



BY APPOINTMENT TO THE ROYAL DANISH COURT

Royal Greenland®

ROYAL GREENLAND A/S

ANNUAL REPORT

01.01.2023 - 31.12.2023

CVR-nr. 13645183

The Annual Report was presented at and approved by the company's Annual General Meeting on 17 May 2024

Peter Schriver
Chair of the meeting

ANNUAL REPORT

01.01.2023 – 31.12.2023



Foreword

Foreword from the Chair 5

Markets and fishery 6

Statements and financial highlights

Statement by the Management on the Annual Report 9

The independent auditor's audit report 9

Financial highlights and key ratios 11

Management report

2023 was an unsatisfactory year for Royal Greenland 13

Financial statements 15

A year affected by a global market decline and economic uncertainty 18

New products and innovation 20

Rising activity and higher costs characterised both fisheries and production in 2023 23

Traceability, a strong food safety culture and global cooperation guarantee high food safety 26

Risks. 28

Events during the year 30

Sustainability

Sustainability – the natural choice 37

Sustainable fisheries 39

Responsible footprint 43

Healthy working lives 49

Education in Greenland 55

Events during the year 58

Sustainability goals 64

Notes to the overview of key figures. 67

Consolidated financial statements and annual accounts

Income statement 69

Assets 70

Equity and liabilities 71

Statement of changes in equity – Group 72

Statement of changes in equity – Group 72

Consolidated cash flow statement 73

Notes to the financial statements 74

Governance and Group charts

Supervisory Board 93

Executive Board 93

Corporate Governance 94

Company details & Group chart 94

Production units in Greenland 96

Production units in Canada 102

Production units in Europe 104

The Royal Greenland fleet – In shore 105

The Royal Greenlands fleet – Off shore 106

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

Foreword

5

Forword from the Chair

6

Markets and fisheries

Foreword from the Chair

With this foreword, on behalf of the entire Royal Greenland organisation, I wish to reflect on the past year – a year that has undoubtedly been one of the most challenging in our long history. Our journey through 2023 has been characterised by global upheavals that have tested our resilience and adaptability. The ongoing geopolitical turmoil, escalated by conflict and war, has sent tremors through the world economy, which for us has meant navigating the waters of inflation and rising production costs. These challenges have affected every facet of our business, from capture to end customer, and have required extraordinary efforts from our entire team.

However, in these turbulent times, we have also seen highlights that emphasise our strength and potential. There are many examples of this – both large and small. For example, we are delighted to have received the final go-ahead in 2023 for the construction of a new, modern factory in Tasiilaq.

This project is not only a symbol of our commitment to Greenland's economic development, but also a step towards creating development on the east coast for the benefit of citizens in and around Tasiilaq.

At the same time, our strategic investments in the trawler fleet have proven to be a catalyst for growth. These investments have ensured robust earnings in this part of our business and confirm our belief that a focused and well considered approach to renewal and innovation is the key to success.

It is our customers, business partners and, not least, our employees that make Royal Greenland the company for all of Greenland. As a company owned by the people of Greenland, we are deeply committed to our fishermen, who are the foundation of both our business

and Greenland's economy. Their efforts are vital and we strive to create opportunities for them, as well as ensuring access to markets and modern facilities. Our investments in local communities and infrastructure reflect our dedication to supporting a sustainable future for the fishing industry and the entire country.

I would like to express my special thanks to all our employees in Greenland and around the world for your hard work, continuous commitment and flexibility in these demanding times. Your efforts are the backbone of the company, and I am confident that together you can handle the challenges you face.

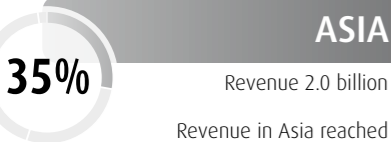
I would also like to thank our CEO, Susanne Rajamand, who has remarkably navigated through a challenging first year at Royal Greenland. Despite the challenges, she has successfully strengthened our head office with additional management resources in Greenland, and we look forward to continuing to focus on building competences in Nuuk.

We are now at a crossroads where we must look forward and prepare for the new reality that awaits. This requires bold decisions, including making massive changes to our organisation. We are faced with streamlining the business and cutting to the bone to ensure we remain agile, efficient and competitive in a rapidly changing market.

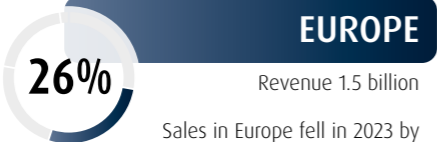
It is with a sense of renewed purpose that we enter 2024, determined to tackle the challenges we face with the same determination and passion that has driven Royal Greenland for generations. Together, as one team, we will navigate through these challenges and seize the opportunities that lie ahead, with the aim of always delivering extraordinary value to our customers, partners and communities in Greenland.



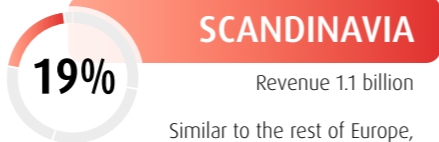
CHAIR MALIINA ABELSEN



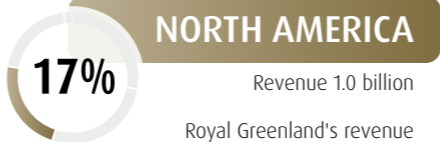
Revenue in Asia reached DKK 2 billion in 2023, record revenue for Royal Greenland in the region. Sales of own brand consumer packaged products in China to supermarkets and e-commerce amounted to approx. DKK 90 mill. The Japanese economy ended the year 2023 in recession and demand is under pressure. Greenland halibut and shell-on prawns account for over 75% of sales in Asia.



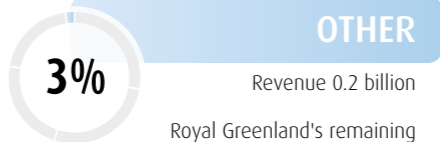
Sales in Europe fell in 2023 by 5% to just under DKK 1.5 billion. Sales of cod and shell-on prawns declined. The decline in cod can partly be attributed to restraint among industrial buyers and competition from imported Russian cod at low prices. In the UK, Royal Greenland's sales continue to be hampered by the challenges created by Brexit.



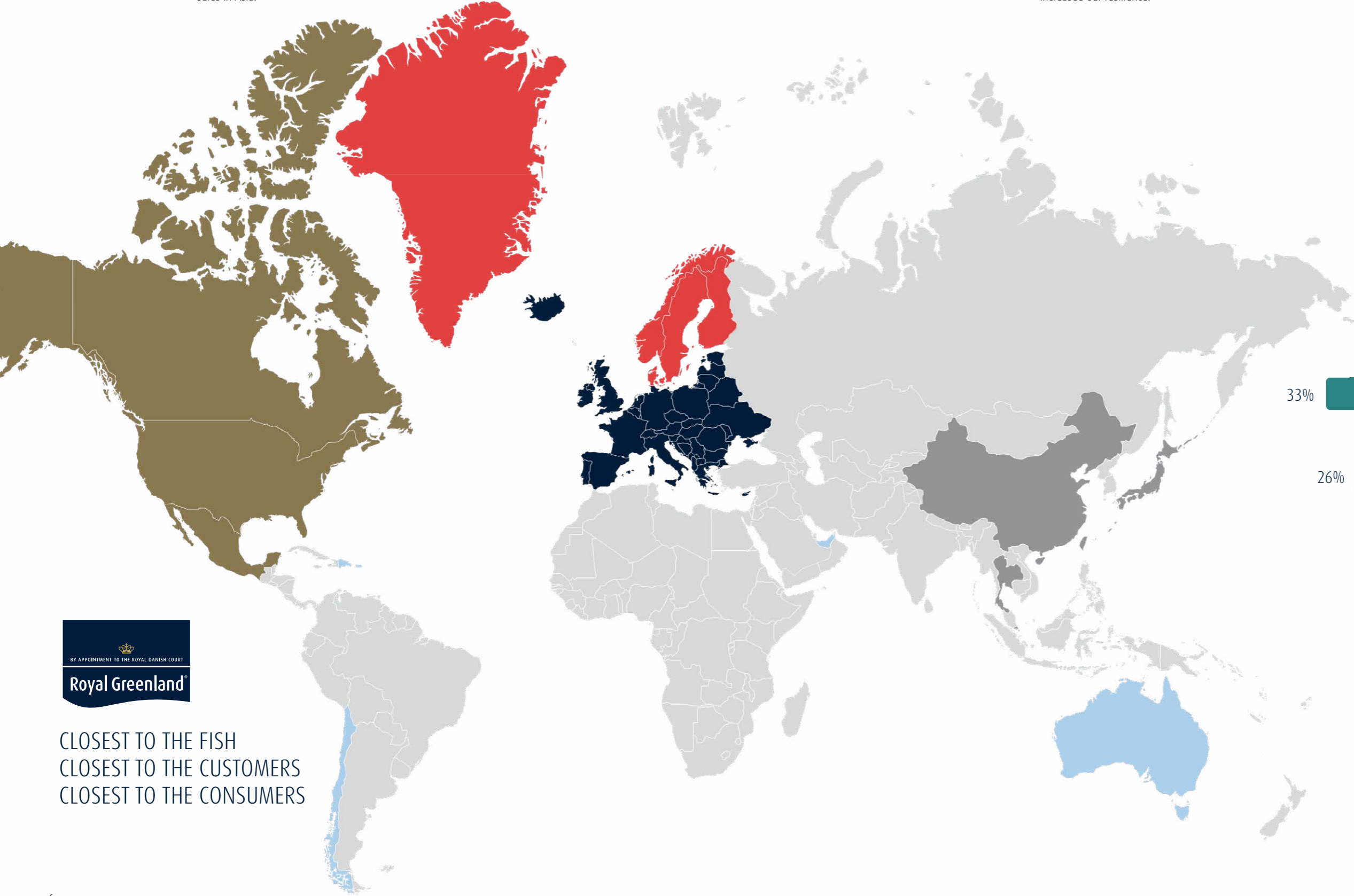
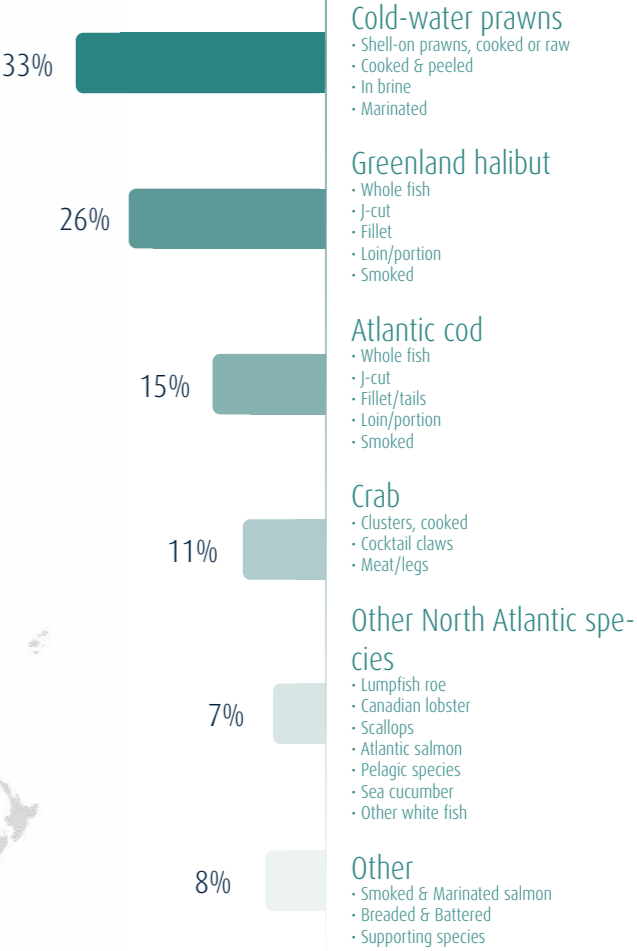
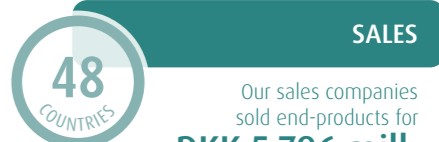
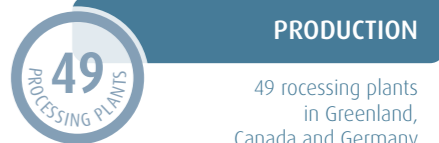
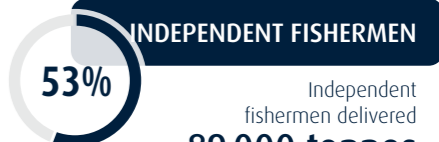
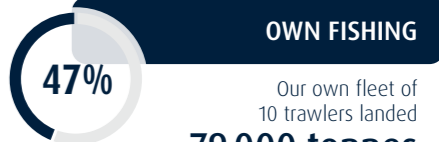
Similar to the rest of Europe, inflation and economic uncertainty also had a negative impact on sales in Scandinavia, which ended at DKK 1.1 billion DKK. Industrial sales have declined, while demand in foodservice has increased. In retail, Royal Greenland has managed to protect and develop sales in Denmark and Norway.



Royal Greenland's revenue in North America amounts to almost DKK 1 billion. After a turbulent 2022, where snow crab sales experienced a significant decline, efforts in 2023 have been concentrated on rebuilding solid and stable sales, with a particular focus on snow crab. In 2023, Royal Greenland has expanded sales in foodservice and retail, which has increased our resilience.



Royal Greenland's remaining sales are primarily distributed with stable sales to Australia, local sales in Chile and to business partners in the Middle East.



CLOSEST TO THE FISH
CLOSEST TO THE CUSTOMERS
CLOSEST TO THE CONSUMERS

Statements and financial highlights

- 9 Statement by the Management on the Annual Report
- 9 The independent auditor's audit report
- 11 Financial highlights and key ratios



Statement by the Management on the Annual Report

The Supervisory Board and Executive Board have today considered and adopted the Annual Report for Royal Greenland A/S for the financial year from 1 January to 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and annual financial statements give a true and fair view of the Group's and the company's assets, liabilities and financial position at 31 December 2023 and of the results of the Group's and the company's activities and the Group's cash flows for the financial year from 1 January to 31 December 2023.

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

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

Svenstrup, 17 April 2024

Executive board

Susanne Arfelt Rajamand
CEO

Nils Duus Kinnerup
CFO & EVP

Lars Nielsen
EXECUTIVE VICE PRESIDENT
PRODUCTION

Bodil Marie Damgaard
EXECUTIVE VICE PRESIDENT
HR & COMMUNICATION

Supervisory board

Maliina Abelsen
CHAIR

Susanne Christensen
DEPUTY CHAIR

Johannes Jensen

Arnanguaq Holm Olsen

Jesper Højer

Preben Sunke

Niels Thomsen

Niels Ole Møller
Elected by the employees

Sara Biilmann Egede
Elected by the employees

Johan Berthelsen
Elected by the employees

The independent auditor's audit report

To the shareholders of Royal Greenland A/S Opinion

We have audited the consolidated financial statements and annual financial statements for Royal Greenland A/S for the financial year from 1 January to 31 December 2023, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for both the Group and the company, in addition to the cash flow statement for the Group. The consolidated financial statements and the annual accounts have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the annual financial statements give a true and fair view of the Group's and the company's assets, liabilities and financial position at 31 December 2023 and of the results of the Group's and the company's operations and the Group's cash flows for the financial year from 1 January to 31 December 2023, in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

We are independent of the company in accordance with the International Ethics Standards Board for the International Code of Ethics for Professional Accountants (the IESBA Code) and the additional ethical requirements that apply in Greenland, just as we have fulfilled our other ethical obligations in accordance with these requirements and the IESBA Code.

The management's responsibility for the financial statements

The management is responsible for the preparation of consolidated financial statements and annual accounts 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's and the company's ability to continue as a going concern; for disclosing, as applicable, matters related to a going concern; and for 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 responsibility for the audit of the financial statements

Our aim is to obtain reasonable assurance as to 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 an opinion. 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 opinion. 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 opinion is 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 the company can no longer continue as a going concern.
- Evaluate the overall presentation, structure and content 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 an opinion about the Group financial statements. We are responsible for directing, supervising and conducting the Group audit. We are solely responsible for our audit opinion.

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 concerning the management's review

The management is responsible for the management's review.

Our opinion concerning the financial statements does not include the management's review, and we do not express any form of opinion or assurance about the management's review.

In connection with our audit of the financial statements, it is our responsibility to read the management's review and in this context to consider whether the management's review 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's review 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's review.

Svenstrup, 17 April 2024

EY Grønland
Approved Audit limited company
CVR-nr: 33 94 61 71

Claus Hammer-Pedersen
State-Authorised Public Accountant
mne21334

Michael Dahl Christiansen
State-Authorised Public Accountant
mne34515

Financial highlights and key ratios

PROFIT/LOSS

KEY FIGURES – DKK mill.	2023	2022	2021	2020	2019
Net revenue	5.796	5.757	5.638	4.849	5.327
Profit from primary operations, incl. associated companies	(137)	310	344	(15)	437
Net financials	(118)	(75)	(18)	(44)	(33)
Net profit before tax	(255)	235	326	(59)	404*
Net profit for the year	(211)	186	257	(57)	311
RG's shareholders' share of the profit for the year	(259)	146	226	(92)	267

BALANCE SHEET

KEY FIGURES – DKK mill.	31.12.23	31.12.22	31.12.21	31.12.20	31.12.19
Fixed assets	3.699	3.331	3.032	2.732	2.679
Net working capital	1.711	2.370	1.388	1.625	1.710
Equity	1.752	2.062	2.011	1.780	1.888
RG's shareholders' share of equity	1.481	1.829	1.797	1.584	1.715
Net interest-bearing debat	2.960	2.879	1.898	2.188	1.964
Balance sheet total	6.483	6.722	5.765	5.430	5.733
Investments in property, plant and equipment	431	311	360	311	991

RATIOS

%	31.12.23	31.12.22	31.12.21	31.12.20	31.12.19
EBIT-margin	(2,4)	5,4	6,1	(0,3)	8,2
EBT-margin	(4,4)	4,1	5,8	(1,2)	7,6
ROIC including goodwill	(1,6)	6,7	8,4	(0,9)	11,1
Return on equity (ROE)	(12,7)	10,3	15,2	(3,4)	19,6
Equity ratio	23,1	27,6	31,9	29,8	30,7
Net interest-bearing debt / EBITDA	37,7	5,8	3,4	14,4	3,3

NUMBER OF EMPLOYEES

	2023	2022	2021	2020	2019
Greenland	1.449	1.390	1.388	1.452	1.432
Denmark	161	152	156	165	199
Canada	450	523	465	450	371
Other countries	236	221	228	163	198
Total	2.296	2.286	2.237	2.230	2.200

* The 2019 profit before tax of DKK 404 million includes extraordinary profit from the sale of trawlers of DKK 141 million.

Management report

- 13 2023 was an unsatisfactory year for Royal Greenland
- 15 Financial statements
- 18 A year affected by a global market decline and economic uncertainty
- 20 New products and innovation
- 23 Rising activity and higher costs characterised both fisheries and production in 2023
- 26 Traceability, a strong food safety culture and global cooperation guarantee high food safety
- 28 Risks
- 30 Events during the year

2023 was an unsatisfactory year for Royal Greenland

The result is affected by a number of external factors that led to a less stable market situation and falling sales prices despite a higher cost base.

The profit from primary operations before tax was DKK (255) million for 2023.

Net revenue was unchanged at DKK 5.8 billion and reflects 5% higher sales, measured in tonnage terms.

Revenue of DKK 6.0-6.5 billion and profit before tax at the level of DKK 250 million, in line with previous years' results, were expected.

For more than ten years, with the exception of the Covid-19 year, 2020, Royal Greenland has returned a stable profit, for the benefit of our owners and the many local communities in which we operate. The main principle of the North Atlantic Champion strategy has been diversification of the activities and thereby the risk on various species, geographical stocks and markets, to achieve more stable earnings.

However, a number of external factors led to negative performance for all core species:

- A market slowdown in Europe in particular, as a consequence of economic stagnation, since when times are tough consumers' purchasing behaviour changes, in favour of basic products rather than luxury items. This particularly affected sales of cooked & peeled prawns.
- A European cod market affected by continued imports of

Russian cod at low prices, and thereby continuously declining sales prices

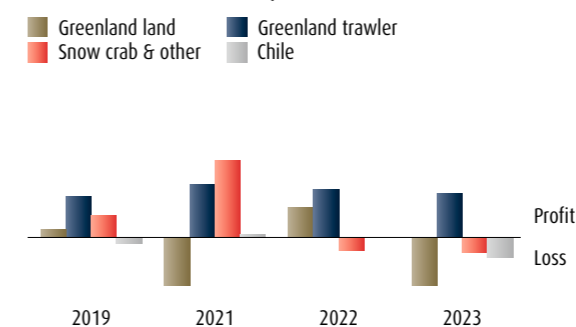
- Farewell to the Russian market for shell-on prawns, previously the world's second-largest market
- Increased Japanese imports of Russian crab at low prices. Together with a low JPY exchange rate, this exerts pressure on the Japanese snow crab market.
- Declining sales prices, despite higher costs during the last two years.
- A considerable loss on the business in Chile as a consequence of a lost China approval at the end of 2022, and a collapse of the king crab and seabass market in the USA
- A continuing high level of interest rates

The shore-based core Greenlandic species, cooked & peeled prawns, Greenland halibut and cod, were particularly affected by lost earnings.

Sales price performance in recent years has been highly volatile, and stabilisation in 2022 was followed by a decline in 2023.

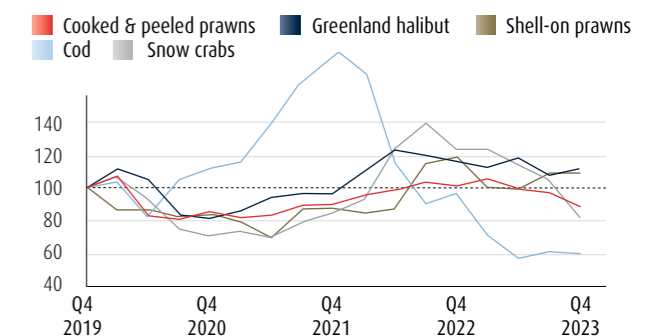
Together with a rising cost level, for the core Greenlandic species alone this development reduced the contribution margin by DKK 4 per kg, which is the main reason for the decrease in earnings of more than DKK 300 million for these species.

Breakdown of turnover by business areas



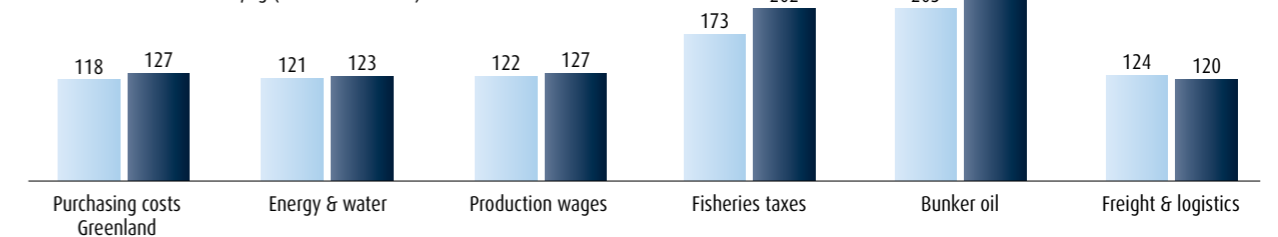
Development in sales prices for core species

(Q4 2019 = Index 100)



Development in selected costs

2022 2023 DKK/kg (2021 = Index 100)



The Chile activity returned a loss of DKK 85 million. This was a consequence of a lost approval for China at the end of 2022, which meant that the full 2022 production had to be sold on other markets as crab meat, rather than ordinary products, while the USA's market for king crab and seabass more or less disappeared in the aftermath of Covid-19 and in the face of rising inflation. The approval for China has been regained, and as from the 2023 season the products will once again be sold to China as ordinary products, while at the same time the activity will be consolidated.

Compared to 2022, the direct costs excluding volumes increased by more than DKK 100 million, and in the last two years, direct costs increased by more than DKK 600 million. The development in bunker oil, energy, logistics and fisheries taxes was particularly significant.

Positive aspects

2023 was not only affected by negative performance. After the collapse in 2022, the US snow crab market normalised, with improved earnings, but also with a sales pattern whereby 60-70% of production is sold in the course of the season.

In 2023, the pelagic activity delivered the best result in Royal Greenland's history. This economy relies heavily on capelin fishing, but it was also possible to establish fishing to cover most of the year, based on capelin, blue whiting, mackerel and herring. All fishing takes place in international zones, however, as the stocks are not located in Greenland's waters.

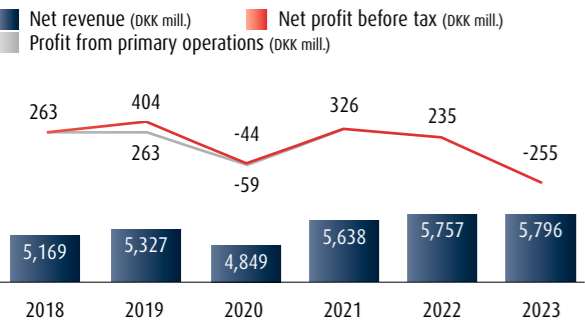
Royal Greenland was allocated a significant ocean-going cod quota in East Greenland, but unfortunately this allocation was made so late in the year that it was not possible to fish the entire quota and sell the products in 2023. In 2024, and thereafter, Royal Greenland will fully utilise the allocated quota. On the back of this award, Royal Greenland is constructing a processing plant in Tasiilaq to increase the coastal activity in East Greenland.

Future strategy

The current business climate requires reconsideration of the strategy, including the business model. A turnaround project has been launched, with the objective of reducing the cost base by a three-digit DKK-million amount.

The business plan for 2024 is the first step on this journey, and based on a number of initiatives, positive development is expected in 2024, although not at the level of earlier results. Since the main task in 2024 is to re-establish earnings, with focus on reducing the cost level, 2024 is viewed as a transition year, to bring earnings back up to previous levels.

Development in revenue and results



Financial statements

The loss of DKK (255) million before tax is due particularly to the very negative performance for cooked & peeled prawns, Greenland halibut and cod, together with a significant one-off loss on the activity in Chile. The development in operations also affects the net interest-bearing debt, which was not reduced as planned, despite diminishing net working capital.

Shell-on prawns were the only core Greenlandic species to maintain the earnings level. This was achieved despite the loss of the Russian market, and a Scandinavian market that was under economic pressure. It was thus possible to increase sales to China, thereby compensating for the lost revenue in Russia and Scandinavia.

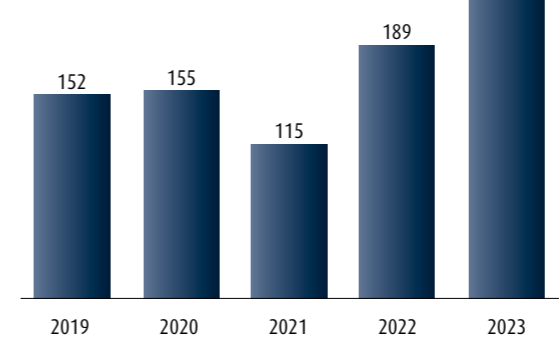
In 2023, shell-on prawn fishing was challenged by lower catch rates and an ice situation that delayed access to good catch fields. Significantly higher fishing levels were expected in 2023, but the year ended at the same level as in 2022. Recent years' commissioning of new trawlers is improving the operational economy of the shell-on prawn category, but earnings are under pressure from rising fuel costs, fisheries taxes and wages in particular.

The cooked & peeled prawns product category has faced significant challenges in recent years, with price drops of towards 20-25%, as a consequence of the pandemic and Brexit. The market rallied in 2022, however, but was subsequently affected by the economic slowdown in Europe in 2023, and thereby a change in customer behaviour patterns. Out of the last four years, the category only returned a profit in 2022. This is further challenged by a continuously rising cost level. Cooked & peeled prawns are the category with the greatest drop in earnings in 2023.

As the world's largest company for Greenland halibut, and with 90% of sales to Asia, this product category is exposed to the Asian markets' performance. The main markets are China, Japan and Taiwan. Sales activity is at the same level as in 2022, with China as the dominating market. It was also possible to raise prices in local currencies, but a 5% drop in the USD rate neutralised this positive effect.

The challenge for the Greenland halibut category, and thereby the background to a considerable drop in earnings, is a significant increase in the cost base in Greenland, with higher raw materials prices, payroll costs, logistics costs and fixed costs. The latter reflects recent years' investments and upgrading of the northern Greenland facilities, to strengthen Royal Greenland's raw materials position. The establishment of joint ventures is one initiative to strengthen this position. The Arctic Fish Greenland collaboration concerns three facilities (Kullorsuaq, Nuussuaq and Nutaarmiut). The group of owners consists of fishermen, employees and Royal Greenland.

Development in fisheries taxes (DKK mill.)



Conditions for North Atlantic cod were very challenging in 2023. The reason is continued sales of inexpensive Russian cod into the European market, with adverse consequences for competition. Trawler-based cod is profitable, however, and will be strengthened by the ocean-going quota awarded for East Greenland.

The shore-based cod activity in Greenland is not profitable. The focus is on increasing the proportion of Nutaaq® cod produced in Maniitsoq, in order to deliver a high-quality product at an attractive price. Volumes have increased considerably, and large catch volumes at the start of the season, with many small fish, presented challenges. As the market in Europe is saturated with ample Russian cod, a large proportion of the cod was stockpiled at the end of 2023, and in view of falling sales prices it was necessary to write down sales prices significantly at year-end.

Activities in Greenland were severely affected in 2023, and in real terms only shell-on prawns were profitable, while the shore-based activities comprising cooked & peeled prawns, Greenland halibut, cod and lumpfish roe returned considerable losses.

Over the years, snow crab has developed into an important category for Royal Greenland, as the foundation for Royal Greenland's earnings in 2020 and 2021. The activity is based in Newfoundland and Nova Scotia in Canada, supplemented by snow crab from Quebec in Canada, and from Greenland and Norway.

In 2022, the category was severely challenged by very high raw materials prices and a weak North American market. Sales prices fell by more than 50%, as neither foodservice nor retail segment demand could sustain the 2021 sales price levels. Together with the record-high raw materials prices, this reduced snow crab earnings significantly. Some of the stock from the 2022 season was carried over into 2023, and sold in 2023.

The 2023 season started very late due to Canadian fishermen's protest against starting up fishing, in the hope of higher catch landing prices. The season was therefore compressed and extended into

August, although the full quota was not fished. Apart from the late start, the activity normalised in 2023, both in terms of earnings and the sales pattern in the American market. On the other hand, the Japanese market was severely affected by increasing imports of Russian snow crab. Japan's import of Russian snow crab increased by 11%, while prices dropped by more than 30%. This is because Japan is Russia's only channel for exports of frozen snow crab, as the American market is closed to Russian snow crab.

The pelagic activity delivered a record-high result, primarily due to favourable capelin fishing. All fishing took place in the international zone, and recent years' efforts to create a basis for commercial mackerel fishing in Greenland's waters did not bear fruit in 2023, either, so that pelagic fishing in Greenland's waters is non-existent.

The result for the year after deduction of minority interests amounts to DKK (259) million. The minority interests in the companies Ice Trawl Greenland, Pelagic Greenland, Gaia Fish, Arctic Fish Greenland, Inughuit Seafood and St. Anthony amount to DKK 48 million.

