %
Mortgage and credit institutions, loans	(55,184)	(580,258)	(1,090,109)	(1,099,526)	0,3 - 7,25

Cash and cash equivalents amount to DKK 373,286k and have a bearing effective rate of interest from 0.0 to 2.0%.
Short-term credits amount to DKK 171,835k. Short-term credits have a bearing effective rate of interest from 0.7 - 1.5%.

23 Fees to auditors appointed by the general meeting

	Group		Parent	
	2018 DKK 1,000	2017 DKK 1,000	2018 DKK 1,000	2017 DKK 1,000
Audit fee	2,605	2,762	1,365	1,330
Other declarations from auditor	348	17	171	9
Tax advisory services	1,559	875	987	680
Other services	820	552	525	411
Adjustments concerning previous years	(26)	114	(35)	90
	5,306	**4,320**	**3,013**	**2,520**

24 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 executed any transactions with the Supervisory and Executive Boards other than management remuneration, as disclosed in Note 3.

NOTES TO THE FINANCIAL STATEMENTS

25 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 Welltec A/S	Chairman Chairman
Jan H. Lynge-Pedersen Deputy Chairman	KNI Ejendomme A/S Neqi A/S Akia Sisimiut A/S	Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board
Pernille Fabricius	MT Højgaard A/S Højgaard Holding A/S Gabriel Holding A/S Gabriel A/S Gabriel Ejendomme A/S Gabriel Innovation A/S Zenxit A/S Netcompany Group A/S	Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board
Tim Ørting Jørgensen	System Frugt A/S Cocio Chokolademælk A/S	Chairman Member of the Supervisory Board
Niels Ole Møller	Inughuit Seafood A/S	Chief Executive Officer

Executive Board	Company	Managerial position
Mikael Thinghuus CEO	Ice Trawl Greenland A/S Toms Gruppen A/S	Member of the Supervisory Board Member of the Supervisory Board
Nils Duus Kinnerup CFO	Intego A/S Proniq Holding A/S	Member of the Supervisory Board Member of the Supervisory Board
Bruno Olesen Group Sales Director	Skare Meat Packers K/S Skare Food A/S	Chairman Member of the Supervisory Board
Lars Nielsen Group Production Director	Gaia Fish A/S Sisimiut Fish A/S Pelagic Greenland A/S Arctic Fish Greenland A/S Inughuit Seafood A/S Sisimiut Fish A/S Gaia Fish A/S Ice Trawl Greenland A/S	Chief Executive Officer Chief Executive Officer Chairman Chairman Deputy Chairman Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board

NOTES TO THE FINANCIAL STATEMENTS

26 Adjustments relating to net profit for the year

	Group 2018 DKK 1,000	Group 2017 DKK 1,000
Depreciation, amortisation and impairment losses	141,320	168,636
Minority interests	26,639	29,316
Financial items allocated to profit for the year	29,224	34,868
Income taxes expensed	105,482	94,977
Provisions, etc,	(1,945)	118
Received grants	(1,841)	(3,023)
Gains and losses from sale of fixed assets	(12,492)	(14,184)
Profit from associates	(32,417)	(36,747)
	253,970	**273,961**

27 Working capital changes

Change in receivables	105,246	(83,488)
Change in inventory	(82,825)	161,169
Change in trade payables and other payables	(174,102)	59,735
	(151,681)	**137,416**

28 Cash and cash equivalents, end of year

Of the liquid assets of TDKK 373,286, the amount of TDKK 24,360 is provided as security for financial contracts.

SUPERVISORY BOARD

CHAIRMAN
NIELS DE CONINCK-SMITH

DEPUTY CHAIRMAN
JAN H. LYNGE PEDERSEN

BOARDMEMBER
PERNILLE FABRICIUS

BOARDMEMBER
SARA HEILMANN

BOARDMEMBER
TIM ØRTING JØRGENSEN

BOARDMEMBER
ÅSE AULIE MICHELET

BOARDMEMBER
NIELS OLE MØLLER *)

BOARDMEMBER
MALIK HEGELUND OLSEN *)

BOARDMEMBER
MIKA HEILMANN *)

*) Employee representatives

EXECUTIVE BOARD

CEO
MIKAEL THINGHUUS

CFO
NILS DUUS KINNERUP

GROUP PRODUCTION DIRECTOR
LARS NIELSEN

GROUP SALES DIRECTOR
BRUNO OLESEN

Corporate Governance

Royal Greenland complies with the guidelines of the Government of Greenland for corporate governance in government-owned companies. These guidelines accord with the OECD recommendations for state-owned companies, and to a large extent also with the recommendations for listed companies.

Royal Greenland is headed by a Board of Directors and Executive Management Board. The Board of Directors has nine members, three of whom are employee representatives elected for a period of four years, while the other six members are elected by the general meeting and stand for election every year. The six board members elected by the general meeting are independent, according to the definition contained in the recommendation of the "Committee for Good Corporate Governance". There is no age limit for the members of the Board of Directors.

The board members encompass a spectrum of experience from the Greenlandic, Danish and international business worlds. The Board of Directors is led by the Chairman, Niels de Coninck-Smith. The Chairman is appointed for a period of one year at a time.

The board has established two committees:

- The Audit Committee
- The Recruitment Committee

The Executive Management Board consists of four members: CEO Mikael Thinghuus, CFO Nils Duus Kinnerup, Group Production Director Lars Nielsen and Group Sales Director Bruno Olesen. For other offices held by the Board of Directors and the Executive Management Board, see Note 25.

Remuneration

The remuneration of members of the Board of Directors 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 calls. The remuneration of the Executive 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 Executive Management Board is specified in Note 3. There are no unusual severance agreements in the employment contracts of the members of the Executive Management Board.

Evaluation

An evaluation of the Board of Directors is undertaken annually. Every second year, this takes place on the basis of an external evaluation process.

Activities

Five meetings of the Board of Directors were held in 2018. One of these meetings was held as a conference call, while the other meetings were held in Copenhagen in Denmark, St. Johns in Canada and Ilulissat in Greenland. The Auditing Committee has held three meetings. In addition to the annual report and audit minutes, the committee also considers financial policy, risk and insurance policies, internal audits, financial conditions and audit evaluation.