It was possible to reduce working capital by DKK 659 million, primarily as a consequence of lower stocks. Working capital of DKK 1.7 billion is still too high, however, and there are continued efforts to reduce it. The primary challenge is excessive stocks of cod, cooked & peeled prawns and Chilean products.

As a consequence of the financial performance, however, the net interest-bearing debt is unchanged from the start of the year. The objective was a reduction of DKK 0.9 billion. As a ratio of EBITDA, the net interest-bearing debt accounts for a factor of 37.7, compared to a factor of 5.8 last year. The gearing is not acceptable, but in real terms reflects falling earnings. Before the pandemic, high gearing was required as a consequence of the high investment levels in recent years, in line with the renewal of the trawler fleet, and the level in 2021 reflects the level planned prior to the pandemic. The ambition is a gearing ratio of 3, equivalent to a debt of DKK 2 billion, on completion of the trawler investments and commissioning of the trawlers, but this will take up to four years.

The ongoing replacement of the ocean-going fleets continues unchanged. A new fish trawler to replace M/tr Tuugalik was delivered in Q2 2023, and a new prawn trawler to replace M/tr Akamalik is currently being built, with delivery in 2025, after which Royal Greenland's fleet will be 100% renewed and optimised for the future.

The net interest-bearing debt is expected to be reduced in 2024. Available liquidity amounts to DKK 0.7 billion.

The next major repayments on private placement loans fall due in 2025.

Cash flow from operations amounts to DKK (630) million, primarily as a consequence of the development in results. Total cash flows amount to DKK (6) million after financing. In 2023, dividend of DKK 73 million was paid to the Greenland Government.

Equity capital amounts to DKK 1,481 million, while the equity ratio is 23%. In accordance with the dividend policy agreed with the owner (50% of the profit for the year after tax), no dividend will be paid.

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

Events after the close of the financial year
In March 2024, the coastal prawn trawler Lomur sank off Sisimiut. All of the crew were rescued. Endeavours are being made to find a replacement fishing vessel.

At the end of March 2024, the Group's crab/prawn processing plant in Matane, in Quebec, Canada, burned down. Due to insufficient raw material supply, the plant was being discontinued. Both events are covered by insurance, and are not expected to affect the financial position or result for 2024 to any significant degree.

With the exception of the aforementioned, no significant events have occurred after the close of the financial year.

Outlook
Russia's invasion of Ukraine has led to global uncertainty and uncertain markets, particularly in Europe and North America, with higher costs and low growth. The macroeconomic forecasts are not optimistic, despite the gradual improvement.

2023 shows a clear need to rethink the strategy and business model in a changed business environment.

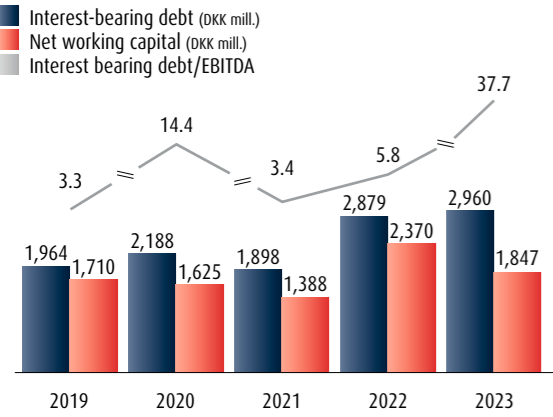
The main task in 2024 is to re-establish earnings, but it is unrealistic to expect that the previous level can be reached. 2024 is viewed as a transition year in which earnings will be gradually improved, aiming to reach previous levels.

It is expected that, based on slightly higher volumes, revenue will be increased by 3% to DKK 6.0 billion, and that the profit for 2024 will be DKK 75-150 million. The improvement will come primarily from the core Greenlandic species, and the 2023 losses from the Chile activity will not be repeated. A number of initiatives have also been launched to reduce the cost level by a triple-digit DKK million amount.

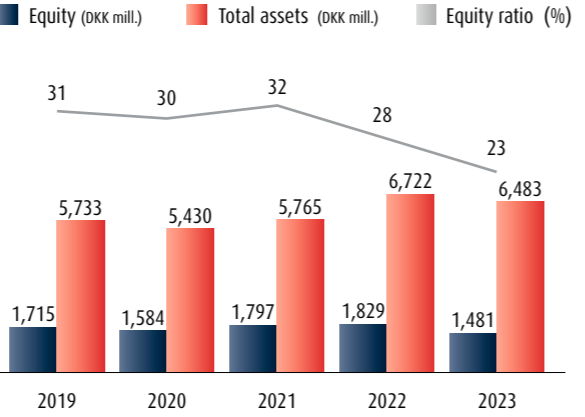
However, the general development in the global economy, exacerbated by the war in Ukraine, with an uncertain market, and rising prices for raw materials, energy and other goods, as well as Brexit, constitute highly significant uncertainty factors.

Net interest-bearing debt is also expected to be reduced in 2023. Combined with improved earnings, gearing is reduced considerably. The long-term objective is a gearing ratio of 3, and net interest-bearing debt of DKK 2 billion in the course of four years.

Development in interest-bearing debt and net working capital



Development in balance sheet and equity





A year affected by a global market decline and economic uncertainty

2023 was a year in which inflation, a general economic slowdown, and reduced purchasing power affected demand, resulting in lower earnings.

In the face of challenging market conditions, Royal Greenland maintained its net revenue in 2023, when a general economic slowdown and reduced purchasing power curtailed demand – particularly in Europe, where inflation and the war in Ukraine have affected consumption to a greater degree than in North America and Asia.

As a consequence of the economic development, consumer behaviour has generally changed in favour of more basic products, rather than luxury items. Moreover, inflation and rising costs have made it more expensive for Royal Greenland to fish, produce and distribute fish and shellfish for the global markets.

The combination of rising costs and a strong market decline had a severe negative impact on Royal Greenland's sales and results in 2023, when it was not possible to achieve market prices that could adequately match the rising costs.

This particularly affected sales of cooked & peeled prawns and cod, which are primarily sold in Europe. Cod was also adversely affected by Russia's exports of cod at low prices.

The previous year's farewell to the Russian market for shell-on prawns, previously the second-largest market, continues to affect sales of shell-on prawns. Demand in China has partly compensated for this, however, and it is also positive to see that Royal Greenland has increased its sales of shell-on prawns to Ukraine, despite the situation in that country.

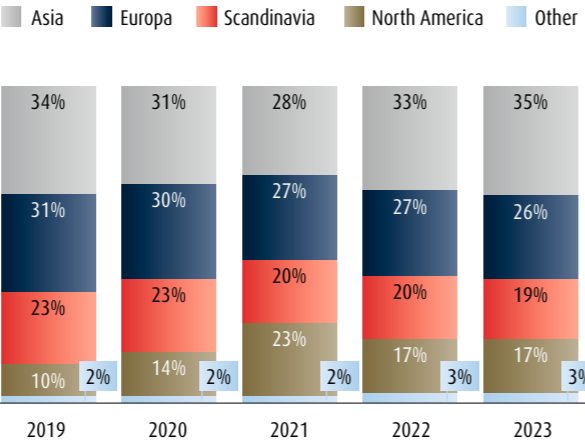
The geographical revenue distribution shows increasing sales to Asia, while the market slowdown in Europe reduced sales in Europe and Scandinavia in 2023. Sales in North America stabilised in 2023, after a turbulent 2022 with a significant downturn in demand and prices for snow crab.

The objective remains to diversify sales across geographical markets, to achieve greater risk diversification.

Asia

Revenue in Asia increased by DKK 160 million. This brings revenue in Asia to DKK 2 billion, which is a record for Royal Greenland in the region. The growth is driven by China, which during 2023 generally constituted a strong market for shell-on prawns and Greenland halibut in particular. In the last months of the year, however, the buoyant Chinese market also began to slow down, with a slight decline in demand and market prices. The Chinese market nonetheless remains a strong and important market for Royal Greenland.

Historical distribution of revenue on regions



Despite the drop in demand in Q4, Royal Greenland maintained sales levels for consumer-packaged products in China in 2023. Own-brand consumer-packaged products are sold to supermarkets and in e-stores, and account for around DKK 90 million.

While the sales performance in China was mainly positive in 2023, the situation in Japan is more challenging. The Japanese economy ended 2023 in recession, and the rising cost of living and a very weak Japanese yen put considerable pressure on demand for imported high-value products in Japan – and naturally also demand for Royal Greenland's products, which in particular are sold as highly-processed sushi products.

In addition, the Japanese market for snow crab and raw shell-on prawns is under pressure from imports from Russia, which cannot sell its products in the West to the same extent as before. The result is lower earnings, as well as a strong sales setback in Japan. After more than three decades of strong performance, in 2023 Royal Greenland returned an operating loss from the sales subsidiary in Japan.

Greenland halibut and shell-on prawns account for more than 75% of sales in Asia, while snow crab accounts for around 10%, based on revenue exceeding DKK 200 million. Sales of other species are winning ground, however, and in 2023, Royal Greenland sold lobster, for example, for almost DKK 100 million in this region.

Europe

Sales in Europe fell back in 2023, by 5% to just below DKK 1.5 billion, with a decline across sales channels. The falling revenue can mainly be attributed to the drop in sales of externally procured raw materials – as supporting business – while sales of cooked & peeled prawns increased by around DKK 35 million, but with lower earnings than in 2022. Moreover, sales of cod and shell-on prawns fell in 2023.

The decline for cod is attributed to such factors as the restraint shown by industrial buyers, falling prices, and pressure from imports of Russian cod at low prices, while for shell-on prawns the decrease is related to the drop in demand for hand-peeled prawns and stronger sales opportunities outside Europe.

The increase in sales of cooked & peeled prawns is driven particularly by sales in the UK, Germany and Switzerland, where strong partnerships ensured favourable sales in difficult conditions. On the other hand, sales of cooked & peeled prawns to industrial segments fell in 2023. The decline in the industry is due particularly to greater restraint among industrial buyers, who wished to minimise their risk and stockpiling in view of the general market uncertainty.

In the UK, Royal Greenland's sales are still impeded by the challenges created by Brexit. A free-trade agreement between the UK and Greenland is still being negotiated, but so far without concrete results. However, a customs-free volume of cooked & peeled prawns that can be imported for processing and packaging in the UK has been established.

It is still important for Greenland to establish a free-trade agreement with the UK, which is the world's largest market for cooked & peeled prawns, and among the world's largest importers of cod. Similar agreements are already in place with other large producer countries such as Canada, Iceland and Norway.

Scandinavia

As in the rest of Europe, inflation and economic uncertainty also had a strong negative impact on sales in Scandinavia. In overall terms, Royal Greenland's revenue in Scandinavia fell by 5% to around DKK 1.1 billion.

The declining revenue is driven by decreases in the categories of cooked & peeled prawns, cod and shell-on prawns, with a particular drop in sales to industrial customers and wholesalers in 2023, while the decline in the retail sector was smaller. On the positive side, foodservice sales rose in 2023.

While the region's sales of cooked & peeled prawns and cod fell strongly due to the drop in demand and falling cod prices, sales of shell-on prawns mainly fell as a consequence of more lucrative market prices in Asia.

On the retail side, Royal Greenland managed to protect and develop sales in Denmark and Norway, while sales in Sweden receded due to a record-weak Swedish krona and thereby diminished purchasing power.

Nutaaq cod from Greenland was in particularly high demand, thanks to its recognised high quality

The pressure from cost trends, currencies and alternative sales opportunities made it necessary to increase prices in Norway and Sweden significantly, and a number of price increases were made during the year. Nonetheless, earnings are still below previous years' levels, and further price increases may be necessary.

In Norway, in 2022 Royal Greenland entered into an agreement with a large Norwegian retail customer that made Royal Greenland their main supplier of shell-on prawns. Despite the low Norwegian krone rate, it was possible to renegotiate this agreement, to maintain Royal Greenland's position as the market leader for shell-on prawns in Norway.

North America

Royal Greenland's revenue in North America dropped marginally in 2023 to amount to just below DKK 1 billion, of which snow crab accounts for more than 75% of sales, while Chilean products, cod and lobster at around DKK 150 million account for approximately 15%. Sales of other North Atlantic species account for the last almost 10%.

After a very turbulent 2022, when snow crab sales fell significantly in terms of demand and prices, efforts in 2023 were concentrated on restoring sound and stable sales, with special focus on snow crab, followed by other selected key North Atlantic species.

This was mostly successful, and the North American snow crab market has got back to a more normalised earnings and sales pattern. However, 2023 was also characterised by sales of stockpiled products from the 2022 season at reduced prices. This negatively affected the results for 2023, since particularly in the first months of the year, average prices and earnings were affected by the preceding year's market decline.

In 2023, Royal Greenland successfully expanded foodservice and retail sales, which augmented Royal Greenland's sales opportunities and resilience to market fluctuations. In addition, a favourable market position for Greenland cod in North America was gradually established. Nutaaq cod from Greenland was in particularly high demand, thanks to its recognised high quality, and dedicated efforts are being made to increase sales of North Atlantic species in the North American market.



New products and innovation

In 2023, innovation processes across the organisation were strengthened, including the implementation of new innovation tools and upgrading of competences within such areas as project management.

The work of strengthening the innovation portfolio within our core species, and within packaging and packaging components, is important for the Group. The innovation work is fundamentally based on the needs of customers and consumers, combined with Royal Greenland's responsibility to create a more sustainable value chain.

In 2023, great weight was given to improved utilisation of our side-streams, and initiating the last stage of the seaweed cultivation and processing project. A long-term plan to replace non-recyclable packaging materials with recyclable materials was strengthened, leading to more projects, in close cooperation with suppliers. Furthermore, a test centre was established in Northern Jutland, to work on product and process development.

Royal Greenland also maintains and develops our research project portfolio. In close collaboration with universities and research institutes we create results that can be exploited commercially via Royal Greenland's further development, implementation and marketing. Going forward, we will continue to establish new partnerships in our search for new solutions to develop our business.

NEWSOP industrial research project successfully completed

During 2023, Hanne Aarslev Jensen completed the industrial research project "Shell-on prawns – new technologies for the management of oxidation, as well as microbiological quality and food safety (NEWSOP)". This project was conducted in close cooperation with the National Food Institute at DTU in Lyngby, Denmark, and was partly financed by Innovation Fund Denmark.

In the summer of 2023, the PhD thesis "Northern shrimp (*Pandalus borealis*) – Quality changes, shelf-life and safety of cooked shell-on products" was submitted, and the thesis was defended at DTU in Lyngby on 13 November 2023, when Hanne was awarded her PhD. Subsequently, a "Best-Practice" for the production process for sea-cooked shell-on prawns was prepared, based on the results of the industrial research project, and a large number of exciting new innovative results were generated that in the longer term will be to the great benefit of Royal Greenland in step with the ongoing development of the range of sea-cooked shell-on prawns.



Innovationsfonden

DTU DTU Fødevareinstituttet



WASEABI EU project completed after 4.5 years' work

For 4.5 years Royal Greenland has taken part in the European Waste Seafood Bioeconomy (WASEABI) research project, which was completed in autumn 2023, with the participation of three research institutions, one industrial cluster, and nine European companies. The project is financed under the EU Horizon 2020 programme as a biobased consortium.

In connection with Seafood Expo 2023 in May, in Barcelona the WASEABI project held the "Get More Value From Your Seafood Side-stream" conference, with around 100 delegates. The concluding project meeting was held in Copenhagen in October 2023, when the project's results were presented. In the course of the WASEABI project there was screening and development of various technologies that can be applied to utilising side-streams from the fishing industry for production of ingredients such as flavour enhancers and peptides (see QR-code to the left). These newly developed technologies can also be of interest to Royal Greenland, in view of the increasing focus on utilising side-streams.

PROFIUS – EU project with focus on optimising the entire lumpfish value chain

Royal Greenland is still part of the European research project "Preservation of underutilised biomass for improved quality and utilization (PROFIUS)", which is led by the National Food Institute at DTU in Lyngby. The EU project has partners in Denmark, Norway, Iceland and Malta and has achieved funding under the EU programme "ERA-NET Cofund on Blue Bioeconomy – Unlocking the Potential of Aquatic Bioresources".

The PROFIOUS project works on finding commercial uses for lumpfish carcasses to produce collagen or gelatine. In connection with a very fruitful project meeting for the PROFIOUS project in Iceland in October 2023, there were visits to several processing plants that produce collagen and gelatine from fish side-streams. Work is also underway to optimise the conservation of lumpfish roe right from catches in Greenland to processing and retail packing at Royal Greenland's processing plant in Cuxhaven, Germany, with various new product types. The EU project will be completed in autumn 2024.

PhD project on Greenland halibut – cause/occurrence of jelly fish

Royal Greenland is still an active partner in the PhD project "Biological variation of Greenland halibut in Greenland – optimisation of sustainability and commercial market value" (QALERALIK), conducted by Natacha Severin at the University of Copenhagen, under the supervision of Professor Kurt Buchmann, and with the University of Greenland and the Greenland Institute of Natural Resources as co-supervisors in the project group. The project is financed by the Greenland Research Council, Royal Greenland and the Bank of Greenland's Industrial Fund.

The QALERALIK project investigates the prevalence and cause of the "jelly fisk" phenomenon in Greenland halibut, which makes them unsuitable for the production of commercial Greenland halibut products, and particularly unsuitable for smoking. The purpose of this PhD project is thereby to contribute essential new knowledge about the reasons for "jelly fish" quality shortcomings in the Greenland halibut, and to investigate technological initiatives to optimise processing and economic utilisation of this fish, in order to promote more sustainable use of the Greenland halibut quota in Greenland.

During 2023, Natacha in February visited Royal Greenland in Maniitsoq to take various Greenland halibut specimens, and in October sailed on M/tr Tuugaalik off West Greenland, to take more specimens. During

2024, extensive series of trials are planned to take place at the University of Copenhagen, together with the National Food Institute at DTU in Lyngby and NOFIMA in Tromsø, to resolve this puzzle and find the reason for the “jelly” phenomenon in Greenland halibut. Natacha is planned to complete her PhD project in autumn 2025.

Focus on prawn peeling in a new three-year industrial research project
Royal Greenland's prawn category is a core strategic area that takes a prominent position when research and development resources are prioritised. It was therefore very pleasing to note that once again in 2023, Royal Greenland could start up an industrial research project with the support of Innovation Fund Denmark, in this instance with focus on shell-on prawns: “Enzymatic peeling of cold water prawns (PRAWNZYME)”. The project is being conducted by Signe Vangsgaard in close cooperation with Professor Anne S. Meyer and her group at DTU Bioengineering in Lyngby. The aim is to optimise the ripening and peeling of prawns in the production of cooked & peeled prawns, to give an end-product of higher quality and with greater focus on sustainability.

In the project's first year, a kick-off meeting was held at DTU in May, and a workshop at Royal Greenland in Sisimiut in June, together with the project partners from the National Food Institute at DTU, where specimens were taken from the prawn ripening process in the practical production of cooked & peeled prawns. These specimens are now being studied in the DTU laboratories.

During the three-year project, the research work will continue to take place at DTU in Lyngby, with further testing at the new Royal Greenland test centre in Brovst in Northern Jutland, and concluding validation testing at the prawn processing plants in Greenland. Signe is planned to complete her PhD project in February 2026.

Seaweed in a new research project

In recent years, Royal Greenland has had extensive development activity, with cultivation of sugar kelp and winged kelp in the fjords off Maniitsoq. In 2023, Royal Greenland started up the research and development project “Low-energy stabilisation of kelp and development of new, high-value food products (VALUEKELP)”, in close cooperation with the National Food Institute at DTU, the University of Copenhagen, Nordic Marine Nutrition and Royal Greenland. This four-year project is supported by GUDP with around DKK 5.8 million in the course of the project period.

The project aims of VALUEKELP are:

- 1. Develop conservation methods to store kelp after harvesting that are matched to conditions in Greenland.
- 2. Develop new products using cultivated Greenland kelp as their raw material.
- 3. Investigate and document climate effects of the cultivation and production of food products with kelp as their raw ingredient.

In the project's first year, a kick-off meeting was held at DTU, attended by the project partners, and a number of initial conservation trials were completed, headed by PhD student Caroline Østergaard Klein of the National Food Institute at DTU. At Royal Greenland, in the first year of the project various prototypes using kelp cultivated in Greenland were produced. GUDP issued a press release on the VALUEKELP project (see the QR-code to the right). In June 2024, extensive tests are planned to take place during kelp harvesting at Royal Greenland in Maniitsoq, where the various newly-developed conservation recipes will be tested in practice, with the support of researchers from DTU.



Signe Vangsgaard and Morten Schøtt from DTU

DTU Bioengineering
Department of Biotechnology and Biomedicine



DTU Fødevareinstituttet
Københavns Universitet



Rising activity and higher costs characterised both fisheries and production in 2023

The repercussions of the global Covid-19 pandemic, war, boycott of Russia, inflation and rising costs had a great impact on Royal Greenland's fisheries and production operations, which nonetheless achieved a higher level of activity.

Greenland

Privileged access to quotas is vital for Royal Greenland, whether this is ensured with own fishing, or by processing raw materials from external shipping companies and fishermen in the Group's facilities.

Fisheries

Royal Greenland's fleet comprises nine ocean-going trawlers for prawn, Greenland halibut, cod and pelagic species, and one coastal prawn trawler. Four of the ocean-going trawlers are new, under Royal Greenland's long-term plan to replace the trawler fleet.

At the beginning of 2023, the trawler M/tr Tuugaalik was delivered from Murueta Astilleros Ship-yards in Bilbao, Spain. This trawler replaces the trawler of the same name, which was sold in Q1 2023. M/tr Tuugaalik started up without problems, and fished as expected in 2023, with sound operations. In 2024, M/tr Tuugaalik will also start up prawn fishing off Svalbard, in addition to the normal fishing for cod, redfish and Greenland halibut.

The construction of another new vessel in Spain is going according to plan. This trawler will replace M/tr Kaassassuk, with delivery planned for the beginning of 2025, after which the ocean-going fleet will be by and large renewed and geared to the future, after the start in 2019 with delivery of M/tr Avataq and M/tr Sisimiut.

The Group fished a total of 79,000 tonnes in 2023, which is an increase of 8% from 2022. The increase is primarily due to increased fishing of pelagic species, prawn and cod.

The prawn quota was 110,000 tonnes in 2022. The quota was reduced by 7,800 tonnes to 102,500 tonnes in 2023. Some quota has been 'flexed' from 2023 to 2024, and the quota reduction will not affect the Group's overall prawn fishing in 2024. Catch rates have generally been declining in the last few years, and there has also been a change

in the size composition, with a tendency for prawns to be smaller.

In mid-2023, Royal Greenland was awarded an ocean-going quota for cod and redfish in East Greenland. The cod quota amounts to 5,500 tonnes, but it was not possible to fish the full quota in 2023, due to late allocation of the quota. However, the quota will be a significant asset for Royal Greenland going forward. 25% of the quota is subject to a catch-landing obligation, and will be processed at the plant in Maniitsoq.

On the back of the quota award, Royal Greenland is committed to constructing a processing plant in Tasiilaq that will be completed in 2025. This will make it possible to increase coastal fishing and activity in Tasiilaq, as a natural consequence of Royal Greenland's ownership and social responsibility.

Royal Greenland has also undertaken trial ocean-going cod fishing in West Greenland, in order to investigate the basis for possible commercial ocean-going fishing.

In Pelagic Greenland, the company's trawler, M/tr Tasiilaq, was in operation throughout the year. The trawler fished well for capelin, mackerel and blue whiting.

Production

Royal Greenland owns 37 facilities in Greenland. Five of these are operated in collaboration with local fishermen and employees. All facilities are in operation. The facilities are all operated on a commercial basis without service contracts from the Greenland Government.

Production activity was a good deal higher than in the preceding year, particularly due to increasing cod volumes. There was also continued high activity at the prawn processing plants. In the Greenland halibut fishing areas and at the processing plants where the halibut subject to the catch landing obligation is processed, the level of

activity was reasonably stable. The catch landing obligation for Greenland halibut was reduced for 2024. This will not affect the activity in 2024, but as from 2025 there will be reduced activity at the shore facilities in question.

The live cod until slaughter, activity, to achieve high quality (Nutaaq) continues to be developed. The season started in time, and there was a very high level of activity in 2023. Equivalent or higher activity is expected in 2024, based on the large amounts of cod fished along coastlines.

Increased capacity in Narsaq and Nuuk has been invested in, and at both locations significant capacity for freezing of cod and Greenland halibut has been established.

At the prawn processing plants in Sisimiut and Ilulissat, investments in rationalisation measures continued in 2023, and particularly in building maintenance. There is sustained focus on increasing processing in Greenland via final packing in Ilulissat and Sisimiut.

There has also been investment in more intensive processing of Greenland halibut, particularly in Ilulissat, where fillet and J-cut production will be further increased. There are equivalent plans for Uummannaq in 2024.

It continues to be very challenging to achieve a sufficiently large workforce, particularly during high season. On this basis, again in 2023 there was great focus on reducing the need for manpower and on simplifying the processes at the onshore facilities, including developing equipment that can augment processing in Greenland without increasing the need for manpower. Focus on improving the working environment at the processing plants in Greenland is still a prioritised action area.

Procurement

During the financial year, 66,952 tonnes of fish and shellfish were landed at Royal Greenland's processing plants in Greenland. This is almost 6,800 tonnes more than in 2022.

After several years of declining cod catch landing, 2023 saw high activity, and deliveries increased by more than 50%.

Catch landing of live cod for the Nutaaq production in Maniitsoq equivalently increased by more than 50%, and almost half of the year's cod landed for Royal Greenland was live fish for the Nutaaq production.

The average catch landing price is by and large unchanged from 2022, when landing prices were rising for prawn, roe and Greenland halibut, while the landing price for cod and crab in particular was lower.

Payment to coastal fishermen in Greenland amounted to DKK 809 million in 2023, compared with DKK 711 million in 2022. During a ten-year period, the total payment to fishermen in Greenland increased by DKK 480 million.

Canada

Production

With nine processing plants in Newfoundland, Quebec and Nova Scotia, Royal Greenland has significant inshore fishing activities in Canada. Seven of the nine processing plants are owned via Quin-Sea Fisheries in Newfoundland, including the processing plant in St. Anthony that is owned under a joint venture with Clearwater Seafoods.

Besides snow crab, lobster and prawn, the Newfoundland activities include sea cucumber, cod, halibut and pelagic species. During the last couple of years lobster has become the most important species after snow crab. In addition, a fresh range comprising cod, scallops, live lobster and halibut is subject to ongoing development for sale in North America.

In Quebec, Royal Greenland runs a processing plant for cooked & peeled prawns and crab in Matane. There is more intense competition for raw shellfish, due to declining prawn fishing and surplus processing plant capacity. Besides prawns and crab, in 2023 lobster production was also started up at the processing plant in Matane. At the end of 2023, extension of the processing plant in Matane was commenced, in order to increase crab and lobster production in the coming years. The declining raw material stock in Quebec is generally a major challenge for the coming years' operations.

In Nova Scotia, a crab factory is operated under the auspices of A&L Seafoods.

A total of 22,000 tonnes of raw materials were landed for the processing plants in Atlantic Canada.

Procurement

Royal Greenland does not operate its own fishing in Canada. All production is based on procurement of fish and shellfish from independent fishermen and shipping companies, with which it is therefore vital to have sound cooperation.

The crab stock, and thereby the quota, continues to develop positively in by and large all areas of Canada, including Newfoundland. Royal Greenland's subsidiary Quin-Sea Fisheries is experiencing increasing activity, on the back of higher snow crab quotas, but also due to an increasing market share for both crab and lobster. The prawn quota

continues to decrease in the coastal areas of Canada, which is reflected in declining prawn production at Quin-Sea Fisheries.

In Quebec/Gulf of St. Lawrence, the prawn stock is still under pressure. In 2023, the quota fell again for the entire area, and a further reduction of up to 25% is expected in 2024. After its start-up in 2020 the crab factory in Matane has operated with rising volumes and efficiency. In 2023, there was also increasing production of lobster in Matane.

In Nova Scotia, after several years' increases in the crab stock, there is a prospect of falling quotas in 2024. At Royal Greenland's subsidiary A&L Seafoods, activity was high in 2023, while declining activity must be expected in 2024.

The overall picture for purchase of raw materials for processing at the plants in Atlantic Canada is a generally unchanged volume compared to 2022. Due to disagreement on the crab price, the season in Newfoundland & Labrador was delayed, however, with the consequence that the full quota was not fished. Catch landing for 2023 was thereby lower than expected.

Germany

Royal Greenland operates three processing plants at three locations in Cuxhaven. They produce lumpfish roe in jars, prawns in brine, and packaged frozen prawns, respectively. The factories are subject to shared management and administration.

Cuxhaven is Royal Greenland's European production centre. It is expected that potential new production in Europe will also be located in Cuxhaven.

Chile

Production in Chile primarily concerns crab (king crab and snow crab) and Patagonia Tooth-fish/Chilean Seabass.

There has been investment in own supply infrastructure, comprising own fishing boats and transport boats.

In 2023, the activity in Chile purchased 540 tonnes of king crab, 230 tonnes of snow crab and 256 tonnes of seabass.

However, 2023 was a poor year for the activity in Chile, as a consequence of a lost China approval for crab, and the collapse of the American king crab and seabass market in 2023. As a consequence, a significant loss was registered for the activity in Chile.

The business in Chile was therefore reduced in 2023, and the low level of activity will continue in 2024. The China approval has been regained and sale of products from the 2023 crab season is running normally.

Norway

The processing plant in Øksfjord produced 1,350 tonnes of salmon fillets for production of smoked goods by our Danish secondary suppliers.

Via our Norwegian suppliers, Royal Greenland purchased around 306 tonnes of snow crab. Snow crab from Norway is fished in the Barents Sea, where the crab are processed onboard the vessel immediately after they are caught.

Denmark

Royal Greenland's range of smoked products is produced by a secondary supplier in Denmark. The Group has no other production activities in Denmark. As from 2024, contract production with a new smoked goods producer is in place.

China

For many years, Royal Greenland has collaborated with Chinese secondary suppliers that process raw materials from Greenland into high-quality sushi products for the Japanese market. Cod and salmon are also processed for sale and further processing in Europe. Processing of Greenlandic cod in China has been resumed, due to the difficult supply situation after Russia is no longer used as a supplier of frozen raw fish to Royal Greenland. Production of MSC-certified cod is maintained in China.

Other procurement

To supplement our own production of cooked & peeled prawns, 3,000 tonnes of MSC-certified prawns were purchased in 2023, for production at the prawn processing plants in Sisimiut in Greenland and St. Anthony in Newfoundland.

Similarly, from Norway 500 tonnes of supplementary quantities of Greenland halibut were purchased, in addition to Greenland halibut from Greenland. The Greenland halibut is primarily used for processing in Asia for the Japanese market. A small proportion is used for smoked goods for the European market.