COMPANY DETAILS & GROUP CHART

COMPANY

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3900 Nuuk

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www.royalgreenland.com

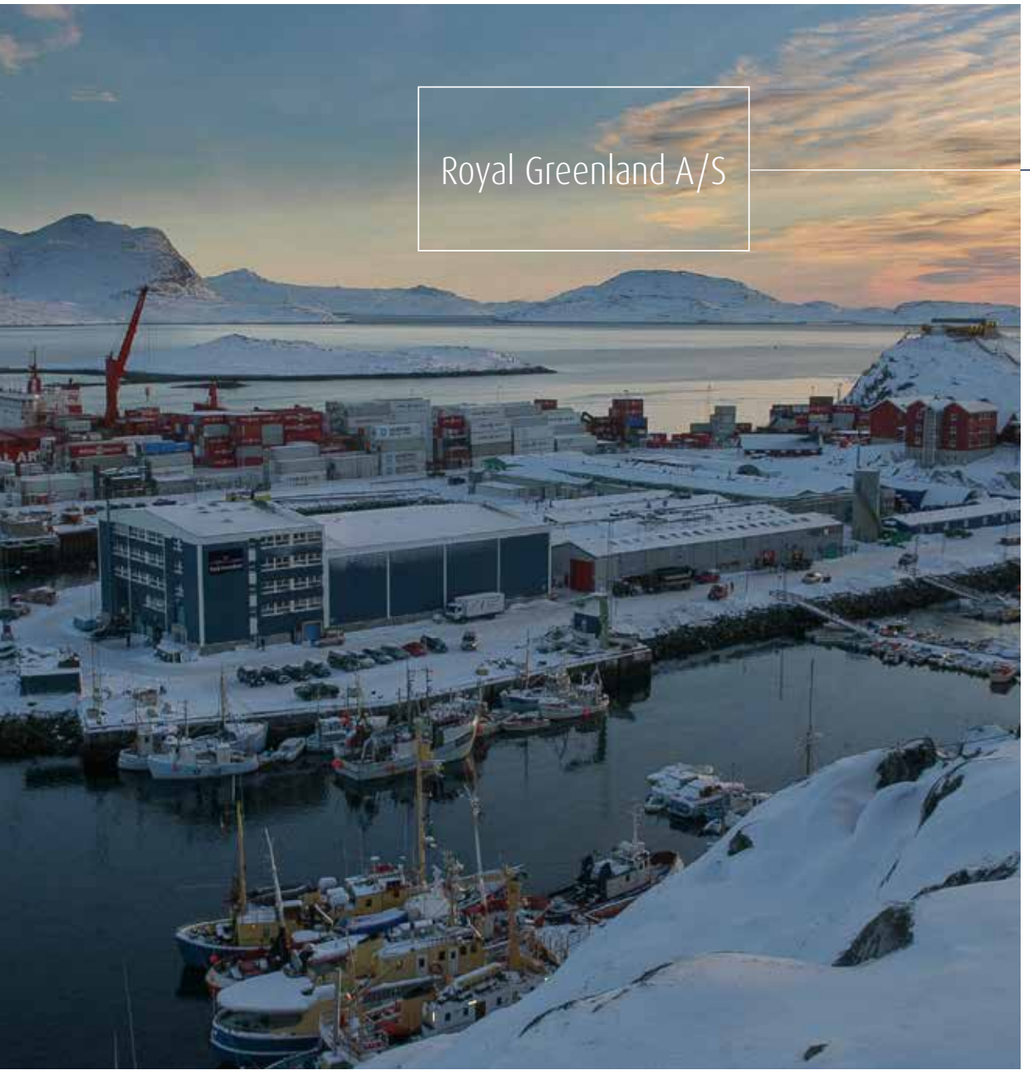
CVR-no. 13645183

FINANCIAL YEAR:
January 1st – December 31st

REGISTERED IN: Kommuneqarfik Sermersooq

The Government of Greenland owns all shares in the Company

AUDITORS: EY Grønland
Godkendt Revisionsanpartsselskab



- Royal Greenland A/S
  - Royal Greenland Seafood A/S 100%
    - Arctic Fish Greenland A/S 78,8%
    - Pelagic Greenland A/S 66,7%
    - Gaia Fish A/S 50%
    - Inughuit Seafood A/S 50%
    - Ice Trawl Greenland A/S 50%
      - Qaleralik A/S associated 50%
      - Gaia Fish A/S 50%
    - Royal Greenland Germany GmbH 100%
      - Royal Greenland Vertriebs GmbH 100%
    - Royal Greenland Poland Sp. zoo 100%
    - Quin-Sea Fisheries Ltd 100%
      - Quinlan Brothers Maritime Ltd., associated 50%
    - Eastern Quebec Seafoods Ltd 100%
    - Royal Greenland Norway AS 100%
    - Royal Greenland Sweden AB 100%
    - Royal Greenland UK Ltd. 100%
    - Royal Greenland Japan Ltd. 100%
    - Royal Greenland Italy Spa. 100%
    - Royal Greenland Rusland LLC 100%
    - Royal Greenland US Inc. 100%
    - Royal Greenland Seafood (Qingdao) Co. Ltd. 100%
  - Associated
    - Agama Royal Greenland LLC 50%
    - Angunnguaq A/S 49,4%
    - Sisimiut Fish A/S 49%
    - Isblink A/S 49%
    - Frans Peter ApS 43,6%
    - Lennert og Sønner ApS 40%
    - Savik ApS 35%
    - Ejendomsselskabet Suliffik A/S 30,3%
    - Akia Sisimiut A/S 17,5%

PRODUCTION UNITS IN GREENLAND

Royal Greenland owns 38 facilities in Greenland. All but two of these facilities are in operation. The factories in Greenland primarily land prawns, Greenland halibut, cod, crab and lumpfish roe.

The facilities' activities range from production and packaging of finished products, to packaging of semi-manufactures for further processing in Asia or Poland, and e.g. block freezing and salting.

Plant Manager: Rosa Davidsen
Primary species: Greenland halibut
Products: Greenland halibut, j-cut, heads, tails & HOG
Capacity: 3 t/day
Cold store capacity: 230 ton
Employees: 10 in the season

As at 1/10 2014, J/V Inughuit Seafood A/S with 50% RG ownership.

Qaanaaq

Plant Manager: Anders Nielsen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 4 t/day
Cold store capacity: 800 ton
Employees: 4-10 low/peak seasons

Kullorsuaq

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

Nuussuaq

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

Nutaarmiut

Plant Manager: Justine Petersen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 15 t/day
Cold store capacity: 450 ton
Employees: 4-10 low/peak seasons

Newly constructed in 2017

Aappilattoq (North)

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

Tasiusaq

Plant Manager: Hans Peter Kristensen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 15 t/day
Cold store capacity: 550 ton
Employees: 10-20 low/peak seasons

Innaarsuit

Factory Manager: Harald Kleeman
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

Plant 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

Upernavik Kujalleq

Plant 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.

Ukkusissat

Plant Manager: Marie Knudsen
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
Capacity: 15 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. Two new plate freezers in 2018

Saattut

Plant Manager: Elisabeth Filemonsen
Primary species: Greenland halibut
Products: Whole fish, fillets with skin, heads, tails, j-cut
Capacity: 10 t/day
Cold store capacity: 169 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.

Ikerasak

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

Not in operation

Qaarsut

Factory Manager: Kirsten A. K. Worm
Primary species: Greenland halibut
Products: Whole Greenland halibut, heads, tails, fillets and J-cut
Capacity: 50 t/day
Cold store capacity: 1,600 ton
Employees: 10-50 low/peak seasons

Current location since 1966, but the unit has been expanded several times. In 2017 a large expansion took place.

Uummannaq

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

Qeqertaq

Plant Manager: Mathias Nielsen
Primary species: Greenland halibut, other fish
Products: Whole Greenland halibut frozen in blocks
Capacity: 14 t/day
Cold store capacity: 110 ton
Employees: 2-10 low/peak seasons

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

Saqqaq

Factory Manager: Jakob Broberg
Primary species: Snow crab, cod, Greenland halibut, lumpfish roe
Products: Crab sections, fish frozen in blocks, 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 handled prawn, meat and frill production, but now produces crab and fish.

Qeqertarsuaq

Factory Manager: Stefán H. Tryggvason
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.

Ilulissat

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

Not in operation

Kitsissuarsuit

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

Refurbished as a prawn factory in 1952 and several times later on. Closed in 1997. Recommenced operations in 2000 and refurbished in 2011.

Qasigiannguit

Plant Manager: Thara Jeremiassen
Primary species: Salted cod, Greenland halibut, Lumpfish roe
Products: None
Capacity: 1.5 t/day
Cold store capacity: 20 ton
Employees: 0

Ikamiut

Plant Manager: Peter Nielsen
Primary species: Cod, Greenland halibut
Products: Salted cod, dried fish. HOG Greenland halibut, HOG cod
Capacity: 0 t/day
Cold store capacity: 40 ton
Employees: 0

Stand-alone plate freezer for freezing, plus 2 x 20 foot containers (40 tonnes) installed in 2018.

Akunnaaq

Factory Manager: Abia Thorsteinsen
Primary species: Cod, lumpfish roe
Products: Cod frozen in blocks, fillet, 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. Rebuilt for cod fillet production 2015.

Kangaatsiaq

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

Refurbished and renovated in 1995. Expanded in 2013.