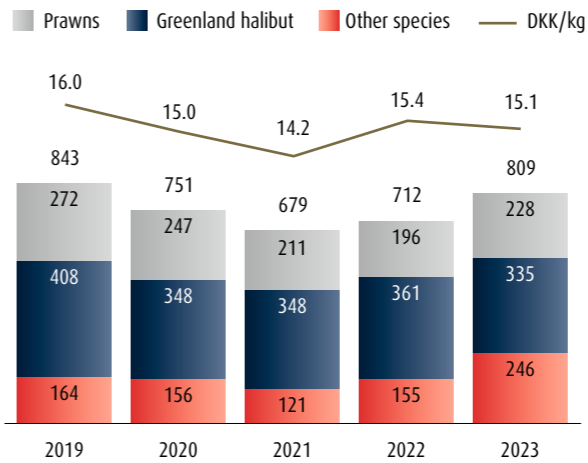
Raw materials such as salmon and MSC-certified cod are procured in the world market. MSC-certified cod, primarily from Norway, constitutes the largest individual element, at 5,100 tonnes. The cod is a supplement to the Greenland cod and is used where customers require MSC-certified cod. It is sought to continuously replace the volume of externally purchased cod with cod from Greenland, where possible.

Salmon is purchased as a trading commodity, and amounts to 4,700 tonnes.

Catches landed to Royal Greenland in Greenland (tonnes)

	2017	2018	2019	2020	2021	2022	2023
Prawns	26,935	26,852	30,991	29,753	30,384	29,988	32,599
Greenland halibut	17,591	19,997	22,249	18,141	18,705	18,591	17,910
Crabs	1,330	1,535	1,551	1,581	1,655	1,660	1,873
Roe	718	685	780	869	733	815	982
Cod	19,199	14,028	10,227	10,611	9,741	8,760	13,272
Other	521	341	947	705	501	365	316
Total	66,294	63,438	66,745	61,660	61,719	60,179	66,952

Value of landings and catch landing prices in Greenland





Traceability, a strong food safety culture and global cooperation guarantee high food safety

At Royal Greenland, traceability and transparency throughout our supply chain are vital for food safety and customer confidence, to be able to operate in international markets.

Our extensive HACCP system, combined with modern technology and IT integration, facilitates accurate tracking of products from sea to table. Advanced technologies, such as GPS surveillance of the fleet, ensure collection of data on catch areas and dates. Globally, we ensure that both Royal Greenland and our suppliers fulfil the requirements for responsible supply practice and certifications under international food standards. Finally, an integrated food safety culture helps to ensure commitment to delivering high-quality products to our customers.

HACCP and improved traceability

Traceability of fish and prawns is closely linked to HACCP (Hazard Analysis and Critical Control Points), a system designed to safeguard food safety.

HACCP is a proactive approach to food safety that identifies potential hazards in food production and implements controls to minimise or eliminate these hazards. Via the HACCP process, critical control points

are identified at which hazards may occur. Full traceability helps to strengthen the HACCP system by facilitating reversion to critical control points, should problems arise.

For example, if it is suspected that a specific batch of fish or prawns has been contaminated during production, the traceability system can help to identify the precise source of contamination and enable recall of the products in question, before they reach consumers.

In 2023, Royal Greenland's traceability system was further strengthened when our activities in Chile became an integrated part of the company's SAP system.

Certifications and audits for the benefit of our international customers

To maintain our status as a reliable international supplier, it is vital that we comply with international standards. Several of our largest processing plants are certified under two important international food

safety and quality standards: BRC and IFS. Royal Greenland generally achieved excellent results in the different audits during 2023:

- A+ classification for C&P and AA+ for prawn meal at unannounced BRC audits in Ilulissat.
- Improvement of IFS audit score in Qasigianniguit compared to the year before.
- Achievement of ASC certification in Øksfjord.

In connection with the stringent certifications, we are also required to perform recall tests (mock recalls), whereby we ensure that our products can be traced right out to the final customer, and right back to where and when the raw material was fished. We had no actual recall cases in 2023.

Import and export licences

To be able to export our products, we must always ensure that we are approved by the relevant food authorities in the countries to which we want to export. Many of these authorities set different requirements compared to the Danish Veterinary and Food Administration, by which Greenland, as part of the Kingdom of Denmark, is also inspected. In 2023, new rules and systems were introduced in both China and the USA for approval of food imports.

When different countries introduce new systems or requirements, a lot of work is then required. Typically, large amounts of information must be gathered on the processing plants' location, quality management system, equipment, processes, etc., and it must be documented that this information is correct.

Our achievements in 2023:

- All our processing plants and business partners were approved for export under the new requirements from China, within a tight timeframe.
- All necessary processing plants and trawlers were approved for export to the USA. We also took over this task ourselves, where it was previously performed by a firm of consultants.

Food Safety & Quality Culture (FSQC)

During 2023 we worked to strengthen our food safety and quality culture (FSQC). This is an ongoing process that is becoming more and more important, as increasing requirements are made by customers, certification standards and food legislation for food companies to not only work systematically with food safety and quality, but also with the culture for these areas, to make this a stronger element of the company's DNA.

During 2023, Royal Greenland implemented several internal initiatives, such as questionnaire surveys on food safety and quality. Here, we have noted that HACCP is solidly anchored in the organisation, as 100% answered questions about this correctly. 58% of all respondents answered all questions correctly.

There will be more internal investigations and information campaigns going forward, as it is important to measure the FSQ culture. In 2023, the updated Food Safety and Quality Policy was also made available on the company's intranet and website.





Risks

Royal Greenland seeks to reduce vulnerability to fluctuations in quotas and catches by diversifying the intake of raw materials across several stocks of core species, and across several geographical areas. In the same way, sales are spread across several geographical markets and sales offices. The exposure to financial, currency and interest rate risks in global activities is monitored closely and reduced through the company’s policy in this area.

Raw materials

Access to raw materials and the development in raw materials prices are a significant operating risk for Royal Greenland. This risk is predominantly related to the live resources around Greenland and eastern Canada. These stocks constitute 89% of Royal Greenland's total raw material resources.

The quotas for Royal Greenland's core species are generally favourable. After some years with increases, the prawn quota in Greenland

was reduced in 2023 and 2024, in line with the MSC management principles. On the other hand, the prawn stock in Atlantic Canada is not doing well, and the quota has been reduced significantly. For snow crab, the quota in both Atlantic Canada and Greenland is increasing.

The quota for coastal Greenland halibut in the three management areas in Greenland is unchanged, but does not comply with the biologists’ recommendation and should be reduced. It should be noted that around 2-3,000 tonnes of the quota are not normally fished.

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.

Concerning the development in the quotas, experience shows that lower quotas often entail higher sales prices, thereby maintaining the value of the activities.

The uncertainty concerning the raw material resources requires a sharper focus on value optimisation of the raw materials and greater processing intensity, in order to maintain earnings from the resources. Areas in focus.

Royal Greenland’s raw materials purchases total DKK 2.1 billion. We constantly seek to maintain the relative earnings level, irrespective of the development in raw materials prices and other costs. This situation has become highly relevant in view of the current energy crisis and high inflation. The aim is to hedge this risk by adjusting sales prices, as well as 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 derivative financial instruments is governed by a specific policy adopted by the Supervisory Board, as well as internal procedures to e.g. set limits 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 89% of the Group's revenue, with an emphasis on the euro-area member states, China, Japan, the UK, Sweden and the USA. Revenue in EUR and DKK accounts for 31% of Royal Greenland's total revenue, and is not assessed to present any real currency risk.

The primary currency exposure concerns US dollars, Japanese yen, Pounds sterling, Swedish kronor, Canadian dollars and Chinese yuan.

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 currency risk in relation to EUR is not hedged.

Interest rate risks

The interest-bearing debt has been swapped for DKK, EUR, JPY and USD. The proportion of the net interest-bearing debt at variable interest rates was 42% 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 DKK 12.4 million.

Credit risks

The Group's credit risks are primarily related to financial assets, including lending to business partners, suppliers of raw materials, associated companies and customers.

The Group's policy for incurred credit risks entails the ongoing credit assessment of customers and business partners, including suppliers and associated companies, just as credit insurance is taken out for customers. The maximum credit risk related to financial assets corresponds to the accounting values recognised in the balance sheet. The Group has no significant credit risks related to individual customers or business partners, apart from two associated companies in Chile.

The Group has loans to associated companies in Chile totalling DKK 326 million at 31 December 2023. At the end of 2022, the companies lost the import licence for the Chinese market, which together with the collapse of the market for king crab and Chilean seabass in the USA, resulted in significant losses in 2023. The companies have regained the Chinese export licence, and after adjustment of the activities, a positive result is expected in 2024.

Based on the updated business plan, the receivable after write-downs is recognised at DKK 261 million at 31 December 2023.

Valuation of the receivable at recognised value is conditional on achievement of the updated business plan. If this is not achieved, this might entail write-downs on receivables. The valuation is thus subject to uncertainty.

Statutory data ethics report

Royal Greenland does not currently have a separate data ethics policy.

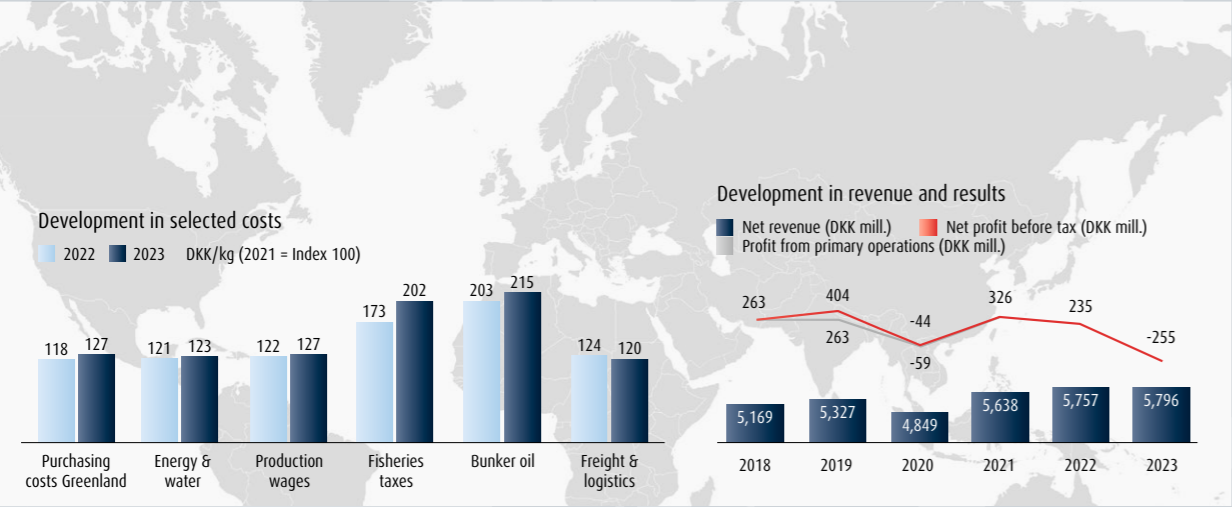
The area is key to operating the activities on a responsible ethical basis. The work on data ethics is therefore a natural extension of Royal Greenland's existing code of conduct and policies for such areas as data security and GDPR.

A number of measures have been taken to support the company's data security and handling of GDPR data.

An actual data ethics policy will be formalised, and will match the measures taken.

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.

Events during the year



War, inflation and high interest rates are a challenging combination

Royal Greenland's result for 2023 reflects in every way how interdependent the world's countries and economies are. With Russia's invasion of Ukraine in 2022, when the world was still suffering from the aftermath of Covid-19, the – to Royal Greenland – important Russian shell-on prawn market disappeared. Furthermore, in 2023, the US shut off seafood imports from Russia, which meant that Europe was flooded with cod from Russia and it became difficult for Royal Greenland to obtain strong prices for cod in the important European market.

With rising inflation in Europe, consumer purchasing power declined and high-quality products such as prawns were largely discarded in

favour of cheaper products. Also, sales in the UK were squeezed due to the lack of a free trade agreement after Brexit.

Finally, the turmoil in the global markets has resulted in rising interest rates.

However, the long-term development for Royal Greenland has been positive over the past ten years, with the company contributing growth, education and development to the many communities in which we operate, and in 2024 the focus will be on emerging stronger from the uncertain market conditions we operate in.



New management in Greenland

In 2023 Royal Greenland took decisive steps to strengthen the management structure in Greenland.

With the aim of anchoring and strengthening the culture throughout the organisation, Royal Greenland established a new executive management team in 2023 with two Executive Vice President positions in Greenland.

Susanne Arfelt Rajamand was appointed CEO in Nuuk on 1 February, marking the start of the new structure. During the year, we further expanded our executive management team with Bodil Marie Damgaard as Executive Vice President HR & Communication in October, Robert-Jan Treebus as Executive Vice President Sales in November, and Joanna Hutchins as Executive Vice President Marketing & CSR, starting 1 January 2024.

With six people in the executive management team, two of whom are based in Greenland, it emphasises Royal Greenland's commitment to the Greenlandic community. This move ensures that our management team is not only physically present, but also deeply committed to promoting the cultural and societal values of the company that Greenland represents.



A small player with a big local impact in a challenging global cod market

In Greenland, cod fishing and production have been key activities over the last 5-10 years. Historically, years ago there were not much cod in Greenlandic waters, but with the increased occurrence of the species in coastal areas and most recently also offshore, Royal Greenland has invested heavily in Nutaag production, including cages for fishermen and wellboats. Most recently with the allocation of quota in East Greenland the company has also invested in production in Tasiilaq in East Greenland.

In Greenland, cod fishing is a key activity for the fishing community and creates many jobs for both fishermen and production workers. Maniitsoq in particular is undergoing a major transformation for the benefit of locals and the many craftsmen who have been involved in building facilities and installing new equipment.

In the world market, cod from Greenland is still a small item, even though cod fishing in both Norway and Russia has decreased following a reduction in quotas in the Barents Sea. In 2023, the Greenlandic fishery for Atlantic cod accounted for approximately 6% of the total world catch.

World politics affects the market

With Russia's exclusion from the US market, the country must find new sales opportunities. This means that a large part of the Russian catches are sold in Europe at lower prices than before and that some are sold to Chinese industrial customers who have access to local hand filleting. Both sales channels are also important for Royal Greenland and therefore the drop in prices has had a significant impact on our business.

Continuous investments needed in Greenland to compete globally

Inshore cod sourcing at Royal Greenland is divided into three categories:

- Raw materials of such high quality that the fish can be awarded the coveted Nutaag label and sold in the US and Europe
- Fresh frozen fish of high quality suitable for machine filleting, primarily for European customers
- Standard cod, which is primarily frozen whole and sold to industrial customers in e.g. China for hand filleting.

Royal Greenland's objective is to continually increase production of the sought-after Nutaag quality. In 2023, almost half of the year's cod catch was utilised for Nutaag production from more than 120 fishermen who gathered their catches in approximately 300 cages from Paamiut to Kangaatsiaq. The cod was collected by the wellboat Tuneq and transported to the factory for further processing.

Investments have been made in upgrading existing and purchasing new gyro freezers at several locations along the coast, a new and modern sorting facility and a blood spotter in Maniitsoq to be able to select only the very best quality for Nutaag cod. Furthermore, more cages have been purchased and increased focus has been placed on recruiting labour for summer production.

To compete globally, where geopolitics, major fishing nations and demanding customers dictate prices and flow of goods, local focus on quality, attracting labour, continuous investment and perseverance are important parameters, both in good and less good years.



Greenland's diplomatic presence in China celebrated

Greenland's Representation in China opened in October 2021, but due to Covid-19, it was not possible to invite guests and officially mark the cooperation between the two countries until October 2023. Royal Greenland participated in the celebration at the embassy in Beijing.

The celebration at the Representation coincided with the largest seafood fair of the year in the city of Qingdao, where Royal Greenland together with Polar Seafood hosted a reception for the Minister for Statehood and Foreign Affairs, Vivian Motzfeldt and entourage along with Chinese business partners and customers.

The Chinese market is an important market for the sale of Greenland halibut and shell-on prawns for Royal Greenland, and it was therefore of great importance for the company to be able to host this event and both introduce our Greenlandic official representatives to the market as well as to introduce them to important business partners, who appreciated the official representation from Greenland.

Royal Greenland was also strongly represented at the important trade fair with a large stand and was pleased to welcome Minister Motzfeldt and her entourage. Every year, the fair is visited by approx. 30,000 customers from up to 90 countries, with a clear predominance of Chinese customers with strong purchasing power.



PR partnership provides access to decision-makers in the UK

Prawns and cod are large and important product categories for Greenland and for Royal Greenland. It is therefore crucial to ensure strong and stable demand in key global markets.

In the UK, both cooked & peeled prawns and Atlantic cod are key ingredients in many dishes in restaurants, pubs and hotels. To be a relevant supplier, it is therefore important to understand how chefs choose their products and what formats and product qualities are required to fulfil their expectations.

Therefore, Royal Greenland in the UK has partnered with the PR network Chef's Forum, which during the year organises a number of lunches, networking and sparring meetings with leading chefs around the country. Here we have the opportunity to present our products and, not least, listen to the chefs' judgements, considerations and input on how our products can become even more relevant in their daily work.

During 2023, Royal Greenland was in contact with more than 500 chefs from Edinburgh in the north to Cardiff in the south, where knowledge and insights allow us to optimise our sales efforts, improve our products and target our marketing and communication.



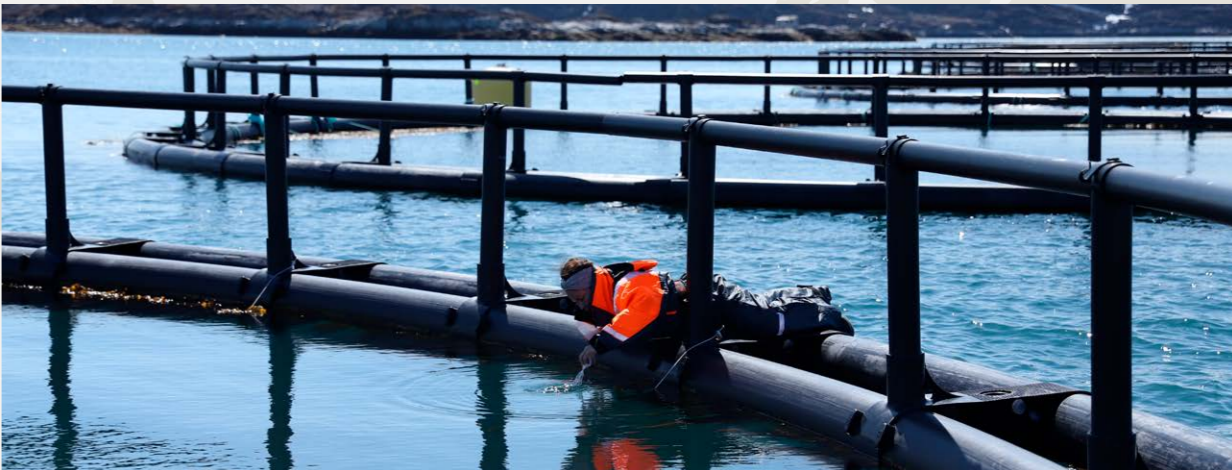
Valuable knowledge about prawns presented in PhD thesis

In November 2023, Hanne Aarslev Jensen presented her PhD thesis "Northern shrimp (*Pandalus borealis*) - Quality changes, shelf-life, and safety of cooked shell-on products". Afterwards, Royal Greenland hosted Hanne's reception serving Greenlandic snow crab, sea-cooked shell-on prawns and cold-smoked Greenland halibut.

Participants from three research projects at a conference together with Royal Greenland

Royal Greenland Innovation participated in the 51. WEFTA 2023 conference (Western European Fishery Technologists Association) in October at the conference center DGI-Byen in Copenhagen, where the National Food Institute was the organiser.

The WEFTA conference had about 150 participants, mainly from Europe, and was well organised with 85 oral presentations and 26 posters, where we gathered a lot of useful knowledge for RG Innovation. The major topics at the WEFTA conference were micro and macro algae and side streams from seafood processing.



Royal Greenland's investment in seaweed cultivation and utilisation of side streams strengthened

For several years, Royal Greenland's innovation department has worked hard to scale up the experimental seaweed cultivation project in the waters outside Maniitsoq and has invested in infrastructure and equipment. With a grant from the Green Development and Demonstration Programme (GUDDP) in 2023, it will be possible to scale up further.

In 2023, Royal Greenland took over the majority shareholding in the company Nordic Marine Nutrition as part of the increased focus on seaweed and the utilisation of side streams and by-products, especially from cod and prawns. A circular mindset with utilisation and

upscaling of side streams is an important focus area for anyone working with food production, as it is an essential element in sustainability reporting and ultimately also the CO₂ impact of companies' activities.

Collecting side streams is a difficult task in Greenland, where production takes place in a lot of locations with small quantities of seafood being delivered from fishermen. Therefore, it is important to gather knowledge and learning in the company Nordic Marine Nutrition, which focuses on possible commercialisation of our side streams for not only foodstuff, but also other applications.



M/tr Sisimiut



M/tr Avataq



M/tr Nataarnaq



M/tr Tuugaalik

Largest investment in Royal Greenland's history secures the future of Greenlandic fisheries

By the end of 2023, four out of five planned new trawlers in Royal Greenland's seagoing fleet will be in operation and the last trawler M/tr Kaassassuk will be delivered in 2025.

In 2016, Royal Greenland began the very costly investment programme to replace parts of the seagoing fleet, as most of the vessels were not up to date for modern fishing.

By its very nature, it is an investment that has taken up a large portion of available investment capital and must be amortised over many years, even in a time when rising interest rates and inflation are putting companies under pressure.

Contributes to the Greenlandic economy

Overall, there are around 12-14 ocean-going trawlers fishing in Greenlandic waters. All vessels sell their products on the international market and are in direct competition with seafood from other parts of the world. Customers expect high quality, competitive prices and sustainable fishing, both in terms of an efficient fleet and documentation of catches and CO₂ footprint.

With five new vessels in the Greenlandic fishery, Royal Greenland has a strong position on the international stage and guarantees that Greenland will continue to generate solid income in the form of fishing taxes, wages and earnings in the future. The fleet operates 365 days a year and has a total of 400 employees on land and at sea.

An attractive workplace

In addition to ensuring efficient and sustainable fishing, it is also crucial to offer attractive conditions on board the trawlers. There is competition for skilled employees and increasing demands on working conditions and comfort expectations.

Each of the new trawlers is home and workplace to 50-80 colleagues who work in two-shifts. In their free time, they can enjoy modern canteens, lounges, fitness rooms and privacy in single rooms with their own toilet and shower.



Royal Greenland production comes to East Greenland

In 2023, Royal Greenland has been working intensively to prepare the foundation for the future fish factory in Tasiilaq, East Greenland. The initiative is a direct result of the allocation of extra cod quotas and will have a major impact on the fishing industry on the east coast of Greenland around Tasiilaq.

Given that the factory could not be finalised until 2024, Royal Greenland initiated a temporary solution to meet the needs of local fishermen. The solution was two containers for storing fish and performing administrative tasks, respectively, so that purchasing could begin long before the new factory was ready.

With the new factory in Tasiilaq, Royal Greenland will be present with facilities in 38 locations across the country, and like the other locations, the factory in Tasiilaq will create new job opportunities and support the local community.

"We have a lot of fish in East Greenland, and we are so happy that the potential will finally be realised when the new factory is commissioned. There is great interest from the fishermen and they are looking forward to being able to trade their catch to Royal Greenland in Tasiilaq," says Frede Kilime, plant manager at the new factory.

When the factory is completed, it is expected that it will primarily trade in Greenland halibut and cod, which will strengthen the fisheries in the area.

Although there is still a long way to go and the full scope of the project has yet to be realised, 2023 has been a year where Royal Greenland has laid a solid foundation for the future of fishing in Tasiilaq. The work marks the beginning of a new era for fishing on the east coast of Greenland, with promises of growth and economic development for the region.

The groundbreaking ceremony in Tasiilaq took place in February 2024 and the factory is expected to be ready in late summer.

"There is only one procurement point in East Greenland, which is about 70 kilometres from Tasiilaq. We spend the night in hunting cabins to save on fuel, so we are looking forward to being able to get to the fishing spots faster and thus save time and fuel consumption," says a fisherman from Tasiilaq, Bendt Josvassen.

Sustainability

- 37 Sustainability – the natural choice
- 39 Sustainable fisheries
- 43 Responsible footprint
- 49 Healthy working lives
- 55 Education in Greenland
- 58 Events during the year
- 64 Sustainability goals
- 67 Notes to the overview of key figures

Sustainability – the natural choice

Royal Greenland is committed to developing our business on the basis of sustainable fisheries, making full use of the resources available, and thereby ensuring a sound economic and social foundation.

This section on sustainability represents Royal Greenland’s CSR report, which is based on the statutory CSR report under Section 99a of the Danish Companies Act, and gender diversity in management, Section 99b.

Creating value through sustainable resources

Royal Greenland’s mission is to maximise the value of our raw materials, for the benefit of our people, our owners and the local communities in which we operate. Royal Greenland’s business model is thereby based on value creation through sustainable fishing and the purchase of wild-caught fish and shellfish, processed and packaged as quality products, and sold in local and international markets.

Royal Greenland’s raw materials are sourced using our own vessels in Greenlandic fisheries, but are also procured in Greenland, Canada and other countries.

Local responsibility in an international company

Royal Greenland is owned by Greenland and is the largest company in Greenland. This gives us a great responsibility for the entire country’s development. We also want to take responsibility for the development of the other countries and communities in which we operate.

In 2024, we will expand our presence in Greenland with a processing plant in Tasiilaq, and thereby also contribute to developing commercial fisheries in East Greenland.

We acknowledge our responsibility to act sustainably, to train and develop our employees’ competences, and to ensure future job opportunities in the 37 towns and settlements of Greenland in which we

operate. We also hold social and ethical responsibility for all of the company’s processing plants in Greenland, Canada and Germany, to ensure a good physical and psychosocial working environment in which everyone can thrive.

Materiality analysis of the UN’s Sustainable Development Goals

Royal Greenland’s sustainability programme is founded on our business strategy, with specific goals for 2023 and ambitions for 2030. Our work on social responsibility and sustainability is based on the UN’s 17 Sustainable Development Goals, from which we have selected 52 targets for closer analysis. Four of the SDGs have been selected, see Figure 1.

The sustainability programme is headed by a steering group that makes decisions that are implemented throughout the organisation. The steering group comprises key managers from different departments, who meet regularly to evaluate and revise the strategic direction.

By taking a holistic approach to sustainability throughout the value chain, we seek to create new business opportunities, while reducing the negative impacts on the environment. Our aim is to constantly meet our customers’ and consumers’ requirements for sustainable products, while also contributing to achieving the UN’s Sustainable Development Goals.



Fig. 1: The materiality analysis was performed on the basis of the Sustainable Development Goals and stakeholder input

Policies and reporting

Royal Greenland has drawn up ten policies in the sustainability area:

- Policy on Health and Safety
- Human Rights Policy
- Anti-Bullying and Harassment Policy
- Recruitment Policy for Migrant Employees
- Equal Gender Policy
- Sustainable Fisheries Policy
- Policy for the Procurement of Farmed Salmon
- Climate and Environmental Policy
- Anti-Corruption and Bribery Policy
- Policy for Royal Greenland's Whistleblower Scheme
- Responsible Sourcing Policy

The policies can be read in their full length on our website:



Scan the QR-code or click [here](#)

UN SDGs# and targets

	#14 Sustainable fisheries	<ul style="list-style-type: none">1. Sustainable raw materials2. Third-party certification3. Commercialisation of new species
	#12 Responsible footprint	<ul style="list-style-type: none">1. Energiforbrug2. CO₂ emissions3. Maximum utilisation of resources4. Paper, cardboard and plastic5. Water consumption
	#8 Healthy working lives	<ul style="list-style-type: none">1. Job creation2. Gender breakdown of the executive management levels3. Working environment4. Ethical supply chain management, human rights and due diligence5. Anti-corruption and fraud
	#4 Education in Greenland	<ul style="list-style-type: none">1. Building competences in Greenlandic society2. Royal Greenland Academy



Sustainable fisheries

Our fisheries should be managed in accordance with the scientific advice, and be certified by an independent third party. We procure fish and shellfish according to equivalent principles and contribute to building knowledge of sustainable fisheries, the marine environment and new species.

Royal Greenland's raw materials can be categorised by origin and fisheries. Our statistics, which include all fished and procured raw materials, intermediates and end-products, show that 98% of the raw materials originate from ocean-going and coastal fishing, with predominantly ocean-going catches. The farmed species thus account for only 2%.

1. Sustainable raw materials

At least once a year, we compile and review all species and fisheries in a structured list that includes FAO areas, fishing methods and certifications. Based on Royal Greenland's sustainable fisheries policy and information from publicly available external assessments of fisheries' sustainability, the species are assessed and categorised as sustainable, less sustainable and critical species/fisheries. This structured inventory of Royal Greenland's raw material resources is an internal method which provides the basis for the development of sustainable fisheries, including fishery improvement projects (FIP), MSC and Global Gap certification.

Risks and opportunities

The largest volume of raw material originates from Greenland, where the following risks and opportunities have been identified:

Risks

- For some species, a Total Allowable Catch (TAC) exceeding the scientific advice is determined
- Impact on habitats and vulnerable species from fishing using active tools in contact with the seabed
- Large by-catch volumes of, for example, sea birds in lumpfish catches

Opportunities

- Ensure future fisheries through long-term maintenance of fish stocks
- Opportunities to use new species
- Certification of fisheries, for the benefit of the stocks, and to fulfil customer requirements

Goals and results

Royal Greenland works to develop fisheries in Greenland through its participation in the national work on management plans and bilateral negotiations, headed by Greenland's Ministry of Fisheries, Hunting and Agriculture.

Under Sustainable Fisheries Greenland¹, during the year work took place on management plans for coastal Greenland halibut and cod in Greenland, as well as marine ecosystems and habitats, besides the maintenance of the current MSC certifications.

Goals for 2023:

- More than 90% of our raw material is sustainable, according to an internal assessment

Results:

- 95%

The goal for 2023 was achieved in terms of the general internal assessment of the overall supply of raw materials, which is based on division into sustainable, less sustainable and critical species, see Figure 2. Sustainable species are defined as fishing a healthy stock that is fished responsibly in accordance with the management plan and the TAC adopted. There are also minimal by-catch volumes in fisheries, and if this presents challenges, remedial measures are taken.

The critical species account for 0.1% and have been eliminated in real terms.

Coastal Greenlandic cod

However, there is still fishing in Greenland that is assessed to be less sustainable. This primarily concerns coastal cod fishing in West Greenland, where the TAC is set significantly higher than the advice, and where several genetically different stocks are intermingled. The ocean-going West Greenland cod stock is thus primarily fished in the coastal zone, together with the coastal stock. The ocean-going stock is scientifically assessed to be small, so there is no actual ocean-going cod fishing available in West Greenland. However, fishermen can see an increasing volume of cod in Greenlandic waters, and trial fishing in 2023 gave a favourable result.

¹ Sustainable Fisheries Greenland (SFG) is a partnership between stakeholders in Greenlandic fisheries. The organisation's mission is to work with projects that aim for a greater degree of sustainability and for third-party approval in the form of MSC certification. See www.sfg.gl

Coastal Greenland halibut

The Greenland halibut that grow up in the West Greenland fjord system were spawned in the deep oceans far away from the fjords. They drift into the fjords and stay theirthereuntil they are caught or die naturally. A small fish does not indicate a lack of biological sustainability, as more small fish will swim in. On the other hand, the economic sustainability is challenged and would be more optimal if the fish had a longer growth span before being caught.

For several years, the length of Greenland halibut in coastal fisheries has been measured, to gauge the condition of the stock. Over the last ten years the length has decreased in the Disko Bay area, but now a decline is also seen in the other two areas, i.e. Upernavik and Uummannaq. On the other hand, the curve for Greenland halibut in the Disko Bay is flattening out. The optimum average length over a year is calculated at 57 cm, and for 2023, the average length calculations are below 57 cm for the three management areas. This does not bode well for the utilisation of the stock.