Niaqornaarsuk

Plant Manager: Klaus Jonathansen
Primary species: Cod, lumpfish roe
Products: Salted fish from cod and ugaq, lumpfish roe
Capacity: 5 t/day
Cold store capacity: No cold store
Employees: 1-10 low/peak seasons

Renovated in 1995.

Ikerasaarsuk

Plant Manager: Tikkili Ezekiassen
Primary species: Cod
Products: Salted fish, lumpfish roe, frozen cod and other species
Capacity: 2 t/day
Cold store capacity: 20 ton
Employees: 0

Attu

Factory Manager: Hans Lars Olsen
Primary species: Prawns, cod, snow crab
Products: Cooked and peeled prawns, cod fillets, crab sections, cod
Capacity: 120 ton prawns, 15 ton snow crab/day, 50 ton cod/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.

Sisimiut

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

Operational in roe season

Sisimiut (Roe)

Plant 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.

Sarfannguaq

Plant Manager: Otto Enoksen
Primary species: Cod and lumpfish roe
Products: Salted fish and lumpfish roe
Capacity: 1.5 t/day
Cold store capacity: none
Employees: 1-7 low/peak seasons

Renovated in 1991/93 and in 1994/95.

Itilleq

Plant Manager: Arona Levisen
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.

Kangaamiut

Factory Manager: Susanne Marie Knudsen
Primary species: Cod, Nutaaq cod, Greenland halibut
Products: Filleting of fish
Capacity: 80 ton/day
Cold store capacity: 500 ton
Employees: 25-100 low/peak seasons

Filleting line and production of dried cod for the home market established.

Maniitsoq

Plant Manager: Tippu-Bolatta Jakobsen
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.

Atammik

Factory Manager: Møller Lyberth
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.

NUUK

Plant Manager: Konrad Boye
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

Qeqertarsuatsiaat

Factory Manager: Niels Sakariassen
Primary species: Lumpfish roe, cod
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.

Narsaq

Factory Manager: Jan Jørgensen
Primary species: Snow crab, cod, lumpfish roe, other fish
Products: Crab sections, cod fillets, dried cod, 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 smokehouse in 1997. Closed in 2003. Prawn and crab production established in 2004. In 2012, the prawn production was closed in favour of the cod filleting line.

Paamiut

Plant Manager: Nicolai Benjaminsen
Primary species: Greenland halibut, cod
Products: Freezing
Capacity: 4 t/day
Cold store capacity: 70 ton
Employees: 3

First sales of raw materials initiated in 2014 after refurbishment and modernisation of cooling plant.

Aappilattoq (south)

PRODUCTION UNITS IN CANADA

After the investment in Quin-Sea Fisheries, Royal Greenland now operates seven factories in Canada. In Newfoundland, there are six production units where local fishermen land their catches. The primary species originating from Newfoundland are snow crab, prawn, whelk, lobster, herring, cod, Greenland halibut and capelin.

In Matane, on the northern coast of New Brunswick, Eastern Quebec Seafoods Ltd. lands and processes prawns, primarily from the local fishing areas.

Factory Manager: Chris Butler
Primary species: Ground fish, Pelagics
Products: Split/salt fish, Block frozen capelin/herring/mackerel
Capacity: 38 t/day
Cold store capacity: 1000 ton
Employees: 30 low/peak seasons

Cupids

Cape Broyle

Factory Manager:
Primary species: Snow crab, Pelagics, Sea cucumber, Ground fish
Products: Crab sections/cooked/RAW snow crab, Block frozen capelin/herring/mackerel, Butterfly cut/gutted sea cucumber, J-Cut/H&G/HOG Greenland halibut
Capacity: 110 t/day
Cold store capacity: 75 ton
Employees: 135 low/peak seasons

Factory Manager: Tony Merrigan
Primary species: Prawns, Snow crab, Whelk, Scallop, Cod
Products: Cooked & Peeled, IQF, Crab sections/Cooked snow crab, In shell/cooked whelk, Scallops
Capacity: 195 t/day
Cold store capacity: 300 ton
Employees: 400 low/peak seasons

Old Perlican

Conche Seafood

Factory Manager: Stedman Letto
Primary species: Snow crab, whelk, Pelagics, Lobster
Products: Crab sections/Cooked snow crab, In shell/cooked whelk, Block frozen capelin/herring/mackerel, J-Cut/H&G/HOG Greenland halibut, Lobster fresh/frozen
Capacity: 145 t/day
Cold store capacity: 50 ton
Employees: 70 low/peak seasons

Factory Manager: Charles Daley
Primary species: Pelagics, Lobster, Ground fish
Products: Block frozen capelin/herring/mackerel, Fresh/frozen lobsteer
Capacity: 24 t/day
Cold store capacity: 80 ton
Employees: 50-100 low/peak seasons

Southern Harbour

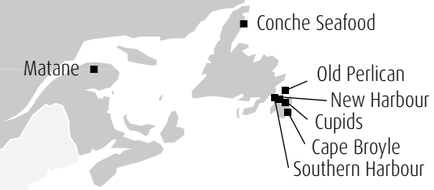
New Harbour

Manager: Chris Butler
Cold store capacity: 1000 ton
Employees: 4

New lobster facility opens in 2019

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

Matane



PRODUCTION UNITS IN EUROPE

In Denmark, the factory in Aalborg primarily operates in two areas: packaging prawns for European retail and foodservice customers, and production of prawns in brine. The two German factories in Cuxhaven are subject to joint administration and focus on packaging of zip-lock and chain-pack ranges, respectively, as well as retail packaging of lumpfish roe.

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

Aalborg

Cuxhaven (Roe)

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

Cuxhaven (Ziplock)

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

THE ROYAL GREENLAND FLEET
- OFFSHORE

Royal Greenland's offshore fleet consists of three ocean-going prawn trawlers, two ocean-going production trawlers for Greenland halibut, cod etc., one line vessel for Greenland halibut, cod etc. and two trawlers for pelagic fishing.

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%

Qaqqatsiaq

Master: Torbjørn Joensen Tordar Dimon
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%

Tuugaalik

Master: Regin Henriksen Pauli Justinussen
Length/width: 66.4 x 14.6 m
Production capacity: 80 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%

Masilik

Master: Hans Petur Samuelsen Gunnar Olsen
Length/width: 52 x 12 m
Production capacity: 20 ton/day
Catch capacity: 3-5.000 ton/yearly
Hold capacity: 350 tons
Crew: 18 men
Trawler type: Line boat
Ownership: RG 50%

Tasiilaq

Master: Jónfrídur Poulsen Birgir Petersen
Length/width: 77,6 x 12,6 m
Production capacity: 120 ton/day
Catch capacity: 20-25.000 ton/yearly
Hold capacity: 700 tons
Crew: 22 men
Trawler type: pelagic trawls and purse seines
Ownership: RG 66%

Tuneq

Master: Páll Johan Poulsen
Length/width: 70 x 12,5 m
Production capacity: 60 ton/day
Catch capacity: 10-15.000 ton/yearly
Hold capacity:500 tons
Crew: 10-12 men
Trawler type: Pelagic trawl
Ownership: RG 66%

THE ROYAL GREENLAND FLEET
- COASTAL

The coastal fleet comprises five vessels for catching prawns, Greenland halibut, cod and crab. Catches are landed at landing points along the west coast of Greenland. Two of the five vessels are chartered out.

Lomur

Master: Jakup Bech, Karl Egede Petersen
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%

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%

Sermilik

Master: 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, cod
Ownership: RG 100%

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%

Chartered out

Lea

Master: Frederik Mathiassen
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, crab vessel
Ownership: RG 100%

Chartered out

Royal Greenland A/S

2018

BY APPOINTMENT TO THE ROYAL DANISH COURT

Royal Greenland