Chilean species

In the range from Chile, Chilean seabass and king crab are assessed to be less sustainable. For both species, improved management is required. Royal Greenland has no direct influence on this work. For king crab, an MSC pre-assessment has been prepared, showing that several areas should be improved, before this fishing can be classified as sustainable.

Ambitions for 2030:

- More than 95% of our raw materials are sustainable, according to an internal assessment

2. Third-party certification

Risks and opportunities

The last decade has seen increasing customer requirements for third-party certification of fish and shellfish products sold in the retail market.

Risks

- Declining sales of the products offered
- Lack of consequences of setting TAC higher than the stock can sustain
- Lose an existing certificate due to lacking maintenance

Opportunities

- Access to attractive markets, particularly in Europe and the USA
- Certification can be achieved via Fishery Improvement Projects (FIP)
- Long-term sustainability is to a greater extent ensured through annual certification audits

Goals and results:

Goals:

- More than 63% of our raw materials are certified

Results:

- 58%

In 2023, a small decrease was registered in the volume of certified raw materials, of which MSC accounts for the largest share, see Figure 3.

The decrease is due to several factors, including that Royal Greenland's fishing for MSC-certified cod in the Barents Sea, for which the quota covers both the Norwegian and Russian zones, has been reduced by 48%. We have always fished in the Norwegian zone, but now that it is no longer possible for Norway to use the Russian quota, the volume available has decreased. The lost volume has been replaced by Greenland cod, primarily from East Greenland, but this cod is not MSC-certified.

We have also previously purchased MSC-certified cod and Alaska pollack from Russia, but this has naturally also stopped, resulting in a 26% and 62% reduction of these species in Royal Greenland's portfolio. The result is thus a small decline in the proportion of the total raw material volume that is certified.

Royal Greenland notes increasing requirements for MSC-certified cod from Greenland. Cod is sold in Europe and the USA, in particular. To maintain and develop a market position for cod in these markets, MSC certification is necessary. Continued positive development of Greenland cod fishing requires starting up a Fishery Improvement Project (FIP) for cod.

West Greenland prawn was subject to re-certification in 2023, which ran according to plan. The certificate was issued in January 2024, and prawn fishing will thereby enter its third certification round.

In 2023, there was collaboration between SFG, the Greenland Institute of Natural Resources and local lumpfish fishermen in Nuuk on the documentation of birds and other by-catches in lumpfish nets. This documentation is continuing, as it is a condition for retaining the certificate.

Greenland has thus successfully maintained existing MSC certificates. The work is continuing under Sustainable Fisheries Greenland and in line with the conditions applying to the individual certificate.

In Canada, a major decline has been seen in prawn catch volumes at the Canadian processing plan at the Gulf of St. Lawrence. The reason is a decline in the prawn stock.

All salmon for our Norwegian processing plant is subject to Global

Gap (GG) certification, while a smaller proportion is purchased as ASC-certified.

Fishery Improvement projects (FIP)

In 2019, Royal Greenland started up FIP for Canadian lobster (Homarus americanus). More parties have subsequently joined this project, which is now taking place in cooperation with other parties in Newfoundland and Labrador, under the Association of Seafood Producers.

There were equivalent FIP projects in Greenland in 2021. These are still subject to management plans, as a condition for MSC certification.

Outlook for the coming year

In the coming year, we expect to maintain the level of sustainable raw materials, and to work on improvements within the species requiring follow-up. This applies particularly to the work on coastal fishing in Greenland.

We expect to start up a development project for coastal cod fishing in West Greenland and for ocean-going cod fishing in East Greenland.

Finally, we must expect to retain around the current share of approximately 60% of certified raw materials, as it takes more than one year for fisheries to be certified. On the other hand, 95% of the raw materials are already sustainable, thereby fulfilling the ambition for 2030.

Goals for 2024:

- More than 90% of the raw materials are sustainable, according to an internal assessment
- Certificate for recertified prawn in West Greenland
- Launch of a development project for coastal cod fishing in West Greenland and ocean-going cod fishing in East Greenland
- The certification ratio is 58%.

Ambitions for 2030:

- More than 80% of our raw materials are certified

Fig. 2:

Sustainable raw materials in accordance with RG assessment

■ Sustainable ■ Less sustainable ■ Critical

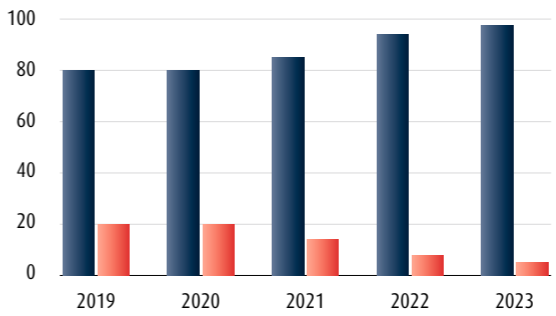


Fig. 3:

Percentage of certified raw materials and raw materials subject to FIP projects

■ MSC% ■ ASC%+GG% ■ FIP

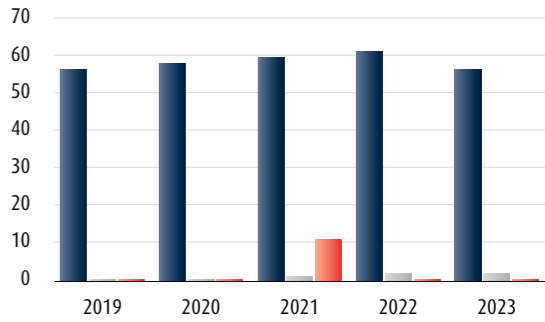
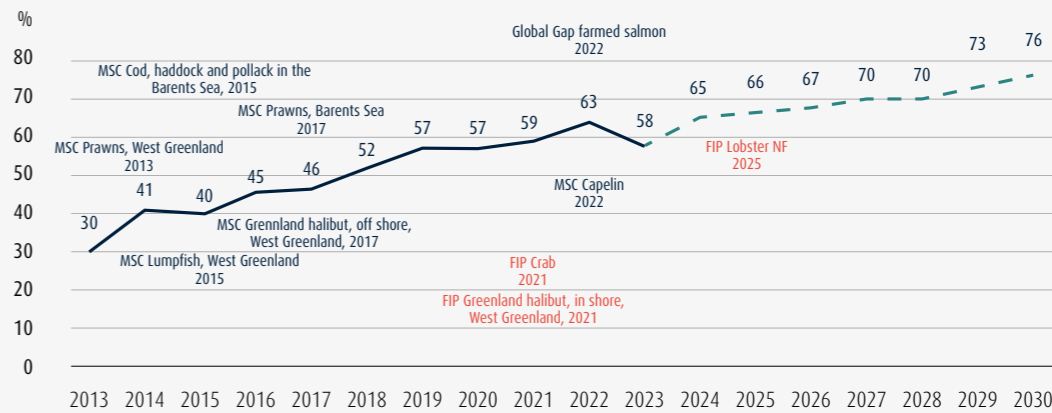


Fig. 4:

Development in the ratio of certified fishing and Fishery Improvement Projects (FIP)



3. Commercialisation of new species

Risks and opportunities

Fishing for wild species is deemed to concern a renewable, but limited, resource, and there can be a risk that environmental impacts, as well as excessive fishing, can affect a given stock.

Risks

- Decline in the fish volume that is a limited, but renewable resource
- Reduction in economic income

Opportunities

- New fish species are expanding the range of wild species
- Access to markets with new products
- In Greenland, opportunities lie in seaweed production, as well as sea cucumber, sea urchins and sea snails

Goals and results

Goals:

- Commercialisation of at least one new species

Results:

- No new species were commercialised

Seaweed

Greenland is considered to be a unique location for cultivation of seaweed of very high quality. In 2018, Royal Greenland began to cultivate seaweed on an experimental scale, to investigate whether the project was feasible in Greenland waters, and the aim in the coming years is to increase harvest yields, and to process and sell the product.

In the autumn, the delivery of small seaweed plants from hatcheries failed, which contributed to a very small harvest in 2023. However, a lot of wild-growing seaweed was found on the ropes that hold the lines, thereby proving that seaweed can grow in the area.

In 2023, a seaweed project under the ValueKelp name was started up in cooperation between the industry and several universities. The main purpose of the project is to develop methods to process the harvested fresh seaweed into a food-grade product with a good flavour and a high nutritional value.

Outlook for the coming year

We expect that the great efforts to achieve seaweed production and harvesting will result in a good harvest yield in 2024.

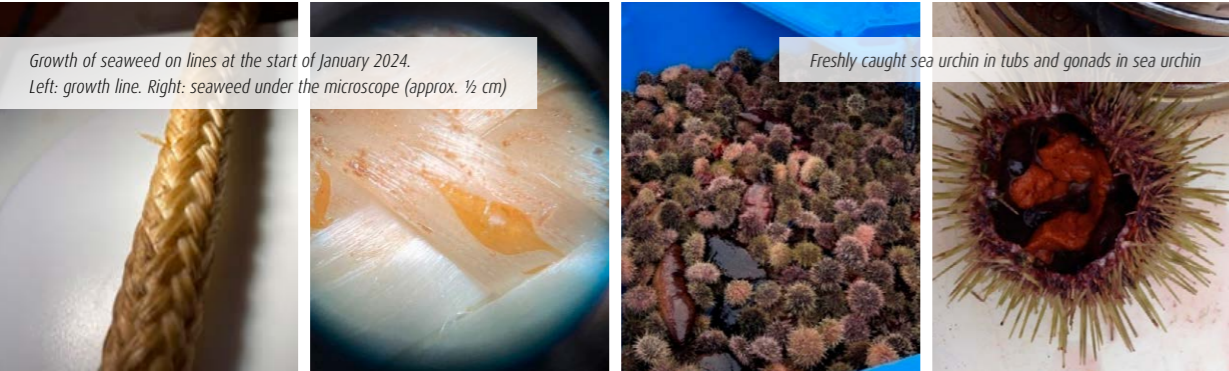
We also expect to be able to start up trial sea urchin fishing at the beginning of 2024. Sea urchine carry the valuable and exquisitely tasting gonades until the month of March, which makes it important that the authorities soon approve this fishing, and issue a start-up licence.

Goals for 2024

- Commercialisation of at least one new species

Ambitions for 2030

- Commercialisation of at least three new species



Responsible footprint

We will minimise our environmental footprint through responsible consumption and circular handling of non-renewable resources. We will maximise the degree of utilisation by creating new food products from the fish and shellfish that we produce.

The sustainability programme's Responsible Footprint campaign is defined in the Climate and Environmental Policy.

of the countries in which we operate, but we still rely heavily on fossil fuel supplies.

1. Energy consumption and climate impact

Risks and opportunities

Below is a list of risks and opportunities relating to consumption of environmental resources:

Risks

- Fossil-fuel based energy consumption releases carbon emissions to the atmosphere, thereby increasing the risk of global warming
- Melting of fresh water from the Greenland ice cap to the sea, so that the local salt conditions might change, leading to higher water levels
- Permafrost disappearing at exposed locations, leading to a risk of landslides and tsunamis

Opportunities

- Hydroelectric power is available in several of the countries in which we operate
- Streamlining of fisheries operations
- Use of alternative energy sources for ships

Increasing CO₂ emissions have an adverse impact on the surrounding environment, with a risk of the permafrost disappearing and the ice melting, and a resulting impact on the fish stocks' habitats and size.

Royal Greenland will do what it can to prevent a further increase in global warming and its consequential local and global effects. There are opportunities in streamlining our operations and cooperation with energy supply companies that are working to achieve sustainable, climate-neutral energy forms.

Fisheries and the subsequent value chain depend on energy for engines and machines. Hydroelectric power is available in several

Goals and results

Goals:

- Reduction of energy consumption per tonne of end-product by 5% from 2022, equivalent to 2,981 KWh/tonne of end-product
- Monitoring of CO₂e emission per catch tonne per vessel group
- Calculation of total greenhouse gas emissions in Scopes 1, 2 and 3 for 2022 and 2023
- Life cycle analysis (LCA) for primary products

Results:

- Energy consumption per tonne of end-product in the Group reduced by 2%
- Reduction of CO₂e emission per tonne caught for prawn and fish vessels of 4% and 6%, respectively
- Greenhouse gas emissions, Scope 1, 2 and 3, for 2022 calculated at 459,508 tonnes CO₂e, and for 2023 at 478,890 tonnes CO₂e
- LCA calculated for four prawn products at 2.9-5.9 kg CO₂e/kg edible product

The Group's energy consumption is influenced by several factors. Raw materials volumes and related processes affect energy consumption. The cooking process and freezing are particularly energy-intensive. For each production unit, there is significant basic consumption, and the smaller the volumes fished or produced per unit, the higher the basic consumption per unit.

Around half of the energy consumption at processing plants in Greenland is based on electricity. Of this, renewable hydroelectric power accounts for 60% of electricity consumption, and 29% of the total energy consumption. For the processing plants in Ilulissat, Sisimiut, Narssaq and Nuuk, hydroelectric power is the sole energy source.

Besides electricity, oil is purchased directly for heating of premises and water, steam production at the prawn processing plants, and

Fig. 5: Energy consumption in kWh/tonnes of end-product

Energy consumption – kWh/tonne of end-product

■ Group ■ Greenlandic vessels ■ Greenlandic factories

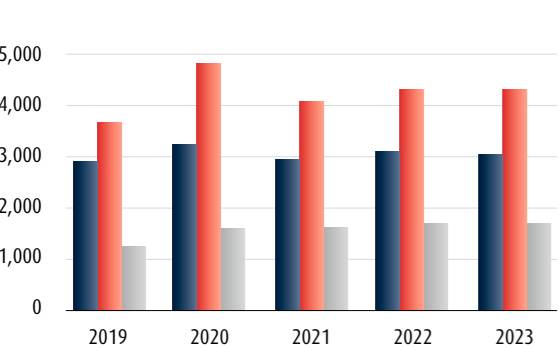


Fig. 6: Carbon emissions from the Group's vessels Greenhouse gas emissions - Scope 1, 2 and 3

t CO₂e emissions /t catch

■ 2019 ■ 2020 ■ 2021 ■ 2022 ■ 2023

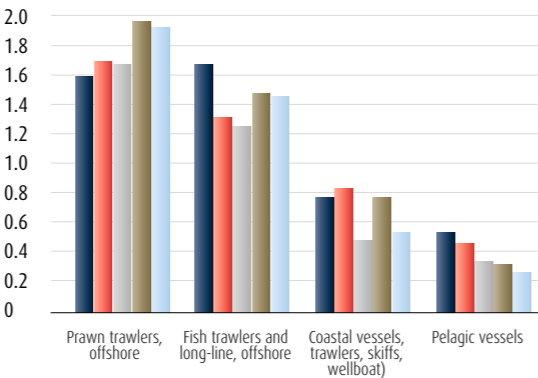
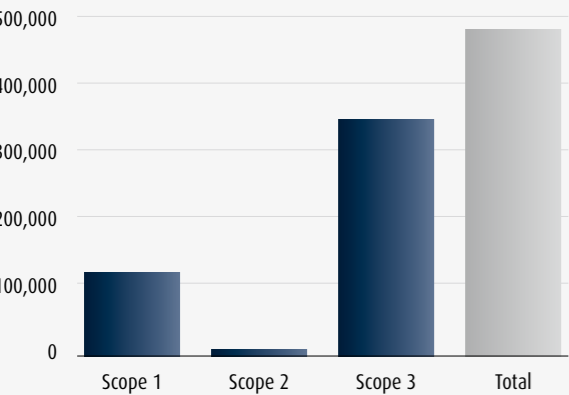


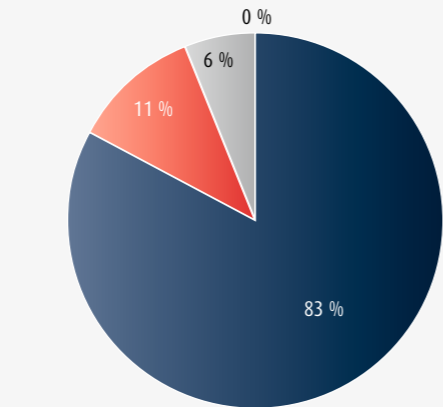
Fig. 7: Distribution of CO₂e on Scope 1, 2 and 3.

CO₂e emissions in Royal Greenland in kg, 2023



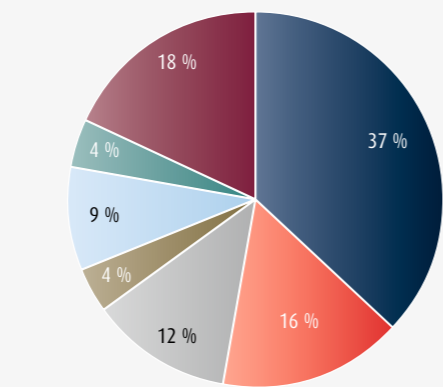
Scope 1

■ Larger vessels ■ Greenlandic factories
■ International factories ■ Others



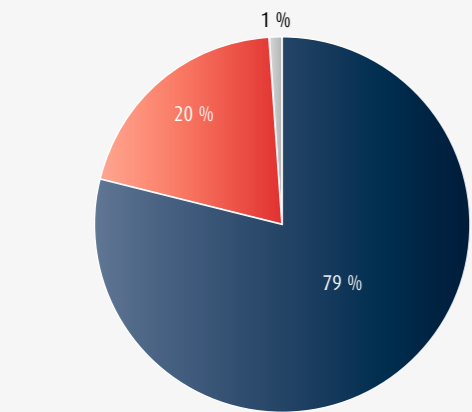
Scope 3

■ Raw material and finished goods ■ Transport
■ Organic waste ■ Fixed assets ■ Combined packaging
■ Packaging ■ Others



Scope 2

■ Greenlandic factories ■ International factories
■ Sales companies



for diesel trucks. Royal Greenland owns three generator plants in Greenland, which supply more than is needed by the local processing plants. Freezing and freezer stores use either ammonia or CO₂ as refrigerant. Only the smallest plants have a refrigeration unit comprising an approved freon-based system.

Ocean-going trawlers account for the largest share of the Group's energy consumption

The vessels exclusively use Marine Gas Oil, which has a low sulphur content and is recommended for Arctic regions. They consume energy during navigation, fishing, processing and freezing onboard. Fishing is primarily of demersal species, close to the seabed, which requires more energy than fishing pelagic species, which inhabit the water column (Figure 5).

The investments in new vessels in the 2019-2022 period have made consumption of fossil fuels as efficient as possible. This has been achieved by switching from hydraulic to electrically powered winches, using triple trawls instead of double trawls, and having more robust vessels that can fish in any weather conditions. In addition, the vessels' holds are significantly larger than in the older vessels, which considerably reduces the amount of sea transport required to the port of discharge.

Fishing trawlers in particular have overall shown increased efficiency on direct comparison with the equivalent older version. The new vessel, M/tr Sisimiut, is a very robust vessel that supports fishing in even the roughest weather conditions and makes fishing more efficient. Comparison of the new M/tr Sisimiut in 2021 with the older M/tr Sisimiut in 2018 shows that energy consumption per tonne of catch has been reduced by more than 20%.

Emissions for the fish trawler and longline category are seen to peak in 2019, reflecting the replacement of the vessels and relatively high energy consumption for navigation.

Green House Gas emission - scope 1-2-3

In addition to Scope 1 and 2, we also calculated Scope 3 in 2023. There are CO₂e emissions in connection with e.g. purchased goods and transport to customers. We have results for both 2022 and 2023, and 2022 will be Royal Greenland's baseline for reductions going forward.

As Figure 7 shows, the emissions in Scope 3 are significantly higher than in Scope 1 and 2, even though Royal Greenland itself owns a large part of the value chain. Scope 1 is relatively significant, among other things due to own fishing, and Royal Greenland has a significant direct influence on the emissions.

A significant reduction will be aimed for in coming years. This work will be based on the analysis in each of the three scopes, with focus on:

- Scope 1: Fossil fuel consumption by ocean-going vessels and by processing plants
- Scope 2: Fossil-fuel generated own consumption of heating and electricity
- Scope 3: Suppliers' consumption of fossil fuels, including suppliers of fish resources and products, as well as transport

Life cycle analyses (LCA) are important

Prawn products are often listed with a relatively large carbon footprint per kg of product in published tables and available databases. This

makes it vital for Royal Greenland to validate the values in the standard tables against our actual carbon footprint.

In 2021-22, we therefore began to perform A-LCA¹ analyses for our own prawn fishing and production. In 2022-23, the Research Institute of Sweden (RISE)² calculated the CO₂e emission per kg of product for four different prawn products. The calculation is primarily based on 2021 data and covers the value chain from fishing in Greenland to delivery from Royal Greenland's processing plant in Cuxhaven for retail-packaged products and for bulk goods (shell-on prawns) from stocks in Denmark. The starting point for the method is ISO14040 and ISO14044, and it is based on mass balance (A-LCA) and mass allocation of the by-products.

The calculation concerned the following products:

- Shell-on prawns processed on board factory trawlers and transported to Denmark
- Double-frozen prawns produced at a processing plant in Greenland, with retail packaging in Cuxhaven, Germany
- Single-frozen prawns produced at a processing plant in Greenland, with retail packaging in Cuxhaven, Germany
- Single-frozen prawns produced at a processing plant in Greenland, conserved in brine in Cuxhaven, Germany

The results for the four products are shown in Figure 8, for both the end-product sold, and the edible part. For shell-on prawns, the end-product includes shells, while the edible part is the peeled prawns. For prawns conserved in brine, the end-product includes brine, while the edible part is the drained weight. The results have positively proved to be lower than expected.

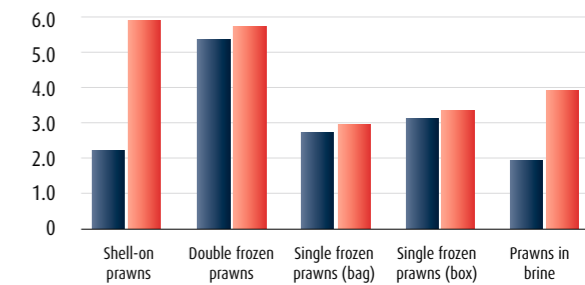
Greenland prawn has proved to have a significantly lower footprint than in published tables. This is assumed to be attributable to a high prawn density in fishing fields, and the efficient new vessels, with ample frozen storage onboard, which halves the number of unloading cycles required.

In the life cycle analysis work, Royal Greenland was also involved in an EU project to determine category rules for calculation of the Product Environmental Footprint (PEFCR) for fish products. Here, the calculation of CO₂ equivalents will be part of the climate consequence calculation on a comparable and transparent basis.

Fig. 8: Climate footprint for Greenland prawn products, from fishing to delivery

Kg CO₂e per kg of product

■ Final product ■ Edible product



¹ A-LCA is a volume-based life cycle analysis, in contrast to C-LCA, which is a consequential life cycle analysis, whereby carbon footprint is calculated for a farmed replacement product. The latter method is used in the Danish Climate Database, so that our calculations cannot be compared directly with the method used by Concito in Denmark.

² The study was conducted by RISE, Research Institute of Sweden, and reviewed externally by SINTEF Ocean in Norway.

In autumn 2022 and 2023, one of Royal Greenland's products, 1 kg frozen Disko Bay Greenland halibut fillets, was tested in a case study. The task is to give input to the European Commission on imprecise wording and conditions in PEFCR. The study has now been concluded and the second revision of the method will soon be submitted for consultation.

Outlook for the coming year

By monitoring energy consumption in production facilities and fisheries, and calculating greenhouse gas emissions, it is possible to focus on the key aspects of Royal Greenland's climate impact.

In the coming year we will focus on monitoring onboard processes at onshore facilities and on ocean-going trawlers, to increase our knowledge and streamline operations.

Goals for 2024:

- A-LCA calculation for Nutaaq cod

Ambitions for 2030:

- Reduce CO₂e emissions for vessels by 25% from 2018, calculated as CO₂e/tonnes catch.

2. Maximum utilisation of resources

At Royal Greenland we focus on achieving the highest possible utilisation of our raw materials . This can be achieved by developing new foods, ingredients and feedstuffs. This is a challenge, nonetheless, since new technologies and cooperation with other industries must be continuously expanded and established.

Risks and opportunities

We have identified the following risks and opportunities:

Risks

- Loss of an organic resource that can be used for new product types
- Accumulation of organic material in local areas
- Long distances between residual raw materials can yield less effective financial gains

Opportunities

- Utilisation of residual raw materials gives opportunities for new products and thereby improved earnings
- Utilisation of the largest identified residual elements, which are prawn shells and cod residues

The largest side-streams in Royal Greenland are from filleted cod, comprising heads, skin and carcasses, and from cooked & peeled prawns, which leave large quantities of shells.

Goals and results in 2023

Goals:

- Increase utilisation in the Group's onshore facilities to minimum 75%
- Develop new products with positive financial returns
- Reduce the discharge of shells and dumping of fish remains

Results:

- 69% of the raw materials are utilised

Our result for 2023 is 69% utilisation of the overall raw materials, calculated as all residuals, including waste, entrails and fractions. The result is thereby unchanged from previous years. The goal of 75% was not achieved, but a number of initiatives have been launched to increase collection, production and sale of side-streams. The initiatives include the goal of finding business partners with the technology to utilise side-streams, where Royal Greenland can contribute raw materials.

In Ilulissat, prawn shells are dried, to make prawn meal, which is a traditional product. It has been produced for more than 25 years and this is still the only place in Greenland where shells are used for human nutrition.

Greenland halibut has a high utilisation ratio exceeding 90%. The fish is fully utilised, with sale of heads and tails to Asian countries.

Cod side-streams, such as heads, skin and minor products such as tongues and roe, are sold on a smaller scale.

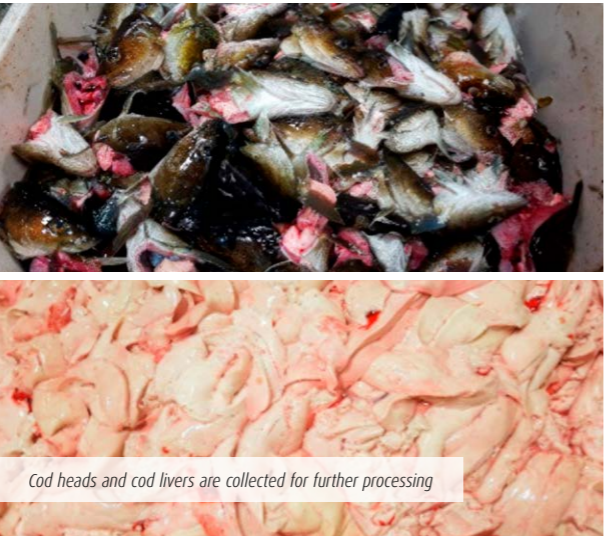
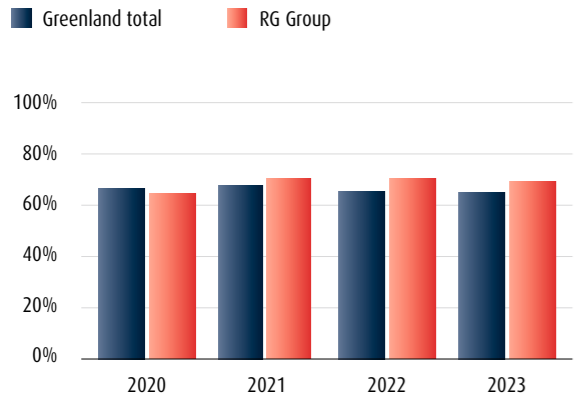


Fig. 9: Resource utilisation at the Group's processing plants

Resource utilisation from 2020 to 2023



In overall terms, around 40% of the raw material is utilised at more than 90%, while the remaining raw materials are utilised at around 50%.

In Greenland, for several years a lack of feedstuff legislation has presented challenges for the potential sale of side-streams as feed and fish oil. An executive order was issued in December 2023 and presents opportunities for the coming years.

Outlook for the coming year

Legislation on animal feed production has been adopted, giving opportunities for utilisation of side-streams at Greenland's onshore facilities. At the same time, production of fish meal and fish oil can commence.

Goals for 2024:

- The utilisation ratio for shore-based production will be increased to 72%
- Commencement of side-stream utilisation onboard the fishing vessel M/tr Sisimiut

Ambitions for 2030:

- Full utilisation of potential raw materials in the Group's onshore facilities and on its vessels.

3. Paper, cardboard and plastic

The *Climate and Environmental Policy* concerns the recirculation of packaging for intermediates and end-products, as well as materials in production, particularly paper, cardboard and plastic.

Risks and opportunities

The following risks and opportunities have been identified:

Risks

- Fossil-based plastic is a finite resource
- Residual plastic in the sea and in nature increases the risk of micro- and macro-plastic
- The EU has adopted a directive which requires all plastic to be recyclable by 2030.
- Increased packaging taxes, depending on recyclability

Opportunities

- Recirculation of plastic materials reduces the need for extraction of fossil-based oil
- Recirculable packaging minimises taxes

Plastic is primarily produced on the basis of finite fossil materials.

The EU has adopted a directive which requires all plastic to be recyclable by 2030. As a consequence of the directive, as from 2025 a tax is imposed on packaging for end-products for the market. This is called the Extended Producer Responsibility. The size of the tax will depend on whether the plastic can be recirculated, including the type of plastic material and the material's colour.

Goals and results in 2023

Goals:

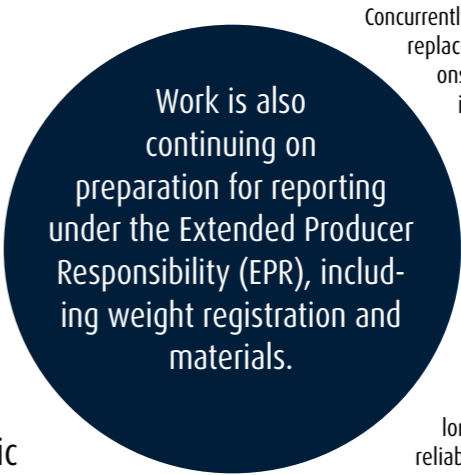
Packaging:

- Minimum 85% of Royal Greenland's plastic packaging consists of reusable monomaterials
- All cardboard and paper is FSC-certified, or the equivalent
- Reuse of fish boxes

Results:

- 88% of plastic materials under Royal Greenland's own brand are now made from recirculable materials.
- All paper and cardboard used consists of FSC-certified or equivalent materials.
- Fish boxes can be recycled.

In 2023, the extensive registration of packaging and material compositions based on MIN codes took place, in order to update an effective digital reporting system in time for the phasing-in of the Extended Producer Responsibility (EPR).



Concurrently, several plastic packaging items have been replaced by new, recirculable packaging in both onshore production and onboard vessels. This is a process that includes the selection of a new material, production and quality testing, and system adjustment.

Combined packaging, primarily cardboard with a coating to protect the product, is still an outstanding issue. Packaging is used at sea in particular, and the implementation of new packaging is critical in relation to the offshore working environment, with water, rough seas and a long distance to shore. Extra high operational reliability is therefore imperative, prior to final implementation. Provisional test results are positive.

Outlook for the coming year

In the coming years there will be focus on implementing cardboard materials without plastic coating. Work is also continuing on preparation for reporting under the Extended Producer Responsibility (EPR), including weight registration and materials.

Goals for 2024:

- Implementation of clean cardboard packaging as master carton
- Implementation of fixed solutions for reuse of plastic boxes

Ambitions for 2030:

- All packaging is made from recyclable materials

4. Water consumption

At Royal Greenland's production units, fresh water may originate from surface water, groundwater or sea water. Fresh water, whatever the origin, is delivered from local utility companies.

On reviewing the water resources in the 37 towns and settlements in Greenland where Royal Greenland has facilities, Nukissiorfiit (Greenland's Energy Supply) as the supplier found that 21 locations had ample water supplies, and eight locations had reasonable water supplies, while another eight locations had poor water supplies.

Risks and opportunities

At some geographical locations in Greenland, fresh water is in short supply, and fresh water is produced via a reverse osmosis (RO) system. Since this is an expensive, energy-intensive method, opportunities to use purified seawater in fish production are being investigated.

Risks

- Lack of fresh water during production

Opportunities

- Substitution of fresh water with seawater

Where water resources are limited, this is often because the water originates from a desalination plant, a lake with a declining water level, or from a river to which winter flows have declined. On a day-to-day basis, special attention is paid to facilities with a small water reserve.

We can see opportunities in cleaning seawater up to microbiological drinking water quality. Our tests have yielded good results, but unfortunately no permits have as yet been granted for its use, other than for whole fish.

Goals and results in 2023

Goals:

- Maintain a stable water supply

Results:

- Water supplies have been challenges in some communities in northern Greenland

Particularly in settlements around Uummannaq there are frequent challenging situations with less stable or lacking water supplies, due to frozen lakes or watercourses. In the event of a water shortage, supplies go first to residents and then to the processing plant, which affects the volumes produced.

Seawater is only approved as a possible source of supply for the first steps of the production of Nutaag fish. Moreover, purified seawater has not yet been approved for processing of fish products.

It has generally proved difficult to reduce water consumption, since it is vital to retain focus on high hygiene levels in the production units.

Nukissiorfiit (Greenland Energy) delivers monthly data to Royal Greenland, so that data is expected to be valid. During the past five years, water consumption calculated per tonne of end-product has increased. The increase in 2022 was due to unexpected high consumption at one plant, which was partly reduced again in 2023. An overall increase over the years particularly reflects a great need for water in the prawn production units, as fresh water is used in many of the units' operations. An increase in prawn processing would increase the overall result in m3 per tonne of end-product.

Outlook for the coming year

Royal Greenland expects the permit from Greenland's veterinary and export authorities for purification of seawater for use with fish products to be approved in 2024, thereby eliminating the risk of water shortages.

Our goal is to work specifically with the towns and settlements where fresh water is in short supply, and with the locations where water consumption is highest. Increasing the settlements' water resources will make it possible to increase the intensity of fish processing in the settlements, thereby creating new employment.

Goals for 2024:

- Stable and adequate water resources in all production units

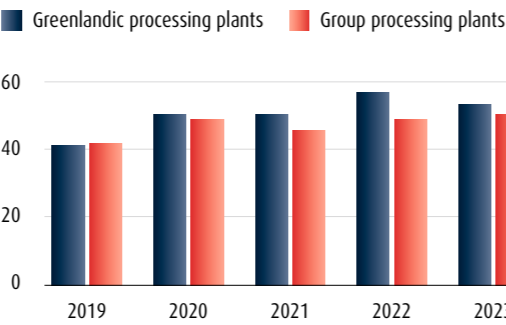
Ambitions for 2030:

- A stable water resource of drinking water quality
- Substitute fresh water with seawater in towns and settlements with limited supplies of fresh water.



Fig. 10: Water consumption in Royal Greenland, measured as m³/tonne of end-product

Water consumption of the Group's processing plants
- in m³/t end-product



Healthy working lives

We will safeguard our people's welfare with a good physical and psychosocial working environment and an integrated health and safety and environmental system.

At Royal Greenland we prioritise creating jobs and safeguarding physical and mental welfare in the workplace. It is vital to safeguard our people's welfare, and we work to stimulate and maintain motivation on a day-to-day basis.

Satisfaction and loyalty

At Royal Greenland we measure employee satisfaction every second year. The employee satisfaction survey (MTU) was conducted in Greenland in 2023, see below

Fig. 11: Graph of MTU results in Royal Greenland compared with other Greenland companies. Source: Ennova

Overall results



The 2023 MTU results show a high level of job satisfaction and loyalty among Royal Greenland's employees, and higher than the average for other Greenland companies.

1. Job creation

The number of employees in the Group (FTEs) totalled 2,296 in 2023. 63% of the employees work in Greenland, while 20% work in Canada. The decrease in Canada is a consequence of lower activity and a very late start to the crab season in Newfoundland.

Risks and opportunities

During the high season from April to October, there is a great need for many employees to process the fish and shellfish catches that are landed. The greatest risk is therefore a shortage of manpower.

Risks

- Lack of manpower, particularly in high season

Muligheder

- Foreign manpower from Asia
- Greater gender diversity in the recruitment base

In recent years, a lot of foreign nationals have been recruited who are originally from China and the Philippines. These people are either already living in Greenland, or move to Greenland for long-term stays. In Canada, Mexicans have also been recruited.

In addition, employment under the Nordjob¹ exchange programme in both towns and settlements of Greenland has been a great success.

Finally, analysis of the gender breakdown at our production facilities shows potential benefits from adapting the workplaces to additional employee groups, including women and young people. This creates the opportunity to expand the recruitment base and create increased diversity.

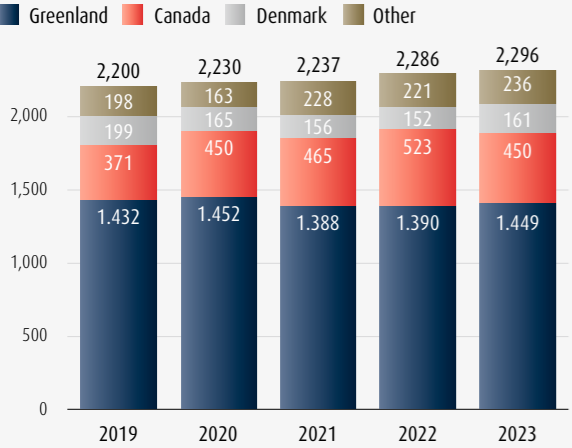
Goals and results in 2023

Today, women account for around one third of the production workforce in Greenland. The aim is to employ a relatively balanced combination of the two genders, as this ensures fruitful cooperation and a good working atmosphere.

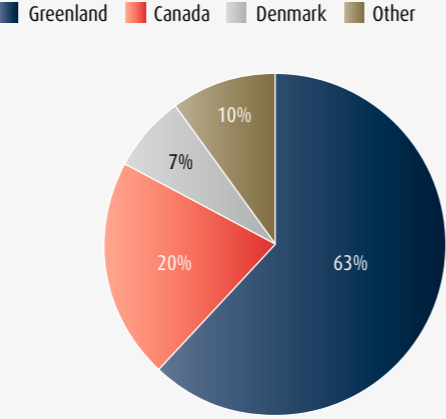
¹ Nordjobbers are young seasonal workers from the Nordic countries

Fig. 12: a) Number of full-time employees (FTE) and b) employee breakdown in 2023

Number of FTEs in 2019-2023



Employee breakdown in 2023



Goals:

- Policy and plan for adjustment of the labour supply to include more workforce groups, including women, seniors, and young people aged 15-18, in relevant job functions
- Implementation of equipment to alleviate the effects of demanding physical work

- To be relevant for more employee groups after elimination of heavy lifting
- Adjust the number of foreign employees according to requirements

Ambition for 2030:

- Full implementation of working opportunities for special workforce groups

2. Gender breakdown of the executive management levels

Under section 99b of the Danish Financial Statements Act, a company of Royal Greenland's size must set targets for the proportion of the underrepresented gender in the executive management body (Supervisory Board), as well as for other management levels five years back and explain when the targets are expected to be met. Other management levels include the Executive Board, the Executive Management team and managers with reference to the Executive Board and Executive Management team. In 2022, the legislation is updated, and the current data requirements are shown in the table on page 51.

Royal Greenland has a gender policy from 2014, where target figures have been decided according to similar industry and covers a larger proportion of the company's employees than stated in the data for §99b. The Equal Gender Policy¹ encompasses the Supervisory Board and other management levels such as Executive Board, Executive Management team, managers with direct reference to the Executive Board and Executive Management team, managers from the next level and skippers on vessels.

Diversity in management cf. §107d

Royal Greenland does not yet have a defined diversity policy in accordance with section 107d of the Danish Financial Statements Act, which describes the company's composition of the Executive Board and Supervisory Board. The focus has so far been on gender diversity and competencies and is thus covered by the Equal Gender policy. Based on a risk assessment, Royal Greenland identified that in the current financial year there are no risks within diversity in management, cf. 107d.

Goals for 2024:

Risks and opportunities

Royal Greenland believes that diversity is important in order to have a healthy balance between gender and different competencies in the company and thus create a good basis for well-being. We consider well-being in the workplace to be crucial for retaining and attracting new employees.

Risks

- A lack of workplace gender diversity can reduce well-being

Opportunities

- Improved gender diversity can improve the mental and physical working environment

Goals and results in 2023 (according to the Equal Gender Policy and §99b)

Goals:

- Equal composition of men and women in Royal Greenland's Supervisory Board
- Minimum 26% of the under-represented gender (women) in the next management levels, in line with the Equal Gender Policy
- Reporting according to updated Danish legislation §99b

Results:

- Royal Greenland's Supervisory Board comprises three women and four men, i.e. a 43%/57% distribution between women and men
- The under-represented gender, according to the Equal Gender Policy, has increased from 14% to 18%
- In Royal Greenland's other management levels, cf. §99b, there are 35 members and the underrepresented gender accounts for 23%.

The gender composition of the Supervisory Board has been equally distributed for many years and is enshrined in Greenlandic legislation. Therefore, no specific target has been set for this level, as the target has already been met.

As part of the implementation of our policy, Royal Greenland has in 2023 focused on considering diverse candidates for leadership positions in the rest of the management levels. This ensures representation of both genders among candidates to promote an impartial selection.

In 2023, the results for gender distribution among managers in the Executive Board, the Executive Management team, managers reporting directly to the Executive Board and Executive Management team, managers from the next level and Group functions are 18% women, up from 14% in 2022.

§99b		2019	2020	2021	2022	2023
Members of the Supervisory Board	Total #	6	6	5	6	7
	Distribution male/female	3/3	3/3	2/3	3/3	4/3
Other management levels	Total #	31	33	39	39	35
	Underrepresented gender in %	16 %	12 %	13 %	10 %	23 %
	Underrepresented gender target for 2023 was 26 %, expected to be met by 2030					
Managers in Royal Greenland cf. Equal Gender policy		#	Male	Female		
Managers cf. the Equal Gender policy		107	82 %	18 %		
All managers excl. officers		206	63 %	37 %		
All managers incl. officers in associated companies		401	80 %	20 %		

Employees have been very stable and new employees are selected based on experience, expertise and relevant competencies. Also included are officers at sea, where recruitment opportunities are very limited for the underrepresented gender. This fact makes an increase very difficult.

After organisational changes in the Executive Management team in the second half of 2023, at the beginning of 2024 the Executive Management team comprised six people, with 50% of each gender.

Including the next management levels at the processing plants (without officers at sea), the under-represented gender accounts for 37% in total, which exceeds the goal, and creates a foundation for the recruitment of women to higher management levels. Including all officers at sea, including affiliated and associated companies, women account for 20% of a combined group of 401 people in total. The group of officers on vessels accounts for around one half of the employees in the Group, a highly male dominated occupation.

When assessing other management levels according to §99b, there has been a big jump in the share of the underrepresented gender in 2023. This is mainly due to a focus on better gender balance in the composition of the Executive Management team and an increase in female managers in other management levels.

Outlook for the coming year

The Equal Gender Policy will be updated according to §99b and §107d. Also, a more structured recruitment process will be established, to ensure that new job openings appeal to both genders. In the updated policy topics such as diversity, inclusion and equity will be headline issues to ensure greater diversity in appointment procedures, for example.

Goals for 2024:

- We are working to increase the proportion of the under-represented gender among managers, cf. the Equal Gender Policy. The goal is 20% for 2024
- Update the Equal Gender policy so that it is up-to-date and covers topics such as diversity, inclusion and equality as well as focus on compliance with §99b and §107d

Ambition for 2030

- 26% representation of the under-represented gender for other management levels acc. §99b for Royal Greenland

3. Working environment

The psychosocial and physical working environment is important for Royal Greenland and all employees, as expressed in the Policy on Health and Safety. There are also three policies which set the framework for the work in the social area. These are the Human Rights Policy, Recruitment Policy for Migrant Employees and Policy for Royal Greenland's Whistleblower Scheme.

Risks and opportunities

For some work roles, fisheries can be physically very demanding. The work might involve heavy lifting, working at a filleting machine and moving boxes, and in fisheries, hauling the filled trawl nets onto the ship's deck. Furthermore, filleting involves using sharp knives.

Risks

- There is a risk of physical strain, due to heavy lifting, cold and draughts, as well as slippery floors, cf. the latest workplace assessment report
- Risk of psychosocial strain and reduced well-being

Opportunities

- More automated processes to eliminate heavy lifting
- Proactive action on identified issues, in cooperation with local working environment committees and representatives
- Registration of near-misses and effective action

We can see great potential in promoting a good and uniform working environment by taking a systematic approach that is described in a simple overall working environment system for the Group. Uniform procedures can be set up, and tools can be created that are adapted to local conditions. This will give transparency and ensure a uniform approach across the Group.

Goals and results in 2023

Goals:

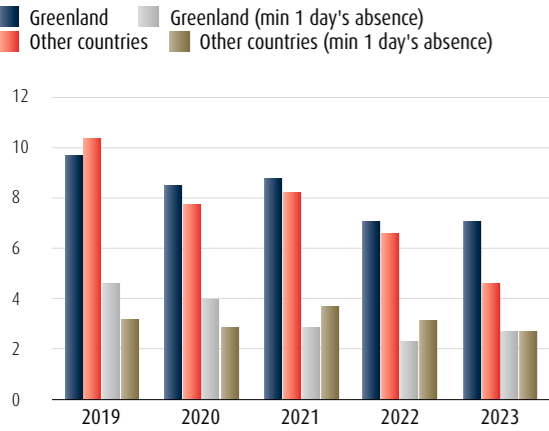
- Maximum 7.0 occupational injuries per 100 FTEs and
- Maximum 3.0 occupational injuries per 100 FTEs with more than one day of absence

Results:

- 7.0 occupational injuries per 100 FTEs in Greenland, and 4.5 occupational injuries per 100 FTEs in other countries
- 2.6 occupational injuries per 100 FTEs in Greenland, and 2.8 occupational injuries per 100 FTEs with more than one day of absence in other countries

Fig. 13: Number of occupational injuries per 100 employees without absence and with minimum one day's absence

Occupational injury frequency per 100 FTEs



It is very satisfactory to note that the number of occupational injuries per full-time employee in 2023 does not exceed the goals set. A persistent health and safety effort was made during the year, as reflected in the fine result, see Figure 13.

The reporting of occupational injuries shows that most injuries are related to falling and tripping accidents due to slippery and uneven surfaces at processing plants and onboard vessels. Heavy lifting and use of knives/tools are also key reasons for occupational injuries. The same applies to falling objects, which can be items in storerooms or workshops that fall and hit a hand, foot or similar, see Figure 14.

The number of completed near-miss occupational injury reports doubled compared to 2022. Each near-miss is subject to follow-up that is assessed by the local manager, in order to subsequently ensure that further safety measures to avoid similar incidents are implemented.

To minimise manual heavy lifting, measures taken in 2023 included automation of processes at the plants in Nuuk and Ilulissat. Instead of freezing fish in 17-25 kg blocks, freezers are installed in which fish can be frozen individually and packed directly in scantainers. This has reduced physically demanding work, as well as the risk of occupational injuries in connection with heavy lifting.

Outlook for the coming year

The risk identification work concerning occupational injuries and workplace assessment reports will continue. Another goal is to continuously improve working conditions in sometimes cold and damp working environments.

Goals for 2024:

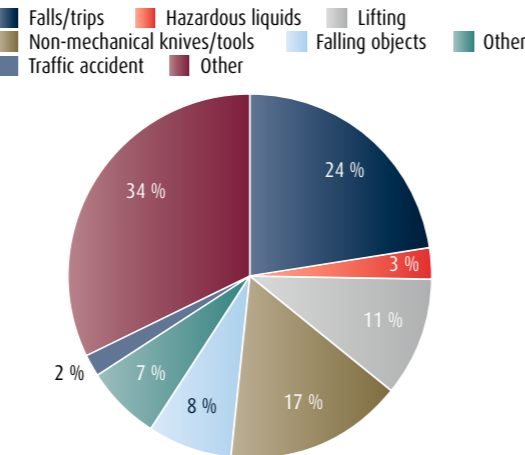
- Maximum 7.0 occupational injuries per 100 FTEs and
- Maximum 2.5 occupational injuries per 100 FTEs with more than one day of absence

Ambition for 2030:

- Full implementation of an adapted OHSMS and EMS throughout the organisation

Fig. 14: Distribution of reported occupational injuries

Breakdown of reasons for occupational injuries in 2023



4. Ethical supply chain management, human rights and due diligence

Royal Greenland operates in value chains across national borders, legislation and cultures. Royal Greenland's Supplier Code of Conduct (SCOC) ensures a set of minimum rules for our suppliers, based on internationally recognised standards (ILO, IMO and UN). By signing our code, suppliers undertake to work in accordance with these rules.

Risks and opportunities

A number of risks have been identified and we see opportunities for prevention by following up the company's Supplier Code of Conduct and third-party audits.

Risks

- Supply chain failures within human and employee rights, as well as safety
- Force labour and child labour
- Environmental and traceability failures

Opportunities

- Differentiated supplier management depending on identified risks
- Follow-up via third-party audits

Our risk analysis includes suppliers from which purchases exceed a specific financial limit in the course of a year, as well as the production country in which a specific item is produced. The analysis is based on publicly accessible data concerning countries' Human Development Index, Environmental Index and Corruption Index and divides our suppliers into high-, medium- and low-risk groups, so that differentiated documentation requirements can be set. The result of the risk analysis is updated with BSCI (Business Social Compliance Initiative) assessments, which also divide countries into risk zones.

The greatest risks are defined as knock-out points, which are defined as child labour, employee rights, safety and the environment.

Royal Greenland focuses on all suppliers, but suppliers from high-risk countries are subject to more extensive analysis. The documentation requirement and approval of these suppliers comprises three steps:

- Signing of Royal Greenland's Supplier Code of Conduct
- Response to self-assessment as scores in the system and approval require a result above a fixed threshold
- Third-party auditing under SMETA or similar, as a minimum every second year

The documentation requirement for other suppliers is as follows:

- Suppliers from low-risk countries are required to read and sign the supplier Code of Conduct
- Suppliers from medium-risk countries are required to read and sign the supplier Code of Conduct and perform the self-assessment, including rating

If a supplier does not fulfil the stipulated requirements, the procurement officer engages in dialogue with the supplier. Reports from third-party certified suppliers are reviewed for type and extent of deviations, and the supplier is contacted if issues are to be investigated. If requirements cannot be fulfilled, it is sought to replace the supplier with another supplier.

Goals and results in 2023

Goals:

- Compliance with Royal Greenland's supply chain management system and required third-party auditing of raw material and end-product suppliers from high-risk countries, as a minimum every second year.
- 100% approval from suppliers in high-risk countries

Results:

- Suppliers from high-risk countries show 100% approval
- Suppliers from medium-risk countries show 82% approval
- Suppliers from low-risk countries show 66% approval

As Figure 15 shows, with the exception of 2019, in the last four years we have had 100% approval of suppliers from high-risk countries. Responses from suppliers from medium-risk countries constitute a relatively small number. All suppliers are approved, but as the approval has to be renewed every third year, there were a few outstanding approvals at year-end, which prevents a 100% response.

The number of suppliers from low-risk countries is the greatest by far. The response rate is around two thirds, due to continuous replacement of suppliers.

The supply chain management system was improved in 2023, with the establishment of an office-robot solution to identify supplier approvals that have expired, as well as the establishment of online system-based supplier enquiries. These measures make follow-up more effective and secure.

Outlook for the coming year

Our supply chain management system has been functioning well for several years and experience has been positive. Today, the system does not include the Canadian suppliers.

Goals for 2024:

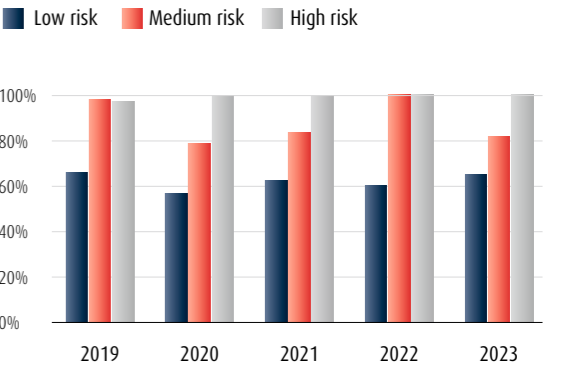
- Implementation of Canadian suppliers in the established system

Ambition for 2030:

- Fulfilment of Royal Greenland's supply chain management system and third-party audits of raw material and end-product suppliers, and ingredient and packaging suppliers, from high-risk countries, as a minimum every second year.

Fig. 15: Status of response to self-evaluation and endorsement of the RG Supplier Code of Conduct

Supplier approvals in 2019-2023



5. Anti-corruption and fraud

Royal Greenland trades in a global market, with many different stakeholders. This makes it important that relevant employees are aware of the risks which their jobs may entail.

At Royal Greenland we do not tolerate any form of corrupt behaviour. This might be tax evasion, money laundering, embezzlement, or bribery, as described in the Anti-Corruption Policy.

Risks and opportunities

To increase risk awareness, employee training is very important. If criminal activity is discovered in the company, the whistleblower scheme can be used.

Risks

- Involuntary involvement in a corruption case
- Receipt of inappropriately large gifts

Opportunities

- Dilemma training of employees
- Opportunities for anonymous reporting

Goals and results in 2023

Goals:

- Ensure that our employees are aware of the risks and consequences of corruption.
- Prevention of complicity in corruption, abuse of power or violations
- Whistleblower scheme for Royal Greenland employees

Results:

- There were no corruption cases in 2023
- Training of new employees
- One case has been reported via the whistleblower scheme

The most recent training took place in 2022, and the plan is to hold training for all employees every second year, so that the next time will be in 2024. However, new employees are always offered training within the first months of their employment.

In April 2021, an online whistleblower scheme was established and is managed via an external law firm. The scheme applies to all employees in Royal Greenland's wholly-owned companies.

Financial crime can be reported, including corruption and irregularities in connection with auditing, as well as environmental pollution and violations of labour rights and human rights, including child labour and forced labour. The same applies in the event of non-compliance with food safety regulations.

In 2023, one case was reported via the whistleblower portal and forwarded for investigation by the contact group. The case was subsequently refuted.

Outlook for the coming year

It is expected that the whistleblower scheme will be expanded to also apply to partly-owned subsidiaries. It will also be assessed whether suppliers should be added.

Goals for 2024:

- Updated training programme for all managerial staff

Ambitioner for 2030:

- Continued effective prevention of corruption in the company
- The whistleblower scheme is active and has been expanded to include partly-owned companies



Education in Greenland

We take great responsibility for competence development and education in Greenland's society, in close cooperation with educational institutions and via our own Royal Greenland Academy.

In Greenland it is important for more young people to pursue education, in order to strengthen Greenland's and its people's prosperity and employment. This applies in particular to the technical and maritime education programmes.

Royal Greenland contributes actively to motivating young people to enrol for education programmes, and has a great responsibility for achieving more trainees and apprentices in the fishing industry, and that they complete a course of education.

1. Building competences in Greenland's society

Royal Greenland has a great need for many skilled employees at all levels and within many professional areas. There is a risk of a lack of the right competences for the necessary jobs. A lack of education would present both a financial and professional risk for the company.

Risici

- Lack of the right competences for the necessary jobs

Opportunities

- Trainees and apprentices attached
- Students in practical training or assignments

We are therefore dedicated to contributing to developing skills by offering trainees and apprentices practical training and study positions during short-, intermediate- and long-cycle higher education.

Goals and results in 2023

Goals:

- Training of apprentices and trainees for the fishing industry: Minimum 50 employees per annum

Results:

- Fifty trainees and apprentices have been attached to Royal Greenland
- 9 students

With 50 trainees and apprentices, our efforts are stable from year to year. We have also achieved our goal. Not everyone completes a full apprentice/trainee programme, however, even though there has been considerable focus on this at trainee meetings and follow-up. In 2023, 10 trainees and apprentices completed their education, while 11 dropped out.

In 2023, there was rotation of all trainees at Royal Greenland, across departments, and for some students, across Royal Greenland's departments in different countries. During the summer, two trainees from Greenland thus took practical training in Svenstrup in Denmark. There were also students in several of the international departments.

Education and career fairs generate interest in Royal Greenland

In 2023, Royal Greenland attended education and career fairs at different locations in Greenland and Denmark, including the education caravan in Aasiaat, Ilulissat, Sisimiut and Qaqortoq. In addition, many processing plants attended local fairs, to attract employees to local workplaces.

At the education and career fairs there was special focus on the opportunities that Royal Greenland can offer students. As the largest company in Greenland, a very wide range of education programmes are offered, both within Greenland and beyond its borders.

Bootcamp for Royal Greenland’s trainees held in Nuuk

The annual boot camp for Royal Greenland’s trainees was held in Nuuk again this year, attended by 11 trainees from Greenland’s entire coastline, and two trainees from the office in Denmark.

Bootcamp is a physical gathering of Royal Greenland’s trainees in Greenland and Denmark, and its purpose is to ensure motivation, fellowship and trainee retention. In addition, trainees are offered both professional and personal tools to manage their respective study programmes.

Thirteen trainees attended this year’s bootcamp. The Bootcamp’s theme was Personal development with focus on each trainee’s drive and objectives, presentation of tools to handle study pressure, strong relationships and, not least, the trainees’ own input on Royal Greenland’s retention and development of trainees.

Outlook for the coming year

Education in Greenland is a very important element of Royal Greenland’s sustainability programme, and we will continue our efforts to upgrade the competence levels of our employees and trainees, apprentices and students.

Goals for 2024:

- 50 trainees and apprentices hired
- 12 trainees and apprentices completed the training programme
- 10 students attached via projects

Ambitions for 2030

- Maintain a minimum of 50 trainees and apprentices per year

2. Royal Greenland Academy

A large proportion of Royal Greenland’s production employees are unskilled. These employees’ skills and competences are developed continuously with professional courses offered by educational institutions, or as internal courses held by Royal Greenland Academy. The Academy coordinates such initiatives as “Sulisa+”, which contributes to achieving a good workplace culture, with focus on well-being and job satisfaction.

There are also a large number of statutory courses that are also administered via Royal Greenland Academy.

Risks and opportunities

Competence and motivation are important aspects of the day-to-day work. A lack of skills would present both a financial and professional risk for the company.

Risks

- Lack of professional skills

Opportunities

- Value-based development programme at the processing plants – Sulisa+
- Competence-building courses for employees (including statutory courses)

Royal Greenland Academy gives employees opportunities for professional and personal development via tailored courses.

The Academy offers ambitious training and further education initiatives to ensure that the Group is continuously developing skilled new managers, and which motivate individual employees to continue to do their best for the company.

Goals and results 2023

Goals:

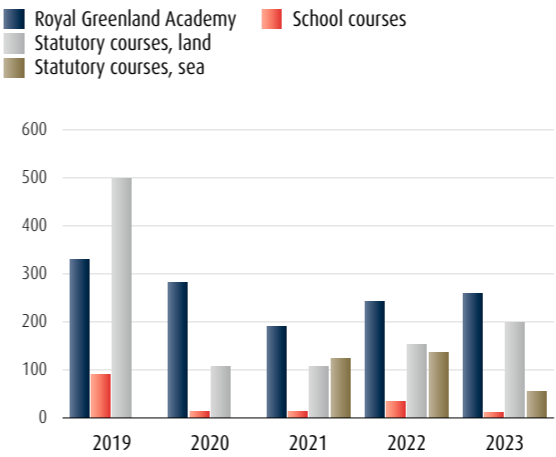
- Completion of Sulisa+ management development at selected processing plants and trawlers
- A minimum of 20% of the employees annually attend Royal Greenland Academy courses
- Courses for local fishermen among Royal Greenland’s suppliers in a minimum of five towns

Results:

- Three Sulisa+ course programmes attended by 171 people took place
- 204 employees attended statutory courses

Fig. 16: Course activities for Royal Greenland employees, 2019-2023

Course activities in 2023



SULISA+

In 2023, a total of three Sulisa+ courses were held in Greenland: one of these was a Sulisa+ follow-up for Qasigianniguit, while a full Sulisa+ course was held in Paamiut for the first time, as well as a further development course in Sisimiut.

In the further development of Sulisa+ there is greater focus on the processing plant’s statistical progress in retaining employees, further work on the plant’s established values, and continued focus on the personal development of managers and employees.

When Sulisa+ is held, both managers and employees complete a programme focusing on personal development and trauma therapy. Managers then take a separate course in management and setting values and objectives for the processing plant. Finally, both employees and managers gather for a couple of value discussion days, whereby the individual processing plants themselves define which values they will work by and be known for.

Outlook for the coming year

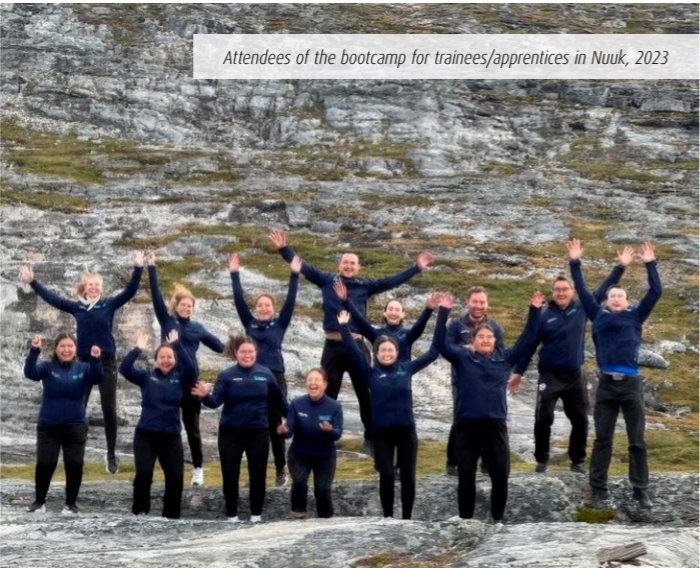
The Sulisa+ and Siukkat courses are expected to continue, and a long-term plan is being drawn up.

Goals for 2024:

- Continued development of the Sulisa+ course
- Sulisa+ held at four processing plants

Ambitions for 2030:

- Royal Greenland Academy offers a further developed Sulisa+ concept to processing plants in Greenland
- A systematic manager and talent development programme has been established in the company.
- Courses for local fishermen are a fixed programme as part of Royal Greenland Academy



Events during the year

In Greenland to learn more about seaweed production

In the first half of 2023, Matthias Granhøj was an intern at Royal Greenland Innovation in Nuuk as part of his Bachelor of Engineering in Fisheries Technology programme at DTU in Lyngby.

The Fisheries Engineering programme takes place for the first 1.5 years in Sisimiut, Greenland, where students are trained to be able to work in the entire vertical value chain from marine life through fishing and hunting to food production. An important part of this programme is learning about sustainable management of fish and shellfish, which is becoming increasingly important to Royal Greenland.

For Royal Greenland, the programme is very welcome in Greenland and we therefore support it through internships and project collaborations.

During his internship at RG Innovation in Nuuk, Matthias worked primarily with Nikoline Ziemer on the new seaweed cultivation project in Maniitsoq.



MSC recertification of the West Greenlandic prawn fishery

At the end of the year, the Marine Stewardship Council finalised the work to reassess the sustainability of the West Greenlandic prawn fishery with a positive result.

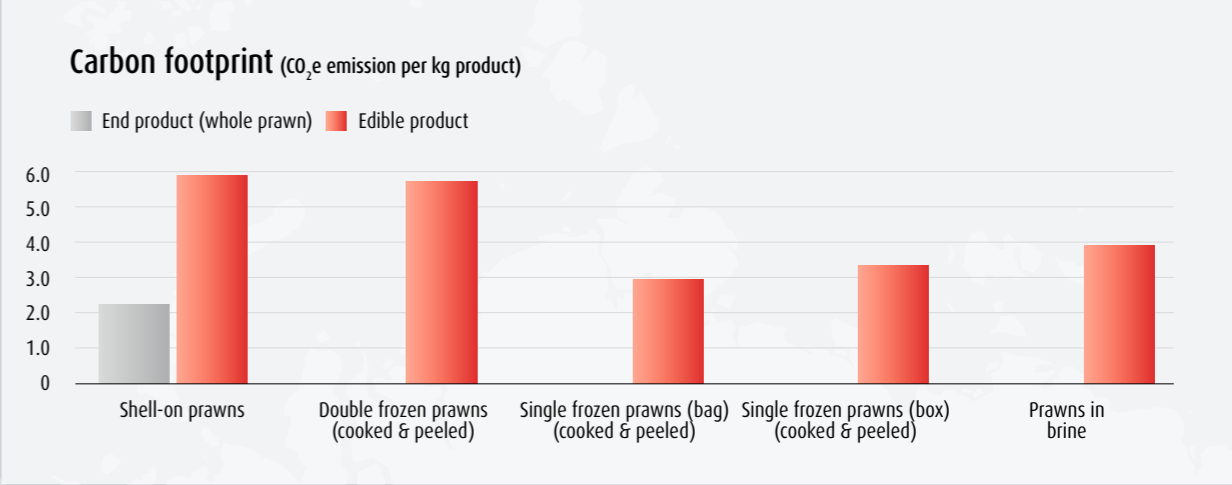
The re-certification was carried out by specialists at an independent certification body under Assurance Services International (ASI). The process started back in April and included a thorough scientific review of evidence on the sustainability of the prawn stock, the environmental impact as well as the management of the fishery.

Based on the work of the specialists, a report was prepared, which after public consultation and review by the MSC was approved without objections. This means that the West Greenlandic cold-water prawn fishery will be certified according to the MSC's requirements for sustainable fishing for another five years, provided that the annual inspections fulfil the certification requirements. This means that the

products can continue to carry the blue MSC label, which signals to customers and consumers that the products come from a sustainable fishery.

The West Greenlandic prawn fishery was first MSC certified in 2013 and then re-certified in 2017/18 and now again in 2023/24.

"We at Royal Greenland are very pleased with this re-certification" says Lisbeth Due Schönnemann-Paul, Senior Corporate Sustainability Advisor at Royal Greenland and Chair of Sustainable Fisheries Greenland "The cold-water prawn fishery is of great importance to the Greenlandic society, and therefore it is of utmost importance that it is managed sustainably so that it can contribute to the country's long-term growth and prosperity. It is also important for our customers that our products carry the blue MSC label, so it is easy to see that the products have been fished sustainably."



Analysis shows satisfactory results for climate impact of Royal Greenland's prawns

In the autumn of 2023, the Research Institute of Sweden (RISE)¹ concluded a major study of Royal Greenland's various prawn value chains. The study included an independent review and mapping of the climate footprint, measured in CO₂e emissions, from all stages of the company's value chain from fishing to finished product. As a result, we now have a measure of each product type's carbon footprint from sea to port; the point at which the product leaves Royal Greenland's facilities.

The results showed that prawns from Greenlandic fisheries have a smaller climate footprint than shown in previous, more general studies that include several different types of fisheries. This is because Greenlandic fisheries are relatively energy efficient, with many fishing areas close to the coast and a high density of prawn at most fishing sites. Fishing is carried out with a relatively new fleet of vessels with large storage capacity and optimised fuel utilisation. In addition, the factories on land use electricity from hydropower and finally, the factory in Ilulissat uses prawn shells for the production of prawn meal, thus avoiding waste of resources.

The carbon footprint of cold-water prawns

- The products analysed in the study were
- Shell-on prawns in 5kg boxes: Prawns caught by ocean-going trawlers, cooked and frozen on board and transported directly to storage.
 - Double frozen prawns in bags: Prawns caught and frozen by ocean-going trawlers landed at the factory in Sisimiut where they are cooked, peeled and frozen before being transported to the Group's factory in Cuxhaven where they are packed into finished products.
 - Single frozen prawns in bags, boxes or brine: Prawns caught by coastal trawlers are landed fresh at the factory in Ilulissat where they are cooked, peeled and frozen before being transported to the factory in Cuxhaven where they are packed into finished products in bags, boxes or brine.

RISE has also conducted studies on other protein sources to ensure that the calculation methods behind the analyses are comparable. Here we see that Greenlandic cold-water prawns are an absolutely reasonable source of protein.

¹ The study was conducted by RISE, Research Institutes of Sweden and externally reviewed by Sepideh Jafarzadeh, Senior Research Scientist at SINTEF Ocean in Norway.

Royal Greenland nominated for prestigious sustainability award

In September, along with two much larger international companies, Arla Foods and Maersk, Royal Greenland was among the three companies selected as finalists for the Green Transition Award from nine nominees. This award is presented by the Danish Chamber of Commerce and EY to a company that contributes significantly to the green transition by transforming and reorganising its business to more sustainable solutions with significant results.

For Royal Greenland, it was in particular our work to promote sustainable fishing in collaboration with other stakeholders, as well as our commitment to education and a healthy working life that was emphasised.

"We are proud to be recognised alongside much larger companies for going the extra mile in our sustainability initiatives. Of course,

we would have liked to win, but we are pleased that our continuous efforts are being recognised," said Lisbeth Due Schönnemann-Paul, Senior Corporate Sustainability Advisor, in connection with the nomination.

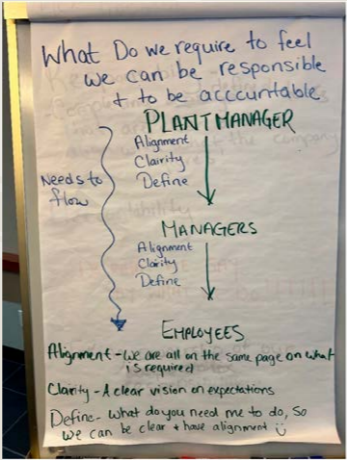


Landlubber on board M/tr Tuugaalik

Veterinarian Natacha Severin, who is currently conducting the PhD study "QALERLIK" at the University of Copenhagen, was on board the newest Royal Greenland trawler M/tr Tuugaalik for approx. 3 weeks in September 2023.

Fishing for Greenland halibut in West Greenland, the crew on board M/tr Tuugaalik assisted Natacha in collecting a lot of Greenland halibut samples for the project.

In addition, Natacha gained a lot of practical knowledge about how fishing and handling on board takes place in real life, and she also tried her hand at quality control, head cutting and cleaning of fish at the factory on board. The QALERLIK project started in October 2022 and sheds light on the phenomenon of "jelly-fish" in Greenland halibut in relation to occurrence and cause as well as detection of the fish in practice.



Better job satisfaction and performance with clear responsibility and accountability

In Royal Greenland's strategy, responsibility is a central pillar for the business. One theme within the RESPONSIBILITY pillar of the strategy is:

- We build the competences of our workforce and local communities

In January 2023, Royal Greenland Canada brought this theme to life through a Performance Development Program with 'Accountability & Responsibility' as central drivers.

The program was launched with workshops for plant managers, controllers, production managers and quality managers. Participants focused on clearly defining and refining their own areas of responsibility as well as responsibilities shares with other colleagues and departments – all based on the logic that clear individual and shared definitions of responsibility increases accountability and consequently also job satisfaction and performance.

During 2023 the outcome of the workshops was a razor-sharp focus for the production season ahead. Staff emerged with a clearer understanding of who was responsible for what, and how departments can best work together and support each other. Adding this tool to the toolbox equipped Royal Greenland Canada with precision and clarity, resulting in a strong processing season.

In addition to positive production results, staff were able to increase their job satisfaction by better understanding what is expected of them, owning their responsibilities, and taking pride in their results. Moving forward this better understanding of responsibility and accountability allows for employees and teams to be recognized for their efforts, as well as to identify where extra help might be needed to meet individual, departmental, and company-wide goals.

The 'Responsibility and Performance' program will continue in 2024. The program enables a better understanding and sharing of responsibilities, which ultimately leads to recognition and achievement of departmental and company goals.

The development program in Canada is based on two of the four sustainable development goals that Royal Greenland has defined in our sustainability program.



An experience of a lifetime

In November 2023, Mika Heilmann and his family landed back on Greenlandic soil after a 2-year stay in Newfoundland, Canada. Mika, who previously worked as Crew Manager in the trawler department in Nuuk, worked in various positions at Royal Greenland's factories in Newfoundland during his stay. First as Factory Manager in Cape Broyle, but later promoted to Factory Manager at the much larger Old Perlican factory.

Mika says: "The stay in Newfoundland has been a huge experience - both for me personally and professionally, as well as for us as a family." The family, which in addition to Mika and his wife, consists of two children, now aged 3 and 6, have benefited greatly from the stay in Canada. Mika's daughter Ajāja has benefited greatly from attending an English-language school and experiencing another culture, and she has also made good friends on the other side of the Atlantic.

Perspective and professionalism are developed in cultural exchange

For Mika, the program has given him a greater perspective on Royal Greenland as a global company, "It's great to experience that even though we work in different ways and have completely different backgrounds, we work together across languages, cultures and time zones to create the best results for the company," he says.

As a leader in a new and different culture, he has learnt to value diversity and has focused on using it positively. At a time when a team of foreign employees from the Philippines were due to arrive

and the preparation of their accommodation was delayed, the entire St. Johns office moved out and spent a weekend assembling furniture and preparing to make the new colleagues feel welcome. It was great to see everyone, regardless of their work area and titles, working together on this task, and it gave us food for thought about how important our company is to the people who work here.

Professionally, Mika has also benefited greatly from his stay. In Greenland he worked exclusively in an office, but in Newfoundland he had the opportunity to get up close and personal with production as a factory manager. "It is in production that value creation starts and gaining a deeper understanding of processes and practical organisation of production has given me a much more nuanced perspective on Royal Greenland's value chain."

Back home in Greenland, Mika has accepted another promotion and the position as Assistant Trawler Manager, and he has no doubt that the experience from Newfoundland is a great strength in this job as well.

"I would encourage others to travel and experience other parts of the world and of Royal Greenland - it gives you an insight and understanding of the company and the colleagues who work at completely different latitudes. It's no secret that it's also hard and challenging, but it's an experience of a lifetime that I wouldn't want to be without".

Trawlers focus on apprentices in 2023

In 2023, the trawler department's crew manager, Eqalunnguaq Kristiansen, focused on attracting more apprentice engineers on Royal Greenland's vessels, which has become a reality.

In 2022, it became possible to start the Master of Engineering programme at KTI in Sisimiut, and a larger number of Greenlanders living here have chosen to take the programme, a great benefit to the fishing industry, among others.

For Royal Greenland, the establishment of the programme in Sisimiut has meant that it has been possible to attract more apprentice engineers to the 9 vessels that make up the seagoing fleet. During 2022 and 2023, there have been 8 apprentice engineers in Royal Greenland's fleet. The trawler department strives to maintain the same level in 2024 and 2025 and sees great potential in the resident students in the engineer programme, as well as the Greenlandic students in Denmark.

It has always been a goal for Royal Greenland to get more local engineer apprentices on board the vessels. To facilitate schooling, Royal Greenland offers students at the maritime school grants for books, laptops or financial support.



2023 is a historic year for fishing industry education programmes

In 2023, the first six Fish Tech students have graduated. These six graduates can now call themselves industrial operators in the fishing industry, where they have gained a broad knowledge of, among other things, operating and monitoring industrial machines and systems.

Fish Tech is a vocational training programme where students gain knowledge and skills in troubleshooting, repair and maintenance of industrial machinery, handling internal transport and warehouse functions, planning and execution of production tasks and services and a broad knowledge of the fisheries processing industry. The programme is specifically aimed at the fishing industry, the largest industry in Greenland.

Fish Tech was previously only offered as a course but has since become a formal education programme that takes place in Narsaq, South Greenland. Royal Greenland sees great potential in graduate industrial operators, and as a result, half of this year's graduates have found permanent employment at Royal Greenland's factories in Sisimiut and Qasigiannnguit. During their training, the new industrial operators have been stationed in Royal Greenland's factories, where they have had the opportunity to put theory into practice.

At Royal Greenland, we are fortunate to have graduate industrial operators with us today, where they can use their knowledge of the industry's processes daily. We hope to be able to welcome more Fish Tech graduates to Royal Greenland in the coming years.



The thesis: "Greenlandic leadership values" about Royal Greenland's middle management level

In 2023, Nina Heilmann Larsen completed her master's thesis in collaboration with Royal Greenland. The thesis deals with Greenlandic management values among Royal Greenland's factory management.

The background for the thesis was Nina's interest in the development of the Greenlandic organisational structure, which differs from many other countries. Historically, Greenland has had European managers for many years, where cultural and language barriers have been a challenge between European managers and Greenlandic employees. Today, in many Greenlandic organisations, both management and employees speak the same language and share the same culture, which reduces the barriers considerably.

In her thesis, Nina Heilmann Larsen emphasises the broad foundation that Royal Greenland's Greenlandic factory managers provide for her analysis to uncover how Greenlandic managers act and what values they place in their work.



After graduating, Nina has joined Royal Greenland's HR department, where she holds a position as a development consultant. The position has allowed the entire Royal Greenland team to learn more about Greenlandic leadership values and debate how we use this insight to improve leadership and collaboration throughout the organisation.

Final thesis in collaboration with M/tr Kaassassuk

Pernille Bak Andreasen completed her final thesis at DTU in close collaboration with Royal Greenland during the spring of 2023. The main assignment was about process validation of the production of sea-cooked shell-on prawns, and Pernille was on board M/tr Kaassassuk for approx. two weeks to carry out the practical tests together with the people on board. Pernille graduated in August 2023 as the first graduate of the DTU programme "Bachelor of Engineering in Fisheries Technology".




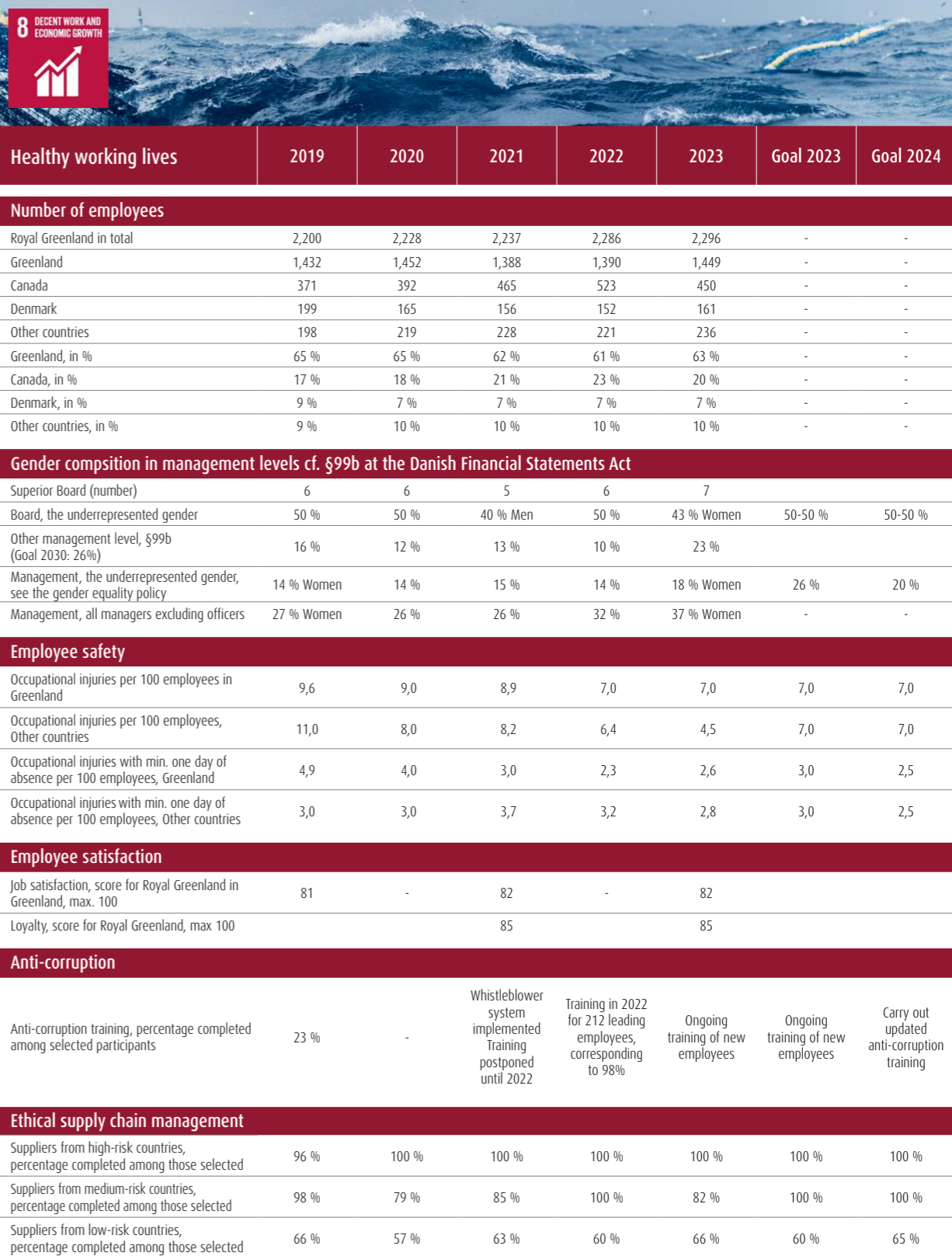
Sustainability goals

<div><div>14</div><div>LIFE BELOW WATER</div><div></div></div>							
Sustainable fisheries	2019	2020	2021	2022	2023	Goal 2023	Goal 2024
Sustainable fisheries and utilisation of resources							
Share of sustainable species, cf. Royal Greenland	80 %	80 %	86 %	93 %	95 %	> 90 %	>90 %
Share of less sustainable species	20 %	20 %	14 %	7 %	5 %	< 10 %	<10 %
Share of critical species	0 %	0 %	0 %	0,3 %	0,1 %	0 %	0 %
MSC certification of raw materials	57 %	57 %	61 %	63 %	58 %	63 %	58 %
Commercialisation of new species from coastal fisheries	-	0	0	0 %	0 %	1	1
<div><div>12</div><div>RESPONSIBLE CONSUMPTION</div><div></div></div>							
Responsible consumption	2019	2020	2021	2022	2023	Goal 2023	Goal 2024
Energy consumption							
Royal Greenland (kWh/tonnes of end-product)	2.881	3.288	2.904	3.138	3.068	2.981	2.915
CO ₂ e-emission							
GHG emissions from vessels, measured in tonnes of CO ₂ e/t catch:							
Prawn trawlers, off shore	1,57	1,66	1,71	1,92	1,85	monitoring	monitoring
Fisketrawlere og langline, udenskærs	1,64	1,46	1,23	1,45	1,37	monitoring	monitoring
Coastal vessels (trawlers, cutters, well boats)	0,76	0,82	0,48	0,81	0,52	monitoring	monitoring
Pelagic vessels	0,53	0,46	0,34	0,32	0,29	monitoring	monitoring
Total emissions for Royal Greenland Scope 1, tonnes		101.691	106.762	120.210	124.623	-	
Total emissions for Royal Greenland Scope 2, tonnes		12.625	13.733	11.993	12.339	-	
Total emissions for Royal Greenland Scope 3, tonnes				327.305	341.928	Calculate scope 3	
Total emission of GHG in Royal Greenland, measured in tonnes of CO ₂ equivalents	-			459.508	478.890	Calculate scope 3	Calculate GHG
CO ₂ e emission intensity, t CO ₂ e per DKK million				80	83	-	-
KgCO2e/kg edible product							
- Shell-on prawns					5,9	A-LCA on 4 prawn products	
- Double frozen prawns					5,7		
- Single frozen prawns in bag					2,9		
- Prawns in brine					3,9		
Calculation on Nutaaq cod							A-LCA on cod
Utilisation of resources							
Utilisation of resources, processing plants in Greenland	-	65 %	70 %	70 %	69 %	75 %	72 %
Plastic, paper, cardboard							
RG recyclable plastic packaging	41 %	73 %	73 %	80 %	88 %	85 %	95 %
Paper and cardboard packaging from FSC fibres		100 %	100 %	100 %	100 %	100 %	100 %
Water consumption							
Royal Greenland (m³/tonnes end-product)	41	48	45	47	49		
Greenland processing plants (m³/tonnes end-product)	41	49	49	57	53	stable ressource	stable ressource

8

DECENT WORK AND ECONOMIC GROWTH





Healthy working lives	2019	2020	2021	2022	2023	Goal 2023	Goal 2024					
Number of employees												
Royal Greenland in total	2,200	2,228	2,237	2,286	2,296	-	-					
Greenland	1,432	1,452	1,388	1,390	1,449	-	-					
Canada	371	392	465	523	450	-	-					
Denmark	199	165	156	152	161	-	-					
Other countries	198	219	228	221	236	-	-					
Greenland, in %	65 %	65 %	62 %	61 %	63 %	-	-					
Canada, in %	17 %	18 %	21 %	23 %	20 %	-	-					
Denmark, in %	9 %	7 %	7 %	7 %	7 %	-	-					
Other countries, in %	9 %	10 %	10 %	10 %	10 %	-	-					
Gender compsitin in management levels cf. §99b at the Danish Financial Statements Act												
Superior Board (number)	6	6	5	6	7							
Board, the underrepresented gender	50 %	50 %	40 % Men	50 %	43 % Women	50-50 %	50-50 %					
Other management level, §99b (Goal 2030: 26%)	16 %	12 %	13 %	10 %	23 %							
Management, the underrepresented gender, see the gender equality policy	14 % Women	14 %	15 %	14 %	18 % Women	26 %	20 %					
Management, all managers excluding officers	27 % Women	26 %	26 %	32 %	37 % Women	-	-					
Employee safety												
Occupational injuries per 100 employees in Greenland	9,6	9,0	8,9	7,0	7,0	7,0	7,0					
Occupational injuries per 100 employees, Other countries	11,0	8,0	8,2	6,4	4,5	7,0	7,0					
Occupational injuries with min. one day of absence per 100 employees, Greenland	4,9	4,0	3,0	2,3	2,6	3,0	2,5					
Occupational injuries with min. one day of absence per 100 employees, Other countries	3,0	3,0	3,7	3,2	2,8	3,0	2,5					
Employee satisfaction												
Job satisfaction, score for Royal Greenland in Greenland, max. 100	81	-	82	-	82							
Loyalty, score for Royal Greenland, max 100			85		85							
Anti-corruption												
Anti-corruption training, percentage completed among selected participants	23 %	-	Whistleblower system implemented Training postponed until 2022	Training in 2022 for 212 leading employees, corresponding to 98%	Ongoing training of new employees	Ongoing training of new employees	Carry out updated anti-corruption training					
Ethical supply chain management												
Suppliers from high-risk countries, percentage completed among those selected	96 %	100 %	100 %	100 %	100 %	100 %	100 %					
Suppliers from medium-risk countries, percentage completed among those selected	98 %	79 %	85 %	100 %	82 %	100 %	100 %					
Suppliers from low-risk countries, percentage completed among those selected	66 %	57 %	63 %	60 %	66 %	60 %	65 %					



Education in Greenland	2019	2020	2021	2022	2023	Goal 2023	Goal 2024
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Apprentices/trainees and students							
Greenland, number of apprentices and trainees	41	39	64	50	50	50	50
Greenland, attached students taking higher vocational education in Greenland	14	16	9	9	9	-	10
Greenland, number of graduated apprentices and trainees				10	10	-	12

Training and education – Greenland							
RG Academy course participants	331	285	192	245	171	10% of the number of employees corresponding to 130	Depending on the employees at sulisa+ factories
Course participants, other colleges	80	17	17	26	5	-	-
Course participants statutory courses, country	500	107	109	155	204	as required	as required
Course participants statutory courses, sea	-	-	120	136	51	as required	as required
Sulisa+ management development at selected factories and trawlers in Greenland	Three large processing plants	Three large processing plants	Two large processing plants	Four larger processing plants	Three processing plants	Three processing plants	Four processing plants

Notes to the overview of key figures

Calculations are based on data collected across the Group's processing plants and vessels. A brief description of the calculation methods is given below.

Sustainable fisheries and new species

Every year, documentation is collected for fished, landed and purchased raw materials and end-products. The volumes for each type of fishing are converted to whole fish or shellfish, to facilitate year-by-year comparison. The internal Royal Greenland assessment is based on an assessment of the stock, fishing method and management, and the total volume is divided into three sustainability categories. The same information is used to calculate the percentage of certified raw materials.

Utilisation of resources

Resource utilisation is calculated as the difference between intake of raw materials and output of end-products from the Group's processing plants. Cooking and dripping losses are not taken into account. Since full utilisation of all raw materials cannot be expected, this year's section includes a calculation of the potential marine yield.

Energy consumption

Energy consumption is calculated for the Group's processing plants and vessels that are fully-owned by and affiliated with Royal Greenland. Homes are not included in the figures, even though they receive energy from Royal Greenland. Vessels include ocean-going vessels, well boats and cutters. Sales offices are not included in the calculation of kWh/tonnes of end-product.

CO₂ equivalent emissions

Calculation of total Scope 1 and 2 emissions is based on the Greenhouse Gas Protocol and all activities in Royal Greenland are included, including sales offices, company cars and company-owned homes. The calculation is based on the English DEFRA 2021 database, as the basis for the calculation, and the actual emissions from Nukissiorfiit (Greenland's Energy Supply).

The calculation of scope 3 for the year 2022 has been carried out in collaboration with an external consultancy firm. Scope 2023 has been prepared according to the same principles and can be divided into four categories:

- Energy and process, which originates from RG consumption under scope 1.
- Transportation, including transportation of goods to and from the company and employee transportation
- Waste management, primarily organic material
- Procurement of fish, packaging, ingredients, workwear and equipment

The calculation of the vessels' CO₂e emissions is calculated per ton of catch, as the processing rate is not included in the assessment of the vessels' efficiency in the fishery.

Water consumption

Water consumption is calculated for the same facilities for which energy consumption is calculated.

Plastic, cardboard and paper

Calculation of the recyclability of the plastic materials is based on M.I.N codes and the total purchase of plastic quantities that must be used for semifinished goods and finished goods in the year. Unit data is

converted to weight, after which percentage recyclability is calculated.

Cardboard and paper with a thin plastic film are not included in the calculation.

Employees

The number of employees is calculated locally in the different main departments and converted to full-time equivalents (FTEs). Temporary employees are only included in the calculation of the injury frequency.

Diversity

Calculation of the Supervisory Board's gender structure is based on members elected by the Annual General Meeting. This means that employee representatives are not included in the calculation.

The calculation of the first management level includes the Executive Board and the persons who are organizationally at the same management level as the Executive Board.

The calculation of the second management level includes persons with personnel responsibilities who report directly to the first management level, in this case the group management. Personnel responsibilities must be in relation to employees in the same legal entity as the manager is employed by.

In combination, the first and second management levels constitute 'the other management levels'.

The calculation of the under-represented gender, cf. the policy, is based on three levels below the Supervisory Board. This includes the Executive Board, executive directors, skippers and Group function managers. The third calculation includes all managers, with the exception of officers on the vessels.

Occupational health and safety

The number of occupational injuries is calculated for each processing plant separately, and the number is aggregated for the Greenlandic processing plants, vessels and head office, as well as other processing plants. The occupational injury frequency is calculated per 100 FTEs for reported injuries and for injuries with at least one day's absence.

Anti-corruption

Training within anti-corruption, abuse of power and the whistleblower scheme is conducted as e-learning for selected employees. The percentage is calculated on the basis of the selected number of employees.

Supply chain management

Suppliers are divided into three categories and the documentation requirement is adjusted accordingly, which means that the requirements for suppliers from medium-risk and high-risk countries are more stringent. Suppliers are included in the system when their deliveries exceed a fixed minimum level in annual terms.

Training and education

The number of course participants in Royal Greenland Academy is a count of the number of employees who participate in courses.

Apprentices, trainees and students

The figures include all the apprentices, trainees and students who attended a training programme in cooperation with Royal Greenland in Greenland.

Consolidated financial statements and annual accounts

- 69 Income statement
- 70 Assets
- 71 Equity and liabilities
- 72 Statement of changes in equity – Group
- 72 Statement of changes in equity – Group
- 73 Consolidated cash flow statement
- 74 Notes to the financial statements

Income statement

		Group		Parent	
	Note	2023 DKK 1,000	2022 DKK 1,000	2023 DKK 1,000	2022 DKK 1,000
Revenue	3	5,795,658	5,756,592	3,260,841	3,291,817
Change in inventories of finished goods		(165,220)	596,760	98,889	39,475
Other operating income	4	68,005	172,080	27,178	52,383
		5,698,443	6,525,432	3,386,908	3,383,675
Costs of raw materials and consumables		(3,178,510)	(3,788,802)	(1,993,175)	(1,717,213)
Other external expenses		(1,110,612)	(1,080,450)	(655,362)	(591,270)
Staff costs	5	(1,272,000)	(1,184,437)	(815,485)	(748,289)
Depreciation, amortisation and impairment losses	6	(215,408)	(187,305)	(131,769)	(115,701)
Other operating costs		(2,623)	(10,771)	(397)	(5,393)
Operating profit		(80,710)	273,667	(209,280)	205,809
Profit/loss from investments in group enterprises after tax		0	0	(54,637)	10,543
Profit/loss from investments in associates after tax		(56,116)	36,361	6,623	1,677
Financial income	7	126,719	84,802	99,926	35,412
Financial expenses	8	(245,182)	(159,445)	(177,584)	(76,484)
Profit before tax		(255,289)	235,385	(334,952)	176,957
Tax on profit	9	44,489	(48,920)	76,239	(30,873)
Profit for the year		(210,800)	186,465	(258,713)	146,084
The Group's profit is distributed as follows:					
Shareholders of Royal Greenland A/S		(258,713)	146,084		
Minority interests		47,913	40,381		
		(210,800)	186,465		
Proposed distribution of profit:					
Proposed dividend				0	73,042
Reserves according to the equity method				(42,473)	(28,567)
Retained earnings				(216,240)	101,609
				(258,713)	146,084

Assets

	Note	Group		Parent	
		31.12.23 DKK 1,000	31.12.22 DKK 1,000	31.12.23 DKK 1,000	31.12.22 DKK 1,000
Intangible assets	10	114,367	101,640	28,075	32,935
Buildings		474,909	480,768	234,890	253,259
Plant and machinery		270,470	257,381	105,891	108,913
Vessels		1,345,433	1,363,697	930,659	957,342
Other fixtures and fittings, tools and equipment		28,240	28,479	19,320	18,082
Fixed assets in progress		340,188	101,374	317,763	78,235
Property, plant and equipment	11	2,459,240	2,231,699	1,608,523	1,415,831
Investments in group enterprises	12	0	0	2,001,493	2,080,347
Receivables from Group enterprises	13	0	0	132,677	137,877
Investments in associates	12	247,674	234,814	49,464	40,889
Receivables from associates	13	322,692	186,333	17,430	25,434
Derivative financial instruments		60,846	104,041	60,846	104,041
Other fixed asset investments	14	494,326	472,394	84,553	87,186
Fixed asset investments		1,125,538	997,582	2,346,463	2,475,774
FIXED ASSETS		3,699,145	3,330,921	3,983,061	3,924,540
Inventories	15	1,727,675	2,106,534	825,726	738,439
Trade receivables		801,392	931,777	12,057	12,048
Receivables from Group enterprises		0	0	721,833	1,140,695
Receivables from associates		9,701	22,349	1,665	0
Other receivables	16	45,528	107,337	4,336	21,983
Deferred tax assets	18	131,193	85,965	54,690	0
Income tax receivable		7,194	83,793	172	0
Prepayments	17	22,455	9,331	13,154	4,437
Receivables		1,017,463	1,240,552	807,907	1,179,163
Cash		38,354	43,938	145	193
CURRENT ASSETS		2,783,492	3,391,024	1,633,778	1,917,795
ASSETS		6,482,637	6,721,945	5,616,839	5,842,335

Equity and liabilities

	Note	Group		Parent	
		31.12.23 DKK 1,000	31.12.22 DKK 1,000	31.12.23 DKK 1,000	31.12.22 DKK 1,000
Share capital		850,000	850,000	850,000	850,000
Reserve for net revaluation under the equity method		0	0	0	47,806
Retained earnings		631,466	905,886	631,466	858,080
Proposed dividend		0	73,042	0	73,042
Shareholders of Royal Greenland A/S' share of equity		1,481,466	1,828,928	1,481,466	1,828,928
Minority interests		269,292	233,184	0	0
TOTAL EQUITY		1,750,758	2,062,112	1,481,466	1,828,928
Deferred tax	18	72,678	97,348	0	38,371
Other provisions	19	9,994	10,547	901	901
PROVISIONS		82,672	107,895	901	39,272
Other credit institutions		2,540,789	2,588,120	2,494,955	2,538,439
Other long-term debt		19,738	19,738	0	0
Derivative financial instruments		9,870	4,257	9,870	4,257
Long-term liabilities other than provisions	20	2,570,397	2,612,115	2,504,825	2,542,696
Short-term portion of long-term liabilities other than provisions		10,778	10,778	3,938	3,938
Credit institutions		1,165,179	1,038,421	871,100	763,125
Trade payables		435,685	477,410	229,720	213,217
Payables to Group enterprises		0	0	200,098	152,764
Payables to associates		115,584	85,468	112,398	85,468
Income taxes	9	22,996	19,729	0	0
Other payables	21	319,555	301,333	209,204	212,846
Deferred income		9,033	6,684	3,189	81
Short-term liabilities other than provisions		2,078,810	1,939,823	1,629,647	1,431,439
LIABILITIES OTHER THAN PROVISIONS		4,649,207	4,551,938	4,134,472	3,974,135
EQUITY AND LIABILITIES		6,482,637	6,721,945	5,616,839	5,842,335
Accounting policies	1				
Mortgages and contingent liabilities	22				
Other notes	23-26				

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	Minority interests DKK 1,000	Equity in total DKK 1,000
Equity at 31 December 2021	850,000	834,544	112,878	1,797,422	213,184	2,010,606
Addition	0	0	0	0	3,540	3,540
Exchange rate adjustment	0	(1,314)	0	(1,314)	79	(1,235)
Fair value adjustments recognised in equity	0	(351)	0	(351)	0	(351)
Tax, fair value adjustments	0	(35)	0	(35)	0	(35)
Paid dividend	0	0	(112,878)	(112,878)	(24,000)	(136,878)
Net profit for the year	0	73,042	73,042	146,084	40,381	186,465
Equity at 31 December 2022	850,000	905,886	73,042	1,828,928	233,184	2,062,112
Addition	0	0	0	0	604	604
Exchange rate adjustment	0	(14,482)	0	(14,482)	(124)	(14,606)
Fair value adjustments recognised in equity	0	(13,832)	0	(13,832)	0	(13,832)
Tax, fair value adjustments	0	3,458	0	3,458	0	3,458
Capital adjustments		9,149		9,149	7,715	16,864
Paid dividend	0	0	(73,042)	(73,042)	(20,000)	(93,042)
Net profit for the year	0	(258,713)	0	(258,713)	47,913	(210,800)
Equity at 31 December 2023	850,000	631,466	0	1,481,466	269,292	1,750,758

Statement of changes in equity – Parent

	Share capital DKK 1,000	Reserve under the equity method DKK 1,000	Retained earnings DKK 1,000	Proposed dividend DKK 1,000	Total DKK 1,000
Equity at 31 December 2021	850,000	81,007	753,537	112,878	1,797,422
Exchange rate adjustment	0	(4,634)	3,320	0	(1,314)
Fair value adjustments recognised in equity	0	0	(351)	0	(351)
Tax, fair value adjustments	0	0	(35)	0	(35)
Paid dividend	0	0	0	(112,878)	(112,878)
Net profit for the year	0	(28,567)	101,609	73,042	146,084
Equity at 31 December 2022	850,000	47,806	858,080	73,042	1,828,928
Exchange rate adjustment	0	(14,482)	0	0	(14,482)
Fair value adjustments recognised in equity	0	0	(13,832)	0	(13,832)
Tax, fair value adjustments	0	0	3,458	0	3,458
Capital adjustments	0	9,149	0	0	9,149
Paid dividend	0	0	0	(73,042)	(73,042)
Net profit for the year	0	(42,473)	(216,240)	0	(258,713)
Equity at 31 December 2023	850,000	0	631,466	0	1,481,466

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. No changes have been made to the share capital in the last five years.

Consolidated cash flow statement

	Note	2023 DKK 1,000	2022 DKK 1,000
Net profit for the year		(210,800)	186,465
Adjustments relating to net profit for the year	27	337,679	173,933
Working capital changes	28	628,738	(1,001,567)
Cash flows from operating activities before net financials		755,617	(641,169)
Ingoing payments relating to financial items		43,989	67,562
Outgoing payments relating to financial items		(223,715)	(76,855)
Cash flows from ordinary activities		575,891	(650,462)
Paid taxes		53,971	(137,814)
Cash flows from operating activities		629,862	(788,276)
Purchase of intangible assets and property, plant and equipment		(433,241)	(311,859)
Purchase of shares in associates		(7,550)	(207)
Purchase of other fixed asset investments		(237,239)	(246,869)
Sale of intangible assets and property, plant and equipment		8,752	157,167
Sale of shares in associates		0	1,680
Sale of other fixed asset investments		0	60,759
Dividends received from associates		5,598	30,380
Cash flows from investing activities		(663,680)	(308,949)
Proceeds from obtaining/(instalments on) long-term liabilities		(6,198)	261,055
Debt displacement on credit facilities		126,758	825,055
Paid dividend		(73,042)	(112,878)
Sale to/supply of capital from minority interests		604	3,540
Dividends paid during the year to minority interests		(20,000)	(24,000)
Cash flows from financing activities		28,122	952,772
Increase/decrease in cash and cash equivalents		(5,696)	(144,453)
Addition in the event of a business transfer		112	0
Cash and cash equivalents, beginning of year		43,938	188,391
Cash and cash equivalents, end of year	29	38,354	43,938

Notes to the financial statements

1. Accounting policies

General information

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

The accounting policies applied remain unchanged from 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 95.

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual subsidiaries' audited financial statements, which are all presented in accordance with the Group's accounting policies. All intra-Group receivables and debt, income and expenses, dividends and unrealised intra-Group gains and losses are eliminated, together with set-off of all internal shareholdings.

Subsidiaries' accounting items are recognised 100% in the consolidated financial statements. Minority interests' share of the profit or loss for the year and of the equity of subsidiaries that are not wholly owned are included in the Group's profit or loss and equity, but are presented separately. Purchase and sale of minority interests subject to a continuing controlling influence are recognised directly to equity as a transaction between capital owners.

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 statement of income up until the time of disposal.

Comparative figures are not adjusted for newly acquired companies. Discontinued activities are presented separately, cf. below.

The acquisition date is the date on which the Group actually achieves control of the acquired company.

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.

Any positive difference (goodwill) between the cost price, the value of minority interests in the acquired company, and the fair value of any capital interests previously acquired, on the one hand; and the fair value of the identifiable assets, liabilities and contingent liabilities acquired, on the other hand, is recognised as goodwill under intangible assets. Goodwill is written off on a linear basis in the income statement, according to an individual assessment of useful life.

Costs incurred in conjunction with company acquisitions are recognised in the income statement in the year in which they are incurred.

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 the 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.

Intra-group business combinations

For business combinations such as purchase and sale of capital interests, mergers, demergers, contribution of assets and share swaps, etc. on participation in activities subject to the parent company's controlling influence, the book value method is applied whereby the combination is deemed to have taken place as of the acquisition date, without adjustment of comparative figures. Differences between the agreed remuneration and the acquired company's carrying amount are recognised directly to equity.

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

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

Changes in the fair value of derivative financial instruments that are classified as and fulfil the conditions for hedging of future transactions are included directly in 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 value are included on an ongoing basis in the income statement as financial items.

Statement of income

Revenue

The company has chosen IAS 11/IAS 18 as the interpretation basis for revenue recognition.

Net revenue is measured as the fair value of the agreed remuneration, excluding VAT and taxes collected on behalf of third parties. All types of discounts given are recognised in net revenue.

Income from the sale of commodities and finished goods is included in the net revenue once the transfer of significant benefits and risks to the buyer has taken place, the income can be reliably compiled and payment is expected to have been received. The date of transfer of significant benefits and risks is in accordance with standardised delivery terms, based on Incoterms® 2010. In cases where sold items are continuously delivered and integrated with the buyer's property, revenue is recognised in net revenue in step with delivery, whereby the net revenue corresponds to the sales value of the work performed during the year.

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 have 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 is 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 in the balance sheet as tax calculated on the year's taxable income, 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. No deferred tax is allocated for shares 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 carry-forwards, are recognised in the balance sheet at 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 is in real terms kept intact for an indefinite period, but is 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 may be longer for strategic acquisitions with a strong market position and long-term earnings profile, should the longer amortisation period be assessed to better reflect 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 deduction of accumulated amortisation. 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 fulfil the criteria for recognition in the balance sheet.

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

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

Other intangible fixed assets

Other intangible fixed assets concern commercial agreements and are measured at cost price with deduction of accumulated amortisation. The lifetime is considered to be indefinite, so that amortisation takes place on a linear basis 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

Land and buildings, vessels, technical facilities and machinery, as well as other plant, operating equipment and fixtures, are measured at cost price minus the accumulated depreciation and impairment losses. Land is not written off.

The cost price concerns the purchase price and any costs directly attached to the purchase, as 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, sub-suppliers 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 financing 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 lifetime. Linear depreciation is based on the following assessment of the expected useful lives of the assets:

Buildings	10 - 50 years
Vessels	7 - 16 years
Production facilities, which are included under 'vessels'	5 - 10 years
Production facilities and machinery	5 - 20 years
Other facilities, operating equipment and fixtures	3 - 5 years

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 losses are recognised in the income statement under other operating costs.

Lease contracts

The company has chosen IAS 17 as the interpretation basis for the classification and recognition of lease contracts.

On initial recognition in the balance sheet, lease contracts concerning assets, where the company carries all significant risks and benefits associated with the right of ownership (financial leasing), are measured at the lower of fair value and current value of the future leasing payments. The current value is calculated at the internal interest rate in the lease agreement, or the alternative borrowing rate as the discounting factor. Financial leased assets are thereafter treated in the same way as the company's other assets.

The capitalised residual leasing obligation is recognised as a liability in the balance sheet, and the interest element of the leasing payment is recognised in the income statement over the life-time of the contract.

All other lease contracts are considered operational leasing. Payments related to operational leasing and other lease agreements are recognised in the income statement during the lifetime of the contract. The company's total obligation concerning operational leasing and lease agreements is disclosed under contingent items, etc.

Financial fixed assets

Investments in subsidiaries and associates

Investments in subsidiaries and associated companies are measured in the parent company's annual financial statements, according to the equity method. The company considers the equity method for subsidiaries to be a consolidation method.

On initial recognition, investments in subsidiaries are measured at cost, cf. the description under accounting policies applied concerning the consolidated financial statements, i.e. without addition of transaction costs.

On initial recognition, investments in associated companies are measured at cost including transaction costs.

The cost price is allocated according to the acquisition method, cf. the aforementioned accounting policy concerning the consolidated accounts. The cost price is adjusted by the profit shares after tax, compiled according to the consolidated accounting policy with deduction or addition of unrealised intra-Group profit/loss.

Actual added value and any goodwill in relation to the equity value of the underlying company is amortised in accordance with the accounting policy applied to the consolidated accounts. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying value.

Investments in subsidiaries and associated companies that are measured at equity value are subject to an impairment test requirement, if there are indications of impairment.

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 value, to the extent that this is assessed to be irrecoverable. Should the negative equity value exceed the receivable, 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 fixed asset investments primarily concern 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 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 takes place with due consideration of an individual assessment of the risk of loss.

Inventories

Inventories of consumables are 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 manufacture or end products, including end products 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 materials, consumables and direct salaries, as well as any indirect production costs. Indirect production costs are allocated on the basis of the individual production units' normal capacity. Indirect production costs cover indirect materials and salaries, the costs of maintenance, depreciation and impairment of the trawlers used in the production process, processing plant buildings, machinery and equipment, as well as the costs of factory 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 from settling the obligation.

Provisions with an expected maturity beyond one year from the balance sheet date are discounted using a market-based 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 is 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 flows in regard to operations, investments and financing, 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 of 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 profit 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 assets, property, plant and equipment, and fixed asset investments.

Cash flow from financial activities covers changes in 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.

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 on the basis of the internal reporting to the Group management and is distributed on retail, foodservice, industry and others.

The Group's secondary segment

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

Financial highlights

The key figure 'net interest-bearing debt' is obtained after offsetting derivative financial instruments with a positive value. On calculating the equity ratio and net interest-bearing debt/EBITDA, derivative financial instruments with a positive value are offset in both the total assets and the net interest-bearing debt. On calculating the return on equity, Royal Greenland's shareholders' share of the profit for the year is used. On calculating the equity ratio, Royal Greenland's share-holders' share of equity is used.

2. Events occurring after the balance sheet date

In March 2024, the coastal prawn trawler Lomur sank off Sisimiut. All of the crew were rescued. Endeavours are being made to find a replacement fishing vessel. In March, the Group's crab/prawn processing plant in Matane, Quebec, Canada, burnt down. Due to insufficient fish resources, the plant was being discontinued. Both events were covered by insurance, and are not expected to significantly affect the financial position or the result for 2024.

With the exception of the aforementioned, no significant events occurred after the close of the financial year.



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

3 – Net revenue – Geographical markets

	Group		Parent	
	2023 DKK 1,000	2022 DKK 1,000	2023 DKK 1,000	2022 DKK 1,000
Scandinavia	1,105,648	1,251,937	-	-
Europe	1,485,776	1,480,162	2,929,113	2,905,494
Asia	2,044,530	1,860,342	-	-
North America	960,575	997,367	-	-
Other markets	199,129	166,784	331,728	386,323
	5,795,658	5,756,592	3,260,841	3,291,817

Business segments

Retail	1,297,514	1,168,500		
Food service	1,165,252	1,032,057		
Industry	3,276,215	3,509,833		
Other	56,677	46,202		
	5,795,658	5,756,592		

4 – Other operating income

Management fees	4,995	7,319	3,942	4,917
Rental income	9,889	7,368	6,116	5,533
Sale of annual quota	26,545	13,645	14,400	23,990
Profit on sale of fixed assets	8,818	110,101	1,392	14,988
Grants received	3,107	2,453	0	0
Other operating income	14,651	31,194	1,328	2,955
	68,005	172,080	27,178	52,383

5 – Staff costs

The total amount of wages and salaries, etc. is specified as follows:

Salaries and wages	1,107,819	1,030,297	725,445	665,325
Pension contributions and other social costs	68,694	58,125	52,498	44,088
Other staff costs	95,487	96,015	37,542	38,876
	1,272,000	1,184,437	815,485	748,289

Average number of employees

	2,296	2,286	1,426	1,370
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Remuneration of the Supervisory Board and Executive Board

Remuneration of the Parent Company's Supervisory Board	2,436	2,245
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Remuneration of the Executive Board	Fixed 2023	Bonus 2023	In total 2023	Fixed 2022	Bonus 2022	In total 2022
Susanne Arfelt Rajamand	5,131	3,000	8,131	0	0	0
Mikael Thinghuus	0	0	0	3,372	4,557	7,929
Nils Duus Kinnerup	3,225	242	3,467	3,307	187	3,494
Bruno Olesen	3,057	3,380	6,437	3,145	340	3,485
Lars Nielsen	3,091	245	3,336	3,178	331	3,509
Bodil Marie Damgaard	368	0	368	0	0	0
Executive Board in total	14,872	6,867	21,739	13,002	5,415	18,417

In addition to the fixed salary, the Group Executive Board can earn a performance-based bonus
The Executive Board members also receive a free company vehicle, telephone, internet and newspaper subscription
In the bonus for the year, sign-on fee for Susanne Arfelt Rajamand and severance pay for Bruno Olesen is included
In the bonus for 2022 retention bonus for Mikael Thinghuus was included

6 – Depreciation, amortisation and impairment losses	Group		Parent	
	2023 DKK 1,000	2022 DKK 1,000	2023 DKK 1,000	2022 DKK 1,000
Buildings	46,744	42,969	31,619	30,595
Plant and machinery	66,725	65,140	36,903	34,457
Vessels	73,384	50,775	49,012	37,413
Other fixtures and fittings, tools and equipment	10,574	9,938	7,727	7,172
Goodwill	9,239	9,407	2,525	2,524
Quotas	3,071	613	93	298
IT and licences	3,948	3,303	3,890	3,242
Other intangible assets	1,723	5,160	0	0
	215,408	187,305	131,769	115,701

7 – Financial income

Capital gains	82,199	51,504	28,953	7,887
Interest from affiliated businesses	-	-	59,650	22,544
Interest on bank deposit	3,616	774	2,202	544
Income from fixed asset investments	40,797	32,388	9,121	4,373
Other financial income	107	136	0	64
	126,719	84,802	99,926	35,412

8 – Financial expenses

Capital loss	101,597	98,681	42,143	29,021
Interest on bank and mortgage debt	136,881	54,045	122,091	45,572
Interest to affiliated businesses	-	-	12,162	545
Other financial expenses	6,704	6,719	1,188	1,346
	245,182	159,445	177,584	76,484

9 – Tax on profit

Current tax for the year	(7,012)	(2,000)	0	0
Other taxes	(15,841)	(20,954)	(13,364)	(18,175)
Deferred tax for the year	67,342	(30,594)	89,603	(14,412)
Effect of changed tax rate	0	2,302	0	2,302
Adjustment to previous years	0	(588)	0	(588)
Adjustment of deferred tax for previous year	0	2,914	0	0

	44,489	(48,920)	76,239	(30,873)
Reconciliation of tax rate:				
Greenland tax rate	25%	27%	25%	27%
Other taxes	(1)%	0%	(4)%	10%
Deduction for declared dividend	7%	(13)%	6%	(17)%
Effect of changed tax rate	0%	1%	0%	(1)%
Tax concerning previous year	0%	(1)%	0%	0%
Write-down of tax assets in foreign companies	(8)%	8%	0%	0%
Effect of difference in tax rate between Greenland and foreign enterprises	1%	(2)%	0%	0%
Tax-free income (net) from affiliated and associated companies, etc.	(8)%	(1)%	(4)%	(2)%
Non-deductible costs, etc.	1%	2%	0%	0%
Tax rate expensed	17%	21%	23%	17%

10 - Intangible assets

	Group- goodwill DKK 1,000	Quotas DKK 1,000	Group IT and licences DKK 1,000	Development projects DKK 1,000	Other intangible assets DKK 1,000
Cost at 01.01.2023	120,137	150,591	40,308	11,764	39,900
Value adjustment at year-end rate	(780)	0	(4)	0	(463)
Addition by merger	2,500	26,638	0	0	0
Transferred from plant under construction	0	0	1,130	0	0
Additions for the year	550	0	648	0	0
Disposals for the year	0	0	(3,200)	0	0
Cost at 31.12.2023	122,407	177,229	38,882	11,764	39,437

Amortisation and impairment losses at 01.01.2022	(48,806)	(149,239)	(35,483)	(11,764)	(15,768)
Value adjustment at year-end rate	297	0	3	0	189
Amortisation for the year	(9,239)	(3,071)	(3,948)	0	(1,723)
Write-downs for the year	0	0	0	0	0
Amortisation regarding disposals for the year	0	0	3,200	0	0
Amortisation and impairment losses at 31.12.2023	(57,748)	(152,310)	(36,228)	(11,764)	(17,302)

Carrying amount at 31.12.2023	64,659	24,919	2,654	0	22,135
Carrying amount at 31.12.2022	71,331	1,352	4,825	0	24,132

Basis for goodwill amortisation periods

Upernavik Seafood A/S

Royal Greenland's investment in Upernavik Seafood A/S is considered to be of strategic importance to the Group's Greenland halibut activities. In view of the Group's expected plans to increase the company's activities and future earnings, the economic lifetime of goodwill was set at 20 years as from the acquisition date in 2014. The company has subsequently merged with the parent company, Royal Greenland A/S.

A&L Seafoods Ltd.

The investment in A&L Seafoods Ltd. strengthens the Group's snow crab activities. In view of the expected future earnings and the long-term potential, the economic lifetime of goodwill is set at 10 years.

10 – Intangible assets	Parent			
	Goodwill DKK 1,000	Quotas DKK 1,000	IT DKK 1,000	Development projects DKK 1,000
Cost at 01.01.2023	52,991	115,361	39,302	11,764
Additions for the year	0	0	518	0
Transferred from plant under construction	0	0	1,130	0
Disposals for the year	0	0	(3,200)	0
Cost at 31.12.2023	52,991	115,361	37,750	11,764
Amortisation and impairment losses at 01.01.2023	(24,826)	(115,268)	(34,625)	(11,764)
Amortisation for the year	(2,525)	(93)	(3,890)	0
Amortisation regarding disposals for the year	0	0	3,200	0
Amortisation and impairment losses at 31.12.2023	(27,351)	(115,361)	(35,315)	(11,764)
Carrying amount at 31.12.2023	25,640	0	2,435	0
Carrying amount at 31.12.2023	28,165	93	4,677	0

11 – Property, plant and equipment	Group				
	Buildings DKK 1,000	Plant and machinery DKK 1,000	Vessels DKK 1,000	Other fixtures etc. DKK 1,000	Fixed assets in progress DKK 1,000
Cost at 01.01.2023	1,290,844	984,473	1,657,714	100,008	101,374
Value adjustment at year-end rate	(2,617)	(4,143)	(74)	(414)	(224)
Addition by merger	0	0	350	0	0
Transferred from plant under construction	11,441	24,109	1,315	906	(38,901)
Additions for the year	32,888	57,464	53,473	10,279	277,939
Disposals for the year	(13,834)	(42,086)	(3,094)	(4,949)	0
Cost at 31.12.2023	1,318,722	1,019,817	1,709,684	105,830	340,188
Amortisation and impairment losses at 01.01.2023	(810,076)	(727,092)	(294,017)	(71,529)	-
Value adjustment at year-end rate	731	2,693	56	254	-
Amortisation for the year	(46,744)	(66,725)	(73,384)	(10,574)	-
Amortisation regarding disposals for the year	12,276	41,777	3,094	4,259	-
Amortisation and impairment losses at 31.12.2023	(843,813)	(749,347)	(364,251)	(77,590)	-
Carrying amount at 31.12.2023	474,909	270,470	1,345,433	28,240	340,188
Carrying amount at 31.12.2022	480,768	257,381	1,363,697	28,479	101,374

11 – Property, plant and equipment	Parent				
	Buildings DKK 1,000	Plant and machinery DKK 1,000	Vessels DKK 1,000	Other fixtures etc. DKK 1,000	Fixed assets in progress DKK 1,000
Cost at 01.01.2023	975,923	559,764	1,188,262	68,526	78,235
Transferred from plant under construction	1,617	15,690	0	906	(19,343)
Additions for the year	11,764	18,408	22,331	8,457	258,871
Disposals for the year	(12,408)	(41,395)	(3,094)	(3,811)	0
Cost at 01.01.2023	976,896	552,467	1,207,499	74,078	317,763
Amortisation and impairment losses at 01.01.2022	(722,664)	(450,851)	(230,920)	(50,444)	-
Amortisation for the year	(31,619)	(36,903)	(49,012)	(7,727)	-
Write-downs for the year	0	0	0	0	-
Amortisation regarding disposals for the year	12,277	41,178	3,092	3,413	-
Amortisation and impairment losses at 31.12.2023	(742,006)	(446,576)	(276,840)	(54,758)	-
Carrying amount at 31.12.2023	234,890	105,891	930,659	19,320	317,763
Carrying amount at 31.12.2022	253,259	108,913	957,342	18,082	78,235

12 – Investments in Group enterprises and associates	Group		Parent
	Associates DKK 1,000	Associates DKK 1,000	Group enter- prises DKK 1,000
Cost at 1 January 2022	52,670	6,331	2,066,198
Exchange rate adjustment	4	0	0
Additions for the year	7,550	7,550	1,115
Disposals for the year	(2,849)	0	0
Cost at 31.12.2023	57,375	13,881	2,067,313
Value adjustments at 01.01.2022	181,243	33,657	14,149
Exchange rate adjustments	2,305	0	(14,481)
Share of profit/loss for the year	(56,116)	6,623	(54,637)
Dividends	(5,598)	(5,598)	(20,000)
Capital adjustments	0	0	9,149
Disposals for the year	2,849	0	0
Value adjustments at 31.12.2023	124,683	34,682	(65,820)
Offset in receivables	65,616	901	0
Carrying amount at 31.12.2023	247,674	49,464	2,001,493
Carrying amount at 31.12.2022	234,814	40,889	2,080,347

In the Group, the original difference in value on acquisition of interests in associated companies amounts to TDKK 41,710. Book value at 31.12.2023 amounts to TDKK 7,806.

For the parent company, the original difference in value on the acquisition of ownership interests in associated companies amounts to DKK 60k. Book value at 31.12.2023 amounts to TDKK 0.

The Group overview on page 95 presents information about affiliated and associated companies.

13 – Receivables from Group enterprises and associates

	Group	Parent	
	Associates DKK 1,000	Associates DKK 1,000	Group enterprises DKK 1,000
Cost at 01.01.2023	186,333	25,434	137,877
Value adjustments	(6,157)	0	0
Additions for the year	225,235	0	0
Disposals for the year	(18,003)	(8,004)	(5,200)
Cost at 31.12.2023	387,408	17,430	132,677
Offset against receivables	(64,716)	0	0
Carrying amount at 31.12.2023	322,692	17,430	132,677
Carrying amount at 31.12.2022	186,333	25,434	137,877

The Royal Greenland Group has loans to associated companies in Chile totalling DKK 326.1 million at 31 December 2023. At the end of 2022, the companies lost the import licence for the Chinese market, which resulted in a significant loss in 2023, and negative equity at 31 December 2023. The companies have regained the Chinese import licence and after adjustment of the companies' activities, a positive result is expected in 2024. Based on the updated business plan for the companies, after write-downs the receivables are recognised in the balance sheet at DKK 261.4 million at 31 December 2023. The valuation of the receivables at the recognised value is conditional on the achievement of the updated business plan. This might otherwise entail write-down of the receivables. The valuation is thus subject to uncertainty.

14 – Other fixed asset investments

	Group	Parent
	DKK 1,000	DKK 1,000
Kostpris 01.01.2023	489,002	99,582
Kursregulering	(9,894)	0
Tilgang i årets løb	93,006	15,911
Afgang i årets løb	(62,997)	(19,724)
Kostpris 31.12.2023	509,117	95,769
Hensat til tab 01.01.2023	(16,608)	(12,396)
Kursregulering	637	0
Ændring i årets hensættelse	1,180	1,180
Hensat til tab 31.12.2023	(14,791)	(11,216)
Regnskabsmæssig værdi 31.12.2023	494,326	84,553
Regnskabsmæssig værdi 31.12.2022	472,394	87,186

15 – Inventories

	Group		Parent	
	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000
Holdings of raw materials	199,756	368,500	31,316	41,699
Holdings of goods in process	14,990	14,172	1,186	981
Holdings of finished products	1,321,584	1,511,327	668,498	569,610
Holdings of other products	191,345	212,535	124,726	126,149
	1,727,675	2,106,534	825,726	738,439
Of which the carrying amount of goods at net realisation value	323,959	275,954	173,564	44,055

16 – Other receivables

VAT and customs receivable	26,029	61,680	0	0
Insurance compensation receivable	1,657	8,577	1,657	8,412
Other receivables	17,842	37,080	2,679	13,571
	45,528	107,337	4,336	21,983
Prepaid rent and consumption taxes	732	1,137	0	0
Prepaid insurance	5,804	1,366	3,467	136
Other prepayments	15,919	6,828	9,687	4,301
	22,455	9,331	13,154	4,437

17 – Prepayments, assets

18 – Deferred tax

	Group		Parent	
18 – Deferred tax	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000
Deferred tax concerns the following items:				
Intangible assets and property, plant and equipment	32,271	64,159	0	44,380
Fixed asset investments	39,028	38,992	0	0
Other accounting items	1,379	(274)	0	(480)
Deficit carried forward	0	(5,529)	0	(5,529)
	72,678	97,348	0	38,371
Deferred tax assets concern the following items:				
Deficit carried forward	137,198	48,790	80,956	0
Other tax assets	(6,005)	37,175	(26,266)	0
	131,193	85,965	54,690	0
Deferred tax (net):				
Beginning of year	(11,383)	14,211	(38,371)	(26,227)
Adjustment to previous years	0	2,914	0	0
Value adjustments	(902)	(182)	0	0
Change in the income statement during the year	67,342	(30,594)	89,603	(14,412)
Effect of changed tax rate in the income statement	0	2,302	0	2,302
Change in equity during the year	3,458	(34)	3,458	(34)
End of year	58,515	(11,383)	54,690	(38,371)

As of 31 December 2023, the Group has recognised a tax asset totalling TDKK 131,193. The tax asset comprises taxable deficits carried forward of TDKK 137,198, set off by additional tax write-offs, etc. in the form of timing differences of TDKK (6,005) .

Based on the budgets up to 2028, the management has assessed that it is probable that there will be future taxable income available, whereby non-utilised taxable deficits and non-utilised taxable deductions can be utilised.

19 – Other provisions

Other provisions at 01.01.2023	10,547	10,128	901	445
Value adjustments	(938)	(702)	0	0
Additions for the year	385	1,121	0	456
Disposals for the year	0	0	0	0
Other provisions at 01.12.2023	9,994	10,547	901	901

Other provisions concern pensions.

20 – Long-term liabilities other than provisions

	Group		Parent	
20 – Long-term liabilities other than provisions	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000
After 5 years or later the following fall due:				
Credit institutions	1,370,536	1,681,836	1,350,115	1,650,191
	1,370,536	1,681,836	1,350,115	1,650,191

Interest and maturities of non-current liabilities (Group, converted to DKK):	Weighted term (years)	Fixed/ floating	Effective rate of interest		Nominal value DKKm	
			2023	2022	2023	2022
Debt to associated companies	1	Var.	8.16%	6.26%	20	20
Bank loans	7	Var.	5.85%	4.00%	45	49
Private Placements	6	Fast/Var.	3.21%	2.80%	2,451	2,465
					2,516	2,534
Weighted average effective interest rate			3.30%	2.86%		

	Group		Parent	
21 – Other debt	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000	31.12.2023 DKK 1,000	31.12.2022 DKK 1,000
Payable salaries, A-tax, social contributions, etc.	138,716	111,290	99,949	88,084
Holiday pay commitments	53,827	49,751	44,263	40,851
Interest	9,825	8,571	9,149	8,053
VAT and taxes	29,775	59,202	17,480	47,364
Other costs payable	87,412	72,519	38,363	28,494
	319,555	301,333	209,204	212,846

22 – Mortgages and contingent liabilities

Mortgages				
As security for accounts with credit institutions fixed assets are mortgaged for a book value of	181,424	152,671	0	0
Contractual obligations				
Contracts have been entered into for the delivery of fixed assets for a value of	209,975	550,401	209,975	550,401
There are rental and leasing obligations falling due after the balance sheet date amounting to	110,119	119,152	60,762	53,088
Of which falling due within one year	46,654	42,938	31,749	27,295
Surety and guarantee commitments				
Third party	500	2,095	500	2,095
Associated companies	-	-	976,311	887,978

Contingent liabilities

The Royal Greenland Group has certain ongoing legal cases, including enquiries from the tax authorities. The management believes that the outcome of these legal proceedings and enquiries will not have a significant impact on the Group's financial position.

23 - Financial risks

	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 key currencies:				
USD	463,140	(352,560)	(267,729)	(157,149)
GBP	17,350	(65,013)	0	(47,663)
SEK	18,770	(71,648)	(4,030)	(56,908)
JPY	25,281	(96,463)	26,503	(44,679)
	524,541	(585,684)	(245,256)	(306,399)

The currency hedging performed solely covers commercial positions.

The company has raised fixed-interest-rate loans in USD for a nomirnal amount of USD 209,000,000. Of this amount, USD 184,000,000 has been converted to fixed-interest-rate or variable-interest-rate loans in DKK/EUR using currency and interest-rate swaps.

Interest rate risks
Concerning the Group's financial assets and liabilities, the following contractual reassessment and redemption dates can be stated, according to which date occurs first. The effective interest rates are compiled on the basis of the current level of interest rates at 31.12.2023.

	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 credit and credit institutions, loans	(6,840)	(1,141,051)	(1,347,572)	(1,716,937)	0.6 – 5.9

Cash and cash equivalents amount to TDKK 38,354, and accrue interest at an effective interest rate in the range of 0.0-1.5%. The debt on overdraft facilities amounts to TDKK 1,165,179 and accrues interest at an effective interest rate in the range of 4.6 -5.4%.

24 – Fees to auditors appointed by the general meeting

	Group		Parent	
	2023 DKK 1,000	2022 DKK 1,000	2023 DKK 1,000	2022 DKK 1,000
Audit fee	3,481	3,319	1,489	1,240
Other declarations from the auditor	513	333	51	0
Tax advisory services	1,455	746	1,044	273
Other services	1,019	978	496	812
Adjustments concerning previous years	157	330	230	280
	6,625	5,706	3,310	2,605

25 – Related parties

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

In the current financial year, the Group has not had any transactions with the Supervisory Board and Executive Board in addition to the management remuneration stated in Note 5.

All transactions with related parties have taken place on market terms.

26 – 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 commercial undertakings, except for wholly-owned subsidiaries:

Supervisory Board	Company	Managerial position
Maliina Abelsen Chair	Grønlandsbanken A/S Pikiala ApS Yogarta I/S	Boardmember Director Participating director
Susanne Christensen Deputy chair	Kalaallit Nunaanni Brugseni Qorsukasik ApS	Director Chair of the board
Jesper Højer	H.P. Højer ApS	Director
Arnanguaq Holm Olsen	Inuk Ressource	Participating director
Johannes Jensen	A/S Hotel Arctic, Ilulissat	Boardmember
Preben Sunke	Forenet Kredit f.m.b.a. Nykredit A/S Anpartsselskabet PS af 1/8-1998	Deputy chair Deputy chair Director
Niels Thomsen	Kalallit Airports Holding A/S Mittarfeqarfiit A/S Thomsen Consulting	Deputy chair Deputy chair Participating director
Niels Ole Møller	Inughuit Seafood A/S Arctic Fish Greenland A/S	Director Chair of the board
Sara Biilmann Egede	Isuma	Participating director

Executive Board	Company	Managerial position
Lars Nielsen Koncernproduktionsdirektør	Gaia Fish A/S Qeqertat A/S Pelagic Greenland A/S Nordic Marine Nutrition ApS Inughuit Seafood A/S Gaia Fish A/S Ice Trawl Greenland A/S Qaleralik A/S Qalut Vónin A/S Arctic Scallop A/S Qeqertat A/S Arctic Fish A/S Independent Fish Harvesters Ltd. Gulf Shrimp Ltd. Quinlan Brothers Maritime Limited Øksfjord Eiendom AS Maniitsoq AS International Seafood S.A. Blue Ocean Seafood Spa.	Director Director Chair of the board Chair of the board Deputy chair Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember Boardmember
Bodil Marie Damgaard Direktør, HR og Kommunikation	Air Greenland A/S	Chair of the board

27 – Adjustments relating to net profit for the year	Group	
	2023 DKK 1,000	2022 DKK 1,000
Depreciation, amortisation and impairment losses	215,408	187,305
Financial items allocated to profit for the year	118,463	74,643
Income taxes expensed	(44,489)	48,920
Provisions, etc.	385	665
Grants received	(2,009)	(1,909)
Gains and losses from sale of fixed assets	(6,195)	(99,330)
Profit from associates	56,116	(36,361)
	337,679	173,933
28 – Changes in working capital		
Change in receivables	249,327	(219,077)
Change in inventory	378,859	(646,916)
Change in trade payables and other payables	552	(135,574)
	628,738	(1,001,567)

29 – Cash and cash equivalents, end of year

Cash and cash equivalents amount to TDKK 38,354.



Supervisory Board

CHAIR
MALIINA
ABELSEN



DEPUTY CHAIR
SUSANNE
CHRISTENSEN



BOARDMEMBER
JOHANNES
JENSEN



BOARDMEMBER
JESPER
HØJER



BOARDMEMBER
ARNANGUAQ
HOLM OLSEN



BOARDMEMBER
PREBEN
SUNKE



BOARDMEMBER
NIELS
THOMSEN



BOARDMEMBER
SARA BIILMANN
EGEDE *)



BOARDMEMBER
NIELS OLE
MØLLER *)



BOARDMEMBER
JOHAN
BERTHELSEN *)



*) Elected by the employees

Executive Board

CEO
SUSANNE ARFELT
RAJAMAND



EVP & CFO
NILS DUUS
KINNERUP



**EXECUTIVE VICE
PRESIDENT
PRODUCTION**
LARS
NIELSEN



**EXECUTIVE VICE
PRESIDENT
HR & COMMUNICATION**
BODIL MARIE
DAMGAARD



Governance and Group charts

- 93 Supervisory Board
- 93 Executive Board
- 94 Corporate Governance
- 94 Company details & Group chart
- 96 Production units in Greenland
- 102 Production units in Canada
- 104 Production units in Europe
- 105 The Royal Greenland fleet – In shore
- 106 The Royal Greenlands fleet – Off shore



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 Supervisory Board and Executive Board. The Supervisory Board has ten members, three of whom are employee representatives elected for a period of four years, while the other seven members are elected by the Annual General Meeting and stand for election every year. The seven board members elected by the Annual General Meeting are independent, according to the definition in the recommendation from the "Committee for Good Corporate Governance". There is no age limit for the members of the Supervisory Board.

The Board members encompass a range of experience from the Greenlandic, Danish and international business worlds. The Supervisory Board is headed by the chair, Maliina Abelsen. The chair is appointed for a period of one year at a time.

The Board has established three committees:

- The Audit Committee
- The Recruitment and Remuneration Committee
- The Strategy Committee

The Executive Board consists of four members: CEO Susanne Arfelt Rajamand, CFO Nils Duus Kinnerup, Executive Vice President Production Lars Nielsen and Executive Vice President HR & Communication Bodil Marie Damgaard.

For other offices held by the Supervisory Board and the Executive Board, see Note 26.

Remuneration

The remuneration of Board members is subject to the approval of the Annual General Meeting and is specified in Note 4. The fee consists entirely of a basic fee. The remuneration of the Executive Board is negotiated with the Supervisory Board 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 Board is specified in Note 4. There are no unusual severance agreements in the employment contracts of the members of the Executive Board.

Evaluation

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

Activities

Seven meetings of the Supervisory Board were held in 2023. Four physical meetings were held in Sisimiut, Copenhagen, Aalborg and St. John's respectively, as well as three video meetings. The Audit Committee held four 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

Royal Greenland A/S
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www.royalgreenland.com

CVR-nummer 13645183

FINANCIAL YEAR:

1 January – 31 December

REGISTERED IN:

Kommuneqarfik Sermersooq

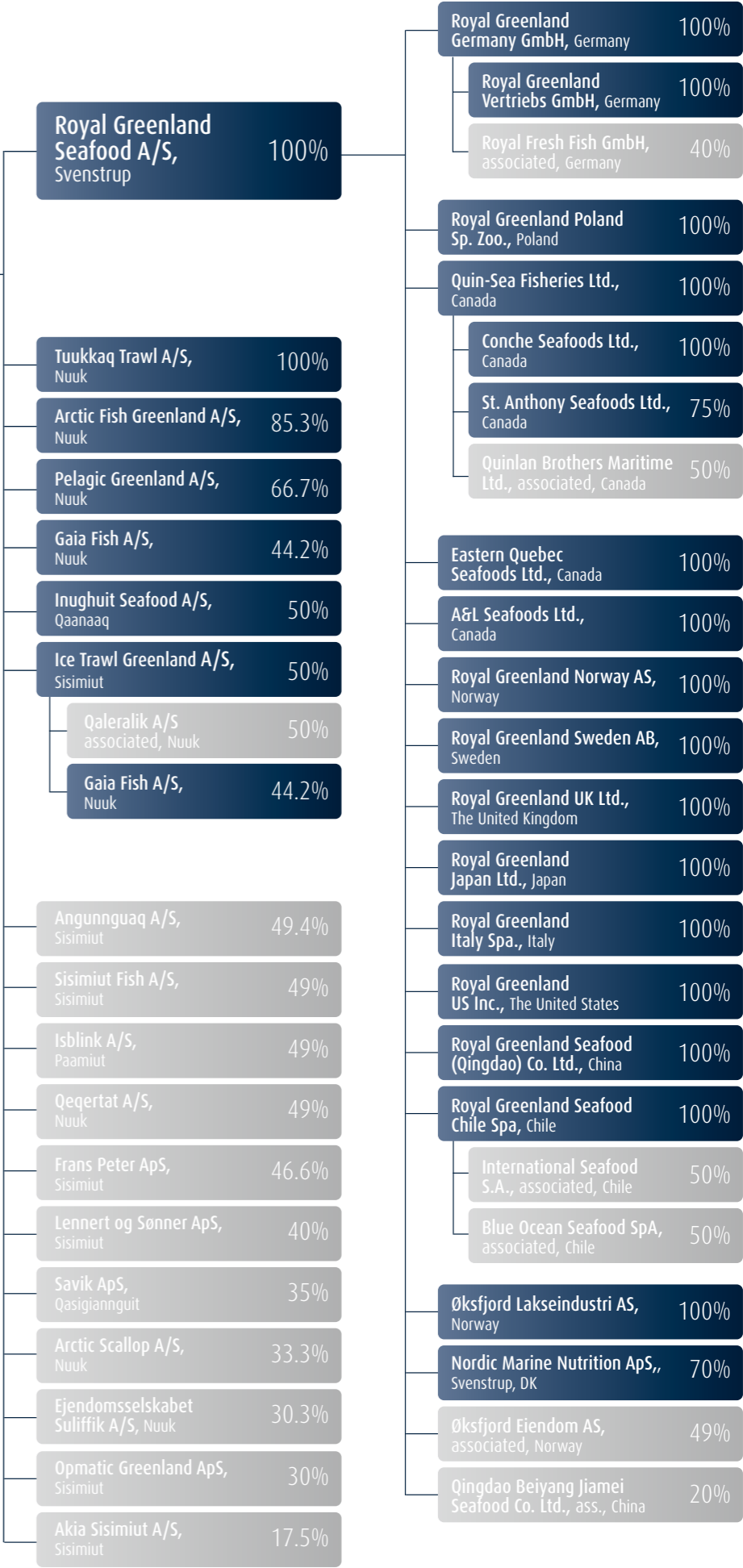
The Government of Greenland owns all shares in the Company

AUDITORS:

EY Grønland

Approved Audit limited company

Associated



Production units in Greenland

Royal Greenland owns 37 facilities in Greenland. All facilities are in operation. The processing plants 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, Germany or Poland, and e.g. block freezing and salting.

Plant Manager: John Olsen
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 of 1/10 2014, J/V Inughuit Seafood A/S with 50% RG ownership.



Factory Manager: Pernille F. Karlsen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut, HOG, j-cut
Capacity: 16 t/day
Cold store capacity: 500 ton
Employees: 3-22 low/peak seasons



Plant Manager: Arnannnguaq B. Eskildsen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut, HOG, j-cut,
Capacity: 12 t/day
Cold store capacity: 600 ton
Employees: 2-15 low/peak seasons

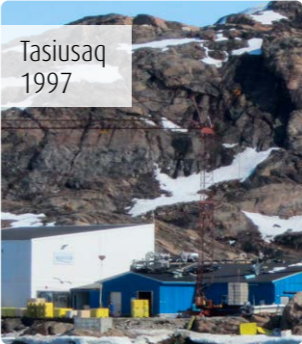


- Qaanaaq
- Kullorsuaq
- Nuussuaq
- Nutaarmiut
- Aappilattoq
- Innaarsuit
- Tasiusaq
- Upernavik
- Upernavik Kujalleq
- Qaarsut / Uummannaq
- Ukkusissat
- Saattut
- Ikerasak

Plant Manager: Justine Petersen
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
Capacity: 5 t/day
Cold store capacity: 450 ton
Employees: 3-12 low/peak seasons
Newly constructed in 2017.



Plant Manager: Tabithe Kristensen
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
Capacity: 16 t/day
Cold store capacity: 600 ton
Employees: 5-25 low/peak seasons



Plant Manager: Majaq Simigaq
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
Capacity: 15 t/day
Cold store capacity: 550 ton
Employees: 10-20 low/peak seasons



Factory Manager: Hans Peter Kristensen
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 5 t/day
Cold store capacity: 200 ton
Employees: 8-14 low/peak seasons



Plant Manager: Magnus Grim
Primary species: Greenland halibut
Products: Freezing of Greenland halibut
Capacity: 8 t/day
Cold store capacity: 100 ton
Employees: 5-15 low/peak seasons



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: 1-14 low/peak seasons

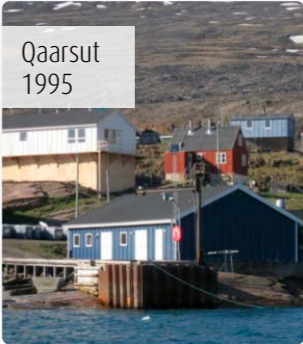
New freezing facilities in 2013, new drying house in 2013.



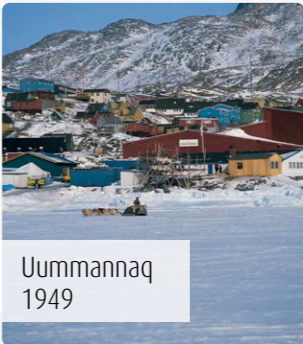
Plant Manager: Marie Knudsen
Primary species: Greenland halibut
Products: J-cut, heads, tails, whole fish
Capacity: 7 t/day
Cold store capacity: 213 ton
Employees: 1-15 low/peak seasons
Current unit was refurbished in 1998, when the large freezing facility was also taken into use.
Two new plate freezers in 2018.



Plant Manager: Elisabeth Hansen
Primary species: Greenland halibut
Products: Whole fish, fillets with skin, heads, tails, j-cut, HOG
Capacity: 3 t/day
Cold store capacity: 200 ton
Employees: 2-20 low/peak seasons
The unit has only been refurbished to a small degree since it was established.
New freezing facilities were established in 2008.



Plant Manager: Dorthe Kristensen
Primary species: Greenland Halibut
Products: -
Capacity: -
Cold store capacity: -
Employees: 2-4

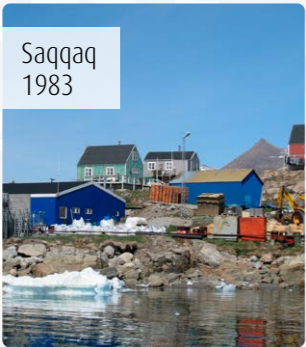


Factory Manager: Jakob Mathiassen
Primary species: Greenland halibut
Products: Whole Greenland halibut, heads, tails, fillets and j-cut
Capacity: 50 t/day
Cold store capacity: 1,600 ton
Employees: 20-50 low/peak seasons
Current location since 1966, but the unit has been expanded several times.
In 2017 a large expansion took place.

Plant Manager: Anna Marie Mølgaard
Primary species: Greenland halibut
Products: J-cut, whole fish
Capacity: 11 t/day
Cold store capacity: 100 ton
Employees: 5-12 low/peak seasons



Plant Manager: Mathias Nielsen
Primary species: Greenland halibut, other fish
Products: Whole Greenland halibut frozen in blocks
Capacity: 5,4 t/day
Cold store capacity: 110 ton
Employees: 3-10 low/peak seasons
The unit burned down in 2003. The current facility opened in 2005.



Factory Manager: Mona Lisa Isaksen
Primary species: Snow crab, cod, Greenland halibut, lumpfish roe
Products: Crab sections, fish frozen in blocks, lumpfish roe in barrels
Capacity: 5 ton snow crab, 5 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.



Factory Manager: Stefán H. Tryggvason (Prawn), Thara Jeremiassen (Halibut)
Primary species: Prawns, Greenland halibut
Products: IQF prawns, prawnmeal, Greenland halibut J-cut, heads, tails, whole fish, cod
Capacity: 100 ton prawns, 20 ton fish/day
Cold store capacity: 1,100 ton
Employees: 100-152 low/peak seasons
The current unit was established in 1961 and has been refurbished several times. New Greenland halibut factory in 1998. Prawn factory renovated in 2010, 2016, 2018, 2019, 2020 and 2021.



Qeqertaq
Qeqertarsuaq
Ikamiut
Kangaatsiaq
Ikerasaarsuk
Attu
Sisimiut
Saqqaq
Ilulissat
Qasigiannnguit
Akunnaaq
Niaqornaarsuk
Sarfannguaq
Tasiilaq

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: 12 ton Greenland halibut/day
Cold store capacity: 1,800 ton
Employees: 90 low/peak seasons
Refurbished as a prawn factory in 1952 and several times later on. Closed in 1997. Recommended operations in 2000. Refurbished in 2011.



Plant Manager: Najaaraq Larsen
Primary species: Salted cod, Greenland halibut, Lumpfish roe
Products: Salted cod, dried fish. HOG Greenland halibut, HOG cod
Capacity: 1.5 t/day
Cold store capacity: 20 ton
Employees: 0



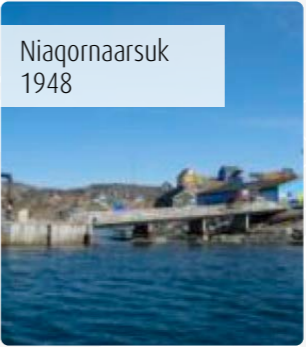
Plant Manager: Peter Nielsen
Primary species: Cod, Greenland halibut
Products: Salted cod, dried fish, HOG Greenland halibut, HOG cod
Capacity: 3 t/day
Cold store capacity: 40 ton
Employees: 2-7 low/peak seasons
Stand-alone plate freezer for freezing, plus 2 x 20 foot containers (40 tonnes) installed in 2018.



Factory Manager: Jørgen Inusugtoq
Primary species: Cod, lumpfish roe
Færdigvarer: Cod frozen in blocks, fillet, lumpfish roe in barrels
Capacity: 15 ton freezing/day
Cold store capacity: 100 ton
Employees: 2-25 low/peak seasons



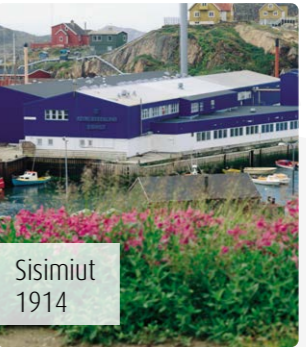
Plant Manager: Judithe Wille
Primary species: Cod, lumpfish roe
Products: Salted fish, lumpfish roe
Capacity: 5 t/day
Cold store capacity: No cold store
Employees: 4-10 low/peak seasons
Refurbished and renovated in 1995. Expanded in 2013.



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.



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



Factory Manager: Hans Lars Olsen
Primary species: Prawns, snow crab
Products: Cooked & peeled prawns, crab sections
Capacity: 160 ton prawns/day, 6 ton snow crab
Cold store capacity: 1,600 ton
Employees: 100-150 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. New crab factory build in october 2021.



Plant Manager: Pipaluk Olsen
Primary species: Cod
Products: Salted fish of cod and cod frozen in blocks
Capacity: 15 t/day
Cold store capacity: 60 ton
Employees: 1-13 low/peak seasons
Renovated in 2005.



Factory Manager: Frede Kilime
Primary species: Cod
Products: Headed cod with collarbone
Capacity: 10 t/day
Cold store capacity: 500 ton
Employees: 8 low/peak seasons

Plant Manager: Otto Enoksen
Primary species: Cod and lumpfish roe
Products: Salted fish and lumpfish roe
Capacity: 2.5 t/day
Cold store capacity: none
Employees: 1-7 low/peak seasons
Renovated in 1991/93 and in 1994/95.



Plant Manager: Sofiaaraq Larsen
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.



Factory Manager: Susanne Marie Olsen
Primary species: Nutaaq cod, cod, Greenland halibut, lumpfish roe, dried fish and other fish
Products: Cod fillets, halibut fillets, lumpfish roe, dried fish and freezing
Capacity: 80 t/day
Cold store capacity: 500 ton
Employees: 25-100 low/peak seasons
Establishing a line for filleting and a line for salting cod



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.



Factory Manager: Ken Jakobsen
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.



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

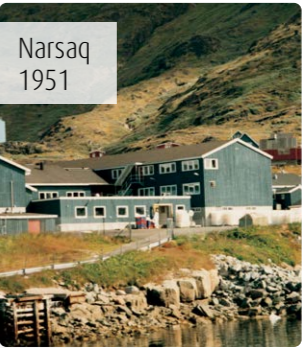


Factory Manager: Jan Jørgensen
Primary species: Snow crab, Greenland halibut, lumpfish roe, cod and other fish
Products: Crab sections, halibut fillets, dried cod, lumpfish roe and freezing
Capacity: Crab sections 10 t/day, fillets 20 t/day
Cold store capacity: 500 ton
Employees: 10-50 low/peak seasons

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.



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.



Plant Manager: Nikolaj 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.



Production units in Canada

Royal Greenland now operates 9 factories in Canada. In Newfoundland, there are seven 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.

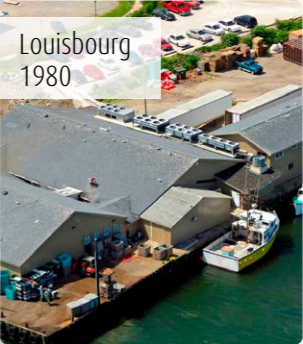
In the town Matane in the Quebec province Eastern Quebec Seafoods Ltd. lands and processes prawns and crab, primarily from the local fishing areas. In Louisbourg, Nova Scotia, A&L Seafoods operates a crabfactory.

Factory Manager: Stedman Letto
Primary species: Prawns, snow crab,
Products: Cooked & peeled prawns, crab sections
Capacity: 30 t/day
Employees: 120 low/peak seasons



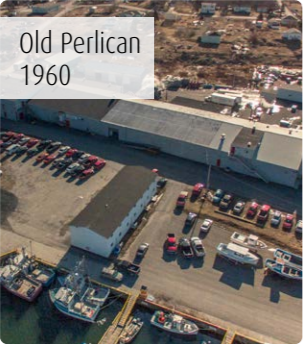
Factory Manager: Stedman Letto
Primary species: Snow crab, whelk, pelagics, lobster
Products: Cooked snow crab sections, in shell/cooked whelk, block frozen capelin/herring/mackerel, cod fresh/frozen, J-Cut/H&G/HOG Greenland halibut, lobster fresh/frozen
Capacity: 145 t/day
Cold store capacity: 50 ton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

Factory Manager: Stephane Garon
Primary species: Prawns, snow crab
Products: Cooked and peeled prawns, crab sections
Capacity: 45 t/day
Employees: 120 low/peak seasons
Burnt down in March 2024



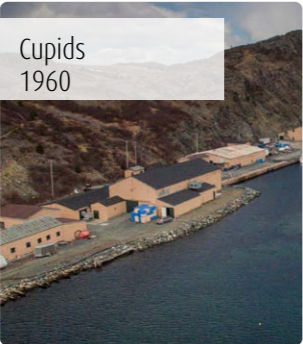
Factory Manager: Joe Anthony
Primary species: Snow crab
Products: Crab sections
Employees: 90 low/peak seasons

Factory Manager: Chris Butler
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



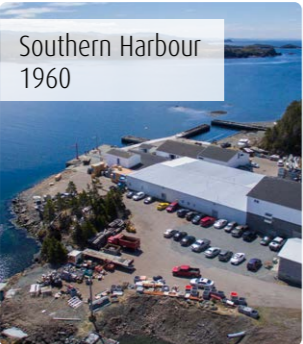
Live lobster holding facility
Manager: Chris Fong
Cold store capacity: 1000 ton
Employees: 30

Factory Manager: Chris Fong
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



Factory Manager: Barry Payne
Primary species: Snow crab, pelagics, scallops, sea cucumber, cod
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: Chris Butler
Primary species: Capelin, heering, mackerel, lobster, ground fish
Products: Block frozen capelin/herring/mackerel, fresh/frozen lobster
Capacity: 24 t/day
Cold store capacity: 80 ton
Employees: 50-100 low/peak seasons



Production units in Europe

Cuxhaven in Germany is now the only place in Europe, where Royal Greenland produces and packs finished goods. In the units in Cuxhaven Royal Greenland produces lumpfish roe in glass jars, prawns in brine, frozen prawn packaging and fresh fish.



■ Cuxhaven

The Royal Greenland fleet – In shore

In shore in Greenland Royal Greenland operates one vessel for catch of prawns and cod. Catches are landed at landing points along the west coast of Greenland.



Master: Jakup Eli Bech / Mikael Brandt
Length/width: 43.2 x 9.6 m
Production capacity: 60 ton/day
Catch capacity: 6,000 ton/yearly
Hold capacity: 130 ton
Crew: 10 men
Trawler type: Coastal prawn trawler, cod
Ownership: RG 75%
M/tr Lomur sank in March 2024.

The Royal Greenlands fleet – Off shore

Royal Greenland's fleet consists of 9 off shore trawlers to fish prawns, Greenland halibut, cod and pelagic species. Most recently, Royal Greenland acquired Nataarnaq from Icetrawl Greenland A/S and renamed it M/tr Kaassassuk, thereby increasing the prawn fishing capacity.

Master: Ivan Olsen / Per Bech
Length/width: 82.65 x 17 m
Production capacity: 30-50 ton/day
Catch capacity: 7-8,000 ton/yearly
Hold capacity: 7-900 ton
Crew: 42 men
Trawler type: Ocean-going fish trawler
Ownership: RG 100%

"Sisimiut" is designed specifically for fishing in the sometimes harsh and icy waters of the North Atlantic, and is packed with modern equipment. One of the main focus points in the design process has been to utilize marine resources 100%. For the same reason, a fishmeal/oil factory has been installed in order to process all cuts and by-catches to commercially viable products.

Master: Meinhardt Johannesen / Tordar Dimon
Length/width: 83 x 18 m
Production capacity: 110 ton/day
Catch capacity: 7-10,000 ton/yearly
Hold capacity: 6-800 ton
Crew: 30 men
Trawler type: Ocean-going prawn-/fish trawler
Ownership: RG 100%

"Avataq" is one of Greenland's largest fishingvessel. The vessel can fish with three trawls and as something new the ship canswitch between prawn and Greenland halibut fishing giving great flexibility in fishing. This means that the factory on board has two lines where one can sort, boil and freeze prawns, while the other is a line for Greenland halibut.

Master: Simun J Nybo / 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%

M/tr Nataarnaq is a leader in technology for locating, optimizing and recording the catch. With three trawls, the quality of the catch is ensured and the factory on board is optimized for quality processing. The whole catch is processed directly after catch and the finished products are palletised directly in the same operation.



Master: Linjohn Christiansen / Torbjørn Joensen
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%



Master: Michael Dahl-Nielsen / Niclas Petersen
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 100%

Originally Ice Trawl Greenland A/S trawler Nataarnaq, purchased by Royal Greenland and renamed Kaassassuk.



Master: Regin Henriksen / Pauli Justinussen
Length/width: 83 x18 m
Production capacity: 80 ton/day
Catch capacity: 7 -9,000 ton/yearly
Hold capacity: 1000+ ton
Crew: 30 men
Trawler type: Ocean-going cod, Greenland halibut and prawns
Ownership: RG 25 %

"Tuugaalik" is one of Greenland's largest fishing vessels. The ship can switch between cod, prawn and halibut fishing, which gives great flexibility in fishing.



Master: Hans Petur Samuelson / Gunnar Olsen
Length/width: 52 x 12 m
Production capacity: 20 ton/day
Catch capacity: 3-5,000 ton/yearly
Hold capacity: 350 ton
Crew: 18 men
Trawler type: Line boat
Ownership: RG 100%



Master: Jonfridur Poulsen
Length/width: 84 x 14.6 m
Production capacity: 200 ton/day
Catch capacity: 20-25,000 ton/yearly
Hold capacity: 1400 ton
Crew: 25 men
Trawler type: pelagic trawls and purse seines
Ownership: RG 66%

Bought in 2020



Master: Jonhard Haraldsen / Jakup Lisberg
Length/width: 70 x 12.5 m
Production capacity: 60 ton/day
Catch capacity: 10-15,000 ton/yearly
Hold capacity: 500 ton (Wellboat 200 tons)
Crew: 10-12 men
Trawler type: Pelagic trawl
Ownership: RG 66%

Royal Greenland A/S

2023

